

MINUTES OF
Budget and
Control Board
Meeting

June 16, 1980

MINUTES OF BUDGET AND CONTROL BOARD MEETING

JUNE 16, 1980 12:00 NOON

The Budget and Control Board met on Monday, June 16, 1980 at 12:00 noon 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

Staff members attending included Executive Director William T. Putnam; Board Secretary William A. McInnis; Governor's Executive Assistant Katherine M. Clarke; State Auditor Edgar A. Vaughn, Jr.; Director of Budget Development Preston Cantrell; Personnel Division Director Jack S. Mullins and staff members Joseph A. Mack and Roy Cureton; Retirement Division Director Purvis W. Collins; Ways and Means Committee staff members Robert Toomey and Beverly Beckwith; Deputy Attorney General Frank Sloan; and Administrative Assistant Donna K. Williams.

ADDITIONS TO AGENDA - In addition to the consideration of Personnel Division and Personnel Subcommittee recommendations on a salary cap policy and procedures, unanimous consent was granted by the Board to add to the agenda of this meeting one executive session personnel item and to add to the regular session an item relating to the authority of the State Auditor to approve transfers of personal service funds.

STATE AUDITOR - TRANSFER APPROVALS - Executive Director Putnam noted that authority has been delegated to the State Auditor to approve transfers of all but personal service funds and that the request is for a delegation of authority to the State Auditor in emergency and special situations between

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now and the end of the fiscal year to approve transfers as necessary to cover payroll requirements. The requested delegation of authority would apply only to the last pay period and would apply only to intra-agency transfers.

Following a brief discussion, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board granted authority to the State Auditor to approve transfers of personal services funds in emergency and special situations during the last pay period of the fiscal year and to report to the Board on actions taken under this delegation of authority.

PERSONNEL DIVISION - SALARY CAP POLICY AND PROCEDURES - Division Director Mullins, Deputy Director Mack, and Classification and Compensation Director Cureton appeared before the Board to present the Personnel Subcommittee recommendations that salary increases associated with promotions, reclassifications and reallocations be excluded from the \$3,000 cap. Dr. Mullins also indicated that the Personnel Division would report to the Board on recipients of \$3,000 or more in salary increases as a result of promotions, reclassifications, or reallocations.

Governor Riley noted that the law provides that the cap relate to base pay, longevity, and merit increases and urged that the agencies be advised that promotions, reclassifications and reallocations will be scrutinized carefully to determine if they are simply an effort to avoid the cap limitation.

Mr. Putnam also expressed the view that the law is very clear that the \$3,000 cap applies to funds transferred from the Budget and Control Board to agencies and that the funds necessary to finance promotions, reclassifications and reallocations are provided by the agencies themselves.

Representative Mangum expressed the view that it was not the intention of the Legislature to exclude salary increases associated with promotions, reclassifications and reallocations.

Senator Dennis noted that the legislation was silent on the point and speculated that that appears to have left discretion to the Board.

Following this discussion, Mr. Patterson moved that the Board accept the report of the Subcommittee as explained by Dr. Mullins. Mr. Morris seconded his motion and it was approved. Representative Mangum voted against the motion.

With regard to Section 14, page 25, of the Act, relating to salaries of unclassified employees at institutions of higher learning, Dr. Mullins indicated his understanding of these provisions to mean that any unclassified salary increase in excess of 12% would be subject to Board approval and that promotions for these personnel would be considered separate and apart from the 12% limitation.

Mr. Morris moved that a 12% limitation apply to the salaries of unclassified employees of institutions of higher learning and that promotional increases not be considered a part of the 12% limitation. Mr. Patterson seconded this motion and it was approved by the Board.

EXECUTIVE SESSION - Mr. Putnam explained that a personnel matter had been proposed for consideration in executive session. The Board without objection agreed to consider the matter whereupon Governor Riley declared the meeting to be in executive session.

RATIFICATION OF EXECUTIVE SESSION ACTIONS - Following the Board's consideration of the executive session item, the meeting was opened and it was announced that the Board took no action on the matter considered in executive session.

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The meeting was adjourned as 12:55 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 mid-morning on June 13, 1980.]