

MINUTES OF
Budget and
Control Board
Meeting

DECEMBER 2, 1977

MINUTES OF BUDGET AND CONTROL BOARD MEETING

DECEMBER 2, 1977

On this date Assistant State Auditor William A. McInnis completed a poll begun on 12/1/77 of the following Budget and Control Board members on the item of business described below:

Mr. Grady L. Patterson, Jr.
Mr. Earle E. Morris, Jr. (through secretary Abston)
Representative Tom G. Mangum

JUDICIAL DEPARTMENT - SOURCE OF FUNDS CHANGE - Chief Justice J. Woodrow Lewis, in a letter dated 11/18/77, has requested Budget and Control Board approval of a change in the source of funds (from Federal to State) for the payment of six members of the Judicial Department staff. Both Chief Justice Lewis and Judicial Department Accounting and Personnel Director Steve Good assure the Board that, if the change in the source of funds is approved, no additional State funds will be required in fiscal year 1977-78 and that no additional State funds will be requested for 1978-79.

The Budget and Control Board members polled agreed to approve the requested change in the source of funds for the payment of the six Judicial Department staff members. Representative Mangum's approval was based on a clear understanding that no additional State funds will be required.

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

EXHIBIT I
12/2/77



The Supreme Court of South Carolina

J. WOODROW LEWIS
CHIEF JUSTICE

November 18, 1977

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

The Honorable William T. Putnam
Secretary, Budget and Control Board
Post Office Box 11333
Columbia, South Carolina 29211

Dear Bill:

Recently we had a grant application for continuation of funding of a personnel grant returned from the Office of Criminal Justice Programs. This grant is the second year of funding in a three-year grant program. This particular grant covers our Director of Accounting. His responsibilities include all fiscal, personnel, payroll and budgetary matters.

In an attempt to abide by all State and Federal laws my staff has worked with and has been advised by O.C.J.P. not to reapply for three other grants at this time. They include an Assistant Director of Court Administration who is charged with responsibility of overseeing the Family Courts among other duties assigned by me and/or the Court Administrator. Two court reporter positions are funded on another grant. Finally our department has the Director and a secretary who staff the Judicial Standards Commission. We have been advised these grants will be returned unless and until something is worked out on this matter.

The Office of Criminal Justice Programs referred this department to a section of the 1977/1978 Appropriations Bill. Enclosed is a letter from that office to you and your response. We have sought a decision by the Attorney General. At this time we have received no further word and our present situation worsens with each accompanying pay period.

Second year funding was to begin October 1, 1977, for the Director of Accounting. November 1, 1977, was to begin second funding for the Assistant Director and Judicial Standards positions with this to be the beginning of the third and final year of the federal funding of the Court Reporter positions.

As you stated in your letter the Budget and Control Board did consider the matter; so I will not go into detail of explaining the issue since it has been discussed. Our request to the Board would be for approval to change the source of funding on all six positions to full state funding.

Approval to use \$47,941.34 of the Administrative Fund and \$13,674.87 from Family Court Contingencies is requested.

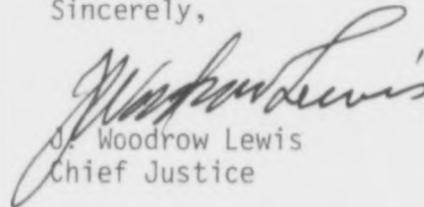
Director of Accounting	\$15,384.59
Court Reproters (2)	13,656.13
Judicial Standards (2)	18,900.62
	<u>\$47,941.34</u>

Assistant Director	\$13,674.87
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This request would cover all fringe benefits. An adjustment of \$32,178 would have to be made in our 1978/1979 budget request. This adjustment would not be an additional request but would be absorbed in the request with the total state request remaining constant.

We regret making this request but certainly want to abide by all State and Federal laws. This procedure would in fact not be equitable to these six employees. These laws place the Department in the position of lowering salaries or attempting to reduce all federal programs to our operating accounts. I assure you this Department will do all in its power to use replaced federal funds in other operations of the Department.

Sincerely,


Woodrow Lewis
Chief Justice

JWL:dsj

Enclosure

Note - 1 Circuit Court Rep's account



STATE OF SOUTH CAROLINA

Office of The Governor
Columbia 29201

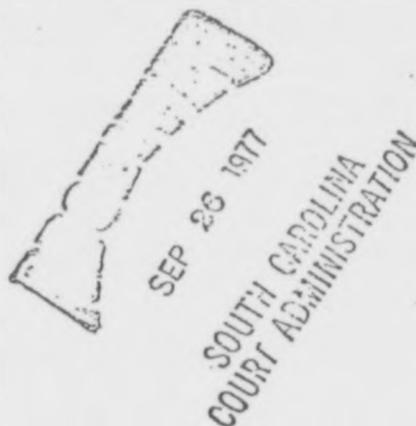
September 20, 1977

JAMES B. EDWARDS
GOVERNOR

OFFICE OF CRIMINAL JUSTICE PROGRAMS
Edgar A. Brown Building
1205 Pendleton Street
Phone (803) 758-3573, 758-2940



MEMORANDUM



TO: State Agency Liaisons
FROM: *JSP* John S. Parton, Executive Director
SUBJECT: Funding Of Salary Increases

Attached is a copy of a memorandum I sent to Mr. Bill Putnam, dated September 7, 1977. The memorandum concerned the conflict of the existing Federal Law and the new FY 77-78 State Appropriations Bill regarding the funding of salary increases. Additionally, I have attached a copy of a September 16, 1977 letter from Mr. Bill Putnam dealing with this specific problem.

As you can see, the conflict Mr. Putnam has pointed out has direct impact on all personnel being funded by LEAA funds. Immediate action should be taken to ensure that the FY 77-78 Appropriations Act is followed. Currently, we are reviewing the Federal Laws and State Laws applying to this issue to determine if there is some possible alternatives. I will keep you posted should there be some change in the above information.

If you have any questions, please contact Charles Ayer or me.

JSP/ASE

Attachments

cc: Charles Ayer 8940
Elmer Whitten

State of South Carolina

Office of the Governor

JAMES B. EDWARDS
GOVERNOR

DIVISION OF ADMINISTRATION
Edgar A. Brown Building
Columbia, South Carolina 29201

MEMORANDUM

TO: William T. Putnam
FROM: *MS* John S. Parton
DATE: September 7, 1977
SUBJECT: FY 77-78 Appropriations Bill - R201,H2210

In reviewing the FY 77-78 Appropriations Bill, we noted that one particular paragraph of the Appropriations Bill may be in conflict with an existing Federal Law. Therefore, we request your review and clarification of this particular issue. The specifics are as follows:

FY 77-78 Appropriations Bill - Page 49, Paragraph G.

"No appropriated funds may be used to increase that portion of any salary paid from other than appropriated funds" (see copy attached).

Title I of the Omnibus Crime Control and Safe Streets Act, Section 301(d).

"Not more than one-third of any grant made under this section may be expended for the compensation of police and other regular law enforcement and criminal justice personnel. The amount of any such grant expended for the compensation of such personnel shall not exceed the amount of State or local funds made available to increase such compensation. The limitations contained in this subsection shall not apply to the compensation of personnel for time engaged in conducting or undergoing training programs or to the compensation of personnel engaged in research, development, demonstration or other short-term programs" (see copy attached).

William T. Putman
Page Two
September 7, 1977

The Law Enforcement Assistance Administration funds normally requires a non-federal match of its grants. In South Carolina, personnel grants are normally funded for twelve (12) months, with possible continuation, for a maximum of thirty-six (36) months. This is accomplished in twelve (12)-month increments.

Each year, there is a decreasing federal ratio as follows:

	<u>FEDERAL</u>	<u>BUY-IN</u>	<u>STATE AGENCY MATCH</u>
1st year	90	10	0
2nd year	80	5	15
3rd year	65	5	30
4th year			100

However, the LEAA guidelines require that any salary increase must be funded equally between federal and non-federal funds.

Since we have a number of state agencies receiving personnel grants from our agency, we would appreciate your comment and advice regarding this section of the 77-78 Appropriations Bill and how it relates to the existing Federal Law.

If you have any questions regarding the above information, please contact me.

JSP/ASE

Attachments

cc: Charles Ayer
Elmer Whitten

law enforcement and criminal justice agencies in the discharge of their duties through such activities as recruiting; improvement of police-community relations and grievance resolution mechanisms; community patrol activities; encouragement of neighborhood participation in crime prevention and public safety efforts; and other activities designed to improve police capabilities, public safety and the objectives of this section; *Provided*, That in no case shall a grant be made under this subcategory without the approval of the local government or local law enforcement and criminal justice agency.

"(8) The establishment of a Criminal Justice Coordinating Council for any unit of general local government or any combination of such units within the State, having a population of two hundred and fifty thousand or more, to assure improved planning and coordination of all law enforcement and criminal justice activities.

"(9) The development and operation of community-based delinquent prevention and correctional programs, emphasizing halfway houses and other community-based rehabilitation centers for initial preconviction or post-conviction referral of offenders; expanded probationary programs, including para professional and volunteer participation; and community service centers for the guidance and supervision of potential repeat youthful offenders.

"(10) The establishment of interstate metropolitan regional planning units to prepare and coordinate plans of State and local governments and agencies concerned with regional planning for metropolitan areas.

"(c) The portion of any Federal grant made under this section for the purposes of paragraph (4) of subsection (b) of this section may be up to 50 per centum of the cost of the program or project specified in the application for such grant. The portion of any Federal grant made under this section to be used for any other purpose set forth in this section may be up to 90 per centum of the cost of the program or project specified in the application for such grant. No part of any grant made under this section for the purpose of renting, leasing, or constructing buildings or other physical facilities shall be used for land acquisition. In the case of a grant under this section to an Indian tribe or other aboriginal group, if the Administration determines that the tribe or group does not have sufficient funds available to meet the local share of the cost of any program or project to be funded under the grant, the Administration may increase the Federal share of the cost thereof to the extent it deems necessary. The non-Federal funding of the cost of any program or project to be funded by a grant under this section shall be of money appropriated in the aggregate, by State or individual units of government, for the purpose of the shared funding of such programs or projects.

"(d) Not more than one-third of any grant made under this section may be expended for the compensation of police and other regular law enforcement and criminal justice personnel. [The amount of any such grant expended for the compensation of such personnel shall not exceed the amount of State or local funds made available to increase such compensation.] The limitations contained in this subsection shall not apply to the compensation of personnel for time engaged in conducting or undergoing training programs or to the compensation of personnel engaged in research, development, demonstration or other short-term programs.

"Sec. 302. Any State desiring to participate in the grant program under this part shall establish a State planning agency as described in part B of this title and shall within six months after approval of a planning grant under part B submit to the Administration through such State planning agency a comprehensive State plan developed pursuant to part B of this title.

"Sec. 303. (a) The Administration shall make grants under this title to a State planning agency if such agency has on file with the Administration an approved comprehensive State plan (not more than one year in age) which conforms with the purposes and requirements of this title. No state plan shall be approved as comprehensive unless the Administration finds that the plan provides for the allocation of adequate assistance to deal with law enforcement and criminal justice problems in areas characterized by both high crime incidence and high law enforcement and criminal justice activity. No State plan shall be approved as comprehensive, unless it includes a comprehensive program, whether or not funded under this title, for the improvement of juvenile justice. Each such plan shall—

"(1) provide for the administration of such grants by the State planning agency;

"(2) provide that at least the per centum of Federal assistance granted to the State planning agency under this part for any fiscal year which corresponds to the per centum of the State and local law enforcement expenditures funded and expended in the immediately preceding fiscal year by units of general local government will be made available to such units or combinations of such units in the immediately following fiscal year for the development and implementation of programs and projects for the improvement of law enforcement and criminal justice, and that with respect to such programs or projects the State will provide in the aggregate not less than one-half of the non-Federal funding. Per centum determinations under this paragraph for law enforcement funding and expenditures for such immediately preceding fiscal year shall be based upon the most accurate and complete data available for such fiscal year or for the last fiscal year for which such data are available. The Administration shall have the authority to approve such determinations and to review the accuracy and completeness of such data;

"(3) adequately take into account the needs and requests of the units of general local government in the State and encourage local initiative in the development of programs and projects for improvements in law enforcement and criminal justice, and provide for an appropriately balanced allocation of funds between the State and the units of general local government in the State and among such units;

"(4) provide for procedures under which plans may be submitted to the State planning agency for approval or disapproval, in whole or in part, annually from units of general local government or combinations thereof having a population of at least two hundred and fifty thousand persons to use funds received under this part to carry out a comprehensive plan consistent with the State comprehensive plan for the improvement of law enforcement and criminal justice in the jurisdiction covered by the plan;

"(5) incorporate innovations and advanced techniques and contain a comprehensive outline of priorities for the improvement and coordination of all aspects of law enforcement and criminal justice, dealt with in the plan, including delinquency, juvenile justice, and the like.

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Provided, Further, That the Budget and Control Board shall set aside in a separate continuing account, appropriately identified, in the State Treasury all funds, state appropriated and other than general funds, received for actual health insurance premiums due.

Provided, Further, That the amounts appropriated under Item VII, of this section for "State Employees—Base pay Increases" shall be allocated among the state agencies by the Budget and Control Board to provide a base pay increase for each of its employees effective on July 1, 1977. The base pay increases so provided shall be granted in accord with the following plan:

A. The minimum and maximum salary levels of all pay grades of the Classification and Compensation Plan shall be increased by 5%.

B. Effective on July 1, 1977, the rate of compensation of each state employee shall be increased by 5% unless otherwise modified or prohibited by paragraphs C through I of this plan.

C. With respect to the unclassified employees of the universities and colleges and the State Board for Technical and Comprehensive Education, the authorities of each agency are authorized to determine the total funds required for a base increase of 5% for its unclassified employees as a group and to allot such total among individual unclassified employees without uniformity.

D. Constitutional officers and agency heads whose salaries are specifically designated by this or other Acts shall not be entitled to the 5% increase as provided herein.

E. Employees, other than Constitutional officers and agency heads, whose salaries have been specifically increased in this Act shall be entitled to the higher of the specific increase or 5%. *Provided,* however, that this limitation shall not apply to the directors of research of the House of Representatives.

F. Salaries of classified employees shall not exceed the adjusted maximum pay scale as provided in paragraph A. Base pay increases shall be granted to the extent that such increases may be applied within the maximum limit of the appropriate pay grade.

→ G. No appropriated funds may be used to increase that portion of any salary paid from other than appropriated funds.

H. Solicitors shall not be entitled to a 5% increase in salary as provided for other employees.

I. No allocations will be made to the various agencies from the amounts appropriated under Item VII, of this section, for "State Employees—Base pay Increases" to provide base pay increases for temporary employees, whether full time or part time.



STATE OF SOUTH CAROLINA

OFFICE OF THE STATE AUDITOR

P.O. BOX 11333

COLUMBIA

29211

W. T. PUTNAM
STATE AUDITOR

TELEPHONE
(803) 758-3106

September 16, 1977

Mr. John S. Parton
Division of Administration
Office of the Governor
Edgar A. Brown Building
Columbia, South Carolina

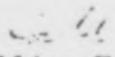
Dear Mr. Parton:

With reference to your memorandum of September 7, 1977, the Appropriation Act for the fiscal year 1977-78 does, in fact, prohibit the use of State appropriated funds for the payment of base pay increases, merit increments, or fringe benefits, as applied to a salary which is paid from Federal or other funds. It is also true that this provision of law conflicts with certain Federal regulations applicable to LEAA funds and CETA funds.

The Budget and Control Board considered this matter at its meeting of September 14, 1977 but took no particular action as the South Carolina law is very clear and very specific. It was agreed that an effort would be made by Governor Edwards to get the Federal Government to change its policy with respect to such matters. In fact, Governor Edwards indicated that he might possibly work through the Southern Governors Conference.

In the meantime we would have to advise all State agencies that, in conflicts of this sort, State law would, of necessity, take precedence over a Federal regulation.

Yours very truly,


William T. Putnam
State Auditor

WTP:sc

RECEIVED

SEP 19 1977

OFFICE OF CRIMINAL
JUSTICE PROGRAMS

STATE AUDITOR'S OFFICE
GRANTS AND CONTRACTS REVIEW UNIT

TO: Bill Putnam

DATE: 11/21/77

FROM:

J. Blom

Concurrence ^{Please} *initial*
Ed Vaughan
S. Dorn

- | | |
|---|---|
| <input type="checkbox"/> As we discussed | <input type="checkbox"/> Note and file |
| <input type="checkbox"/> As you requested | <input type="checkbox"/> Note and return |
| <input checked="" type="checkbox"/> For your approval | <input type="checkbox"/> Note and see/call me |
| <input type="checkbox"/> For your comments | <input type="checkbox"/> Prepare reply |
| <input type="checkbox"/> For your information | <input type="checkbox"/> Reply for my signature |
| <input type="checkbox"/> For your signature | <input type="checkbox"/> Take appropriate action |
| <input type="checkbox"/> Investigate and report | <input type="checkbox"/> Return with more details |

Per your request, my office has investigated this problem. The only course of action open to resolve this problem is to authorize the funding changes within the amount appropriated or recommended for 78-75.

Federal laws & State Laws are clear & do not allow normal Cost of Living - Modest Raisins equal to other State Employees - Justice Lewis must make this change to retain these people at the level of the LEAA grant anyway so I recommend he be authorized to make these no-cost adjustment now. Please review the attached Draft Letter - If OK I will re-type for your Signature.



JAMES B. EDWARDS
GOVERNOR

STATE OF SOUTH CAROLINA
Office of The Governor
Columbia 29201

DIVISION OF ADMINISTRATION
OFFICE OF CRIMINAL JUSTICE PROGRAMS
Edgar A. Brown Building
1205 Pendleton Street
Phone (803) 758-3573, 758-2940

OCJP MEMO NO. 77-7

POLICY MEMORANDUM

TO: State Agency Liaisons
FROM: *ASP* John S. Parton, Executive Director
DATE: October 25, 1977
SUBJECT: Funding Of Salary Increases On Federal LEAA Grants

As you recall, on September 20, 1977, I disseminated information to you from Mr. Bill Putnam, State Auditor, regarding the state participation in funding of salary increases on LEAA grants. After much discussion with Jack Crosscope of the State Auditor's Office, we have concluded the following:

State participation in funding of salary increases (cost of living, merit, fringes, etc.) on continuation grants, will be limited to the overall funding ratio of the grant.

EXAMPLE:

Second year continuation grant - Funding ratio 80% Federal, 20% Non-Federal (State Match and State Buy-In)

An employee is granted a 10% increase on a \$10,000 salary, including fringe benefits. Thus, the total upgrade is \$1,000. The state can only participate in funding 20% of the total increase or \$200.00. LEAA can only participate in funding an amount equal to the non-federal amount for the increase. Therefore, LEAA funding would also be limited to \$200.

In summary, the employee, under current South Carolina and LEAA guidelines, can only receive \$400.00 of the total approved salary increase of \$1,000.00.

State Agency Liaisons
Page Two
October 25, 1977

Each agency should review the budget for any continuation grant awarded on or after July 1, 1977 to ensure the above restriction is implemented. Grant budgets requiring changes should be requested on the budget revision form.

If you have any questions regarding the above information, please contact Charles H. Ayer at 758-3573.

JSP/ASE

cc: Tom Wagner
Charles Ayer



South Carolina Judicial Department
DIVISION OF ACCOUNTING AND PERSONNEL

STEVE K. GOOD
DIRECTOR
758-3741

November 22, 1977

P. O. BOX 11330
COLUMBIA, S.C. 29211

TO: George Dorn

FROM: Steve Good *SKG*

SUBJECT: Request to Change Source of Funds - Per Chief Justice Letter
of November 18, 1977

This letter is your notification that if the requested change of source of funds is approved there will be no need of any additional State funds for FY 77/78. There also will be no additional request for State funds for FY 78/79.

If approval is received I would like to get with you as soon as possible to redistribute the State funds in our recently presented FY 78/79 budget request.

GPV

OK
20 Nov 77

THE END