MINUTES OF

BUDGET AND CONTROL BOARD

MEETING

July 29, 1986

00962

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

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

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

July 29, 1986

MEMORANDUM

TO: Budget and Control Board Division Directors

FROM: William A. McInnis, Deputy Executive Director WAM

SUBJECT: Summary of Board Actions at July 29, 1986, Meeting

This listing of actions is not the minutes of the referenced meeting. It is an unofficial (meaning it has not been approved by the Board) summary of the Board actions taken at that meeting. The minutes of the meeting are presented in a separate, much more detailed document which becomes official when approved by the Board at a subsequent meeting.

1. Acting as the Education Assistance Authority, adopted a resolution designating the South Carolina National Bank, the Citizens and Southern National Bank of S.C., and NCNB South Carolina as eligible lenders under the regulations governing its Insured Student Loan Program in order to qualify such banks as "holders" under the federal regulations, and authorized the State Treasurer, on behalf of the Authority, to execute any additional instruments necessary to effect this designation;

2. Approved the following right-of-way easements:
   (a) To South Carolina Electric & Gas Company to install, operate and maintain a 115KV aerial transmission line at three locations across Battery Creek in Beaufort County, with the understanding that these easements are cleared with the appropriate planning commissions by General Services;
   (b) From the Forestry Commission to the Grand Strand Water and Sewer Authority to upgrade water and sewer service at the Myrtle Beach State Park;
   (c) To Central Electric Power Cooperative, Inc., to construct, operate and maintain a 115KV aerial transmission line over Shaw Creek to deliver power to a new distribution substation being added to the Aiken Electric Cooperative in Aiken County;
   (d) To Lakewood Mobile Home Estates (authorized 12/17/85) to install a sanitary sewer line across State-owned land fronting on Platt Springs Road;
   (e) To the Department of Highways and Public Transportation to improve Roads S-20 and S-540 in Marion County; and a 50-foot triangular area at the intersection of Roads S-760 and S-540;

00963

3. Received as information a report that the Attorney General's Office will respond to the Nolas Trading Company petition for a declaratory ruling by the Board on its authority to promulgate Regulation 19-450 relating to the issuance of permits for construction in navigable waters;

4. Received as information a report that the University of South Carolina will increase fees effective for the Fall 1986 academic term which are estimated to produce $4,837,000 in additional revenue for the Columbia campus and a total of $6,387,000 for the entire USC system;

5. Received as information a report that Lander College will increase Educational and General fees by an additional $50 (total fee increase of $200 per year) effective in the Fall 1986 semester;

6. Received as information a report that the Attorney General's Office had determined that the Board can delegate to the Division of Human Resource Management the authority to approve promotional salary increases of 10% or less for unclassified academic employees, in accord with pertinent provisions of the applicable appropriations act, and revised the policy adopted at the June 10, 1986, meeting accordingly;

7. Received as information a report that the following permanent improvement project actions had been reviewed favorably by the Joint Bond Review Committee and approved by staff: On Summary 1-87, Items 1, 3 through 7, 9, 10, 12, 15, 18, 19 and 39 (involving Francis Marion College, USC, MUSC, Opportunity School, Mental Retardation, Corrections, Agriculture, Patriots Point Development Authority, and Aeronautics Commission);

8. Received as information a report that the following permanent improvement project actions had been approved by staff and that Joint Bond Review Committee review is not required: On Summary 1-87, Items 21 through 38 (involving The Citadel, Winthrop, Technical & Comprehensive Education, Mental Retardation, Youth Services and Parks, Recreation & Tourism);

9. Received as information reports on the reimbursement of interviewee travel expenses by Francis Marion College (5); College of Charleston (12); Clemson University (15); and Mental Health (1);

10. Received as information a report on agency spendout plans on 1986 capital improvement bond funds;

11. Approved the minutes of the July 15, 1986, Budget and Control Board meeting;

12. Concurred in the Joint Legislative Committee on Personal Service Financing and Budgeting action of July 23, 1986, approving the addition of 40.15 authorized full-time-equivalent positions (27.30 state, 7.20 federal and

5.65 other), including 13.5 for Francis Marion College, 2 for State Housing Authority, 1.65 for School for the Deaf and the Blind, 17 for DSS, and 6 for John de la Howe School;

13. Allocated $30,000 from the Civil Contingent Fund to finance Clemson University extension and research efforts dealing with fire ants, and recognized a potential need to transfer up to $30,000 of appropriated funds for these purposes;

14. Approved the College of Charleston project involving the purchase of the 9 Liberty Street Building and agreed to the release of $2,250,000 of 1986 capital improvement bond funds to finance this acquisition, after assuring the College that it will be in position to meet the building owner's September 15 deadline to complete the transaction;

15. Approved in concept the acquisition by the College of Charleston of a 300-bed dormitory in response to a request for proposals as an exception to the general policy of not approving lease/purchase arrangements pending completion of the study of the subject directed by the General Assembly, on the condition that specific proposals are to be brought to the Board for approval;

16. Received as information a General Services report on the misapplication of $15,231.59 in a College of Charleston permanent improvement project;

17. Approved the transfer of the $12,741,076 capital expenditure fund account designated for particular projects by the General Assembly from the Board to the State Treasurer's Office;

18. Approved the following permanent improvement project establishment requests and budget revisions which had been reviewed favorably by the Joint Bond Review Committee:

A. On Summary 1-87:

(1) Item 2:
Agency: USC - Columbia
Project: 8156, Medical Science Bldg Renovation
Request: Increase budget to $1,760,000
Amount: Add $810,000
Source: Excess Debt Svc ($533,827.97); Approp. State (265,207.43) & Renov. Reserve funds (10,964.60)
Purpose: To complete renovations to third floor for use by Environmental Health Department.

(2) Item 8:
Agency: Mental Retardation
Project: 7854, Whitten-Renovation of Buildings
Request: Decrease budget to $801,500
Amount: Subtract $800,000

Source: Capital Improvement Bond funds (pre-1986)
Purpose: To transfer funds to new project in Annual Program, per proviso in the 1986 General Bond Act, which changed the purpose for which these previously-authorized funds may be used (for Coastal Center Construction and Renovation).

(3) Item 11:
Agency: Mental Retardation
Project: 8831, Whitten-Four 16-Bed Facilities
Request: Increase budget to $1,600,000
Amount: Add $500,000
Source: Excess Debt Service funds
Purpose: To adjust for changes in construction cost estimates; and to provide equipment/supplies for the 64 beds.

(4) Item 13:
Agency: Dept of Corrections
Project: 7129, Midlands Food Service Warehouse
Request: Increase budget to $314,277
Amount: Add $291,000
Source: Appropriated State funds (Capital Exp. Fund)
Purpose: To restore $200,000 previously transferred to project 9006, Emergency Temporary Buildings, and increase budget by $91,000 in order to complete project.

(5) Item 14:
Agency: Dept of Corrections
Project: 7423, Multipurpose Bldg-Spartanburg
Request: Increase budget to $916,000
Amount: Add $836,000
Source: Appropriated State (Capital Expenditure Fund)
Purpose: To restore funds previously transferred to project 8057, Kirkland Psychiatric Unit, and project 9006, Emergency Temporary Buildings. Represents application of Capital Expenditure funds.

(6) Item 16:
Agency: Dept of Corrections
Project: 7758, Lieber Center-Coastal Region
Request: Increase budget to $25,576,482
Amount: Add $500,000
Source: Appropriated State funds (Capital Exp Fund)
Purpose: To restore funds transferred for completion of Perry Institution and allow Department to complete project. Represents application of Capital Expenditure funds.

(7) Item 17: Agency: Dept of Corrections
Project: 8151, Manning Central Laundry Equipment
Request: Increase budget to $1,565,000
Amount: Add $1,200,000
Source: Appropriated State funds (Capital Exp. Fund)
Purpose: To enable Department to complete laundry facility to retain state agency contracts and provide work for inmates. Represents application of Capital Expenditure funds.

(8) Item 20: Agency: Clarks Hill-Russell Authority
Project: 8395, Little River/Buffalo Creek Development
Request: Increase budget to $4,625,000
Amount: Add $1,425,000
Source: Appropriated State funds
Purpose: "Continue payment to GSA and planning/design work on 3,159 acres of lake property."

B. On 86-87 APIP

(9) Agency: Dept of Corrections
Project: Broad River Med. Security Inst-600 Beds (Priority #1)
Request: Establish project and budget
Amount: $24,000,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To provide 600 beds to reduce shortage of medium security bedspace (Nelson Agreement). Bond Committee agreed 7/22 to release of these 1986 bond funds and Department of Corrections advised this facility would be its first priority.

(10) Agency: Dept of Corrections
Project: Allendale Med. Security Inst-600 Beds (Priority #2)
Request: Establish project and budget
Amount: $28,500,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To provide 600 beds to reduce current shortage of medium security bedspace (Nelson Agreement). Bond Committee agreed by phone July 24 to release these 1986 bond funds.

(11) Agency: Dept of Corrections
Project: Marlboro Med. Security Inst-600 Beds (Priority #3)
Request: Establish project and budget
Amount: $30,000,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To provide 600 beds to reduce current shortage of medium security bedspace (Nelson Agreement). Bond Committee agreed by phone July 24 to release these 1986 bond funds.

(12A) Agency: Department of Corrections
Project: Shock Probation Unit - 96 beds (male)
Request: Establish project and budget
Amount: $684,532
Source: Other (court fees)
Purpose: To construct and equip a 96-bed shock probation center at the Wateree Correctional Institution as required by the Omnibus Crime Act.

(12B) Agency: Department of Corrections
Project: Shock Probation Unit - 24 beds (female)
Request: Establish project and budget
Amount: $221,415
Source: Other (court fees)
Purpose: To construct and equip a 24-bed shock probation center at the Women's Correctional Center on Broad River Road as required by the Omnibus Crime Act.

(13) Agency: Dept of Corrections
Project: Priority 7, Temporary Housing Units (288 Beds)
Request: Establish project and budget
Amount: $900,000
Source: Appropriated State funds (Capital Expenditure Fund)
Purpose: To provide for construction of three 96-bed temporary housing units at 3 existing correctional facilities. To be established as three separate projects.

(14) Agency: Dept of Corrections
Project: Priority 8, General Renovations
Request: Establish project & budget
Amount: $4,362,492
Source: $758,924 Capital Improvement Bonds (1986 authorization); $3,603,568 Approp. State (Capital Expenditure Fund).
Purpose: To provide for renovations to existing institutions to include kitchen repairs, roof repairs, providing barrier free facilities, paving, tile work and plumbing. Bond Committee agreed 7/22 to release these 1986 bond funds.

(15) Agency: Dept of Corrections
Project: Priority 9, Upgrade Security-Fencing
Request: Establish project & budget
Amount: $500,000
Source: Appropriated State funds (Capital Exp. Fund)
Purpose: To provide for upgrading security at three minimum security centers by adding barrier fencing.

C. Other

C. Other

(16) Agency: Budget and Control Board-General Services
Project: Robert Mills Bldg Parking Lot and Bldg Upfitting
Request: Establish project and budget
Amount: $335,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: Develop parking area, open Calhoun Street entrance and provide additional upfit allowance. Bond Committee agreed 7/22 to the release of these 1986 bond funds and to an allocation of this amount from the Board's **Bond** Contingency Revolving Fund. Committee staff indicated that these funds might be restored from funds which may not be required by the Calhoun Building Renovation project.

(17) Agency: School for the Deaf and the Blind
Project: Repair/Replace Two Boilers
Request: Establish project and budget
Amount: $63,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To replace 200 HP boiler and to repair 400 HP boiler. Bond Committee agreed 7/22 to release these 1986 bond funds which are a part of the $200,000 authorized to agency for "Improvements." (Different from BCB action July 15 which would have provided the $63,000 from the Bond Contingency Revolving Fund.)

18. Carried over to the next meeting its consideration of the following permanent improvement project establishment request which had been reviewed favorably by the Joint Bond Review Committee:

Agency: Department of Corrections
Project: Priority 4, SCDC Training Facility
Request: Establish project and budget
Amount: $2,700,000
Source: Appropriated State Funds (Capital Expenditure Fund)
Purpose: To provide 120-person training facility to allow the Department to conduct training instead of sending staff to the Criminal Justice Academy.

19. Received as information a report that the Joint Bond Review Committee did not act on most of the 160 new projects (aggregate budget of $128,539,912) included in the 1986-87 annual permanent improvement program (APIP) and that these new requests will be considered at the Bond Committee's August 28 meeting;

20. Adopted resolutions approving proposals to issue the following revenue bonds, on the condition that the required reviews are completed with satisfactory results, and allocated a portion of the State Ceiling to each project except (c):

(a) Local Government: Spartanburg County
Amount of Issue: $600,000 Industrial Development Revenue Note
Name of Project: Structofab, Inc.
Employment Impact: 60
Project Description: Manufacture reinforced fiberglass products

(b) Local Government: Spartanburg County
Amount of Issue: $650,000 Industrial Revenue Note
Name of Project: Holmberg Electronics Corporation
Employment Impact: 110 initially; 90 additional in future years
Project Description: Manufacture/assemble/distribute printed circuit card edge connectors

(c) Local Government: Charleston County
Amount of Issue: $12,000,000 Hospital Facilities Revenue Refunding Bonds
Name of Project: Baker Hospital
Project Description: Refunding and discharge of $11,235,000 bonds

(d) Local Government: Cherokee County
Amount of Issue: $1,800,000 Industrial Revenue Note
Name of Project: Clarkson Associates
Employment Impact: 50
Project Description: Warehouse/distribute textile products

21. Received as information the status report on the State Ceiling as of July 15, 1986, (year elapsed 54%) which showed:

	CY 1986 Ceiling	Allocated	(%)	Not Allocated	(%)
State Pool	$200,820,000	$27,263,000	(14%)	$173,197,000	(86%)
Local Pool	301,230,000	67,966,190	(23%)	233,263,810	(77%)
Total	$502,050,000	$95,589,190	(20%)	$406,460,820	(80%)

22. Allocated $9,500,000 of the State Ceiling to the North Charleston Redevelopment Commission Ben Tillman Homes multifamily housing project, under the terms of the pending Tax Reform Act of 1985;

23. Authorized the Office of Executive Director to purchase a data base management system for the Board's Data Center through the issuance of a request for proposals; approved the transfer and use of Retirement System funds to purchase this software; acknowledged that the Executive Director will request funds in 1987-88 to defray maintenance expenses of the

system; and authorized staff to seek General Assembly approval to reimburse the Retirement System for the initial data base management system purchase funds;

24. Approved the following encumbrances totaling $26,562 from the Civil Contingent Fund for fiscal year 1986-87:

Board of Economic Advisors (travel expenses of Chairman)	$3,500
B&C Board, OED, Microfilm/bind Board minutes/exhibits	2,000
B&C Board, meetings	4,000
Retirement Preretirement Advisory Board	350
Construction Advisory Committee	600
Governor's Youth Advisory Council	4,000
Committee/Hunger and Nutrition	2,501
NASBO Regional Meeting, SC Host	9,611

25. Received as information a report on Civil Contingent Fund receipts and disbursements during FY 1985-86;

26. Received as information a report by General Services Division Director Kelly on the Asbestos Task Force identifying major topics concerning asbestos abatement; authorized the Asbestos Task Force to assign subcommittees; and directed that the Asbestos Task Force make no commitment of funds until the Board has approved a standard procedure on the subject;

27. Approved the sale of a 1983 Crown Victoria (S), fair market appraised value $5,275 plus $263.75 sales tax, and office furniture, fair market appraised value $1,253 plus $62.65 sales tax, to Mr. James Reid who is retiring from the Industrial Commission;

28. Approved the Clemson University request to trade-in two VAX 780 computer systems at a value of $86,500 on the acquisition of a new system;

29. Exempted from the requirements of the Procurement Code service provider contracts awarded by the Health and Human Services Finance Commission funded from Federal Title XIX (Medicaid) which are for the direct provision of services to eligible clients where each client has freedom of choice to select a provider;

30. Granted procurement certification to the Health and Human Services Finance Commission within the parameters described in the audit report for the following limits (total potential purchase commitment to the State whether single- or multi-year contracts are used) for a period of two years: Service provider contracts funded from Social Services Block Grants, $750,000 per contract (service provider being a provider of services directly to a client); and consultants, $150,000 per contract;

31. Approved an increase in supplemental pay for members of the Department of Corrections emergency reserve platoons from $500 to $1,000 per year and approved the addition of 121 employees to the reserve platoons;

32. Authorized the Department of Mental Health to pay the following moving expenses:
    (a) Edward Waller, Ph.D., Clinical Psychologist, not to exceed $3,000;
    (b) Dr. Kenneth Martin, Harris Hospital, $2,000;
    (c) Dr. Melissa Ring, Harris Hospital, $2,000;
    (d) Dr. John Stonecypher, State Hospital, $4,000; and
    (e) Dr. Lyle Wharton, State Hospital, $4,000.

33. Authorized the Department of Mental Retardation to pay $593.59 of the moving costs of Dr. Lewis F. Gold;

34. Approved the travel of College of Charleston staff member Jorge Marban to Caracas, Venezuela during the May 27-June 13, 1986, period at an estimated cost of $1,514.65 of which $1,400 will be paid from State-appropriated funds;

35. Directed that a study of the impact of the federal tax reform proposal on South Carolina revenue collections be undertaken;

36. Agreed to hold a regular meeting at 2 p.m. on Wednesday, August 13, 1986, in the Governor's conference room in the State House;

37. Received as information a report by the Retirement System on an insurance contractual matter and on a flexible benefits plan;

38. Appointed Ms. Joan Johnakin to the Deferred Compensation Commission (term to expire August 10, 1988) as a replacement member for Col. H. A. Jenkins; and reappointed Mr. Eugene Klugh to a three-year term (to expire August 10, 1989);

39. Allocated $200,000 from the Civil Contingent Fund to the Governor's Office until January 1987 to establish a revolving fund/line of credit to finance the acquisition of hay, on the understanding that none of the funds would be used until formal mechanics of the program have been approved by the Board;

40. Completed its performance evaluation of Division Directors;

41. Approved unclassified salary increases for the following USC-Aiken employees effective July 29, 1986: Thomas L. Hallman, 17.08%; and Mary L. Hudson, 11.7%; and approved an increase of 11.65% for Martha R. Constantino effective August 15, 1986;

42. Appointed the following to the Construction, Architect-Engineer, Construction Management, and Land Surveying Services Advisory Committee:

State Engineer	vacant
State Agency	David Rinker, USC
Engineer	John McPherson, Columbia
Banker	Joel A. Smith, Columbia
Contractor	E. W. Jerdon, North Myrtle Beach
Attorney	Walter H. Bundy, Jr., Charleston
Subcontractor	William S. Ivester, Sr., Greenville
Local Government	James D. Decker, Charleston
Architect	Kirk R. Craig, Greenville

43. Appointed James A. Morris as Chairman of the Board of Economic Advisors for fiscal year 1986-87; set the Chairman of that Board's salary at $8,000 for 1986-87; and allocated $8,000 from the Civil Contingent Fund for this purpose;

46. Directed the Department of Corrections to advertise its need for architectural and engineering services in connection with the 600-man prisons to be constructed in the Broad River Road area in Richland County, in Allendale County, and in Marlboro County, following Board approval of these projects at the present meeting;

47. Received as information a report that the Highways and Public Transportation Commission had set the salary of its Executive Director at $70,286 and had set the salaries of its Secretary-Treasurer and its State Highway Engineer; and

48. Ratified actions taken during executive session.

WAM/dw

MINUTES OF STATE BUDGET AND CONTROL BOARD MEETING

JULY 29, 1986 10:30 A. M.

The Budget and Control Board met at 10:30 a.m. on Tuesday, July 29, 1986, in the Governor's conference room in the State House with the following members in attendance:

Governor Richard W. Riley, Chairman;
Mr. Grady L. Patterson, Jr., State Treasurer;
Mr. Earle E. Morris, Jr., Comptroller General;
Representative Tom G. Mangum, Chairman, House Ways and Means Committee.

Senator Rembert C. Dennis, Chairman of the Senate Finance Committee, was absent. He was represented by Senate Finance Committee Vice Chairman James M. Waddell, Jr.

Also attending were:

Jesse A. Coles,Jr., Ph.D	Executive Director
William A. McInnis	Secretary
Eugene A. Laurent, Ph.D.	Deputy Executive Director
Katherine M. Hepfer	Governor's Executive Assistant
Joseph A. Wilson, II	Chief Deputy Attorney General
Charles H. Smith	Special Projects Administrator
Donna K. Williams	Assistant to Board Secretary
Other Board staff	

[Secretary's Note: This Board meeting was held immediately following a meeting of the State Education Assistance Authority, the members of which are Budget and Control Board members, ex officio. Also, Mr. Patterson presided over the first part of the meeting in the absence of Governor Riley who was meeting a train loaded with hay donated to the dairy farmers of South Carolina by Midwestern farmers to help keep livestock alive during the severe drought now being experienced throughout the Southeast.]

Blue Agenda

In response to Senator Waddell, General Services Division Director Richard W. Kelly assured Board members that the Division will check with local planning commissions on requests for rights-of-way.

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved all items on the blue agenda. Blue agenda items are identified as such in these minutes.

General Services: Right-of-way Easements (Blue Agenda #1)

The Division of General Services recommended approval of the following right-of-way easements which had been approved by the Attorney General's Office and, upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved them::

(a) To South Carolina Electric & Gas Company to install, operate and maintain a 115KV aerial transmission line at three locations across Battery Creek in Beaufort County ($590 paid for the 2.950 acres);

(b) From Forestry Commission to the Grand Strand Water and Sewer Authority to upgrade water and sewer service at the Myrtle Beach State Park;

(c) To Central Electric Power Cooperative, Inc., to construct, operate and maintain a 115KV aerial transmission line over Shaw Creek to deliver power to a new distribution substation being added to the Aiken Electric Cooperative in Aiken County ($10.40 paid for the 0.052 acre);

(d) To Lakewood Mobile Home Estates (authorized 12/17/85) to install a sanitary sewer line across State-owned land fronting on Platt Springs Road; and

(e) To the Department of Highways and Public Tranportation to improve Roads S-20 and S-540 in Marion County; and a 50-foot triangular area at the intersection of Roads S-760 and S-540.

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

Nolas Trading Company: Petition for Declaratory Ruling (Blue Agenda #2)

The Board received as information a report that the Attorney General's Office will respond to the Nolas Trading Company petition for a declaratory ruling by the Board on its authority to promulgate Regulation 19-450 relating to the issuance of permits for construction in navigable waters.

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

University of South Carolina: Fee Increases (Blue Agenda #3)

The University of South Carolina advised of fee increases which are expected to generate the following amounts:

Columbia	$4,837,000
Medical School	50,000
4-year campuses	1,100,000
1-year campuses	400,000
Total	$6,387,000

The Board received as information a report that the University of South Carolina will increase fees effective for the Fall 1986 academic term which

are estimated to produce $4,837,000 in additional revenue for the Columbia campus and a total of $6,387,000 for the entire USC system.

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

Lander College: Additional Fee Increase (Blue Agenda #4)

On the May 27, 1986, blue agenda, the Board was advised of a $150 per year Educational and General fee increase for Lander College for fiscal year 1986-87.

At that time, Lander indicated that the fee increase was based on the appropriation level recommended by the Senate Finance Committee. Since the appropriation level was reduced by the Conference Committee and by the Governor, Lander requested approval of an additional $50 per year increase which was granted by the State College Board of Trustees on July 9.

The Board received as information a report that Lander College will increase Educational and General fees by an additional $50 (total fee increase of $200 per year) effective in the Fall 1986 semester.

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

Human Resource Management: Unclassified Academic Employees Increases (B5)

At its meeting on June 10, 1986, on the condition the Attorney General's Office found it legally permissible, the Board delegated to the Director of the Division of Human Resource Management authority to approve promotional salary increases of 10% or less for unclassified academic employees, in accord with pertinent provisions of the applicable appropriations act.

The Division advised that the Attorney General's Office has determined:

(a) that general salary increases for unclassified academic employees in excess of the amounts designated in the appropriations act would require approval by the Budget and Control Board; and

(b) that authority to approve promotional increases could be delegated to the Director of Human Resource Management.

The revised policy reads as follows:

Effective this date, the Budget and Control Board delegated authority to the Director of the Division of Human Resource Management to approve promotional salary increases of 10% or less for unclassified academic employees. Any promotional increase in excess of 10% will be submitted to the Board for consideration.

All such requests are to be approved according to pertinent provisions of the applicable Appropriations Act.

The Board received as information the report that the Attorney General's Office had determined that the Board can delegate to the Division of Human Resource Management the authority to approve promotional salary increases of 10% or less for unclassified academic employees, in accord with pertinent provisions of the applicable appropriations act, and revised the policy adopted at the June 10, 1986, meeting accordingly.

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

Executive Director: Permanent Improvement Projects (Blue Agenda #6)

The Board received as information a report that the following permanent improvement project actions had been reviewed favorably by the Joint Bond Review Committee and approved by staff: On Summary 1-87, Items 1, 3 through 7, 9, 10, 12, 15, 18, 19 and 39 (involving Francis Marion, USC, MUSC, Opportunity School, Mental Retardation, Corrections, Agriculture, Patriots Point, and Aeronautics).

The Board received as information a report that the following permanent improvement project actions had been approved by staff and that Joint Bond Review Committee review is not required: On Summary 1-87, Items 21 through 38 (involving The Citadel, Winthrop, Technical & Comprehensive Education, Mental Retardation, Youth Services and Parks, Recreation & Tourism).

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

Executive Director: Interviewee Travel Expense Reimbursement (Blue #7)

The Board received as information reports on the reimbursement of interviewee travel expenses by Francis Marion College (5); College of Charleston (12); Clemson University (15); and Mental Health.

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

Executive Director: 1986 Capital Improvement Bonds Spendout Plans (B#8)

For use when the Board and the Bond Committee get into scheduling the capital improvement bond funds authorized in 1986, the Board was advised that staff had assembled agency forecasts of when they would like to draw these funds. This analysis included the following authorizations:

(a) Act 538 of 1986		$160,554,361
(b) Act 547 of 1986	96,000,000	
Less Capital Expend. Fund	12,741,076	
		83,258,924
Total		$243,813,285

The Board was advised that agencies have asked for the following in their spend-out plans:

Year	Amount (Millions)
FY 1986-87 (Priority Groups 9 & 10)	73.8
FY 1987-88 (Priority Groups 11 & 12)	107.1
FY 1988-89 (Priority Groups 13 & 14)	47.1
After FY 1988-89	15.8
Total	243.8

The Board received as information the report on agency spendout plans on 1986 capital improvement bond funds.

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

Budget and Control Board: Minutes of Previous Meeting

Board members previously had been furnished with a draft version of the minutes of the Budget and Control Board meeting held on July 15, 1986.

Upon a motion by Mr. Morris, seconded by Mr. Mangum, the Board approved the minutes of the July 15, 1986, Budget and Control Board meeting.

Budget Division: Adjustments to Authorized FTE Position Base (Reg #1)

The Budget Division advised that the Joint Legislative Committee on Personal Service Financing and Budgeting, on July 23, 1986, recommended the addition of 40.15 full-time-equivalent positions (27.30 state, 7.20 federal and 5.65 other) for the following agencies:

	Total FTE Positions	State FTE Positions	Fed FTE Positions	Other FTE Positions
Francis Marion College	13.50	10.50	0.00	3.00
State Housing Authority	2.00	0.00	1.00	1.00
School for Deaf/Blind	1.65	0.00	0.00	1.65
Dept. of Social Services	17.00	10.80	6.20	0.00
John de la Howe School	6.00	6.00	0.00	0.00
Total	40.15	27.30	7.20	5.65

Senator Waddell, who also serves as chairman of the Joint Committee on Personal Service, noted that the State government is rapidly approaching the statutory limit on employees and that, unless alternative approaches like contracting for the performance of services are taken, it likely will face by 1990 requirements for some 700 more employees than the limitation would allow. Mr. Mangum suggested that perhaps the Board should start now to not approve additional positions and Senator Waddell stated that the ones under consideration at this meeting are the last his Committee is likely to feel are necessary this year.

Dr. Coles pointed out that the nine-month limitation on vacancies will help reduce the current figure. He also said that agencies are attempting to skirt this requirement by various means. He stated that 2,300 positions were dropped the last time this particular reconciliation was done.

Senator Waddell advised Mr. Mangum that the five agencies involved in this request had justified the positions involved. He also expressed the view that his Committee would not be approving any additional positions unless a dire State emergency were to arise.

Following this discussion, upon a motion by Mr. Morris, seconded by Senator Waddell, the Board, on the recommendation of the Joint Legislative Committee on Personal Service Financing and Budgeting as a result of its meeting of July 23, 1986, approved the addition of 40.15 authorized

full-time-equivalent positions (27.30 state, 7.20 federal and 5.65 other), including 13.5 for Francis Marion College, 2 for State Housing Authority, 1.65 for School for the Deaf and the Blind, 17 for DSS, and 6 for John de la Howe School.

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

Clemson University (PSA): Civil Contingent Fund Allocation Request (R#2)

The Board was advised in the agenda materials that Clemson University Acting Vice President Benton Box had forwarded a request for an allocation of $60,000 from the Civil Contingent Fund to finance extension and research efforts dealing with fire ants which included:

$17,000		New truck
3,000		Miscellaneous equipment, supplies, travel
	$20,000	Subtotal, Research
$30,000		10,000 pounds of fire ant bait
5,000		20 bait spreaders
5,000		Supplies and travel
	40,000	Subtotal, Extension
	$60,000	Total

The Board was reminded that this item had been carried over at the July 15 meeting.

Appearing before the Board on this matter were Rep. James E. Lockemy, Dillon County, and Clemson staff members Wade Green and Professor Paul M. Horton.

Rep. Lockemy observed that South Carolina does the least of any state in the southeast to control imported fire ants. He also advised that South Carolina is hosting a meeting Monday with legislators from southeastern states on the fire ant problem and he expressed a desire to be able to show them that South Carolina is doing its part on this problem.

[Secretary's Note: Governor Riley joined the meeting at this point and assumed the chair.]

Mr. Mangum expressed concern about the status of the Civil Contingent Fund in light of the serious drought and heat conditions now prevailing with the

resulting possibility of other agricultural needs. He indicated that he felt obligated to help Clemson in some way on this problem and he asked Mr. Green if the Board's approval of funding transfers within the Public Service Activities appropriation would help. In response, Mr. Green stated that Clemson would abide by the wishes of the Board but he expressed the opinion that the extension service has experienced drastic cuts in its federal funding support and that it is in dire straits.

In response to Mr. Mangum's inquiry, Professor Horton and Mr. Green advised that the $17,000 truck included in the proposal is needed to haul a tractor, water tanks and scales. They stated that a 1977 or 1978 Dodge truck now is being used for this purpose and that it has over 100,000 miles on it.

In response to Mr. Patterson's inquiry on the legislative history on the question of support for fire ant research, Mr. Green stated that the matter has not been addressed and that most of the funds made available thus far has been for studies. He said that Texas spends about $7 million on fire ant research and that the $60,000 requested is primarily an education program.

Professor Horton stated that there are serious fire ant infestations in about two-thirds of the the State with the heaviest infestations being found in the coastal plain area. He also pointed out that the use of Prodrone is being proposed because it is environmentally safe although it is slow.

Governor Riley agreed with Mr. Mangum's concern about the status of the Civil Contingent Fund in light of the drought conditions facing the State and suggested that the Board consider approving an allocation of $30,000 from that Fund and indicate a willingness to consider transfers of funds for this purpose.

Rep. Lockemy again called attention to the meeting on the fire ant problem which South Carolina is coordinating and which is to open early Monday morning and he suggested that the Board approve $40,000 to cover the bait and spreader costs.

Mr. Morris then moved that the Board approve an allocation of $40,000 for the Civil Contingent Fund to Clemson University PSA for the fire ant program proposed and that Clemson later ask for Board approval of transfers to provide the other funds needed.

Mr. Mangum and Governor Riley again expressed concern about other agricultural requests.

Following this discussion, upon a motion by Mr. Mangum, seconded by Mr. Patterson, the Board allocated $30,000 from the Civil Contingent Fund to finance Clemson University extension and research efforts dealing with fire ants and recognized a potential need to transfer up to $30,000 of appropriated funds for these purposes.

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

College of Charleston: 9 Liberty St/Dormitory/Misapplication of Funds (R3)

Appearing before the Board on this matter were College of Charleston President Harry M. Lightsey, Jr., State College Board of Trustees Chairman Joe Berry and staff member Daniel Dukes.

(a) Purchase of 9 Liberty Street Building

The Board was advised in the agenda materials that the Bond Committee, at its July 22 meeting, reviewed favorably the College of Charleston proposal to purchase the 9 Liberty Street Building now being leased by the College to house computer services and computer sciences departments with the financing arrangements to be approved by the Board. The Committee also reviewed favorably the establishment of this permanent improvement project.

The College advised, in the agenda materials, that the owner has agreed to sell the building to the College for $2,250,000, which the owner considers is at least $750,000 below the appraised value. The College also indicated that the owner has agreed to finance the sale of the building at an interest rate of 70% of the prime rate. At current interest rates, the annual payments to the owner to buy the building would be less than the annual lease payments now being paid, according to the College.

The Board also was advised in the agenda materials that $2,250,000 of capital improvement bonds were authorized for this purpose in the 1986 general bond act but the Bond Committee took no action to release these funds at its July 22 meeting.

Dr. Coles recommended that the Board approve the College of Charleston project to acquire the 9 Liberty Street Building and that it authorize the State Treasurer to determine the best way to finance the acquisition.

Mr. Patterson suggested that the Board authorize the outright purchase of the building using bond funds which he said is the most economical way of handling the transaction.

Senator Waddell and Mr. Morris noted that the bond funds authorized for this purpose have not yet been put onto the priority schedule by the Bond Committee and the Board and President Lightsey called attention to the September 15 deadline set by the owner for tax reasons.

Governor Riley noted the contribution being offered by the building owner and indicated his favorable view of the proposal for owner financing with an interest rate set at 70% of prime.

Mr. Patterson expressed his concern with the uncertainty about what the future interest rate would be under the owner financing proposal. Mr. Morris noted that the rate would change and President Lightsey pointed out that the owner had proposed a floor of 8% for the prime rate and a ceiling of 16%. Mr. Patterson observed that the bond funds involved in this transaction would not make any difference in the overall picture and he again urged that the Board authorize purchasing the building with bond funds and be done with it.

President Lightsey advised Senator Waddell that the owner would still give the $2,250,000 price even if bond funds are used to purchase the building immediately and he expressed the view that the owner is trying to help. He pointed out that the interest cap would be 11.2%.

Mr. Patterson then moved that the Board authorize the purchase of the 9 Liberty Street Building by the College of Charleston for $2,250,000 using capital improvement bond funds authorized for that purpose in the 1986 bond act. Mr. Mangum seconded Mr. Patterson's motion.

In the ensuing discussion, Senator Waddell again pointed out that these bond funds had not yet been prioritized or scheduled by the Bond Committee or the Board. President Lightsey expressed concern about missing the September 15 date set by the owner. Governor Riley, saying that the private financing idea appeals to him, suggested the possibility of recommending that the matter be handled through the use of bond funds but if the bond priority matter is not worked out by September 15 authorizing the College to go ahead with the owner financing approach. President Lightsey said that there is a commitment to allow prepayment without penalty. Senator Waddell suggested approving the

purchase and advising the Bond Committee of a need to schedule the availability of the funds within two years.

Mr. Patterson called attention to Bond Committee Chairman Smith's letter on this project in which Senator Smith stated that the Bond Committee had approved the purchase of the 9 Liberty Street Building contingent upon the Board's determining whether the proposed private financing option would be more desirable than financing the project with State bonds.

Senator Waddell again observed that the bond funds for this project were not prioritized. Mr. Mangum suggested that Senator Smith's letter indicated confidence that these funds would be at the top of the priorities.

Mr. Patterson again moved that the Board approve paying for the building from bond funds and Mr. Mangum again seconded his motion.

Mr. Morris proposed an amendment of Mr. Patterson's motion to provide that the purchase of the 9 Liberty Street Building be owner financed with interest set at 70% of prime for a period not to exceed two years and, as soon as a priority could be given, to finance the purchase from bonds.

Mr. Patterson rejected Mr. Morris' proposed amendment, describing it as not being a reasonable substitute.

Governor Riley suggested that the Board send the matter back to the Bond Committee expressing a preference for bond financing and asking the Committee to approve the use of bond funds or to send it back to the Board it prior to September 15. After he was advised that the Bond Committee is scheduled to meet August 28, Governor Riley suggested sending the item for Bond Committee consideration at that meeting.

Mr. Patterson expressed his disagreement with approaches other than the use of bond funds because the costs in the long term cannot be known and because the general obligation bond route is cheaper. He referred again to Chairman Smith's letter which asked the Board to determine if the private financing option would be more desirable than bond financing as a basis for the Board to recommend the use of the bonds.

Senator Waddell stated that Mr. Patterson's interpretation of Chairman Smith's letter was a rather broad one and he indicated that he did not like being put into this spot as a result of Mr. Patterson's view.

Governor Riley assured President Lightsey that the project will be approved one way or another in advance of the September 15 deadline.

The Board then voted on the motion by Mr. Patterson, which had been seconded by Mr. Mangum, and Governor Riley announced that the Board, by a vote of 3 to 2 (with Senator Waddell and Mr. Morris voting against the motion), approved the College of Charleston project involving the purchase of the 9 Liberty Street Building and agreed to the release of $2,250,000 of 1986 capital improvement bond funds to finance this acquisition, after assuring the College that it will be in position to meet the building owner's September 15 deadline to complete the transaction.

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

(b) RFP for 300-bed Dormitory

Dr. Coles advised the Board that the College of Charleston also proposed a privatization approach to the acquisition of a 300-bed dormitory and that it had asked for authority to issue a request for proposals for the dormitory which would be constructed by the successful developer on a site leased from the College. As proposed, the developer would be responsible for all construction costs and for all operating and maintenance costs. The College would control design and operating policies through terms of the ground lease and, at the end of the 30- to 40-year lease period, the College would own the dormitory. The College indicated that no payments of any kind would be made by the College with the result that the proposal is not considered a typical lease/purchase arrangement. The developer would pay an annual fee to lease the site from the College.

Dr. Coles stated that the Board was asked to endorse the concept with the understanding that specific proposals would be brought back for approval. He reported that the Bond Committee had approved the concept as proposed and had, as a result, exempted this project from its moratorium on lease/purchase arrangements.

In the ensuing discussion, President Lightsey advised Mr. Patterson that the College would regulate the fees charged for this proposed dormitory which is to be a replacement dormitory. Governor Riley noted that the effect of the proposal is like financing the project with revenue bonds.

Mr. Morris then moved that the Board approve the concept as presented.

President Lightsey stated that the owner would be responsible for collecting the dorm rents although the College would have to approve the rates. He also said that the owner of the building would be responsible for repairs to the building and its maintenance generally but that the College would be responsible for security.

Following this discussion, Mr. Morris' motion was seconded by Mr. Patterson and Senator Waddell and the Board approved in concept the acquisition by the College of Charleston of a 300-bed dormitory in response to a request for proposals as an exception to the general policy of not approving lease/purchase arrangements pending completion of the study of the subject directed by the General Assembly, on the condition that specific proposals are to be brought to the Board for approval.

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

(c) "Ratification" of Misapplication of Bond Funds

Dr. Coles advised the Board that a procurement audit by General Services concluded that the College of Charleston had used $15,231.59 of capital improvement bond funds (or plant improvement fees) for purposes not authorized in the documents approved in setting the projects up. The audit directed the College to inform the Board and the Bond Committee of the misuse of funds so these bodies can determine what action is appropriate.

Dr. Coles reported that the College did go through the process to gain approval of the use of the funds involved for the particular site work undertaken and had gotten the State Engineer's approval of a change order to accomplish the work but that the procedure followed by the College and by the State Engineer's Office was not the proper one for accomplishing what actually was a change of the scope of a site improvement project.

The Bond Committee received the report as information.

Upon a motion by Mr. Patterson, seconded by Senator Waddell, the Board received as information a General Services report on the misapplication of $15,231.59 in a College of Charleston permanent improvement project.

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

Executive Director: Transfer of Capital Expenditure Fund Account (Reg #4)

The Board was advised in the agenda materials that staff proposed that the $12,741,076 of capital expenditure funds designated for particular projects be transferred from Board accounts to those of the State Treasurer's Office. Staff also pointed out that, if the transfer is approved, the State Treasurer's Office would handle draws of these funds in the same way capital improvement bond funds are handled which is intended to make it possible to track the use of these funds in detail.

Dr. Coles emphasized that the undesignated capital expenditure fund was not proposed for transfer and that only after the capital expenditure fund has been designated for particular projects or purposes by the General Assembly is it to be transferred to Treasurer's Office accounts.

Upon a motion by Mr. Patterson, seconded by Mr. Mangum, the Board approved the transfer of the $12,741,076 capital expenditure fund account designated for particular projects by the General Assembly from the Board to the State Treasurer's Office.

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

Executive Director: Permanent Improvement Projects (Regular #5)

The Board without objection agreed to add to the agenda two Department of Corrections projects to provide the shock probation units called for by the Omnibus Crime Act to be designated as items 12A and 12B.

Dr. Coles stated that the item is organized into three categories, A, B and C, the first of which asks for Board approval of the following permanent improvement project budget revisions (items 1 through 8) which had been reviewed favorably by the Joint Bond Review Committee:

A. On Summary 1-87:

(1) Item 2:

Agency: USC - Columbia

Project: 8156, Medical Science Bldg Renovation

Request: Increase budget to $1,760,000

Amount: Add $810,000

Source: Excess Debt Service ($533,827.97); Appropriated State ($265,207.43) & Renov. Reserve funds ($10,964.60)

Purpose: To complete renovations to the third floor of facility for use by Environmental Health Department.

(2) Item 8:

Agency: Mental Retardation

Project: 7854, Whitten-Renovation of Buildings

Request: Decrease budget to $801,500

Amount: Subtract $800,000

Source: Capital Improvement Bond funds (pre-1986)

Purpose: To transfer funds to new project in APIP, per proviso in the 1986 General Bond Act, which changed the purpose for which these previously-authorized funds may be used (now for Coastal Center Construction and Renovation).

(3) Item 11:

Agency: Mental Retardation

Project: 8831, Whitten-Four 16-Bed Facilities

Request: Increase budget to $1,600,000

Amount: Add $500,000

Source: Excess Debt Service funds

Purpose: To adjust for changes in construction cost estimates and to provide equipment/ supplies for the 64 beds.

(4) Item 13:

Agency: Dept of Corrections
Project: 7129, Midlands Food Service Warehouse
Request: Increase budget to $314,277
Amount: Add $291,000
Source: Appropriated State funds (Capital Expenditure Fund)
Purpose: To restore $200,000 previously transferred to project 9006, Emergency Temporary Buildings, and increase budget by $91,000 in order to complete project.

(5) Item 14:

Agency: Dept of Corrections
Project: 7423, Multipurpose Bldg-Spartanburg
Request: Increase budget to $916,000
Amount: Add $836,000
Source: Appropriated State funds (Capital Expenditure Fund)
Purpose: To restore funds previously transferred to project 8057, Kirkland Psychiatric Unit, and project 9006, Emergency Temporary Buildings. Represents application of Capital Expenditure funds.

(6) Item 16:

Agency: Dept of Corrections
Project: 7758, Lieber Center-Coastal Region
Request: Increase budget to $25,576,482
Amount: Add $500,000
Source: Appropriated State funds (Capital Expenditure Fund)
Purpose: To restore funds transferred for the completion of Perry Institution and allow the Department to complete this project. Represents application of Capital Expenditure funds.

(7) Item 17:

Agency: Dept of Corrections
Project: 8151, Manning Central Laundry Equipment
Request: Increase budget to $1,565,000
Amount: Add $1,200,000
Source: Appropriated State funds (Capital Expenditre Fund)
Purpose: To enable the Department to complete the laundry facility to retain state agency contracts and provide work for inmates. Represents application of Capital Expenditure funds.

(8) Item 20:

Agency: Clarks Hill-Russell Authority
Project: 8395, Little River/Buffalo Creek Development
Request: Increase budget to $4,625,000
Amount: Add $1,425,000
Source: Appropriated State funds
Purpose: "Continue payment to GSA and planning/design work on 3,159 acres of lake property."

Upon a motion by Mr. Patterson, seconded by Senator Waddell, the Board approved the referenced eight project budget revisions following their favorable review by the Joint Bond Review Committee.

Mr. Mangum asked that the Department of Corrections be asked to report on progress on the construction of temporary (barracks) housing units.

Dr. Coles then advised that the B category of proposals involve new project proposals of the Department of Corrections which were included in that agency's Annual Permanent Improvement Program (APIP) for 1986-87 (including the two items, 12A and 12B, added to the agenda by the Board) all of which had been reviewed favorably by the Joint Bond Review Committee at its July 22 meeting, as follows:

B. On 86-87 APIP

(9) Agency: Dept of Corrections
Project: Broad River Med. Security Inst-600 Beds (Priority #1)
Request: Establish project and budget
Amount: $24,000,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To provide 600 beds to reduce the shortage of medium security bedspace (Nelson Agreement). Bond Committee agreed 7/22 to release of these 1986 bond funds. See Leeke letter in attachment on this priority.

(10) Agency: Dept of Corrections
Project: Allendale Med. Security Inst-600 Beds (Priority #2)
Request: Establish project and budget
Amount: $28,500,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To provide 600 beds to reduce the current shortage of medium security bedspace (Nelson Agreement). (Note: Board staff was advised that Bond Committee had agreed by phone on Thursday, July 24, to release these 1986 bond funds.)

(11) Agency: Dept of Corrections
Project: Marlboro Med. Security Inst-600 Beds, Priority #3)
Request: Establish project and budget
Amount: $30,000,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To provide 600 beds to reduce the current shortage of medium security bedspace (Nelson Agreement). (Note: Board staff was advised that the Bond Committee agreed by phone on Thursday, July 24, to release these 1986 bond funds.)

(12) Agency: Dept of Corrections
Project: Priority 4, SCDC Training Facility
Request: Establish project and budget
Amount: $2,700,000
Source: Appropriated State funds (Capital Expenditure Fund)
Purpose: To provide a 120-person training facility which will allow the Department of Corrections to conduct its own staff training instead of sending staff to CJ Academy.

(12A) Agency: Department of Corrections
Project: Shock Probation Unit - 96 beds (male)
Request: Establish project and budget
Amount: $684,532
Source: Other (court fees)
Purpose: To construct and equip a 96-bed shock probation center at the Wateree Correctional Institution as required by the Omnibus Crime Act.

(12B) Agency: Department of Corrections
Project: Shock Probation Unit - 24 beds (female)
Request: Establish project and budget
Amount: $221,415
Source: Other (court fees)
Purpose: To construct and equip a 24-bed shock probation center at the Women's Correctional Center on Broad River Road as required by the Omnibus Crime Act.

(13) Agency: Dept of Corrections
Project: Priority 7, Temporary Housing Units (288 Beds)
Request: Establish project and budget
Amount: $900,000
Source: Appropriated State funds (Capital Exp. Fund)
Purpose: To provide for construction of three 96-bed temporary housing units at 3 existing correctional facilities. To be established as three separate projects.

(14) Agency: Dept of Corrections
Project: Priority 8, General Renovations
Request: Establish project & budget
Amount: $4,362,492
Source: Capital Improvement Bond funds, $758,924 (1986 authorization); $3,603,568 Appropriated State (Capital Expenditure Fund).
Purpose: To provide for renovations to existing institutions to include kitchen repairs, roof repairs, providing barrier free facilities, paving, tile work and plumbing. Bond Committee agreed 7/22 to release these 1986 bond funds.

(15) Agency: Dept of Corrections
Project: Priority 9, Upgrade Security-Fencing
Request: Establish project & budget
Amount: $500,000
Source: Appropriated State funds (Capital Exp. Fund)
Purpose: To provide for upgrading security at three minimum security centers by adding barrier fencing.

Following a discussion of these items, the Board, upon a motion by Mr. Morris, seconded by Mr. Patterson and Mr. Mangum, approved all of the referenced Department of Corrections new request projects included in that agency's Annual Program for 1986-87 except item 12, the Training Facility for which the General Assembly had appropriated $2,700,000 from the Capital

Expenditure Fund, and agreed to the immediate release of the 1986 capital improvement bond funds involved.

Board members asked that representatives of the Department of Corrections be invited to appear before the Board to discuss the Training Facility project and the cost differences among the three new prison projects which had been approved by the Bond Committee and the Board.

Dr. Coles then presented category C (items 16 and 17) which the Board without objection approved, as follows:

C. Other

(16) Agency: Budget and Control Board-General Services
Project: Robert Mills Bldg Parking Lot and Bldg Upfitting
Request: Establish project and budget
Amount: $335,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: Develop the parking area, open the Calhoun Street entrance and provide added upfit allowance. Bond Committee agreed 7/22 to the release of these 1986 bond funds and to an allocation of this amount from the Board's **Bond** Contingency Revolving Fund. The Committee's staff indicated that these funds might be restored from funds which may not be required by the Calhoun Building Renovation project.

(17) Agency: School for the Deaf and the Blind
Project: Repair/Replace Two Boilers
Request: Establish project and budget
Amount: $63,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To replace a 200 HP boiler and to repair a 400 HP boiler. The Bond Committee 7/22 agreed to release these 1986 bond funds which are a part of the $200,000 authorized to the agency for "Improvements." Note that this action is different from that taken by the Board on July 15 which would have provided the $63,000 from the Bond Contingency Revolving Fund.

(18) 1986-87 Annual Permanent Improvement Program (APIP)

The Board received as a information a report that the 1986-87 APIPs were to have been presented for Board approval at this meeting but that the Bond Committee at its July 22 meeting decided not to act on most of the 160 new projects requested

Staff reported that the 1986-87 APIPs include 160 new projects with an aggregate budget of $128,539,912 and that the aggregate program is spread

rather evenly among general maintenance, system upgrades, repair/renovation, new construction and other catgories.

The Board was advised that the Bond Committee is to review these projects at its August 28 meeting.

The Board received as information a report that the Joint Bond Review Committee did not act on most of the 160 new projects (aggregate budget of $128,539,912) included in the 1986-87 annual permanent improvement program (APIP) and that these new requests will be considered at the Bond Committee's August 28 meeting.

The Board carried over to the next meeting its consideration of the following permanent improvement project establishment request (item 12) which had been reviewed favorably by the Joint Bond Review Committee:

Agency:	Department of Corrections
Project:	Priority 4, SCDC Training Facility
Request:	Establish project and budget
Amount:	$2,700,000
Source:	Appropriated State Funds (Capital Expenditure Fund)
Purpose:	To provide 120-person training facility to allow the Department to conduct training instead of sending staff to the Criminal Justice Academy.

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

Executive Director: Private Activity Bonds; Ceiling Allocations (Reg #6)

The Board was advised that the required reviews on the following local government proposals to issue revenue bonds had not yet been completed and asked that the Board give conditional approval to the requests.

The Board was further advised that each of the projects requires approval under State law. An allocation of a portion of the Ceiling is requested for items (a), (b) and (d). Item (c) does not require an allocation.

(a) Local Government:	Spartanburg County
Amount of Issue:	$600,000 Industrial Development Revenue Note
Name of Project:	Structofab, Inc.
Employment Impact:	60
Project Description:	Manufacture reinforced fiberglass products

(Exhibit 16.)

(b) Local Government: Spartanburg County
Amount of Issue: $650,000 Industrial Revenue Note
Name of Project: Holmberg Electronics Corporation
Employment Impact: 110 initially; 90 additional in future years
Project Description: Manufacture, assembly and distribution of printed circuit card edge connectors
(Exhibit 17.)

(c) Local Government: Charleston County
Amount of Issue: $12,000,000 Hospital Facilities Revenue Refunding Bonds
Name of Project: Baker Hospital
Project Description: Refunding and discharge of $11,235,000 bonds
(Exhibit 18.)

(d) Local Government: Cherokee County
Amount of Issue: $1,800,000 Industrial Revenue Note
Name of Project: Clarkson Associates
Employment Impact: 50
Project Description: Warehouse/distribute textile products
(Exhibit 19.)

Upon a motion by Senator Waddell, seconded by Mr. Morris, the Board adopted resolutions approving proposals to issue the following revenue bonds, on the condition that the required reviews are completed with satisfactory results, and allocated a portion of the State Ceiling to each project except (c): (a) Spartanburg County, $600,000 Industrial Development Revenue Note on behalf of Structofab, Inc.; (b) Spartanburg County, $650,000 Industrial Revenue Note on behalf of Holmberg Electronics Corporation; (c) Charleston County, $12,000,000 Hospital Facilities Revenue Refunding Bonds, Baker Hospital; (d) Cherokee County, $1,800,000 Industrial Revenue Note, Clarkson Associates.

Information relating to this matter has been retained in these files and is identified as Exhibits 16 through 19, respectively.

The Board was provided with a status report on the State Ceiling as of July 15, 1986, (year elapsed 54%) which showed:

	CY 1986 Ceiling	Allocated	(%)	Not Allocated	(%)
State Pool	$200,820,000	$27,263,000	(14%)	$173,197,000	(86%)
Local Pool	301,230,000	67,966,190	(23%)	233,263,810	(77%)
Total	$502,050,000	$95,589,190	(20%)	$406,460,820	(80%)

The Board received as information the status report on the State Ceiling as of July 15, 1986.

Information relating to this matter has been retained in these files and is identified as Exhibit 20.

North Charleston Redevelopment Commission: Multifamily Housing Bonds (Reg #7)

The Board was advised that the North Charleston Redevelopment Commission had requested an allocation of $9,500,000 of the State Ceiling for the Ben Tillman Homes project which will provide residential redevelopment consisting of 474 units of rental residential property in North Charleston.

This allocation was requested under the terms of pending Tax Reform Act of 1985. It was proposed in accord with the procedure adopted by the Board at the July 15 meeting.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board allocated $9,500,000 of the State Ceiling to the North Charleston Redevelopment Commission Ben Tillman Homes multifamily housing project, under the terms of the pending Tax Reform Act of 1985.

Information relating to this matter has been retained in these files and is identified as Exhibit 21.

Executive Director: Data Base Management System (Regular #8)

In the agenda materials, Deputy Executive Director Griswold advised of a proposal to purchase a Data Base Management System for the Data Center now a part of the Executive Director's Office. He noted that the system will enhance the productivity of all users of the system substantially and will be especially valuable to the Retirement System in redesigning and programming the health insurance system.

Dr. Coles reviewed the following proposed actions by the Board which were listed in the agenda materials:

(a) Approve the issuance of a request for proposals for purchasing the data base management system;

(b) Approve the transfer and use of Retirement System funds to purchase the software;

(c) Acknowledge that the Office of Executive Director will request funds in 1987-88 to defray maintenance expenses of the system;

(d) Authorize staff to seek General Assembly approval to reimburse the Retirement System for the initial purchase funds.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board authorized the Office of Executive Director to purchase a data base management system for the Board's Data Center through the issuance of a request for proposals; approved the transfer and use of Retirement System funds to purchase this software; acknowledged that the Executive Director will request funds in 1987-88 to defray maintenance expenses of the system; and authorized staff to seek General Assembly approval to reimburse the Retirement System for the initial data base management system purchase funds.

Mr. Mangum asked why the Retirement System should be reimbursed for the purchase of this system and Dr. Coles pointed out that Retirement is only one of the users of the system and that other users are expected to pay.

Information relating to this matter has been retained in these files and is identified as Exhibit 22.

Executive Director Civil Contingent Fund Encumbrances (Regular #9)

The Board was advised that the following encumbrances of Civil Contingent Fund monies were requested for fiscal year 1986-87:

Board of Economic Advisors (travel expenses)	$ 3,500
B&C Board, OED, microfilm/bind Board minutes/exhibits	2,000
B&C Board, meetings	4,000
Retirement Preretirement Advisory Board	350
Construction Advisory Committee	600
Governor's Youth Advisory Council	4,000
Committee/Hunger and Nutrition	2,501
NASBO Regional Meeting, SC Host	9,611
	$26,562

The Board was provided with a report on Civil Contingent Fund receipts and disbursements during fiscal year 1985-86.

The Board was advised that the 1986-87 appropriation is $494,624.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved the requested encumbrances totaling $26,562 and received as information the

report on Civil Contingent Fund receipts and disbursements during fiscal year 1985-86.

Information relating to this matter has been retained in these files and is identified as Exhibit 23.

General Services: Asbestos Task Force (Regular #10)

Division Director Richard Kelly appeared before the Board on this matter. He advised the Board that the task force had met on June 19 and that it had a common goal but the fifteen or so who attended had various agendas. He proposed the formation of subcommittees in the following areas: legal; survey; funding; and training. He said that the final report of the task force is expected about September 15. Board members urged that the matter be studied very carefully and Governor Riley urged that no commitment be made to any part of the problem until an overall priority had been formulated.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board received as information a report by General Services Division Director Kelly on the Asbestos Task Force identifying major topics concerning asbestos abatement; authorized the Asbestos Task Force to assign subcommittees; and directed that the Asbestos Task Force make no commitment of funds until the Board has approved a standard procedure on the subject.

Information relating to this matter has been retained in these files and is identified as Exhibit 24.

General Services: Sale of Property to Retiree (Industrial Comm.) (Reg #11)

The Division of General Services advised that an Industrial Commission employee (James Reid) is retiring from State service and requests authorization to purchase the vehicle and office furniture assigned to him.

The Division reported that the 1983 Crown Victoria (S) fair market appraised value is $5,275 plus $263.75 sales tax.

The office furniture fair market appraised value is $1,253 plus $62.65 sales tax.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board approved the sale of a 1983 Crown Victoria (S), fair market appraised value $5,275 plus $263.75 sales tax, and office furniture, fair market appraised value $1,253

plus $62.65 sales tax, to Mr. James Reid who is retiring from the Industrial Commission.

Information relating to this matter has been retained in these files and is identified as Exhibit 25.

General Services: Information Technology Equipment (Clemson) (Reg#12)

The Division of General Services advised that Clemson University wished to trade in older model VAX computers for a newer, more efficient system.

The Division advised that, due to software and peripheral compatibility, Clemson must purchase a Digital Equipment Corporation (DEC) system and that DEC will grant a $68,100 discount on the new equipment.

The Division further advised that DEC has offered a trade-in value equal to 83% of the original cost and that the trade-in value is over twice the value of the equipment on the open, used market.

The Division recommended approval of the trade-in.

Total cost of new system	$446,500.00
Discount	-68,100.00
Trade-in	-86,500.00
Balance (excluding tax and insurance)	$291,900.00

Upon a motion by Mr. Patterson, seconded by Senator Waddell, the Board approved the Clemson University request to trade-in two VAX 780 computer systems at a value of $86,500 on the acquisition of a new system.

Information relating to this matter has been retained in these files and is identified as Exhibit 26.

General Services: Procurement Code Exemption Request (Regular #13)

In accord with Section 11-35-170 of the Consolidated Procurement Code, the Division of General Services recommended the following exemption:

> Service provider contracts awarded by the Health and Human Services Finance Commission that are funded from Federal Title XIX (Medicaid) which are for the direct provision of services to eligible clients where each client has freedom of choice to select a provider.

Dr. Coles advised the Board that this proposal had been reviewed with State Auditor Vaughn who had expressed no objection to it.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board exempted from the requirements of the Procurement Code service provider contracts awarded by the Health and Human Services Finance Commission funded from Federal Title XIX (Medicaid) which are for the direct provision of services to eligible clients where each client has freedom of choice to select a provider.

Information relating to this matter has been retained in these files and is identified as Exhibit 27.

General Services: Procurement Certification, HHSFC (Regular #14)

The Board was advised that, in accord with Section 11-35-1210 of the Consolidated Procurement Code, the Division of General Services has audited the Health and Human Services Finance Commission's procurement system and recommends its certification within the parameters described in the audit report for the following limits (total potential purchase commitment to the State whether single- or multi-year contracts are used) for a period of two years: Service provider contracts funded from Social Services Block Grants, $750,000 per contract (service provider being a provider of services directly to a client; and consultants, $150,000 per contract.

Upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board granted procurement certification to the Health and Human Services Finance Commission within the parameters described in the audit report for the following limits (total potential purchase commitment to the State whether single- or multi-year contracts are used) for a period of two years: service provider contracts funded from Social Services Block Grants, $750,000 per contract (service provider being a provider of services directly to a client); and consultants, $150,000 per contract.

Information relating to this matter has been retained in these files and is identified as Exhibit 28.

Human Resource Mgmt: Emergency Platoons Supplemental Pay (SCDC) (#15)

The Division of Human Resource Management advised that the Department of Corrections had requested authorization to increase the supplemental pay for members of the Emergency Reserve Platoons from $500 to $1,000 per year. The Department has also requested authorization to add 121 additional employees to the platoons.

The Department advised that, recently, it was necessary to deploy these emergency teams during disturbances at Kirkland, Perry, and Central Correctional Institutions. The Department expressed the belief that the specialized training and swiftness of action of the platoons, in large measure, help prevent disturbances from escalating into large-scale riots.

The Department advised that, to maintain specialized skills, platoon members participate in training exercises each month outside of normal work hours.

The Division recommended approval of the requests.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board approved an increase in supplemental pay for members of the Department of Corrections emergency reserve platoons from $500 to $1,000 per year and approved the addition of 121 employees to the reserve platoons.

Information relating to this matter has been retained in these files and is identified as Exhibit 29.

Mental Health: Moving Expenses (Regular #16)

Mental Health Commissioner Joseph J. Bevilacqua requested Board authorization to reimburse the following moving costs:

(a) Edward Waller, Ph.D., Clinical Psychologist, not to exceed $3,000;

(b) Dr. Kenneth Martin, Harris Hospital, $2,000;

(c) Dr. Melissa Ring, Harris Hospital, $2,000;
(d) Dr. John Stonecypher, State Hospital, $4,000; and
(e) Dr. Lyle Wharton, State Hospital, $4,000.

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board authorized the Department of Mental Health to reimburse the moving expenses as requested.

Information relating to this matter has been retained in these files and is identified as Exhibit 30.

Mental Retardation: Moving Expenses (Regular #17)

Mental Retardation Commissioner Charles D. Barnett requested Board authorization to pay Dr. Lewis F. Gold, San Antonio, Texas, $593.59 toward his moving costs which will be in excess of $10,000.

Dr. Barnett indicated that the Department has been trying for almost a year to recruit a Director of Professional Services and that an appropriate licensed and qualified in-state applicant has not been identified.

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board authorized the Department of Mental Retardation to reimburse $593.59 of the moving costs of Dr. Lewis F. Gold.

Information relating to this matter has been retained in these files and is identified as Exhibit 31.

College of Charleston: Foreign Travel (Regular #18)

The Board was advised that, on May 22, 1986, staff approved the travel of College of Charleston staff member Jorge Marban to Caracas, Venezuela during the May 27-June 13, 1986, period at an estimated cost of $1,514.65 of which $768 was to be paid from State-appropriated funds.

The College advised that approval of the $768 of State funds requested previously was incorrect and requested approval of an additional $632 in State funds. Of the $1,514.65 estimated total, $1,400 would be paid from State appropriated funds.

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved the travel of College of Charleston staff member Jorge Marban to Caracas, Venezuela during the May 27-June 13, 1986, period at an estimated cost of $1,514.65 of which $1,400 will be paid from State-appropriated funds.

Information relating to this matter has been retained in these files and is identified as Exhibit 32.

Comptroller General: Federal Tax Reform Proposal Impact on SC (Reg #19)

Comptroller General Earle E. Morris, Jr., in the agenda materials, noted that, as the Board had discussed at recent meetings, an appropriate study of the potential impact of the federal tax reform proposal on South Carolina revenue collections is needed now in order to have a more insightful perspective when beginning budget preparations for fiscal year 1987-88. He also noted that six months of the tax reform will impact significantly on the fiscal year beginning July 1, 1986.

Dr. Coles noted that several efforts on this are underway including work by the Board of Economic Advisors, the Tax Commission and the Tax Study Committee.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board directed that a study of the impact of the federal tax reform proposal on South Carolina revenue collections be undertaken.

Information relating to this matter has been retained in these files and is identified as Exhibit 33.

Budget and Control Board Future Meeting (Regular Session #20)

The Board agreed to hold a regular meeting at 2 p.m. on Wednesday, August 13, 1986, in the Governor's conference room in the State House.

Executive Session

Dr. Coles advised that the following items had been proposed for consideration during executive session: 2 contractual and 5 personnel. He asked that the Board add one personnel item to the proposed agenda.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the Board agreed to consider the items in executive session whereupon Governor Riley declared the meeting to be in executive session.

Ratification of Executive Session Actions

Following consideration of executive session items, the meeting was opened and, upon a motion by Mr. Patterson, seconded by Mr. Morris, the Board ratified the following actions which were taken during executive session:

(a) Received as information a report by the Retirement System on an insurance contractual matter and on a flexible benefits plan;

(b) Appointed Ms. Joan Johnakin to the Deferred Compensation Commission (term to expire August 10, 1988) as a replacement member for Col. H. A. Jenkins; and reappointed Mr. Eugene Klugh to a three-year term (to expire August 10, 1989);

(c) Allocated $200,000 from the Civil Contingent Fund to the Governor's Office until January 1987 to establish a revolving fund/line of credit to finance the acquisition of hay, on the understanding that none of the funds would be used until formal mechanics of the program have been approved by the Board;

(d) Completed its performance evaluation of Division Directors;

(e) Approved unclassified salary increases for the following USC-Aiken employees effective July 29, 1986: Thomas L. Hallman, 17.08%; and Mary L. Hudson, 11.7%; and approved an increase of 11.65% for Martha R. Constantino effective August 15, 1986;

(f) Appointed the following to the Construction, Architect-Engineer, Construction Management, and Land Surveying Services Advisory Committee:

State Engineer	vacant
State Agency	David Rinker, USC
Engineer	John McPherson, Columbia
Banker	Joel A. Smith, Columbia
Contractor	E. W. Jerdon, North Myrtle Beach
Attorney	Walter H. Bundy, Jr., Charleston
Subcontractor	William S. Ivester, Sr., Greenville
Local Government	James D. Decker, Charleston
Architect	Kirk R. Craig, Greenville

(g) Appointed James A. Morris as Chairman of the Board of Economic Advisors for fiscal year 1986-87; set the Chairman of that Board's salary at $8,000 for 1986-87; and allocated $8,000 from the Civil Contingent Fund for this purpose;

(h) Directed the Department of Corrections to advertise its need for architectural and engineering services in connection with the 600-man prisons to be constructed in the Broad River Road area in Richland County, in Allendale County, and in Marlboro County, following Board approval of these projects at the present meeting; and

(i) Received as information a report that the Highways and Public Transportation Commission had set the salary of its Executive Director at $70,286 and had set the salaries of its Secretary-Treasurer and its State Highway Engineer.

Upon a motion by Mr. Morris, seconded by Mr. Patterson, the meeting was adjourned at 1:30 p.m.

[Secretary's Note: In compliance with Code §30-4-80, public notice of and the agenda for this meeting were posted on bulletin boards in the office of the Governor's Press Secretary and in the Press Room in the State House, near the Board Secretary's office in the Wade Hampton Building, and in the lobby of the Wade Hampton Office Building at 3 p.m. on Friday, July 25, 1986.]

EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD AGENDA

MEETING OF July 29, 1986 ITEM NUMBER 1

AGENCY: General Services

SUBJECT: Right-of-way Easements

The Division of General Services recommends approval of the following right-of-way easements which have been approved by the Attorney General's Office:

(a) To South Carolina Electric & Gas Company to install, operate and maintain a 115KV aerial transmission line at three locations across Battery Creek in Beaufort County ($590 has been paid for the 2.950 acres);

(b) From the Forestry Commission to the Grand Strand Water and Sewer Authority to upgrade water and sewer service at the Myrtle Beach State Park;

(c) To Central Electric Power Cooperative, Inc., to construct, operate and maintain a 115KV aerial transmission line over Shaw Creek to deliver power to a new distribution substation being added to the Aiken Electric Cooperative in Aiken County ($10.40 has been paid for the 0.052 acre);

(d) To Lakewood Mobile Home Estates (authorized 12/17/85) to install a sanitary sewer line across State-owned land fronting on Platt Springs Road;

(e) To the Department of Highways and Public Tranportation to improve Roads S-20 and S-540 in Marion County; and a 50-foot triangular area at the intersection of Roads S-760 and S-540.

BOARD ACTION REQUESTED:

Approve the following right-of-way easements:

(a) To South Carolina Electric & Gas Company to install, operate and maintain a 115KV aerial transmission line at three locations across Battery Creek in Beaufort County; and

(b) From the Forestry Commission to the Grand Strand Water and Sewer Authority to upgrade water and sewer service at the Myrtle Beach State Park;

(c) To Central Electric Power Cooperative, Inc., to construct, operate and maintain a 115KV aerial transmission line over Shaw Creek to deliver power to a new distribution substation being added to the Aiken Electric Cooperative in Aiken County;

(d) To Lakewood Mobile Home Estates (authorized 12/17/85) to install a sanitary sewer line across State-owned land fronting on Platt Springs Road;

(e) To the Department of Highways and Public Tranportation to improve Roads S-20 and S-540 in Marion County; and a 50-foot triangular area at the intersection of Roads S-760 and S-540.

ATTACHMENTS:

Agenda item worksheets and attachments

01006

EXHIBIT

JUL 29 1986 NO. 1

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for: STATE BUDGET & CONTROL BOARD X *Blue Agenda*
Regular Session Agenda
July 29, 1986 *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: Richard W. Kelly, Director

2. *Subject:* Right-of-Way Easement to SC Electric & Gas Company

3. *Summary Background Information:*

This is a proposed utility easement from the State to SC Electric and Gas Company for the purpose of installing, operating and maintaining a 115KV aerial transmission line at three (3) locations across Battery Creek in Beaufort County, South Carolina.

This proposed easement has been reviewed and approved by the Attorney General's Office and executed by Mr. Grover C. Croft, Jr., Vice President, on behalf of SCE&G.

A consideration in the amount of Five Hundred Ninety and NO/100 ($590.00) Dollars has been paid by SCE&G for the 2.950 acres of State land to be used for this project.

4. *What is Board asked to do?*

Review and approve the proposed easement.

5. *What is recommendation of the Board Division involved?*

That the easement be executed by the Board.

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
1. Original right-of-way easement (6 pages)	
2. Exhibits A, B, and C showing the three (3) Creek crossings	

EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

(a)

01007

STATE OF SOUTH CAROLINA)
)
COUNTY OF BEAUFORT)

EASEMENT

THIS EASEMENT, made and entered into this 9th day of July, 1986, by and between the State of South Carolina, Budget and Control Board, as Grantor (hereinafter "STATE"), and South Carolina Electric and Gas Company, as Grantee (hereinafter "SCE&G").

WITNESSETH

WHEREAS, SCE&G is a company organized to provide utility services within the State of South Carolina. SCE&G's mailing address is Post Office Box 764, Columbia, South Carolina 29218; and

WHEREAS, SCE&G proposes to install, operate, and maintain a 115KV aerial transmission line at three (3) locations across Battery Creek in Beaufort County, South Carolina, to provide electrical service to Port Royal. The aerial transmission line and easement areas are more particularly shown and delineated on Drawing A-27447 entitled "BURTON-PORT ROYAL 115KV LINE CROSSING MARSH OFF BATTERY CREEK BETWEEN STA 140+00 & 150+00," dated January 10, 1986, Drawing A-27448 entitled "BURTON-PORT ROYAL 115KV LINE CROSSING LOWLAND OFF BATTERY CREEK BETWEEN STA 180+00 & 190+00", dated January 14, 1986, and Drawing A-27541 entitled "BURTON-PORT ROYAL 115KV LINE CROSSING LOWLAND OFF BATTERY CREEK BETWEEN STA 125+00 & 138+89.55," dated March 4, 1986, all of which are attached hereto and incorporated herein by reference as Exhibits A, B, and C, respectively.

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

WHEREAS, SCE&G is desirous of obtaining the hereinafter described easement through and over riverbeds and marshlands in Beaufort County, and the STATE considers the granting of such an easement to be in the public interest.

NOW, THEREFORE, the STATE as Grantor, in consideration of the sum of Five Hundred Ninety and NO/100 ($590.00) Dollars and other valuable consideration, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto SCE&G, 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 Beaufort County and lying below the mean high water line.

This Easement of right-of-way shall be used solely for the purposes incidental with the installation, operation and maintenance of said 115KV aerial transmission line across three (3) locations in Battery Creek in Beaufort County. The easement areas are more particularly described as follows:

A 70' wide utility easement (35' on each side of the centerline) beginning at a point 96.01' south of structure #52 and extending across marsh off Battery Creek a distance of 458' to a point 50.48' north of structure #54 as shown on Drawing A-27447 entitled "BURTON-PORT ROYAL 115KV LINE CROSSING MARSH OFF BATTERY CREEK BETWEEN STA 140+00 & 150+00," dated January 10, 1986, attached hereto and incorporated herein by reference as Exhibit A.

EXHIBIT

JUL 29 1986 NO. 1

01009 STATE BUDGET & CONTROL BOARD

ALSO

A 70' wide utility easement (35' on each side of the centerline) beginning at a location 18' south of structure #66 and extending across lowland off of Battery Creek on a bearing of South 47 Degrees 35 Minutes 38 Seconds West a distance of 518' to a point 11' south of structure #68 as shown on Drawing A-27448 entitled "BURTON-PORT ROYAL 115KV LINE CROSSING LOWLAND OFF BATTERY CREEK BETWEEN STA 180+00 & 190+00", dated January 14, 1986, which is attached hereto and incorporated herein by reference as Exhibit B.

ALSO

A 70' wide utility easement (35' on each side of the centerline) beginning at a point 147' south of structure #46 and extending across lowland off Battery Creek on a bearing of South 12 Degrees 56 Minutes 22 Seconds West a distance of 858' to a point 46' south of structure #50 as shown on Drawing A-27541 entitled "BURTON-PORT ROYAL 115KV LINE CROSSING LOWLAND OFF BATTERY CREEK BETWEEN STA 125+00 & 138+89.55," dated March 4, 1986, which is attached hereto and incorporated herein by reference as Exhibit C.

This easement of right-of-way is subject to all easements and rights-of-way of record or which may be revealed by inspection of the property and extends only to the STATE's prima facie ownership.

The vertical clearance of all electrical wire, conductors, cables and live parts of equipment across all navigable waters and/or waters of the State of South Carolina shall be constructed in accordance with National Electrical Safety Code (ANSI - C2 - 1981) Part 2, Section 23, as amended.

SCE&G hereby agrees and covenants with the STATE that SCE&G, 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. SCE&G shall use

EXHIBIT

JUL 29 1986 NO. 1

01010

STATE BUDGET & CONTROL BOARD

the easement area solely for the purposes incidental with the installation, operation, and maintenance of said 115KV aerial transmission line and shall maintain such easement area and transmission line in good condition.

SCE&G further agrees and covenants that SCE&G 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 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, affecting the bed of the waterway, the South Carolina Coastal Council and the South Carolina Water Resources Commission shall be notified in writing prior thereto.

SCE&G WILL COMPLY WITH AND BE BOUND BY ANY AND ALL APPLICABLE STATE STATUTES, REGULATIONS, AND TERMS AND CONDITIONS OF ANY PERMITS OR AGREEMENTS CONCERNING THIS PROJECT AND ANY AND ALL LANDS AND WATERS INVOLVED THEREWITH.

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 SCE&G, its successors and assigns: (1) quits and abandons all use of such 115KV aerial transmission line, 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 of any of the terms and conditions herein.

01011

It is further 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. This easement is subject to all easements, permits, restrictions and covenants of record, or of plats of record, or which may be revealed upon inspection of the property.

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 29 day of July, 1986.

WITNESSES:

Karlene M Hepburn

William A McInnis

STATE OF SOUTH CAROLINA
BUDGET & CONTROL BOARD

BY: Richard W. Riley
Governor Richard W. Riley

SOUTH CAROLINA ELECTRIC AND
GAS COMPANY

Patricia N. Teagi

W. A. Hertz

BY: H. Arnold Jr.

ATTORNEY GENERAL'S OFFICE

Approved: Kenneth L. Woodington

EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

01012

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PERSONALLY appeared before me William A. McInnis and made oath that he/~~she~~ saw the within named State of South Carolina, Budget and Control Board, by its Chairman, Governor Richard W. Riley, sign, seal, and as its act and deed deliver the within written Easement, and that he/~~she~~, along with Katherine M. Hepfer, witnessed the execution thereof.

William A McInnis

SWORN to before me this 29th

day of July, 1986.

Diana K. Williams (L.S.)
Notary Public for South Carolina

My Commission Expires: 5/3/89

****

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PERSONALLY appeared before me Patricia N. Teague and made oath that he/she saw the within named South Carolina Electric and Gas Company by Grover C. Croft Jr., its Vice President, sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with W. A. Heitz, witnessed the execution thereof.

Patricia N. Teague

SWORN to before me this 9th

day of July, 1986.

Robert J. Sharpe (L.S.)
Notary Public for South Carolina

My Commission Expires: 2-12-91

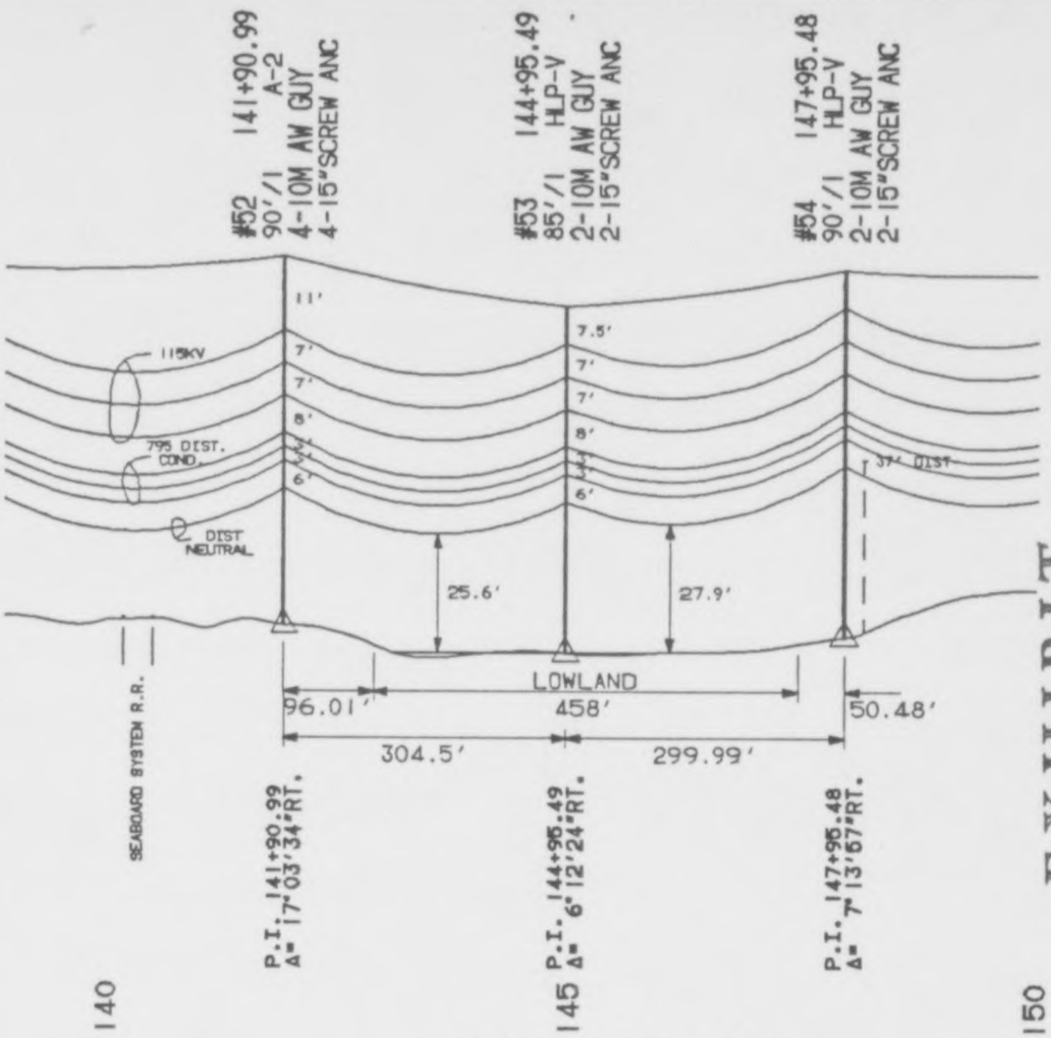
EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

01013

Exhibit A

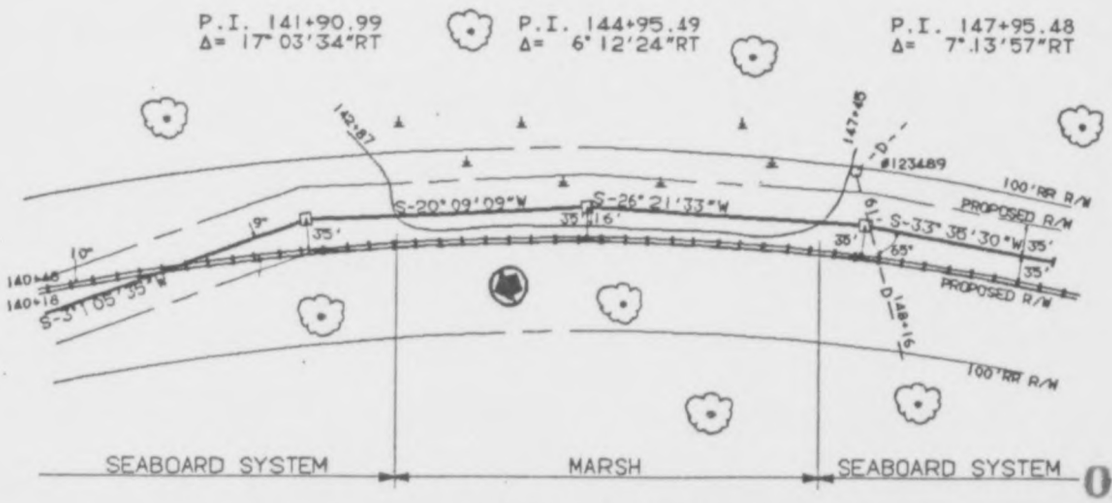


EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

BEAUFORT COUNTY



01014

REF DWG CP-25124 SHT 7

NO.	DATE	REVISION

CAR DR./TR 1/10/86 DATE
CK. JFB 2/6/86 DATE
APP DLG 2/7/86 DATE
APP LHW 2/7/86 DATE
APP DATE
APP DATE
SCALE 1"=200' HOR 1"=40' VERT

SOUTH CAROLINA ELECTRIC & GAS CO.

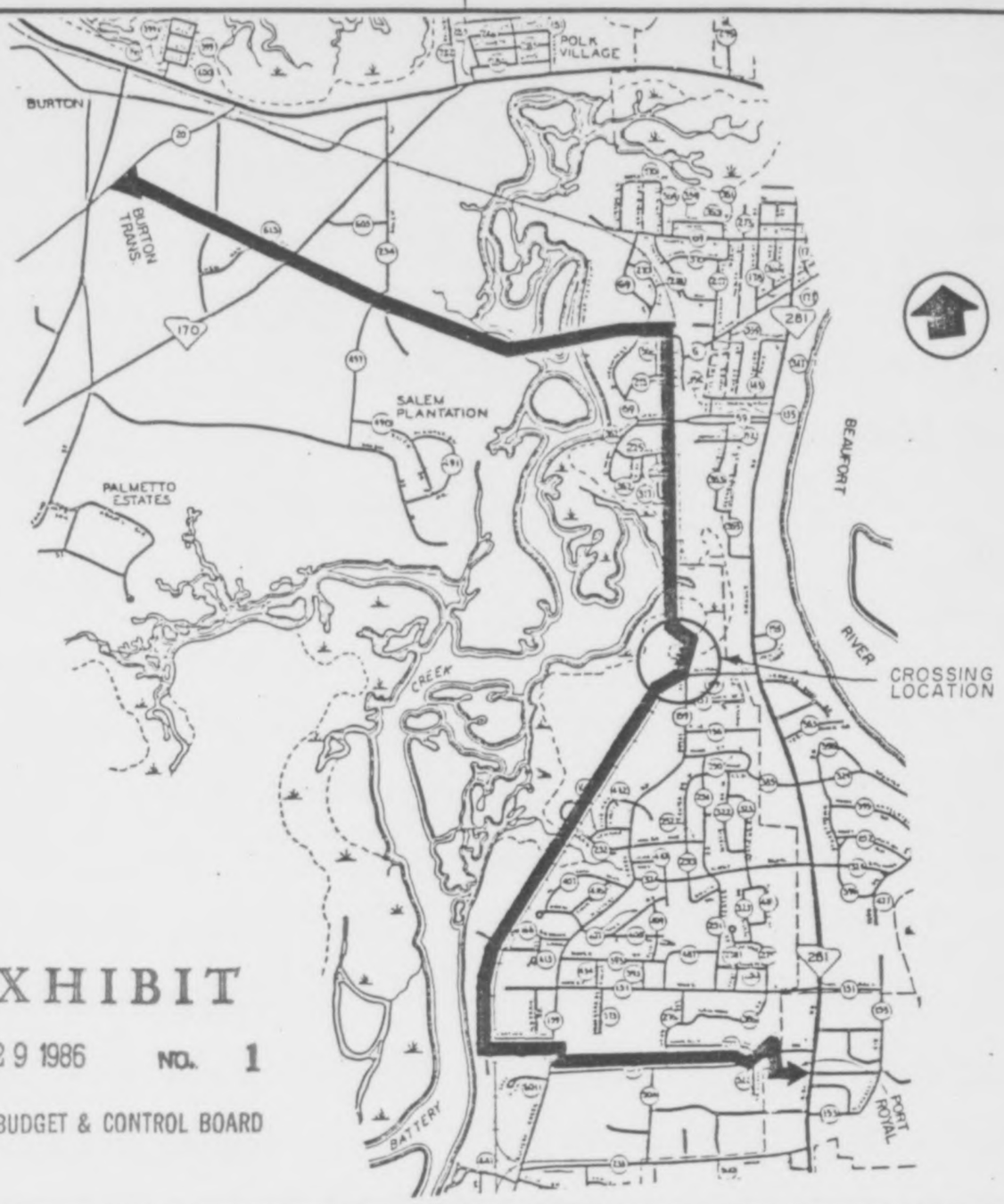
FOR BURTON-PORT ROYAL 115KV LINE

DETAIL CROSSING MARSH OFF BATTERY CREEK

BETWEEN STA 140+00 & 150+00

M.F. INDEX 09227 CODE CARD NO. SH. 1 OF 2 SHTS. A-27447 REV.

CADAM DRAWING - DO NOT REVISE MANUALLY



EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

1 ½ 0 1 2 MILES

4000 0 4000 8000 FEET

01015

NO.	DATE	REVISION

DR./TR. CAR 1/30/86 DATE
CK. JFB 2/6/86 DATE
APP. DLG 2/7/86 DATE
APP. LHW 2/7/86 DATE
APP. DATE
APP. DATE
SCALE AS SHOWN

SOUTH CAROLINA ELECTRIC & GAS CO.

FOR BURTON-PORT ROYAL 115KV LINE

DETAIL CROSSING LOWLAND

BETWEEN STA 140+00 & 150+00

M. F. INDEX 09227 CODE CARD NO. SH. 2 OF 2 SHTS. A-27447 REV.

72579

PIEDMONT PRINTMAKERS

EXHIBIT B

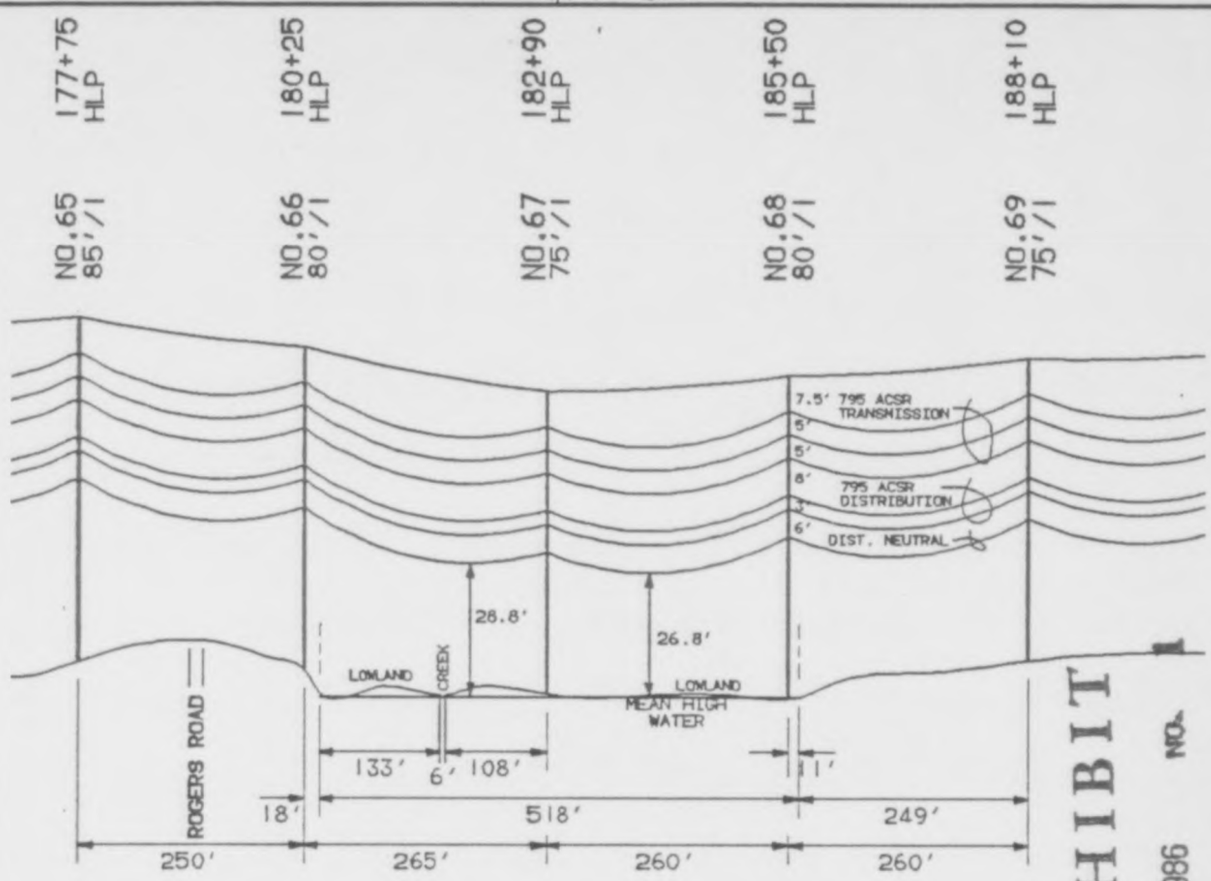
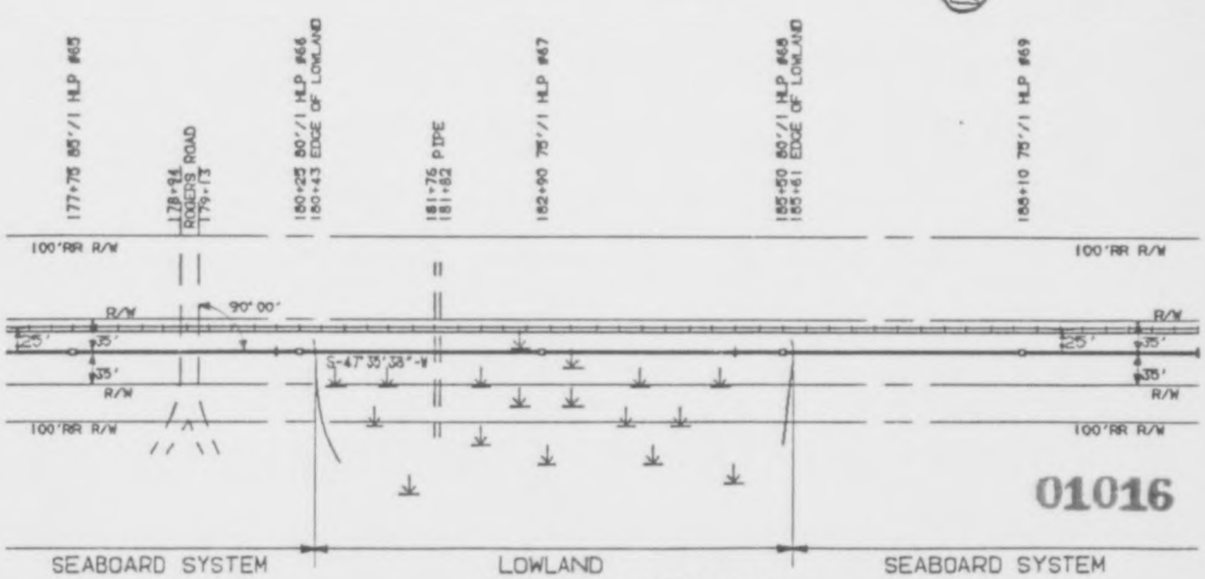


EXHIBIT 1

JUL 29 1986 NO.

STATE BUDGET & CONTROL BOARD

180 BEAUFORT COUNTY 185



01016

REF DWG CP-25124 SHT 9

NO.	DATE	REVISION

CAR
DR./TR. 1/14/86 DATE
CK. JFB 2/6/86 DATE
APP DLG 2/7/86 DATE
APP LHW 2/7/86 DATE
APP DATE
APP DATE
SCALE 1"=200' HOR 1"=40' VERT

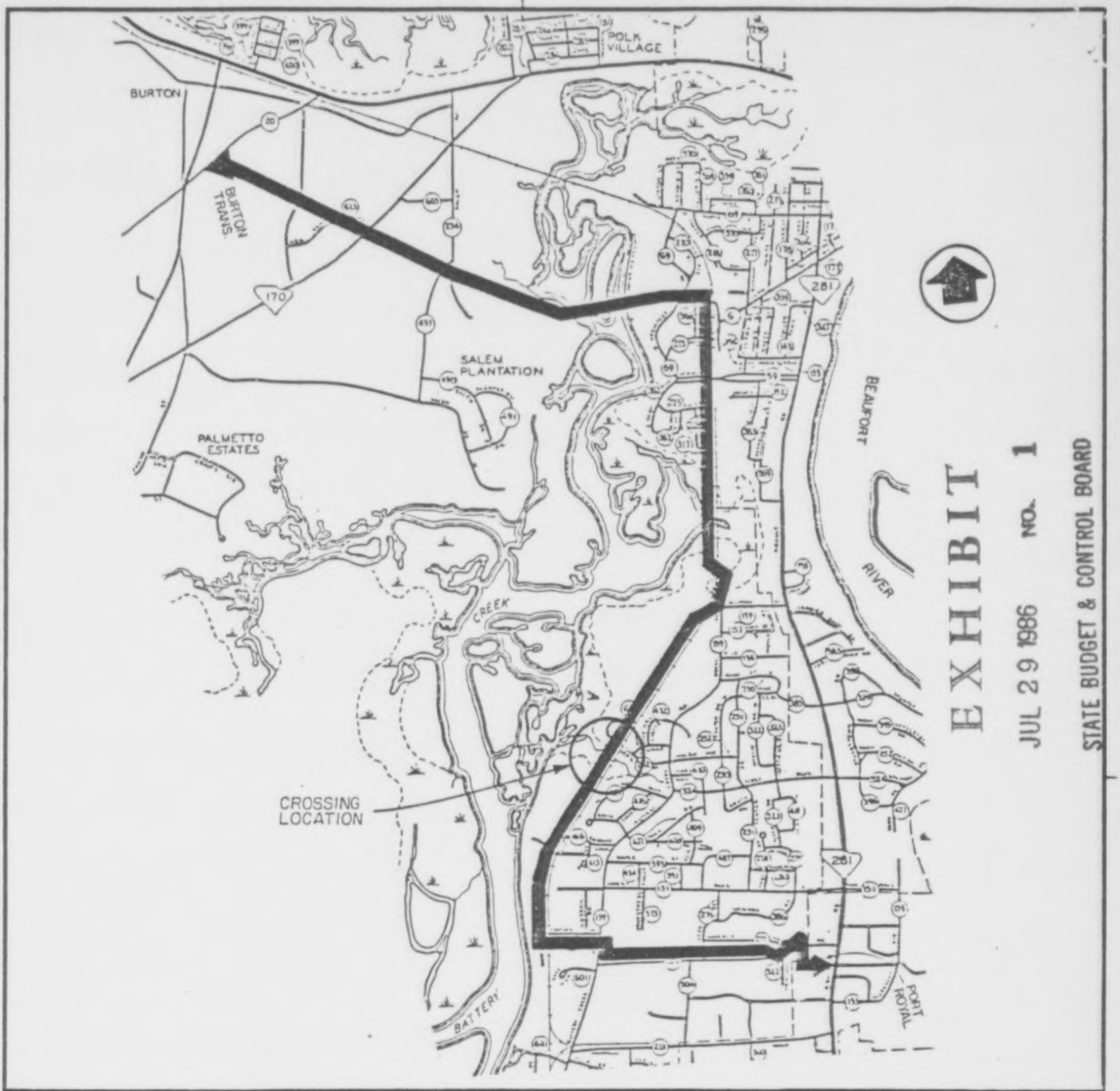
SOUTH CAROLINA ELECTRIC & GAS CO.

FOR BURTON-PORT ROYAL 115KV LINE

DETAIL CROSSING LOWLAND OFF BATTERY CREEK BETWEEN STA 180+00 & 190+00

M.F. INDEX 09227 CODE CARD NO. SH. 1 OF 2 SHTS. A-27448 REV.

CADAM DRAWING - DO NOT REVISE MANUALLY



1 ½ 0 1 2 MILES

4000 0 4000 8000 FEET

01017

NO.	DATE	REVISION

DR./TR.	CAR 1/30/86 DATE
CK.	JFB 2/6/86 DATE
APP	DLG 2/7/86 DATE
APP.	LHW 2/7/86 DATE
APP.	DATE
APP.	DATE
SCALE AS SHOWN	

SOUTH CAROLINA ELECTRIC & GAS CO.

FOR BURTON-PORT ROYAL 115KV LINE

DETAIL CROSSING LOWLAND

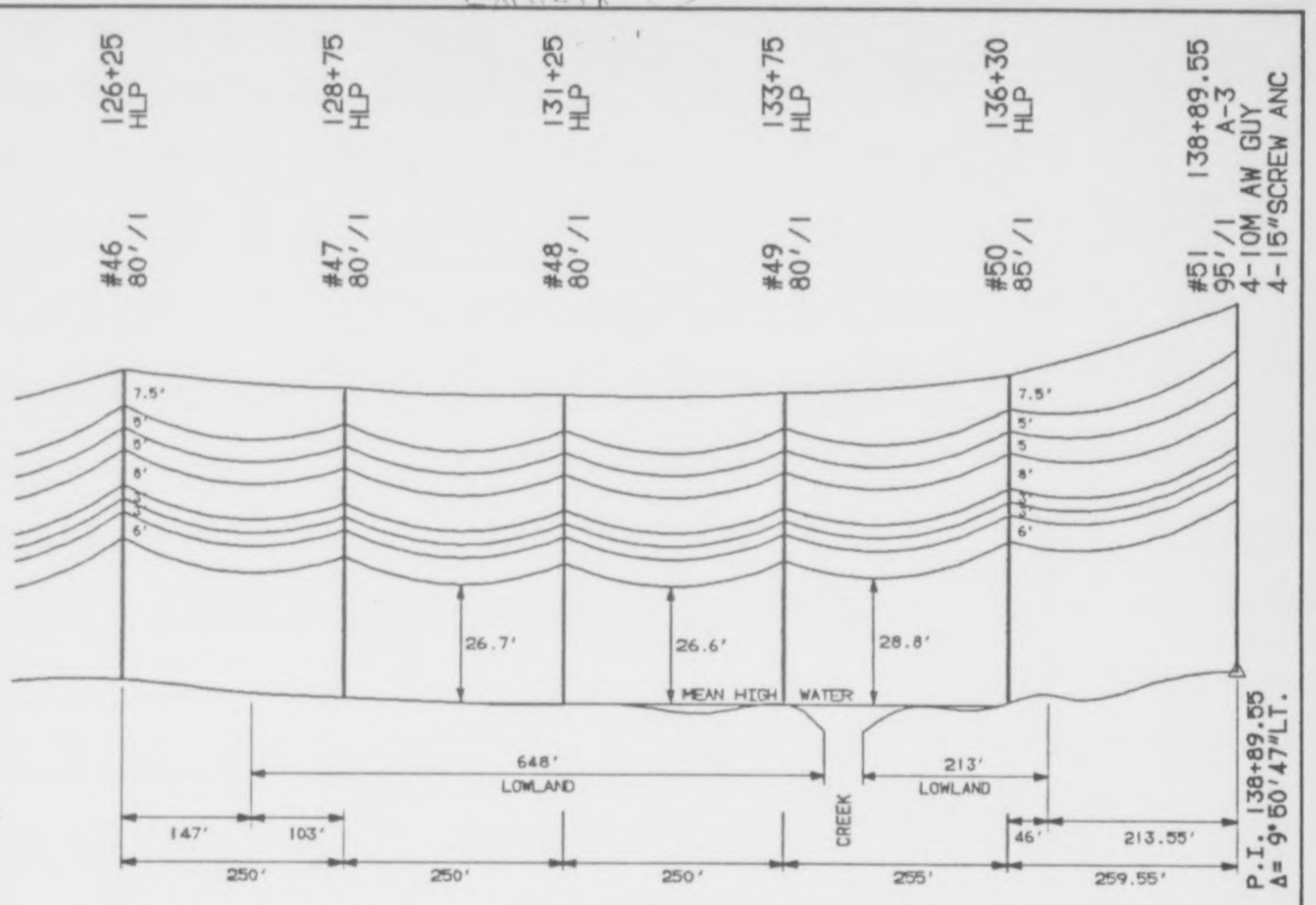
BETWEEN STA 180+00 & 190+00

M.F. INDEX 09227 CODE CARD NO. SH. 2 OF 2 SHTS. A-27448 REV.

72579

PIEDMONT PRINTMAKERS

Exhibit C

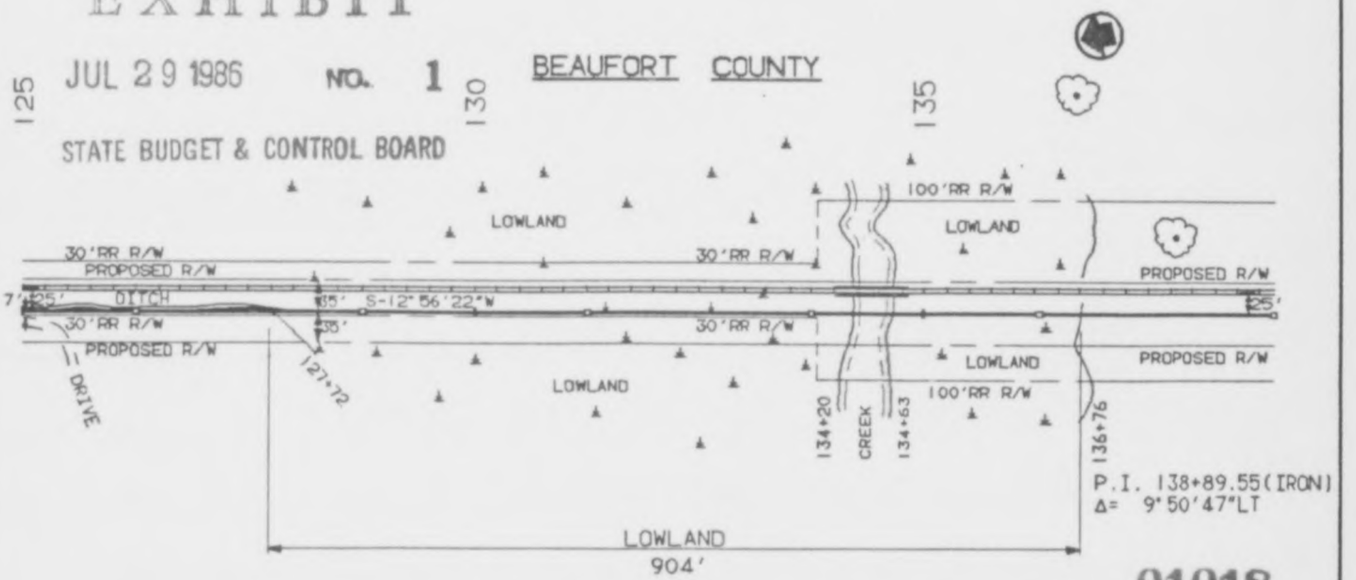


EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

BEAUFORT COUNTY



01018

REF DWG # CP-25124 SHT 7

NO.	DATE	REVISION

CAR
DR./TR. 3/4/86 DATE
CK. JFB 3/5/86 DATE
APP DLG 3/5/86 DATE
APP LHW 3/5/86 DATE
APP DATE
APP DATE
SCALE 1"=200' HOR 1"=40' VERT

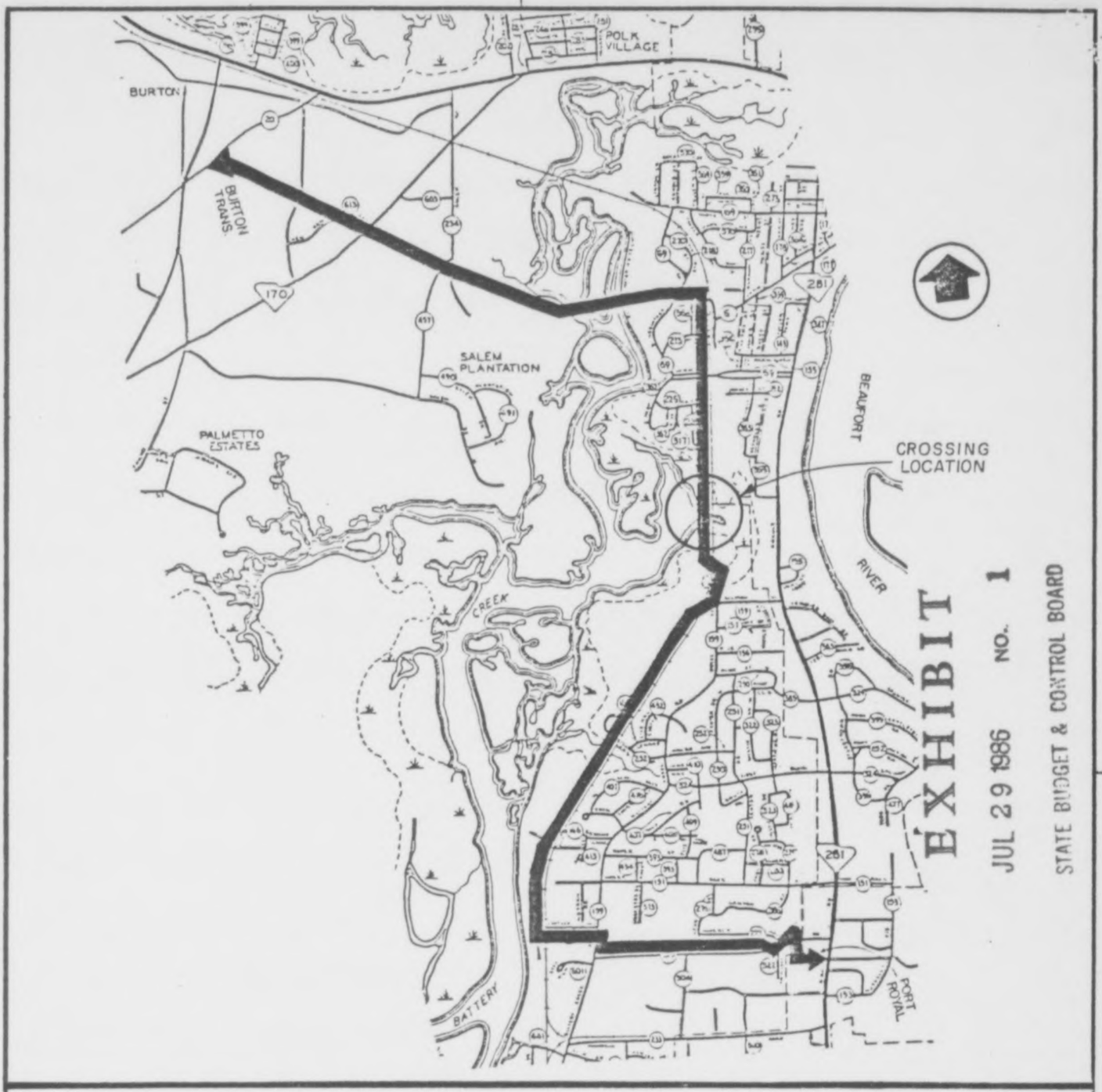
SOUTH CAROLINA ELECTRIC & GAS CO.

FOR BURTON-PORT ROYAL 115KV LINE

DETAIL CROSSING LOWLAND OFF BATTERY CREEK BETWEEN STA 125+00 & 138+89.55

M.F. INDEX 09227 (CODE) 003 (CARD NO.) SH. 1 OF 2 SHTS. A-27541 REV.

CADAM DRAWING - DO NOT REVISE MANUALLY



1 ½ 0 1 2 MILES

4000 0 4000 8000 FEET

01019

NO.	DATE	REVISION

DR./TR. CAR 3/5/86 DATE
CK. JFB 3/5/86 DATE
APP. DLG 3/5/86 DATE
APP. LHW 3/5/86 DATE
APP. DATE
APP. DATE
SCALE AS SHOWN

SOUTH CAROLINA ELECTRIC & GAS CO.

FOR BURTON-PORT ROYAL 115KV LINE

DETAIL CROSSING LOWLAND

BETWEEN STA 125+00 & 138+89.55

M.F. INDEX 09227 CODE 003 CARD NO. SH. 2 OF 2 SHTS. A-27541 REV.

72379

PIEDMONT PRINTMAKERS

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for: July 29, 1986

XX *Blue Agenda*
__ *Regular Session Agenda*
__ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: Richard W. Kelly, Director

2. *Subject:* Right-of-Way Easement

3. *Summary Background Information:*

This is an easement from the South Carolina Forestry Commission to the Grand Strand Water and Sewer Authority for the purpose of upgrading water and sewer service at the Myrtle Beach State Park.

John P. Wilson, Deputy Attorney General, Attorney General's Office, is representing the Department of Parks, Recreation and Tourism in this matter whereby an agreement has been reached between GSW&SA and PRT that PRT will enjoy bulk rate charges and a waiver of impact fees for existing facilities in exchange for the right of way being granted to GSW&SA along the northeastern boundary of the Myrtle Beach State Park for the installation and maintenance of a six inch (6") water line intertie.

*Continued in Item 4.

4. *What is Board asked to do?*

*The title to the property still vests in the Forestry Commission; therefore, the matter has been taken up at the July 17th meeting of the Commission and the Commission has executed the proposed easement accordingly. **As soon as we receive the original easement from John Wilson, we will hand deliver it to the Budget and Control Board Office.

5. *What is recommendation of the Board Division involved?*

That the proposed easement be approved and executed by the Board.

EXHIBIT

6. *Recommendation of other office (as required)?* JUL 29 1986 NO. 1

(a) Office Name _____ *(b) Authorized Signature* STATE BUDGET & CONTROL BOARD

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
1. **Original proposed easement (1 page, front and back)	
2. Copy of letter from John P. Wilson to Leonard A. Kilian, Jr., dated July 3, 1986	
3. Two drawings of the project	
4. Copy of letter from J. F. Truluck, SC Public Service Authority, to Collin Hucks, Grand Strand Water & Sewer Authority, dated March 21, 1986	
5. Copy of easement from the State Commission of Forestry to the SC Public Service Authority dated March 21, 1956	

01020 (b)

The State of South Carolina

Office of the Attorney General

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803-758-8667

RECEIVED
JUL 08 1986
DIV. OF GEN. SERVICES
LEGAL SECTION

July 3, 1986

EXHIBIT
JUL 29 1986 NO. 1
STATE BUDGET & CONTROL BOARD

Leonard A. Kilian, Jr.
State Forester
c/o South Carolina Forestry Commission
Post Office Box 21707
Columbia, South Carolina 29221

Re: Myrtle Beach State Park:
Right of Way Easement to Grand
Strand Water & Sewer Authority

Dear Mr. Kilian:

For the past six months, I have represented the South Carolina Department of Parks, Recreation and Tourism in negotiations with the Grand Strand Water and Sewer Authority for the purpose of upgrading water and sewer service at the Myrtle Beach State Park. An agreement was earlier reached between the City of Myrtle Beach and Grand Water and Sewer Authority resulting in an exchange of service areas so as to permit Grand Strand to now provide both water and sewer service to the state park and to accommodate an expansion of services therein. Under the terms of the agreement reached between Grand Strand and the Department, PRT will enjoy bulk rate charges and a waiver of impact fees for existing facilities in exchange for right of way being granted to GSW&SA along the north-eastern boundary of the park for the installation and maintenance of a six inch water line intertie.

As discussed in my letter of May 29, 1986, to Mr. J. W. Lawrence, copy of which was forwarded to you, it appears that the record title and ownersnip of the lands at Myrtle Beach State Park, and others, remains with the State Forestry Commission such that the needed right of way easement referred to can only be properly granted by your agency. I have therefore taken the liberty of enclosing the original proposed right of way easement to carry out the Department's agreement and plans and would ask that you present the same to the scheduled meeting of your Commission, set for July 17, 1986, for approval and execution. While the form provided is that of the Grand Strand Water and Sewer Authority, I have completed

the same to encompass the agreement reached and you will note that attachments thereto include the location plat, the previous easement granted by your agency to the South Carolina Public Service Authority, and the approval of Santee Cooper to such additional right of way. It should be noted that the area included within the new right of way being granted to GSW&SA lies completely within that area for which an easement was earlier given to the Public Service Authority.

As you know, the State Budget and Control Board must likewise approve the granting of the right of way easement proposed, and I am advised that a meeting of that Board is scheduled for Tuesday, July 29, 1986. Because of the critical time factors existing, I am providing copy of this letter and enclosures to Ms. Delphine Bigony, Administrative Assistant, Division of General Services and requesting that consideration of this easement be placed on the agenda for the Board's July 29th meeting in anticipation of favorable action by your Commission. I would request that the enclosed original easement with attachments be returned directly to me, following your Commission's action, so that I might proceed with Budget and Control Board approval as indicated. Please be advised that I will be out of the State during the period July 13th through July 27th, but can be reached through my secretary (Sue Thompson - 734-3636) should any question arise.

This matter is a perfect example of the need, in my opinion, for the title to all lands comprising the State Park System to be vested in the South Carolina Department of Parks, Recreation and Tourism; and I am hopeful that your agency will be receptive to the suggestions contained in my May 29th letter.

With warm regards,

Yours very truly,

John P. Wilson
Deputy Attorney General

JPW:st
Enclosures
cc: Mr. J. W. Lawrence
Richard P. Wilson, Esquire
Richard N. Booth, Esquire
Ms. Delphine Bigony

EXHIBIT
JUL 29 1986 NO. 1
STATE BUDGET & CONTROL BOARD
01022

Santee Cooper

2003 Oak Street, Myrtle Beach, South Carolina 29577-3196 (803) 448-2411

March 21, 1986

Mr. Collin Hucks
Grand Strand Water & Sewer Authority
Post Office Box 1537
Conway, South Carolina 29526

Dear Mr. Hucks:

In reference to your letter dated March 18, 1986, Santee Cooper has no objection as to the location of the proposed 6 inch water line between Highway 17 and South Ocean Boulevard. This is with the understanding that the water line will be installed at least 7-1/2 feet off of Santee Cooper's pole line and will not interfere with any other Santee Cooper facilities; such as, down guys. Any costs incurred by Santee Cooper due to the installation of this water line, will be absorbed by Grand Strand Water & Sewer.

If further information is needed, please call me at 448-2411 extension 63.

John F. Truluck

J. F. Truluck
Supervisor
Distribution Design

JFT:jsh

EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

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EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA
County of Horry

RIGHT OF WAY

KNOW ALL MEN BY THESE PRESENTS that I(we), the State Commission of Forestry, also known as the South Carolina Forestry Commission,

owner(s) of the land hereinafter described, for and in consideration of payment of the sum of $ 1.00 Dollars to me (us) in hand paid (the receipt whereof is hereby acknowledged) by the Grand Strand Water and Sewer Authority, P. O. Box 1537, Conway, South Carolina, a body politic under and pursuant to the laws of the State of South Carolina, I (we) do hereby grant, bargain, sell and convey unto the said Grand Strand Water and Sewer Authority, its successors and assigns, a right of way in, over and across the following described property, to wit: a strip of land approximately 1550 feet in length lying near the northeast boundary of the Myrtle Beach State Park having a width of 12 1/2 feet, running and lying between U.S. Highway 17 and South Ocean Boulevard and being adjacent to an existing power line owned or operated by the South Carolina Public Service Authority which poles serve as the northern most boundary of said 12 1/2 foot wide strip, all as more particularly shown on a plat of a proposed 6 inch water line inter-tie which is attached hereto and made a part hereof.

*This right of way is conditioned upon grantee providing water and sewer service to the South Carolina Department of Parks, Recreation and Tourism for Myrtle Beach State Park utilizing bulk rate charges and the waiver of impact fees for existing facilities.

The right of way herein granted includes, but is not necessarily limited to, the right and privilege of the grantee, its successors and assigns, to construct, maintain, operate and, repair any and all useful, proper and necessary facilities and appurtenances for the purpose of conveying, pumping, and supplying residential, commercial, and/or industrial water and/or for the purpose of conveying, pumping, and transporting sanitary sewage and industrial waste waters and to make such relocations, changes, renewals, substitutions, replacements and additions of or to the same from time to time as the said grantee may deem desirable; the right at all times to cut and keep clear of said right of way any and all vegetation, trees, and obstructions that might, in the opinion of the grantee, endanger or injure the said utility facilities or their appurtenances, or interfere with their proper operation or maintenance; the right of reasonable ingress and egress in, to, over and across the land(s) of the grantor(s) referred to above for the purpose of exercising the rights and privileges herein granted; provided, nevertheless, that the failure of the grantee to exercise any of the rights or privileges herein granted shall not be construed as a waiver or abandonment of any of the rights and privileges herein granted.

The parties agree that the grantor(s) may landscape, grow crops, maintain fences, maintain private driveways or private parking areas, and utilize the lands above described for any other lawful purposes; provided, however, that crops shall not be planted over any utility lines where the top of said lines are less than eighteen (18) inches under the surface of the ground and that the use of said land by the grantor(s) shall not, in the opinion of the grantee, interfere or conflict in any manner with the use of said land by the grantee for the purposes hereinabove mentioned, and that no use of said land shall be made by the grantor(s) as would, in the opinion of the grantee, injure, endanger or render inacessible the water and/or sewer utilities or their appurtenances. No building or structure shall be erected by the grantor(s) on the right of way herein granted; nor so close thereto as to impose any load or stress thereon.

The grantee, upon timely request by the grantor(s), will cut and stack along the right of way such usable timber as is on the right of way herein granted so that same may be removed by the grantor(s).

The grantor(s) herein by these presents warrant(s) and covenant(s) that there are no liens, mortgages, or other encumbrances affecting or pertaining to the right of way herein granted, except as follows: an easement granted by the State Commission of Forestry to the South Carolina Public Service Authority dated March 21, 1956 covering lands which include in its entirety the right of way herein granted.

and that the grantor(s) is (are) empowered and vested with authority to enter into and execute the within grant or right of way., subject to the approval of the State Budget and Control Board.

The grantor(s) covenant and agree that in the event any building or other structure should be contiguous to any water and/or sewer utility lines or facilities that no claim for damages or compensation shall be made by the grantor(s), his, its or their heirs and assigns, on account of or by reason of any damage that might occur to such building or structure, or the contents thereof, by reason of the construction, operation, maintenance, repair, or negligence of the construction, operation, maintenance, repair, or improvement of said water and/or sewer utility facilities or their appurtenances, or any accident or mishap that might occur therein or thereto.

All other or special terms and conditions of this right of way are as follows: this right of way is subject to the terms and conditions of the easement previously given by the State Commission of Forestry to the South Carolina Public Service Authority dated March 21, 1956 and to the approval of Santee Cooper as granted by letter of John F. Truluck dated March 21, 1986 as attached hereto and made a part hereof.

The payment and privileges above specified are hereby accepted by the grantor(s) in full settlement of all claims and damages of whatever nature for said grant of right of way herein described.

TOGETHER with all and singular, the rights, members, hereditaments and appurtenances to the said premises belonging, or in any wise incident or appertaining.

01024

TO HAVE AND TO HOLD all and singular the premises before mentioned for the purposes granted unto the said Grand Strand Water and Sewer Authority, its successors and assigns forever.

And the said grantor(s) herein binds himself, herself or themselves, his, her or their heirs and assigns, to warrant and forever defend all and singular the said premises for the purposes granted unto the said Grand Strand Water and Sewer Authority, its successors and assigns, against himself, herself, or themselves, and his,her or their heirs and assigns, and all persons whomsoever lawfully claiming.

IN WITNESS WHEREOF the hand and seal of the grantor(s) herein has hereunto been set this 23rd day of July, 1986.

STATE COMMISSION OF FORESTRY

SIGNED, SEALED and delivered in the presence of:

Claude F. Barden (L. S.)

Judie F. Coy (L. S.)

By: Leonard A. Dillon Jr. (L. S.)

Title: State Forester (L. S.)

Approval is herewith given by the State Budget and Control Board, by and through its duly authorized agent, in accordance with the requirements of Section 5, Part II, Act 201, 1985 Acts and Joint Resolutions of the General Assembly of South Carolina.

Richard W Riley (L.S.)

Title: Chairman

STATE OF SOUTH CAROLINA
County of Horry

To
GRAND STRAND WATER AND SEWER AUTHORITY
P. O. Box 1537
Conway, S. C. 29526

RIGHT OF WAY

I hereby certify that the within written Right of Way has been this ..... day of ....., 19....., recorded in Book ..... of deeds, Page ....., at ..... o'clock ..... M.

Clerk of Court for Horry County

I hereby certify that the within written Right of Way has been this ..... day of ....., 19....., transferred on Auditor's Book Page .....

Auditor of Horry County

EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA
County of ~~Horry~~ RICHLAND

PERSONALLY appeared before me the undersigned Deponent, who on oath says that Deponent saw the above named Grantor(s) deliver the within written Right of Way, and that Deponent, with the other witness subscribed above, witnessed the execution thereof.

SWORN to before me this JUL 23 1986 day of ....., 19.....

Claude F. Barden
Deponent

Notary Public for South Carolina

My Commission Expires: My Commission Expires November 28, 1989

STATE OF SOUTH CAROLINA
County of Horry

NOT REQUIRED GRANTOR IS STATE AGENCY

I, ...

do hereby certify unto all whom it may concern, that Mrs. .....

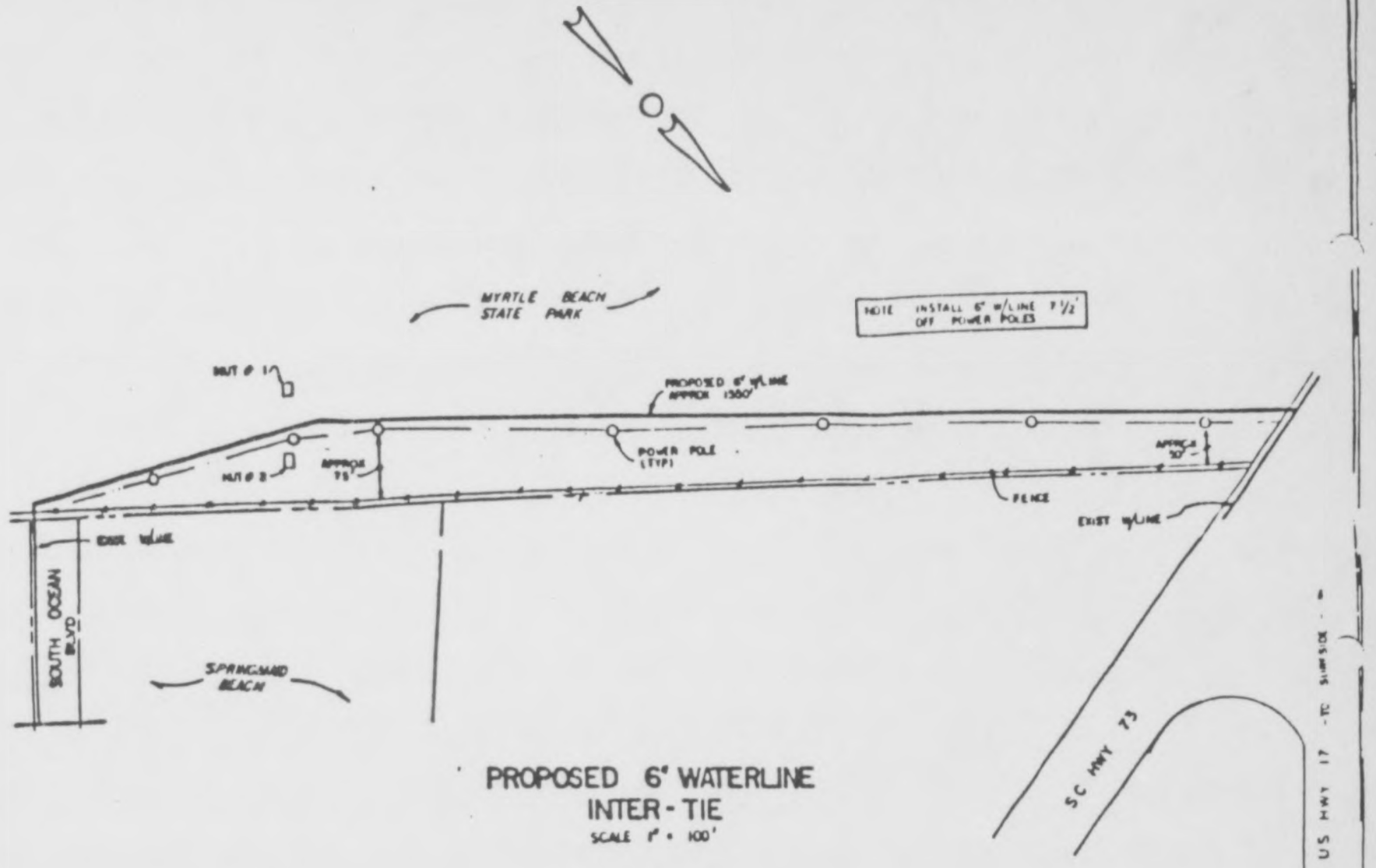
the wife(s) of the within named grantor(s) did this day appear before me and upon being privately and separately examined by me, did declare that she does freely, voluntarily, and without any compulsion, dread or fear of any person or persons whomsoever, renounce, release and forever relinquish unto the within named grantee, its successors and assigns, all her interest, and estate, and also her right and claim of Dower, of, in or to, all and singular the premises within mentioned and released.

Given under my Hand and Seal this ..... day of ....., 19.....

Notary Public for South Carolina

My Commission Expires: .....

01025



PROPOSED 6" WATERLINE INTER-TIE

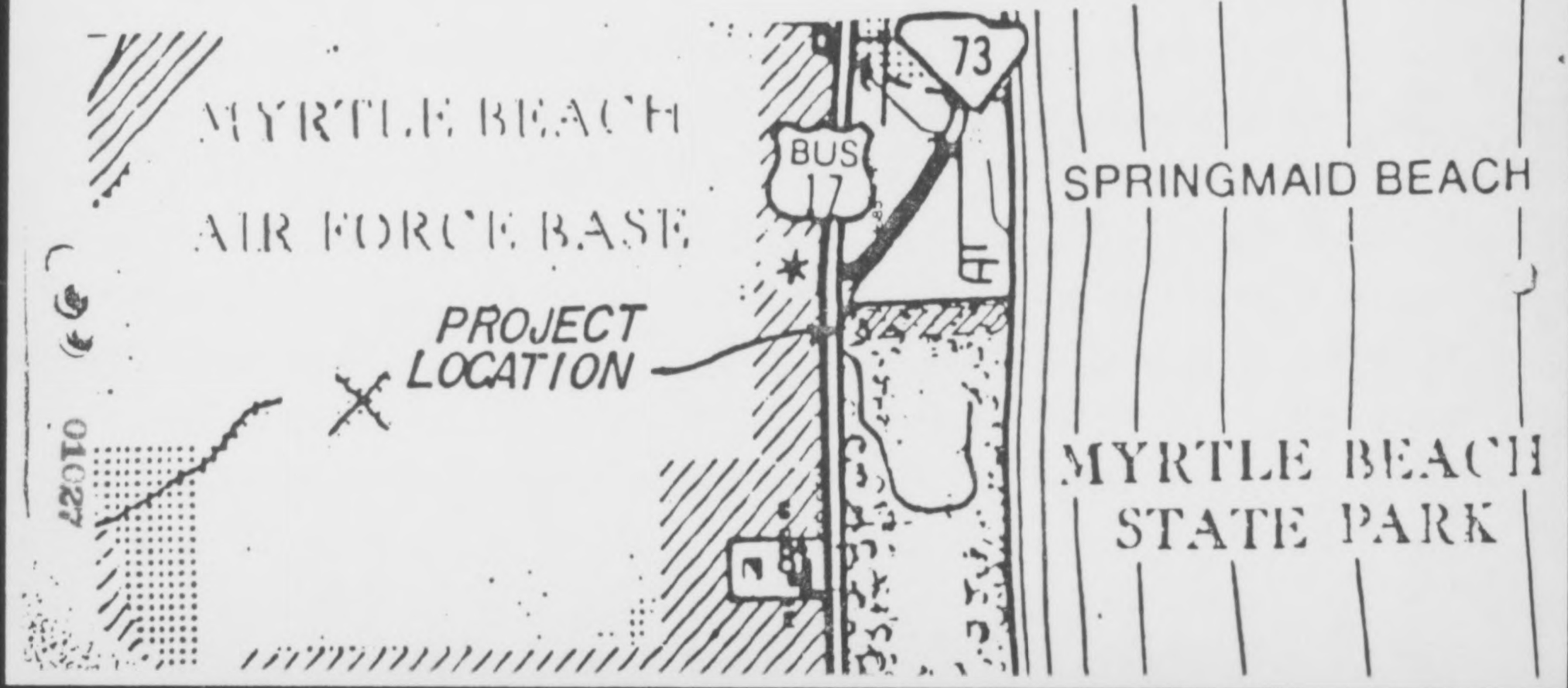
SCALE 1" = 100'

01026

PROPOSED 6" WATERLINE INTER-TIE

LOCATION MAP

N.T.S.



STATE OF SOUTH CAROLINA,

EASEMENT

COUNTY OF HORRY.

The State Commission of Forestry, in consideration of the sum of ONE DOLLAR ($1.00) paid to it by the South Carolina Public Service Authority (the receipt whereof is hereby acknowledged) hereby grants to the South Carolina Public Service Authority (hereinafter called the Authority), its successors and assigns, a perpetual easement twenty-five (25') feet in width for the construction, maintenance and operation of an electric transmission or distribution line or lines, towers, poles, anchors, and necessary fixtures and wires attached thereto, counterpoise underground wires, and all structures and appurtenances necessary or convenient in connection therewith, together with all rights and privileges incident to the use and enjoyment thereof, the right of ingress and egress to and along the said right-of-way easement and the right to clear and keep clear all brush, timber and tree tops on said right-of-way easement which might endanger any of the works thereon:

> The right-of-way easement herein granted is located in the County of Horry, State aforesaid, across property of the Grantor generally known as the Myrtle Beach State Park and the State Park Water Pumping Station. Said right-of-way easement herein conveyed is more fully shown on the drawing attached hereto and made a part hereof by reference, entitled "Power Line to Serve State Park Water Pumping Station, Myrtle Beach, S. C." dated 9-12-55, and being Drawing No. C-1438. The said right-of-way easement is 25' in width, being 12½' on each side of the center line thereof, and as shown on said drawing commences at station 0 + 0 at an existing 35' pole and runs thence north 43° 25' west to station 13 + 00, thence turning and running south 47° west to station 22 + 14, thence turning and running north 43° 44' west to station 25 + 33, thence turning and running north 32° 20' west to station 29 + 33, and thence continuing as shown on said map across the Water Pumping Station. This conveyance shall not include such portion of the width of said right-of-way easement as is shown by the attached plat as being outside the boundaries of the Myrtle Beach State Park, the State Park right-of-way and the State Park Commission Water Pumping lot, but shall include all portions of said right-of-way within the said boundaries as shown on said plat.

The Authority shall have the right to clear, keep clear and dispose of all timber, pulpwood, brush and tree tops within said right-of-way easement as well as all danger trees at a greater distance which might injure said line or lines in falling. All tree tops, smaller timber and brush may be burned on said right-of-way or otherwise disposed of.

The Grantor expressly reserves the right to use the lands described herein for agricultural and other purposes of such nature as will not interfere

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with the construction, operation, patrol and maintenance of said line or lines, but the Grantor agrees not to construct any obstruction, dwelling, barn or other building, or create any fire hazard within 12½' of the center line of said right-of-way easement without first obtaining the written consent of the Authority. The Grantee shall have the right to construct and maintain guys and guy anchors at any points within a radius of 25' from all angle points.

This agreement shall extend to the parties, their successors and assigns.

TO HAVE AND TO HOLD, all and singular the rights, privileges and easements aforesaid unto the said South Carolina Public Service Authority, its successors and assigns forever. And the State Commission of Forestry does hereby bind itself and its successors to warrant and forever defend all and singular the said rights, privileges and easements unto the said South Carolina Public Service Authority, its successors and assigns, against the State Commission of Forestry, its successors, and all other persons whomsoever lawfully claiming or to claim the same or any part thereof.

IN WITNESS WHEREOF, the State Commission of Forestry has caused these presents to be executed in its name and its seal to be hereto affixed, all by its proper officers duly authorized thereunto this 21st day of March, 1956.

WITNESS:

Mary E. Jennings

W. D. Lamont

STATE COMMISSION OF FORESTRY

By Clifton A. Bruce
Chairman

ATTEST:

Dan A. Hood
Secretary and State Forester

01029

STATE OF SOUTH CAROLINA,

COUNTY OF Richland.

PERSONALLY appeared before me _____,

and made oath that he saw the within named State Commission of Forestry by

_____ as Chairman, and _____

as Secretary, sign, seal and as the act and deed of the said State Commission of Forestry deliver the within instrument of writing; and that he with

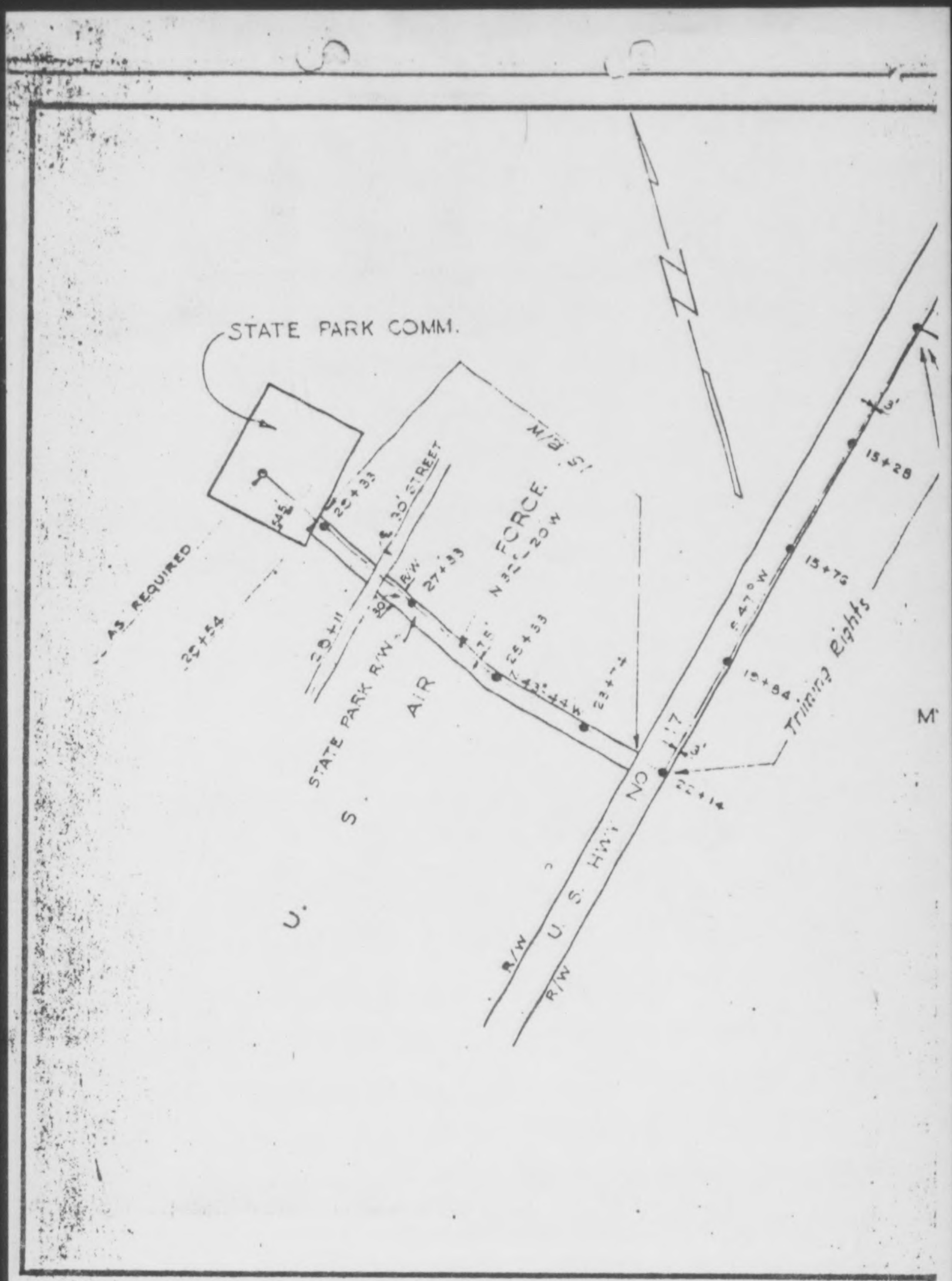
_____ witnessed the execution thereof.

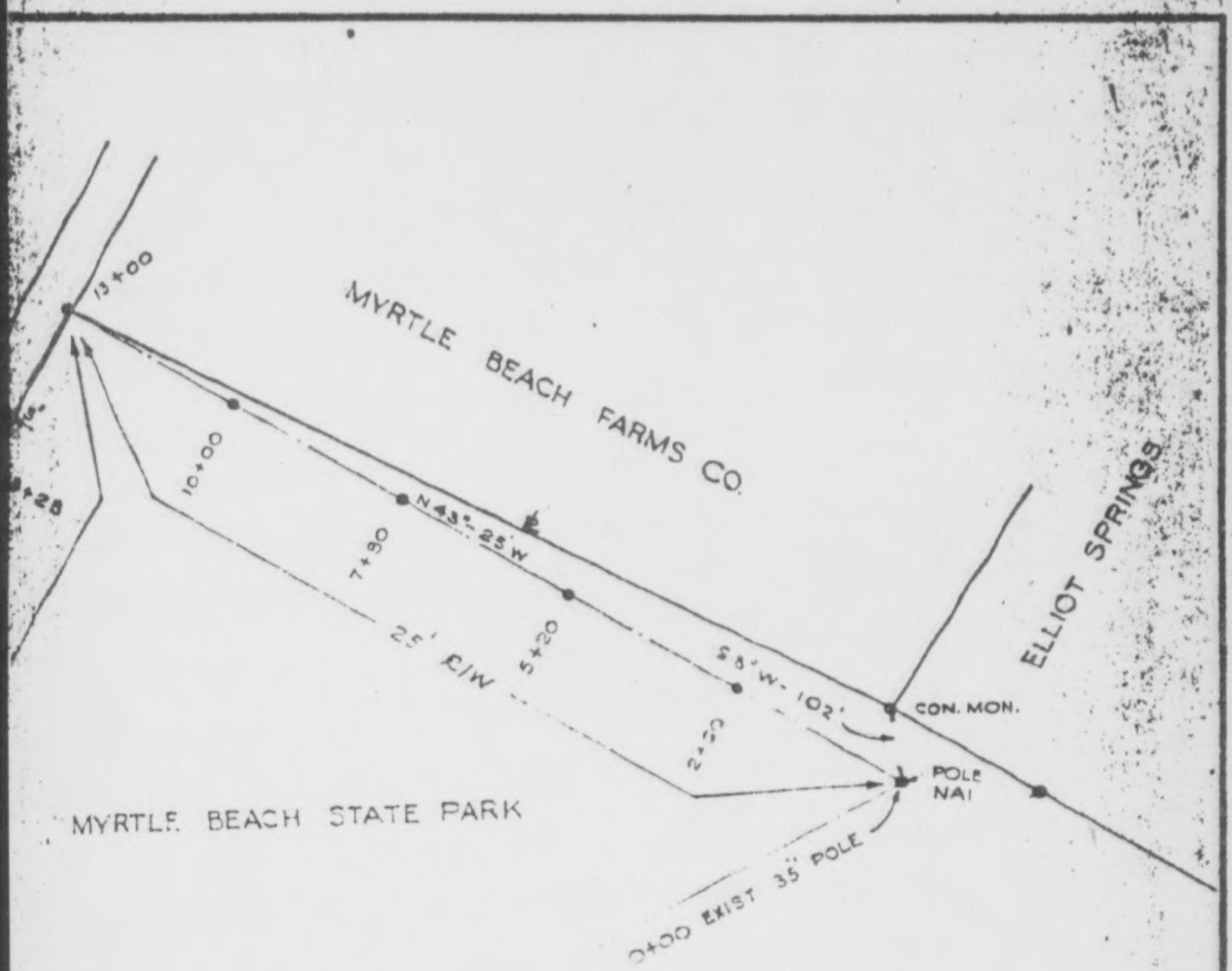
SWORN to before me this _____

day of _____, 1956

_____ (SEAL)
Notary Public for South Carolina.

_____


STATE PARK COMM.
AS REQUIRED
25+54
545
25+33
29+11
30'
R/W
27+33
35' STREET
STATE PARK R/W
S
AIR
FORCE
N 31°-20' W
M/E ST
N 43°-44' W
25+53
75'
23+74
C
H.W.
47
22+14
S 47° W
15+73
15+28
19+84
Trimming Rights
M
U.
R/W U. S. HWY
R/W



01032

SOUTH CAROLINA PUBLIC SERVICE AUTHORITY
SANTEE-COOPER HYDROELECTRIC POWER AND NAVIGATION SYSTEM

POWER LINE TO SERVE
STATE PARK
WATER PUMPING STATION
MYRTLE BEACH, S.C.

ENGINEERING DEPARTMENT

DATE 9-13-55
DRAWN B. H.
CHECKED J.C.B.
APPROVED
CHIEF ENGINEER
SCALE 1"=200'
SHEET OF
DWG. NO. C-14-8

ISSUE	REVISION	DATE	SIG.

JUL 18 1986

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for: July 29, 1986

X *Blue Agenda*
___ *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: Richard W. Kelly, Director

2. *Subject:* Right-of-Way Easement to Central Electric Power Cooperative, Inc.

3. *Summary Background Information:*

This is a utility easement from the State to Central Electric Power Cooperative, Inc., for the purpose of constructing, operating and maintaining a 115KV aerial transmission line over Shaw Creek to deliver power to a new distribution sub-station being added to the system of Aiken Electric Cooperative in Aiken County, South Carolina.

This proposed easement has been reviewed and approved by the Attorney General's Office and executed by Mr. Bland M. Derrick, President, on behalf of Central Electric.

A consideration in the amount of Ten and 40/100 ($10.40) Dollars has been paid by Central Electric for the .052 acre to be used in this project.

4. *What is Board asked to do?*

Review the proposed easement.

EXHIBIT
JUL 29 1986 NO. 1
STATE BUDGET & CONTROL BOARD

5. *What is recommendation of the Board Division involved?*

That the proposed easement be approved and executed.

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
1. Original Easement (6 pages) 2. Original Plat dated June 30, 1986	

01033

(c)

EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
COUNTY OF AIKEN)

EASEMENT

THIS EASEMENT, made and entered into this 10th day of July, 1986, by and between the State of South Carolina, Budget and Control Board, as Grantor (hereinafter "STATE"), and Central Electric Power Cooperative, Inc., as Grantee (hereinafter "COOPERATIVE").

WITNESSETH

WHEREAS, COOPERATIVE is a generation and transmission cooperative supplying wholesale bulk power to fifteen distribution cooperatives in South Carolina. COOPERATIVE's mailing address is Post Office Box 1455, 121 Greystone Boulevard, Columbia, South Carolina 29202; and

WHEREAS, COOPERATIVE proposes to construct, operate and maintain a 115KV aerial transmission line over Shaw Creek to deliver power to a new distribution substation being added to the system of Aiken Electric Cooperative in Aiken County, South Carolina. The aerial transmission line and easement area are more particularly shown and delineated on a plat entitled "A PLAT SHOWING A POWER LINE EASEMENT CROSSING THE SHAW CREEK WINDSOR TAP 115KV AIKEN COUNTY, S.C.," dated June 3, 1986, which is attached hereto and incorporated herein by reference as Exhibit A.

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

01034

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

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 COOPERATIVE, 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 Aiken County and lying below the mean high water line.

This Easement of right-of-way shall be used solely for the purposes incidental with the construction, operation and maintenance of said 115KV aerial transmission line over Shaw Creek in Aiken County, South Carolina. The easement area is more particularly described as follows:

A utility easement 75 feet wide beginning at a point on the ordinary highwater line of the north bank of Shaw Creek, said point of beginning being 583 feet South 14 Degrees 54 Minutes 3 Seconds East of the intersection of the centerline of South Carolina Pipeline 75 feet wide right of way and SC Secondary Road 576; thence proceeding 30 feet South 05 Degrees 44 Minutes 27 Seconds East to a point on the ordinary high water line of the south bank of Shaw Creek. The easement area is bounded on the north by property of Ted T. & Eulalie G. Busbee and on the south by property of Julian A. Goss.

The aerial transmission line and easement area are more particularly shown and delineated on a plat entitled "A PLAT SHOWING A POWER LINE EASEMENT CROSSING THE SHAW CREEK WINDSOR TAP 115KV AIKEN COUNTY, S.C.," dated June 3, 1986, which is attached hereto and incorporated herein by reference as Exhibit A.

EXHIBIT NO. 1

JUL 29 1986

STATE BUDGET & CONTROL BOARD

This easement of right-of-way is subject to all easements and rights-of-way of record or which may be revealed by inspection of the property and extends only to the STATE's prima facie ownership.

01035

The vertical clearance of all electrical wire, conductors, cables and live parts of equipment across all navigable waters and/or waters of the State of South Carolina shall be constructed in accordance with National Electrical Safety Code (ANSI - C2 - 1981) Part 2, Section 23, as amended.

COOPERATIVE hereby agrees and covenants with the STATE that COOPERATIVE, 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. COOPERATIVE shall use the easement area solely for the purposes incidental with the construction, operation, and maintenance of said aerial transmission line and shall maintain such easement area and transmission line in good condition.

COOPERATIVE further agrees and covenants that COOPERATIVE 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 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, affecting the bed of the waterway, the South Carolina Coastal Council and the South Carolina Water Resources Commission shall be notified in writing prior thereto.

COOPERATIVE WILL COMPLY WITH AND BE BOUND BY ANY AND ALL APPLICABLE STATE STATUTES, REGULATIONS, AND TERMS AND CONDITIONS OF ANY PERMITS OR AGREEMENTS CONCERNING THIS PROJECT AND ANY AND ALL LANDS AND WATERS INVOLVED THEREWITH.

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 COOPERATIVE, its successors and assigns: (1) quits and abandons all use of such aerial transmission line, 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 of any of the terms and conditions herein.

It is further 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. This easement is subject to all easements, permits, restrictions and covenants of record, or of plats of record, or which may be revealed upon inspection of the property.

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 29 day of July, 1986.

WITNESSES:

Kathleen M Hoppa

William A McInnis

(signatures continue)

STATE OF SOUTH CAROLINA
BUDGET & CONTROL BOARD

BY: Richard W. Riley
Governor Richard W. Riley

EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

01037

CENTRAL ELECTRIC POWER
COOPERATIVE, INC.

Alice Ann Rogers
Georgia E. Livingston

BY: Blanton M. Derrick

ATTORNEY GENERAL'S OFFICE

Approved: Kenneth P. Woodward

EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

01038

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PERSONALLY appeared before me William A. McInnis and made oath that he/~~she~~ saw the within named State of South Carolina, Budget and Control Board, by its Chairman, Governor Richard W. Riley, sign, seal, and as its act and deed deliver the within written Easement, and that he/~~she~~, along with Katherine M. Hepfer, witnessed the execution thereof.

William A McInnis

SWORN to before me this 29th

day of July, 1986.

Donna K. Williams (L.S.)
Notary Public for South Carolina

My Commission Expires: 5/3/89

EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

****

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PERSONALLY appeared before me Alice Ann Rogers and made oath that he/she saw the within named Central Electric Power Cooperative, Inc., by Bland M. Derrick, its President, sign, seal, and as its act and deed deliver the within written Easement, and that he/she, along with Georgia E. Livingston, witnessed the execution thereof.

Alice Ann Rogers

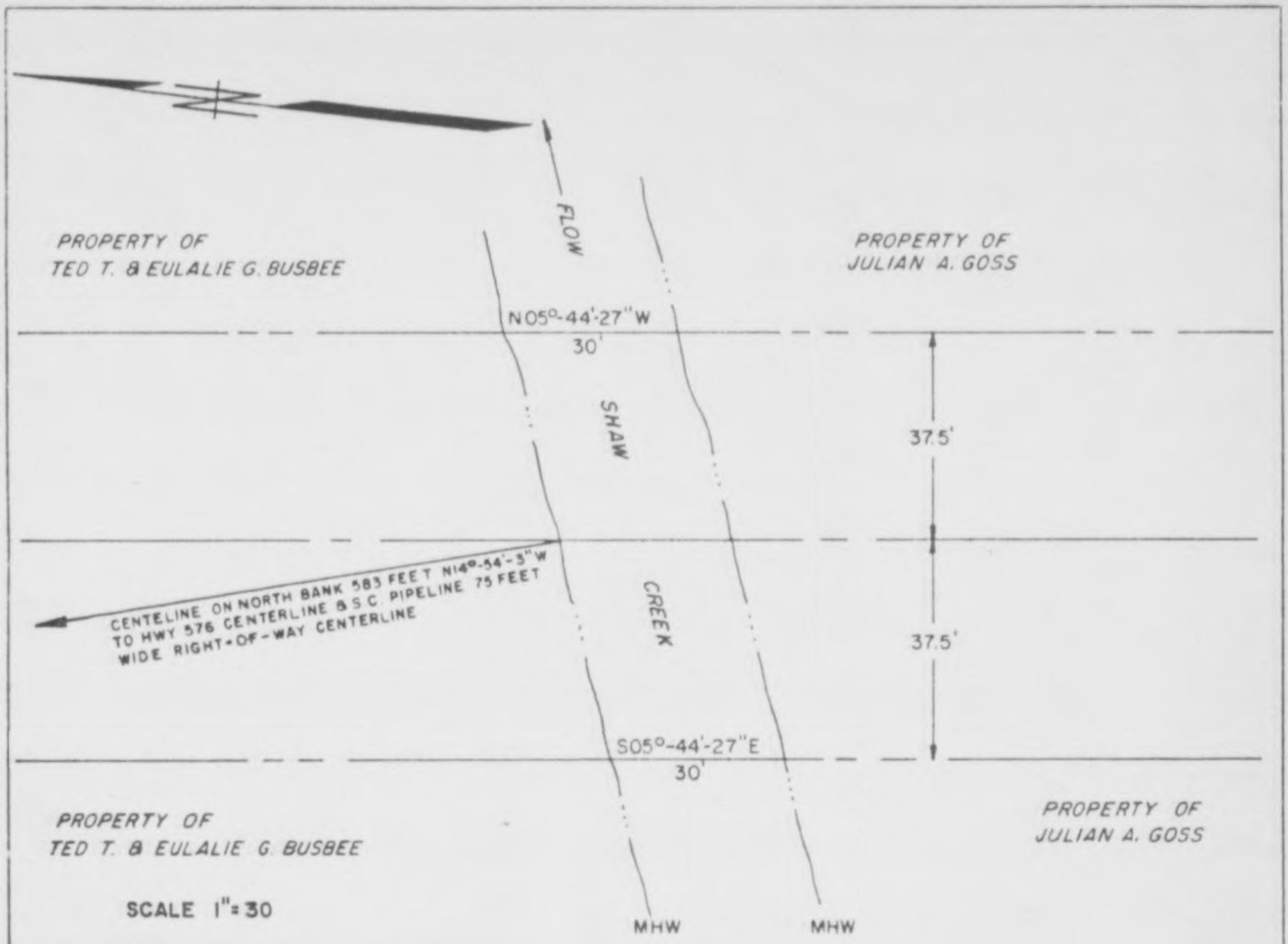
SWORN to before me this 11th

day of July, 1986.

Georgia E. Livingston (L.S.)
Notary Public for South Carolina

My Commission Expires: May 4, 1989

01039



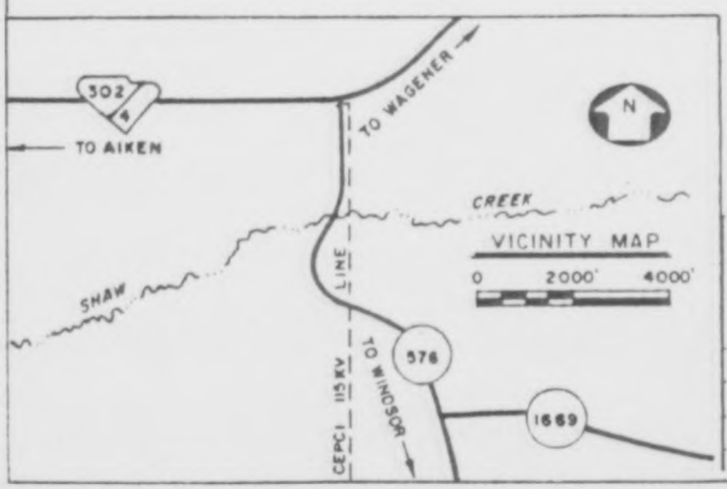
A UTILITY EASEMENT 75 FEET WIDE RUNNING FROM THE MEAN HIGH WATER LINE ON THE NORTH BANK TO THE MEAN HIGH WATER LINE ON THE SOUTH BANK OF THE SHAW CREEK.

DATUM: MEAN SEA LEVEL

SOUTH CAROLINA PROFESSIONAL ENGINEER AND LAND SURVEYOR 6337 CHARLES F. LOWE RENEW

Charles F. Lowe

P.E., R.L.S.



Central Electric Power Cooperative, Inc.
P.O. Box 1455/121 Greystone Boulevard/Columbia, S.C. 29202/(803) 776-4873

A PLAT SHOWING A
POWER LINE EASEMENT
CROSSING THE
SHAW CREEK
WINDSOR TAP 115KV
AIKEN COUNTY S.C.

SCALE SHOWN

DRAWN J.A.

DATE 6/3/86

01040

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for: July 29, 1986

X *Blue Agenda*
__ *Regular Session Agenda*
__ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: Richard W. Kelly, Director

2. *Subject:* Easement to Lakewood Mobile Home Park

3. *Summary Background Information:*

At its December 17, 1985, meeting, the Board authorized a 10' easement to Lakewood Mobile Home Estates for the installation of a sanitary sewer line across State-owned land fronting on Platt Springs Road. This easement has been prepared and approved by the Attorney General's Office. The Board is requested to execute the easement so that the project may be concluded.

EXHIBIT
JUL 29 1986 NO. 1
STATE BUDGET & CONTROL BOARD

4. *What is Board asked to do?*

Execute the proposed easement.

5. *What is recommendation of the Board Division involved?*

That the proposed easement be executed.

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
1. December 17, 1985, Board Summary 2. Original Easement (5 Pages)	

(d)

01041

EXHIBIT

JUL 29 1986 NO. 1

EASEMENT STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
COUNTY OF LEXINGTON)

THIS EASEMENT granted this _____ day of _____, 1986, by the State of South Carolina ("Grantor") to Comfort Zone, a South Carolina General Partnership, d/b/a Lakewood Mobile Home Estates ("Grantee").

For good and valuable consideration, the receipt of which is acknowledged, Grantor hereby grants and conveys to Grantee, its successors and assigns, a right-of-way for the purposes of laying, constructing, operating, inspecting, maintaining, repairing, replacing, relocating and removing a gravity sewer pipeline for the transportation of sewage through a sewer pipeline not less than ten (10") inches in width, at the location and on the general route shown on attached Exhibit A, incorporated herein by reference, and shall be deemed to include the extreme width of the sewer pipeline and five (5') feet on each side of the centerline of said sewer pipeline, together with such rights of entry upon, passage over, deposit of excavated earth, and storage of material and equipment on such area as may be necessary or useful for the construction, maintenance, cleaning out, and repair of such sewer pipeline. It is understood and agreed that upon a survey being conducted of the easement and property over which it is granted, said easement shall be moved, adjusted or relocated so as to correspond to the sewer line easement as shown on said survey. In no event will the sewer line be further than five (5') feet from any property line, unless mutually agreed to by the parties.

The rights herein shall be possessed and enjoyed by Grantee, its successors and assigns, so long as the sewer pipeline or pipelines and appurtenances constructed pursuant hereto shall be maintained and operated by the Grantee.

Grantee shall have the right to ingress and egress to and from the premises for any and all purposes necessary or convenient to the exercise by Grantee of the rights granted herein.

Grantor reserves the right to use and enjoy the premises to the fullest possible extent without unreasonable interference with the exercise by Grantee of the rights granted herein.

Grantor shall have the right, in the future, to ten (10) free sewer taps and to a capacity of up to 100,000 gallons/day use of sewer line. There will be no charge assessed to Grantor by Grantee for the ten (10) taps, and Grantee agrees to pay the City of Cayce, or any successor utility, the tap fees assessed for the ten (10) taps herein contemplated. It is understood, however, that any sewer service charge assessed by the City of Cayce, or any successor utility, shall be borne by the Grantor or its successors.

Grantee agrees to bury all sewer pipelines to a depth that is sufficient to avoid any interference with the operation of Grantor. Grantee further agrees to pay any and all damages to the property of Grantor that may arise from the construction, maintenance and operation of such sewer pipeline or pipelines.

The rights granted herein shall be assignable, together or separately, in whole or in part, only with the written consent of Grantor.

This easement of right-of-way is subject to all easements and rights-of-way of record or which may be revealed by inspection of the property.

Grantee shall use the easement area solely for the purposes incidental with the construction, operation and maintenance of said sewer pipeline, and shall maintain such easement area and pipeline in good condition.

Grantee further agrees and covenants that Grantee shall indemnify and hold harmless Grantor from and against any and all liabilities, claims, causes of action and expenses including, but not limited to, reasonable 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.

Grantee will comply with and be bound by any and all applicable State statutes, regulations, and terms and conditions of any permits or agreements concerning this project.

This easement may be terminated by Grantor, in its discretion, and such interests as the Grantee may have shall revert to the Grantor if Grantee, its successors and assigns: (1) quits and abandons all use of such 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 of any of the terms and conditions herein.

It is further understood and agreed that this easement is not to be constructed as an easement granted to the exclusion of the Grantor or to others later granted a similar right.

01044

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 29 day of July, 1986.

WITNESSES:

Karen M Hoch

William A Metennis

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD

BY: Richard W. Riley
Governor Richard W. Riley

COMFORT ZONE, A SOUTH CAROLINA GENERAL PARTNERSHIP, D/B/A LAKEWOOD MOBILE HOME ESTATES

BY: _____

TITLE: _____

ATTORNEY GENERAL'S OFFICE

Approved: _____

01045

STATE OF SOUTH CAROLINA)
)
COUNTY OF RICHLAND)

PROBATE

PERSONALLY appeared before me William A. McInnis, who being first duly sworn, deposes and says that she/~~he~~ saw the within-named State of South Carolina, Budget and Control Board, by Governor Richard W. Riley, sign, seal, and as its act and deed, deliver the within-written easement, and that he/~~she~~, along with Katherine M. Hepfer, witnessed the execution thereof.

William A McInnis

SWORN to before me this 29th day of July, 1986.

Donna R. Williams (L.S.)
Notary Public for South Carolina

My Commission Expires: 5/3/89

EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

****

STATE OF SOUTH CAROLINA)
)
COUNTY OF)

PROBATE

PERSONALLY appeared before me _____, who being first duly sworn, deposes and says that he/she saw the within-named Comfort Zone, A South Carolina General Partnership, d/b/a Lakewood Mobile Home Estates, by _____, its _____, sign, seal and as its act and deed, deliver the within-written easement, and that he/she, along with _____, witnessed the execution thereof.

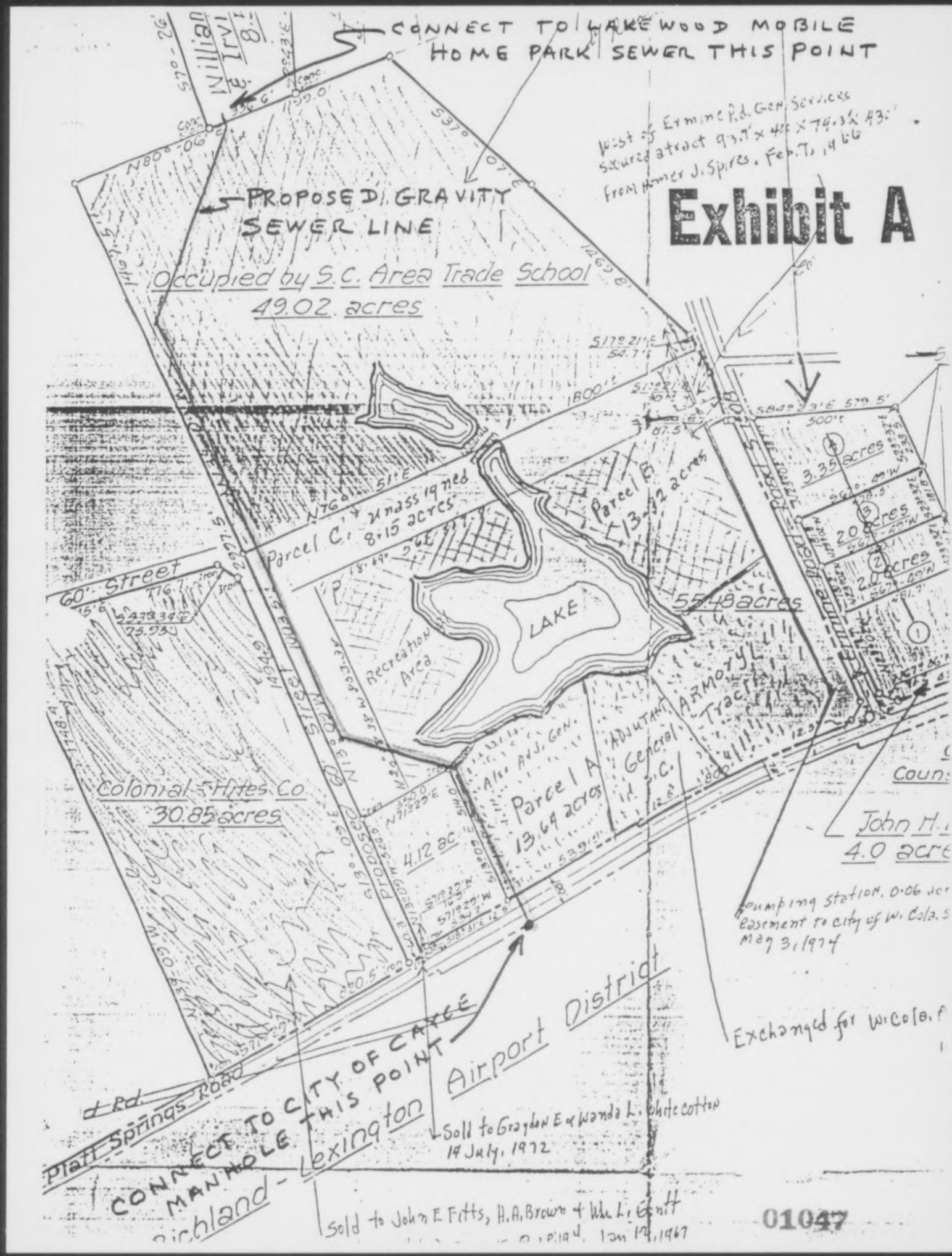
_____

SWORN to before me this _____ day of _____, 1986.

_____ (L.S.)
Notary Public for South Carolina

My Commission Expires: _____

01046


CONNECT TO LAKEWOOD MOBILE HOME PARK SEWER THIS POINT
PROPOSED GRAVITY SEWER LINE
Exhibit A
Occupied by S.C. Area Trade School
49.02 acres
Parcel C
Unassigned
8.15 acres
Parcel B
13.32 acres
LAKE
Recreation Area
55.48 acres
Parcel A
13.64 acres
Armory
Tract
Colonial Hites Co.
30.85 acres
60' Street
Platt Springs Road
Lexington
Airport District
CONNECT TO CITY OF CAYCE MANHOLE THIS POINT
Sold to Grayden E. & Wanda L. Whitecotton
14 July, 1972
Sold to John E. Fitts, H.A. Brown & Wm. L. Scott
Jan 17, 1967
Exchanged for W. Cola.
4.0 acre
01047

27. Authorized the Division of Information Resource Management to issue a request for proposals for the digital voice and data microwave radio solicitation, in accord with Code Section 11-35-1530, relating to competitive sealed proposals;

28. Approved the concept of energy conservation financing through shared savings provided that each individual contract proposed to implement the concept be subject to specific Board approval, with the understanding that the shared savings approach is to be viewed only as an alternative which must be measureable and that the State may choose to exercise this option itself;

29. Extended for six months the Department of Mental Retardation's procurement certification to enter into annual term contracts for pharmaceutical drugs up to $600,000;

30. Increased the procurement certification of Clemson University for goods and services to $30,000 per purchase commitment;

31. Granted a ten-foot easement for a sanitary sewer line to Lakewood Mobile Home Estates along the western boundary line of the Colite property which fronts Platt Springs Road in Lexington County with the consideration being that the State can utilize an unlimited number of taps into this line free of charge with the State's capacity not to exceed 100,000 gallons per day and with the understanding that the sewer line should not be less than ten inches in diameter, subject to approval by the Attorney General's Office;

32. Approved Clarks Hill-Russell Authority payment of not more than $5,000 for moving the personal and household effects of the Authority's newly employed Deputy Director;

33. Approved the trade-in of six Xerox copying machines by Clemson University with the trade-ins being applied to the purchase of like items;

34. Approved an Industrial Commission request to transfer $30,000 of appropriated general fund personal service monies to contractual services;

35. Approved the establishment of the Department of Mental Retardation Coastal Region, 9-bed Community Residence project (J16-8987) with a budget of $280,000 of Capital Improvement Bond funds; approved the acquisition of 2.6 acres of land at a cost of $25,000 as a part of project 8987; and approved the reduction of budget of project J16-8914 by $280,000 to provide the funding for project 8987;

36. Agreed to hold a regular meeting at 2:30 p.m. on Thursday, January 16, 1986, in the Governor's conference room in the State House;

JUL 23 1986

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for: July 29, 1986

___ *Blue Agenda*
___ *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: Richard W. Kelly, Director

2. *Subject:* Right-of-Way Easement to Highway Department

3. *Summary Background Information:*

This is a proposed right-of-way easement from the State to the Department of Highways and Public Transportation for improvements to Roads S-20 and S-540 (Tract 3) in Marion County. There is also a fifty (50') foot triangular area involved at the intersection of Roads S-760 and S-540.

This proposed easement has been reviewed and approved by the Attorney General's Office.

EXHIBIT

JUL 29 1986 NO. 1

STATE BUDGET & CONTROL BOARD

4. *What is Board asked to do?*

Review the proposed easement.

5. *What is recommendation of the Board Division involved?*

That the proposed easement be approved and executed.

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
1. Original Easement (1 page, front and back) 2. Plan and Profile Sheets (2)	

(e)

01049

Form 801 (Rev. 8-1-77)

The State of South Carolina

TRACT 3

COUNTY OF Marion

Road S-20/540 File No. 34.1

Project No. C- Item #2P058

Approx. survey station, from 39+15 to 45+32 LT.

Right of Way Easement
STATE OF SOUTH CAROLINA
c/o Budget and Control Board

KNOW ALL MEN BY THESE PRESENTS, That I (or we) Columbia, SC

in consideration of the sum of One Dollar, to me (or us) in hand paid, and other valuable consideration at and before sealing and delivering thereof, by the South Carolina Department of Highways and Public Transportation, receipt of which is hereby acknowledged, have granted, bargained, sold, and released, and by these presents do grant, bargain, sell and release, unto the said South Carolina Department of Highways and Public Transportation, its successors and assigns a right of way for the construction of a section of the State Highway from Improvements at intersection of Roads (Name of Place)

for S-20 and S-540 (Name of Place) on Roads S-20/540 State and County aforesaid, as shown by plans prepared by the South Carolina Department of Highways and Public Transportation, on and over all lands which I (or we) may own in whole or in part, for the purpose of locating, constructing, improving, and maintaining the above described highway with the bridges and causeways thereon, and the right to construct and maintain controlled access facilities to said highway.

Bounded by the lands of Mullins School District #2 on the South and by right of way of (Show only the Land Owners along the Highway)

Road S-760 on the North and others.

Said right of way to have a width of 40 feet, on the left (West) side of the center line of the highway. The grantor expressly recognizes the possibility that the property described herein may be used in the future by cable television companies for the purposes provided by Act No. 688 of the Acts of Joint Resolutions (1976).

"Special Provisions:" Also herein granted is right of way for a fifty foot triangular area left of approximate survey station 45+00, at the intersection of Road S-760 and Road S-540.

All right of way herein granted is more particularly shown on sheet 5 of the plans for this project.

Together with, all and singular, the rights, members, hereditaments and appurtenances thereunto belonging, or in any wise incident or appertaining. It is agreed that buildings, fences, signs or other obstructions will not be erected by me (or us), my heirs, assigns or administrators within the limits of the right of way herein conveyed and that such buildings and fences as are now within the limits of the right of way herein conveyed will be moved from the right of way and restored in as good condition as before moving at the expense of the South Carolina Department of Highways and Public Transportation.

TO HAVE AND TO HOLD, all and singular, the said right of way and the rights hereinbefore granted, unto the said South Carolina Department of Highways and Public Transportation, its successors and assigns forever.

IN WITNESS WHEREOF, I (or we) have hereunto set my (or our) hand... and seal... this 29 day of July, 1986 WAM in the year of our Lord, One Thousand Nine Hundred and 1986.

Signed, sealed and delivered in the presence of:

Katherine M. Hepfer

William A McInnis

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
BY: Richard W. Riley (L.S.)

NOTE: All Right of Way Agreements must be in writing and are subject to rejection by the South Carolina Department of Highways and Public Transportation.

The State of South Carolina
COUNTY OF Richland

Personally appeared William A. McInnis

and made oath that he saw the within named Richard W. Riley (Print or Typewrite Name)

sign, seal and, as his act and deed, deliver the within written easement; and that he with Katherine M. Hepfer witnessed the execution thereof.

Sworn to before me this 29th day of July A. D., 1986

Barbara H. Williams (L.S.)
Notary Public for South Carolina

My Commission expires 5/3/84

William A McInnis
Witness sign here

ATTORNEY GENERAL'S OFFICE

Approved: Kenneth P. Woodington

01050

EXHIBIT
JUL 29 1986 NO. 1
STATE BUDGET & CONTROL BOARD

The State of South Carolina

RENUNCIATION OF DOWER

COUNTY OF.....

I,..... Notary Public for S. C.

do hereby certify unto whom it may concern, that Mrs. .....

the wife of the within named....., did this day appear before me, and upon being privately and separately examined by me, did declare that she does freely, voluntarily, and without any compulsion, dread or fear of any person or persons whomsoever, renounce, release, and forever relinquish unto the within named South Carolina Department of Highways and Public Transportation, its successors and assigns, all her interest and estate, and also her right and claim of dower of, in and to, all and singular, the premises within mentioned and released.

Given under my hand and seal, this.....day of.....

Anno Domini, 19..... .

.....
Signature of Wife

Sworn to before me this.....day of.....A. D., 19..... .

.....(L. S.)

My Commission expires.....
Notary Public for South Carolina

The State of South Carolina

MORTGAGE RELEASE

COUNTY OF.....

KNOW ALL MEN BY THESE PRESENTS, That I (or we).....
do for certain valuable consideration release from the lien and operation of my (or our) mortgage the property conveyed by the within deed so that the said property shall be free and unaffected by said mortgage.

Witness our hand and seal this.....day of....., 19..... .

In the presence of:

.....

.....

.....

01051

EXHIBIT

JUL 29 1986 NO. 2

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD AGENDA

MEETING OF July 29, 1986 ITEM NUMBER 2

AGENCY: Nolas Trading Company

SUBJECT: Petition for Declaratory Ruling

Nolas Trading Company has filed a petition asking for a declaratory ruling by the Board on its authority to promulgate Regulation 19-450 relating to the issuance of permits for construction in navigable streams.

The Attorney General's Office is working on this. The Board has 30 days within which to respond.

BOARD ACTION REQUESTED:

Receive as information a report that the Attorney General's Office will respond to the Nolas Trading Company petition for a declaratory ruling by the Board on its authority to promulgate Regulation 19-450 relating to the issuance of permits for construction in navigable waters.

ATTACHMENTS:

Sloan 7/16 letter plus attachment

01052

JUL 21 1986

The State of South Carolina

Office of the Attorney General

EXHIBIT

JUL 29 1986 NO. 2

STATE BUDGET & CONTROL BOARD

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803 734-3680

MEMORANDUM

TO: William A. McInnis
Deputy Executive Director

FROM: Joseph A. Wilson, II
Chief Deputy Attorney General

SUBJECT: Nolas Trading Company, Inc., Petition for Declaratory Ruling on Board's Authority to Promulgate Regulation 19-450

DATE: July 18, 1986

I acknowledge receipt of your memo of July 16, 1986, forwarding the above matter to this office.

Please be advised that the Nolas matter has been assigned to David C. Eckstrom. He will be in touch with you or other persons on your staff to discuss the matter.

gmb

CC: Nathan Kaminski, Jr., Executive Assistant for Administration
David C. Eckstrom, Assistant Attorney General

01053

EXHIBIT

JUL 29 1986 NO. 3

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD BLUE AGENDA

MEETING OF July 29, 1986 ITEM NUMBER 3

AGENCY: University of South Carolina

SUBJECT: Fee Increases

The University of South Carolina advises of fee increases which are expected to generate the following amounts:

Columbia	$4,837,000
Medical School	50,000
4-year campuses	1,100,000
1-year campuses	400,000
Total	$6,387,000

Details are in the attachment.

BOARD ACTION REQUESTED:

Receive as information a report that the University of South Carolina will increase fees effective for the Fall 1986 academic term which are estimated to produce $4,837,000 in additional revenue for the Columbia campus and a total of $6,387,000 for the entire USC system.

ATTACHMENTS:

Holderman July 21 letter to Coles plus attachments

01054

UNIVERSITY OF SOUTH CAROLINA
COLUMBIA, S. C. 29208

PRESIDENT

RECEIVED
JUL 21 1986
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

July 21, 1986

EXHIBIT
JUL 29 1986 NO. 3
STATE BUDGET & CONTROL BOARD

BY HAND

Dr. Jesse A. Coles, Jr.
S.C. Budget and Control Board
P. O. Box 12444
Room 618
Columbia, SC 29211

Dear Jesse:

Pursuant to Section 17 of the 1986-87 Appropriations Act, I am writing to advise that on July 9, 1986, the University of South Carolina Board of Trustees approved certain fee increases effective for the fall 1986 academic term as more particularly described in the enclosed schedules.

Sincerely,

James B. Holderman

JBH/tdt
Enclosures

cc: Mr. Chris Vlahoplus, Secretary
USC, Board of Trustees
Provost Francis T. Borkowski
Senior Vice President Robert W. Denton

01055

EXHIBIT

JUL 29 1986 NO. 3

STATE BUDGET & CONTROL BOARD

USC SYSTEM

SUMMARY OF FEES

FY87

	Before Increase	Fee Increase	Total Fees
Columbia	27,892,395	4,836,636	32,729,031
Med School	762,664	71,000	833,664
Aiken	1,752,339	280,500	2,032,839
Coastal	2,650,998	500,000	3,150,998
Spartanburg	2,341,227	330,000	2,671,227
Beaufort	442,772	66,960	509,732
Lancaster	558,682	86,960	645,642
Salkehatchie	308,870	54,180	363,050
Sumter	886,472	147,240	1,033,712
Union	199,542	38,610	238,152

01056

PROPOSED
UNIVERSITY OF SOUTH CAROLINA
1986-87 FEE SCHEDULE PER SEMESTER

	FROM				TO
	BASE	$2 PER HR	COMPUTER FEE RANGE	TOTAL MIN/MAX PER SEMESTER	PROPOSED FEE TO INCLUDE $2 PER HR. AND COMPUTER
I. COLUMBIA					
A. FULL TIME					
1. UNDERGRADUATE					
a. RESIDENT FULL TIME	804	30	0-50	834-884	1,014
b. NON RESIDENT FULL TIME	1,644	30	0-50	1674-1724	2,074
2. GRADUATE RESIDENT/NON-RESIDENT	804	30	0-50	834-884	1,014
3. LAW					
a. RESIDENT	904	30	0-50	934-984	1,114
b. NON RESIDENT	1,794	30	0-50	1824-1874	2,224
4. MEDICAL (Effective 1/01/87)					
a. RESIDENT	1800	0	0	1800	2000
b. NON RESIDENT	3600	0	0	3600	4000
B. PART-TIME FEES PER CREDIT HOUR					
1. UNDERGRADUATE					
a. RESIDENT	65	2	0-7	67-74	84
b. NON-RESIDENT	140	2	0-7	142-149	171
2. GRADUATE RESIDENT/NON-RESIDENT	67	2	0-7	69-76	86
3. LAW					
a. RESIDENT	75	2	0-7	77-82	95
b. NON RESIDENT	150	2	0-7	152-159	190
4. CERTIFIED TEACHER R/NR	57	2	0-7	59-66	76
C. GRADUATE ASSISTANT FEES					
1. HALF TIME RESIDENT/NON-RESIDENT	225	30	0-50	255-305	305
2. QUARTER TIME RESIDENT/NON-RESIDENT	325	30	0-50	355-405	405
II. FOUR YEAR CAMPUSES					
1. FULL-TIME					
a. RESIDENT	600	30 *	0	600-630	700
b. NON-RESIDENT	1,270	30	0	1270-1300	1,470
2. PART TIME					
a. RESIDENT	50	2	0	50-52	60
b. NON-RESIDENT	100	2	0	100-102	120
III. UNIVERSITY CAMPUSES					
1. FULL-TIME					
a. RESIDENT	510	0	0-50	510-560	600
b. NON-RESIDENT	1,105	0	0-50	1105-1155	1,235
2. PART TIME					
a. RESIDENT	44	0	0-7	44-51	50
b. NON-RESIDENT	88	0	0-7	88-95	100

*SPARTANBURG ONLY

01057

Revenue Generations

Columbia	
Base Tuition Increase	$4,837,000
Medical School	
Base Tuition Increase	50,000
Four Year Campuses	
Base Tuition Increase	1,100,000
Two Year Campuses	
Base Tuition Increase	400,000

EXHIBIT

JUL 29 1986 NO. 3

STATE BUDGET & CONTROL BOARD

CWP/pdo
7-15-86

01058

EXHIBIT

JUL 29 1986 NO. 4

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD — BLUE AGENDA

MEETING OF July 29, 1986 — ITEM NUMBER 4

AGENCY: Lander College

SUBJECT: Additional Fee Increase

On the May 27, 1986, blue agenda, the Board was advised of a $150 per year Educational and General fee increase for Lander College for fiscal year 1986-87.

At that time, Lander indicated that the fee increase was based on the appropriation level recommended by the Senate Finance Committee. Since the appropriation level was reduced by the Conference Committee and by the Governor, Lander requested and was granted an additional $50 per year increase by the State College Board of Trustees on July 9.

BOARD ACTION REQUESTED:

Receive as information a report that Lander College will increase Educational and General fees by an additional $50 (total fee increase of $200 per year) effective in the Fall 1986 semester.

ATTACHMENTS:

Troublefield July 18 memo to Ways and Means Committee; Senate Finance Committee; Budget and Control Board; Joint Appropriations Review Committee

01059

EXHIBIT

JUL 29 1986 NO. 4

STATE BUDGET & CONTROL BOARD

Lander
COLLEGE

Vice President for Business & Administration

Greenwood, South Carolina 29646

Telephone (803) 229-8305

RECEIVED

JUL 22 1986

BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

TO: Ways and Means Committee
Senate Finance Committee
State Budget and Control Board ✓
Joint Appropriations Review Committee

FROM: W. E. Troublefield, Jr
Vice President for Business & Administration

DATE: July 18, 1986

SUBJ: 1986-87 FEE INCREASE

On May 19, 1986, in accordance with the requirement in Section 17 of the State Appropriation Act I wrote to advise that the State College Board of Trustees had approved on May 14 a $150 per year Educational and General fee increase for Lander College for 1986-87. As indicated in that letter, this increase was based on the appropriation level recommended by the Senate Finance Committee. Since this appropriation level was reduced by the Conference Committee and again by the Governor, it was necessary for Lander to request an additional $50 per year increase at the State College Board of Trustees' meeting on July 9, 1986. This additional increase was approved on that date.

Attached for your reference is a copy of the Student Fee Information sent to you on May 19 updated to reflect the total fee increase of $200 per year for 1986-87.

WETjr:rk

Attachment

cc: Charles Brooks, CHE

C1060

EXHIBIT

JUL 29 1986 NO. 4

BUDGET & CONTROL BOARD

LANDER COLLEGE

Student Fee Information

July 18, 1986

Required Fees (Full-Time Students-In-State)	Current Amount	Increase	Amount Effective Fall 1986
Educational and General Fee	$1,157/yr.	$200/yr.	$1,357/yr.
Student Activity Fee	63/yr.	--	63/yr.
Maintenance & Renovation Fee	50/yr.	--	50/yr.
Total Required Fee	$1,270/yr.	$200/yr.	$1,470/yr.
Out-of-State Increment	$600/yr.	--	$600/yr.
Part-time (In-State)	$60/credit hour	$10/credit hour	$70/credit hour
Part-time (Out-of-State)	$85/credit hour	$10/credit hour	$95/credit hour

Actual revenue generated by current E & G fee - $2,281,177
Estimated number of students to be assessed the new fee - 2,000
Estimated revenue to be generated by fee increase - $400,000

Auxiliary Enterprise Fees	Current Amount	Increase	Amount Effective Fall 1986
Dormitories:			
Brookside, Coleman, Villas West, & Williamston	$1,200/yr.	--	$1,200/yr.
Chipley, Lander Apts.	$1,000/yr.	--	$1,000/yr.
Health Service	$40/yr.	--	$40/yr.
7-Day Board Plan	$800/yr.	--	$800/yr.

Summary	Current Amount	Increase	Amount Effective Fall 1986
Total cost for a full-time S. C. resident to attend Lander College and live in the most expensive dormitory	$3,310/yr.	$200/yr.	$3,510/yr.

01061

EXHIBIT

JUL 29 1986 NO. 5

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD BLUE AGENDA

MEETING OF July 29, 1986 ITEM NUMBER 5

AGENCY: Human Resource Management

SUBJECT: Policy re Promotion Increases for Unclassified Academic Employees

At its meeting on June 10, 1986, on the condition the Attorney General's Office finding it legally permissible, the Board delegated to the Director of the Division of Human Resource Management authority to approve promotional salary increases of 10% or less for unclassified academic employees, in accord with pertinent provisions of the applicable appropriations act.

The Division advises that the Attorney General's Office has determined:

(a) that general salary increases for unclassified academic employees in excess of the amounts designated in the appropriations act would require approval by the Budget and Control Board; and

(b) that authority to approve promotional increases could be delegated to the Director of Human Resource Management.

The revised policy would read as follows:

> Effective this date, the Budget and Control Board delegated authority to the Director of the Division of Human Resource Management to approve promotional salary increases of 10% or less for unclassified academic employees. Any promotional increase in excess of 10% will be submitted to the Board for consideration.
>
> All such requests are to be approved according to pertinent provisions of the applicable Appropriations Act.

BOARD ACTION REQUESTED:

Receive as information a report that the Attorney General's Office has determined that the Budget and Control Board can delegate to the Division of Human Resource Management the authority to approve promotional salary increases of 10% or less for unclassified academic employees, in accord with pertinent provisions of the applicable appropriations act, and revise the policy adopted at the June 10, 1986, meeting accordingly.

ATTACHMENTS:

Agenda item worksheet and attachment + AG advice

C1062

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

July 29, 1986

X *Blue Agenda*
___ *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of Human Resource Management
   (b) Authorized Official Signature: Phyllis M. Mayes

2. *Subject:* Fiscal Year 1986-87 Salary Increases - Policy for Promotional Increases for Unclassified Academic Employees

3. *Summary Background Information:*

On June 10, 1986, contingent upon the Attorney General's Office finding it legally permissible, the Board delegated to the Director of the Division of Human Resource Management the authority to approve promotional salary increases of 10% or less and general salary increases of 10% or less for unclassified academic employees, in accordance with pertinent provisions of the applicable Appropriations Act.

The Attorney General's Office has advised that general salary increases for unclassified academic employees in excess of the amounts designated in the Appropriations Act would require approval by the Budget and Control Board, however, the authority to approve promotional increases could be delegated to the Director of Human Resource Management.

4. *What is Board asked to do?*

Review attached policy.

EXHIBIT

JUL 29 1986 NO. 5

STATE BUDGET & CONTROL BOARD

5. *What is recommendation of the Board Division involved?*

For information.

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
Policy for Promotional Increases for Unclassified Academic Employees.	

01063

EXHIBIT

JUL 29 1986 NO. 5

STATE BUDGET & CONTROL BOARD

POLICY REGARDING PROMOTIONAL INCREASES FOR UNCLASSIFIED ACADEMIC EMPLOYEES

POLICY:

The Budget and Control Board authorizes the Director of the Division of Human Resource Management to approve promotional increases up to 10% for unclassified academic employees.

Any request for amounts greater than 10% will be submitted to the Budget and Control Board for consideration.

01064

The State of South Carolina

Office of the Attorney General

RECEIVED
JUL 10 1986
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803 734-3680

July 9, 1986

Jesse A. Coles, Jr., Ph.D.
Executive Director
S. C. Budget and Control Board
P. O. Box 12444
Columbia, South Carolina 29211

CONFIDENTIAL LEGAL ADVICE

RE: Budget and Control Board's proposed delegation to the Director of DHRM of authority to approve promotional salary increases of 10% or less and general salary increases of 10% or less for unclassified academic employees, in accord with pertinent provisions of the applicable appropriations act.

Dear Jesse:

Advice has been requested as to the legal authority of the Budget and Control Board to delegate authority to the Director of the Division of Human Resource Management to approve promotional and general salary increases of 10% or less for unclassified academic employees, in accord with pertinent provisions of the appropriations act.

Because the language of §16 of the 1986-87 appropriations act requires "specific Budget and Control Board approval" of certain increases in excess of 8% the more prudent reading, in my opinion, is that §16 of the 1986-87 appropriations act requires the Budget and Control Board itself to approve any general salary increases above the designated percentage for unclassified academic employees.[1] Because the Budget and Control Board's

[1] The 1985-86 appropriations act required specific Budget and Control Board approval before any unclassified academic employee could be granted an annual pay raise in excess of 12%. The 1986-87 appropriations act requires Board approval before any unclassified employee may be granted an annual pay raise in excess of eight percent. Both appropriation acts require "specific Budget and Control Board approval."

01065

action at its meeting on June 10, 1986, indicated a desire to delegate this authority to the Director of the Division of Human Resource Management, the process could be initiated immediately to promulgate regulations embodying this delegation for approval by the legislature. This procedure would provide an opportunity to clarify legislative intent in this matter.

Pursuant to S. C. Code Ann. §8-11-230 (1976), the State Budget and Control Board is authorized and directed to:

> 1. Establish procedures for the regulation of compensation of all State employees where not otherwise regulated directly by the General Assembly. Such procedures and regulations shall distinguish between two categories of positions, classified and unclassified. A uniform Classification and Compensation Plan shall be provided for such regulation of all positions in the classified service. Such additional procedures shall be provided as in its judgment adequately and equitably regulate unclassified positions.

The General Assembly has directly regulated general salary increases for unclassified academic employees in its annual appropriation acts. See, e.g., 1985 S.C. Acts 201 § 16 [1985-86 appropriation act]. I am aware of no comparable proviso which regulates promotional increases for unclassified employees.

Section 16 of the 1986-87 appropriation bill provides, in relevant part:

> Provided, Further, That the amounts appropriated to the Budget and Control Board for Base Pay Increase must be allocated by the Board to various state agencies to provide pay increases for unclassified employees in accordance with the following plan:
>
> ...
>
> B. Provided, Further, That with respect to unclassified executive compensation system and academic employees, each agency, university, college, four-year campus, two-year campus, and the State Board for Technical and Comprehensive Education are

> authorized to determine the total funds required for compensation increases for its unclassified employees as a group and to allot the total among individual unclassified executive compensation system and academic employees without uniformity. Provided, Further, That all of the salaries are subject to the provisions of SECTION 138 of PART I of this act and that specific Budget and Control Board approval must be obtained before any unclassified employee may be granted an annual pay raise in excess of eight percent. The funds provided for compensation increases for unclassified executive compensation system and academic employees are based on an average annual four percent increase effective on the first pay date occurring on or after October 1, 1986. Unclassified executive compensation and academic employees are not eligible for the compensation increases as provided in Paragraph A of this proviso. [Emphasis added.]

Whether or not the State Budget and Control Board can delegate to the Director of the Division of Human Resource Management authority to approve general salary increases of 10% or less for unclassified academic employees depends upon the interpretation of the words "specific Budget and Control Board approval."

The cardinal rule of statutory interpretation is to ascertain and effectuate the legislative intent wherever possible. Bankers Trust of S.C. v. Bruce, 275 S.C. 35, 267 S.E. 2d 424 (1980). Where the terms of a statute are clear and unambiguous, there is no room for construction and terms must be accorded their literal meaning. Garris v. Cincinnati Ins. Co., 280 S.C. 149, 311 S.E. 2d 723 (1984). In construing a statute, words must be given their plain and ordinary meaning, without resort to subtle or forced construction for the purpose of limiting or expanding its operation. Walton v. Walton, 282 S.C. 165, 318 S.E. 2d 14 (1984). Words used in a statute should be taken in ordinary and popular significance, unless there is something in the statute requiring a different interpretation. Gambrell v. Travelers Ins. Companies, 280 S.C. 69, 310 S.E. 2d 814 (1983). Full effect must be given to each section of a statute, words therein must be given their plain meaning, and phrases must not be added or taken away in absence of ambiguity. Hartford Acc. Indem. Co. v. Lindsay, 273 S.C. 79, 254 S.E. 2d 301 (1979).

The phrase "specific Budget and Control Board approval" could be interpreted to mean that: (1) the State Budget and Control Board itself must approve the increases or (2) the actual amount of the increase above the designated percentage must be approved.

In reviewing other provisions of §16 of the 1986-87 appropriation act we've been unable to locate the term "specific approval of the Budget and Control Board." However, the phrase, "approval of the Budget and Control Board" appears in several other provisions of the act. For example, in §16 of the act the following language is found:

> Provided, Further, That no employee shall receive in excess of 97% of the agency head salary, except upon approval of the Budget and Control Board.

Similarly, S.C. Code Ann. §8-11-40 (1976) provides: "The department or agency head is authorized to grant additional sick leave in extenuating circumstances upon approval of the State Budget and Control Board." In addition, S.C. Code Ann. §9-1-1530 (1976) provides that any employee or teacher in service who has attained the age of seventy years shall be retired forthwith, except that:

> With the approval of his employer and the Board he may, upon his request therefor, be continued in service for a period of one year following each such request until such employee has reached the age of seventy-two years.... [Emphasis added.]

Neither of these three other statutory provisions contains the word "specific."

The use of the word "specific" in §16 of the 1986-87 appropriation act with regard to the Budget and Control Board approval for general salary increases for unclassified academic employees must be given effect. As an adjective, "specific" would modify a noun or group of words acting as a noun. If "specific" modifies the phrase "Budget and Control Board approval," then approval only by the Budget and Control Board itself is authorized. Therefore, the Budget and Control Board could not delegate this authority. If "specific" modifies the noun "approval," then specific approval of the actual amount of the increase, rather than general approval of an increase above the designated percentage, is required. Under this latter

interpretation, the Budget and Control Board could delegate the specific approval to the Director of the Division of Human Resource Management.

Although I recognize that the phrase "specific Budget and Control Board approval" could be read to mean that approval is required of the actual amount of the general salary increase above the designated percentage, the more prudent reading, in light of the uncertainty about the legislature's intent, is that the "specific" approval required by §16 of the 1986-87 appropriation act requires the Budget and Control Board itself to approve any general salary increase above the designated percentage for unclassified academic employees.

Moreover, the Board's approval might take the form of approval on the blue agenda of proposed salary increases as recommended by the Director of Human Resource Management. The goal would, of course, be to maintain minimum Board oversight of the approval process.

If I can answer any questions, please do not hesitate to contact me.

Very truly yours,

Joe

Joseph A. Wilson, II
Chief Deputy Attorney General

JAWII/gmb

EXHIBIT

JUL 29 1986 NO. 6

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD AGENDA

MEETING OF July 29, 1986 ITEM NUMBER 6

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

A. The following permanent improvement project actions have been reviewed favorably by the Joint Bond Review Committee and approved by staff:

On Summary 1-87: Items 1, 3 through 7, 9, 10, 12, 15, 18, 19 and 39 (involving Francis Marion, USC, MUSC, Wil Lou Gray Opportunity School, Mental Retardation, Corrections, Agriculture, Patriots Point Development Authority, and Aeronautics).

B. The following permanent improvement project actions have been approved by staff and Joint Bond Review Committee review is not required:

On Summary 1-87: Items 21 through 38 (involving The Citadel, Winthrop, Technical & Comprehensive Education, Mental Retardation, Youth Services and Parks, Recreation & Tourism).

BOARD ACTION REQUESTED:

Receive as information.

ATTACHMENTS:

Referenced summary extracts.

C1070

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
July 1, 1986 Through July 15, 1986

Item 1. Agency: H18 Francis Marion Project: 8320, Student Housing & Dining Facility

CHE Approval Date: 07/01/86
Committee Review Date: * JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 5,650,000.00 to $ 5,788,500.00

(Add $ 138,500.00 [9] Other, Renovation Res & Misc Housing Rev)

Budget After Action Proposed

Source	Amount
Revenue Bonds	5,500,000.00
Other	288,500.00
TOTAL FUNDS	5,788,500.00

Purpose: To allow for some rudimentary landscaping of the site and a large adjacent area, including thinning trees and planting appropriate shrubs, to improve the safety and security of residents and othe pedestrians.

Ref: Supporting document pages 1-4.

Item 2. Agency: H27 USC - Columbia Project: 8156, Medical Science Bldg Renov

CHE Approval Date: 06/30/86
Committee Review Date: * JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 950,000.00 to $ 1,760,000.00

(Add $ 533,827.97 [4] Excess Debt Service)
(Add $ 265,207.43 [6] Appropriated State)
(Add $ 10,964.60 [9] Other, Renov Reserve)

SEE REGULAR SESSION ITEM

Budget After Action Proposed

Source	Amount
Excess Debt Service	1,483,827.97
Appropriated State	265,207.43
Other	10,964.60
TOTAL FUNDS	1,760,000.00

Purpose: To complete renovations to the third floor of the facility.

Ref: Supporting document pages 5-6.

Item 3. Agency: H32 USC - Coastal Project: 8488, Wlm Brice Bldg-Gym Floor Replace

CHE Approval Date: 06/30/86
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 60,000.00 to $ 100,000.00

(Add $ 40,000.00 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Excess Debt Service	100,000.00
TOTAL FUNDS	100,000.00

Purpose: Cost of wooden gym floor replacement is much higher than estimated and bleacher removal and reinstallation was not originally estimated in the project.

Ref: Supporting document pages 7-8.

EXHIBIT
NO. 6
JUL 29 1986
STATE BUDGET & CONTROL BOARD

01071

Item 4. Agency: H51 Medical University Project: 8667, Basic Science Bldg Renovation

CHE Approval Date: 06/30/86
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 47,500.00 to $ 70,000.00

(Add $ 22,500.00 [6] Appropriated State)

Budget After Action Proposed

Source	Amount
Appropriated State	70,000.00
TOTAL FUNDS	70,000.00

Purpose: Enables the Departments of Anatomy and Biochemistry to expand and consolidate their respective research areas for greater efficiency and productivity. The location of the project will change from Room 619 to Rooms 536, 537, 538 and Room 553.

Ref: Supporting document pages 9-10.

Item 5. Agency: H51 Medical University Project: 8806, Anderson Property Acq

CHE Approval Date: 06/30/86
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 375,000.00 to $ 386,262.72

(Add $ 11,262.72 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Insitution Bonds	91,449.20
Revenue Bonds	41,822.87
Excess Debt Service	252,990.65
TOTAL FUNDS	386,262.72

Purpose: To cover additional legal fee expenses incurred during the acquisition.

Ref: Supporting document pages 11-12.

Item 6. Agency: H51 Medical University Project: 8948, Laboratory Animal Renov II

CHE Approval Date: 06/30/86
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 860,000.00 to $ 960,000.00

(Add $ 100,000.00 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Excess Debt Service	100,000.00
Appropriated State	60,000.00
Federal	800,000.00
TOTAL FUNDS	960,000.00

Purpose: To include the renovations necessary for an Animal Cardiac Unit which will be located on the 4th floor of the Research Building.

Ref: Supporting document pages 13-15.

STATE BUDGET & CONTROL BOARD
JUL 29 1986
EXHIBIT NO. 6

01072

Item 7. Agency: H71 Wil Lou Gray Op School Project: 8927, Campus Electrical Line Renov

CHE Approval Date: Not req'd
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 130,000.00 to $ 236,000.00

(Add $ 106,000.00 [6] Appropriated State)

Budget After Action Proposed	
Source	Amount
Appropriated State	236,000.00

Purpose: In conjunction with the electrical line renovation project, all PCB contaminated transformers must be removed in accordance with Federal regulations. To accomplish both projects cost effectively, the most practical method is to complete both projects simultaneously. These additional funds are being provided by the 1985-86 Supplemental Act attached to the 1986-87 Appropriation Act.

Ref: Supporting document pages 16-17.

TOTAL FUNDS 236,000.00

Item 8. Agency: J16 Mental Retardation Project: 7854, WC-Renovating of Buildings

CHE Approval Date: Not req'd
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

SEE REGULAR SESSION ITEM

Action Proposed: Decrease budget from $ 1,601,500.00 to $ 801,500.00

(Subtract $ 800,000.00 [0] Capital Improvement Bonds)

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	801,500.00

Purpose: To transfer funds to new project in APIP, Coastal Center Construction/Renovation as per the proviso in the 1986 General Bond Act, which changed the purpose for which these previously authorized funds may be used.

Ref: Supporting document pages 18-20.

TOTAL FUNDS 801,500.00

Item 9. Agency: J16 Mental Retardation Project: 8072, WC-Utilities Improvements

CHE Approval Date: Not req'd
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Decrease budget from $ 249,000.00 to $ 199,000.00

(Subtract $ 50,000.00 [4] Excess Debt Service)

Budget After Action Proposed	
Source	Amount
Excess Debt Service	199,000.00

Purpose: To transfer needed funds to project 8533 (item 10, below).

Ref: Supporting document pages 21-24.

TOTAL FUNDS 199,000.00

STATE BUDGET & CONTROL BOARD
JUL 29 1986
EXHIBIT NO. 6

Item 10. Agency: J16 Mental Retardation Project: 8533, PD-Work Activities Bldg

CHE Approval Date: Not req'd
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 400,000.00 to $ 450,000.00

(Add $ 50,000.00 [4] Excess Debt Service)

Budget After Action Proposed	
Source	Amount
Excess Debt Service	450,000.00

Purpose: To add two more rooms which were originally projected for addition in the future. Funds are being transferred from project 8072 (item 9, above).

Ref: Supporting document pages 25-26.

TOTAL FUNDS 450,000.00

Item 11. Agency: J16 Mental Retardation Project: 8831, WC-Four 16-Bed Facilities

CHE Approval Date: Not req'd
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

SEE REGULAR SESSION ITEM

Action Proposed: Increase budget from $ 1,100,000.00 to $ 1,600,000.00

(Add $ 500,000.00 [4] Excess Debt Service)

Budget After Action Proposed	
Source	Amount
Excess Debt Service	1,600,000.00

Purpose: To adjust for changes in construction cost estimates and to provide equipment and supplies for the 64 beds.

Ref: Supporting document pages 27-28.

TOTAL FUNDS 1,600,000.00

Item 12. Agency: N04 Dept of Corrections Project: 7126, Industries Warehouse Midlands

CHE Approval Date: Not req'd
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 76,821.00 to $ 176,821.00

(Add $ 100,000.00 [5] Appropriated State)

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	76,821.00
Appropriated State	100,000.00

Purpose: To restore funds previously transferred to project 9006, Emergency Temporary Buildings. Represents application of Capital Expenditure Funds.

Ref: Supporting document pages 29-30.

TOTAL FUNDS 176,821.00

EXHIBIT NO. 6
JUL 29 1986
STATE BUDGET & CONTROL BOARD

01074

Item 13. Agency: N04 Dept of Corrections Project: 7129, Midlands Food Service Whse

Action Proposed: Increase budget from $ 23,277.00 to $ 314,277.00

(Add $ 291,000.00 [6] Appropriated State)

SEE REGULAR SESSION ITEM

Purpose: To restore $200,000 previously transferred to project 9006, Emergency Temporary Buildings, and increase budget by $91,000 in order to complete project. Represents application of Capital Expenditure Funds.

Ref: Supporting document pages 31-32.

CHE Approval Date: Not req'd
Committee Review Date: JUL 22 1986
B&C Board Approval Date: *

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	23,277.00
Appropriated State	291,000.00
TOTAL FUNDS	314,277.00

Item 14. Agency: N04 Dept of Corrections Project: 7423, Multipurpose Bldg-Spartanburg

Action Proposed: Increase budget from $ 80,000.00 to $ 916,000.00

(Add $ 836,000.00 [6] Appropriated State)

SEE REGULAR SESSION ITEM

Purpose: To restore funds previously transferred to project 8057, Kirkland Psychiatric Unit, and project 9006, Emergency Temporary Buildings. Represents application of Capital Expenditure Funds.

Ref: Supporting document pages 33-34.

CHE Approval Date: Not req'd
Committee Review Date: JUL 22 1986
B&C Board Approval Date: *

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	80,000.00
Appropriated State	836,000.00
TOTAL FUNDS	916,000.00

Item 15. Agency: N04 Dept of Corrections Project: 7426, Wateree Dairy

Action Proposed: Increase budget from $ 1,086,629.00 to $ 1,336,629.00

(Add $ 250,000.00 [6] Appropriated State)

Purpose: To complete the Dairy project in order to remain 100% self-sufficient. Represents application of Capital Expenditure Funds.

Ref: Supporting document pages 35-36.

CHE Approval Date: Not req'd
Committee Review Date: JUL 22 1986
B&C Board Approval Date: *

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	1,071,629.00
Appropriated State	265,000.00
TOTAL FUNDS	1,336,629.00

STATE BUDGET & CONTROL BOARD
JUL 29 1986
EXHIBIT NO. 6

010725

Item 16. Agency: N04 Dept of Corrections Project: 7758, Lieber Center-Coastal Region

CHE Approval Date: Not req'd
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 25,076,482.00 to $ 25,576,482.00

(Add $ 500,000.00 [6] Appropriated State)

SEE REGULAR SESSION ITEM

Purpose: To restore funds transferred for the completion of Perry Institution and allow the Department to complete Francis Lieber. Represents application of Capital Expenditure Funds.

Ref: Supporting document pages 37-38.

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	18,663,282.00
Appropriated State	6,913,200.00
TOTAL FUNDS	25,576,482.00

Item 17. Agency: N04 Dept of Corrections Project: 8151, Manning Central Laundry Equipment

CHE Approval Date: Not req'd
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 365,000.00 to $ 1,565,000.00

(Add $ 1,200,000.00 [6] Appropriated State)

SEE REGULAR SESSION ITEM

Purpose: To enable the Department to complete the laundry facility to retain state agency contracts and provide work for inmates. Represents application of Capital Expenditure Funds.

Ref: Supporting document pages 39-40.

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	365,000.00
Appropriated State	1,200,000.00
TOTAL FUNDS	1,565,000.00

Item 18. Agency: P16 Agriculture Project: 8413, Grnv'l Farmer/Trucker Shed/Whse

CHE Approval Date: Not req'd
Committee Review Date: *JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 622,295.00 to $ 691,283.00

(Add $ 68,988.00 [6] Appropriated State)

Purpose: The increased funds are to be forthcoming through Greenville County to offset cost of moving water lines at the Greenville Market.

Ref: Supporting document pages 41-42.

Budget After Action Proposed

Source	Amount
Appropriated State	691,283.00
TOTAL FUNDS	691,283.00

EXHIBIT NO. 6
JUL 29 1986
STATE BUDGET & CONTROL BOARD

01078

Item 19. Agency: P36 Patriots Point Dev Auth Project: 8864, Level Spoil Area/Fill Roadbed

CHE Approval Date: Not Req'd
Committee Review Date: JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 40,000.00 to $ 54,500.00

(Add $ 14,500.00 [9] Other, Admissions Revenue)

Budget After Action Proposed

Source	Amount
Other	54,500.00
TOTAL FUNDS	54,500.00

Purpose: A & E estimate for filling roadbed is $50,000. A & E fee authorized at $4,500.

Ref: Supporting document pages 43-44.

Item 20. Agency: P40 Clarks Hill-Russell Auth Project: 8395, Little River/Buffalo Creek Development

CHE Approval Date: Not req'd
Committee Review Date: JUL 22 1986
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 3,200,000.00 to $ 4,625,000.00

SEE REGULAR SESSION ITEM

(Add $1,425,000.00 [6] Appropriated State)

Budget After Action Proposed

Source	Amount
Appropriated State	4,625,000.00
TOTAL FUNDS	4,625,000.00

Purpose: To continue payment to CSA and planning/design work on 3,159 acres of lake property.

Ref: Supporting document pages 45-46.

Item 21. Agency: H09 The Citadel Project: 7885, McAlister Field House Conversion

CHE Approval Date: 06/24/86
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/11/86

Action Proposed: Increase budget from $ 3,650,000.00 to $ 3,650,968.89

(Add $ 968.89 [0] Capital Improvement Bonds)

Budget After Action Proposed

Source	Amount
Capital Improvement Bonds	3,250,968.89
Institution Bonds	400,000.00
TOTAL FUNDS	3,650,968.89

Purpose: Additional funds required for this project to offset unforeseen problems in renovation work.

Ref: Supporting document pages 47-49.

EXHIBIT
JUL 29 1986 NO. 6
STATE BUDGET & CONTROL BOARD

010277

Item 22. Agency: H47 Winthrop College Project: 8671, General Campus Fencing

CHE Approval Date: 06/26/86
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/08/86

Action Proposed: Decrease budget from $ 100,000.00 to $ 92,605.04

(Subtract $ 7,394.96 [4] Excess Debt Service)

Budget After Action Proposed	
Source	Amount
Excess Debt Service	92,605.04
TOTAL FUNDS	92,605.04

Purpose: To transfer needed funds to project 9013 (item 23, below).

Ref: Supporting document pages 50-52.

Item 23. Agency: H47 Winthrop College Project: 9013, Richardson/Wofford Brick Repair

CHE Approval Date: 06/26/86
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/08/86

Action Proposed: Increase budget from $ 79,605.04 to $ 87,000.00

(Add $ 7,394.96 [4] Excess Debt Service)

Budget After Action Proposed	
Source	Amount
Excess Debt Service	87,000.00
TOTAL FUNDS	87,000.00

Purpose: The low bid for this project was more than budget. Funds are being transferred from project 8671 (item 22, above).

Ref: Supporting document pages 53-54.

Item 24. Agency: H59 Tech & Comp Education Project: 8299, Sumter-Gen Classroom Bldg

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/11/86

Action Proposed: Decrease budget from $ 1,151,734.00 to $ 1,104,584.00

(Subtract $ 47,150.00 [9] Other)

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	855,064.00
Other	249,520.00
TOTAL FUNDS	1,104,584.00

Purpose: To close completed project.

Ref: Supporting document pages 55-56.

EXHIBIT
NO. 6
JUL 29 1986
STATE BUDGET & CONTROL BOARD

01078

Item 25. Agency: H59 Tech & Comp Education Project: 8382, Spartanburg-H Bldg Renovation

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/11/86

Action Proposed: Close project.

Budget After Action Proposed	
Source	Amount
Other	1,039,000.00

Purpose: To close completed project.

Ref: Supporting document pages 57-58.

TOTAL FUNDS 1,039,000.00

Item 26. Agency: H59 Tech & Comp Education Project: 8438, Trdnt Parking,Circulating,Lighting

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/11/86

Action Proposed: Cancel project.

(Subtract $ 200,000.00 [9] Other, Local)

Budget After Action Proposed	
Source	Amount
Other	0.00

Purpose: This project has been replaced with project 9029, New Entrance Road, Main Campus.

Ref: Supporting document pages 59-60.

TOTAL FUNDS 0.00

Item 27. Agency: H59 Tech & Comp Education Project: 8638, Sumter Office Land Acq

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/11/86

Action Proposed: Decrease budget from $ 250,000.00 to $ 150,000.00

(Subtract $ 100,000.00 [9] Other)

Budget After Action Proposed	
Source	Amount
Other	150,000.00

Purpose: Cost of property acquisition decreased.

Ref: Supporting document pages 61-62.

TOTAL FUNDS 150,000.00

STATE BUDGET & CONTROL BOARD
JUL 29 1986
EXHIBIT NO. 6

01079

Item 28. Agency: H59 Tech & Comp Education Project: 8817, Sumter-Main Bldg Remodeling

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/11/86

Action Proposed: Cancel project.

(Subtract $ 170,000.00 [9] Other)

Budget After Action Proposed

Source	Amount
Other	0.00
TOTAL FUNDS	0.00

Purpose: To cancel project.

Ref: Supporting document pages 63-64.

Item 29. Agency: H59 Tech & Comp Education Project: 8818, Sumter-Library Roof/Interior Renov

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/11/86

Action Proposed: Decrease budget from $ 32,000.00 to $ 25,000.00

(Subtract $ 7,000.00 [9] Other)

Budget After Action Proposed

Source	Amount
Other	25,000.00
TOTAL FUNDS	25,000.00

Purpose: To close completed project.

Ref: Supporting document pages 65-66.

Item 30. Agency: H59 Tech & Comp Education Project: 8819, Sumter-Bus/Eng Classroom Renov

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/11/86

Action Proposed: Cancel project.

(Subtract $ 30,000.00 [9] Other)

Budget After Action Proposed

Source	Amount
Other	0.00
TOTAL FUNDS	0.00

Purpose: To cancel project.

Ref: Supporting document pages 67-68.

EXHIBIT
NO. 6
JUL 29 1986
STATE BUDGET & CONTROL BOARD

Item 31. Agency: J16 Mental Retardation Project: 7747, PD-Support & Activity Facility

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/11/86

Action Proposed: Decrease budget from $ 2,106,000.00 to $ 2,056,000.00

(Subtract $ 50,000.00 [1] Depart Capital Imp Bonds)

Budget After Action Proposed

Source	Amount
Depart Capital Imp Bonds	1,050,000.00
Excess Debt Service	1,006,000.00
TOTAL FUNDS	2,056,000.00

Purpose: To transfer funds to new APIP project, Pee Dee-Demolition of Old Warehouse and Maintenance Building.

Ref: Supporting document pages 69-70.

Item 32. Agency: J16 Mental Retardation Project: 8529, WC-Laundry Renovation

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/09/86

Action Proposed: Cancel project.

(Subtract $ 1,015,250.00 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Excess Debt Service	0.00
TOTAL FUNDS	0.00

Purpose: Agency will acquire laundry services on a contract basis.

Ref: Supporting document pages 71-72.

Item 33. Agency: J16 Mental Retardation Project: 8530, CC-Pharmacy Renovation

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/09/86

Action Proposed: Decrease budget from $ 230,905.00 to $ 59.00

(Subtract $ 230,846.00 [4] Excess Debt Service)

Budget After Action Proposed

Source	Amount
Excess Debt Service	59.00
TOTAL FUNDS	59.00

Purpose: Cancel project with expenditures of $59.

Ref: Supporting document pages 73-74.

EXHIBIT
NO. 6
JUL 29 1986
STATE BUDGET & CONTROL BOARD

Item 34. Agency: J16 Mental Retardation Project: 8531, CC-Laundry Renovation

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/09/86

Action Proposed: Cancel project.

(Subtract $ 1,100,000.00 [4] Excess Debt Service)

Budget After Action Proposed	
Source	Amount
Excess Debt Service	0.00

Purpose: Agency will acquire these services on a contract basis.

Ref: Supporting document pages 75-78.

TOTAL FUNDS 0.00

Item 35. Agency: N12 Youth Services Project: 7133, Heating & A C Systems

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/09/86

Action Proposed: Decrease budget from $ 136,500.00 to $ 134,237.36

(Subtract $ 2,262.64 [0] Capital Improvement Bonds)

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	134,237.36

Purpose: To close completed project.

Ref: Supporting document pages 79-80.

TOTAL FUNDS 134,237.36

Item 36. Agency: N12 Youth Services Project: 7136, Internal Road System

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/09/87

Action Proposed: Decrease budget from $ 329,911.66 to $ 309,445.39

(Subtract $ 2,334.95 [0] Capital Improvement Bonds)
(Subtract $ 3,131.32 [6] Appropriated State)
(Subtract $ 15,000.00 [9] Other, Timber Revenue)

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	297,576.71
Appropriated State	11,868.68

Purpose: To close completed project.

Ref: Supporting document pages 81-82.

TOTAL FUNDS 309,445.39

EXHIBIT
JUL 29 1986 NO. 6
STATE BUDGET & CONTROL BOARD

01082

Item 37. Agency: N12 Youth Services Project: 8231, Food Service Improvements

CHE Approval Date: Not Req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/09/86

Action Proposed: Increase budget from $ 110,000.00 to $ 114,597.59

(Add $ 4,597.59 [0] Capital Improvement Bonds)

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	114,597.59
TOTAL FUNDS	114,597.59

Purpose: To accept the low bid which was higher than budget. Funds transferred from from closed projects 7133 and 7136 (items 35 and 36, above).

Ref: Supporting document pages 83-85.

Item 38. Agency: P28 Parks, Rec & Tourism Project: 7175, Utility Repairs-State Parks

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 07/11/86

Action Proposed: Increase budget from $ 455,144.70 to $ 455,530.99

(Add $ 386.29 [7] Federal)

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	455,144.70
Federal	386.29
TOTAL FUNDS	455,530.99

Purpose: To transfer remaining funds from closed project 7156.

Ref: Supporting document pages 86-87.

Item 39. Agency: U04 Aeronautics Commission Project: 8999, Rehabilitation-Aircraft Parking

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Action Proposed: Increase budget from $ 140,406.00 to $ 142,406.00

(Add $ 2,000.00 [6] Appropriated State)

Budget After Action Proposed	
Source	Amount
Appropriated State	142,406.00
TOTAL FUNDS	142,406.00

Purpose: To correct grade deficiencies around two catch basins on the ramp not included in the original project scope.

Ref: Supporting document pages 88-90.

EXHIBIT
NO. 6
JUL 29 1986
STATE BUDGET & CONTROL BOARD

01083

EXHIBIT

JUL 29 1986 NO. 7

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD AGENDA

MEETING OF July 29, 1986 ITEM NUMBER 7

AGENCY: Executive Director

SUBJECT: Interviewee Travel Expense Reimbursement

Please refer to the attached report for details on payment of interviewee travel expenses by the following agencies:

Agency	Number	Estimated Cost
(a) Francis Marion College	5	283.78
(b) College of Charleston	12	2,845.88
(c) Clemson University	15	6,320.34
(d) Mental Health	1	556.00

BOARD ACTION REQUESTED:

Receive as information reports on the reimbursement of interviewee travel expenses by Francis Marion College (5); College of Charleston (12); Clemson University (15); and Mental Health (1).

ATTACHMENTS:

Referenced report

01084

INTERVIEWEE TRAVEL EXPENSE REIMBURSEMENT PAYMENTS

Agency	Period	Total Number	Total Cost	Number of Payments			
				$100 or Less	$101 to $300	$301 to $500	$501 and Over
Francis Marion College	May-June	5	283.78	4	1	0	0
College of Charleston	Feb-June	12	2,845.88	7	0	3	2
Clemson University	Apr-June	15	6,320,.34	1	3	8	3
Mental Health	July	1	556.00	0	0	0	1
Total		33	10,005.66	12	4	11	6

EXHIBIT
NO. 7
JUL 29 1986
STATE BUDGET & CONTROL BOARD

01085

FRANCIS MARION COLLEGE

BOX F7500, FLORENCE, SOUTH CAROLINA 29501-0056 / (803) 669-4121

Office of the Vice President
for Academic Affairs and
Dean of the College

June 13, 1986

EXHIBIT

JUL 29 1986 NO. 7

STATE BUDGET & CONTROL BOARD

TO: President Thomas C. Stanton

FROM: William C. Moran

Your approval is requested to invite Mrs. Sandra T. Sanders to campus for an interview for the position of Temporary Instructor of English and to pay her travel expenses. The significance of this position is such that it warrants the costs of an interview. Further, participation of a number of Francis Marion College persons is vital to this particular interview; therefore, the costs of bringing Mrs. SAnders to campus would be far less than would be the expense of conducting the interview at her home area or elsewhere.

Estimated Costs:

Travel------	$ 50.00
Food--------	$ 18.00
Lodging-----	$ 55.00
TOTAL	$123.00

William C. Moran
Dean of the College

WCM:rbd

Initial Approval: Thomas C. Stanton
Date: 6/19/86

Actual Costs:

Travel---------	$ 35.20
Food-----------	$
Lodging--------	$
TOTAL	$ 35.20

APPROVAL RECOMMENDED William C. Moran

Date: 7-8-86

APPROVED: Thomas C. Stanton

Date: 7/8/86

JUL 08 1986
JUN 16 1986

01086

FRANCIS MARION COLLEGE

BOX F7500, FLORENCE, SOUTH CAROLINA 29501 / (803) 661-1281

Office of the Vice President
for Academic Affairs and
Dean of the College

June 13, 1986

TO: President Thomas C. Stanton

FROM: William C. Moran

Your approval is requested to invite Mrs. Virginia M. Dumont to campus for an interview for the position of Temporary Instructor of English and to pay her travel expenses. The significance of this position is such that it warrants the costs of an interview. Further, participation of a number of Francis Marion College persons is vital to this particular interview; therefore, the costs of bringing Mrs. Dumont to campus would be far less than would be the expense of conducting the interview at her home area or elsewhere. As is our usual policy, candidates residing within South Carolina were considered before candidates from other states were sought.

Estimated Costs:

Travel------	$ 290.00
Food--------	$ 18.00
Lodging-----	$ 55.00
TOTAL	$ 363.00

William C. Moran
Dean of the College

WCM:rbd

Initial Approval: Thomas C. Stanton
Date: 6/18/86

Actual Costs:

Travel---------	$ 58.80
Food-----------	$
Lodging--------	$
TOTAL	$ 58.80

7/14/86

01087

APPROVAL RECOMMENDED William C. Moran
Date: 7-8-86

APPROVED: Thomas C. Stanton
Date: 7/8/86

JUL 08 1986

JUN 1 8 1986

26862

FRANCIS MARION COLLEGE

BOX F7500, FLORENCE, SOUTH CAROLINA 29501 / (803) 661-1281

Office of the Vice President
for Academic Affairs and
Dean of the College

June 3, 1986

JUN 23 REC'D

TO: Thomas C. Stanton

FROM: William C. Moran

Your approval is requested to invite Ms. Jean Morgan to campus for an interview for the position of Temporary Instructor of English and to pay her travel expenses. The significance of this position is such that it warrants the costs of an interview. Further, the participation of a number of Francis Marion College persons is vital to this particular interview; therefore, the costs of bringing Ms. Morgan to the campus would be far less than would be the expense of conducting the interview at her home area or elsewhere.

Estimated Costs: 1-305-E3300-0000

Travel-------	$ 80.00
Food---------	18.00
Lodging------	55.00
TOTAL	$153.00

INVOICE CHECK

Extensions	✓
Use Tax	✓
Discount	✓
Initials	SM

William C. Moran
Dean of the College

Initial Approval Thomas C. Stanton
Date 6/3/86

Actual Costs:

Travel---------	$ 54.40
Food----------	5.00
Loding--------	
TOTAL	$ 59.40

6/26/86

01088

APPROVAL RECOMMENDED William C. Moran
DATE 6-18-86

APPROVED Thomas C. Stanton
DATE 6/18/86

JUN 17 1986

FRANCIS MARION COLLEGE

BOX F7500, FLORENCE, SOUTH CAROLINA 29501-0056 / (803) 669-4121

Office of the Vice President
for Academic Affairs and
Dean of the College

May 1, 1986

JUN 23 REC'D

#32294 QUALITY INN

TO: President Thomas C. Stanton

FROM: William C. Moran

Your approval is requested to invite Mr. Joseph Eklund to campus for an interview for the position of Temporary Instructor of English and to pay his travel expenses. The significance of this position is such that it warrants the costs of an interview. Further, the participation of a number of Francis Marion College persons is vital to this particular interview; therefore, the costs of bringing Mr. Eklund to the campus would be far less than would be the expense of conducting the interview at his home area or elsewhere. As is our usual policy, candidates residing within South Carolina were considered before candidates from other states were sought.

Estimated Costs:

Travel--------	$ 680.00
Food----------	18.00
Lodging-------	55.00
TOTAL	$ 753.00

William C. Moran
Dean of the College

Initial Approval Thomas C. Stanton
Date 5/2/86

Actual Costs:

Travel----------	$ -0-	
Food----------	22.12	) 3 night's lodging
Lodging----------	83.46	)
TOTAL	$ 105.58	

APPROVAL RECOMMENDED William C. Moran DATE 6-13-86

APPROVED Thomas C. Stanton DATE 6/18/86

6/26/86

JUN 16 1986

JUN 18 1986

01089

FRANCIS MARION COLLEGE

BOX F7500, FLORENCE, SOUTH CAROLINA 29501 / (803) 661-1281

Office of the Vice President
for Academic Affairs and
Dean of the College

June 10, 1986

Office	Act	Info
[illegible]		
[illegible]		
[illegible]		
[illegible]		
[illegible]		
[illegible]		
[illegible]		
SGC		

TO: President Thomas C. Stanton

FROM: William C. Moran

Your approval is requested to invite Dr. James I. Califf to campus for an interview for the position of Lecturer in Education and to pay his travel expenses. The significance of this position is such that it warrants the costs of an interview. Further, the participation of a number of Francis Marion College persons is vital to this particular interview; therefore, the costs of bringing Dr. Califf to the campus would be far less than would be the expense of conducting the interview at his home area or elsewhere.

Estimated Costs:

Travel-------$ 40.00
Food--------- 18.00

TOTAL $ 58.00

William C. Moran
Dean of the College

Initial Approval Thomas C. Stanton
Date 6/13/86

Actual Costs:

Travel--------$ 24.80
Food---------- _____

TOTAL $ 24.80

6/30/86

APPROVAL RECOMMENDED William C. Moran
DATE 7-1-86

APPROVED Thomas C. Stanton
DATE 7/1/86

JUN 1 2 1986

01090

JUL 17 1986

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Donald Bastard

City Address: St Bonaventure, NY

Position to be Filled: Director Admissions

Travel Dates: From May 29 To June 1, 1986

Total Travel Reimbursement: Two Hundred Ten 00/100

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits' home town.

Approved By: Harry M. Lightsey Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
y: Budget and Control Board

FOUNDED 1770

01C91

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Lee Black

City Address: Hilton Hd.

Position to be Filled: Fine Arts Faculty

Travel Dates: From April To April 3, 1976

Total Travel Reimbursement: $100.00

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits' home town.

Approved By: [signature]
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

FOUNDED 1770

01092

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: John Porter

City Address: Newark, Delaware

Position to be Filled: Math Dept - Faculty

Travel Dates: From April 3 To April 4, 1980

Total Travel Reimbursement: $408.88

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits' home town.

John Porter - $398.88
Host Information - $10.00

Approved By: Harry M. Lightsey Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

FOUNDED 1770

01093

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Joan P. McMillan

City Address: Akron, Ohio

Position to be Filled: Faculty - Education Dept.

Travel Dates: From March 24 To March 29, 1986

Total Travel Reimbursement: $471.00

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits'home town.

Approved By: Harry M. Lightsey, Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

FOUNDED 1770

01094

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Lawrence Mullen

City Address: Cambridge, MA

Position to be Filled: Faculty - Exhibit Dept.

Travel Dates: From March 18 To March 20, 1996

Total Travel Reimbursement: Fare Only $450

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits' home town.

Approved By: Harry M. Lightsey, Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

FOUNDED 1770

01095

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Brett Gatt

City Address: Columbus, Ohio

Position to be Filled: Faculty - English Dept.

Travel Dates: From March 14 To March 18, 1986

Total Travel Reimbursement: Not over $450

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits' home town.

Approved By: Harry M Lightsey Jr

Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

FOUNDED 1770

01096

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Alice Markwalder

City Address: August, Ga

Position to be Filled: Faculty - Business Admin.

Travel Dates: From March 5 To March 6, 1980

Total Travel Reimbursement: Linda Hyko $19.00

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits' home town.

Approved By: Harry M. Lightsey, Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

FOUNDED 1770

01C97

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Paul Teske

City Address: New Orleans, LA

Position to be Filled: Faculty - Business Admin.

Travel Dates: From May 11 To May 13, 1986

Total Travel Reimbursement: Meal Reimb $10.00

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits'home town.

Approved By: Harry M. Lightsey, Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

FOUNDED 1770

01098

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: John Black

City Address: Philadelphia, PA

Position to be Filled: Faculty Business Admin

Travel Dates: From Mar. 17 To May 19, 1980

Total Travel Reimbursement: Total Exp $10.00

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits'home town.

Approved By: Harry M Lightsey, Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

01099

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

EXHIBIT

JUL 29 1986 NO. 7

STATE BUDGET & CONTROL BOARD

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Edward Clark

City Address: Hartsville, SC

Position to be Filled: Financial Aid Director

Travel Dates: From April 3 To April 4, 86

Total Travel Reimbursement: $45.00

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits' home town.

Approved By: Harry M. Lightsey Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

EXHIBIT

JUL 29 1986 NO. 7

STATE BUDGET & CONTROL BOARD

FOUNDED 1770

01100

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Gary A. Wood

City Address: Santa Cruz, CA

Position to be Filled: Math Dept - Faculty

Travel Dates: From Feb 26 To Feb. 28, 1986

Total Travel Reimbursement: $56.00

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits'home town.

Approved By: Harry M. Lightsey Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

FOUNDED 1770

01101

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

Office of the President

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

Name of Recruit: Ann Moylan

City Address: Milledgeville, Ga

Position to be Filled: Education Asst. Professor

Travel Dates: From March 20 To March 20, 1990

Total Travel Reimbursement: $92.00

Significance of position warrants such costs and the payment is more cost efficient than sending represenatives to the recruits' home town.

Approved By: Harry M. Lightsey, Jr.
Harry M. Lightsey, Jr.
President

Original: Account Payable
Copy: Budget and Control Board

FOUNDED 1770

01102

JUL 23 1986

CLEMSON
UNIVERSITY

BUSINESS & FINANCE
Office of Financial Management

July 22, 1986

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Wade Hampton Office Building
P. O. Box 12444
Columbia, SC 29211

Dear Mr. McInnis:

Enclosed are Travel Disbursement forms for those individuals who were brought to Clemson University for employee interviews.

Yours very truly,

William A. Thompson (jw)

William A. Thompson
Controller

WAT/jw

Enclosures

01103

378.70

CLEMSON
UNIVERSITY

PRESIDENT

DATE June 19, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Guy Swanson

CITY OF ADDRESS: Tuscaloosa, AL

POSITION TO BE FILLED: University Archivist

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.

2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.

3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

RECEIVED
1986 JUN 24 PM 4:24
FINANCIAL MANAGEMENT

Approved by: _____
[redacted], President

Distribution:
Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

01104

CLEMSON
UNIVERSITY

PRESIDENT

DATE June 6, 1986

$134.50

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Mr. Terry W. Canup SS# 362-54-8263

CITY OF ADDRESS: Rte. 1, Box 363, Christiansburg, VA 24073

POSITION TO BE FILLED: Director, Agricultural Communications/University Relations

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

Approved by: _____
MAX LENNON, PRESIDENT

Distribution:
Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

01105

522.36

CLEMSON
UNIVERSITY

PRESIDENT

DATE June 11, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Keri A. Weed

CITY OF ADDRESS: Binghamton, NY

POSITION TO BE FILLED: 1511-U006

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: Eugene H Gallimore
Department Head

Robert A. Waller
Dean or Director

W. Donald Bradwell
Vice President

Approved by: Max Lenn
Max Lennon, President

Distribution:
Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

CLEMSON
UNIVERSITY

PRESIDENT

SS# 046-46-0087

DATE June 11, 1986

$491.58

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Christopher Thomas Leone

CITY OF ADDRESS: Minneapolis, MN

POSITION TO BE FILLED: 1511-U006

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.

2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.

3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

Approved by: _____
Max Lennon, President

Distribution:
Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

01107

CLEMSON UNIVERSITY

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20 1986

PRESIDENT

$384.00

DATE June 20, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Julia Overton

CITY OF ADDRESS: Charleston, Illinois

POSITION TO BE FILLED: Visiting Instructor in Speech (English)

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: _____
Department Head

Robert a. Waller
Dean or Director

W. David Maxwell
Vice President

Approved by: _____
Max Lennon, President

Distribution:
Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
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01108

[redacted]

$479.42

CLEMSON
UNIVERSITY

PRESIDENT

DATE April 30, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: James L. Toppen

CITY OF ADDRESS: Scottsdale, AZ

POSITION TO BE FILLED: Assistant Professor

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: Alfred J Newton
Department Head

J E Matthews
Dean or Director

W. David Todwell
Vice President

Approved by: [signature]
President

Distribution:
Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

01109

CLEMSON
UNIVERSITY

PRESIDENT

DATE April 3, 1986

$1,496.38

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Dr. Robert C. Shearman SS# 544-50-1759

CITY OF ADDRESS: Lincoln, Nebraska

POSITION TO BE FILLED: Head, Department of Horticulture

I certify that in recruitment for the above position the following determination were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

Approved by: _____
~~Billy D. Archley~~, President

Max Lennon

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Attached to all related Direct Purchase Vouchers

01110

CLEMSON
UNIVERSITY

PRESIDENT

DATE May 13, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT 51202

NAME OF RECRUIT: Alvaro Malo

CITY OF ADDRESS: Williamsville, New York

POSITION TO BE FILLED: 0503-U019

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

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FINANCIAL MANAGEMENT

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

Approved by: _____
President

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01111

CLEMSON UNIVERSITY

EXHIBIT

JUL 29 1986 NO. 7

STATE BUDGET & CONTROL BOARD

PRESIDENT

DATE 6/25/86

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Dr. Danny Axsom 314.34

CITY OF ADDRESS: Nashville, TN 37203

POSITION TO BE FILLED: 1511-U006

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

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Approved by: _____
Max Lennon, President

EXHIBIT

JUL 29 1986 NO. 7

STATE BUDGET & CONTROL BOARD

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Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

01112

CLEMSON SOUTH CAROLINA 29631 • TELEPHONE 803/656-3413

CLEMSON
UNIVERSITY

PRESIDENT

DATE June 25, 1986

$451.93

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Dr. Benjamin R. Stephens SS# 440-50-9908

CITY OF ADDRESS: Williamstown, MA.

POSITION TO BE FILLED: 1511-U006

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: Eugene H Jollymore
Department Head

RSWaller
Dean or Director

W David Maxwell
Vice President

Approved by: M H Lee
Max Lennon, President

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Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

01113

CLEMSON
UNIVERSITY

PRESIDENT

135.00

DATE 6-4-86

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Aaron S. Collins

CITY OF ADDRESS: Cookeville, Tn. 38501

POSITION TO BE FILLED: Associate Professor of ECE

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.

2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.

3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

Approved by: _____
Max Lennon, President

Distribution:
Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

01114

CLEMSON
UNIVERSITY

MAY 13 1986
ASST. DEAN

PRESIDENT

DATE April 25, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: J. Kent Bryan 402.25

CITY OF ADDRESS: Palm Bay, FL

POSITION TO BE FILLED: Associate Professor of ECE

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

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FINANCIAL MANAGEMENT

Approved by: _____
MAX LENNON, President

Distribution:
Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

01115

CLEMSON
UNIVERSITY

PRESIDENT

DATE April 7, 1986

200.50

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Michael M. Kostreva

CITY OF ADDRESS: Marlborough, MA

POSITION TO BE FILLED: Assistant Professor

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: John D. Sutton
Department Head

H E Vogel
Dean or Director

W. David Maxwell
Vice President

Approved by: M H Lee
Max Lennon, President

Distribution:
Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

01116

$328.00

MAY 13 1986

ASST. DEAN

CLEMSON
UNIVERSITY

PRESIDENT

DATE May 2, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Mark White

CITY OF ADDRESS: Oakland, CA 94611

POSITION TO BE FILLED: Assistant Professor of ECE

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

Approved by: _____
MAX LENNON, President

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Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

01117

89.36

MAY 13 1986

ASST. DEAN

CLEMSON
UNIVERSITY

PRESIDENT

DATE May 2, 1986

EMPLOYEE RECRUITMENT - TRAVEL REIMBURSEMENT

NAME OF RECRUIT: Russell Read

CITY OF ADDRESS: Lafayette, IN 47904

POSITION TO BE FILLED: Assistant Professor of ECE

I certify that in recruitment for the above position the following determinations were made:

1. The significance of the position warrants incurring such costs.
2. Payment of the expenses involved in bringing the above individual to Clemson is more cost efficient than sending representatives to the recruit's home town.
3. Qualified applicants residing in South Carolina were considered before applicants from other states were considered.

Recommended by: _____
Department Head

_____
Dean or Director

_____
Vice President

Approved by: _____
MAX LENNON, President

Distribution:
Original: President's Office
Approved Copy: Executive Director, Budget and Control Board
Attached to all related Direct Purchase Vouchers

JUL 2[illegible]

William S. Hall Psychiatric Institute
The Teaching and Research Facility of the South Carolina Department of Mental Health

P. O. Box 202 / Columbia, South Carolina / 29202

Alexander G. Donald, M.D.
Director

RECEIVED
JUL 17 1986
State Commissioner of
Mental Health
S. C. Dept. of Mental Health

M E M O R A N D U M

TO: Joseph J. Bevilacqua, Ph.D., State Commissioner of Mental Health, SCDMH

FROM: Donald W. Morgan, M.D., Acting Director, WSHPI

DATE: July 15, 1986

SUBJECT: Reimbursement of Applicant's Travel Expenses

The Institute's Chief of Occupational Therapy position was vacated in December of 1985. Since that time we have been aggressively trying to recruit for and fill this position with a qualified applicant. After advertising in numerous state and national occupational therapy association publications and trade journals, our efforts have paid off.

Ms. Karla M. Reichert from Dayton, Ohio, has applied for the position and appears to be a very strong candidate.

In order to make an informed decision concerning this applicant, it is imperative that Ms. Reichert visit the Institute. This interview is necessary in that there were no qualified applicants from South Carolina.

I am requesting approval to reimburse Ms. Reichert from Dayton, Ohio, travel expenses incurred in visiting the Institute for interviewing expenses. Travel expenses incurred in such a trip are anticipated to be approximately $556.00 ($400.00 for airfare - coach class, plus $156.00 for hotel and meal expenses for July 20 - 21, 1986).

Donald W. Morgan, M.D.
Donald W. Morgan, M.D.
Acting Director

DWM/DRA/bkw

c William A. McInnis

STATE DEPARTMENT OF MENTAL HEALTH
APPROVED
JUL 17 1986
BY COMMISSIONER

EXHIBIT
JUL 29 1986 NO. 7
STATE BUDGET & CONTROL BOARD

01119

EXHIBIT

JUL 29 1986 NO. 8

STATE BUDGET AND CONTROL BOARD

STATE BUDGET & CONTROL BOARD

BLUE AGENDA

MEETING OF July 29, 1986 ITEM NUMBER 8

AGENCY: Executive Director

SUBJECT: Spendout Plans on 1986 Capital Improvement Bonds

For use when the Board and the Bond Committee get into scheduling these funds, staff has assembled agency forecasts of when they would like to draw the capital improvement bond funds authorized in 1986. This includes the following authorizations:

(a)	Act 538 of 1986		$160,554,361
(b)	Act 547 of 1986	96,000,000	
	Less Capital Expend. Fund	12,741,076	
			83,258,924
	Total		$243,813,285

The agencies have asked for the following in their plans:

Year	Amount (Millions)
FY 1986-87 (Priority Groups 9 & 10)	73.8
FY 1987-88 (Priority Groups 11 & 12)	107.1
FY 1988-89 (Priority Groups 13 & 14)	47.1
After FY 1988-89	15.8
Total	243.8

Details are in the attachments.

BOARD ACTION REQUESTED:

Receive as information a report on agency spendout plans on 1986 capital improvement bond funds.

ATTACHMENTS:

Referenced schedules

01120

EXHIBIT NO. 8

JUL 29 1986

STATE BUDGET & CONTROL BOARD

ALL PRIORITY GROUPS - SUMMARY

AGENCY SPEND-OUT PLANS FOR CAPITAL IMPROVEMENT BOND FUNDS
AUTHORIZED IN 1986 BUT NOT RELEASED OR DRAWN FROM STATE TREASURER AS OF 6/30/86

(1)	(2) Balance 06/30/86	(3) PG9 07/01/86-12/31/86	(4) PG10 01/01/87-06/30/87	(5) PG11 07/01/87-12/31/87	(6) PG12 01/01/88-06/30/88	(7) PG13 07/01/88-12/31/88	(8) PG14 01/01/89-06/30/89	(9) After PG14 07/01/89 and after	Total
		26,252,248	43,595,554	50,124,034	37,796,000	23,645,000	7,530,000	9,081,500	198,024,336
			3,922,403	1,558,347	3,766,586	3,367,000	1,800,000	1,500,000	15,914,336
				9,891,063	3,414,626	3,900,000	3,525,000	2,185,000	22,915,689
					596,432	362,492	0	0	958,924
						750,000	0	0	750,000
							2,250,000	0	2,250,000
								3,000,000	3,000,000
Total		26,252,248	47,517,957	61,573,444	45,573,644	32,024,492	15,105,000	15,766,500	243,813,285

SSLIO 01121

01122

AGENCY SPEND-OUT PLANS FOR CAPITAL IMPROVEMENT BOND FUNDS
AUTHORIZED IN 1986 BUT NOT RELEASED OR DRAWN FROM STATE TREASURER AS OF 6/30/86

Page		(1) Agency Number/Name	(2) Balance 06/30/86	(3) PG9 07/01/86-12/31/86	(4) PG10 01/01/87-06/30/87	(5) PG11 07/01/87-12/31/87	(6) PG12 01/01/88-06/30/88	(7) PG13 07/01/88-12/31/88	(8) PG14 01/01/89-06/30/89	(9) After PG14 07/01/89 and after
II. Funds Authorized in 1986										
1	D10	Governor's Office - SLED	9,700,000	125,000	125,000	849,500	1,764,000	3,216,000	2,716,000	904,500
2	E24	Adjutant General's Office	857,750	0	472,750	185,000	200,000	0	0	0
4	E28	Election Commission	984,810	984,810	0	0	0	0	0	0
5	F12	Budget and Control Board	14,954,000	1,500,000	3,650,000	6,787,000	2,900,000	117,000	0	0
6	H09	The Citadel	9,083,789	665,000	2,166,000	4,000,000	2,252,789	0	0	0
7	H12	Clemson University (includes P20 - PSA)	15,504,534	1,342,000	3,055,000	2,707,534	2,650,000	4,250,000	1,500,000	0
8	H15	College of Charleston	5,900,000	600,000	1,500,000	850,000	300,000	400,000	2,250,000	0
9	H18	Francis Marion College	3,472,000	85,000	185,000	1,166,000	1,154,000	849,000	33,000	0
10	H21	Lander College	10,027,000	25,000	175,000	225,000	225,000	1,500,000	2,000,000	5,877,000
11	H24	South Carolina State College	0	0	0	0	0	0	0	0
12	H27	University of South Carolina (all campuses)	27,341,000	2,787,000	5,833,000	6,702,000	3,343,000	3,035,000	3,556,000	2,085,000
13	H47	Winthrop College	3,558,000	150,000	308,000	1,050,000	1,000,000	1,050,000	0	0
14	H51	Medical University of South Carolina	8,500,000	0	300,000	200,000	2,500,000	2,200,000	1,800,000	1,500,000
15	H59	State Board for Technical & Comprehensive Education	13,618,892	2,419,446	3,504,446	2,950,000	3,300,000	1,295,000	150,000	0
16	H63	Department of Education	0	0	0	0	0	0	0	0
17	H67	Educational Television Commission	0	0	0	0	0	0	0	0
18	H71	Wil Lou Gray Opportunity School	250,000	250,000	0	0	0	0	0	0
19	H73	Vocational Rehabilitation	775,000	380,000	395,000	0	0	0	0	0
20	H75	School for the Deaf and the Blind	800,000	114,800	85,200	136,063	463,937	0	0	0
21	H95	Museum Commission	0	0	0	0	0	0	0	0
22	J12	Department of Mental Health	3,000,000	0	0	0	0	0	0	3,000,000
23	J16	Department of Mental Retardation	2,300,000	800,000	900,000	600,000	0	0	0	0
24	L12	John de la Howe School	672,000	260,000	260,000	152,000	0	0	0	0
25	N04	Department of Corrections	*83,258,924	10,000,000	18,000,000	24,500,000	19,396,432	11,362,492	0	0
27	N12	Department of Youth Services	1,247,000	175,000	522,000	550,000	0	0	0	0
28	P12	Forestry Commission	416,586	0	175,000	175,000	66,586	0	0	0
29	P16	Department of Agriculture	0	0	0	0	0	0	0	0
30	P24	Wildlife and Marine Resources Department	4,300,000	175,000	482,100	135,000	2,557,900	950,000	0	0
31	P25	South Carolina Coastal Council	0	0	0	0	0	0	0	0
32	P28	Department of Parks, Recreation & Tourism	9,685,000	1,130,000	2,795,000	1,560,000	1,300,000	1,600,000	900,000	400,000
34	P40	Clark's Hill-Russell Authority	5,000,000	0	0	5,000,000	0	0	0	0
35	R60	Employment Security Commission	5,607,000	2,184,192	2,529,461	893,347	0	0	0	0
36	U04	Aeronautics Commission	3,000,000	100,000	100,000	200,000	200,000	200,000	200,000	2,000,000
37	Y14	State Ports Authority	0	0	0	0	0	0	0	0
		Total, Funds Authorized in 1986	243,813,285	26,252,248	47,517,957	61,573,444	45,573,644	32,024,492	15,105,000	15,766,500

*$12,741,G76 from Capital Expenditure Fund (see page 26) not included.

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 1

AGENCY: Budget Division

SUBJECT: Adjustments to Authorized FTE Position Base

The Budget Division advises that the Joint Legislative Committee on Personal Service Financing and Budgeting, on July 23, 1986, approved the addition of 40.15 authorized full-time-equivalent positions (27.30 state, 7.20 federal and 5.65 other) for the following agencies:

	Total FTE Positions	State FTE Positions	Fed FTE Positions	Other FTE Positions
Francis Marion College	13.50	10.50	0	3.00
State Housing Authority	2.00	0	1.00	1.00
School for Deaf/Blind	1.65	0	0	1.65
Dept. of Social Services	17.00	10.80	6.20	0
John de la Howe School	6.00	6.00		
Total	40.15	27.30	7.20	5.65

The Budget Division makes no recommendation.

BOARD ACTION REQUESTED:

Consider.

ATTACHMENTS:

Agenda item worksheet plus attachments

01123

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

87-13

Meeting Scheduled for: July 29, 1986 Regular Agenda

1. Submitted By:
   (a) Agency: State Budget Division
   (b) Authorized Official Signature: A Barron Holmes IV

2. Subject:
   Recommended adjustments to the 1986-87 Authorized FTE Position Base.

3. Summary Background Information:
   The Joint Legislative Committee on Personal Service, Financing & Budgeting at its meeting on July 23, 1986, approved for recommendation to the Budget and Control Board the attached schedule of adjustments to the Authorized FTE Position Base. Summarized as follows:

	TOTAL	STATE	FEDERAL	OTHER
Total	40.15	27.30	7.20	5.65

EXHIBIT

JUL 29 1986 NO. 9

~~STATE BUDGET & CONTROL BOARD~~

4. What is Board asked to do?

   Approve the attached schedule of recommended adjustments to the Authorized FTE Position Base.

5. What is recommendation of Board Division involved?

   No Recommendation

   edw

6. Recommendation of other Division/agency (as required)?

   (a) Authorized Signature:
   (b) Division/Agency Name:

7. Supporting Documents:
   (a) List Those Attached:
      1. Joint Legislative Committee's Letter of Transmittal
      2. Schedule of Recommended Adjustments
      3. Copies of Each Agency's Request

   (b) List Those Not Attached But Available From Submitter:

01124

JAMES M. WADDELL, JR.
SENATOR, BEAUFORT AND JASPER COUNTIES
SENATORIAL DISTRICT NO. 46
HOME ADDRESS:
BOX 1026
BEAUFORT, S.C. 29901

THE SENATE OF SOUTH CAROLINA

COMMITTEES:
FINANCE
FISH, GAME AND FORESTRY, CHAIRMAN
INTERSTATE COOPERATION
RULES
TRANSPORTATION

July 23, 1986

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

Dr. Baron H. Holmes IV, Director
State Budget Division
406 Wade Hampton Building
Columbia, South Carolina 29201

Dear Dr. Holmes:

The Joint Legislative Committee on Personal Service Financing and Budgeting met on Wednesday, July 23, 1986, and is forwarding to you its actions for transmittal to the Budget and Control Board.

Agency Requested Changes:

87-1 FRANCIS MARION COLLEGE - requests authorization to add thirteen and one-half (13.50) new FTE positions above number authorized, funded as follows: (10.50) State Funds and (3.00) Other Funds.
RECOMMENDATION: APPROVAL

87-2 STATE HOUSING AUTHORITY - requests authorization to add three (3.00) new FTE positions above number authorized, funded as follows: (2.00) Other Funds and (1.00) Federal Funds.
RECOMMENDATION: APPROVAL OF TWO (2.00) NEW FTE POSITIONS - One (1.00) Other Fund and One (1.00) Federal Fund.

87-3 SCHOOL FOR THE DEAF & THE BLIND - requests authorization to add one and sixty-five hundredths (1.65) new Other Fund FTE positions above number authorized.
RECOMMENDATION: APPROVAL

01125

87-4 DEPARTMENT OF SOCIAL SERVICES - requests authorization to add seventeen (17.00) new FTE positions above number authorized, funded as follows: (10.80) State Funds and (6.20) Federal Funds.
RECOMMENDATION: APPROVAL

87-6 JOHN DE LA HOWE SCHOOL - requests authorization to add six (6.00) new State Fund FTE positions above the number authorized.
RECOMMENDATION: APPROVAL

If you have any questions or I can be of any further assistance, please do not hesitate to contact me.

Sincerely,

James M. Waddell, Jr.

James M. Waddell, Jr.
Senatorial District No. 46

JMWjr/mn

Attachments

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

STATE BUDGET DIVISION
SCHEDULE OF RECOMMENDED ADJUSTMENTS TO THE
AUTHORIZED FTE POSITIONS BASE AS APPROVED BY THE
JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE,
FINANCING AND BUDGETING

SEC #	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
22	Francis Marion	13.50	10.50	-	3.00
51	State Housing Authority	2.00	-	1.00	1.00
34	School for Deaf & Blind	1.65	-	-	1.65
45	Dept of Social Services	17.00	10.80	6.20	
46	John De La Howe	6.00	6.00		
		40.15	27.30	7.20	5.65

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

Prepared:
July 23, 1986

01127

REQUEST FOR INCREASE
IN AUTHORIZED POSITION
COUNT

DATE: July 9, 1986 ITEM NUMBER: 87-1

AGENCY: H18 Francis Marion College (22)

SUBJECT: Establishment of New FTE Positions Above the Number Authorized

Francis Marion College requests authorization to add thirteen and one-half (13.50) new FTE positions above the number authorized. These positions are to be funded as follows: ten and one-half (10.50) by State funds and three (3.00) by Other funds. This request includes 6.75 Faculty Members, 3.75 Groundskeepers and 3.00 Cooks. In 1985 the school had the highest student/faculty ratio in the state and this ratio is expected to grow in 1986. These positions were originally requested by the agency in its 1986-87 Budget Request. The B & C Board did not recommend them and no attempt was made by the agency to get them approved by the General Assembly during the legislative budgeting process.

STAFF RECOMMENDATION:

The Budget Division staff is not prepared to make a recommendation at this time. We are in the process of conducting a statewide study to determine how we might be able to reduce the number of state employees. A report on the division's recommendation will be presented to you at a future meeting.

BOARD ACTION REQUESTED:

Approve the establishment of thirteen and one-half (13.50) new FTE positions above the number authorized.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend Approval

ATTACHMENTS:

1. Agency Letter
2. FTE Position Summary Report
3. FTE Position Request Form

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

01128

REQUEST FOR INCREASE IN AUTHORIZED POSITION COUNT

DATE: July 9, 1986 ITEM NUMBER: 87-2

AGENCY: L32 State Housing Authority (51)

SUBJECT: Establishment of New FTE Positions Above the Number Authorized

The State Housing Authority requests authorization to add three (3.00) new FTE positions above the number authorized. These positions, two funded by Other funds and one with Federal funds, are needed to handle the agency's increased operations. The agency authorized twenty-four new bond issues in 1986 supporting 7,876 housing units. These positions were originally requested by the agency in its 1986-87 Budget Request. The B & C Board did not recommend them and no attempt was made by the agency to get them approved by the General Assembly during the legislative budgeting process.

STAFF RECOMMENDATION:

The Budget Division staff is not prepared to make a recommendation at this time. We are in the process of conducting a statewide study to determine how we can reduce the number of state employees.

BOARD ACTION REQUESTED:

Approve the establishment of three (3.00) new FTE positions above the number authorized.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend Approval of two (2.00) - (1.00) Other-Gr. 42 & (1.00) Federal-Gr. 30.

ATTACHMENTS:

1. Agency Letter
2. FTE Position Summary Report
3. FTE Position Request Form

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

01129

REQUEST FOR INCREASE IN AUTHORIZED POSITION COUNT

DATE: 7/1/86 ITEM NUMBER: 87-3

AGENCY: H75 The School for the Deaf & the Blind (34)

SUBJECT: Establishment of FTE Positions above the number authorized

The School for The Deaf and The Blind requests authorization to establish one and eighty-five hundredths (1.65) new Other Fund FTE Positions above the number authorized. These positions are critical to the staffing to open and operate a new 22 bed statewide Children's Habitation Center licensed as a rehabilitation hospital. Funding has been provided by a private grant from the Fullerton Foundation.

STAFF RECOMMENDATION:

The Budget Division Staff is not prepared to make a recommendation at this time. We are in the process of conducting a statewide study to determine how we might be able to reduce the number of state employees. A report on the Division's recommendation will be presented to you at a future meeting.

BOARD ACTION REQUESTED:

Approve the establishment of (1.65) New Other Fund FTE Positions at the South Carolina School for The Deaf and The Blind.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend Approval

ATTACHMENTS:
1. Agency File
2. FTE Position Summary Report
3. FTE Position Request Form

01130

REQUEST FOR INCREASE
IN AUTHORIZED POSITION
COUNT

DATE: 7/16/86 ITEM NUMBER: 87-4

AGENCY: L04 Department of Social Services (45)

SUBJECT: Establishment of new FTE Positions above the number authorized.

The Department of Social Services requests authorization to establish seventeen (17.00) new FTE Positions above the number authorized. These positions are needed to staff the Work Support Services Delivery System as provided for in the South Carolina Employables Program Act, Section 43-5-550(K) and funded as follows: (10.80) State Funds and (6.20) Federal Funds. The 1986-87 Appropriation Act contains $250,000 to fund this program but no new FTE Positions.

STAFF RECOMMENDATION:

The Budget Division Staff is not prepared to make a recommendation at this time. We are in the process of conducting a statewide study to determine how we might be able to reduce the number of state employees. A report on the Division's recommendation will be presented to you at a future meeting.

BOARD ACTION REQUESTED:

Approve the establishment of seventeen (17.00) new FTE Positions to staff the Work Support Services Delivery System.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

Recommend Approval

ATTACHMENTS:
1. Agency Letter
2. Agency FTE Position Summary Report
3. Agency FTE Position Request Form

01131

REQUEST FOR INCREASE
IN AUTHORIZED POSITION
COUNT

DATE: July 22, 1986 ITEM NUMBER: #87-6

AGENCY: L12 John De La Howe School (46)

SUBJECT: Establishment of new FTE Positions above the number authorized.

The John De La Howe School requests authorization to establish Six (6.00) new StateFund FTE positions above the number authorized. These positions, all for the development of the Wilderness program, were approved by the House in the 1986-87 appropriations bill but were deleted in the Free Conference Report. Funding for these positions were included in the 1986-87 appropriation Act, therefore the agency is requesting the new FTE positions which are crucial to the development of the Wilderness Program.

STAFF RECOMMENDATION: The Budget Division staff is nor prepared to make a recommendation at this time. We are in the process of conducting a statewide study to determine how we might be able to reduce the number of state employees. A report on the Division's recommendation will be presented to you at a future meeting.

BOARD ACTION REQUESTED:

Approve the establishment of six (6.00) new State Funds FTE positions.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT: RECOMMEND APPROVAL

ATTACHMENTS:
1. Agency Letter
2. Agency FTE Position Summary Report
3. Agency FTE Position Request Form

01132

REQUEST FOR INCREASE IN AUTHORIZED POSITION COUNT

DATE: July 9, 1986 ITEM NUMBER: 87-1

AGENCY: H18 Francis Marion College (22)

SUBJECT: Establishment of New FTE Positions Above the Number Authorized

Francis Marion College requests authorization to add thirteen and one-half (13.50) new FTE positions above the number authorized. These positions are to be funded as follows: ten and one-half (10.50) by State funds and three (3.00) by Other funds. This request includes 6.75 Faculty Members, 3.75 Groundskeepers and 3.00 Cooks. In 1985 the school had the highest student/faculty ratio in the state and this ratio is expected to grow in 1986. These positions were originally requested by the agency in its 1986-87 Budget Request. The B & C Board did not recommend them and no attempt was made by the agency to get them approved by the General Assembly during the legislative budgeting process.

STAFF RECOMMENDATION:

The Budget Division staff is not prepared to make a recommendation at this time. We are in the process of conducting a statewide study to determine how we might be able to reduce the number of state employees. A report on the division's recommendation will be presented to you at a future meeting.

BOARD ACTION REQUESTED:

Approve the establishment of thirteen and one-half (13.50) new FTE positions above the number authorized.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

ATTACHMENTS:

1. Agency Letter
2. FTE Position Summary Report
3. FTE Position Request Form

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

01133

POSITION SUMMARY

AGENCY: H18 Francis Marion College DATE COMPILED: 7/3/86

	TOTAL FTEs	STATE FTEs	FEDERAL FTEs	OTHER FTEs
AUTHORIZED	300.58	217.18	1.50	81.90
NOT ESTABLISHED	-	-	-	-
ESTABLISHED	300.58	217.18	1.50	81.90
FILLED	280.28	208.54	0.75	70.99
VACANT	20.30	8.64	0.75	10.91

COMMENTS:

1. Item # 87-1

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

01134

NEW FTE POSITION REQUEST

DATE: 7/9/86

FROM: (AGENCY) Francis Marion College *CODE NO.* H18

TO: *Budget and Control Board*
State Budget Division

SUBJECT: *Request for positions exceeding number authorized in* 1986-87 *Appropriation Act.*
Request is to establish 13.50 *new positions at* Francis Marion College
as follows:

No. Positions	Positions Title	Grade	Class Code	Annual Salary	Source of Funds (Percent) State	Federal	Other
5.25	Instructor	-	9760		100		
1.50	Asst. Professor	-	9759		100		
3.75	Groundskeeper II	-	7402		100		
3.00	Cook I	-	7622		-	-	100
13.50					10.50		3.00

REQUEST JUSTIFICATION:

REQUESTED BY: Dr. Thomas C. Stanton, President *DATE:* 7/9/86

STATE BUDGET DIVISION:

☐ *Recommend Approval*

☐ *Recommend Disapproval*

State Budget Analyst *Date*

Assistant Director
State Budget Division *Date*

BUDGET & CONTROL BOARD ACTION:

01135

FRANCIS MARION COLLEGE
BOX F7500, FLORENCE, SOUTH CAROLINA 29501-0056 / (803) 669-4121

Office of the President

June 20, 1986

Mr. Curtis Holt
Assistant Director
Budget Division
Budget and Control Board
406 Wade Hampton Office Building
Columbia, South Carolina 29201

RECEIVED
JUN
Budget & Control Board
STATE BUDGET DIVISION

Dear Mr. Holt:

On June 19, 1986, we learned that the "new" FTE positions that Francis Marion College had requested in our 1986-87 budget submittal had been deleted from the Appropriations Bill. The positions are essential to the operation of the College for the ensuing fiscal year. They are:

Unclassified	6.75	
Classified	3.75	
Classified-Auxiliary	3.00	
Total	13.50	FTE

I have enclosed a sheet which lists in detail by academic departments the utilization of the 6.75 FTE unclassified positions. Also enclosed is a S.C. Commission on Higher Education analysis of student/faculty ratios for State institutions which I hope demonstrates our essential need for instructional personnel.

Our student/faculty ratio for the Fall of 1985 was the highest in the State at 22 to 1. Even with the new requested faculty positions, I would expect that our ratio will still remain among the highest in the State. For the academic year 1985-86, our headcount enrollment reached 3,434, a 5.88 percent increase over the previous year. Our fulltime equivalent enrollment was 2,693, a 4.72 percent increase. I expect our enrollment figures for the Fall of 1986 to approximate or exceed those of 1985-86.

The 3.75 FTE Classified positions are to be utilized in the program area of Operation and Maintenance of Plant. The positions will serve indirectly the new facilities which are currently under construction on the Campus.

The Classified-Auxiliary positions are necessary for us to staff our new Cafeteria which will open in the Fall of 1986.

01136

I would be pleased to supply you with additional information regarding this request or to meet with you or others should you deem it advisable. We request these positions be restored.

Sincerely yours,

Thomas C. Stanton
President

TCS/sgc

Encls.

01137

FRANCIS MARION COLLEGE
BOX F7500, FLORENCE, SOUTH CAROLINA 29501-0056 / (803) 669-4121

Office of Business Affairs

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

REQUIRED POSITIONS
1986-87

	FTE	SALARY
UNCLASSIFIED: State		
Biology		
Instructor	.75	$ 16,000
Business Administration and Economics		
Instructor	.75	22,500
Assistant Professor	.75	25,500
Assistant Professor	.75	33,000
English		
Instructor	.75	17,000
Instructor	.75	20,500
Mathematics and Computer Science		
Instructor	.75	20,000
Political Science and Geography		
Instructor	.75	16,200
Sociology and Philosophy		
Instructor	.75	17,000
CLASSIFIED: State		
Groundskeeper II	3.75	36,375
CLASSIFIED: Auxiliary		
Cook I	3.00	29,100
Total	13.50	253,175
Less Other Funds	3.00	29,100
Balance - State Funded Positions	10.50	$224,075

01138

FALL 1985 STUDENT/FACULTY DATA SUMMARY
SOUTH CAROLINA PUBLIC SENIOR COLLEGES AND UNIVERSITIES

	U.S.C. COLUMBIA	CLEMSON	WINTHROP	CITADEL	S.C. STATE	COLL. OF CHAS.	FRANCIS MARION	LANDER
STUDENT ENROLLMENT BY HEADCOUNT	23,263	12,893	4,934	2,992	4,164	5,303	3,434	2,311
% MALE	47	57	33	80	41	36	44	36
% SOUTH CAROLINIAN	79	70	84	63	91	90	99	96
% BLACK	13	5	14	7	93	7	15	21
FTE STUDENTS	18,869	12,257	4,252	2,815	3,699	4,218	2,693	1,992
% LOWER DIVISION	45	49	58	56	58	73	75	76
% UPPER DIVISION	29	40	34	36	35	24	21	23
% PROFESSIONAL	4	0	0	0	0	0	0	0
% GRADUATE 1ST LEVEL	13	9	8	8	5	3	4	1
% GRADUATE 2ND LEVEL	9	2	0	0	2	0	0	0
FTE TEACHING FACULTY	1,183.77	796.75	212.11	157.35	211.15	239.26	121.80	116.45
% PROFESSORS	23	32	24	22	16	12	25	19
% ASSOCIATE PROFESSORS	28	25	22	33	27	30	24	39
% ASSISTANT PROFESSORS	20	20	30	35	31	35	19	26
% INSTRUCTORS	5	4	15	5	26	1	20	6
% TEACHING ASSISTANTS	9	10	0	0	0	2	0	0
% OTHER (LECTURERS, ETC.)	15	9	9	5	0	20	12	10
SEMESTER CREDIT HOUR PRODUCTION	264,205	179,185	62,733	41,526	54,486	62,913	40,058	29,802
PER FTE TEACHING FACULTY	223	225	296	264	258	263	329	256
PRODUCTION PROFILE (SCHEDULED TEACHING HOURS TO PRODUCE 1 CREDIT HOUR)	1.21	1.35	1.14	1.10	1.27	1.13	1.12	1.12
RATIO OF FTE STUDENTS TO FTE TEACHING FACULTY	15.9	15.4	20.0	17.9	17.5	17.6	22.1	17.1
SCHEDULED TEACHING HOURS PER WEEK PER FTE FACULTY	9.1	12.0	15.6	14.5	16.0	11.8	13.1	12.3
AVERAGE NUMBER OF STUDENTS PER SCHEDULED CLASS	27.2	22.2	22.0	20.6	19.5	24.6	26.8	21.2

SOURCE: CHE REPORTS

01139

FALL 1985 STUDENT/FACULTY DATA SUMMARY
SOUTH CAROLINA PUBLIC SENIOR COLLEGES AND UNIVERSITIES

	U.S.C. AIKEN	U.S.C. COASTAL	U.S.C. SPARTAN-BURG	U.S.C. BEAUFORT	U.S.C. LANCASTER	U.S.C. SALKE-HATCHIE	U.S.C. SUMTER	U.S.C. UNION
STUDENT ENROLLMENT BY HEADCOUNT	2,071	2,898	2,955	674	974	452	1,282	313
% MALE	39	47	41	45	33	37	52	31
% SOUTH CAROLINIAN	91	89	97	99	99	99	100	99
% BLACK	15	7	10	14	16	23	18	18
FTE STUDENTS	1,512	2,353	2,099	380	613	318	889	222
% LOWER DIVISION	75	76	73	100	100	100	100	100
% UPPER DIVISION	25	24	27	0	0	0	0	0
% PROFESSIONAL	0	0	0	0	0	0	0	0
% GRADUATE 1ST LEVEL	0	0	0	0	0	0	0	0
% GRADUATE 2ND LEVEL	0	0	0	0	0	0	0	0
FTE TEACHING FACULTY	108.11	126.35	123.22	27.48	35.65	22.00	41.98	18.10
% PROFESSORS	13	14	12	5	1	5	1	6
% ASSOCIATE PROFESSORS	24	31	27	34	37	26	33	26
% ASSISTANT PROFESSORS	28	31	18	23	27	34	40	10
% INSTRUCTORS	6	4	14	0	3	0	3	19
% TEACHING ASSISTANTS	0	0	0	0	0	0	0	0
% OTHER (LECTURERS, ETC.)	29	20	29	38	32	35	23	39
SEMESTER CREDIT HOUR PRODUCTION	22,673	35,295	31,487	5,693	9,192	4,768	13,341	3,334
PER FTE TEACHING FACULTY	210	279	256	207	258	217	318	184
PRODUCTION PROFILE (SCHEDULED TEACHING HOURS TO PRODUCE 1 CREDIT HOUR)	1.30	1.17	1.29	1.08	1.21	1.10	1.07	1.08
RATIO OF FTE STUDENTS TO FTE TEACHING FACULTY	14.0	18.6	17.0	13.8	17.2	14.5	21.2	12.3
SCHEDULED TEACHING HOURS PER WEEK PER FTE FACULTY	13.5	12.7	12.6	12.6	14.6	13.8	12.4	13.7
AVERAGE NUMBER OF STUDENTS PER SCHEDULED CLASS	19.3	24.6	23.7	15.0	17.6	16.7	23.4	12.6

SOURCE: CHE REPORTS

EXHIBIT
JUL 29 1986 NO. 9
STATE BUDGET & CONTROL BOARD

01140

REQUEST FOR INCREASE
IN AUTHORIZED POSITION
COUNT

DATE: July 9, 1986 ITEM NUMBER: 87-2

AGENCY: L32 State Housing Authority (51)

SUBJECT: Establishment of New FTE Positions Above the Number Authorized

The State Housing Authority requests authorization to add three (3.00) new FTE positions above the number authorized. These positions, two funded by Other funds and one with Federal funds, are needed to handle the agency's increased operations. The agency authorized twenty-four new bond issues in 1986 supporting 7,876 housing units. These positions were originally requested by the agency in its 1986-87 Budget Request. The B & C Board did not recommend them and no attempt was made by the agency to get them approved by the General Assembly during the legislative budgeting process.

STAFF RECOMMENDATION:

The Budget Division staff is not prepared to make a recommendation at this time. We are in the process of conducting a statewide study to determine how we can reduce the number of state employees.

BOARD ACTION REQUESTED:

Approve the establishment of three (3.00) new FTE positions above the number authorized.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

ATTACHMENTS:

1. Agency Letter
2. FTE Position Summary Report
3. FTE Position Request Form

POSITION SUMMARY

AGENCY: L32 State Housing Authority (51) DATE COMPILED: 7/3/86

	TOTAL FTEs	STATE FTEs	FEDERAL FTEs	OTHER FTEs
AUTHORIZED	47.00	8.00	18.00	21.00
NOT ESTABLISHED	-	(4.00)	(2.00)	6.00
ESTABLISHED	47.00	12.00	20.00	15.00
FILLED	47.00	12.00	20.00	15.00
VACANT	-	-	-	-

COMMENTS:

1. Item # 87-2

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

01142

NEW FTE POSITION REQUEST

DATE: July 2, 1986

FROM: (AGENCY) S.C. State Housing Authority CODE NO. L32

TO: Budget and Control Board
State Budget Division

SUBJECT: Request for positions exceeding number authorized in 1986-87 Appropriation Act.
Request is to establish three new positions at S.C. State Housing Authority as follows:

No. Positions	Positions Title	Grade	Class Code	Annual Salary	Source of Funds (Percent) State	Federal	Other
(1.00)	Admin. Specialist B	20	0512	$12,890			100%
(1.00)	Controller	42	1015	$30,551			100%
(1.00)	Housing Prog. Coord I	30	2545	$19,080		100%	

REQUEST JUSTIFICATION:

Positions needed to handle work load due to 24 bond issues in FY 86 supporting 7876 housing units. No State funds are involved.

REQUESTED BY: Alice E. Mosser DATE: July 2, 1986
Deputy Executive Director

STATE BUDGET DIVISION:

☐ Recommend Approval

☐ Recommend Disapproval

EXHIBIT
JUL 29 1986 NO. 9
STATE BUDGET & CONTROL BOARD

State Budget Analyst Date

Assistant Director
State Budget Division Date

BUDGET & CONTROL BOARD ACTION:

01143

SOUTH CAROLINA STATE HOUSING AUTHORITY
1710 GERVAIS STREET • SUITE 100 • COLUMBIA, SOUTH CAROLINA 29201 • (803) 758-2844

July 2, 1986

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

Mr. Scott Barnes
Budget Analyst
S. C. Budget & Control Board
Columbia, S. C. 29201

Dear Scott:

In reviewing the Authority's approved FY 1987 Appropriation, we noted that the three new positions which we requested were not included.

We urgently request that these three positions be approved for FY 1987. During FY 1986, the Authority issued an additional 24 Bond issues for a total of 7,876 housing units with outstanding debt of $330,015,000. Additional personnel are required to maintain these programs.

The positions which were requested are as follows:

JOB TITLE	CLASS	GRADE	PROPOSED SALARY	SOURCE OF FUNDS
Administrative Specialist B	0512	20	$12,890	Other
Controller	1015	42	30,551	Other
Housing Program Coord. I	2545	30	19,080	Federal

Fringe benefits of $12,504.00 were also budgeted for these positions.

You will recall that the Authority repays its State Appropriation each year, as well as well as paying indirect cost for the Federal Funds which are expended annually. Throughout the years, we have been very conservative in hiring additional personnel, and we feel that this request is reasonable as well as necessary.

Please let me know what steps we must take to have these positions approved.

Sincerely,

Alice

Alice E. Mosser
Deputy Executive Director

RECEIVED
JUL 02 1986
Budget & Control Board
STATE BUDGET DIVISION

01144

REQUEST FOR INCREASE
IN AUTHORIZED POSITION
COUNT

DATE: 7/1/86 ITEM NUMBER: 87-3

AGENCY: H75 The School for the Deaf & the Blind (34)

SUBJECT: Establishment of FTE Positions above the number authorized

The School for The Deaf and The Blind requests authorization to establish one and sixty-five hundredths (1.65) new Other Fund FTE Positions above the number authorized. These positions are critical to the staffing to open and operate a new 22 bed statewide Children's Habitation Center licensed as a rehabilitation hospital. Funding has been provided by a private grant from the Fullerton Foundation.

STAFF RECOMMENDATION:

The Budget Division Staff is not prepared to make a recommendation at this time. We are in the process of conducting a statewide study to determine how we might be able to reduce the number of state employees. A report on the Division's recommendation will be presented to you at a future meeting.

BOARD ACTION REQUESTED:

Approve the establishment of (1.65) New Other Fund FTE Positions at the South Carolina School for The Deaf and The Blind.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

ATTACHMENTS:
1. Agency File
2. FTE Position Summary Report
3. FTE Position Request Form

POSITION SUMMARY

AGENCY: H75 School for The Deaf & The Blind (34)

DATE COMPILED: 7/8/86

	TOTAL FTEs	STATE FTEs	FEDERAL FTEs	OTHER FTEs
AUTHORIZED	349.10	326.92	8.54	13.64
NOT ESTABLISHED	-	1.53	(1.53)	-
ESTABLISHED	349.10	325.39	10.07	13.64
FILLED	327.33	303.62	10.07	13.64
VACANT	21.77	21.77	-	-

COMMENTS:
1. Item #87-3

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

01146

NEW FTE POSITION REQUEST

DATE: July 11, 1986

FROM: (AGENCY) School for the Deaf and the Blind *CODE NO.* H75

TO: *Budget and Control Board*
State Budget Division

SUBJECT: *Request for positions exceeding number authorized in* 1986-87 *Appropriation Act.*
Request is to establish 1.65 *new positions at* School for the Deaf and the Blind *as follows:*

No. Positions	*Positions Title*	*Grade*	*Class Code*	*Annual Salary*	*Source of Funds (Percent)*		
					State	*Federal*	*Oth*
0.84	LPN II	21	4002	$11,985			100
0.81	Social Worker III	29	5353	$16,623			100

REQUEST JUSTIFICATION: Fullerton Foundation Grant approval June 20, 1986 for staffing ne Habilitation Center with communications skills. See file attached regarding this $35,000 grant.

REQUESTED BY: _____ *DATE:* _____

STATE BUDGET DIVISION:

☐ *Recommend Approval*

☐ *Recommend Disapproval*

_____ _____
State Budget Analyst *Date*

_____ _____
Assistant Director
State Budget Division *Date*

BUDGET & CONTROL BOARD ACTION:

01147

A. BARON HOLMES, IV
President

ROBERT MILLARD, Director
Educational Support Services

SOUTH CAROLINA SCHOOL
FOR THE DEAF AND THE BLIND
SPARTANBURG, SOUTH CAROLINA 29302

July 9, 1986

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

Mr. Scott Barnes, Budget Analyst
Budget Division of Budget and Control Board
406 Wade Hampton Building
P. O. Box 12444 - Capitol Station
Columbia, SC 29211

RE: Request for New Positions Authorization - Habilitation Center LPN and Social Worker

Dear Mr. Barnes:

Our agency has been awarded a "Certificate of Need" to open an Habilitation Center. A brief description of the center and its function is included for your information.

We requested, through the South Carolina Foundation for the Multi-Handicapped, Blind and Deaf, that the Fullerton Foundation of Gaffney, South Carolina provide funding for an LPN and Social Worker position. This grant request was submitted on March 4, 1986 and was verbally approved on June 20, 1986. A copy of this documentation is enclosed for your review.

Therefore, we are requesting that the Budget and Control board authorize the establishment of the positions set fourth below:

POSITION	CODE	GRADE	FTE's	Salary
LPN II	4002	21	0.84	$ 11,985
Social Worker III	5353	29	0.81	$ 16,623
Total FTE's and Salaries			1.65	$ 28,608
Total Fringe Benefits				$ 6,392
Total Funds Approved				$ 35,000

The LPN and Social Worker hired to work in the Habilitation Center, in addition to the normal requirements for the position, will be required to demonstrate proficiency in manual communications skills. For this reason, we will probably have to compensate these people at above the minimum salary for the established pay grade.

01148

We would appreciate your favorable review of our request and your support before the Budget and Control Board at its next available meeting. Please note that there are no state funds necessary for the establishment of these two positions. Future funding of these positions will be provided by income from medicaid and insurance payments from patients in this facility We need finalization of this matter in time to hire these people by the opening of school on August 13, 1986.

If you have any questions or need additional information, please contact Lachlan Hyatt, our Personnel Director. Thank you for your assistance in this matter.

Sincerely,

Robert Millard

Robert Millard
President

RM:djc
Enclosures: Certificate of Need
License
Grant Request
Grant Approval

CC: Paul Manly, Director of Administrative Services, SCSDB
Lachlan Hyatt, Personnel Director, SCSDB
Frank Lengel, C & C Analyst, DHRM
Jones Herring, Budget Analyst, Budget and Control Board

MEMORANDUM

TO: Sue Lentz, Executive Director
Foundation for the Multihandicapped, Blind and Deaf of S. C., Inc.

FROM: Tom Bannister, Director
Multi-Handicapped Education

RE: Donation from Fullerton Foundation

DATE: July 9, 1986

I wanted to express my gratitude for your support and enthusiasm in obtaining a grant from the Fullerton Foundation for our new Children's Habilitation Center. As I understand it, you received confirmation on June 20th that Fullerton would be sending a check prior to the opening of school in the amount of $35,000. I believe this money is designated to be used for an L.P.N. and a Social Worker. This will greatly improve our capabilities in providing appropriate services to children in our state.

Thank you again for your continued efforts on behalf of our school's programs!

TSB/co

cc: Lach Hyatt

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

01150

MEMORANDUM

TO: Ms. Sue Lentz, Executive Director
Foundation for the Multihandicapped, Blind, and Deaf of SC

FROM: Thomas S. Bannister, Assistant to the President
SC School for the Deaf and the Blind

RE: Children's Habilitation Center - SCSDBMH

DATE: March 4, 1986

In response to your recent inquiries regarding the current status of our Children's Habilitation Center, I am attaching a brief synopsis of our progress to date. If additional information is needed, I would be most happy to provide that either in written form or through a conference which would allow us to pursue a more in-depth analysis of current programming plans, possible revenue sources, equipment and man-power needs, types of patients to be served, etc. I am also taking the liberty of attaching a partial list of needs in order to make the Habilitation Center fully operational and solvent during our first year of operation. If there is any possibility that the Foundation can assist us with these needs, we would be most appreciative.

Thank you as ever for your continued support of our programs.

TB/sb

SYNOPSIS OF CURRENT STATUS

CHILDREN'S HABILITATION CENTER - SCSDBMH

March 4, 1986

During the early part of 1981 the subject of establishing a facility on our campus to provide habilitation services to children was first broached. In 1982 when the Crippled Children's Convalescent Center in Florence, SC was closed, the need for such a service was made more apparent. At that point in time the state of South Carolina was in the position of having no facility to provide convalescent care or habilitative/rehabilitative nursing care for children. This prompted further research and discussion regarding the role of the South Carolina School for the Deaf and the Blind in providing this much needed service.

In 1984 letters of support were obtained from numerous sources encouraging the School to pursue licensing for a Habilitation Center on our campus. Serious effort was begun to work through the logistics of establishing this new program as well as considerable thought given to the financial implications of such an endeavor. The decision was made to apply for a Certificate of Need through the SC Department of Health and Environmental Control.

The Certificate of Need was granted on January 9, 1986. On January 21, 1986, the School was issued a license by the SC Department of Health and Environmental Control to operate a specialized hospital. On December 5, 1985 the Board of Commissioners of the SC School for the Deaf and the Blind approved, pursuant to licensure, the staffing and operation of the Children's Habilitation Center on a trial basis. The program was approved to begin at the earliest possible date and to provide the following services:

- a place for children who have been in the hospital and need a convalescent stay for aftercare after hospitalization
- diagnostic treatment for handicapped children
- intensive habilitative services such as physical therapy and fitting of particular types of adaptive equipment.

Details are now in the process of being worked out regarding policy formalization, staffing requirements, equipment needs, formal agreements with third party revenue sources, etc. In a conversation held just this morning, it appears that Medicaid sources may be available to us on a restricted basis and that we may serve as a pilot program for funding of this type in South Carolina for the kind of service we will be providing.

We hope to be able to begin our program with two or three patients in the next two to four weeks and formally open the Children's Habilitation Center - SCSDBMH to a greater number of patients by September 1, 1986.

01152

PARTIAL LIST OF START-UP NEEDS AS OF MARCH 4, 1986

CHILDREN'S HABILITATION CENTER - SCSDBMH

1. Licensed Practical Nurse II including fringe benefits (42 weeks-$13,362.00)

2. Social Worker IV including fringe benefits (42 weeks-$20,091)

3. Funds to cover cost of indigent care ("us-pay") $4,800.00 - figured on 30 patient days at $160.00 per day

4. Two (2) electric hospital beds estimated $5,000 ($2,500 each)

5. Renovation and canopy necesary to provide loading and unloading of patients in an environment reasonably free from harmful effects of the elements, i.e. rain, etc. - estimated - $1,500.00 ($600.00 labor)

6. Used "EMS" vehicle capable of transporting patients in wheelchairs or on stretchers - estimated $10,000

7. Miscellaneous start-up equipment, supplies, promotional material, etc. - $3,000

01153

A. BARON HOLMES, IV
President

SOUTH CAROLINA SCHOOL
FOR THE DEAF AND THE BLIND

CEDAR SPRING STATION
SPARTANBURG, S.C. 29302
TELEPHONE: (803) 585-7711

March 17, 1986

EXHIBIT
JUL 29 1986 NO. 9
STATE BUDGET & CONTROL BOARD

Mr. Walter E. Cavell, Executive Director
The Fullerton Foundation
P. O. Box 1146
Gaffney, SC 29342

Dear Mr. Cavell:

It was truly a pleasure meeting you this morning. Your interest in the needs of facilities such as ours, which provide services to the handicapped population of our state, reinforces my belief that in addition to making profits, the business community of our state is committed to making life better for all of our citizens. In turn it is our commitment as human service providers to do everything within our experience, training, and financial resources to insure that the handicapped children we serve are provided with the education and health care to enable them to be productive, independent citizens to the maximum extent that their abilities will allow.

Your dedication to human service and that of the Fullerton Foundation was first experienced by our agency upon receipt by Ms. Sue Lentz, Executive Director of the Foundation for the Multihandicapped, Blind and Deaf of South Carolina, Inc. of your letter dated September 28, 1983. In that correspondence, you notified her that the Fullerton Foundation had approved a $14,000 grant request to study the feasibility of creating a Childrens' Habilitation Center within our 22 bed infirmary facility. Your generosity enabled us to contract with the Toomey Company, Inc. of Greenville, SC in order to obtain information about other habilitation centers, information about the operational requirements and allocation of human and financial resources for such a program (operating budget), licensure requirements, HSA requirements and third party reimbursement requirements for the establishment, development, and operation of the Childrens' Habilitation Center, and provide a final report containing recommendations for the establishment of such a program. This information along with countless man hours contributed by our staff to this project have convinced us that there is an overwhelming need in our state for such a facility. This is particularly true since the closing of the Crippled Children's Convalescent Center in Florence, SC. With that closing there has been no facility in the state to meet the needs of children requiring habilitative and rehabilitative services on an in-patient basis as described in our Certificate of Need request.

Based upon the conviction that the need for a Childrens' Habilitation Center in our state is a great one and the belief, as a result of the Toomey report and the efforts of our staff, that, after some initial start-up costs, the facility will generate enough revenues to be self-supporting with only a minimal drain on our agency budget, our Board of Commissioners has authorized us to

BOARD OF COMMISSIONERS

MR DOUGLAS DENT Chairman
Member at Large
MRS R BEVERLY HERBERT JR Secretary
Second Congressional District
MRS LEWIS M DAVIS
Fourth Congressional District
DR EARL F MATHIS SR
Third Congressional District
MRS W BURKE WATSON
Fifth Congressional District
MR DONALD CAPPS
Member at Large Blind
MR HARRY CULPEPPER
Member at Large Deaf
MRS LINDA K SILVER
First Congressional District
MRS SARAH M STOKES
Sixth Congressional District

EX OFFICIO MEMBERS
DR CHARLIE WILLIAMS
State Superintendent of Education
DR ROBERT S JACKSON
Commissioner, DEHEC
DR TERRY PETERSON
Representative from the
Governor's Office

01154

pursue the operation of this program for the 1986-87 school year. In accord with this authorization we have applied for and were granted on January 9, 1986, a Certificate of Need by the SC Department of Health and Environmental Control to operate a specialized hospital. On January 21 of this year, we were issued a license by that same agency. We are now in the process of working out some final details and hope to be able to offically open the Childrens' Habilitation Center by September 1, 1986.

As I indicated in our conversation this morning, we do have a need for some additional funds to cover some of our start-up costs. The prioritized list of our most pressing needs, which I gave you, includes as two of our top priorities the salaries for a licensed practical nurse and a social worker. We are requesting funding for these positions for a one year period. We feel that after a year the revenues generated by the Center would be sufficient to allow us to pick up the cost of these staff members. Obviously, we cannot guarantee with 100% accuracy the success of the program or the amount of revenues we will generate. However, we have tried to take into account as many variables as we could imagine. We have considered factors such as changes in federal funding levels such as the effects of the Gramm-Rudman-Hollings amendment, initial low occupancy rates, the effects of care to indigent patients on our revenues and many other factors. We still feel that the chances of the Habilitation Center being successful are very good. We have decided that the benefits to children are well worth the risk we will face.

Thank you for your past support of this important venture for the children of South Carolina and your consideration of a future commitment to aid us in our start-up phase.

Sincerely yours,

Thomas S. Bannister

Thomas S. Bannister
Assistant to the President

TSB/sb

cc: Mr. Robert Millard, Interim President
SCSDB

Ms. Sue Lentz, Executive Director
Foundation for the Multihandicapped,
Blind and Deaf of SC, Inc.

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

South Carolina Department of Health and Environmental Control

2600 Bull Street
Columbia, S.C. 29201

Commissioner
Robert S. Jackson, M.D.

Board
Moses H. Clarkson, Jr., Chairman
Gerald A. Kaynard, Vice-Chairman
Oren L. Brady, Jr., Secretary
Barbara P. Nuessle
James A. Spruill, Jr.
William H. Hester, M.D.
Euta M. Colvin, M.D.

January 9, 1986

Re: SC-86-5
Conversion of 22 infirmary beds to a 22 bed statewide Children's Habilitation Center to be licensed as a rehabilitation hospital
Children's Habilitation Center
Spartanburg, South Carolina

A. Baron Holmes, IV., Ph. D.
S. C. School for the Deaf, Blind and Multihandicapped
Cedar Springs Road
Spartanburg, SC 29302

Dear Dr. Holmes:

Enclosed is the Certificate of Need granting approval of the above named project. This Certificate is valid for a period of one year.

If this office can be of further service to you or if you have any questions concerning the above, feel free to contact us at 758-0368.

Sincerely,

Leon B. Frishman

Leon B. Frishman, Director
Bureau of Health Facilities and Services Development

LBF:dbw

cc: Mr. James F. Keasler

Enclosure

01156

South Carolina Department of Health and Environmental Control

CERTIFICATE OF NEED

THIS Certificate of Need is issued to : Children's Habilitation Center, Spartanburg, SC; A. Baron Holmes, IV., Ph. D.-Agent· Conversion of 22 infirmary beds
(Name of Applicant & Project)
to a 22 bed statewide Children's Habilitation Center to be licensed as a rehabilitation hospital

For Project No. SC-86-5 in accordance with the Code of Laws of South Carolina.

In determining the need for this project, the South Carolina Department of Health and Environmental Control has taken into consideration the recommendation of the:

S. C. Appalachian Health Council
(Health Systems Agency)

This Certificate of Need is valid for a period of twelve months from the date of issuance unless the applicant has awarded a construction contract or has made substantial progress toward implementation of the Project, as approved by the Department, within the twelve month period.

In Witness Whereof we have hereunto set our hands and the seal of the Department of Health and Environmental Control this the 9th day of January, 1986

Albert N. Whitlock
Director, Division of Certification of Need

Leon B. Freeman
Chief, Bureau of Health Facilities and Services Development

Richard Owen
Deputy Commissioner, Office of State Health Planning and Development

01157

DHEC-225 (11/81)

South Carolina Department of Health and Environmental Control

THIS IS TO CERTIFY THAT A LICENSE IS HEREBY GRANTED TO

SOUTH CAROLINA SCHOOL FOR THE DEAF, BLIND & MULTI-HANDICAPPED

To maintain and operate THE CHILDREN'S HABILITATION CENTER-SCSDBMH, a Specialized (Children's Rehabilitation) Hospital With a Maximum Capacity of 22 Beds

In the premises located at Cedar Springs Road

In Spartanburg County of Spartanburg

THIS LICENSE is granted in accordance with the Standards as established in R61-16 promulgated pursuant to the provisions of Sections 44-7-110 through 44-7-460 of the Code of Laws of South Carolina of 1976, as amended, which are minimum for licensure of this type facility. The adequacy of the individual care, treatment, personal safety, fire safety, or well-being of any occupant of the above named facility is the responsibility of the licensee. This license is not assignable or transferable and shall be subject to suspension or revocation at any time by the Department of Health and Environmental Control for failure to comply with the laws of the State of South Carolina or with the rules and regulations of the Department of Health and Environmental Control issued thereunder.

License number 449
Expires June 30, 1987

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

IN WITNESS WHEREOF we have hereunto set our hands and seal of the Department of Health and Environmental Control on the 1st day of July, 1986.

Robert S. Jackson MD
Commissioner

William C. Wilgis
Director, Division of Health Licensing

01158

DHEC 206 (2/82)

REQUEST FOR INCREASE
IN AUTHORIZED POSITION
COUNT

DATE: 7/16/86 ITEM NUMBER: 87-4

AGENCY: L04 Department of Social Services (45)

SUBJECT: Establishment of new FTE Positions above the number authorized.

The Department of Social Services requests authorization to establish seventeen (17.00) new FTE Positions above the number authorized. These positions are needed to staff the Work Support Services Delivery System as provided for in the South Carolina Employables Program Act, Section 43-5-550(K) and funded as follows: (10.80) State Funds and (6.20) Federal Funds. The 1986-87 Appropriation Act contains $250,000 to fund this program but no new FTE Positions.

STAFF RECOMMENDATION:

The Budget Division Staff is not prepared to make a recommendation at this time. We are in the process of conducting a statewide study to determine how we might be able to reduce the number of state employees. A report on the Division's recommendation will be presented to you at a future meeting.

BOARD ACTION REQUESTED:

Approve the establishment of seventeen (17.00) new FTE Positions to staff the Work Support Services Delivery System.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

ATTACHMENTS:
1. Agency Letter
2. Agency FTE Position Summary Report
3. Agency FTE Position Request Form

01159

POSITION SUMMARY

AGENCY: L04 Department of Social Services (45) DATE COMPILED: 7/11/86

	TOTAL FTEs	STATE FTEs	FEDERAL FTEs	OTHER FTEs
AUTHORIZED	4282.15	1854.87	2402.27	25.01
NOT ESTABLISHED	7.78	(12.56)	9.55	10.79
ESTABLISHED	4274.37	1867.43	2392.72	14.22
FILLED	4012.26	1764.55	2233.90	13.81
VACANT	262.11	102.88	158.82	0.41

COMMENTS:
1. Item #87-4

NEW FTE POSITION REQUEST

DATE: July 15, 1986

FROM (AGENCY): Department of Social Services CODE NO. LC4

TO: Budget and Control Board
State Budget Division

SUBJECT: Request for positions exceeding the number authorized in 1986-87 Appropriations Act. Request is to establish 17 new positions at various State and Federal percentages as follows:

Number Positions	Position Title	Grade	Class Code	Annual Salary	Source of Funds (Percent) State	Federal	Oth
3	Admin. Specialist B	20	0512	$13,276	55	45	
6	Work Supp. Specialist	26	5213	$16,800	50	50	
3	Work Supp. Supervisor	29	5214	$18,896	55	45	
1	Work Supp. Administrator	36	Not Est.	$24,868	50	50	
4	Social Serv. Worker II	27	5208	$17,470	100		

REQUEST JUSTIFICATION:

These 17 (10.8 State) positions are being requested for the Work Support Services Delivery System as provided in the South Carolina Employables Program Act, Section 43-5-550 (K).

REQUESTED BY: James L. Solomon, Jr. DATE: 7/15/86

STATE BUDGET DIVISION:

___ Recommend Approval

___ Recommend Disapproval

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

State Budget Analyst Date

Assistant Director
State Budget Division Date

BUDGET AND CONTROL BOARD ACTION:

01161

JAMES L. SOLOMON, JR.
COMMISSIONER

South Carolina
Department of Social Services
P. O. BOX 1520
Columbia, South Carolina 29202-152(

July 15, 1986

The Honorable James M. Waddell, Jr.
Chairman
Joint Legislative Committee on Personal
Service Financing and Budgeting
State Senate
Post Office Box 142
Columbia, South Carolina 29202

Dear Senator Waddell:

We have been informed by the Budget Committee that the agenda for the July 23, 1986 meeting of the Joint Legislative Committee on Personal Service Financing and Budgeting has been closed. We would appreciate your inclusion of our request for 17 FTE (10.8 State) positions for the Work Support Services Delivery System in this agenda.

The South Carolina Employables Program Act, which was signed into law on June 11, 1986, Section 43-5-550 (K), provides that "Sufficient funds and staffing allocations to implement the DSS Work Support Services System ... will be appropriated."

The Fiscal Year 1986-87 Appropriations Act contained appropriations of $250,000 (State funds) for the Work Support Program and $232,377 (State funds) for the Teen Companion Program to staff these programs. However, no FTE's were provided. We feel that although we could staff these programs with contract staff that it is vital to the successful implementation of the Work Support Services Delivery System that 17 FTE's be added to our Fiscal Year 1986-87 Budget. We feel that through the use of FTE's, we could attract a higher caliber of employee who would provide a higher quality service with reduced staff turnover. We also feel that the use of FTE's to staff this program would signal a strong commitment by the State of South Carolina in assisting welfare recipients in their efforts to achieve self-sufficiency.

01162

South Carolina Board of Social Services

R. JAMES AYCOCK, III, CHAIRMAN, AT-LARGE, MANNING
GEORGE D. HAMILTON, MEMBER, FIRST DISTRICT, WALTERBORO
DR. OSCAR P. BUTLER, MEMBER, SECOND DISTRICT, ORANGEBURG
BETTY C. DAVENPORT, MEMBER, THIRD DISTRICT, ANDERSON
JOHN K. EARLE, MEMBER, FOURTH DISTRICT, GREENVILLE
DR. AGNES H. WILSON, MEMBER, FIFTH DISTRICT, SUMTER
MELVIN B. NICKLES, JR., M, MEMBER, SIXTH DISTRICT, HARTSVILLE

I would appreciate your assistance in this request. If you have any questions, please contact Mr. Gary E. Bell at or Mr. Powell Ruff at 734-6222 or 734-5942, respectively.

Sincerely,

James L. Solomon, Jr.
Commissioner

JLSjr:brs

Enclosure

cc: Mr. Curtis Holt

REQUEST FOR INCREASE IN AUTHORIZED POSITION COUNT

DATE: July 22, 1986 ITEM NUMBER: #87-6

AGENCY: L12 John De La Howe School (46)

SUBJECT: Establishment of new FTE Positions above the number authorized.

The John De La Howe School requests authorization to establish Six (6.00) new StateFund FTE positions above the number authorized. These positions, all for the development of the Wilderness program, were approved by the House in the 1986-87 appropriations bill but were deleted in the Free Conference Report. Funding for these positions were included in the 1986-87 appropriation Act, therefore the agency is requesting the new FTE positions which are crucial to the development of the Wilderness Program.

STAFF RECOMMENDATION: The Budget Division staff is nor prepared to make a recommendation at this time. We are in the process of conducting a statewide study to determine how we might be able to reduce the number of state employees. A report on the Division's recommendation will be presented to you at a future meeting.

BOARD ACTION REQUESTED:

Approve the establishment of six (6.00) new State Funds FTE positions.

JOINT LEGISLATIVE COMMITTEE ON PERSONAL SERVICE FINANCING AND BUDGETING

COMMENT:

ATTACHMENTS:
1. Agency Letter
2. Agency FTE Position Summary Report
3. Agency FTE Position Request Form

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

01164

POSITION SUMMARY

AGENCY: L12 John De La Howe (46) DATE COMPILED: 7/18/86

	TOTAL FUND	STATE FUND	FEDERAL FUND	OTHER FUND
AUTHORIZED	96.72	91.41	2.31	3.00
NOT ESTABLISHED	8.24	7.91	-	0.33
ESTABLISHED	88.48	83.50	2.31	2.67
FILLED	74.98	70.65	1.66	2.67
VACANT	13.50	12.85	0.65	-

COMMENTS:

1. Item #87-6

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

NEW FTE POSITION REQUEST

DATE: 7/22/86

FROM: (AGENCY) John De La Howe CODE NO. L12

TO: Budget and Control Board
State Budget Division

SUBJECT: Request for positions exceeding number authorized in 1985-86 Appropriation Act.
Request is to establish 6.00 new positions at The John De La Howe School as follows:

No. Positions	Positions Title	Grade	Class Code	Annual Salary	Source of Funds (Percent) State	Federal	Other
3	Youth Counselor III	20	5373	13,276	100		
2	Cook II	13	7623	10,088	100		
1	Admin. Spec. C	22	0513	14,359	100		
6	Total						

REQUEST JUSTIFICATION: Five (5) of the requested FTE's were approved in the House version of the 86-87 appropriation bill. The money is in the final version of the bill but the FTE's were left out when the Senate began debate using the 85-86 bill as a base - all 5 positions are crucial to the development of the Wilderness Program, The sixth requested FTE corrects a problem created when the secretary providing services to Wilderness Program assumes full-time Wilderness duties.

REQUESTED BY: John C. Shiflet DATE: 7/16/86

STATE BUDGET DIVISION:

☐ Recommend Approval

☐ Recommend Disapproval

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

State Budget Analyst — Date

Assistant Director
State Budget Division — Date

BUDGET & CONTROL BOARD ACTION:

01166

STATE OF SOUTH CAROLINA
JOHN DE LA HOWE SCHOOL
McCORMICK, SOUTH CAROLINA 29835

JOHN C. SHIFLET, JR
SUPERINTENDENT

803-391-2131

July 15, 1986

Mr. Jones Herring
State Budget Development
406 Wade Hampton Office Building
Columbia, South Carolina 29211

Dear Jones:

Attached is the necessary form to increase our FTE's. Please call if there are questions. I can elaborate!

Thank you for your assistance.

Sincerely,

John C. Shiflet
Superintendent

JCS/dbw

Attachment

CC: Rep. Jennings McAbee
Dr. A. Baron Holmes IV

EXHIBIT

JUL 29 1986 NO. 9

STATE BUDGET & CONTROL BOARD

01167

EXISTING FTE POSITION
INCREASE REQUEST

DATE: July 14, 1986

FROM: (AGENCY) John de la Howe School CODE NO. L12

TO: Budget and Control Board
State Budget Division

SUBJECT: Request for FTE's exceeding number authorized in 1986-87 Appropriation Act.

	TOTAL FTE'S	STATE FTE'S	FEDERAL FTE'S	OTHER FTE'S
Current Authorized FTE Position Base	96.72	91.41	2.31	3.00
Adjusted FTE Position Base	102.72	97.41	2.31	3.00
Requested Change	6.00	6.00	0	0

REQUEST JUSTIFICATION: Five (5) of the requested FTE's were approved in the House version of the 86-87 appropriation bill. The money is in the final version of the bill but the FTE's were left out when the Senate began debate using the 85-86 bill as a base - all 5 positions are crucial to the development of the Wilderness Program. The sixth requested FTE corrects a problem created when the secretary providing services to Wilderness Program assumes full-time Wilderness duties.

REQUESTED BY: [signature] DATE: 7/16/86

STATE BUDGET DIVISION:

☐ Recommend Approval

☐ Recommend Disapproval

EXHIBIT
JUL 29 1986 NO. 9
STATE BUDGET & CONTROL BOARD

State Budget Analyst — Date

Assistant Director
State Budget Division — Date

BUDGET & CONTROL BOARD ACTION:

01168

EXHIBIT

JUL 29 1986 NO. 10

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 2

AGENCY: Clemson University (PSA)

SUBJECT: Civil Contingent Fund Allocation Request

Clemson University Acting Vice President Benton Box has forwarded a request for an allocation of $60,000 from the Civil Contingent Fund to finance extension and research efforts dealing with fire ants. Included in the request are funds for:

$17,000		New truck
3,000		Miscellaneous equipment, supplies, travel
	$20,000	Subtotal, Research
$30,000		10,000 pounds of fire ant bait
5,000		20 bait spreaders
5,000		Supplies and travel
	40,000	Subtotal, Extension
	$60,000	Total

The Board is asked to consider this request in light of the procedure adopted previously (copy attached).

This item was carried over at the July 15 meeting.

BOARD ACTION REQUESTED:

Consider.

ATTACHMENTS:

Proposal, Lennon July 2 letter to Coles; Box July 8 letter to Coles; policy

01169

EXHIBIT

JUL 29 1986 NO. 10

STATE BUDGET & CONTROL BOARD

PROPOSAL

SUBJECT: Request for $60,000 from Civil Contingent Fund for interim support of Red Imported Fire Ant (RIFA) Research and Extension at Clemson University FY86-87.

Situational Statement: The RIFA has been widespread in South Carolina (14.5 million acres infested) and is a vexing problem for both city and rural landowners. While the RIFA is a relatively minor agricultural pest, it is perceived by the public as a menace.

Recognizing the importance of the RIFA problem, the Department of Entomology at Clemson University in 1985 reallocated research funds from other projects to fund SC Ag. Research and Hatch Project No. 1119, "The Biology and Control of the Red Imported Fire Ant." Current funding for the project is approximately $25,000 and supports only 0.2 SMY plus one graduate assistant.

Representatives Lockemy and Mangum and other legislators introduced a bill during the past legislative session to expand funding for Clemson University research and extension activities involving RIFA. This funding was eliminated due to budget restraints. Since this problem is so serious we feel justified in requesting interim funding to boost our current research and extension activity as follows:

RESEARCH: Purchase a new truck and certain equipment to support SC Ag. Rs. and Hatch Project No. 1119. Currently the project truck is very old with high milage and needs replacement. A new vehicle is needed to pull the project tractor used to spread fire ant bait.

BUDGET

New Truck	$17,000.00
Misc. equipment, supplies, travel	3,000.00
Sub-total Research Request	$20,000.00

EXTENSION: The most pressing need is to "educate" the public about the use of bait products for RIFA control. Generally, the public wants a "quick fix" and has been impatient with bait products. We feel that a one time RIFA demonstration in about 20 of our most infested counties would show the public how effective baits are, if used properly and allowed to work. These demonstrations would involve treating about 250 acres in each of the cooperating counties with PRO-DRONE fire ant bait. The projects would be supervised by Extension Entomologists and local County Extension Agents.

BUDGET

Purchase 10,000 lb. PRO-DRONE fire ant bait @ $3.00/lb	$30,000.00
Purchase 20 HERD bait spreaders @ $250.00/each	5,000.00
Supplies and travel support	5,000.00
Sub-total Extension Request	$40,000.00
TOTAL REQUEST	$60,000.00

01170

CLEMSON
UNIVERSITY

RECEIVED
JUL 3 1986
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

PRESIDENT

July 2, 1986

Dr. Jesse A. Coles, Jr.
Executive Director
Budget and Control Board
P.O. Box 12444
Columbia, SC 29211

Dear Dr. Coles:

Permission is requested for me or my designated representative to appear before the Budget and Control Board on July 15, 1986, to discuss a supplemental appropriation for research and educational efforts dealing with fire ants.

Very truly yours,

Max Lennon

ps

01171

POST OFFICE BOX 992 • CLEMSON, SOUTH CAROLINA 29631 • TELEPHONE 803/656-3413

EXHIBIT

JUL 29 1986 NO. 10

STATE BUDGET & CONTROL BOARD

College of Agricultural Sciences

OFFICE OF THE DEAN

CLEMSON UNIVERSITY

July 8, 1986

RECEIVED

JUL 9 1986

BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

Dr. Jesse A. Coles, Jr.
Executive Director
State Budget and Control Board
612 Wade Hampton Building
P.O. Box 12444
Columbia, SC 29211

Dear Dr. Coles:

By letter dated July 2, 1986, Dr. Max Lennon, President, requested permission for a representative of Clemson University to appear before the State Budget and Control Board on July 15, 1986. This sends to you a statement of justification for requesting $60,000 from the Civil Contingent Fund to be used for extension and research efforts dealing with fire ants.

The enclosed statement describes the serious fire ant problem in the coastal plains of South Carolina, defines the need for research and extension work and lists the uses for the funds. Dr. Sidney B. Hays, Head, Department of Entomology, will present and discuss the request.

Thank you very much for your assistance in adding this subject to the agenda for the July 15 meeting.

Sincerely yours,

Benton H Box

Benton H. Box
Acting Vice President/Vice Provost
Agriculture and Natural Resources

ps

Enclosure

xc: Dr. A. M. Lennon
Dr. S. B. Hays
Dr. J. B. Kissam
Mr. W. A. Green
Dr. W. P. DuBose

01172

EXECUTIVE DIRECTOR: CIVIL CONTINGENT FUND REVIEW PROCEDURE (REGULAR #10)

The Board had been provided with a draft procedure applicable to State agency Civil Contingent Fund allocation requests.

The Board was advised that, if adopted, the procedure would require the requesting agency to present a clearer case for an allocation or encumbrance than often happens now. If approved as an established procedure, staff expressed the view that the requirement would help the Board avoid dealing with requests of little merit.

The proposed procedure would require the following before the Board would include a Civil Contingent Fund request on a meeting agenda:

(1) A clear and concise statement by the requesting agency of the purpose for which the funds are proposed to be used and if an immediate (at the next regular Board meeting) response is considered necessary;

(2) Detailed evidence supplied by the requesting agency that it does not have the funds from any source with which to accomplish the purpose described;

(3) Results of a thorough review of the agency submission by staff of the Budget Division including
(a) data on any lapses by the agency from the prior fiscal year;
(b) comment on any supplemental or personal service funds available to the requesting agency which might be used for the purpose described; and
(c) a recommendation to the Board on how it should respond to the request.

It was proposed that Board policy be that, unless specified to the contrary by the Board in its action on a request, all allocations to State agencies from the Civil Contingent Fund approved by the Board during the first

six months of the fiscal year are considered encumbrances which become available to the agency late in the fiscal year in which it is granted and only if no other funds which could be expended for the approved purpose are available.

Mr. Putnam noted that twelve direct transfers from the Civil Contingent Fund were made in 1984-85 and that about a third of these agencies lapsed more than had been secured from the Fund with one having lapsed significantly more than had been secured from the Fund. He reported that about four of the twelve lapsed a substantial portion of the amount allocated from the Fund and that the remaining four seemed completely legitimate in terms of the absence of funds remaining at the end of the year.

Following a discussion, upon a motion by Mr. Morris, seconded by Mr. Mangum, the Board adopted the procedure proposed for the review of Civil Contingent Fund allocation requests by State agencies; and asked staff to consider a similar procedure for the review of funding transfer requests. Mr. Putnam indicated that staff will bring back to the Board its proposal on transfer reviews.

01173

Information relating to this matter has been retained in these files and is identified as Exhibit 31.

EXHIBIT

JUL 29 1986 NO. 10

STATE BUDGET & CONTROL BOARD

Budget & Control Board, Office of Executive Director

CIVIL CONTINGENT FUND - 86-87

Fund Status Report at July 29, 1986

Appropriations:		
General	$	$494,624.00
Transfers:		$0.00
Direct Expenditures:		
Budget and Control Board Meeting	288.54	
		$288.54
Encumbrances:		
Water Resources Commission	83,900.00	
		$83,900.00
Total Transfers, Expenditures and Encumbrances:		$84,188.54
Total Available:		$410,435.46
Cash available at 07/29/86 is:	$494,335.46	

01174

EXHIBIT

JUL 29 1986 NO. 11

STATE BUDGET AND CONTROL BOARD

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 3

AGENCY: College of Charleston

SUBJECT: (a) Purchase of 9 Liberty Street Building
(b) Request for Proposals for 300-bed Dormitory
(c) Misapplication of Funds

(a) Purchase of 9 Liberty Street Building

The Bond Committee, at its July 22 meeting, reviewed favorably the College's proposal to purchase the 9 Liberty Street Building now being leased to house computer services and computer sciences departments with the financing arrangements to be approved by the Board. The Committee also reviewed favorably the establishment of this permanent improvement project.

The College advises that the owner has agreed to sell the building to the College for $2,250,000, at least $750,000 below the appraised value. The owner has agreed to finance the sale of the building at an interest rate of 70% of the prime rate. At current interest rates, the annual payments to the owner to buy the building would be less than the annual lease payments now being paid.

In the 1986 bond act, $2,250,000 of capital improvement bonds were authorized for this purpose, but the Bond Committee took no action to release these funds at its July 22 meeting.

The Board is asked to approve the College of Charleston project to acquire the 9 Liberty Street Building and to decide on the financing arrangements.

(b) RFP for 300-bed Dormitory

The College also asks for authority to issue a request for proposals to construct a 300-bed dormitory. The dormitory would be constructed by the successful developer on a site leased from the College. The developer would be responsible for all construction costs and for all operating and maintenance costs. The College would control design and operating policies through terms of the ground lease. At the end of the 30- to 40-year lease period, the College would own the dormitory. No payments of any kind would be made by the College, so the proposal is not considered a typical lease/purchase proposal. The developer would pay an annual fee to lease the site.

The Board is asked to endorse the concept with the understanding that specific proposals would be brought back for approval. The Bond Committee approved the concept as proposed (and presumably exempted this project from its moratorium on lease/purchase arrangements).

(c) "Ratification" of Misapplication of Bond Funds

A procurement audit by General Services concluded that the College of Charleston used $15,231.59 of capital improvement bond funds (or plant improvement fees) for purposes not authorized in the documents approved in setting the projects up. The audit directed the College to inform the Board and the Bond Committee of the misuse of funds so these bodies can determine what action is appropriate.

The Bond Committee received the report as information.

01175

AGENCY: College of Charleston

SUBJECT: (a) Purchase of 9 Liberty Street Building
(b) Request for Proposals for 300-bed Dormitory
(c) Misapplication of Funds

BOARD ACTION REQUESTED:

(a) Authorize purchase of 9 Liberty Street Building and approve financing arrangements;

(b) Approve the concept of acquiring a 300-bed dormitory in response to a request for proposals as an exception to the general policy of not approving lease/purchase arrangements pending completion of the study of the subject directed by the General Assembly; and

(c) Receive as information a General Services report on the misapplication of $15,231.59 in a College of Charleston permanent improvement project.

ATTACHMENTS:

Lightsey July 17 and 26 letters to Senator Smith plus attachments

EXHIBIT

JUL 29 1986 NO. 11

STATE BUDGET & CONTROL BOARD

JUL 21 1986

College of Charleston

Charleston, South Carolina 29424

July 17, 1986

EXHIBIT

JUL 29 1986 NO. 11

STATE BUDGET & CONTROL BOARD

Senator Horace C. Smith
Box 1144
Spartanburg, SC 29301

Dear Senator Smith:

The General Assembly was able to approve some important capital improvement projects for the College of Charleston this year. Two of the projects approved will appear on the July 22 agenda of the Joint Bond Review Committee. These projects need Joint Bond Review Committee authorization and are essential for our continued progress. The projects are as follows:

Purchase of 9 Liberty Street Building

The College houses its departments of Computer Services and Computer Sciences in this building as well as all computer labs. Before the Fall 1986 Semester, the department of Business Administration/Economics will also locate there.

The College is currently leasing this building for $268,000 annually with a purchase option. The General Assembly has approved the purchase of this building with capital improvement bond funds. The General Assembly also authorized the College to enter into a private financing arrangement for the purchase of this building using the Step 12 funds to retire the annual interest and principal payments in the event that capital improvement bond funds could not be released at an early date.

The owner of the building, Mr. Charles Way, has agreed to sell the building to the College for $2,250,000, which is $750,000 below the appraised value. Mr. Way would be allowed to use the $750,000 as a tax deductible charitable contribution. Mr. Way will finance the sale of the building to the College at 70% of the prime rate. At current interest rates, the College's annual purchase payments would be less than the annual lease payments. This is an excellent opportunity for the College to secure this important facility. The College would request that the Joint Bond Review Committee approve either the purchase of this building with capital improvement bond funds or the purchase using the private financing. Mr. Way has given the College a September 15 deadline for accepting his offer.

New Dormitory

The College is exploring the possibility of the private development of a dormitory on College property. The Commission on Higher Education approved this plan at its July 10, 1986 meeting. Upon approval by the Joint Bond Review Committee and the Budget and Control Board, the College will put forward a request for proposal for the development of a 300-bed dormitory.

01177

Upon selection of a firm, the College will enter into a ground lease with the developer, who will then be responsible for all costs of construction, operation and maintenance of the building. Design approvals, as well as operating policies, will be controlled by the College through the terms of the ground lease. At the end of the lease period (30-40 years), the College will own the dormitory.

The College had previous approval to construct a $6,000,000 (revenue bonds) 500-bed dormitory with a cafeteria on the Sears Property. I do not feel that there is a need for a dormitory of this magnitude at this time. A 300-bed dormitory built on our central campus and south of Calhoun Street would allow the College to close the College Inn Dormitory which is in deplorable condition, and transfer the 225 students there to the new dormitory. The College Inn Dormitory is located on the north side of Calhoun Street, making security difficult. The College would also sell several of the former residence homes on campus that were purchased several years go for temporary dormitory space and transfer the students to the new dorm. These dormitories pose security and fire risks. Proceeds from the sale of these properties would go toward repayment of the Sears loan as originally planned.

I hope that you will be able to give favorable consideration to these two projects. I will be in contact with you soon concerning the College's other projects in this year's Bond Bill.

Sincerely,

Dr. Harry M. Lightsey, Jr.
President

EXHIBIT

JUL 29 1986 NO. 11

STATE BUDGET & CONTROL BOARD

01178

Capital Improvements
Joint Bond Review Committee

JUL 24 1986

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION/
BUDGET AND CONTROL BOARD LIAISON

TOM G. MANGUM
HOUSE OF REPRESENTATIVES
VICE CHAIRMAN

LIB CROFT
ADMINISTRATIVE ASSISTANT

734-2824 3090
P.O. BOX 142 TELEPHONE (803) ~~758-5088~~ OR ~~8900~~
ROOM 410, GRESSETTE BUILDING
Columbia, South Carolina 29202

SENATE MEMBERS:
HORACE C. SMITH
JAMES M. WADDELL, JR.
WILLIAM W. DOAR, JR.
HUGH K. LEATHERMAN
THOMAS L. MOORE

HOUSE MEMBERS:
TOM G. MANGUM
MARION P. CARNELL
JENNINGS G. McABEE
T.W. EDWARDS, JR.
R.N. McLELLAN

July 24, 1986

EXHIBIT

JUL 29 1986 NO. 11

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
600 Wade Hampton Bldg.
Columbia, South Carolina 29201

In Re: College of Charleston

Dear Mr. McInnis:

At the meeting of the Joint Bond Review Committee held July 22,1986, the Committee considered a request by the College of Charleston to approve the establishment of the 9 Liberty Street Building Purchase project which is contained in the 1986-87 Capital Improvements Bond Act (Act #538 of 1986).

The Committee approved the purchase, contingent upon the Budget and Control Board's determining whether the proposed private financing option would be more desirable than financing the project with State bonds.

Should the Board determine that private financing should be utilized for the building, the Committee would de-authorize the $2,250,000 of Capital Improvement Bond funds that are authorized by the 1986-87 Capital Improvements Bond Act.

With kind regards, I am

Sincerely,

Horace C. Smith

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc
cc: Dr. Harry M. Lightsey, Jr.
President, College of Charleston

Mr. Bill Clement
Acting State Engineer

01179

(a)

#2280

For Board Use Only
APIP 87
Packet Number

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 1986-87

1. **PROJECT IDENTIFIERS:**
   A. Agency: Number H-15 Name College of Charleston
   B. Contact Person Daniel Dukes Phone: 792-5708
   C. Project Name: 9 LIBERTY STREET BUILDING Purchase
   D. Facility Affected: Name 9 Liberty Street Number 7019

2. **PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):**

   The College houses its departments of Computer Services and Computer Sciences
   (See attachment)

   Site Description: (Attach a map showing project location)
   Location: Charleston (county) 10 (code) Charleston (city) Main Campus (site)

3. **PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):**

   Under the terms offered by the owner of the 9 Liberty Street Building, the College can purchase this facility for less annual costs than current lease costs.

   (What specific needs does this project address?):

   This project gives the College the authority to permanently secure this building.

4. **ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:**

   Continue leasing the building at a greater cost.

5. **PRIORITY:** This project is priority number ~~3~~ 15 of ~~5~~ 15 projects proposed in this program.

6. **ADDITIONAL OPERATING COSTS:** Will this project require additional annual operating costs?
   Yes____ No X If yes, complete and attach addendum A-49.

7. **ESTIMATES OF PROPOSED PROJECT COSTS:**
   A. Total estimated cost of project $ 2,250,000
   B. Total estimated cost of project includes the following (1. through 10. = 7A above):

   (1) $_____ Planning/design services
   (2) _____ Site work (including utilities)
   (3) _____ Central energy systems repair/replacement
   (4) _____ Mechanical systems repair/replacement
   (5) _____ General renovation/repair of floor space (Gross sq. ft.: _____)
   (6) _____ Roof repair/replacement
   (7) _____ Construction of additional floor space; (Gross sq. ft.: _____)
   (8) _____ Equipment/supplies
   (9) _____ Purchase of facilities: (Floor space, gross sq. ft. _____)
   (Land, acres: _____)
   (10) 2,250,000 Other (Specify) Purchase of Facility

   $ 2,250,000 Total (Same as 7 A)

EXHIBIT
JUL 29 1986 NO. 11
STATE BUDGET & CONTROL BOARD

01180

(a)

7. C. Total estimated cost of project by broad purpose: Total cost: $ 2,250,000
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$ 2,250,000	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other:	$

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 1986-87 $ 500,000
(Expenditure purposes (use 7B categories):

B. Estimated expenditures after this FY: $ 1,750,000

C. Total (Same as 7A, 7B and 7C): $ 2,250,000

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$ ~~2,250,000~~	8115		~~3043~~	~~9001~~	
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State	2,250,000	8895	68800100	3600	9001	0700
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	$ 2,250,000					

EXHIBIT
JUL 29 1986
NO. 11
STATE BUDGET & CONTROL BOARD

10. Submitted By:

Authorized Official: Dr. Harry M. Lightsey, Jr. President
Typed Name and Title and Signature

Date Submitted 6/26/86

FY Submitted 1985-86

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature Date

PROJECT NUMBER

PROJECT NAME 01181

2. PROJECT DESCRIPTION (Cont'd)

in 9 Liberty Street, as well as all computer labs. Before the Fall 1986 semester, the department of Business Administration/Economics will also locate there after renovations have been completed. This building has given the College the space needed to provide excellent lab space for students.

Prior to obtaining this building in August, 1985, computer facilities for the College of Charleston were located in several locations, all of which were severely overcrowded. Most of the academic computer facilities were located in a 2500 square foot area in the Education Center on St. Philip Street. Offices for the computer science faculty were located in two former residences at 12 and 14 Glebe Street. The admninistrative computer center facilities and all of its staff were located in a 3000 square foot area in the Science Center on Coming Street. Additionally, one classroom in the Education Center was converted into a micro-computer laboratory.

Through acquisition of space at 9 Liberty Street all of the above facilities have been allowed to move into larger quarters. Without this newly acquired space it would have been impossible to expand the resources available to students and faculty. Whereas there was one micro-computer laboratory prior to the Summer of 1985, there are currently four laboratories and plans to open two more for the coming Fall semester. There were no laboratory facilities reserved for computer science, but now there is. Academic computing resources are continuing to grow and will soon fill all available space.

This new space also permitted the computer science faculty to be in the same building as the computer laboratories, which gives students more convenient access to the faculty. The increased space also made it possible to create a department of academic computer services to staff and maintain the academic resources as well as provide training and other assistance to the academic users.

The increase in space available for Administrative Computer Services has greatly increased the efficiency and morale by providing separate offices for the programming and analysis staff and much improved working conditions for the operations staff.

The College is currently leasing the 9 Liberty Street building for $268,000 annually using Step 12 funds. The owner of the building, Mr. Charlie Way (Beach Co.) has agreed to sell the building to the College for $2,250,000 which is $750,000 below the appraised value. Mr. Way would be allowed to have $750,000 declared as a charitable contribution to the College.

This project would give the College the authority to accept this purchase offer and to issue notes and other evidences of indebtedness as required by the purchase. The College would use the Step 12 funds to retire the annual interest and principal until capital improvement bonds are released, which would be used to retire the remaining debt balance. At this time, the General Assembly would remove the Step 12 funds from the College's budget. If the General Assembly in any year prior to funding the

EXHIBIT 11
JUL 29 1986
STATE BUDGET & CONTROL BOARD

THE BEACH CO.
REAL ESTATE INVESTMENTS

90 BROAD STREET
P. O. BOX 242
CHARLESTON, SOUTH CAROLINA 29402
(803) 722-2615

April 24, 1986

Dr. Harry M. Lightsey, Jr.
President
College of Charleston
Charleston, South Carolina 29424

In re: 9 Liberty Street
Charleston, South Carolina

Dear Harry:

As a follow-up to our several conversations concerning the above property, I would like to set forth in this letter my thoughts concerning the same.

As you are aware, the property in now leased by The Beach Co. to The State College Board of Trustees under a Lease Agreement entered into on September 5, 1984. The term of the lease commenced on January 1, 1985 and terminates on December 31, 1989. The State College Board of Trustees (College) has the option to renew the lease for four additional - two year terms to be commencing January 1, 1990. In effect, the College has control of the building through December 31, 1997. The base rental for the initial first year term was $21,858.75 per month or $262,305:00 per annum. The rent will increase on a yearly basis according to a formula as set forth in the Lease Agreement, which for mula is governed by the Consumer Price Index, as published by the United States Department of Labor. The present rental during the calendar year of 1986 is in the amount of $22,496.48 per month or $269,957.76 per annum. As you have advised me, since the property is owned by The Beach Co., the College is responsible for the real property taxes to the City and County of Charleston, which taxes are considerable. This is because of the fact that our lease is what is commonly referred to as a net/net/net lease.

As a follow-up to our conversation, I would like to advise that we feel the fair market value of the property is approximately $3,000,000.00. We would be agreeable to selling the property to the College for a consideration of $2,250,000.00. We would accept a Note from the State College Board of Trustees in the amount of $2,250,000.00. We would want the Note to be payable over a thirty (30) year term with semi-annual installments to principal plus interest at the rate of seventy (70%) percent of the prime rate as published by a financial institution to be mutually agreed upon between The Beach Co. and the College. We would want

the Note to state that there would be a floor insofar as the prime rate is concerned of eight (8%) percent and ceiling insofar as the prime rate is concerned of sixteen (16%) percent. The interest rate would float during the term of the said Note. Of course, it would be our understanding that the interest on the said Note would be tax exempt from both State and Federal income taxes and we would require an opinion of your Bond Counsel to this effect as well as indemnification from you in the event such interest is deemed to be subject to either Federal or State taxation.

If the College accepts our offer to sell, it would have to be completed prior to September 15, 1986.

It would be my understanding that if the College accepts this offer, the sale would be to the State College Board of Trustees as opposed to the College of Charleston Foundation. If you accept our offer and would like to use any entity other than the State College Board of Trustees, we would have the right to reconsider the terms as set forth above.

I would appreciate your taking this matter up with the Trustees of the College and hearing from you at your earliest opportunity.

With kindest personal regards, I am

Very sincerely yours,

Charles S. Way, Jr.
President

CSWjr/ms

"Dr. Lightsey

THE BEACH CO.
REAL ESTATE INVESTMENTS

90 BROAD STREET
P. O. BOX 242
CHARLESTON, SOUTH CAROLINA 29402
(803) 722-2615

June 19, 1986

Mr. J. Floyd Tyler
Senior Vice President for
Business Affairs
College of Charleston
Charleston, South Carolina 29424

In re: 9 Liberty Street
Charleston, South Carolina

Dear Floyd:

As a follow-up to my letter to President Lightsey of April 24, 1986 concerning the possible sale of the above property to the State College Board of Trustees (College), I have not heard officially from the College concerning its desires. It is my understanding that the College was trying to secure funds to purchase the property through the Capital Inprovements Bond Bill that was approved by the South Carolina Legislature. I am advised that Governor Riley has vetoed the request by the College to have the funding for the purchase included in the said Bond issue. It is my further understanding that since the funds were cut from the Bond issue that the College will, in all probability, go forward with the purchase of the property pursuant to the financing arrangement as set forth in my letter of April 24, 1986 to President Lightsey.

I would appreciate your advising me formally concerning this matter. I understand that the purchase was approved by the State College Board of Trustees at their meeting held in May, 1986.

As I stated in my letter of April 24, 1986, if the purchase is to take place, we would want to have the same accomplished prior to September 15, 1986.

With kindest personal regards and awaiting to hear from you, I am

Very sincerely yours,

Charles S. Way, Jr.
President

CSWjr/ms

01185

cc: Dr. Harry M. Lightsey, Jr.
President
College of Charleston
Charleston, South Carolina 29424

Leonard L. Long, Jr., Esq.
Messrs. Long, Smith and Jordan
Attorneys at Law
Post Office Box 419
Charleston, South Carolina 29402

Michael D. Jones, Esquire
Messrs. Sinkler, Gibbs & Simons
Attorneys at Law
Post Office Box 340
Charleston, South Carolina 29402

Mr. Harold E. Finch, CPA
Finch, Hamilton, Oxner & Co.
Post Office Box 11979
Columbia, South Carolina 29211-1979

Mr. James A. Matthews
Controller
The Beach Co.

College of Charleston
Charleston, South Carolina 29424

Office of the President

June 24, 1986

Mr. Charles S. Way, Jr., President
The Beach Company
90 Broad Street
P. O. Box 242
Charleston, SC 29402

Dear Charlie:

I am writing in response to your letters of April 24 and June 19 and our oral discussions on the subject of the College's purchase from The Beach Company of the 9 Liberty Street property as presently leased by the College.

It is my understanding that the property covered will be identical to that presently leased by the College including the building, grounds and adjacent parking. I have waited until the present time to write so that I could give you a complete picture of where the College stands in terms of your offer. It is the College's intention, subject to certain approvals required from the Commission on Higher Education and the Budget and Control Board, to accept your generous offer as outlined in your letter of April 24.

We are most grateful to you for the significant contribution that your company has indicated it is willing to make to enable us to complete this purchase. Although funding is included in the Bond Bill as voted by the State Legislature and in its override of the Governor's veto, it would be very much our preference to accept your offer to privately finance the purchase by a note payable over a 30-year term with semi-annual installments of principal plus interest at the rate of 70% of prime, with a floor as to the prime rate of 8% and ceiling as to the prime rate of 16%. We would prefer the private funding arrangement since it would be difficult to issue bonds prior to the closure date of September 15, 1986 outlined in your letter. We would like to have the right to pay off at any time the outstanding balance, without penalty, under the private financing arrangement so that we may have the choice of utilizing bond funds or other arrangements if they become available. The Bond Bill authorizes us to accept private financing and also specifies that the interest payable under such an arrangement would be tax exempt.

As I have indicated above, we must still obtain final approval from the Commission on Higher Education and the Budget and Control Board, and we have presently scheduled meetings with those two agencies on July 10 and July 29, respectively. I will contact you as soon as those meetings are complete so that we may make the final arrangements for closing. Of course, should

either of those approvals be withheld, we will have to reassess the entire situation and this acceptance is conditioned upon the appropriate approvals being granted.

Again, I would like to thank you and The Beach Company for your generous support and help to the College in making this opportunity available to us. The building is an important part of our campus, housing our Business School and our Computer Services facilities. I would like to discuss certain other matters with you in the future about the building.

Yours sincerely,

Harry M. Lightsey, Jr.
President

HMLjr/blc

THE BEACH CO.
REAL ESTATE INVESTMENTS

90 BROAD STREET
P. O. BOX 242
CHARLESTON, SOUTH CAROLINA 29402
(803) 722-2615

June 26, 1986

Dr. Harry M. Lightsey, Jr.
President
College of Charleston
Charleston, South Carolina 29424

In re: 9 Liberty Street
Charleston, South Carolina

Dear Harry:

Thank you very much for your letter of June 24, 1986, whereby the State College Board of Trustees (College of Charleston) has accepted our offer as contained in my letter to you of April 24, 1986.

The property that would be conveyed to the College of Charleston is the identical property that is presently being leased by The Beach Co. to the State College Board of Trustees pursuant to the Lease Agreement dated September 5, 1984.

With regard to the private financing that I have agreed to in my letter of April 24, the State College Board of Trustees would, of course, have the right to pay off the debt at any time without penalty. I would hope that within the next 2 to 3 years that the State College Board of Trustees would be in a position to utilize the bond funds as adopted by the State Legislature.

I understand that you still need to obtain final approval from the Commission on Higher Education and the Budget and Control Board. I would appreciate your contacting me after your meeting on July 29, 1986, concerning the status at that time. As I stated in my letter of April 24, I would like to have this sale consummated prior to September 15, 1986.

The Beach Co. would want the firm of Sinkler, Gibbs and Simons, and in particular Michael D. Jones, Esq., of that firm, to approve for us the Note from the State College Board of Trustees. The Beach Co.'s general counsel, Leonard L. Long, Jr., Esq., of Long, Smith and Jordan, will be handling for us any and all aspects of this sale. Leonard will be preparing the Deed and any and all of the documents that would be necessary from The Beach Co. to consummate this sale.

With kindest personal regards and hoping that you will have a restful and "good" fishing summer, I am

Very sincerely yours,

Charles S. Way, Jr.
President

CSWjr/bc

cc: Leonard L. Long, Jr., Esq.
Messrs. Long, Smith and Jordan
Attorneys at Law
Post Office Box 419
Charleston, South Carolina 29402

Mr. J. Floyd Tyler
Senior Vice President of Business Affairs
College of Charleston
Charleston, South Carolina 29424

Mr. Harold E. Finch, CPA
Finch, Hamilton, Oxner & Co.
Post Office Box 11979
Columbia, South Carolina 29211-1979

Michael D. Jones, Esquire
Messrs. Sinkler, Gibbs & Simons
Attorneys at Law
Post Office Box 340
Charleston, South Carolina 29402

Mr. James A. Matthews
Controller, The Beach Co.

JUL 10 1986

College of Charleston

Charleston, South Carolina 29424

Office of the President

July 1, 1986

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
PO Box 12444
Columbia, SC 29211

Dear Bill:

As you are aware, two of the College of Charleston's projects in the recent State Bond Bill contain special provisions that require approval by the Commission on Higher Education, Joint Bond Review Committee and Budget and Control Board. They are the purchase of 9 Liberty Street, and the Renovation and Expansion of the Craig Cafeteria.

I have talked with Mr. Charlie Way of the Beach Company, owner of the 9 Liberty Street Building, for some time now regarding terms and conditions for the purchase of 9 Liberty Street (please see attached correspondence between Charlie Way and myself). The terms outlined in this correspondence are satisfactory to the College and has State Board of Trustees approval. Our attorney, Mr. Andy Abrams, is preparing a formal agreement with the Beach Company and will submit this for Mr. Way's signature pending approval by the Commission on Higher Education, Joint Bond Review Committee and Budget and Control Board. We are also having a new appraisal of this property completed.

The College also received authority to borrow from one or more banking institutions $300,000 for the Renovation and Expansion of the Craig Cafeteria for a period not to exceed ten years. The College will repay the loan principal and interest with student meal fees. The College has already scheduled an increase in meal fees commensurate with the retirement of this debt. The College was also authorized an additional $300,000 for this project, with capital improvement bonds as the source of funds.

The College is forwarding all information concerning the 9 Liberty Street purchase arrangement and the Craig Cafeteria loan arrangement to Mr. Grady Patterson for review. The College has also forwarded all material concerning the acquisition of the 9 Liberty Street Building to Mr. Jack Sprott, State Property Manager. The College will continue to forward current information to these principals, as well as to the Commission on Higher Education, Joint Bond Review Committee and Budget and Control Board, as they develop.

01191

The College would request permission to appear before the Budget and Control Board during the July 29 meeting seeking approval for these two projects contingent on approval by the Commission on Higher Education and the Joint Bond Review Committee. The College's projects are included on the agenda of the Commission on Higher Education on July 10 and should be on the agenda of the Joint Bond Review Committee on July 22.

Your consideration of this matter is appreciated. If you have questions concerning these projects please feel free to call me at 792-5500 or Daniel Dukes at 792-5708.

Yours Sincerely,

Dr. Harry M. Lightsey, Jr.
President

Enclosures

cc: Senator Horace C. Smith
Mr. Grady Patterson
Mr. Jack Sprott
Mr. Scott Inkley

01192

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

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

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

July 31, 1986

The Honorable Horace C. Smith, Chairman
Joint Bond Review Committee
410 Gressette Building
Columbia, SC 29202

Dear Senator Smith:

Your July 24, 1986, letter to me advised that the Joint Bond Review Committee, at its July 22 meeting, approved the purchase by the College of Charleston of the 9 Liberty Street Building, contingent upon a determination by the Budget and Control Board whether the proposed private financing option would be more desirable than financing the project with State bonds.

This will confirm that the Budget and Control Board, at its July 29, 1986, meeting, determined that financing the 9 Liberty Street Building purchase by means of State capital improvement bonds, as is authorized in Act 538 of 1986, is more desirable than the proposed private financing option. In making that determination, the Board formally approved the College's project to purchase the 9 Liberty Street Building and agreed to the immediate release of the $2,250,000 of capital improvement bond funds authorized to finance its acquisition.

The Board asked staff to advise you of its determination and to ask that your Committee, at its August 28 meeting, approve the immediate release of the $2,250,000 of 1986 bond funds by scheduling them in Priority Group 9. College of Charleston President Lightsey expressed concern to the Board about meeting the September 15 deadline set by the building owner for completing this transaction and the Board assured him that the College would be in position to meet it. It is that deadline which causes us to urge prompt action by your Committee on the question of releasing the bond funds involved.

Sincerely,

William A. McInnis

William A. McInnis
Deputy Executive Director

M

01193

College of Charleston
Charleston, South Carolina 29424

June 19, 1986

Mr. Charles A. Brooks, Jr.
Executive Director
Commission on Higher Education
1333 Main Street, Suite 650
Columbia, SC 29201

Dear Charlie:

The College of Charleston has three capital improvement projects needed for the continued development of its campus that requires the Commission on Higher Education's approval. The three projects are as follows:

1. Purchase of 9 Liberty Street Building

The College houses its departments of Computer Services and Computer Sciences in this building, as well as all computer labs. Before the Fall 1986 semester, the department of Business Administration/Economics will also locate there after renovations have been completed to the first floor.

The College is currently leasing this building for $268,000 annually with Step 12 funds. The owner of the building, Mr. Charles Way, has agreed to sell the building to the College for $2,250,000, which is $750,000 below the appraised value. Mr. Way will be allowed to use the $750,000 as a tax deductible charitable contribution. Mr. Way will finance the sale of the building to the College at 70% of the prime rate. At current interest rates, the College would pay less in retiring the annual interest and principal than it would making the lease payment. In addition, the State Treasurer, Mr. Grady Patterson, has expressed that he would probably be able to get better rates for the purchase of the building than those offered by Mr. Way. The College would take the best deal.

The College is asking for authority to enter into an agreement for the purchase of 9 Liberty Street. The College would use the Step 12 funds to retire the annual interest and principal until capital improvement bond funds are released, which would be used to retire the remaining debt balance. At this time, the General Assembly would remove the Step 12 funds from the College's budget in order to pay the bond indebtedness.

I think that this is an excellent opportunity for the State and the College to purchase a needed building for less money than the lease costs.

2. New Dormitory

The College is exploring the possibility of the private development of a dormitory on College property. Upon approval of the concept of the arrangement by the Commission on Higher Education and the Budget and Control Board, the College will put forward a request for proposal for the development. Upon selection of a firm, the College will enter into a ground lease with the developer who will then be responsible for all costs of construction, operation and maintenance of the building. Design approvals, as well as operating policies, will be controlled by the College through the terms of the ground lease. After three years, the College will have an option to purchase the dormitory. At the end of the lease period (30-40 years), the College will own the dormitory.

The College had previously had approval to construct a $6,000,000 (revenue bonds) 500-bed dormitory with a cafeteria on the Sears Property. The College currently has empty beds on campus. I do not feel that there is a need for a dormitory of this magnitude anytime in the near future. I feel that the College needs a 300-bed dormitory built on the central campus. This would allow the College to close the College Inn Dormitory on Calhoun Street that is in deplorable condition and transfer the students to the new dormitory. Proceeds from the sale of the College Inn would go towards repayment of the Sears loan.

3. Renovation and Expansion of Craig Cafeteria

The College annually has around 1,500 students on meal plans. The Craig Cafeteria seats only 225. Conditions are very crowded as many students are unable to find a seat during meal hours. Long lines waiting to enter the building usually occur. This is a difficult situation, particularly during very cold or very hot weather. Overcrowding also causes safety problems. Students have complained for some time while the College has made long range plans for a new cafeteria.

In conjuction with a change of plans for the new dormitory, I have also changed plans with the State Board of Trustees' approval for a new cafeteria. The Craig Cafeteria is located

in the central part of the campus. It is very convenient for the student body. Our plans are to expand and renovate this cafeteria adding 225-250 additional seats. These additional seats would satisfy student needs for as long as we continue our present FTE numbers, or if our numbers were slightly increased. This would provide an ideal situation for the College. Renovation and expansion of the Craig Cafeteria would be much less expensive than the construction of a new cafeteria. The proposed plans would add enough seats to adequately meet the demands of our student body and is in the ideal location for convenience for the student body. For these reasons, I feel that to renovate and expand our current cafeteria is a better idea than building a new one.

The College is asking $300,000 in capital improvement bond funds for this project and the authority to borrow an additional $300,00 that will be repaid from an increase in student meal fees.

After a complete review of the College's physical development plan and student needs, I feel that these requested projects are essential to our continued progress. I would appreciate the Commission on Higher Education's vote of approval for these plans.

Your sincerely,

Harry M. Lightsey, Jr.
President

HMLjr/lb

College of Charleston

Charleston, South Carolina 29424

Office of the President

Mr. Charlie Brooks
Executive Director
S.C. Commission on Higher Education
1333 Main Street
Columbia, SC 29201

June 26, 1986

Dear Charlie,

Please fine attached A-13 forms for the Craig Cafeteria Renovation and Expansion and the Purchase of 9 Liberty Street, Also, please find attached correspondence between Dr, Lightsey and Charlie Way (Beach Co,) concerning the 9 Liberty Street property. The college is currently preparing a formal purchase agreement between the college and the Beach Co, and will enter into this agreement pending Commission on Higher Education and Budget and Control Board approval.

Dr. Lightsey and I plan to attend the July 10 meeting of the Commission. If there is further information that you need, please feel free to call me.

Sincerely,

Daniel S. Dukes, IV

DSD/ams

01197

RECEIVED JUL 3 1 1986

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

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

July 31, 1986

EXHIBIT
JUL 29 1986 NO. 11
STATE BUDGET & CONTROL BOARD

The Honorable Horace C. Smith, Chairman
Joint Bond Review Committee
410 Gressette Building
Columbia, SC 29202

Dear Senator Smith:

Your July 24, 1986, letter to me advised that the Joint Bond Review Committee, at its July 22 meeting, approved the purchase by the College of Charleston of the 9 Liberty Street Building, contingent upon a determination by the Budget and Control Board whether the proposed private financing option would be more desirable than financing the project with State bonds.

This will confirm that the Budget and Control Board, at its July 29, 1986, meeting, determined that financing the 9 Liberty Street Building purchase by means of State capital improvement bonds, as is authorized in Act 538 of 1986, is more desirable than the proposed private financing option. In making that determination, the Board formally approved the College's project to purchase the 9 Liberty Street Building and agreed to the immediate release of the $2,250,000 of capital improvement bond funds authorized to finance its acquisition.

The Board asked staff to advise you of its determination and to ask that your Committee, at its August 28 meeting, approve the immediate release of the $2,250,000 of 1986 bond funds by scheduling them in Priority Group 9. College of Charleston President Lightsey expressed concern to the Board about meeting the September 15 deadline set by the building owner for completing this transaction and the Board assured him that the College would be in position to meet it. It is that deadline which causes us to urge prompt action by your Committee on the question of releasing the bond funds involved.

Sincerely,

William A. McInnis

William A. McInnis
Deputy Executive Director

M

01198

16

SEP 12 1986

Capital Improvements
Joint Bond Review Committee

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION/
BUDGET AND CONTROL BOARD LIAISON

TOM G. MANGUM
HOUSE OF REPRESENTATIVES
VICE CHAIRMAN

LIB CROFT
ADMINISTRATIVE ASSISTANT

734-2824 3090
P.O. BOX 142 TELEPHONE (803) ~~758-5088~~ OR ~~8900~~
ROOM 410, GRESSETTE BUILDING
Columbia, South Carolina 29202

SENATE MEMBERS:
HORACE C. SMITH
JAMES M. WADDELL, JR.
WILLIAM W. DOAR, JR.
HUGH K. LEATHERMAN
THOMAS L. MOORE

HOUSE MEMBERS:
TOM G. MANGUM
MARION P. CARNELL
JENNINGS G. McABEE
T.W. EDWARDS, JR.
R.N. McLELLAN

September 12, 1986

EXHIBIT

JUL 29 1986 NO. 11

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
600 Wade Hampton Bldg.
Columbia, South Carolina 29201

In Re: College of Charleston
9 Liberty Street Building

Dear Mr. McInnis:

At the meeting of the Joint Bond Review Committee held September 9, 1986, the Committee approved the financing of the purchase by the College of Charleston of the 9 Liberty Street Building through State Capital Improvement Bonds as authorized by Act #538 of 1986.

This project has been placed in Priority Group #9 for immediate release. Due to the time constraints involved with this project, we are transmitting this approval to you prior to forwarding the entire Priority Group Schedule which was adopted at the meeting.

With kind regards, I am

Sincerely,

Horace C Smith

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc

cc: Mr. Bill Clement
Acting State Engineer

Dr. Harry M. Lightsey, Jr.
President, College of Charleston

01199

Tentative Priority Start Date and Cash Draw for Groups 9 - 16
Capital Improvement Bond Funded Projects

Project	Group 09 (Jy-De 86)	Group 10 (Ja-Jn 87)	Group 11 (Jy-De 87)	Group 12 (Ja-Jn 88)	Group 13 (Jy-De 88)	Group 14 (Ja-Jn 89)	Group 15 (Jy-De 89)	Group 16 (Ja-Jn 90)	Total for 09-16
Col. of Charleston Expand Utilities	300,000	450,000							750,000
Col. of Charleston Renovations	200,000	300,000	200,000						700,000
Col. of Charleston Replace Steam and Condensate Lines	100,000	450,000	400,000						950,000
Col. of Charleston Purchase & Renovate 125 Bull-Avery Inst.			250,000	300,000	400,000				950,000
Col. of Charleston Purchase 9 Liberty Street Building	2,250,000								2,250,000
Col. of Charleston Craig Union Cafeter. Renovation & Expans.		300,000							300,000
Totals for GROUP 09:	2,850,000	1,200,000	600,000						4,650,000
Totals for GROUP 10:		300,000							300,000
Totals for GROUP 11:			250,000	300,000	400,000				950,000
Totals for GROUP 12:									
Totals for GROUP 13:									
Totals for GROUP 14:									
Totals for GROUP 15:									
Totals for GROUP 16:									
ALL Groups:	2,850,000	1,500,000	850,000	300,000	400,000				5,900,000

01200

EXHIBIT
JUL 29 1986 NO. 11
STATE BUDGET & CONTROL BOARD

EXHIBIT

JUL 29 1986 NO. 12

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 3

AGENCY: College of Charleston

SUBJECT: (a) Purchase of 9 Liberty Street Building
(b) Request for Proposals for 300-bed Dormitory
(c) Misapplication of Funds

(a) Purchase of 9 Liberty Street Building

The Bond Committee, at its July 22 meeting, reviewed favorably the College's proposal to purchase the 9 Liberty Street Building now being leased to house computer services and computer sciences departments with the financing arrangements to be approved by the Board. The Committee also reviewed favorably the establishment of this permanent improvement project.

The College advises that the owner has agreed to sell the building to the College for $2,250,000, at least $750,000 below the appraised value. The owner has agreed to finance the sale of the building at an interest rate of 70% of the prime rate. At current interest rates, the annual payments to the owner to buy the building would be less than the annual lease payments now being paid.

In the 1986 bond act, $2,250,000 of capital improvement bonds were authorized for this purpose, but the Bond Committee took no action to release these funds at its July 22 meeting.

The Board is asked to approve the College of Charleston project to acquire the 9 Liberty Street Building and to decide on the financing arrangements.

(b) RFP for 300-bed Dormitory

The College also asks for authority to issue a request for proposals to construct a 300-bed dormitory. The dormitory would be constructed by the successful developer on a site leased from the College. The developer would be responsible for all construction costs and for all operating and maintenance costs. The College would control design and operating policies through terms of the ground lease. At the end of the 30- to 40-year lease period, the College would own the dormitory. No payments of any kind would be made by the College, so the proposal is not considered a typical lease/purchase proposal. The developer would pay an annual fee to lease the site.

The Board is asked to endorse the concept with the understanding that specific proposals would be brought back for approval. The Bond Committee approved the concept as proposed (and presumably exempted this project from its moratorium on lease/purchase arrangements).

(c) "Ratification" of Misapplication of Bond Funds

A procurement audit by General Services concluded that the College of Charleston used $15,231.59 of capital improvement bond funds (or plant improvement fees) for purposes not authorized in the documents approved in setting the projects up. The audit directed the College to inform the Board and the Bond Committee of the misuse of funds so these bodies can determine what action is appropriate.

01201

The Bond Committee received the report as information.

EXHIBIT

JUL 29 1986 NO. 12

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD REGULAR SESSION
MEETING OF July 29, 1986 ITEM NUMBER 3, Page 2

AGENCY: College of Charleston

SUBJECT: (a) Purchase of 9 Liberty Street Building
(b) Request for Proposals for 300-bed Dormitory
(c) Misapplication of Funds

BOARD ACTION REQUESTED:

(a) Authorize purchase of 9 Liberty Street Building and approve financing arrangements;

(b) Approve the concept of acquiring a 300-bed dormitory in response to a request for proposals as an exception to the general policy of not approving lease/purchase arrangements pending completion of the study of the subject directed by the General Assembly; and

(c) Receive as information a General Services report on the misapplication of $15,231.59 in a College of Charleston permanent improvement project.

ATTACHMENTS:

Lightsey July 17 and 26 letters to Senator Smith plus attachments

01202

JUL 24 1986

Capital Improvements
Joint Bond Review Committee

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION/
BUDGET AND CONTROL BOARD LIAISON

TOM G. MANGUM
HOUSE OF REPRESENTATIVES
VICE CHAIRMAN

LIB CROFT
ADMINISTRATIVE ASSISTANT

734-2824 3090
P.O. BOX 142 TELEPHONE (803) ~~758-5088~~ OR ~~-8900~~
ROOM 410, GRESSETTE BUILDING
Columbia, South Carolina 29202

SENATE MEMBERS:
HORACE C. SMITH
JAMES M. WADDELL, JR.
WILLIAM W. DOAR, JR.
HUGH K. LEATHERMAN
THOMAS L. MOORE

HOUSE MEMBERS:
TOM G. MANGUM
MARION P. CARNELL
JENNINGS G. McABEE
T.W. EDWARDS, JR.
R.N. McLELLAN

July 24, 1986

EXHIBIT

JUL 29 1986 NO. 12

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
600 Wade Hampton Bldg.
Columbia, South Carolina 29201

In Re: College of Charleston

Dear Mr. McInnis:

At the meeting of the Joint Bond Review Committee held July 22,1986, the Committee considered a request by the College of Charleston to build a 300-bed dormitory on campus property, rather than a 500-bed dormitory on the Sears property which it owns.

The College intends to pursue the private development of the new dorm which would entail a gound lease to the developer who would construct, operate, and maintain the facility. The College must come back to the Committee with specific proposals prior to their entering into a contract.

This is to advise that the Committee approved the concept of building the dorm under the conditions set out above.

With kind regards, I am

Sincerely,

Horace C Smith

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc
cc: Dr. Harry M. Lightsey, Jr.
President, College of Charleston

Mr. Bill Clement
Acting State Engineer

(b)

01203

JUL 24 1986

Capital Improvements
Joint Bond Review Committee

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION/
BUDGET AND CONTROL BOARD LIAISON

TOM G. MANGUM
HOUSE OF REPRESENTATIVES
VICE CHAIRMAN

LIB CROFT
ADMINISTRATIVE ASSISTANT

734-2824 3090
P.O. BOX 142 TELEPHONE (803) ~~758-5088~~ OR ~~8900~~
ROOM 410, GRESSETTE BUILDING
Columbia, South Carolina 29202

SENATE MEMBERS:
HORACE C. SMITH
JAMES M. WADDELL, JR.
WILLIAM W. DOAR, JR.
HUGH K. LEATHERMAN
THOMAS L. MOORE

HOUSE MEMBERS:
TOM G. MANGUM
MARION P. CARNELL
JENNINGS G. McABEE
T.W. EDWARDS, JR.
R.N. McLELLAN

July 24, 1986

EXHIBIT

JUL 29 1986 NO. 12

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
600 Wade Hampton Bldg.
Columbia, South Carolina 29201

In Re: College of Charleston

Dear Mr. McInnis:

At the meeting of the Joint Bond Review Committee held July 22,1986, the Committee considered a request by the College of Charleston to build a 300-bed dormitory on campus property, rather than a 500-bed dormitory on the Sears property which it owns.

The College intends to pursue the private development of the new dorm which would entail a gound lease to the developer who would construct, operate, and maintain the facility. The College must come back to the Committee with specific proposals prior to their entering into a contract.

This is to advise that the Committee approved the concept of building the dorm under the conditions set out above.

With kind regards, I am

Sincerely,

Horace C. Smith

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc
cc: Dr. Harry M. Lightsey, Jr.
President, College of Charleston

Mr. Bill Clement
Acting State Engineer

EXHIBIT

JUL 29 1986 NO. 12

STATE BUDGET & CONTROL BOARD

(b)

01204

EXHIBIT

JUL 29 1986 NO. 13

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 3

AGENCY: College of Charleston

SUBJECT: (a) Purchase of 9 Liberty Street Building
(b) Request for Proposals for 300-bed Dormitory
(c) Misapplication of Funds

(a) Purchase of 9 Liberty Street Building

The Bond Committee, at its July 22 meeting, reviewed favorably the College's proposal to purchase the 9 Liberty Street Building now being leased to house computer services and computer sciences departments with the financing arrangements to be approved by the Board. The Committee also reviewed favorably the establishment of this permanent improvement project.

The College advises that the owner has agreed to sell the building to the College for $2,250,000, at least $750,000 below the appraised value. The owner has agreed to finance the sale of the building at an interest rate of 70% of the prime rate. At current interest rates, the annual payments to the owner to buy the building would be less than the annual lease payments now being paid.

In the 1986 bond act, $2,250,000 of capital improvement bonds were authorized for this purpose, but the Bond Committee took no action to release these funds at its July 22 meeting.

The Board is asked to approve the College of Charleston project to acquire the 9 Liberty Street Building and to decide on the financing arrangements.

(b) RFP for 300-bed Dormitory

The College also asks for authority to issue a request for proposals to construct a 300-bed dormitory. The dormitory would be constructed by the successful developer on a site leased from the College. The developer would be responsible for all construction costs and for all operating and maintenance costs. The College would control design and operating policies through terms of the ground lease. At the end of the 30- to 40-year lease period, the College would own the dormitory. No payments of any kind would be made by the College, so the proposal is not considered a typical lease/purchase proposal. The developer would pay an annual fee to lease the site.

The Board is asked to endorse the concept with the understanding that specific proposals would be brought back for approval. The Bond Committee approved the concept as proposed (and presumably exempted this project from its moratorium on lease/purchase arrangements).

(c) "Ratification" of Misapplication of Bond Funds

A procurement audit by General Services concluded that the College of Charleston used $15,231.59 of capital improvement bond funds (or plant improvement fees) for purposes not authorized in the documents approved in setting the projects up. The audit directed the College to inform the Board and the Bond Committee of the misuse of funds so these bodies can determine what action is appropriate.

The Bond Committee received the report as information.

01205

STATE BUDGET AND CONTROL BOARD
MEETING OF July 29, 1986

REGULAR SESSION
ITEM NUMBER 3, Page 2

AGENCY: College of Charleston

SUBJECT: (a) Purchase of 9 Liberty Street Building
(b) Request for Proposals for 300-bed Dormitory
(c) Misapplication of Funds

BOARD ACTION REQUESTED:

(a) Authorize purchase of 9 Liberty Street Building and approve financing arrangements;

(b) Approve the concept of acquiring a 300-bed dormitory in response to a request for proposals as an exception to the general policy of not approving lease/purchase arrangements pending completion of the study of the subject directed by the General Assembly; and

(c) Receive as information a General Services report on the misapplication of $15,231.59 in a College of Charleston permanent improvement project.

ATTACHMENTS:

Lightsey July 17 and 26 letters to Senator Smith plus attachments

EXHIBIT

JUL 29 1986 NO. 13

STATE BUDGET & CONTROL BOARD

01206

JUL 24 1986

Capital Improvements
Joint Bond Review Committee

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION/
BUDGET AND CONTROL BOARD LIAISON

TOM G. MANGUM
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T.W. EDWARDS, JR.
R.N. McLELLAN

July 24, 1986

EXHIBIT

JUL 29 1986 NO. 13

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
600 Wade Hampton Bldg.
Columbia, South Carolina 29201

In Re: College of Charleston

Dear Mr. McInnis:

At the meeting of the Joint Bond Review Committee held July 22,1986, the Committee considered a request by the College of Charleston, per their letter of June 26, 1986, to ratify the misapplication of bond funds that were identified by a recent audit of the College.

The Audit Report required that the College advise the Joint Bond Review Committee and the Budget & Control Board of the Audit findings for appropriate action.

This is to advise that the Committee went on record as receiving the Audit Report on the misapplication of bond funds for information purposes only.

With kind regards, I am

Sincerely,

Horace C. Smith

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc
cc: Dr. Harry M. Lightsey, Jr.
President, College of Charleston

EXHIBIT

Mr. Richard J. Campbell
Materials Management Office
Division of General Services

JUL 29 1986 NO. 13

STATE BUDGET & CONTROL BOARD

(c)

01207

RECEIVED JUL 1 - 1986

College of Charleston

Charleston, South Carolina 29424

Office of the President

June 26, 1986

EXHIBIT

JUL 29 1986 NO. 13

STATE BUDGET & CONTROL BOARD

Senator Horace C. Smith
Chairman, Joint Bond Review Committee
525 Blatt Building
Columbia, SC 29211

Dear Senator Smith:

Enclosed is the section of the audit report prepared by the Office of Audit and Certification and the College's response to that section dealing with the Misapplication of Bond Funds. In the College's attempt to address all requirements of the audit findings, I am asking that the Joint Bond Review Committee review this section, and approve ratification of the misapplication of bond funds. If such ratification is granted by the Committee, I would appreciate your forwarding this request and the Committee's ratification to the appropriate individual in the Budget And Control Board for their ratification.

Please do not hesitate to notify my office if you should require additional information.

Sincerely,

Harry M. Lightsey, Jr.
President

HML/mrs

Attachment

cc: Richard J. Campbell

EXHIBIT

JUL 29 1986 NO. 13

STATE BUDGET & CONTROL BOARD

01208

College of Charleston
Charleston, South Carolina 29424

Office of the President

June 26, 1986

Mr Richard J. Campbell
Materials Management Officer
800 Dutch Plaza Boulevard
Columbia, SC 29210

Dear Mr. Campbell:

Enclosed is the section of the audit report prepared by the Office of Audit and Certification and the College's response to that section dealing with the Misapplication of Bond Funds. In the College's attempt to address all requirements of the audit findings, I am asking that your office review this section, and approve ratification of the funding level of the project as provided for in Section 19-445.2015 of the Regulations of the South Carolina Consolidated Procurement Code.

Please do not hesitate to notify my office if you should require additional information.

Sincerely,

Harry M. Lightsey, Jr.
President

HML/mrs

Attachment

cc: Horace C. Smith
Chairman, Joint Bond Review Committee

D1208-A 23

DRAFT
NOT FOR RELEASE

C. Misapplication of Bond Funds

The College received approval from the Budget and Control Board and the Joint Bond Review Committee for the following permanent improvement projects:

1) State project number H15-006 for underground utilities, fire, security and lighting systems to be funded from Capital Improvement Bond Proceeds.

2) State project number H15-007 for construction of the Physical Education Center to be funded from Capital Improvement Bond Proceeds, Plant Improvement Fees and Capital Improvement Bond Proceeds-Handicapped Access.

Four contracts were established under project number H15-006 for site improvements at the following new facilities:

1) Residence Hall Number Two
2) Educational Center
3) Fine Arts Center
4) Physical Education Center

EXHIBIT
JUL 29 1986 NO. 13
STATE BUDGET & CONTROL BOARD

Change order number three to the contract for site improvements at the Physical Education Center under project number H15-006 was actually for work performed at the Cameron House (Number 12 Bull Street), which is more than four blocks away. This facility is totally unrelated to the Physical Education Center.

The change order for $13,070.34 was, "to incorporate two cars parking at the Cameron House." In fact, this change order resulted in installing an irrigation system,

EXHIBIT
JUL 29 1986 NO. 13
STATE BUDGET & CONTROL BOARD

DRAFT
NOT FOR RELEASE

and developing a formal garden in the rear of the residence.

The use of capital improvement bond funds for the Cameron House is in direct violation of the spending authorizations.

Additionally, $2,161.25 in architectural fees for design of the garden were charged to the permanent improvement project for the construction of the physical Education Center (Project H15-007).

Since the funding for this project was derived from capital improvement bond proceeds and plant improvement fees, it is difficult to determine which source of funds was used in this case. However, if not a misuse of bond funds, this is certainly a violation of the permanent improvement project approval.

The College must inform the Budget and Control Board and the Joint Bond Review Committee of the misuse of funds so that they can determine what action is appropriate.

IV. Compliance - Internal Controls

Our examination of the Purchasing Department's function as the contracting agent for the College revealed procedural weaknesses that hamper the effectiveness of internal controls and in some cases result in the College being out-of-compliance with the Code. This was particularly apparent during our review of formal bid solicitations which revealed the following weaknesses:

Cont.

III

State Engineer. Although the paperwork shows no activity for 2-1/2 months, there was in fact considerable activity involving numerous on-site consultations and inspections by engineers, architects, waterproofing specialists and others. The time was spent on efforts to arrive at appropriate specifications to ensure the elimination of the problem. When suitable specifications were developed, three bids were sought with the cognizance of the State Engineer's Office. One vendor from whom a bid was sought was the waterproofing contractor who did the job when the building was built. He declined to bid. The problem was severe and time was of the essence, however, extensive efforts were made to ensure a proper repair. The Associate Chief Engineer in his letter of February 23, 1984 indicated his cognizance of "the inadequacy of the Procurement Code in relating a specific procedure for processing an "emergency" procurement and in that vein we are in the process of establishing procedures which will be more identifiable." Since the State Engineer's Office had no specific policy on documenting an Emergency Purchase, as cited above, we believe our actions were proper and well documented.

EXHIBIT

JUL 29 1986 NO. 13

STATE BUDGET & CONTROL BOARD

Misapplication of Bond Funds (Pg. 23)

The College had a State Project #7035 (H15-006) for Underground Utilities, Fire, Security and Lighting Systems. This Project included site improvements being done at a Residence Hall, the Education Center, the Fine Arts Center and the Physical Education Center. During the completion of site improvements to the Physical Education Center, a change order was submitted and approved by the State Engineer for

01211

Cont.

III.

$13,070.34 to do site improvements at 12 Bull Street. The College felt that the proper procedure was adhered to, as the State Engineer was aware of and approved this transaction. The Office of Audit and Certification states that the use of Capital Improvement Bonds for the Cameron Home (12 Bull Street) is in direct violation of the spending authorizations. However, the project proposal form (Form A-1) for Project #7035 which was approved states that this project will address the following specific needs: "The College has several new buildings under construction or renovation and more authorized, funded, and under design. A campus development plan requires fire, security, and intra-college communications (i.e., fire alarm, closed circuit television, computer and audio-visual cable, irrigation, trees and plantings, drainage and lighting systems and pathways and service areas. This project continues the development of areas and services not heretofore provided. The project is designed to coordinate and improve campus areas not provided for in the individual construction projects as the campus expands." Under this approved project description, the site improvements made at 12 Bull Street were consistent with the overall intentions of the Project. The use of capital improvement bond funds was not in direct violation of the spending authorizations.

The College realizes now that a change order was not the appropriate action required to get the work done at 12 Bull Street. A separate construction project for this work should have been requested through the State Engineer.

01212

19–445.2015. Delegation of Authority.

The provisions of these Regulations apply to every delegation of authority by the Chief Procurement Officers or the head of a governmental body.

A. Unauthorized Procurements.

The ratification of an act obligating the State in a contract by any person without the requisite authority to do so by an appointment or delegation under the Procurement Code rests with the Division of General Services. It is prohibited for a procurement officer to ratify such acts.

(1) Ratification by a Governmental Body. The Division of General Services hereby delegates authority to ratify such acts to the head of the governmental body responsible for the person committing the act when the value of the contract is within the dollar limits designated by the Division of General Services for that governmental body.

(2) Ratification by the Materials Management Officer. The Director of the Division of General Services hereby delegates authority to ratify such acts other than those applicable in Item 1 above to the Materials Management Officer up to $25,000.00.

(3) Corrective Action and Liability. In either case referred to in Items 1 and 2 above, the head of the governmental body shall prepare a written determination as to the facts and circumstances surrounding the act, what corrective action is being taken to prevent reoccurrence, action taken against the individual committing the act, and documentation that the price paid is fair and reasonable. If the price paid is unreasonable, the individual may be held pecuniarily liable for the difference.

EXHIBIT

JUL 29 1986 NO. 13

STATE BUDGET & CONTROL BOARD

EXHIBIT

JUL 29 1986 NO. 13

STATE BUDGET & CONTROL BOARD

01213

EXHIBIT

JUL 29 1986 NO. 14

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

STATE BUDGET & CONTROL BOARD

MEETING OF July 29, 1986 ITEM NUMBER 4

AGENCY: Executive Director

SUBJECT: Transfer of Capital Expenditure Fund Account

It is proposed that the $12,741,076 of capital expenditure funds designated for capital-type projects be transferred from Board accounts to those of the State Treasurer's Office.

If approved, the State Treasurer's Office would handle draws of these funds in the same way capital improvement bond funds are handled. This is intended to make it possible to track the use of these funds in detail.

The undesignated capital expenditure fund is not proposed for transfer. Only after the capital expenditure fund has been designated for particular projects or purposes is it to be transferred to Treasurer's Office accounts.

BOARD ACTION REQUESTED:

Approve the transfer of the $12,741,076 capital expenditure fund account designated for particular projects from the Board to the State Treasurer's Office.

ATTACHMENTS:

Act R.566, Capital Expenditure Fund Appropriation Act

01214

EXHIBIT

JUL 29 1986 NO. 14

STATE BUDGET & CONTROL BOARD

(R556, H3801)

AN ACT TO APPROPRIATE MONIES IN THE CAPITAL EXPENDITURE FUND FOR FISCAL YEAR 1986-87.

Be it enacted by the General Assembly of the State of South Carolina:

Capital expenditure fund

SECTION 1. In accordance with the provisions of Section 11-11-310 of the 1976 Code, there is appropriated from the monies available in the Capital Expenditure Fund for fiscal year 1986-87 the following amounts:

SOUTH CAROLINA DEPARTMENT OF CORRECTIONS

ALLOCATION OF CAPITAL

EXPENDITURE FUND BY PROJECT	
(1) Wateree Farm Project	250,000
(2) Lieber Institution Equipment	500,000
(3) Dutchman Institution - Multipurpose Building	536,000
(4) Manning Laundry Project	1,200,000
(5) Food Service Warehouse Project	91,000
(6) Reimbursed Emergency Projects (Temporary Buildings)	600,000
(7) Temporary Buildings (3)	900,000
(8) Fencing, McDougal Youth Correction Center, Aiken Youth Correction Center, Women's Correction Center	500,000
(9) Training Facility	2,700,000
(10) Administrative Training - Personnel Equipment	42,724
(11) Data Processing Equipment	385,000
(12) Lighting Equipment - Nelson	182,250
(13) Plumbing Equipment - Nelson	105,975
(14) Air Flow Equipment - Nelson	225,000
(15) Furnishings Equipment - Nelson	376,610
(16) Health Equipment - Nelson	174,089
(17) McCormick Equipment	54,974

01215

(18) Training Facility Equipment	313,886
(19) General Renovations	3,603,568
TOTAL DEPARTMENT OF CORRECTIONS CAPITAL EXPENDITURE FUND	12,741,076

Time effective

SECTION 2. This act shall take effect upon approval by the Governor.

In the Senate House the 4th day of June
In the Year of Our Lord One Thousand Nine Hundred and Eighty-Six.

Michael R. Daniel,
President of the Senate

Ramon Schwartz, Jr.,
Speaker of the House of Representatives

Approved the 10th day of June, 1986.

Richard W. Riley,
Governor

-----XX-----

Printer's Date -- 6/13/86 -- S.

D1215-A

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD
MEETING OF July 29, 1986

REGULAR SESSION
ITEM NUMBER 5

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

Budget and Control Board approval is requested for the following permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee:

A. On Summary 1-87:

(1) Item 2:
Agency: USC - Columbia
Project: 8156, Medical Science Bldg Renovation
Request: Increase budget to $1,760,000
Amount: Add $810,000
Source: Excess Debt Service ($533,827.97); Appropriated State ($265,207.43) & Renov. Reserve funds ($10,964.60)
Purpose: To complete renovations to the third floor of facility for use by Environmental Health Department.

(2) Item 8:
Agency: Mental Retardation
Project: 7854, Whitten-Renovation of Buildings
Request: Decrease budget to $801,500
Amount: Subtract $800,000
Source: Capital Improvement Bond funds (pre-1986)
Purpose: To transfer funds to new project in APIP, per proviso in the 1986 General Bond Act, which changed the purpose for which these previously-authorized funds may be used (for Coastal Center Construction and Renovation).

(3) Item 11:
Agency: Mental Retardation
Project: 8831, Whitten-Four 16-Bed Facilities
Request: Increase budget to $1,600,000
Amount: Add $500,000
Source: Excess Debt Service funds
Purpose: To adjust for changes in construction cost estimates and to provide equipment/ supplies for the 64 beds.

(4) Item 13:
Agency: Dept of Corrections
Project: 7129, Midlands Food Service Warehouse
Request: Increase budget to $314,277
Amount: Add $291,000
Source: Appropriated State funds (Capital Exp. Fund)
Purpose: To restore $200,000 previously transferred to project 9006, Emergency Temporary Buildings, and increase budget by $91,000 in order to complete project.

(5) Item 14:
Agency: Dept of Corrections
Project: 7423, Multipurpose Bldg-Spartanburg
Request: Increase budget to $916,000
Amount: Add $836,000
Source: Appropriated State funds (Capital Expenditure Fund)
Purpose: To restore funds previously transferred to project 8057, Kirkland Psychiatric Unit, and project 9006, Emergency Temporary Buildings. Represents application of Capital Expenditure funds.

01216

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

(6) Item 16:
Agency: Dept of Corrections
Project: 7758, Lieber Center-Coastal Region
Request: Increase budget to $25,576,482
Amount: Add $500,000
Source: Appropriated State funds (Capital Exp Fund)
Purpose: To restore funds transferred for the completion of Perry Institution and allow the Department to complete this project. Represents application of Capital Expenditure funds.

(7) Item 17:
Agency: Dept of Corrections
Project: 8151, Manning Central Laundry Equipment
Request: Increase budget to $1,565,000
Amount: Add $1,200,000
Source: Appropriated State funds (Capital Exp. Fund)
Purpose: To enable the Department to complete the laundry facility to retain state agency contracts and provide work for inmates. Represents application of Capital Expenditure funds.

(8) Item 20:
Agency: Clarks Hill-Russell Authority
Project: 8395, Little River/Buffalo Creek Development
Request: Increase budget to $4,625,000
Amount: Add $1,425,000
Source: Appropriated State funds
Purpose: "Continue payment to GSA and planning/design work on 3,159 acres of lake property."

B. On 86-87 APIP

(9) Agency: Dept of Corrections
Project: Broad River Med. Security Inst-600 Beds (Priority #1)
Request: Establish project and budget
Amount: $24,000,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To provide 600 beds to reduce the shortage of medium security bedspace (Nelson Agreement). Bond Committee agreed 7/22 to release of these 1986 bond funds. See Leeke letter in attachment on this priority.

(10) Agency: Dept of Corrections
Project: Allendale Med. Security Inst-600 Beds (Priority #2)
Request: Establish project and budget
Amount: $28,500,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To provide 600 beds to reduce the current shortage of medium security bedspace (Nelson Agreement). (Note: Board staff was advised that Bond Committee had agreed by phone on Thursday, July 24, to release these 1986 bond funds.)

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD SESSION
MEETING OF July 29, 1986 ITEM NUMBER 5, Page 3

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

(11) Agency: Dept of Corrections
Project: Marlboro Med. Security Inst-600 Beds, Priority #3)
Request: Establish project and budget
Amount: $30,000,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To provide 600 beds to reduce the current shortage of medium security bedspace (Nelson Agreement). (Note: Board staff was advised that the Bond Committee agreed by phone on Thursday, July 24, to release these 1986 bond funds.)

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(12) Agency: Dept of Corrections
Project: Priority 4, SCDC Training Facility
Request: Establish project and budget
Amount: $2,700,000
Source: Appropriated State funds (Capital Exp. Fund)
Purpose: To provide a 120-person training facility which will allow the Department of Corrections to conduct its own staff training instead of sending staff to CJ Academy.

---

(13) Agency: Dept of Corrections
Project: Priority 7, Temporary Housing Units (288 Beds)
Request: Establish project and budget
Amount: $900,000
Source: Appropriated State funds (Capital Exp. Fund)
Purpose: To provide for construction of three 96-bed temporary housing units at 3 existing correctional facilities. To be established as three separate projects.

---

(14) Agency: Dept of Corrections
Project: Priority 8, General Renovations
Request: Establish project & budget
Amount: $4,362,492
Source: Capital Improvement Bond funds, $758,924 (1986 authorization); $3,603,568 Appropriated State (Capital Expenditure Fund).
Purpose: To provide for renovations to existing institutions to include kitchen repairs, roof repairs, providing barrier free facilities, paving, tile work and plumbing. Bond Committee agreed 7/22 to release these 1986 bond funds.

---

(15) Agency: Dept of Corrections
Project: Priority 9, Upgrade Security-Fencing
Request: Establish project & budget
Amount: $500,000
Source: Appropriated State funds (Capital Exp. Fund)
Purpose: To provide for upgrading security at three minimum security centers by adding barrier fencing.

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD REGULAR SESSION
MEETING OF July 29, 1986 ITEM NUMBER 5, Page 4

AGENCY: Executive Director

SUBJECT: Permanent Improvement Projects

C. Other

(16) Agency: Budget and Control Board-General Services
Project: Robert Mills Bldg Parking Lot and Bldg Upfitting
Request: Establish project and budget
Amount: $335,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: Developing the parking area, opening the Calhoun Street entrance and additional upfit allowance. Bond Committee agreed 7/22 to the release of these 1986 bond funds and to an allocation of this amount from the Board's **Bond** Contingency Revolving Fund. The Committee's staff indicated that these funds might be restored from funds which may not be required by the Calhoun Building Renovation project.

(17) Agency: School for the Deaf and the Blind
Project: Repair/Replace Two Boilers
Request: Establish project and budget
Amount: $63,000
Source: Capital Improvement Bond funds (1986 authorization)
Purpose: To replace a 200 HP boiler and to repair a 400 HP boiler. The Bond Committee 7/22 agreed to release these 1986 bond funds which are a part of the $200,000 authorized to the agency for "Improvements." Note that this action is different from that taken by the Board on July 15 which would have provided the $63,000 from the Bond Contingency Revolving Fund.

(18) 1986-87 Annual Permanent Improvement Program (APIP)

It was expected that the 1986-87 APIPs would have been presented for Board approval at this meeting, but the Bond Committee decided not to act on most of the 160 new projects requested at its July 22 meeting.

The 1986-87 APIPs include 160 new projects with an aggregate budget of $128,539,912. The aggregate program is spread rather evenly among general maintenance, system upgrades, repair/renovation, new construction and other catgories.

The Bond Committee is to review these projects at its August 28 meeting.

BOARD ACTION REQUESTED:

Approve items 1-17; receive item 18 as information.

ATTACHMENTS:

Referenced summary extracts plus attachments.

01219

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
1-87(2)
Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 87

1. PROJECT IDENTIFIERS:

A. Agency: Number H27 Name USC-Columbia
B. Contact person: David P. Rinker Phone: 777-5993
C. Project Number: 8156 Name: Medical Sciences Renovation

2. PROJECT ACTION PROPOSED:

XX Increase total project budget
____ Decrease total project budget
____ Change source of funds
____ Revise scope

3. WHAT IS THE REVISION PROPOSED?:

Increase project budget to provide for the completion of the renovations to the third floor of the facility.

4. JUSTIFICATION FOR REVISION (Why is it needed?): When the project budget was established four years ago, very modest changes were envisioned for the 3rd floor. Since that time much more elaborate laboratories and equipment is needed for use by the Environmental Health Department which is to occupy the third floor. In addition, it has been determined that all plumbing and exhaust systems were rusted and corroded and required replacement. Lastly, a significant portion of the original project budget went toward asbestos abatement because the substance was found to be present in the building.

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision? Yes____ No XX
If yes, complete and attach Addendum A-49.

6. ESTIMATES OF PROJECT COSTS AS REVISED

A. Total estimated cost of project as revised: $ 1,760,000

B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

(1) $____ Planning/design services
(2) ____ Site work (including utilities)
(3) ____ Central energy systems repair/replacement
(4) ____ Mechanical systems repair/replacement
(5) 1,760,000 General renovation/repair of floor space: (Gross sq. ft. ____)
(6) ____ Roof repair/replacement
(7) ____ Construction of additional floor space (Gross sq. ft. ____)
(8) ____ Equipment/supplies
(9) ____ Purchase of facilities: (Floor space, gross sq. ft. ____ (Land, acres: ____)
(10) ____ Other (Specify) ____

$ 1,760,000 Total (Same as 6A)

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STATE BUDGET & CONTROL BOARD

Item 1

01220 - 5

6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: $1,760,000
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	$	5. Restore facility	$1,760,000
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other	$

7. **PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:**

A. Estimated expenditures and expenditure purposes, this FY: $1,760,000
(expenditure purposes (use 6B categories):)

B. Estimated expenditures after this FY $1,760,000

C. Total (Same as 6A, 6B and 6C) $1,760,000

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE –	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	$	$	$			
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
		23123 274,449.00 21,327.04(2) 7,903.89(4)		5001	48800100 48800100 5014200	
(4) Excess Debt Service		37,146.30(5) 6,509.74(6)			45013900 45017700	
	950,000	186,492.00(7)	1,483,827.97	5001	45020500	4654
(6) Appropriated State		533 827 97				
	0	265,207.43(3)	265,207.43	8895	58800100	
(7) Federal						
(8) Athletic						
(9) Other						
Reno Reserve	0	10,964.60(1)	10,964.60	7841	98800100	
TOTAL	$ 950,000	$ 810,000.00	$ 1,760,000			

(*) See attachment for information on transfers

EXHIBIT
JUL 29 1986 NO. 15
STATE BUDGET & CONTROL BOARD

9. **Submitted By:**

Authorized Official _____ Date Submitted 5/1/86
Typed Name and Title and Signature
FY Submitted 86-87

David P. Rinker, System Vice President for Facilities Planning

10. **APPROVED (For Board Use Only):**

_____
Typed Name and Title and Signature 01221 Date

6

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
1-87(8)
Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR _____

1. PROJECT IDENTIFIERS:

A. Agency: Number J16 Name SOUTH CAROLINA DEPARTMENT OF MENTAL RETARDATION
B. Contact person: ERUCH T. TATA, P.E., DIR., ENGR. & PL. Phone: 737-6511
C. Project Number: 7854 Name: WHITTEN CENTER - RENOVATING OF BLDGS.

2. PROJECT ACTION PROPOSED:

_____ Increase total project budget
X Decrease total project budget
_____ Change source of funds
_____ Revise scope

3. WHAT IS THE REVISION PROPOSED?:

$1,602,500.00	APPROVED BUDGET
- 800,000.00	TRANSFERRING FUNDS TO NEW PROJECT IN APIP 1986/87, COASTAL CENTER CONSTRUCTION/RENOVATION
$ 801,500.00	REVISED BUDGET

4. JUSTIFICATION FOR REVISION (Why is it needed?):

REFER TO BILL #H 32-83 OF 1986 AND APIP 1986/87

EXHIBIT

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STATE BUDGET & CONTROL BOARD

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision?: Yes _____ No X
If yes, complete and attach Addendum A-49.

6. ESTIMATES OF PROJECT COSTS AS REVISED

A. Total estimated cost of project as revised: $ 801,500.00

B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

(1) $ 122,092.07 Planning/design services
(2) _____ Site work (including utilities)
(3) _____ Central energy systems repair/replacement
(4) _____ Mechanical systems repair/replacement
(5) 400,000.00 General renovation/repair of floor space: (Gross sq. ft. _____)
(6) _____ Roof repair/replacement
(7) _____ Construction of additional floor space (Gross sq. ft. _____)
(8) 75,000.00 Equipment/supplies
(9) _____ Purchase of facilities: (Floor space, gross sq. ft. _____)
(Land, acres: _____)
(10) 204,407.93 Other (Specify) INS., BOND COST

$ 801,500.00 Total (Same as 6A)

01222

Item 2
18

FORM A-23 PAGE 2

6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: $ 801,500.00
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other UPGRADE FACILITY	$ 801,500.00

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 1986/87 & PRIOR TO $ 400,000.00
(expenditure purposes (use 6B categories): (1) (5) (8) (10))

B. Estimated expenditures after this FY $ 401,500.00

C. Total (Same as 6A, 6B and 6C) $ 801,500.00

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE –	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	$ 799,000.00 802,500.00	$ - 0 - -800,000.00	$ 799,000.00 2,500.00	8115	021-064 021-065	3043
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	$1,601,500.00	$-800,000.00	$ 801,500.00			

EXHIBIT
JUL 29 1986
NO. 15
STATE BUDGET & CONTROL BOARD

9. Submitted By:

Authorized Official Lonnie A Bourman Jr Date Submitted 6/26/86
Typed Name and Title and Signature
for: CHARLES D. BARNETT, PH.D., COMMISSIONER FY Submitted 1985/86

10. APPROVED (For Board Use Only):

Typed Name and Title and Signature 01223 Date 19

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
1-87 (11)
Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 1986/87

1. PROJECT IDENTIFIERS:

   A. Agency: Number J16 Name SOUTH CAROLINA DEPARTMENT OF MENTAL RETARDATION
   B. Contact person: ERUCH T. TATA, P.E., DIR., ENGR. & PL. Phone: 737-6511
   C. Project Number: 8831 Name: WHITTEN CENTER - FOUR 16-BED FACILITIES

2. PROJECT ACTION PROPOSED:

   X Increase total project budget
   _____ Decrease total project budget
   _____ Change source of funds
   _____ Revise scope

3. WHAT IS THE REVISION PROPOSED?:

$1,100,000.00	APPROVED BUDGET
+ 500,000.00	ADDITIONAL DEBT SERVICE SURPLUS
$1,600,000.00	REVISED BUDGET

4. JUSTIFICATION FOR REVISION (Why is it needed?):

   TO ADJUST FOR CHANGES IN CONSTRUCTION COST ESTIMATES AND TO PROVIDE EQUIPMENT AND SUPPLIES FOR THE 64 BEDS.

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JUL 29 1986
STATE BUDGET & CONTROL BOARD

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision?: Yes _____ No X
   If yes, complete and attach Addendum A-49.

6. ESTIMATES OF PROJECT COSTS AS REVISED

   A. Total estimated cost of project as revised: $ 1,600,000.00

   B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

   (1) $ 32,000.00 Planning/design services
   (2) 4,350.00 Site work (including utilities)
   (3) _____ Central energy systems repair/replacement
   (4) _____ Mechanical systems repair/replacement
   (5) _____ General renovation/repair of floor space: (Gross sq. ft. _____)
   (6) _____ Roof repair/replacement
   (7) 1,250,000.00 Construction of additional floor space (Gross sq. ft. 21,200)
   (8) 112,000.00 Equipment/supplies
   (9) _____ Purchase of facilities: (Floor space, gross sq. ft. _____)
   (Land, acres: _____)
   (10) 201,650.00 Other (Specify) INSURANCE, CONTINGENCIES

   $1,600,000.00 Total (Same as 6A)

01224

Item 3
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6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: $ 1,600,000.00
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$ 1,600,000.00	8. Other	$

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 1986/87 $ 900,000.00
(expenditure purposes (use 6B categories): (1) (2) (7) (8) (10))

B. Estimated expenditures after this FY $ 700,000.00

C. Total (Same as 6A, 6B and 6C) $ 1,600,000.00

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE −	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	$	$	$			
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service	1,100,000.00	+ 500,000.00	1,600,000.00	4516	450-224	4660
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	$ 1,100,000.00	$ +500,000.00	$ 1,600,000.00			

9. Submitted By:

Authorized Official Lonnie A Barnett Jr Date Submitted JUNE 13, 1986
Typed Name and Title and Signature
CHARLES D. BARNETT, PH.D., COMMISSIONER FY Submitted 1985/86

10. APPROVED (For Board Use Only):

01225
Typed Name and Title and Signature Date

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
1-87(13)
Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. **PROJECT IDENTIFIERS:**

   A. Agency: Number N04 Name South Carolina Department of Corrections

   B. Contact person: Jerry S. Edwards Phone: 737-8493

   C. Project Number: 7129 Name: Midlands Food Service Warehouse

2. **PROJECT ACTION PROPOSED:**

   X Increase total project budget

   _____ Decrease total project budget

   _____ Change source of funds

   _____ Revise scope

3. **WHAT IS THE REVISION PROPOSED?:** To increase total project budget by $291,000.00 to a total of $314,277.00.

4. **JUSTIFICATION FOR REVISION (Why is it needed?):** To restore $200,000.00 transferred to project 9006, Emergency Temporary Buildings and increase budget by $91,000.00 in order to complete the project.

5. **ADDITIONAL OPERATING COSTS:** Will this project require additional annual operating costs because of the revision?: Yes _____ No X
   If yes, complete and attach Addendum A-49.

6. **ESTIMATES OF PROJECT COSTS AS REVISED**

   A. Total estimated cost of project as revised: $ 314,277.00

   B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

   (1) $ _____ Planning/design services
   (2) _____ Site work (including utilities)
   (3) _____ Central energy systems repair/replacement
   (4) _____ Mechanical systems repair/replacement
   (5) _____ General renovation/repair of floor space: (Gross sq. ft. _____)
   (6) _____ Roof repair/replacement
   (7) _____ Construction of additional floor space (Gross sq. ft. _____)
   (8) _____ Equipment/supplies
   (9) _____ Purchase of facilities: (Floor space, gross sq. ft _____)
   (Land, acres: _____)
   (10) 314,277.00 Other (Specify) Construct New Building

   $ 314,277.00 Total (Same as 6A)

EXHIBIT NO. 15
JUL 29 1986
STATE BUDGET & CONTROL BOARD

01226

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6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: $ 314,277.00
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8 Other Construct New Building	$ 314,277.00

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A Estimated expenditures and expenditure purposes, this FY 86-87 $ 314,277.00
(expenditure purposes (use 6B categories): Construct New Building)

B. Estimated expenditures after this FY $ 0

C. Total (Same as 6A, 6B and 6C) $ 314,277.00

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE –	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	$ 23,277.00	$ 0	$ 23,277.00	8115	20039	3043
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State	0	291,000.00	291,000.00	8895		
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	$ 23,277.00	$ 291,000.00	$ 314,277.00			

9. Submitted By: William D. Leeke

Authorized Official William D. Leeke, Commissioner Date Submitted 6-26-86
Typed Name and Title and Signature

FY Submitted 1986-87

10. APPROVED (For Board Use Only): 01227

Typed Name and Title and Signature Date

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
1-87 (14)
Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 1986-87

1. PROJECT IDENTIFIERS:
   - A. Agency: Number N04 Name South Carolina Department of Corrections
   - B. Contact person: Jerry S. Edwards Phone: 737-8493
   - C. Project Number: 7423 Name: ~~Dutchman Institution~~ Multipurpose Bldg - Spartanburg

2. PROJECT ACTION PROPOSED:
   - X Increase total project budget
   - _____ Decrease total project budget
   - _____ Change source of funds
   - _____ Revise scope

3. WHAT IS THE REVISION PROPOSED?: To increase total project budget by $836,000.00 to a total of $916,000.00.

4. JUSTIFICATION FOR REVISION (Why is it needed?): To restore funds transferred to project 8057, Kirkland Psychiatric Unit and project 9006, Emergency Temporary Buildings.

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision?: Yes _____ No X
   If yes, complete and attach Addendum A-49.

6. ESTIMATES OF PROJECT COSTS AS REVISED
   - A. Total estimated cost of project as revised: $ 916,000.00
   - B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)
     - (1) $ _____ Planning/design services
     - (2) _____ Site work (including utilities)
     - (3) _____ Central energy systems repair/replacement
     - (4) _____ Mechanical systems repair/replacement
     - (5) _____ General renovation/repair of floor space: (Gross sq. ft. _____)
     - (6) _____ Roof repair/replacement
     - (7) _____ Construction of additional floor space (Gross sq. ft. _____)
     - (8) _____ Equipment/supplies
     - (9) _____ Purchase of facilities: (Floor space, gross sq. ft. _____) (Land, acres: _____)
     - (10) 916,000.00 Other (Specify) Construction

   $ 916,000.00 Total (Same as 6A)

EXHIBIT NO. 15
JUL 29 1986
STATE BUDGET & CONTROL BOARD

Item 5

01228

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6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: $ 916,000.00
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other Construction	$ 916,000.00

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 1986-87 $ 916,000.00
(expenditure purposes (use 6B categories): _____
_____)

B. Estimated expenditures after this FY $ 0

C. Total (Same as 6A, 6B and 6C) $ 916,000.00

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE −	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	$ 80,000.	$ 0	$ 80,000.	8115	12006	3043
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State	0	836,000.	836,000.	8895	68800100	
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	$ 80,000.	$ 836,000.	$ 916,000.			

9. Submitted By: William D. Leeke

Authorized Official William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-86
FY Submitted 1986-87

10. APPROVED (For Board Use Only):

01229

Typed Name and Title and Signature

Date 34

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
1-87 (16)
Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 1986-87

1. **PROJECT IDENTIFIERS:**

   A. Agency: Number N04 Name South Carolina Department of Corrections

   B. Contact person: Jerry S. Edwards Phone: 737-8493

   C. Project Number: 7758 Name: Lieber Center - Coastal Region

2. **PROJECT ACTION PROPOSED:**

   X Increase total project budget

   _____ Decrease total project budget

   _____ Change source of funds

   _____ Revise scope

3. **WHAT IS THE REVISION PROPOSED?:** Increase total project budget by $500,000.00 to a total of $25,576,482.00.

4. **JUSTIFICATION FOR REVISION (Why is it needed?):** To restore funds transferred for the completion of Perry Institution and allow the Department to complete Francis Lieber.

5. **ADDITIONAL OPERATING COSTS:** Will this project require additional annual operating costs because of the revision?: Yes _____ No X
   If yes, complete and attach Addendum A-49.

6. **ESTIMATES OF PROJECT COSTS AS REVISED**

   A. Total estimated cost of project as revised: $ 25,576,482.00

   B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

   (1) $ _____ Planning/design services
   (2) _____ Site work (including utilities)
   (3) _____ Central energy systems repair/replacement
   (4) _____ Mechanical systems repair/replacement
   (5) _____ General renovation/repair of floor space: (Gross sq. ft. _____)
   (6) _____ Roof repair/replacement
   (7) _____ Construction of additional floor space (Gross sq. ft. _____)
   (8) _____ Equipment/supplies
   (9) _____ Purchase of facilities: (Floor space, gross sq. ft. _____)
   (Land, acres: _____)
   (10) 25,576,482.00 Other (Specify) Construct Francis Lieber

   $ 25,576,482.00 Total (Same as 6A)

EXHIBIT NO. 15
JUL 29 1986
STATE BUDGET & CONTROL BOARD

01230

Item 6

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FORM A-23 PAGE 2

6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: $25,576,482.00
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other Construct Facility	$ 25,576,482.00

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY 1986-87 $ 25,576,482.00
(expenditure purposes (use 6B categories): Construct
Francis Lieber)

B. Estimated expenditures after this FY $ 0

C. Total (Same as 6A, 6B and 6C) $ 25,576,482.00

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE −	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	$ 16,230,482	$ 0	$ 16,230,482	8115	20039	3043
	2,432,800	0	2,432,800	8115	25001	3043
(1) Depart Capital Imp Bonds			18,663,282			
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State	6,413,200	500,000	6,913,200	8895		
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	$ 25,076,482	$ 500,000	$ 25,576,482			

9. Submitted By:

Authorized Official William D. Leeke
William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-86
FY Submitted 1986-87

10. APPROVED (For Board Use Only):

01231

Typed Name and Title and Signature

Date 38

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
1-87 (17)
Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 1986-87

1. **PROJECT IDENTIFIERS:**
   - A. Agency: Number N04 Name South Carolina Department of Corrections
   - B. Contact person: Jerry S. Edwards Phone: 737-8493
   - C. Project Number: 8151 Name: Manning Central Laundry Equipment

2. **PROJECT ACTION PROPOSED:**
   - X Increase total project budget
   - ___ Decrease total project budget
   - ___ Change source of funds
   - ___ Revise scope

3. **WHAT IS THE REVISION PROPOSED?:** To increase total project budget by $1,200,000.00 to a total of $1,565,000.00.

4. **JUSTIFICATION FOR REVISION (Why is it needed?):** To enable the Department to complete the laundry facility to retain State Agency contracts and provide work for inmates.

5. **ADDITIONAL OPERATING COSTS:** Will this project require additional annual operating costs because of the revision?: Yes___ No X
   If yes, complete and attach Addendum A-49.

6. **ESTIMATES OF PROJECT COSTS AS REVISED**
   - A. Total estimated cost of project as revised: $ 1,565,000.00
   - B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

(1)	$ ___	Planning/design services
(2)	___	Site work (including utilities)
(3)	___	Central energy systems repair/replacement
(4)	___	Mechanical systems repair/replacement
(5)	___	General renovation/repair of floor space: (Gross sq. ft. ___)
(6)	___	Roof repair/replacement
(7)	___	Construction of additional floor space (Gross sq. ft. ___)
(8)	1,144,380.40	Equipment/supplies
(9)	___	Purchase of facilities: (Floor space, gross sq. ft. ___ (Land, acres: ___)
(10)	420,619.60	Other (Specify) Renovations/Additions
	$ 1,565,000.00	Total (Same as 6A)

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JUL 29 1986
STATE BUDGET & CONTROL BOARD

Item 7

01232

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6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: $ 1,565,000.00
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8 Other Equipment Renovations	$ 1,565,000.00

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY 1986-87 $ 1,565,000
(expenditure purposes (use 6B categories): Equipment
Renovations/Additions)

B. Estimated expenditures after this FY 0 $

C. Total (Same as 6A, 6B and 6C) $ 1,565,000

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE −	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	$ 70,000	$ 0	$ 70,000	8115	18021	3043
	20,000	0	20,000	8115	20038	3043
	275,000	0	275,000	8115	20039	3043
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State	0	1,200,000	1,200,000	8895		
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	$ 365,000	$ 1,200,000	$ 1,565,000			

9. Submitted By:

Authorized Official William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-86

FY Submitted 1986-87

10. APPROVED (For Board Use Only):

Typed Name and Title and Signature 01233 Date 40

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
1-87 (20)
Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. PROJECT IDENTIFIERS:

A. Agency: Number P40 Name Clarks Hill-Russell Authority
B. Contact person: James N. Workman Phone: 443-2168
C. Project Number: 8395 Name: Little River/Buffalo Creek Development

2. PROJECT ACTION PROPOSED:

X Increase total project budget
____ Decrease total project budget
____ Change source of funds
____ Revise scope

3. WHAT IS THE REVISION PROPOSED? :

Continue payment to GSA and planning/design work on 3159 acres of lake property

4. JUSTIFICATION FOR REVISION (Why is it needed?):

Insufficient funds have been appropriated for purchase cost on a yearly basis - must be paid for over a period of time.

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision?: Yes____ No X
If yes, complete and attach Addendum A-49.

6. ESTIMATES OF PROJECT COSTS AS REVISED

A. Total estimated cost of project as revised: $ 4,625,000

B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)

(1) $ 1,625,000 Planning/design services
(2) ____ Site work (including utilities)
(3) ____ Central energy systems repair/replacement
(4) ____ Mechanical systems repair/replacement
(5) ____ General renovation/repair of floor space: (Gross sq. ft. ____)
(6) ____ Roof repair/replacement
(7) ____ Construction of additional floor space (Gross sq. ft. ____)
(8) ____ Equipment/supplies
(9) 3,000,000 Purchase of facilities: (Floor space, gross sq. ft. ____)
(Land, acres: 3159)
(10) ____ Other (Specify) ____

$ 4,625,000 Total (Same as 6A)

EXHIBIT NO. 15
JUL 29 1986
STATE BUDGET & CONTROL BOARD

Item 8
45

01234

6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: $ 4,625,000
(equals 1 through 8, below, and is same as 6A)

1. Purchase land	$ 3,000,000	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other Planning/ design work	$ 1,625,000

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 1,425,000
(expenditure purposes (use 6B categories): _____
_____)

B. Estimated expenditures after this FY $ -0-

C. Total (Same as 6A, 6B and 6C) $ 4,625,000

8. PROPOSED SOURCES OF FUNDS AS REVISED: TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE –	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
(0) Capital Improvement Bonds	$	$	$			
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State	3,200,000	+1,425,000	4,625,000	4101	68801100	3600
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	$3,200,000	$+1,425,000	$4,625,000			

9. Submitted By:

Authorized Official James N. Workman [signature] Date Submitted 6/12/86
Typed Name and Title and Signature
FY Submitted 86-87

10. APPROVED (For Board Use Only):

01235
Typed Name and Title and Signature Date 46

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

#2258

For Board Use Only
APIP 87
Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. PROJECT IDENTIFIERS:
   A. Agency: Number N04 Name South Carolina Department of Corrections
   B. Contact Person Jerry S. Edwards Phone: 737-8493
   C. Project Name: BRC Medium Security Institution - 600 Beds
   D. Facility Affected: Name New Number New

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):
The project provides for the construction and equipping of a prototypical 600-bed medium security correctional institution.

Site Description: (Attach a map showing project location)
Location: Richland (county) 40 (code) Columbia (city) Broad River Road Complex (site)

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):
This project will provide 600 beds to reduce the shortage of medium security bedspace, thereby allowing this Department to comply with the mandated requirements of the Nelson vs Leeke Settlement.

(What specific needs does this project address?):

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

No feasible alternatives.

5. PRIORITY: This project is priority number: 1 of 9 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?
Yes X No ____ If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:
   A. Total estimated cost of project $ 24,000,000
   B. Total estimated cost of project includes the following (1. through 10. = 7A above)

(1)	$ 1,229,543	Planning/design services
(2)	1,648,769	Site work (including utilities)
(3)		Central energy systems repair/replacement
(4)		Mechanical systems repair/replacement
(5)		General renovation/repair of floor space (Gross sq. ft.:)
(6)		Roof repair/replacement
(7)		Construction of additional floor space: (Gross sq. ft.:)
(8)	2,422,509	Equipment/supplies
(9)		Purchase of facilities: (Floor space, gross sq. ft.) (Land, acres:)
(10)	18,699,179	Other (Specify): Construction
	$ 24,000,000	Total (Same as 7 A)

Item 9

7. C. Total estimated cost of project by broad purpose: Total cost: $ 24,000,000
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other: Construct Facility	$ 24,000,000

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 14,000,000
(Expenditure purposes (use 7B categories): Planning/Design Services, Site work, Equipment, Construction

B. Estimated expenditures after this FY: $ 10,000,000

C. Total (Same as 7A, 7B and 7C): $ 24,000,000

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$ 24,000,000	8115	088007	3043	9001	0700
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	$ 24,000,000					

EXHIBIT
JUL 29 1986 NO. 15
STATE BUDGET & CONTROL BOARD

10. Submitted By: William D. Leeke

Authorized Official: William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-86

FY Submitted 1986-87

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature Date

PROJECT NUMBER

PROJECT NAME:

01237

JUL 25 1986

Capital Improvements
Joint Bond Review Committee

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION/
BUDGET AND CONTROL BOARD LIAISON

TOM G. MANGUM
HOUSE OF REPRESENTATIVES
VICE CHAIRMAN

LIB CROFT
ADMINISTRATIVE ASSISTANT

P.O. BOX 142 TELEPHONE (803) ~~758-5088~~ 34-2824 OR ~~8900~~ 3090
ROOM 410, GRESSETTE BUILDING
Columbia, South Carolina 29202

SENATE MEMBERS:
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JAMES M. WADDELL, JR.
WILLIAM W. DOAR, JR.
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THOMAS L. MOORE

HOUSE MEMBERS:
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T.W. EDWARDS, JR.
R.N. McLELLAN

July 25, 1986

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
Wade Hampton Bldg.
Columbia, South Carolina 29201

In Re: Capital Improvement Bond Funded Projects
Priority Group #9-Dept. of Corrections

Dear Mr. McInnis:

Transmitted herewith for the Budget and Control Board's review is the Joint Bond Review Committee's Priority Group No.9 listing of Capital Improvement Bond Funded projects for the Department of Corrections. Funding for these three projects, which are shown on the attached listing, was authorized by the 1986 Prison Bond Act (Act #547 of 1986). They represent a total of $82,500,000 with a total 1st draw of $10,000,000 scheduled in Priority Group #9 (July-December 1986).

The Committee takes this action in order to enable the Department of Corrections to begin construction of one new prison with Capital Improvement Bond funds and to advertise for the construction of a prison through both conventional general obligation bond funding and private financing lease/purchase. The responses to this Bid shall be brought back to the Joint Bond Review Committee for the September 9, 1986 meeting for final approval as to the most cost-effective method for the State to finance its required prison construction.

See Leeke 7/23/86 letter which names Broad River

With kind regards, I am

Sincerely,

Horace C. Smith

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc
Enc.
cc: Mr. Bill Clement
Acting State Engineer

Mr. William D. Leeke, Commissioner
Department of Corrections

01238

July 25, 1986

JOINT BOND REVIEW COMMITTEE

Priority Group Number Nine
Capital Improvement Bond Funded Projects
for the
DEPARTMENT OF CORRECTIONS

Project	Group 9 (Jul-Dec '86)	Second Draw	Third Draw	Fourth Draw	Fifth Draw	TOTAL
BRC Institution	5,000,000	9,000,000	9,000,000	1,000,000		24,000,000
Allendale Institution	3,000,000	4,000,000	8,500,000	9,000,000	4,000,000	28,500,000
Med. Security Institution Marlboro	2,000,000	5,000,000	7,000,000	9,000,000	7,000,000	30,000,000
Totals	10,000,000	18,000,000	24,500,000	19,000,000	11,000,000	82,500,000

01239

JUL 25 1986

Capital Improvements
Joint Bond Review Committee

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION/
BUDGET AND CONTROL BOARD LIAISON

TOM G. MANGUM
HOUSE OF REPRESENTATIVES
VICE CHAIRMAN

LIB CROFT
ADMINISTRATIVE ASSISTANT

34-2824 3090
P.O. BOX 142 TELEPHONE (803) ~~758-5088~~ OR ~~8900~~
ROOM 410, GRESSETTE BUILDING
Columbia, South Carolina 29202

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WILLIAM W. DOAR, JR.
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THOMAS L. MOORE

HOUSE MEMBERS:
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MARION P. CARNELL
JENNINGS G. McABEE
T.W. EDWARDS, JR.
R.N. McLELLAN

July 25, 1986

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
Wade Hampton Bldg.
Columbia, South Carolina 29201

In Re: Capital Improvement Bond Funded Projects
Priority Group #9-Dept. of Corrections

Dear Mr. McInnis:

Transmitted herewith for the Budget and Control Board's review is the Joint Bond Review Committee's Priority Group No.9 listing of Capital Improvement Bond Funded projects for the Department of Corrections. Funding for these three projects, which are shown on the attached listing, was authorized by the 1986 Prison Bond Act (Act #547 of 1986). They represent a total of $82,500,000 with a total 1st draw of $10,000,000 scheduled in Priority Group #9 (July-December 1986).

The Committee takes this action in order to enable the Department of Corrections to begin construction of one new prison with Capital Improvement Bond funds and to advertise for the construction of a prison through both conventional general obligation bond funding and private financing lease/purchase. The responses to this Bid shall be brought back to the Joint Bond Review Committee for the September 9, 1986 meeting for final approval as to the most cost-effective method for the State to finance its required prison construction.

With kind regards, I am

Sincerely,

Horace C. Smith

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc
Enc.
cc: Mr. Bill Clement
Acting State Engineer

Mr. William D. Leeke, Commissioner
Department of Corrections

01240

July 25, 1986

JOINT BOND REVIEW COMMITTEE

Priority Group Number Nine
Capital Improvement Bond Funded Projects
for the
DEPARTMENT OF CORRECTIONS

Project	Group 9 (Jul-Dec '86)	Second Draw	Third Draw	Fourth Draw	Fifth Draw	TOTAL
BRC Institution	5,000,000	9,000,000	9,000,000	1,000,000		24,000,000
Allendale Institution	3,000,000	4,000,000	8,500,000	9,000,000	4,000,000	28,500,000
Med. Security Institution Marlboro	2,000,000	5,000,000	7,000,000	9,000,000	7,000,000	30,000,000
Totals	10,000,000	18,000,000	24,500,000	19,000,000	11,000,000	82,500,000

01241

EXHIBIT
NO. 15
JUL 29 1986
STATE BUDGET & CONTROL BOARD

south carolina
department of corrections

P.O. BOX 21787/4444 BROAD RIVER ROAD/COLUMBIA, SOUTH CAROLINA 29221-1787
TELEPHONE (803) 737-8555
WILLIAM D. LEEKE, Commissioner

RECEIVED
JUL 25 1986
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

July 23, 1986

Dr. Jesse A. Coles, Jr.
Executive Director
State Budget and Control Board
Box 12444
Columbia, South Carolina 29211

Dear Dr. Coles:

This letter is in response to your request of July 22, 1986, concerning the selection of one of the three proposed medium-security institutions contained in the 1986-87 South Carolina Department of Corrections Addendum to the Annual Permanent Improvement Program, as required by the action of the Joint Bond Review Committee on July 23, 1986.

This Department requests that the Broad River Correctional Institution (priority 1 of 9) be approved for immediate funding.

The impact of the delay in funding the remaining two institutions will be forwarded to your office in the near future.

Sincerely,

William D. Leeke

WDL:fmn

cc: Mr. McInnis
Mr. Shaw

EXHIBIT
JUL 29 1986 NO. 15
STATE BUDGET & CONTROL BOARD

01242

Item 9

BOARD OF CORRECTIONS
GOETZ B. EATON, Chairman, Anderson, S.C.
NORMAN KIRKLAND, Vice-Chairman, Bamberg, S.C.
CHARLES C. MOORE, Secretary, Spartanburg, S.C.
CLARENCE E. WATKINS, Member, Camden, S.C.
BETTY M. CONDON, Member, Mt. Pleasant, S.C.
EUGENE N. ZEIGLER, Member, Florence, S.C.
GOV. RICHARD W. RILEY, Member, Ex-Officio, Columbia, S.C.

JUL 2 8 1986

Capital Improvements
Joint Bond Review Committee

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION/
BUDGET AND CONTROL BOARD LIAISON

TOM G. MANGUM
HOUSE OF REPRESENTATIVES
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734-2824 3090
P.O. BOX 142 TELEPHONE (803) ~~758-5088~~ OR ~~8900~~
ROOM 410, GRESSETTE BUILDING
Columbia, South Carolina 29202

SENATE MEMBERS:
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JAMES M. WADDELL, JR.
WILLIAM W. DOAR, JR.
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THOMAS L. MOORE

HOUSE MEMBERS:
TOM G. MANGUM
MARION P. CARNELL
JENNINGS G. McABEE
T.W. EDWARDS, JR.
R.N. McLELLAN

July 28, 1986

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
600 Wade Hampton Bldg.
Columbia, South Carolina 29201

In Re: 1986-87 Agency Annual Permanent Improvement Programs (APIP's)

Dear Mr. McInnis:

At the meeting of the Joint Bond Review Committee held July 22,1986, the 1986-87 Agency Annual Permanent Improvement Programs (APIP's) were submitted for Committee review. The APIP's were Carried Over by the Committee in order for Committee members to have an opportunity to review them in greater detail. We have scheduled a meeting for August 28, 1986, at 2:00 p.m. for review and subsequent approval of the Programs.

The Committee did grant approval to all of the Department of Corrections projects contained in the APIP's due to the necessity for the Department to move forward with its various projects.

Related to Items 9, 10, 11, 12, (carried over) 12A, 12B, 13, 14, & 15

With kind regards, I am

Sincerely,

Horace C. Smith

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc

01243

cc: Mr. Bill Clement
Acting State Engineer

JUL 24 1986

south carolina department of corrections

P.O. BOX 21787/4444 BROAD RIVER ROAD/COLUMBIA, SOUTH CAROLINA 29221-1787
TELEPHONE (803) 737-8555
WILLIAM D. LEEKE, Commissioner

July 23, 1986

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

Mr. Scott R. Inkley
Director of Research
House Ways & Means Committee
P. O. Box 11867
525 Blatt Building
Columbia, South Carolina 29211

Dear Mr. Inkley:

I was informed yesterday that the Joint Bond Review Committee released funds for only one of the three new correctional facilities authorized under the recently passed Bond Bill. Funds for the remaining two institutions were withheld pending consideration of lease/purchase financing for those facilities. There are several considerations which I believe must be looked at in light of this action:

- This agency has already advertized for the Architectural/Engineering services to proceed with the expeditious construction and occupancy of the Allendale and Marlboro facilities. Consideration of lease/purchase at this late date will cause a serious delay. It would necessitate the projects being re-advertized and causing a probable three months delay. This delay would equate to approximately $100,000 per month per project or a total of $600,000 due to the rise in the building cost index.

- If the committee is insistent upon considering the lease/purchase alternative for the Allendale and Marlboro institutions, then we request approval to advertize these projects through both conventional general obligation bond funding and private financing lease/purchase and accept the lowest bid. My staff has committed that they can have the document prepared and be ready to proceed within 30 days. We would expect to use our existing prototypical design for a 600 bed high security facility. Our current prototype has evolved over the past eight years primarily through a process of building one institution

01244 Item 10

BOARD OF CORRECTIONS
GOETZ B. EATON, Chairman, Anderson, S.C.
NORMAN KIRKLAND, Vice-Chairman, Bamberg, S.C.
CHARLES C. MOORE, Secretary, Spartanburg, S.C.
CLARENCE E. WATKINS, Member, Camden, S.C.
BETTY M. CONDON, Member, Mt. Pleasant, S.C.
EUGENE N. ZEIGLER, Member, Florence, S.C.
GOV. RICHARD W. RILEY, Member, Ex-Officio, Columbia, S.C.

at a time with refinements made based on careful review and evaluation after the completion of each project. If we adopt a new prototype at this time, we will be building at least two and quite possibly more facilities using an untested design. We would strongly urge, therefore, that regardless of the financing method used, the Allendale and Marlboro facilities be built based on our current prototype as this is the best and most effective design when all factors are considered.

- Several firms have suggested that we permit them to develop a new prototypical design. The position of the Board of Corrections is that the agency simply cannot afford the six-month additional delay which would result from evaluating a new prototypical design. The bedspace is needed at the earliest possible date, plus the cost would continue to escalate during this period. Furthermore, a delay resulting from an unnecessary change in prototypical design would create further Nelson compliance problems as well as adversely effecting good faith arguments in Federal Court.

This agency's only interest is to proceed immediately to solve our overcrowding problem which has been dramatically demonstrated within the last few days by Judge Houck. We do not care which financing mechanism is used; we simply want to proceed as quickly as possible.

Kindest personal regards.

Sincerely,

William D. Leeke

WDL:njh

#2259

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
APIP 87
Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. PROJECT IDENTIFIERS:
   A. Agency: Number N04 Name South Carolina Department of Corrections
   B. Contact Person Jerry S. Edwards Phone: 737-8493
   C. Project Name: Allendale Medium Security Institution - 600 Beds
   D. Facility Affected: Name New Number New

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):
   This project provides for the construction and equipping of a prototypical 600-bed medium security correctional institution.

   Site Description: (Attach a map showing project location)
   Location: Allendale (county) 03 (code) Allendale (city) N/A (site)

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):
   This project will provide 600-beds to reduce the current shortage of medium security bedspaces, allowing this Department to comply with the housing requirements mandated by the Nelson vs Leeke Settlement.
   (What specific needs does this project address?):

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

   No feasible alternatives.

5. PRIORITY: This project is priority number 2 of 9 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?
   Yes X No ____ If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:
   A. Total estimated cost of project $ 28,500,000
   B. Total estimated cost of project includes the following (1. through 10.=7A above)

(1)	$ 1,229,543	Planning/design services
(2)	2,250,879	Site work (including utilities)
(3)		Central energy systems repair/replacement
(4)		Mechanical systems repair/replacement
(5)		General renovation/repair of floor space (Gross sq. ft.:)
(6)		Roof repair/replacement
(7)		Construction of additional floor space: (Gross sq. ft.:)
(8)	2,422,509	Equipment/supplies
(9)	300,000	Purchase of facilities: (Floor space, gross sq. ft.) (Land, acres: 150)
(10)	22,297,069	Other (Specify) Construction
	$ 28,500,000	Total (Same as 7 A)

01246

Item 10

7. C. Total estimated cost of project by broad purpose: Total cost: $ 28,500,000
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$ 300,000	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other: Construct Facility	$ 28,200,000

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 7,000,000
(Expenditure purposes (use 7B categories): Planning/Design Services, Site work, Equipment, Land, Construction

B. Estimated expenditures after this FY: $ 21,500,000

C. Total (Same as 7A, 7B and 7C): $ 28,500,000

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$ 28,500,000	8115		3043	9001	0700
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	$ 28,500,000					

10. Submitted By: William D. Leeke

Authorized Official: William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-86

FY Submitted 1986-87

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date

PROJECT NUMBER:

PROJECT NAME:

01247

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

#2260

For Board Use Only
APIP 87
Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. PROJECT IDENTIFIERS:
   A. Agency: Number: N04 Name: South Carolina Department of Corrections
   B. Contact Person: Jerry S. Edwards Phone: 737-8493
   C. Project Name: (Marlboro) Medium Security Institution - 600 Beds
   D. Facility Affected: Name: New Number: New

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):
This project provides for the construction and equipping of a prototypical 600-bed Medium Security Correctional Institution.

Site Description: (Attach a map showing project location)
Location: _____ county _____ code _____ city _____ site

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):
This project will provide 600-beds to reduce the current shortage of medium security bedspace and will allow this Department to comply with the housing requirements mandated by the Nelson vs Leeke Agreement.
(What specific needs does this project address?):

EXHIBIT
JUL 29 1986 NO. 15
STATE BUDGET & CONTROL BOARD

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

No feasible alternatives.

5. PRIORITY: This project is priority number: 3 of 9 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?
Yes X No ____ If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:
   A. Total estimated cost of project $ 30,000,000
   B. Total estimated cost of project includes the following (1. through 10.=7A above)

(1)	$ 1,297,168	Planning/design services
(2)	2,374,678	Site work (including utilities)
(3)		Central energy systems repair/replacement
(4)		Mechanical systems repair/replacement
(5)		General renovation/repair of floor space (Gross sq. ft. ____)
(6)		Roof repair/replacement
(7)		Construction of additional floor space: (Gross sq. ft. ____)
(8)	2,552,582	Equipment/supplies
(9)	316,500	Purchase of facilities: (Floor space, gross sq. ft. ____ (Land, acres: 150)
(10)	23,459,072	Other (Specify: Construction
	$ 30,000,000	Total (Same as 7 A)

01248 Item 11

7. C. Total estimated cost of project by broad purpose: Total cost: $ 30,000,000
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$ 316,500	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other: Construct Facility	$ 29,683,500

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 7,000,000
(Expenditure purposes (use 7B categories): Planning/Design Services
Site work, Equipment, Land, Construction

B. Estimated expenditures after this FY: $ 23,000,000

C. Total (Same as 7A, 7B and 7C): $ 30,000,000

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$ 30,000,000	8115		3043	9001	0700
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	$ 30,000,000					

10. Submitted By: William D. Leeke

Authorized Official: William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-86

FY Submitted 1986-87

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date

PROJECT NUMBER: 01249

PROJECT NAME:

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

#2261

For Board Use Only
APIP 87
Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. PROJECT IDENTIFIERS:
   A. Agency: Number N04 Name South Carolina Department of Corrections
   B. Contact Person Jerry S. Edwards Phone: 737-8493
   C. Project Name: SCDC Training Facility
   D. Facility Affected: Name New Number New

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):
This project provides a 120 person training facility which will allow SCDC to conduct its' own staff training. It includes classrooms, a dining area, sleeping accommodations and a weapons qualification area.

Site Description: (Attach a map showing project location)
Location: Richland (county) 40 (code) Columbia (city) Broad River Road Complex (site)

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):
This project is required due to the great demand for training placed on this Department, because of the increase in the number of inmates assigned, new institutions, the Nelson Settlement, and the inability of the Criminal Justice Academy to accommodate SCDC requirements.
(What specific needs does this project address?):

EXHIBIT

JUL 29 1986 NO. 15

~~STATE BUDGET & CONTROL BOARD~~

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

No feasible alternatives

5. PRIORITY: This project is priority number 4 of 9 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?
Yes X No ____ If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:
   A. Total estimated cost of project $ 2,700,000
   B. Total estimated cost of project includes the following (1. through 10.=7A above)

(1)	$ 150,000	Planning/design services
(2)		Site work (including utilities)
(3)		Central energy systems repair/replacement
(4)		Mechanical systems repair/replacement
(5)		General renovation/repair of floor space (Gross sq. ft.:)
(6)		Roof repair/replacement
(7)		Construction of additional floor space: (Gross sq. ft.)
(8)	250,000	Equipment/supplies
(9)		Purchase of facilities: (Floor space, gross sq. ft.) (Land, acres:)
(10)	2,300,000	Other (Specify) Construction
	$ 2,700,000	Total (Same as 7 A)

01250 Item 12

7. C. Total estimated cost of project by broad purpose: Total cost: $ 2,700,000
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other: Construct Facility	$ 2,700,000

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 2,700,000
(Expenditure purposes (use 7B categories): Planning/Design Services, Equipment, Construction

B. Estimated expenditures after this FY: $ 0

C. Total (Same as 7A, 7B and 7C): $ 2,700,000

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$					
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State	2,700,000	8895			9001	0700
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	$ 2,700,000					

10. Submitted By: William D. Leeke

Authorized Official: William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-86

FY Submitted 1986-87

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date

PROJECT NUMBER 01251

PROJECT NAME:

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD — SUPPLEMENTAL TO REGULAR SESSION

MEETING OF July 29, 1986 — ITEM NUMBER 5

AGENCY: Department of Corrections

SUBJECT: Permanent Improvement Projects

The Department of Corrections included in its 1986-87 Annual Program the following two projects which are to be funded by the court fee required in the Omnibus Crime Control Act. Staff has now been advised by the Bond Committee that all projects included in the Annual Program of the Department of Corrections were approved on July 22. These two were omitted from Regular Session item 5.

(12A) Agency: Department of Corrections
Project: Shock Probation Unit - 96 beds (male)
Request: Establish project and budget
Amount: $684,532
Source: Other (court fees)
Purpose: To construct and equip a 96-bed shock probation center at the Wateree Correctional Institution as required by the Omnibus Crime Act.

(12B) Agency: Department of Corrections
Project: Shock Probation Unit - 24 beds (female)
Request: Establish project and budget
Amount: $221,415
Source: Other (court fees)
Purpose: To construct and equip a 24-bed shock probation center at the Women's Correctional Center on Broad River Road as required by the Omnibus Crime Act.

BOARD ACTION REQUESTED:

Approve.

ATTACHMENTS:

A-13 forms; APIP extract; Smith 7/28/86 letter to McInnis; Omnibus Crime Act extracts

01252

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS) #2265

For Board Use Only
APIP 87
Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. PROJECT IDENTIFIERS:
   A. Agency: Number: N04 Name: South Carolina Department of Corrections
   B. Contact Person: Jerry S. Edwards Phone: 737-8493
   C. Project Name: Shock Probation Unit - 96-Beds (Male)
   D. Facility Affected: Name: Wateree River Correctional Institution Number: 32312

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):
This project provides for the construction and equipping of a 96-bed Shock Probation Center.

Site Description: (Attach a map showing project location)
Location: Kershaw/Sumter (county) 28/48 (code) Rembert (city) Wateree River C.I. (site)

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):
The project is mandated by the Omnibus Crime Bill which requires this Department to conduct special training for certain individuals convicted of non-violent crimes in lieu of long-term incarceration.

(What specific needs does this project address?):

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

No feasible alternatives.

5. PRIORITY: This project is priority number: 5 of 9 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?
Yes X No ____ If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:
   A. Total estimated cost of project $ 684,532
   B. Total estimated cost of project includes the following (1. through 10. = 7A above)

(1)	$ ____	Planning/design services
(2)	____	Site work (including utilities)
(3)	____	Central energy systems repair/replacement
(4)	____	Mechanical systems repair/replacement
(5)	____	General renovation/repair of floor space (Gross sq. ft. ____)
(6)	____	Roof repair/replacement
(7)	____	Construction of additional floor space: (Gross sq. ft. ____)
(8)	____	Equipment/supplies
(9)	____	Purchase of facilities: (Floor space, gross sq. ft. ____ (Land, acres ____)
(10)	684,532	Other (Specify): Construct Facility
	$ 684,532	Total (Same as 7 A)

01253

PRIORITY 5
Item 12A

7. C Total estimated cost of project by broad purpose: Total cost: $ 684,532
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other: Construct Facility	$ 684,532

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 684,532
(Expenditure purposes (use 7B categories): Construct Facility

B. Estimated expenditures after this FY: $ 0

C. Total (Same as 7A, 7B and 7C): $ 684,532

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$					
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
Court Fees	684,532	5701			9001	0700
TOTAL (Same as 7A)	$ 684,532					

10. Submitted By: William D. Leeke

Authorized Official: William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-86

FY Submitted 1986-87

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date

PROJECT NUMBER:

PROJECT NAME:

01254

ADDENDUM TO FORM A-1, A-13, A-23

Form-Addendum A-49

ADDITIONAL ANNUAL OPERATING COSTS RELATED TO PERMANENT IMPROVEMENT PROJECT

(Copy this form as needed; submit completed, typed original as attachment to original A-1, or A-13, or A-23.)

AGENCY NUMBER: N04 AGENCY NAME: South Carolina Department of Corrections

NAME OF PROJECT: Shock Probation Unit (Male) Priority 5 of 9.

Complete the left side (below) for all additional annual operating costs attributable to the project. The dollar number entered for each year should be the amount of increase in operating costs over the year prior to the completion of this project. (Example: Assume that operating costs the year prior to the project completion were $100; after project completion, the operating cost will be $115; the FY 1 line then will show a $15 increase in the total column and by financing source. Assume FY 2 costs will be $120; line 2 then will show a $20 increase in the total column and by financing source.)

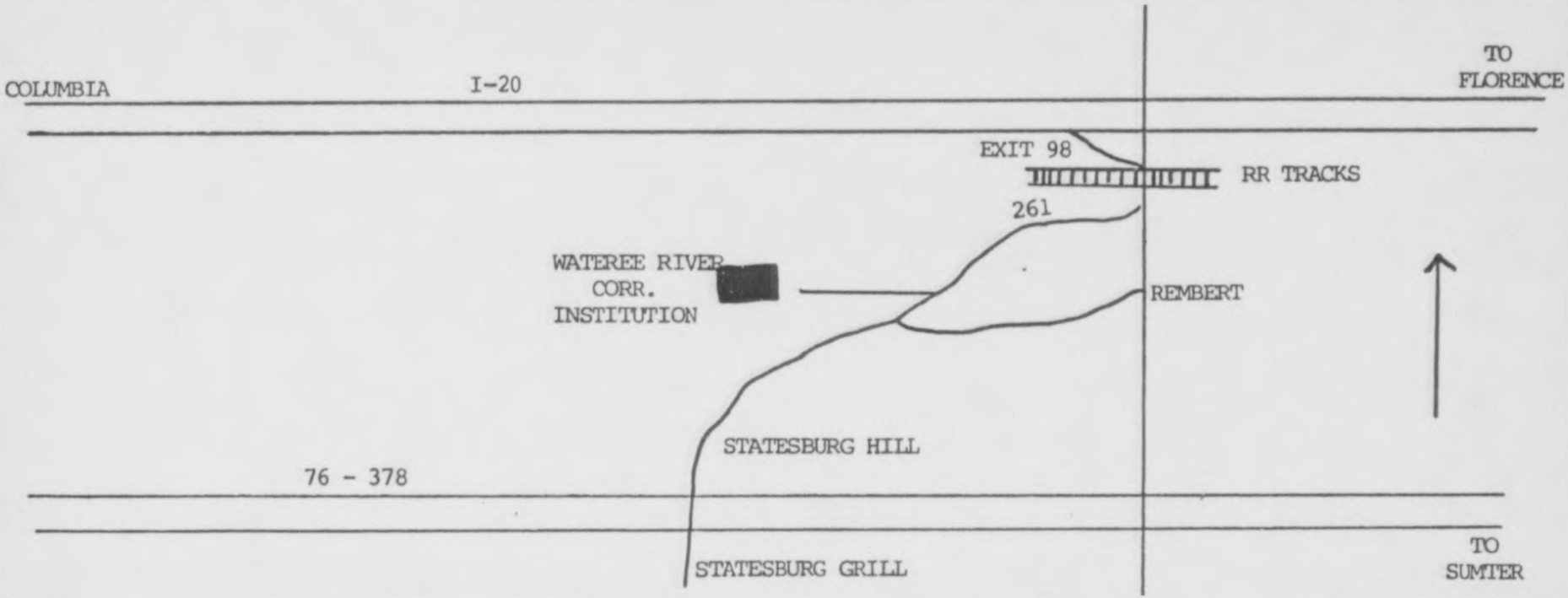
Complete the right side (below) for additional annual personal service costs and number of positions attributable to the project. The dollar number and the position number entered for each year should be the amount of increase in number of positions and personal service costs over the year prior to the completion of the project. (For example, see paragraph above.) Note that the additional costs for personal services are included in the total additional operating costs entered in the left side of the form.

ADDITIONAL ANNUAL OPERATING COSTS RELATED TO PROJECT

FISCAL YEAR (Start with FY project is to be completed.)	TOTAL ADDITIONAL OPERATING COSTS Projected Financing Sources				PERSONAL SERVICE COSTS ONLY# Projected Financing Sources				
								Total	
	Gen.Funds	Federal	Other*	Total	Gen.Funds	Federal	Other*	Amount	Positions
(1) FY - 87			749,861	749,861	$ ( )	$ ( )	$ 531,259 (29)	$ 531,259	29
(2) FY - 88					$ ( )	$ ( )	$ ( )	$	
(3) FY - 89					$ ( )	$ ( )	$ ( )	$	
(4) FY - 90					$ ( )	$ ( )	$ ( )	$	
(5) FY - 91					$ ( )	$ ( )	$ ( )	$	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

*Specify what "Other" sources are. Courts assessed fees. Show additional positions in parenthesis where appropriate.

01255



WATEREE RIVER CORRECTIONAL INSTITUTION

FROM I-20, TAKE EXIT 98 TO HWY. 521. GO SOUTH ON HWY. 521 FOR 2½ MILES TO THE FORK OF HWY. 521 AND HWY. 261; BEAR RIGHT ON HWY. 261. TRAVEL 7.9 MILES TO A SIGN ON THE RIGHT READING "WATEREE RIVER CORRECTIONAL INSTITUTION." TURN RIGHT AT THE SIGN AND PROCEED 1 MILE TO THE INSTITUTION.

FROM HWY. 76-378, TRAVEL TO THE INTERSECTION OF HWY. 76-378 AND HWY. 261 AT STATESBURG HILL (FROM SUMTER TURN RIGHT; FROM COLUMBIA, TURN LEFT). GO NORTH ON HWY. 261 FOR APPROXIMATELY 10 MILES TO A SIGN ON THE RIGHT READING "BECKER SAND AND GRAVEL COMPANY" AND A SIGN ON IMMEDIATE LEFT READING "WATEREE RIVER CORRECTIONAL INSTITUTION." TURN LEFT AT THE SIGN AND PROCEED 1 MILE TO THE INSTITUTION.

01256

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS) #2264

For Board Use Only
APIP 87
Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT
FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. PROJECT IDENTIFIERS:
   A. Agency: Number: N04 Name: South Carolina Department of Corrections
   B. Contact Person: Jerry S. Edwards Phone: 737-8493
   C. Project Name: Shock Probation Unit - 24-Beds (Female)
   D. Facility Affected: Name: Women's Correctional Center Number: 32331

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):
   This project provides for the construction and equipping of a 48-bed Shock Probation Center.

   Site Description: (Attach a map showing project location)
   Location: Richland (county) 40 (code) Columbia (city) Women's C.C. (site)

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):
   The project is mandated by the Omnibus Crime Bill which requires this Department to conduct special training for certain individuals convicted of non-violent crimes in lieu of long-term incarceration.
   (What specific needs does this project address?):

EXHIBIT
JUL 29 1986 NO. 15
STATE BUDGET & CONTROL BOARD

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #2:

5. PRIORITY: This project is priority number: 6 of: 9 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?
   Yes X No ____ If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:
   A. Total estimated cost of project: $ 221,415
   B. Total estimated cost of project includes the following (1. through 10.=7A above)

(1)	$ ____	Planning/design services
(2)	____	Site work (including utilities)
(3)	____	Central energy systems repair/replacement
(4)	____	Mechanical systems repair/replacement
(5)	____	General renovation/repair of floor space (Gross sq. ft.: ____)
(6)	____	Roof repair/replacement
(7)	____	Construction of additional floor space: (Gross sq. ft.: ____)
(8)	____	Equipment/supplies
(9)	____	Purchase of facilities: (Floor space, gross sq. ft.: ____ (Land, acres: ____)
(10)	221,415	Other (Specify): Construct Facility
	$ 221,415	Total (Same as 7 A)

01257 PRIORITY 6
Item 12B

7. C. Total estimated cost of project by broad purpose: Total cost: $ 221,415
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other: Construct Facility	$ 221,415

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 221,415
(Expenditure purposes (use 7B categories): Construct Facility

B. Estimated expenditures after this FY: $ 0

C. Total (Same as 7A, 7B and 7C): $ 221,415

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$					
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
Court Fees	221,415	5701	9881810		9001	0700
TOTAL (Same as 7A)	$ 221,415					

10. Submitted By: William D. Leeke

Authorized Official: William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-86

FY Submitted 1986-87

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date 01258

PROJECT NUMBER:

PROJECT NAME:

ADDENDUM TO FORM A-1, A-13, A-23

Form-Addendum A-49

ADDITIONAL ANNUAL OPERATING COSTS RELATED TO PERMANENT IMPROVEMENT PROJECT

(Copy this form as needed; submit completed, typed original as attachment to original A-1, or A-13, or A-23.)

AGENCY NUMBER: N04 AGENCY NAME: South Carolina Department of Corrections

NAME OF PROJECT: Shock Probation Unit (Female) Priority 6 of 9.

Complete the left side (below) for all additional annual operating costs attributable to the project. The dollar number entered for each year should be the amount of increase in operating costs over the year prior to the completion of this project. (Example: Assume that operating costs the year prior to the project completion were $100; after project completion, the operating cost will be $115; the FY 1 line then will show a $15 increase in the total column and by financing source. Assume FY 2 costs will be $120; line 2 then will show a $20 increase in the total column and by financing source.)

Complete the right side (below) for additional annual personal service costs and number of positions attributable to the project. The dollar number and the position number entered for each year should be the amount of increase in number of positions and personal service costs over the year prior to the completion of the project. (For example, see paragraph above.) Note that the addftional costs for personal services are included in the total additional operating costs entered in the left side of the form.

ADDITIONAL ANNUAL OPERATING COSTS RELATED TO PROJECT

FISCAL YEAR (Start with FY project is to be completed.)	TOTAL ADDITIONAL OPERATING COSTS Projected Financing Sources				PERSONAL SERVICE COSTS ONLY# Projected Financing Sources				
								Total	
	Gen. Funds	Federal	Other*	Total	Gen. Funds	Federal	Other*	Amount	Positions
(1) FY - 87			332,271	332,271	$ ( )	$ ( )	$ 247,867 (14)	$ 247,867	14
(2) FY - 88					$ ( )	$ ( )	$ ( )	$	
(3) FY - 89					$ ( )	$ ( )	$ ( )	$	
(4) FY - 90					$ ( )	$ ( )	$ ( )	$	
(5) FY - 91					$ ( )	$ ( )	$ ( )	$	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)

*Specify what "Other" sources are. Courts assessed fees. Show additional positions in parenthesis where appropriate.

01259

01260

DIRECTIONS TO SCDC HEADQUARTERS COMPLEX

Administration Building	Goodman Correctional Institution
Construction Division	Kirkland Correctional Institution
Engineering & Maintenance Division	Watkins Pre-Release Center
Support Services Division	Walden Correctional Institution
Campbell Work Release Center	Women's Correctional Center

VIA INTERSTATE 20

Take Broad River Road exit – go North for 2½ miles to Headquarters.

VIA INTERSTATE 26 WEST FROM GREENVILLE/SPARTANBURG

Take Piney Grove Road Exit – go South for 1½ miles to Broad River Road - turn right and Headquarters is one-tenth mile on left.

VIA INTERSTATE 26 EAST FROM CHARLESTON

Take Bush River Road Exit - go East for 2 miles to Broad River Road - go North for 3 miles to Headquarters.

GSAPIP62

BUDGET AND CONTROL BOARD
ANNUAL PERMANENT IMPROVEMENT PROGRAM
AGENCY PROPOSED PROJECTS FOR FY 86-87

07/14/86

AGENCY N04 CORRECTIONS DEPARTMENT

REF. #	PROJECT TITLE	PRIORITY #	AGENCY AMOUNT
002258	BROAD RIVER MED SEC INST-600 BEDS	1 OF 9	24,000,000
002259	ALLENDALE MED SECURITY INST-600 BED	2 OF 9	28,500,000
002260	MEDIUM SECURITY INST-600 BEDS	3 OF 9	30,000,000
002261	SCDC TRAINING FACILITY	4 OF 9	2,700,000
002265	SHOCK PROBATION UNIT- 96 BEDS-MALE	5 OF 9	684,532
002264	SHOCK PROBATION UNIT-24 BEDS-FEMALE	6 OF 9	221,415
002262	TEMPORARY HOUSING UNITS-288 BEDS	7 OF 9	900,000
002263	GENERAL RENOVATIONS	8 OF 9	4,362,492
002266	UPGRADE SECURITY-FENCING	9 OF 9	500,000
		** AGENCY TOTAL **	91,868,439

NEW REQUESTS

GSAPIP62

BUDGET AND CONTROL BOARD
ANNUAL PERMANENT IMPROVEMENT PROGRAM
AGENCY PROPOSED PROJECTS FOR FY 86-87

07/14/86

SOURCE OF FUNDS TOTALS FOR AGENCY N04 CORRECTIONS DEPARTMENT

SOURCE OF FUNDS	AGENCY AMOUNT
CAPITAL IMPROVEMENT BONDS	83,258,924
DEPART. CAPITAL IMPROVEMENT BONDS	0
INSTITUTION (TUITION) BONDS	0
INSTITUTIONAL (REVENUE) BONDS	0
EXCESS DEBT SERVICE	0
OPERATING FUNDS STATE	7,703,568
FEDERAL FUNDS	0
ATHLETIC FUNDS	0
OTHER FUNDS (COURT FEE PER CODE SECTION 14-1-210)	905,947
**********AGENCY TOTAL	91,868,439

NEW REQUESTS

01261

(9) outlining procedures for returning offenders who do not comply with their community penalty plan to court for action by the court.

(B) Every community penalty plan must include the following:

(1) notification to the victim of the offender's placement in the program;

(2) solicitation of victim response into the offender's proposed community penalty;

(3) restitution to the victim by the offender within a specified period of time and in an amount to be determined by the court;

(4) payment of such fees and costs of the program by the offender unless the court grants a waiver due to indigency. Procedures for collecting a fee from offenders must be implemented based on a sliding scale according to income and ability to pay.

(5) procedures for returning offenders who do not comply with their community penalty plan to court for action by the court.

(C) Funds provided for use under the provisions of this Article may not be used for the operating cost, construction, or any other cost associated with local jail confinement.

SECTION 4. Chapter 21, Title 24 of the 1976 Code is amended by adding:

Section 24-21-475. In addition to any other terms or conditions of probation under Section 21-24-430, the judge may suspend a sentence for a defendant convicted of a nonviolent offense, as defined in Section 16-1-70, for which a term of imprisonment of five years or greater may be imposed, or as a revocation to probation, and transfer custody to the South Carolina Department of Corrections for hard labor for a period of ninety days as a condition of probation. No person who has attained the age of 25 years or more may be sentenced to this program.

Such defendant shall be housed separately from the general inmate population as far as is advisable and necessary. Successful program participation will result at the end of ninety days

in transfer to th
Parole and Communi
term of probation.

Failure to compl
result in a reque
suspended sentence.

No participant i
earn credits under
any other benefits
period.

Before a court ca
sentence, an in
completed by the
indicate that the p
treatment in that t
be physically or me
would prevent him f
that the individu
diseases, and that
Community Correctio
the individual in th

No probationer sh
Carolina Departm
participation in th
the Department of
that the probation
handicaps or cont
prevent strenuous p
with other probatione

The Department
Corrections shall o
present to the C
availability of bed
program.

No person shall
program by reason of

SECTION 5. Chapte
is amended by adding:

"Section 24-21-480
sentence for a defe
offense as defined
term of imprisonmen
may be imposed, or

01262

r returning offenders
ommunity penalty plan
.
lan must include the
tim of the offender's
m response into the
nalty;
ctim by the offender
ime and in an amount
s and costs of the
; the court grants a
edures for collecting
mplemented based on a
ncome and ability to
ng offenders who do
ity penalty plan to
der the provisions of
d for the operating
ther cost associated
: 24 of the 1976 Code
n to any other terms
er Section 21-24-430,
ence for a defendant
'ense, as defined in
term of imprisonment
be imposed, or as a
transfer custody to
of Corrections for
ninety days as a
rson who has attained
may be sentenced to
used separately from
on as far as is
Successful program
e end of ninety days

in transfer to the South Carolina Department of Parole and Community Corrections to complete the term of probation.

Failure to comply with program requirements may result in a request to the court to revoke the suspended sentence.

No participant in shock probation program shall earn credits under any statute or regulation, or any other benefits which may reduce the ninety-day period.

Before a court can place this condition upon the sentence, an initial investigation will be completed by the probation officer which will indicate that the probationer is qualified for such treatment in that the individual does not appear to be physically or mentally handicapped in a way that would prevent him from strenuous physical activity, that the individual has no obvious contagious diseases, and that the Department of Parole and Community Corrections has recommended placement of the individual in this program.

No probationer shall be admitted to the South Carolina Department of Corrections for participation in the shock probation program unless the Department of Corrections medically certifies that the probationer has no physical or mental handicaps or contagious diseases which would prevent strenuous physical activity or interaction with other probationers.

The Department of Parole and Community Corrections shall on the First day of each month, present to the Court a report detailing the availability of bed space in the shock probation program.

No person shall be made ineligible for this program by reason of gender.

SECTION 5. Chapter 21, Title 24 of the 1976 Code is amended by adding:

"Section 24-21-480. The judge may suspend a sentence for a defendant convicted of a nonviolent offense as defined in Section 16-1-70, for which a term of imprisonment of greater than ninety days may be imposed, or as a revocation of probation,

01263

committed the offense under the work release program.

SECTION 40. (A) Sections 14-1-210, 14-1-220, and 14-1-230 of the 1976 Code as established by Section 52 of Part II of Act 201 of 1985 are hereby amended to read as follows:

"Section 14-1-210. (A) Beginning on July 1, 1985, and continuously thereafter, each conviction for an offense against the State must be assessed a cost of court fee to fund ~~local correctional facilities~~ programs established pursuant to Chapter 21 of Title 24 of the 1976 Code.

Every such conviction must, in addition to any other assessments provided by law, be assessed a cost of court fee in accordance with the following schedule:

(1) every conviction for an offense in the magistrates' courts or municipal courts of this State must be assessed a cost of court fee of seven dollars and seventy-five cents; the cost of court fee set forth herein may not be suspended, except for traffic offenses of an expired tag on a vehicle and an expired inspection sticker, and must be collected by the municipal and magistrate's court regardless of the amount of fine or bond imposed. No cost of court fee may be assessed in municipal or magistrate's court where a term of imprisonment only is imposed as the punishment.

(2) every conviction for an offense in the general sessions courts must be assessed;

(a) a cost of court fee of seven dollars and seventy-five cents where no criminal fine is imposed; or

(b) an additional twenty percent of the total of a criminal fine imposed. No cost of court fee may be assessed in general sessions court where a term of imprisonment only is imposed as the punishment.

Section 14-1-220. Each city recorder, mayor, or municipal clerk of court or other person who receives monies from the cost of court assessments in criminal or traffic cases in the municipal courts shall transmit all these monies to the Office of State Treasurer. Each county clerk of

01264

court, magistrate or other person who receives monies from the cost of court assessments in general sessions or magistrates courts shall transmit all these monies to the county treasurer of the county. These transmittals must be made no less frequently than once each month, and must be completed on or before the fifteenth day of the month following the month being reported. The municipal clerk of court or county treasurer shall then forward the total sum collected to the State Treasurer on or before the twenty-fifth day of the month. Any municipality in this State may enter into a mutual agreement with the county in which it is located to provided for joint collections and transmittals under those terms and conditions as the respective bodies may agree. In these cases, receipts and transmittals required by this section shall reflect, in the report of transmittal to the State Treasurer, the collection and forwarding of all monies from the named sources.

The Department of Parole and Community Corrections shall deposit with the State Treasurer funds collected from offenders in Restitution Centers for credit to the same account as funds collected under Section 14-1-210.

Section 14-1-230. The State Treasurer shall record, before the last day of that same month, the total monthly submissions of monies from the respective county treasurers and municipal clerks of courts, and the Department of Parole and Community Corrections shall deposit these monies into a separate and restricted account. Funds deposited to this account shall remain in the account from fiscal year to fiscal year and shall be available to the General Assembly for appropriation to programs established pursuant to Chapter 21 of Title 24 of the 1976 Code. ~~This account must be set aside for use by the State Budget and Control Board in financing local correctional facility construction or renovation projects for additional bedspace for convicted offenders who receive sentences of greater than ninety days and less than one year, and for use by~~

~~the Board in funding of local correctional of law requiring that custody and control receive sentences of less than one year, percent of the cost fines as imposed purs of item (2) of sul received may be used purposes~~

(B) The provision effect July 1, 1985."

SECTION 41. Any r this Act or any chang only be implement appropriations for authorized by the Gener

SECTION 42. Consid new correctional fa state may be giv unemployment rates, a and Statistical Serv Budget and Control location does not correctional facility employment for any i requirements for rest programs, and (2) services, including electrical and telep systems. The provisi if the governing body facility be construct that the provisions affect any sites sel Corrections prior to section.

SECTION 43. Sectio amended to read:

"Notwithstanding any any criminal trial w death or in a se

	TOTAL	STATE	FEDERAL	OTHER
HOUSE OF REPRESENTATIVES				
0312 0183 REDUCE AGENCY HEAD INCREASE TO 3%.				
CHANGES - HOUSE OF REPRESENTATIVES	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)
AGENCY SUB-TOTAL - HOUSE OF REPRESENT	133,860,080 (4,590.15)	117,675,433 (4,404.72)	1,183,980 (33.67)	15,000,667 (151.76)
SENATE FINANCE COMMITTEE				
0001 0001 ADJ ENTRY REPRESENTING REVERSAL OF ALL W&M ACTIONS AFTER SERIAL 1002 & ALL HOUSE ACTIONS.	10,533,303- (598.00-)	10,533,303- (598.00-)		
0001 0002 RESTORE FUNDS AND FTE'S PROVIDED BY B&C BD AND REVERSED BY W&M SERIAL 1001 AMENDMENT 1130 FOR NELSON SUIT COMPLIANCE AND MCCORMICK STAFFING.	8,637,066 (587.00)	8,637,066 (587.00)		
0002 0017 TEMP HOUSING; INMATE EARNINGS; DATAPROCESSING FEES; OPERATING EXPENSE-MCCORMICK; TRAINING-NELSON REQUIREMENTS; OPERATING EXPENSE-HEALTH CARE STUDY; NEW MEDICAL POSITIONSRECOM MENDED BY WMC DELAYED;	2,729,592 (86.00)	2,729,592 (86.00)		
0004 0087 FRINGE-NEW POSITIONS. .	33,342	33,342		
0004 0100 4% PAY ADJUSTMENT FOR CORRECTIONAL OFFICERS	1,500,000	1,500,000		
0006 0168 TO REDUCE 4% PAY ADJUSTMENT TO 3%.	375,000-	375,000-		
CHANGES - SENATE FINANCE	1,991,697 (75.00)	1,991,697 (75.00)	0 (0.00)	0 (0.00)
AGENCY SUB-TOTAL - SENATE FINANCE	135,851,777 (4,665.15)	119,667,130 (4,479.72)	1,183,980 (33.67)	15,000,667 (151.76)
THE SENATE				
0523 0122 FUNDING FOR THE SHOCK PROBATION PROGRAM OF THE OMNIBUS CRIME BILL TO BE FUNDED OUT OF COURT ASSESSMENT FEES, SCDC WILL BILL DEPT. OF PAROLES & COMMUNITY CORRECTIONS FOR REIMBURSEMENT	1,554,513 (43.00)			1,554,513 (43.00)
CHANGES - THE SENATE	1,554,513 (43.00)	0 (0.00)	0 (0.00)	1,554,513 (43.00)
AGENCY SUB-TOTAL - THE SENATE	137,406,290 (4,708.15)	119,667,130 (4,479.72)	1,183,980 (33.67)	16,555,180 (194.76)

99270 01266

#2262

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
APIP 87
Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. PROJECT IDENTIFIERS:
   A. Agency: Number N04 Name South Carolina Department of Corrections
   B. Contact Person Jerry S. Edwards Phone: 737-8493
   C. Project Name: Temporary Housing Units (288 Beds)
   D. Facility Affected: Name N/A Number N/A

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):
   This project provides for the construction of Three 96-bed temporary housing units at three existing correctional facilities.

   Site Description: (Attach a map showing project location)
   Location: TBA (county) ____ (code) ____ (city) ____ (site)

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):
   The 288 temporary beds provided by the project will allow the Department of Corrections to comply with certain terms of the Nelson Consent Agreement, while awaiting completion on permanent institutions.

   (What specific needs does this project address?):

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

   No feasible alternatives.

5. PRIORITY: This project is priority number 7 of 9 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?
   Yes X No ____ If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:
   A. Total estimated cost of project $ 900,000
   B. Total estimated cost of project includes the following (1. through 10. = 7A above)
   (1) $ ____ Planning/design services
   (2) ____ Site work (including utilities)
   (3) ____ Central energy systems repair/replacement
   (4) ____ Mechanical systems repair/replacement
   (5) ____ General renovation/repair of floor space (Gross sq. ft.: ____)
   (6) ____ Roof repair/replacement
   (7) ____ Construction of additional floor space: (Gross sq. ft.: ____)
   (8) ____ Equipment/supplies
   (9) ____ Purchase of facilities: (Floor space, gross sq. ft. ____) (Land, acres: ____)
   (10) 900,000 Other (Specify) Construction of Three 96-Bed Temporary Housing Units.
   $ 900,000 Total (Same as 7 A)

01267 Item 13

7. C. Total estimated cost of project by broad purpose: Total cost: $ 900,000
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other: Construct Three Temporary Housing Units	$ 900,000

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 900,000
(Expenditure purposes (use 7B categories): Construct 3 Temporary Housing Units

B. Estimated expenditures after this FY: $ 0

C. Total (Same as 7A, 7B and 7C): $ 900,000

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$					
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State	900,000	8895			9001	0700
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	$ 900,000					

10. Submitted By: William D. Leeke

Authorized Official: William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-8

FY Submitted 1986-87

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date

PROJECT NUMBER

PROJECT NAME:

01268

#2263

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
APIP 87
Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. PROJECT IDENTIFIERS:
   A. Agency: Number N04 Name South Carolina Department of Corrections
   B. Contact Person Jerry S. Edwards Phone: 737-8493
   C. Project Name: General Renovations
   D. Facility Affected: Name -- Number --

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):
   This project provides for renovations to existing institutions to include kitchen repairs, roof repairs, providing barrier free facilities, paving, tile work, and plumbing.

   Site Description: (Attach a map showing project location)
   Location: -- (county) -- (code) -- (city) -- (site)

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):
   This project addresses the critical need of providing adequate health and safety protection in all correctional facilities as mandated by the Nelson vs Leeke suit.

   (What specific needs does this project address?):

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

   No feasible alternatives.

5. PRIORITY: This project is priority number 8 of 9 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?
   Yes ____ No X If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:
   A. Total estimated cost of project $ 4,362,492
   B. Total estimated cost of project includes the following (1. through 10.= 7A above)
   (1) $ ____ Planning/design services
   (2) ____ Site work (including utilities)
   (3) ____ Central energy systems repair/replacement
   (4) ____ Mechanical systems repair/replacement
   (5) ____ General renovation/repair of floor space (Gross sq. ft.: ____)
   (6) ____ Roof repair/replacement
   (7) ____ Construction of additional floor space: (Gross sq. ft.: ____)
   (8) ____ Equipment/supplies
   (9) ____ Purchase of facilities: (Floor space, gross sq. ft. ____) (Land, acres: ____)
   (10) 4,362,492 Other (Specify) General Renovations

   $ 4,362,492 Total (Same as 7 A)

01269 Item 14

7. C. Total estimated cost of project by broad purpose: Total cost: $ 4,362,492
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other Renovations	$ 4,362,492

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 2,000,000
(Expenditure purposes (use 7B categories): General Renovations

B. Estimated expenditures after this FY: $ 2,362,492

C. Total (Same as 7A, 7B and 7C): $ 4,362,492

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$ 758,924	8115		3043	9001	0700
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State	3,603,568	8895			9001	0700
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	$ 4,362,492					

10. Submitted By: William D. Leeke

Authorized Official: William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-86

FY Submitted 1986-87

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date

PROJECT NUMBER

PROJECT NAME:

01270

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

#2266

For Board Use Only
APIP 87
Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. PROJECT IDENTIFIERS:
   A. Agency: Number N04 Name South Carolina Department of Corrections
   B. Contact Person Jerry S. Edwards Phone: 737-8493
   C. Project Name: Upgrade Security - Fencing
   D. Facility Affected: Name N/A Number N/A

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):
   This project provides for upgrading security at three minimum security centers, by adding barrier fencing thereby reducing the risk of escapes.

   Site Description: (Attach a map showing project location)
   Location: See Attachment
   county code city site

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):
   This project is required because of the increased security required by the nature of the individuals confined at SCDC minimum security institutions due to the shortage of medium security bedspaces.

   (What specific needs does this project address?):

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

   No feasible alternatives

5. PRIORITY: This project is priority number 9 of 9 projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?
   Yes ____ No X If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:
   A. Total estimated cost of project $ 500,000
   B. Total estimated cost of project includes the following (1. through 10.= 7A above)

   (1) $ ____ Planning/design services
   (2) ____ Site work (including utilities)
   (3) ____ Central energy systems repair/replacement
   (4) ____ Mechanical systems repair/replacement
   (5) ____ General renovation/repair of floor space (Gross sq. ft.: ____)
   (6) ____ Roof repair/replacement
   (7) ____ Construction of additional floor space: (Gross sq. ft.: ____)
   (8) ____ Equipment/supplies
   (9) ____ Purchase of facilities: (Floor space, gross sq. ft. ____)
   (Land, acres: ____)
   (10) 500,000 Other (Specify) Fencing

   $ 500,000 Total (Same as 7 A)

01271 Item 15

7. C. Total estimated cost of project by broad purpose: Total cost: $ 500,000
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other: Fencing	$ 500,000

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 500,000
(Expenditure purposes (use 7B categories): Fencing

B. Estimated expenditures after this FY: $ 0

C. Total (Same as 7A, 7B and 7C): $ 500,000

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$					
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State	500,000	8895			9001	0700
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	$ 500,000					

10. Submitted By: William D. Leeke

Authorized Official: William D. Leeke, Commissioner
Typed Name and Title and Signature

Date Submitted 6-26-86

FY Submitted 1986-87

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature Date

PROJECT NUMBER:

PROJECT NAME: 01272

BUDGET AND CONTROL BOARD FORM A-13 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
Packet Number

PROJECT PROPOSAL AND JUSTIFICATION STATEMENT FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 86-87

1. PROJECT IDENTIFIERS:
   A. Agency: Number F12 Name Division of General Services
   B. Contact Person Richard W. Kelly Phone: 737-2140
   C. Project Name: Robert Mills Building Parking Lot & Bldg upfitting #9064
   D. Facility Affected: Name Robert Mills Building Number 081

2. PROJECT DESCRIPTION (What does it consist of? Attach supporting documentation):

   This project will consist of developing the parking area, opening of Calhoun Street entrance and additional upfit allowance.

   Site Description: (Attach a map showing project location)
   Location: Richland (county) 40 (code) Columbia (city) 2000 Bull Street (site)

3. PROJECT JUSTIFICATION (What does it consist of? Attach supporting documentation):

   Provide parking for tenants of Robert Mills Building.

   (What specific needs does this project address?):

4. ALTERNATIVES CONSIDERED AS A MEANS OF MEETING NEEDS SPECIFIED IN #3:

5. PRIORITY: This project is priority number _____ of _____ projects proposed in this program.

6. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs?
   Yes ____ No X If yes, complete and attach addendum A-49.

7. ESTIMATES OF PROPOSED PROJECT COSTS:
   A. Total estimated cost of project $ 335,000.00
   B. Total estimated cost of project includes the following (1. through 10. = 7A above)

(1)	$ 25,000	Planning/design services
(2)		Site work (including utilities)
(3)		Central energy systems repair/replacement
(4)		Mechanical systems repair/replacement
(5)		General renovation/repair of floor space (Gross sq. ft.:)
(6)		Roof repair/replacement
(7)		Construction of additional floor space: (Gross sq. ft.:)
(8)	100,000	Equipment/supplies
(9)		Purchase of facilities: (Floor space, gross sq. ft.) (Land, acres:)
(10)	210,000	Other (Specify) Parking Lot
	$ 335,000	Total (Same as 7 A)

01273 Item 16

7. C. Total estimated cost of project by broad purpose: Total cost: $ 335,000
(equals 1 through 8, below and is same as 7A)

1. Purchase land	$	5. Restore facility	$
2. Purchase facility	$	6. Maintain facility	$
3. Demolish facility	$	7. Replace facility	$
4. Construct additional facility	$	8. Other: Upfit & Parking Lot	$ 335,000

8. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR:

A. Estimated expenditures and expenditure purposes, this FY: 86-87 $ 335,000
(Expenditure purposes (use 7B categories):

B. Estimated expenditures after this FY: $

C. Total (Same as 7A, 7B and 7C): $ 335,000

9. PROPOSED SOURCES OF FUNDS: Type	Amount	Revenue Code	Treasurer I D Number	Sub Fund	Mini Code	Object Code
(0) Capital Improvement Bonds	$ 335,000	8115	02800400	3043		0700
(1) Dept Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
(4) Excess Debt Service						
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL (Same as 7A)	$ 335,000					

10. Submitted By:

Authorized Official: Richard W. Kelly, Division Director — Richard W. Kelly
Typed Name and Title and Signature

Date Submitted July 24, 1986

FY Submitted

11. APPROVED (For Board Use Only):

Typed Name and Title and Signature

Date

PROJECT NUMBER

PROJECT NAME

01274

The Committee approved this request with the hope that the Calhoun Building Renovations project, authorized in the amount of $6,087,000 in the 1986 Bond Act would come in under the amount authorized so that a portion of the surplus funds could be used to restore the Contingency allocation for this project.

With kind regards, I am

Sincerely,

Horace C Smith

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc

cc: Mr. Rick Kelly, Director
Division of General Services

Mr. Bill Clement
Acting State Engineer

D1275-A

JUL 25 1986

Capital Improvements
Joint Bond Review Committee

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION/
BUDGET AND CONTROL BOARD LIAISON

TOM G. MANGUM
HOUSE OF REPRESENTATIVES
VICE CHAIRMAN

LIB CROFT
ADMINISTRATIVE ASSISTANT

P.O. BOX 142 TELEPHONE (803) 734-2824 OR 3090
~~758-5088~~ ~~8900~~
ROOM 410, GRESSETTE BUILDING
Columbia, South Carolina 29202

July 24, 1986

SENATE MEMBERS:
HORACE C. SMITH
JAMES M. WADDELL, JR.
WILLIAM W. DOAR, JR.
HUGH K. LEATHERMAN
THOMAS L. MOORE

HOUSE MEMBERS:
TOM G. MANGUM
MARION P. CARNELL
JENNINGS G. McABEE
T.W. EDWARDS, JR.
R.N. McLELLAN

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
600 Wade Hampton Bldg.
Columbia, South Carolina 29201

In Re: B&C Board-Div. of General Services

Dear Mr. McInnis:

At the meeting of the Joint Bond Review Committee held July 22,1986, the Committee considered and approved a request by the Budget and Control Board-Division of General Services for the appropriation of $335,000 from the B&C Board Emergency Contingency Fund to finance the Robert Mills Building parking/fixtures project. This project, which was included in the 1986 Capital Improvements Bond Act (Act #538 of 1986), was vetoed by the Governor; and the veto was sustained by the House of Representatives.

Mr. Rick Kelly, Director of the Division of General Services, advised the Committee that the parking lot was essential for the utilization of the Mills Building in that the facility would not be accessible to employees without the parking. Also, funds are included for the up-fitting required to move DHEC offices into this building as planned by the B&C Board.

01275

Capital Improvements
Joint Bond Review Committee

JUL 24 1986

HORACE C. SMITH
SENATE
CHAIRMAN

SCOTT R. INKLEY
DIRECTOR OF RESEARCH AND ADMINISTRATION/
BUDGET AND CONTROL BOARD LIAISON

TOM G. MANGUM
HOUSE OF REPRESENTATIVES
VICE CHAIRMAN

LIB CROFT
ADMINISTRATIVE ASSISTANT

34-2824 3090
P.O. BOX 142 TELEPHONE (803) ~~758-5088~~ OR ~~-8900~~
ROOM 410, GRESSETTE BUILDING
Columbia, South Carolina 29202

SENATE MEMBERS:
HORACE C. SMITH
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THOMAS L. MOORE

HOUSE MEMBERS:
TOM G. MANGUM
MARION P. CARNELL
JENNINGS G. McABEE
T.W. EDWARDS, JR.
R.N. McLELLAN

July 24, 1986

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
600 Wade Hampton Bldg.
Columbia, South Carolina 29201

Replaced by Lib Croft

In Re: B&C Board-Div. of General Services

Dear Mr. McInnis:

At the meeting of the Joint Bond Review Committee held July 22,1986, the Committee considered and approved a request by the Budget and Control Board-Division of General Services for the appropriation of $335,000 from the B&C Board Emergency Contingency Fund to finance the Robert Mills Building parking/fixtures project. This project, which was included in the 1986 Capital Improvements Bond Act (Act #538 of 1986), was vetoed by the Governor; and the vetoe was sustained by the House of Representatives.

Mr. Rick Kelly, Director of the Division of General Services, advised the Committee that the parking lot was essential for the utilization of the Mills Building in that the facility would not be accessible to employees without the parking facility which would hinder the Board's plans to move DHEC offices into the building.

With kind regards, I am

Sincerely,

Horace C. Smith

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc
cc: Mr. Rick Kelly, Director
Division of General Services

Mr. Bill Clement
Acting State Engineer

16

01276

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

July 24, 1986

Mr. William A. McInnis
Deputy Executive Director
State Budget & Control Board
600 Wade Hampton Bldg.
Columbia, South Carolina 29201

In Re: School for the Deaf & Blind

Dear Mr. McInnis:

At the meeting of the Joint Bond Review Committee held July 22,1986, the Committee considered a request by the School for the Deaf and Blind for the appropriation of $63,000 from the Budget and Control Board Emergency Contingency Fund for the repair of one boiler and the replacement of another boiler.

This is to advise that the Committee denied the request for the use of funds from the B&C Board Emergency Contingency Fund; however, the Committee agreed that $63,000 of the $200,000 Improvements project that was authorized in the 1986 Capital Improvements Bond Act (Act #538 of 1986) will be scheduled in Priority Group #9 so that these emergency repairs can be completed. The Committee noted that the School had included this project in the $200,000 Improvements project. A meeting of the Committee to finalize the Priority Group #9 project releases is scheduled for September 9, 1986.

With kind regards, I am

Sincerely,

Senator Horace C. Smith, Chairman
Joint Bond Review Committee

HCS:lc
cc: Mr. C. Paul Manly
Director of Administrative Services
SC School for the Deaf and the Blind

Mr. Bill Clement
Acting State Engineer

01277

SOUTH CAROLINA SCHOOL
FOR THE DEAF AND THE BLIND

CEDAR SPRING STATION
SPARTANBURG, S.C. 29302
TELEPHONE: (803) 585-7711

A. BARON HOLMES, IV
President

July 7, 1986

EXHIBIT
JUL 29 1986 NO. 15
STATE BUDGET & CONTROL BOARD

Mr. Charles E. Shaw
Budget and Control Board
Finance Division
300 Gervais St.
Columbia S. C., 29201

RE: Capital Improvements Justification
Treas. I. D. # 028-048

Dear Mr. Shaw:

The following are Capital Improvement Justifications for the S. C. School for the Deaf and Blind:

#1. We are in an emergency situation with two (2) boilers inoperable. We have a central boiler room with two (2) - 400 HP boilers and one (1) 200 HP boiler that provides steam heat and hot water to over thirty (30) buildings on campus. These boilers are 23 to 24 years old. The 200 HP is beyond repair and must be replaced. One (1) 400 HP boiler is inoperable and preliminary surveys indicate it will cost approximately $18,000 to repair.

Amount to be spent on replacement and repair, $63,000, July 1 to August 30, 1986.

#2. Three (3) each main boiler and three (3) each header steam valves need to be replaced. These valves have been resurfaced one time and are now leaking by again. They were installed when the boiler room was built in 1963. They should be replaced both for safty and economy. The cost for this project is Approximately $ 4,800.00.

#3. One (1) each pressure relief valve central boiler house. This valve is worn beyond repair. It must be replaced this summer as it is on the main steam line leaving the Boiler Room. Cost for this valve - Approximately $2,000.00.

01278

BOARD OF COMMISSIONERS

MR. DOUGLAS DENT, Chairman
Member at Large

MRS. R. BEVERLY HERBERT, JR., Secretary
Second Congressional District

MRS. LEWIS M. DAVIS
Fourth Congressional District

DR. EARL F. MATHIS, SR.
Third Congressional District

MRS. W. BURKE WATSON
Fifth Congressional District

MR. DONALD CAPPS
Member at Large, Blind

MR. HARRY CULPEPPER
Member at Large, Deaf

MRS. LINDA K. SILVER
First Congressional District

MRS. SARAH M. STOKES
Sixth Congressional District

EX OFFICIO MEMBERS

DR. CHARLIE WILLIAMS
State Superintendent of Education

DR. ROBERT S. JACKSON
Commissioner, DEHEC

DR. TERRY PETERSON
Representative from the Governor's Office

Item 17

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

RE: Capital Improvements Justification
Treas. I. D. #028-048

#4. Memminger Hall Roof. This building was built in 1971 and has a built up roof. This roof has deteriorated to the point that it must be replaced, as soon as possible. Cost for this project - approximately $ 20,000.00.

#5. Thackston Hall Roof. This building houses both dormitory and classrooms. The roof is slate and inserious need of replacement. Cost for this is approximately $25,000.00.

#6. Student Affairs Building. This building was built in 1924. It has never had any major renovations. It is a sound structured building but in need of complete renovations inside and some work outside. This is a much used building by studnets, parents and staff. Cost for this project is approximately $ 65,200.00.

#7. Boiler Building and small steam boiler for Central Kitchen. If the Central Kitchen has it's own source of steam and hot water, it would result in a tremendous energy saving for the S. C. School for the Deaf and Blind. There are many times, we have to run our Central Boiler just for the kitchen and this is just not cost effective. Cost for this project is approximately $ 20,000.00.

Sincerely;

Robert L. Millard

Robert L. Millard
President

/f

COMPARISON OF

ANNUAL PERMANENT IMPROVEMENT PROGRAMS

1985-86 vs. 1986-87

	1985-86	1986-87	Change	Percentage Change
#Projects	208	160	-48	-23.1
Amount	43,604,511	128,539,912	84,935,401	194.8

Prepared By:

State Budget Division

July 22, 1986

EXHIBIT

JUL 29 1986 NO. 15

STATE BUDGET & CONTROL BOARD

01280

Item 18

Analysis of Proposed New Projects

1986-87 Annual Permanent Improvement Program

Category	# of Projects	Percent	Budget Amount	Percent
General Maintenance				
Painting & Carpeting	9		710,000	
Roof Repair/Replacement	19		1,790,001	
Contingencies/Other	3		4,612,492	
Subtotal	31	19.4	7,112,493	5.5
Systems Upgrade				
HVAC	9		1,794,000	
Energy Eff & Mgmt	9		1,630,702	
Utilities	11		1,529,000	
Other (Fire,Security,Smoke)	6		4,290,000	
Subtotal	35	21.9	9,243,702	7.2
Facilities Upgrade/Renovation				
Academic/Programmatic	23		5,736,400	
Warehouse/Storage	2		155,000	
Athletic	4		1,540,000	
Subtotal	29	18.1	7,431,400	5.8
New Construction				
Academic/Programmatic	13		9,921,872	
Prison Beds	6		84,305,947	
Warehouse/Storage/Maintenance	7		810,000	
Recreational	6		1,297,998	
Athletic	1		50,000	
Subtotal	33	20.6	96,385,817	75.0
Other				
Paving,Parking,Walks,Landscaping	18		1,556,500	
PCB's and Asbestos Removal	6		890,000	
Land Acquisitions	4		4,690,000	
Other	4		1,230,000	
Subtotal	32	20.0	8,366,500	6.5
Total	160	100.0	128,539,912	100.0

01281

GSAPIP62

BUDGET AND CONTROL BOARD
ANNUAL PERMANENT IMPROVEMENT PROGRAM
AGENCY PROPOSED PROJECTS FOR FY 86-87

07/14/86

SOURCE OF FUNDS TOTALS FOR ALL AGENCIES

SOURCE OF FUNDS	AGENCY AMOUNT
CAPITAL IMPROVEMENT BONDS	84,726,423
DEPART. CAPITAL IMPROVEMENT BONDS	50,000
INSTITUTION (TUITION) BONDS	0
INSTITUTIONAL (REVENUE) BONDS	3,500,000
EXCESS DEBT SERVICE	10,280,551
OPERATING FUNDS STATE	12,520,271
FEDERAL FUNDS	1,589,926
ATHLETIC FUNDS	1,590,000
OTHER FUNDS	14,282,741
**********GRAND TOTAL	128,539,912

NEW REQUESTS

EXHIBIT
JUL 29 1986 NO. 15
STATE BUDGET & CONTROL BOARD

01282

141

The State of South Carolina

Office of the Attorney General

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803-734-3680

JUL 24 1986

EXHIBIT

JUL 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD

July 21, 1986

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Columbia, SC 29201

RE: $600,000 Spartanburg County, South Carolina,
Industrial Development Revenue Bond,
(Structofab, Inc.)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Section 4-29-140 et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

David C. Eckstrom
Assistant Attorney General

DCE:
Encls.

01283

EXHIBIT

JUL 29 1986 NO. 16

STATE OF SOUTH CAROLINA
STATE BUDGET AND CONTROL BOARD
Standard Form Investment Letter

STATE BUDGET & CONTROL BOARD

TO: Secretary, State Budget and Control Board
P. O. Box 12444
Columbia, SC 29211

RE: Sale by Spartanburg County, South Carolina (the "Issuer")
Of its $600,000 Industrial Development Revenue Notes (the "Bonds")
On behalf of Structofab, Inc. (the "Company")
Structofab, Inc. (the "Project")
To The South Carolina National Bank (the "Purchaser")

In connection with the referenced sale of Bonds by the Issuer, the Purchaser makes the following representations and certifications:

1. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds;

2. The Purchaser is financially able to bear the economic risk of its proposed investment in the Bonds for an indefinite period;

3. The Purchaser is familiar with the business affairs of the Company and has obtained and examined all financial and other information with respect to the Bonds, the Company and the officers and shareholders of the Company which it deems necessary in order to enable it to evaluate the merits and risks of its investment in the Bonds and to make an informed investment judgment in connection with the purchase of the Bonds;

4. The Purchaser has had the opportunity to ask questions of, and receive answers from, the Issuer and the Company concerning the terms and conditions of the offering and any other information which it has deemed relevant to the Bonds and its investment in the Bonds; and

5. The Bonds are being purchased for the account of the Purchaser and for the purpose of investment and not presently for resale, and the Purchaser has no present intention of offering the Bonds or any portion thereof for resale either currently or after the passage of a fixed period of time, or upon the occurrence or nonoccurrence of any predetermined event or circumstances.

SWORN to and subscribed before me this 20th day of June, 1986.

Gina A. Wurthmann
Notary Public

My Commission expires

NOTARY PUBLIC FOR SOUTH CAROLINA.
My Commission expires February 22, 1991

PURCHASER:
Name: The South Carolina National Bank
Address: Post Office Box 111
Columbia, South Carolina 29202

BY: [signature]
Signature of Authorized Official

Date: 6/20/86

01284

EXHIBIT

JUL 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)

COUNTY OF RICHLAND)

Structofab, Inc.

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, July 29, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of Senator Dennis, who was represented by Senate Finance Commitee Vice Chairman James M. Waddell, Jr.

That at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Senator Waddell, who moved its adoption; the motion was seconded by Mr. Morris, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION	AGAINST MOTION
5	0

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

August 6, 1986

William A McInnis

01285

EXHIBIT NO. 16
JUL 29 1986
STATE BUDGET & CONTROL BOARD

A RESOLUTION APPROVING THE ISSUANCE BY SPARTANBURG COUNTY, SOUTH CAROLINA, OF A NOT EXCEEDING $600,000 PRINCIPAL AMOUNT INDUSTRIAL DEVELOPMENT REVENUE NOTE (STRUCTOFAB, INC. PROJECT) 1986, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 4, CHAPTER 29 (1976), AS AMENDED.

WHEREAS, the County Council of Spartanburg County, South Carolina (the "Governing Board"), has heretofore, by submitting a petition (the "Petition") under and pursuant to the provisions of Section 4-29-140 of South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended (the "Act"), requested the approval by the State Budget and Control Board of the issuance by Spartanburg County (the "County") pursuant to the Act of its Industrial Development Revenue Note (Structofab, Inc. Project) in the aggregate principal amount of not exceeding $600,000 (the "Note"); and

WHEREAS, the County proposes to issue the Note for the purpose of defraying the cost of acquiring, by construction and purchase, certain land and a building or buildings and other improvements thereon, and certain machinery, apparatus, equipment, office facilities and furnishings (the "Project") to be used for the purpose of manufacturing fiberglass reinforced products; and

WHEREAS, the Project is to be made available to Structofab, Inc. (the "Corporation") upon terms which require the Corporation to make payments to or for the account of the County in amounts sufficient to pay the principal and interest on the Note and which secure the obligation of the Corporation by a mortgage and security interest in the Project; and

WHEREAS, the Note will be payable from and secured by an assignment of the obligations of the Corporation and the mortgage and security interest in the Project; and

WHEREAS, the County has submitted a copy of a resolution and petition adopted by the County on July 9, 1986;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. The Board has made an independent investigation of the matters set forth in the Petition, and on the basis of such investigation it is hereby found, determined and declared:

(a) The facts set forth in the Petition, and in the preamble hereto, are in all respects true and correct;

(b) The Petition filed by the Governing Board contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 4-29-140 of the Act; and

(c) The Project subject of the Petition of the Governing Board is intended to promote the purposes of the Act and is reasonably anticipated to effect such result.

Section 2. In consequence of the foregoing, the proposal of the County to defray the cost of acquiring the Project, to make the Project available to the Corporation, to finance the cost thereof and expenses incidental thereto by the execution and delivery of the Note, in substantially the form set forth in the Indenture, secured by an assignment of the revenues to be derived from the Mortgage and Financing Agreement, and a mortgage and security interest in the Project, be and the same is hereby in all respects approved. This approval shall not be affected by any changes in the details of the proposal of the County so long as such changes do not impose a pecuniary liability upon the County or its general credit or taxing power, are approved by the County Council and the Corporation, and do not make inaccurate, except as to dates and amounts, the summaries of the Mortgage and Financing Agreement and the Indenture and the description of the Project.

Section 3. Notice of the action taken by this Board in approving the above described undertaking of the County shall be published in the Spartanburg Herald-Journal, which is a newspaper having general circulation in Spartanburg County.

Section 4. The Notice, required in Section 3 above to be published, shall be in substantially the form set forth in Exhibit "A" of this Resolution.

Section 5. This Resolution shall take effect immediately.

EXHIBIT

JUN 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD

01287

EXHIBIT A

NOTICE PURSUANT TO THE PROVISIONS
OF SOUTH CAROLINA CODE ANNOTATED,
TITLE 4, CHAPTER 29
(1976), AS AMENDED

Notice is hereby given pursuant to the provisions and requirements of Section 4-29-140 of South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended (the "Act"), that the State Budget and Control Board of South Carolina, pursuant to a Petition filed by the County Council of Spartanburg County, South Carolina, has given its approval to the following undertaking by Spartanburg County, South Carolina:

The issuance by Spartanburg County of its Industrial Development Revenue Note (Structofab, Inc. Project) in the original principal amount of not exceeding $600,000 (the "Note"), to defray the costs of acquiring, by construction and purchase, certain land and a building or buildings and improvements thereon, and certain machinery, apparatus, equipment, office facilities and furnishings by Structofab, Inc., a Georgia corporation, to be used as an industrial facility for the purpose of manufacturing fiberglass reinforced products (the "Project") to be located in Spartanburg County. The Project will be made available to Structofab, Inc. which will unconditionally covenant to make payments sufficient to pay the principal and interest on the Note. The Note will be payable solely and exclusively out of payments to be made by Structofab, Inc. for the use of the Project, and is to be additionally secured by a mortgage and security interest in the Project.

Notice is further given that any interested party may, within twenty (20) days after the date of the publication of this notice, but not afterwards, challenge the validity of the State Budget and Control Board's approval of the Project and the issuance of the Note by Spartanburg County to finance the same, by action de novo instituted in the Circuit Court for Spartanburg County, South Carolina.

STATE BUDGET AND CONTROL BOARD

BY: WILLIAM A. McINNIS, Secretary

Dated: July 29, 1986.

EXHIBIT

JUL 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
SPARTANBURG COUNTY)

TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

PETITION

This Petition of Spartanburg County, South Carolina (the "County"), pursuant to South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended (the "Act"), and specifically Section 4-29-140 thereof, respectfully shows:

1. The County Council of Spartanburg County (the "County Council") is the governing body of the County and as such is the "governing board" of the County referred to in the Act.

2. The Act, among other things, empowers the County, subject to obtaining the approval of the State Budget and Control Board, pursuant to Section 4-29-140 of the Act: (i) to acquire, and, in connection with such acquisition, to enlarge, improve and expand, whether by construction, purchase, gift or lease, one or more projects (as defined in the Act) which shall be located within the jurisdiction of the County; (ii) to make available to any industry or industries any or all of its projects for such payments and upon such terms and conditions as the governing board may deem advisable and as shall not conflict with the provisions of the Act; and (iii) to issue revenue bonds, as defined in the Act to include notes, for the purpose of defraying the cost of acquiring, by construction and purchase, and in connection with any such acquisition, to enlarge, improve and expand any project and to secure the payment of such bonds all as in the Act provided.

3. The County has agreed to assist Structofab, Inc., a Georgia corporation qualified to do business as a corporation in South Carolina (the "Corporation"), by issuing its revenue note for the purpose of defraying the cost of acquiring certain facilities located in the County (the "Project") more fully described in Exhibits A and B to the Mortgage and Financing Agreement and Indenture.

4. The County has been advised by the Corporation that the estimated cost of the Project will be not exceeding $600,000 and it has requested the County to execute and deliver its Industrial Development Revenue Note (Structofab, Inc. Project) (the "Note") in the principal amount of not exceeding $600,000 to defray such costs.

01289

5. Pursuant to Section 4-29-60 of the Act, the County Council has made the requisite findings that: (i) the Project will subserve the purposes of the Act; (ii) it is anticipated that the Project will benefit the general public welfare of the County by providing employment and other public benefits not otherwise provided locally; (iii) the Project will give rise to no pecuniary liability of the County or a charge against its general credit or taxing power; (iv) the principal amount of the Note required to finance the Project is expected to be not exceeding $600,000; (v) the County does not deem it necessary to establish any reserve funds in connection with the retirement of the proposed Note and the maintenance of the Project; and (vi) the terms under which the Project is to be made available to the Corporation provide that the Corporation shall maintain the Project and carry all proper insurance with respect thereto, and as a part of the proceedings of the County, the County Council will make the requisite finding as to the amount necessary in each year to pay the principal and the interest on the Note proposed to be issued to defray the cost of the Project.

6. Pursuant to Section 4-29-140 of the Act, the County sets forth the following information:

(a) The Project, described in detail on Exhibits A and B to the Mortgage and Financing Agreement and the Indenture, consists of land, a building or buildings and other improvements thereon and certain machinery, apparatus, equipment, office facilities and furnishings to be used for the purpose of manufacturing fiberglass reinforced products. It is anticipated that, upon completion, the Project will provide directly 60 additional full-time jobs in the County and neighboring areas and that the Project will provide stimulation to the economy of the County and neighboring areas thereto by increased payrolls, capital investment and tax revenues.

(b) It is estimated that the cost of the Project, including the items of cost authorized in the Act, will be not exceeding $600,000.

(c) Copies of the Mortgage and Financing Agreement and the Indenture are available from the County. The following summary of terms is in no wise intended to affect or alter the actual terms of the documents themselves:

(i) The proposed Mortgage and Financing Agreement between the Corporation and the County provides in general:

(A) Proceeds derived from the placement of the Note, will be used and applied by the County upon request of the Corporation solely for the payment of the costs (as that term is defined in the Act) incident to the acquisition, by construction and purchase, of the Project.

(B) The Corporation obligates itself: to effect the completion of the Project if the proceeds derived from the placement of the Note prove insufficient therefor without diminution of any payments to the County required by the Mortgage and Financing Agreement; to meet the payments of principal and interest on the Note as the same become due; and to pay the cost of maintaining and insuring the Project to the extent and in the manner provided in the Mortgage and Financing Agreement.

(C) The County does not incur any pecuniary liability or charge upon its general credit or taxing powers.

(D) The County acquires a mortgage and security interest in the Project as security for the obligations of the Corporation under the Mortgage and Financing Agreement.

(ii) The proposed Indenture between the County and The South Carolina National Bank, as lender (the "Lender"), provides in general:

(A) An irrevocable pledge and assignment for the benefit of the Lender or its assigns as holder of the Note of the County's right, title and interest in and to the Mortgage and Financing Agreement and all payments, receipts and revenues which the County has a right to receive under the Mortgage and Financing Agreement or with respect to any security afforded thereunder or any other financing agreement with respect to the Project in favor of the County (except payments and rights to indemnification payments and administration expenses), and all the moneys and securities in funds created under the Indenture.

(B) The terms of the Note, the provisions for exchange and transfer of the Note, the prepayment provisions, the means of disbursement, default provisions and remedies

therefor and various other matters relating to the Note.

(C) The execution of the Indenture imposes no pecuniary liability on the County and does not create a charge upon the general credit or taxing power of the County.

7. Neither the approvals granted in connection with the Note nor the request for an allocation granted by the State Budget and Control Board have been made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Upon the basis of the foregoing, the County respectfully prays that the State Budget and Control Board (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such investigation as it deems advisable, (iii) if it finds that the Project is intended to promote the purposes of the Act and may be reasonably anticipated to effect such result, that it approve the Project and the execution and delivery of the Note by the County pursuant to the Act to defray the cost of the Project (including changes in any details of the said financing as finally consummated which do not materially affect the undertaking of the County), (iv) allocate to the Note such portion of the state ceiling as established by the Deficit Reduction Act of 1984 as is necessary for the issuance of the Note, and (v) give published notice of its approval in the manner set forth in Section 4-29-140 of the Act.

Respectfully submitted,

SPARTANBURG COUNTY, SOUTH CAROLINA

By: K. L. Westmoreland
K. L. Westmoreland, Administrator
of Spartanburg County,
South Carolina

ATTEST:

C. P. Parris
C. P. Parris, Clerk,
County Council of
Spartanburg County,
South Carolina

EXHIBIT

JUL 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD

Dated: July 9, 1986.

01292

EXHIBIT

JUL 29 1986 NO. 16

ASSISTANCE AGREEMENT STATE BUDGET & CONTROL BOARD

THIS AGREEMENT made and entered into by and between Spartanburg County, South Carolina, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), and Structofab, Inc., a Georgia corporation (the "Corporation").

W I T N E S S E T H:

ARTICLE I

RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

Section 1.01. The County is a body politic and corporate, and a political subdivision of the State of South Carolina, and is authorized and empowered by the provisions of Title 4, Chapter 29, Code of Laws of South Carolina, 1976, as amended (the "Act"), to acquire, or cause to be acquired, and to enlarge, improve, expand, equip, furnish, own, lease and dispose of properties through which the industrial development of the State will be promoted and trade developed by inducing new industries to locate in South Carolina and by encouraging industries now located in South Carolina to expand their investments and thus utilize and employ manpower and other resources of South Carolina.

Section 1.02. The Corporation desires to acquire certain land located within the jurisdiction of the County, and a building or buildings and other improvements thereon and all machinery, apparatus, equipment, office facilities and furnishings to be used as an industrial facility for the purpose of manufacturing fiberglass reinforced products (the "Project"). The Project when completed and in operation will provide additional permanent employment in the County for approximately 60 people.

Section 1.03. The Corporation has requested the County to assist it with its contemplated program through the sale of Industrial Development Revenue Bonds (or Notes) pursuant to the Act, whereby the County would defray a portion of the cost of the Project.

Section 1.04. The County has given due consideration to all the proposals and requests of the Corporation and has agreed to endeavor to effect the

issuance of the bonds at the time and on the terms and conditions hereafter set forth.

ARTICLE II

UNDERTAKINGS ON THE PART OF THE COUNTY

The County agrees as follows:

Section 2.01. The County will, subject to the approval by the State Budget and Control Board required by the Act, authorize the issuance of not exceeding One Million Dollars ($1,000,000) Spartanburg County, South Carolina, Industrial Development Revenue Bonds (or Notes) (Structofab, Inc. Project) (the "Bonds"), at such time as the Corporation may request the County to do so.

Section 2.02. The County will permit the Corporation to arrange for the sale of the Bonds to defray the cost of the Project as aforesaid and if successful marketing arrangements can be made, it will adopt such proceedings and enter into such agreements as are necessary for the issuance and securing of the Bonds.

Section 2.03. The proceeds of any sale of the Bonds shall be applied to the payment of the costs of the Project as determined under the Act including, without limitation, the expenses incurred in connection with the issuance and sale of the Bonds, the acquisition by construction and purchase of the Project including land, buildings, necessary machinery and equipment and other items permitted by the Act, and the repayment of any funds advanced or loans incurred by the Corporation for such purposes.

Section 2.04. Prior to issuing any Bonds, the County may enter into a trust indenture with a trustee bank to be selected by the Corporation or an indenture with the purchasers of the Bonds pursuant to which the Bonds will be issued. Such trust indenture or indenture shall be substantially in the form used in connection with the issuance of other South Carolina industrial revenue bonds and may constitute a lien on the Project and the revenues derived from the financing agreement with respect to the Project to secure the payment of the Bonds.

Section 2.05. If requested by the Corporation and in order to provide interim financing pending the issuance of the Bonds, the County will adopt the necessary proceedings and provide for the issuance of bond anticipation notes pursuant to Title 11, Chapter 17, Code of Laws of South Carolina, 1976, in anticipation of the issuance of the Bonds.

Section 2.06. The County will perform such other acts and adopt such further proceedings as may be required to faithfully implement its undertakings and to consummate the proposed financing.

ARTICLE III

UNDERTAKINGS ON THE PART OF THE CORPORATION

Section 3.01. The Corporation agrees that the County will have no obligation to find a purchaser of the Bonds.

Section 3.02. The Corporation further agrees, if the plan proceeds as contemplated:

(a) to acquire by construction and purchase the land, buildings, equipment and machinery constituting the Project;

(b) to enter into a financing agreement with the County under the terms of which the Corporation will obligate itself to pay to the County sums sufficient to pay the principal, interest and premium, if any, on the Bonds, as and when the same become due and payable, said financing agreement shall be in such form and contain such provisions as shall be satisfactory to the County and to the Corporation;

(c) to obligate itself to make the additional payments required by the Act, including, but not limited to, payments in lieu of taxes if necessary;

(d) to hold the County harmless from all pecuniary liability and to reimburse it for all expenses to which it might be put in the fulfillment of its obligations under this Agreement in the implementation of its terms and provisions;

(e) to perform such further acts and adopt such further proceedings as may be required to faithfully implement its undertakings and consummate the proposed financing; and

(f) to covenant and agree in the financing agreement referred to hereinbefore to install in the buildings which are to become a part of the Project all necessary equipment and machinery and thereafter to operate the Project as a facility for the purpose of manufacturing fiberglass reinforced products or for such other purposes as may hereafter be deemed appropriate.

ARTICLE IV

GENERAL PROVISIONS

Section 4.01. All commitments of the County under Article II hereof are subject to all of the provisions of the Act and the condition that nothing contained in this Agreement shall constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing power.

Section 4.02. The parties hereto agree that the Corporation may proceed with the Project including the construction of a building or buildings and acquisition and installation of the equipment and machinery prior to the issuance of the Bonds.

Section 4.03. This Assistance Agreement may be assigned by the Corporation to a corporation which is a wholly owned subsidiary of the Corporation, to a corporation the majority stockholders of which are the majority stockholders of the Corporation, to a partnership comprised of the majority stockholders of the Corporation, or to any or all of the majority stockholders of the Corporation in their individual capacities.

Section 4.04. All commitments of the County and the Corporation hereunder are subject to the condition that the County and the Corporation do agree on acceptable terms and conditions of all documents the execution and delivery of which are contemplated by provisions hereof.

Section 4.05. The parties understand that the Corporation may choose not to finance the Project as herein provided, in which event this Agreement shall become void.

Section 4.06. It is the intention of the parties hereto that this Agreement shall constitute an official action on the part of the County within the meaning of the applicable regulations of the United States Treasury Department relating to the issuance of industrial revenue bonds.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement on the respective dates indicated below.

SPARTANBURG COUNTY, SOUTH CAROLINA

By: K. L. Westmoreland
K. L. Westmoreland, Administrator
of Spartanburg County,
South Carolina

ATTEST:

By: C. P. Parris
C. P. Parris, Clerk,
County Council of
Spartanburg County,
South Carolina

Dated: March 26, 1986.

STRUCTOFAB, INC.

By: _____
Its: PRESIDENT

(SEAL)

ATTEST:

By: Josephine M. Monocky
Its: _____

Dated: March 26, 1986.

JOSEPHINE M. MONOCKY
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES MAY 16, 1989

EXHIBIT

JUL 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD

01298

EXHIBIT

JUL 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD 11

RESOLUTION

A RESOLUTION MAKING APPLICATION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR APPROVAL OF THE ISSUANCE BY SPARTANBURG COUNTY, SOUTH CAROLINA, OF ITS INDUSTRIAL DEVELOPMENT REVENUE NOTE (STRUCTOFAB, INC. PROJECT) 1986, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 4, CHAPTER 29 (1976), AS AMENDED, IN THE PRINCIPAL AMOUNT OF NOT EXCEEDING $600,000.

WHEREAS, Spartanburg County, South Carolina (the "County"), acting by and through its County Council, is authorized and empowered under and pursuant to the provisions of South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended (the "Act"), to acquire and cause to be acquired properties that are projects under the Act through which the industrial development of the State of South Carolina will be promoted and trade developed by inducing industrial enterprises to locate in and remain in the State of South Carolina and thus utilize and employ the manpower, agricultural products and natural resources of the State; and

WHEREAS, the County is further authorized by the Act to issue revenue bonds, as defined in the Act to include notes, payable solely from revenues and receipts from any financing agreement with respect to such project and secured by a pledge of said revenues and receipts and by an assignment of such financing agreement; and

WHEREAS, the County and Structofab, Inc., a Georgia corporation (the "Corporation"), entered into an Assistance Agreement (the "Assistance Agreement") executed by the Corporation on March 26, 1986, and executed by the County on March 26, 1986, pursuant to which and in order to implement the public purposes enumerated in the Act and in furtherance thereof to comply with the undertakings of the County pursuant to the Assistance Agreement, the County proposes to issue its Industrial Development Revenue Note (Structofab, Inc. Project) in the principal amount of not exceeding $600,000 (the "Note") under and pursuant to the Act to defray the costs of acquiring by construction and purchase certain land, a building or buildings and other improvements thereon, and machinery, apparatus, equipment, office facilities and furnishings (the "Project") to be located in the jurisdiction of the County and, subject to the approval of the State Budget and Control Board of South

Carolina, to make the Project available to the Corporation under and pursuant to the terms of a Mortgage and Financing Agreement (the "Agreement") to be entered into between the County and the Corporation; and

WHEREAS, it is now deemed advisable by the County Council to file with the State Budget and Control Board of South Carolina, in compliance with Section 4-29-140 of the Act, the Petition of the County requesting approval of the proposed financing by the State Budget and Control Board;

NOW, THEREFORE, BE IT RESOLVED by the County Council of Spartanburg County, South Carolina, as follows:

Section 1. It is hereby found, determined and declared as follows:

(a) The Project will constitute a "project" as said term is referred to and defined in Section 4-29-10 of the Act, and the issuance of the Note in the principal amount of not exceeding $600,000 to defray the cost of the Project will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

(b) It is anticipated that the Project will benefit the general public welfare of the County by providing employment for those engaged in construction of the Project, and by providing additional permanent employment for approximately 60 people from the County and adjacent areas when the Project is placed in full operation with a resulting alleviation of unemployment and a substantial increase in payrolls and other public benefits incident to the conduct of industrial operations not otherwise provided locally.

(c) Neither the Project, the Note proposed to be issued by the County to defray the cost of the Project, nor any documents or agreements entered into by the County in connection therewith will constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing power.

(d) The issuance of the Note by the County in the principal amount of not exceeding $600,000 will be required to defray the cost of the Project.

(e) Inasmuch as the Corporation is a corporation with established credit, the establishment of reserve funds in connection with the retirement of the Note and the maintenance of the Project is deemed unnecessary.

(f) The Project will be made available by the County to the Corporation upon terms which will require the Corporation, at its own expense, to maintain the Project in

good repair and to carry all proper insurance with respect thereto.

(g) The Project will consist of the items described in Exhibits A and B to the Agreement and the Indenture to be entered into between the County and The South Carolina National Bank, as lender (the "Lender").

(h) A reasonable estimate of the cost of the Project including necessary expenses incident thereto is $600,000.

(i) Neither the approvals granted in connection with the Note nor the request for an allocation granted by the State Budget and Control Board have been made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Section 2. There be and is hereby authorized and directed the submission on behalf of the County of a Petition requesting the approval of the proposal of the County to issue the Note by the State Budget and Control Board of South Carolina pursuant to the provisions of Section 4-29-140 of the Act, said Petition, which constitutes and is hereby made a part of this authorizing resolution, to be in substantially the form attached hereto.

Section 3. The Administrator of the County be and is hereby authorized and directed to execute said Petition in the name and on behalf of the County; and the Clerk of the County Council be and is hereby authorized and directed to attest the same and thereafter to submit an executed copy of this resolution to the State Budget and Control Board in Columbia, South Carolina.

Section 4. All orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this resolution shall take effect and be in full force from and after its passage and approval.

Passed and approved July 9, 1986.

SPARTANBURG COUNTY, SOUTH CAROLINA

By: K. L. Westmoreland
K. L. Westmoreland, Administrator
of Spartanburg County,
South Carolina

ATTEST:

C. P. Parris
C. P. Parris, Clerk,
County Council of
Spartanburg County,
South Carolina

01302

EXHIBIT
JUL 29 1986 NO. 16
STATE BUDGET & CONTROL BOARD

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN ASSISTANCE AGREEMENT BY AND BETWEEN SPARTANBURG COUNTY, SOUTH CAROLINA, AND STRUCTOFAB, INC., WHEREBY, UNDER CERTAIN CONDITIONS, SPARTANBURG COUNTY WILL ISSUE NOT EXCEEDING ONE MILLION DOLLARS ($1,000,000) INDUSTRIAL DEVELOPMENT REVENUE BONDS OR NOTES.

WHEREAS, Spartanburg County, South Carolina (the "County"), acting by and through its County Council (the "County Council"), is authorized and empowered under and pursuant to the provisions of Title 4, Chapter 29, Code of Laws of South Carolina, 1976, as amended (the "Act"), to acquire, or cause to be acquired, properties (which such properties constitute "projects" as defined in the Act) and to enter into agreements with any industry to construct, operate, maintain and improve such projects; to enter into financing agreements with respect to such projects; to issue revenue bonds to defray the costs of such projects; and to accept any grants for such projects through which powers the industrial development of the State of South Carolina will be promoted and trade developed by inducing manufacturing and commercial enterprises to locate and remain in the State of South Carolina and thus utilize and employ the manpower, agricultural products and natural resources of the State; and

WHEREAS, the County is authorized by the Act to issue revenue bonds, as defined in the Act to include notes, payable solely out of the revenues derived from a financing agreement with respect to such project and may further be secured by a pledge of said revenues, a trust indenture or indenture covering all or any part of such project, and a pledge of any financing agreement with respect to such project; and

WHEREAS, Structofab, Inc., a Georgia corporation (the "Corporation"), has requested the County to issue not exceeding $1,000,000 of its Industrial Development Revenue Bonds or Notes (Structofab, Inc. Project) pursuant to the Act for the purpose of defraying the cost of acquiring by construction and purchase certain land, a building or buildings or other improvements thereon, and all machinery, apparatus, equipment, office facilities and furnishings to be installed therein for the purpose of manufacturing fiberglass reinforced products, constituting an industrial facility (the "Project"), all as more fully set forth in the Assistance Agreement attached hereto; and

WHEREAS, the County has determined on the basis of the information supplied to it by the Corporation that the

Project would be a "project" as that term is defined in the Act and that the Project would subserve the purposes of the Act.

NOW, THEREFORE, BE IT RESOLVED, by the County Council as follows:

Section 1. Pursuant to the authority of the Act and subject to the approval by the State Budget and Control Board, and for the purpose of defraying a portion of the cost (as defined in the Act) of acquiring the Project there is hereby authorized to be issued revenue bonds or notes of the County in the principal amount of not exceeding One Million Dollars ($1,000,000) to be designated "Spartanburg County, South Carolina, Industrial Development Revenue Bonds or Notes (Structofab, Inc. Project)" (the "Bonds").

Section 2. The provisions, terms and conditions of the financing agreement by and between the County and the Corporation, the provisions, terms and conditions of the trust indenture or indenture by and between the County and the Trustee or Bondholder, yet to be named, and the form, details, rate or rates of interest, maturity and redemption provisions, if any, of the Bonds shall be prescribed by subsequent resolution or ordinance of the County Council.

Section 3. The Administrator of the County is hereby authorized and directed to execute the Assistance Agreement attached hereto in the name and on behalf of the County, and the Clerk of the County Council is hereby authorized and directed to attest the same; and the Chairman of the County Council is hereby further authorized and directed to deliver said executed Assistance Agreement to the Corporation.

Section 4. Prior to the issuance of any Bonds, the County Council will comply with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances and resolutions.

Section 5. All orders, resolutions, and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This resolution shall take effect and be in full force from and after its passage by the County Council.

Section 6. It is the intention of the County Council that this resolution shall constitute an official action on the part of the County within the meaning of the applicable regulations of the United States Treasury Department relating to the issuance of industrial revenue bonds.

Done in meeting duly assembled this 26th day of March, 1986.

SPARTANBURG COUNTY, SOUTH CAROLINA

By: K. L. Westmoreland
K. L. Westmoreland, Administrator
of Spartanburg County,
South Carolina

(SEAL)

ATTEST:

By: C. P. Parris
C. P. Parris, Clerk,
County Council of
Spartanburg County,
South Carolina

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

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

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

July 29, 1986

C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

TENTATIVE ALLOCATION, CALENDAR YEAR 1986

TO: Spartanburg County
$600,000
Industrial Development Revenue Note
(Structofab, Inc., Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Deficit Reduction Act of 1984 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire ninety (90) calendar days from July 29, 1986 (the date the allocation was approved by the Board), if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Board Regulation §19-103.06 and §19-103.07 require that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

01306

EXHIBIT

JUL 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD

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

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

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

August 11, 1986

C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

FINAL ALLOCATION, CALENDAR YEAR 1986

TO: Spartanburg County
c/o Ms. Nancy Page
McNair Law Firm, P.A.
NCNB Plaza, Suite 1201
7 North Laurens Street
Greenville, SC 29601

RE: Issue of $600,000, Spartanburg County, South Carolina
Industrial Development Revenue Note (Structofab, Inc., Project)
Issue Date Certified By Issuing Authority: August 20, 1986
Issue Amount Certificate Received by Board Secretary: August 11, 1986

Based upon my receipt of the issue amount certificate required of the issuing authority by Board Regulation §19-103.06 and §19-103.07 not more than ten (10) business days prior to the date of issue which, as certified by the issuing authority, is within the time period for the ceiling allocation approved previously on a tentative basis by the State Budget and Control Board for the referenced project, I have determined that the allocation is now final in the amount indicated above.

I also have determined that the referenced issue when issued and combined with the amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1986 will not exceed the 1986 State Ceiling on the issuance of private activity bonds for the State of South Carolina.

William A McInnis

William A. McInnis, Secretary

01307

AUG 11 1986

EXHIBIT

JUL 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD

McNAIR LAW FIRM, P. A.
ATTORNEYS AND COUNSELORS AT LAW
SUITE 1201
NCNB PLAZA
7 NORTH LAURENS STREET
GREENVILLE, SOUTH CAROLINA 29601
803-271-4940

ROBERT E. McNAIR
TERRELL L. GLENN
JAMES S. KONDUROS
D. WAYNE CORLEY
E. McLEOD SINGLETARY
CHARLES PORTER
ROBERT W. DIBBLE, JR.
EMORY M. SNEEDEN
EDWARD H. FORGOTSON*
STEPHEN KOPLAN*
RICHARD S. WOODS
RICHARD L. C. SULLIVAN
M. JOHN BOWEN, JR.
DENNIS C. THELEN*
JOHN H. LUMPKIN, JR.
JOHN W. CURRIE
SCOTT V. BARNES
M. ELIZABETH CRUM
THEODORE J. HOPKINS, JR.
DANIEL R. McLEOD, JR.
WILLIAM S. ROSE, JR.
BERNARD J. WUNDER, JR.

HUEL D. ADAMS, JR.
JAMES R. FIELDS, JR.
M. CRAIG GARNER, JR.
LAWRENCE R. HIGGINS*
BRENTON D. JEFFCOAT
ROBERT T. BOCKMAN
EDWIN W. JOHNSON II
PETER L. MURPHY
C. ALAN RUNYAN
JOHN W. FOSTER
ELIZABETH VAN DOREN GRAY
WILMOT B. IRVIN
APRIL C. LUCAS
ROBERT E. STEPP
KATHLEEN CRUM McKINNEY
E. RUSSELL JETER, JR.
M. WILLIAM YOUNGBLOOD
CARL B. CARRUTH
JOHN W. HUNTER*
RICHARD J. MORGAN
J. SIMON FRASER
CHRISTOPHER McG. HOLMES

DEBORAH K. OWEN*
SARA S. ROGERS
PAUL E. SULLIVAN*
DOROTHY M. HELMS
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JANE W. TINKLEY
J. LYLES GLENN IV
CELESTE TILLER JONES
KATHERINE ELIZABETH MIMS
JOSEPH D. WALKER
NANCY R. JEFFERIS
ALISON RENEE LEE
MARTHA R. McMILLIN
GREGORY D. DiLOACH
WILLIAM ASHLEY JORDAN, JR.
ELIZABETH BOWIE ANDERS
WILLIAM M. MUSSER
SHARON E. CRAWLEY
T. PARKIN HUNTER
ROBERT F. McMAHAN, JR.
MARY DONNE PETERS

THOMAS H. BARKSDALE, JR.*
JAMES E. CARR
RALPH W. KITTLE*
JOHN H. LUMPKIN, SR.
OF COUNSEL

*NOT ADMITTED IN SOUTH CAROLINA

COLUMBIA OFFICE
NCNB TOWER
POST OFFICE BOX 11390
COLUMBIA, S.C. 29211
803-799-9800

HILTON HEAD ISLAND OFFICE
NCNB BUILDING
POPE AVENUE
POST OFFICE BOX 5914
HILTON HEAD ISLAND, S.C. 29938
803-785-5169

WASHINGTON OFFICE
SUITE 400
MADISON OFFICE BUILDING
1155 15TH STREET, N.W.
WASHINGTON, D.C. 20005
202-659-3900

August 8, 1986

VIA ANDERSON ARMORED CAR

Mr. William A. McInnis
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

Re: $600,000 Spartanburg County, South Carolina, Industrial Development Revenue Note (Structofab, Inc. Project) 1986

Dear Mr. McInnis:

In accordance with the regulations of the State Budget and Control Board, I am submitting on behalf of Spartanburg County and Structofab, Inc. IRS Form 8038. Please confirm the allocation of $600,000 of the State volume to the above-captioned issue. This issue is scheduled to close August 20, 1986.

Sincerely,

McNAIR LAW FIRM, P. A.

Nancy Page

Nancy Page

NP/feb
Enclosure

01308

Form **8038**
(Rev. December 1984)
Department of the Treasury
Internal Revenue Service

Information Return for Private Activity Bond Issues

Under Sections 103(l) and 103A

OMB No. 1545-0720
Expires 12/31/87

Part I Reporting Authority — Check box if **Amended Return** ▶ ☐

1 Issuer's name	2 Issuer's employer identification number
Spartanburg County, South Carolina	57-6000401
3 Number and street	**4** Issue number
Post Office Box 5666	4
5 City or town, State and ZIP code	**6** Date of issue
Spartanburg, South Carolina 29304	August 20, 1986

Part II Type of Issue (Check box(es) that apply)

		Face Amount
Bonds other than Industrial Development Bonds (IDBs):		
7	☐ Student loan bond	
8	☐ Qualified mortgage bond; (attach copy of State certification) Check box if you elect to rebate arbitrage profits to the U.S. ▶ ☐	
9	☐ Qualified veterans' mortgage bond	
10	☐ Private exempt entity bond	
Industrial Development Bonds:		
11	☐ Industrial park bond	
12	☒ Small issue IDB; Check box if $10 million small issue election ▶ ☐	$600,000
13	Exempt Activity Bond (check type(s) below):	
a	☐ Residential rental projects (section 103(b)(4)(A))	
b	☐ Sports facilities (section 103(b)(4)(B))	
c	☐ Convention facilities (section 103(b)(4)(C)); Check box if exempt from volume limitations ▶ ☐	
d	☐ Airports, docks, etc., (section 103(b)(4)(D)); Check box if exempt from volume limitations ▶ ☐	
e	☐ Sewage or waste disposal facilities (section 103(b)(4)(E))	
f	☐ Pollution control facilities (section 103(b)(4)(F))	
g	☐ Water furnishing facilities (section 103(b)(4)(G))	
h	☐ Hydroelectric generating facilities (section 103(b)(4)(H))	
i	☐ Mass commuting vehicles (section 103(b)(4)(I))	
j	☐ Local district heating or cooling facilities (section 103(b)(4)(J))	
k	☐ Facilities for the local furnishing of electric energy or gas (section 103(b)(4)(E))	

Part III Description of Obligations

14	(A) Maturity date	(B) Face amount	(C) Stated interest rate	(D) Term (in years)
	September 1, 2001	$600,000	See Exhibit A %	15.1
			%	
			%	
			%	
			%	
			%	
			%	
			%	
			%	
			%	
			%	
			%	
			%	
			%	

15	Weighted average maturity of the issue ▶	15.1 years.
16	If issue is an advance refunding, enter the earliest call date ▶	

Part IV Proceeds of Issue

01309

17	Total purchase price (regs. section 1.103-13(d)(2))	$600,000
18	Proceeds used for bond issuance costs	12,000
19	Proceeds allocated to reasonably required reserve or replacement fund	-0-
20	Proceeds used to refund prior issues	-0-
21	Non-refunding proceeds of the issue (subtract lines 18, 19, and 20 from line 17)	588,000

Part V Description of Property Financed by Non-refunding Proceeds (Do not complete for student loan bonds or mortgage bonds)

22	**Type of Property Financed (or portion thereof financed by non-refunding proceeds)**	
	a 3-yr. ACRS property	
	b 5-yr. ACRS property	66,000
	c 10-yr. ACRS property	-0-
	d 15-yr. ACRS property	-0-
	e 18-yr. ACRS property	450,000
	f Cost of land	72,000
	g Cost of other property (see instructions)	
23	Other use of non-refunding proceeds (subtract lines 22a–g from Part IV, line 21)(see instructions)	

24 Standard industrial classification (SIC) of non-refunding proceeds for the financed project.

	SIC Code	Non-refunding proceeds $		SIC Code	Non-refunding proceeds $
a	3079	588,000	d		
b			e		
c			f		

25 Average weighted economic life of the project (complete only for IDBs) . See Exhibit B . . . ▶ 19.41 years.

Part VI Description of Initial Principal Users (Do not complete for student loan bonds or mortgage bonds)

26 Initial Principal Users:

(A) User	(B) Name	(C) Address	(D) Employer identification number
(i)	Structofab, Inc.	334 Godshall Dr., Harleysville, Pa. 19438	580975098
(ii)			
(iii)			
(iv)			
(v)			

27 Common parents (if any) of initial principal users listed above:

(A) User (from above)	(B) Name	(C) Address	(D) Employer identification number
	NONE		

Part VII Approval of Issue (Complete only for IDBs)

28 Name of Governmental units approving issue ▶ Spartanburg County Council

29 Names and positions of applicable elected representatives or date of referenda approving issue ▶ See Exhibit C

Part VIII Volume Limitations for Qualified Mortgage or Veterans' Bonds

1	Issuer's volume limitation	
2	Amount of volume limitation surrendered to other issues (e.g., under section 103A(g)(3)(B) or 25(c)(2)(A)(ii))	
3	Amount of bonds previously issued	
4	Unused volume limitation (subtract lines 2 and 3 from line 1)	

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

K. L. Wedmareland — Signature of officer

8/20/86 — Date

Spartanburg County Administrator — Title

Paid Preparer's Use Only

Preparer's signature McNair Law Firm, P.A.

Check if self-employed ☐

Preparer's social security no.

Firm's name (or yours, if self-employed) and address ▶ McNair Law Firm, P.A.
Suite 1201, NCNB Plaza, Greenville, SC

E.I. No. 57-0703244

ZIP code 29601 (See Exhibit D)

☆U.S. Government Printing Office: 1985—461-495/10095

01310

EXHIBIT A

The $600,000 Spartanburg County, South Carolina, Industrial Development Revenue Note (Structofab, Inc. Project) 1986 (the "Note"), bears interest from the date of its initial delivery until maturity at the rate per annum of seventy-two percent (72%) of the prime rate of The South Carolina National Bank as such prime rate changes. Upon a Determination of Taxability, the interest rate on the Note shall be increased to that taxable rate which results in a yield equal to a tax-exempt rate of seventy-two percent (72%) of the Prime Rate (the "Tax-Exempt Rate"). The interest rate on the Note shall be increased to the rate per annum of the prime rate plus one percent (1%) per annum upon an Event of Default. The interest rate is also subject to adjustment in the event the maximum Federal corporate income tax rate applicable to the registered owner, including the holder of any interest in the Note, whether by participation or otherwise, shall either be increased or reduced on or after the date of the initial delivery of the Note. The interest rate shall be adjusted to equal the product obtained by multiplying such interest rate by a fraction, the numerator of which shall be one minus the new Federal corporate income tax rate (expressed as a decimal) and the denominator of which shall be fifty-four hundredths (the "Adjusted Interest Rate"). The Adjusted Interest Rate shall be rounded to the nearest one-tenth of one percent. In no event shall the Adjusted Interest Rate exceed the Taxable Rate or be applicable with respect to any holder of the Note not subject to corporate income tax.

In the event of any change in law (other than a change in the Bank Tax Rate) which results, in the opinion of counsel to any registered owner of the Note, in the imposition of any tax (including, but not limited to, any preference tax imposed by Sections 55-58 of the Internal Revenue Code of 1954, as amended, an excess profits tax, a minimum tax, alternative minimum tax or any other tax which increases the basis of taxation of the payments of interest on or principal of the Note to the registered owner or owners thereof) or which, in the opinion of counsel to any registered owner thereof, adversely affects the deductibility of any amount attributable, directly or indirectly, to the purchase and carrying of the Note, the interest rate shall be adjusted to that rate which will result in each holder of the Note realizing a net return on the principal amount of the Note outstanding while held by such holder, net of all taxes, charges, or disallowances of deductibility imposed with respect to the interest paid or to be paid on the Note or the principal amount thereof as a result of such change in law equal to a tax-exempt yield to such holder at the rate per annum of the Tax-Exempt Rate or the Adjusted Interest Rate, whichever is applicable.

ROBERT A. SOCHOR
Certified Public Accountant

NEW JERSEY
443 NORTHFIELD AVENUE
WEST ORANGE, NJ 07052
(201) 325-1963

FLORIDA
1920 E. HALLANDALE BEACH BLVD.
HALLANDALE, FLORIDA 33009
(305) 456-0882

ACCOUNTANT'S CERTIFICATE
AS TO AVERAGE ECONOMIC LIFE

Spartanburg County
P. O. Box 5666
Spartanburg, South Carolina 29304

McNair Law Firm, P.A.
Suite 1201, NCNB Plaza
Greenville, South Carolina 29601

Re: **Not Exceeding $600,000 Spartanburg County, South Carolina, Industrial Development Revenue Note (Strutofab, Inc. Project) 1986**

Gentlemen:

This letter is being given to you with regard to the Spartanburg County, South Carolina, Industrial Development Revenue Note (Structofab, Inc. Project) 1986 (the "Note"). I have reviewed the description of the property to be financed with the proceeds of the Note provided me by Structofab, Inc., which is set forth as Exhibit A hereto, and based upon that description have made the following determination:

1. The average reasonably expected economic life of the buildings, machinery, equipment, apparatus, and office furnishing to be financed with the proceeds of the Note is not less than 19.41 years as shown by Exhibit A attached hereto.

2. The average maturity of the Note does not exceed 120% of the average reasonably expected economic life of the buildings, machinery, equipment, appratus, office furnishings and any other items to be financed in whole or in part with the proceeds of the Note as shown on Exhibit A attached hereto.

3. The economic useful life of each item has been derived in accordance with the administrative guidelines established for the useful lives used for depreciation prior to the ACRS system (that is, the midpoint lives under the ADR system where applicable and the guideline lives under Rev. Proc. 62-21,

1962 C.B. 18, in case of structures).

Very truly yours,

ROBERT A. SOCHOR

RAS/mlv
Attachement

EXHIBIT A

Items proposed to be financed:

Description	Cost	Economic Life (in years)	
Cost of Issuance	$ 12,000	0 years	$ 0
Land*	72,000	0 years	0
Buildings	450,000	25 years	11,250,000
Machines	66,000	6 years	396,000
Total	$600,000		$11,646,000

Average Economic Life: 19.41 years

*Land is assigned an economic life of 0 years unless it represents over 25% of the bond issue.

EXHIBIT C

SPARTANBURG COUNTY COUNCIL

1986

Honorable Lachlan L. Hyatt, Chairman
Post Office Box 2969
Spartanburg, South Carolina 29304
Phone: 585-0477

Honorable Danny E. Allen, Vice Chairman
Post Office Box 1146
Spartanburg, South Carolina 29304
Phone: 582-8766

Honorable David G. Dennis, Member
Post Office Box 3303
Spartanburg, South Carolina 29304
Phone: 583-4080

Honorable Danny R. Smith, Member
Post Office Box 5766
Spartanburg, South Carolina 29304
Phone: 573-9688

Honorable Sallie S. Peake, Member
Post Office Box 215
Wellford, South Carolina 29385
Phone: 439-3205 (H) 576-3440 (O)

Kenneth L. Westmoreland, County Administrator
Post Office Box 5666
Spartanburg, South Carolina 29304

Mrs. Carolyn P. Parris, Clerk to County Council
Post Office Box 5666
Spartanburg, South Carolina 29304
Phone: 596-2526/27

Roy McBee Smith, Esquire, County Attorney
Post Office Box 5306
Spartanburg, South Carolina 29304
Phone: 582-6727

I.D. #57-6000401

EXHIBIT D

Prepared by:

McNair Law Firm, P.A.
Suite 1201, NCNB Plaza
7 North Laurens Street
Greenville, South Carolina 29601
Attention: Kathleen Crum McKinney, Esquire

With advice of:

Robert Handler
Structofab, Inc.
915 Clifton Avenue
Clifton, New Jersey 07013

and

Robert A. Sochor, CPA
443 Northfield Avenue
West Orange, New York 07052

AUG 2 1 1986

EXHIBIT

JUL 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD

McNAIR LAW FIRM, P. A.
ATTORNEYS AND COUNSELORS AT LAW
SUITE 1201
NCNB PLAZA
7 NORTH LAURENS STREET
GREENVILLE, SOUTH CAROLINA 29601
803-271-4940

ROBERT E. McNAIR
TERRELL L. GLENN
JAMES S. KONDUROS
O. WAYNE CORLEY
E. McLEOD SINGLETARY
CHARLES PORTER
ROBERT W. DIBBLE, JR.
EMORY M. SNEEDEN
EDWARD H. FORGOTSON*
STEPHEN KORLAN*
RICHARD S. WOODS
RICHARD L. C. SULLIVAN
M. JOHN BOWEN, JR.
DENNIS C. THELEN*
JOHN N. LUMPKIN, JR.
JOHN W. CURRIE
SCOTT Y. BARNES
M. ELIZABETH CRUM
THEODORE J. HOPKINS, JR.
DANIEL R. McLEOD, JR.
WILLIAM S. ROSE, JR.
BERNARD J. WUNDER, JR.

HUEL D. ADAMS, JR.
JAMES R. FELOS, JR.
M. CRAIG GARNER, JR.
LAWRENCE R. HIGGINS*
BRENTON D. JEFFCOAT
ROBERT T. BOCKMAN
EDWIN W. JOHNSON I
PETER L. MURPHY
C. ALAN RUNYAN
JOHN W. FOSTER
ELIZABETH VAN DOREN GRAY
WILMOT B. IRVIN
APRIL C. LUCAS
ROBERT E. STEPP
KATHLEEN CRUM McKINNEY
E. RUSSELL JETER, JR.
M. WILLIAM YOUNGBLOOD
CARL B. CARRUTH
JOHN W. HUNTER*
RICHARD J. MORGAN
J. SIMON FRASER
CHRISTOPHER McG. HOLMES

DEBORAH K. OWEN*
SARA S. ROGERS
PAUL E. SULLIVAN*
DOROTHY M. HELMS
NANCY PAGE
SANDRA L. RANDLEMAN
JANE W. TRINKLEY
J. LYLES GLENN IV
CELESTE TILLER JONES
KATHERINE ELIZABETH MIMS
JOSEPH D. WALKER
NANCY R. JEFFERIS
ALISON RENEE LEE
MARTHA R. McMILLIN
GREGORY D. DiLOACH
WILLIAM ASHLEY JORDAN, JR.
ELIZABETH BOWE ANDERS
WILLIAM M. MUSSER
SHARON E. CRAWLEY
T. PARKIN HUNTER
ROBERT F. McMAHAN, JR.
MARY DONNE PETERS

*NOT ADMITTED IN SOUTH CAROLINA

THOMAS H. BARKSDALE, JR.*
JAMES E. CARR
RALPH W. KITTLE*
JOHN H. LUMPKIN, SR.
OF COUNSEL

COLUMBIA OFFICE
NCNB TOWER
POST OFFICE BOX 11390
COLUMBIA, S.C. 29211
803-799-9800

HILTON HEAD ISLAND OFFICE
NCNB BUILDING
POPE AVENUE
POST OFFICE BOX 5914
HILTON HEAD ISLAND, S.C. 29938
803-785-5169

WASHINGTON OFFICE
SUITE 400
MADISON OFFICE BUILDING
1155 15TH STREET, N.W.
WASHINGTON, D.C. 20005
202-659-3900

August 20, 1986

Mr. William A. McInnis
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

Re: $600,000 Spartanburg County, South Carolina, Industrial Development Revenue Note (Structofab, Inc. Project) 1986

Dear Mr. McInnis:

This is to confirm with you that the Structofab, Inc. bond issue closed on August 20, 1986 as scheduled.

Sincerely,

McNAIR LAW FIRM, P. A.

Nancy Page

Nancy Page

NP/feb

01317

AUG - 5 1986

McNAIR LAW FIRM, P. A.
ATTORNEYS AND COUNSELORS AT LAW
SUITE 1201
NCNB PLAZA
7 NORTH LAURENS STREET
GREENVILLE, SOUTH CAROLINA 29601
803-271-4940

EXHIBIT

JUL 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD

ROBERT E. McNAIR
TERRELL L. GLENN
JAMES S. KONDUROS
G. WAYNE CORLEY
E. McLEOD SINGLETARY
CHARLES PORTER
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1155 15TH STREET, N.W.
WASHINGTON, D.C. 20005
202-659-3900

August 4, 1986

Mr. William A. McInnis
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

Re: $600,000 Spartanburg County, South Carolina, Industrial Development Revenue Note (Structofab, Inc. Project) 1986

Dear Mr. McInnis:

In accordance with Board Regulation 19-102.05 I am enclosing an affidavit certifying that the notice of the Board's approval of the above-referenced bond issue was published in The Spartanburg Herald on July 30, 1986. The Board approved this issue at its meeting on August 29, 1986.

If you need anything further, please give me a call.

Sincerely,

McNAIR LAW FIRM, P. A.

Nancy Page

Nancy Page

NP/feb
Enclosure

01318

The Spartanburg Herald
and
THE SPARTANBURG JOURNAL
Spartanburg, S. C.

STATE OF SOUTH CAROLINA }
COUNTY OF SPARTANBURG }

Personally appeared before me, a notary public in and for the State and County aforesaid, Linda McHugh, who having been duly sworn according to law, deposes and says that he is the Legal Advertising Clerk of The Spartanburg Herald, The Spartanburg Journal, and Spartanburg Herald-Journal, newspapers published at Spartanburg, South Carolina, and that the attached advertisement was published in The Spartanburg Herald, The Spartanburg Journal and/or Spartanburg Herald-Journal one time a week for One (1) times in the following issues.

July 30, 1986

Linda McHugh

Sworn to and subscribed before me this

30th day of July, 1986

Notary Public for South Carolina
My Commission Expires June 25, 1996

NOTICE PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANOTATED, TITLE 4, CHAPTER 29 (1976), AS AMENDED.

Notice is hereby given pursuant to the provisions and requirements of Section 4-29-140 of South Carolina Code Annotated, Title 4, Chapter 29 (1976), as amended (the "Act"), that the State Budget and Control Board of South Carolina, pursant to a Petition filed by the County Council of Spartanburg County, South Carolina, has given its approval to the following undertaking by Spartanburg County, South Carolina:

The issuance by Spartanburg County of its Industrial Development Revenue Note (Structofab, Inc. Project) in the original principal amount of not exceeding $600,000 (the "Note"), to defray the costs of acquiring, by construction and purchase, certain land and a building or buildings and improvements thereon, and certain machinery, apparatus, equipment, office facilities and furnishings by Structofab, Inc., a Georgia corporation, to be used as an industrial facility for the purpose of manufacturing fiberglass reinforced products (the "Project") to be located in Spartanburg County. The Project will be made available to Structofab, Inc. which will unconditionally covenant to make payments sufficient to pay the principal and interest on the Note. The Note will be payable solely and exclusively out of payments to be made by Structofab, Inc. for the use of the Project, and is to be additionally secured by a mortgage and security interest in the Project.

Notice is further given that any interested party may, within twenty (20) days after the date of the publication of this notice, but not afterwards, challenge the validity of the State Budget and Control Board's approval of the Project and the issuance of the Note by Spartanburg County to finance the same, by action de novo instituted in the Circuit Court for Spartanburg County, South Carolina.

STATE BUDGET AND CONTROL BOARD
BY: WILLIAM A. McINNIS, Secretary

Dated: July 29, 1986

(209) 7/30

01319

Received 7/15/86 2pm

TRANSMITTAL FORM, REVENUE BONDS

Date: July 15, 1986
Submitted for BCB Meeting on:
July 29, 1986

TO: William A. McInnis, Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, SC 29201
OR P. O. Box 12444, Columbia, SC 29211

FROM:

McNair Law Firm, P.A.
Name of Law Firm

Suite 1201, NCNB Plaza
Street Address/Box Number

Greenville, South Carolina 29601
City, State, Zip Code

(803) 271-4940
Telephone Area Code and Number

RE: $600,000
Amount of Issue

Industrial Development Revenue Note
Type of Bonds or Notes

Spartanburg County, South Carolina
Issuing Authority Name

August 20, 1986
Projected Issue Date

Project Name: Structofab, Inc.
Project Description:
Facility will be used for manufacturing reinforced fiberglass products

Employment as result of project: 60

CEILING ALLOCATION REQUIRED	REFUNDING INVOLVED	PROJECT APPROVED PREVIOUSLY
X Yes ($ 600,000 Amount) ___ No	___ Yes ($ ___ Amount) X No	___ Yes (___ Date) X No

DOCUMENTS ENCLOSED:
(ALL required for State law approval; A and C only for ceiling allocation only.)

A. X Petition (executed original and two copies)

B. X Resolution or ordinance (executed copy)

C. X Inducement Resolution or comparable preliminary approval (executed copy)

D. X Standard Form Investment Letter from bonds purchaser (executed original)
(Purchaser: The South Carolina National Bank)

OR ___ Audited financial statements for three most recent years

E. ___ Department of Health and Environmental Control certificate IF REQUIRED

F. X Budget and Control Board Resolution and Public Notice (original)
[Plus four copies for certification and return to counsel]

G. X Processing fee
Amount $ 2,000 Check No. 18613
Payor Structofab, Inc.

Bond Counsel: Nancy Page
Typed Name

EXHIBIT

By: Nancy Page
Signature

JUL 29 1986 NO. 16

STATE BUDGET & CONTROL BOARD

01320

OED 1/86

July 29, 1986
Agenda

Spartanburg County
Structopat, Inc.
$600,000

A. Did the submitter send the executed original (preferably meaning a document other than a machine copy but, realistically, that or a machine copy with original signatures on it) of the petition and two copies? yes
   (1) Does the petition ask for approval of a specific amount or a not exceeding amount? yes
   (2) Does the petition ask for a State Ceiling allocation? If so, is the amount specific? yes The preferred style is specific and its use should be encouraged.
   (3) Is the "no consideration" statement included? yes Its inclusion is advisable but not required.

B. Did the submitter send an executed copy (meaning a machine copy of the signed document) of a resolution or ordinance authorizing the petition to the Board? yes

C. Did the submitter send an executed copy (meaning a machine copy of the signed document) of an inducement resolution or comparable preliminary approval of the project and the issue? yes

D. Did the submitter send the executed original (meaning the document with original signatures on it) standard form investment letter? yes OR did the submitter send audited financials for the three most recent years?

E. Is a DHEC Certificate of Need required? no If so, did submitter send it? If a DHEC certificate is not required (we are dependent here on bond counsel opinion), our processing does not require a DHEC letter confirming that fact. Our regulations require the Certificate and they make no mention of other devices such as the so-called "30-day letter."

F. Did submitter send original of proposed Board resolution and notice? yes
   (1) Does resolution have Board approving a specific amount or a not exceeding amount for State law purposes? yes If the style is something other than one of these, it should not be processed.

   (2) If a State Ceiling allocation is involved in the project, the Board resolution should not include any reference to a ceiling allocation because the allocation process is handled otherwise. Does it? no
   (3) If a State Ceiling allocation is involved in the project, the Board resolution should not include any reference to a requirement to submit IRS Form 8038 because that is covered by Board regulations on the subject. Does it? no
   (4) If a State Ceiling allocation is not involved in the project, the Board resolution should include the condition that the 8038 be submitted to the Board at the same time it is submitted to the IRS. n/a
   (5) Did submitter send copies for certification and return? yes

G. Did submitter send a check for the processing fee? yes

EXHIBIT

JUL 29 1986 NO. 16

01321 STATE BUDGET & CONTROL BOARD

The State of South Carolina

JUL 24 1986

EXHIBIT

JUL 29 1986 NO. 17

STATE BUDGET & CONTROL BOARD

Office of the Attorney General

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803 734 3680

July 21, 1986

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Columbia, SC 29201

RE: $650,000 Spartanburg County, South Carolina,
Industrial Development Revenue Bond,
(Holmberg Electronics Corporation)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Section 4-29-140 et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

David C. Eckstrom
Assistant Attorney General

DCE:
Encls.

EXHIBIT

JUL 29 1986 NO. 17

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA
STATE BUDGET AND CONTROL BOARD
Standard Form Investment Letter

TO: Secretary, State Budget and Control Board
P. O. Box 12444
Columbia, SC 29211

RE: Sale by Spartanburg County, South Carolina (the "Issuer")
Of its $650,000 Industrial Revenue Note (the "Bonds")
On behalf of Holmberg Electronics Corporation (the "Company")
Circuit Card Connector Plant (the "Project")
To The Citizens and Southern National Bank of South Carol (the "Purchaser")

In connection with the referenced sale of Bonds by the Issuer, the Purchaser makes the following representations and certifications:

1. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds;

2. The Purchaser is financially able to bear the economic risk of its proposed investment in the Bonds for an indefinite period;

3. The Purchaser is familiar with the business affairs of the Company and has obtained and examined all financial and other information with respect to the Bonds, the Company and the officers and shareholders of the Company which it deems necessary in order to enable it to evaluate the merits and risks of its investment in the Bonds and to make an informed investment judgment in connection with the purchase of the Bonds;

4. The Purchaser has had the opportunity to ask questions of, and receive answers from, the Issuer and the Company concerning the terms and conditions of the offering and any other information which it has deemed relevant to the Bonds and its investment in the Bonds; and

5. The Bonds are being purchased for the account of the Purchaser and for the purpose of investment and not presently for resale, and the Purchaser has no present intention of offering the Bonds or any portion thereof for resale either currently or after the passage of a fixed period of time, or upon the occurrence or nonoccurrence of any predetermined event or circumstances.

SWORN to and subscribed before me this 5th day of June, 1986.

Angelee J. Berry
Notary Public

My Commission expires 10-23-89.

PURCHASER:
Name: The Citizens and Southern National Bank of S. C.
Address: 290 East Main Street
Spartanburg, S. C. 29302

BY: W. J. A. Rodwell Vice Pres.
Signature of Authorized Official

Date: June 5, 1986

01323

EXHIBIT

JUL 29 1986 NO. 17

STATE OF SOUTH CAROLINA) STATE BUDGET & CONTROL BOARD Holmberg Electronics Corporation

COUNTY OF RICHLAND)

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, July 29, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of Senator Dennis, who was represented by Senate Finance Commitee Vice Chairman James M. Waddell, Jr.

That at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Senator Waddell, who moved its adoption; the motion was seconded by Mr. Morris, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION	AGAINST MOTION
5	0

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

August 7, 1986

William A. McInnis

01324

EXHIBIT

JUL 29 1986 NO. 17

A RESOLUTION STATE BUDGET & CONTROL BOARD

APPROVING AN UNDERTAKING BY THE COUNTY COUNCIL OF SPARTANBURG COUNTY PURSUANT TO CHAPTER 29, TITLE 4, VOLUME 1, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED, TO ACQUIRE, CONSTRUCT AND EQUIP AN INDUSTRIAL PROJECT THROUGH THE ISSUANCE OF A NOT EXCEEDING $650,000 SPARTANBURG COUNTY, SOUTH CAROLINA, INDUSTRIAL REVENUE NOTE, SERIES 1986 (HOLMBERG ELECTRONICS CORPORATION PROJECT).

WHEREAS, heretofore the County Council of Spartanburg County (County Council) did, pursuant to Chapter 29, Title 4, Volume 1, Code of Laws of South Carolina 1976, as amended (the Enabling Statute), petition the State Budget and Control Board of South Carolina (the State Board), seeking approval of the State Board of an undertaking by the County Council pursuant to the Enabling Statute; and

WHEREAS, the undertaking provides for the issuance of a not exceeding $650,000 Spartanburg County, South Carolina, Industrial Revenue Note, Series 1986 (Holmberg Electronics Corporation Project) pursuant to the Enabling Statute (the Note), and the loan of the proceeds thereof to Holmberg Electronics Corporation, a corporation organized and existing under the Laws of the State of South Carolina (the Company), under the terms of a loan agreement between the County and the Company (the Loan Agreement), to finance the (i) acquistion of approximately 5 acres of land located on South Carolina Highway No. 11 (known as Campton Road) less than one-half mile west of Interstate 26 in Spartanburg County, (ii) the construction of an approximately 25,000 square foot building thereon, and (iii) acquisition and installation of machinery and equipment therein and thereon (such land, improvements, machinery, and equipment, as so acquired,

constructed and installed, being referred to herein as the Project), all of which will constitute facilities for the assembly and distribution of printed circuit card edge connectors and other electronic components; and

WHEREAS, under the Loan Agreement, loan payments sufficient to provide for the payment of the Note and costs and expenses resulting from the issuance thereof will be made by the Company; and

WHEREAS, the Note may be secured by the lien of a Mortgage and Security Agreement in the Project from the Company to the County (the Mortgage), which will be assigned by the County to the purchaser of the Note, The Citizens and Southern National Bank of South Carolina, a banking association under the Laws of the United States (the Purchaser), and the pledge of the loan payments under the Loan Agreement; and

WHEREAS, the State Board has made such independent investigation as it deems advisable,

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD, IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board as follows:

a. The statement of facts set forth in the recitals of this Resolution are in all respects true and correct;

b. County Council has filed a proper Petition to the State Board, establishing a reasonable estimate of the cost of

the Project and a general summary of the terms and conditions of the Loan Agreement to be made by the County.

c. The Project, when completed, will provide employment initially for approximately 110 persons and for approximately 90 additional persons in future years; and

d. The Project is intended to promote the purposes of the Enabling Statute and is reasonably anticipated to effect such results.

2. On the basis of the foregoing findings, the proposed undertaking of the County Council to finance the acquisition, construction and equipping of a manufacturing facility will constitute a "project" under the Enabling Statute, through the issuance of the not exceeding $650,000 Spartanburg County, South Carolina, Industrial Revenue Note, payable from the loan payments to be derived under the Loan Agreement, and additionally to be secured by the Mortgage (if any) on the Project, and by the pledge of loan payments to be paid under the Loan Agreement, all pursuant to the Enabling Statute (including changes in any details of the financing, as finally consummated, which do not materially affect the undertaking), be, and the same is, hereby approved.

3. Notice of the action taken by the State Board in giving approval to the undertaking of Spartanburg County above described in Paragraph 2, supra, shall be published one time in The Spartanburg Herald, a newspaper published in the City of Spartanburg, South Carolina, having general circulation in Spartanburg County.

4. Approval of this undertaking is granted on the condition that a copy of Internal Revenue Service (IRS) Form 8038 relating to any bonds issued pursuant to this approval and the publisher's affidavit with respect to the aforesaid notice be filed with the State Board's Secretary at the same time such form is submitted to the IRS.

5. The notice to be published shall be in the form substantially as set forth as Exhibit A of this Resolution.

NOTICE PURSUANT TO
CHAPTER 29, TITLE 4, VOLUME 1,
CODE OF LAWS OF SOUTH CAROLINA 1976,
AS AMENDED

Notice is hereby given that, following the filing of a Petition by the County Council of Spartanburg County (the County Council) to the State Budget and Control Board of South Carolina (the State Board), approval has been given by the State Board to the following undertaking (including any changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz:

The financing by County Council of the (i) acquisition of approximately 5 acres of land located on South Carolina Highway No. 11 (known as Campton Road) less than one-half mile west of Interstate 26 in Spartanburg County, (ii) construction of an approximately 25,000 square foot building thereon, and (iii) acquisition and installation of machinery and equipment therein and thereon (such land, improvements, machinery and equipment, as so acquired, constructed and installed, being referred to herein as the Project), all of which will constitute facilities for the assembly and distribution of printed circuit card edge connectors and other electronic components. To finance the Project, the County Council will issue a not exceeding $650,000 Spartanburg County, South Carolina, Industrial Revenue Note, Series 1986 (Holmberg Electronics Corporation Project) (the Note), pursuant to Chapter 29, Title 4, Volume 1, Code of Laws of South Carolina 1976, as amended, under the terms of a Loan Agreement (the

Loan Agreement) between the County and Holmberg Electronics Corporation, a South Carolina corporation (the Company). The Note of Spartanburg County will be payable by the County solely from the loan payments to be paid under the Loan Agreement to the County by the Company, which has irrevocably covenanted and agreed to pay, when due, all sums required for the principal and interest thereon, and the Note may be secured by the mortgage lien and security interest of a Mortgage and Security Agreement on the Project, which will constitute a forecloseable mortgage upon the Project and a pledge of the loan payments to be paid under the Loan Agreement. The Note shall not constitute a charge against the general credit or taxing power of Spartanburg County.

It is estimated that the Project, when completed, will provide employment initially for approximately 110 persons and for approximately 90 additional persons in future years.

Notice is further given that any interested party may at any time within twenty (20) days after the date of publication of this Notice, but not afterwards, challenge the validity of the action of the State Board in approving the undertaking of the County Council by action de novo instituted in the Court of Common Pleas for Spartanburg County.

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

By: William A. McInnis, Secretary

EXHIBIT

JUL 29 1986 NO. 17

STATE BUDGET & CONTROL BOARD

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

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

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

August 25, 1986

C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

FINAL ALLOCATION, CALENDAR YEAR 1986

TO: Spartanburg County
c/o Mr. Samuel W. Howell, IV
McKay & Guerard
Box 7157
Columbia, SC 29202

RE: Issue of $650,000 Spartanburg County, South Carolina
Industrial Revenue Bonds
(Holmberg Electronics Corporation Project)
Issue Date Certified By Issuing Authority: August 26, 1986
Issue Amount Certificate Received by Board Secretary: August 25, 1986

Based upon my receipt of the issue amount certificate required of the issuing authority by Board Regulation §19-103.06 and §19-103.07 not more than ten (10) business days prior to the date of issue which, as certified by the issuing authority, is within the time period for the ceiling allocation approved previously on a tentative basis by the State Budget and Control Board for the referenced project, I have determined that the allocation is now final in the amount indicated above.

I also have determined that the referenced issue when issued and combined with the amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1986 will not exceed the 1986 State Ceiling on the issuance of private activity bonds for the State of South Carolina.

William A McInnis

William A. McInnis, Secretary

01331

Form **8038**
(Rev. December 1984)
Department of the Treasury
Internal Revenue Service

Information Return for Private Activity Bond Issues

Under Sections 103(l) and 103A

OMB No. 1545-0720
Expires 12/31/87

Part I Reporting Authority — Check box if **Amended Return** ▶ ☐

1 Issuer's name	2 Issuer's employer identification number
Spartanburg County, South Carolina	57-6000401
3 Number and street	4 Issue number
Post Office Box 5666	5
5 City or town, State and ZIP code	6 Date of issue
Spartanburg, South Carolina 29304	August 26, 1986

Part II Type of Issue (Check box(es) that apply)

		Face Amount
Bonds other than Industrial Development Bonds (IDBs):		
7	☐ Student loan bond	
8	☐ Qualified mortgage bond; (attach copy of State certification) Check box if you elect to rebate arbitrage profits to the U.S. ▶ ☐	
9	☐ Qualified veterans' mortgage bond	
10	☐ Private exempt entity bond	
Industrial Development Bonds:		
11	☐ Industrial park bond	
12	☒ Small issue IDB; Check box if $10 million small issue election ▶ ☒	$650,000
13	Exempt Activity Bond (check type(s) below):	
a	☐ Residential rental projects (section 103(b)(4)(A))	
b	☐ Sports facilities (section 103(b)(4)(B))	
c	☐ Convention facilities (section 103(b)(4)(C)); Check box if exempt from volume limitations ▶ ☐	
d	☐ Airports, docks, etc., (section 103(b)(4)(D)); Check box if exempt from volume limitations ▶ ☐	
e	☐ Sewage or waste disposal facilities (section 103(b)(4)(E))	
f	☐ Pollution control facilities (section 103(b)(4)(F))	
g	☐ Water furnishing facilities (section 103(b)(4)(G))	
h	☐ Hydroelectric generating facilities (section 103(b)(4)(H))	
i	☐ Mass commuting vehicles (section 103(b)(4)(I))	
j	☐ Local district heating or cooling facilities (section 103(b)(4)(J))	
k	☐ Facilities for the local furnishing of electric energy or gas (section 103(b)(4)(E))	

Part III Description of Obligations

14 (A) Maturity date	(B) Face amount	(C) Stated interest rate	(D) Term (in years)
		%	
		%	
SEE ATTACHED SCHEDULE "A"		%	
		%	
		%	
	EXHIBIT	%	
		%	
	JUL 29 1986 NO. 17	%	
		%	
	STATE BUDGET & CONTROL BOARD	%	
		%	
		%	
		%	

15	Weighted average maturity of the issue ▶	6.0 years
16	If issue is an advance refunding, enter the earliest call date ▶	

Part IV Proceeds of Issue

17	Total purchase price (regs. section 1.103-13(d)(2))	$650,000
18	Proceeds used for bond issuance costs	41
19	Proceeds allocated to reasonably required reserve or replacement fund	-0-
20	Proceeds used to refund prior issues	-0-
21	Non-refunding proceeds of the issue (subtract lines 18, 19, and 20 from line 17)	$649,959

Part V Description of Property Financed by Non-refunding Proceeds
(Do not complete for student loan bonds or mortgage bonds)

22	Type of Property Financed (or portion thereof financed by non-refunding proceeds)	
a	3-yr. ACRS property	-0-
b	5-yr. ACRS property	-0-
c	10-yr. ACRS property	-0-
d	15-yr. ACRS property	-0-
e	18-yr. ACRS property	649,959
f	Cost of land	-0-
g	Cost of other property (see instructions)	-0-
23	Other use of non-refunding proceeds (subtract lines 22a-g from Part IV, line 21) (see instructions)	-0-

24 Standard industrial classification (SIC) of non-refunding proceeds for the financed project.

	SIC Code	Non-refunding proceeds $		SIC Code	Non-refunding proceeds $
a	3670	$649,959	d		
b			e		
c			f		

25 Average weighted economic life of the project (complete only for IDBs) ▶ years.

Part VI Description of Initial Principal Users
(Do not complete for student loan bonds or mortgage bonds)

26 Initial Principal Users:

(A) User	(B) Name	(C) Address	(D) Employer identification number
(i)	Holmberg Electronics Corporation	P. O. Box 37, Inman, SC 29349	57-0527850
(ii)			
(iii)			
(iv)			
(v)			

27 Common parents (if any) of initial principal users listed above:

(A) User (from above)	(B) Name	(C) Address	(D) Employer identification number

Part VII Approval of Issue (Complete only for IDBs)

28 Name of Governmental units approving issue ▶ County Council of Spartanburg County, South Carolina

29 Names and positions of applicable elected representatives or date of referenda approving issue ▶ County Council of Spartanburg County

Part VIII Volume Limitations for Qualified Mortgage or Veterans' Bonds

1	Issuer's volume limitation	
2	Amount of volume limitation surrendered to other issues (e.g., under section 103A(g)(3)(B) or 25(c)(2)(A)(ii))	
3	Amount of bonds previously issued	
4	Unused volume limitation (subtract lines 2 and 3 from line 1)	

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer ▶ K. L. Westmoreland — Date: 8/26/86 — Title ▶ Spartanburg County Administrator

Paid Preparer's Use Only

Preparer's signature — Check if self-employed ☐ — Preparer's social security no.

Firm's name (or yours, if self-employed) and address ▶ McKay & Guerard, P.A.
P. O. Drawer 7157, Cola, SC

E.I. No. 57-0730838
ZIP code 29202

☆ U.S. Government Printing Office: 1985—461-465/19999

01333

The Spartanburg Herald
and
THE SPARTANBURG JOURNAL
Spartanburg, S. C.

STATE OF SOUTH CAROLINA
COUNTY OF SPARTANBURG

Personally appeared before me, a notary public in and for the State and County aforesaid, Linda McHugh, who having been duly sworn according to law, deposes and says that he is the Legal Advertising Clerk of The Spartanburg Herald, The Spartanburg Journal, and Spartanburg Herald-Journal, newspapers published at Spartanburg, South Carolina, and that the attached advertisement was published in The Spartanburg Herald, The Spartanburg Journal and/or Spartanburg Herald-Journal one time a week for One (1) times in the following issues.

July 30, 1986

Linda McHugh

Sworn to and subscribed before me this

27th day of July, 1986

Grace E. Strand

Notary Public for South Carolina

My Commission Expires June 25, 1996

01334

EXHIBIT

JUL 29 1986 NO. 17

STATE BUDGET & CONTROL BOARD

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

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

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

July 29, 1986

C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

TENTATIVE ALLOCATION, CALENDAR YEAR 1986

TO: Spartanburg County
$650,000
Industrial Revenue Note
(Holmberg Electronics Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Deficit Reduction Act of 1984 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire ninety (90) calendar days from July 29, 1986 (the date the allocation was approved by the Board), if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Board Regulation §19-103.06 and §19-103.07 require that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

01335

EXHIBIT

JUL 29 1986 NO. 17

STATE BUDGET & CONTROL BOARD

PETITION

TO

THE STATE BUDGET AND CONTROL BOARD

OF

SOUTH CAROLINA

PURSUANT TO SECTION 4-29-140 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976

RE: NOT EXCEEDING $650,000 SPARTANBURG COUNTY, SOUTH CAROLINA, INDUSTRIAL REVENUE NOTE, SERIES 1986 (HOLMBERG ELECTRONICS CORPORATION PROJECT)

EX PARTE:
COUNTY COUNCIL OF SPARTANBURG COUNTY
SOUTH CAROLINA

01336

TO: The Honorable Richard W. Riley, Governor
The Honorable Grady L. Patterson, Jr., State Treasurer
The Honorable Earle E. Morris, Jr., Comptroller General
The Honorable Rembert C. Dennis, Chairman
Senate Finance Committee
The Honorable Tom G. Mangum, Chairman
House Ways and Means Committee

Constituting the State Budget and Control Board of the State of South Carolina

Your Petitioner, the County Council of Spartanburg County, respectfully prays:

1. Spartanburg County (the County) has entered into an Assistance Contract with Holmberg Electronics Corporation, a corporation organized and existing under the Laws of the State of South Carolina (the Company), whereby the County agrees, under the conditions set forth in the Assistance Contract, inter alia, to issue not to exceed $1,850,000 Spartanburg County Industrial Revenue Bonds, Series 1986, pursuant to Chapter 29, Title 4, Volume 1, Code of Laws of South Carolina 1976, as amended (the Enabling Statute), to finance the (i) acquisition of a tract of land containing approximately five (5) acres on South Carolina Highway 11 (known as Campton Road) less than one half mile west of I-26 in Spartanburg County, together with any improvements located thereon, (ii) the construction thereon of an approximately 25,500 square foot manufacturing facility, and (iii) acquisition and installation of machinery and equipment therein and thereon, all of which will constitute a facility for the assembly and distribution of printed circuit card edge connectors and other components.

EXHIBIT

JUL 29 1986 NO. 17

STATE BUDGET & CONTROL BOARD

01337

2. The Assistance Contract further provided that, subject to the approval by the State Budget and Control Board required by the Enabling Statute, the County will authorize the issuance of not exceeding $1,850,000 Spartanburg County, South Carolina, Industrial Revenue Bonds (Holmberg Electronics Corporation Project) (the Bonds), under the Enabling Statute, as a single issue or as several separate issues, at such time as the Company may request the County to do so.

3. The Company has now advised County Council that the cost of acquiring the land and building the 25,500 square foot building (such land and building as so acquired and built being referred to herein as the Project) will be $653,000 and has requested that the County issue its industrial revenue note, in the principal amount of not exceeding $650,000 (the Note), to finance the cost of acquiring and building the Project, including the costs incident to the issuance of the Note.

4. The County proposes to issue its not exceeding $650,000 Spartanburg County, South Carolina, Industrial Revenue Note, Series 1986 (Holmberg Electronics Corporation Project) (the Note), pursuant to the Enabling Statute, and loan the proceeds thereof to the Company, pursuant to the terms of a loan agreement between the County and the Company (the Loan Agreement), to finance the Project.

5. The Company has advised County Council that all costs in excess of the proceeds of the Note will be paid by the Company from its own funds.

01338

6. The Company has further advised County Council that the Project, when completed and operational, will initially provide employment for approximately 110 persons and for approximately 90 additional persons in future years. As a result of the increased employment following completion and operation of the Project, the economy of the County will be benefited by the increased payroll and, as a result of the proposed acquisition of the land and construction of the building, the tax base of the County will be increased. Thus, the proposed Project is anticipated to have a beneficial effect upon the economy of Spartanburg County and of the areas adjacent thereto.

7. The Company has advised the County Council of Spartanburg County that The Citizens and Southern National Bank of South Carolina, a banking corporation under the Laws of the United States (the Purchaser), has committed to buy the Note, which will be issued as a single note, payable to the Purchaser or its registered assigns, in the principal amount of not exceeding $650,000, with interest thereon from the date of delivery at the rate of not exceeding Sixty-seven per centum (67%) of the prime rate announced from time to time by the Purchaser. The Note shall be payable in equal, successive, monthly, quarterly or semi-annual principal installments, with interest as aforesaid on the principal balance from time to time outstanding payable on each principal installment payment date. The Note will mature not later than twelve (12) years from the date of issuance.

8. The proposed Loan Agreement between the County and the Company will provide, among other things, the following:

(a) To finance the cost of the Project, the County will issue its not exceeding $650,000 Industrial Revenue Note, pursuant to the Enabling Statute. The Project will be owned by the Company and the County will have no ownership interest in the Project. The Note may be secured by a first mortgage lien on and security interest in the Project under a Mortgage and Security Agreement from the Company to the County (the Mortgage), which will be assigned to the Purchaser.

(b) The Loan Agreement will impose upon the Company the obligation to pay, in addition to the moneys required for the payment of the principal of, premium, if any, and interest on the Note, all other costs and expenses resulting from the execution and delivery of the Loan Agreement and the Mortgage and the issuance of the Note pursuant thereto.

(c) The proceeds derived from the sale of the Note will be deposited in a construction account and will be withdrawn on requisition of the Company and applied solely to the payment of costs incident to the Project (including reimbursement to the Company of funds advanced or loans incurred for that purpose), and the issuance of the Note.

(d) The Loan Agreement shall contain an agreement obligating the Company to effect the completion of the Project if the proceeds of the Note prove insufficient, and obligating the Company to pay loan repayments, which, upon the basis of the determinations heretofore made by County Council, will be

sufficient to pay the principal of and interest on the Note. Inasmuch as the Purchaser has not deemed it advisable to build up and maintain any reserve in connection with the Project or the Note, no loan repayments will be required for that purpose.

(e) The Loan Agreement shall contain the agreement of the Company to pay for the maintenance and insurance of the Project.

(f) The Loan Agreement will contain no provision imposing any pecuniary liability upon the County or which would create a charge upon the County's general credit or taxing power.

9. Any Mortgage from the Company to the County, securing the Note, in the amount of not exceeding Six Hundred Fifty Thousand and no/100 ($650,000.00) Dollars, will be in conventional form and will constitute a forecloseable mortgage upon the Project. Included in the granting clause of the Mortgage may be:

(a) All real property, machinery, and equipment and all interest therein, acquired or to be acquired for the Project;

(b) All amounts derived by the County under the Loan Agreement, except those payments to be made by way of indemnification or for attorneys' fees; and

(c) All funds from time to time in the Construction Account established pursuant to the Loan Agreement, and any securities in which such funds are invested, and the proceeds thereof.

10. County Council requests that $650,000 of the State Ceiling on private activity bonds for calendar year 1986 be allocated to the Note. The allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the Project and any other facilities located at or used as a part of an integrated operation with the Project. County Council hereby certifies that this request for allocation is not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Upon the basis of the foregoing, the County Council respectfully prays:

That the State Budget and Control Board accept the filing of the Petition presented herewith and that it thereafter, and as soon as practicable, make its independent investigation of the Project as it deems advisable, and that thereafter, the State Board make a finding that the proposed Project will promote the purpose of the said Enabling Statute, and that it is reasonably anticipated to effect such result, and, on the basis of such finding, that it does approve the Project, including changes in details of the financing as finally consummated which do not materially affect the undertaking, that $650,000 of the state ceiling on private activity bonds for calendar year 1986 be allocated to the Note, and that it give published notice of its approval in the manner set forth in Code Section 4-29-140.

01342

Respectfully submitted,

SPARTANBURG COUNTY, SOUTH CAROLINA

(SEAL)

By: K. L. Westmoreland
K. L. Westmoreland, County Administrator of Spartanburg County

ATTEST:

C. P. Parris
C. P. Parris, Clerk,
County Council of
Spartanburg County

EXHIBIT

JUL 29 1986 NO. 17

STATE BUDGET & CONTROL BOARD

APPROVED AS TO FORM AND CONTENT:

Roy McBee Smith, County Attorney
Spartanburg County, South Carolina

01343

EXHIBIT

JUL 29 1986 NO. 17

STATE BUDGET & CONTROL BOARD

A RESOLUTION

MAKING CERTAIN DETERMINATIONS AND FINDINGS PRIOR TO UNDERTAKING A PROPOSED PROJECT TO BE FINANCED THROUGH THE ISSUANCE OF A SPARTANBURG COUNTY INDUSTRIAL REVENUE NOTE, SERIES 1986, APPROVING THE UNDERTAKING OF THE PROJECT AND THE ISSUANCE OF THE INDUSTRIAL REVENUE NOTE, AND AUTHORIZING, AND CONFIRMING ANY ACTIONS HERETOFORE TAKEN WITH RESPECT TO, THE FILING OF A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA, SEEKING ITS APPROVAL OF THE PROJECT AND OF THE ISSUANCE OF THE INDUSTRIAL REVENUE NOTE.

BE IT RESOLVED BY THE COUNTY COUNCIL OF SPARTANBURG COUNTY (the County Council), in meeting duly assembled, that the County Council hereby determines and finds as follows:

1. Spartanburg County (the County) has entered into an Assistance Contract with Holmberg Electronics Corporation, a corporation organized and existing under the Laws of the State of South Carolina (the Company), whereby the County agrees, under the conditions set forth in the Assistance Contract, inter alia, to issue not to exceed $1,850,000 Spartanburg County Industrial Revenue Bonds, Series 1986, pursuant to Chapter 29, Title 4, Volume 1, Code of Laws of South Carolina 1976, as amended (the Enabling Statute), to finance the (i) acquisition of a tract of land containing approximately five (5) acres on South Carolina Highway 11 (known as Campton Road) less than one half mile west of I-26 in Spartanburg County, together with any improvements located thereon, (ii) the construction thereon of an approximately 25,500 square foot manufacturing facility, and (iii) acquisition and installation of machinery and equipment therein and thereon, all of which will constitute a facility for the assembly and distribution of printed circuit card edge connectors and other components.

2. The Assistance Contract further provided that, subject to the approval by the State Budget and Control Board required by the Enabling Statute, the County will authorize the issuance of not exceeding $1,850,000 Spartanburg County, South Carolina, Industrial Revenue Bonds (Holmberg Electronics Corporation Project) (the Bonds), under the Enabling Statute, as a single issue or as several separate issues, at such time as the Company may request the County to do so.

3. The Company has now advised County Council that the cost of acquiring the land and building the 25,500 square foot building (such land and building as so acquired and built being referred to herein as the Project) will be $653,000 and has requested that the County issue its industrial revenue note, in the principal amount of not exceeding $650,000 (the Note), to finance the cost of acquiring and

building the Project, including the costs incident to the issuance of the Note.

4. The Company has further advised County Council that the Project, when completed and operational, will initially provide employment for approximately 110 persons and for approximately 90 additional persons in future years.

5. The financing of the Project as proposed would render assistance to the Company in establishing a manufacturing enterprise in the County and thereby promote the industrial development of the State and develop trade by inducing this enterprise to locate in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State. The Project, thus, will subserve the purposes of said Enabling Statute.

6. The Company has agreed under the terms of the proposed Loan Agreement with the County to effect the completion of the Project if the proceeds of the Note prove insufficient, and, under its proposed Loan Agreement with the County, the Company will also be obligated, at its expense, to pay for the maintenance and insurance of the Project; and to make loan repayments sufficient to pay the principal of, premium, if any, and interest on the Note as they become due. Neither the Project nor any charges in connection with the Project or the acquisition, construction, improvement, installation, operation, and maintenance of the Project or in connection with the Note, including the payment of principal or interest, shall constitute or give rise to a pecuniary liability of the County or a charge against the general credit or taxing power of the County.

7. The Company has advised County Council that The Citizens and Southern National Bank of South Carolina, a national banking association under the Laws of the United States (the Bank), has committed to buy the Note, which will be issued as a single note, payable to the order of the Bank, in the principal amount of not exceeding $650,000, with interest thereon from the date of delivery at the rate of not exceeding sixty-seven per centum (67%) of the prime rate announced from time to time by the Bank. The Note shall be payable in equal, successive, monthly, quarterly or semi-annual installments of principal with interest as aforesaid on the principal balance from time to time outstanding payable on each principal installment payment date. The Note will mature not later than twelve (12) years from the date of issuance.

8. As security for the Note, the Company may give the County a first mortgage lien on and security interest in the Project by a Mortgage and Security Agreement from the Company to the County (the Mortgage), which Mortgage will be assigned by the County to the Bank.

9. Inasmuch as the Bank is not requiring the establishment of a reserve fund for the retirement of the Note, no such reserve fund need be established.

10. The Chairman, or in his absence, the Vice Chairman of the County Council, is hereby authorized and directed, on behalf of the County Council, to take all actions necessary to obtain an allocation from the State Budget and Control Board of the Private Activity Bond Limit for the Bonds.

AND, BE IT FURTHER RESOLVED that the County Council of Spartanburg County hereby approves the undertaking of the Project and the issuance of its Industrial Revenue Note as aforesaid, the filing of its petition, in accordance with Code Section 4-29-140, to the State Budget and Control Board of South Carolina, in substantially the form of the Petition attached hereto (or with such changes as shall be approved by the Attorney for Spartanburg County), and the execution by the Spartanburg County Administrator, or in his absence, the Acting County Administrator, and the attestation by the Clerk of County Council, or in her absence, the Acting Clerk, to the same and the affixation of the County Seal thereto, and, further, authorizes and empowers the Spartanburg County Administrator, or, in his absence, the Acting County Administrator, to take all other action necessary or incidental to the execution and filing of such Petition, and ratifies, confirms and adopts any and all such actions heretofore taken.

PETITION

TO

THE STATE BUDGET AND CONTROL BOARD

OF

SOUTH CAROLINA

PURSUANT TO SECTION 4-29-140 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976

RE: NOT EXCEEDING $650,000 SPARTANBURG COUNTY, SOUTH CAROLINA, INDUSTRIAL REVENUE NOTE, SERIES 1986 (HOLMBERG ELECTRONICS CORPORATION PROJECT)

EX PARTE:
COUNTY COUNCIL OF SPARTANBURG COUNTY
SOUTH CAROLINA

01347

TO: The Honorable Richard W. Riley, Governor
The Honorable Grady L. Patterson, Jr., State Treasurer
The Honorable Earle E. Morris, Jr., Comptroller General
The Honorable Rembert C. Dennis, Chairman
Senate Finance Committee
The Honorable Tom G. Mangum, Chairman
House Ways and Means Committee

Constituting the State Budget and Control Board of the State of South Carolina

Your Petitioner, the County Council of Spartanburg County, respectfully prays:

1. Spartanburg County (the County) has entered into an Assistance Contract with Holmberg Electronics Corporation, a corporation organized and existing under the Laws of the State of South Carolina (the Company), whereby the County agrees, under the conditions set forth in the Assistance Contract, inter alia, to issue not to exceed $1,850,000 Spartanburg County Industrial Revenue Bonds, Series 1986, pursuant to Chapter 29, Title 4, Volume 1, Code of Laws of South Carolina 1976, as amended (the Enabling Statute), to finance the (i) acquisition of a tract of land containing approximately five (5) acres on South Carolina Highway 11 (known as Campton Road) less than one half mile west of I-26 in Spartanburg County, together with any improvements located thereon, (ii) the construction thereon of an approximately 25,500 square foot manufacturing facility, and (iii) acquisition and installation of machinery and equipment therein and thereon, all of which will constitute a facility for the assembly and distribution of printed circuit card edge connectors and other components.

01348

2. The Assistance Contract further provided that, subject to the approval by the State Budget and Control Board required by the Enabling Statute, the County will authorize the issuance of not exceeding $1,850,000 Spartanburg County, South Carolina, Industrial Revenue Bonds (Holmberg Electronics Corporation Project) (the Bonds), under the Enabling Statute, as a single issue or as several separate issues, at such time as the Company may request the County to do so.

3. The Company has now advised County Council that the cost of acquiring the land and building the 25,500 square foot building (such land and building as so acquired and built being referred to herein as the Project) will be $653,000 and has requested that the County issue its industrial revenue note, in the principal amount of not exceeding $650,000 (the Note), to finance the cost of acquiring and building the Project, including the costs incident to the issuance of the Note.

4. The County proposes to issue its not exceeding $650,000 Spartanburg County, South Carolina, Industrial Revenue Note, Series 1986 (Holmberg Electronics Corporation Project) (the Note), pursuant to the Enabling Statute, and loan the proceeds thereof to the Company, pursuant to the terms of a loan agreement between the County and the Company (the Loan Agreement), to finance the Project.

5. The Company has advised County Council that all costs in excess of the proceeds of the Note will be paid by the Company from its own funds.

01349

6. The Company has further advised County Council that the Project, when completed and operational, will initially provide employment for approximately 110 persons and for approximately 90 additional persons in future years. As a result of the increased employment following completion and operation of the Project, the economy of the County will be benefited by the increased payroll and, as a result of the proposed acquisition of the land and construction of the building, the tax base of the County will be increased. Thus, the proposed Project is anticipated to have a beneficial effect upon the economy of Spartanburg County and of the areas adjacent thereto.

7. The Company has advised the County Council of Spartanburg County that The Citizens and Southern National Bank of South Carolina, a banking corporation under the Laws of the United States (the Purchaser), has committed to buy the Note, which will be issued as a single note, payable to the Purchaser or its registered assigns, in the principal amount of not exceeding $650,000, with interest thereon from the date of delivery at the rate of not exceeding Sixty-seven per centum (67%) of the prime rate announced from time to time by the Purchaser. The Note shall be payable in equal, successive, monthly, quarterly or semi-annual principal installments, with interest as aforesaid on the principal balance from time to time outstanding payable on each principal installment payment date. The Note will mature not later than twelve (12) years from the date of issuance.

8. The proposed Loan Agreement between the County and the Company will provide, among other things, the following:

(a) To finance the cost of the Project, the County will issue its not exceeding $650,000 Industrial Revenue Note, pursuant to the Enabling Statute. The Project will be owned by the Company and the County will have no ownership interest in the Project. The Note may be secured by a first mortgage lien on and security interest in the Project under a Mortgage and Security Agreement from the Company to the County (the Mortgage), which will be assigned to the Purchaser.

(b) The Loan Agreement will impose upon the Company the obligation to pay, in addition to the moneys required for the payment of the principal of, premium, if any, and interest on the Note, all other costs and expenses resulting from the execution and delivery of the Loan Agreement and the Mortgage and the issuance of the Note pursuant thereto.

(c) The proceeds derived from the sale of the Note will be deposited in a construction account and will be withdrawn on requisition of the Company and applied solely to the payment of costs incident to the Project (including reimbursement to the Company of funds advanced or loans incurred for that purpose), and the issuance of the Note.

(d) The Loan Agreement shall contain an agreement obligating the Company to effect the completion of the Project if the proceeds of the Note prove insufficient, and obligating the Company to pay loan repayments, which, upon the basis of the determinations heretofore made by County Council, will be

sufficient to pay the principal of and interest on the Note. Inasmuch as the Purchaser has not deemed it advisable to build up and maintain any reserve in connection with the Project or the Note, no loan repayments will be required for that purpose.

(e) The Loan Agreement shall contain the agreement of the Company to pay for the maintenance and insurance of the Project.

(f) The Loan Agreement will contain no provision imposing any pecuniary liability upon the County or which would create a charge upon the County's general credit or taxing power.

9. Any Mortgage from the Company to the County, securing the Note, in the amount of not exceeding Six Hundred Fifty Thousand and no/100 ($650,000.00) Dollars, will be in conventional form and will constitute a forecloseable mortgage upon the Project. Included in the granting clause of the Mortgage may be:

(a) All real property, machinery, and equipment and all interest therein, acquired or to be acquired for the Project;

(b) All amounts derived by the County under the Loan Agreement, except those payments to be made by way of indemnification or for attorneys' fees; and

(c) All funds from time to time in the Construction Account established pursuant to the Loan Agreement, and any securities in which such funds are invested, and the proceeds thereof.

10. County Council requests that $650,000 of the State Ceiling on private activity bonds for calendar year 1986 be allocated to the Note. The allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the Project and any other facilities located at or used as a part of an integrated operation with the Project. County Council hereby certifies that this request for allocation is not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Upon the basis of the foregoing, the County Council respectfully prays:

That the State Budget and Control Board accept the filing of the Petition presented herewith and that it thereafter, and as soon as practicable, make its independent investigation of the Project as it deems advisable, and that thereafter, the State Board make a finding that the proposed Project will promote the purpose of the said Enabling Statute, and that it is reasonably anticipated to effect such result, and, on the basis of such finding, that it does approve the Project, including changes in details of the financing as finally consummated which do not materially affect the undertaking, that $650,000 of the state ceiling on private activity bonds for calendar year 1986 be allocated to the Note, and that it give published notice of its approval in the manner set forth in Code Section 4-29-140.

01353

Respectfully submitted,

SPARTANBURG COUNTY, SOUTH CAROLINA

(SEAL)

By: K. L. Westmoreland
K. L. Westmoreland, County Administrator of Spartanburg County

ATTEST:

C. P. Parris
C. P. Parris, Clerk,
County Council of
Spartanburg County

APPROVED AS TO FORM AND CONTENT:

Roy McBee Smith, County Attorney
Spartanburg County, South Carolina

01354

ASSISTANCE CONTRACT

THIS CONTRACT made and entered into by and between SPARTANBURG COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the County), and HOLMBERG ELECTRONICS CORPORATION, a corporation organized and existing under the Laws of the State of South Carolina (the Industry),

EXHIBIT

JUL 29 1986 NO. 17

STATE BUDGET & CONTROL BOARD

WITNESSETH:

ARTICLE I

RECITATION OF FACTS

SECTION 1.01

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Contract, the following statements of fact are herewith recited:

1. The County is a body politic and corporate and a political subdivision of the State of South Carolina and is authorized and empowered by the provisions of Chapter 29, Title 4, Volume 1, Laws of South Carolina 1976, as amended (the Enabling Statute): (i) to enter into agreements with any industry (as defined in the Enabling Statute) necessary or incidental to the issuance of bonds pursuant to the Enabling Statute; (ii) to enter into loan agreements (as defined in the Enabling Statute) with such industries prescribing the payments to be made by such industries to the County or its assignee to meet the

payments that shall become due on any bonds issued by the County pursuant to the Enabling Statute, including terms and conditions relative to the acquisition and use of the facilities and the issuance of bonds; and (iii) to issue bonds for the purpose of financing the acquisition, enlarging, improving, expanding, equipping, furnishing, owning, leasing, disposing of properties through which the industrial development of the State will be promoted and trade developed by inducing new industries to locate in South Carolina and by encouraging industries now located in South Carolina to expand their investments and thus utilize and employ manpower and other resources of South Carolina.

2. The Industry proposes that the County finance the acquisition, construction and equipping of an approximately 25,500 square foot manufacturing facility located on approximately five acres of land on South Carolina Highway 11 (Campton Road) approximately one half mile west of Interstate Highway 26 in Spartanburg County (hereinafter called the Project) to provide for the assembly and distribution of printed circuit card edge connectors and other components at a cost of not exceeding $1,850,000. The Project will initially provide employment for approximately one hundred ten (110) persons and for approximately ninety (90) additional persons in future years.

3. The Industry has advised the County that it wishes to avail itself of the assistance which the County might render through the sale of Spartanburg County Industrial Revenue Bonds pursuant to the Enabling Statute, whereby the County would finance the acquisition, construction and equipping of the Project.

4. The County has given due consideration to all of the proposals and requests of the Industry submitted to it and has agreed to endeavor to effect the issuance of the bonds hereinafter spoken of at the time and on the terms and conditions hereinafter set forth.

01357

ARTICLE II

UNDERTAKINGS OF THE COUNTY

Section 2.01

The County agrees, subject to the provisions of the Enabling Statute and compliance therewith, as follows:

1. It will enter into a Loan Agreement (the Loan Agreement) with the Industry upon such terms and conditions as shall be mutually agreed upon between the County and the Industry, pursuant to which it will lend to the Industry the proceeds of not exceeding $1,850,000 Industrial Revenue Bonds (Holmberg Electronics Corporation Project), in order that such proceeds be applied to the cost of the Project and expenses incident thereto, including the costs of the financing.

2. It will, subject to the approval by the State Budget and Control Board required by the Enabling Statute, authorize the issuance of not exceeding ONE MILLION EIGHT HUNDRED FIFTY THOUSAND and no/100 ($1,850,000.00) DOLLARS Spartanburg County, South Carolina, Industrial Revenue Bonds (Holmberg Electronics Corporation Project) (the Bonds), under the Enabling Statute, as a single issue or as several separate issues, at such time as the Industry may request the County to do so.

3. It will permit the Industry to arrange for the sale of the Bonds, and, if successful marketing arrangements can be made, the County will adopt such proceedings as are necessary for the making of the Loan Agreement and the issuance and securing of the Bonds.

4. If the Bonds shall be sold, the County will provide that the proceeds thereof shall be applied to the payment of the costs theretofore and thereafter to be incurred in the acquisition, construction and installation of the Project, including advances made or loans incurred by the Industry for such purposes, costs incident to the issuance of the Bonds, and the payment, to the extent permitted by the Enabling Statute, of interest on the Bonds.

5. Prior to the issuance of the Bonds, the County will, if requested by the Industry, enter into an indenture, providing for the issuance and securing of the Bonds, with a bank or banks, as trustee, to be selected by the Industry with the approval of the County. Such indenture shall be substantially in the form used in connection with the issuance of South Carolina industrial revenue bonds, upon such terms and conditions as the Industry shall propose and shall be agreeable to the County. In this connection, the parties recognize that such terms and conditions will be initially agreed upon between the Industry and the purchasers of the Bonds, and the County will not unreasonably disagree with any terms and conditions so agreed upon.

6. Simultaneously with the issuance of the Bonds, the County will assign to the trustee or the initial purchaser of the Bonds, as the case may be, its interest in the Loan Agreement and, if there is a mortgage and/or security agreement upon the Project (the Mortgage and Security Agreement), in the Mortgage and Security Agreement, if given to secure the obligations of the Industry under the Loan Agreement.

7. The County will perform such other acts and adopt such further proceedings as may be required to faithfully implement its undertakings under this Contract.

01360

ARTICLE III

UNDERTAKINGS OF THE INDUSTRY

Section 3.01

The Industry agrees as follows:

1. The Industry will market the Bonds on behalf of the County and, in this connection, the Industry expressly acknowledges that the County has no obligation with regard to the marketing of the Bonds; and

2. The Industry will enter into the Loan Agreement with the County under the terms of which the Industry will unconditionally obligate itself to pay to the County sums sufficient to pay the principal of, premium, if any, and interest on the Bonds as and when the same become due and payable; and the Loan Agreement shall be in such form and content satisfactory to the County and to the Industry; and

3. The Industry will obligate itself to perform all obligations required of it pursuant to the Enabling Statute; and

4. The Industry will hold the County harmless from all pecuniary liability and will reimburse it for all expenses to which the County might be put in the fulfillment of its obligations under this Contract and the Loan Agreement and in the implementation of the respective terms and provisions thereof; and

5. The Industry will perform such further acts and adopt such further proceedings as may be required to faithfully implement its undertakings under this Contract.

01361

ARTICLE IV

GENERAL PROVISIONS

Section 4.01

Neither the performance of this Contract by the County, nor any obligation of the County resulting from the execution and delivery, or performance, of this Contract, nor any failure by the County to perform under this Contract, shall constitute or give rise to a pecuniary liability of the County or charge against its general credit or taxing powers; but all undertakings by the County hereunder are otherwise fully binding and enforceable by a suit for specific performance or by mandamus.

Section 4.02

The parties agree that the Industry may proceed with the acquisition, construction and installation of the Project prior to the issuance of the Bonds.

01362

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have caused this Contract to be executed in their respective names as of June 26, 1985, but on the respective dates indicated below.

SPARTANBURG COUNTY, SOUTH CAROLINA

By: K. L. Westmoreland
County Administrator
Spartanburg County, South Carolina

ATTEST:

C. T. Cain
Clerk
County Council of
Spartanburg County, South Carolina

Dated: June 26, 1985

HOLMBERG ELECTRONICS CORPORATION

(SEAL)

By: [signature]

Its: President

ATTEST:

[signature]

Its: Assistant Secretary

Dated: July 10, 1985

EXHIBIT

JUL 29 1986 NO. 17

STATE BUDGET & CONTROL BOARD

A RESOLUTION

MAKING CERTAIN DETERMINATIONS AND FINDINGS PRIOR TO UNDERTAKING A PROPOSED PROJECT TO BE FINANCED THROUGH THE ISSUANCE OF A SPARTANBURG COUNTY INDUSTRIAL REVENUE NOTE, SERIES 1986, APPROVING THE UNDERTAKING OF THE PROJECT AND THE ISSUANCE OF THE INDUSTRIAL REVENUE NOTE, AND AUTHORIZING, AND CONFIRMING ANY ACTIONS HERETOFORE TAKEN WITH RESPECT TO, THE FILING OF A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA, SEEKING ITS APPROVAL OF THE PROJECT AND OF THE ISSUANCE OF THE INDUSTRIAL REVENUE NOTE.

BE IT RESOLVED BY THE COUNTY COUNCIL OF SPARTANBURG COUNTY (the County Council), in meeting duly assembled, that the County Council hereby determines and finds as follows:

1. Spartanburg County (the County) has entered into an Assistance Contract with Holmberg Electronics Corporation, a corporation organized and existing under the Laws of the State of South Carolina (the Company), whereby the County agrees, under the conditions set forth in the Assistance Contract, inter alia, to issue not to exceed $1,850,000 Spartanburg County Industrial Revenue Bonds, Series 1986, pursuant to Chapter 29, Title 4, Volume 1, Code of Laws of South Carolina 1976, as amended (the Enabling Statute), to finance the (i) acquisition of a tract of land containing approximately five (5) acres on South Carolina Highway 11 (known as Campton Road) less than one half mile west of I-26 in Spartanburg County, together with any improvements located thereon, (ii) the construction thereon of an approximately 25,500 square foot manufacturing facility, and (iii) acquisition and installation of machinery and equipment therein and thereon, all of which will constitute a facility for the assembly and distribution of printed circuit card edge connectors and other components.

2. The Assistance Contract further provided that, subject to the approval by the State Budget and Control Board required by the Enabling Statute, the County will authorize the issuance of not exceeding $1,850,000 Spartanburg County, South Carolina, Industrial Revenue Bonds (Holmberg Electronics Corporation Project) (the Bonds), under the Enabling Statute, as a single issue or as several separate issues, at such time as the Company may request the County to do so.

3. The Company has now advised County Council that the cost of acquiring the land and building the 25,500 square foot building (such land and building as so acquired and built being referred to herein as the Project) will be $653,000 and has requested that the County issue its industrial revenue note, in the principal amount of not exceeding $650,000 (the Note), to finance the cost of acquiring and

PETITION

TO

THE STATE BUDGET AND CONTROL BOARD

OF

SOUTH CAROLINA

PURSUANT TO SECTION 4-29-140 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976

RE: NOT EXCEEDING $650,000 SPARTANBURG COUNTY, SOUTH CAROLINA, INDUSTRIAL REVENUE NOTE, SERIES 1986 (HOLMBERG ELECTRONICS CORPORATION PROJECT)

EX PARTE:
COUNTY COUNCIL OF SPARTANBURG COUNTY
SOUTH CAROLINA

01365

EXHIBIT A

10. The Chairman, or in his absence, the Vice Chairman of the County Council, is hereby authorized and directed, on behalf of the County Council, to take all actions necessary to obtain an allocation from the State Budget and Control Board of the Private Activity Bond Limit for the Bonds.

AND, BE IT FURTHER RESOLVED that the County Council of Spartanburg County hereby approves the undertaking of the Project and the issuance of its Industrial Revenue Note as aforesaid, the filing of its petition, in accordance with Code Section 4-29-140, to the State Budget and Control Board of South Carolina, in substantially the form of the Petition attached hereto (or with such changes as shall be approved by the Attorney for Spartanburg County), and the execution by the Spartanburg County Administrator, or in his absence, the Acting County Administrator, and the attestation by the Clerk of County Council, or in her absence, the Acting Clerk, to the same and the affixation of the County Seal thereto, and, further, authorizes and empowers the Spartanburg County Administrator, or, in his absence, the Acting County Administrator, to take all other action necessary or incidental to the execution and filing of such Petition, and ratifies, confirms and adopts any and all such actions heretofore taken.

building the Project, including the costs incident to the issuance of the Note.

4. The Company has further advised County Council that the Project, when completed and operational, will initially provide employment for approximately 110 persons and for approximately 90 additional persons in future years.

5. The financing of the Project as proposed would render assistance to the Company in establishing a manufacturing enterprise in the County and thereby promote the industrial development of the State and develop trade by inducing this enterprise to locate in the State and thus utilize and employ the manpower, agricultural products, and natural resources of the State. The Project, thus, will subserve the purposes of said Enabling Statute.

6. The Company has agreed under the terms of the proposed Loan Agreement with the County to effect the completion of the Project if the proceeds of the Note prove insufficient, and, under its proposed Loan Agreement with the County, the Company will also be obligated, at its expense, to pay for the maintenance and insurance of the Project; and to make loan repayments sufficient to pay the principal of, premium, if any, and interest on the Note as they become due. Neither the Project nor any charges in connection with the Project or the acquisition, construction, improvement, installation, operation, and maintenance of the Project or in connection with the Note, including the payment of principal or interest, shall constitute or give rise to a pecuniary liability of the County or a charge against the general credit or taxing power of the County.

7. The Company has advised County Council that The Citizens and Southern National Bank of South Carolina, a national banking association under the Laws of the United States (the Bank), has committed to buy the Note, which will be issued as a single note, payable to the order of the Bank, in the principal amount of not exceeding $650,000, with interest thereon from the date of delivery at the rate of not exceeding sixty-seven per centum (67%) of the prime rate announced from time to time by the Bank. The Note shall be payable in equal, successive, monthly, quarterly or semi-annual installments of principal with interest as aforesaid on the principal balance from time to time outstanding payable on each principal installment payment date. The Note will mature not later than twelve (12) years from the date of issuance.

8. As security for the Note, the Company may give the County a first mortgage lien on and security interest in the Project by a Mortgage and Security Agreement from the Company to the County (the Mortgage), which Mortgage will be assigned by the County to the Bank.

9. Inasmuch as the Bank is not requiring the establishment of a reserve fund for the retirement of the Note, no such reserve fund need be established.

TO: The Honorable Richard W. Riley, Governor
The Honorable Grady L. Patterson, Jr., State Treasurer
The Honorable Earle E. Morris, Jr., Comptroller General
The Honorable Rembert C. Dennis, Chairman
Senate Finance Committee
The Honorable Tom G. Mangum, Chairman
House Ways and Means Committee

Constituting the State Budget and Control Board of the State of South Carolina

Your Petitioner, the County Council of Spartanburg County, respectfully prays:

1. Spartanburg County (the County) has entered into an Assistance Contract with Holmberg Electronics Corporation, a corporation organized and existing under the Laws of the State of South Carolina (the Company), whereby the County agrees, under the conditions set forth in the Assistance Contract, inter alia, to issue not to exceed $1,850,000 Spartanburg County Industrial Revenue Bonds, Series 1986, pursuant to Chapter 29, Title 4, Volume 1, Code of Laws of South Carolina 1976, as amended (the Enabling Statute), to finance the (i) acquisition of a tract of land containing approximately five (5) acres on South Carolina Highway 11 (known as Campton Road) less than one half mile west of I-26 in Spartanburg County, together with any improvements located thereon, (ii) the construction thereon of an approximately 25,500 square foot manufacturing facility, and (iii) acquisition and installation of machinery and equipment therein and thereon, all of which will constitute a facility for the assembly and distribution of printed circuit card edge connectors and other components.

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2. The Assistance Contract further provided that, subject to the approval by the State Budget and Control Board required by the Enabling Statute, the County will authorize the issuance of not exceeding $1,850,000 Spartanburg County, South Carolina, Industrial Revenue Bonds (Holmberg Electronics Corporation Project) (the Bonds), under the Enabling Statute, as a single issue or as several separate issues, at such time as the Company may request the County to do so.

3. The Company has now advised County Council that the cost of acquiring the land and building the 25,500 square foot building (such land and building as so acquired and built being referred to herein as the Project) will be $653,000 and has requested that the County issue its industrial revenue note, in the principal amount of not exceeding $650,000 (the Note), to finance the cost of acquiring and building the Project, including the costs incident to the issuance of the Note.

4. The County proposes to issue its not exceeding $650,000 Spartanburg County, South Carolina, Industrial Revenue Note, Series 1986 (Holmberg Electronics Corporation Project) (the Note), pursuant to the Enabling Statute, and loan the proceeds thereof to the Company, pursuant to the terms of a loan agreement between the County and the Company (the Loan Agreement), to finance the Project.

5. The Company has advised County Council that all costs in excess of the proceeds of the Note will be paid by the Company from its own funds.

01369

6. The Company has further advised County Council that the Project, when completed and operational, will initially provide employment for approximately 110 persons and for approximately 90 additional persons in future years. As a result of the increased employment following completion and operation of the Project, the economy of the County will be benefited by the increased payroll and, as a result of the proposed acquisition of the land and construction of the building, the tax base of the County will be increased. Thus, the proposed Project is anticipated to have a beneficial effect upon the economy of Spartanburg County and of the areas adjacent thereto.

7. The Company has advised the County Council of Spartanburg County that The Citizens and Southern National Bank of South Carolina, a banking corporation under the Laws of the United States (the Purchaser), has committed to buy the Note, which will be issued as a single note, payable to the Purchaser or its registered assigns, in the principal amount of not exceeding $650,000, with interest thereon from the date of delivery at the rate of not exceeding Sixty-seven per centum (67%) of the prime rate announced from time to time by the Purchaser. The Note shall be payable in equal, successive, monthly, quarterly or semi-annual principal installments, with interest as aforesaid on the principal balance from time to time outstanding payable on each principal installment payment date. The Note will mature not later than twelve (12) years from the date of issuance.

8. The proposed Loan Agreement between the County and the Company will provide, among other things, the following:

01370

(a) To finance the cost of the Project, the County will issue its not exceeding $650,000 Industrial Revenue Note, pursuant to the Enabling Statute. The Project will be owned by the Company and the County will have no ownership interest in the Project. The Note may be secured by a first mortgage lien on and security interest in the Project under a Mortgage and Security Agreement from the Company to the County (the Mortgage), which will be assigned to the Purchaser.

(b) The Loan Agreement will impose upon the Company the obligation to pay, in addition to the moneys required for the payment of the principal of, premium, if any, and interest on the Note, all other costs and expenses resulting from the execution and delivery of the Loan Agreement and the Mortgage and the issuance of the Note pursuant thereto.

(c) The proceeds derived from the sale of the Note will be deposited in a construction account and will be withdrawn on requisition of the Company and applied solely to the payment of costs incident to the Project (including reimbursement to the Company of funds advanced or loans incurred for that purpose), and the issuance of the Note.

(d) The Loan Agreement shall contain an agreement obligating the Company to effect the completion of the Project if the proceeds of the Note prove insufficient, and obligating the Company to pay loan repayments, which, upon the basis of the determinations heretofore made by County Council, will be

01371

sufficient to pay the principal of and interest on the Note. Inasmuch as the Purchaser has not deemed it advisable to build up and maintain any reserve in connection with the Project or the Note, no loan repayments will be required for that purpose.

(e) The Loan Agreement shall contain the agreement of the Company to pay for the maintenance and insurance of the Project.

(f) The Loan Agreement will contain no provision imposing any pecuniary liability upon the County or which would create a charge upon the County's general credit or taxing power.

9. Any Mortgage from the Company to the County, securing the Note, in the amount of not exceeding Six Hundred Fifty Thousand and no/100 ($650,000.00) Dollars, will be in conventional form and will constitute a foreclosable mortgage upon the Project. Included in the granting clause of the Mortgage may be:

(a) All real property, machinery, and equipment and all interest therein, acquired or to be acquired for the Project;

(b) All amounts derived by the County under the Loan Agreement, except those payments to be made by way of indemnification or for attorneys' fees; and

(c) All funds from time to time in the Construction Account established pursuant to the Loan Agreement, and any securities in which such funds are invested, and the proceeds thereof.

01372

10. County Council requests that $650,000 of the State Ceiling on private activity bonds for calendar year 1986 be allocated to the Note. The allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the Project and any other facilities located at or used as a part of an integrated operation with the Project. County Council hereby certifies that this request for allocation is not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Upon the basis of the foregoing, the County Council respectfully prays:

That the State Budget and Control Board accept the filing of the Petition presented herewith and that it thereafter, and as soon as practicable, make its independent investigation of the Project as it deems advisable, and that thereafter, the State Board make a finding that the proposed Project will promote the purpose of the said Enabling Statute, and that it is reasonably anticipated to effect such result, and, on the basis of such finding, that it does approve the Project, including changes in details of the financing as finally consummated which do not materially affect the undertaking, that $650,000 of the state ceiling on private activity bonds for calendar year 1986 be allocated to the Note, and that it give published notice of its approval in the manner set forth in Code Section 4-29-140.

01373

Respectfully submitted,

SPARTANBURG COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
K. L. Westmoreland, County Administrator of Spartanburg County

ATTEST:

_____
C. P. Parris, Clerk,
County Council of
Spartanburg County

APPROVED AS TO FORM AND CONTENT:

_____
Roy McBee Smith, County Attorney
Spartanburg County, South Carolina

STATE OF SOUTH CAROLINA)
)
COUNTY OF SPARTANBURG)

THIS IS TO CERTIFY that the foregoing is an exact, verbatim copy of a Resolution unanimously adopted at a duly called and held regular meeting of the County Council of Spartanburg County, South Carolina, held in Council Chambers in Spartanburg County Courthouse, Spartanburg, South Carolina, on May 28, 1986, at which meeting a quorum was present and remained throughout, and which meeting was open to the public.

Written public notice of all regular meetings for the current calendar year was given at the beginning of the year by posting a copy of the notice at the principal office of the County Council, containing the dates, times, and places of such meetings. An effort was made on behalf of the County Council to notify local news media and such other news media as may request official notification of the time, date, place and agenda of said meeting. The efforts were noted in the minutes of such meeting.

That the said Resolution was offered by Councilmember D. Allen seconded by Councilmember D. Dennis, and has been recorded in the County Council's records of proceedings and remains in my custody as Clerk, and that the said Resolution remains in full force and effect and has not been amended, modified, or repealed.

WITNESS my Hand and the Seal of Spartanburg County, South Carolina, this 15 day of July, A.D. 1986.

(SEAL)

C. O. Sam

Clerk
County Council of Spartanburg County
South Carolina

01375

July 9 1986

TRANSMITTAL FORM, REVENUE BONDS

TO: William A. McInnis, Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, SC 29201
OR P. O. Box 12444, Columbia, SC 29211

Date: July 7, 1986
Submitted for BCB Meeting on:
July 15, 1986

FROM:
McKay & Guerard, P.A.
Name of Law Firm
Columbia, South Carolina 29202
City, State, Zip Code

1401 Main Street, P. O. Drawer 7157
Street Address/Box Number
(803) 765-2396
Telephone Area Code and Number

RE: $650,000
Amount of Issue
Spartanburg County [L]
Issuing Authority Name

Industrial Revenue Note
Type of Bonds or Notes
August 15, 1986
Projected Issue Date

EXHIBIT NO. 17
JUL 29 1986
STATE BUDGET & CONTROL BOARD

Project Name: Holmberg Electronics Corporation
Project Description:
Acquisition of land and construction of building on Campton Road for the manufacturing, assembling and distributing of printed circuit card edge connectors.

Employment as result of project: 110 initially; 90 additional in future years.

CEILING ALLOCATION REQUIRED	REFUNDING INVOLVED	PROJECT APPROVED PREVIOUSLY
X Yes ($ 650,000) ___ No	___ Yes ($) ___ No	___ Yes ( ) ___ No
Amount	Amount	Date

DOCUMENTS ENCLOSED:
(ALL required for State law approval; A and C only for ceiling allocation only.)

A. X Petition (executed original and two copies)

B. X Resolution or ordinance (executed copy)

C. X Inducement Resolution or comparable preliminary approval (executed copy)

D. X Standard Form Investment Letter from bonds purchaser (executed original)
(Purchaser: Citizens and Southern National Bank of South Carolina)

OR ___ Audited financial statements for three most recent years

E. ___ Department of Health and Environmental Control certificate IF REQUIRED

F. X Budget and Control Board Resolution and Public Notice (original)
[Plus 6 copies for certification and return to counsel]

G. X Processing fee
Amount $ 2,000.00 Check No. 18413
Payor Holmberg Electronics Corporation

Bond Counsel: Samuel W. Howell, IV
Typed Name

By: [signature]
Signature

01376

OED 1/86

incomplete

EXHIBIT

JUL 29 1986 NO. 17

STATE BUDGET & CONTROL BOARD

7/15/86 Agenda
S'burg County
Holmberg Electronics

A. Did the submitter send the executed original (preferably meaning a document other than a machine copy but, realistically, that or a machine copy with original signatures on it) of the petition and two copies? yes

(1) Does the petition ask for approval of a specific amount or a not exceeding amount? yes

(2) Does the petition ask for a State Ceiling allocation? yes If so, is the amount specific? yes The preferred style is specific and its use should be encouraged.

(3) Is the "no consideration" statement included? yes Its inclusion is advisable but not required.

B. Did the submitter send an executed copy (meaning a machine copy of the signed document) of a resolution or ordinance authorizing the petition to the Board? unexecuted

C. Did the submitter send an executed copy (meaning a machine copy of the signed document) of an inducement resolution or comparable preliminary approval of the project and the issue? yes

D. Did the submitter send the executed original (meaning the document with original signatures on it) standard form investment letter? yes OR did the submitter send audited financials for the three most recent years?

E. Is a DHEC Certificate of Need required? yes If so, did submitter send it? If a DHEC certificate is not required (we are dependent here on bond counsel opinion), our processing does not require a DHEC letter confirming that fact. Our regulations require the Certificate and they make no mention of other devices such as the so-called "30-day letter."

F. Did submitter send original of proposed Board resolution and notice? yes

(1) Does resolution have Board approving a specific amount or a not exceeding amount for State law purposes? yes If the style is something other than one of these, it should not be processed.

(2) If a State Ceiling allocation is involved in the project, the Board resolution should not include any reference to a ceiling allocation because the allocation process is handled otherwise. Does it? no

(3) If a State Ceiling allocation is involved in the project, the Board resolution should not include any reference to a requirement to submit IRS Form 8038 because that is covered by Board regulations on the subject. Does it? yes

(4) If a State Ceiling allocation is not involved in the project, the Board resolution should include the condition that the 8038 be submitted to the Board at the same time it is submitted to the IRS.

(5) Did submitter send copies for certification and return? yes

G. Did submitter send a check for the processing fee? yes

01377

JUL 29 1986

The State of South Carolina

EXHIBIT

JUL 29 1986 NO. 18

STATE BUDGET & CONTROL BOARD

Office of the Attorney General

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803-734-3680

July 23, 1986

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Columbia, SC 29201

RE: $12,000,000 Charleston County, South Carolina,
Hospital Facilities Revenue Bond,
(Baker Hospital)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Section 44-7-1590 et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

David C. Eckstrom
Assistant Attorney General

DCE:gls
Encls.

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EXHIBIT

JUL 29 1986 NO. 18

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA) Baker Hospital

COUNTY OF RICHLAND)

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, July 29, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of Senator Dennis, who was represented by Senate Finance Commitee Vice Chairman James M. Waddell, Jr.

That at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Senator Waddell, who moved its adoption; the motion was seconded by Mr. Morris, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION	AGAINST MOTION
5	0

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

July 29, 1986

William A McInnis

01379

EXHIBIT

JUL 29 1986 NO. 18

A RESOLUTION STATE BUDGET & CONTROL BOARD

APPROVING THE ISSUANCE BY CHARLESTON COUNTY, SOUTH CAROLINA, OF NOT EXCEEDING $12,000,000 HOSPITAL FACILITIES REVENUE REFUNDING BONDS, SERIES 1986 (BAKER HOSPITAL PROJECT), PURSUANT TO THE PROVISIONS OF TITLE 44, CHAPTER 7, ARTICLE 11, CODE OF LAWS OF SOUTH CAROLINA 1976.

WHEREAS, the County Council of Charleston County, South Carolina (the County Board) has heretofore, by submitting a petition (the Petition), under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976 (the Act), requested the approval by the State Budget and Control Board of the issuance by Charleston County (the County), pursuant to the Act, of its Hospital Facilities Revenue Refunding Bonds (as defined in the Act), Series 1986 (Baker Hospital Project), in an aggregate principal amount of not exceeding $12,000,000 (the Bonds); and

WHEREAS, the County now proposes to issue the Bonds, in the aggregate principal amount of not exceeding $12,000,000, and loan the proceeds thereof to Baker Hospital, a not-for-profit corporation organized and existing under the Laws of the State of South Carolina (the Hospital), for the purpose of refunding and discharging the $11,235,000 Charleston County, South Carolina, Hospital Facilities Revenue Bonds, Series 1980 (Baker Hospital Project) (the Prior Bonds), heretofore issued by the County on behalf of the Hospital; and

WHEREAS, it is proposed that the Bonds will be payable from revenues and receipts of the Hospital pledged and assigned to the County under the terms of a Loan Agreement (the Loan Agreement), between the County and the Hospital, which revenues and receipts have

been assigned to the Trustee hereinbelow defined by an assignment of the Loan Agreement. The Bonds are further secured by the lien of a Trust Indenture (the Trust Indenture), between the County and a banking association organized and existing under the laws of the United States or the State of South Carolina, as trustee (the Trustee); and

WHEREAS, the County has submitted (i) a copy of the Certificate of Need, dated March 21, 1979, issued by the South Carolina Department of Health and Environmental Control, and (ii) annual financial reports of the Hospital for the last three fiscal years, and this Board has reviewed and considered each of such documents in its consideration of the Petition by the County;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA, as follows:

SECTION 1

The Board has made an independent investigation of the matters set forth in the Petition and, on the basis of such investigation, it is hereby found, determined, and declared:

(a) the facts set forth in the Petition and in the preamble hereto are, in all respects, true and correct;

(b) the Petition filed by the County Board contains all matters required by law and the rules of this Board to be set forth therein and, in consequence thereof, the jurisdiction of this Board has been properly invoked under and pursuant to the Act;

(c) the Hospital Facilities which are the subject of the Petition of the County Board are intended to promote the purposes of the Act and are reasonably anticipated to effect such result; and

(d) the proposed financing is economically feasible.

SECTION 2

In consequence of the foregoing, the proposal of the County to issue the Bonds and loan the proceeds thereof to the Hospital for the purpose of defraying the cost of refunding and discharging the Prior Bonds, the Bonds to be payable solely from the revenues and receipts pledged and assigned under the terms of the Loan Agreement and to be secured by the lien of the Trust Indenture, be, and the same hereby is, hereby, in all respects, approved.

SECTION 3

Approval of this undertaking is granted on the condition that a copy of Internal Revenue Service (IRS) Form 8038 relating to any bonds issued pursuant to this approval be filed with the Board's Secretary at the same time such form is submitted to the IRS.

SECTION 4

Notice of the action taken by this Board in approving the above described undertaking of the County shall be published in The News and Courier, a daily newspaper having general circulation in Charleston County.

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SECTION 5

The Notice required in Section 4 above to be published shall be in substantially the form set forth in Exhibit A to this Resolution.

SECTION 6

This Resolution shall take effect immediately.

NOTICE
PURSUANT TO THE PROVISIONS OF
SECTION 44-7-1590
CODE OF LAWS OF SOUTH CAROLINA 1976

NOTICE is hereby given, pursuant to the provisions and requirements of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976 (the Act), that the State Budget and Control Board of South Carolina, pursuant to a Petition filed by the County Council of Charleston County, South Carolina, has given its approval to the following undertaking by Charleston County, South Carolina:

The issuance by Charleston County, South Carolina, of its Hospital Facilities Revenue Refunding and Improvement Bonds (as defined in the Act), Series 1986 (Baker Hospital Project), in the aggregate principal amount of not exceeding $12,000,000 (the Bonds); the loaning of the proceeds of the Bonds to Baker Hospital, a not-for-profit corporation organized and existing under the Laws of the State of South Carolina (the Hospital), for the purpose of refunding and discharging the $11,235,000 Charleston County, South Carolina, Hospital Facilities Revenue Bonds, Series 1980 (Baker Hospital Project) (the Prior Bonds), heretofor issued by the County on behalf of the Hospital. The Bonds will be payable from revenues and receipts of the Hospital pledged and assigned to the County under the terms of a Loan Agreement (the Loan Agreement), between the County and the Hospital, which revenues and receipts have been assigned to the Trustee hereinbelow defined by an assignment of the Loan Agreement. The Bonds are further secured by the lien of a Trust Indenture (the Trust Indenture), between the County and a banking association or trust company under the laws of the United States or the State of South Carolina, as trustee (the Trustee).

The County Council of Charleston County has made the following findings:

(i) The facilities acquired, constructed, and installed from the proceeds of the Prior Bonds are "hospital facilities" (the Hospital Facilities), as defined in the Act.

(ii) There is a need for the Hospital Facilities in the County to serve the people of the County and make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

(iii) The Hospital is a corporation with established credit and is financially responsible and capable of fulfilling its obligations and discharging its responsibilities which may be imposed under the Loan Agreement.

(iv) Adequate provisions shall be made for the payment of principal and interest on the bonds and any necessary reserves therefor and for the operation, repair, and maintenance of the Hospital Facilities at the expense of the Hospital.

(v) The public facilities, including utilities, and public services necessary for the Hospital Facilities will be made available.

The South Carolina Department of Health and Environmental Control, on March 21, 1979, issued its Certificate of Need for the Hospital Facilities.

NOTICE IS FURTHER GIVEN that any interested party may, within twenty (20) days after the date of publication of this Notice, but not afterwards, challenge the validity of the action taken by the State Budget and Control Board, the County Council of Charleston County, or the Department of Health and Environmental Control of South Carolina, by action de novo, instituted in the Court of Common Pleas for Charleston County, South Carolina.

STATE BUDGET AND CONTROL BOARD

By: William A. McInnis
Secretary

EXHIBIT

JUL 29 1986 NO. 18

STATE BUDGET & CONTROL BOARD

01386

JUL 28 1986

State of South Carolina

EXHIBIT

JUL 29 1986 NO. 18

STATE BUDGET & CONTROL BOARD

State Budget and Control Board

OFFICE OF THE STATE AUDITOR
P.O. BOX 11333
COLUMBIA, S.C.
29211
(803) 734-1727

EDGAR A. VAUGHN, JR., CPA
STATE AUDITOR

MARGARET C. STILWELL, CPA
DEPUTY STATE AUDITOR

July 24, 1986

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

RE: Hospital Facilities Refunding Revenue Bond Issue Charleston County - $12,000,000 (Baker Hospital)

1. Per written certification of John Paul Trouche, Esquire, of the McKay & Guerard law firm, bond counsel for the project, dated July 24, 1986, "the face amount of the proposed refunding bonds will not exceed in the aggregate $10,505,000."

2. The proceeds from the proposed issue of $10,505,000 plus certain other Hospital funds from the current bond accounts which are held in trust as required by the Series 1980 Bond Indenture will provide funds to permit an advance refunding and discharge of $10,520,000, principal amount, of the Series 1980 Revenue Bonds currently outstanding plus provide additional funds of approximately $850,000 for various capital expenditures.

3. Per bond counsel, the interest rate on the proposed issue is expected to be 8.5% with repayment over 25 years. The Series 1980 Bonds outstanding were originally issued for 30 years with interest rates ranging from 8.5% to 10%. Therefore, because the principal balance and interest rate for the proposed issue are lower and because the remaining repayment period has not been extended, the net interest cost annually and in total will be less.

01387

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER

STATE BUDGET & CONTROL BOARD
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL
REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR.
EXECUTIVE DIRECTOR

EXHIBIT

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STATE BUDGET & CONTROL BOARD

4. We also reviewed audited financial statements of the Hospital for the years ended September 30, 1985, 1984 and 1983. The statements for the year ended in 1985 were examined by Finch, Hamilton, Oxner & Co., Columbia, South Carolina whose opinion on the statements was unqualified. The statements for the years ending in 1984 and 1983 were examined by Clarkson, Harden and Gantt, Columbia, South Carolina whose opinion was also unqualified.

5. Based upon discussion with bond counsel and review of the audited financial statements cited above, we see no reason to disapprove the proposed bond issue.

Rosa B Hughes

Rosa B. Hughes, CPA
Audit Manager
Office of the State Auditor

RBH/dc

01388

EXHIBIT

JUL 29 1986 NO. 18

STATE BUDGET & CONTROL BOARD

PETITION

TO

THE STATE BUDGET AND CONTROL BOARD

OF

SOUTH CAROLINA

PURSUANT TO SECTION 44-7-1590 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976

RE: NOT EXCEEDING $12,000,000 CHARLESTON COUNTY, SOUTH CAROLINA HOSPITAL FACILITIES REVENUE REFUNDING BONDS, SERIES 1986 (BAKER HOSPITAL PROJECT)

EX PARTE:

COUNTY COUNCIL OF CHARLESTON COUNTY, SOUTH CAROLINA

01389

TO: The Honorable Richard W. Riley, Governor
The Honorable Grady L. Patterson, Jr.
State Treasurer
The Honorable Earle E. Morris, Jr.
Comptroller General
The Honorable Rembert C. Dennis, Chairman
Senate Finance Committee
The Honorable Tom E. Mangum, Chairman
House Ways and Means Committee

Your Petitioner, the County Council of Charleston County, South Carolina, pursuant to Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976 (the Act), and specifically, Section 44-7-1590 thereof, respectfully shows:

1. The County Council of Charleston County is the governing body of Charleston County and, as such, constitutes a "County Board", as referred to in the Act, with respect to hospital facilities located in South Carolina.

2. The Act, among other things, empowers Charleston County (the County), functioning through its County Board (the County Board), subject to obtaining approval from the State Budget and Control Board (the State Board) required by Section 44-7-1590 of the Act and from the Department of Health and Environmental Control (the Department), required by Section 44-7-1490 of the Act, to enter into agreements with any hospital agency or public agency necessary or incidental to the issuance of bonds; to enter into loan agreements with any hospital agency or public agency, prescribing the payments to be made by the hospital agency or public agency to the County or its assignee to meet the payments that shall become due on the bonds,

EXHIBIT

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STATE BUDGET & CONTROL BOARD

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including terms and conditions relative to the acquisition and use of hospital facilities and the issuance of bonds; to issue bonds for the purpose of defraying the cost of providing hospital facilities or to refund bonds issued to defray such cost; to secure the payment of such bonds; and to make the proceeds of any bonds available by way of a loan to a hospital or public agency pursuant to a loan agreement.

3. The County has heretofore, by Ordinance enacted February 1, 1980, issued its $11,235,000 Hospital Facilities Revenue Bonds, Series 1980 (Baker Hospital Project) (the Prior Bonds) pursuant to the Act and, pursuant to the terms of a Loan Agreement, dated as of February 1, 1980, between the County and Baker Hospital, a not-for-profit corporation organized and existing under the laws of the State of South Carolina (the Hospital), loaned the proceeds of the Prior Bonds to the Hospital to defray a major portion of the cost of acquiring a tract of land in Charleston County, and the construction and equipping thereon of a hospital facility, known as Baker Hospital, operated by the Hospital (the Hospital Facilities).

4. The Hospital has advised County Council that the acquisition, construction, and equipping of the Hospital Facilities from the proceeds of the Prior Bonds has been completed; and

5. The Hospital has further advised County Council that current market conditions make it desirable to refund the Prior Bonds in order to reduce significantly the debt service requirements incurred by the Hospital in connection with the financing of the Hospital Facilities.

6. The County Board has found and determined that:

a. The Hospital Facilities acquired, constructed, and equipped from the proceeds of the Prior Bonds are "hospital facilities", as defined in the Act, the Prior Bonds were issued pursuant to the terms of the Act, and there is a need for the Hospital Facilities in the area in which the Hospital Facilities are located.

b. The issuance of the proposed bonds will reduce the debt service requirements incurred by the Hospital in connection with the financing of the Hospital Facilities and thereby enhance the Hospital's ability to maintain the Hospital Facilities in the County to serve the people of the County and make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

c. The Hospital is a corporation with established credit and is financially responsible and capable of fulfilling its obligations under the loan agreement to be entered into between the County and the Hospital, pursuant to which the bonds will be issued, including the obligations to make the payments required thereunder, to operate, repair, and maintain, at its own expense, the Hospital Facilities, and discharging such other responsibilities as may be imposed under the loan agreement.

d. Adequate provision shall be made for the payment of principal of and interest on the bonds and any necessary reserves therefor, for the operation, repair, and maintenance of the Hospital Facilities at the expense of the Hospital, and for the completion of the Hospital Facilities if the proceeds of the Prior Bonds and the Bonds prove insufficient.

e. The public facilities, including utilities, and public services necessary for the Hospital Facilities will be made available.

f. The issuance of not exceeding TWELVE MILLION ($12,000,000) DOLLARS Charleston County, South Carolina, Hospital Facilities Revenue Refunding Bonds, Series 1986 (Baker Hospital Project) (the Bonds), will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

g. Neither the Hospital Facilities, the Bonds, nor any documents or agreements entered into by the County in connection therewith will constitute an indebtedness of the County within the meaning of any State constitutional provision (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing County obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

7. Pursuant to Section 44-7-1590 of the Act, the County Board sets forth the following information:

a. The financing to be undertaken consists of the issuance of bonds in an amount sufficient to refund and discharge the $11,235,000 Charleston County, South Carolina, Hospital Facilities Revenue Bonds, Series 1980 (Baker Hospital Project), heretofore issued by the County to finance of the acquisition of a tract of land in Charleston County and the construction and equipping thereon of a hospital facility.

b. In connection with the Hospital Facilities, the Department of Health and Environmental Control has issued its Certificate of Need, dated March 21, 1979 (Exhibit A).

c. The cost of the Hospital Facilities was approximately ELEVEN MILLION TWO HUNDRED THIRTY-FIVE THOUSAND ($11,235,000) DOLLARS, including interest during construction, amounts deposited in the debt service reserve fund, financing cost, and all other expenses incurred in connection therewith, and the cost of refunding the Prior Bonds will be not exceeding $12,000,000, including amounts deposited in the debt service reserve fund, financing costs, and all other expenses to be issued in connection therewith.

d. In general, the terms and conditions of the proposed loan agreement provide that:

(i) To finance the cost of refunding the Prior Bonds the County will, at the request of the Hospital, issue not exceeding $12,000,000 Charleston County,

Hospital Facilities Revenue Refunding Bonds, Series 1986 (Baker Hospital Project), and loan the proceeds thereof to the Hospital for the purpose of defraying the cost of refunding the Prior Bonds, amounts deposited in the debt service reserve fund, and the costs of the financing.

(ii) The loan agreement shall contain no provision imposing an indebtedness on the County within the meaning of any State constitutional provision (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing County obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its credit or taxing powers.

(iii) The loan agreement shall contain provisions obligating the Hospital to pay loan repayments which, upon the basis of the determinations heretofore made by County Council, will be sufficient to pay the principal of, redemption premium, if any, and interest on the refunding bonds, as well as any amounts deemed necessary to build up and maintain any reserve in connection with the Hospital Facilities or the Bonds.

(iv) The loan agreement shall contain the agreement of the Hospital to pay for the maintenance and insurance of the Hospital Facilities, to pay the cost of maintaining the Hospital Facilities in good repair and keeping them

properly insured, and to effect the completion of the Hospital Facilities in the event the proceeds of the Bonds prove insufficient.

(v) The loan agreement will contain no provision imposing any pecuniary liability upon the County or which would create a charge upon the County's general credit or taxing power.

Upon the basis of the foregoing, the County Board respectfully prays:

That the State Budget and Control Board (i) accept the filing of the Petition presented herewith, (ii) as soon as practicable, make such independent investigation of the Hospital Facilities and the proposed refunding of the Prior Bonds, as it deems advisable, (iii) thereafter, make a finding that the Hospital Facilities and the proposed refunding of the Prior Bonds are intended to promote the purposes of the Act and that it is reasonably anticipated that the Hospital Facilities and the proposed refunding of the Prior Bonds will effect such result, (iv) make a finding that the proposed financing is economically feasible, and, on the basis of such finding, approve the issuance of not exceeding $12,000,000 Charleston County, South Carolina, Hospital Facilities Revenue Refunding Bonds, Series 1986 (Baker Hospital Project), and the loan of the proceeds thereof to the Hospital for the purpose of refunding and discharging the Prior Bonds heretofore issued to defray the cost of the acquisition, construction, and equipping of

the Hospital Facilities, including changes in any details of such financing as finally consummated which do not materially affect such undertaking, and (v) give published notice of its approval in the manner set forth in Section 44-7-1590 of the Act.

Respectfully submitted,

CHARLESTON COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
Robert L. Clement, Chairman
County Council of
Charleston County, South Carolina

ATTEST:

_____
Evelyn K. Bonham, Clerk
County Council of
Charleston County, South Carolina

Dated: June 24, 1986

EXHIBIT

JUL 29 1986 NO. 18

STATE BUDGET & CONTROL BOARD

APPROVED as to Form and Content:

_____
County Attorney
Charleston County, South Carolina

01397

EXHIBIT

JUL 29 1986 NO. 18

STATE BUDGET & CONTROL BOARD

A RESOLUTION

MAKING CERTAIN DETERMINATIONS AND FINDINGS PRIOR TO THE ISSUANCE OF NOT EXCEEDING $12,000,000 CHARLESTON COUNTY, SOUTH CAROLINA, HOSPITAL FACILITIES REVENUE REFUNDING BONDS, SERIES 1986 (BAKER HOSPITAL PROJECT); AND AUTHORIZING THE FILING OF A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA, SEEKING ITS APPROVAL FOR THE ISSUANCE OF THE BONDS.

WHEREAS, Charleston County, South Carolina (the County), acting by and through its County Council (the County Council), is authorized and empowered, under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976, as amended (the Act), to promote the public health and welfare by providing for the financing, refinancing, acquiring, enlarging, improving, constructing, equipping, and providing of hospital facilities to serve the people of the State and to make accessible to them modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities; and

WHEREAS, the County is further authorized to issue revenue bonds for the purpose of defraying the cost of providing hospital facilities; and

WHEREAS, the County is further authorized to make the proceeds of any revenue bonds available by way of loan to a hospital or public agency pursuant to a loan agreement; and

WHEREAS, the County is further authorized to pledge or assign any moneys, rents, charges, fees, or other revenues, including any proceeds of insurance or condemnation awards pursuant to any loan agreement, to the payment of the bonds issued pursuant to such loan agreement; and

WHEREAS, the County is further authorized, under Section 44-7-1560 of the Act, to issue refunding bonds, under the terms and conditions set forth therein, to refund any bonds issued under the Act; and

WHEREAS, the County has heretofore, by Ordinance enacted February 5, 1980, issued its $11,235,000 Hospital Facilities Revenue Bonds, Series 1980 (Baker Hospital Project) (the Prior Bonds) pursuant to the Act and, pursuant to the terms of a Loan Agreement, dated as of February 1, 1980, between the County and Baker Hospital, a not-for-profit corporation organized and existing under the laws of the State of South Carolina (the Hospital), loaned the proceeds of the Prior Bonds to the Hospital to defray a major portion of the cost of acquiring a tract of land in Charleston County, and the construction and equipping thereon of a hospital facility, known as Baker Hospital, operated by the Hospital (the Hospital Facilities); and

WHEREAS, the Hospital has advised County Council that the acquisition, construction, and equipping of the Hospital Facilities from the proceeds of the Prior Bonds has been completed; and

WHEREAS, the Hospital has further advised County Council that current market conditions make it desirable to refund the Prior Bonds in order to reduce significantly the debt service requirements incurred by the Hospital in connection with the financing of the Hospital Facilities; and

WHEREAS, the County Council now proposes to file with the State Budget and Control Board of South Carolina, in compliance with Section 44-7-1590 of the Act, the Petition of the County requesting

approval of the issuance of proposed refunding bonds, in the aggregate amount of not exceeding $12,000,000, by the State Budget and Control Board.

NOW, THEREFORE, BE IT RESOLVED by the County Council of Charleston County, South Carolina, as follows:

SECTION 1

A. The County Council constitutes the "County Board", as that term is defined in the Act.

B. The Hospital Facilities acquired, constructed, and equipped from the proceeds of the Prior Bonds are "hospital facilities", as defined in the Act, the Prior Bonds were issued pursuant to the terms of the Act, and there is a need for the Hospital Facilities in the area in which the Hospital Facilities are located.

C. The issuance of the proposed bonds will reduce the debt service requirements incurred by the Hospital in connection with the financing of the Hospital Facilities and thereby enhance the Hospital's ability to maintain the Hospital Facilities in the County to serve the people of the County and make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

D. The Hospital is a corporation with established credit and is financially responsible and capable of fulfilling its obligations under the loan agreement to be entered into between the County and the Hospital, pursuant to which the bonds will be issued, including the obligations to make the payments required thereunder, to operate, repair, and maintain, at its own expense, the Hospital Facilities, and discharging such other responsibilities as may be imposed under the loan agreement.

01400

E. Adequate provisions shall be made for the payment of principal of and interest on the bonds and any necessary reserves therefor and for the operation, repair, and maintenance of the Hospital Facilities at the expense of the Hospital.

F. The public facilities, including utilities, and the public services necessary for the Hospital Facilities will be made available.

G. The issuance of not exceeding TWELVE MILLION ($12,000,000) DOLLARS Charleston County, South Carolina, Hospital Facilities Revenue Refunding Bonds, Series 1986 (Baker Hospital Project) (the Bonds), will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

H. Neither the Hospital Facilities, the Bonds, nor any documents or agreements entered into by the County in connection therewith will constitute an indebtedness of the County within the meaning of any State constitutional provision (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing County obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

I. The issuance of the Bonds, in an aggregate principal amount of not exceeding $12,000,000, will be required in order to loan the proceeds thereof to the Hospital for the purpose of reducing the debt service requirements incurred by the Hospital in connection with the financing of the Hospital Facilities.

01401

SECTION 2

There is hereby authorized and directed to be submitted, on behalf of the County, a Petition of this County Council, requesting the approval of the proposed issuance of bonds by the State Budget and Control Board of South Carolina, pursuant to the provisions of Section 44-7-1590 of the Act, such Petition to be in substantially the form attached hereto as Exhibit A, with such changes, insertions, and omissions as may be approved by the County Attorney for Charleston County, such execution being conclusive evidence of such approval.

SECTION 3

The Chairman of the County Council of Charleston County (or, in his absence, the Vice Chairman) is hereby authorized and directed to execute such Petition in the name and on behalf of the County and the Clerk of the County Council (or, in her absence, the Acting Clerk) is hereby authorized and directed to affix the Seal of the County Council to such Petition and to attest the same and thereafter submit an executed copy of this Resolution, along with such Petition, to the State Budget and Control Board of South Carolina.

SECTION 4

All orders and resolutions and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall take effect and be in full force from and after its passage and approval.

EXHIBIT

JUL 29 1986 NO. 18

STATE BUDGET & CONTROL BOARD

PETITION

TO

THE STATE BUDGET AND CONTROL BOARD

OF

SOUTH CAROLINA

PURSUANT TO SECTION 44-7-1590 OF THE CODE OF LAWS OF SOUTH CAROLINA 1976

RE: NOT EXCEEDING $12,000,000 CHARLESTON COUNTY, SOUTH CAROLINA HOSPITAL FACILITIES REVENUE REFUNDING BONDS, SERIES 1986 (BAKER HOSPITAL PROJECT)

EX PARTE:

COUNTY COUNCIL OF CHARLESTON COUNTY, SOUTH CAROLINA

01403

TO: The Honorable Richard W. Riley, Governor
The Honorable Grady L. Patterson, Jr.
State Treasurer
The Honorable Earle E. Morris, Jr.
Comptroller General
The Honorable Rembert C. Dennis, Chairman
Senate Finance Committee
The Honorable Tom E. Mangum, Chairman
House Ways and Means Committee

Your Petitioner, the County Council of Charleston County, South Carolina, pursuant to Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976 (the Act), and specifically, Section 44-7-1590 thereof, respectfully shows:

1. The County Council of Charleston County is the governing body of Charleston County and, as such, constitutes a "County Board", as referred to in the Act, with respect to hospital facilities located in South Carolina.

2. The Act, among other things, empowers Charleston County (the County), functioning through its County Board (the County Board), subject to obtaining approval from the State Budget and Control Board (the State Board) required by Section 44-7-1590 of the Act and from the Department of Health and Environmental Control (the Department), required by Section 44-7-1490 of the Act, to enter into agreements with any hospital agency or public agency necessary or incidental to the issuance of bonds; to enter into loan agreements with any hospital agency or public agency, prescribing the payments to be made by the hospital agency or public agency to the County or its assignee to meet the payments that shall become due on the bonds,

including terms and conditions relative to the acquisition and use of hospital facilities and the issuance of bonds; to issue bonds for the purpose of defraying the cost of providing hospital facilities or to refund bonds issued to defray such cost; to secure the payment of such bonds; and to make the proceeds of any bonds available by way of a loan to a hospital or public agency pursuant to a loan agreement.

3. The County has heretofore, by Ordinance enacted February 1, 1980, issued its $11,235,000 Hospital Facilities Revenue Bonds, Series 1980 (Baker Hospital Project) (the Prior Bonds) pursuant to the Act and, pursuant to the terms of a Loan Agreement, dated as of February 1, 1980, between the County and Baker Hospital, a not-for-profit corporation organized and existing under the laws of the State of South Carolina (the Hospital), loaned the proceeds of the Prior Bonds to the Hospital to defray a major portion of the cost of acquiring a tract of land in Charleston County, and the construction and equipping thereon of a hospital facility, known as Baker Hospital, operated by the Hospital (the Hospital Facilities).

4. The Hospital has advised County Council that the acquisition, construction, and equipping of the Hospital Facilities from the proceeds of the Prior Bonds has been completed; and

5. The Hospital has further advised County Council that current market conditions make it desirable to refund the Prior Bonds in order to reduce significantly the debt service requirements incurred by the Hospital in connection with the financing of the Hospital Facilities.

6. The County Board has found and determined that:

a. The Hospital Facilities acquired, constructed, and equipped from the proceeds of the Prior Bonds are "hospital facilities", as defined in the Act, the Prior Bonds were issued pursuant to the terms of the Act, and there is a need for the Hospital Facilities in the area in which the Hospital Facilities are located.

b. The issuance of the proposed bonds will reduce the debt service requirements incurred by the Hospital in connection with the financing of the Hospital Facilities and thereby enhance the Hospital's ability to maintain the Hospital Facilities in the County to serve the people of the County and make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

c. The Hospital is a corporation with established credit and is financially responsible and capable of fulfilling its obligations under the loan agreement to be entered into between the County and the Hospital, pursuant to which the bonds will be issued, including the obligations to make the payments required thereunder, to operate, repair, and maintain, at its own expense, the Hospital Facilities, and discharging such other responsibilities as may be imposed under the loan agreement.

01406

d. Adequate provision shall be made for the payment of principal of and interest on the bonds and any necessary reserves therefor, for the operation, repair, and maintenance of the Hospital Facilities at the expense of the Hospital, and for the completion of the Hospital Facilities if the proceeds of the Prior Bonds and the Bonds prove insufficient.

e. The public facilities, including utilities, and public services necessary for the Hospital Facilities will be made available.

f. The issuance of not exceeding TWELVE MILLION ($12,000,000) DOLLARS Charleston County, South Carolina, Hospital Facilities Revenue Refunding Bonds, Series 1986 (Baker Hospital Project) (the Bonds), will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

g. Neither the Hospital Facilities, the Bonds, nor any documents or agreements entered into by the County in connection therewith will constitute an indebtedness of the County within the meaning of any State constitutional provision (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing County obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

01407

7. Pursuant to Section 44-7-1590 of the Act, the County Board sets forth the following information:

a. The financing to be undertaken consists of the issuance of bonds in an amount sufficient to refund and discharge the $11,235,000 Charleston County, South Carolina, Hospital Facilities Revenue Bonds, Series 1980 (Baker Hospital Project), heretofore issued by the County to finance of the acquisition of a tract of land in Charleston County and the construction and equipping thereon of a hospital facility.

b. In connection with the Hospital Facilities, the Department of Health and Environmental Control has issued its Certificate of Need, dated March 21, 1979 (Exhibit A).

c. The cost of the Hospital Facilities was approximately ELEVEN MILLION TWO HUNDRED THIRTY-FIVE THOUSAND ($11,235,000) DOLLARS, including interest during construction, amounts deposited in the debt service reserve fund, financing cost, and all other expenses incurred in connection therewith, and the cost of refunding the Prior Bonds will be not exceeding $12,000,000, including amounts deposited in the debt service reserve fund, financing costs, and all other expenses to be issued in connection therewith.

d. In general, the terms and conditions of the proposed loan agreement provide that:

(i) To finance the cost of refunding the Prior Bonds the County will, at the request of the Hospital, issue not exceeding $12,000,000 Charleston County,

Hospital Facilities Revenue Refunding Bonds, Series 1986 (Baker Hospital Project), and loan the proceeds thereof to the Hospital for the purpose of defraying the cost of refunding the Prior Bonds, amounts deposited in the debt service reserve fund, and the costs of the financing.

(ii) The loan agreement shall contain no provision imposing an indebtedness on the County within the meaning of any State constitutional provision (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing County obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its credit or taxing powers.

(iii) The loan agreement shall contain provisions obligating the Hospital to pay loan repayments which, upon the basis of the determinations heretofore made by County Council, will be sufficient to pay the principal of, redemption premium, if any, and interest on the refunding bonds, as well as any amounts deemed necessary to build up and maintain any reserve in connection with the Hospital Facilities or the Bonds.

(iv) The loan agreement shall contain the agreement of the Hospital to pay for the maintenance and insurance of the Hospital Facilities, to pay the cost of maintaining the Hospital Facilities in good repair and keeping them

properly insured, and to effect the completion of the Hospital Facilities in the event the proceeds of the Bonds prove insufficient.

(v) The loan agreement will contain no provision imposing any pecuniary liability upon the County or which would create a charge upon the County's general credit or taxing power.

Upon the basis of the foregoing, the County Board respectfully prays:

That the State Budget and Control Board (i) accept the filing of the Petition presented herewith, (ii) as soon as practicable, make such independent investigation of the Hospital Facilities and the proposed refunding of the Prior Bonds, as it deems advisable, (iii) thereafter, make a finding that the Hospital Facilities and the proposed refunding of the Prior Bonds are intended to promote the purposes of the Act and that it is reasonably anticipated that the Hospital Facilities and the proposed refunding of the Prior Bonds will effect such result, (iv) make a finding that the proposed financing is economically feasible, and, on the basis of such finding, approve the issuance of not exceeding $12,000,000 Charleston County, South Carolina, Hospital Facilities Revenue Refunding Bonds, Series 1986 (Baker Hospital Project), and the loan of the proceeds thereof to the Hospital for the purpose of refunding and discharging the Prior Bonds heretofore issued to defray the cost of the acquisition, construction, and equipping of

the Hospital Facilities, including changes in any details of such financing as finally consummated which do not materially affect such undertaking, and (v) give published notice of its approval in the manner set forth in Section 44-7-1590 of the Act.

Respectfully submitted,

CHARLESTON COUNTY, SOUTH CAROLINA

(SEAL)

By: _____
Robert L. Clement, Chairman
County Council of
Charleston County, South Carolina

ATTEST:

_____
Evelyn K. Bonham, Clerk
County Council of
Charleston County, South Carolina

Dated: _____, 1986

APPROVED as to Form and Content:

_____
County Attorney
Charleston County, South Carolina

STATE OF SOUTH CAROLINA)
)
COUNTY OF CHARLESTON)

THIS IS TO CERTIFY that the foregoing is an exact, verbatim copy of a Resolution unanimously adopted at a duly called and held regular meeting of the County Council of Charleston County, South Carolina, held in County Chamber in the County Office Building, 2 Courthouse Square, Charleston, South Carolina, on June 17, 1986, at which meeting a quorum was present and remained throughout.

The Resolution was offered by Councilmember Dr. Wallace, seconded by Councilmember Mrs. Kerrison and has been recorded in the County Council's records of proceedings and remains in my custody as Clerk, and the Resolution remains in full force and effect and has not been amended, modified, or repealed.

WITNESS my Hand and the Seal of Charleston County, South Carolina, this 16th day of July, A.D. 1986.

(SEAL)

Evelyn K. Bonham

Evelyn K. Bonham, Clerk
County Council of
Charleston County, South Carolina

01412

AN ORDINANCE

AUTHORIZING AN ASSISTANCE AGREEMENT BETWEEN CHARLESTON COUNTY AND BAKER MEMORIAL SANATORIUM, INC. TO PROVIDE FOR THE ISSUANCE OF CHARLESTON COUNTY HOSPITAL FACILITIES REVENUE BONDS (BAKER HOSPITAL PROJECT) WHOSE PROCEEDS WILL BE LOANED TO BAKER MEMORIAL SANITORIUM, INC. TO PROVIDE FOR HOSPITAL FACILITIES IN CHARLESTON COUNTY.

BE IT ORDAINED BY THE COUNTY COUNCIL OF CHARLESTON COUNTY, IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

As an incident to the adoption of this Ordinance, the County Council of Charleston County (County Council) finds that the facts set forth in this Article exist, and the statements made with respect thereto are true and correct:

SECTION 1

1. BAKER MEMORIAL SANATORIUM, INC., a South Carolina corporation (the Hospital) owns and operates a general, acute care hospital with 60 beds in the City of Charleston, in Charleston County.

2. The Hospital has advised County Council that it now proposes to acquire a tract of land in Charleston County and to construct and equip thereon new hospital facilities containing 60 acute care beds and 44 skilled nursing beds to replace its existing facilities (such land and the proposed improvements and equipment being referred to herein as the Hospital Facilities), and that the proposed Hospital Facilities will qualify as "hospital facilities" under the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina, 1976 (the Act).

3. The Hospital estimates that the overall cost of the Hospital Facilities will not exceed $18,000,000 and has requested the County to enter into an Agreement to make provision for the issuance of bonds pursuant to the Act to provide funds to be loaned to the Hospital and applied to the acquisition, and construction and equipping of the proposed Hospital Facilities. After due consideration, County Council proposes to grant the assistance sought by the Hospital and to enter into an Agreement (in form substantially as presented to this meeting) with the Hospital making provision for the issuance of not exceeding $18,000,000 of bonds pursuant to the Act.

01414

ARTICLE II

AUTHORIZATIONS

SECTION 1

Subject to the provisions of the Act and compliance therewith, Charleston County agrees to issue not exceeding $18,000,000, Charleston County, South Carolina, Hospital Facilities Revenue Bonds (Baker Hospital Project) pursuant to the Act to finance the cost of the Hospital Facilities to be acquired, constructed and equipped by the Hospital.

SECTION 2

An Agreement to that effect in substantially the form presented to this meeting (but with such changes as the officer executing the same shall approve, such approval to be evidenced by his execution thereof), shall be executed and delivered on behalf of Charleston County by the Chairman of County Council, under the Seal of Charleston County, and duly attested by the Clerk of County Council.

SECTION 3

County Council and its duly elected officers shall take any and all further action required to implement this Ordinance and the Agreement entered into with the Hospital pursuant hereto.

01415

ARTICLE III

EFFECTIVE DATE

SECTION 1

This Ordinance shall take effect immediately upon its third reading.

01416

STATE OF SOUTH CAROLINA

COUNTY OF CHARLESTON

I, the undersigned, Clerk of the County Council of Charleston County, South Carolina, DO HEREBY CERTIFY that the foregoing is a true, correct and verbatim copy of an Ordinance duly adopted by the County Council of Charleston County, South Carolina, having been read at three duly called meetings of County Council held on October 17, 1978, November 6, 1978, and November 21, 1978.

WITNESS my Hand and the Seal of the County Council of Charleston County, this 4th day of January, A. D., 1979.

(SEAL)

Clerk, County Council of
Charleston County

01417

7/29/86
agenda

Charleston County
Baker Hospital

A. Did the submitter send the executed original (preferably meaning a document other than a machine copy but, realistically, that or a machine copy with original signatures on it) of the petition and two copies? yes
   (1) Does the petition ask for approval of a specific amount or a not exceeding amount? yes
   (2) Does the petition ask for a State Ceiling allocation? no If so, is the amount specific? The preferred style is specific and its use should be encouraged.
   (3) Is the "no consideration" statement included? Its inclusion is advisable but not required. no

B. Did the submitter send an executed copy (meaning a machine copy of the signed document) of a resolution or ordinance authorizing the petition to the Board? yes

C. Did the submitter send an executed copy (meaning a machine copy of the signed document) of an inducement resolution or comparable preliminary approval of the project and the issue? yes

D. Did the submitter send the executed original (meaning the document with original signatures on it) standard form investment letter? OR did the submitter send audited financials for the three most recent years?

? E. Is a DHEC Certificate of Need required? If so, did submitter send it? If a DHEC certificate is not required (we are dependent here on bond counsel opinion), our processing does not require a DHEC letter confirming that fact. Our regulations require the Certificate and they make no mention of other devices such as the so-called "30-day letter."

F. Did submitter send original of proposed Board resolution and notice? yes
   (1) Does resolution have Board approving a specific amount or a not exceeding amount for State law purposes? yes If the style is something other than one of these, it should not be processed.

   (2) If a State Ceiling allocation is involved in the project, the Board resolution should not include any reference to a ceiling allocation because the allocation process is handled otherwise. Does it? n/a
   (3) If a State Ceiling allocation is involved in the project, the Board resolution should not include any reference to a requirement to submit IRS Form 8038 because that is covered by Board regulations on the subject. Does it? n/a
   (4) If a State Ceiling allocation is not involved in the project, the Board resolution should include the condition that the 8038 be submitted to the Board at the same time it is submitted to the IRS. yes
   (5) Did submitter send copies for certification and return? yes

G. Did submitter send a check for the processing fee? yes

01418

TRANSMITTAL FORM, REVENUE BONDS

TO: William A. McInnis, Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, SC 29201
OR P. O. Box 12444, Columbia, SC 29211

Date: July 18, 1986
Submitted for BCB Meeting on:
July 29, 1986

EXHIBIT NO. 18
JUL 29 1986
STATE BUDGET & CONTROL BOARD

FROM:
McKay & Guerard, P.A.
Name of Law Firm
Charleston, SC 29402
City, State, Zip Code

2 Prioleau Street/P.O. Box 1119
Street Address/Box Number
(803) 722-7606
Telephone Area Code and Number

RE: Not Exceeding $12,000,000
Amount of Issue
Charleston County
Issuing Authority Name

Hospital Facilities Revenue Refunding Bonds
Type of Bonds or Notes
August 5, 1986
Projected Issue Date

Project Name: Baker Hospital

Project Description:
Refunding and discharge of $11,235,000 Charleston County, South Carolina, Hospital Facitities Revenue Bonds, Series 1980 (Baker Hospital Project)

Employment as result of project: n/a

CEILING ALLOCATION REQUIRED	REFUNDING INVOLVED	PROJECT APPROVED PREVIOUSLY
___ Yes ($_____) x No	x Yes ($12,000,000) ___ No	x Yes (Nov. 21, 1978) ___ No
Amount	Amount (Not Exceeding)	Date

DOCUMENTS ENCLOSED:
(ALL required for State Law approval; A and C only for ceiling allocation only.)

A. x Petition (executed original and two copies)

B. x Resolution or ordinance (executed copy)

C. x Inducement Resolution or comparable preliminary approval (executed copy)

D. ___ Standard Form Investment Letter from bonds purchaser (executed original)
(Purchaser: _____)

OR x Audited financial statements for three most recent years

E. x Department of Health and Environmental Control certificate IF REQUIRED

F. x Budget and Control Board Resolution and Public Notice (original)
[Plus 8 copies for certification and return to counsel]

G. x Processing fee
Amount $3,000 Check No. 008201
Payor Baker Hospital

Bond Counsel: McKay & Guerard, P.A. - John Paul Trouche
Typed Name

By: John Paul Trouche
Signature

ED 1/86

01419

TRANSMITTAL FORM, REVENUE BONDS

TO: William A. McInnis, Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, SC 29201
OR P. O. Box 12444, Columbia, SC 29211

Date: July 18, 1986
Submitted for BCB Meeting on:
July 29, 1986

EXHIBIT NO. 18
JUL 29 1986
STATE BUDGET & CONTROL BOARD

FROM:
McKay & Guerard, P.A.
Name of Law Firm
Charleston, SC 29402
City, State, Zip Code

2 Prioleau Street/P.O. Box 1119
Street Address/Box Number
(803) 722-7606
Telephone Area Code and Number

RE: Not Exceeding $12,000,000
Amount of Issue
Charleston County
Issuing Authority Name

Hospital Facilities Revenue Refunding Bonds
Type of Bonds or Notes
August 5, 1986
Projected Issue Date

Project Name: Baker Hospital

Project Description:
Refunding and discharge of $11,235,000 Charleston County, South Carolina, Hospital Facitities Revenue Bonds, Series 1980 (Baker Hospital Project)

Employment as result of project: n/a

CEILING ALLOCATION REQUIRED	REFUNDING INVOLVED	PROJECT APPROVED PREVIOUSLY
___Yes ($) Amount x No	x Yes ($ 12,000,000) Amount (Not Exceeding) ___No	x Yes (Nov. 21, 1978) Date ___No

DOCUMENTS ENCLOSED:
(ALL required for State law approval; A and C only for ceiling allocation only.)

A. x Petition (executed original and two copies)

B. x Resolution or ordinance (executed copy)

C. x Inducement Resolution or comparable preliminary approval (executed copy)

D. ___ Standard Form Investment Letter from bonds purchaser (executed original)
(Purchaser:)

OR x Audited financial statements for three most recent years

E. x Department of Health and Environmental Control certificate IF REQUIRED

F. x Budget and Control Board Resolution and Public Notice (original)
[Plus 8 copies for certification and return to counsel]

G. x Processing fee
Amount $ 3,000 Check No. 008201
Payor Baker Hospital

Bond Counsel: McKay & Guerard, P.A. - John Paul Trouche
Typed Name

By: John Paul Trouche
Signature

OED 1/86

01419

DEC 17 1986

14

December 17, 1986

Mr. William A. McInnis, Secretary
State Budget and Control
Board of South Carolina
Post Office Box 12444
Columbia, South Carolina 29211

Re: $1,800,000 Cherokee County, South Carolina, Industrial Revenue Note, Series 1986 (Clarkson Associates Project)

Dear Mr. McInnis:

In connection with the above-captioned Note, enclosed herewith please find the following:

(1) Copy of Form 8038 filed with the United States Treasury, Internal Revenue Service; and

(2) Publisher's affidavit with newspaper clipping attached evidencing publication of notice of State Budget and Control Board of South Carolina approval.

Yours very truly,

Barry S. Mang

Chairman, Cherokee County Council

01420

Form **8038**
(Rev. December 1984)
Department of the Treasury
Internal Revenue Service

Information Return for Private Activity Bond Issues

Under Sections 103(l) and 103A

OMB No. 1545-0720
Expires 12/31/87

Part I Reporting Authority — Check box if **Amended Return** ▶ ☐

1 Issuer's name	2 Issuer's employer identification number
Cherokee County, South Carolina	57-6000325
3 Number and street	**4** Issue number
210 North Limestone Street	2
5 City or town, State and ZIP code	**6** Date of issue
Gaffney, South Carolina 29342	December 17, 1986

Part II Type of Issue (Check box(es) that apply)

	Face Amount
Bonds other than Industrial Development Bonds (IDBs):	
7 ☐ Student loan bond	
8 ☐ Qualified mortgage bond; (attach copy of State certification) Check box if you elect to rebate arbitrage profits to the U.S. ▶ ☐	
9 ☐ Qualified veterans' mortgage bond	
10 ☐ Private exempt entity bond	
Industrial Development Bonds:	
11 ☐ Industrial park bond	
12 ☒ Small issue IDB; Check box if $10 million small issue election ▶ ☒	$1,800,000
13 Exempt Activity Bond (check type(s) below):	
a ☐ Residential rental projects (section 103(b)(4)(A))	
b ☐ Sports facilities (section 103(b)(4)(B))	
c ☐ Convention facilities (section 103(b)(4)(C)); Check box if exempt from volume limitations ▶ ☐	
d ☐ Airports, docks, etc., (section 103(b)(4)(D)); Check box if exempt from volume limitations ▶ ☐	
e ☐ Sewage or waste disposal facilities (section 103(b)(4)(E))	
f ☐ Pollution control facilities (section 103(b)(4)(F))	
g ☐ Water furnishing facilities (section 103(b)(4)(G))	
h ☐ Hydroelectric generating facilities (section 103(b)(4)(H))	
i ☐ Mass commuting vehicles (section 103(b)(4)(I))	
j ☐ Local district heating or cooling facilities (section 103(b)(4)(J))	
k ☐ Facilities for the local furnishing of electric energy or gas (section 103(b)(4)(E))	

Part III Description of Obligations

14

(A) Maturity date	(B) Face amount	(C) Stated interest rate	(D) Term (in years)
	(see attached)		

15 Weighted average maturity of the issue . . . not in excess of 10.00 years.

16 If issue is an advance refunding, enter the earliest call date . . . ▶

Part IV Proceeds of Issue

17 Total purchase price (regs. section 1.103-13(d)(2))	$ 1,800,000
18 Proceeds used for bond issuance costs	$ 30,000
19 Proceeds allocated to reasonably required reserve or replacement fund	$ 0
20 Proceeds used to refund prior issues	$ 0
21 Non-refunding proceeds of the issue (subtract lines 18, 19, and 20 from line 17)	$ 1,770,000

Part V Description of Property Financed by Non-refunding Proceeds (Do not complete for student loan bonds or mortgage bonds)

22	**Type of Property Financed (or portion thereof financed by non-refunding proceeds)**	
a	3-yr. ACRS property	$ 0
b	5-yr. ACRS property	$ 0
c	10-yr. ACRS property	$ 0
d	15-yr. ACRS property	$ 0
e	18-yr. ACRS property	$1,690,000
f	Cost of land	$ 80,000
g	Cost of other property (see instructions)	$ 0
23	Other use of non-refunding proceeds (subtract lines 22a-g from Part IV, line 21)(see instructions)	$ 0

24 Standard industrial classification (SIC) of non-refunding proceeds for the financed project.

	SIC Code	Non-refunding proceeds $		SIC Code	Non-refunding proceeds $
a	2315	$1,770,000	d		
b			e		
c			f		

25 Average weighted economic life of the project (complete only for IDBs) ▶ 20 years.

Part VI Description of Initial Principal Users (Do not complete for student loan bonds or mortgage bonds)

26 Initial Principal Users:

(A) User	(B) Name	(C) Address	(D) Employer identification number
(i)	Clarkson Associates	Post Office Box 960, Cowpens, South Carolina 29330	57-08161211
(ii)	Sheelah Clarkson	Post Office Box 847, Cowpens, South Carolina 29330	248-74-7325
(iii)	E. Clifford Clarkson	Post Office Box 671, Cowpens, South Carolina 29330	247-90-6397
(iv)	Harold E. Clarkson	Brookwood Lane, Cowpens, South Carolina 29330	247-13-9551
(v)		(see attached)	

27 Common parents (if any) of initial principal users listed above:

(A) User (from above)	(B) Name	(C) Address	(D) Employer identification number

Part VII Approval of Issue (Complete only for IDBs)

28 Name of Governmental units approving issue ▶ Cherokee County Council, State Budget and Control Board of South Carolina

29 Names and positions of applicable elected representatives or date of referenda approving issue ▶ Barry S. Morgan, Chairman, Cherokee County Council

Part VIII Volume Limitations for Qualified Mortgage or Veterans' Bonds

1	Issuer's volume limitation	
2	Amount of volume limitation surrendered to other issues (e.g., under section 103A(g)(3)(B) or 25(c)(2)(A)(ii))	
3	Amount of bonds previously issued	
4	Unused volume limitation (subtract lines 2 and 3 from line 1)	

Please Sign Here

Under penalties of perjury, I declare that I have examined this return, and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature of officer: Barry S. Morgan | Date: 12/17/86 | Title: Chairman, Cherokee County Council

Paid Preparer's Use Only

Preparer's signature: F. Mitchell Johnson, Jr. | Check if self-employed ☐ | Preparer's social security no.

Firm's name (or yours, if self-employed) and address: Sinkler Gibbs & Simons, P. A., PO Box 340, Charleston, SC | E.I. No. 57-0295522 | ZIP code 29402

☆U.S. Government Printing Office: 1985—461-495/10095

01422

PART III DESCRIPTION OF OBLIGATIONS

The Note is payable in successive equal monthly principal and interest installments of $22,000 each commencing on January 1, 1987 until the Note is paid in full provided that whatever sum shall be required to pay the Note, both principal and interest, in full shall be paid on or prior to December 1, 1996.

PART VI DESCRIPTION OF INITIAL PRINCIPAL USERS Cont'd

26 Initial Principal Users:

(A) User	(B) Name	(C) Address	(D) Emp. Id. No.
(v)	Sheryl Clarkson-Bland	Post Office Box 535, Cowpens, South Carolina 29330	214-88-6049
(vi)	Sharon Clarkson	1600 Park Circle, Columbia, South Carolina 29330	250-43-9794
(vii)	John C. Anderson	Post Office Box 130, Roebuck, South Carolina 29376	238-24-7381
(viii)	Spring City Knitting Company	323 E. Church St., Cartersville, Georgia 30120	56-1698683

THIS CASE MAY HAVE SOME OR ALL OF THE FOLLOWING DEFECTS WHICH MAY BE QUESTIONABLE WHEN READING. IN SPECIAL PROBLEM AREAS, THIS ROLL NOTE MAY BE REFILMED BEFORE THE DOCUMENT OR DOCUMENTS IN QUESTION.

1. PHOTOCOPY NOT CENTERED PROPERLY CUTTING OFF SOME OF THE INFORMATION.
2. DOCUMENTS ARE OF POOR QUALITY AND MAY NOT PHOTOGRAPH WELL.
3. DOCUMENTS DAMAGED OR TORN BEFORE ARRIVING FOR FILMING.
4. DOCUMENTS CONTAIN A DOUBLE-COPY IMAGE, THE UNDERLYING IMAGE IS IRRELEVENT TO THE READABLE INFORMATION.
5. DOCUMENTS WITH GLUED INSERTS WHICH WERE OR COULD NOT BE REMOVED, INFORMATION MAY OR MAY NOT BE UNDER THE INSERT.
6. OVERSIZED DOCUMENTS THAT COMPRISE TWO OR MORE FRAMES.
7. EXTREMELY DARK COLORED DOCUMENTS THAT LACK CONTRAST BETWEEN WRITING AND BACKGROUND.
8. THE NUMBERED PAGES OF THESE FILES MAY APPEAR TO BE MISSING, OR NUMBERED WRONG.

F

FNEY LEDGER, INC.
(670 1604 Baker Blvd.
affney, S.C. 29342
(803) 489-1134

NOTICE PURSUANT TO TITLE 4, CHAPTER 29 Code of Laws of South Carolina 1976 As Amended

Notice is hereby given that following the filing of a Petition by Cherokee County Council (the "County Board") to the State Budget and Control Board of South Carolina (the "State Board") approval has been given by the State Board to the following undertaking (the "Undertaking") (including changes in any details of the said financing as finally consumated which do not materially affect the said undertaking), viz.: the financing of the acquisition, construction, and installation of certain land, buildings, fixtures, machinery, and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products to be owned and operated by Clarkson Associates (the "Company"), a partnership organized and existing under the laws of the State of South Carolina, and to be located on State Road 329 Northeast of the City of Gaffney in Cherokee County, South Carolina (the "County").

To finance the acquisition, construction, and installation of the Project, the County will issue the $1,800,000 Cherokee County, South Carolina, Industrial Revenue Note, Series 1986 (Clarkson Associates Project) (the "Note") pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Note will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Note, and the Note will be secured by an Assignment of Loan Agreement under which the County will assign to the South Carolina National Bank (the "Bank") substantially all of its rights under the Loan Agreement, by a Mortgage and Security Agreement between the Company and the Bank pursuant to which the Company will grant a mortgage lien on, and security interest in, the Project to the Bank and by a Guaranty Agreement between Sheelah Clarkson, E. Bland, Sharon Clarkson, and John C. Anderson (the "Guarantors") and the Bank pursuant to which the Guarantor will unconditionally guarantee payment of the Note. The Note will be issued pursuant to the Act and to an ordiannce (the "Note Ordinance") to be adopted by the County Board.

The Project will provide employment for approximately fifty (50) persons.

Notice is further given that any interested party may at any time within twenty (20) days after the date of publication of this Notice, but not afterwards, challenge the validity of the action of the State Board in approving the undertaking of the County Board by action de novo instituted in the Court Common Pleas for Cherokee County.

THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA
By: William A. McInnis

Published: July 30, 1986.

STATE OF SOUTH C

County of Cherokee

Personally came ary Public for State and County aforesaid, Gina Dorman Poole, Office affney Ledger (a newspaper published at Gaffney, South Carolina) and o above advertisement did appear in said Newspaper, and that the clippi and made a part of this affidavit is a true copy of said advertisement as ewspaper.

Gina Dorman Poole

Gina Dorman Poole, Office Mgr., The Gaffney Ledger, Inc.

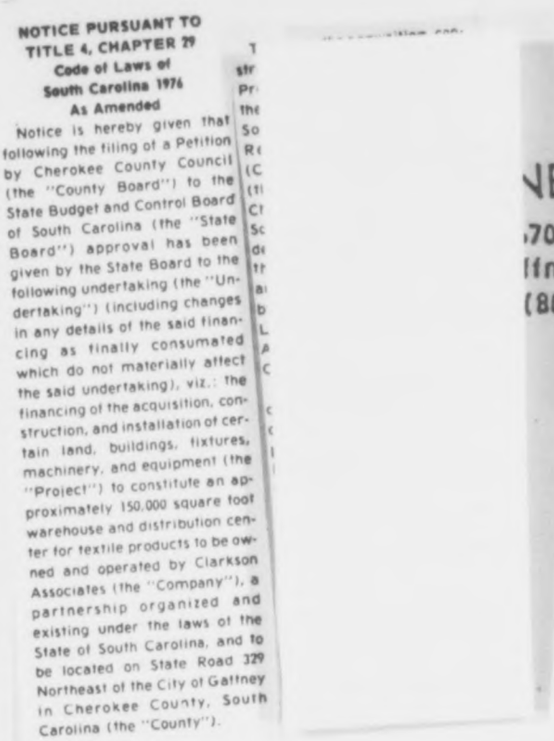
Sworn to befo

31st day of July 1986

Notary Public for South Carolina

01424

F



NOTICE PURSUANT TO TITLE 4, CHAPTER 29 Code of Laws of South Carolina 1976 As Amended

Notice is hereby given that following the filing of a Petition by Cherokee County Council (the "County Board") to the State Budget and Control Board of South Carolina (the "State Board") approval has been given by the State Board to the following undertaking (the "Undertaking") (including changes in any details of the said financing as finally consumated which do not materially affect the said undertaking), viz.: the financing of the acquisition, construction, and installation of certain land, buildings, fixtures, machinery, and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products to be owned and operated by Clarkson Associates (the "Company"), a partnership organized and existing under the laws of the State of South Carolina, and to be located on State Road 329 Northeast of the City of Gaffney in Cherokee County, South Carolina (the "County").

NEY LEDGER, INC.

70 1604 Baker Blvd.
ffney, S.C. 29342
(803) 489-1134

STATE OF SOUTH CAROLINA

County of Cherokee

Personally came before me, a Notary Public for State and County aforesaid, Gina Dorman Poole, Office Manager for The Gaffney Ledger (a newspaper published at Gaffney, South Carolina) and on oath says that the above advertisement did appear in said Newspaper, and that the clipping herewith attached and made a part of this affidavit is a true copy of said advertisement as it appeared in said Newspaper.

Gina Dorman Poole

Gina Dorman Poole, Office Mgr., The Gaffney Ledger, Inc.

Sworn to before me this

31st day of July 1986

Notary Public for South Carolina

C1424

Exhibit 19
7/29/86

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

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

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

December 15, 1986

C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

(UNDER TAX REFORM ACT OF 1986)

FINAL ALLOCATION, CALENDAR YEAR 1986

TO: Cherokee County
c/o Mr. F. Mitchell Johnson, Jr.
Sinkler Gibbs & Simons
Box 340
Charleston, SC 29402

RE: Issue of $1,800,000 Cherokee County, South Carolina
Industiral Revenue Note
(Clarkson Associates Project)
Issue Date Projected By Issuing Authority: December 16, 1986
Allocation Expiration Date: December 31, 1986
Issue Amount Certificate Date: December 12, 1986

Based upon my receipt of the issue amount certificate required of the issuing authority by Section 7(b) of the Governor's Executive Order #86-20, issued October 22, 1986, which certificate is dated not more than ten (10) business days prior to the projected date of issue which, as certified by the issuing authority, is within the time period during which the ceiling allocation approved previously on a tentative basis by the State Budget and Control Board for the referenced project is valid, I have determined that the allocation is now final in the amount indicated above.

I also have determined that the referenced issue when issued and combined with the amount of private activity bonds and notes certified to me previously by South Carolina issuing authorities as having been issued or which are to be issued in 1986 will not exceed the 1986 State Ceiling on the issuance of private activity bonds for the State of South Carolina.

William A. McInnis

William A. McInnis, Secretary

01425

DEC 15 1986

December 12, 1986

Mr. William A. McInnis, Secretary
State Budget and Control
Board of South Carolina
Post Office Box 12444
Columbia, South Carolina 29211

Re: Cherokee County, South Carolina, Industrial Revenue Note, Series 1986 (Clarkson Associates Project)

Dear Mr. McInnis:

This letter is for the purpose of certifying to the State Budget and Control Board of South Carolina (the "State Board") the principal amount and date of issue of obligations being issued pursuant to the approval granted by the State Board by resolution adopted July 29, 1986 (extension granted by resolution adopted November 18, 1986). Pursuant to Section 6(a) of the Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds, I hereby certify that the exact amount of obligations be issued on or about December 16, 1986 pursuant to the aforesaid approval is $1,800,000.

Please address your response pursuant to Section 6(b) of said Regulations to bond counsel for this issue at the following address:

F. Mitchell Johnson, Jr.
Sinkler Gibbs & Simons
Post Office Box 340
Charleston, South Carolina 29402

Yours very truly,

Barry D. Mayo

Chairman, Cherokee County Council

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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

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

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

October 29, 1986

Cherokee County
Mr. F. Mitchell Johnson
Sinkler Gibbs & Simons
Box 340
Charleston, SC 29402

Dear Mr. Johnson:

Re: Cherokee County
$1,800,000 Industrial Development Revenue Note
(Clarkson Associates Project)

By means of a certificate dated July 29, 1986, executed by State Treasurer Grady L. Patterson, Jr., and me, you were advised that an allocation of $1,800,000 of the State Ceiling established in the Deficit Reduction Act of 1984 had been made by the Budget and Control Board for the referenced project.

The 90-day life of this allocation has now elapsed. Therefore, in accord with Regulation 19-103.08, this letter cancels the referenced certificate and its effect is to reduce the $1,800,000 allocation to zero.

Sincerely,

William A. McInnis

William A. McInnis
Secretary

WAM:dw

01427

AUG - 4 1986

The State of South Carolina

EXHIBIT

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

Office of the Attorney General

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803-734-3680

July 30, 1986

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Columbia, SC 29201

RE: $1,800,000 Cherokee County, South Carolina,
Industrial Development Revenue Bond,
(Clarkson Association)

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Section 4-29-140 et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

Sincerely yours,

David C. Eckstrom
Assistant Attorney General

DCE:gls
Encls.

01428

EXHIBIT

STATE OF SOUTH CAROLINA
STATE BUDGET AND CONTROL BOARD
Standard Form Investment Letter

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

TO: Secretary, State Budget and Control Board
P. O. Box 12444
Columbia, SC 29211

RE: Sale by Cherokee County, South Carolina (the "Issuer")
Of its $1,800,000 Industrial Revenue Note (the "Bonds")
On behalf of Clarkson Associates (the "Company")
Series 1986 (the "Project")
To The South Carolina National Bank (the "Purchaser")

In connection with the referenced sale of Bonds by the Issuer, the Purchaser makes the following representations and certifications:

1. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds;

2. The Purchaser is financially able to bear the economic risk of its proposed investment in the Bonds for an indefinite period;

3. The Purchaser is familiar with the business affairs of the Company and has obtained and examined all financial and other information with respect to the Bonds, the Company and the officers and shareholders of the Company which it deems necessary in order to enable it to evaluate the merits and risks of its investment in the Bonds and to make an informed investment judgment in connection with the purchase of the Bonds;

4. The Purchaser has had the opportunity to ask questions of, and receive answers from, the Issuer and the Company concerning the terms and conditions of the offering and any other information which it has deemed relevant to the Bonds and its investment in the Bonds; and

5. The Bonds are being purchased for the account of the Purchaser and for the purpose of investment and not presently for resale, and the Purchaser has no present intention of offering the Bonds or any portion thereof for resale either currently or after the passage of a fixed period of time, or upon the occurrence or nonoccurrence of any predetermined event or circumstances.

SWORN to and subscribed
before me this 17 day
of July, 1986
Virginia A. Smith
Notary Public

My Commission expires
2/7/95.

PURCHASER:
Name: The South Carolina National Bank
Address: 430 East Main Street
Spartanburg, South Carolina 29304

BY: Winnie M. Coker
Signature of Authorized Official
Assistant Vice President

Date: July 17, 1986

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EXHIBIT

STATE OF SOUTH CAROLINA) Clarkson Associates JUL 29 1986 NO. 19

COUNTY OF RICHLAND) STATE BUDGET & CONTROL BOARD

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the State Budget and Control Board (the Board) is composed of the following:

His Excellency, Richard W. Riley, Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable Rembert C. Dennis, Chairman of the Senate Finance Committee; and

The Honorable Tom G. Mangum, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 10 a.m., on Tuesday, July 29, 1986, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of Senator Dennis, who was represented by Senate Finance Commitee Vice Chairman James M. Waddell, Jr.

That at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Senator Waddell, who moved its adoption; the motion was seconded by Mr. Morris, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION	AGAINST MOTION
5	0

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

August 5, 1986

William A McInnis

01430

EXHIBIT

JUL 29 1986 NO. 19 E

A RESOLUTION STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

WHEREAS, heretofore Cherokee County Council (the "County Board") did, pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act"), petition the State Budget and Control Board of South Carolina (the "State Board") seeking the approval of the State Board for an undertaking by the County Board pursuant to the Act; and

WHEREAS, the proposed undertaking (the "Undertaking") consists of the financing of the acquisition, construction and installation of certain land, building, fixtures, machinery and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products to be owned and operated by Clarkson Associates (the "Company") in Cherokee County, South Carolina (the "County") by the issuance and delivery of a $1,800,000 Cherokee County, South Carolina, Industrial Revenue Note, Series 1986 (Clarkson Associates Project) (the "Note") pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by the County Board; and

WHEREAS, the Company will agree in a Loan Agreement (the "Loan Agreement") between the County and the Company to pay to the County amounts sufficient to provide for the payment of the Note and the costs and expenses resulting from the issuance thereof; and

WHEREAS, in order to finance the acquisition, construction and installation of the Project, the County Board proposes to provide for the issuance and delivery of the Note pursuant to the Act and to the Note Ordinance, payable by the County from the amounts derived from the Loan Agreement and secured by an Assignment of Loan Agreement (the "Assignment") from the County to The South Carolina National Bank (the "Bank"), a Mortgage and Security Agreement (the "Mortgage") between the Company and the Bank and by a Guaranty Agreement (the "Guaranty Agreement") between Sheelah Clarkson, E. Clifford Clarkson, Jr., Harold E. Clarkson, Sheryl Clarkson Bland, Sharon Clarkson and John C. Anderson and the Bank; and

WHEREAS, the form of the Loan Agreement, the Assignment, the Mortgage, the Guaranty Agreement, the Note Ordinance and the Note have been considered by the Board,

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA IN MEETING DULY ASSEMBLED:

1. It has been found and determined by the State Board:

(a) That the statement of facts set forth in the recitals to this Resolution are in all respects true and correct;

(b) That the County Board has filed a proper petition with the State Board establishing a reasonable estimate of the cost of the Project and containing a general summary of the terms and conditions of the Loan Agreement, the Assignment, the Mortgage, the Guaranty Agreement, the Note Ordinance and the Note and a brief description of the Project;

(c) That the Project is expected to provide employment for approximately fifty (50) persons and, therefore, is expected to have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by providing employment not otherwise provided in the County; and

(d) That the Undertaking is intended to promote the purposes of the Act and is reasonably anticipated to effect such purposes.

2. On the basis of the foregoing findings, the proposed undertaking of the County Board to finance the cost of the acquisition, construction and installation of the Project through the issuance of a $1,800,000 Cherokee County, South Carolina, Industrial Revenue Note, Series 1986 (Clarkson Associates Project) pursuant to the Note Ordinance to be payable from the revenues to be derived by the County from the Loan Agreement and to be secured by the Assignment, the Mortgage and the Guaranty Agreement, all pursuant to the Act (including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking) be and the same is hereby approved.

3. Notice of the action taken by the State Board in giving approval to the Undertaking shall be published in THE GAFFNEY LEDGER, a newspaper having general circulation in the County.

4. The Notice to be published shall be in form substantially as set forth as EXHIBIT "A" of this Resolution.

EXHIBIT "A"

NOTICE PURSUANT TO TITLE 4, CHAPTER 29,
CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED

Notice is hereby given that following the filing of a Petition by Cherokee County Council (the "County Board") to the State Budget and Control Board of South Carolina (the "State Board") approval has been given by the State Board to the following undertaking (the "Undertaking")(including changes in any details of the said financing as finally consummated which do not materially affect the said undertaking), viz.: the financing of the acquisition, construction and installation of certain land, buildings, fixtures, machinery and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products to be owned and operated by Clarkson Associates (the "Company"), a partnership organized and existing under the laws of the State of South Carolina, and to be located on State Road 329 Northest of the City of Gaffney in Cherokee County, South Carolina (the "County").

To finance the acquisition, construction and installation of the Project, the County will issue the $1,800,000 Cherokee County, South Carolina, Industrial Revenue Note, Series 1986 (Clarkson Associates Project) (the "Note") pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended. The Note will be payable by the County solely from the amounts to be paid to the County by the Company pursuant to a Loan Agreement (the "Loan Agreement") between the County and the Company.

The Company will irrevocably covenant and agree to pay when due all sums required to pay the principal of and interest on the Note, and the Note will be secured by an Assignment of Loan Agreement under which the County will assign to The South Carolina National Bank (the "Bank") substantially all of its rights under the Loan Agreement, by a Mortgage and Security Agreement between the Company and the Bank pursuant to which the Company will grant a mortgage lien on, and security interest in, the Project to the Bank and by a Guaranty Agreement between Sheelah Clarkson, E. Clifford Clarkson, Jr., Harold E. Clarkson, Sheryl Clarkson Bland, Sharon Clarkson and John C. Anderson (the "Guarantors") and the Bank pursuant to which the Guarantor will unconditionally guarantee payment of the Note. The Note will be issued pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by the County Board.

The Project will provide employment for approximately fifty (50) persons.

Notice is further given that any interested party may at any time within twenty (20) days after the date of

publication of this Notice, but not afterwards, challenge the validity of the action of the State Board in approving the undertaking of the County Board by action de novo instituted in the Court of Common Pleas for Cherokee County.

THE STATE BUDGET AND CONTROL BOARD
OF SOUTH CAROLINA

By: William A. McInnis

PUBLICATION DATE:
July 30, 1986

EXHIBIT

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

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EXHIBIT

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA

COUNTY OF CHEROKEE

TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

PETITION

The Petition of Cherokee County, South Carolina (the "County") respectfully shows:

1. The County is an "issuing authority" as such term is used in the Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds (the "Regulations") promulgated by the State Budget and Control Board of South Carolina (the "State Board").

2. The County has agreed with Clarkson Associates (the "Company"), a corporation organized and existing under the laws of the State of South Carolina, that the County will undertake to finance the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products in the County through the issuance and delivery of Industrial Revenue Bonds or Notes pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act"). In this connection, the County has agreed to issue its not exceeding $2,000,000 Cherokee County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") pursuant to the Act and to an ordinance to be adopted by Cherokee County Council.

3. The County is advised by the Company that the Project will provide employment for approximately fifty (50) persons.

4. The Regulations authorize the County to submit its request to the State Board that a portion of the State Ceiling established by the Deficit Reduction Act of 1984 (the "State Ceiling") be allocated to the Note.

5. This Petition constitutes an "Authorized Request" within the meaning of the Regulations and, as required by the Regulations, is accompanied by a copy of the Inducement Contract executed by the County and the Company.

6. A copy of this Petition has been forwarded to the Joint Bond Review Committee of the South Carolina General Assembly in accordance with the Regulations.

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7. The undersigned certify, under penalty of perjury, that the County's petition to the State Board for an allocation of the State Ceiling was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

8. The County represents that it has not been requested to issue, nor is it considering the issuance of any private activity bonds for the Project or any other facilities located or to be located at, or used or to be used as part of, an integrated operation with the Project.

Upon the basis of the foregoing, the County respectfully prays:

That the State Board accept the filing of the Petition presented herewith, that it determine that the allocation amount requested is not disproportionately large in comparison with the State Ceiling not yet allocated or with the public benefits to be derived from the Project and that it approve an allocation for the Project in an amount not to exceed $2,000,000.

December 17, 1985.

Respectfully Submitted,

By _____
Chairman, Cherokee County Council

Attest:

By _____
Clerk, Cherokee County Council

EXHIBIT

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

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STATE OF SOUTH CAROLINA

COUNTY OF CHEROKEE

EXHIBIT

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

PETITION

The Petition of Cherokee County Council ("County Council") respectfully shows:

1. County Council is the governing body of Cherokee County, South Carolina (the "County") as established by law, and, as such, is the Governing Board referred to in Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act").

2. The Act authorizes and empowers the County, if it shall comply with the provisions set forth in the Act, to acquire or cause to be acquired land, buildings, equipment, machinery and other improvements deemed necessary, suitable and useful by any industrial enterprise and to finance the acquisition and installation of the same through the issuance of bonds or notes payable from and secured by a pledge of the revenues to be derived from a financing agreement relating to such land, buildings, equipment and machinery and other improvements.

3. County Council has agreed with Clarkson Associates (the "Company"), a partnership organized and existing under the laws of the State of South Carolina, that the County will undertake to finance the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products in the County through the issuance and delivery of an Industrial Revenue Note pursuant to the Act. In this connection, County Council has agreed to issue a ONE MILLION EIGHT HUNDRED THOUSAND Dollar ($1,800,000) Cherokee County, South Carolina, Industrial Revenue Note, Series 1986 (Clarkson Associates Project) (the "Note") pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by County Council.

4. County Council is advised by the Company that the cost of the Project will be approximately ONE MILLION EIGHT HUNDRED THOUSAND Dollars ($1,800,000) and that, therefore, in order to finance the acquisition, construction and installation of the Project (the "Undertaking"), including the costs and charges incident to the issuance and delivery

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of the Note, it is necessary that County Council issue and deliver the Note in that amount.

5. When completed, the Project will provide employment for approximately fifty (50) persons.

6. For the reasons above set forth and hereinafter disclosed, County Council has found that:

(a) the Undertaking will subserve the purposes of the Act;

(b) the Undertaking will have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by providing employment not otherwise provided in the County;

(c) by reason of the Undertaking, no pecuniary liability will result to the County nor will there be a charge against its general credit or taxing powers;

(d) the amount required to finance the acquisition, construction and installation of the Project is approximately $1,800,000;

(e) the proposed Loan Agreement (the "Loan Agreement") between the County and the Company unconditionally obligates the Company to pay an amount adequate to provide for the payments of the principal of and interest on the Note which will be dated and will mature in the amounts and bear interest at the rates set forth in Article II of the Note Ordinance;

(f) in view of the well established credit of the Company and the Guarantors (hereinafter defined) and the successful arrangements to effect the issuance and delivery of the Note without the establishment of a reserve fund for the payment of the principal of and interest on the Note, no such reserve fund will be established; and

(g) the terms of the Loan Agreement require the Company to maintain the Project in good repair and to carry all proper insurance with respect thereto.

7. The Loan Agreement will provide, among other things, the following:

(a) to finance the cost of the acquisition, construction and installation of the Project the County will issue and deliver the Note. The Note will be secured by a pledge of substantially all of the amounts to be paid to the County by the Company, as authorized by the Act;

(b) the proceeds derived from the issuance and delivery of the Note will be used to pay the costs incident to the acquisition, construction and installation of the Project and the issuance of the Note;

(c) the Loan Agreement obligates the Company to complete the acquisition, construction and installation of the Project and to pay such costs thereof as are in excess of the Note proceeds; and

(d) the Loan Agreement contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing powers.

8. Pursuant to a proposed Assignment of Loan Agreement (the "Assignment"), the County will assign to The South Carolina National Bank (the "Bank"), as security for the payment of the Note, substantially all of the right, title and interest of the County in and to the Loan Agreement except tax payments and certain payments to be made by way of indemnification.

9. Pursuant to a proposed Mortgage and Security Agreement (the "Mortgage"), the Company will grant a mortgage lien on, and security interest in, the Project to the Bank as additional security for the payment of the Note.

10. Pursuant to a proposed Guaranty Agreement (the "Guaranty Agreement"), Sheelah Clarkson, E. Clifford Clarkson, Jr., Harold E. Clarkson, Sheryl Clarkson Bland and Sharon Clarkson (the "Guarantors") will unconditionally guarantee the payment of the Note.

11. The Note will be issued by the County pursuant to the proposed ordinance (the "Note Ordinance") which provides for the payment of the Note. The Note Ordinance imposes upon the Company the obligation to pay, in addition to the moneys required for the payment of the principal of and interest on the Note, all other costs and expenses resulting from the Note Ordinance and the issuance of the Note pursuant thereto and the transactions contemplated to take place in connection therewith.

12. The Loan Agreement, the Mortgage, the Assignment, the Guaranty Agreement, the Note Ordinance and the Note will be substantially in the form heretofore used in the issuance of Industrial Revenue Bonds or Notes pursuant to the Act. While changes may be made in the forms thereof, it is not expected that there will be any changes which will substantially affect the undertaking as now outlined therein.

13. The undersigned certify, under penalty of perjury, that the County's petition to the State Board for an allocation of the State Ceiling was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Upon the basis of the foregoing, County Council respectfully prays:

That the State Board accept the filing of the Petition presented herewith; and that, thereafter and as soon as practicable, it make such independent investigation of the Undertaking and the terms and provisions of the Loan Agreement, the Mortgage, the Assignment, the Guaranty Agreement, the Note Ordinance and the Note as it deems advisable; that it find that the proposed Undertaking is intended to promote the purposes of the Act and is reasonably anticipated to effect such result; and on the basis of such finding, that it approve the Undertaking, including changes in any details of the said financing as finally consummated which do not materially affect the Undertaking and give published notice of its approval in the manner set forth in the Act.

June 24, 1986.

Respectfully Submitted,

By Barry L. Mauldin
Chairman, Cherokee County Council

Attest:

By Doris D. Pearson
Clerk, Cherokee County Council

EXHIBIT

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

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EXHIBIT

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

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

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

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

July 29, 1986

C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

TENTATIVE ALLOCATION, CALENDAR YEAR 1986

TO: Cherokee County
$1,800,000
Industrial Development Revenue Note
(Clarkson Associates Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Deficit Reduction Act of 1984 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire ninety (90) calendar days from July 29, 1986 (the date the allocation was approved by the Board), if the bonds/notes for which the allocation has been approved have not been issued prior to that time.

Before this tentative allocation becomes final, Board Regulation §19-103.06 and §19-103.07 require that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

Grady L. Patterson, Jr.

Attest:

William A. McInnis, Secretary

C1441

EXHIBIT

JUL 29 1986 NO. 19 D

STATE BUDGET & CONTROL BOARD

A RESOLUTION

APPROVING THE FINANCING OF THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF LAND, BUILDINGS, FIXTURES, MACHINERY AND EQUIPMENT AT INDUSTRIAL FACILITIES IN CHEROKEE COUNTY, SOUTH CAROLINA TO BE OWNED AND OPERATED BY CLARKSON ASSOCIATES THROUGH THE ISSUANCE AND DELIVERY OF A $1,800,000 CHEROKEE COUNTY, SOUTH CAROLINA, INDUSTRIAL REVENUE NOTE, SERIES 1986 (CLARKSON ASSOCIATES PROJECT) (THE "NOTE"); AUTHORIZING A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA FOR ITS APPROVAL OF SUCH UNDERTAKING PURSUANT TO TITLE 4, CHAPTER 29, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED; PROVIDING FOR A PUBLIC HEARING TO BE HELD IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE NOTE; AND PROVIDING FOR OTHER MATTERS RELATING THERETO.

BE IT RESOLVED BY CHEROKEE COUNTY COUNCIL IN MEETING DULY ASSEMBLED:

ARTICLE I

FINDINGS OF FACT

SECTION 1.01

Incident to the adoption of this resolution, Cherokee County Council ("County Council"), the governing body of Cherokee County, South Carolina (the "County"), has made the following findings:

1. Clarkson Associates (the "Company"), a partnership organized and existing under the laws of the State of South Carolina, has proposed that the County assist in financing the acquisition, construction and installation of certain land, buildings, fixtures, machinery and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products in the County at an estimated cost of $1,800,000 through the issuance and delivery of an Industrial Revenue Note pursuant to the authorization of Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act").

2. The Company has advised County Council that its proposed industrial project would be aided by the assistance which the County might render through the issuance and delivery of an Industrial Revenue Note in the principal amount of $1,800,000 (the "Note") pursuant to the Act and to a proposed ordinance (the "Note Ordinance") to be adopted by County Council.

3. County Council has agreed to finance the acquisition, construction and installation of the Project and adopts this Resolution to evidence its approval of the

issuance and delivery of the Note as aforesaid, to authorize a Petition to the State Budget and Control Board of South Carolina (the "State Board") setting forth the facts required by the Act and to provide for a public hearing to be held in connection with the issuance and delivery of the Note.

4. County Council has determined that the financing of the acquisition, construction and installation of the Project (the "Undertaking") will subserve the purposes of the Act and that neither the Undertaking nor the Note will give rise to any pecuniary liability of the County or a charge against its general credit or taxing powers.

5. When completed, the Project will provide employment for approximately fifty (50) persons. It is therefore believed that the Undertaking will have a beneficial effect upon the economy of the County and areas adjacent thereto by providing employment not otherwise provided in the County.

6. The amount necessary to finance the acquisition, construction and installation of the Project is One Million Eight Hundred Thousand Dollars ($1,800,000).

7. The Company has submitted to County Council a draft of a proposed Loan Agreement (the "Loan Agreement") pursuant to which the County will lend One Million Eight Hundred Thousand Dollars ($1,800,000) to the Company and under which the Company will unconditionally agree:

(a) to complete the acquisition, construction and installation of the Project and to pay such costs thereof as are in excess of the Note proceeds,

(b) to pay the amounts necessary to provide the payments of principal of and interest on the Note which will be dated and will mature in the amounts and bear interest at the rates set forth in Article II of the Note Ordinance,

(c) to maintain the Project in good repair, and

(d) to carry all proper insurance with respect to the Project.

8. The Company has also submitted to County Council a draft of a proposed Assignment of Loan Agreement pursuant to which the County will assign substantially all of its rights in the Loan Agreement to The South Carolina National Bank (the "Bank") as security for the payment of the Note.

9. The Company has also submitted to County Council a draft of a proposed Mortgage and Security Agreement pursuant

to which the Company will grant a mortgage lien on, and security interest in, the Project to the Bank as additional security for the payment of the Note.

10. The Company has also submitted to County Council a draft of a proposed Guaranty Agreement pursuant to which Sheelah Clarkson, E. Clifford Clarkson, Jr., Harold E. Clarkson, Sheryl Clarkson Bland and Sharon Clarkson (the "Guarantors") will unconditionally guarantee the payment of the Note.

11. The Company has arranged for the issuance and delivery of the Note to the Bank.

12. In view of the well established credit of the Company and the Guarantors and the successful arrangements to effect the issuance and delivery of the Note without the establishment of a reserve fund for the payment of the principal of and interest on the Note, no such reserve fund will be established.

ARTICLE II

SUBMISSION OF PETITION

SECTION 2.01

The Petition in form substantially as attached hereto as Exhibit "A" shall be presented to the State Board to seek the approval required by the Act; said Petition shall be duly executed by the Chairman of County Council and the same shall be attested by the Clerk of County Council.

ARTICLE III

PUBLIC HEARING AND NOTICE

SECTION 3.01

Pursuant to Section 103(k) of the Internal Revenue Code of 1954, as amended, a public hearing shall be held in connection with the issuance and delivery of the Note by the County. Such public hearing shall be held before final action by County Council authorizing the issuance and delivery of the Note.

SECTION 3.02

Not less than fourteen (14) days prior to the hearing provided for in Section 3.01 hereof, the Chairman shall cause notice of such hearing to be published in THE GAFFNEY LEDGER, a newspaper of general circulation in the County. Such notice shall be in substantially the form attached hereto as Exhibit "B".

EXHIBIT "A"

STATE OF SOUTH CAROLINA

COUNTY OF CHEROKEE

TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA	P E T I T I O N

The Petition of Cherokee County Council ("County Council") respectfully shows:

1. County Council is the governing body of Cherokee County, South Carolina (the "County") as established by law, and, as such, is the Governing Board referred to in Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act").

2. The Act authorizes and empowers the County, if it shall comply with the provisions set forth in the Act, to acquire or cause to be acquired land, buildings, equipment, machinery and other improvements deemed necessary, suitable and useful by any industrial enterprise and to finance the acquisition and installation of the same through the issuance of bonds or notes payable from and secured by a pledge of the revenues to be derived from a financing agreement relating to such land, buildings, equipment and machinery and other improvements.

3. County Council has agreed with Clarkson Associates (the "Company"), a partnership organized and existing under the laws of the State of South Carolina, that the County will undertake to finance the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products in the County through the issuance and delivery of an Industrial Revenue Note pursuant to the Act. In this connection, County Council has agreed to issue a One Million Eight Hundred Thousand Dollar ($1,800,000) Cherokee County, South Carolina, Industrial Revenue Note, Series 1986 (Clarkson Associates Project) (the "Note") pursuant to the Act and to an ordinance (the "Note Ordinance") to be adopted by County Council.

4. County Council is advised by the Company that the cost of the Project will be approximately One Million Eight Hundred Thousand Dollars ($1,800,000) and that, therefore, in order to finance the acquisition, construction and installation of the Project (the "Undertaking"), including the costs and charges incident to the issuance and delivery

of the Note, it is necessary that County Council issue and deliver the Note in that amount.

5. When completed, the Project will provide employment for approximately fifty (50) persons.

6. For the reasons above set forth and hereinafter disclosed, County Council has found that:

(a) the Undertaking will subserve the purposes of the Act;

(b) the Undertaking will have a beneficial effect upon the general public welfare of the County and the areas adjacent thereto by providing employment not otherwise provided in the County;

(c) by reason of the Undertaking, no pecuniary liability will result to the County nor will there be a charge against its general credit or taxing powers;

(d) the amount required to finance the acquisition, construction and installation of the Project is approximately $1,800,000;

(e) the proposed Loan Agreement (the "Loan Agreement") between the County and the Company unconditionally obligates the Company to pay an amount adequate to provide for the payments of the principal of and interest on the Note which will be dated and will mature in the amounts and bear interest at the rates set forth in Article II of the Note Ordinance;

(f) in view of the well established credit of the Company and the Guarantors (hereinafter defined) and the successful arrangements to effect the issuance and delivery of the Note without the establishment of a reserve fund for the payment of the principal of and interest on the Note, no such reserve fund will be established; and

(g) the terms of the Loan Agreement require the Company to maintain the Project in good repair and to carry all proper insurance with respect thereto.

7. The Loan Agreement will provide, among other things, the following:

(a) to finance the cost of the acquisition, construction and installation of the Project the County will issue and deliver the Note. The Note will be secured by a pledge of substantially all of the amounts to be paid to the County by the Company, as authorized by the Act;

(b) the proceeds derived from the issuance and delivery of the Note will be used to pay the costs incident to the acquisition, construction and installation of the Project and the issuance of the Note;

(c) the Loan Agreement obligates the Company to complete the acquisition, construction and installation of the Project and to pay such costs thereof as are in excess of the Note proceeds; and

(d) the Loan Agreement contains no provision imposing any pecuniary liability upon the County or which would create a charge upon its general credit or taxing powers.

8. Pursuant to a proposed Assignment of Loan Agreement (the "Assignment"), the County will assign to The South Carolina National Bank (the "Bank"), as security for the payment of the Note, substantially all of the right, title and interest of the County in and to the Loan Agreement except tax payments and certain payments to be made by way of indemnification.

9. Pursuant to a proposed Mortgage and Security Agreement (the "Mortgage"), the Company will grant a mortgage lien on, and security interest in, the Project to the Bank as additional security for the payment of the Note.

10. Pursuant to a proposed Guaranty Agreement (the "Guaranty Agreement"), Sheelah Clarkson, E. Clifford Clarkson, Jr., Harold E. Clarkson, Sheryl Clarkson Bland and Sharon Clarkson (the "Guarantors") will unconditionally guarantee the payment of the Note.

11. The Note will be issued by the County pursuant to the proposed ordinance (the "Note Ordinance") which provides for the payment of the Note. The Note Ordinance imposes upon the Company the obligation to pay, in addition to the moneys required for the payment of the principal of and interest on the Note, all other costs and expenses resulting from the Note Ordinance and the issuance of the Note pursuant thereto and the transactions contemplated to take place in connection therewith.

12. The Loan Agreement, the Mortgage, the Assignment, the Guaranty Agreement, the Note Ordinance and the Note will be substantially in the form heretofore used in the issuance of Industrial Revenue Bonds or Notes pursuant to the Act. While changes may be made in the forms thereof, it is not expected that there will be any changes which will substantially affect the undertaking as now outlined therein.

01447

13. The undersigned certify, under penalty of perjury, that the County's petition to the State Board for an allocation of the State Ceiling was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

Upon the basis of the foregoing, County Council respectfully prays:

That the State Board accept the filing of the Petition presented herewith; and that, thereafter and as soon as practicable, it make such independent investigation of the Undertaking and the terms and provisions of the Loan Agreement, the Mortgage, the Assignment, the Guaranty Agreement, the Note Ordinance and the Note as it deems advisable; that it find that the proposed Undertaking is intended to promote the purposes of the Act and is reasonably anticipated to effect such result; and on the basis of such finding, that it approve the Undertaking, including changes in any details of the said financing as finally consummated which do not materially affect the Undertaking and give published notice of its approval in the manner set forth in the Act.

June 24, 1986.

Respectfully Submitted,

By /s/ J.R. Stroupe
Chairman, Cherokee County Council

Attest:

By /s/ Doris F. Pearson
Clerk, Cherokee County Council

EXHIBIT "B"

PUBLIC NOTICE

Notice is hereby given by Cherokee County Council (the "County Board") that a public hearing relating to the proposed issuance and delivery by Cherokee County, South Carolina (the "County") of the $1,800,000 Cherokee County, South Carolina, Industrial Revenue Note, Series 1986 (Clarkson Associates Project) (the "Note") pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended which Note is to be issued to finance the acquisition, construction and installation of certain land, buildings, fixtures, machinery and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products to be owned and operated by Clarkson Associates (the "Company") and to be located on State Road 329 Northeast of the City of Gaffney.

The hearing will be held at the Council Chambers of Cherokee County Council, 210 North Limestone, Gaffney, South Carolina, at 5:30 P.M., on July 22, 1986.

STATE OF SOUTH CAROLINA

COUNTY OF CHEROKEE

I, the undersigned Clerk of Cherokee County Council, do hereby certify that the foregoing is a true, correct and verbatim copy of a Resolution duly adopted by Cherokee County Council having been read at a duly called meeting of County Council on June 24, 1986.

Witness my Hand, this 24th day of June, 1986.

_____

Clerk, Cherokee County Council

Dave,

Petition, Resolution, etc dated December, 1985 show amount as $2,000,000. Everything else shows amount as $1,800,000.

Joyce

STATE OF SOUTH CAROLINA

COUNTY OF CHEROKEE

TO THE STATE BUDGET AND CONTROL

BOARD OF SOUTH CAROLINA

The Petition of Cherokee C("County") respectfully shows:

1. The County is an "issuing authority" as such term is used in the Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds (the "Regulations") promulgated by the State Budget and Control Board of South Carolina (the "State Board").

2. The County has agreed with Clarkson Associates (the "Company"), a corporation organized and existing under the laws of the State of South Carolina, that the County will undertake to finance the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products in the County through the issuance and delivery of Industrial Revenue Bonds or Notes pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act"). In this connection, the County has agreed to issue its not exceeding $2,000,000 Cherokee County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") pursuant to the Act and to an ordinance to be adopted by Cherokee County Council.

3. The County is advised by the Company that the Project will provide employment for approximately fifty (50) persons.

4. The Regulations authorize the County to submit its request to the State Board that a portion of the State Ceiling established by the Deficit Reduction Act of 1984 (the "State Ceiling") be allocated to the Note.

5. This Petition constitutes an "Authorized Request" within the meaning of the Regulations and, as required by the Regulations, is accompanied by a copy of the Inducement Contract executed by the County and the Company.

6. A copy of this Petition has been forwarded to the Joint Bond Review Committee of the South Carolina General Assembly in accordance with the Regulations.

01451

7. The undersigned certify, under penalty of perjury, that the County's petition to the State Board for an allocation of the State Ceiling was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

8. The County represents that it has not been requested to issue, nor is it considering the issuance of any private activity bonds for the Project or any other facilities located or to be located at, or used or to be used as part of, an integrated operation with the Project.

Upon the basis of the foregoing, the County respectfully prays:

That the State Board accept the filing of the Petition presented herewith, that it determine that the allocation amount requested is not disproportionately large in comparison with the State Ceiling not yet allocated or with the public benefits to be derived from the Project and that it approve an allocation for the Project in an amount not to exceed $2,000,000.

December 17, 1985.

Respectfully Submitted,

By _____
Chairman, Cherokee County Council

Attest:

By _____
Clerk, Cherokee County Council

EXHIBIT

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

01452

EXHIBIT

JUL 29 1986 NO. 1B9

STATE BUDGET & CONTROL BOARD

A RESOLUTION

AUTHORIZING AN INDUCEMENT CONTRACT BETWEEN CHEROKEE COUNTY, SOUTH CAROLINA (THE "COUNTY") AND CLARKSON ASSOCIATES RELATING TO THE ISSUANCE AND DELIVERY BY THE COUNTY OF INDUSTRIAL REVENUE BONDS OR NOTES (THE "NOTE") PURSUANT TO TITLE 4, CHAPTER 29, CODE OF LAWS OF SOUTH CAROLINA 1976, AS AMENDED; AND AUTHORIZING A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA REQUESTING THAT A PORTION OF THE STATE CEILING ESTABLISHED BY THE DEFICIT REDUCTION ACT OF 1984 BE ALLOCATED TO THE NOTE.

WHEREAS, Clarkson Associates (the "Company"), a partnership organized and existing under the laws of the State of South Carolina, has requested that Cherokee County Council ("County Council") exercise the powers vested in it by Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act") and make provision for the issuance and delivery of Cherokee County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") the proceeds of which would be made available to the Company for the payment of costs and expenses relating to the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products in Cherokee County, South Carolina (the "County") including the filing of a Petition with the State Budget and Control Board of South Carolina (the "State Board") requesting that a portion of the State Ceiling established by the Deficit Reduction Act of 1984 (the "State Ceiling") be allocated to the Note; and

WHEREAS, County Council is informed by the Company that upon completion the Project will provide employment for approximately fifty (50) persons; and

WHEREAS, after due consideration, County Council has determined to grant such assistance and to that end has agreed to enter into a contract with the Company making provision for the issuance and delivery of bonds or notes pursuant to the Act and to petition the State Board for allocation of a portion of the State Ceiling.

NOW, THEREFORE, BE IT RESOLVED by Cherokee County Council in meeting duly assembled:

1. That the County shall issue the Note in the amount not exceeding Two Million Dollars ($2,000,000) to finance the cost of the proposed undertaking of the Company.

2. That an agreement to implement the action to be taken pursuant to paragraph 1 above in substantially the form presented to this meeting and attached hereto (but with

such changes, if any, as the officers herein authorized to execute the same shall approve, their approval to be evidenced by the execution thereof) shall be executed on behalf of the County by the Chairman of County Council and the same shall be attested by the Clerk of County Council.

3. That a Petition in form substantially as attached hereto as Exhibit "A" shall be presented to the State Board to request that a portion of the State Ceiling be allocated to the Note.

4. County Council and its duly elected officers, shall take any and all further action as may become necessary to effectuate the action herewith taken and the agreement herein authorized.

5. This Resolution shall take effect immediately.

EXHIBIT

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

EXHIBIT

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

INDUCEMENT CONTRACT

THIS CONTRACT made and entered into between CHEROKEE COUNTY, SOUTH CAROLINA (the "County"), a body politic and corporate and a political subdivision of the State of South Carolina (the "State"), and CLARKSON ASSOCIATES (the "Company"), a partnership organized and existing under the laws of the State,

WITNESSETH:

ARTICLE I

RECITATION OF FACTS

Section 1.01

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Contract, the following statements of fact are herewith recited:

1. The County is a body politic and corporate and a political subdivision of the State and is authorized and empowered by the provisions of Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act") to acquire, enlarge, improve, expand, equip, furnish, own, lease and dispose of properties through which the industrial development of the State will be promoted and trade developed by inducing new industries to locate in the State and by encouraging industries now located in the State to expand their investments and thus utilize and employ manpower and other resources of the State.

2. The Company proposes to acquire, construct and install land, buildings, fixtures, machinery and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products in the County. The cost of this undertaking is estimated to be approximately Two Million Dollars ($2,000,000). Upon completion, the Project will provide employment for approximately fifty (50) persons.

3. The Company has advised the County that its contemplated program would be aided by the availability of the assistance which the County might render through the sale of Cherokee County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") pursuant to the Act whereby the County would finance the acquisition, construction and installation of the Project.

4. The County has given due consideration to all of the proposals and requests of the Company and has agreed to endeavor to effect the issuance and delivery pursuant to the

01455

Act of the Note at the time and on the terms and conditions hereafter set forth.

ARTICLE II

UNDERTAKINGS ON THE PART OF THE COUNTY

The County agrees as follows:

Section 2.01

That it will authorize the issuance of the Note in an amount not exceeding Two Million Dollars ($2,000,000) at such time as the Company may request the County to do so.

Section 2.02

That it will enter into a financing agreement (the "Agreement") with the Company upon such terms and conditions as shall be mutually agreed upon between the County and the Company pursuant to which the proceeds of the Note will be made available to the Company to be applied to the cost of acquiring, constructing and installing the Project and to the expenses incident thereto including the costs of the financing.

Section 2.03

That it will permit the Company to arrange for the sale of the Note and if successful marketing arrangements can be made, it will adopt such proceedings as are necessary for the making of the Agreement and the issuance and delivery of the Note.

Section 2.04

That if the Note shall be sold, the Agreement will provide that the proceeds thereof shall be applied to the payment of the costs theretofore and thereafter to be incurred in connection with the issuance and delivery of the Note and the acquisition, construction and installation of the Project including the repayment of any funds advanced or loans incurred by the Company or any related entity for such purposes.

Section 2.05

That if requested by the Company prior to the issuance and delivery of the Note, it will enter into a trust indenture (the "Indenture") with a trustee bank to be selected by the Company pursuant to which the Note will be issued. The Indenture, if entered into, will be substantially in the form used in connection with the issuance of Industrial Revenue Bonds or Notes in the State

and may constitute a lien on the Project to secure the payment of the Note.

Section 2.06

That it will perform such other acts and adopt such further proceedings as may be required to faithfully implement its undertakings and to consummate the proposed financing.

ARTICLE III

UNDERTAKINGS ON THE PART OF THE COMPANY

The Company agrees as follows:

Section 3.01

That the County will have no obligation to find a purchaser of the Note, and the Company will endeavor to market the Note on behalf of the County to the extent required to finance the cost of issuing and delivering the Note and the cost of the acquisition, construction and installation of the Project.

Section 3.02

If the plan proceeds as contemplated, the Company further agrees as follows:

(a) to enter into the Agreement with the County, under the terms of which it will obligate itself to pay to the County sums sufficient to pay the principal of, prepayment penalty or premium, if any, and interest on the Note, as and when the same become due and payable, the Agreement to be in form and to contain such provisions as shall be satisfactory to the County and to the Company;

(b) to obligate itself to make the additional payments required by the Act including, but not limited to, payments in lieu of taxes;

(c) to hold the County harmless from all pecuniary liability and to reimburse it for all expenses to which it might be put in the fulfillment of its obligations under this Contract and in the implementation of its terms and provisions; and

(d) to perform such further acts and adopt such further proceedings as may be required to faithfully implement its undertakings and consummate the proposed financing.

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ARTICLE IV

GENERAL PROVISIONS

Section 4.01

All commitments of the County under Article II hereof are subject to all of the provisions of the Act and the condition that nothing contained in this Contract shall constitute or give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

Section 4.02

The parties agree that the Company may proceed with the acquisition, construction and installation of the Project prior to the issuance and delivery of the Note.

Section 4.03

All commitments of the County and the Company hereunder are subject to the condition that the County and the Company do agree on mutually acceptable terms and conditions of all documents whose execution and delivery are contemplated by the provisions hereof.

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IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Contract as of the 17th day of December, 1985.

CHEROKEE COUNTY, SOUTH CAROLINA

By _____
Chairman, Cherokee County Council

Attest:

By _____
Clerk, Cherokee County Council

CLARKSON ASSOCIATES

By _____
Its Partner

Attest:

By _____
Its Partner

EXHIBIT "A"

STATE OF SOUTH CAROLINA

COUNTY OF CHEROKEE

TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA	P E T I T I O N

The Petition of Cherokee County, South Carolina (the "County") respectfully shows:

1. The County is an "issuing authority" as such term is used in the Regulations on Allocation of State Ceiling on Issuance of Private Activity Bonds (the "Regulations") promulgated by the State Budget and Control Board of South Carolina (the "State Board").

2. The County has agreed with Clarkson Associates (the "Company"), a corporation organized and existing under the laws of the State of South Carolina, that the County will undertake to finance the acquisition, construction and installation of land, buildings, fixtures, machinery and equipment (the "Project") to constitute an approximately 150,000 square foot warehouse and distribution center for textile products in the County through the issuance and delivery of Industrial Revenue Bonds or Notes pursuant to Title 4, Chapter 29, Code of Laws of South Carolina 1976, as amended (the "Act"). In this connection, the County has agreed to issue its not exceeding $2,000,000 Cherokee County, South Carolina, Industrial Revenue Bonds or Notes (the "Note") pursuant to the Act and to an ordinance to be adopted by Cherokee County Council.

3. The County is advised by the Company that the Project will provide employment for approximately fifty (50) persons.

4. The Regulations authorize the County to submit its request to the State Board that a portion of the State Ceiling established by the Deficit Reduction Act of 1984 (the "State Ceiling") be allocated to the Note.

5. This Petition constitutes an "Authorized Request" within the meaning of the Regulations and, as required by the Regulations, is accompanied by a copy of the Inducement Contract executed by the County and the Company.

6. A copy of this Petition has been forwarded to the Joint Bond Review Committee of the South Carolina General Assembly in accordance with the Regulations.

01460

7. The undersigned certify, under penalty of perjury, that the County's petition to the State Board for an allocation of the State Ceiling was not made in consideration of any bribe, gift, gratuity, or direct or indirect contribution to any political campaign.

8. The County represents that it has not been requested to issue, nor is it considering the issuance of any private activity bonds for the Project or any other facilities located or to be located at, or used or to be used as part of, an integrated operation with the Project.

Upon the basis of the foregoing, the County respectfully prays:

That the State Board accept the filing of the Petition presented herewith, that it determine that the allocation amount requested is not disproportionately large in comparison with the State Ceiling not yet allocated or with the public benefits to be derived from the Project and that it approve an allocation for the Project in an amount not to exceed $2,000,000.

December 17, 1985.

Respectfully Submitted,

By /s/ J. R. Stroupe
Chairman, Cherokee County Council

Attest:

By /s/ Doris F. Pearson
Clerk, Cherokee County Council

EXHIBIT

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA
COUNTY OF CHEROKEE

I, the undersigned, Clerk of Cherokee County Council DO HEREBY CERTIFY:

That the foregoing constitutes a true, correct and verbatim copy of a resolution adopted by Cherokee County Council at a duly called and regularly held meeting on December 17, 1985, at which all/a majority of the members of said County Council were present, and voted unanimously in favor of the adoption of said resolution.

That the original of said resolution is duly entered in the permanent records of minutes of meetings of County Council in my custody as Clerk.

IN WITNESS WHEREOF, I have hereunto set my Hand this 17th day of December, 1985.

Doris J. Pearson
Clerk, Cherokee County Council

C1462

TRANSMITTAL FORM, REVENUE BONDS

TO: William A. McInnis, Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, S.C. 29201
OR P. O. Box 12444, Columbia, SC 29211

Date: July 23, 1986
Submitted for BCB Meeting on:
July 29, 1986

FROM:

Sinkler Gibbs & Simons
Name of Law Firm

Post Office Box 340
Street Address/Box Number

Charleston, S. C. 29402
City, State, Zip Code

803 722-3366
Telephone Area Code and Number

RE: $1,800,000
Amount of Issue

Industrial Revenue
Type of Bonds or Notes

Cherokee County, South Carolina
Issuing Authority Name

September 1, 1986
Projected Issue Date

Project Name: Clarkson Associates

Project Description:

A 150,000 square foot warehouse and distribution center for textile products

EXHIBIT NO. 19
JUL 29 1986
STATE BUDGET & CONTROL BOARD

CEILING ALLOCATION REQUIRED
x Yes ($1,800,000 Amount) ___ No

REFUNDING INVOLVED
___ Yes ($_____ Amount) x No

PROJECT APPROVED PREVIOUSLY
___ Yes (_____ Date) x No

DOCUMENTS ENCLOSED:
(ALL required for State law approval; A and C only for ceiling allocation only.)

A. x Petition (executed original and two copies)

B. x Resolution or ordinance (executed copy)

C. x Inducement Resolution or comparable preliminary approval (executed copy)

D. x Standard Form Investment Letter from purchaser of bonds (executed original)
(Purchaser: South Carolina National Bank) OR

OR ___ Audited financial statements for three most recent years

E. ___ Department of Health and Environmental Control certificate IF REQUIRED

F. x Budget and Control Board Resolution and Public Notice (original)
[Plus 10 copies for certification and return to counsel]

G. x Processing fee

Amount $3,000 Check No. 8902

Payor Sinkler Gibbs & Simons

Bond Counsel: F. Mitchell Johnson, Jr., Sinkler Gibbs & Simons
Typed Name

By: F. Mitchell Johnson, Jr.
Signature

OED 1/86

01463

7/29/86 Agenda EXHIBIT Cherokee County Clarion Acres

JUL 29 1986 NO. 19

STATE BUDGET & CONTROL BOARD

A. Did the submitter send the executed original (preferably meaning a document other than a machine copy but, realistically, that or a machine copy with original signatures on it) of the petition and two copies? yes

(1) Does the petition ask for approval of a specific amount or a not exceeding amount? y

(2) Does the petition ask for a State Ceiling allocation? yes - separate petition If so, is the amount specific? The preferred style is specific and its use should be encouraged.

(3) Is the "no consideration" statement included? yes Its inclusion is advisable but not required.

B. Did the submitter send an executed copy (meaning a machine copy of the signed document) of a resolution or ordinance authorizing the petition to the Board? yes

C. Did the submitter send an executed copy (meaning a machine copy of the signed document) of an inducement resolution or comparable preliminary approval of the project and the issue? yes

D. Did the submitter send the executed original (meaning the document with original signatures on it) standard form investment letter? yes OR did the submitter send audited financials for the three most recent years?

E. Is a DHEC Certificate of Need required? NO If so, did submitter send it? If a DHEC certificate is not required (we are dependent here on bond counsel opinion), our processing does not require a DHEC letter confirming that fact. Our regulations require the Certificate and they make no mention of other devices such as the so-called "30-day letter."

F. Did submitter send original of proposed Board resolution and notice? yes

(1) Does resolution have Board approving a specific amount or a not exceeding amount for State law purposes? yes If the style is something other than one of these, it should not be processed.

(2) If a State Ceiling allocation is involved in the project, the Board resolution should not include any reference to a ceiling allocation because the allocation process is handled otherwise. Does it? NO

(3) If a State Ceiling allocation is involved in the project, the Board resolution should not include any reference to a requirement to submit IRS Form 8038 because that is covered by Board regulations on the subject. Does it? no

(4) If a State Ceiling allocation is not involved in the project, the Board resolution should include the condition that the 8038 be submitted to the Board at the same time it is submitted to the IRS. n/a

(5) Did submitter send copies for certification and return? yes

G. Did submitter send a check for the processing fee? yes

01464

EXHIBIT

JUL 29 1986 NO. 20

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD
MEETING OF July 29, 1986

REGULAR SESSION
ITEM NUMBER 6

AGENCY: Executive Director

SUBJECT: Private Activity Bonds; Allocation of State Ceiling

The required reviews on the following local government proposals to issue revenue bonds have not yet been completed. Staff will advise the Board on the results of these reviews at the meeting.

Each of the projects requires approval under State law. An allocation of a portion of the Ceiling is requested for items (a), (b) and (d). Item (c) does not require an allocation.

(a) Local Government: Spartanburg County
Amount of Issue: $600,000 Industrial Development Revenue Note
Name of Project: Structofab, Inc.
Employment Impact: 60
Project Description: Manufacture reinforced fiberglass products

(b) Local Government: Spartanburg County
Amount of Issue: $650,000 Industrial Revenue Note
Name of Project: Holmberg Electronics Corporation
Employment Impact: 110 initially; 90 additional in future years
Project Description: Manufacture, assembly and distribution of printed circuit card edge connectors

(c) Local Government: Charleston County
Amount of Issue: $12,000,000 Hospital Facilities Revenue Refunding Bonds
Name of Project: Baker Hospital
Project Description: Refunding and discharge of $11,235,000 bonds

(d) Local Government: Cherokee County
Amount of Issue: $1,800,000 Industrial Revenue Note
Name of Project: Clarkson Associates
Employment Impact: 50
Project Description: Warehouse/distribute textile products

The status report on the State Ceiling as of July 15, 1986, (year elapsed 54%) shows:

	CY 1986 Ceiling	Allocated	(%)	Not Allocated	(%)
State Pool	$200,820,000	$27,263,000	(14%)	$173,197,000	(86%)
Local Pool	301,230,000	67,966,190	(23%)	233,263,810	(77%)
Total	$502,050,000	$95,589,190	(20%)	$406,460,820	(80%)

BOARD ACTION REQUESTED:

Adopt resolutions approving proposals to issue revenue bonds, on the condition that the required reviews are completed with satisfactory results, and allocate a portion of the State Ceiling each project; and receive as information the status report on the State Ceiling.

ATTACHMENTS:

Referenced status report on State Ceiling.

01465

STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION

Certified State Ceiling (01/14/86):	**$502,050,000**
A. State Agency and Exempt Facilities Pool (40%)	200,820,000
State Agency & Exempt Facilities Pool (40%)	**200,820,000**
B. Local Pool (60%)	301,230,000
Local Pool (60%)	**301,230,000**

EXHIBIT
JUL 29 1986 NO. 20
STATE BUDGET & CONTROL BOARD

01466

7/15/86
BCB/OED/dw

1986 STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION

Date of B&C Board Allocation	Governmental Unit	Name of Project	Pool Total	Amount of Pool Allocated	Balance of Pool Available	Amount Certified for Issue
01/02/86	STATE AGENCY AND EXEMPT FACILITIES POOL		$200,820,000			
01/23/86	Family Farm Dev.	Joseph A. Kesler		-350,000		350,000
01/23/86	Family Farm Dev.	James O. Brown		-220,000		220,000
01/23/86	Family Farm Dev.	W & W Farms		-15,000		15,000
02/11/86	Family Farm Dev.	Walter L. Paradice		-180,000		180,000
02/11/86	Family Farm Dev.	Martin I. Easler		-10,000		10,000
02/27/86	Family Farm Dev.	Joseph Scott Croxton		-200,000		200,000
02/27/86	Family Farm Dev.	Jon Edward Agerton		-130,000		130,000
03/25/86	JEDA	Congaree Vista Associates		-1,000,000		1,000,000
03/25/86	Family Farm Dev.	Walter G. Reese		-185,000		185,000
04/08/86	JEDA	Doty Scientific Incorporated		-500,000		500,000
05/13/86	Family Farm Dev.	Carl Joe Ables		-40,000		40,000
05/27/86	Fairfield County	SCE&G Co.		-1,100,000		1,100,000
05/27/86	Family Farm Dev.	Frank M. Senn		-370,000		
05/27/86	Family Farm Dev.	James Earl Bozard		-215,000		
05/27/86	Family Farm Dev.	Charles D. Senn		-370,000		
05/27/86	Family Farm Dev.	Ralph O. Hartley		-40,000		40,000
05/27/86	Family Farm Dev.	Carol J. Clamp		-100,000		100,000
06/10/86	Greenville, City of	Colosseum Associates		-20,000,000		
06/24/86	Family Farm Dev.	Melissa W. Rochester		-220,000		220,000
06/24/86	Family Farm Dev.	John F. Long		-200,000		
06/24/86	Family Farm Dev.	James A. Raborn		-238,000		
07/15/86	Lexington County	Technographics Decotone US		-1,200,000		
07/15/86	Family Farm Dev.	Sandra K. Senn		-250,000		
07/15/86	Family Farm Dev.	Barbara Ann Senn		-250,000		
07/15/86	Family Farm Dev.	Frank M. Senn, Sr.		-240,000		
	Total Allocated			-27,623,000		4,290,000
	Total, State Agency and Exempt Facilities Pool		$200,820,000	-27,623,000	$173,197,000	4,290,000

EXHIBIT NO. 20
JUL 29 1986
STATE BUDGET & CONTROL BOARD

01467

Date of B&C Board Allocation	Governmental Unit	Name of Project	Pool Total	Amount of Pool Allocated	Balance of Pool Available	Amount Certified for Issue
01/02/86	LOCAL POOL		$301,230,000			
01/23/86	Spartanburg County	Jimmy I. Gibbs		-1,000,000		1,000,000
02/11/86	Berkeley County	David Maybank, Jr.		-68,848		68,848
02/27/86	Marion County	Beneteau Manufacturing, Inc.		-3,000,000		3,000,000
02/27/86	Cherokee County	Ametex Fabrics, Inc.		-2,700,000		2,700,000
02/27/86	Cherokee County	Y Z Realty Trust		-1,850,000		1,850,000
02/27/86	Berkeley County	Pearlstine Distributors		-1,500,000		1,500,000
03/11/85	Spartanburg County	O'Mara Incorporated		-1,000,000		1,000,000
03/25/86	Horry County	Commercial Realty Ventures		-250,000		250,000
04/08/86	Lexington County	Clay Hyder		-6,100,000		6,100,000
04/08/86	Greenville County	Hart-Greenville Partnership		-3,500,000		3,500,000
04/22/86	Sumter, City of	Redevelopment Loan Program		-13,822		13,822
04/22/86	Greenville County	International Plastics		-500,000		500,000
05/13/86	York County	Meco Metal Finishing USA, Inc.		-1,800,000		1,800,000
05/13/86	Richland County	Dodd Investment		-620,000		620,000
06/10/86	Spartanburg County	J M Smith Corporation		-1,000,000		1,000,000
06/10/86	Richland County	William M. Gregg, II.		-1,500,000		1,500,000
06/10/86	Anderson County	Mount Vernon Mills, Inc.		-3,000,000		3,000,000
06/24/86	Laurens County	Dispoz-o Plastics, Inc.		-1,500,000		1,500,000
06/24/86	Lexington County	Kingston Metal South Corp.		-750,000		
06/24/86	Lexington County	J. B. White & Company		-10,000,000		
07/15/86	Sumter, City of	O. Mack Kolb/J.E. Eldridge Jr.		-50,000		
07/15/86	Sumter, City of	Mark I. Brody		-13,520		
07/15/86	Florence County	*Bruce Hospital, Inc.		-8,000,000		
07/15/86	Lancaster County	Aeroquip Corporation		-2,250,000		
07/15/86	Richland County	Trinity Knoll		-3,500,000		
07/15/86	Fairfield County	Rite Aid of SC, Inc.		-10,000,000		
07/15/86	Spartanburg County	One Price Realty		-1,000,000		
07/15/86	Lancaster County	Continental Mfg. Service		-1,500,000		
	Total Allocated			-67,966,190		30,902,670
	Total, Local Pool		$301,230,000	-67,966,190	$233,263,810	30,902,670
	Total, State Agency and Exempt Facilities Pool		$200,820,000	-27,623,000	$173,197,000	4,290,000
	Total, Local Pool		301,230,000	-67,966,190	233,263,810	30,902,670
	GRAND TOTAL		$502,050,000	-95,589,190	$406,460,810	35,192,670

*501(c)(3)

01468

7/15/86
BCB/OED/dw

EXHIBIT

JUL 29 1986 NO. 20

STATE BUDGET & CONTROL BOARD

EXHIBIT

JUL 29 1986 NO. 21

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 7

AGENCY: North Charleston Redevelopment Commission

SUBJECT: Multifamily Housing Redevelopment Bonds Ceiling Allocation

The North Charleston Redevelopment Commission requests an allocation of $9,500,000 of the State Ceiling for the Ben Tillman Homes project which will provide residential redevelopment consisting of 474 units of rental residential property in North Charleston.

This allocation is requested under the terms of pending Tax Reform Act of 1985. It is proposed in accord with the procedure adopted by the Board at the July 15 meeting.

BOARD ACTION REQUESTED:

Allocate $9,500,000 of the State Ceiling to the North Charleston Redevelopment Commission Ben Tillman Homes project, under the terms of the pending Tax Reform Act of 1985.

ATTACHMENTS:

McQuillan July 23 letter to McInnis; Petition

01469

JUL 23 1986

McNAIR LAW FIRM, P. A.
ATTORNEYS AND COUNSELORS AT LAW
NCNB TOWER
POST OFFICE BOX 11390
COLUMBIA, SOUTH CAROLINA 29211
803-799-9800

ROBERT E. McNAIR
TERRELL L. GLENN
JAMES S. KONDUROS
D. WAYNE CORLEY
E. McLEOD SINGLETARY
CHARLES PORTER
ROBERT W. DIBBLE, JR.
EMORY M. SNEEDEN
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RICHARD L. C. SULLIVAN
M. JOHN BOWEN, JR.
DENNIS C. THELEN*
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JOHN W. CURRIE
SCOTT Y. BARNES
M. ELIZABETH CRUM
THEODORE J. HOPKINS, JR.
DANIEL R. McLEOD, JR.
WILLIAM S. ROSE, JR.
BERNARD J. WUNDER, JR.

HUEL O. ADAMS, JR.
JAMES R. FIELDS, JR.
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EDWIN W. JOHNSON II
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C. ALAN RUNYAN
JOHN W. FOSTER
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APRIL C. LUCAS
ROBERT E. STEPP
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E. RUSSELL JETER, JR.
M. WILLIAM YOUNGBLOOD
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CELESTE TILLER JONES
KATHERINE ELIZABETH MIMS
JOSEPH D. WALKER
NANCY R. JEFFERS
ALISON RENEE LEE
MARTHA F. McMILLIN
GREGORY D. DiLOACH
WILLIAM ASHLEY JORDAN, JR.
ELIZABETH BOWE ANDERS
WILLIAM N. MUSSER
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OF COUNSEL

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202-659-3900

*NOT ADMITTED IN SOUTH CAROLINA

EXHIBIT NO. 21
JUL 29 1986
STATE BUDGET & CONTROL BOARD

July 23, 1986

Mr. William A. McInnis
State Budget and Control Board
Wade Hampton Office Building
Columbia, South Carolina 29201

RE: North Charleston Redevelopment Commission
Multifamily Housing Redevelopment Bonds
(Ben Tillman Homes Project)

Dear Mr. McInnis:

Enclosed please find an Inducement Resolution and copies of the Petition to the Budget and Control Board for the above-referenced transaction. We are submitting the documents for Volume Cap allocation only.

If any further information is needed, please call.

Sincerely,

Barbara G. McQuillan

Barbara G. McQuillan
Paralegal - Bond Department

BGM:ja

Enclosures

01470

EXHIBIT

JUL 29 1986 No. 21

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
) PETITION
COUNTY OF)

TO: THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA

This Petition of the North Charleston Redevelopment Commission (the "Commission") is submitted to the State Budget and Control Board of South Carolina (the "Board") pursuant to Act Number 451 of the Acts and Joint Resolutions of the General Assembly of 1984 (the "Act").

1. The Commission is a public body, corporate and politic, created pursuant to the Act and has the authority to acquire and improve property as part of a redevelopment project and, subject to obtaining approval from its parent municipality to sell such property or mortgage, pledge or otherwise encumber or dispose of such property.

2. The Commission is authorized and empowered by the Act to make commitments for any programs over which the Commission has jurisdiction.

3. The Commission is authorized by the Act to issue its bonds, as defined in the Act, and to use the proceeds thereof for any of its corporate purposes under the terms and conditions set forth therein.

4. The Commission desires to issue not exceeding $9,500,000 of its Multifamily Housing Revenue Bonds to provide certain residential redevelopment, as defined in the Act, consisting of 474 units of rental residential property located in North Charleston, South Carolina (the "Project").

WHEREFORE, on the basis of the foregoing, the Commission requests, pursuant to the provisions of H.R. 3838 (the "Tax Reform Act of 1985") a Volume Cap allocation of not exceeding $9,500,000 for the Project.

01471

Respectfully submitted,

NORTH CHARLESTON REDEVELOPMENT COMMISSION

John E. Bourne, Jr., Chairman

EXHIBIT

JUL 29 1986 NO. 21

STATE BUDGET & CONTROL BOARD

01472

CERTIFIED COPY OF RESOLUTION MAKING PROVISION
FOR THE ISSUANCE OF NOTES OR BONDS FOR THE
BEN TILLMAN HOMES PROJECT

I, the undersigned, Richard Ganaway, the duly qualified and acting Secretary of the North Charleston Redevelopment Commission (the "Commission"), do hereby certify that attached hereto is a copy of a resolution entitled: "A RESOLUTION PROVIDING THAT THE NORTH CHARLESTON REDEVELOPMENT COMMISSION WILL ISSUE, UNDER CERTAIN CONDITIONS, ITS BONDS OF APPROXIMATELY $15,000,000 FOR THE BEN TILLMAN HOMES PROJECT" which resolution was adopted by the Commission at a meeting duly called and held on this 13th day of February, 1986, at which meeting a quorum was present and acting throughout, which resolution has been compared by me with the original thereof as recorded in the minute book of the Commission, and that said copy is a true, complete and correct copy thereof and that said resolution has been duly adopted and has not been modified, amended or repealed and is in full force and effect on and as of the date hereof in the form attached hereto.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Commission this 6th day of March, 1986.

NORTH CHARLESTON REDEVELOPMENT COMMISSION

Richard Ganaway, Secretary

(SEAL)

EXHIBIT

JUL 29 1986 NO. 21

STATE BUDGET & CONTROL BOARD

01473

EXHIBIT NO. 21
JUL 29 1986
STATE BUDGET & CONTROL BOARD

A RESOLUTION PROVIDING THAT THE NORTH CHARLESTON REDEVELOPMENT COMMISSION WILL ISSUE, UNDER CERTAIN CONDITIONS, ITS NOTES OR BONDS TO FUND A MORTGAGE LOAN OF APPROXIMATELY $15,000,000 FOR THE BEN TILLMAN HOMES PROJECT

WHEREAS, the North Charleston Redevelopment Commission (the "Commission") is a public body, corporate and politic created pursuant to Act No. 451 of the Acts and Joint Resolutions of the General Assembly of the State of South Carolina for the year 1984 (the "Act") and an ordinance adopted by the City Council of North Charleston, South Carolina on November 21, 1985. Pursuant to the Act, the Commission has the authority to acquire and improve property as part of a redevelopment project and, subject to obtaining approval from its parent municipality to sell such property or mortgage, pledge or otherwise encumber or dispose of such property; and

WHEREAS, the Commission is authorized and empowered by the Act to make commitments for any programs over which the Commission has jurisdiction; and

WHEREAS, the Commission is authorized by the Act to issue its bonds, as defined in the Act, to use the proceeds thereof for any of its corporate purposes under the terms and conditions set forth therein; and

WHEREAS, William P. Mains d/b/a Phoenix Land Company (the "Applicant") has sought the assistance of the Commission in an undertaking to provide certain residential redevelopment, as defined in the Act, consisting of 474 units of rental residential property located in North Charleston, South Carolina (the "Project"); and

WHEREAS, the Project is in a Redevelopment Area (as defined in the Act) designated by the Commission and is a Redevelopment Project (as defined in the Act); and

WHEREAS, the Commission desires to formally indicate its present intent to provide such assistance to the Applicant by issuing its bonds and using the proceeds thereof to acquire the Project and to sell the Project to the Applicant at the cost thereof to the Commission subject to the terms and conditions hereof;

NOW THEREFORE, be it resolved by the Commission as follows:

SECTION 1. Undertakings of Commission. In the event the Applicant meets the requirements set forth herein, the Commission will undertake to issue its bonds under the

provisions of the Act in the amount necessary to pay the costs of acquiring and rehabilitating the Project in an amount not to exceed $15,000,000. Any obligation of the Commission hereunder is subject to (a) the requirements that (i) the Project receive such local approval, if any, as is required under the Act, and (ii) the sale of the Project to the Applicant be approved by the City of North Charleston and (b) the right of the Commission in its sole discretion, to rescind this resolution and elect not to issue such bonds at some future date.

SECTION 2. Obligation of Applicant. If the plan proceeds as contemplated, the Applicant agrees as follows:

(a) to make the Project available for occupancy subject to such conditions as the Commission may determine;

(b) to enter into a purchase agreement with respect to the Project on such terms and conditions as the Commission may deem necessary or desirable;

(c) to pay all costs and expenses incurred by the Commission, including its reasonable counsel fees, in furtherance of the undertakings of the Commission hereunder, regardless of whether any bonds are issued with respect to the Project;

(d) to provide the Commission with such information and material with respect to the Project, including financial statements and information, reports, tests, surveys, appraisals, plans, specifications, drawings, occupancy rates or rent rolls, studies or feasibility studies, legal opinions, descriptions, and access for inspection of the Project or any other such items as may be requested by the Commission; and

(e) to enter into such agreements, execute such documents and provide such proofs or evidence as the Commission may, in its sole discretion, request in connection with its undertakings hereunder.

SECTION 3. Termination. The Commission or the Applicant may elect not to proceed with the Project or any issue of bonds hereunder. The Commission shall not be obligated hereby to the Applicant or any other person by virtue of the adoption of this resolution. Neither the Applicant nor any other person shall have any right hereunder and the Commission shall not be liable in any way to the Applicant or such other person for any decision it makes not to proceed hereunder regardless of any action taken by the Applicant or such other person whether known or unknown to the Commission.

SECTION 4. Miscellaneous. All orders and resolutions on any parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This resolution shall take effect and be in full force from and upon its adoption by the Commission.

SECTION 5. Official Action. It is the intention of the Commission that this resolution shall constitute an official action by the Commission evidencing its present intent within the meaning of the applicable regulations of the United States Department of the Treasury relating to the issuance of bonds under Section 103 of the Internal Revenue Code of 1954, as amended.

Done in meeting duly assembled this 6th day of March, 1986.

NORTH CHARLESTON REDEVELOPMENT COMMISSION

John E. Bourne, Jr., Chairman

(SEAL)

ATTEST:

Richard Ganaway, Secretary

EXHIBIT

JUL 29 1986 NO. 21

STATE BUDGET & CONTROL BOARD

C1476

EXHIBIT

JUL 29 1986 NO. 21

STATE BUDGET & CONTROL BOARD

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

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

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

July 29, 1986

C E R T I F I C A T E

STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

TENTATIVE ALLOCATION, CALENDAR YEAR 1986

TO: North Charleston Redevelopment Commission
$9,500,000
Multifamily Housing Revenue Bonds
(Ben Tillman Homes Project)

The State Budget and Control Board has made a tentative allocation of the State Ceiling established in the Tax Reform Act of 1985 in the amount indicated to the referenced bonds/notes and project. This allocation is valid for calendar year 1986 only. It will expire ninety (90) calendar days from July 29, 1986 (the date the allocation was approved by the Board), if the bonds/notes for which the allocation has been approved have not been issued prior to that time. This allocation will be rescinded if an opinion of bond counsel is subsequently rendered to the issuer of the bonds/notes and the State Budget and Control Board that an allocation is not required with respect to these bonds/notes under the Tax Reform Act of 1985 as finally adopted by the U.S. Congress.

Before this tentative allocation becomes final, Board Regulation §19-103.06 and §19-103.07 will be deemed applicable to the referenced bonds/notes and require that the exact amount of the bonds/notes being issued be certified to the Board Secretary by the issuing authority **before** the issue is made. In response to that issue amount certificate, the Secretary will issue a certificate which makes the ceiling allocation final.

I certify that, to the best of my knowledge, this allocation was not made in consideration of any bribe, gift, gratuity or direct or indirect contribution to any political campaign.

Mary L Patterson

Grady L. Patterson, Jr.

Attest:

William A McInnis

William A. McInnis, Secretary

01477

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

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

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

October 29, 1986

North Charleston Redevelopment Commission
Ms. Barbara McQuillan
McNair Law Firm
Box 11390
Columbia, SC 29211

Dear Ms. McQuillan:

Re: North Charleston Redevelopment Commission
$9,500,000 Multifamily Housing Revenue Bonds
(Ben Tillman Homes Project)

By means of a certificate dated July 29, 1986, executed by State Treasurer Grady L. Patterson, Jr., and me, you were advised that an allocation of $9,500,000 of the State Ceiling established in the Deficit Reduction Act of 1984 had been made by the Budget and Control Board for the referenced project.

The 90-day life of this allocation has now elapsed. Therefore, in accord with Regulation 19-103.08, this letter cancels the referenced certificate and its effect is to reduce the $9,500,000 allocation to zero.

Sincerely,

William A. McInnis

William A. McInnis
Secretary

WAM:dw

01478

EXHIBIT

JUL 29 1986 NO. 22

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 8

AGENCY: Executive Director

SUBJECT: Data Base Management System

Deputy Executive Director Sam Griswold advises of a proposal to purchase a Data Base Management System for the Data Center now a part of the Executive Director's Office. He notes that the system will enhance the productivity of all users of the system substantially and will be especially valuable to the Retirement System in redesigning and programming the health insurance system.

The following actions by the Board are proposed:

(a) Approve the issuance of a request for proposals for purchasing the data base management system;

(b) Approve the transfer and use of Retirement System funds to purchase the software;

(c) Acknowledge that the Office of Executive Director will request funds in 1987-88 to defray maintenance expenses of the system;

(d) Authorize staff to seek General Assembly approval to reimburse the Retirement System for the initial purchase funds.

BOARD ACTION REQUESTED:

Consider.

ATTACHMENTS:

Griswold July 18 memo to McInnis

01479

JUL 18 1986

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

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

EXHIBIT

JUL 29 1986 NO. 22

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: Bill McInnis

FROM: Sam Griswold

DATE: July 18, 1986

SUBJECT: Item for the Board Agenda on July 29, 1986.

It has been decided to purchase a Data Base Management System for the Data Center that is now a part of the Executive Director's Office. This decision will enhance the productivity of all users of the system by a substantial margin and be very valuable to the Retirement System as they begin to redesign and program the health insurance system. We need an item on the agenda for the Board to address the following points:

1. Approval of the issuance of a Request for Proposals (RFP) as the purchasing mechanism most appropriate for purchasing this type of complex software.

2. Approval of the transfer and use of funds available to the Retirement System to make the initial purchase of this software.

3. Acknowledge that a budget request for FY 87-88 will be made by the Office of the Executive Director to defray maintenance expenses and to proportionately reimburse over a period of several years the Retirement System for the initial purchase funds.

Should you need more elaboration, Ms. Deborah Canders will be pleased to coordinate the collection of such information during my absence next week.

C1480

EXHIBIT

JUL 29 1986 NO. 23

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

STATE BUDGET & CONTROL BOARD

MEETING OF July 29, 1986 ITEM NUMBER 9

AGENCY: Executive Director

SUBJECT: Civil Contingent Fund Encumbrances

The following encumbrances of Civil Contingent Fund monies are requested for fiscal year 1986-87:

Board of Economic Advisors (travel expenses)	$ 3,500
B&C Board, OED, Microfilming Board minutes/exhibits	2,000
B&C Board, meetings	4,000
Retirement Preretirement Advisory Board	350
Construction Advisory Committee	600
Governor's Youth Advisory Council	4,000
Committee/Hunger and Nutrition	2,501
NASBO Regional Meeting, SC Host	9,611
	$26,562

Attached is a report on Civil Contingent Fund receipts and disbursements during fiscal year 1985-86.

The 1986-87 appropriation is $494,624.

BOARD ACTION REQUESTED:

Approve the following encumbrances totaling $26,562 from the Civil Contingent Fund for fiscal year 1986-87:

Board of Economic Advisors	$ 3,500
B&C Board, OED, Microfilming Board minutes/exhibits	2,000
B&C Board, meetings	4,000
Retirement Preretirement Advisory Board	350
Construction Advisory Committee	600
Governor's Youth Advisory Council	4,000
Committee/Hunger and Nutrition	2,501
NASBO Regional Meeting, SC Host	9,611

Receive as information a report on Civil Contingent Fund receipts and disbursements during FY 1985-86.

ATTACHMENTS:

Kellum July 21 memo to McInnis; Civil Contingent Fund FY 85-86 Report

01481

#1

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

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

July 21, 1986

EXHIBIT

JUL 29 1986 NO. 23

STATE BUDGET & CONTROL BOARD

MEMORANDUM TO: Bill McInnis

FROM: Naomi Kellum NK

SUBJECT: Board of Economic Advisors
CCF Encumbrance

Dr. Morris has submitted anticipated expenditures for fiscal year 86-87 for travel and associated costs on behalf of the Board of Economic Advisors for which we need Budget and Control Board approval for an allocation from the Civil Contingent Fund. Estimated expenditures are as follow:

Boston - NABE	$ 1,100
New York - DRI	600
Revenue Estimating Conference NATA	1,200
Contingencies	600
TOTAL	$ 3,500

/s

(1)

01482

#5

South Carolina Retirement Systems

P. O. BOX 11960 - CAPITOL STATION
COLUMBIA, S. C. 29211

PURVIS W. COLLINS
DIRECTOR

RECEIVED
JUL 17 1986
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

July 16, 1986

EXHIBIT
JUL 29 1986 NO. 23
STATE BUDGET & CONTROL BOARD

Dr. Jesse A. Coles, Jr., Executive Director
State Budget and Control Board
6th Floor, Wade Hampton Building
Columbia, South Carolina 29201

Dear Jesse:

It is customary for the Retirement and Pre-Retirement Advisory Board, created under Act 696 of 1976 (copy enclosed), to meet at least once each year. Per diem and travel expenses have been paid from the Civil Contingent Fund. In anticipation of the meeting, please encumber the sum of $350.00 from the Fund for the 1986-87 fiscal year.

With appreciation and kindest personal regards, I am

Sincerely yours,

Purvis

Purvis W. Collins

PWC:bb

Enclosure

(4)

01483

#6

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

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

Box 12444
Columbia
29211

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

July 22, 1986

EXHIBIT

JUL 29 1986 NO. 23

STATE BUDGET & CONTROL BOARD

MEMORANDUM TO: Bill McInnis

FROM: Naomi Kellum

SUBJECT: Construction Advisory Committee
CCF Encumbrance FY 86-87

I attempted to get from the State Engineer's Office an anticipated amount to allocate to the Construction Advisory Committee for meeting(s) during FY 86-87. Bill Clement, acting state engineer, is on vacation for two weeks, and Rachel said he didn't give her any direction before he left.

The $600 is the amount encumbered last year. If the Committee meets only one time that will most likely cover expenditures, but if it meets several times we will need to go back to the Board for additional funds.

/s

(5)

01484

#7

RECEIVED
JUL 21 1986
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

State of South Carolina

RICHARD W. RILEY
GOVERNOR

OFFICE OF THE GOVERNOR
POST OFFICE BOX 11450
COLUMBIA 29211

EXHIBIT
JUL 29 1986 NO. 23
STATE BUDGET & CONTROL BOARD

July 17, 1986

Dr. Jesse A. Coles, Jr.
Executive Director
State Budget and Control Board
618 Wade Hampton Office Building
Post Office Box 12444
Columbia, South Carolina 29211

Re: Governor's Youth Advisory Council
Fiscal Year 1986-87

Dear Dr. Coles:

It is anticipated that the Governor's Youth Advisory Council will expend approximately $4,000.00 in fiscal year 1986-87. Please encumbrance the above amount from the Civil Contingent Fund for the Governor's Youth Advisory Council.

Thank you for your cooperation.

Warmest regards,

Terry K. Peterson
Executive Assistant
Education Division

/rmj

(6)

#8

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

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

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

July 22, 1986

EXHIBIT

JUL 29 1986 NO. 23

STATE BUDGET & CONTROL BOARD

MEMORANDUM TO: Bill McInnis

FROM: Naomi Kellum NK

SUBJECT: Interim Study Committee on Hunger and Nutrition - CCF Encumbrance

The Board "allocated up to $5,000 from the Civil Contingent Fund to cover printing costs for the Interim Study Committee on Hunger and Nutrition" at its meeting of April 8, 1986 (Summary, Item 20). At the end of FY 85-86, $2,501 lapsed to the General Fund.

I was advised upon inquiring that it would be at least August, 1986, before any additional bills would be presented for payment. Therefore, a request is made to encumber from the 86-87 Civil Contingent Fund, $2,501 to cover printing costs to complete the project.

/s

(7)

01486

#9

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
STATE BUDGET DIVISION
406 WADE HAMPTON STATE OFFICE BUILDING
COLUMBIA, S.C. 29201

RECEIVED
JUL 3 1 1986
BUDGET CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR
STATE TREASURER

EARLE E. MORRIS, JR
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR. Ph.D.
EXECUTIVE DIRECTOR

A. BARON HOLMES, IV, Ph.D.
DIVISION DIRECTOR

July 21, 1986

EXHIBIT

JUL 29 1986 NO. 23

STATE BUDGET & CONTROL BOARD

Dr. Jesse A. Coles, Jr.
Executive Director
State Budget & Control Board
Wade Hampton Building
Columbia, South Carolina 29201

Dear Jesse,

South Carolina is the host state for the 1986 Southern Regional Conference for the National Association of State Budget Officers and the Council of State Planning Agencies. The conference will be held in Charleston, South Carolina, from August 16 to August 20, 1986.

As you have been advised, the revenue from registration fees is not expected to be sufficient to cover the expenses of the conference. Based on our current projections, the amount of the deficit is not expected to exceed ~~$10,000~~ and could be somewhat less with an optimal registration pattern. We are therefore requesting ~~$10,000~~ from the Civil Contingent Fund to cover the anticipated shortage. Any unused portion of this amount would be returned to the fund once all expenses of the conference have been paid.

$9,611 nk

$9,611 nk

A copy of budget projections is attached. At the present time, registration data suggests attendance in the 50-75 range.

We will appreciate your assistance in this matter.

Sincerely,

A Baron Holmes IV

A. Baron Holmes, IV

ABH/dd
Enclosure

(8)

01487

JUL 23 1986

CIVIL CONTINGENT FUND

RECEIPTS AND DISBURSEMENTS

Fiscal Year 1985-86

RECEIPTS		
General	$	$494,624.00
DISBURSEMENTS		
Allocations to Agencies:		
Development Board/International Trade Conference	25,000.00	
Clemson/State 4-H Fund/Fire Safety Printing	10,000.00	
Governor's OEPP/SC Commission for Farm Workers	21,500.00	
Governor's OEPP/Economic Development Booklet	18,500.00	
B & C Board/OED/James A. Morris' Salary	7,500.00	
Dept of Consumer Affairs/Landbank Equity Corp	58,000.00	
Dept Archives & History/US Consti Bicentennial Comm	5,000.00	
Coastal Council	16,000.00	
Attorney General's Ofc/Catawba Indian Suit	30,000.00	
Board of Licensure for Professional Counselors...	8,000.00	
State Ethics Commission	1,162.50	
Dept of Veteran's Affairs/Ex-Prisoner Task Force	1,500.00	
Governor's OEPP/E & T/ Audit Exception	33,734.00	
Total Allocations to Agencies		$235,896.50
Committee Expenses:		
B & C Board Meetings	3,182.48	
Productivity Council	284.55	
Governor's Youth Advisory Council Meetings	2,887.94	
Board of Economic Advisors	1,359.59	
PSC Merit Selection Panel	11,271.15	
PreRetirement Advisory Council	279.91	
Total Committee Expenses		$19,265.62
Other Expenses:		
Palmetto State Games, Inc.	5,000.00	
JEDA Executive Search/Patton-Perry Assoc	13,031.27	
Heritage World Expo Authority Meeting	218.16	
Greenville County/Vietnam Veteran's Monument	10,000.00	
Winnie B. Pace/Interpreter for Deaf	96.32	
SC Downtown Development Association	10,000.00	
Environmental Study/Pinewood-EBASCO	95,000.00	
SC Young Lawyers Assoc/Pamphlet on Spouse Abuse	500.00	
Ametex Fabrics, Inc.	3,000.00	
Jay Yang Designs, Ltd.	3,000.00	
SC Statue of Liberty Campaign	2,500.00	
Study Committee/Hunger & Nutrition	2,499.00	
B & C Board, OED, SC & the Sea	15,000.00	
Total Other Expenses:		$159,844.75
TOTAL DISBURSEMENTS:		$415,006.87
Total Lapsed to the General Fund:		$79,617.13

EXHIBIT

JUL 29 1986 NO. 23

STATE BUDGET & CONTROL BOARD

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

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

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

Box 12444
Columbia
29211

July 21, 1986

EXHIBIT

JUL 29 1986 NO. 23

STATE BUDGET & CONTROL BOARD

MEMORANDUM TO: William A. McInnis

FROM: Naomi Kellum NK

SUBJECT: Civil Contingent Fund Encumbrances 86-87

These are Civil Contingent Fund encumbrances for FY 1986-87 which need Budget and Control Board approval.

(1)	Board of Economic Advisors	$ 3,500
(2)	B & C Board, OED, Morris' Salary	8,000 - separated
(3)	B & C Board, OED, Microfilming	2,000
(4)	B & C Board Meetings	4,000
(5)	Retirement Preretirement Advisory Board	350
(6)	Construction Advisory Committee Meeting	600
(7)	Governor's Youth Advisory Council Meetings	4,000
(8)	Committee/Hunger and Nutrition	2,501
(9)	NASBO Regional Meeting, SC Host	$ 9,611

/s

01489

EXHIBIT

JUL 29 1986 NO. 24

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 10

AGENCY: General Services

SUBJECT: Asbestos Task Force

Attached is a report from the Asbestos Task Force on (a) identification of major topics concerning asbestos abatement; and (b) assignment of subcommittees.

BOARD ACTION REQUESTED:

(a) Receive as information a report from the Asbestos Task Force on identification of major topics concerning asbestos abatement;
(b) Authorize the assignment of subcommittees; and
(c) Direct that no commitment of funds be made until the Board has approved a standard procedure on it.

ATTACHMENTS:

Agenda item worksheet; referenced report

01490

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

July 23, 1986

___ *Blue Agenda*
x *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: General Services
   (b) Authorized Official Signature: Richard W. Kelly

2. *Subject:*
   Asbestos Task Force

3. *Summary Background Information:*

   Attached report from Asbestos Task Force - identification of major topics concerning asbestos abatement - assignment of subcommittees.

EXHIBIT

JUL 29 1986 NO. 24

STATE BUDGET & CONTROL BOARD

4. *What is Board asked to do?*

   receive as information

5. *What is recommendation of the Board Division involved?*
   n/a/

6. *Recommendation of other office (as required)?*

   (a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
report to the Budget & Control Board from Asbestos Task Force	

01491

Report To The Budget And Control Board From

The Asbestos Task Force

EXHIBIT

JUL 29 1986 NO. 24

STATE BUDGET & CONTROL BOARD

Upon the retirement of Mr. Tony Ellis, from the Division of General Services, Mr. Rick Kelly assumed the responsibilities of coordinator for the Asbestos Task Force. Mr. Kelly held the first meeting on June 19, 1986 to discuss and begin setting forth an agenda which would meet the goals of this group. It has become apparent that four major topics will comprise a majority of the work of this Task Force. In an effort to facilitate an asbestos plan as quickly as possible, Mr. Kelly recommended dividing the Task Force in the four subcommittees to address legal, survey and identification, funding and training issues. This recommendation was received by the Task Force and approved unanimously.

The following is a summary establishing the subcommittees, identifying a mission statement and the assignment of Task Force members:

Subcommittee Assignments

EXHIBIT

JUL 29 1986 NO. 24

STATE BUDGET & CONTROL BOARD

Legal Subcommittee:

to identify the legal issues and implications resulting from State agencies involvement in asbestos abatement activities; to identify and help resolve the insurance issues/problems associated with asbestos abatement activities; to design and coordinate an effective public awareness program that is consistent with our cost recovery objectives and public safety mandate.

Nat Kaminski, Chairman
Terry Richardson
Jack Wilson

Survey Subcommittee:

to design an building survey approach and methodology that is consistent with our cost recovery objective and public safety mandate.

Cecil Mills, Chairman
Ed Williams
Rick Wilson
Rudy Powell
Emmett Davis

01493

Funding Subcommittee:

to design an equitable strategy/methodology for prioritizing and funding both emergency and non-emergency asbestos abatement activities.

Dave Rinker, Chairman
Rick Kelly
Jack Sprott

EXHIBIT
JUL 29 1986 NO. 24
STATE BUDGET & CONTROL BOARD

Training Subcommittee:

to design basic and advanced training requirements for asbestos abatement workers, State-employed supervisory personnel, and other appropriate individuals.

Bob Stein, Chairman
Bob Betterton
L.A. Williams

Subcommittees have been asked to meet before August 26, 1986 to develop recommendations concerning each issue. On August 26, 1986 the entire Task Force will meet and receive subcommittee reports.

EXHIBIT

JUL 29 1986 NO. 25

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

STATE BUDGET & CONTROL BOARD

MEETING OF July 29, 1986 ITEM NUMBER 11

AGENCY: General Services

SUBJECT: Sale of Property to Employee (Industrial Commission)

The Division of General Services advises that an Industrial Commission employee is retiring from State service and requests authorization to purchase the vehicle and office furniture assigned to him.

The 1983 Crown Victoria (S) fair market appraised value is $5,275 plus $263.75 sales tax.

The office furniture fair market appraised value is $1,253 plus $62.65 sales tax.

BOARD ACTION REQUESTED:

Approve the sale of a 1983 Crown Victoria (S), fair market appraised value $5,275 plus $263.75 sales tax, and office furniture, fair market appraised value $1,253 plus $62.65 sales tax, to Mr. James Reid who is retiring from the Industrial Commission.

ATTACHMENTS:

Agenda item worksheet and attachments

01495

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

July 29, 1986

___ *Blue Agenda*
X *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) *Agency:* Division of General Services
   (b) *Authorized Official Signature:* Richard W. Kelly

2. *Subject:*

3. *Summary Background Information:*
An employee of the S. C. Industrial Commission is retiring from State service and requests to purchase the vehicle and office furniture assigned to him. The vehicle is a 1983 Crown Victoria (S) and has been duly appraised by the State Surplus Property Officer. A fair market appraisal value of $5,275.00 plus $263.75 sales tax has been assigned. The office furniture has been duly appraised by the State Surplus Property Officer. A fair market appraisal value of $1,253.00 plus $62.65 sales tax has been assigned. The Director is requesting permission to execute the sale in accordance with Board policy.

EXHIBIT

JUL 29 1986 NO. 25

STATE BUDGET & CONTROL BOARD

4. *What is Board asked to do?*

Consider the sale of state-owned property to a retiring employee in accordance with B/C Regulation 19-445.2150 and Board policy of 5-24-83.

5. *What is recommendation of the Board Division involved?*

Evaluate the request and consider sale in accordance with Board policy of 5-24-83.

6. *Recommendation of other office (as required)?*

(a) *Office Name* _____ *Authorized (b) Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
	1. Agency Request 2. Appraisal

01496

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
800 DUTCH SQUARE BLVD., SUITE 150
COLUMBIA, S.C. 29210
(803) 737-8900

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

DR. JESSE A. COLES, JR.
EXECUTIVE DIRECTOR

RICHARD J. CAMPBELL
ASSISTANT DIVISION DIRECTOR

EXHIBIT

JUL 29 1986 NO. 25

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: Mr. Richard Campbell
Assistant Director, DGS/Material Management Officer

FROM: B. Thomas Rayfield, Jr.
Supv., Surplus Property, MMO

SUBJECT: Appraisal

DATE: June 19, 1986

Per your request, I recently appraised the following equipment utilized by Mr. James Reid of the S.C. Industrial Commission which he wishes to buy upon his retirement. The recommended fair market appraised values are:

$200.00	Wood Book Shelves (Oak)
75.00	Green Sofa
50.00	Green Side Chairs (2 at $25.00/each)
400.00	Leather Executive Chair
63.00	Brass Lamp
15.00	Secretary Chair
50.00	Telephone Table (Oak)
100.00	Five Drawer Legal File Cabinet w/lock
300.00	Executive Desk (Oak) (Inv. #92)
$1,253.00	Sub-Total
62.65	Sales Tax
$1,315.65	Total

RJC/pb

01497

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
800 DUTCH SQUARE BLVD. SUITE 150
COLUMBIA, S.C. 29210
(803) 737-8900

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE

DR. JESSE A. COLES, JR.
EXECUTIVE DIRECTOR

RICHARD J. CAMPBELL
ASSISTANT DIVISION DIRECTOR

MEMO

EXHIBIT

JUL 29 1986 NO. 25

STATE BUDGET & CONTROL BOARD

TO: Richard Campbell
Assistant Director, DGS/Materials Management Officer

FROM: B. Thomas Rayfield, Jr.
Supervisor, Surplus Property, MMO BTR

SUBJECT: Appraisal of James Reid's Vehicle
1983 Crown Victoria (S), Serial #1FABP43F9DZ109088

DATE: June 30, 1986

It has come to my attention that an error was made in our appraisal. The car did not have the Int. Lux. Grp. option which will result in $225.00 being deducted. This will also alter the sales tax to $263.75 which results in a new total value of $5,538.75.

Please correct my original appraisal to this figure.

BTR:lg

cc Mr. Walt Taylor
Mr. Allan Spence

01498

EXHIBIT

JUL 29 1986 NO. 26

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 12

AGENCY: General Services

SUBJECT: Information Technology Equipment Trade-in (Clemson)

The Division of General Services advises that Clemson University wishes to trade in older model VAX computers for a newer, more efficient system.

Due to software and peripheral compatibility, Clemson must purchase a Digial Equipment Corporation (DEC) system, and DEC will grant a $68,100 discount on the new equipment.

DEC has offered a trade-in equal to 83% of the original cost. The trade-in is over twice the value of the equipment on the open, used market.

The Division recommends approval of the trade-in.

Total cost of new system	$446,500.00
Discount	-68,100.00
Trade-in	-86,500.00
Balance (excluding tax and insurance)	$291,900.00

BOARD ACTION REQUESTED:

Approve the Clemson University request to trade-in of two VAX 780 computer systems.

ATTACHMENTS:

Agenda item worksheet and attachment

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

July 29, 1986

___ *Blue Agenda*
X *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) *Agency:* Division of General Services
   (b) *Authorized Official Signature:* Richard W. Kelly

2. *Subject:*
   Request for approval of trade-in of IT equipment.

3. *Summary Background Information:*

Clemson University wishes to trade in older model VAX computers for a newer, more efficient system. Digital Equipment Corporation (DEC) has offered a trade-in equal to 83% of the original cost. This trade-in is over twice the value of the equipment on the open, used market. Due to software and peripheral compatability Clemson must purchase a DEC system. Additionally, DEC will grant Clemson a $68,100.00 discount on the cost of the new equipment.

Total Cost of New System:	$446,500.00
Less Discount	<68,100.00>
Less Trade-in	<86,500.00>
Balance excluding tax & insurance	$291,900.00

EXHIBIT

JUL 29 1986 NO. 26

STATE BUDGET & CONTROL BOARD

4. *What is Board asked to do?*

Approve the trade-in of two VAX 780 systems.

5. *What is recommendation of the Board Division involved?*

Recommend approval

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
Letter, Clemson Univ. July 15, 1986	

01500

CLEMSON UNIVERSITY

RECEIVED
1986 JUL 17 AM 11:11
STATE PROCUREMENT

BUSINESS AND FINANCE
Purchasing and Supply Services Division

July 15, 1986

EXHIBIT
JUL 29 1986 NO. 26
STATE BUDGET & CONTROL BOARD

Mr. Harold Stewart, ITMO
800 Dutch Square Blvd., Suite 150
Columbia, South Carolina 29210

Dear Harold:

Clemson University would like to request approval from the Budget and Control Board to trade-in the following equipment:

ITEMS	QTY.	ORIGINAL COST	TRADE-IN VALUE
VAX 780 with 2 MB memory	2 ea.	$25,300 ea.	$64,000
MB MS780 Memory	8 ea.	47,520	4,800
FP780	2 ea.	11,660	3,000
VAX 750 with 2 MB memory	1 ea.	16,800	13,500
MB MS750 Memory	2 ea.	3,000	1,200
			$86,500

This trade-in allowance is to be applied toward the purchase of the following equipment:

ITEMS	QTY.	COST
VAX 8600 Processor 865CD-AP with 8650QK001-UZ 32 MB 120/60	1 ea.	$382,700.00
VAX FP86-AA Floating PT Accel VAX 8600	1 ea.	24,080.00
DH-630Q3-A2MVII	1 ea.	29,130.00
ZNAAB-C3 HW Info Kit	1 ea.	300.00
QZ001-CZ MVMS 2 User Lic WW	1 ea.	2,000.00
LA100-BA Hard Copy Terminal	1 ea.	2,195.00
VT220-A2 Video Terminal	1 ea.	880.00
VT22K-BA VT220	1 ea.	215.00
MS630-BA 2MB Expansion Memory	1 ea.	5,000.00
		$446,500.00
Educational Discount		(68,100.00)
Insurance		2,552.10
S.C. Sales Tax		20,339.00
Total		$401,291.10
Trade-In Allowance		(86,500.00)
GRAND TOTAL		$314,791.10

01501

Your assistance in obtaining this transaction will be appreciated.

Sincerely,

David L. Palmer

David L. Palmer
Information Technology Officer

APPROVED:

EXHIBIT

JUL 29 1986 NO. 26

STATE BUDGET & CONTROL BOARD

_____ _____
Date

Item 11 20S-03
1986-87 IT Plan

01502

EXHIBIT

JUL 29 1986 NO. 27

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 13

AGENCY: General Services

SUBJECT: Procurement Code Exemption Request

In accord with Section 11-35-170 of the Consolidated Procurement Code, the Division of General Services recommends the following exemption:

Service provider contracts awarded by the Health and Human Services Finance Commission that are funded from Federal Title XIX (Medicaid) which are for the direct provision of services to eligible clients where each client has freedom of choice to select a provider.

BOARD ACTION REQUESTED:

Exempt from the requirements of the Procurement Code service provider contracts awarded by the Health and Human Services Finance Commission that are funded from Federal Title XIX (Medicaid) which are for the direct provision of services to eligible clients where each client has freedom of choice to select a provider.

ATTACHMENTS:

Agenda item worksheet; excerpt from HHSFC Audit and Certification Report; request for exemption

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

July 15, 1986

___ *Blue Agenda*
X *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: Tony R. Ellis, Division Director

2. *Subject:* Request for Exemption from the Consolidated Procurement Code

3. *Summary Background Information:*
In accordance with Section 11-35-710 of the South Carolina Consolidated Procurement Code, the Division of General Services recommends the following exemption:

> Service provider contracts awarded by the Health and Human Services Finance Commission that are funded from Federal Title XIX (Medicaid) which are for the direct provision of services to eligible clients where each client has freedom of choice to select their provider.

EXHIBIT

JUL 29 1986 NO. 27

STATE BUDGET & CONTROL BOARD

4. *What is Board asked to do?*

Approve an exemption to the procurement procedures of the S.C. Consolidated Procurement Code.

5. *What is recommendation of the Board Division involved?*

Approve the exemption.

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
1. 20 copies of the exerpt from the Audit and Certification report including the Finance Commission's response.	
2. 20 copies of the request for exemption	

01504

that such a determination be prepared when a contract may exceed one year in duration.

If the Commission elects to incorporate an extension clause into its contracts, written determinations must be established as required by the Code. These determinations must justify the extension clause and indicate why a multi-term agreement is advantageous to the State.

EXHIBIT

AGENCY RESPONSE JUL 29 1986 NO. 27

STATE BUDGET & CONTROL BOARD

We had interpreted the Code to mean that a written determination had to be made during the course of the original term of the contract (prior to termination) if HHSFC desired to exercise its option to extend a given contract(s). Such determination was done prior to extending contracts. Furthermore, we will make a written determination prior to the issuance of original contracts in the future, indicating the advantages of exercising this option; however, it must be recognized that HHSFC has to reserve the authority to exercise that option until later in the period of the contract based on individual contract situations.

B. Title XIX (Medicaid) Exemption

HHSFC is authorized to administer for the State of South Carolina Title XIX (Medicaid) of the Social Security Act. Under this authority they contract with service providers for the provision of medical and health related services to qualified medicaid recipients.

As noted at the beginning of this report, HHSFC requested that Title XIX contracts be exempted from the Procurement Code because federal regulations prohibit

01505

denying a contract or participation in the medicaid program to anyone who meets the prerequisites.

The Office of Audit and Certification researched this issue and found that this exemption request is supported by Title 42, Chapter IV, Section 431.51 of the Code of Federal Regulations which states in part:

> ...any (Medicaid) recipient may obtain Medicaid services from any institution, agency, pharmacy, person, or organization that is qualified to perform the services, including an organization that provides these services or arranges for their availability on a prepayment basis.

In all of the Title XIX service areas that we reviewed, the providers are paid for services rendered based on an established fee basis. Federal funds spent in the Medicaid program in South Carolina are audited quarterly by federal auditors. The program is also audited by the State Auditor and covered by extensive regulations.

Based on the Federal regulations, we are prepared to recommend that the Budget and Control Board exempt the following from the Consolidated Procurement Code:

> Service provider contracts awarded by the Health and Human Services Finance Commission that are funded from Federal Title XIX (Medicaid) which are for the direct provision of services to eligible clients where each client has freedom of choice to select their provider.

01506

We are not prepared to recommend exemption of all contracts funded with Medicaid dollars which include training, consultants, research of reimbursement methodology, accounting services and others that are not providers of services directly to clients.

EXHIBIT

AGENCY RESPONSE JUL 29 1986 NO. 27

STATE BUDGET & CONTROL BOARD

We concur with the recommendation in exempting the service provider contracts which are for the direct provision of services to eligible clients. Furthermore, we agree to utilize the appropriate procurement process in regards to other contracts funded with Medicaid dollars which include training, consultants, research of reimbursement methodology, accounting services and others that are not providers of services directly to clients.

III. COMPLIANCE - CONSULTANTS

We reviewed two (2) procurements for accounting services that did not have the approval of the State Auditor as required by Section 11-35-1250 of the Procurement Code. These were as follows:

	Amount	Description
(1)	$40,000.00	Development of Accounting System
(2)	$10,000.00	Development of Accounting System

All future procurements of auditing or accounting services must be approved by the State Auditor in accordance with Section 11-35-1250 of the Code. Pursuant to Section 19-445.2015(A) of the regulations, these two (2) procurements must be ratified by the Materials Management Officer.

01507

EXHIBIT

JUL 29 1986 NO. 27

STATE BUDGET & CONTROL BOARD

State of South Carolina

State Health And Human Services Finance Commission

Bernard A. Daetwyler, Chairman

DISTRICT 1
Elise Davis - McFarland, Ph. D.

DISTRICT 2
Edward C. Roberts

DISTRICT 3
T. Ree McCoy, Jr.

Dennis Caldwell, Executive Director

DISTRICT 4
Robert E. Robards, MD

DISTRICT 5
Billy F. Pigg

DISTRICT 6
James L. Pasley, Jr.

P. O. Box 8206, Columbia, South Carolina 29202-8206

May 6, 1985

RECEIVED

MAY 07 1985

DIVISION OF GENERAL SERVICES
AGENCY CERTIFICATION
& ENGINEERING MANAGEMENT

Mr. Richard W. Kelly, Director
Agency Certification and Engineering Services
State Budget and Control Board
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

Dear Mr. Kelly:

This is to follow up on my letter of April 30, 1985, concerning our request for permanent certification to award contracts to providers of Title XX Block Grant services.

We decided to address the Social Services Block Grant program and the Title XIX Medicaid program in two separate letters since the federal regulations and guidelines are so different for the two programs. We also wanted the State Procurement Auditors (who are now reviewing our contracts) to be able to talk with a representative from the Atlanta Regional Office before we addressed certification for Title XIX contracts. Mrs. Rhonda Hall, an auditor with the Regional Office of the Department of Health and Human Services, conducted a review of our administrative contracts and interagency agreements April 24-26, and was able to discuss Title XIX regulations with Mr. Shealy, Mr. Sorrell, and Mr. Widdowson during her visit to Columbia.

Essentially, we were told that the federal regulations prohibit the agency from denying a contract or participation in the Medicaid program to anyone who meets the federal requirements. Title 42, Chapter IV, Section 431.51 of the Code of Federal Regulations, states: "any recipient may obtain Medicaid services from any institution, agency, pharmacy, person, or organizations that is qualified to perform the services, including an organization that provides these services or arranges for their availability on a prepayment basis."

Based on the above regulations, we are requesting that all Title XIX contracts be exempted from the State Procurement Code.

01508

We are working on a plan that hopefully will develop into a competitive process for the awarding of Title XIX Medical Transportation contracts. Many details will have to be worked out, however, and it is doubtful that we will be able to accomplish this goal before FY 86-87. In any event, our long-range plan is to competitively award medical transportation contracts.

Thank you very much for your cooperation and understanding of our unique problems. If additional information is needed, please call Mr. Tom Barnes at 758-3175.

Sincerely,

Dennis Caldwell
Executive Director

DC:cbgb

EXHIBIT

JUL 29 1986 NO. 27

STATE BUDGET & CONTROL BOARD

EXHIBIT

JUL 29 1986 NO. 28

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 14

AGENCY: General Services

SUBJECT: Procurement Certification, HHSFC

In accordance with Section 11-35-1210 of the Consolidated Procurement Code, the Division of General Services has audited the Health and Human Services Finance Commission's procurement system and recommends its certification within the parameters described in the audit report for the following limits (total potential purchase commitment to the State whether single- or multi-year contracts are used) for a period of two years: Service provider contracts funded from Social Services Block Grants, $750,000 per contract (service provider being a provider of services directly to a client; and consultants, $150,000 per contract.

BOARD ACTION REQUESTED:

Grant procurement certification to the Health and Human Services Finance Commission within the parameters described in the audit report for the following limits (total potential purchase commitment to the State whether single- or multi-year contracts are used) for a period of two years: Service provider contracts funded from Social Services Block Grants, $750,000 per contract (service provider being a provider of services directly to a client; and consultants, $150,000 per contract.

ATTACHMENTS:

Agenda item worksheet; Procurement Audit Certification Report

01510

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

July 15, 1986

___ *Blue Agenda*
X *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of General Services
   (b) Authorized Official Signature: Tony R. Ellis, Division Director

2. *Subject:* Procurement Certification for the Health and Human Services Finance Commission

3. *Summary Background Information:*
In accordance with the Consolidated Procurement Code, Section 11-35-1210, the Division of General Services has audited the Health and Human Services Finance Commission's procurement system and recommends its certification within the parameters described in the audit report for the following limits for a period of two (2) years: Service provider contracts funded from Social Services Block Grants - $750,000 per contract (service provider being a provider of services directly to a client); Consultants $150,000 per contract. This limit means the total potential purchase commitment to the State whether single year or multi-year contracts are used.

EXHIBIT

JUL 29 1986 NO. 28

STATE BUDGET & CONTROL BOARD

4. *What is Board asked to do?*

Grant procurement certification to the Health and Human Services Finance Commission.

5. *What is recommendation of the Board Division involved?*

Grant certification

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *Authorized (b) Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
1. 20 Copies of Procurement Audit Certification Report.	

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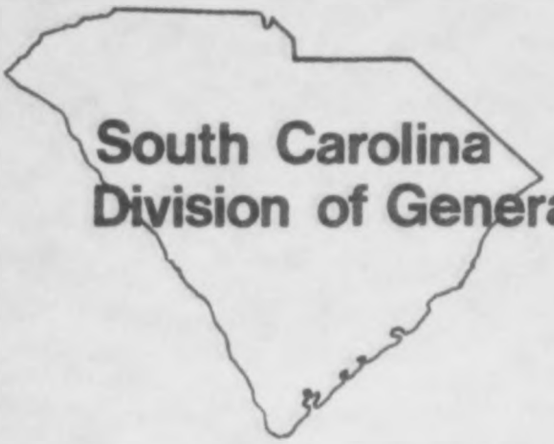
EXHIBIT

JUL 29 1986 NO. 28

STATE BUDGET & CONTROL BOARD



South Carolina
Division of General Services

PROCUREMENT AUDIT AND CERTIFICATION

HEALTH AND HUMAN SERVICES FINANCE COMMISSION

AGENCY

JUNE 13, 1986

DATE

01512

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

June 13, 1986

Mr. Tony R. Ellis
Division Director
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

Dear Tony:

Attached is the final Health and Human Services Finance Commission's audit and recommendations made by the Office of Audit and Certification. I concur and recommend the Budget and Control Board grant two (2) years certification as outlined in the audit report.

Sincerely,

Richard W. Kelly

Richard W. Kelly
Assistant Division Director

/kd

Attachment

01513

EXHIBIT

JUL 29 1986 NO. 28

STATE BUDGET & CONTROL BOARD

HEALTH AND HUMAN SERVICES FINANCE COMMISSION
AUDIT REPORT

FEBRUARY 24, 1986

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Summary of Audit Findings.....	9
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STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

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CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

February 24, 1986

Mr. Richard W. Kelly
Director of Agency Certification
and Engineering Management
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

We have examined the proposed procurement policies and procedures of the Health and Human Services Finance Commission for the period April 1, 1984, through March 31, 1985. As part of our examination we made a study and evaluation of the system of internal control over procurement transactions to the extent we considered necessary.

The purpose of such evaluation was to establish a basis for reliance upon the system of internal control to assure adherence to the Consolidated Procurement Code and State and Health and Human Services Finance Commission proposed procurement policy. Additionally, the evaluation was used in determining the nature, timing and extent of other auditing procedures that were necessary for developing a recommendation for certification above the $2,500 limit.

01516

The administration of the Health and Human Services Finance Commission is responsible for establishing and maintaining a system of internal control over procurement transactions. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance of the integrity of the procurement process, that affected assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and are recorded properly.

Because of inherent limitations in any system of internal control, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation of the system of internal control over procurement transactions as well as our overall examination of procurement policies and procedures were conducted with due professional care. They would not, however, because of the nature of audit testing, necessarily disclose all weaknesses in the system.

The examination did, however, disclose conditions enumerated in this report which we believe to be subject to correction or improvement.

01517

Corrective action based on the recommendations described in these findings will in all material respects place the Health and Human Services Finance Commission in compliance with the South Carolina Consolidated Procurement Code and ensuing regulations.

R. Voight Shealy

R. Voight Shealy
Manager, Office of Audit
and Certification

01518

INTRODUCTION

The Office of Audit and Certification conducted an examination of the internal procurement operating procedures and policies of the Health and Human Services Finance Commission.

Our on-site review was conducted April 22, 1985, through May 10, 1985, and was made under the authority as described in Section 11-35-1230(1) of the South Carolina Consolidated Procurement Code and Section 19-445.2020 of the accompanying regulations.

The examination was directed principally to determine whether, in all material respects, the procurement system's internal controls were adequate and the procurement procedures, as outlined in the proposed Internal Procurement Operating Procedures Manual, were in compliance with the South Carolina Consolidated Procurement Code and its ensuing regulations.

Additionally, our work was directed toward assisting the agency in promoting the underlying purposes and policies of the Code as outlined in Section 11-35-20, which include:

(1) to ensure the fair and equitable treatment of all persons who deal with the procurement system of this State;

(2) to provide increased economy in state procurement activities and to maximize to the fullest extent practicable the purchasing values of funds of the State;

(3) to provide safeguards for the maintenance of a procurement system of quality and integrity with

01519

clearly defined rules for ethical behavior on the part of all persons engaged in the public procurement process.

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BACKGROUND

Section 11-35-1210 of the South Carolina Consolidated Procurement Code states:

> The Budget and Control Board may assign differential dollar limits below which individual governmental bodies may make direct procurements not under term contracts. The materials management office shall review the respective governmental body's internal procurement operations, shall certify in writing that it is consistent with the provisions of this code and the ensuing regulations, and recommend to the board those dollar limits for the respective governmental body's procurement not under term contract.

On July 2, 1984, we issued an audit report with the recommendation for temporary certification up to $750,000 for Social Services Block Grant contracts for eight (8) months or until a comprehensive audit could be performed. Pursuant to this recommendation, our audit was performed to determine if permanent certification should be recommended and the proper limits for the increased certifications. The Commission requested increased certification in the following areas:

Category	Amount
Service Provider Contracts in Social Services Block Grant	$750,000 per contract
Training	$250,000 per contract
Recruitment and Training of Volunteers	$10,000 per contract
Consultants	$125,000 per contract

Additionally, the Commission requested that Title XIX (Medicaid) contracts be exempted from the Consolidated Procurement Code.

01521

SCOPE

Our examination encompassed a detailed analysis of the internal operating procedures of the Health and Human Services Finance Commission and the proposed policies and procurements manual in the areas of sole source procurements, emergency procurements, Social Services Block Grant contracts, Title XIX (Medicaid) contracts, and reporting of procurements with certified minority firms to the extent we deemed necessary to formulate an opinion of the adequacy of the system to properly handle these procurement transactions up to the requested certification limits. Our scope was limited to these areas as the other procurement activities, as defined within the Code and regulations, were being handled entirely by the procurement division of the Department of Social Services.

The Office of Audit and Certification selected random samples for the period July 1, 1984, through March 31, 1985, of these procurement transactions for compliance testing and performed other auditing procedures that we considered necessary in the circumstances to formulate this opinion. As specified in the Consolidated Procurement Code and related regulations, our review of the system included, but was not limited to, the following areas:

(1) adherence to provisions of the South Carolina Consolidated Procurement Code and accompanying regulations;

(2) procurement staff and training;

(3) adequate audit trails and purchase order register;

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(4) evidences of competition;

(5) emergency and sole source procurements;

(6) source selections;

(7) file documentation of procurements;

(8) economy and efficiency of the procurement process; and

(9) approval of the Minority Business Utilization Plan.

01523

SUMMARY OF AUDIT FINDINGS

Our audit of the procurement system of the Health and Human Services Finance Commission (HHSFC) produced findings and recommendations in the following areas:

		PAGE
I.	COMPLIANCE - GENERAL	11
	A. Sole Source and Emergency Procurements Several transactions were not procured in compliance with the sole source and emergency procurement provisions of the Procurement Code.	
	B. Minority Business Report At the time of the audit, the Commission had never filed progress reports of minority business enterprise utilization with the Office of Small and Minority Business Assistance.	
II.	COMPLIANCE - GOODS AND SERVICES	19
	A. Multi-Term Contracts HHSFC entered into multi-term contracts without prior written determinations to support the use of the multi-term contracts.	
	B. Title XIX (Medicaid) Exemption The Commission has requested that the procurements in the medicaid program be exempted from the Code and regulations.	

01524

PAGE

III. COMPLIANCE - CONSULTANTS 22

The Commission failed to obtain the approval of the State Auditor for accounting services.

01525

RESULTS OF EXAMINATION

I. COMPLIANCE - GENERAL

A. Sole Source and Emergency Procurements

We examined the quarterly reports of sole source and emergency procurements and all available supporting documents for the period April 1, 1984, through March 31, 1985, for the purpose of determining the appropriateness of the procurement actions taken and the accuracy of the reports submitted to the Division of General Services as required by Section 11-35-2440 of the Consolidated Procurement Code. During this period the Department of Social Services (DSS) reported HHSFC's procurements on their quarterly reports since they still managed much of the procurement activity.

We recommend that HHSFC report these procurements directly. They are a separate State agency and are responsible for sole source activity. We understand that amended reports have already been filed for April 1, 1984, through March 31, 1985, to reflect procurements for each agency.

Sole Source Exceptions

1. The Commission failed to report the following eight (8) procurements to DSS so they could be reported to the Division of General Services as required by Section 11-35-2440 of the Code.

01526

Date	Amount
01/14/85	$2,240.00
02/01/85	$22,500.00
02/05/85	$500.00
06/28/84	$12,190.00
09/01/84	$8,000.00 + expenses
01/13/85	$1,400.00
11/21/84	$1,281.00
07/28/84	$92,660.00
TOTAL	$140,771.00

Amended reports should be filed for the appropriate quarters to correct this understatement of sole source activity.

AGENCY RESPONSE

Amended reports were filed with General Services on May 19, 1986 which include the sole source activities listed in the audit report.

---

2. The dates on the following three (3) determinations were after the dates of the procurements.

	PO Number	Invoice Date	Determination Date	Amount
(1)	HHSFC134	06/20/84 05/24/84	07/09/84	$7,209.12
(2)	HHSFC136	07/05/84	07/09/84	$614.34
(3)	Contract	01/09/85 Contract Signed	01/15/85	$6,000.00

01527

Section 11-35-1560, Sole Source Procurement, of the Consolidated Procurement Code indicates:

> A contract may be awarded...without competition when...the head of a purchasing agency, or a designee...above the level of the procurement officer determines in writing that there is only one source for the required supply, service or construction item.

This clearly requires requisite authority to enter into a contract as a sole source procurement. Since, in the cases listed above, the required approvals had not been obtained prior to the commitments being made, they are unauthorized procurements. Thus, formal ratifications must be sought in accordance with Section 19-445.2015 of the regulations.

AGENCY RESPONSE

HHSFC Purchase Orders 134 and 136 - These requisitions were for the installation of additional telephones, moving phone jacks, additional cable and longer base cords. These purchases were from Jarvis Corporation, the only company that could supply this service.

Sole source determinations were apparently completed after the equipment was ordered. Sole source determinations are being more closely monitored to insure that proper procedures are being followed.

Formal ratification by the Materials Management Office has been requested in accordance with Section 19-445.2015 and filed with General Services on May 19, 1986.

01528

3. The justification given for the following procurement did not satisfy the criteria for a sole source.

Date	Amount	Item Procured
02/01/85	$22,500.00	Microcomputer Consultant Support Services

Section 19-445.2105 of the regulations states that: "Sole source procurement is not permissible unless there is only a single supplier." Further, this section of the regulations states, "In cases of reasonable doubt, competition should be solicited."

AGENCY RESPONSE

02/01/85 Contract with Computer Support Services, Inc., for microcomputer consultant supports services for $22,500.00. The Sole Source Justification stated that HHSFC had an urgent requirement to computerize its accounting system, nursing home rate methodology and planning and data assessment system, and needed immediate technical assistance in those areas as well as other areas. Mr. Bill Blask, an associate of Computer Support Services, Inc., had been training staff of HHSFC and offering assistance through an IRM contract. Based upon his experience with our staff, our programs and needs, he was able to offer immediate assistance and we felt that a sole source contract was justified, at this transition period, to enable the Commission to operate at full speed at that time. We would like to note that we paid only $15,385 under this contract.

---

4. The Commission reported the following four (4) procurements as sole sources even though they were not handled as such.

PO Number	Amount	Exception
7063	$16,515.00	Procured by General Services
7041	$457.48	Less than $500
7064	$4,784.00	Item on State Contract
HHSFC134	$241.28	Less than $500

As shown by the comments above, reporting these as sole source procurements was inappropriate. Other procurement methods were utilized.

AGENCY RESPONSE

Purchase Order Numbers 7063, 7051, 7064 and 134 were reported as Sole Source Procurements in error. We agree with the statements in the report. Close supervision, which is now being provided, will insure proper reporting.

Emergency Exceptions

1. The Commission reported purchase order 7065 totaling $1,215.00 for the maintenance of equipment when the maintenance contract was covered by the original procurement. This was not a new procurement so it should not have been reported.

AGENCY RESPONSE

We agree with the above statements. The maintenance agreement should have begun at the expiration of the warranty. Close supervision is preventing this from reoccurring.

04530

2. HHSFC failed to report the following three (3) procurements after they were declared to be emergencies. Section 11-35-2440 of the Procurement Code requires that emergency procurements be reported to the Division of General Services.

Amount	Description
$4,000.00	Accounting Services
$22,539.00	Study of Skills Assessment
$2,124.00	Management Study

AGENCY RESPONSE

It was an oversight that Emergency Procurements for accounting services, study of skills assessment and a management study were not reported. Amended reports were submitted to the Division of General Services on May 19, 1986. The Procurement Officer of HHSFC is also closely monitoring Emergency Procurements, their justification, and the reporting of such procurements in accordance with the State Procurement Code.

---

3. The Commission made eight (8) procurements as emergencies supported by a single determination dated March 8, 1984. The dates of the requisitions were at least eighty-four (84) days after the date of the determination. The justification for these emergency procurements was:

> The State Health and Human Services Finance Commission must be operational July 1, 1984. In order to become operational, staff must begin to move into

new office facilities in early March, 1984. In order to meet the above deadline, equipment and supplies must be purchased as quickly as possible. Efforts will be made to secure bids from vendors in an effort to obtain the best price on available stock.

Section 19-445.2110, Subsection D, of the regulations states in part, "Any governmental body may make emergency procurements when an emergency arises and the need cannot be met through normal procurement methods..." Considering this provision of the regulations, we question the justification for procurements made some eighty-four (84) days later. The eight (8) procurements were as follows:

Purchase Order	Date of Requisition	Amount	Items Procured
7653	05/31/84	$1,260.00	Tape recorder, transcriber
7736	06/25/84	$3,051.00	Shredding machines
7753	06/27/84	$1,888.70	Ten (10) calculators
7754	06/28/84	$960.00	Two (2) chairs
7755	06/28/84	$1,005.00	Furniture
7765	06/28/84	$2,012.00	Furniture
7991	07/26/84	$5,694.00	Furniture
HHSFC140	06/30/84	$1,064.00	Two (2) tables and Two (2) chairs

In our opinion these procurements were not justifiable emergencies. Small purchase procedures could have been used for six of the eight transactions. The

Commission had sufficient time to plan the necessary procurement actions. Failure to do so does not justify emergencies as defined in Section 11-35-1570 of the Procurement Code.

A more restrictive attitude should be taken toward sole source and emergency procurements. Only those that truly qualify can be handled as such. Care must be taken to fully justify the action taken. Once this is complete, the transactions must be accurately reported to the Division of General Services.

AGENCY RESPONSE

A more restrictive attitude is being taken toward Sole Source and Emergency Procurements. These documents are closely monitored by our Procurement Officer.

B. Minority Business Report

At the time of the audit, the Commission had never filed progress reports of minority business enterprise utilization with the Office of Small and Minority Business Assistance. Responsibility for this reporting effort was not clearly defined during the transitional phase from the Department of Social Services.

Section 11-35-5240(2) of the Procurement Code requires these progress reports be made not later than ten (10) days after the end of each fiscal quarter. Failure on the part of the Commission to report this

01533

procurement activity understates the total minority enterprise procurement activity of the State.

We recommend that the Commission file the required reports for the quarters ending September 30, 1984, December 31, 1984, and March 31, 1985. Subsequent quarters should be reported within the time frame allowed by the Code.

AGENCY RESPONSE

We are currently filing progress records of minority business enterprise utilization with the Office of Small and Minority Business Assistance in accordance with Section 11-35-5240(2) of the South Carolina Consolidated Procurement COde. The report for the quarter ending March 31, 1986 has been filed with the Office of Small and Minority Business Assistance. We were under the impression that DSS was submitting the required reports during the transitional phase. However, we are reviewing the quarters ending September 30, 1984, December 31, 1984 and March 31, 1985, as well as subsequent quarters which have occurred since the audit field work.

II. COMPLIANCE - GOODS AND SERVICES

A. Multi-Term Contracts

Our review of the procedures associated with the request for proposals (RFP's) for services procured in the Social Services Block Grant program indicated that they were adequate to satisfy the requirements of the Code and ensuing regulations. However, the contracts awarded contained an extension clause which is not supported by a written multi-term contract determination. Section 11-35-2030 of the Procurement Code requires

01534

that such a determination be prepared when a contract may exceed one year in duration.

If the Commission elects to incorporate an extension clause into its contracts, written determinations must be established as required by the Code. These determinations must justify the extension clause and indicate why a multi-term agreement is advantageous to the State.

AGENCY RESPONSE

We had interpreted the Code to mean that a written determination had to be made during the course of the original term of the contract (prior to termination) if HHSFC desired to exercise its option to extend a given contract(s). Such determination was done prior to extending contracts. Furthermore, we will make a written determination prior to the issuance of original contracts in the future, indicating the advantages of exercising this option; however, it must be recognized that HHSFC has to reserve the authority to exercise that option until later in the period of the contract based on individual contract situations.

B. Title XIX (Medicaid) Exemption

HHSFC is authorized to administer for the State of South Carolina Title XIX (Medicaid) of the Social Security Act. Under this authority they contract with service providers for the provision of medical and health related services to qualified medicaid recipients.

As noted at the beginning of this report, HHSFC requested that Title XIX contracts be exempted from the Procurement Code because federal regulations prohibit

01535

denying a contract or participation in the medicaid program to anyone who meets the prerequisites.

The Office of Audit and Certification researched this issue and found that this exemption request is supported by Title 42, Chapter IV, Section 431.51 of the Code of Federal Regulations which states in part:

> ...any (Medicaid) recipient may obtain Medicaid services from any institution, agency, pharmacy, person, or organization that is qualified to perform the services, including an organization that provides these services or arranges for their availability on a prepayment basis.

In all of the Title XIX service areas that we reviewed, the providers are paid for services rendered based on an established fee basis. Federal funds spent in the Medicaid program in South Carolina are audited quarterly by federal auditors. The program is also audited by the State Auditor and covered by extensive regulations.

Based on the Federal regulations, we are prepared to recommend that the Budget and Control Board exempt the following from the Consolidated Procurement Code:

> Service provider contracts awarded by the Health and Human Services Finance Commission that are funded from Federal Title XIX (Medicaid) which are for the direct provision of services to eligible clients where each client has freedom of choice to select their provider.

01536

We are not prepared to recommend exemption of all contracts funded with Medicaid dollars which include training, consultants, research of reimbursement methodology, accounting services and others that are not providers of services directly to clients.

AGENCY RESPONSE

We concur with the recommendation in exempting the service provider contracts which are for the direct provision of services to eligible clients. Furthermore, we agree to utilize the appropriate procurement process in regards to other contracts funded with Medicaid dollars which include training, consultants, research of reimbursement methodology, accounting services and others that are not providers of services directly to clients.

III. COMPLIANCE - CONSULTANTS

We reviewed two (2) procurements for accounting services that did not have the approval of the State Auditor as required by Section 11-35-1250 of the Procurement Code. These were as follows:

	Amount	Description
(1)	$40,000.00	Development of Accounting System
(2)	$10,000.00	Development of Accounting System

All future procurements of auditing or accounting services must be approved by the State Auditor in accordance with Section 11-35-1250 of the Code. Pursuant to Section 19-445.2015(A) of the regulations, these two (2) procurements must be ratified by the Materials Management Officer.

01537

AGENCY RESPONSE

The contracts for $40,000.00 and $10,000.00 were awarded to Arthur Andersen and Company to develop an accounting system. (The $10,000.00 contract was actually an extension to the $40,000.00 contract.)

Arthur Andersen and Company was hired after consultations with the Office of the State Comptroller General because that firm was under contract with the Comptroller General's Office for bringing the State Accounting and Reporting System (STARS) into conformity with generally accepted accounting principles, and because Arthur Andersen was familiar with the State System. A representative from the U. S. Department of Health and Human Services and the State Auditor's Office were also present at these meetings and concurred with the awarding of the contract. HHSFC had a very short time frame to implement the accounting system. Immediate consultation was needed and the contract was handled as an Emergency Procurement because any delay would jeopardize the financial system of the Commission.

SUMMARY

In summary, HHSFC in the future will closely monitor the procurement of goods, services and construction, particularly on a sole source or emergency procurement basis.

As of November 2, 1985 HHSFC hired its own Procurement Officer and is filing procurement reports directly with the Division of General Services.

01538

CERTIFICATION RECOMMENDATIONS

As enumerated in our transmittal letter, corrective action based on the recommendations in the body of this report, we believe, will in all material respects place the Health and Human Services Finance Commission in compliance with the South Carolina Consolidated Procurement Code and ensuing regulations.

Subject to this corrective action, we recommend that the Commission be certified to make direct agency procurements for a period of two (2) years as follows:

PROCUREMENT AREAS	RECOMMENDED CERTIFICATION LIMITS
Service Provider Contracts Funded from Social Services Block Grants - Service Provider being a Provider of Services Directly to a Client	$750,000 per contract
Consultants	$150,000 per contract

We do not believe that certification for training and recruitment and training of volunteers is warranted. Traditionally, these contracts have been established with State agencies. The Commission was granted an exemption from the Procurement Code for contracts placed with governmental bodies in administering Title XIX of the Social Security Act (Medicaid) and Title XX (Social Services Block Grant). Training and recruitment contracts with governmental bodies should fall into this exemption, thus certification is unnecessary.

01539

CATEGORY	RECOMMENDATION
Medicaid Contracts - for Provision of Services Directly to Clients Where Each Client Has Freedom of Choice to Select His Provider	Exemption to Budget and Control Board

Larry G. Sorrell
Audit Manager

R. Voight Shealy, Manager
Office of Audit and Certification

AGENCY RESPONSE

The Commission concurs with the certification recommendations in the draft audit report.

01540

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

EXHIBIT

JUL 29 1986 NO. 28

STATE BUDGET & CONTROL BOARD

June 13, 1986

Mr. Richard W. Kelly
Assistant Division Director
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

Dear Rick:

We have returned to the Health and Human Services Finance Commission to determine the progress made toward implementing the recommendations in our audit report covering the period April 1, 1984 through March 31, 1985. During this visit, we followed up on each recommendation made in the audit report through inquiry, observation and limited testing.

The Audit and Certification Section observed that the Health and Human Services Finance Commission has made substantial progress toward correcting the problem areas found and improving the internal controls over the procurement system. We feel that, with the changes made, the system's internal controls should be adequate to ensure that procurements are handled in compliance with the Consolidated Procurement Code and ensuing regulations.

We, therefore, recommend that the certification limits as outlined in the audit report, be granted for a period of two (2) years.

Sincerely,

R. Voight Shealy

R. Voight Shealy, Manager
Audit and Certification

/kd

01541

EXHIBIT

JUL 29 1986 NO. 29

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

STATE BUDGET & CONTROL BOARD

MEETING OF July 29, 1986 ITEM NUMBER 15

AGENCY: Human Resource Management

SUBJECT: Emergency Reserve Platoons Supplemental Pay (Corrections)

The Division of Human Resource Management advises that that Department of Corrections has requested authorization to increase the supplemental pay for members of the Emergency Reserve Platoons from $500 to $1,000 per year. The Department has also requested authorization to add 121 additional employees to the platoons.

The Department advises that, recently, it was necessary to deploy these emergency teams during disturbances at Kirkland, Perry, and Central Correctional Institutions. The specialized training and swiftness of action of the platoons, in large measure, help prevent disturbances from escalating into large-scale riots.

The Department advises that, to maintain specialized skills, platoon members participate in training exercises each month outside of normal work hours.

The Division recommends approval of the requests.

BOARD ACTION REQUESTED:

Approve an increase in supplemental pay for members of the Department of Corrections emergency reserve platoons from $500 to $1,000 per year and approve the addition of 121 employees to the reserve platoons.

ATTACHMENTS:

Agenda item worksheet; O'Kelley July 3 letter to Mayes

01542

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

July 29, 1986

___ *Blue Agenda*
X *Regular Session Agenda*
___ *Executive Session Agenda*

1. *Submitted By:*
   (a) Agency: Division of Human Resource Management
   (b) Authorized Official Signature: Phyllis M. Mayes

2. *Subject:* Supplemental Pay for Members of Emergency Reserve Platoons - Department of Corrections

3. *Summary Background Information:*

The Department of Corrections is requesting authorization to increase the supplemental pay for members of the Emergency Reserve Platoons from $500 to $1,000 per year. In addition, the agency is requesting to add 121 additional employees to these units.

Recently, it was necessary to deploy these emergency teams during disturbances at Kirkland, Perry and Central Correctional Institutions. Their specialized training and swiftness of action, in large measure, help prevent these situations from escalating into large-scale riots. To maintain specialized skills, members participate in training exercises each month outside of their normal work hours.

EXHIBIT

JUL 29 1986 NO. 29

STATE BUDGET & CONTROL BOARD

4. *What is Board asked to do?*

Approve increasing supplemental pay for members of the Department of Corrections emergency reserve platoons from $500 per year to $1,000 and add 121 additional employees to reserve platoons.

5. *What is recommendation of the Board Division involved?*

Approve the requests.

6. *Recommendation of other office (as required)?*

(a) Office Name _____ *(b) Authorized Signature* _____

7. *Supporting Documents:*

List Those Attached	*List Those Not Attached But Available from Submitter*
a. Letter of July 3, 1986, Sam D. O'Kelley to Phyllis M. Mayes.	

01543

south carolina
department of corrections

P.O. BOX 21787/4444 BROAD RIVER ROAD/COLUMBIA, SOUTH CAROLINA 29221-1787
TELEPHONE (803) 737-8555
WILLIAM D. LEEKE, Commissioner

July 3, 1986

EXHIBIT

JUL 29 1986 NO. 29

STATE BUDGET & CONTROL BOARD

Ms. Phyllis Mays
Director, Division of Human
Resource Management
1205 Pendleton Street
Columbia, South Carolina 29201

Dear Ms. Mays:

The Department of Corrections previously requested and received approval to award $500.00 additional compensation to those employees who participate in the Reserve Emergency Platoon (REP) and Corrections Emergency Response Team (CERT). Individuals receiving this compensation are currently being reported to your office in the additional benefits field of the Personnel Advice and Information Sheet.

As a result of additional institutions which will be coming on-line in the future, i.e. Lieber Correctional Institution (July 1986), and McCormick Correctional Institution (February 1987), as well as expansion of several existing facilities, the Agency is requesting to add 121 additional employees to these units.

In addition to the REP and CERT programs, the Agency also operates a Situation Control Team (SitCon) whose members do not receive any additional compensation. Members of the SitCon unit participate in specialized training exercises each month outside of their normal work hours as do the members of the REP and CERT.

Recently, it was necessary to deploy these emergency teams during the disturbances at Kirkland, Perry and Central Correctional Institutions. Their specialized training and swiftness of action, in large measure, help prevent these situations from escalating into large-scale riots.

Given the additional specialized training which all three groups must undergo and the valuable but dangerous service which they perform, the Agency is requesting the level of compensation for members of the REP and CERT be increased from $500.00 to $1,000.00 annually. Additionally, we are requesting that members of SITCON be compensated at

01544

BOARD OF CORRECTIONS
GOETZ B. EATON, Chairman, Anderson, S.C.
NORMAN KIRKLAND, Vice-Chairman, Bamberg, S.C.
CHARLES C. MOORE, Secretary, Spartanburg, S.C.
CLARENCE E. WATKINS, Member, Camden, S.C.
BETTY M. CONDON, Member, Mt. Pleasant, S.C.
EUGENE N. ZEIGLER, Member, Florence, S.C.
GOV. RICHARD W. RILEY, Member, Ex-Officio, Columbia, S.C.

a similar rate of $1,000.00 per annum. The Agency currently has sufficient funding to absorb the projected increases. The enclosed printout will identify the current number of employees and projected increases in each emergency response team.

Should you have any questions or require additional information, please call me at 737-8522.

Sincerely,

Sam D. O'Kelley

Sam D. O'Kelley, Director
Division of Personnel Administration

SDOK:abb

EXHIBIT

JUL 29 1986 NO. 29

STATE BUDGET & CONTROL BOARD

01545

INCREASE IN CERT, R.E.P., AND SITCON MEMBERS RUN DATE03-Jul-86

	NUMBER
CERT TEAM	
# MEMBERS	
FY85-86	12
FY86-87 ADDITIONS	6
PERRY (6)	
R.E.P.	
# MEMBERS	
FY85-86	172
FY86-87 ADDITIONS	64
LIEBER (32)	
McCORMICK (32)	
SITCON	
# MEMBERS	
FY85-86	30
FY86-87 ADDITIONS	51
LIEBER (05)	
McCORMICK (05)	
WATEREE (05)	
STATEWIDE (36)	
TOTAL FY85-86 MEMBERS	214
TOTAL FY86-87 ADDITIONAL MEMBERS	121

EXHIBIT
JUL 29 1986 NO. 29
STATE BUDGET & CONTROL BOARD

EXHIBIT

JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 16

AGENCY: Mental Health

SUBJECT: Moving Expenses

Mental Health Commissioner Joseph J. Bevilacqua requests Board authorization to pay the following moving costs:

(a) Edward Waller, Ph.D., Clinical Psychologist, not to exceed $3,000;
(b) Dr. Kenneth Martin, Harris Hospital, $2,000;
(c) Dr. Melissa Ring, Harris Hospital, $2,000;
(d) Dr. John Stonecypher, State Hospital, $4,000; and
(e) Dr. Lyle Wharton, State Hospital, $4,000.

Details are provided in the attachments.

BOARD ACTION REQUESTED:

Authorize the Department of Mental Health to pay the following moving expenses:
(a) Edward Waller, Ph.D., Clinical Psychologist, not to exceed $3,000;
(b) Dr. Kenneth Martin, Harris Hospital, $2,000;
(c) Dr. Melissa Ring, Harris Hospital, $2,000;
(d) Dr. John Stonecypher, State Hospital, $4,000; and
(e) Dr. Lyle Wharton, State Hospital, $4,000.

ATTACHMENTS:

Bevilacqua July 16 letters to McInnis

01547

JUL 18 1986

South Carolina Department of Mental Health

An Equal Opportunity Employer

P.O. Box 485 2414 Bull Street Columbia, South Carolina 29202
Telephone (803) 758-7701

Joseph J. Bevilacqua, Ph.D. / State Commissioner of Mental Health

July 16, 1986

MENTAL HEALTH COMMISSION:

William L. Pope, Chairman
Columbia

Bernard Warshaw, Vice-Chairman
Walterboro

E. A. Hall, Jr.
Columbia

C. Alex Harvin, Jr.
Summerton

Elaine T. Freeman
Spartanburg

Carol W. Garvin
Aiken

Willie G. Boulware
Rock Hill

C. M. Tucker, Jr.
Chairman Emeritus
Pageland

John M. Fewell, M.D.
Member Emeritus
Greenville

G. Werber Bryan
Member Emeritus
Sumter

EXHIBIT

JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

Mr. William A. McInnis
Deputy Executive Director
S. C. Budget and Control Board
618 Wade Hampton Office Building
Columbia, South Carolina 29211

Dear Mr. McInnis:

The Continuum of Care is requesting approval to pay the moving expenses on Edward Waller, Ph.D. Clinical Psychologist not to exceed $3,000.00. Dr. Waller is being considered for the position of Psychologist IV. The person in this position will serve as a consultant to the entire statewide network of Continuum offices. The Continuum has, over the last five months, conducted an intensive search for candidates for this position, both in-state and out-of-state. These efforts resulted in very few qualified applicants.

The Department of Mental Health will not pay any other expenditures related to moving.

If you need additional information, please do not hesitate to let us know.

Sincerely,

Joseph J. Bevilacqua, Ph.D.
State Commissioner of Mental Health

JJB:cmb

01548

S.C. Department of Mental Health

Communication Slip

To (Name or title -- Organ. component -- Room No. and bldg.)	INITIALS--DATE
1. Mr. McInnis	
2.	
3.	
4.	
5.	

EXHIBIT

JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

REASON FOR REFERENCE

- ☐ APPROVAL
- ☐ AS REQUESTED
- ☐ CALL ME
- ☐ COMMENTS
- ☐ CONCURRENCE
- ☐ CONFER
- ☐ INFORMATION
- ☐ INVESTIGATE
- ☐ NECESSARY ACTION
- ☐ NOTE AND FILE
- ☐ NOTE AND RETURN
- ☐ PER CONVERSATION
- ☐ RECOMMENDATION
- ☐ SIGNATURE
- ☐ _____

☐ PREPARE REPLY FOR SIGNATURE OF _____

REMARKS:

In our efforts to give you the information needed to get approval for moving expenses, we did everything on the attached except tell you where he would be moving from. Dr. Waller will be coming from 1560 Frontier Court, Spring Valley, Ohio. I apologize for leaving this information out. I hope you will except this note as part of the approval. I hope we will be able now to give you all the necessary information on our requests in the future.

Thank you.

01549

FROM	DATE
Tom Marsh	7/18/86
ORGAN. COMPONENT	PHONE
DoFS	4-7836

SCDMH FORM
REV APR 73 A-7

JUL 21 1986

South Carolina Department of Mental Health

An Equal Opportunity Employer

P.O. Box 485 2414 Bull Street Columbia, South Carolina 29202
Telephone (803) 758-7701

Joseph J. Bevilacqua, Ph.D. / State Commissioner of Mental Health

July 16, 1986

EXHIBIT

JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

MENTAL HEALTH COMMISSION:

William L. Pope, Chairman
Columbia

Bernard Warshaw, Vice-Chairman
Walterboro

E. A. Hall, Jr.
Columbia

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Summerton

Elaine T. Freeman
Spartanburg

Carol W. Garvin
Aiken

Willie G. Boulware
Rock Hill

C. M. Tucker, Jr.
Chairman Emeritus
Pageland

John M. Fewell, M.D.
Member Emeritus
Greenville

G. Werber Bryan
Member Emeritus
Sumter

Mr. William A. McInnis
Deputy Executive Director
S. C. Budget and Control Board
618 Wade Hampton Office Building
Columbia, South Carolina 29211

Dear Mr. McInnis:

The Continuum of Care is requesting approval to pay the moving expenses on Edward Waller, Ph.D. Clinical Psychologist not to exceed $3,000.00. Dr. Waller is being considered for the position of Psychologist IV. The person in this position will serve as a consultant to the entire statewide network of Continuum offices. The Continuum has, over the last five months, conducted an intensive search for candidates for this position, both in-state and out-of-state. These efforts resulted in very few qualified applicants.

The Department of Mental Health will not pay any other expenditures related to moving.

If you need additional information, please do not hesitate to let us know.

Sincerely,

Joseph J. Bevilacqua, Ph.D.
State Commissioner of Mental Health

JJB:cmb

01550

JUL 18 1986

South Carolina Department of Mental Health

An Equal Opportunity Employer

P.O. Box 485 2414 Bull Street Columbia, South Carolina 29202
Telephone (803) 758-7701

Joseph J. Bevilacqua, Ph.D. / State Commissioner of Mental Health

July 16, 1986

EXHIBIT

JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

MENTAL HEALTH COMMISSION:

William L. Pope, Chairman
Columbia

Bernard Warshaw, Vice-Chairman
Walterboro

E. A. Hall, Jr.
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Elaine T. Freeman
Spartanburg

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Chairman Emeritus
Pageland

John M. Fewell, M.D.
Member Emeritus
Greenville

G. Werber Bryan
Member Emeritus
Sumter

Mr. William A. McInnis
Executive Deputy Director
S. C. Budget and Control Board
618 Wade Hampton Office Building
Columbia, South Carolina 29211

Dear Mr. McInnis:

You have asked for additional information concerning our requests for approval of moving expenses on four new employees. Please let us know if the information herein is sufficient.

The amounts indicated are for moving costs only and the Department will not pay any other expenditures related to moving.

Dr. Kenneth Martin, Harris Hospital - $2,000.00
Dr. Melissa Ring, Harris Hospital - $2,000.00
Dr. John Stonecypher, State Hospital - $4,000.00
Dr. Lyle Wharton, State Hospital - $4,000.00

Sincerely,

Joseph J. Bevilacqua, Ph.D.
State Commissioner of Mental Health

JJB:cmb

01551

JUL 16 1986

S.C. Department of Mental Health

Communication Slip

To (Name or title -- Organ. component -- Room No. and bldg.)	INITIALS--DATE
1. Mr. McInnis	
2.	
3.	
4.	
5.	

EXHIBIT

JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

REASON FOR REFERENCE

- ☐ APPROVAL
- ☐ AS REQUESTED
- ☐ CALL ME
- ☐ COMMENTS
- ☐ CONCURRENCE
- ☐ CONFER
- ☐ INFORMATION
- ☐ INVESTIGATE
- ☐ NECESSARY ACTION
- ☐ NOTE AND FILE
- ☐ NOTE AND RETURN
- ☐ PER CONVERSATION
- ☐ RECOMMENDATION
- ☐ SIGNATURE
- ☐ _____
- ☐ PREPARE REPLY FOR SIGNATURE OF _____

REMARKS:

Please see attached Dr. Bevilacqua's approval to pay moving expenses on two new employees at Harris Hospital. We are attaching copies of the letters on each employee requesting approval.

Thank you.

01552

FROM	DATE
Tom Marsh	7/14/86
ORGAN. COMPONENT: DoFS	PHONE: 734-7836

SCDMH FORM REV APR 73 A-7

SOUTH CAROLINA DEPARTMENT OF MENTAL HEALTH
Columbia, South Carolina

RECEIVED
JUL 10
State Commissioner of
Mental Health
S. C. Dept. of Mental Health

MEMORANDUM

TO: Joseph J. Bevilacqua, Ph.D.
State Commissioner of Mental Health

FROM: Thomas A. Marsh, Acting Deputy Commissioner
TAM Division of Financial Services

SUBJECT: Moving Expenses at Harris Psychiatric Hospital

DATE: July 10, 1986

The two attached requests from Jim Anderson are in accordance with the Departmental Directive and state regulations with one exception. There needs to be some indication of how much will be paid for these moving expenses. I discussed this with Jim by telephone and he indicated that he would like to state that the maximum would be $2,000 for each of these individuals. I recommend your approval of this request with the $2,000 limitation.

TAM:cmb
Attachments

OK - another not policy in place or can't afford!

S. C. STATE DEPARTMENT OF MENTAL HEALTH
APPROVED
JUL 1 1 1986
By
COMMISSIONER

EXHIBIT

01553 JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

Patrick B. Harris Psychiatric Hospital

A Facility of the South Carolina Department of Mental Health

P.O. Box 2907 / Anderson, South Carolina 29622 / (803) 225-8910

James P. Anderson / Director

EXHIBIT

JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

July 8, 1986

Thomas A. Marsh
Acting Deputy Commissioner
for Financial Services
S.C. Dept. of Mental Health
P.O. Box 485
Columbia, SC 29202

RE: Payment of Moving Expenses
for Newly Employed Personnel

Dear Mr. Marsh:

Harris Psychiatric Hospital is in a position to extend an offer of work to Melissa Ring, Ph.D. as our Chief Psychologist. Dr. Ring is currenlty employed at Austin State Hospital in Austin Texas.

The payment of Dr. Ring's moving expenses is necessary due to the substantial loss of income she will experience if she accepts our offer of employment. At Austin State Hospital, Dr. Ring's salary is $38.000.00, however, our facility has been authorized to compensate her at a rate of only $35,000.00

The Chief Psychologist will play a crucial role in clinical services at this facility. We are very anxious to extend an offer to Dr. Ring and respectfully request approval to pay her moving expenses.

A copy of Dr. Ring's resume is attached for your reveiw. Should you require any additional information, please contact me.

Sincerely,

Jim

James P. Anderson
Facility Director

JPA/cdl

Enclosure

RECEIVED

JUL 10 1986

Office of Deputy Commissioner
Division of Financial Services

01554

Patrick B. Harris Psychiatric Hospital

A Facility of the South Carolina Department of Mental Health

P.O. Box 2907 / Anderson, South Carolina 29622 / (803) 225-8910

James P. Anderson / Director

EXHIBIT

JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

July 8, 1986

Thomas A. Marsh
Acting Deputy Commissioner
for Financial Services
S.C. Dept. of Mental Health
P.O. Box 485
Columbia, SC 29202

RE: Payment of Moving Expenses
for Newly Employed Personnel

Dear Mr. Marsh:

Harris Hospital is in a position to extend an offer of work to Ken Martin, Ph.D. as a Staff Psychologist on our Geriatric Lodge. Dr. Martin is currently completing his internship at the Veteran's Administration Medical Center in Memphis, Tennessee.

The payment of Dr. Martin's moving expenses is necessary in that he is considering other offers of work that would not require him to relocate. Therefore, payment of moving expenses would greatly enhance our ability to recruit this individual.

This Staff Psychologist position will play a crucial role in opening the Geriatric Unit at this facility. We are very anxious to extend an offer to Dr. Martin and respectfully request approval to pay his moving expenses.

A copy of Dr. Martin's resume is attached for your review. Should you require any additional information, please contact me.

Sincerely,

Jim

James P. Anderson
Facility Director

JPA/cdl

Enclosure

RECEIVED

JUL 10 1986

Office of Dep. / Commissioner
Division of Financial Services

01555

JUL 16 1986

S.C. Department of Mental Health

Communication Slip

To (Name or title -- Organ. component -- Room No. and bldg.)	INITIALS--DATE
1. Mr. Bill McInnis	
2.	
3.	
4.	
5.	

EXHIBIT

JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

REASON FOR REFERENCE

☐ APPROVAL	☐ CONFER	☐ NOTE AND RETURN
☐ AS REQUESTED	☐ INFORMATION	☐ PER CONVERSATION
☐ CALL ME	☐ INVESTIGATE	☐ RECOMMENDATION
☐ COMMENTS	☐ NECESSARY ACTION	☐ SIGNATURE
☐ CONCURRENCE	☐ NOTE AND FILE	☐ _____

☐ PREPARE REPLY
FOR SIGNATURE OF _____

REMARKS:

Please see attached two approved copies of requests for State Hospital to pay moving expenses on Dr. Wharton and Dr. Stonecypher.

Thank you.

01556

FROM	DATE
Tom Marsh	7/14/86
ORGAN. COMPONENT	PHONE
DoFS	734-7836

SCDMH FORM
REV. APR 73 A-7

EXHIBIT

SOUTH CAROLINA STATE HOSPITAL
COLUMBIA, SOUTH CAROLINA

JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: MR. TOM MARSH, ACTING DEPUTY COMMISSIONER
DIVISION OF FINANCE SERVICES, SCDMH

FROM: WILLIAM H. SIMPSON, PH.D.
ASSISTANT SUPERINTENDENT

DATE: JULY 10, 1986

RE: MOVING EXPENSES -- DR. LYLE WHARTON

Dr. Wharton, who is presently a resident of Morristown, New Jersey, has been recruited for the position of Chief of Psychology Services for South Carolina State Hospital.

Dr. Wharton is a Ph.D. and Diplomate in clinical psychology. An applicant with these credentials is very difficult to secure and the inclusion of moving expenses in the job offer would increase the possibility of securing his services.

The expected cost of the expenses will be approximately $4,000.00. This estimate is based upon an approximate total weight of 10,000 pounds.

William H. Simpson Ph.D

WILLIAM H. SIMPSON, PH.D.
ASSISTANT SUPERINTENDENT

WHS:whs

cc: Mr. John Fletcher, Director
Administrative Services

U.S. STATE DEPARTMENT OF [illegible]

RECEIVED
JUL 14 1986
Office of Deputy Commissioner
Division of Finance Services

01557

SOUTH CAROLINA STATE HOSPITAL
COLUMBIA, SOUTH CAROLINA

EXHIBIT

JUL 29 1986 NO. 30

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: MR. TOM MARSH, ACTING DEPUTY COMMISSIONER
DIVISION OF FINANCE SERVICES, SCDMH

FROM: WILLIAM H. SIMPSON, PH.D.
ASSISTANT SUPERINTENDENT

DATE: JULY 10, 1986

RE: MOVING EXPENSES -- DR. JOHN STONECYPHER

Dr. Stonecypher, who is presently a resident of Lebanon, Pennsylvania, has been recruited for the position of Senior Psychologist at South Carolina State Hospital.

Dr. Stonecypher is a Ph.D. in clinical psychology with approximately 20 years of experience. An applicant with these credentials and qualifications is very difficult to secure, and the inclusion of moving expenses in the job offer would increase the possibility of securing his services.

The expected cost of the expenses should be approximately $4,000.00. This estimate is based upon an approximate total weight of 10,000 pounds.

William H. Simpson Ph.D.

WILLIAM H. SIMPSON, PH.D.
ASSISTANT SUPERINTENDENT

WHS:whs

cc: Mr. John Fletcher, Director
Administrative Services

S.C. STATE DEPARTMENT OF MENTAL HEALTH
APPROVED
JUL 14 1986

RECEIVED
JUL 14 1986
Office of Deputy Commissioner
Division of Financial Services

01558

EXHIBIT

JUL 29 1986 NO. 31

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 17

AGENCY: Mental Retardation

SUBJECT: Moving Expenses

Mental Retardation Commissioner Charles D. Barnett requests Board authorization to pay Dr. Lewis F. Gold, San Antonio, Texas, $593.59 toward his moving costs which will be in excess of $10,000.

Dr. Barnett indicates that the Department has been trying for almost a year to recruit a Director of Professional Services and that an appropriate licensed and qualified in-state applicant has not been identified.

BOARD ACTION REQUESTED:

Authorize the Department of Mental Retardation to pay $593.59 of the moving costs of Dr. Lewis F. Gold.

ATTACHMENTS:

Barnett July 8 letter to Coles

01559

JUL 11 1986

EXHIBIT

JUL 2 1 1986 NO. 31

STATE BUDGET & CONTROL BOARD

Charles D. Barnett, Ph.D.
Commissioner

Philip S. Massey, Ph.D.
Deputy Commissioner
Client Services

Lonnie A. Bowman, Jr.
Deputy Commissioner
Support Services

James E. Kirk
Deputy Commissioner
Fiscal Affairs

MENTAL RETARDATION COMMISSION

Mrs. Mary C. Ramsay, Chairman
Clarence H. Buurman, Ph.D., Vice Chairman
Mrs. Doris G. Woods, Secretary
Melvin L. Burton, Jr.
Mrs. Ava M. Hope
William deB. Mebane
Herbert Rudnick

South Carolina Department of Mental Retardation

2712 Middleburg Drive
P. O. Box 4706
Columbia, South Carolina 29240

RECEIVED

JUL 10 1986

BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

July 8, 1986

Dr. Jesse A. Coles, Jr.
Executive Director
Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

Dear Dr. Coles:

Our Midlands Center here in Columbia has been attempting for almost a year to recruit a Director of Professional Services. We have not been able to identify an appropriate licensed and qualified in-state applicant for this very important position.

In accordance with current state policy concerning payment of moving expenses for out-of-stae employment candidates, I am seeking approval to pay Dr. Lewis F. Gold, 13114 Hunters Valley, San Antonio, Texas, 78230, five hundred ninety three dollars and fifty nine cents ($593.59) toward his moving costs. Total moving costs will exceed $10,000. I certify that this action is necessary to recruit this well qualified applicant.

Your assistance in the approval of this request by the State Budget and Control Board is appreciated.

Cordially,

Charles D. Barnett, Ph.D.
Commissioner

CDB/lbc

01560

EXHIBIT

JUL 29 1986 NO. 32

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 18

AGENCY: College of Charleston

SUBJECT: Foreign Travel

On May 22, 1986, staff approved the travel of College of Charleston staff member Jorge Marban to Caracas, Venezuela during the May 27-June 13, 1986, period at an estimated cost of $1,514.65 of which $768 was to be paid from State-appropriated funds.

The College advises that the $768 requested previously was incorrect and now request approval of an additional $632 in State funds. Of the $1,514.65 estimated total, $1,400.00 would be paid from State appropriated funds.

BOARD ACTION REQUESTED:

Approve the travel of College of Charleston staff member Jorge Marban to Caracas, Venezuela during the May 27-June 13, 1986, period at an estimated cost of $1,514.65 of which $1,400 will be paid from State-appropriated funds.

ATTACHMENTS:

Bolchoz July 17 memo to McInnis

01561

JUN 21 1986

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

EXHIBIT

JUL 29 1986 NO. 32

STATE BUDGET & CONTROL BOARD

July 17, 1986

APPROVED
JUL 29, 1986
Donna Gillian
STATE BUDGET AND CONTROL BOARD

TO: Mr. William McInnis
Deputy Executive Director
S.C. Budget and Control Board
618 Wade Hampton Office Building
P.O. Box 12444
Columbia, SC 29211

FROM: Joseph E. Bolchoz, Jr.
Assistant Vice President
and Controller
College of Charleston

RE: Request for Foreign Travel Approval

Traveller: JORGE MARBAN

Destination: CARACUS, VENEZUELA

Dates: MAY 27 (From) JUNE 13, 1986 (To)

Source of Funds: STATE FUNDS

Maximum Amount Allowed: $632.00 ADDITIONAL FUNDS (see below)

Purpose: TO INTERVIEW THE AUTHOR USLAR PIETRI AND DO RESEARCH ON HIS WORK.

Requested on behalf of the College of Charleston by:

Joseph E. Bolchoz, Jr.

JEB,JR/ map

Previously requested $768 (see attached) and requested incorrect amount. Maximum amount allowed $1400. Estimated total $1514.65

01562

MAY 20 1986

THE COLLEGE OF CHARLESTON

CHARLESTON, SOUTH CAROLINA 29401

TO: Mr. William McInnis
Deputy Executive Director
S.C. Budget and Control Board
618 Wade Hampton Office Building
P.O. Box 12444
Columbia, SC 29211

FROM: Joseph E. Bolchoz, Jr.
Assistant Vice President
and Controller
College of Charleston

MAY 22 1986
STATE BUDGET AND CONTROL BOARD

RE: Request for Foreign Travel Approval

Traveller: JORGE MARBAN

Destination: CARACAS, VENEZUELA

Dates: From MAY 27 To JUNE 13, 1986

Source of Funds: STATE FUNDS $768

Maximum Amount Allowed: $768.00 Estimated total $1,514.65

Purpose: TO INTERVIEW THE AUTHOR USLAR PIETRI AND DO RESEARCH ONHIS WORK

Requested on behalf of the College of Charleston by:

Joseph E. Bolchoz, Jr.

JEB,JR/ map

01563

FOUNDED 1770

EXHIBIT

JUL 29 1986 NO. 33

STATE BUDGET AND CONTROL BOARD

STATE BUDGET & CONTROL BOARD REGULAR SESSION

MEETING OF July 29, 1986 ITEM NUMBER 19

AGENCY: Comptroller General's Office

SUBJECT: Federal Tax Reform Proposal Impact on SC

Comptroller General Earle E. Morris, Jr., notes that, as the Board has discussed at recent meetings the potential impact of the federal tax reform proposal on South Carolina revenue collections, an appropriate study is needed now in order to have a more insightful perspective when beginning budget preparations for fiscal year 1987-88. He also notes that six months of the tax reform will impact significantly on the fiscal year beginning July 1, 1986.

BOARD ACTION REQUESTED:

Direct a study of the impact of the federal tax reform proposal on South Carolina revenue collections.

ATTACHMENTS:

Morris June 26 letter to Coles

01564

STATE OF SOUTH CAROLINA

Office of Comptroller General

Columbia 29211

RECEIVED
JUN 30 1986
BUDGET AND CONTROL BOARD
OFFICE OF EXECUTIVE DIRECTOR

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

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

June 26, 1986

EXHIBIT

JUL 29 1986 NO. 33

STATE BUDGET & CONTROL BOARD

Dr. Jesse A. Coles, Jr.
Executive Director
State Budget and Control Board
618 Wade Hampton Office Building
Columbia, South Carolina

Dear Jesse:

At the last two regular meetings of the Budget and Control Board, we discussed briefly the potential impact which the Federal Tax Reform proposal might have on South Carolina revenue collections. It seems to me that we should have an appropriate study now in order that we will have a more insightful perspective as we begin budget preparations for FY 1987-88. Of course, six months of the tax reform will impact significantly on the fiscal year beginning July 1, 1986.

It is my feeling that the Budget and Control Board is the appropriate entity to direct such a study and I would appreciate your adding this as a priority agenda item for the next Budget and Control Board meeting.

I am enclosing copies of cover sheets of reports already completed for the State of New York. I am confident that another report will be forthcoming shortly concerning the Senate tax reform version. I have copies of these documents if you desire them.

Sincerely,

Earle

EARLE E. MORRIS, JR.

EEMJR:na

xc: Members, Budget and Control Board
Members, Board of Economic Advisors
Dr. Baron Holmes

01565