

AGENDA

SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION

1333 Main Street, 5th Floor
Columbia, South Carolina 29201

June 20, 2011 – 10:30 a.m.

Commission Hearing RoomA

This meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act.

BUSINESS MEETING

1. APPROVAL OF AGENDA OF BUSINESS MEETING of June 20, 2011 *CHAIRMAN BECK*
2. APPROVAL OF MINUTES OF BUSINESS MEETING of May 16, 2011 (Tab 1) *CHAIRMAN BECK*
3. GENERAL ANNOUNCEMENTS *MR. CANNON*
4. APPLICATIONS FOR APPROVAL TO SELF-INSURE (Tab 2) *MR. SMITH*
5. DEPARTMENT DIRECTORS' REPORTS
Administration – Financial Report (Tab 3) *MS. GANTT*
Human Resources (Tab 4) *MS. FLOYD*
Information Services (Tab 5) *MS. HARTMAN*
Insurance & Medical Services (Tab 6) *MR. CANNON*
Claims (Tab 7) *MR. LINE*
Judicial (Tab 8) *MS. CROCKER*
6. EXECUTIVE DIRECTOR'S REPORT (Tab 9) *MR. CANNON*
7. OLD BUSINESS *CHAIRMAN BECK*
8. NEW BUSINESS *CHAIRMAN BECK*
 - A. Government Enterprise Accounts Receivable (GEAR) Collections Program (10) *Mr. Cannon*
9. EXECUTIVE SESSION *CHAIRMAN BECK*
 - A. Personnel Matter
10. ADJOURNMENT *CHAIRMAN BECK*

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THE
SOUTH CAROLINA WORKERS' COMPENSATION COMMISSION
BUSINESS MEETING

Monday, May 16, 2011

A Business Meeting of the South Carolina Workers' Compensation Commission was held in Hearing Room A of the Workers' Compensation Commission on Monday, May 16, 2011 at 10:30 a.m. The meeting agenda was posted prior to the meeting and proper advance notice was made to all concerned parties in compliance with requirements in the Freedom of Information Act. The following Commissioners were present at the meeting:

T. SCOTT BECK, INTERIM CHAIRMAN
SUSAN S. BARDEN, VICE CHAIR
DAVID W. HUFFSTETLER, COMMISSIONER
G. BRYAN LYNDON, COMMISSIONER
ANDREA C. ROCHE, COMMISSIONER
AVERY B. WILKERSON, JR., COMMISSIONER
DERRICK L. WILLIAMS, COMMISSIONER

Present also were Gary M. Cannon, Executive Director; Greg Line, Claims Director; Brad Fickle, Insurance and Medical Services Director; Amanda Underhill, Senior Application Analyst; Cathy Floyd, Human Resources Manager; Diana Gantt, Accounting/Fiscal Manager; W.C. Smith, Self-Insurance Director; Wayne Ducote, Coverage Director; Virginia Crocker, Judicial Department Director; Garry Smith, Compliance Director, and Keith Roberts, Law Clerk. Visitors present were Clara Smith and Mark Arden, South Carolina Injured Workers Advocates; Ann Margaret McCraw, Midlands Orthopaedics/SC Orthopaedic Association; Shanna Amerson, Capitol Information Affiliates; and Scott Hultstrand, South Carolina Medical Association.

Chairman Beck called the meeting to order at 10:37 a.m.

AGENDA

Commissioner Barden moved that the agenda be approved. Commissioner Williams seconded the motion, and the motion was approved.

APPROVAL OF MINUTES - BUSINESS MEETING OF APRIL 18, 2011

Commissioner Roche moved that the minutes of the Business Meeting of April 18, 2011 be approved. Commissioner Williams seconded the motion, and the motion was approved.

GENERAL ANNOUNCEMENTS

Mr. Cannon announced the Employee Appreciation Luncheon will be held at Noon on Tuesday, May 17, in the First Floor Conference Room. The Commission's 2010 Employee of the Year will be announced and Years of Service Awards presented at the luncheon.

APPLICATIONS FOR APPROVAL TO SELF-INSURE

Self-insurance applications were presented by W.C. Smith, Self-Insurance Director. Twelve prospective members of three (3) funds were presented to the Commission for approval. The applications were:

Palmetto Timber Fund

Carolina Transportation Services, Inc.
Massey Logging, Inc.
Sel Timber Harvesting, Inc.

SC Home Builders SIF

Boyer Commercial Construction, Inc.
CCT, Inc dba Creative Countertops
Goff Independent Services, LLC
KH Remodeling, Inc.
Lee Reel dba Impeccable Installations
Luz Maria Esparza lba Lucy's Helping Hands
Olde Carolina Nursery of Myrtle Beach, Inc.
Star Builders, Inc.

South Carolina McDonalds Operators, SIF

Whitt Inc. dba McDonalds Restaurants

After examination of the applications, it was determined that each complied with the Commission's requirements and each was recommended for approval. Commissioner Wilkerson made the motion to approve the applications to self-insure and Commissioner Roche seconded the motion. The motion was unanimously approved.

Mr. Smith referred to the April 18, 2011 Full Commission meeting and the request from York County to self-insure. He referenced York County workers' compensation loss history from 1998 to 2010, as well as the 13-year annual average and average paid per claim. The 2009 total paid loss amount was inflated by a single back injury claim. Mr. Smith presented the recommendation that the County of York be granted the privilege of self-insuring its workers' compensation liabilities contingent on the following:

1. County of York secure specific excess insurance with an initial retention of not more than \$450,000 and a statutory limit of liability; and
2. County of York comply with the South Carolina Workers' Compensation Commission regulation 67-1516 (B) (C) requiring proof of assurance that they meet the provisions of the workers' compensation act by providing a copy of their annual budget or a signed letter from County Council.

Commissioner Huffstetler made the motion to approve the recommendation. Commissioner Williams seconded the motion. The motion was unanimously approved.

DEPARTMENT DIRECTORS' REPORTS

The Department Directors presented their reports which were also submitted to the Commission in written form.

Administration Department

Diana Gantt presented the Summary of Revenues and Expenditures for the period ending April 30, 2011. The benchmark for April is 83.33%. The Commission's revenues are at 87.32% and overall expenses are at 76%. The salaries for April exceed the budgeted benchmark due to three payrolls being posted in the month.

Human Resources Department

Cathy Floyd presented the Human Resources report for the period of April 13 – May 9, 2011. Employees had the opportunity to participate in several activities and events during Wellness Week. Twenty-one individuals signed up for the Biggest Loser Challenge, which will conclude on June 8. The week of May 2-6, 2011 was Employee Appreciation Week.

Information Services

Amanda Underhill presented the Information Services Department's report. The order has been placed for a new SQL Server and 25 replacement PCs. The new equipment will help with implementation of future electronic processes. The Image on Image Project for Consent Orders is near completion.

Insurance & Medical Services

Brad Fickle presented the Insurance & Medical Services Department's report. This was received as information.

Claims Department

Greg Line presented the Claims Department's report. There was a slight increase in the number of fines assessed and collected during the month of April. Mr. Line explained the Department's process for dealing with delinquent fines, or those more than thirty days old. He announced that Vivian Brown, Claims Analyst, is now presiding over Informal Conferences.

Judicial Department

Virginia Crocker presented the Judicial Department's report. She noted a decrease in the number of Form 50s, which is normal going into the summer months.

EXECUTIVE DIRECTOR'S REPORT

Gary Cannon, Executive Director, presented his report which was also submitted to the Commission in written form.

SC Bar Diversity Clerkship Program

Amber Jones has been selected to work with the Agency through the SC Bar Diversity Clerkship Program. Ms. Jones will begin her work Tuesday, May 17, and will work for six weeks.

Advisory Notice on Form 14B

The Judicial Department issued an Advisory Notice clarifying the requirements for filing a Form 14B. The notice was posted on the website May 13, 2011.

Pharmacy Fee Schedule Advisory Committee

Chairman Beck appointed Harold J. "Hal" Willson, Esq., to chair the Pharmacy Fee Schedule Advisory Committee. The first Committee meeting is scheduled for Friday, June 24, 2011 in the First Floor Conference Room.

SCWCC Claims Administration & Judicial Proceedings Workshops

The Claims Administration and Judicial Proceedings Workshops were conducted on May 5, 2011 at Seawell's on Rosewood Drive. A total of 215 registered, and 178 participated, including 31 staff members.

Emergency Evacuation Plan – 1333 Main Street

Staff has communicated with CBRE the Commissioners' concerns of designating certain employees as a searcher in the event an emergency evacuation is called for the tenants of the building.

OLD BUSINESS

A. Comments Received – Notice of Drafting – Regulation 67-1302(A)

Mr. Cannon said the Commission approved the publication of the Notice of Drafting to R.67-1302(A) on February 22, 2011. The proposed amendment will remove the phrase related to the relative value scale and the conversion factor. The Notice of Drafting was printed in the *State Register* on March 25, 2011. Comments were received from four groups: Fairpay Solutions, American Insurance Association, SC Medical Association, and American Physical Therapy Association. If the Commission desires to proceed with the proposed amendment, the next step will be to schedule a Public Hearing to receive public comments on the draft changes. Based on the *State Register's* publication schedule, the earliest possible date for a Public Hearing would be after July 22, 2011.

Commissioner Huffstetler remarked that he understood the purpose for reviewing the regulation is to give the Commission flexibility because the current regulation is binding to the resourced based relative value system, and that it is not necessarily the intention of the Commission to have multiple conversion factors. He stated that he has no interest in a multiple conversion factor, and that he is concerned that the public impression is that the Commission is amending the regulation to a multiple conversion factor.

Chairman Beck explained that the purpose for reviewing the regulation is to eliminate the single conversion factor language so that the Commission can explore other options.

Following discussion, Commissioner Huffstetler made a motion to proceed with the proposed amendment to R.67-1302(A) and schedule the Public Hearing during the August 15, 2011 Full Commission Business Meeting. Commissioner Wilkerson seconded the motion, and the motion as approved.

B. Medical Services Provider Manual Update

Mr. Cannon said that the Medical Services Provider Manual (MSPM) was updated in 2010 and was effective July 1. The MSPM had not been revised since 2003. It was approved at the January 25, 2010 Full Commission Business Meeting that the MSPM be reviewed annually unless the majority of the Commission votes to extend the period.

The Director of Insurance and Medical Services began medical leave on February 7, 2011 and retired effective April 22, 2011. Brad Fickle was employed as the new Director effective April 25, 2011. Mr. Cannon reported that during this time he contacted a consulting firm to discuss the possibility of performing the annual review of the MSPM. The preliminary cost estimate for this work made this option cost prohibitive.

Mr. Cannon presented a MSPM Proposed Development Schedule and requested that the Commission authorize a six-month delay in the review and revision to the MSPM. The new effective date of the revised MSPM will be January 1, 2012.

Following discussion Commissioner Huffstetler moved to extend the time from a six-month delay to a 9-month delay. Commissioner Williams seconded the motion. The vote was taken. The motion carried by majority vote, with Chairman Beck and Commissioner Wilkerson voting against the motion.

NEW BUSINESS

A. Administrative Policy and Procedures Manual

Ms. Floyd presented a summary of the substantive changes proposed to update the Administrative Policies and Procedures Manual. She noted there are no proposed amendments to the Dress Code Policy. The Executive Director will provide guidelines on appropriate attire to each department director.

Ms. Floyd said that the following policies require approval through the State Office of Human Resources (OHR) before the Commission can adopt the changes: Reduction in Force (RIF) Policy, Progressive Discipline Policy, and Grievance Policy.

Commissioner Roche moved to adopt the proposed Administrative Policy and Procedures Manual, which was duly seconded by Commissioner Williams. Commissioner Huffstetler asked about the policies that require approval through OHR. Commissioner Roche reworded her motion to add the wording, "and to submit policies 2.24 Reduction in Force (RIF), 2.25 Progressive Discipline, and 2.26 Grievance to OHR for approval." The motion, as reworded, was passed unanimously.

EXECUTIVE SESSION

Commissioner Barden moved to adjourn into Executive Session for a legal briefing. Commissioner Wilkerson seconded the motion. The Commission adjourned into Executive Session at 11:28 a.m.

[EXECUTIVE SESSION]

Commissioner Wilkerson made a motion to arise from Executive Session. Commissioner Roche seconded the motion and the motion was approved. The Commission arose from Executive Session at 11:56 a.m. Upon arising from Executive Session, Chairman Beck stated there was discussion with no action taken.

ADJOURNMENT

Commissioner Barden made the motion to adjourn. Commissioner Williams seconded the motion, and the motion was approved.

The May 16, 2011 meeting of the South Carolina Workers' Compensation Commission adjourned at 11:56 a.m.

Reported May 24, 2011

Kim Ballentine, Office of the Executive Director

State of South Carolina

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Workers' Compensation Commission

MEMORANDUM

To: Commissioners
Gary Cannon
Executive Director

From: W. C. Smith, III, CPCU, ARM
Director, Self-Insurance *WCS*

Date: June 20, 2011

Subject: Applications to Self-Insure

We have received the following applications for 7 prospective members of 2 funds.

New Applicants **SC Automobile Dealers Association SIF**
JT Automotive, LP dba JT'S Kia

SC Home Builders SIF
Baxter Construction, LLC
Danny Birch dba Birch Construction
Palmetto Building Solutions, Inc
Pro Care Services, LLC
Sol Masonry
Turning Point Construction, LLC

After examination of the various applications, it has been determined that each has complied with the Commissioners requirements and each is recommended for approval.

WCS/cb

Location(s): 205
 Type of Business: Retail Sales
 # of Employees in S.C.: 1,312

<u>Claims History</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
# of Claims	71	101	98
Claims Paid	\$695,647	\$753,353	\$550,039

<u>Selected Financials (000)</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>
Total Revenues	\$7,866,971	\$7,400,606	\$6,983,628
Net Income	358,135	291,266	233,073
Interest Expense	13,337	12,939	14,586
Tax Expense	205,723	159,659	128,689
Equity	1,421,554	1,440,060	1,254,083
Current Assets	1,660,208	1,599,438	1,344,091
Current Liabilities	1,054,487	1,059,707	1,068,985
Total Assets	2,982,057	2,842,722	2,661,782
Total Debt	1,560,503	1,402,662	1,407,699
Long Term Debt	250,000	250,000	250,000

Selected Ratios

Return on Total Assets	19.4%	16.3%	14.1%
Return on Net Worth	25.2%	20.2%	18.6%
Total Debt to Total Assets	0.52	0.49	0.53
Current Ratio	1.6	1.5	1.3

Recommendation**Approval****Specific Excess Insurance**

Surety Amount:
\$1,000,000

Corporate Guaranty

This information is confidential under Regulation 67-1515

State of South Carolina

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Workers' Compensation Commission

MEMORANDUM

TO: Commissioners
Gary M. Cannon
Executive Director

FROM: W.C. Smith, III, CPCU, ARM *WCS*
Director, Self Insurance

Date: June 20, 2011

SUBJECT: Request of Family Dollar Stores of South Carolina, Inc. to Self-insure

Family Dollar Stores, Inc. operates a chain of more than 6,800 general merchandise retail discount stores in 44 states employing 50,991 people. The first Family Dollar Store opened in 1959 in Charlotte, North Carolina. In subsequent years they opened additional stores and organized separate corporations to operate these locations. Now headquartered in Charlotte, Family Dollar Stores was incorporated in Delaware in 1969. At that time the existing corporate entities became the company's wholly-owned subsidiaries.

Family Dollar Stores of South Carolina, Inc., is a wholly-owned subsidiary of Family Dollar Stores, Inc. Family Dollar Stores of South Carolina employs 1,312 at 205 retail store locations throughout South Carolina paying an annual payroll of \$29.6 million.

Family Dollar Stores, Inc., and its subsidiaries are currently self-insured for workers' compensation in Florida, West Virginia, Ohio, Georgia, North Carolina, Virginia, and Kentucky. Family Dollar Stores of South Carolina is currently commercially insured in South Carolina with Ace Indemnity Insurance Company of North America.

The company's three year workers' compensation loss history for South Carolina is as follows:

<u>Year</u>	<u>Number of Claims</u>	<u>Paid</u>
2008	98	\$ 550,039
2009	101	\$ 753,353
2010	71	\$ 695,647

If approved to self-insure for workers' compensation in South Carolina the applicant will secure specific excess insurance with Ace American Insurance Company. The Commission's surety requirement would be satisfied with a surety bond from Travelers Casualty and Surety Company of America. Claims service would be provided by Sedgwick Claims Management Services, Inc. in Charlotte, North Carolina.

Financial analysis was conducted using the 2008, 2009, and 2010 audited financial statements of Family Dollar Stores, Inc., the company's first quarter unaudited financial report, and the current Dun & Bradstreet Risk Summary Report.

Revenue and Net Income

Family Dollar Stores, Inc. had total revenues in 2010 of \$7.9 billion, up from \$7.4 billion in 2009 and \$7 billion in 2008. The company's first quarter unaudited financial report indicates a \$200 million increase in total revenues when compared to the first quarter of 2010. Cost of sales and operating expenses were \$7.3 billion in 2010 compared to \$6.9 billion in 2009 and \$6.6 billion in 2008. Operating profit before taxes and interest increased in 2010 to \$575.6 million from \$457.3 million in 2009 and \$365.3 million in 2008.

Net income for 2010 was \$358.1 million, a 23% increase from \$291.3 million in 2009 and a 54% increase from \$233.1 million in 2008. Net income for the first quarter of 2011 was up by nearly \$20 million when compared to first quarter totals for 2010. Family Dollar had a return on net worth for 2010 of 25.2% compared to 20.2% in 2009 and 18.2% in 2008. Return on total assets in 2010 was 19.4%, up from 16.3% in 2009 and 14.1% in 2008.

Assets

Family Dollar Stores, Inc. had total assets in 2010 of \$3 billion compared to \$2.8 billion in 2009 and \$2.7 billion in 2008. Merchandise inventory for 2010 was \$1 billion and property and equipment totaled \$1.1 billion. The company's first quarter 2011 unaudited financial report indicated a \$21 million increase in total assets when compared to the fiscal year 2010 total.

Current assets for 2010 totaled \$1.7 billion compared to \$1.6 billion in 2009 and \$1.3 billion in 2008. Family Dollar Stores current ratio for 2010 was 1.6 consistent with 1.5 in 2009 and 1.3 in 2008.

Equity and Long Term Debt

Family Dollar Stores, Inc. had total stockholders' equity for fiscal 2010 of \$1.4 billion compared to \$1.4 billion in 2009 and 1.3 billion in 2008. Total debt for 2010 was \$1.6 billion compared to \$1.4 billion in 2009 and 2008. The company's long term debt remained consistent for 2008, 2009, 2010 and first quarter 2011 at \$250 million.

Recommendation

It is the recommendation of the Self-Insurance Division that Family Dollar Stores of South Carolina, Inc., be granted the privilege of self-insuring its workers' compensation liabilities contingent on the following:

1. Family Dollar Stores of South Carolina Inc. secure specific excess insurance with an initial retention of not more than \$500,000 and a statutory limit of liability;
2. Family Dollar Stores of South Carolina, Inc. provide the Commission a surety bond or letter-of-credit in the amount of \$1,000,000; and
3. Family Dollar Stores, Inc. provide a corporate guaranty for its subsidiary, Family Dollar Stores of South Carolina, Inc.

INTEROFFICE MEMORANDUM

TO: GARY CANNON, EXECUTIVE DIRECTOR
FROM: DIANA GANTT, DIRECTOR OF ADMINISTRATION
SUBJECT: FINANCIAL REPORT PERIOD ENDING MAY 31, 2011
DATE: 6/14/2011

The Summary of Revenues and Expenditures for the period ending May 31, 2011, is attached.

- May 2011 is the 11th Fiscal Month of FY11.
- There were 48 payments made to vendors, travelers, and other State Agencies.
- The benchmark for May is 91.67%. The Commission's revenues are at 98.48% and expenses are at 84.6%.
- The following is a summary of each department expenditure benchmarks:

General Fund: Total Expenses are at 92%.

Earmark Fund:

Commissioners –

- Total expenditures are at 73% of budget (18.67% below benchmark).

Administration –

- Overall the expenditures are 79% of budget (12.67% below benchmark)
- **Salaries** are 1.33% over benchmark due to temporary employee work hours.
- **Equipment Data Processing** expenditures are high due to the one time purchase of computers.

Claims –

- Expenditures are at 90% of budget.
- **Contract Services** are up due to services that have been received (temp employee).
- **Supplies & Materials** are over the budgeted benchmark. This has accrued due to the number of items ordered or used by Claims personnel that are directly charged to the cost center. Other expenses come from overhead charges, by which all cost centers consume the cost, to replenish supply inventory or materials used in day to day operations of the agency.

Insurance & Medical –

- **Salaries** are 10.33% over budgeted benchmark due to the RIP payment as well as an annual leave payout.
- **Contractual Services** are up due to onetime payments that have already been paid for the year.
- **Travel** is substantially over the benchmark due to employee travel for Informal Conferences.
- Due to the RIP the total budgeted benchmark is 5.33% over.

Judicial –

- Total expenditures are at 86% of budget (5.67% below benchmark).

Activity Report from the Procurement Office:

SCEIS Shopping Carts	3	Staples Orders Placed	6
Vendors Contacted for Price Quotes	19	State Leased Vehicles taken for Service	3
Visa Procurement Card Orders Placed	12	State Reports filed by Procurement Officer	1
SC Dept of Corrections Orders Placed	1		

Mail Room Activity:

Files Copied for Outside Parties	211
See attached Mail Summary	

South Carolina Workers' Compensation Commission
Summary of Revenues and Expenditures
2010 - 2011 Budget
May 31, 2011

	Budget	FY To Date	Benchmark	91.67%
STATE APPROPRIATIONS				
General Appropriation	<u>\$ 1,919,955</u>	<u>\$ 1,759,959</u>		91.67%

Account Description	Appropriation	Expenditure	Balance	% Expended
Personal Services	\$ 1,471,636	\$ 1,359,751	\$ 111,885	92.4%
Other Operating Expenses	-	-	-	0.0%
Employer Contribution	448,319	407,723	40,596	90.9%
Total	<u>\$ 1,919,955</u>	<u>\$ 1,767,474</u>	<u>\$ 152,481</u>	<u>92.1%</u>

OTHER APPROPRIATIONS

EARMARKED	Budgeted Revenues	Received thru 5/31/11	% Received
Training Conference Registration Fee	\$ 1,000	\$ 8,020	802.00%
Sale of Publication and Brochures	8,000	21,213	265.16%
Workers' Comp Award Review Fee	75,000	71,400	95.20%
Sale of Photocopies	95,000	88,138	92.78%
Workers' Compensation Filing Violation Fee	1,891,000	1,919,826	101.52%
Sale of Listings and Labels	30,000	38,265	127.55%
Workers' Comp Hearing Fee	600,000	512,230	85.37%
Earmarked Funds - Original Authorization	<u>\$ 2,700,000</u>	<u>\$ 2,659,092</u>	<u>98.48%</u>
BD100 to Increase Authorization - July 2010	356,315		
BD100 to Increase Authorization - July 2010 (PC's)	62,500		
Total Earmarked Revenues + Fund Balance	<u>\$ 3,118,815</u>		

Account Description	Appropriation	Expenditure	Balance	% Expended
Personal Services	\$ 1,249,153	\$ 1,178,408	\$ 70,745	94.3%
Taxable Subsistence	80,000	60,231	19,769	75.3%
Other Operating Expenses	1,414,678	1,070,143	344,535	75.6%
Employer Contribution	375,000	378,491	(3,491)	100.9%
Total Earmarked	<u>\$ 3,118,831</u>	<u>\$ 2,687,273</u>	<u>\$ 431,558</u>	<u>86.2%</u>

COMPUTER FUNDS CARRIED FORWARD \$ 54,761

Computer Services - Carry forward	<u>\$ 54,761</u>	<u>\$ 44,418</u>	<u>\$ 10,343</u>	<u>81.1%</u>
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TOTAL OTHER APPROPRIATIONS **\$ 3,228,353** **\$ 2,731,691** **\$ 441,901** **84.6%**

South Carolina Workers' Compensation Commission
2010 - 2011 Budget
 May 31, 2011

Consolidated

	Year-To-Date : 91.67%							
	Original Budget	Budget Amendments	Amended Budget	Expended May	Year to Date	%	Encumb	Balance
Commissioners								
Salaries	\$ 1,150,244	\$ -	\$ 1,150,244	\$ 46,657	\$ 1,041,287	91%	\$ -	\$ 108,957
Other Operating Expenditures								
Total Contractual Services	247,935	-	247,935	21,000	172,272	69%	-	75,663
Total Supplies & Materials	36,313	-	36,313	574	18,864	52%	-	17,449
Total Fixed Charges	159,652	-	159,652	11,800	129,333	81%	-	30,319
Total Travel	87,650	-	87,650	3,891	65,744	75%	-	21,906
Total Other Operating Exp	531,550	-	531,550	37,265	386,213	73%	-	145,337
Total Commissioners	\$ 1,681,794	\$ -	\$ 1,681,794	\$ 83,922	\$ 1,427,500	85%	\$ -	\$ 254,294
Administration								
Salaries	\$ 444,858	\$ -	\$ 444,858	\$ 18,402	\$ 412,521	93%	\$ -	\$ 32,337
Other Operating Expenditures								
Total Contractual Services	254,874	(5,000)	249,874	13,064	173,682	70%	-	76,192
Total Supplies & Materials	26,038	4,900	30,938	1,450	17,169	55%	-	13,769
Total Fixed Charges	135,600	100	135,700	10,340	103,715	76%	-	31,985
Total Travel	12,521	-	12,521	-	8,676	69%	-	3,845
Total Equipment	35,000	-	35,000	-	33,035	94%	1,965	(0)
Total Other Operating Exp	464,033	-	464,033	24,854	336,277	72%	1,965	125,790
Total Administration	\$ 908,891	\$ -	\$ 908,891	\$ 43,255	\$ 748,799	82%	\$ 1,965	\$ 158,127
Claims								
Salaries	\$ 361,417	\$ -	\$ 361,417	\$ 15,408	\$ 332,537	92%	\$ -	\$ 28,880
Other Operating Expenditures								
Total Contractual Services	47,405	-	47,405	3,573	45,706	96%	-	1,699
Total Supplies & Materials	22,138	-	22,138	578	26,096	118%	-	(3,958)
Total Fixed Charges	78,689	-	78,689	5,996	65,079	83%	-	13,610
Total Travel	1,750	-	1,750	26	1,328	76%	-	422
Total Other Operating Exp	149,982	-	149,982	10,174	138,209	92%	-	11,773
Total Claims	\$ 511,399	\$ -	\$ 511,399	\$ 25,582	\$ 470,746	92%	\$ -	\$ 40,653
Insurance and Medical Services								
Salaries	\$ 460,408	\$ -	\$ 460,408	\$ 59,038	\$ 462,927	101%	\$ -	\$ (2,520)
Other Operating Expenditures								
Total Contractual Services	37,701	-	37,701	3,775	44,201	117%	-	(6,500)
Total Supplies & Materials	33,500	-	33,500	587	13,121	39%	-	20,379
Total Fixed Charges	62,220	-	62,220	4,467	49,413	79%	-	12,807
Total Travel	258	-	274	-	1,113	406%	-	(839)
Total Other Operating Exp	133,679	-	133,695	8,829	107,848	81%	-	25,847
Total Insurance and Medical Services	\$ 594,087	\$ -	\$ 594,103	\$ 67,866	\$ 570,775	96%	\$ -	\$ 23,328
Judicial								
Salaries	\$ 383,862	\$ -	\$ 383,862	\$ 15,816	\$ 349,117	91%	\$ -	\$ 34,745
Other Operating Expenditures								
Total Contractual Services	43,078	-	43,078	2,000	22,904	53%	-	20,174
Total Supplies & Materials	22,024	-	22,024	451	17,004	77%	-	5,020
Total Fixed Charges	66,966	-	66,966	5,297	56,485	84%	-	10,481
Total Travel	3,350	-	3,350	-	3,238	97%	-	112
Total Other Operating Exp	135,418	-	135,418	7,748	99,631	74%	-	35,787
Total Judicial	\$ 519,280	\$ -	\$ 519,280	\$ 23,564	\$ 448,748	86%	\$ -	\$ 70,532
Totals By Departments								
Department Totals								
Commissioners	\$ 1,681,794	\$ -	\$ 1,681,794	\$ 83,922	\$ 1,427,500	85%	\$ -	\$ 254,294
Administration	908,891	-	908,891	43,255	748,799	82%	1,965	158,127
Claims	511,399	-	511,399	25,582	470,746	92%	-	40,653
Insurance & Medical	594,087	-	594,087	67,866	570,775	96%	-	23,328
Judicial	519,280	-	519,280	23,564	448,748	86%	-	70,532
Total Departmental Expend	\$ 4,215,451	\$ -	\$ 4,215,451	\$ 244,190	\$ 3,666,568	87%	\$ 1,965	\$ 546,934
Employer Contributions	823,319	-	823,319	39,040	786,214	95%	-	37,105
Total General & Earmarked Funds	\$ 5,038,770	\$ -	\$ 5,038,770	\$ 283,230	\$ 4,452,782	88%	\$ 1,965	\$ 584,038

South Carolina Workers' Compensation Commission
2010 - 2011 Budget
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General Appropriation

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%				
				Expended May	Year to Date to Date	%	Encumb	Balance
Commissioners								
Salaries								
Chairman	\$ 115,567	\$ -	\$ 115,567	\$ 4,615	\$ 101,900	88%	\$ -	\$ 13,667
Commissioner	664,602	-	664,602	27,892	613,255	92%	-	51,347
Classified Employees	290,075	-	290,075	12,086	265,902	92%	-	24,173
Total Commissioners	1,070,244	-	1,070,244	44,593	981,056	92%	-	89,188
Administration								
Salaries								
Director	\$ 94,152	\$ -	\$ 94,152	\$ 3,923	\$ 86,306	92%	\$ -	\$ 7,846
Classified Positions	132,206	-	132,206	5,724	122,197	92%	-	10,009
Total Administration	226,358	-	226,358	9,647	208,503	92%	-	17,855
Claims								
Salaries								
Classified Positions	\$ 55,417	\$ -	\$ 55,417	\$ 2,792	\$ 60,451	109%	\$ -	\$ (5,034)
Total Claims	55,417	-	55,417	2,792	60,451	109%	-	(5,034)
Insurance and Medical Services								
Salaries								
Classified Positions	\$ 57,755	\$ -	\$ 57,755	\$ 2,411	\$ 53,034	92%	\$ -	\$ 4,721
Total Ins and Medical Svcs	57,755	-	57,755	2,411	53,034	92%	-	4,721
Judicial								
Salaries								
Classified Positions	\$ 61,862	\$ -	\$ 61,862	\$ 2,578	\$ 56,707	92%	\$ -	\$ 5,155
Total Judicial	61,862	-	61,862	2,578	56,707	92%	-	5,155
General Funds								
Department Totals								
Commissioners	\$ 1,070,244	\$ -	\$ 1,070,244	\$ 44,593	\$ 981,056	92%	\$ -	\$ 89,188
Administration	226,358	-	226,358	9,647	208,503	92%	-	17,855
Claims	55,417	-	55,417	2,792	60,451	109%	-	(5,034)
Insurance & Medical	57,755	-	57,755	2,411	53,034	92%	-	4,721
Judicial	61,862	-	61,862	2,578	56,707	92%	-	5,155
Total Departmental Expend	\$ 1,471,636	\$ -	\$ 1,471,636	\$ 62,021	\$ 1,359,751	92%	\$ -	\$ 111,885
Employer Contributions	448,319	-	448,319	18,057	407,723	91%	-	40,596
Total General Fund Appropriations	\$ 1,919,955	\$ -	\$ 1,919,955	\$ 80,077	\$ 1,767,474	92%	\$ -	\$ 152,481

South Carolina Workers' Compensation Commission

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Earmarked Funds

Year-To-Date : 91.67%

	Original Budget	Budget Amendments	Amended Budget	Expended May	Year to Date	%	Encumb	Balance
Commissioners								
Salaries								
Taxable Subsistence	\$ 80,000	\$ -	\$ 80,000	\$ 2,064	\$ 60,231	75%	\$ -	\$ 19,769
Total Salaries	80,000	-	80,000	2,064	60,231	75%	-	19,769
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	700	-	700	-	-	0%	-	700
Copying Equipment Service	200	-	200	283	283	141%	-	(83)
Print/Bind/Advertisement	510	-	510	-	510	100%	-	-
Print Pub Annual Reports	28	-	28	-	-	0%	-	28
Data Processing Services	68,535	-	68,535	2,383	25,843	38%	-	42,692
Freight Express Delivery	490	-	490	-	-	0%	-	490
Telephone	4,500	-	4,500	412	4,266	95%	-	234
Cellular Phone Service	12,000	-	12,000	448	7,038	59%	-	4,962
Legal Services/Attorney Fees	160,000	-	160,000	17,474	131,965	82%	-	28,035
Other Professional Services	972	-	972	-	2,368	244%	-	(1,396)
Total Contractual Services	247,935	-	247,935	21,000	172,272	69%	-	75,663
Supplies & Materials								
Office Supplies	8,500	-	8,500	111	5,701	67%	-	2,799
Copying Equipment	2,714	-	2,714	447	3,566	131%	-	(852)
Printing	1,750	-	1,750	-	732	42%	-	1,018
Data Processing Supplies	649	-	649	-	230	35%	-	419
Postage	21,500	-	21,500	-	7,836	36%	-	13,664
Communication Supplies	50	-	50	-	460	920%	-	(410)
Maint/Janitorial Supplies	75	-	75	15	185	246%	-	(110)
Motor Vehicle Supp/Gasoline	100	-	100	-	58	58%	-	42
Other Supplies	975	-	975	-	97	10%	-	878
Total Supplies & Materials	36,313	-	36,313	574	18,864	52%	-	17,449
Fixed Charges								
Rental-Cont Rent Payment	4,800	-	4,800	106	2,551	53%	-	2,249
Rent-Non State Owned Property	149,750	-	149,750	11,694	122,888	82%	-	26,862
Rent-Other	250	-	250	-	212	85%	-	38
Insurance-State	3,633	-	3,633	-	3,633	100%	-	-
Insurance-Non State	169	-	169	-	-	0%	-	169
Fees & Fines	50	-	50	-	50	100%	-	-
Equipment Maintenance	1,000	-	1,000	-	-	0%	-	1,000
Total Fixed Charges	159,652	-	159,652	11,800	129,333	81%	-	30,319
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	650	-	650	14	294	45%	-	356
In State - Auto Mileage	10,000	-	10,000	885	8,731	87%	-	1,269
In State - Subsistence Allowance	25,000	-	25,000	2,992	25,400	102%	-	(400)
Out State - Meals	500	-	500	-	52	10%	-	448
Out State - Auto Mileage	1,500	-	1,500	-	460	31%	-	1,040
Leased Car	50,000	-	50,000	-	30,807	62%	-	19,193
Total Travel	87,650	-	87,650	3,891	65,744	75%	-	21,906
Total Other Operating Expenditures	531,550	-	531,550	37,265	386,213	73%	-	145,337
Total Commissioners	\$ 611,550	\$ -	\$ 611,550	\$ 39,329	\$ 446,444	73%	\$ -	\$ 165,106

South Carolina Workers' Compensation Commission

2010 - 2011 Budget

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Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%				
				Expended May	Year to Date	%	Encumb	Balance
Administration								
Salaries								
Classified Positions	\$ 214,000	\$ -	\$ 214,000	\$ 8,755	\$ 196,394	92%	\$ -	\$ 17,606
Temporary Employees	3,500	-	3,500	-	6,789	194%	-	(3,289)
Terminal Leave	1,000	-	1,000	-	835	84%	-	165
Total Salaries	218,500	-	218,500	8,755	204,018	93%	-	14,482
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	4,904	-	4,904	733	4,316	88%	-	588
Copying Equipment Service	2,000	-	2,000	-	-	0%	-	2,000
Print/Bind/Advertisement	4,650	-	4,650	-	404	9%	-	4,246
Print Pub Annual Reports	22	-	22	-	-	0%	-	22
Data Processing Services	181,658	-	181,658	7,927	130,017	72%	-	51,641
Freight Express Delivery	15,500	(5,000)	10,500	-	329	3%	-	10,171
Telephone	4,493	-	4,493	738	4,582	102%	-	(89)
Cellular Phone Service	1,925	-	1,925	130	1,644	85%	-	281
Education & Training Services	1,000	-	1,000	-	1,050	105%	-	(50)
Attorney Fees	34,947	-	34,947	2,295	28,876	83%	-	6,071
General Repair	230	(13)	217	-	-	0%	-	217
Audit Acct Finance	100	-	100	-	100	100%	-	-
Catered Meals	1,000	-	1,000	1,202	1,831	183%	-	(831)
Non-State Employee Travel	-	13	13	13	13	98%	-	0
Other Professional Services	2,000	-	2,000	25	75	4%	-	1,925
Other Contractual Services	445	-	445	-	445	100%	-	-
Total Contractual Services	254,874	(5,000)	249,874	13,064	173,682	70%	-	76,192
Supplies & Materials								
Office Supplies	9,743	-	9,743	438	4,900	50%	-	4,843
Subscriptions	175	-	175	-	-	0%	-	175
Copying Equipment Supplies	3,934	-	3,934	360	3,006	76%	-	928
Printing	1,964	-	1,964	-	872	44%	-	1,092
Data Processing Supplies	2,075	-	2,075	-	200	10%	-	1,875
Postage	7,100	4,150	11,250	(75)	6,839	61%	-	4,411
Maint/Janitorial Supplies	98	-	98	12	146	149%	-	(48)
Fees & Fines	174	750	924	-	275	30%	-	649
Gasoline/ Motor Vehicle Supply	36	-	36	-	94	261%	-	(58)
Promotional Supplies	75	-	75	-	-	0%	-	75
Employee Recog Award	564	-	564	714	759	135%	-	(195)
Other Supplies	100	-	100	-	77	77%	-	23
Total Supplies & Materials	26,038	4,900	30,938	1,450	17,169	55%	-	13,769
Fixed Charges								
Rental-Cont Rent Payment	5,979	-	5,979	842	4,081	68%	-	1,898
Rent-Non State Owned Property	107,101	-	107,101	7,567	79,516	74%	-	27,585
Rent-Other	225	1,500	1,725	1,422	3,014	175%	-	(1,289)
Insurance-State	7,490	(1,400)	6,090	-	6,090	100%	-	-
Insurance-Non State	134	-	134	-	-	0%	-	134
Dues and Memberships	3,985	-	3,985	-	3,735	94%	-	250
Equipment Maintenance	1,000	-	1,000	-	-	0%	-	1,000
Sales Tax Paid	9,686	-	9,686	509	7,279	75%	-	2,407
Total Fixed Charges	135,600	100	135,700	10,340	103,715	76%	-	31,985
Travel (Includes Leased Car)								
In State - Meals Non/ Reportable	21	(9)	12	-	28	233%	-	(16)
Reportable Meals	-	9	9	-	9	100%	-	-
Out of State - Milage	-	86	86	-	86	99%	-	0
In State - Registration Fees	-	150	150	-	182	121%	-	(32)
Leased Car	12,500	(236)	12,264	-	8,371	68%	-	3,893
Total Travel	12,521	-	12,521	-	8,676	69%	-	3,845
Equipment								
Equipment Data Processing- PC's	35,000	-	35,000	-	33,035	94%	1,965	(0)
Total Equipment	35,000	-	35,000	-	33,035	94%	1,965	(0)
Total Other Operating Expenditures	464,033	-	464,033	24,854	336,277	72%	1,965	125,790
Total Administration	\$ 682,533	\$ -	\$ 682,533	\$ 33,608	\$ 540,296	79%	\$ 1,965	\$ 140,272

South Carolina Workers' Compensation Commission

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Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%				
				Expended May	Year to Date	%	Encumb	Balance
Claims								
Salaries								
Classified Positions	\$ 301,000	\$ (6,000)	\$ 295,000	\$ 12,146	\$ 257,408	87%	\$ -	\$ 37,592
Temporary Positions	4,000	3,000	7,000	471	11,586	166%	-	(4,586)
Terminial Leave	1,000	3,000	4,000	-	3,092	77%	-	908
Total Salaries	306,000	-	306,000	12,617	272,086	89%	-	33,914
Other Operating Expenditures								
Contractual Services								
Office Equipment Services	200	-	200	-	90	45%	-	110
Print / Bind / Adv	750	-	750	-	404	54%	-	346
Print Pub Annual Reports	22	-	22	-	-	0%	-	22
Data Processing Services	26,933	-	26,933	2,283	20,788	77%	-	6,145
Freight Express Delivery	500	-	500	-	-	0%	-	500
Telephone	3,000	-	3,000	220	2,478	83%	-	522
Temporary Services	13,000	-	13,000	1,070	21,856	168%	-	(8,856)
Other Professional Services	3,000	-	3,000	-	90	3%	-	2,910
Total Contractual Services	47,405	-	47,405	3,573	45,706	96%	-	1,699
Supplies & Materials								
Office Supplies	3,913	-	3,913	211	9,144	234%	-	(5,231)
Copying Equipment	2,000	-	2,000	354	2,631	132%	-	(631)
Printing	2,000	-	2,000	-	579	29%	-	1,421
Data Processing Supplies	75	-	75	-	53	71%	-	22
Postage	14,000	-	14,000	-	13,458	96%	-	542
Maint/Janitorial Supplies	50	-	50	12	153	305%	-	(103)
Other Supplies	100	-	100	-	77	77%	-	23
Total Supplies & Materials	22,138	-	22,138	578	26,096	118%	-	(3,958)
Fixed Charges								
Rental-Cont Rent Payment	2,500	-	2,500	150	1,610	64%	-	890
Rent-Non State Owned Property	73,750	-	73,750	5,847	61,444	83%	-	12,306
Rent-Other	225	-	225	-	213	95%	-	12
Insurance-State	1,080	-	1,080	-	997	92%	-	83
Insurance-Non State	134	-	134	-	-	0%	-	134
Equipment- Copying	-	815	815	-	815	100%	-	(0)
Equipment Maintenance	1,000	(815)	185	-	-	0%	-	185
Total Fixed Charges	78,689	-	78,689	5,996	65,079	83%	-	13,610
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	300	(8)	292	-	232	79%	-	60
In State - Lodging	500	-	500	-	565	113%	-	(65)
In State - Auto Mileage	600	-	600	-	277	46%	-	323
In-State Registration	-	8	8	-	8	100%	-	-
Reportable Meals	100	-	100	26	247	247%	-	(147)
Leased Car	250	-	250	-	-	0%	-	250
Total Travel	1,750	-	1,750	26	1,328	76%	-	422
Total Other Operating Expenditures	149,982	-	149,982	10,174	138,209	92%	-	11,773
Total Claims	\$ 455,982	\$ -	\$ 455,982	\$ 22,790	\$ 410,295	90%	\$ -	\$ 45,687

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May 31, 2011

Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%				
				Expended May	Year to Date	%	Encumb	Balance
Insurance and Medical Services								
Salaries								
Classified Positions	383,000	(38,362)	344,638	16,017	348,807	101%	-	(4,169)
Retire Incentive Pmt	-	25,250	25,250	25,250	25,250	100%	-	-
Terminal Leave	-	13,112	13,112	13,112	13,112	100%	-	-
Temporary Employees	15,018	-	15,018	2,248	22,725	151%	-	(7,707)
Special Contractual Employee	4,635	-	4,635	-	-	0%	-	4,635
Total Salaries	402,653	-	402,653	56,627	409,894	102%	-	(7,241)
Other Operating Expenditures								
Contractual Services								
Office Equipment Service	200	-	200	-	-	0%	-	200
Copying Equipment Service	1,000	-	1,000	-	-	0%	-	1,000
Print/Bind/Advertisement	3,400	-	3,400	-	446	13%	-	2,954
Print Pub Annual Report	24	-	24	-	-	0%	-	24
Data Processing Services	24,864	-	24,864	3,426	37,343	150%	-	(12,479)
Telephone	2,626	-	2,626	229	2,433	93%	-	193
Other Professional Services	2,387	-	2,387	120	1,465	61%	-	922
Other Contractual Services	3,200	-	3,200	-	2,515	79%	-	685
Total Contractual Services	37,701	-	37,701	3,775	44,201	117%	-	(6,500)
Supplies & Materials								
Office Supplies	6,000	-	6,000	182	2,506	42%	-	3,494
Copying Equipment	3,000	-	3,000	391	2,908	97%	-	92
Printing	1,500	-	1,500	-	744	50%	-	756
Data Processing Supplies	1,000	-	1,000	-	-	0%	-	1,000
Postage	21,825	(45)	21,780	-	6,672	31%	-	15,108
Maintenance/Janitorial Supplies	75	-	75	13	162	215%	-	(87)
Fees & Fines	-	45	45	-	45	100%	-	-
Other Supplies	100	-	100	-	85	85%	-	15
Total Supplies & Materials	33,500	-	33,500	587	13,121	39%	-	20,379
Fixed Charges								
Rental-Cont Rent Payment	2,104	-	2,104	273	2,375	113%	-	(271)
Rent-Non State Owned Property	56,400	-	56,400	4,127	43,372	77%	-	13,028
Rent-Other	225	-	225	-	213	95%	-	12
Insurance-State	1,101	-	1,101	-	1,018	92%	-	83
Insurance-Non State	148	-	148	-	-	0%	-	148
Equipment Maintenance	942	-	942	-	-	0%	-	942
Sales Tax Paid	1,300	-	1,300	67	2,435	187%	-	(1,135)
Total Fixed Charges	62,220	-	62,220	4,467	49,413	79%	-	12,807
Travel (Includes Leased Car)								
In State - Meals (Non-Reportable)	50	-	50	-	348	696%	-	(298)
In-State Registration	-	-	16	-	16	100%	-	-
Reportable Meals	50	-	50	-	89	178%	-	(39)
In State - Lodging	158	-	158	-	660	417%	-	(502)
Total Travel	258	-	274	-	1,113	406%	-	(839)
Total Other Operating Expenditures	133,679	-	133,695	8,829	107,848	81%	-	25,847
Total Insurance and Medical Services	\$ 536,332	\$ -	\$ 536,348	\$ 65,456	\$ 517,742	97%	\$ -	\$ 18,606

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Earmarked Funds

	Original Budget	Budget Amendments	Amended Budget	Year-To-Date : 91.67%				
				Expended May	Year to Date	%	Encumb	Balance
Judicial								
Salaries								
Classified Positions	\$ 322,000	\$ (784)	\$ 321,216	\$ 13,239	\$ 291,626	91%	\$ -	\$ 29,590
Terminal Leave	-	784	784	-	784	100%	-	(0)
Total Salaries	322,000	-	322,000	13,239	292,410	91%	-	29,590
Other Operating Expenditures								
Contractual Services								
Office Equipment Services	180	-	180	-	-	0%	-	180
Print/Bind/Advertisement	500	-	500	-	361	72%	-	139
Print Pub Annual Reports	20	-	20	-	-	0%	-	20
Data Processing Services	37,803	-	37,803	1,701	19,381	51%	-	18,422
Freight Express Delivery	150	-	150	-	-	0%	-	150
Telephone	3,000	-	3,000	209	2,119	71%	-	881
Cellular Phone Service	1,225	-	1,225	90	1,043	85%	-	182
Other Professional Services	200	-	200	-	-	0%	-	200
Total Contractual Services	43,078	-	43,078	2,000	22,904	53%	-	20,174
Supplies & Materials								
Office Supplies	4,775	-	4,775	123	4,893	102%	-	(118)
Copying Equipment Supplies	1,949	-	1,949	317	2,368	121%	-	(419)
Printing	2,500	-	2,500	-	518	21%	-	1,982
Data Processing Supplies	75	-	75	-	-	0%	-	75
Postage	12,580	-	12,580	-	9,039	72%	-	3,541
Maintenance/Janitorial Supplies	50	-	50	11	118	236%	-	(68)
Promotional Supplies	20	-	20	-	-	0%	-	20
Other Supplies	75	-	75	-	69	92%	-	6
Total Supplies & Materials	22,024	-	22,024	451	17,004	77%	-	5,020
Fixed Charges								
Rental-Cont Rent Payment	1,750	-	1,750	138	874	50%	-	876
Rent-Non State Owned Property	63,750	-	63,750	5,159	54,215	85%	-	9,535
Rent-Other	225	-	225	-	213	95%	-	12
Insurance-State	1,121	-	1,121	-	1,183	106%	-	(62)
Insurance-Non State	120	-	120	-	-	0%	-	120
Total Fixed Charges	66,966	-	66,966	5,297	56,485	84%	-	10,481
Travel (Includes Leased Car)								
In State - Meals / Non-Reportable	250	-	250	-	242	97%	-	8
Reportable Meals	100	-	100	-	152	152%	-	(52)
In State - Lodging	400	-	400	-	749	187%	-	(349)
In State - Auto Mileage	2,200	-	2,200	-	2,030	92%	-	170
In State - Misc Travel Expense	100	-	100	-	56	56%	-	44
In-State Registration	-	8	8	-	8	100%	-	-
Out State - Auto Mileage	300	(8)	292	-	-	0%	-	292
Total Travel	3,350	-	3,350	-	3,238	97%	-	112
Total Other Operating Expenditures	135,418	-	135,418	7,748	99,631	74%	-	35,787
Total Judicial	\$ 457,418	\$ -	\$ 457,418	\$ 20,987	\$ 392,041	86%	\$ -	\$ 65,377
Earmarked Funds								
Department Totals								
Commissioners	\$ 611,550	\$ -	\$ 611,550	\$ 39,329	\$ 446,444	73%	\$ -	\$ 165,106
Administration	682,533	-	682,533	33,608	540,296	79%	1,965	140,272
Claims	455,982	-	455,982	22,790	410,295	90%	-	45,687
Insurance & Medical	536,332	-	536,348	65,456	517,742	97%	-	18,606
Judicial	457,418	-	457,418	20,987	392,041	86%	-	65,377
Total Departmental Expend	\$ 2,743,815	\$ -	\$ 2,743,831	\$ 182,170	\$ 2,306,817	84%	\$ 1,965	\$ 435,049
Employer Contributions	375,000	-	375,000	20,983	378,491	101%	-	(3,491)
Total Earmarked Funds	\$ 3,118,815	\$ -	\$ 3,118,831	\$ 203,153	\$ 2,685,308	86%	\$ 1,965	\$ 431,557
Capital / Computer Project Carryforward	\$ 54,761	\$ -	\$ 54,761	\$ 9,473	\$ 21,378	39%	\$ 23,039	\$ 10,343

MEMORANDUM

June 14, 2011

TO: Mr. Gary Cannon
Executive Director

FROM: Cathy Floyd
Human Resources

SUBJECT: Human Resource Report Period of May 10 – June 14, 2011

Below is a summary of the Human Resource activity for the period of May 10 – June 14, 2011.

Employee Relations (ER)

- Four ER issues were addressed during the activity period
- The Employee Appreciation Luncheon was held Tuesday, May 17, 2011 in the First Floor Conference Room
- The 2010 Employee of the Year was awarded to Valerie Deller at the Employee Appreciation Luncheon

Recruitment and Selection

- The summer intern, Amber Jones, began on May 17 and will end her 6-week term on June 28, 2011
- Processed a temporary reappointment for the Law Clerk position after a mandatory two-week break in service

Reporting

- Distributed a monthly Leave Summary Report to all eligible employees
- Beginning July 11, 2011, SCEIS will provide a monthly Leave Statement to all eligible employees via MySCEmployee

State Office of Human Resources (OHR)

- Submitted the Reduction in Force Policy, Progressive Discipline Policy, Grievance and Appeals Policy and the Overtime Policy for final approval
- Contacted our consultant regarding the conversion of the HRIS system
 - Our data in the old system of record, HRIS, has been archived and will be accessed differently within the legacy system

Benefits

- Completed the EIP Annual Contract Renewal process
- Assisted an employee with a plan change
- Assisted two employees with retirement service purchases
- Completed information requests from the retirement system regarding two former employees

SC Enterprise Information System (SCEIS)

- Three employment verifications
- Thirteen transactions were keyed into the system
- Researched four leave issues
- The Agency has been selected to participate in the Self-Service Password Reset Pilot Program

Training

- Coordinated a budgeting workshop presented by Palmetto Citizens
- Attended a 3-hour SCEIS User Group Meeting discussing year-end and improved reporting capabilities



Leave Statement

05/01/2011 to 05/31/2011

Personal / Organizational Data

Personnel Number	10026480	Name	[REDACTED]
Position	[REDACTED]	Org. Unit	[REDACTED]
Personnel Area	R080-WORKERS COMPENSATION	Annual Leave Accrual Date	08/29/1997
Avg. Weekly Working Hrs	37.50		

Monthly and YTD Absence Hours

Absence Type	Monthly Hrs.	YTD Hrs.	Absence Type	Monthly Hrs.	YTD Hrs.	Absence Type	Monthly Hrs.	YTD Hrs.
Annual Leave	10.50	60.25	Personal Sick Leave	2.00	12.50	Family Sick Leave	2.50	5.50
Adoption Leave	0.00	0.00	Comp. Time	0.00	0.00	Holiday Comp Time	0.00	0.00
Administrative Leave	0.00	0.00	Amer. Red Cross	0.00	0.00	Blood Drive	0.00	0.00
Bone Marrow Donor	0.00	0.00	Court Leave	0.00	0.00	Death Immd Family	0.00	0.00
Hazard Weather	0.00	17.00	Military Leave*	0.00	0.00	Organ Donor Leave	0.00	0.00
Voting Leave	0.00	0.00	Leave w/o Pay	0.00	0.00	Voluntary Furlough	0.00	0.00
Mandatory Furlough	0.00	0.00						

Absence Quotas

Description	Monthly Beginning Balance	Monthly Accrual (+)	Monthly Deduction (-)	Paid, Forfeited, Donated, & Transferred (-)	Adjustments (+/-)	Monthly Ending Balance	YTD Hours Used
Annual Leave	310.44	12.50	10.50	0.00	0.00	312.44	60.25
Sick Leave**	236.77	9.38	4.50	0.00	0.00	241.64	18.00

*Includes 15 days, 30 days and Combat.

**Includes Personal Sick Leave, Family Sick Leave and Adoption Leave.

1. This leave statement reflects leave that has been requested, approved, and posted to your leave accounts. If your manager has not approved your leave request through MySCEmployee, those leave hours will not be reflected in your balances.
2. This leave statement only allows rounding of the leave balances, accruals, and deductions to two decimal places (i.e. monthly accrual of sick leave for 37.5 hour per week employee reflects 9.38 instead of 9.375). Therefore, the balances on this leave statement may reflect a .005 difference from the balance showing in MySCEmployee.
3. The January beginning balances for sick and annual leave reflect the employee's actual remaining balance from the previous year without any adjustment for maximum carryover. Allowing this amount to remain during the month of January allows agencies to resolve any outstanding leave requests or issues for the previous calendar year. SCEIS, however, calculates leave used during the month of January from your appropriate maximum carryover.

The language used in this document does not create an employment contract between the employee and the State of South Carolina. This document does not create any contractual rights or entitlements. The State of South Carolina reserves the right to revise the content of this document, in whole or in part. No promises or assurances, whether written or oral, which are contrary to or inconsistent with the terms of this document create any contract of employment.

CC IT Projects Status Report

Period: 06/15/11 Status Key: Not Started On Track Timing

Projects									
#	Key Projects	Sub Project	Regulation	Due Date	% of completion	% of time devoted to issue	Lead	Issues / Comments	
3	Phase II - Claims EDI			HOLD	50%	0%	IT Staff	been reassigned to other priorities. Need to reset the project date. Pilot running well. Amanda monitoring	
4g	Electronic Service Initiatives	Electronic Service Initiatives Consent Orders	67-213	May 2011	75%	30%	Amanda	Will begin after Consent orders	
4h		Electronic Service Initiatives Clinchers	67-213	TBD	0%	0%			
4i		Electronic Service Initiatives Fee Petitions	67-213	TBD	0%	0%			
4j		Electronic Service Initiatives - Receipt of electronic pleadings	67-211	January 2012	0%	0%			
4k		Electronic receipt of any form or document	67-205	January 2012	0%	0%			
4l		12 M Revamp of current Minor Medical Reporting from Carriers	67-412	January 2012	0%	0%			
4m		Electronic Service Full Commission Orders	67-213	5/1/2011	42%	20%	Amanda	Start after consent order pilot successful Final acceptance for original spec completed. In production. New request are in for enhancements	
7	Compliance X-file Creation Automation	Automation of Compliance Investigation File Creation from ESC data		3/23/2011	100%	0%	Betsy/Amanda	Met with Voc Rehab. Delivered WCC data for past 2 years. They will return matches and statistics. Then we will begin the automation and access to WCC data for the Voc Rehab counselors.	
8	SC Voc. Rehab			TBD	10%	5%	Betsy		

CC IT Projects Status Report

Period: 06/15/11 Status Key: Not Started On Track Timing

Projects								
#	Key Projects	Sub Project	Regulation	Due Date	% of completion	% of time devoted to issue	Lead	Issues / Comments
9	Show Cause enhancements	Automation of the Show Cause fines for printing invoices and letters automatically rather than manually		TBD	5%	5%	Betsy	Have requirements from Compliance - need to write up for Bravepoint.
					Projects Amanda	50%		
					Projects Duane	0%		
					Projects Betsy	20%		

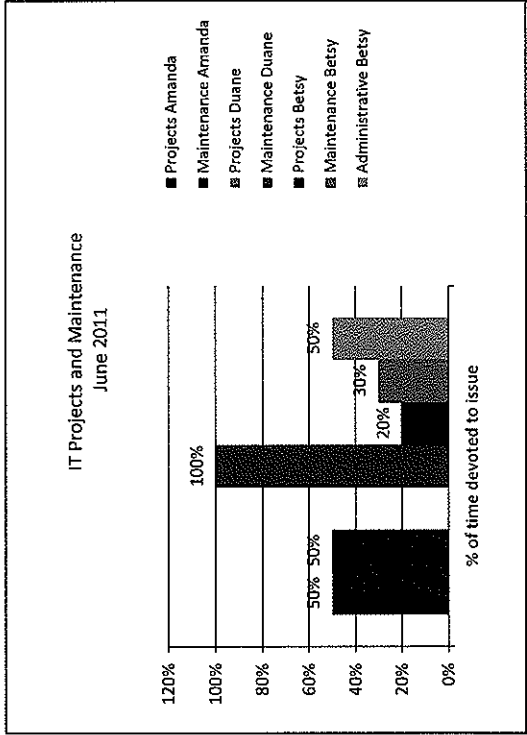
Maintenance								
Prio rity	Maintenance issue	Project	Start date	Estimated completion	% complete	% of time devoted to issue	Assigned to	Status
2	NCCI issue relating to changes to key fields, such as FEIN's has been identified by NCCI and has not been evaluated by WCC	EDI Coverage	August	4/30/2011	85%	70%	Duane	final research to verify all issues are resolved.
3	Modification to F18 functions in Progress	Progress	June	tbtd		0%	Duane	have not touched
6	New report for tracking eService compliance	eService	tbtd			0%	Duane	
7	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		20%	Duane	
8	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		10%	Duane	
					Maintenance Duane	100%		
2	NCCI issue relating to changes to key fields, such as FEIN's has been identified by NCCI and has not been evaluated by WCC	EDI Coverage	August	ongoing		0%	Amanda	
	Closed File QA Verification / Destruction Preparation	Imaging	April	5/31/2011		25%	Amanda	
	eCase Enhancement Issues & Training	eCase	December	ongoing		5%	Amanda	
	Systematic Email delivery of Notices	e-Service	April	5/20/2011		5%	Amanda	
	Add warning on closed file with Jar	Judicial				5%	Amanda	
2	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing		10%	Amanda	
					Maintenance Amanda	50%		

CC IT Projects Status Report

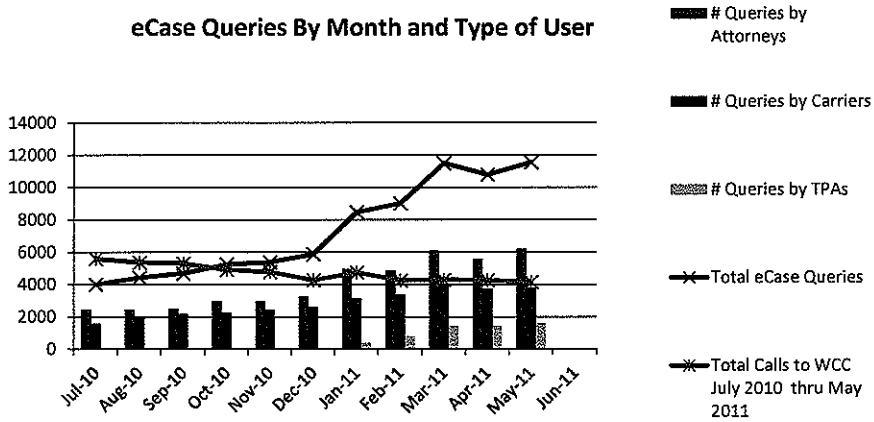
Period: 06/15/11 Status Key: Not Started On Track Timing

Projects									
#	Key Projects	Sub Project	Regulation	Due Date	% of completion	% of time devoted to issue	Lead	Issues / Comments	
2	NCCI issue relating to changes to key fields, such as FEIN's has been identified by NCCI and has not been evaluated by WCC	ED1 Coverage	August	ongoing		0%	Betsy		
2	FOIA report requests, general issues and questions from Coverage, claims and Judicial	all departments	ongoing	ongoing	Maintenance Betsy	30%	Betsy		

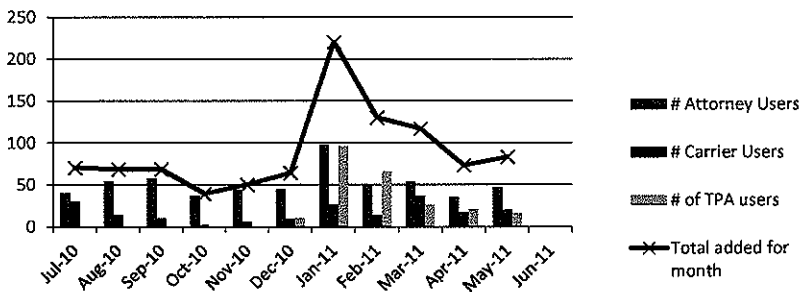
Administrative Betsy									
#	Project	Sub Project	Due Date	% of completion	% of time devoted to issue	Assigned to	Status		
2	PC and Server Refresh	Refresh	TBD	50%	50%	Betsy	Server ready for Bravepoint configuration. New PC's arrived. Setting up image and verifying security. Will begin deployment 6/30/11. DSIIT Security has verified image.		



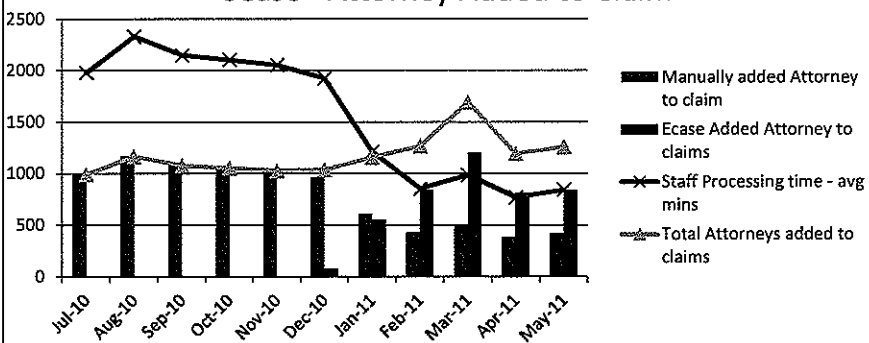
eCase Queries By Month and Type of User



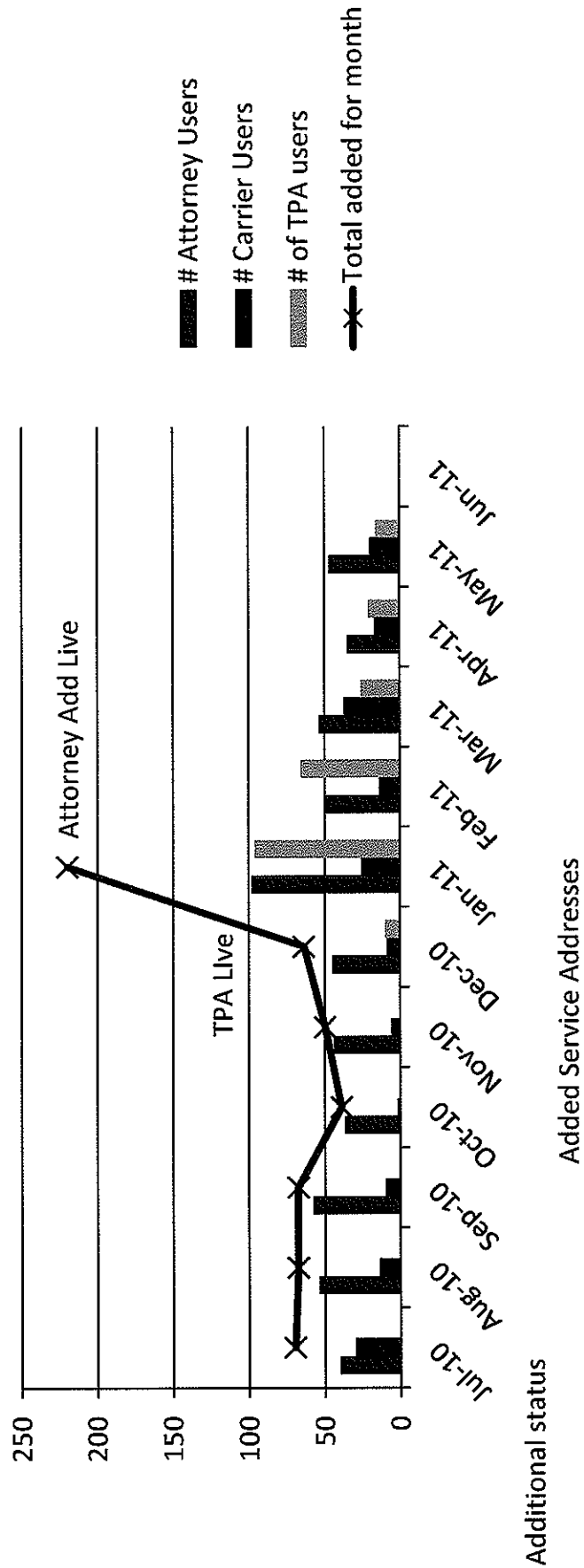
eCase Users by Type and Date Added



eCase - Attorney Added to Claim



eCase Users by Type and Date Added



Additional status

Added Service Addresses

TO: Gary M. Cannon, Executive Director

FROM: Brad Fickle

DATE: June 3, 2011

RE: Outstanding Fines Status

The following is the requested status of outstanding fines in the Compliance and Coverage Divisions of the Insurance and Medical Services Department:

Compliance

There are two categories for Compliance fines: cases with underlying claims; and cases without underlying claims. Cases with underlying claims are those cases in which a claim has been filed but there is no record of the employer having coverage. Cases with no underlying claims are the cases where employers are discovered to have no coverage through the search of the Department of Employment and Workforce records or a random coverage check.

The procedure for collection of fines is as follows:

1. Employers suspected of not having insurance are sent a letter requesting verification they have coverage and are given 14 days to respond. Failure to respond and to immediately acquire insurance will result in fines being assessed at \$1.00 per day for each employee, a minimum of \$10.00 per day and a maximum of \$100.00 per day.

Thirty-three violation letters were issued during the month of May.

2. For cases without an underlying claim, if the employer immediately comes into compliance after the initial notification, the assessed fine is \$750 for 10 or less employees and \$1,000 for 11-20 employees.

Nineteen compliance agreements were received during the month of May.

3. If there is no response and we can prove the employer is subject to the Workers' Compensation Act, the Compliance Division subpoenas the employer to an Order and Rule to Show Cause hearing. These hearings are scheduled every 30 days.

Eight subpoenas were issued in May. The next Order and Rule to Show Cause hearing is scheduled for June 28, 2011.

4. Along with the subpoena, the employer is provided a letter offering the opportunity to settle in lieu of attending the hearing. However, if the employer does not settle, and the employer is found to be subject to the Act at the hearing, an order is issued finding the employer in violation of the Act. In most instances, the order stipulates maximum fines and penalties. Orders are issued within 30 days after the hearing.

5 orders resulting from the May 25, 2011 Order and Rule to Show Cause hearing were published in May.

5. If there is no response to the order, a civil judgment is filed within 45 days.

1 civil judgment was filed during the month of May.

6. Further contact with the employer (telephone and letter) is attempted by the Director of Compliance. If the employer remains willfully uninsured, the Director of Compliance files a criminal complaint with the jurisdictional magistrate. This new procedure for the Department has yet to be finalized with legal counsel.

Coverage

There are two types of fines assessed on carriers by the Coverage Division:

- A. Late filing for policies not received within 30 days of the policies' effective date.
- B. 12M Minor Medical Fines

In January - March 2010, approximately 200 carriers were sent a final notice on fines over 90 days old. Carriers were advised that failure to pay outstanding fines would result in a subpoena being issued requiring attendance at an Order and Rule to Show Cause Hearing. Initially, these carriers owed \$207,375 in fines over 90 days old. This total was reduced to \$16,010.00 as of June 3, 2011.

Department of Insurance & Medical Services
South Carolina Workers' Compensation Commission

June 2011 Monthly Report

	July	August	September	October	November	December	January	February	March	April	May	June 2010 - 2011
SELF INSURANCE												
New Self-Insurers Approved	11	6	14	7	8	9	16	11	6	10	13	111
Self Insurance Tax Collected	\$35,282	\$147,818	\$1,647,285	\$16,989	\$33,269	\$319,996	\$42,040	\$126,462	\$1,996,076	\$246,679	\$75,703	\$4,687,599
COMPLIANCE												
Cases Active at Beginning of Period	422	600	754	672	768	884	778	832	867	960	971	
Cases Initiated	203	203	140	152	148	171	102	97	168	166	90	1640
Cases Closed	25	49	222	56	32	277	48	62	75	155	234	1235
Cases Active at End of Period	600	754	672	768	884	778	832	867	960	971	827	
Total Fines Assessed	\$49,965	\$63,553	\$112,292	\$105,730	\$49,740	\$109,114	\$86,660	\$56,024	\$69,074	\$61,124	\$74,855	\$838,131
- Employer wage / coverage screening	\$30,050	\$23,715	\$25,140	\$61,265	\$27,000	\$70,084	\$66,588	\$27,010	\$35,306	\$38,556	\$49,629	\$454,343
- Underlying claim / uninsured employer	\$19,915	\$36,188	\$87,152	\$44,365	\$22,740	\$39,030	\$20,072	\$29,014	\$33,768	\$22,568	\$25,226	\$380,038
- Random Investigation	\$0	\$3,650	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,750
Total Fines Collected	\$15,975	\$20,704	\$27,075	\$51,739	\$22,068	\$39,084	\$23,255	\$20,944	\$26,679	\$35,660	\$23,836	\$307,019
- Employer wage / coverage screening	\$14,175	\$13,634	\$17,435	\$20,375	\$15,625	\$32,584	\$18,375	\$13,875	\$18,111	\$23,489	\$17,059	\$204,737
- Underlying claim / uninsured employer	\$1,800	\$7,070	\$9,640	\$31,264	\$6,443	\$6,500	\$4,880	\$7,069	\$8,568	\$12,171	\$6,777	\$102,182
- Random Investigation	\$0	\$0	\$0	\$100	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$100
Fines Waived/Rescinded/Uncollectable	\$25,770	\$77,180	\$43,411	\$38,949	\$45,874	\$24,330	\$37,942	\$26,637	\$22,107	\$34,177	\$47,009	\$423,386
- Waived	\$8,370	\$13,775	\$5,520	\$0	\$1,500	\$6,750	\$25,322	\$16,746	\$7,767	\$19,664	\$26,533	\$131,947
- Rescinded	\$17,400	\$63,405	\$37,891	\$38,949	\$44,374	\$17,580	\$12,620	\$9,891	\$14,340	\$13,013	\$20,476	\$289,939
- Uncollectable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
COVERAGE & ACCIDENT RPTG												
Employers Withdrawing From the Act	1	1	3	2	1	3	3	1	1	4	2	22
Coverage Fines Assessed	\$18,400	\$19,600	\$4,400	\$7,800	\$13,200	\$11,000	\$8,200	\$7,400	\$6,200	\$6,200	\$28,800	\$131,200
Coverage Fines Collected	\$67,795	\$21,600	\$18,500	\$10,600	\$12,240	\$10,400	\$9,200	\$9,800	\$8,000	\$8,200	\$9,500	\$185,835
Coverage Fines Waived	\$1,000	\$2,400	\$1,604	\$13,360	\$1,600	\$2,275	\$1,600	\$400	\$0	\$1,450	\$2,600	\$28,289
Number of 12As Filed EDI	1,762	1,747	1,689	1,554	1,601	1,573	1,444	1,426	1,735	1,511	1,659	17,701
Number of 12As Filed Manually	336	458	376	386	394	345	242	283	427	435	332	4,014
Total Number of WCC Files Created	2,098	2,205	2,065	1,940	1,995	1,918	1,686	1,709	2,162	1,946	1,991	21,715
Number of Fatalities Filed on 12As	7	9	4	8	3	11	2	3	7	7	2	63
MEDICAL SERVICES												
Bills Pending at Beginning of Period	76	93	59	42	61	53	39	29	46	66	67	
Bills Received	83	90	85	107	67	64	59	70	80	65	55	825
Bills to be Reviewed	159	183	144	149	128	117	98	99	126	131	122	
Bills Reviewed this Month	66	124	102	88	75	78	69	53	60	64	101	880
Bills Pending at End of Period	93	59	42	61	53	39	29	46	66	67	21	

Department of Insurance & Medical Services
 South Carolina Workers' Compensation Commission
 June 2011

FY2010

	July	August	September	October	November	December	January	February	March	April	May	June	2009-2010
Violation letters	48	62	45	63	38	51	49	51	45	29	20	9	510
Compl. Agrmnt revd/Admin. Order	25	48	40	29	48	44	38	29	57	27	17	11	413
- Compliance Agreements received	25	44	40	28	47	40	36	25	41	21	10	10	367
- Administrative Orders	0	4	0	1	1	4	2	4	16	6	7	1	46
Subpoenas issued	0	0	34	38	19	43	12	11	15	18	39	14	243
Orders published	0	0	0	0	0	18	0	5	6	1	1	6	37
Civil Judgments filed	0	0	0	0	0	0	0	0	1	0	0	0	1

FY2011

	July	August	September	October	November	December	January	February	March	April	May	June	2010-2011
Violation letters - 102	14	9	39	36	18	40	20	33	49	32	33	9	323
Compl. Agrmnt revd/Admin. Order	13	35	23	27	28	20	18	25	26	27	23	23	265
- Compliance Agreements received	6	27	19	24	22	17	13	17	20	19	19	19	203
- Administrative Orders - 160	7	8	4	3	6	3	5	8	6	8	4	4	62
Subpoenas issued - 68	10	13	8	23	6	22	11	7	9	8	8	8	125
Orders published - 69	7	6	1	2	8	0	3	8	2	1	5	1	43
Civil Judgments filed - 149	0	4	12	0	0	0	0	5	0	0	1	0	22

TO: GARY CANNON, EXECUTIVE DIRECTOR
FROM: GREGORY S. LINE, DIRECTOR OF CLAIMS
SUBJECT: CLAIMS REPORT FOR THE MONTH OF MAY
DATE: 06/06/11

Fines assessed for the month of May 2011:

- We assessed **478** fines for the month of May which was down from assessing **631** fines for the month of April.
- The dollar amount of the fines assessed for the month was **\$102,650** which was down from assessing **\$133,350** for the month of April.

Fines received for the month of May 2011:

- We received payment on **577** fines for the month of May which was down from receiving **620** fines for the month of April.
- The dollar amount of fines received for the month May was **\$117,875** which was down from receiving **\$119,525** for the month of April.

The number of fines assessed went down for the month of May and the number of fines collected went down slightly for the month:

• July fines assessed	1,195	July fines collected	742
• August fines assessed	699	August fines collected	722
• September fines assessed	839	September fine collected	580
• October fines assessed	560	October fines collected	599
• November fines assessed	715	November fines collected	649
• December fines assessed	661	December fines collected	488
• January fines assessed	701	January fines collected	510
• February fines assessed	479	February fines collected	512
• March fines assessed	579	March fines collected	552
• April fines assessed	631	April fines collected	620
• May fines assessed	487	May fines collected	577

The fines assessed for Form 18's went down **117** fines for the month. The Claims Department processed **5,457** Form 18's for the month of May. Since October, we are averaging assessing **602** fines and collecting **563** fines per month.

The dollar amount of fines assessed for each form, for the month of June, and fines collected for each form from May 1, 2011 through May 31, 2011

The number of fines assessed and collected, for each form, are in parenthesis.

	<u>Assessed</u>	<u>Collected</u>
Form 12A -	\$ 26,400.00 (132)	\$ 12,300.00 (63)
Form 15 Section I -	\$ 7,600.00 (33)	\$ 8,525.00 (40)
Form 15 Section II -	\$ 4,400.00 (22)	\$ 2,825.00 (15)
Form 15 S -	\$ 800.00 (4)	\$ 1,600.00 (8)
Form 17 -	\$ 1,000.00 (5)	\$ 400.00 (2)
Form 18 -	\$ 58,200.00 (266)	\$ 87,300.00 (416)
Form 19 -	\$ 250.00 (5)	\$ 525.00 (11)
Denial letter -	\$ 2,200.00 (11)	\$ 2,000.00 (10)
Failure to respond -	\$ 1,600.00 (8)	\$ 2,400.00 (12)
TOTAL -	\$ 102,650.00 (487)	\$ 117,875.00 (577)

Fine Report for December 2010 & January, February, March, April & May 2011

	Dec	Jan	Feb	Mar	Apr	May
Amt assess	\$134,500	\$141,200	\$ 96,600	\$120,200	\$133,350	\$102,650
# fines assess	661	701	479	579	631	487
Amt coll	\$103,000	104,200	\$101,700	\$110,650	\$119,525	\$117,875
Fines coll	488	510	512	552	620	577

Form 18's

Fines assess						
Daily	\$ 97,000	\$96,500	\$74,200	\$75,400	\$73,600	\$51,600
Fines assessed						
file review	\$1,800	\$5,000	\$1,400	\$5,800	\$14,200	\$6,600
Total amount						
Assessed	\$98,800	\$101,500	\$75.60	\$81,200	\$87,800	\$58,200

fines assess daily	478	485	366	353	344	233
# fines assess						
file review	9	24	7	29	39	33
Total fines assess	487	509	373	382	383	266

Amt coll	\$75,100	82,600	\$79,100	\$83,300	\$85,172	\$87,300
# coll	342	402	399	412	437	416

All other fines assessed

(Form 12-A, Form 15, Form 17, Form 19, denial letter, Form 20, failure to respond)

Amt assess	\$35,700	\$38,700	\$21,000	\$49,300	\$45,550	\$44,250
# fines assess	174	192	106	197	248	221
Amt paid	\$27,900	\$21,600	\$22,600	\$27,350	\$34,350	\$30,575
# fines pd	146	108	113	140	183	161

TO: Gary M. Cannon, Executive

FROM: Gregory S. Line
Director of Claims

DATE: June 6, 2011

RE: Claims
Outstanding Fines Status

Below is a list of four carriers that were sent a Second and Final Notice of fines Assessment on February 18, 2011

1. Williamsburg National Ins. Co. (01058)
 - a. Beginning bal \$ 1,200.00
 - b. Bal as of 6/6/11 \$ **200.00**

2. Safety National Casualty Corp. (01026)
 - a. Beginning bal \$ 1,800.00
 - b. Bal as of 6/6/11 \$ **200.00**

3. PA Manufacturers Assn. Ins. Co. (00394)
 - a. Beginning bal \$ 5,200.00
 - b. Bal as of 6/6/11 \$ **1,800.00**

4. Nash Johnson & Sons Farm, Inc. (00994)
 - a. Beginning bal \$ 4,800.00
 - b. Bal as of 6/6/11 \$ **600.00**

TO: Gary M. Cannon, Executive Director
FROM: Gregory S. Line
Director of Claims
DATE: June 6, 2011
RE: Claims
Outstanding fine status

Below is a list of five carriers that were sent a Second and Final Notice of fines Assessment on February 28, 2011.

1. American Casualty Co. of Rdg PA (00017)
 - a. Beginning bal \$ 7,086.33
 - b. Bal as of 6/6/11 \$ **2,286.33**

2. Lowe's Companies, Inc. (00946)
 - a. Beginning bal \$ 4,386.33
 - b. Bal as of 6/6/11 \$ **2,386.33**

3. Kroger Company (01691)
 - a. Beginning bal \$ 4,000.00
 - b. Bal as of 6/6/11 \$ **400.00**

4. SC School Board Self Ins. Trust Fund (00926)
 - a. Beginning bal \$ 9,600.00
 - b. Bal as of 6/6/11 \$ **7,000.00**

5. Federal Express Corp. (00956)
 - a. Beginning bal \$ 1,400.00
 - b. Bal as of 6/6/11 \$ **600.00**

TO: Gary M. Cannon, Executive Director
FROM: Gregory S. Line
DATE: June 6, 2010
RE: Claims
Outstanding Fines Status

Below is the status of 4 companies that were sent a Second and Final Notice of fines Assessment on February 18, 2011.

1. Lumbermens Mutual Casualty Co. (00056)
 - a. Beginning bal \$ 2,725.00
 - b. Bal as of 6/6/11 \$ **625.00**

2. Liberty Mutual Corporation (00417)
 - a. Beginning bal \$ 10,000.00
 - b. Bal as of 6/6/11 \$ **6,500.00**

3. Delhaize America, Inc (00891)
 - a. Beginning bal \$ 15,386.33
 - b. Bal as of 6/6/11 \$ **1,000.00**

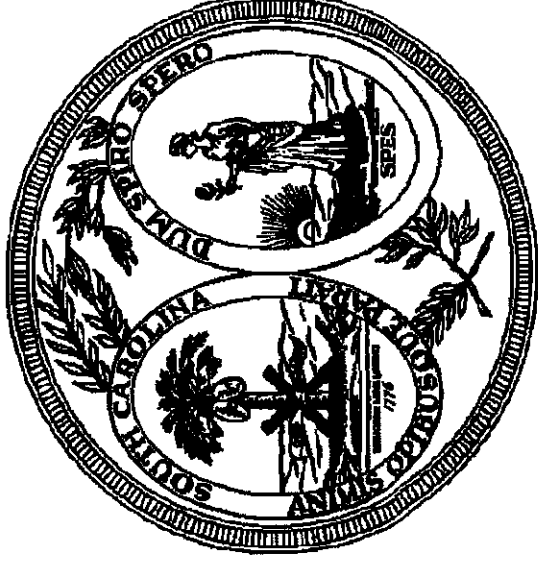
4. Southeastern Freight Lines, Inc. (00898)
 - a. Beginning Bal \$ 1,400.00
 - b. Bal as of 6/6/11 \$ **400.00**

CLAIMS DEPARTMENT REPORT													
STATISTICS FOR FISCAL YEAR 2010-2011													
Prepared JUNE 3, 2011													
I. Claims Services Division													
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
Forms 15 for TT/TF	2,205	2,244	2,349	2,188	2,123	2,075	1,891	2,117	2,249	2,026	2,252		23,719
Forms 16 for PP/DI	314	508	399	323	227	402	307	284	330	227	287		3,608
Forms 18	6,013	6,130	5,913	5,219	5,223	5,601	5,741	5,890	6,224	5,889	5,457		63,300
Forms 20	1,113	1,162	1,304	963	1,073	1,048	838	924	1,267	1,018	902		11,612
Form 50 Claims Or	276	283	339	285	338	222	358	301	282	272	256		3,212
Form 61	663	775	713	673	787	616	781	658	812	708	712		7,898
Letters of Rep	117	380	336	324	326	315	297	251	240	214	231		3,031
Clinchers	708	893	824	753	767	703	813	715	823	1,043	1,008		9,050
Third Party Settlen	11	29	25	18	27	24	33	26	42	20	28		283
SSA Requests for	102	150	152	118	121	223	212	242	180	125	141		1,766
Cases Closed	2,268	2,508	2,914	2,206	2,249	2,579	2,132	2,210	2,586	2,616	1,989		26,257
Cases Reviewed	1,293	1,576	1,030	1,072	1,063	919	833	960	1,376	1,672	979		12,773

CLAIMS DEPARTMENT REPORT													
STATISTICS FOR FISCAL YEAR 2010-2011													
Prepared JUNE 3, 2011													
II. Fines Assessed by Claims Department													
	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Total
Number Assessed	1,195	699	839	560	715	661	701	479	579	631	487		7,546
Number Rescinded	250	275	186	165	158	169	169	155	208	161	152		2,048
Number Reduced	35	39	24	27	14	17	12	10	51	65	24		318
Number Paid	742	722	580	599	649	488	510	512	552	620	577		6,551
Number Outstanding	3,685	3,387	3,460	3,256	3,164	3,168	3,181	2,993	2,812	2,662	2,420		2,420
Total Amt. Assessed	\$245,850	\$147,800	\$170,800	\$114,800	\$150,000	\$134,500	\$141,200	\$96,600	\$120,200	\$133,350	\$102,650		\$1,557,750
Total Amt. Rescinded	\$49,150	\$54,850	\$37,600	\$33,950	\$29,500	\$34,400	\$32,900	\$31,600	\$50,400	\$32,550	\$33,650		\$420,550
Total Amt. Reduced	\$4,500	\$5,400	\$4,050	\$3,400	\$1,650	\$1,800	\$1,200	\$2,100	\$5,025	\$6,800	\$2,625		\$38,550
Total Amt. Paid	\$147,025	\$144,825	\$119,325	\$120,300	\$128,000	\$103,000	\$104,200	\$101,700	\$110,650	\$119,525	\$117,875		\$1,316,425
Total Outstanding	\$754,598	\$697,323	\$707,148	\$664,298	\$655,148	\$650,448	\$653,348	\$614,548	\$570,473	\$544,948	\$493,448		\$493,448

Fines Collected Years 2007, 2008, 2009, 2010, 2011												
	Jan	Feb	March	April	May	June	July	August	Sept	Oct	Nov	Dec
2007	21,620	34,891	36,520	35,339	45,785	36,760	46,555	68,018	49,261	58,934	45,203	40,261
2008	48,613	38,805	45,167	34,710	40,525	79,055	67,769	51,195	65,230	59,817	37,309	39,583
2009	37,080	44,750	35,960	49,842	93,182	65,351	100,383	119,853	100,026	66,565	61,627	54,390
2010	66,200	103,600	203,410	159,375	218,150	86,500	147,025	144,825	119,325	120,300	128,000	103,000
2011	104,200	101,700	110,650	119,525	117,875							
*May collected figures include payments 5/1/2010 through 6/11/2010												
June collected figure includes payments 6/12/2010 through 6/30/2010*												

SCWCC Judicial Report



June 2011

Judicial Report

Month	Forms 50, 52, 54 Forms 51, 53, 55	Form 21	Form 15 Section III	Dependency Hearings Requested	Motions	Clincher Conf. Requested	Informal Conf. Requested	Informal Conf. Conducted	Mediations	Form 30	FC Hearings Held	FC Orders Served	Single Comm. Hearings Held	D&O Served	
Jul-10	692	527	283	1	4	86	93	436	170	6	50	27	22	138	125
Aug-10	723	627	319	6	5	103	87	491	567	0	51	23	46	153	155
Sep-10	635	551	249	2	4	84	88	354	411	7	43	25	39	180	162
Oct-10	632	511	283	4	3	107	76	497	302	15	42	31	34	144	114
Nov-10	661	528	252	3	5	106	93	397	264	3	49	20	20	182	153
Dec-10	526	501	252	3	3	79	96	375	299	11	56	27	28	151	95
Jan-11	708	553	273	2	0	65	84	366	271	50	30	15	25	160	177
Feb-11	686	493	284	1	6	76	89	480	237	6	58	36	31	152	124
Mar-11	843	706	319	2	8	95	93	488	390	0	55	20	25	175	170
Apr-11	653	607	304	3	7	77	89	428	260	144	46	19	26	146	117
May-11	678	546	304	2	10	83	98	465	286	2	44	31	28	182	134
Jun-11															
Totals FY 2010-2011	7437	6150	3122	29	55	961	986	4777	3457	244	524	274	324	1763	1526

Pleadings Assigned

Month	District 1	District 2	District 3	District 4	District 5	District 6	District 7
Jul-10	93	111	118	169	146	114	140
Aug-10	121	106	113	193	138	109	132
Sep-10	111	85	105	130	115	103	163
Oct-10	99	76	84	157	117	83	130
Nov-10	97	50	122	140	99	98	151
Dec-10	95	81	111	131	88	83	118
Jan-11	108	83	123	164	90	101	140
Feb-11	132	67	102	139	89	85	95
Mar-11	165	100	109	160	140	133	159
Apr-11	130	83	112	163	96	106	163
May-11	92	90	113	160	112	86	149
Jun-11							
Totals	1243	932	1212	1706	1230	1101	1540
FY 2010-2011							

Informal Conference & Mediations

Staff	Mileage/Hours	Year												Total
		Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	
Staff 1 Greg	SVM 368.00	332.00	205.00	701.00	25.00	0.00	587.00	370.00	591.00	375.00	553.00			4107.00
	PVM 213.00	0.00	172.00	0.00	605.00	470.00	0.00	0.00	0.00	0.00	0.00			1460.00
	Time 43.00	47.00	69.50	48.00	61.00	48.00	44.00	24.00	44.00	25.00	32.00			485.50
	Hotel 0.00	115.06	214.67	110.00	0.00	39.00	160.00	0.00	0.00	0.00	0.00			638.73
Staff 2 Ginger	SVM 162.00	262.00	0.00	0.00	233.00	562.00	236.00	0.00	348.00	0.00	658.00			2461.00
	PVM 501.00	320.00	776.00	232.00	200.00	0.00	138.00	0.00	65.00	40.00	0.00			2272.00
	Time 35.00	51.00	59.00	20.00	26.00	33.00	25.00	0.00	52.00	12.00	32.00			345.00
	Hotel 0.00	0.00	0.00	0.00	0.00	0.00	264.00	0.00	0.00	0.00	0.00			264.00
Mediations	SVM 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
	PVM 116.00	0.00	0.00	266.00	0.00	0.00	254.00	0.00	0.00	506.00	0.00			1142.00
	Time 33.00	0.00	0.00	13.00	0.00	0.00	27.00	0.00	0.00	144.00	0.00			217.00
	Hotel 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	450.81	0.00			450.81
Staff 3 John	SVM 192.00	456.00	339.00	0.00	0.00	0.00	0.00	0.00	0.00	202.00	28.00			1217.00
	PVM 4.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			4.00
	Time 16.75	49.00	24.15	26.50	0.00	22.00	22.00	0.00	12.00	23.00	18.00			213.40
	Hotel 0.00	155.26	0.00	110.00	0.00	0.00	0.00	0.00	0.00	26.00	0.00			291.26
Staff 4 Garry	SVM 130.00	182.00	163.00	460.00	746.00	255.00	486.00	269.00	930.00	241.00	0.00			3862.00
	PVM 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
	Time 4.00	24.00	48.45	61.50	128.00	34.50	70.50	31.00	39.50	20.00	7.50			468.95
	Hotel 0.00	0.00	198.00	65.00	164.25	102.95	132.84	78.00	0.00	0.00	0.00			741.04
Staff 5 Kelly	SVM 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
	PVM 45.00	92.60	92.60	220.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			450.20
	Time 20.45	34.45	25.50	12.00	13.50	0.00	13.00	0.00	11.50	12.50	12.25			155.15
	Hotel 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
Staff 6 Robin	SVM 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
	PVM 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
DiAnn	PVM 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00
	Time 0.00	21.00	25.50	0.00	13.50	0.00	0.00	11.00	0.00	0.00	12.00			83.00
	Hotel 0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			0.00

Totals FY 2010-2011	
SVM = State Vehicle Miles	11647.00
PVM = Personal Vehicle Miles	5328.20
T = Time	1968.00
H = Hotel Cost	2385.84

State of South Carolina

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FAX: (803) 737-5764

Workers' Compensation Commission

Executive Director's Report June 20, 2011

Fines and Assessments Aging Report

The attached Fines and Assessments Aging Report reflects the number and amount of fines assessed for the period ending May 31, 2011.

Employee Meetings/Staff Training

The agency All Employee Meeting was held on May 19. Four employees participated in the employee focus group with the Executive Director on May 19. Executive Staff Leadership Team met on June 7.

Constituent /Public Information Services

For the period May 13 through June 10 the Executive Director's Office had 213 contacts with various system constituents. The contacts included telephone communications; electronic and personal contacts with claimants or constituents, state agencies, federal agencies, attorneys, service providers, business partners; and letters with congressional offices.

SC Bar Diversity Clerkship Program

Amber Jones will complete her work with our agency through the SC Bar Diversity clerkship program on Tuesday, June 28. I commend Amber for her good work for our agency and wish her well as she enters the second year of law school in August.

SC Department of Vocational Rehabilitation (SCDVR)

We are continuing to work with employees of SCDVR to establish a functional system to refer workers' compensation claimants to their agency for evaluation and services. We met with their representatives on May 19 to finalize the data base exchange requirements.

SCWCC Advisory Board

The SC Workers' Compensation Advisory Board met on May 20 to discuss the issues they plan to include in the report to the General Assembly this year. Chairman Beck and I attended.

Other Meetings

The Executive Director participated in the following meetings:

- May 20 – Briefing with Hal Willson, chairman, Pharmacy Fee Schedule Advisory Committee.
- May 20 – Participated in a conference call with Ingenix regarding a proposal for updating the SC Medical Services Manual Fee Schedule.
- May 26 – Met with SCWCEA Medical Conference Committee to discuss the agenda for the Medical Conference in January 2011.
- June 9 – Met Tim Ervolina, President United Way, to discuss next year's campaign.
- June 10 – made a presentation to 65 attendees of the PHT Annual Membership meeting about the Commission's activities.

Pending Legislation

No action was taken on H 3111 before the General Assembly recessed on June 2.

Surgical Implant Advisory Committee

The next meeting of the Surgical Implant Advisory Committee is scheduled for Wednesday, June 22, at 2:00 PM in the CBRE First Floor Conference Room. Committee members representing the hospitals and ambulatory surgery centers will brief the Committee on the surgical implants billing policies and procedures under Medicare.

Pharmacy Fee Schedule Advisory Committee

The first meeting of the Pharmacy Fee Schedule Advisory Committee is scheduled for Friday, June 24, at 10:00 AM in the CBRE First Floor Conference Room.

Fines and Assessments Aging Report
Monthly Totals

Summary All Depts.

	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Total	\$1,489,356	\$1,398,959	\$1,476,516	\$1,418,489	\$1,416,701	\$1,447,700	\$1,468,658	\$1,439,801	\$1,472,191	\$1,444,135	\$1,404,676	
Count	4,982	4,684	4,686	4,460	4,557	4,543	4,589	4,475	4,444	4,328	4,178	
> 91 Days	\$922,663	\$958,379	\$1,036,625	\$1,029,732	\$1,028,054	\$1,058,690	\$1,073,180	\$1,108,478	\$1,126,823	\$1,103,150	\$1,062,286	
Count	2,706	2,991	3,111	3,200	3,116	3,197	3,205	3,316	3,285	3,126	3,034	
61-90 Days	\$113,563	\$111,665	\$91,009	\$95,493	\$90,455	\$66,292	\$93,575	\$69,475	\$65,544	\$65,523	\$71,597	
Count	552	431	417	256	331	196	371	241	192	234	243	
31-60 Days	\$210,132	\$140,749	\$126,743	\$119,771	\$93,672	\$124,975	\$120,789	\$111,359	\$98,699	\$96,093	\$107,054	
Count	687	599	386	450	320	513	371	338	354	350	359	
< 30 days	\$240,942	\$188,166	\$222,139	\$173,493	\$204,520	\$197,743	\$181,114	\$150,489	\$181,125	\$179,369	\$163,738	
Count	1,037	663	772	554	790	637	642	580	613	618	542	
Of Fines Over 90 Days Old												
Orders	\$5,310	\$4,785	\$4,685	\$3,785	\$3,285	\$3,185	\$3,185	\$3,185	\$3,185	\$3,185	\$3,085	
Count	31	25	24	19	17	16	16	16	16	16	15	
Judgments	\$201,174	\$201,174	\$201,174	\$94,248	\$200,714	\$200,714	\$200,394	\$200,174	\$200,174	\$200,174	\$200,174	
Count	537	537	537	483	534	534	533	532	532	532	532	

Coverage	July	August	Sept	Oct	Nov	Dec	Jan	Feb	Mar	April	May	June
Division Total	\$63,275	\$57,975	\$75,776	\$57,556	\$50,271	\$47,000	\$44,400	\$41,600	\$58,800	\$68,950	\$73,600	
Count	298	272	161	154	178	176	165	151	142	199	261	
> 91 Days	\$13,675	\$21,475	\$65,126	\$46,556	\$32,271	\$28,600	\$29,400	\$29,200	\$49,600	\$47,150	\$37,200	
Count	50	89	107	99	87	83	90	89	96	90	79	
61-90 Days	\$12,400	\$11,000	\$3,000	\$1,800	\$400	\$2,800	\$3,200	\$2,000	\$600	\$1,200	\$1,600	
Count	62	55	15	9	2	15	16	10	3	6	8	
31-60 Days	\$21,000	\$6,900	\$4,250	\$1,400	\$5,000	\$5,200	\$3,800	\$3,000	\$2,400	\$2,200	\$8,800	
Count	105	35	22	7	26	26	19	15	12	11	44	
< 30 days	\$16,200	\$18,600	\$3,400	\$7,800	\$12,600	\$10,400	\$8,000	\$7,400	\$6,200	\$18,400	\$26,000	
Count	81	93	17	39	63	52	40	37	31	92	130	
Of Fines Over 90 Days Old												
Orders												
Count												
Judgments												
Count												
Judicial												
Division Total	\$18,873	\$26,208	\$26,683	\$27,759	\$26,274	\$26,744	\$25,483	\$24,408	\$26,386	\$24,242	\$25,273	
Count	37	54	69	63	61	63	56	50	57	57	60	
> 91 Days	\$8,240	\$10,296	\$17,071	\$17,258	\$20,885	\$21,444	\$23,279	\$24,222	\$23,207	\$22,275	\$21,716	
Count	26	26	31	32	41	44	47	49	48	43	40	
61-90 Days	\$443	\$6,775	\$559	\$6,055	\$1,107	\$2,022	\$1,315	\$186	\$0	\$0	\$1,005	
Count	2	5	3	13	6	4	4	1	0	0	7	
31-60 Days	\$3,257	\$1,359	\$6,055	\$1,293	\$2,022	\$1,415	\$559	\$0	\$2,030	\$575	\$387	
Count	3	4	13	7	4	5	3	0	1	4	4	
< 30 days	\$4,877	\$7,778	\$2,998	\$3,153	\$2,260	\$1,863	\$330	\$0	\$1,149	\$1,393	\$2,164	
Count	6	19	22	11	10	10	2	0	8	10	9	

TO: Workers' Compensation Commissioners

FROM: Gary M. Cannon

DATE: June 15, 2011

RE: Governmental Enterprise Accounts Receivable Collections (GEAR)

The South Carolina Department of Revenue (SCDOR) is authorized to contract with any other governmental entity to collect outstanding liabilities owed (§12-4-580 SC Code of Laws). SCDOR operates two programs under this authority; the Set-Off Debt Program and the Governmental Enterprise Accounts Receivable Collections (GEAR) program. The Commission is eligible to participate in the GEAR program.

Utilizing the GEAR program the SCDOR has all rights and powers of collection under Title 12 of the SC Code of Laws for the collection of taxes and all such rights and powers authorized the governmental entity to which the liability is owed. The GEAR program uses an extensive letter campaign followed by wage garnishments, payment agreements, and payment levies in order to collect the amounts owed.

Over the past two years the Commission has increased its efforts to communicate the statutory and regulatory compliance requirements to the system stakeholders and when violations occur assess and collect fines in a timely manner. For statutory and regulatory violations we mail two fine assessment notices. The initial notice allows 30 days for payment. The second notice allows 15 days for payment. Non-payment after this time may result in the issuance of a summons to appear at an Order to Rule and Show Cause Hearing before a Commissioner. Failure to pay after a Show Cause hearing may result in a judgment being filed against the business for the amount due.

The Fines and Assessments Aging Report is located behind Tab 9 after the Executive Director's Report. Page 1 of the Report is the Summary of all Departments. The column to the left indicates the number of fines and the number of days outstanding for the corresponding month. As of May 31 we had a total of 3,034 fines totaling \$1,062,286 that are over 91 days outstanding.

Currently we have 53 outstanding judgments filed with Richland County totaling \$106,706 owed to the Commission.

The Compliance Division in the Insurance and Medical Services Department has 136 fines over 91 days old totaling \$430,142. Also, 53 judgments have been filed with the Richland County court system totaling \$106,706 in payments owed to the Commission.

To increase our efforts to collect the outstanding fines for statutory and regulatory violations, I recommend we participate in the SCDOR GEAR program. Once we exhaust all remedies to collect the outstanding debt, we provide the information to the SCDOR GEAR Program for collection. SCDOR retains 28.5% of the amount collected.

Currently the State Ethics Commission, Department of Mental Health and the Department of Corrections participate in the program.

Attached is a contract with the SCDOR for our participation.

Recommend approval. Approval of the contract will allow us to complete the application process with SCDOR due August 31 and initiate the implementation procedures.

GOVERNMENTAL ENTERPRISE ACCOUNTS RECEIVABLE COLLECTIONS CONTRACT

WHEREAS, Entity [South Carolina Workers' Compensation Commission] and the South Carolina Department of Revenue [Department] have agreed to terms and conditions for collection of "Liabilities" as defined and in accordance with S.C. Code Section 12-4-580(D)(2), the parties agree as follows:

1. The Department shall endeavor to collect "Liabilities" submitted by Entity. "Liability" and "Liabilities" as used in this agreement, and as defined in S.C. Code Section 12-4-580(D)(2) is "a debt which is certified by the governmental entity to be owed it for which all rights of administrative or judicial appeal have been exhausted, or all time limits for those appeals have expired."
2. Entity as used in this agreement and as defined in South Carolina Code Section 12-4-580(D)(1), "... means the State and any state agency, board, committee, commission, department, or public institution of higher learning; all political subdivisions of the State; and all federal agencies, boards, and commissions. "Political subdivision" includes the Municipal Association of South Carolina and the South Carolina Association of Counties when these organizations submit claims on behalf of their members."
3. Entity acknowledges that in administering this agreement, S.C. Code Section 12-4-580 entitles the Department to use all the rights and powers of collection that it has under Title 12 of the South Carolina Code of Laws for collection of taxes, as well as all rights and powers authorized to the Entity, including waiver and compromises that facilitate collection of the liability. Entity agrees to disclose fully all such rights, powers, and contractual authority to the Department or in connection with particular liabilities submitted to the Department.
4. Entity shall notify the debtor of its intention to submit the liability to the Department for collection under S.C. Code Section 12-4-580 and of the debtor's right to protest not less than thirty (30) days before the liability is submitted to the Department for collection. Entity shall adopt and comply with the notice, hearing, appeals and any other provisions contained in S.C. Code Sections 12-56-62, 12-56-63(A), 12-56-65, 12-56-67 and 12-56-70 with such additional language in the notice letter as is specified by the Department in Schedule A.
5. Entity agrees to pay the Department a fee per liability account collected of 28.5% of the amount of the liability (including, but not limited to, the liability, penalty, interest, and other costs) collected. The Entity shall adjust the Debtor's account by the full amount collected by the Department and shall not reduce the credit by the amount of the Department's fee or any other fee.

6. The Department may deduct its fee before transferring collected funds to the Entity.
7. Entity acknowledges that in administering this agreement the Department has the discretion to determine the collection actions to be taken and the time frame in which those actions are to occur.
8. Entity acknowledges for liabilities submitted for collection that the Department will use, in the attempt to collect the liability, the provisions provided in Chapter 56 of Title 12 of the South Carolina Code of Laws, unless the Department, at its option, opts otherwise.
9. Entity agrees that liabilities may not be increased after submission for collection. Separate liabilities for the increased amount must be established and submitted after meeting all requirements stated in this agreement.
10. Entity warrants and agrees that all liabilities submitted to the Department for collection under this program meet the requirements of S.C. Code Section 12-4-580(D)(2) in that each liability is "a debt which is certified by the governmental entity to be owed it for which all rights of administrative or judicial appeal have been exhausted, or all time limits for those appeals have expired."
11. Entity agrees to supply the Department certification, in the form attached as Schedule A, that all liabilities submitted to the Department for collection under this program meet the requirements of S.C. Code Section 12-4-580(D)(2) and Entity has adopted and followed the due process procedures contained in Sections 12-56-62, 12-56-63(A), 12-56-65, 12-56-67 and 12-56-70, with such additional language in the notice letter as is specified by the Department in Schedule A.
12. Entity agrees that liabilities under a collection agreement with another agency (e.g. collection agency) will not be placed with the Department under this program.
13. Entity understands that S.C. Code Section 12-4-580(C) requires "entities that contract with the department pursuant to this section shall indemnify the department against any injuries, actions, liabilities, or proceedings arising from the department's collecting or attempting to collect the liability owed to the governmental entity".
14. If a collection is made and later determined to be improper due to error made by Entity, Entity shall refund the appropriate amount to the taxpayer from Entity's own funds. If a collection is made and later determined to be improper due to error made by Department, the Department shall refund the fee specified in Paragraph 5. Entity acknowledges and agrees that at all times the Debtor shall be entitled to full credit for all amounts collected as provided in paragraph 5.

15. Entity agrees to immediately notify the Department, on a form prescribed by the Department, in any case where an account has been assigned to the Department and that account becomes the subject of a bankruptcy. Upon receipt of notification, the Department shall refer the account back to Entity and no additional fee will be generated on the remaining balance.
16. Any payment received by Entity for liability(s) submitted to the Department must be forwarded to the Department with a payment document prescribed by the Department. If the payment is made by check, it must be endorsed and made payable to the Department using the following statement "Payable to the Order of the SC Department of Revenue."
17. Some data files of the Entity are of a confidential nature. The Department employees shall be allowed access to these files only in accordance with appropriate laws and as needed for their duties related to the contract, and in accordance with the rules established by the Entity's custodian of the records. The Department shall maintain positive policies and procedures for safeguarding the confidentiality of such data.
18. The Department agrees to suspend action either temporarily or permanently on any account referred to collection, upon notification by Entity.
19. Upon collection of such delinquent liabilities, the Department will remit to the Entity all funds collected minus the Department's collection fee referred to in the agreement. As provided in S.C. Code Section 12-56-60(B), if the income tax refund is seized through the Setoff Debt Collection Act, a \$25 administrative fee will be taken and the collection fee of 28.5% will not apply to that portion of the setoff. The forms to be used for such remittance shall be prescribed by the Department.
20. Entity agrees to post payments to debtor's accounts within a reasonable time after receipt of payment. Reasonable time shall be mutually established between the Entity and Department.
21. Entity agrees to provide timely updates to the Department for all liabilities submitted for collection. Entity understands the importance of maintaining accurate liability balances with the Department.
22. That no modification or waiver of this agreement, or any part hereof, shall be valid or effective unless in writing, signed by all parties; and no waiver of any breach or condition of this agreement shall be deemed to be waiver of any other subsequent breach or condition.
23. Termination of Contract: This contract may be terminated for any reason by either party upon the submission of a thirty (30) day written notice thereof.
24. Upon termination of contract, all records of Entity that are in the possession of the Department shall be returned promptly and in a confidential manner.

- 25. This document contains the entire agreement of the parties hereto, and no representation, inducement, promises, or agreements, oral or otherwise, among the parties not contained herein shall be of any force or effect.
- 26. This agreement shall be governed by and construed according to the laws of the State of South Carolina.

WHEREFORE, the South Carolina Department of Revenue, an Agency of the State of South Carolina, and South Carolina Workers' Compensation Commission, a qualified Governmental Entity under Section 12-4-580 of the South Carolina Code of Law, do hereby sign, seal and deliver the written agreement this _____ day of _____, 20____.

Witness:

Entity: _____

By: _____

**SOUTH CAROLINA DEPARTMENT OF
REVENUE**

By: _____

Schedule A

On behalf of (South Carolina Workers' Compensation Commission), I, (name of person certifying), hereby certify under penalty of perjury:

1. That all liabilities submitted to the Department for collection under this program meet the requirements of S.C. Code Section 12-4-580(D)(2) in that each liability is "a debt which is certified by the governmental entity to be owed it for which all rights of administrative or judicial appeal have been exhausted, or all time limits for those appeals have expired."
2. That with respect to each liability submitted to the Department for collection under this program that it has adopted and followed the due process procedures contained in Sections 12-56-62, 12-56-63(A), 12-56-65, 12-56-67 and 12-56-70, with the additional language in the notice letter which was specified by the Department.
3. That all liabilities submitted to the Department under this program are not under a collection agreement with another agency (e.g. collection agency).
4. Not less than thirty (30) days before the Entity submitted the liabilities to the Department for collection under S.C. Code Section 12-4-580 that the Entity notified the debtor of its intention to submit the liabilities for collection under S.C. Code Section 12-4-580 and that the notice letter read substantially as follows:

According to our records, you owe the (claimant agency) a debt in the amount of [amount of debt], plus accruing interest if applicable, for [type of debt]. You are hereby notified of the (claimant agency's) intention to submit or resubmit this debt to the South Carolina Department of Revenue for the calendar year 2011 to be set off against your individual income tax refund pursuant to the Setoff Debt Collection Act, and to be collected through the Governmental Enterprise Accounts Receivable Collections Program using all other means of collection available to the Department of Revenue.

Pursuant to the Setoff Debt Collection Act, this amount plus all costs, including a \$25 administrative fee, will be deducted from your South Carolina individual income tax refund unless you file a written protest within thirty (30) days of the date of this notice protesting the debt. If you file a joint return with your spouse, this amount will be deducted from the total joint refund without regard to which spouse incurred the debt or actually withheld the taxes.

Pursuant to the Governmental Enterprise Accounts Receivable Collections Program, S.C. Code Section 12-4-580, the Department of Revenue is authorized to utilize all rights and powers of collection allowed it under Title 12 of the S.C. Code for the collection of taxes and all rights and powers of the (claimant agency) in the collection of the above debt. These powers include but are not limited to garnishment of wages; levy and seizure of bank accounts or any other intangible asset; seizure and sale of any real or personal property; the issuance of a lien which will encumber all of your property, both real and personal, tangible and intangible; and the

revocation of any sales tax license. The Department will utilize the powers granted by S.C. Code Section 12-4-580 to collect the above debt unless you file a written protest within thirty (30) days of the date of this notice protesting the debt.

To prevent any of the above actions from being taken against you, you must file a written protest within thirty (30) days from the date of this notice. The protest must contain the following information:

1. your name;
2. your address;
3. your social security number;
4. the type of debt in dispute; and
5. a detailed statement of all reasons you disagree with the debt amount or dispute that you owe the debt.

The original written protest must be mailed to the (claimant agency) at the following address:

(address of entity requesting the setoff)

Note: The calendar year in the notice letter should be the year in which the collection activity will take place. For example, if you are sending the notices in October of 2002 for debts to be submitted to the Gear Program for collection the following year, the calendar year included in the letter should be 2003.

The undersigned (print name) does hereby certify the aforesaid.

SWORN to before me this
day of _____, 20____

NOTARY PUBLIC FOR SOUTH CAROLINA
MY COMMISSION EXPIRES:_____