

MINUTES OF MEETINGS  
SOUTH CAROLINA  
STATE BUDGET AND CONTROL BOARD

FISCAL YEAR

1955-56

Columbia, South Carolina  
July 28, 1955

The State Budget and Control Board met in the Governor's Office at 11:30 A. M. on July 28, 1955. Governor Timmerman, Mr. Verner, and Mr. Bates were present at the meeting. Mr. Brown and Mr. Rhodes were absent.

Senator L. Marion Gressette and James Hugh McFadden appeared before the Board and requested that the Board supply from the Civil Contingent Fund an amount of \$25,000.00, if so much were found to be necessary, to establish a legal staff to serve school authorities throughout the State on such school problems as might be presented in connection with the ensuing school term.

It was pointed out that the Committee had had a number of requests for such advice, and it was believed that the establishment of a staff composed of perhaps five attorneys, residing in different sections of the State, who would collaborate on such problems when necessary, would fill a needed service to school authorities.

On motion of Mr. Bates, seconded by Mr. Verner, the Board agreed to supply the sum of \$25,000.00 for the purpose, or such lesser amount as might be necessary, when and as required, subject to separate approval of Mr. Brown and Mr. Rhodes.

The Board agreed to supply the approximate sum of \$2,000.00 to the Secretary of State to air condition his offices, subject to separate approval of Mr. Brown and Mr. Rhodes.

The Board allotted to the Supreme Court from the 1954-1955 Civil Contingent Fund the sum of \$1,525.00 to cover deficiencies in funds for office equipment and Library Books, subject to separate approval of Mr. Brown and Mr. Rhodes.

The Board approved, as indicated by the attached certificate, a bond issue to the S. C. Retirement System of \$400,000.00, to the University of S. C., protected by a pledge of Dormitory Fees. This transaction was originally approved on February 8, 1955.

The Board then adjourned.

SINKLER, GIBBS & SIMONS  
ATTORNEYS & COUNSELLORS AT LAW  
23 BROAD STREET  
CHARLESTON, S. C.

*Copy* *July 8-1955*  
JUNE 9, 1955

FRANK F. WELBOURNE, ESQ.,  
TREASURER, UNIVERSITY OF S. C.  
COLUMBIA, S. C.

DEAR FRANK:

IN RE: \$400,000 UNIVERSITY OF SOUTH CAROLINA STUDENT  
AND FACULTY HOUSING REVENUE BONDS, FIRST SERIES  
OF 1955, DATED JUNE 1ST, 1955.

I ENCLOSE TO YOU HEREIN (EACH LIGHTLY NUMBERED IN PENCIL)  
THE FOLLOWING:

1. ORIGINAL OF A RESOLUTION TO BE ADOPTED BY THE TRUSTEES  
MAKING PROVISION FOR THE ISSUANCE OF THE ABOVE BONDS.
- ✓ 2. ORIGINAL OF A RESOLUTION TO BE ADOPTED BY THE STATE  
BUDGET AND CONTROL BOARD.
- ✓ 3. ORIGINAL OF A SECOND RESOLUTION TO BE ADOPTED BY THE  
STATE BUDGET AND CONTROL BOARD.

THESE ARE COMPLETE EXCEPT FOR DATES WHICH ARE TO BE  
INSERTED.

4. ORIGINAL OF CERTIFICATE OF TITLE TO THE PREMISES  
WHEREON THE DORMITORIES ARE TO BE CONSTRUCTED.
- ✓ 5. ORIGINAL OF CERTIFICATE OF THE STATE AUDITOR RESPECT-  
ING THE REVENUES FROM THE FACILITIES.

EACH OF THE FOREGOING ORIGINAL DOCUMENTS IS TO BE KEPT  
IN THE UNIVERSITY'S RECORDS EXCEPT THE ORIGINAL RESOLUTIONS  
ADOPTED BY THE STATE BUDGET AND CONTROL BOARD.

6. COPY OF THE BOND FORM FOR THE PRINTER.
7. OPINION OF COUNSEL DATED JUNE 8, 1955.
8. FOUR INCOMPLETE TRANSCRIPTS OF PROCEEDINGS TO COVER  
THE ISSUANCE OF THESE BONDS. COPY MARKED # 1, WHEN COMPLETE  
IS TO BE FILED IN THE OFFICE OF THE CLERK OF COURT FOR RICHLAND  
COUNTY, WHILE COPIES NUMBERED 2, 3, AND 4 ARE TO BE CERTIFIED  
BY HIM.

OF THESE, ONE IS TO BE RETURNED TO US, ONE KEPT BY YOU AND THE  
THIRD DELIVERED TO MR. BATES.



I TAKE IT THAT YOU WILL HAVE A TRUSTEES' MEETING IN DUE COURSE, AND WILL GET JIM SMITH TO ARRANGE FOR A MEETING OF THE BUDGET AND CONTROL BOARD, AND THEREUPON PROCEED TO COMPLETE ALL PAPERS IN THE TRANSCRIPTS PRIOR TO FILING.

IF YOU WISH, YOU MAY SEND THE BOND FORM TO THE PRINTER AFTER FIRST GIVING HIM A COPY OF THE MATURITY SCHEDULE AND COPIES OF THE SPECIMEN SIGNATURES TO GO ON THE COUPONS.

IN ADDITION TO ALL OF THE FOREGOING, I MUST HAVE A CERTIFICATE FROM YOU SHOWING YOUR TENTATIVE COMPUTATION OF THE RECEIPTS FROM THE STUDENT AND FACULTY HOUSING FACILITIES FOR THE FISCAL YEAR ENDING JUNE 30, 1955, AS IT IS EXTREMELY UNLIKELY THAT THESE BONDS CAN BE DELIVERED PRIOR TO THAT DATE.

IF YOU HAVE ANY QUESTIONS, PLEASE GET IN TOUCH WITH ME.

WITH KIND REGARDS,

SINCERELY YOURS,

HUGER SINKLER

WHEREAS, pursuant to an Act of the General Assembly of the State of South Carolina entitled, "AN ACT TO AUTHORIZE THE BOARD OF TRUSTEES OF CLEMSON AGRICULTURAL COLLEGE OF SOUTH CAROLINA, THE BOARD OF TRUSTEES OF THE UNIVERSITY OF SOUTH CAROLINA, AND THE BOARD OF TRUSTEES OF THE COLORED NORMAL, INDUSTRIAL, AGRICULTURAL AND MECHANICAL COLLEGE TO ACQUIRE HOUSING FACILITIES, TO EMPOWER THE RESPECTIVE BOARDS OF TRUSTEES OF SAID INSTITUTIONS TO OBTAIN LOANS FOR SUCH PURPOSES WITH THE AUTHORIZATIONS MADE BY THIS ACT, TO DEFINE THE PROCEDURE BY WHICH SUCH LOANS MAY BE MADE AND THE COVENANTS AND UNDERTAKINGS TO SECURE THE SAME, TO MAKE PROVISION FOR THE PAYMENT OF SAID LOANS, AND TO REPEAL THE AUTHORIZATIONS GRANTED TO EACH OF SAID BOARDS OF TRUSTEES BY ACT NO. 1059 OF 1950 AND ACT NO. 907 OF 1952", Approved May 18th, 1953, the UNIVERSITY OF SOUTH CAROLINA is empowered to borrow FOUR MILLION (\$4,000,000) DOLLARS,"and to apply the proceeds of such loan to the construction, reconstruction and equipping of dormitories or apartment buildings to be located on lands now or hereafter acquired by the University of South Carolina, and, to the extent necessary, to defraying of the cost of the acquisition of land as a site or sites for the same"; and,

WHEREAS, said Act, among other things, provides that the bonds authorized thereby "shall be disposed of in such manner as the respective governing bodies of the several institutions listed in said Act shall determine, except that no sale, privately negotiated without public advertisements, shall be consummated without the approval of the State Budget and Control Board"; and,

WHEREAS, heretofore, the Board of Trustees of the UNIVERSITY OF SOUTH CAROLINA did, with the approval of this Board,

consummate a private sale of an issue of THREE HUNDRED SEVENTY-FIVE THOUSAND (\$375,000) DOLLARS, UNIVERSITY OF SOUTH CAROLINA, STUDENT AND FACULTY HOUSING REVENUE BONDS, SERIES OF 1953, dated June 1st, 1953, to a syndicate of bond dealers, composed of:

Merrill Lynch, Pierce, Fenner & Beane, of  
New York, New York,

The Robinson-Humphrey Co., Inc., of Atlanta,  
Georgia, and

G. H. Crawford Co., Inc., of Columbia, South  
Carolina,

which bonds were issued pursuant to the Act, whose title is above set forth, and a Resolution adopted by the Board of Trustees of the UNIVERSITY OF SOUTH CAROLINA on August 5th, 1953, entitled: "A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF SOUTH CAROLINA, PROVIDING FOR THE ISSUANCE AND SALE OF THREE HUNDRED SEVENTY-FIVE (\$375,000) DOLLARS STUDENT AND FACULTY HOUSING REVENUE BONDS, SERIES OF 1953, OF THE UNIVERSITY OF SOUTH CAROLINA, DATED JUNE 1ST, 1953, AND OTHER MATTERS RELATING THERETO"; and,

WHEREAS, by said Resolution of August 5th, 1953, the right was reserved in the Trustees of the UNIVERSITY to issue additional bonds, on a parity with the Bonds authorized by said Resolution, to such amount as the Trustees may, from time to time, deem necessary and proper, pursuant to said Act, or pursuant to subsequently enacted legislative authorization, upon the conditions set forth in ARTICLE IV of said Resolution of August 5th, 1953; and,

WHEREAS, it has been certified to this Board that the said Resolution of August 5th, 1953, is of full force and effect, and has not been amended, modified or repealed; and,

WHEREAS, after negotiations, the Trustees of the UNIVERSITY have concluded an agreement to sell to the STATE BUDGET AND CONTROL



BOARD, in its capacity as Trustee of the Funds of the SOUTH CAROLINA RETIREMENT SYSTEM, at a price of par and accrued interest from the date of said bonds to the date of their delivery, an issue of:

FOUR HUNDRED THOUSAND (\$400,000) DOLLARS, UNIVERSITY OF SOUTH CAROLINA, STUDENT AND FACULTY HOUSING REVENUE BONDS, FIRST SERIES OF 1955, dated June 1, 1955, in denomination of One Thousand (\$1,000) Dollars each, numbered from 1 to 400, inclusive, and maturing in annual series or instalments, in numerical order as follows:

\$11,000 on June 1st, in each of the years 1956 to 1960, inclusive;

\$14,000 on June 1st, in each of the years 1961 to 1965, inclusive;

\$16,000 on June 1st, in each of the years 1966 to 1970, inclusive;

\$18,000 on June 1st, in each of the years 1971 to 1975, inclusive; and,

\$21,000 on June 1st, in each of the years 1976 to 1980, inclusive,

of which the bonds maturing subsequent to June 1st, 1960, are subject to redemption at the option of the UNIVERSITY on June 1st, 1960, or any subsequent interest payment date, in whole or in part, but, if in part, in inverse numerical order, at a redemption price of par and accrued interest to date of redemption, plus a redemption premium of:

three per centum (3%) of their par value, if redeemed on an interest date prior to June 1st, 1966; or,

two per centum (2%) if redeemed on or after June 1st, 1966, but prior to June 1st, 1972; or,

one per centum (1%) if redeemed thereafter but prior to the date of their stated maturities;

said bonds bearing interest at the rate of three per centum (3%) per annum, payable semi-annually on June 1st and December 1st of each year, commencing December 1st, 1955;

said bonds to be issued and to be secured in the manner set forth in the Resolution adopted by the Trustees of the UNIVERSITY on August 5th, 1953, whose title is hereinbefore set forth, and a further Resolution adopted by the Trustees of the UNIVERSITY

on \_\_\_\_\_, 1955, entitled "A RESOLUTION MAKING PROVISION FOR THE ISSUANCE OF FOUR HUNDRED THOUSAND (\$400,000) DOLLARS OF STUDENT AND FACULTY HOUSING REVENUE BONDS, FIRST SERIES OF 1955, OF THE UNIVERSITY OF SOUTH CAROLINA, DATED JUNE 1, 1955, AND OTHER MATTERS RELATING THERETO", and,

WHEREAS, as a consequence of the matters hereinbefore recited the Trustees of said UNIVERSITY have requested the approval of this BOARD to the private sale of the bonds, above recited; and,

WHEREAS, this BOARD has determined that the proposed private sale of the bonds above recited to the Board, in its capacity as Trustee of the funds of the SOUTH CAROLINA RETIREMENT SYSTEM is to the interest of the UNIVERSITY and has determined to grant the approval contemplated by the Act above cited; and,

WHEREAS, this BOARD has been furnished with proof, establishing that the issue of FOUR HUNDRED THOUSAND (\$400,000) DOLLARS, UNIVERSITY OF SOUTH CAROLINA, STUDENT AND FACULTY HOUSING REVENUE BONDS, FIRST SERIES OF 1955, dated June 1st, 1955, are bonds on a parity in all respects with the THREE HUNDRED SEVENTY-FIVE THOUSAND DOLLARS (\$375,000), UNIVERSITY OF SOUTH CAROLINA, STUDENT AND FACULTY HOUSING REVENUE BONDS, SERIES OF 1953, dated June 1st, 1953, all conditions of ARTICLE IV of the Resolution of August 5th, 1953, above cited, having been met and complied with,

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD that its approval be, and the same is hereby, given to the sale by the UNIVERSITY OF SOUTH CAROLINA to this Board, in its capacity as Trustee of the funds of the SOUTH CAROLINA RETIREMENT SYSTEM, of the bonds described in the recitals hereof, at and for a price of par and accrued interest from the date of said bonds to the date of their delivery.



BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD, IN ITS CAPACITY AS TRUSTEE OF THE FUNDS OF THE SOUTH CAROLINA RETIREMENT SYSTEM, AND IN PURSUANCE OF THE POWERS VESTED IN IT BY SECTION 61-91, CODE OF LAWS OF SOUTH CAROLINA, 1952, that the proposal of the UNIVERSITY OF SOUTH CAROLINA to sell to said State Budget and Control Board, in its capacity as Trustee aforesaid, at a price of par and accrued interest from the date of said bonds to the date of their delivery, an issue of FOUR HUNDRED THOUSAND (\$400,000) DOLLARS of STUDENT AND FACULTY HOUSING REVENUE BONDS, FIRST SERIES OF 1955, dated June 1, 1955, in denomination of One Thousand Dollars (\$1,000) each, numbered from 1 to 400, inclusive, and maturing in annual series or instalments in numerical order as follows:

\$11,000 on June 1st, in each of the years 1956 to 1960, inclusive;

\$14,000 on June 1st, in each of the years 1961 to 1965, inclusive;

\$16,000 on June 1st, in each of the years 1966 to 1970, inclusive;

\$18,000 on June 1st, in each of the years 1971 to 1975, inclusive; and,

\$21,000 on June 1st, in each of the years 1976 to 1980, inclusive;

of which the bonds maturing subsequent to June 1st, 1960, are subject to redemption at the option of the UNIVERSITY on June 1st, 1960, or any subsequent interest payment date, in whole or in part, but, if in part, in inverse numerical order, at a redemption price of par and accrued interest to date of redemption, plus a redemption premium of:

three per centum (3%) of their par value if redeemed prior to June 1st, 1966; or,

two per centum (2%) if redeemed on or after June 1st, 1966, but prior to June 1st, 1972; or,

one per centum (1%) if redeemed thereafter but prior to the date of their stated maturities. **1131**

Said bonds bear interest from date, viz., June 1st, 1955, at the rate of three per centum (3%) per annum, payable semi-annually on the 1st days of June and December of each year, commencing  
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December 1st, 1955; said bonds are to be issued and to be secured in the manner set forth in Resolutions adopted by the Trustees of said UNIVERSITY on the 5th day of August, 1953, and the \_\_\_\_\_ day of \_\_\_\_\_, 1955, respectively:

(1) "A RESOLUTION OF THE BOARD OF TRUSTEES OF THE UNIVERSITY OF SOUTH CAROLINA, PROVIDING FOR THE ISSUANCE AND SALE OF THREE HUNDRED SEVENTY-FIVE THOUSAND (\$375,000) DOLLARS STUDENT AND FACULTY HOUSING REVENUE BONDS, SERIES OF 1953, OF THE UNIVERSITY OF SOUTH CAROLINA, DATED JUNE 1ST, 1953, AND OTHER MATTERS RELATING THERETO," and,

(2) "A RESOLUTION MAKING PROVISION FOR THE ISSUANCE OF FOUR HUNDRED THOUSAND (\$400,000) DOLLARS OF STUDENT AND FACULTY HOUSING REVENUE BONDS, FIRST SERIES OF 1955, OF THE UNIVERSITY OF SOUTH CAROLINA, DATED JUNE 1, 1955, AND OTHER MATTERS RELATING THERETO."

be, and the same is, hereby accepted.

BE IT FURTHER RESOLVED That upon the delivery of said bonds to the State Treasurer of the State of South Carolina, for the account of this Board, in its capacity as Trustee aforesaid, payment of the purchase price therefor, viz., par and accrued interest from the date of said bonds to the date of their delivery, be immediately made, without further action of this Board.

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STATE OF SOUTH CAROLINA  
COUNTY OF RICHLAND

I, J. M. SMITH, Auditor of the State of South Carolina, and Secretary  
to the STATE BUDGET AND CONTROL BOARD, DO HEREBY CERTIFY:

That the said STATE BUDGET AND CONTROL BOARD is composed of the  
following:

His Excellency, George Bell Timmerman, Jr.,  
Governor of South Carolina, and Chairman of the Board,  
The Honorable Jeff B. Bates, State Treasurer,  
The Honorable E. C. Rhodes, Comptroller General of  
South Carolina,  
The Honorable Edgar A. Brown, Chairman of the Senate  
Finance Committee, and  
The Honorable Charlie V. Verner, Chairman of the House Ways  
and Means Committee.

THAT due notice of the meeting of said Board, called to be held at the  
office of the Governor, in the State Capitol, at Columbia, South Carolina, at  
11:30 A.M., Thursday, July 28, 1955, was given to all members in writing, and at  
least four (4) days prior to said meeting date; that all members of said Board  
were present at said meeting, with the exception of:

Mr. E. C. Rhodes and Mr. Edgar A. Brown

THAT at said meeting, a Resolution of the Board, in its capacity  
as Trustee of the funds of the South Carolina Retirement System, agreeing to  
purchase the issue of FOUR HUNDRED THOUSAND (\$400,000) DOLLARS, STUDENT AND  
FACULTY HOUSING REVENUE BONDS, FIRST SERIES OF 1955, of the UNIVERSITY OF SOUTH  
CAROLINA, dated June 1st, 1955, of which the attached is a true, correct and  
verbatim copy, was introduced by Mr. Jeff Bates, who moved its adoption; said  
motion was seconded by Mr. Charles Verner, and upon the vote being taken  
thereon and recorded, it appeared the following votes were cast:

FOR MOTION

Governor George Bell Timmerman, Jr.  
Mr. Jeff Bates  
Mr. Charles Verner

AGAINST MOTION

None

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The Chairman thereupon declared the Resolution unanimously adopted,  
and the original thereof has been duly entered in the permanent records of  
minutes of meetings of said Board, in my custody as its Secretary.



That at said meeting, a Resolution of the Board approving the sale, at private sale, by the University of South Carolina, to itself, as Trustee of the funds of the South Carolina Retirement System, of the bonds above recited, of which the attached is a true, correct and verbatim copy, was introduced by Mr. Jeff Bates, who moved its adoption; said motion was seconded by Mr. Charles Verner, and upon the vote being taken thereon and recorded, it appeared that the following votes were cast:

FOR MOTION

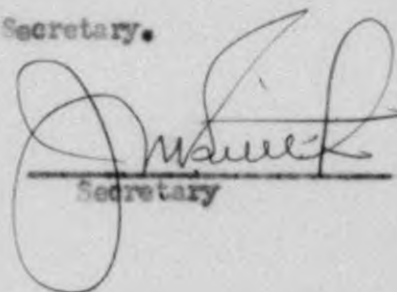
Governor George Bell Timmerman, Jr.  
Mr. Jeff Bates  
Mr. Charles Verner

AGAINST MOTION

None

The Chairman thereupon declared the Resolution unanimously adopted, and the original thereof has been duly entered in the permanent records of minutes of meetings of said Board, in my custody as its Secretary.

July 28, 1955

  
Secretary

C O P Y

SINKLER, GIBBS & SIMONS  
Attorneys & Counsellors at Law  
23 Broad Street  
Charleston, S. C.

July 23, 1955

Frank F. Welbourne, Esq.,  
Treasurer,  
University of South Carolina  
Columbia, S. C.

Dear Frank:

In re: \$400,000 Student and Faculty Housing  
Revenue Bonds of the University of S. C.

I am in receipt of your favor of July 22nd. I have been over the transcript which you sent me and with reluctance I call your attention to the following matter. The certificate of Mr. Smith purports to show that on February 8th, 1955, a Resolution was adopted which among other things recites action taken on the part of the University of South Carolina Trustees on July 20th, 1955. I recognize that the members of the State Budget and Control Board have many talents, but I seriously doubt their ability to foresee on February 8th what would take place on July 20th.

I hate to be technical but I certainly cannot approve the bonds on the basis of this record. It seems to me that another meeting of the State Budget and Control Board must take place.

Awaiting your advices, I am

Yours truly,

/s/ Huger

1135

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