

MINUTES OF  
Budget and  
Control Board  
Meeting  
*December 22, 1981*

State of South Carolina  
**State Budget and Control Board**

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

December 22, 1981

MEMORANDUM

TO: Budget and Control Board Division Directors  
FROM: William A. McInnis, Secretary *WAM*  
SUBJECT: Budget and Control Board Actions at December 22, 1981 Meeting

At the referenced meeting, the Budget and Control Board took the following actions:

1. Approved the minutes of a meeting held on November 10, 1981;
2. Reviewed a package of requests for federal funds involving 36 projects and \$23,293,122; and reviewed a package of requests for federal funds involving 13 projects and a total of \$72,668;
3. Received as information a Department of Corrections plan to implement a pilot work schedule at the Kirkland Correctional Institution;
4. Received as information a Fire Marshal Division report for the month of November showing the number of inspections, daily activities, etc., of the Deputy State Fire Marshal and LP Gas Inspectors;
5. Received as information a Division of General Services, State Engineer report that the following permanent improvement projects have been released by staff following their review by the Joint Bond Review Committee: (a) on Summary 26-82, item 1(b), relating to Vocational Rehabilitation; (b) on Summary 27-82, item 1(a), relating to the College of Charleston, and item 2(a), relating to Francis Marion College; and (c) on Summary 28-82, items 2(a) and 2(b), relating to Parks, Recreation and Tourism, and items 4(a), 4(b), 4(c), and 4(e), relating to the Budget and Control Board, Division of General Services;

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6. Approved an easement to Carolina Pipeline Company for the purpose of constructing and maintaining a 10 3/4" O.D. natural gas pipeline across Wateree River in Kershaw County, after being advised that this easement had been approved by the Attorney General;
7. Received as information a Personnel Division report on employment trends in fiscal year 1981-82 and an Office of Executive Director report on the impact of reductions-in-force on state government;
8. Approved the recommendations of State Auditor Vaughn contained in an exception report on the 2.19% reductions relating to the 27 agencies and budget categories listed on that exemption report except the Adjutant General, college and universities, and Clemson PSA;
9. Approved the exemption of \$58,284 from the budget reduction requirement for the Office of the Adjutant General;
10. Approved the 2.19% budget reductions plans for all colleges and universities except the University of South Carolina and Clemson University and agreed to approve the plans of these two institutions after being contacted individually on them by staff except if any member objects to the plan of either referenced institution a meeting will be called to finalize the Board's action on these matters, after agreeing to take no position on the question of fee increases or surcharges at the several institutions of higher learning;
11. Approved the exemption of \$225,000 from the 2.19% budget reduction requirement for Clemson University Public Service Activities;
12. Approved a Clemson University request for authorization to transfer \$180,700 from the State Meat and Poultry Inspection Program to the Cooperative Extension Service on the condition that this transfer can be accomplished legally;
13. Directed staff to work out a procedure on the payment of public school employee fringe benefits which does not result in lost interest earnings for the state treasury or adverse cash flow impacts on the local government entities;
14. Approved the temporary use of up to \$500,000 of surplus institution bond debt service funds by Winthrop College to temporarily finance critically needed renovation projects (principally roof repairs) pending the availability of capital improvement bond funds authorized for this purpose, on the condition that the Joint Bond Review Committee also approves the request;
14. Approved the use of \$894,000 of surplus institution bond debt service funds by Trident Technical College for the payment of the construction contract on the Berkeley Campus project temporarily pending the availability of capital improvement bond funds authorized for this purpose in the 1981 Bond Act, on the condition that the Joint Bond Review Committee also approves the request;

15. Approved the request by the Comptroller General's Office for authority to transfer \$90,356.25 from contractual services accounts to personal service accounts;
16. Adopted the following policies relating to the terms of office of individuals appointed to the several committees required under the Consolidated Procurement Code: each person appointed shall serve a term of two years and no more than two consecutive terms with the possibility of reappointment two years after expiration of the last term served; appointments for the remainder of an unexpired term can be made by the Board; and the Board may terminate any committee member's position and term of office for just cause;
17. Approved an allocation of not to exceed \$20,000 from the Civil Contingent Fund to the Division of General Services to finance renovations of the Five Points Building to accommodate staff of the Supreme Court, on the condition that any of these funds not used for this purpose shall be returned;
18. Authorized the Medical University to convert an IBM OS6/440 word processor from lease to installment purchase at a net purchase price of \$10,398 at 9.75% interest for sixty months and approved reserving the right to buy this account once the installment purchase operation is established within the Division of General Services;
19. Approved the installment purchase program regulations for immediate implementation as an interim measure and agreed that these regulations would be included with the other regulations of the Board to be submitted through the Administrative Procedures Act to the General Assembly for its action;
20. Delegated to staff the authority to approve permanent improvement projects approved by the Joint Bond Review Committee on the condition that the requirements of Section 4 of the 1981 Bond Act are met, if no additional operating costs or personnel are involved in such projects or if the staff determines that any additional costs associated with these projects can be borne within the funds normally available to the agency or institution; and carried over for further consultation with the Joint Bond Review Committee its recommendations on a Clemson University request to add \$65,000 of Institution Bond proceeds to the Tillman Hall renovation project, a request by The Citadel to increase the steamline replacement project budget by adding \$92,000 of surplus Institution Bond debt service funds; and a Clemson University request to add \$5,126.93 of unallocated Institution Bond proceeds to the computer center offices project, in view of the proviso included in Act 179 of 1981 relating to these funds;
21. Added to the agenda and approved the release of the University of South Carolina business administration addition project subject to its approval by the Joint Bond Review Committee through its process relating to the financing plan and authorized the University of South Carolina to award construction contracts relating to the project under the same condition, and granted final authority to sign off on the project and to confirm the action taken at the meeting today to Governor Riley, Mr. Patterson and Mr. Morris;

22. Approved an allocation of \$3,000 from the Civil Contingent Fund to the Board of Pharmaceutical Examiners on the condition that that agency works out its own budget situation in order to assure the Board that the need for an allocation for this sort of purpose will not occur at the end of the current fiscal year and agreed to reexamine this request later in the fiscal year;
23. Agreed to renew the emergency regulations submitted on October 1, 1981, for an additional ninety-day period and agreed to provide notice in the State Register of the Board's intention to ask that the emergency regulations already published and certain additional regulations be given permanent status;
24. Was advised by State Treasurer Patterson that Capital Improvement Bond anticipation notes are due in February of 1982 and that it is necessary to set in motion certain actions to deal with those notes at that time;
25. Heard a protest by Newberry County relating to the Retirement Systems and asked the Attorney General's Office to investigate the question further including reviewing any previous opinion on the matter, examining the possibility of regulations to clarify the issue or proposing any needed statutory changes;
26. Approved a negotiated settlement proposal involving the City of Walterboro and the State Housing Authority and others, upon the recommendation of the Attorney General's Office;
27. Authorized Winthrop College to undertake a special staff development program under Section 10.08 of the Personnel Rules involving two minority employees;
28. Authorized the State Personnel Division to proceed with the development of an optional life insurance program to be financed entirely from employee premium payments and agreed that the State Personnel Division should issue the specifications for the program and, acting in its role as the bidding authority under the Consolidated Procurement Code, determine the successful bidder for the program;
29. Approved a salary level not greater than an amount \$500 less than the salary of the Director of the Division of General Services for the position of State Information Management Officer effective January 1, 1982, on the condition that an opinion be secured from the Ethics Commission or its Executive Director on any ethical questions which may be involved in the filling of that position; and
30. Directed staff to advise the Higher Education Consortium that the Board is not satisfied with the description of the duties of the Executive Director of the Consortium on Higher Education as presented, after noting that what was presented appears to duplicate certain of the responsibilities of the Commission on Higher Education, and directed that staff determine how this activity will be financed during 1982-83.

WAM:dw

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MINUTES OF BUDGET AND CONTROL BOARD MEETING

DECEMBER 22, 1981      10:00 A. M.

The Budget and Control Board met at 10:00 A. M. on Tuesday, December 22, 1981, in the Governor's conference room with the following members in attendance:

Governor Richard W. Riley  
Mr. Grady L. Patterson, Jr.  
Mr. Earle E. Morris, Jr.  
Senator Rembert C. Dennis  
Representative Tom G. Mangum

Also attending were Executive Director W. T. Putnam; Board Secretary William A. McInnis; Governor's Executive Assistant Katherine M. Clarke; Deputy Attorney General Frank K. Sloan; and staff members of various Board divisions.

MINUTES OF PREVIOUS MEETINGS - A draft version of the minutes of the Board meeting held on November 10, 1981, previously had been furnished to Board members.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board approved the referenced minutes as written.

BLUE AGENDA - Mr. Putnam called the Board's attention to blue agenda item 2, a Department of Corrections pilot work schedule aimed at providing logic and continuity in work schedules. The Board also agreed to add to blue agenda item 6 a report on the impact of the reductions-in-force in state government.

Upon a motion by Mr. Patterson, seconded by Representative Mangum, the Board agreed to receive item 2 as information and approved all other items on the blue agenda.

Blue agenda items are identified as such in these minutes.

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GOVERNOR'S OFFICE (GRANTS SERVICES) - GRANT AND CONTRACT REQUESTS

(BLUE AGENDA #1) - The Budget and Control Board reviewed the Governor's recommendations on (a) a package of 36 projects involving \$23,293,122 of federal, state and other funds; and (b) a package of 13 projects involving a total of \$72,668 of federal, state and other funds.

Information relating to this matter has been retained in these files and is identified as Exhibit 1.

DEPARTMENT OF CORRECTIONS - PILOT WORK SCHEDULE FOR CORRECTIONAL

OFFICERS (BLUE AGENDA #2) - The Budget and Control Board received as information a Department of Corrections plan to implement a pilot work schedule for correctional officers at the Kirkland Correctional Institution.

Information relating to this matter has been retained in these files and is identified as Exhibit 2.

FIRE MARSHAL DIVISION - NOVEMBER REPORT (BLUE AGENDA #3) - The Board

received as information a Fire Marshal Division report for the month of November showing the number of inspections, daily activities, etc., of the Deputy State Fire Marshal and LP Gas Inspectors.

Information relating to this matter has been retained in these files and is identified as Exhibit 3.

GENERAL SERVICES (STATE ENGINEER) - PERMANENT IMPROVEMENT PROJECTS

RELEASED BY STAFF (BLUE AGENDA #4) - The Budget and Control Board received as information a State Engineer report that the following permanent improvement projects had been released by staff following their review by the Joint Bond Review Committee: (a) on Summary 26-82, item 1(b), relating to Vocational

Rehabilitation; (b) on Summary 27-82, item 1(a), relating to the College of Charleston, and item 2(a), relating to Francis Marion College; and (c) on Summary 28-82, items 2(a) and 2(b), relating to the Department of Parks, Recreation and Tourism, and items 4(a), 4(b), 4(c), and 4(e), relating to the Budget and Control Board, Division of General Services.

Information relating to this matter has been retained in these files and is identified as Exhibit 4.

GENERAL SERVICES - EASEMENT TO CAROLINA PIPELINE COMPANY (BLUE AGENDA #5) - Upon a motion by Mr. Patterson, seconded by Representative Mangum, the Budget and Control Board approved an easement to the Carolina Pipeline Company for the purpose of constructing and maintaining a 10 3/4" O.D. natural gas pipeline across Wateree River in Kershaw County, after being advised that this easement had been approved by the Attorney General.

Information relating to this matter has been retained in these files and is identified as Exhibit 5.

PERSONNEL DIVISION - EMPLOYMENT TRENDS, FY 81-82 (BLUE AGENDA #6) - The Budget and Control Board received as information a Personnel Division report on employment trends in fiscal year 1981-82.

The Board also received as information an Office of Executive Director report on the impact of the reduction-in-force in state government, after agreeing to add the referenced report to the blue agenda.

Information relating to this matter has been retained in these files and is identified as Exhibit 6.

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FINANCE DIVISION - MANAGEMENT PLANS FOR BUDGET REDUCTION - State

Auditor Edgar A. Vaughn, Jr., advised the Board that all but three agencies now have submitted their plans to accomplish the 2.19% budget reduction in the current fiscal year. Mr. Vaughn stated that, generally, the agencies did an outstanding job in developing these plans which appear to have minimum impact on services to be provided. Mr. Vaughn noted in particular as very responsible plans those submitted by the Department of Health and Environmental Control, the Department of Social Services and the Department of Mental Health. He commended all agencies for the responsible approach being taken to the budget reduction effort.

On the matter of exemptions from the budget reduction effort, Mr. Vaughn stated that, if any are to be granted, he would recommend several which together represent about \$1.5 million. Mr. Vaughn distributed an "exception report" listing the recommended exemptions which included the following: \$58,204 for legislative salaries and related costs for the House; \$47,368 for legislative salaries and related costs for the Senate; \$134,984 for salaries and related costs for judges for the Supreme Court; \$25,027 for salaries and fringe benefits for county auditors and treasurers for the Comptroller General's Office; \$676,403 to avoid the closing of three institutions by the Department of Corrections; \$200,000 for travel for the Tax Commission; \$13,445 for various legislative committees in the miscellaneous appropriations; and \$12,819 for various contributions some of which have already been paid in full.

Mr. Vaughn observed that the colleges and universities represent special cases and that all but South Carolina State College apparently have proposed to impose a surcharge on students. Mr. Vaughn expressed the view that the question of surcharges really is a separate issue relating to "other" funds and took the position that, under the Board's direction, the appropriation accounts of the colleges and universities must be reduced by the 2.19%. Mr. Vaughn further reported that his office has not yet received the details on the reduction transfer accounts from Clemson University or the University of South Carolina.

In response to Mr. Morris' inquiry, Mr. Vaughn expressed the view that the Board has no role in the surcharge question in that the receipt and expenditure of additional funds must be considered by the Governor and the Joint Appropriations Review Committee. Deputy Attorney General Sloan noted that the language of Act 651 is not clear but that Mr. Vaughn's interpretation is correct and that the Board's only involvement in these matters is to review the Governor's recommendations. Senator Dennis concluded this conversation by stating that the Budget and Control Board simply has no jurisdiction in the surcharge question.

Governor Riley indicated that he has very serious questions about the imposition of the surcharges and asked that the Board, in approving the budget reduction plans, hold off on any college or university plans involving additional student fees or surcharges. He also indicated a willingness to call a special meeting of the Board for January 5 to consider any of these plans and Senator Dennis expressed concern about delaying any action on that

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subject until that date because of the problems that might create for the colleges and universities.

Mr. Putnam noted that some misunderstanding has arisen in connection with the budget reduction effort and contrasted the current situation with that which existed in 1976 when most of the funds involved in covering the reduction came from other sources. He stated that the Board's action is that each agency must reduce its appropriated accounts by 2.19% but that if an agency could find other funds to offset this reduction then that is that agency's business subject to whatever review processes are appropriate.

Mr. Vaughn then reviewed other recommendations included on the exception report and noted in particular the recommendation on the Department of Education. That recommendation, if approved, would authorize the Department of Education to send a summary of the reduction situation to each school district with the bottom line amount of reductions required and would allow each district to tell the State Department of Education what programs should be reduced to achieve the required reduction.

Mr. Vaughn noted that the Educational Television Commission plan is the only one which indicated a reduction-in-force would be required.

Mr. Vaughn also pointed out that the School for the Deaf and the Blind had proposed a voluntary two-day leave without pay for its employees as a means of meeting the budget reduction.

With regard to the recommended exemption relating to the Department of Corrections, Mr. Vaughn noted that the Department would plan to reopen the facilities on July 1 and that closing the facilities for this period of time would not be logical.

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On the Clemson PSA request for a total exemption, Mr. Vaughn recommended considering that request and the possible transfer of \$180,700 from the State Meat and Poultry Inspection Program to the Cooperative Extension Service. He noted that this basically is a question of transferring federal funds and that such a reallocation of federal dollars would have to go through the process under which the Governor recommends and the Joint Appropriations Review Committee concurs.

Mr. Vaughn pointed out that special situations exist in relation to reductions for the Public Service Commission and the Dairy Commission in that the costs of these agencies are assessed back to the regulated entities. He recommended that each of these agencies be billed for indirect costs in the amount equivalent to the required reduction.

With regard to the Tax Commission request for a total exemption involving \$369,887, Mr. Vaughn recommended that \$200,000 be exempted to recover travel costs. On the postage problem previously pointed out by Chairman Wasson, Mr. Putnam indicated that the agency projects a shortfall in the postage budget but that it has funds for that purpose presently. In response to Senator Dennis' inquiry, Mr. Vaughn pointed out that the recommended \$200,000 exemption for the Tax Commission would leave it some \$29,000 short of the total amount it estimates would be required for travel.

Following this discussion, upon a motion by Senator Dennis, seconded by Mr. Patterson, the Board approved the recommendations of State Auditor Vaughn contained in his exception report on the 2.19% reductions relating to the 27 agencies and budget categories listed on that exemption report

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except the Adjutant General, colleges and universities, and the Clemson Public Service Activities.

Following a brief further discussion in which Mr. Vaughn noted that the Adjutant General's Office is the only case his office can identify where there is a one-for-one loss of federal funds involved in the budget reduction, upon a motion by Senator Dennis, seconded by Mr. Patterson, the Board approved the exemption of \$58,284 from the budget reduction requirement for the Office of the Adjutant General.

After agreeing to take no position on the question of the increases or surcharges at the several institutions of higher learning, upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board approved the 2.19% budget reduction plans for all colleges and universities except the University of South Carolina and Clemson University and agreed to approve the plans of these two institutions after being contacted individually on them by staff except if any member objects to the plan of either institution a meeting will be called to finalize the Board's actions on these issues.

In a further discussion relating to the Clemson PSA request, Mr. Vaughn noted that this entity was about \$250,000 short already and that the 2.19% reduction requirement essentially doubles that shortfall and that the possibility of a reduction-in-force involving some 40 persons exists in this situation. Senator Dennis noted that consumer health is involved in this issue.

Following this discussion, upon a motion by Mr. Morris, seconded by Senator Dennis, the Board approved the exemption of \$225,000 from the 2.19% budget reduction requirement for Clemson University Public Service Activities.

In a further action on Clemson's PSA request, upon a motion by Senator Dennis, seconded by Mr. Morris, the Board approved the Clemson University request for authorization to transfer \$180,700 from the State Meat and Poultry Inspection Program to the Cooperative Extension Service on the condition that this transfer can be accomplished legally.

Information relating to this matter has been retained in these files and is identified as Exhibit 7.

STATE TREASURER'S OFFICE - PAYMENT PROCEDURE ON PUBLIC SCHOOL EMPLOYEE FRINGE BENEFITS - The State Treasurer's Office advised the Board that, as a result of changes in the procedure covering the payment of fringe benefits from state funds to local school districts, some \$963,000 in interest earnings have been lost in the current fiscal year with a projected loss at that rate of over \$2.3 million.

In the ensuing discussion, Mr. Putnam and Board members agreed that this loss of earnings should not happen and, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board directed staff to work out a procedure on the payment of public school employee fringe benefits which does not result in lost interest earnings for the state treasury or adverse cash flow impacts on the local government entities involved.

Information relating to this matter has been retained in these files and is identified as Exhibit 8.

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WINTHROP COLLEGE - USE OF INSTITUTION BOND DEBT SERVICE FUNDS -

President Charles Vail, by letter, asked for Board and Joint Bond Review Committee authorization to use up to \$500,000 of surplus institution bond debt service funds temporarily to finance critically needed renovation projects, principally roof repair, pending the availability of capital improvement bond funds authorized for this purpose in 1980. President Vail sought this authorization on the condition that a firm schedule be developed on the release of the referenced bond funds so that a like amount of those funds would be available to the College during the next twelve to eighteen months because all of the institution bond capability of the College is committed fully to the new MacLaurin Building project.

Following a brief discussion, upon a motion by Mr. Patterson, seconded by Representative Mangum, the Board approved the temporary use of up to \$500,000 of surplus institution bond debt service funds by Winthrop College to temporarily finance critically needed renovation projects, principally roof repairs, pending the availability of capital improvement bond funds authorized for this purpose, on the condition that the Joint Bond Review Committee also approves this request.

Information relating to this matter has been retained in these files and is identified as Exhibit 9.

TRIDENT TECHNICAL COLLEGE - USE OF INSTITUTION BOND DEBT SERVICE

FUNDS - Following a brief discussion, upon a motion by Mr. Patterson, seconded by Representative Mangum, the Board approved the use of \$894,000 of surplus institution bond debt service funds by Trident Technical College temporarily for the payment of the construction contract on the Berkeley Campus project pending the availability of capital improvement bond funds authorized for this project in the 1981 Bond Act, on the condition that the Joint Bond Review Committee also approves this request.

Information relating to this matter has been retained in these files and is identified as Exhibit 10.

FINANCE DIVISION - TRANSFER REQUEST - Upon a motion by Mr. Patterson, seconded by Senator Dennis, the Board approved a request for authorization to transfer \$90,356.25 from contractual services accounts to personal service accounts for the Office of the Comptroller General.

Information relating to this matter has been retained in these files and is identified as Exhibit 11.

POLICIES ON BOARD APPOINTMENTS PURSUANT TO PROCUREMENT CODE - Following a brief discussion, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board adopted the following policies relating to the terms of office of individuals appointed to the several committees required under the Consolidated Procurement Code: each person appointed shall serve a term of two years and no more than two consecutive terms with the possibility of reappointment two years after expiration of the last term served; appointments for the remainder of an unexpired term can be made by the Board; and the Board may

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terminate any committee member's position and term of office for just cause.

Information relating to this matter has been retained in these files and is identified as Exhibit 12.

GENERAL SERVICES - FIVE POINTS BUILDING RENOVATIONS FOR SUPREME COURT (CIVIL CONTINGENT FUND) - Executive Director Putnam reminded the Board that Chief Justice Lewis of the Supreme Court, in his appearance before the Board on November 10, 1981, discussed the relocation of certain offices of the Supreme Court in the Five Points Building and that he had made a request for an allocation of \$10,000 from the Civil Contingent Fund to help finance the renovations needed in the Five Points Building to accommodate this move. At that time, the Board directed staff to review the situation to determine what help, if any, General Services might itself provide on the costs of the renovations required and the Board did indicate its willingness to consider further an allocation from the Civil Contingent Fund for this purpose if General Services were unable to assist. The Division of General Services had determined that only about \$11,000 are presently available in its renovations account and that the cost of the renovations proposed will be about \$20,000.

Following a brief discussion, upon a motion by Senator Dennis, seconded by Mr. Patterson, the Board approved an allocation of not to exceed \$20,000 from the Civil Contingent Fund to the Division of General Services to finance renovations of the Five Points Building to accommodate staff of the Supreme Court, on the condition that any of these funds not used for this purpose be returned.

Information relating to this matter has been retained in these files and is identified as Exhibit 13.

GENERAL SERVICES - MUSC INSTALLMENT PURCHASE - Upon a motion by Mr. Patterson, seconded by Senator Dennis, the Board authorized the Medical University to convert an IBM OS6/440 word processor from lease to installment purchase at a net purchase price of \$10,398 at 9.75% interest for sixty months and approved reserving the right to buy this account once the installment purchase operation is established within the Division of General Services.

Information relating to this matter has been retained in these files and is identified as Exhibit 14.

GENERAL SERVICES - INSTALLMENT PURCHASE PROGRAM REGULATIONS - Division Director Copeland urged the Board to adopt the regulations governing the installment purchase program and to make them effective immediately in the interest of saving perhaps three or four months of activity and the related cost savings.

Following a brief discussion, in which Mr. Putnam noted that these procedures will be included with other Board regulations to be published under the Administrative Procedures Act, upon a motion by Senator Dennis, seconded by Representative Mangum, the Board approved the installment purchase program regulations for immediate implementation as an interim measure and agreed that these regulations would be included with the other regulations of the Board to be submitted through the Administrative Procedures Act to the General Assembly for its action.

[Secretary's Note: The Board also approved these regulations at its meeting on November 23, 1981.]

Information relating to this matter has been retained in these files and is identified as Exhibit 15.

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BOND REVIEW COMMITTEE - PERMANENT IMPROVEMENT PROJECT ACTIONS -

The Board was presented with a summary listing of sixty-two permanent improvement project actions acted on recently by the Joint Bond Review Committee. The Committee granted its approval to most of the projects listed on the condition that the provisions of Section 4 of the 1981 Bond Act, relating to additional personnel or operating costs, are met.

Mr. Putnam suggested that the Board delegate to staff the authority to approve projects approved by the Joint Bond Review Committee in those instances where it can be determined that no additional operating costs or personnel would result from the implementation of the project or in those cases where additional costs are included but they can be borne from within funds normally available to the agency or institution involved.

Mr. Putnam also recommended that the Board carry over its consideration of three items on the list which contemplate the use of institution bond proceeds or surplus institution bond debt service funds in view of provisos included in the 1981 Bond Act relating to these types of funds.

Following a brief discussion, upon a motion by Mr. Patterson, seconded by Senator Dennis, the Board delegated to staff the authority to approve permanent improvement projects approved by the Joint Bond Review Committee on the condition that the requirements of Section 4 of the 1981 Bond Act are met, if no additional operating costs or personnel are involved in such projects or if the staff determines that any additional costs associated with these projects can be borne within the funds normally available to the agency or institution involved. The Board carried over for further consultation

with the Bond Review Committee its recommendations on a Clemson University request to add \$65,000 of institution bond proceeds to the Tillman Hall renovation project (line #1 in summary presented); a request by The Citadel to increase the budget of the steam line replacement project by adding \$92,000 of surplus institution bond debt service funds (line #11 in summary); and a Clemson University request to add \$5,126.93 of unallocated institution bond proceeds to the computer center offices project (line #16 of summary).

Upon a motion by Senator Dennis, seconded by Mr. Patterson, the Board granted unanimous consent to Mr. Putnam's request for permission to add to the agenda the consideration of a University of South Carolina request for authorization to execute construction contracts on the Columbia campus business administration building addition project. Mr. Putnam advised the Board that the University had received what apparently are extremely good bids on the project and that it is rumored that the Joint Bond Review Committee will meet next week to consider an alternate, temporary financing plan under which the University could proceed with the implementation of that project.

Director of Research Scott R. Inkley of the Joint Bond Review Committee staff confirmed Mr. Putnam's statement that the University has submitted an alternate financing plan for the referenced project. Mr. Putnam indicated that Mr. David Rinker of the University had verbally indicated that operating costs associated with the project will be within the normal range which the University can expect to cover without requesting additional funds partially as a result of certain offsetting costs within the project itself.

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Governor Riley expressed concern about this sort of item coming to the Board in this way and suggested the possibility of polling the Board after the Joint Bond Review Committee has considered the matter. Mr. Putnam noted the difficulty of conducting a poll under the Attorney General's Office opinion on this subject.

Following a further discussion, upon a motion by Senator Dennis, seconded by Representative Mangum, the Board approved the release of the University of South Carolina business administration building addition project subject to its approval by the Joint Bond Review Committee through its process relating to the financing plan and authorized the University of South Carolina to award construction contracts relating to that project under the same conditions and granted final authority to sign off on the project and to confirm the action taken at the meeting today to Governor Riley, Mr. Patterson, and Mr. Morris.

Information relating to this matter has been retained in these files and is identified as Exhibit 16.

[Secretary's Note: Senator Dennis excused himself from the meeting at this point.]

PHARMACEUTICAL EXAMINERS - CIVIL CONTINGENT FUND - Mr. Putnam advised the Board that the Board of Pharmaceutical Examiners carried over a deficit of \$6,078.41 from last year which was caused by an increase in the cost of testing materials supplied by the National Association of Boards of Pharmacy, an unusual number of meetings of that Board as a result of the resignation of the agency director, and the relocation of the agency and the cost of

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moving its computer installation. The agency asked for a Civil Contingent Fund allocation to cover all or part of that deficit.

Following a brief discussion, upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board approved an allocation of \$3,000 from the Civil Contingent Fund to the Board of Pharmaceutical Examiners on the condition that the agency works out its own budget situation in order to assure the Budget and Control Board that the need for an allocation for this sort of purpose will not occur at the end of the current fiscal year and agreed to reexamine this request later in the fiscal year. The Board took this action after Mr. Putnam advised Governor Riley that the size of the agency and the fact that it had no foreknowledge of the increases it experienced served to distinguish it from other requests of a similar nature.

Information relating to this matter has been retained in these files and is identified as Exhibit 17.

EXECUTIVE DIRECTOR'S OFFICE - SUBMISSION OF BOARD REGULATIONS

UNDER APA - Following a brief discussion, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board agreed to renew the emergency regulations submitted on October 1, 1981, for an additional ninety-day period.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board also agreed to provide notice in the State Register of the Board's intention to ask that the emergency regulations already published and certain additional regulations be given permanent status.

Information relating to this matter has been retained in these files and is identified as Exhibit 18.

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FUTURE MEETING - The Board agreed to hold its next regular meeting at 10:00 A. M. on Tuesday, January 12, 1982.

[Secretary's Note: Representative Mangum excused himself from the meeting at this point.]

STATE TREASURER - COMMENT ON UPCOMING BOND ANTICIPATION NOTES - State Treasurer Patterson advised the Board that certain capital improvement bond anticipation notes are due in February and that it is necessary to set in motion certain actions to deal with those notes at that time. He observed that the bond market is terrible again, especially in light of a recent flood of housing bonds. Governor Riley asked if it is feasible to pay five or ten percent of the principal of these notes at the time they are rolled over and Mr. Patterson agreed with the idea but indicated that no funds are available for that purpose presently.

EXECUTIVE SESSION - Executive Director Putnam advised the Board that one protest involving the Retirement System, one negotiated settlement, several individual personnel matters and one contractual item had been proposed for consideration in executive session. Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board agreed to consider these matters in executive session whereupon Governor Riley declared the meeting to be in executive session.

RATIFICATION OF EXECUTIVE SESSION ACTIONS - Following the Board's consideration of executive session items, the meeting was opened and, upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board ratified the following actions taken in executive session:

(1) Heard a protest by representatives of Newberry County relating to the Retirement Systems and asked the Attorney General's Office to investigate the question further including any previous opinions on the matter, examining the possibility of regulations to clarify the issue or proposing any needed statutory changes;

(2) Approved a negotiated settlement proposal involving the City of Walterboro and the State Housing Authority, upon the recommendation of the Attorney General's Office;

(3) Authorized Winthrop College to undertake a special staff development program under Section 10.08 of the Personnel Rules involving two minority employees;

(4) Authorized the State Personnel Division to proceed with the development of an optional life insurance program to be financed entirely from employee premium payments and agreed that the State Personnel Division should issue the specifications for the program and, acting in its role as the bidding authority under the Consolidated Procurement Code, determine the successful bidder for the program;

(5) Approved a salary level not greater than an amount \$500 less than the salary of the Director of the Division of General Services for the position of State Information Management Officer effective January 1, 1982, on the condition that an opinion be secured from the Ethics Commission or its Executive Director on any ethical questions which may be involved in the filling of that position; and

BCB Meeting  
20 - 12/22/81

(6) Directed staff to advise the Charleston Higher Education Consortium that the Board is not satisfied with the description of the duties of the Executive Director of that Consortium as presented and to determine how that activity will be financed during 1982-83.

The meeting was adjourned at 1:25 p.m.

[Secretary's Note: In compliance with Section 9 of Act 593 of 1978 (the Freedom of Information Act), public notice of and the agenda for this meeting were posted on bulletin boards in the office of the Governor's Press Secretary in the State House and near the Board Secretary's office in the Wade Hampton Office Building at 8:30 A. M. on Monday, December 21, 1981.]

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

NO. 1 BLUE AGENDA

MEETING OF December 22, 1981

STATE BUDGET & CONTROL BOARD

ITEM NUMBER

1

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Agency: Governor's Office (Grants Services)

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Subject: Governor's Recommendations on Grant and Contract Requests

Two packages of projects are attached. One includes 36 projects involving \$23,293,122 of federal, state and other funds. The second package includes 13 projects which involve a total of \$72,668 of federal, state and other funds.

Act 651 of 1978, as amended, requires that the Governor make recommendations on these requests for the concurrence of the Joint Appropriations Review Committee and for review by the Budget and Control Board.

Please refer to attachments for details.

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Board Action Requested:

Review.

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Staff Comment:

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Attachments:

Whitten December 7 memoranda to Putnam plus attachments

13565



RECEIVED

DEC 8 1981

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

## State of South Carolina

### Office of the Governor

RICHARD W. RILEY  
GOVERNOR

OFFICE OF EXECUTIVE  
POLICY AND PROGRAMS

#### MEMORANDUM

EXHIBIT

DEC 22 1981 NO. 1

STATE BUDGET & CONTROL BOARD

TO: William T. Putnam, Executive Director  
Budget and Control Board

FROM: Elmer C. Whitten *Elmer*  
Grant Services

DATE: December 7, 1981

In accordance with Act 651 of 1978, as amended, the recommendations of the Governor for the projects listed in the attached summary are provided for review by the Budget and Control Board.

There are 36 projects from 21 state agencies who are requesting the following amounts from federal, state, and other sources:

Federal	\$14,310,837
State	7,244,198
Other	<u>1,738,087</u>
Total	\$23,293,122

The total number of personnel to be hired or retained on these programs is as follows (new personnel not to exceed authorized ceiling):

<u>New Personnel</u>	<u>Continuing Personnel</u>
Full-Time - 31	Full-Time - 420,705
Temporary - <u>8.5</u>	Temporary - <u>0</u>
Total 39.5	Total 420,705

13566

OFFICE OF THE GOVERNOR  
SUMMARY OF GRANT AND CONTRACT REQUESTS

DATE December 3, 1981

State Agency	Project Number	Funding Source (CFDA Number)	Project Title	Project Period	Funding Summary			Positions		Governor's Recommendation	Conditions/Issues/Remarks
					\$	Match	(Z)	Contin	New		
1. Health & Human Services OEPP	023-D17	HHS (13.608)	Developing Management Info Capacities in Child Welfare	9/29/81-10/30/82	F 38,000 T 38,000		100%	0	0	Approval	
2. Rural Dev. & Spec. Econ Assistance	024-D17	U.S. Dept. of Labor thru Gov's Office CETA Division (17.243)	Comprehensive Comm. Development Project for Peters Field and Vicinity	10/1/81-10/1/82	F 100,000 T 100,000		100%	2	3T	Conditional Approval provided temporary employees be hired for six months or less.	
3. Community Dev. OEPP	1-D17-040 Amendment	HUD (14.227)	HUD 107 Technical Assistance	7/1/81-6/30/82	F 50,000 T 50,000		100%	0	0	Approval	
4. General Ser.	003-F12	Fees for Services	Fees for Services	12/19/81-6/30/82	O 19,311 T 19,311		100%	0	0	Approval	
5. Cleason	014-H12	U.S. Dept. of Ed. (84.029)	Coordinating Vocational Ed. with the Needs of Handicapped Children	6/1/82 - 5/31/83	F 45,919 45,919		100%	.925	0	Approval	
6. State College	005-H24	Dept of Education (84.029)	Training Program in Speech-Language Pathology & Audiology	6/1/81-5/31/83	F 52,350 T 52,350		100%	.2	0	Approval	
7. State College	006-H24	U.S. Dept. of Agri. South-East Consortium for International Dev.	International Dev. of Least Developed Countries	8/1/80-7/31/82	F 155,681 T 155,681		100%	1	0	Approval	
8. USC Dept. of Communicative Disorders	022-H27	U.S. Dept of Ed. (84.029)	Training to meet needs of Children and Youth with Language or Hearing Handicaps	6/1/82-5/31/83	F 46,344 S 27,318 T 73,662	IK	63% 37%	1	4.5T	Conditional Approval: provided temporary employees be hired for six months or less.	

F-Federal  
S-State  
O-Other  
T-Total  
Match:  
C-Cash  
IK-In-Kind

EXHIBIT  
DEC 22 1981 NO. 1  
STATE BUDGET & CONTROL BOARD

13567

OFFICE OF THE GOVERNOR  
SUMMARY OF GRANT AND CONTRACT REQUESTS

DATE December 3, 1981

State Agency	Project Number	Funding Source (CFDA Number)	Project Title	Project Period	Funding Summary			Positions		Governor's Recommendation	Conditions/Issues/Remarks
					\$	Match	(%)	Contin	New		
9. USC Special Ed.	023-H27	U.S. Dept. of Ed. (84.049)	Preparation of Special Educators: Handicapped Personnel Preparation	6/1/82-5/31/83	F 57,000 T 57,000		100%	1	0	Approval	
10. USC Special Ed.	024-H27	U.S. Dept of Ed. (84.029)	Model Diagnostic Training Project for Handicapped Children	6/1/82-5/31/83	F 46,909 T 46,909		100%	0	1.0	Conditional Approval: provided new personnel is within agency's authorized headcount.	
11. USC Affiliated Facilities	027-H27	HHS thru Gov's Office (13.630)	Training & Technical Assistance to Case Coordination Program	2/16/82-2/15/83	F 53,772 S 17,925 T 71,697	C	75% 25%	1.8	0	Approval	
12. USC	028-H27	HHS thru National Institute of Mental Health (13.244)	Psychiatric Ed. for Medical Students	7/1/82-6/30/83	F 42,989 T 42,989		100%	.47	0	Approval	
13. Winthrop College	007-H47	U.S. Dept of Ed. (84.029)	University Affiliated Facilities: Inter-Disciplinary/Special Ed. Training	6/1/82-5/31/83	F 55,000 T 55,000		100%	1.5	.5T	Conditional Approval: Provided temporary employee be hired for six months or less.	
14. Medical University	002-H51	HHS (13.244)	Psychiatry - Basic Residency Training	7/1/82 - 6/30/83	F 117,942 T 117,942		100%	2.5	0	Approval	
15. Tec Board	043-H59	U.S. Dept of Ed thru State Dept of Ed. (84.048)	Strengthening Vocational Ed: Audio Visuals on Energy Management Education	7/1/81-6/30/82	F 18,930 T 18,930		100%	0	0	Approval	
16. Tec Board	044-H59	U.S. Dept of Ed thru State Dept of Ed. (84.048)	Vocational Ed for Post-Secondary and Adult Education	10/1/81-9/30/82	F 962,005 S 3,669,918 T 4,631,923		21% 79%	164	0	Approval	

F=Federal    Match:  
S=State      C=Cash  
O=Other      IK=In-Kind  
T=Total

EXHIBIT  
DEC 22 1981  
NO. 1  
STATE BUDGET & CONTROL BOARD

13568

OFFICE OF THE GOVERNOR  
SUMMARY OF GRANT AND CONTRACT REQUESTS

DATE December 3, 1981

State Agency	Project Number	Funding Source (CFDA Number)	Project Title	Project Period	Funding Summary			Positions		Governor's Recommendation	Conditions/Issues/Remarks
					\$	Match	(%)	Contin	New		
17. Greenville Tec	045-H59	Dept of Justice thru Office of the Gov. (16.546)	Juvenile Delinquency Prevention	2/1/81-1/31/82	F 42,056 T 42,056		100%	2	0	Approval	
18. Trident Tec	046-H59	U.S. Dept of Ed thru State Dept. of Ed. (84.002)	Adult Education Instruction in math and reading	7/1/81-6/30/82	F 12,000 T 12,000		100%	0	1.0	Conditional Approval;	provided new personnel is within agency's authorized headcount. provided that contract is amended to include fringe benefits and indirect costs.
19. State Library	001-H87	U.S. Dept of Ed (84.034)	Library Services: Grants for Public Libraries (LSCA Title I)	10/1/81-9/30/82	F 879,109 S 3,331,226 T 4,210,335	C	21% 79%	4	0	Approval	
(Subcontracts)											
Youth Ser.	005-N12		Purchase Of		F 3,465						
Mental Health	006-J12		Library		F 9,984						
Mental Retard.	006-J16		Resources		F 9,926						
Corrections	007-N04				F 13,000						
John De La Howe	003-L12				F 964						
20. State Library	002-H87	U.S. Dept of Ed. (84.035)	Library Services: Inter Library Cooperation (LSCA, Title III)	10/1/81-9/30/82	F 173,822 S 41,831 T 215,653	C	81% 19%	2	0	Approval	
21. Arts Comm.	006-H91	National Endowment for the Arts (45.009)	Visual Artists Forums	9/1/82-8/31/83	F 5,000 S 10,070 O 1,080 T 16,150	C	31% 62% 7%	.27	0	Approval	
22. DHEC	013-J04	EPA (66.433)	Protection of Underground sources of drinking water	1/1/82-9/30/82	F 72,800 S 24,267 T 97,067	IK	75% 25%	4.14	0	Approval	

F-Federal  
S-State  
O-Other  
T-Total  
Match:  
C-Cash  
IK-In-Kind

13569

OFFICE OF THE GOVERNOR  
SUMMARY OF GRANT AND CONTRACT REQUESTS

DATE December 3, 1981

State Agency	Project Number	Funding Source (CFDA Number)	Project Title	Project Period	Funding Summary			Positions		Governor's Recommendation	Conditions/Issues/Remarks
					\$	Match	(%)	Contin	New		
23. Alcohol & Drug Abuse	1-J20-007 Amendment	HHS (13.280)	State Alcohol & Drug Training	7/1/81-7/1/82	F 76,300 T 76,300		100%	1	0	Approval	
24. DSS	011-L04 Amendment	HHS (13.814)	Refugee Resettlement	7/1/81-6/30/82	F 1,408,899 T 1,408,899		100%	7	0	Approval	
25. DSS	023-L04	HHS thru Michigan DSS (13.773)	S.C. Transportation Accounting Program	7/1/81-6/30/82	F 50,636 T 50,636		100%	0	0	Approval	
26. Vocational Rehabilitation	006-L08	HHS (13.802)	Disability Determination	10/1/81-9/30/82	F 9,360,753 T 9,360,753		100%	208	29	Conditional Approval: provided new personnel is within agency's authorized headcount.	
27. Blind Comm.	005-L24	Contributors	Expenditures of Contributions	10/1/81-9/30/82	O 32,072 T 32,072		100%	0	0	Approval	
28. Corrections	006-N04	National Institute of Corrections (16.603)	Health Care System Evaluation	1/1/82-6/30/82	F 15,000 T 15,000		100%	0	0	Approval	
29. Youth Ser.	001-N12 Amendment	HHS thru DSS (13.642)	Social Services (Title XX)	7/1/81-6/30/82	F 189,000 S 63,000 T 252,000		75% 25%	12.4	0	Approval	
30. Agriculture	003-P16	U.S. Dept of Agriculture (10.156)	Pricing Info. Feasibility Study	10/1/81-9/30/82	F 15,324 S 15,324 T 30,648	C	50% 50%		.5T	Conditional Approval: provided temporary employee be hired for six months or less.	
31. Wildlife & Marine	003-P24	License Fee Increase	Game and Fish Management	7/1/81-6/30/82	O 1,420,001 T 1,420,001		100%	0	0	Approval	
32. PRT	001-P28	Admissions Tax	Promotional Programs	7/1/81-6/30/82	O 137,603 T 137,603		100%	0	0	Approval	
33. Industrial Commission	001-R08	Fees	Fees for Full Commission Review	12/18/81-6/30/82	O 30,000 T 30,000		100%	0	0	Approval	

F-Federal  
S-State  
O-Other  
T-Total  
Match:  
C-Cash  
IK-In-Kind

13570

OFFICE OF THE GOVERNOR  
SUMMARY OF GRANT AND CONTRACT REQUESTS

DATE December 3, 1981

State Agency	Project Number	Funding Source (CFDA Number)	Project Title	Project Period	Funding Summary			Positions		Governor's Recommendation	Conditions/Issues/Remarks
					\$	Match	(%)	Contin	New		
34. Employment Security	036-R60	User Fees	S.C. Occupational Info. System	10/1/81-9/30/82	O 98,020 T 98,020		100%	2.5	0	Approval	
35. Aeronautics	002-U04	Federal Aviation Admin. (20.103)	State Airport System Plan	6/1/82-5/31/83	F 120,791 S 25,163 S 15,100 T 161,054	IK C	75% 16% 9%	1	0	Approval	
36. DHPT	020-U12	FHWA (20.205)	FY 1982-Reapportionment of South Dakota Rural Secondary Funds	10/1/81-9/30/82	F 9,167 S 3,055 T 12,222		75% 25%	0	0	Approval	

F-Federal  
S-State  
O-Other  
T-Total

Match:  
C-Cash  
IK-In-Kind

13571

EXHIBIT  
DEC 22 1981 NO. 1  
STATE BUDGET & CONTROL BOARD



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DEC 8 1981

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

## State of South Carolina

### Office of the Governor

RICHARD W. RILEY  
GOVERNOR

OFFICE OF EXECUTIVE  
POLICY AND PROGRAMS

#### MEMORANDUM

EXHIBIT

DEC 22 1981 NO. 1

STATE BUDGET & CONTROL BOARD

TO: William T. Putnam, Executive Director  
Budget and Control Board

FROM: Elmer C. Whitten  
Grant Services *Elmer*

DATE: December 7, 1981

In accordance with Act 651 of 1978, as amended, the recommendations of the Governor for the projects listed in the attached summary are provided for review by the Budget and Control Board.

There are 13 projects from state agencies who are requesting the following amounts from federal, state, and other sources:

Federal	\$33,306
State	3,623
Other	<u>35,739</u>
Total	\$72,668

The total number of personnel to be hired or retained on these programs is as follows (new personnel not to exceed authorized ceiling):

#### New Personnel

Full-Time - 0  
Temporary - 0

Total 0

#### Continuing Personnel

Full-Time - .125  
Temporary - 0

Total .125

13572

DATE December 3, 1981

OFFICE OF THE GOVERNOR  
SUMMARY OF GRANT AND CONTRACT REQUESTS

State Agency	Project Number	Funding Source (CFDA Number)	Project Title	Project Period	Funding Summary			Positions		Governor's Recommendation	Conditions/Issues/Remarks
					\$	Match	(%)	Contin	New		
1. Adjutant General	007-E24	Insurance Claim Reimbursements	Buildings and Grounds Insurance Claims	7/1/81-6/30/82	O 2,199 T 2,199		100%	0	0	Approval	
2. Clemson	013-H12	Dept of Education (84.005)	Supplemental Funds for Cooperative Ed.	1/1/82-6/30/82	F 6,661 T 6,661		100%	0	0	Approval	
3. USC	026-H27	National Endowment for the Arts thru Southern Arts Federation(45.007)	Promotion of the Arts: Frank Holden Dance Company	11/15/81-1/15/82	F 1,300 S 3,400 O 3,900 T 8,600	C C	15% 40% 45%	0	0	Approval	
4. USC	029-H27	Kellogg Foundation	Kellogg National Fellowship Program	7/1/82-7/1/83	O 10,000 T 10,000		100%	.125	0	Approval	
5. Archives & History	002-H79	Reimbursements from National Register Sites	National Register Sites	12/1/81-6/30/82	O 1,676 T 1,676		100%	0	0	Approval	
6. DHEC	1-J04-048 Amendment	USDA (10.559)	Summer Food Service Program	5/1/81-8/31/81	F 6,416 T 6,416		100%	0	0	Approval	
7. DHEC	1-J04-057 Amendment	HHS (13.266)	Childhood Lead Poisoning Prevention Recharging Analyzers	6/1/81-5/31/82	F 9,600 T 9,600		100%	0	0	Approval	
8. Mental Health	007-J12	Dept of Education thru State Dept of Education	Direct Service Delivery for Autistic Ed. Program	9/17/81-9/16/82	F 7,059 T 7,059		100%	0	0	Approval	
9. Blind Comm.	1-L24-009 Amendment	Blindcraft Revenue	Additional Funds from Blindcraft Revenue	7/1/81-6/31/82	O 7,750 T 7,750		100%	0	0	Approval	
10. Parole and Community Corrections	004-N08	LEAA thru Gov's Div. of Public Safety (16.530)	MIS Expansion (CRT Terminal)	1/1/82-2/28/82	F 2,017 S 223 T 2,240	C	90% 10%	0	0	Approval	

F=Federal  
S=State  
O=Other  
T=TotalMatch:  
C=Cash  
IK=In-Kind

EXHIBIT

DEC 22 1981 NO. 1

STATE BUDGET &amp; CONTROL BOARD

13573

DATE December 3, 1981

OFFICE OF THE GOVERNOR  
SUMMARY OF GRANT AND CONTRACT REQUESTS

State Agency	Project Number	Funding Source (CFDA Number)	Project Title	Project Period	Funding Summary			Positions		Governor's Recommendation	Conditions/Issues/Remarks
					\$	Match	(%)	Contin	New		
11. Dairy Comm.	001-R32	Assessment of Industry	Development of an Economic Pricing Formula	12/18/81-	O 9,214		100%	0	0	Approval	
				6/30/82	T 9,214						
12. Employment Security	019-R60	Dept of Labor (17.225)	Unemployment Insurance Supplemental Budget Request	11/3/81	F 253		100%	0	0	Approval	
				12/2/81	T 253						
13. Aeronautics	003-U04	Rental of Office Space to U.S. Air Force	Building Operations	7/1/81-	O 1,000		100%	0	0	Approval	
				6/30/82	T 1,000						

F-Federal      Match:  
 S-State        C-Cash  
 O-Other        IK-In-Kind  
 T-Total

EXHIBIT  
 DEC 22 1981      NO. 1  
 STATE BUDGET & CONTROL BOARD

13574

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

NO. 2

BLUE AGENDA

MEETING OF December 22, 1981

ITEM NUMBER 2

STATE BUDGET & CONTROL BOARD

Agency: Department of Corrections

Subject:

The Department of Corrections wishes to implement in the Kirkland institution a trial work schedule for correctional officers. Details are attached.

Board Action Requested:

Staff Comment:

This has been reviewed by the Personnel Subcommittee of the Board.

Attachments:

13575



# south carolina department of corrections

P.O. BOX 21787/4444 BROAD RIVER ROAD/COLUMBIA, SOUTH CAROLINA 29221-1787  
TELEPHONE (803) 758-6444  
WILLIAM D. LEEKE, Commissioner

## EXHIBIT

DEC 22 1981

NO. 2

STATE BUDGET & CONTROL BOARD

December 17, 1981

RECEIVED  
DEC 17 1981  
S. C. STATE  
PENITENTIARY

Dr. Jack S. Mullins, Director  
State Personnel Division  
1205 Pendleton Street  
Columbia, South Carolina 29201

Dear Dr. Mullins:

The South Carolina Department of Corrections proposes to conduct a six to twelve month pilot work schedule. The schedule will have approximately 170 correctional officers at the Kirkland Correctional Institution working four days on and two days off, rather than the standard five days on and two days off. This cycle is repeated over the entire work year. Holidays would be built into the employees' schedules rather than giving holiday time off on normal state holidays.

The average work week over a six-week cycle would be 38.5 hours with four weeks of 41 hours and 2 weeks of 33 hours. Over a year's period of time each correctional officer would work an additional 16 hours as compared to the standard five on - two off schedule.

Benefits to agency and employees include:

### AGENCY

- ° More balanced work force seven days per week since all correctional officers will rotate days off instead of getting weekends off based on seniority.
- ° Reduce and control compensatory time since state holidays are built into rotation.
- ° Reduce absenteeism.
- ° Improved employee morale.
- ° Increased productivity from limited staff resources

### EMPLOYEE

- ° Less fatigue and stress.
- ° More equity in work schedule - days worked, days off.

13576

BOARD OF  
CORRECTIONS

CHARLES C. MOORE  
Chairman  
Spartanburg, S.C.

BETTY M. CONDON  
Vice-Chairperson  
Mt. Pleasant, S.C.

CLARENCE E. WATKINS  
Secretary  
Camden, S.C.

EUGENE N. ZEIGLER  
Member  
Florence, S.C.

GOETZ B. EATON  
Member  
Anderson, S.C.

NORMAN KIRKLAND  
Member  
Bamberg, S.C.

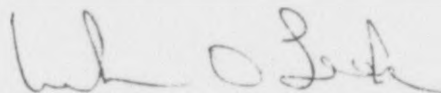
EXHIBIT  
Dr. Jack Mullins  
December 17, 1981  
Page Two

This pilot project will be evaluated to determine whether it should be continued and/or extended to other institutions.

If there are any serious objections to this pilot effort, please let me know.

Kindest personal regards.

Sincerely,



William D. Leeke

WDL:bdb

cc: Dr. Hubert M. Clements, Deputy Commissioner for Administration  
Mr. Joseph F. Kerenick, Director, Division of Personnel Administration  
and Training  
Mr. George Martin, Warden, Kirkland Correctional Institution

13577

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

NO.

3

BLUE AGENDA

MEETING OF December 22, 1981

ITEM NUMBER

3

STATE BUDGET & CONTROL BOARD

Agency: Fire Marshal Division

Subject: November Report

The attached report shows inspections, daily activities, etc., of the Deputy State Fire Marshal and LP Gas Inspectors for the month of November, 1981.

Board Action Requested:

Receive as information.

Staff Comment:

Attachments:

Referenced report.

13578

# EXHIBIT

DEC 22 1981 NO. 3

NOVEMBER, 1981

MONTHLY REPORT

MONTHLY REPORT

STATE BUDGET & CONTROL BOARD

DIVISION OF STATE FIRE MARSHAL

1109 Belleview Street

Columbia, S. C.

The State Fire Marshal's Office has the responsibility of fire prevention and fire protection of lives and property from fire and through the assistance of local officials and other state agencies. Through our concentrated efforts in fulfilling these responsibilities, we have obtained ----- 461 ----- full compliances in conditions which were ruled hazards to life. In conjunction with the November compliances, we conducted the following inspections:

		<u>YEAR TO DATE</u>
I. CONFERENCES AND INVESTIGATIONS	313	2112
a. Fire Drills Held	4	78
b. Fire Extinguisher Demonstrations	12	160
II. EDUCATIONAL:		
a. Schools	258	1197
b. Universities	-	61
c. Colleges	136	234
d. Academies	1	8
e. Nursery Schools	30	159
f. Kindergartens	14	58
III. RESIDENTIAL:		
a. Hotels	2	3
b. Motels	3	33
IV. REQUESTED INSPECTIONS:		
a. Homes for Aged	2	84
b. Boarding Homes	7	86
c. Orphanages	4	35
V. SERVICE STATIONS:		
a. Self Service and Full Service	-	3

13579

# EXHIBIT

DEC 22 1981

NO. 3

-2-

STATE BUDGET & CONTROL BOARD

## VI. PUBLIC ASSEMBLIES:

a. Lounges, Restaurants, & Recreation Halls, etc.	<u>14</u>	<u>78</u>
b. Conferences & Investigations	<u>-</u>	<u>68</u>

## VII. INSTITUTIONAL & EDUCATIONAL TRAINING PROGRAMS:

a. Training Programs Presented	<u>15</u>	<u>171</u>
b. Hospitals Visited	<u>3</u>	<u>24</u>
c. Nursing Care Facilities Visited	<u>7</u>	<u>32</u>
d. Total Number of Persons in Attendance	<u>727</u>	<u>6096</u>
e. Special Areas, Civic Groups, Schools, etc.	<u>-</u>	<u>18</u>

## VIII. PLANS:

a. Plans & Specifications Reviewed	<u>9</u>	<u>33</u>
b. Conferences & Investigations	<u>13</u>	<u>50</u>

## OTHER:

a. Prisons, Detention Centers, etc.	<u>2</u>	<u>2</u>
b. Foster Homes	<u>7</u>	<u>21</u>
c. Condominiums	<u>14</u>	<u>32</u>
d. Miscellaneous	<u>3</u>	<u>15</u>

13580

## EXHIBIT

DEC 22 1981 NO. 3

STATE BUDGET &amp; CONTROL BOARD

## LIQUEFIED PETROLEUM GAS DIVISION

## DIVISION OF STATE FIRE MARSHAL

The following are statistics on the inspections made by the LP-Gas Division during the month of November 1981.

	<u>November</u>	<u>Year-to-Date</u>
Bulk Plants	25	249
Bulk Trucks	48	258
Cylinder Trucks	25	118
Transports	5	21
Motor Fuel Installations	29	187
Cylinder Charging Installations	24	169
Individual Installations	1627	9580
Conferences	116	737
Reinspections	227	1633
TOTAL INSPECTIONS	<u>2126</u>	<u>12952</u>
Faulty Installations	227	1633

13581

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

BLUE AGENDA

MEETING OF December 22, 1981

NO.

4

ITEM NUMBER

4

STATE BUDGET & CONTROL BOARD

Agency: General Services (State Engineer)

Subject: Permanent Improvement Projects Released by Staff

State Engineer McPherson advises that the following permanent improvement projects have been released by staff following their review by the Joint Bond Review Committee;

(a) On Summary 26-82, item 1(b), relating to Vocational Rehabilitation;

(b) On Summary 27-82, item 1(a), relating to the College of Charleston, and item 2(a), relating to Francis Marion College; and

(c) On Summary 28-82, items 2(a) and 2(b), relating to Parks, Recreation and Tourism, and items 4(a), 4(b), 4(c), and 4(e), relating to the Budget and Control Board, Division of General Services.

Board Action Requested:

Receive as information.

Staff Comment:

Attachments:

Referenced summaries

13582

SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY STATE AGENCIES AND INSTITUTIONS

Assembled by staff of State Budget and Control Board. Summary forwarded to Joint Bond Review Committee 11/25/81.

NUMBER  
26-82

Date

Page 1 of 1.

NAME OF AGENCY OR INSTITUTION	ACTION PROPOSED	FUNDING CHANGE PROPOSED Amount/Source	PROJECT NUMBER	PROJECT NAME/PURPOSE OF REVISION/IMPACT ON SCOPE	COMMITTEE REVIEW	BOARD APPROVAL
1. VOCATIONAL REHABILITATION (a) Supporting Document Page 1-4	Establish Project and Source of Funds	\$130,150 \$75,000 Aiken Production Account; \$55,150 "Other State" Funds	Not yet assigned	BUILDING CONSTRUCTION FOR PRODUCTION CONTRACT-AIKEN: To construct 8,000 sq. ft. facility for production. office and storage. Agency says <u>no additional operating costs or personnel</u> will be required.		
(b) Supporting Document Page 5-7	Revise Budget (increase) to \$70,045.31	Add \$3,800 Title XIX	L08.009	PALMETTO CENTER - BUILDING RENOVATIONS: To provide additional funds for replacing HUAC unit that has failed.	APPROVED (Staff) 12/9/81	Staff App 12-16-81
(c) Supporting Document Page 8-11 C	Establish Project and source of funds	\$133,433 \$67,262.50 Contributions; Approp. 1981-82, Sec. 42; \$40,000 Proviso 2; \$26,170.50 Proviso 3	Not yet assigned	ANDERSON VOCATIONAL REHABILITATION CENTER: Alteration and renovation of existing building to provide office space.		
2. FORESTRY COMMISSION (a) Supporting Document Page 12-18	Establish Project and Source of Funds	\$2,250 Federal Funds	Not yet assigned	COASTAL NURSERY IRRIGATION RENOVATION PROJECT: To replace irrigation systems in blocks 4, 5, 6, and portions of blocks 7 and 8.		
(b) Supporting Document Page 19-23	Establish Project and Source of Funds	\$5,358 Federal Funds	Not yet assigned	TILGHMAN IRRIGATION SYSTEM: To install five valves in existing irrigation system.		

STATE BUDGET & CONTROL BOARD

DEC 22 1981

NO. 4

EXHIBIT

13583

13584

## SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY STATE AGENCIES AND INSTITUTIONS

Assembled by staff of State Budget and Control Board. Summary forwarded to Joint Bond Review Committee 11/25/81.

NUMBER

27-82

Date

Page 1 of 2.

NAME OF AGENCY OR INSTITUTION	ACTION PROPOSED	FUNDING CHANGE PROPOSED Amount/Source	PROJECT NUMBER	PROJECT NAME/PURPOSE OF REVISION/IMPACT ON SCOPE	COMMITTEE REVIEW	BOARD APPROVAL
1. COLLEGE OF CHARLESTON (a)	Revise budget (increase) to \$19,878	Add \$1,378 Operating funds	H15.009	RENOVATION OF 10 GREENWAY INTERIOR ROOMS: To reflect final costs and to close project.	APPROVED (Staff) 12/9/81	Staff App 12-15-81
Supporting Document Page 1-2						
(b)	Establish Project and Source of Funds	\$9,000 (Federal EPA Grant R808-251-01-0)	Not yet assigned	MODIFICATION TO SCIENCE CENTER (FIRST INCREMENT) BIOLOGY LABORATORY: To erect walls and door; move and install lighting, air conditioning, electrical and plumbing to provide research facilities.		
Supporting Document Page 3-7						
2. FRANCIS MARION COLLEGE (a)	Revise Budget (decrease) to \$3,001,482.07	Deduct \$46,867.93 Student & Faculty Housing Revenue Bond Funds	H-18.003	STUDENT HOUSING: To reflect final costs and to close project.	APPROVED (Staff) 12/9/81	Staff App 12-15-81
Supporting Document Page 8						
(b)	Revise budget (increase) to \$3,325,204.60	Add \$9,256.33 Surplus Institution Bond Debt Service funds	H-18.001	ART, DRAMA, MUSIC, SPEECH BUILDING: To add equipment for storage of studio supplies.		STATE BUDGET & CONTROL BOARD
Supporting Document Page 9						
3. MEDICAL UNIVERSITY (a)	Revise budget (increase) to \$92,500	Add \$7,500 Federal (Grant 97030-C011)	H-51.040	RENOVATE 8 EAST NURSERY: To provide for Change Order #1		DEC 22 1981
Supporting Document Page 10-12						
(b)	Establish project and Source of Funds	\$250,000 Surplus Institution Bond Debt Service Funds	Not yet assigned	PURCHASE RED CROSS BUILDING: To purchase building located on land owned by MUSC and leased to Red Cross. Building is a 3-story brick structure con- taining 11,325 square feet of space. To be used initially for offices and clinics. Will add about \$35,000 initially to annual operating and maintenance costs of agency including a need for one additional position.		NO. 4
Supporting Document Page 13-32						

EXHIBIT

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EXHIBIT  
 DEC 22 1981  
 NO. 4  
 STATE BUDGET & CONTROL BOARD

## SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY STATE AGENCIES AND INSTITUTIONS

Assembled by staff of State Budget and Control Board. Summary forwarded to Joint Bond Review Committee 11/25/81

 NUMBER  
28-82

Date

Page 1 of 2

NAME OF AGENCY OR INSTITUTION	ACTION PROPOSED	FUNDING CHANGE PROPOSED Amount/Source	PROJECT NUMBER	PROJECT NAME/PURPOSE OF REVISION/IMPACT ON SCOPE	COMMITTEE REVIEW	BOARD APPROVAL
1. PATRIOTS POINT	Revise budget (increase) to \$1,906,920	Add \$6,920 Income Revenue	P36.004	PIERS FOR BERTHING NS SAVANNAH, USS LAFFEY, AND USS CLAMAGORE: To provide for utilities connections to vessels.		
Supporting Document Page 1						
(a)	Revise budget (increase) to \$2,796,061	Add \$34,300 Income Revenue	P36.001	PATRIOTS POINT LINKS: To provide for increased costs of landscaping.		
Supporting Document Page 2						
2. PARKS, RECREATION & TOURISM	Revise budget (decrease) to \$357,457.50	Deduct \$1,542.50 Recreation Land Trust Fund (Cap. Imp. Bond Funds)	P28.058	MOUNTAIN BRIDGE (WSPA AND NATURELAND TRACTS): To reflect final costs and close project.	APPROVED (Staff) 12/9/81	Staff Agd 12-15-81
Supporting Document Page 3						
(b)	Revise budget (decrease) to \$383,719.43	Deduct \$216,280.57 \$212,579.56 HCRS, Federal \$3,701.01 Recreation Land Trust Fund (Cap. Imp. Bond Funds)	P28.057	MOUNTAIN BRIDGE (CLEVELAND TRACT): To reflect final costs and close project.	APPROVED (Staff) 12/9/81	Staff APP 12-15-81
Supporting Document Page 4						
3. MENTAL HEALTH	Establish project and source of funds	\$3,500 Claim paid by Insurance Reserve Fund	Not yet assigned	FIRE DAMAGE REPAIR APT. A 301, PROJECT COIL: To repair damage resulting from a fire on September 19, 1981.		
Supporting Document Page 5-8						

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EXHIBIT  
DEC 22 1981  
NO. 4  
STATE BUDGET & CONTROL BOARD

## SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY STATE AGENCIES AND INSTITUTIONS

Assembled by staff of State Budget and Control Board. Summary forwarded to Joint Bond Review Committee 11/25/81.

NUMBER  
28-82

Date

Page 2 of 2.

NAME OF AGENCY OR INSTITUTION	ACTION PROPOSED	FUNDING CHANGE PROPOSED Amount/Source	PROJECT NUMBER	PROJECT NAME/PURPOSE OF REVISION/IMPACT ON SCOPE	COMMITTEE REVIEW	BOARD APPROVAL
4. BUDGET AND CONTROL BOARD, GENERAL SERVICES (a)	Revise Budget (decrease) to \$227,406.55	Deduct \$2,167.45 \$86.74 Renov. other Bldgs. \$2,080.71 Reserve for major repairs	32.71	FIVE POINTS BUILDING - PHASE II: To reflect final costs and to close project.	APPROVED (Staff) 12/9/81	Staff APD 12-15-81
Supporting Document Page 9						
(b)	Revise Budget (decrease) to \$12,928.04	Deduct \$3,071.96 Reserve for major repairs	F12.013	INSTALLING FIRE ALARM SYSTEM - FIVE BUILDINGS: To reflect final costs and to close project.	APPROVED (Staff) 12/9/81	Staff APD 12-15-81
Supporting Document Page 10						
(c)	Revise budget (decrease) to \$105,179	Deduct \$4,821 Renovations - other buildings	F12.014	HONEYWELL DELTA 1000 ENERGY MANAGEMENT: To reflect final costs and to close project.	APPROVED (Staff) 12/9/81	Staff APD 12-15-81
Supporting Document Page 11-12						
(d)	Revise budget (increase) to \$1,171,397	Add \$43,958 Depreciation reserve	F12.019	J. MARION SIMS BUILDING - RENOVATIONS: To provide for installation of new roof.		
Supporting Document Page 13-16						
(e)	Revise budget (decrease) to \$13,395.16	Deduct \$1,604.84 Telecommunications Revenue	F12.049	RUTLEDGE BUILDING - CENTREX RENOVATIONS: To reflect final costs and close project.	APPROVED (Staff) 12/9/81	Staff APD 12-15-81
Supporting Document Page 17						

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

NO.

BLUE AGENDA

5

MEETING OF December 22, 1981

ITEM NUMBER

5

STATE BUDGET & CONTROL BOARD

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Agency: Division of General Services

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Subject: Easement to Carolina Pipeline Company

The Division of General Services recommends approval of an easement to Carolina Pipeline Company for the purpose of constructing and maintaining a 10 3/4" O.D. Natural Gas Pipeline across Wateree River in Kershaw County. The easement has been approved by the Attorney General.

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Board Action Requested:

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Staff Comment:

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Attachments: Easement

13587

# EXHIBIT

STATE OF SOUTH CAROLINA )  
COUNTY OF KERSHAW )

DEC 22 1981 NO. 5  
EASEMENT  
STATE BUDGET & CONTROL BOARD

THIS EASEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 1981, by and between the South Carolina Budget and Control Board (hereinafter "STATE"), and Carolina Pipeline Company, as Grantee (hereinafter "CAROLINA PIPELINE").

## WITNESSETH

WHEREAS, CAROLINA PIPELINE, a South Carolina Corporation, is organized for the purpose of serving natural gas to the cities, towns, and industries wholly within the State of South Carolina. Their main address is listed as Post Office Box 6317, Columbia, South Carolina 29260; and,

WHEREAS, CAROLINA PIPELINE proposes to construct and maintain a 10 3/4" O.D. natural gas pipeline across Wateree River approximately two miles below the intersection of the Wateree River and U.S. Highway #1 with routine maintenance and inspection as required. Said pipeline being more particularly shown and delineated on a drawing by William T. Glenn, III, R.L.S., which is attached hereto and incorporated herein as part of the description by reference as Exhibit A; and,

WHEREAS, the STATE is the prima facie owner, in trust, of the beds of navigable streams in the State as well as marshlands lying below the mean high water line; and,

WHEREAS, pursuant to §1-11-80 of the Code of Laws of South Carolina, 1976 as amended, the STATE is empowered to grant certain right-of-ways or easements through and over riverbeds and marshlands for construction and maintenance of pipelines over, on, or under such land or marshland as are owned by the STATE; and,

WHEREAS, CAROLINA PIPELINE is desirous of obtaining the hereinafter described easement through and over riverbeds and marshlands in Kershaw County, and the STATE considers the granting of such an easement to be in the public interest.

# EXHIBIT

DEC 22 1981 NO. 5

## STATE BUDGET & CONTROL BOARD

NOW, THEREFORE, the STATE as Grantor, in consideration of the sum of One (\$1.00) Dollar and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto CAROLINA PIPELINE, its successors and assigns, a right-of-way easement in, to, upon, and over the below described portion of riverbed and marshland; such riverbed and marshland situate in Kershaw County and lying below the mean high water line.

Said Easement of right-of-way shall be used solely for the purposes incidental to the construction, operation, or maintenance of a 10 3/4" O.D. Natural Gas Pipeline across the Wateree River approximately two miles below the intersection of the Wateree River and U.S. Highway #1 in Kershaw County. Said Easement being more particularly described as follows:

A subaquatic easement having 4' minimum covering, being 100' in width (75' on the north side and 25' on the south side of the proposed pipeline) and being 540' in length from high water mark on the east bank of the Wateree River to the high water mark on the west bank of the Wateree River which has a bearing of N 83°03' W. Said easement being bound on the east by lands of Dr. Alfred H. Ehrenclou and being bounded on the west now or formerly by lands of Edith J. Ward.

Said easement being more particularly shown and delineated on a drawing herein referred to as Exhibit A by William T. Glenn, III, and entitled Proposed 10/75 inch O.D. Pipeline crossing of Wateree River near Lugoff, S.C., and incorporated as part of this description.

CAROLINA PIPELINE hereby agrees and covenants with the STATE that CAROLINA PIPELINE, its successors and assigns shall not block or obstruct navigable waters or cause unreasonable adverse impact on fish, wildlife, or water quality in its use of the easement area. CAROLINA PIPELINE shall use the easement area solely for the purposes incidental with the construction, operation, or maintenance of a 10 3/4" O.D. Natural Gas Pipeline and shall maintain such easement area and pipeline in good condition. CAROLINA PIPELINE further agrees and covenants that CAROLINA PIPELINE shall indemnify and hold harmless the STATE from and against any and all liabilities, claims, causes of action and expenses including, but not limited to reasonable

# EXHIBIT

DEC 22 1981

NO. 5

costs and attorney fees resulting in personal injury or death to any person or persons or damage to any property at any time that arises from or is incident to the construction, operation, maintenance, or use of the easement granted herein.

In the event of major maintenance, after construction, effecting the bed of the waterway, S.C. Coastal Council and the S.C. Water Resources Commission will be notified in writing prior thereto.

This easement may be terminated by the STATE in its discretion and such interests as the STATE may have shall revert to the STATE, if CAROLINA PIPELINE, its successors and assigns: (1) quits and abandons all use of such 10 3/4" O.D. natural gas pipeline, in which case this easement of right-of-way shall terminate thirty (30) days after the date of such abandonment; or (2) continues an uncorrected violation or breach, provided further, it is understood and agreed that this easement is not to be construed as an easement granted to the exclusion of the STATE, or to others later granted a similar right.

IN WITNESS WHEREOF, this instrument is being executed in accordance with the action of the South Carolina Budget and Control Board at its meeting held on the 22 day of December, 1981.

WITNESSES:

William A. McInnis  
Donna K. Williams

Gregory W. Bradley  
Charles L. Smith

STATE OF SOUTH CAROLINA  
BUDGET AND CONTROL BOARD

BY: Richard W. Riley  
Governor Richard W. Riley

CAROLINA PIPELINE COMPANY, INC.

BY: Ray M. Kightlinger  
Ray M. Kightlinger  
Vice President

ATTORNEY GENERAL OF SOUTH CAROLINA

APPROVED: Daniel T. L...

# EXHIBIT

DEC 22 1981 NO. 5

STATE OF SOUTH CAROLINA )  
COUNTY OF RICHLAND )

STATE BUDGET & CONTROL BOARD

PERSONALLY appeared before me Donna K. Williams  
and made oath that he/she saw the within named State of South  
Carolina, Budget and Control Board, by Governor Richard W.  
Riley, sign, seal, and as their act and deed deliver the  
within written Easement and that he/she, along with \_\_\_\_\_  
William A. McInnis, witnessed the execution thereof.

Donna K. Williams

SWORN to before me this

22nd day of December, 1981.

Naomi S. Kellum (L.S.)  
Notary Public for South Carolina

My Commission Expires: 11/28/82

STATE OF SOUTH CAROLINA )  
COUNTY OF )

PERSONALLY appeared before me Gregory W. Bradley  
and made oath that he/she saw the within named Carolina Pipeline  
Company, Inc., by Ray M. Kightlinger, Vice President, sign,  
seal, and as their act and deed deliver the within written  
Easement and that he/she, along with Charles R. Smith,  
witnessed the execution thereof.

Gregory W. Bradley

SWORN to before me this

4th day of December, 1981.

Smith Y. M. Mance (L.S.)  
Notary Public for South Carolina

My Commission Expires: 11/27/84

13591

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

NO. 6

BLUE AGENDA

MEETING OF December 22, 1981

ITEM NUMBER

6

STATE BUDGET & CONTROL BOARD

Agency: State Personnel Division

Subject:

Employment trends FY 81-82

Board Action Requested:

Staff Comment:

Attachments:

See attachment

13592

# EXHIBIT

DEC 22 1981 NO. 6

SOURCE: PDSPEC30  
DATE: 12/01/81  
PREPARED BY: KSM

## STATE BUDGET & CONTROL BOARD NEW HIRES DURING FISCAL YEAR 1981 COMPARED TO FISCAL YEAR 1982

	FISCAL 1980-1981				FISCAL 1981-1982		(NOV)
	1st QUARTER	2nd QUARTER	3rd QUARTER	4th QUARTER	1st QUARTER	2nd QUARTER	
New Hires	3,102	1,384	1,576	983	2,602	1,157	
Total Employees	57,832	57,745	57,402	55,340	54,876	55,423	
Total Vacancies	4,052	3,921	4,016	4,549	5,382	4,369	
Average Positions	61,884	61,666	61,418	59,889	60,258	59,792	
Hires as of % of Average Positions	5.01	2.24	2.57	1.64	4.31	1.93	

SOURCE: PDGEN200  
DATE: 11/30/81  
PREPARED BY: KSM

## EMPLOYMENT TRENDS FISCAL YEARS 1981 AND 1982

END OF MONTH	FILLED POSITIONS	PERCENT OF CHANGE
June, 1980	57,605	-
September, 1980	57,832	0.39%
December, 1980	57,745	0.24%
March, 1981	57,402	(0.35%)
June, 1981	55,340	(3.93%)
September, 1981	54,876	(4.74%)
November, 1981	55,423	0.99

Filled positions increased by 239, 0.43%, during the month of November, 1981. Although an increase was witnessed, the number of filled positions at the end of November was only 83 more than the number of filled positions at the end of Fiscal 1981.

13593

## REDUCTION IN FORCE REPORT

## EXHIBIT

DEC 22 1981

NO. 6

## AGENCIES

## STATE BUDGET &amp; CONTROL BOARD

	# Deleted Positions	# Emp RIF	Sq Ft Reduce	Surplus Furniture
<u>LEGISLATIVE/JUDICIAL/EXECUTIVE</u>				
Legislative Audit Council	3	-	-	-
State Reorganization Commission	3	1	-	-
Judicial Department	1	-	-	-
Gov. Office	42	11	15,000	-
<u>Budget &amp; Control Board</u>				
Executive Director	1	-	-	-
Finance Division	10	-	-	-
Research & Statistical Services	7	-	-	-
General Services	30	43	-	-
Personnel Division	9	-	1,550	-
Fire Marshal's Office	2	-	-	-
<u>Educational Institutions</u>				
Commission on Higher Education	1	-	-	-
The Citadel	10	-	-	-
Clemson University & PSA	135	17	-	*
College of Charleston	13	23	-	-
Francis Marion College	1	3	-	-
Lander College	1	5	-	-
S.C. State College	7	5	-	-
Medicinal University of SC	108	44	-	*
Wil Lou Gray Opportunity School	3	1	-	-
School for the Deaf and Blind	22	12	-	-
Winthrop College	19	-	-	-
Technical & Comprehensive Educ.	186	84	-	-
Department of Education	23	4	-	*
ETV	35	-	-	-
Dept of Archives & History	7	-	-	-
State Library	-	2	-	-
Arts Commission	6	6	-	-
Museum Commission	1	2	-	-
<u>HEALTH/SOCIAL CARE</u>				
Social Services	675	404	22,478	*
Vocational Rehabilitation	84	36	11,549	-
John De La Howe School	1	-	-	-
Children's Bureau	2	-	-	-
Commission for the Blind	4	3	-	-
Commission on Aging	1	-	-	-
Dept of Veterans Affairs	1	1	-	-
DHEC	135	35	-	-
Mental Health	88	73	32,000	-
Mental Retardation	187	50	-	-
Alcohol and Drug Abuse	16	1	-	-
<u>LAW ENFORCEMENT/CORRECTIONS</u>				
Corrections	31	19	-	-
Parole and Community Corrections	21	-	-	-
Youth Services	20	-	-	-
Law Enforcement Training Council	1	-	-	-
<u>CONSTITUTIONAL OFFICERS</u>				
Comptroller General	4	-	-	-
State Treasurer	5	-	-	-
Attorney General	9	-	-	-
Adjutant General	6	6	-	-
<u>NATURAL RESOURCES/TRANSPORTATION</u>				
Water Resources Commission	2	10	1,455	-
Land Resources	3	-	182	-
Forestry Commission	6	-	-	-
Agriculture	11	0	764	-
Wildlife and Marine Resources	31	-	458	-
Parks, Recreation and Tourism	17	-	-	-
State Development Board	4	-	-	-

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# EXHIBIT

DEC 22 1981

NO. 6

## AGENCIES

STATE BUDGET & CONTROL BOARD

	# Deleted Positions	# Emp RIF	Sq Ft Reduce	Surplus Furniture
Aeronautics Commission	2	-	-	-
Highways & Public Transportation	313	32	-	-
<u>REGULATORY AGENCIES</u>				
Industrial Commission	1	-	-	-
Workmen's Compensation Fund	2	2	-	*
Department of Insurance	6	6	492	*
Employment Security Commission	20	-	-	-
Bd of Fin Inst- Bank Examiners	2	-	-	-
Consumer Affairs	4	-	-	*
Labor Department	12	11	-	-
State Election Commission	1	-	-	-
<u>ALL OTHER AGENCIES</u>				
	-	-	-	-
TOTALS	2,414	952	85,928	

\*see attached sheet

13595

# EXHIBIT

DEC 22 1981 NO. 6

## SURPLUS FURNITURE AVAILABLE THROUGH RIF

STATE BUDGET & CONTROL BOARD

Clemson University & PSA	- 2 scales
Medical Univ. of S.C.	- 4 typewriters; 1 desk; 2 chairs
Social Services	- 1 vacuum; 2 sec. desk parts; 5 cots; 4 cabinets; 9 cars; 47 chairs; 42 calculators, 2 typewriters; 10 file cabinets; 4 tables; 2 desk; 1 black board; 3 copiers; 1 valet; 1 paper shredder; 2 file readers; 1 dictating machine; 1 file sorter; 2 line-a-time.
Wildlife & Marine Resources	- 1 desk; 1 chair
Workmen's Comp. Fund	- 1 car returned to Motor Vehicles
Dept of Insurance	- 7 desk; 10 chairs; 1 bookcase; 1 typewriter; 1 calculator; 1 file; 1 table
Consumer Affairs	- 1 desk; 1 folding tables; 2 executive chairs; 2 secretarial chairs
State Dept of Education	- 7 desks; 4 chairs

13596

# EXHIBIT

DEC 22 1981 NO. 7

STATE BUDGET & CONTROL BOARD

EXCEPTION REPORT ON  
2.19% REDUCTIONS  
December 22, 1981

Agency Identification	Agency Name	Unresolved Issue	Recommendation
A01	House of Representatives	Legislative Salaries and related costs	Exempt \$58,204.00
A05	The Senate	Legislative Salaries and related costs	Exempt \$47,368.00
B04	The Supreme Court	Salaries and related costs for Judges	Exempt \$134,984.00
E12	Comptroller General	Salaries and fringe benefits for County Auditors and Treasurers	Exempt \$25,027.00
E24	Adjutant General	Reduction will result in loss of additional \$66,287 in federal funds	Consider exemption of \$58,284.00
H06	Tuition Grants	Request exemption because all funds already distributed (\$268,598.00)	Delay until fund reconciled after end of semester
---	Colleges and Universities	All except S. C. State College propose some form of surcharge	
H24	S. C. State College	Request exemption for desegregation funds	Disapprove
H27	University of South Carolina	Request exemption for desegregation funds	Disapprove
H59	Technical Education	Proposed surcharge	
H63	Department of Education	Requested flexibility in line item expenditure at local option - to include School Building Aid.	Authorize Department to approve reductions of Flowthrough funds with discretion in distribution of reduction allowed by district for the following programs: Education Finance Act, Public School Employers Fringe Benefits, Adult Education, Day Care Centers, Child Development, Gifted and Talented, School Building Aid, School Lunch Aid and Vocational Education - Nurse Program.

EXHIBIT  
DEC 22 1981 NO. 7  
STATE BUDGET & CONTROL BOARD

13597

## EXHIBIT

EXCEPTION REPORT ON  
2.19% REDUCTIONS  
December 22, 1981

DEC 22 1981 NO. 7

STATE BUDGET & CONTROL BOARD

Agency Identification	Agency Name	Unresolved Issue	Recommendation
H67	Educational Television	Staff Reduction (7)	Approve
H71	Opportunity School	Request waiver of \$14,602.11 because 1980-81 Bill was paid with 1981-82 appropriation	Disapprove (may seek consideration from Civil Contingent Fund)
H75	School for Deaf and Blind	Propose voluntary 2-day leave without pay for employees	Approve
N04	Department of Corrections	1. Requests total waiver 2. Proposes to temporarily close three institutions at a savings of \$676,403.00 (possible RIF of 80)	1. Disapprove 2. Exempt \$676,403.00
P20	Clemson PSA	1. Requests total waiver - \$225,000.00 2. Requests approval to transfer \$180,700.00 from State Meat and Poultry Inspection Program to Cooperative Extension Service	1. Consider 225,000 2. Consider
R04	Public Service Commission	Conflict with assessment method	Bill IDT for indirect costs in the amount of \$89,873.00
R08	Industrial Commission	Extension until January 1 requested	Authorize
R32	Dairy Commission	Conflict with Assessment method	Bill IDT for indirect costs in the amount of \$4,830.00
R44	Tax Commission	Request for total exemption - \$369,887.00	Exempt \$200,000.00 for travel
S08	Board of Nursing	Request total exemption	Disapprove

13598

## EXHIBIT

DEC 22 1981 NO. 7

EXCEPTION REPORT ON  
2.19% REDUCTIONS  
December 22, 1981

STATE BUDGET &amp; CONTROL BOARD

Agency Identification	Agency Name	Unresolved Issue	Recommendation
S14	Occupational Therapy Board	No response	Reduce appropriation \$48.00
S17	Opticianry Board	No response	Reduce appropriation \$291.00
S48	Social Workers Board	No response	Reduce appropriation \$67.00
W04	Miscellaneous	Distributed throughout Legislative Committees	Exempt \$13,445.00
W08	Contributions	Most independent agencies have been paid in full - includes dues	Exempt \$12,819.00
X22	Aid to Subdivisions	Proviso requires notification	Board authorize official notification of 2.19 reduction (\$1,526,628)

13599



# EXHIBIT

DEC 22 1981

NO. 7

STATE OF SOUTH CAROLINA  
THE SENATE

STATE BUDGET & CONTROL BOARD

JAMES P. FIELDS, JR.  
CLERK OF THE SENATE

December 10, 1981

P. O. BOX 142  
COLUMBIA, S. C. 29202

Mr. Edgar A. Vaughn, Jr.  
State Auditor  
207 Wade Hampton Office Building  
Columbia, South Carolina 29201

Dear Mr. Vaughn:

We have received your memorandum of November 24th concerning the 2.19% reduction in the budget for the Senate, A-01. After consultation with Senator L. Marion Gressette, President Pro Tempore of the Senate, and Senator James M. Waddell, Jr., Chairman of the Senate Operations and Management Committee, the following is our proposal:

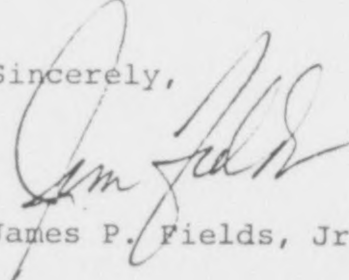
To be consistent and in line with the proposal submitted by the House of Representatives, I am requesting that funds approved for personal services in the Senate including appropriated line items, base pay and merit allocations, and employer contributions be exempted from the proposed reduction.

In cooperation with the Budget and Control Board, however, I am requesting the 2.19% reduction be applied to the remaining Senate accounts which are Total Operating Expenses and Special Items amounting to \$1,630,451. I recommend that the resulting deduction of \$35,707 be taken from Senate accounts as shown below.

<u>Mini Code</u>	<u>Sub Fund Code</u>	<u>Object Code</u>	<u>Title</u>	<u>Amount</u>
0001	1001	0200	Contractual Services	\$20,000
2244	1001	6100	Subsistence	10,000
2245	1001	6100	Travel Allowance	5,707
Total				\$35,707

The approval of this request by the Board will certainly be appreciated.

Sincerely,

  
James P. Fields, Jr.

13600

# The House of Representatives

STATE OF SOUTH CAROLINA

STATE HOUSE

P. O. BOX 11867

Columbia 29211

December 8, 1981



RAMON SCHWARTZ, JR.  
SPEAKER OF THE HOUSE

HOME ADDRESS  
LAW RANGE  
SUMTER, S. C.  
29150

RECEIVED

DEC 1 0 001

STATE AUDITOR'S OFFICE  
DIVISION OF ADMINISTRATION

Mr. Edgar A. Vaughn, Jr.  
State Auditor  
207 Wade Hampton Office Building  
Columbia, South Carolina 29201

Dear Mr. Vaughn:

This will acknowledge receipt of your memorandum of November 24th relative to the 2.19% reduction in the budget for the House of Representatives, A-05.

We believe that the budget of the House of Representatives presents a peculiar problem in implementing an across-the-board reduction. The salaries of the members and the staff of the House of Representatives are by appropriated line items. Fringe benefits and salary increments are also based on these fixed line items.

In my judgement, the funds approved for personal services in the House of Representatives should be exempted from the Budget and Control proposed reduction.

In order to cooperate as fully as possible, however, I would request that the 2.19% reduction be applied to the Total Special Items in our budget which amount to \$1,953,103. Our computations indicate that 2.19% of this amount would be \$42,773. Accordingly, we are herewith designating the following reduction in the operational expenses of the House:

Rent - Blatt Building	\$41,909.00
Telephone	864.00

\$42,773.00

The remainder of the budget of the House of Representatives is dedicated, as I have stated, as legislative pay, per diem and individual line item staff positions and should not be included in the reduction.

RECEIVED

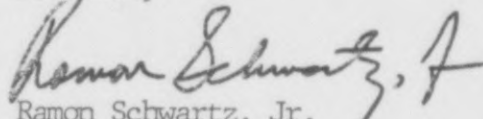
DEC 1 0 001

STATE AUDITOR'S OFFICE  
DIVISION OF ADMINISTRATION

13601

I hope that this proposal meets with the approval of the  
Board.

Sincerely

A handwritten signature in cursive script, appearing to read "Ramon Schwartz, Jr.", with a stylized flourish at the end.

Ramon Schwartz, Jr.  
Speaker  
House of Representatives

RSjr/plt



## The Supreme Court of South Carolina

J. WOODROW LEWIS  
CHIEF JUSTICE

P. O. BOX 53  
DARLINGTON, S. C. 29532

December 10, 1981

The Honorable William T. Putnam  
Executive Director  
Budget and Control Board  
Post Office Box 12444  
Columbia, SC 29211

Dear Bill:

In light of my recent telephone call from Senator Dennis concerning his pending motion to the Board on mid-year budget cuts affecting this Department, I will delay any action on submitting a plan until the Board has considered the proposal to be submitted by Senator Dennis and advised me accordingly.

Thank you as always for your assistance in this matter.

Sincerely,

A handwritten signature in cursive script, appearing to read "J. Woodrow Lewis".

J. Woodrow Lewis

JWL/rmr

136C3



STATE OF SOUTH CAROLINA

Office of Comptroller General  
Columbia 29211

EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL

December 2, 1981

POST OFFICE BOX 11228  
COLUMBIA, S. C. 29211  
TELEPHONE: 758-2644

Mr. Allan Kincaid  
Budget Analyst  
State Auditor's Office  
207 Wade Hampton Office Building  
Columbia, South Carolina 29211

Dear Allan:

The plan for the 2.19% reduction of the Comptroller General's 1981-82 Appropriation is attached. You will note that I had to include an amount for County Auditors' and Treasurers' salaries and employer contributions. These salaries are a line item in the Appropriation Bill, but I had no choice but to do this in order to meet the \$76,036 reduction for my office. It is my request that these items be exempted from the reduction.

Sincerely,

*Earle E. Morris, Jr.*  
EARLE E. MORRIS, JR.

EEMJR:pmv

Attachment

RECEIVED

DEC 03 1981

STATE AUDITOR'S OFFICE  
DIVISION OF ADMINISTRATION

13604

COMPTROLLER GENERAL'S OFFICE

PLAN FOR 2.19% REDUCTION

2.19% Reduction	\$76,036
2.19% of County Auditors' and Treasurers' Salaries and Employer Contributions	<u>- 25,027</u>
	51,009
<u>Program V. Accounting</u>	
Fixed Charges	<u>- 18,000</u>
	33,009
Travel	<u>- 4,000</u>
	29,009
Equipment	<u>- 29,009</u>
	0



## Military Department

STATE OF SOUTH CAROLINA  
OFFICE OF THE ADJUTANT GENERAL  
REMBERT C. DENNIS BUILDING  
1000 ASSEMBLY ST.  
COLUMBIA 29201

T. ESTON MARCHANT  
MAJOR GENERAL  
THE ADJUTANT GENERAL

AGSC

11 December 1981

Mr. Edgar A. Vaughn, Jr.  
State Auditor  
Post Office Box 11333  
Columbia, South Carolina 29211

Dear Mr. Vaughn:

The reduction of \$58,284 from the FY 81-82 appropriation from the Office of the Adjutant General significantly impacts on the capability of this agency to perform its mission. It is important to point out that the reduction in state funds of \$58,284 means that an additional \$66,287 in federal money will be lost due to the inability of the State to match the federal grants. This translates to a total loss of \$124,571 to priority programs which enable this agency to respond to local, state, and national emergencies.

All divisions of this agency are absorbing the impact of this reduction which means that the Army and Air National Guard's ability to perform State and Federal missions is severely reduced. Additionally, the Emergency Preparedness Division will be required to reduce training and education support to County Civil Defense Offices, reduce assistance provided to counties, curtail purchases of repair parts for communication equipment, and will adversely impact on the maintenance of vehicles, radios, and warning equipment.

A summary of the impact of this reduction is as follows:

1. Unit maintenance funds which support 76 Army National Guard armories throughout the state will be cut by \$17,720 which translates into approximately a 15% reduction in current available funds to pay utility and communication bills for the remaining portion of FY 81-82. There is a good possibility that some armories will have to be closed due to the lack of funds to pay for utility and telephone services.
2. McEntire Air National Guard Base is absorbing a budget reduction of \$11,422 of which 50% is from contractual services and 50% from supplies. (This reduction impacts on a contract signed between the U. S. Department of Defense and the State of South Carolina for the maintenance and operation of base facilities at McEntire Air National Guard Base on a cost-sharing basis, wherein The Adjutant General agreed to provide 25% of the contract amount.)

13606

Mr. Edgar A. Vaughn, Jr.  
11 December 1981  
Page Two

Approximately 60% of the total operating expenses for McEntire ANG Base are fixed costs, i.e., electricity, fuel oil, custodial and refuse collection services. Of the remaining 40%, from which comes maintenance supplies, building cleaning supplies, rental, etc., a cost of \$11,422 represents 26%. To operate for the remainder of the year after the \$11,422 cut, all Priority 4 work (work which is not related to mission, mission support, safety or security), will be stopped now.

Due to several large dollar value purchases that are not yet finalized, the probability exists of running out of funds for Priority 1, 2, and 3 work well in advance of 30 June.

The impact of this cut is not \$11,422; rather, it equates to \$45,688, in that it will result in a loss of \$34,266 in federal funds.

3. The \$732 reduction from the Army Aviation Division is in reality a \$2,928 reduction since the matching federal funds are 75% compared to the state's 25%. The vast majority of this money is for utilities to operate the Army Aviation Support Facility at McEntire Air National Guard Base. When the current funds are exhausted there is no alternative but to close the facility until 1 July 1982. The support of Army Aviation in the State will be greatly reduced at such a time since the only solution would be to operate in the open and from tents.

4. The Emergency Preparedness Division will suffer a reduction of \$8,055 in state funding, however, they will lose an additional \$10,055 in federal funding. The impact of the \$18,110 reduction in this division will be significant in the following areas: A reduction in State Training and Education money decreases the ability to send State and County personnel to much needed training sessions. The money is on a 75/25 Federal/State match. The remaining reduction is on a 50/50 Federal/State match. A loss in travel funds will curtail the assistance being rendered to the 46 counties by EPD field coordinators and the director. A reduction in supplies funding will eliminate the purchase of some necessary supplies to operate the EPD office and will eliminate any further repair parts for communication equipment which is badly needed at the present time. A loss in equipment funding will greatly reduce the maintenance of EPD vehicles, radios, and warning equipment, all of which is aged equipment and in bad need of repair.

5. The reduction of the Buildings and Grounds budget by \$12,740 will definitely have an adverse impact on the maintenance of our armories. Presently we are only funded at 23¢ per square foot for the maintenance of armories and facilities. (163 buildings with over 1,800,000 square feet.) This reduction will result in repairs only being made in extreme instances. Repairs to sub-systems cannot be made such as refrigerators, freezers, stoves, electrical systems, hot water heaters, and plumbing that can be capped. We will be forced to make only the minimum repairs to major systems. An area that will suffer are the 81 major heating systems of which 24 are over 20 years of age.

13607

# EXHIBIT

Mr. Edgar A. Vaughn, Jr.  
11 December 1981  
Page Three

DEC 22 1981 NO. 7

STATE BUDGET & CONTROL BOARD

6. The loss of \$6,590 state funds in Training Site, National Guard Center and Equipment Maintenance Division will result in a loss of \$19,770 in federal funds. Overall, the funds are utilized for maintenance of all National Guard maintenance facilities in the state. The reduction will require a delay in needed maintenance and will result in more expensive maintenance in the future due to inflation. The Adjutant General of South Carolina has a contract with the Federal Government stating that the State of South Carolina will maintain the buildings to Federal standards.

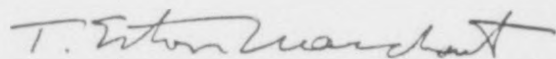
7. The reduction of \$1,025 from the Operations and Training Division will curtail/delay much needed improvements in certain classrooms located at the Leesburg Weekend Training Site. Additionally, it will curtail certain instruction by approximately 10 mandays. To overcome this loss certain instruction/classes will be reduced to a nonacceptable curriculum output in some subjects or will result in the elimination of these important classes.

As pointed out in the above paragraphs, this agency is losing \$66,287 in federal matching funds in addition to the \$58,284 state money. The reduction of \$124,571 in our operating programs means that this agency will be significantly affected in performing its mission. Furthermore, the reduction in funds places the Adjutant General in default in meeting the commitments of contracts with the United States Government.

In view of the above, it is requested that consideration be given to exempting this agency from this budget reduction.

With my best personal regards, I am,

Sincerely,



T. ESTON MARCHANT  
Major General, SCARNG  
The Adjutant General

13608

# Tuition Grants Agency

411 KEENAN BUILDING

COLUMBIA, SOUTH CAROLINA 29201

(803) 758-7070

December 10, 1981

Mr. Ed Vaughn  
State Auditor  
State Auditor's Office  
Wade Hampton Building  
Columbia, SC 29201

Dear Mr. Vaughn,

The memorandum from Governor Riley dated November 24, 1981, instructed each state agency to submit a plan for effecting the 2.19 percent reduction in 1981-82 state funds approved by the Budget and Control Board. This letter is in response to that memorandum.

In my letter to Mr. Jim Rush, Budget Analyst, dated November 30, 1981, I stated that 99.32 percent of our 1981-82 state appropriation is designated for tuition grants to eligible students, and that 1.68 percent is for administration of the program. The present situation at the S.C. Tuition Grants Agency is that 99.12 percent of our total 1981-82 state appropriation has been disbursed. Since we have an insufficient amount of state funds remaining to meet the \$268,598 reduction, I respectfully submit to you a request that the S.C. Tuition Grants Agency be exempted from the 2.19 percent reduction of state funds.

A copy of the letter to Mr. Jim Rush is enclosed for your information.

Thank you for your consideration, and please contact me if you have any questions or need further information. I look forward to hearing from you soon.

Sincerely,

*Edward M. Shannon, III*

Edward M. Shannon, III  
Agency Director

cc: Dr. Joe Lesesne, Chairman  
S.C. Tuition Grants Committee

Mr. Lacy McLean  
S.C. Foundation of Independent Colleges

Mr. Jim Rush, Budget Analyst

RECEIVED

DEC 11 1981

STATE AUDITOR'S OFFICE  
BUDGET DIVISION

13609

# Tuition Grants Agency

411 KEENAN BUILDING

COLUMBIA, SOUTH CAROLINA 29201

(803) 758-7070

November 30, 1981

Mr. Jim Rush  
Budget Analyst  
State Auditor's Office  
Columbia, SC 29201

Dear Jim:

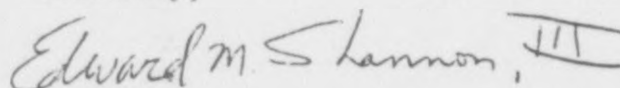
In view of the recent mid-year 2.19% reduction ordered by the Budget and Control Board, I felt it necessary to write this letter to explain the rather unique situation at the South Carolina Tuition Grants Agency.

Our total 1981-82 state appropriation was \$12,257,153. Of this amount, \$12,084,659 is for grants to eligible students, and \$172,494 is for administration of the program. The funds in the grants account were committed to eligible students in August, 1981. The students have received award letters from the Agency, the colleges have been notified of the amounts of the student awards, and the colleges have credited the student accounts for the amounts of the 1981-82 tuition grant awards. Vouchers have already been submitted to the Comptroller General's office requesting checks for all awards. In other words, the funds have already been spent. The current balance in our Grants account as of today is \$14,033. The balance in our Administration account is approximately \$93,345.

The dollar amount reduction requested by the Budget and Control Board of the Tuition Grants Agency is \$268,598. Since 99.12 percent of our appropriated state funds has been spent or committed, the Agency has insufficient funds available to meet the required reduction.

The South Carolina Tuition Grants Agency wishes to cooperate in every way possible to help offset the anticipated shortfall of state funds. However, due to the fact that our funds have already been disbursed, I would like to request that the South Carolina Tuition Grants Agency be exempted from the 2.19 percent reduction.

Sincerely,



Edward M. Shannon, III  
Director

cc: Dr. Joe Lesesne, Chairman  
South Carolina Tuition Grants Committee  
Mr. Lacy McLean  
South Carolina Foundation of Independent Colleges

13610



Charlie G. Williams  
State Superintendent of Education

STATE OF SOUTH CAROLINA

## DEPARTMENT OF EDUCATION

COLUMBIA 29201

December 11, 1981

EXHIBIT

DEC 22 1981 NO. 7

STATE BUDGET & CONTROL BOARD

Mr. Edgar A. Vaughn, Jr.  
State Auditor  
207 Wade Hampton Office Building  
Columbia, South Carolina 29211

Dear Mr. Vaughn:

The State Department of Education has developed a budget reduction plan reflecting an overall 2.19% reduction in state appropriated funds as directed by the Budget and Control Board on November 24, 1981. A summary of the plan is attached in Appendix A and the detailed amounts by account number are listed on the Transfer Form (STARS Form #30) in Appendix B. The budget reduction plan provides for an average 2.48% reduction in state agency programs and an average 2.17% reduction in flow-through programs.

Specific programs were exempted from the reductions. The proposed exemptions and the reasons for the exemptions follow:

1. School Bus Gasoline Account - No reduction is proposed due to an already projected deficit of approximately \$1,500,000. The amount required for this reduction was shifted to the Free Textbook Program and the greater reduction can be absorbed by delaying implementation of the 1981 adoption for fifth and sixth grade science textbooks.
2. Salaries for County Superintendents, Lunch Room Supervisors, and Attendance Supervisors. No reduction is proposed since the positions are currently filled. The amount required for this reduction was shifted to Department's salary account and will be generated by maintaining appropriate vacancies.

Since a major portion of the reductions included in budget reduction plan must be applied to flow-through funds that directly impact on South Carolina school districts, a group of school district superintendents and members of the Executive Committee of the State School Boards Association were invited to

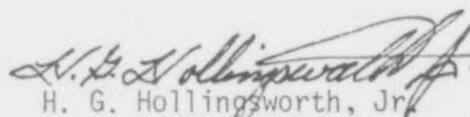
13611

Mr. Edgar A. Vaughn  
December 11, 1981  
Page #2

review the reduction plan. During this meeting, a resolution was passed by the superintendents and board members requesting that the Budget and Control Board authorize maximum flexibility in the utilization of state funds from various line item appropriations to comply with the 2.19% reduction. The Department endorses this resolution. If the Budget and Control Board cannot legally authorize such flexibility, I request your support in securing legislation which will allow for flexibility in utilizing local educational funds appropriated by line item.

If we can provide further information, we will be glad to do so.

Sincerely,



H. G. Hollingsworth, Jr.  
Deputy Superintendent  
Division of Finance and Operations

HGH,Jr.:et  
Attachments

13612

# APPENDIX A

## SOUTH CAROLINA DEPARTMENT OF EDUCATION 1981-82 BUDGET REDUCTION AS MANDATED BY STATE BUDGET AND CONTROL BOARD

	<u>BUDGET</u>	<u>REDUCTION</u>	<u>%</u>
<u>State Agency Programs</u>			
Administration	12,714,331	281,037	2.21
Grant Programs	1,297,477	43,410	3.35
Textbooks/Film Library	8,693,550	611,123	7.03
Transportation			
1. Administration	10,836,174	207,478	1.92
2. Gasoline	11,393,387	-0-	-0-
3. Parts (Maintenance/Supplies)	3,173,709	69,504	2.19
4. Bus Purchases	6,168,750	135,096	2.19
SUB-TOTAL	54,277,378	1,347,648	2.48%
 <u>Flow-Through Funds</u>			
Education Finance Act	503,262,358	11,021,446	2.19
Public School Fringe	123,481,731	2,704,250	2.19
County Superintendents	177,450	-0-	-0-
Attendance Supervisors	478,952	-0-	-0-
Lunch Supervisors	478,952	-0-	-0-
Adult Education-LEA	1,988,318	43,544	2.19
Adult Education-Other Agencies	718,461	15,734	2.19
Day Care Centers	1,100,000	24,090	2.19
Gifted and Talented	1,657,049	36,290	2.19
School Building Aid	18,685,303	409,208	2.19
School Lunch Program Aid	526,000	11,519	2.19
Bus Drivers' Salaries	13,053,270	151,800	1.16
Vocational Education-Nurse Program	621,149	13,603	2.19
SUB-TOTAL	666,228,993	14,431,484	2.17%
 TOTAL	 720,506,371	 15,779,132	 2.19%



Charlie G. Williams  
State Superintendent of Education

STATE OF SOUTH CAROLINA  
DEPARTMENT OF EDUCATION  
COLUMBIA 29201

December 21, 1981

Dr. Jesse A. Coles, Jr.  
Deputy State Auditor  
State Auditor's Office  
207 Wade Hampton Building  
Columbia, South Carolina 29211

Dear Dr. Coles:

This is to provide additional information regarding the Department of Education's request for flexibility in the utilization of state appropriated funds by local school districts in the provisions of the mandated reduction in funds.

The majority of the reductions in our plan occurs in flow-through funds to local school districts. We have estimated the total reduction for each district based on current allocations. Our request for flexibility is to allow the districts the option of choosing which programs will be reduced and amount of the reduction. Based on the response from each district, the Department will submit a new plan of reduction for the flow-through program.

For your information, each district would be notified of its total reduction in funds and would have the choice of reducing funds in the following programs: Education Finance Act, Public School Employees Fringe Benefits, Adult Education, Day Care Centers, Gifted and Talented, *Child Development* School Building Aid, School Lunch Program Aid, Vocational Education-Nurse Program.

If I can provide further information, please let me know.

Sincerely,

*Charlie G. Williams*

Charlie G. Williams  
State Superintendent of Education

CGW:cam

13614

# FISCAL IMPACT OF APPROPRIATIONS REDUCTION

## School District #2

<u>Program Title</u>	<u>Department Proposed Reduction</u>	<u>District Requested Reduction</u>
Education Finance Act	\$ 83,127	10,500
Public School Fringe Benefits	18,471	0
<del>County Superintendents</del>	0	0
<del>Attendance Supervisors</del>	0	0
<del>Lunch Supervisors</del>	0	0
Adult-Education - LEA	0	0
Day Care Centers	0	0
Gifted and Talented	0	0
School Building Aid	1,362	92,460
School Lunch Program Aid	126	126
<del>Bus Drivers' Salaries</del>	0	0
Vocational Education-Nurse Program	<u>0</u>	<u>0</u>
Total	\$103,086	\$103,086



south carolina  
educational television

drawer L  
2712 millwood avenue  
columbia, south carolina 29250

HENRY J. CAUTHEN  
president

December 9, 1981

Mr. Edgar A. Vaughn, Jr.  
State Auditor  
P.O. Drawer 11333  
Columbia, South Carolina 29211

Dear Mr. Vaughn:

In accordance with the Budget and Control Board's mandated 2.19% reduction amounting to \$275,583 in 1981-1982 State appropriated funds, the enclosed plan is submitted. This plan was approved by the South Carolina Educational Television Commission at its meeting on December 8, 1981.

As requested by our budget analyst, Mr. Charles Case, I have also enclosed a listing of the specific budgetary line items for reduction.

If you desire additional information, please call on me.

Sincerely,

Henry J. Cauthen  
President and General Manager

pdl

enclosures

RECEIVED  
DEC 11 1981  
STATE AUDITOR'S OFFICE  
DIVISION OF ADMINISTRATION

RECEIVED  
DEC 11 1981  
STATE AUDITOR'S OFFICE  
DIVISION OF ADMINISTRATION

13616

ETV  
2.19% Reduction--\$275,583

Staff Reductions, Classified Positions

\$162,742

Staff reductions will result from three primary actions: 1) a reduction-in-force policy resulting in the layoff of 7 employees, 2) the reduction of custodial hours at transmitters, and 3) a continued "hard freeze" on hiring. Included are fringe benefits no longer required because of these cutbacks.

Staff Reduction, Temporary Help

\$ 7,587

All funds previously reserved for unexpected and emergency short-term employment of staff to fill in during major projects, peak shifts, and unanticipated staff absences have now been cut from the budget. This cut will be very difficult to absorb because 40 positions have already been cut from the budget--positions that both generated additional output and gave us much greater management flexibility in the use of staff time.

Contractual Services

\$ 18,274

Two major categories of savings can be achieved because of the unified public television schedule. First, funds previously used for national network refeeds (occasionally required because of equipment failure) can be eliminated because we will be taping only 5½ hours of programs for retransmission per week compared to 65 hours previously. Further, this cut in taping and playing back programs will reduce the head wheel usage on video tape machines and thereby reduce the annual budget for head wheel rebuilding.

Supplies

\$ 84,264

Video tape purchase will be cut by lowering the permitted shooting ratio of on-location production and by redefining and lowering quality standards on reusable tape. Reduction of ETV Guide size and quality of paper result in significant supplies savings. The inventory of tube supplies kept on hand will be reduced; the cost of this action is that certain equipment may be out of service for extended periods of time if replacement tubes are not kept in stock. Several major projects of preventative maintenance will be postponed until 1983.

Travel

\$ 2,716

Savings because of cutting supervisory and preventative maintenance travel by engineering staff to transmitter locations. Delays in the construction of the Greenwood transmitter help make this cut possible.

**13617**

SPECIFIC LINE ITEM REDUCTIONS

<u>MINI</u>	<u>SUB</u>	<u>ACCOUNT</u>	<u>OBJ</u>	<u>AMOUNT</u>
0424	1001	Classified Positions	0158	\$ 1,600
0424	1001	Temporary Positions	0171	3,573
0425	1001	Temporary Positions	0171	478
0425	1001	Contractual Services	0200	3,550
0426	1001	Classified Positions	0158	25,000
0426	1001	Temporary Positions	0171	1,768
0426	1001	Contractual Services	0200	14,724
0426	1001	Supplies	0300	24,525
0426	1001	Travel	0500	1,716
0427	1001	Classified Positions	0158	114,290
0427	1001	Temporary Positions	0171	1,768
0427	1001	Supplies	0300	59,739
0427	1001	Travel	0500	1,000
1413	1001	Employer Contributions	1300	21,852
				<hr/>
				\$275,583

13618

# Wil Lou Gray Opportunity School

W. CAMPUS ROAD  
WEST COLUMBIA, SOUTH CAROLINA 29169

December 11, 1981

## EXHIBIT

DEC 22 1981 NO. 7

STATE BUDGET & CONTROL BOARD

Mr. Edgar A. Vaughn, Jr., State Auditor  
Office of the State Auditor  
P. O. Box 11333  
Columbia, South Carolina 29211

Dear Mr. Vaughn:

Our agency plans to manage the 2.19% reduction in the amount of \$26,223.00 in the following manner:

1. Narrative \*

- a. We ask that you freeze the amount of \$6,200.00 (H71 0430 1001 0158) Personal Service.
- b. We ask that you freeze the amount of \$5,500.00 (H71 0434 1001 0158) Personal Service.
- c. We request a waiver of \$14,602.11.

2. Impact on Agency

Unless we have possible terminations and resignations during the third quarter of FY 81-82, our agency will have to institute some type of reduction in force commencing with the beginning of the fourth quarter of FY 81-82.

3. Waiver of Reduction

This agency has had to expend institutional funds in the amount of \$14,602.11 during FY 81-82 which were for obligations of FY 80-81. We are asking for this waiver because during the STARS conversion period we sought advice and direction on the proper coding of the year ending (FY 80-81) vouchers yet in following the procedures given vouchers in the amount of \$14,602.11 for obligations of FY 80-81 were charged to FY 81-82. Since any short-fall in state funds would be shifted to institutional funds, our ability to do so in this instance has been diminished by the problem of the improper charge-off.

FACTS ABOUT THE OPPORTUNITY SCHOOL  
TELEPHONE AREA CODE (803) 758-2503

1. FIRST SCHOOL OF ITS KIND IN THE UNITED STATES.
2. A STATE SUPPORTED BOARDING SCHOOL.
3. MORE THAN ONE-HALF CENTURY OF CREDITABLE HISTORY.
4. PUPILS RANGE FROM 15 YEARS OF AGE OR OLDER FROM BEGINNERS THROUGH HIGH SCHOOL GRADUATES.



5. STANDARD CURRICULUM.
6. GENERAL EDUCATION.
7. CLASSES THAT FIT EVERY PUPIL.
8. A COLLEGE HOME — NOT AN INSTITUTION.
9. DEVELOPMENT OF INDIVIDUAL PERSONALITY.
10. EQUAL EMPLOYMENT OPPORTUNITY.

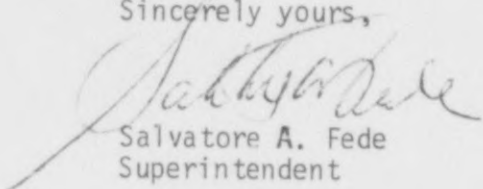
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Mr. Edgar A. Vaughn, Jr., State Auditor  
December 11, 1981  
Page 2

We fully appreciate the necessity of the 2.19% reduction and our pro-rata share of \$26,223.00; however, consideration must be given our waiver request for without this waiver essential operational services will have to be curtailed at the Wil Lou Gray Opportunity School.

Thank you for your consideration.

Sincerely yours,

  
Salvatore A. Fede  
Superintendent

SAF:g11

\* This agency further requests that the nine (9) months rule on personnel vacancies be waived for this agency, and that this agency be permitted to fill these vacancies when permitted by the funding situation

SAF  
g11

13-20



STATE OF SOUTH CAROLINA

OFFICE OF THE STATE AUDITOR  
P.O. BOX 11333  
COLUMBIA  
29211

EDGAR A. VAUGHN, JR., CPA  
STATE AUDITOR  
(803) 758-3106

JESSE A. COLES, JR., PhD  
DEPUTY STATE AUDITOR  
(803) 758-3106

December 2, 1981

Mr. William D. Leeke, Commissioner  
S. C. Department of Corrections  
P. O. Box 21787  
Columbia, S. C. 29221

Dear Commissioner Leeke,

I am in receipt of your proposed plan for the 2.19% 81-82 reduction for your Agency. Your budget analyst and I have reviewed the plan and its addendum and I am now in a position to recommend its approval to the Budget and Control Board.

While only the Board can render final approval, you may accept this letter as my assurance that I will discuss your plan, and its critical time frame with as many Board members as I possibly can, and will recommend its approval on the 11th when the Board meets next.

Unfortunately, final written approval cannot, under the current procedures for the reduction, be gained in time for your meeting scheduled for the 8th of December, but as I stated above I will recommend its approval.

Please feel free to call me or your analyst if you have any questions.

Sincerely,

Edgar A. Vaughn, Jr.  
State Auditor

cc: Dorn  
Cantrell  
Dr. Coles

EAV/pas

13621



south carolina  
department of corrections

P.O. BOX 21787/4444 BROAD RIVER ROAD COLUMBIA, SOUTH CAROLINA 29221  
TELEPHONE (803) 758-6444  
WILLIAM D. LEEKE, Commissioner

December 8, 1981

C The Honorable Richard W. Riley  
Governor, State of South Carolina  
State House  
Post Office Box 11450  
Columbia, South Carolina 29211

Dear Governor Riley:

SUBJECT: REQUEST FOR EXEMPTION FROM THE MID-YEAR BUDGET CUTS

O As a result of the declining revenues for the current fiscal year, the Budget and Control Board on November 24, 1981, directed all agencies to submit plans to accomplish a 2.19% mid-year budget reduction. The reduction amounts to \$1,102,683 for the Department of Corrections. In compliance with this requirement, the majority of the Board of Corrections authorized Commissioner Leeke to submit the plan to meet the time frames but reserved the right to approve or disapprove the content of the plan during its regular meeting today, December 8, 1981. Accordingly, the plan was submitted to the State Auditor on November 30. Because the 7% cut taken earlier this year eliminated all but essential administrative and indirect-service personnel, a general across-the-board reduction in personnel would necessitate laying off many direct-service positions such as security officers, food service and health care personnel, teachers, and other similar positions. Consequently, our plan which was submitted to the State Auditor on November 30 called for: (1) the December 31, 1981, closure of Givens Youth Correction Center in Simpsonville, the Northside Correctional Center in Spartanburg, and the Greenwood Correctional Center in Greenwood; (2) the reduction of equipment purchases for the current fiscal year by \$300,000; and (3) the reduction of funds available to local jurisdictions for implementation of the Litter Control Program by \$223,800. By closing these three facilities and recouping those operating costs, we will be required to eliminate 78 positions as opposed to eliminating 132 positions which would be necessary with a general across-the-board cut.

P At its regular monthly meeting today, December 8, 1981, the Board of Corrections reviewed the plan submitted by Commissioner Leeke and, by unanimous vote, passed the following motion:

Y The Board of Corrections unanimously disapproves, deplores, and opposes the implementation of the mid-year budget reduction plan submitted to the State Auditor on November 30, 1981, and directs the Board Chairman to appeal the decision and request that the Department of Corrections be exempted from the 2.19% budget cut and to urge the Budget and Control Board to expeditiously decide its response to this appeal.

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The Honorable Richard W. Riley  
December 8, 1981  
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The Board of Corrections requests this exemption in light of the following:

1. The Department of Corrections should be exempted from the reduction inasmuch as the budget reduction would effectively reduce the bedspaces available for utilization by more than 400. The loss of bedspaces will significantly interfere with this agency's ability to meet the population reduction at the Central Correctional Institution as required by the Consent Agreement in the case of Mattison v. Board of Corrections, CA#76-318. The Board of Corrections entered into this Consent Agreement only after the Budget and Control Board and the General Assembly, on the advice of the Attorney General, determined that the State could not prevail in litigation and that the State's best interest would be served by entering into the Agreement. The Budget and Control Board and the General Assembly at that time agreed to provide the necessary resources to implement the Agreement.

2. Section 24-3-30, Code of Laws of South Carolina, 1976, provides in part: "... any person convicted of an offense against the State of South Carolina shall be in the custody of the Board of Corrections of the State of South Carolina . . ." This statutory provision requires the Board of Corrections to take and safely keep any prisoner committed by a court of competent jurisdiction. This statutory requirement causes the Department of Corrections to be unique in state government inasmuch as we have no control over the number of persons that we must care for. Further, Section 24-1-20, Code of Laws of South Carolina, 1976, provides in part: "... those convicted of violating the law and sentenced to a term in the State Penitentiary shall have humane treatment, and be given opportunity, encouragement and training in the matter of reformation." Therefore, not only does this agency have no control over the number of persons incarcerated but, further, we have a statutorily imposed duty to provide services that represent humane treatment.

3. The General Assembly, in its passage of the Parole and Community Corrections Act of 1981, found that state correctional facilities are overcrowded and grossly exceed their designed capacity. The Board of Corrections is charged with the responsibility of providing security, safety, discipline and good order in its facilities. South Carolina continues to maintain the highest rate of per capita incarceration in the United States and, with the exception of South Africa and Russia, the highest incarceration rate of any nation in the world. The federal courts have consistently ruled that there is no limit to the number of offenders that a state can incarcerate provided the state provides adequate resources to house and maintain them in a humane and constitutional manner.

The Board of Corrections, faced with the required 2.19% (\$1,102,683) mid-year budget cut imposed by the Budget and Control Board, takes the unanimous position that the implementation of the plan to accomplish this reduction will seriously jeopardize our ability to continue to provide safe and humane care for those persons within our custody.

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The Honorable Richard W. Riley  
December 8, 1981  
Page Three

4. Lastly, it should be noted that our duty of care extends not only to inmates entrusted to our custody but to our employees as well. The Board of Corrections is of the opinion that the reduction in bedspace availability and the resulting overcrowding will exacerbate the tension level within our institutions and could result in reduced safety standards and further acceleration of assaults by inmates on other inmates as well as on staff.

It is virtually impossible to quantify the negative impact this \$1,102,682 mid-year budget cut will have on the Department of Corrections. Obviously, it will worsen overcrowding and dilute the effectiveness of an already overextended staff. These are tangibles that can be measured. We cannot measure loss of productivity resulting from declining morale or increasing fear. We cannot determine how the inmates will react to the increased tensions which the overcrowding will bring.

While I realize that the Budget and Control Board has a statutory responsibility to ensure that expenditures do not exceed projected revenues, I believe the Department of Corrections should be exempt. As stated above, we have no control over our population growth, our facilities are already overcrowded far beyond any reasonable tolerance level, and we are trying to comply with the terms of the negotiated Consent Agreement in the Mattison suit.

On behalf of the South Carolina Board of Corrections, I, therefore, request that the Department of Corrections be exempted from this budget cut and further request permission to appear along with other Board members at the next meeting of the Budget and Control Board to personally present our appeal for this exemption. Due to the urgency of this matter and the potential impact of delays in reaching a final decision, I respectfully request an expeditious decision concerning the exemption of the South Carolina Department of Corrections from these mid-year cuts.

Sincerely,

*Charles C. Moore*

Charles C. Moore, Chairman  
South Carolina Board of Corrections

CCM:aca

cc: Members of the Budget and Control Board  
Mr. William T. Putnam

bcc: Mr. Bill DeLoach  
Mr. Ed Vaughn

EXHIBIT  
DEC 22 1981 NO. 7  
STATE BUDGET & CONTROL BOARD

13624



PRESIDENT

December 8, 1981

The Honorable Richard W. Riley  
Chairman  
State Budget and Control Board  
P. O. Box 11450  
Columbia, South Carolina 29211

Gentlemen:

In spite of drastic measures taken to reduce expenditures (including the freezing of all vacancies occurring after October 11, 1980) Clemson University finds that the Cooperative Extension Service component of its Public Service Activities budgets is projected to be in deficit in the approximate amount of \$225,000 by the end of fiscal year 1981-82--prior to the proposed additional 2.19% reduction in State appropriations. Reductions already made since the October 11, 1980 freeze have resulted in approximately 40 existing Extension Service positions being eliminated. To cover the projected \$225,000 deficit, it is estimated that an immediate Reduction-In-Force Plan must be implemented within the next few days to eliminate approximately 30 to 40 additional positions--those personnel employed during the last three year period and who constitute our most outstanding and promising professionals in this area. In most every case each has been employed to meet a special need in our State.

To avoid this severe setback in Public Service Programs, our staff along with staff of the Budget and Control Board (including the Governor's staff) have met and discussed less severe alternates. None has been proposed other than eliminating a lower priority program and transferring the resulting available funds to the Extension Service Program.

In light of our investigation and evaluation of all possibilities, I have recommended to the Clemson University Board of Trustees and it has approved the immediate termination of the State Meat and Poultry Inspection Programs in South Carolina and the transfer of resulting unused State appropriations in the 1981-82 General Appropriations Act from Item III. Livestock-Poultry Health of Section 62 to Item V. Extension Service. It is estimated that this action will provide approximately \$200,000 of the deficit. Other reductions in expenditures will have to be made for the remainder.

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Page Two  
December 8, 1981

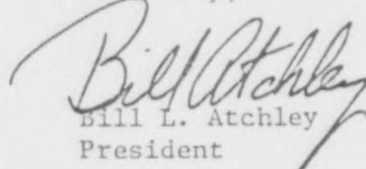
It should be noted that there are other factors which influenced my decision. Firstly, with the 2.19% reduction mandated by the State Budget and Control Board, the State Meat Inspection Program will fall below the standards of Federal regulations and consequently the Federal government will move in and take over anyway. Secondly, this program has already been recommended by the State Budget and Control Board to be terminated at the end of the current fiscal year. Thus, we are only advancing its termination in order that another program may be helped.

I realize the detrimental effects that the termination of this program can have on those State industries involved. For your information I am enclosing a summary of those arguments against termination of State Inspection. I am sure that we all need to be aware of these in order to defend the position taken.

Approval by the State Budget and Control Board to transfer the resulting State appropriations as stated above is respectfully requested.

If further information is needed, please let me know.

Sincerely,

  
Bill L. Atchley  
President

BLA/rr

cc: Members of the Budget and Control Board

13626

IF THE MEAT INSPECTION PROGRAM IS STOPPED

The meat processors now receiving inspection services from Clemson University prefer State inspection over Federal inspection because:

1. Standards are the same as Federal; however, State inspection provides more flexibility. For example, more time can be allowed for making mandated changes in equipment and in the building.
2. Many plants are working under a "grandfather" clause since they were processing meat prior to 1967. With Federal inspection, these plants will be required to almost completely renovate within three (3) years to meet Federal standards.
3. Custom slaughter plants can now custom slaughter and process some of the meat for retail sale. With Federal inspection, this will not be allowed.
4. All plants will have to print new labels.
5. Clemson University meat inspection personnel now assist with construction drawings for renovation in processing plants so that Federal approval will be given. This service will not be available from the Federal inspectors.
6. Overtime costs will be greater. It is \$8.00 per hour now and under the Federal it will be \$18.12.
7. If custom slaughter plants cannot operate, the small-farm producer will not have this service available to him except at isolated places in the State.
8. Since we will have fewer processing plants, competition will be reduced.
9. There will be a general increase to the U. S. taxpayer since the Federal program is more expensive than when operated by the State.

EXHIBIT

DEC 22 1981

NO. 7

STATE BUDGET & CONTROL BOARD

13627



STATE OF SOUTH CAROLINA  
THE PUBLIC SERVICE COMMISSION

P. O. DRAWER 11649  
COLUMBIA, SOUTH CAROLINA 29211

December 10, 1981

The Honorable Edgar A. Vaughn, Jr.  
State Auditor  
Wade Hampton Office Building  
P. O. Box 11333  
Columbia, South Carolina 29211

Dear Mr. Vaughn:

In response to the Budget and Control Board's direction of November 23, 1981, for the Commission to reduce its appropriated funds in the amount of \$89,873.00, the South Carolina Public Service Commission, upon the approval of the Budget and Control Board, plans to implement the reduction as follows:

A.	Administration Program-Contractual Services (Legal)	
	R0401000000 0821 1001 20221	\$44,873
B.	Transportation-Railway Program-Travel	
	R0410050000 0829 1001 20500	<u>\$45,000</u>
	Total	<u><u>\$89,873</u></u>

Yours very truly,

James H. Still  
Executive Director

JHS:as

13628



STATE OF SOUTH CAROLINA

OFFICE OF THE STATE AUDITOR

P.O. BOX 11333

COLUMBIA

29211

EDGAR A. VAUGHN, JR., CPA  
STATE AUDITOR  
(803) 758-3106

JESSE A. COLES, JR., PhD  
DEPUTY STATE AUDITOR  
(803) 758-3106

December 8, 1981

Mr. T.M. Nelson  
Chairman  
Industrial Commission  
1800 St. Julian Place  
Columbia, S. C. 29204

Dear Mr. Nelson;

As previously discussed, please be advised that the 2.19% Reduction Plan filing date of December 11, 1981, has been extended to January 1, 1982, for the Industrial Commission.

Sincerely,

A handwritten signature in cursive script, reading "Edgar A. Vaughn, Jr." followed by a stylized flourish.

Edgar A. Vaughn, Jr.  
State Auditor

cc: Charles E. Shaw

13629



## SOUTH CAROLINA DAIRY COMMISSION

1026 SUMTER STREET  
COLUMBIA, SOUTH CAROLINA 29201CHARLES A. SHAW  
DIRECTOR

December 11, 1981

TELEPHONE  
(803) 758-2756

Mr. William T. Putnam  
Executive Director  
State Budget and Control Board  
P. O. Box 12444  
Columbia, South Carolina

Dear Mr. Putnam:

The Commission respectfully requests the Budget and Control Board to reconsider the ordered reduction in its 1981-82 appropriations. The request is made on the basis that the Commission collects the total amount appropriated for its operations through an assessment against the dairy industry. The statute requiring that method of funding further provides that only the amount appropriated shall be collected and deposited to the general fund. Therefore, the reductions in the Commission's appropriations by the Board will be self-defeating since it will reduce the revenue the Commission is authorized to collect. Consequently, revenue would not accrue to the general fund as a result of the ordered reduction in expenditures.

The Commission recognizes \$4, 830 is infinitesimal compared to the total projected short-fall in revenue. However, the reduction is substantial in relation to our limited appropriations for "Other Operating Expenses" which were severely strained by the 12.41 percent increase in office rent and the 27.78 percent increase in the travel rate during the 1980-81 and 1981-82 fiscal years without corresponding increases in the amounts appropriated.

We are submitting to the State Auditor, by a copy of this letter, a plan to effect the reduction in the Commission's appropriation as follows:

<u>Budget Account</u>	<u>Reduction</u>
Contractual Services	\$ 680.00
Supplies	1,700.00
Travel	2,450.00
Total	<u>\$4,830.00</u>

The planned reduction is being submitted under protest of the Commission for the reasons set forth in this letter.

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# EXHIBIT

DEC 22 1981

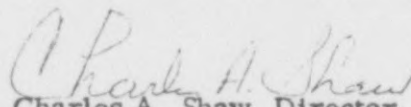
NO. 7

## STATE BUDGET & CONTROL BOARD

Page 2 - Mr. William T. Putnam - December 11, 1981

The Chairman, Mrs. Betty Roper, and the budget committee of the Commission would like to meet with the Budget and Control Board to discuss the Commission's request for reconsideration of the reduction in its 1981-82 appropriation if the Board declines favorable action on this matter.

Very truly yours,

  
Charles A. Shaw, Director  
South Carolina Dairy Commission

cc: Mr. Edgar A. Vaughn, Jr.  
✓ State Auditor

13631

State of South Carolina

## South Carolina Tax Commission

P. O. BOX 125  
COLUMBIA, S. C. 29214

ROBERT C. WASSON  
CHAIRMAN



JOHN H. LAFITTE, JR.  
CHARLES N. PLOWDEN  
ROBERT C. WASSON  
COMMISSIONERS

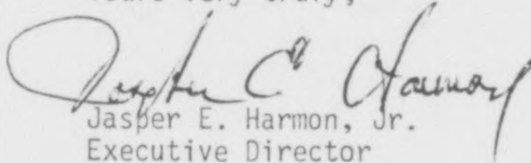
December 9, 1981

Mr. William T. Putnam,  
Executive Director  
Budget and Control Board  
212 Wade Hampton Office Building  
Columbia, South Carolina 29201

Dear Mr. Putnam:

In compliance with your recent request, the Tax Commission is hereby submitting our plan for the requested Budget and Control Board's 2.19% reduction.

Yours very truly,

  
Jasper E. Harmon, Jr.  
Executive Director

JEH:bb  
Enclosures

13632

STATE TAX COMMISSION  
BUDGET ACTION FOR FY 1981-82

B & C BOARD'S 2.19%  
PLAN REDUCTION

Classified Positions (vacancies)	120,000
Employer Contributions (vacancies)	20,880
Travel	229,007
Total	<u>369,887</u>

PROJECTED BUDGET DEFICIT  
BUDGET REDUCTIONS

Projected Deficit	313,586
B & C Board - 2.19% Reduction	369,887
Projected - 45 days Annual Leave (Retirees)	70,000
Total	<u>753,473</u>

PROPOSED BUDGET CUTS

Classified Positions (vacancies)	120,000
Employer Contributions (vacancies)	20,880
Travel	300,000
Warrant Revolving Fund (pending B & C approval)	312,593
Total	<u>753,473</u>

December 9, 1981

13633

## IMPACT STATEMENT

There are only a limited number of items, in the budget, over which we have any discretionary control of expenditures, mainly vacancies and travel.

By not filling current vacancies, we expect to save \$120,000 and a corresponding amount of employer contributions of \$20,880. Travel will be cut by \$300,000 to balance with the plan reduction and projected budget deficit.

The balance in the travel account, as of November 30, 1981, was \$635,704 and will result in a 47% reduction. Following is an analysis of field operations for FY 1980-81:

Division	Collection	Expense	Net	No. Fld. Person	Avg. Per Person
Estate	477,602	126,931	350,671	5	70,134
Income	21,792,124	1,425,770	13,366,354	63	212,164
License	2,203,019	807,349	1,395,670	34	41,049
Sales	8,728,663	1,977,789	6,751,174	81	83,348
Total	26,201,707	4,337,839	21,863,869	189	119,475

The Warrant Division handled 63,643 Warrants for Distrainment, collecting revenue in the amount of \$5,142,414, at a cost of \$467,655.

The Commission is concerned that a 47% reduction in travel for the remainder of the fiscal year could result in a loss of revenue of between 10 to 15 million dollars from a decrease in collections and a corresponding decrease in voluntary compliance.

As a result of the Governor's veto, which was primarily postage, a deficit is projected in the amount of \$313,586. The Tax Commission requests the support of the Budget and Control Board to be allowed to transfer sufficient revenue from the "Warrant Revolving Fund" to offset the projected deficit.

## ESTATE TAX

The Estate Tax Division has determined that, at the rate of \$46.42 per day, they can operate in the field for another 140 days. Field collections, through November, were \$205,755. The loss in revenue will amount to \$92,325. By the implementation of several programs, the Division feels they can reduce the loss by approximately 25%, or \$21.17 of revenue loss for every \$1.00 reduction in expense. The Division cannot cover any of the outlying districts and overnight travel is not possible.

#### SALES TAX DIVISION

The Division has ascertained that the impact of reduction in travel allowance will further reduce normal revenue collections by approximately \$3,968,322 for this fiscal year. With travel reduced to less than 50% or normal expectancy, the field force would be expected to have a loss; thus, rather than a recovery of \$7,936,644 in a six month period, recovery would amount to only \$3,968,322. Over night travel is not anticipated.

#### INCOME TAX DIVISION

The Division has ascertained that the impact of reduction in travel allowance will produce a loss in revenue for the 81-82 fiscal year of at least \$4,500,000. The travel reduction will have its greatest impact on the foreign audit program, which is the greatest producer of additional tax. The impact of the travel expense cut back will carry over to the 82-83 fiscal year. This is because it will take a minimum of sixty days to bring the audit program back to its present level of intensity.

#### LICENSE TAX DIVISION

To implement the cut back on travel funds, the Division's \$50,000 allocation will be reduced by the fixed expense of state cars by \$43,104, leaving a balance of \$6,996 for their Audit Program. Since overnight travel is out of the question, the Division projects that audit collections for the last seven months of 1981-82 fiscal year will be \$300,000 in comparison with the same time last year of \$727,717, or a loss to the Highway Fund of about \$320,787 and to the General Fund of \$106,930.

#### PROPERTY TAX DIVISION

The Division assists counties with equalization programs to implement these programs for the tax year 1982. They have encountered complaints and advised that their assistance must be furnished on a daily basis if the programs are to be implemented on time. As of now, audit of property tax returns has been stopped which will result in loss of revenue to all counties. As an example, audit of personal property tax returns for the last 3 months resulted in increase in value of \$21,979,428.

beb  
12-9-81

13635

STATE TAX COMMISSION  
PROJECTED RETIREES 1981-82

ADMINISTRATIVE:	Robert C. Wasson	7,917.03
	Mamie Coleman	3,660.75
DATA PROCESSING:	Marvin H. Taylor	5,379.21
	Ruth Reynolds	2,285.10
	Mildred Lemond	3,413.39
ESTATE TAX:	-None-	
INCOME TAX:	John K. DeCarrico (Jan. 1982)	-0-
	Willie Ringer	5,309.82
LICENSE TAX:	-None-	
PROPERTY TAX:	O. H. Smith	5,051.57
	T. P. Kelly	3,552.21
	Harry Williams	3,552.21
SALES & USE TAX:	C. H. Kaiser	1,966.64
	B. T. Barnes	3,543.57
	C. F. Pitts	3,413.39
	E. L. Tate	528.19
	M. C. Ponder	4,463.28
	J. B. Outen	4,463.73
SERVICE:	Christine Stoudenmire	3,451.32
WARRANT:	Julius Brogdon	3,839.67
	Andy Pendarvis	4,205.07
C I D:	-None-	
RESEARCH:	A. T. Clarkson, Jr.	6,607.04
TOTAL:		<u>76,603.19</u>

STATE TAX COMMISSION  
1981-82 APPROPRIATIONS

13637

	PERSONAL SERVICE	EMPLOYER CONTRIB.	TRAVEL	TOTAL
I. Adm. & Program Support				
A. Administrative:				
Personal Service				
Classified Pos.	17,576			17,576
Other Oper. Exp.				
Travel			15,206	15,206
Total Administrative	17,576		15,206	32,782
B. Data Processing:				
Personal Service				
Classified Pos.	13,968			13,968
Other Operating Exp.				
Travel			870	870
Total Data Processing	13,968		870	14,838
C. Service				
Personal Service				
Classified Pos.	11,795			11,795
Other Operating Exp.				
Travel			298	298
Total Service	11,795		298	12,093
D. Warrant				
Personal Service				
Classified Pos.				
Other Operating Exp.				
Travel			23,267	23,267
Total Warrant			23,267	23,267

	PERSONAL SERVICE	EMPLOYER CONTRIB.	TRAVEL	TOTAL
II. Audit and Collection				
A. Estate & Gift Tax				
Personal Service				
Classified Pos.				
Other Operating Exp.				
Travel			3,527	3,527
Total Estate & Gift			3,527	3,527
B. Income Tax				
Personal Service				
Classified Pos.	31,729			31,729
Other Operating Exp.				
Travel			45,229	45,229
Total Income Tax	31,729		45,229	76,958
C. License Tax				
Personal Service				
Classified Pos.	4,134			4,134
Other Operating Exp.				
Travel			42,160	42,160
Total license Tax	4,134		42,160	46,294
D. Property Tax				
Personal Service				
Classified Pos.	5,482			5,482
Other Operating Exp.				
Travel			33,183	33,183
Total Property Tax	5,482		33,183	38,665

	PERSONAL SERVICE	EMPLOYER CONTRIB.	TRAVEL	TOTAL
E. Sales and Use Tax				
Personal Service				
Classified Pos.	35,316			35,316
Other Operating Exp.				
Travel			65,267	65,267
Total Sales & Use Tax	<u>35,316</u>		<u>65,267</u>	<u>100,583</u>
III. Employer Benefits				
C. State Emp. Contrib.				
Fringe Benefits:				
State-Employer Cont.		20,880		20,880
Total Benefits		<u>20,880</u>		<u>20,880</u>
TOTAL TAX COMMISSION	<u>120,000</u>	<u>20,880</u>	<u>229,007</u>	<u>369,887</u>

Research

Feb

December 9, 1981

State Board of Nursing  
for  
South Carolina

508

(803) 758-2611 Information  
(803) 758-5942 Education  
(803) 758-5515 Legal

EXHIBIT

DEC 22 1981

NO. 7

STATE BUDGET & CONTROL BOARD

Suite 102  
1777 St. Julian Place  
Columbia, S.C. 29204-2488

December 9, 1981

Edgar A. Vaughn, Jr.  
State Auditor  
207 Wade Hampton Office Bldg.  
P.O. Box 11333  
Columbia, SC 29211

RECEIVED

DEC 1 0 1981

STATE AUDITOR'S OFFICE  
REGISTRATION

Dear Mr. Vaughn:

Enclosed you will find a letter of request for exemption from the 2.19% reduction required by the Budget and Control Board.

As an agency which is required to set fees based on the appropriation received, I feel a removal of funds in the mid year an unfortunate consequence. I will await the action of the Budget and Control Board and then abide by their decision.

Sincerely,

*Ruth*

(Mrs.) Ruth Q. Seigler, R.N., M.N.  
Executive Director

RQS/bs

Enclosure

RECEIVED

DEC 1 0 1981

STATE AUDITOR'S OFFICE  
BUDGET DIVISION

13640

State Board of Nursing  
for  
South Carolina

(803) 758-2611 Information  
(803) 758-5942 Education  
(803) 758-5515 Legal

Suite 102  
1777 St. Julian Place  
Columbia, S.C. 29204-2488

December 9, 1981

The Honorable Richard W. Riley  
Governor's Office  
State House  
P.O. Box 11450  
Columbia, SC 29211

RECEIVED  
1981 01031  
STATE AUDITOR'S OFFICE  
DIVISION OF ADMINISTRATION

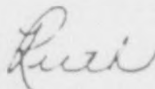
Dear Governor Riley:

This is in response to the requested 2.19% reduction (\$8,880) for the Board of Nursing. The Proviso in the Budget Section requires all assessments, fees, and or licenses to be levied in an amount sufficient to at least equal the amount appropriated in this section.

The Board of Nursing has never requested additional general funds to operate the agency and since 1976 has remitted funds over our expenditures to the general fund. This is a small agency (17) who has a legislative mandate to license nurses, provide oversight to schools of nursing, especially to increase nursing manpower in the state, and to police the profession for the public benefit. Please consider us for an exemption from the required reduction. I pledge to continue to monitor our funds carefully to assure you that we will remain within our appropriation this year and if possible return some money to the General Fund.

Thank you for your consideration.

Sincerely,



(Mrs.) Ruth Q. Seigler, R.N., M.N.  
Executive Director

RQS/bs

CC: Mr. Bill Putnam  
Mr. Ed Vaughn  
Members of the Board of Nursing.

RECEIVED

DEC 10 1981

STATE AUDITOR'S OFFICE  
BUDGET DIVISION

13641

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

NO. 8

REGULAR SESSION AGENDA

MEETING OF December 22, 1981

ITEM NUMBER

3

STATE BUDGET & CONTROL BOARD

---

Agency: State Treasurer's Office

---

Subject: Procedure on Payment of Public School Employee Fringe Benefits

The State Treasurer's Office advises that, in previous fiscal years, the appropriation for health insurance for public school employees was paid from the Department of Education to State Personnel on the 15th to 20th of each month by interdepartmental transfer so that no cash was actually disbursed. State Personnel would pay the disbursement to Blue Cross/Blue Shield at month end. In the current fiscal year, the Department of Education disburses the allocation to county treasurers on the first of the month and the county or school district remits back to State Personnel on the 15th or 20th of the month and State Personnel pays Blue Cross/Blue Shield at month end. The result is that the state treasury loses this allocation on the first of the month and does not regain it until the 15th and therefore loses \$1,885,587 for roughly fifteen days each month. The Treasurer's Office has calculated that about \$59,000 of interest earnings have been lost because of this procedure during the first five months of the fiscal year.

Likewise, in relation to appropriations for retirement and group life, in prior fiscal years the allocation was paid by interdepartmental transfer from the Department of Education to the Retirement Systems 45-50 days after the end of the month for which the benefits were paid based on payroll reports filed with the Retirement Systems. In the current fiscal year, the Department of Education disburses the allocation to county treasurers on the first of the month to which the benefits apply and the districts make their remittance to the Retirement Systems at the end of the following month or sixty days after the funds have been disbursed. As a result, the state treasury loses the allocation (approximately \$4.3 million per month) and never regains it. This loss is 75-80 days sooner than in previous fiscal years although the Retirement Systems get their portion 15-20 days sooner than in previous years. The State Treasurer's Office has estimated that some \$554,000 in interest earnings have been lost during the first five months of the current fiscal year as a result of this procedure.

In similar fashion, appropriations for the employer's portion of Social Security for public school employees in previous years was paid from the Department of Education to the Retirement Systems 30 days after the end of the month for which the benefits were paid with that payment being made by interdepartmental transfer so the treasury lost no cash until the Retirement Systems disbursed all Social Security liabilities to the Federal Reserve. In the current fiscal year, the Department of Education disburses the monthly allocation to County Treasurers on the first of the month in which the benefits apply and the districts remit to the Retirement Systems on the 15<sup>th</sup> of the following month. As a result, the state treasury loses the allocation (approximately \$4,000,000 per month) on the first of the month and regains it on the 15th of the following month when it is held for fifteen days until disbursed to the Federal Reserve. The State Treasurer's Office has calculated that interest earnings lost as a result of this procedure in the first five months of the current fiscal year amount to about \$350,000.

13642

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION AGENDA

MEETING OF December 22, 1981

DEC 22 1981

NO. 8

ITEM NUMBER \_\_\_\_\_

STATE BUDGET & CONTROL BOARD

PAGE 2

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Agency: State Treasurer's Office

---

Subject: Procedure on Payment of Public School Employee Fringe Benefits (continued)

The total of these losses as calculated by the State Treasurer's Office is about \$963,000 or a monthly loss of some \$192,600. That average monthly loss projected over the fiscal year would produce a \$2.3 million loss in interest earnings.

---

Board Action Requested:

Consider.

---

Staff Comment:

---

Attachments:

Statement by State Treasurer's Office

13643

# EXHIBIT

FRINGE BENEFITS FOR PUBLIC SCHOOL EMPLOYEES  
Fiscal Year 1981-82

DEC 22 1981

NO. 8

STATE BUDGET & CONTROL BOARD

## HEALTH INSURANCE:

The appropriation for health insurance this year is \$22,627,040 or \$1,885,587 per month. In previous fiscal years the monthly allocation was paid from the State Department of Education to State Personnel on the 15th to 20th of each month by IDT, so no cash was actually disbursed. Personnel would pay the disbursement to Blue Cross Blue Shield at month end. In the current fiscal year the State Department of Education disburses the allocation to County Treasurers on the first of the month. The county or school district remits back to State Personnel on the 15th or 20th of the month and Personnel pays Blue Cross Blue Shield at month end. Therefore, the treasury loses this allocation on the first of the month and does not regain it until the 15th when the subdivision remits. The treasury loses \$1,885,587 for roughly 15 days each month.

## RETIREMENT AND GROUP LIFE:

The combined appropriation for state retirement and group life for this year is \$52,269,219.00 or \$4,355,768.25 per month. These categories are combined here because the schedule for payment of both is identical. In previous fiscal years the allocation was paid by IDT from the State Department of Education to SCRS 45 to 50 days after the end of the month for which the benefits were paid based on payroll reports filed with SCRS 30 days after the end of the month by the school districts. In the current fiscal year the State Department of Education disburses the allocation to county treasurers on the first of the month to which the benefits apply. The school districts make their remittance to SCRS along with payroll reports at the end of the following month or 60 days after the funds have been disbursed. Therefore, the treasury loses the allocation on the first of the month and never regains it. The treasury's loss of this allocation is 75-80 days sooner than in previous fiscal years but the Retirement System get their portion 15-20 days sooner than in previous years. The loss in number of days for the General Fund is 75-80 days.

## SOCIAL SECURITY:

The appropriation for employer's portion of Social Security for this year is \$48,585,472.00 or \$4,048,789.33 per month. In previous fiscal years the monthly allocation was paid from the State Department of Education to SCRS 30 days after the end of the month for which the benefits were paid. Payment to SCRS was made by IDT so the treasury lost no cash until SCRS disbursed all Social Security liabilities to the Federal Reserve shortly after receiving the IDT from the State Department of Education. In the current fiscal year the State Department of Education disburses the monthly allocation to county treasurers on the first of the month to which the benefits apply. The school districts remit to SCRS their Social Security payment on the 15th of the following month. SCRS deposits the remittances in the Social Security Trust Account in the treasury until disbursing to the Federal Reserve all employee portions at the end of the month. Therefore, the treasury loses the allocation on the first of the month and regains it on the 15th of the following month where it is held for 15 days until disbursed to the Federal Reserve. The loss in number of days for the General Fund is about 45 days.

13644 12/7/81

# EXHIBIT

DEC 22 1981

NO. 8

FRINGE BENEFITS - PUBLIC SCHOOL EMPLOYEES STATE BUDGET & CONTROL BOARD  
Downward Effect on General Deposit Investment Portfolio and  
Loss of Earnings Based on Average Repo Rate

<u>DATE</u>	<u>HEALTH INSURANCE</u>	<u>AVERAGE RATE</u>	<u>DAYS</u>	<u>LOSS</u>
July 01-15	\$ 1,885,587.00	16.90	15	\$ 13,277.68
Aug 01-15	1,885,587.00	16.28	15	12,790.57
Sept 01-15	1,885,587.00	15.52	15	12,193.46
Oct 01-15	1,885,587.00	13.55	15	10,645.71
Nov 01-15	1,885,587.00	13.04	15	10,245.02
				<u>\$ 59,152.44</u>
	<u>RETIREMENT &amp; GROUP LIFE</u>			
July 01-31	\$ 4,355,768.25	16.62	31	\$ 62,338.30
Aug 01-31	8,711,536.50	15.98	31	119,875.58
Sept 01-15	13,067,304.75	15.52	15	84,501.90
Sept 16-30	8,711,536.50	13.50	15	49,002.39
Oct 01-15	13,067,304.75	13.55	15	73,775.82
Oct 16-31	8,711,536.50	13.92	16	53,895.37
Nov 01-15	13,067,304.75	13.04	15	70,999.02
Nov 16-30	8,711,536.50	11.03	15	40,036.77
				<u>\$ 554,425.15</u>
	<u>SOCIAL SECURITY</u>			
July 01-31	\$ 4,048,789.33	16.62	31	\$ 57,944.92
Aug 01-15	8,097,578.66	16.28	15	54,928.58
Aug 16-31	4,048,789.33	15.70	16	28,251.55
Sept 01-15	8,097,578.66	15.52	15	52,364.34
Sept 16-30	4,048,789.33	13.50	15	22,774.44
Oct 01-15	8,097,578.66	13.55	15	45,717.58
Oct 16-31	4,048,789.33	13.92	16	25,048.51
Nov 01-15	8,097,578.66	13.04	15	43,996.84
Nov 16-30	4,048,789.33	11.03	15	18,607.56
				<u>\$ 349,634.32</u>
Actual Loss through 11-30-81				<u>\$ 963,211.91</u>
Divided by 5 equals average monthly loss				<u>\$ 192,642.38</u>
Projected FY loss (\$192,642.38 x 12)				<u>\$2,311,708.58</u>

12/7/81

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

NO. 9

REGULAR SESSION AGENDA

MEETING OF December 22, 1981

ITEM NUMBER

4

STATE BUDGET & CONTROL BOARD

---

Agency: Winthrop College

---

Subject: Proposed Use of Surplus Institution Bond Debt Service Funds

President Vail requests authorization to use up to \$500,000 of surplus Institution Bond debt service funds temporarily to finance critically needed renovation projects (principally roof repair) pending the availability of \$2,000,000 of Capital Improvement Bond funds authorized in 1980 for renovations at the College. President Vail asks for this authorization on the condition that a firm schedule be developed on the release of the referenced Capital Improvement Bond funds so that a like amount of those funds would be made available during the next twelve to eighteen months. He points out that Winthrop's Institution Bond capability is committed fully to the new McLaurin Building ultimately.

This question is now also before the Bond Committee. It is before the Board now in the interest of expediting a response.

---

Board Action Requested:

Consider.

---

Staff Comment:

---

Attachments:

Vail December 16 letter to McInnis

13646

DEC 16 1981

# Winthrop College

Rock Hill, South Carolina 29733

## EXHIBIT

DEC 22 1981 NO. 9

STATE BUDGET & CONTROL BOARD

OFFICE OF THE PRESIDENT

December 16, 1981

TELEPHONE  
803-323-2225

Mr. William A. McInnis  
Deputy Executive Director  
Budget and Control Board  
P. O. Box 11333  
Columbia, SC 29211

Dear Bill:

The purpose of this letter is to request an action by the Joint Bond Committee which will permit us to begin the renovation work authorized in the 1980 Bond Bill. We would hope for a schedule which would permit all of the \$2,000,000 worth of work, spread out over as few years as possible.

Our proposal, as presented to the meeting of the Joint Bond Committee on December 1, 1981, would call for the immediate withdrawal of up to \$500,000 from the debt service account of our Institution Bond Program. With those funds we would proceed with the most critical of the renovation projects, principally roof repair. The withdrawal of the \$500,000 would be contingent on a firm schedule of the Joint Bond Committee to release to Winthrop the same amount of money from Capital Improvement Bonds sometime within the next twelve to eighteen months. Our institution bond capability is committed fully to the New McLaurin Building, but funds for this project will be required sooner than the release as proposed.

The Winthrop College Board of Trustees, in a called meeting of December 7, 1981, authorized the college officers to proceed with the request contained herein.

To restate the request, we hope for a dual action of the Joint Bond Committee which will fix a firm schedule for release of the \$2,000,000 authorized in the 1980 Bond Act. Within that schedule we ask for the first commitment of up to \$500,000 to be available at the earliest possible time, hopefully not to exceed twelve to eighteen months.

13647

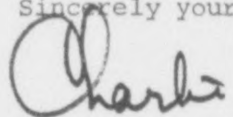
Mr. McInnis  
Page 2  
December 16, 1981

The second major action would be the approval for us to invade our Institution Bond Debt Service Account for an amount up to \$500,000 to begin at once the most critical of the renovations.

I hope there will be a recognition that because our Institution Bond capability is committed to the New McLaurin, we would not elect to invade the Debt Service Account to begin the renovations without a firm schedule of repayment from the Capital Improvement Bond funds.

Incidentally, we have sent Mr. Scott Inkley a tentative cash flow schedule for the renovation projects.

Sincerely yours,



Charles B. Vail  
President

CBV:mfp

13648

---

STATE BUDGET & CONTROL BOARD

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Agency:    Trident Technical College

---

Subject:    Use of Surplus Institution Bond Debt Service Funds

Associate Executive Director Wyman Shealy of the State Board for Technical and Comprehensive Education has requested approval of the use of \$894,000 of surplus Institution Bond debt service funds now on deposit with the State Treasurer for the Trident Technical College project pending the availability of a like amount of Capital Improvement Bond funds from the \$1,750,000 authorized for that institution in the 1981 Bond Act.

If approved, these funds would be applied toward the payment of the construction contract on the Berkeley Campus project covering work now in progress for which no other Capital Improvement Bond funds presently are available.

This matter has been forwarded to the Joint Bond Review Committee in Summary 30-82 for its consideration. It is brought to the Budget and Control Board at this time in the interest of expediting a response to the request.

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Board Action Requested:

Consider.

---

Staff Comment:

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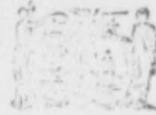
Attachments:

Summary 30-82 plus attachments

**13649**

State of South Carolina  
**State Budget and Control Board**

RICHARD W. RILEY, CHAIRMAN  
GOVERNOR  
GRADY L. PATTERSON, JR.  
STATE TREASURER  
EARLE E. MORRIS, JR.  
COMPTROLLER GENERAL



Box 12444  
Columbia  
29211

REMBERT C. DENNIS  
CHAIRMAN, SENATE FINANCE COMMITTEE  
TOM G. MANGUM  
CHAIRMAN, WAYS AND MEANS COMMITTEE

WILLIAM T. PUTNAM  
EXECUTIVE DIRECTOR

November 30, 1981

**EXHIBIT**

DEC 22 1981 NO. 10

STATE BUDGET & CONTROL BOARD

The Honorable Charles E. Hodges, Chairman  
Joint Bond Review Committee  
228 Blatt Office Building  
Columbia, SC 29201

Dear Representative Hodges:

Summary 30-82, Permanent Improvement Project Action Proposed  
by Trident Technical College

Associate Executive Director Wyman D. Shealy of the State Board for Technical and Comprehensive Education is requesting approval of the use of \$894,000 of surplus Institution Bond debt service funds now on deposit with the State Treasurer pending the availability of a like amount of Capital Improvement Bond funds from the \$1,750,000 authorized for that institution in the 1981 Bond Act.

If approved, these funds would be applied toward the payment of the construction contract on the Berkeley Campus project covering work now in progress and for which no other Capital Improvement Bond funds presently are available.

Mr. Shealy observes that funds to pay the balance of the construction contract will come from local capital improvement funds which, presumably, also are to be provided on a temporary basis pending the availability of the 1981 Capital Improvement Bond authorization.

A copy of a letter from Trident Technical College Area Commission Chairman Luther Z. Barnett is attached. In that letter, Mr. Barnett indicates that his Commission agreed to use available debt service funds on an interim basis for the Berkeley Campus project in the event that the additional Capital Improvement Bond funds are not available by the time expenditures are necessary. Other background information on this situation also is attached.

13650

The Honorable Charles E. Hodges  
Page 2  
November 30, 1981

This matter has not been presented formally to the Budget and Control Board. It is forwarded for your Committee's consideration in the interest of expediting a response to Mr. Shealy's letter. It will be included on the agenda for the Budget and Control Board meeting scheduled for December 11, 1981.

Sincerely,

*William A. McInnis*  
William A. McInnis  
Deputy Executive Director

WAM:dw  
Enclosures  
cc: Wyman Shealy  
Kathy Clark  
Lib Croft  
John McPherson

EXHIBIT  
DEC 22 1981 NO. 10  
STATE BUDGET & CONTROL BOARD

13651

NOV 27 1981



EXHIBIT

DEC 22 1981

NO. 10

STATE BOARD FOR TECHNICAL AND  
COMPREHENSIVE EDUCATION  
STATE BUDGET & CONTROL BOARD

G. WILLIAM DUDLEY, JR.  
EXECUTIVE DIRECTOR

1429 SENATE STREET  
COLUMBIA, S. C. 29201

November 25, 1981

The Honorable William T. Putnam  
Executive Director  
State Budget and Control Board  
212 Wade Hampton Office Building  
Columbia, South Carolina 29211

Dear Bill:

The Joint Bond Review Committee has not scheduled release of the \$1,750,000 authorized for the Berkeley Campus of Trident Technical College in the 1981 Bond Bill. As we have previously discussed, the original authorization of \$4 million in the 1979 Bond Bill will be used by February 1, 1982. The construction contract of the Berkeley Campus is approximately \$5.5 million. Since the 1981 authorization will not be available during this fiscal year, we must look at some type of alternate financing on an interim basis.

Trident TEC has \$894,000 in surplus debt service funds on deposit with the State Treasurer. We need to obtain release of these funds to apply toward the construction contract. Would you please take whatever action is necessary with the Budget and Control Board to authorize Trident to draw these surplus funds.

The balance of the contract will come from local capital improvement funds.

Your early consideration would be greatly appreciated.

With kind personal regards,

Sincerely,

Wyman D. Shealy  
Associate Executive Director

WDS:bhc

CC: Charles E. Hodges  
William A. McInnis ✓  
Charles F. Ward

13652

EXHIBIT

State of South Carolina  
 State Budget and Control Board

APR 14 1981

NO. 23

RICHARD W. RILEY, CHAIRMAN  
 GOVERNOR  
 GRADY L. PATTERSON, JR.  
 STATE TREASURER  
 EARLEE MORRIS, JR.  
 COMPTROLLER GENERAL



Box 12444  
 Columbia  
 29211

STATE BUDGET &amp; CONTROL BOARD

REMBERT C. DENNIS  
 CHAIRMAN, SENATE FINANCE COMMITTEE  
 TOM G. MANGUM  
 CHAIRMAN, WAYS AND MEANS COMMITTEE

WILLIAM T. PUTNAM  
 EXECUTIVE DIRECTOR

MEMORANDUM

Date: April 21, 1981

TO: William A. McInnis

FROM: William T. Putnam *WTP*

RE: Trident Technical College - Bonding Authority

EXHIBIT

DEC 22 1981

NO. 10

STATE BUDGET &amp; CONTROL BOARD

At the Budget and Control Board meeting of April 14, 1981, a recommendation was presented which called for Board approval of an additional \$1,750,000 of Capital Improvement Bonds for Trident Technical College. The purpose of the additional funding was to supplement \$4,000,000 presently approved by the General Assembly for construction of the Berkeley Campus.

The Board was advised that Trident TEC had requested permission to accept a construction bid which was substantially in excess of \$4,000,000. This request was carried over by the Board members but it was unanimously agreed that the Board would recommend the additional funding of \$1,750,000.

On April 15, 1981, a letter dated the previous day was received from the Joint Legislative Bond Review Committee and bore the signatures of each of the six members. This letter indicated the intent of that Committee to include additional funding of \$1,750,000 in the 1981 Bond Act for the Berkeley Campus of Trident Technical College. The letter further indicated that the action had been taken "in order that the contract for this project may be let forthwith."

Upon receipt of the letter from the Joint Legislative Bond Review Committee, I contacted Senator Dennis, Mr. Patterson and Mr. Mangum and each of them indicated that they felt that it would be safe, in view of the statements of the Committee, to authorize John McPherson to approve the acceptance of a construction contract which might include the proposed funds.

In approving the letting of the contract, Mr. Mangum indicated that Trident TEC should be made aware that it would be expected to do everything within its power to provide for the additional funding in the remote event that the additional bonding was not approved by the General Assembly.

WTP:sc

xc: John McPherson

13653

# EXHIBIT

Trident Technical College

Charleston, South Carolina 29411

APR 14 1981

NO. 23

Post Office Box 10367

North Campus - (803) 572 - 6111

Palmer Campus - (803) 792 - 7161

STATE BUDGET & CONTROL BOARD

RECEIVED

APR 13 1981

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

April 10, 1981

EXHIBIT

DEC 22 1981

NO. 10

Mr. William T. Putnam  
Executive Director  
Budget and Control Board  
Post Office Box 12444  
Columbia, South Carolina 29201

STATE BUDGET & CONTROL BOARD

Dear Mr. Putnam:

From prior contacts, you are aware that Trident Technical College has been in the process of developing a Berkeley Campus for some four years now. As a part of this process, in 1979 the State Capital Improvement Bond Act contained an allocation of \$4 million dollars for Trident Technical College, which the Area Commission of Trident Technical College designated as funds for the construction of that Campus. Subsequent to the passage of the Act, the issuance of State Capital Improvement Bonds was halted because of high interest rates. During the freeze on the issuance of bonds, construction costs escalated over 25 percent, and we now find ourselves with a total project of \$5.7 million dollars.

It is the understanding of this Commission that to enable Trident Technical College to go ahead and award bids for the entire project, each member of the Joint Bond Committee of the House and of the Senate has signed a letter indicating the intent of that Committee to recommend the issuance of \$1.7 million dollars in bonds in the 1981 State Capital Improvement Bond Act. It is further understood that a question has been raised as to the institution's position should contracts in the full amount of \$5.7 million be awarded and additional funds not yet be available when needed.

The Area Commission of Trident Technical College has analyzed the situation and, at a specially called meeting of the Commission on this date with a quorum present, voted unanimously the following commitment to justify the immediate awarding of contracts for the entire project: Trident Technical College has accumulated an excess of approximately \$1.25 million in its State bond account, which account is presently being used to repay bonds let for the construction of the Palmer Campus in downtown Charleston. Although the institution will ultimately need these funds to complete the Palmer Campus project, the Area Commission is willing to pledge these funds on an interim basis in the event that the additional Capital Improvement Bonds pledged by the Joint Bond Committee are not available by the time expenditures are necessary.

13654

ttc

Mr. William T. Putnam  
April 10, 1981  
Page

EXHIBIT


APR 14 1981 NO. 23

STATE BUDGET & CONTROL BOARD

In addition, the Area Commission could accumulate another \$400 thousand in its existing capital construction account to support, on an interim basis, the immediate awarding of all contracts for the entire project.

It is emphasized that these funds are obligated on an interim basis, and that the monies in the bond escrow account will ultimately be needed to complete the Palmer Campus. However in order to go ahead and award bids at this time so that the Berkeley Campus can progress without further escalation of cost, the Area Commission of Trident Technical College does pledge these aforementioned funds until an additional \$1.7 million in Capital Improvement Bonds, to be included in the 1980-1981 Capital Improvement Bond Act, are issued.

With kindest personal regards,

  
Luther Z. Barnett, Ch. L.U., Chairman  
Trident Technical College Area Commission

LZB:bch

cc: Area Commission Members of  
Trident Technical College

Mr. John MacPherson,  
State Engineer

EXHIBIT

DEC 22 1981 NO. 10

STATE BUDGET & CONTROL BOARD

13655

HORACE C. SMITH  
SENATOR, SPARTANBURG COUNTY  
SENATORIAL DISTRICT NO. 4  
SENATE OFFICE NO. 2

HOME ADDRESS:  
BOX 1144  
SPARTANBURG, S. C. 29301

COLUMBIA ADDRESS:  
SUITE 410, GRESSETTE SENATE OFFICE BLDG.  
P. O. BOX 142  
COLUMBIA, S. C. 29202



April 14, 1981

COMMITTEES:  
CORRECTIONS AND PENOLOGY, Chairman  
AGRICULTURE AND NATURAL RESOURCES  
BANKING AND INSURANCE  
FINANCE  
RULES

STUDY COMMITTEES:  
S. C. CRIME STUDY COMMITTEE, Chairman  
LOCAL GOVERNMENT STUDY COMMITTEE,  
Chairman  
JOINT BOND REVIEW COMMITTEE, Vice-Chairman

## EXHIBIT

APR 14 1981 NO. 23

STATE BUDGET & CONTROL BOARD

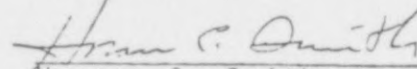
Mr. William T. Putnam  
Executive Director  
Budget and Control Board  
Columbia, South Carolina

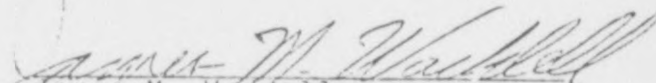
Dear Mr. Putnam:

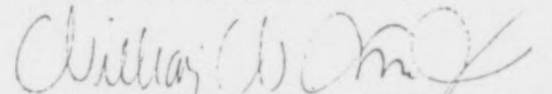
We, the undersigned members of the Joint Legislative Bond Review Committee, hereby wish to express our commitment that an additional one million, seven hundred fifty thousand dollars (\$1,750,000.) will be included in our introduction of the 1981 bond bill for Trident Technical College to supplement four million dollars (4,000,000.) heretofore authorized for the Berkeley Campus of Trident.

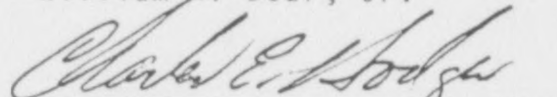
We take this action of commitment in order that the contract for this project may be let forthwith.

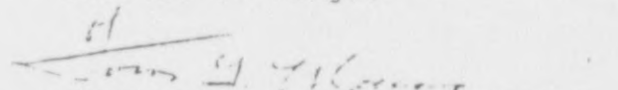
Very truly yours,

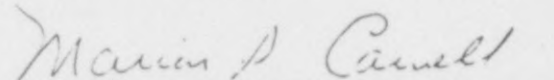
  
Horace C. Smith

  
James M. Waddell

  
William W. Doar, Jr.

  
Charles E. Hodges

  
Tom G. Mangum

  
Marion P. Carnell

HCS/nb

13656

# EXHIBIT

DEC 22 1981

NO. 10

## STATUS AND LIMITATIONS ON USE OF REQUIRED DEBT SERVICE FUND

REPORT AS OF 11/23/81

INSTITUTION: TRIDENT TEC

1. This report is on the status of the fund established to ensure the timely payment of principal and interest costs of the following bond issue(s):

(a) Type of Bonds State Institution Bonds Series F

(b) Issue Amount(s)	\$ 3,500,000.00	\$		\$	
Date(s)	12/1/78				

(c) Issued Pursuant to:

(1) Act(s) Title 59 Chapter 107 of 1976 as amended

(2) Resolution(s) Dated 12/21/78

(d) Source(s) of Fund Revenues Reported Tuition Fees

2. STATUS AND LIMITATIONS ON USE OF DEBT SERVICE FUND

(a) Account # 4676 Balance \$ 1,468,521.27

(b) LESS amount required for debt service in current fiscal year:

(1) Due Dec 1, 1981 and

(2) For Interest \$ 85,775.00

(3) For Principal \$ 150,000.00

(4) For Paying Agent's Fee \$ 141.00

(5) Total Current Fiscal Year Debt Service Requirement ( 235,916.00 )

(c) LESS maximum annual debt service requirement of any ensuing fiscal year (fiscal year 1984-85) ( 338,530.00 )

(d) LESS total principal and interest outstanding on bonds issued prior to May 11, 1976 (these bonds must be paid or provision made for their payment before any use of surplus moneys in this fund may be made) ( - 0 - )

3. SURPLUS FUNDS AVAILABLE (PER DEFINITION IN SECTION 59-107-200) \$ 894,054.27

\* \* \* \* \*

4. PRINCIPAL BALANCE OF BONDS OUTSTANDING (EXCLUDING DEFEASED BONDS) \$ 3,204,000.00

13657

cc: Mr. McInnis  
Mr. Youngblood

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

MEETING OF December 22, 1981

DEC 22 1981

NO. 11

REGULAR SESSION AGENDA

ITEM NUMBER

6

STATE BUDGET & CONTROL BOARD

---

Agency: Finance Division

---

Subject: Comptroller General's Office Transfer Request

The Comptroller General's Office requests approval of the transfer of \$90,356.25 from contractual services to personal service.

---

Board Action Requested:

Consider.

---

Staff Comment:

13658

---

Attachments:

Transfer form and Comptroller General's Office analysis of funding situation

# EXHIBIT

DEC 22 1981

NO. 11

STATE BUDGET & CONTROL BOARD

Comptroller General  
E-12  
Personal Service Computation

Classified Positions Per 'PSD' 11-12-81	1,673,799
Less: (2) Vacancies	<u>35,610</u>
Adjusted Cost	<u>1,638,189</u>

$1,638,189 \div 26 \text{ Pay Periods} = 63,007$

63,007 x 14 Remaining For 81-82	<u>882,098</u>
---------------------------------	----------------

Account Balances Per C. G. Report CSA 477 As Of 12-5-82

I. Administration	83,846	
II. Local Government	27,901	
III. Payroll	102,907	
IV. Accounts Payable	153,017	
*V. Accounting	333,079	
Cont. Incr. 80-81	36,867	
B.P.I. 81-82	43,349	
Merit 81-82	<u>25,318</u>	
Funds Available		<u>806,284</u>
Projected Deficit		<u>75,814</u>
Requested Transfer		<u>79,000</u>

\*Reflects deduction of \$30,176 for fringe for new position.

Note: Projected merit increases were not estimated for remainder of year.

13659

AGENCY NUMBER E12	AGENCY BATCH NUMBER 079	OBJECT CODE HASH TOTAL 1658	TOTAL BATCH AMOUNT 180,712.50	BATCH DATE 11-30-81	BATCH NUMBER	DOCUMENT 3
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AGENCY VOUCHER NUMBER

C G WARRANT NUMBER

## STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

AGENCY TRANSFERRED TO (CRI)

AGENCY TRANSFERRED FROM (DRI)

 NAME  
 Comptroller General

 NAME  
 Comptroller General

ADDRESS

ADDRESS

## APPROPRIATION TRANSFER

TO REQUESTING AGENCY:

This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer.

REASON FOR TRANSFER: Transfer from Contractual Services to Personal Service. Shortage of  
 FROM: Personal Service Funds necessitates this transfer.

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE	C G R
05	350	E12	0080	1001						0200	90,356.25		
											EXHIBIT		
											DEC 22 1981 NO. 11		
											STATE BUDGET & CONTROL BOARD		
TOTAL										0200	90,356.25		

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE	C G R
05	300	E12	0080	1001						0158	79,000.00		
05	300	E12	1844	1001						1300	11,356.25		
TOTAL										1458	90,356.25		

REQUESTED BY Gerald W. Burnett DATE 11-30-81 STATE BUDGET ANALYST \_\_\_\_\_ DATE \_\_\_\_\_  
 Gerald W. Burnett, Deputy Comptroller

To the Comptroller General and Treasurer: By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized.

13660

STATE AUDITOR \_\_\_\_\_ DATE \_\_\_\_\_

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

REGULAR SESSION AGENDA

MEETING OF December 22, 1981

NO. 12

ITEM NUMBER

7

STATE BUDGET & CONTROL BOARD

---

Agency: Budget and Control Board

---

Subject: Board Appointments Under Procurement Code

Staff of General Services has suggested that the Board adopt certain policies relating to the appointment of individuals to the several committees required under the Consolidated Procurement Code relating to terms of office.

That staff suggests that each person appointed shall serve a term of two years and no more than two consecutive terms with the possibility of reappointment two years after expiration of the last term served.

Also suggested is a statement that, upon the resignation, death or termination prior to expiration of any committee member's term of office, the Board can make an appointment for the remainder of the term.

General Services staff also suggests that the Board indicate that it may terminate any committee member's position and term of office for just cause.

---

Board Action Requested:

Consider

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Staff Comment:

---

Attachments:

13661

Barbara McMillan December 4 letter to Katherine Clarke



EXHIBIT

DEC 22 1981

NO. 12

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD  
DIVISION OF GENERAL SERVICES  
300 GERVAIS STREET  
COLUMBIA, S.C. 29201

MATERIALS MANAGEMENT OFFICE  
800 DUTCH SQUARE BLVD. SUITE 150  
COLUMBIA, SOUTH CAROLINA 29210

December 4, 1981

BARBARA A. McMILLAN  
DIRECTOR CONTRACTS AND  
AUDIT MANAGEMENT  
(803) 758-6060

Ms. Katherine Clarke  
Executive Assistant, Management & Finance  
Governor's Office  
State House  
Columbia, South Carolina 29201

Dear Kitty:

I tried to call you today with respect to Budget & Control Board appointments required under the Procurement Code. If you have any questions about the information below, please call me on Monday.

It has come to my attention in light of the fact that the Budget & Control Board will be making the particular appointments at their next meeting on December 11th that we have not specified in the Procurement Code or Regulations any particulars about the individual's term of office. I recommend that the following provisions be addressed by the Board at their meeting so that each appointed committee person will know how long they will serve in that capacity. The following is for your review and consideration:

Each person appointed to a particular committee by the Budget & Control Board in accordance with the South Carolina Consolidated Procurement Code shall serve a term of two years, such service extending for no more than two consecutive terms. Reappointment can be made two years after expiration of the last served term of office.

Upon resignation, death or termination prior to the expiration of the committee person's term of office, the Budget & Control Board can make an appointment of a qualified individual to serve out the remainder of the term.

The Budget & Control Board may terminate for just cause any committee member's position and term of office.

13662

# EXHIBIT

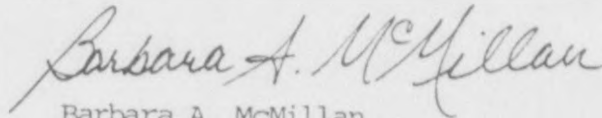
Ms. Katherine Clarke  
December 4, 1981  
Page 2

DEC 22 1981 NO. 12

STATE BUDGET & CONTROL BOARD

Kitty, I appreciate your prompt attention to this prior to the Budget & Control Board's meeting because failure to identify these points will undoubtedly cause confusion among the appointees. If you have any questions or need any clarification, please do not hesitate to call me.

Sincerely,



Barbara A. McMillan  
Director, Contracts & Audit Management

BAM:rms

13663

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

NO. 13

REGULAR SESSION AGENDA

MEETING OF December 22, 1981

ITEM NUMBER

8

STATE BUDGET & CONTROL BOARD

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Agency: Division of General Services

---

Subject: Renovations to Five Points Building for Supreme Court

The Division of General Services recommends a \$20,000 expenditure from the Civil Contingency Fund to renovate portions of the Five Points Building for the staff of the Supreme Court.

---

Board Action Requested:

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Staff Comment:

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Attachments:

13664

STATE BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR  
CIVIL CONTINGENT FUND - FINANCIAL POSITION  
As of December 18, 1981

EXHIBIT

DEC 22 1981

NO. 13

STATE BUDGET & CONTROL BOARD

Revenues (Including Appropriations)*	283,650.00
Less:	
Allocated to Agencies	- 63,538.00
Advanced to Agencies	- 20,950.00
Committee Expenses (As Encumbered)	- 26,000.00
Miscellaneous Expenses	- 3,000.00
Encumbrances (By Item)	- -0-
	<hr/>
Unencumbered Fund Balance	<u>170,162.00</u>

\*This is after removing the 2.19% Budget and Control Board Appropriation Reduction amount.

13665

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

NO. 14

REGULAR SESSION AGENDA

MEETING OF December 22, 1981

ITEM NUMBER

9

STATE BUDGET & CONTROL BOARD

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Agency: Division of General Services

---

Subject: Installment Purchase for MUSC Department of Medicine

The Division of General Services requests permission for MUSC Department of Medicine to convert from lease to installment purchase an IBM OS6/440 Word Processor. The retail price is \$19,200.00. MUSC has accrued credit of \$8,802. Net purchase price would be \$10,398.00 at 9 3/4% interest for 60 months - \$15,751.80 (interest = \$5,353.80). In addition to payment the maintenance is \$207 per month; rental rate is \$858.50, including maintenance. If this conversion is approved a five year cost avoidance of \$23,338.20 would be realized.

Reserve the right to buy account once installment purchase operation is established within General Services.

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Board Action Requested:

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Staff Comment:

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Attachments:

13666

# EXHIBIT

STATE BUDGET AND CONTROL BOARD

DEC 22 1981

NO. 15

REGULAR SESSION AGENDA

MEETING OF December 22, 1981

ITEM NUMBER

**10**

STATE BUDGET & CONTROL BOARD

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Agency: Division of General Services

---

Subject: Installment Purchase Program Regulations

In accordance with the attached Attorney General's opinion the Division of General Services recommends that the regulations governing the Installment Purchase Program go into effect immediately.

---

Board Action Requested:

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Staff Comment:

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Attachments: Copy of Letter from Malcolm Rents

13667

The State of South Carolina

EXHIBIT



DEC 22 1981

NO. 15

STATE BUDGET & CONTROL BOARD

Office of the Attorney General

MALCOLM E. RENTZ  
ASSISTANT ATTORNEY GENERAL

DIVISION OF GENERAL SERVICES  
300 GERRAIS STREET  
COLUMBIA, S.C. 29201  
TELEPHONE 803-756-3688

DANIEL R. McLEOD  
ATTORNEY GENERAL

December 9, 1981

Mr. Tony R. Ellis  
Materials Management Officer  
Central State Purchasing  
800 Dutch Plaza  
Columbia, South Carolina 29210

RE: Installment Purchase Program Regulations

Dear Mr. Ellis:

You have recently asked the opinion of this office concerning whether or not the Installment Purchase Program Regulations as provided for under Section 19 of Part II, Permanent Provisions of Act 178 of 1981 (General Appropriations Act), comes under the State Register and Administrative Procedures Act as provided in §1-23-40 of the 1976 Code of Laws of South Carolina, as amended.

Subsection E of Section 19, supra., is set forth as follows:

"The Budget and Control Board shall promulgate such regulations as necessary to administer this program."

Section A of Section 19 sets forth as follows:

"The Division of General Services is authorized to purchase office equipment, telecommunications equipment and data processing equipment for the purpose of renting, leasing, or resale to boards, commissions, institutions, and agencies of state government. When this equipment is sold on an installment basis to the boards, commissions, institutions and agencies of state government it shall be sold at an interest rate

13668

December 9, 1981

## EXHIBIT

DEC 22 1981

NO. 15

## STATE BUDGET &amp; CONTROL BOARD

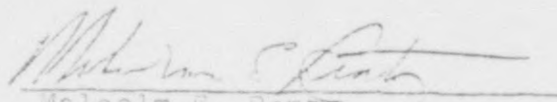
not less than twelve percent per annum nor greater than fifteen percent per annum.

It appears that the Installment Purchase Program involves only boards, commissions, institutions and agencies of state government. It further appears that the Regulations and Subsection E would not fit the definition of the term "regulations" as defined by the State Register and the Administrative Procedures Act. That term is defined as an agency statement of general public applicability and does not include descriptions of agency procedures applicable only to agency personnel (boards, commissions, institutions and agencies of state government). For this reason, the Regulations anticipated by Subsection E would be more in the form of policy.

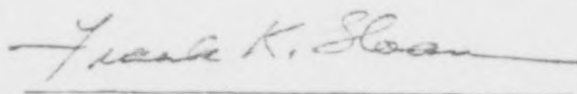
I have reviewed Attorney General Opinion #77-330 which has a similar factual situation.

Therefore, based on the Statutes and Attorney General's Opinion it is the opinion of this Office that the Installment Purchase Program Regulations are not regulations under the State Register and Administrative Procedures Act since the Regulations apply only to State personnel (boards, commissions, institutions, and agencies of state government) and would not be subject to the Act.

In view of the provision in the Appropriations Act of 1981-82 requiring that the Board publish its regulations, if the Board determines that the policy guidelines as mentioned herein should be promulgated as regulations then it is our opinion that the proposed Regulations are satisfactory for this purpose.

  
Malcolm E. Rantz  
Assistant Attorney General

REVIEWED AND APPROVED BY:

  
Frank K. Sloan

13669

APPROVED BY BUDGET & CONTROL BOARD 11/23/81 + 12/22/81  
WAM

## EXHIBIT

### ARTICLE 10

#### Installment Purchase Program

DEC 22 1981

NO. 15

STATE BUDGET & CONTROL BOARD

19-3000. - Installment Purchase Program Emergency Regulations.

<sup>19</sup>  
Under the authority of Section 23 of Part II Permanent Provisions of Act 178 of 1981 (General Appropriations Act) the following Emergency Regulations for an installment purchase program are hereby established by the Budget and Control Board, hereafter referred to as the Board, to be implemented and administered by the Division of General Services.

#### Subsection A. - Application.

The Board, through the Division of General Services shall implement and administer the installment purchase of office equipment, telecommunications equipment and data processing equipment, referred to herein as the installment purchase program, for boards, commissions, institutions and agencies of state government, hereafter referred to as governmental bodies, as set forth in <sup>19</sup>Section 23 of Part II Permanent Provisions of Act 178 of 1981 (General Appropriations Act).

#### Subsection B. - Organization Authority.

Item 1 - Division of General Services: The Director of the Division of General Services, acting on behalf of the Board, shall have the responsibility to develop the organizational structure necessary to implement the installment purchase program within the Division of General Services.

Item 2 - Materials Management Office: The Director of the Division of General Services hereby delegates the following responsibilities to the Materials Management Office through its Manager:

(a) develop, implement, administer and coordinate with the State

Treasurer a system of financing the procurement of office, telecommunications, and data processing equipment for the purpose of renting, leasing or resale to boards, commissions, institutions and agencies of state government;

(b) review such system for compliance with applicable state laws, rules, regulations, and formulated state plans;

(c) monitor such system to ensure operational cost efficiency and effectiveness to the State.

Subsection C. - Organizational Procedures.

Item 1 - The Division of General Services may borrow up to eighteen million (\$18,000,000) Dollars from the State Insurance Reserve Fund as needed to implement and administer the installment purchase program at an interest rate of eight percent (8%) per annum through a note signed by the Director of the Division of General Services and held by the State Treasurer. The Division of General Services shall operate the installment purchase program in a cost efficient manner so as to ensure that sufficient sums are raised to reimburse the principal and interest payments to the State Insurance Reserve Fund. Excess funds raised shall be deposited to the General Fund of the State, less the cost of operating the installment purchase program which shall be retained by General Services. The rate of interest charged by the Division of General Services under the installment purchase program shall be not less than twelve percent (12%) per annum nor greater than fifteen percent (15%) per annum as determined by the State Treasurer. The Board may, from time to time, review the interest rates of the installment purchase program and adjust them as deemed appropriate. The following provisions shall apply to the borrowing, expenditure, and repayment of the funds:

(a) the borrowing of said funds will be evidenced by a note and other collateral evidencing good fiscal and financial practices;

in Subsection C, Item 2 of these Emergency Regulations and determine if such acquisition is deemed to be in the best interest of the State and consult with the State Treasurer or his designee on Item 2(c) above. The Materials Management Officer will notify the governmental body, in writing, whether the request can be processed through the installment purchase program.

Subsection E. - Financing Requirements

Upon approval of the governmental body's written request for financing, the Materials Management Officer shall prepare a contract outlining the governmental body's obligation to repay the installment purchase program and setting forth a plan and schedule of repayment of the obligation to the installment purchase program in keeping with sound fiscal practice. Upon execution of the contract, the Materials Management Officer shall forward copies of the contract to the State Treasurer, Comptroller General, and the governmental body concerned. The contract will include a commitment of the governmental body's appropriated funds for repayment by the State Treasurer in the event of default or nonpayment by the governmental body.

Subsection F. - Reporting Requirements

In accordance with contractual terms of the installment purchase, the Division of General Services through its Materials Management Officer, in conjunction with the State Treasurer shall establish a system necessary to collect payments to the installment purchase program from obligated governmental bodies. An annual report shall be submitted to the Board no later than July 31 of each fiscal year detailing each installment purchase for the preceding fiscal year, the actual or projected return of funds to the General Fund, and cost of operating the installment purchase program by the Division of General Services.

Subsection G. - Procedure to Collect Payments

The Materials Management Officer shall monitor the installment purchase program

13672

(b) expenditure of the funds will be by a voucher signed by the Director of General Services or his authorized designee;

(c) the eighteen million (\$18,000,000) Dollars may be borrowed and set aside lump sum or in increments provided that no interest will accrue on any unexpended portion of "borrowed" funds held by the State Treasurer; monies shall be withdrawn from the Insurance Reserve Fund only when owing and due for the purchase of equipment.

(d) repayment of each expended portion of "borrowed" funds and accrued interest on same will commence no later than twenty-four (24) months after expending same; however, interest will run from the date borrowed to date paid.

Item 2 - Boards, Commissions, Institutions and Agencies of State Government: Governmental bodies may seek financing through the installment purchase program of the Division of General Services by making a written request to the Materials Management Officer. The written request should include the following:

(a) certification by either the governmental body head or governmental body chief fiscal officer that current funding is not available to acquire such office, telecommunications and data processing equipment;

(b) an attached cost justification statement that such acquisition will be advantageous to the State;

(c) an attached statement setting forth a proposed repayment plan to the installment purchase program.

The governmental body shall pay all administrative costs associated with the processing of the written request and the contract.

13673

Subsection D. - Review and Approval

< the Materials Management Officers shall review the written request as outlined

# EXHIBIT

DEC 22 1981 NO. 15

- 5 -

STATE BUDGET & CONTROL BOARD

to ensure cost effectiveness and repayment to the State Insurance Reserve Fund. In the event that a governmental body defaults in its obligation as outlined in the installment purchase contract, the Director of the Division of General Services may notify the State Treasurer of such default. Upon receipt of the written notification, the State Treasurer on behalf of the governmental body will retain or withhold any funds due to the debtor agency and make payment to the Division of General Services to bring the contractual obligation current in accordance with the terms and conditions of the contract. The State Treasurer in accordance with the contract will make such payment from the governmental body's contractually committed funds, any future appropriated funds, or their equivalent for principal and interest due on said note. Thereafter, the State Treasurer will make all payments for the governmental body in accordance with the terms and conditions of the contract in order to satisfy the governmental body's contractual obligation to the installment purchase program with proper notice to General Services and the debtor agency.

Pledged revenues <sup>will</sup> ~~should~~ be impounded by the State Treasurer as collected and applied to the payment of notes principal and interest on due dates with proper notification to General Services and the debtor agency.

13674

# EXHIBIT

STATE BUDGET AND CONTROL BOARD DEC 22 1981 NO. 16 REGULAR SESSION AGENDA  
MEETING OF December 22, 1981 STATE BUDGET & CONTROL BOARD ITEM NUMBER 11

---

Agency: Joint Bond Review Committee

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Subject: Permanent Improvement Project Actions

The Board will be asked to respond to the actions of the Joint Bond Review Committee on the attached list of projects. The Committee had granted its approval of most of the projects listed on the summary on the condition that the provisions of Section 4 of the 1981 Bond Act, relating to additional personnel or operating costs, are met.

Staff will advise the Board on the results of its analysis of those operating cost requirements at the meeting.

---

Board Action Requested:

Respond to Joint Bond Review Committee actions on attached list of projects.

---

Staff Comment:

13675

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Attachments:

Summary of Joint Bond Review Committee actions and copy of Section 4 of Act 179 of 1981

SUMMARY OF ACTIONS BY JOINT BOND REVIEW COMMITTEE  
SUBJECT TO MEETING REQUIREMENTS OF SECTION 4 OF 1981 BOND ACT

Page 1

Line #	Agency	Summary		Project Number, Name (Request)	JBRC Action
		#	Item #		
01	Clemson University	71-81	1A	H12-019 Tillman Hall Renovation (Request is to increase project budget to \$4,665,000 by adding \$65,000 of Institution Bond proceeds. If approved, future issues of \$765,000 of Institution Bonds will have been approved for this project.)	Approved 11/18/81
02	Clemson University	71-81	1C	H12-054 Master Plan for Athletic Facilities (Request is to add \$31,191.14 to bring the budget to \$71,191.14 using Athletic Department operating revenues.)	Approved 11/18/81
03	Division of General Services	73-81	2	F12-051 Mary White Building Waterproofing (Request is to establish project and sources of funds, Depreciation Reserve, \$20,559 and Mental Retardation Surplus Paying Patient Debt Service Funds, \$18,891.)	Approved 11/18/81
04	Mental Health	30-81	1	Compliance with Federal Handicapped Law (Request is to use \$500,000 Excess Paying Patient Fee Debt Service Funds.)	Approved 11/18/81
05	Mental Health	30-81	3	J12-019 Roof Replacements (Request is to use \$400,000 Excess Paying Patient Fee Debt Service Funds.)	Approved 11/18/81
06	Mental Health	30-81	6	88-Bed Facility, Crafts-Farrow (Request is to use \$64,000 of Excess Paying Patient Fee Debt Service Funds to finance architectural and engineering work.)	Approved 11/18/81
07	Mental Health	30-81	7	Utilities and Site Improvement, Phase I - Crafts-Farrow, A&E Only (Request is to use \$17,642 of Excess Paying Patient Fee Debt Service Funds for A&E work. Project estimated to cost \$1,089,000.)	Approved 11/18/81
08	Mental Health	30-81	8	176-Bed Patient Unit, S. C. State Hospital, A&E Only (Request is to use \$200,000 of Excess Paying Patient Fee Debt Service Funds to finance A&E work. Project is estimated to cost \$8,927,379.)	Approved 11/18/81

EXHIBIT  
DEC 22 1981 NO. 16  
STATE BUDGET & CONTROL BOARD

13676

SUMMARY OF ACTIONS BY JOINT BOND REVIEW COMMITTEE  
SUBJECT TO MEETING REQUIREMENTS OF SECTION 4 OF 1981 BOND ACT

Page 2

Line #	Agency	Summary		Project Number, Name (Request)	JBRC Action
		#	Item #		
09	Clemson University PSA	49-81	1	H12-049 Horizontal Silo for Edisto Station (Request is to add \$32,000 of Land and Timber Settlement Account Funds to bring budget to \$52,000.)	Approved 11/18/81
10	USC - Aiken	49-81	4	Library Addition A&E Only (Request is to use \$69,000 of Excess Institution Bond Debt Service Funds.) NOTE: This project has been accomplished. This request was made in March 1981 when the capital improvement bond funds authorized for this purpose were frozen. Subsequently, those funds and this project were released making this proposal to use an alternate source of funds invalid.	Approved 11/18/81
11	The Citadel	67-81	2B	H09-007 Steam Line Replacements (Request is to increase project budget by adding \$92,000 of Surplus Institution Bond Debt Service Funds) Note that proviso in 1981 Bond Act makes a prior claim to these funds.	Approved 11/18/81
12	University of South Carolina	2-82	1A	H27-016 Hobcaw Barony Cottage and Boat House Facilities (Request is to increase project budget by adding \$12,000 of Housing Bonds Reserve Funds to provide furnishings.)	Approved 11/18/81
13	Technical & Comprehensive Education	6-82	1B	Midlands Recreation Site (Request is to use \$25,750 of local funds to provide a student recreation area.)	Approved 11/18/81
14	Clemson University	6-82	2C	Replace Lights at Soccer Field and Football Practice Field (Request is to use \$46,235 of private donations to replace lighting.)	Approved 11/18/81
15	Wil Lou Gray Opportunity School	9-82	4	33-7 Vocational Building (Request is to increase project budget by \$7,643.44 of agency revenues.)	Approved 11/18/81
16	Clemson University	12-82	1B	H12-046 Computer Center Offices (Request is to increase project budget by adding \$5,126.93 of unallocated Institution Bond proceeds.)	Approved 11/18/81

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SUMMARY OF ACTIONS BY JOINT BOND REVIEW COMMITTEE  
SUBJECT TO MEETING REQUIREMENTS OF SECTION 4 OF 1981 BOND ACT

Page 3

Line #	Agency	Summary		Project Number, Name (Request)	JBRC Action
		#	Item #		
17	Clemson University	12-82	1C	H12-056 Master Plan for Campus (Request is to add \$165,000 of Physical Plant Operating Funds to project budget.)	Approved 11/18/81
18	Medical University	12-82	2B	H51-024 Increase Emergency Power (Request is to change source of funds from \$275,000 of Plant Improvement Bond proceeds to \$275,000 of unallocated Institution Bond proceeds (1978).)	Approved 11/18/81
19	Medical University	12-82	2C	H51-025 Energy Conservation Renovations (Request is to deduct \$413,000 of Plant Improvement Bond proceeds from source of funds and add \$313,000 of Institution Bond proceeds and \$100,000 of Plant Improvement Bond Excess Debt Service Funds (1978).)	Approved 11/18/81
20	Medical University	12-82	2D	H51-026 Installation of Safety Facilities (Request is to deduct \$123,000 of Plant Improvement Bond proceeds and to add \$123,000 of Institution Bond proceeds (1978).)	Approved 11/18/81
21	Medical University	12-82	2E	H51-027 Hazardous Materials Storage (Request is to deduct \$57,000 of Plant Improvement Bond proceeds and to add \$100,000 of Institution Bond proceeds (1978).)	Approved 11/18/81
22	Medical University	12-82	2F	H51-028 Fire Safety Systems (Request is to deduct \$116,000 of Plant Improvement Bond proceeds and to add \$116,000 of Institution Bond proceeds (1978).)	Approved 11/18/81
23	Department of Mental Health	13-82	1A	J12-008 Study of Existing Facilities, SCSH (Request is to add \$28,640.50 of Excess Paying Patient Fee Debt Service Funds to project budget.)	Approved 11/18/81
24	Criminal Justice Academy	15-82	1C	Water Main for Ranges (Request is for use of \$38,000 of Bond Forfeitures to finance project.)	Approved 11/18/81

EXHIBIT

DEC 22 1981 NO. 16

STATE BUDGET & CONTROL BOARD

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SUMMARY OF ACTIONS BY JOINT BOND REVIEW COMMITTEE  
SUBJECT TO MEETING REQUIREMENTS OF SECTION 4 OF 1981 BOND ACT

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Line #	Agency	Summary		Project Number, Name (Request)	JBRC Action
		#	Item #		
25	Youth Services	17-82	4	Driver Training Facility (Request is to finance this project using \$60,000 Federal Funds and \$7,000 State School Building Funds.)	Approved 11/18/81
26	Francis Marion College	18-82	2A, 2B & 2C	Campus Development, Phase IV (Request is to reimburse campus development project with Capital Improvement Bond Funds and to return borrowed funds to proper account.)	Approved 12/1/81
27	Clemson University	19-82	1	H12-038 Student Housing Facilities (Request is to add \$38,000 of Housing Revenue Bond proceeds to project budget.)	Approved 11/18/81
28	College of Charleston	19-82	2	H15-007 Physical Education Building (Request is to add \$650,000 of Excess Facilities Improvement Bond Debt Service Funds as authorized in the 1981 Bond Act proviso.)	Approved 11/18/81
29	USC - Columbia	19-82	5A	H27-095 Pendleton Street Garage (Request is to add \$90,000 Parking Facilities Bond Reserve Funds transferred from Project H27-035.)	Approved 11/18/81
30	USC - Salkehatchie	19-82	6	H27-201 Laboratory/Classroom Building (Request is to increase project budget by adding \$25,000 of county funds and \$25,000 of state rural development grant funds.)	Approved 11/18/81
31	Forestry Commission	20-82	2	P12-007 Insect and Disease Laboratory (Request is to add \$9,538 of Federal Funds to project budget.)	Approved 11/18/81
32	Patriots Point Development Auth.	20-82	3	P36-001 Patriots Point Links (Request is to add \$81,761 of Income Revenue to project budget.)	Approved 11/18/81
33	Clemson University	21-82		Bowen and Bradley Halls Window Replacement (Request is to finance project by using \$129,000 of Excess Student and Faculty Housing Revenue Bond Debt Service Funds.)	Approved 11/18/81

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SUMMARY OF ACTIONS BY JOINT BOND REVIEW COMMITTEE  
SUBJECT TO MEETING REQUIREMENTS OF SECTION 4 OF 1981 BOND ACT

Page 5

Line #	Agency	Summary		Project Number, Name (Request)	JBRC Action
		#	Item #		
34	Clemson University	21-82	1B	House #4024 Maintenance and Repair (Request is to finance by using \$35,000 of appropriated funds.)	Approved 11/18/81
35	Clemson University PSA	21-82	1C	P20-010 Clearing, Restacking and Burning Cutover Timberland (Request is to change the source of funds from Sale of Agricultural Products to Land and Timber Settlement, \$15,000.)	Approved 11/18/81
36	University of South Carolina	21-82	2A	H27-016 Hobcaw Barony Lab, Cottage and Boathouse Facility (Request is to increase budget by adding \$12,000 of Excess Housing Bond Debt Service Reserve Funds to purchase furniture for the two cottages.)	Approved 11/18/81
37	University of South Carolina	21-82	2B	H27-099 Gambrell Hall (Request is to increase project budget by adding \$41,881.60 of interest earned on donated funds.)	Approved 11/18/81
38	College of Charleston	21-82	4	H15-005 Parking Garage (Request is to decrease budget by deducting \$8,000 of Parking Revenue Bond proceeds.)	Approved 11/18/81
39	Division of General Services	21-82	5	F12-031 State House Painting and Carpet Replacement (Decrease budget by deducting \$1,742 of lapsed funds.)	Approved 11/18/81
40	Forestry Commission	21-82	6	Piedmont Nursery Irrigation (Request is to finance project using \$13,000 of Federal Funds.)	Approved 11/18/81
41	USC - Columbia	23-82	1	H27-104 Renovations to Engineering and Wardlaw Buildings (Request is to increase budget by adding \$14,977.51 of Renovation Reserve Funds.)	Approved 11/18/81
42	USC - Spartanburg	23-82	2A, 2B	(Request is to reduce budget of multi-media/ETV project by deducting \$14,000 of pledges and transferring \$51.20 to project H39-002, Hodge Center Expansion.)	Approved 11/18/81

EXHIBIT

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STATE BUDGET & CONTROL BOARD

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SUMMARY OF ACTIONS BY JOINT BOND REVIEW COMMITTEE  
SUBJECT TO MEETING REQUIREMENTS OF SECTION 4 OF 1981 BOND ACT

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Line #	Agency	Summary		Project Number, Name (Request)	JBRC Action
		#	Item #		
43	Medical University	23-82	4A	19-88 Alterations to Basic Science Building HVAC System (Request is to reduce budget by \$50,000 by deducting \$150,000 of Operating Funds and adding \$100,000 of Surplus Institution Bond Debt Service Funds.)	Approved 11/18/81
44	Medical University	23-82	4B	H51-012 Demolition of "A" Building (Request is to increase budget by adding a net of \$50,000 by adding \$100,000 Surplus Institution Bond Debt Service Funds and deducting \$50,000 of Plant Improvement Bond Funds.)	Approved 11/18/81
45	Medical University	23-82	4C	H51-023 Parking Lot Paving (Request is to change source of funds from Plant Improvement Bond proceeds to Surplus Institution Bond Debt Service Funds, \$113,000.)	Approved 11/18/81
46	Medical University	23-82	4D	H51-033 Additions to 7th Floor Clinical Science Building (Request is to change source of funds from Plant Improvement Bond proceeds to Surplus Institution Bond Debt Service Funds, \$450,000.)	Approved 11/18/81
47	Medical University	23-82	4E	H51-038 Renovation of Department of Anatomy, Basic Science and Research Buildings (Request is to increase budget by adding \$60,000 of surplus Institution Bond Debt Service Funds.)	Approved 11/18/81
48	Technical & Comprehensive Education	23-82	5	H59-014 Piedmont Phase V, Health/Technical Facilities (Request is to increase project budget by adding \$27,060 of local funds.)	Approved 11/18/81
49	Aeronautics Commission	23-82	6A - 6F	(Request is to adjust the budgets of six projects to modest degrees. Please see attachments for details.)	Approved 11/18/81
50	Ports Authority	23-82	7A	Y14-006 Wando River Terminal Drainage, Paving, Etc. (Request is to add \$1,000,000 of Authority Revenue Bond Proceeds, transfer from project Y14-014.)	Approved 11/18/81

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SUMMARY OF ACTIONS BY JOINT BOND REVIEW COMMITTEE  
SUBJECT TO MEETING REQUIREMENTS OF SECTION 4 OF 1981 BOND ACT

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Line #	Agency	Summary		Project Number, Name (Request)	JBRC Action
		#	Item #		
51	Ports Authority	23-82	7B	Y14-014 Dredge Berths 1-4 (Request is to reduce project budget by \$1,000,000 of Authority Revenue Bond Proceeds and to transfer them to project Y14-006.)	Approved 11/18/81
52	Department of Mental Retardation	25-82	A	J16-019 Community Residence at Anderson (Request is to deduct a net of \$47,000 from project budget by deducting \$225,000 Departmental Capital Improvement Bond Funds and adding \$178,000 Excess Paying Patient Fee Debt Service Funds.)	Approved 11/18/81
53	Mental Retardation	25-82	B	J16-045 Community Residence at Sumter (Request is to deduct a net of \$24,000 from project budget by deducting \$112,500 of State Capital Improvement Bond Funds and adding \$88,500 Excess Paying Patient Fee Debt Service Funds.)	Approved 11/18/81
54	Mental Retardation	25-82	C	J16-050 Two 8-Bed Residences at Spartanburg (Request is to change source of funds from Departmental Capital Improvement Bond Funds to Excess Paying Patient Fee Debt Service Funds, \$225,000.)	Approved 11/18/81
55	Mental Retardation	25-82	D	J16-036 Midlands - Enlargement of Medical Facilities (Request is to add \$40,287 to project budget by transferring \$12,420 of Surplus Debt Service Funds from J16-023 and by adding \$27,867 of Surplus Debt Service Funds.)	Approved 11/18/81
56	Mental Retardation	25-82	E	J16-023 Whitten Center Upgrading Sewage Treatment Facility (Request is to deduct \$188,659.92 from project budget, \$12,420 of which is Surplus Debt Service Funds to be transferred to J16-036 and by deducting \$176,239.92 of Departmental Capital Improvement Bond Funds.)	Approved 11/18/81

EXHIBIT  
DEC 22 1981 NO. 16  
STATE BUDGET & CONTROL BOARD

13682

SUMMARY OF ACTIONS BY JOINT BOND REVIEW COMMITTEE  
SUBJECT TO MEETING REQUIREMENTS OF SECTION 4 OF 1981 BOND ACT

Page 8

B+C  
Approved  
12/11/81

Line #	Agency	Summary		Project Number, Name (Request)	JBRC Action
		#	Item #		
57	Technical & Comprehensive Education	31-82	1	#59-038 Tri-County TEC, Textile Welding (Request is to increase budget by adding \$703,800 of local funds.)	Approved 12/01/81
58	Division of General Services	31-82	2	F12-053 Middleton Building 3rd Floor Renovations (Request is to increase budget by adding \$3,600 of appropriated funds.)	Approved 12/01/81
59	York Technical College	33-82	only	(Request is for permission to proceed, using local funds, with the design of the classroom/learning resource building project for which \$1,500,000 of capital improvement bonds are authorized in the 1981 Bond Act.)	Approved 12/01/81
60	Department of Education Vocational Education	34-82	only	Wilson Vocational Center of Spring Valley High School, Richland District #2 (Request is for permission to begin construction on the project for which \$420,000 of capital improvement bonds are authorized in the 1980 Act using funds other than capital improvement bond funds.)	Approved 12/01/81 contingent upon the referenced bond funds being released for reimbursement purposes by January of 1986.
61	Parks, Recreation and Tourism	35-82	A	(Request for authorization to borrow \$73,640 from \$111,500 of capital improvement bond funds authorized for the I-77 Park and previously drawn by the Department to finance the completion of the Hickory Knob lodging project.)	Approved 12/01/81 (Reimbursement to be made from 1980 bond funds for Hickory Knob which will receive a priority release date sometime within 1/83 - 1/86.)

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SUMMARY OF ACTIONS BY JOINT BOND REVIEW COMMITTEE  
SUBJECT TO MEETING REQUIREMENTS OF SECTION 4 OF 1981 BOND ACT

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Line #	Agency	Summary		Project Number, Name (Request)	JBRC Action
		#	Item #		
62	Parks, Recreation & Tourism	35-82	B	(Request is for permission to borrow \$30,000 from referenced \$111,500 I-77 Park balance to complete the Lynches River State Park Pool Complex.)	Approved 12/01/81 (Reimbursement to come from funds authorized in 1980 Bond Act which will receive a priority release date sometime within January 1983 - January 1986 period.)
63	Parks, Recreation and Tourism	36-82	only	(For information only, to advise Board that Joint Bond Review Committee concurred in actions of Board taken on November 10 and November 23 authorizing the exchange of the former New Horizons site for properties of the Crescent Land and Timber Company, contingent upon the ratification of this transaction by the 1982 General Assembly.)	

EXHIBIT

DEC 22 1981 NO. 16

STATE BUDGET & CONTROL BOARD

13684

**Limitation on indebtedness**

SECTION 3. Section 4 of Act 1377 of 1968, as last amended by Act 518 of 1980, is further amended by striking on line two "787,673,-114.10" and inserting "\$866,408,807.10". The section when amended shall read:

"Section 4. The aggregate principal indebtedness on account of bonds issued pursuant to this act shall not exceed \$866,408,807.10. *Provided*, that the limitation herein imposed shall not apply to bonds issued on behalf of the Mental Health Commission as provided in Act 1276 of 1970 and Act 1272 of 1970, or bonds issued on behalf of the Commission on Mental Retardation as provided in Act 1087 of 1970. The limitation herein imposed shall not be deemed to be an obligation of the contract made between the State and holders of bonds issued pursuant to this act, and the limitation herein imposed may be enlarged or reduced from time to time by acts amendatory hereof. Within such limitations state capital improvement bonds may be issued from time to time under the conditions prescribed by this act."

**Requirements imposed on boards, committees and the State Auditor before implementation of permanent improvement projects**

SECTION 4. Act 1377 of 1968, as last amended by Act 518 of 1980, is further amended by adding a new section before the effective clause to be appropriately numbered which shall read:

"Section . . . The General Assembly notes that the restraints on the growth and expansion of state government programs expressed in the existing limitations on spending, on personnel and on debt service expenditures will require that the permanent improvement projects authorized in this act be implemented on a phased basis covering a period of several years. These restraints are such that they will also require that no permanent improvement project authorized in any capital improvement bond act may be permitted to be established and implemented unless (a) the chairman of the governing board or commission of the involved agency or institution and its chief executive officer certify in writing to the State Auditor, the Budget and Control Board and the Joint Bond Review Committee that no additional operating costs and no additional personnel will be required as a result of the implementation and completion of the project; or (b) the Budget and Control Board and the Joint Bond Review Committee after a thorough and complete review of the cir-

cumstances involved in any particular project, may agree to relieve the involved agency or institution and its officials of the certification requirement set forth in (a), preceding. All projects not approved to be established and implemented prior to the last day of the second full calendar year following the project's authorization act, or for previously authorized projects the second full calendar year after the effective date of this section, shall be submitted to the General Assembly by the Budget and Control Board for legislative confirmation in a Joint Resolution. If confirmed, the project shall be treated as if it is a new authorization in the year of confirmation. If not confirmed, the Budget and Control Board is ordered to automatically deauthorize the project without further legislative action.

For purposes of this section, 'projects' are defined to be items authorizing capital improvements in a bond authorization act or individual requests for funding under a general, nonspecific item in a bond authorization act.

In addition to the requirements of paragraph one of this section, no project authorized through Act 1377 of 1968 may be established or otherwise implemented until a detailed plan which identifies the sources of funds to pay the costs of operating the project when completed, including any personnel costs involved, has been reviewed and approved by the Joint Bond Review Committee, the State Auditor and the Budget and Control Board. An update of the operating cost financing plan shall be submitted to the State Auditor and the Board as a part of the involved agency's five-year plan submission until the project is completed and in operation. The State Auditor and the Budget and Control Board shall keep the Joint Bond Review Committee, the Joint Appropriations Review Committee, the Ways and Means Committee and the Senate Finance Committee, advised of these updates. After reviewing any instance where a significant change in an approved operating cost financing plan is indicated in any update, the State Auditor shall recommend an appropriate response to the updated plan for adoption by the Board."

**Priorities for funding**

SECTION 4A. No project authorized in whole or in part for capital improvement bond funding in this act or previous acts shall be implemented until funds can be made available and until the Joint Bond Review Committee, in consultation with the Budget and Control Board, establishes priorities for the funding of the projects. The

# EXHIBIT

STATE BUDGET AND CONTROL BOARD DEC 22 1981 NO. 17 REGULAR SESSION AGENDA  
MEETING OF December 22, 1981 STATE BUDGET & CONTROL BOARD ITEM NUMBER 12

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Agency: Board of Pharmaceutical Examiners

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Subject: Civil Contingent Fund Allocation Request

Executive Secretary C. Douglas Chavous asks for an allocation of \$6,078 from the Civil Contingent Fund. He identifies that amount as a deficit carried over from last fiscal year.

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Board Action Requested:

Consider.

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Staff Comment:

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Attachments:

Chavous December 10 letter to Putnam

13686

The Board of Pharmaceutical  
of South Carolina



P. O. BOX 11927 1026 SUMTER ST.  
COLUMBIA, SOUTH CAROLINA 29211

RECEIVED

DEC 11 1981

BUDGET AND CONTROL BOARD  
OFFICE OF EXECUTIVE DIRECTOR

(803) 758-5447

December 10, 1981

EXHIBIT

DEC 22 1981

NO. 17

STATE BUDGET & CONTROL BOARD

William T. Putnam  
Executive Director  
Budget and Control Board  
State of South Carolina  
212 Wade Hampton Office Building  
Columbia, South Carolina 29201

Dear Mr. Putnam:

We have today submitted to the State Auditor the Board of Pharmacy's recommendations for reductions to our appropriations for fiscal year 1981-1982 as mandated by the Budget and Control Board.

In view of this reduction of \$2,231 and the fact that this Board is already operating under a reduced budget for this fiscal year caused by a deficit of \$6,078.41 carried over from last year, we respectfully request that this deficit from last fiscal year be appropriated, either in full or in part, to the Board of Pharmacy from the Civil Contingencies Fund.

The over-expenditure of appropriations last year was caused by additional and increased expenses which could not be controlled by the Board of Pharmacy. The National Association of Boards of Pharmacy's increase in cost to us of testing materials; the resignation of the agency director causing additional Board meetings; our Sunset Review causing additional expenses for travel by Board members to hearings; and the relocation of the agency to which we are connected for our computer services, causing the expense of running coaxial cable from their new location and a new connection for our terminal are some of the reasons for our increased expenses. This Board would like to point out further that we generated revenue of \$9,000 more than was appropriated to us.

13687

William T. Putnam  
December 10, 1981  
Page Two

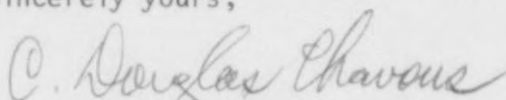
# EXHIBIT

DEC 22 1981 NO. 17

STATE BUDGET & CONTROL BOARD

For the above reasons, the Board of Pharmacy respectfully asks your consideration of this request for additional funds.

Sincerely yours,



C. Douglas Chavous  
Executive Secretary

CDC:rbm

13688

# EXHIBIT

DEC 22 1981

NO. 18

## EMERGENCY REGULATIONS

### NOTICE OF RENEWAL

#### STATE BUDGET AND CONTROL BOARD

##### Chapter 19

Section 14, Part I of Act 178 of 1981 requires that the Budget and Control Board submit its regulations to the General Assembly by October 1, 1981, in accordance with the provisions of Act 176 of 1977, as amended. The Board determined that the proper manner in which to comply with these two relevant Acts was through the issuance of emergency regulations.

Accordingly, these regulations were issued pursuant to §1-23-130, Code of Laws, 1976, as amended, and appeared in the State Register, Volume 5, Issue No. 18, dated October 8, 1981.

Since the regulations as promulgated by the Budget and Control Board cover such a broad range of activities which affect the lives of a large number of people, it is believed that the absence of such regulations might create a situation which could lead directly or indirectly to a threat to the public welfare. Therefore, notice is hereby given of the renewal of the emergency regulations as set forth in Volume 5, Issue No. 18 of the State Register.

*William A. McInnis*

William A. McInnis  
Secretary

December 22, 1981

# EXHIBIT

DEC 22 1981

NO. 18

**13689**

STATE BUDGET & CONTROL BOARD