



SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE
STATEMENT OF ESTIMATED FISCAL IMPACT
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Bill Number: S. 0934 Introduced on January 25, 2018
Author: Talley
Subject: Powers of the Board of Trustees of MUSC
Requestor: Senate Finance
RFA Analyst(s): Powell
Impact Date: February 8, 2018

Estimate of Fiscal Impact

	FY 2018-19	FY 2019-20
State Expenditure		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	\$0	\$0
Other and Federal	\$0	\$0
Local Expenditure	\$0	\$0
Local Revenue	\$0	\$0

Fiscal Impact Summary

This bill will allow the Medical University of South Carolina (MUSC) and the Medical University Hospital Authority (MUHA) to engage in joint procurement activities related to information technology, which would be exempt from the South Carolina Consolidated Procurement Code. While the agency reports that it anticipates savings as a result of this change, it is unable to quantify those savings. As a result, there is no impact to the General Funds, Other Funds, or Federal Funds of MUSC or MUHA.

Explanation of Fiscal Impact

Introduced on January 25, 2018

State Expenditure

This bill will allow MUSC and MUHA to engage in joint procurement activities related to information technology, which would be exempt from the South Carolina Consolidated Procurement Code. Proviso 23.4 of the FY 2017-18 Appropriations Act directed MUSC, MUHA and the Procurement Services division of the State Fiscal Accountability Authority to work together to study and make recommendations regarding the opportunity, if any, to create efficiencies, cost savings, or economies of scale by combining similar operations and procurements of MUSC and MUHA. The agency reports that, as a result of these efforts, several departments have been strategically consolidated. These efforts have been hampered due to the disparate systems used by both institutions, such as the travel system. MUSC estimates that it could achieve savings of 20 percent or more from the joint procurement of an automated travel system. However, the agency is unable to extrapolate these savings agency wide without further

pursuing the procurement process for each impacted system. As a result, there is no impact to the General Funds, Other Funds, or Federal Funds of MUSC or MUHA.

State Revenue

N/A

Local Expenditure

N/A

Local Revenue

N/A



Frank A. Rainwater, Executive Director