



FY2025-2026 Budget Presentation

House Ways and Means Committee

Healthcare Subcommittee

January 29, 2025

 **DSS**

SOUTH CAROLINA
DEPARTMENT *of* SOCIAL SERVICES

Achieving Stability. Strengthening Families.

Agency Attendees

Tony Catone – Acting State Director

Don Grant – Deputy Director of Administration

Susan Roben – Chief Financial Officer

Connelly-Anne Ragley – Chief External Affairs Officer

Agency Information

- The Department of Social Services (DSS) serves 1 in every 6 South Carolinians, while employing more than 4,600 professionals statewide, and operates offices in all 46 counties as well as regional offices, totaling nearly 80 locations.
- Our top priority is the safety and well-being of children, vulnerable adults and families. DSS provides services for children and vulnerable adults, administering the child welfare and adult protective services programs for the state.
- We are also responsible for administering economic services programs throughout South Carolina, including the state's Temporary Assistance for Needy Families (TANF) program, the Supplemental Nutrition Assistance Program (SNAP), and Early Care and Education Licensing, Quality, and Scholarships.
- The Department also administers the state's Child Support program, including paternity establishment and fatherhood initiatives.
- We are also the lead agency responsible for ESF-6 Mass Care, and ESF-11 Food Commodities, coordinating sheltering and feeding operations in the event of emergency or disaster situations.



Overall Budget Request for FY2025-2026

State Recurring General Funds	\$ 68,112,229
State Non-Recurring General Funds	\$ 18,590,812
Federal Recurring Authorization	\$ 10,224,118
Federal Non-Recurring Authorization	\$ 16,810,550
Other Funds Recurring Authorization	\$ <u>829,097</u>
Grand Total Budget Request	\$ <u>114,566,806</u>

Enhancing the Future of South Carolina's Children and Families – Recurring

- Total Request - \$40,849,158; 96.00 FTE's
 - General Funds - \$31,381,801; 64.64 FTE's
 - Federal Authorization - \$ 8,777,527; 26.41 FTE's
 - Other Funds - \$ 689,830; 4.95 FTE's
- To continue to promote the safety of children and strengthening of families, DSS must invest in safe and stable placements for children, properly allocate funds based on the level of care and support needed for foster children, create innovative community pathways, and ensure we are able to hire and retain a qualified workforce.

Enhancing the Future of South Carolina's Children and Families – Recurring (Continued)

- Foster Family Board Rate Increase
 - \$1,723,197 – General Funds
 - Ensure maintenance payments continue to meet USDA cost of raising a child
- Kinship Foster Family Home Payments
 - \$3,884,984 – General Funds
 - New regulations allow separate licensing standards for kinship caregivers
 - Would allow kinship caregivers who are already caring for children in DSS custody to receive a monthly payment
- Child Placing Agency (CPA) Rate Increase
 - \$2,007,303 – General Funds
 - Increased costs to support recruitment and retention of foster parents, address the increasing mental health needs of children and support services for children in foster care

Enhancing the Future of South Carolina's Children and Families – Recurring (Continued)

- Prevention Services/Evidence-Based Program Expansion
 - \$5,282,784 – General Funds
 - Expand programs focusing on those with the greatest impact on child maltreatment rates and other important outcomes
 - \$5 million in General Funds to be matched with philanthropic funding

- Child Welfare Salary Plan Administration Maintenance of Effort
 - \$12,015,063 – General Funds
 - Component of the Michelle H. Final Settlement Agreement (FSA) Workload Implementation Plan, which began in July 2021
 - Improved retention, lower vacancy rates and turnover
 - Increased number of staff covered by salary plan

Domestic Violence Response, Adult Placement Stabilization, & Employment Services – Recurring

- Total Request - \$2,070,000
 - General Funds - \$2,070,000
- Expand emergency domestic violence shelter supports and programs
 - \$1,200,000 – General Funds
- Secure stabilization beds for young adults with a disability or mental illness, between the ages of 18 and 30
 - \$470,000 – General Funds
- SNAP E&T Federal Funding continues to decrease due to the number of state work registrants, however, participation in the program continues to increase
 - \$400,000 – General Funds

Early Care and Education – Recurring

- Total Request - \$ 32,000,000
 - General Funds - \$ 32,000,000
- Increase in state matching funds to utilize the total Federal Child Care Development Fund award – \$3,100,000
- Increased state funding to provide child care scholarships for an estimated 250 children per year in settings that participate in the state’s voluntary ABC Quality program – \$1,900,000
- Tri-Share pilot program – \$1,000,000
- Continuation of the SC Boost pilot program to increase job retention in direct care positions in early care and education – \$26,000,000

Information Technology & Infrastructure – Recurring

- Total Request - \$ 4,246,286
 - General Funds - \$ 2,660,428
 - Federal Funds - \$1,446,591
 - Other Funds - \$ 139,267
- This initiative focuses on the mission-critical information technology systems, security risks, and agency infrastructure, and includes Microsoft 365 G5, Unified Support, and Cybersecurity Incident Response.
 - Microsoft 365 G5 includes enhanced security, business intelligence tools, advanced analytics, and virtual desktop, leading to greater mobility.

Economic Services System Application Modernization (ESSAM) – Non-Recurring

- Total Request - \$ 35,401,362
 - General Funds - \$ 18,590,812
 - Federal Authorization - \$ 16,810,550
- Replacement of the agency's 36-year-old legacy mainframe SNAP and TANF system, responsible for determining eligibility and issuing benefit payments to over 300,000 households and over 630,000 individuals annually.
- Continuation of multi-year request for total system replacement.

1988 SNAP/TANF Eligibility System

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CAP2                                CASE PROFILE - PAGE 2                                103023 12:05
                                      JOSE E
CASE NAME: ██████████, ██████████                                CASE NUMBER: 00000030
LAST MR MAILED: 122120  SNAP ANNUAL REVW DUE: 0224  *SCCAP*  MIGRANT      :N
MR RECEIVED:                                HOMELESS      :N
----- POTENTIAL FI TIME LIMITS -----  CAT. ELIGIBLE:Y
FI CERT THRU:  N/A  1ST AVAILABLE MTH: *N/A  NXT 6MTHS:

PROGRAM  PROGRAM  BENEFIT  APP  DENIAL/  STATUS  CURRENT
ALERT    PRORATE  RECEIVED  SIZE  TYPE  STATUS  CLOSURE  DATE  MONTH
AF       052998  052998  04   NS  DENIED  VW       052998  0598
FS       020117  011221  01   SP  OPEN   012021  1223

CLIENT  CLIENT  ALERT  DOB  REL  SEX  PART/RESN  CODES
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2025 SNAP/TANF Eligibility System

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                                      JOSE E
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Impact if Not Funded

- The safety and well-being of vulnerable children may be compromised, leading to poorer outcomes in child welfare and increased strain on an already overwhelmed system.
- Many individuals may remain trapped in violent or abusive situations, face increased instability and homelessness, and struggle to secure meaningful employment.
- Families may struggle to access affordable child care, staff retention and quality in child care settings may decline, and the overall economic stability of communities could get worse, leaving many children without essential early education opportunities.
- DSS may face decreased productivity and collaboration challenges, ultimately hindering innovation and efficiency while leaving employees without essential tools for effective communication and workflow management.
- Nearly \$1.5 billion in annual federal benefits that serve 630,000 South Carolinians could be jeopardized, leaving vulnerable individuals without crucial support, and exacerbating poverty and food insecurity in the state.