

## Walker, Madison

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**From:** Walker, Madison  
**Sent:** Monday, October 15, 2012 7:54 AM  
**To:** Walker, Madison  
**Subject:** \*\*Cabinet Meeting

Good morning,

Please note that the Governor's next Cabinet Meeting will be held **Wednesday, October 24<sup>th</sup> at 10:00 AM in Room 252 of the Edgar Brown Building, Statehouse grounds.** The theme for the Cabinet meeting is: **"What is your agency doing to save your customer's time?"**

Please let me know by Thursday, October 18<sup>th</sup> whether or not you will be in attendance, or who will be attending on your behalf.

Thank you,

*Madison Walker*  
*Director of Boards and Commissions*  
*Office of Governor Nikki R. Haley*

## Walker, Madison

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**From:** Walker, Madison  
**Sent:** Wednesday, September 05, 2012 11:33 AM  
**To:** mhbarb@scdjj.net; byars.bill@doc.state.sc.us; etter\_jf@sctax.org; bhitt@sccommerce.com; mkeel@sled.sc.gov; Lillian.B.Koller@dss.sc.gov; gmcgriff@doi.sc.gov; dparrish@scprt.com; kevin.shwedo@scdmv.net; leroysmith@scdps.net; stongerj@scdot.org; kthomas@ppp.state.sc.us; Toomey, Bob; Catherine Templeton; Maley, Patrick; patrickmaley@oig.sc.gov; Anthony Keck; holly.pisarik@llr.sc.gov  
**Cc:** Pitts, Ted  
**Subject:** RE: \*\*ATTN: Important Cabinet Notification

Everyone -

Ted: My mother-in-law, Mrs. Ruth Cromarty, passed away peacefully from natural causes on Monday, September third. She will be buried at the Saratoga National Cemetery in New York next to her husband who predeceased her on Monday, 10 September. I will be gone from this Friday thought next week. The rest of my team is here and will carry on well without me. I will have cell phone and email. No flowers please. If people ask, letters of condolence should be sent to Joan at our home address.

Robert J. St. Onge, Jr.  
Secretary of Transportation  
South Carolina Department of Transportation \_\_\_\_\_

**From:** Walker, Madison  
**Sent:** Monday, September 03, 2012 8:32 PM  
**To:** [mhbarb@scdjj.net](mailto:mhbarb@scdjj.net); [byars.bill@doc.state.sc.us](mailto:byars.bill@doc.state.sc.us); [etter\\_jf@sctax.org](mailto:etter_jf@sctax.org); [bhitt@sccommerce.com](mailto:bhitt@sccommerce.com); [mkeel@sled.sc.gov](mailto:mkeel@sled.sc.gov); [Lillian.B.Koller@dss.sc.gov](mailto:Lillian.B.Koller@dss.sc.gov); [gmcgriff@doi.sc.gov](mailto:gmcgriff@doi.sc.gov); [dparrish@scprt.com](mailto:dparrish@scprt.com); [kevin.shwedo@scdmv.net](mailto:kevin.shwedo@scdmv.net); [leroysmith@scdps.net](mailto:leroysmith@scdps.net); [stongerj@scdot.org](mailto:stongerj@scdot.org); [kthomas@ppp.state.sc.us](mailto:kthomas@ppp.state.sc.us); Toomey, Bob; Catherine Templeton; Maley, Patrick; [patrickmaley@oig.sc.gov](mailto:patrickmaley@oig.sc.gov); Anthony Keck; [holly.pisarik@llr.sc.gov](mailto:holly.pisarik@llr.sc.gov)  
**Cc:** Pitts, Ted; Veldran, Katherine  
**Subject:** \*\*ATTN: Important Cabinet Notification

Everyone -

In case you have not yet been informed, General Turner was involved in an accident with his motorcycle on Saturday. [REDACTED] He is at Lexington Medical Center and is in Room 696. We do not know when he will be discharged, but I will notify you as soon as we have any update.

Governor Haley has asked that everyone please keep General Turner and his family in your thoughts and prayers. Again, I'll let you know as soon as there is any further update.

Thank you,

Madison Walker

## Walker, Madison

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**From:** Walker, Madison  
**Sent:** Monday, September 03, 2012 8:33 PM  
**To:** mhbarb@scdjj.net; byars.bill@doc.state.sc.us; etter\_jf@sctax.org; bhitt@sccommerce.com; mkeel@sled.sc.gov; Lillian.B.Koller@dss.sc.gov; gmcgriff@doi.sc.gov; dparrish@scprt.com; kevin.shwedo@scdmv.net; leroysmith@scdps.net; stongerj@scdot.org; kthomas@ppp.state.sc.us; Toomey, Bob; Catherine Templeton; Maley, Patrick; patrickmaley@oig.sc.gov; Anthony Keck; holly.pisarik@llr.sc.gov  
**Cc:** Pitts, Ted; Veldran, Katherine  
**Subject:** \*\*ATTN: Important Cabinet Notification

**Importance:** High

Everyone -

In case you have not yet been informed, General Turner was involved in an accident with his motorcycle on Saturday. [REDACTED] He is at Lexington Medical Center and is in Room 696. We do not know when he will be discharged, but I will notify you as soon as we have any update.

Governor Haley has asked that everyone please keep General Turner and his family in your thoughts and prayers. Again, I'll let you know as soon as there is any further update.

Thank you,

Madison Walker

## Walker, Madison

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**From:** Walker, Madison  
**Sent:** Wednesday, September 05, 2012 11:47 AM  
**To:** mhbarb@scdjj.net; byars.bill@doc.state.sc.us; etter\_jf@sctax.org; bhitt@sccommerce.com; mkeel@sled.sc.gov; Lillian.B.Koller@dss.sc.gov; gmcgriff@doi.sc.gov; dparrish@scprt.com; kevin.shwedo@scdmv.net; leroysmith@scdps.net; kthomas@ppp.state.sc.us; Toomey, Bob; aturner@dew.sc.gov; Catherine Templeton; Maley, Patrick; patrickmaley@oig.sc.gov; keck@scdhhs.gov; holly.pisarik@llr.sc.gov  
**Cc:** Pitts, Ted; Bondurant, Kate; stongerj@scdot.org; LeMoine, Leigh  
**Subject:** \*\*ATTN: Cabinet Notification

It is with deep regret that I inform you General St. Onge's mother-in-law has recently passed away. The family has requested no flowers, but letters of condolence can be sent to their home address. The Governor has asked that you please keep him and his family in your thoughts and prayers.

Thank you,

Madison

## Walker, Madison

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**From:** Walker, Madison  
**Sent:** Tuesday, October 02, 2012 9:54 AM  
**To:** Walker, Madison  
**Subject:** \*Cabinet Notification

All,

It is with deep regret that I inform you Abe Turner's older brother has recently passed away. Below are some details of the funeral arrangements. The Governor has asked that you please keep him and his family in your thoughts and prayers during this time.

Thank you,

Madison

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### Marion Turner funeral arrangements:

Funeral Home: Herbert T. McCall Funeral Home  
984 Prospect Avenue  
Bronx, NY 10459  
Phone number is 718 589-8428

Funeral Wake will take place Wednesday, October 3<sup>rd</sup> at the funeral home.

Funeral Services will be on October 4<sup>th</sup> at McCall Funeral Home.

## Walker, Madison

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**From:** Maley, Patrick  
**Sent:** Friday, September 14, 2012 8:58 AM  
**To:** Walker, Madison  
**Subject:** RE: Correspondence Received

We will close loop with complainant that this is not our lane due to admin claim and/or civil litigation, and close loop with DOT on FOIA. thanks

-----Original Message-----

**From:** Walker, Madison  
**Sent:** Friday, September 14, 2012 8:33 AM  
**To:** Maley, Patrick  
**Subject:** Correspondence Received

Pat -

Just wanted to be sure this got to you. We were copied on it, but I want to be sure it didn't get lost in the shuffle and transition. Swati mentioned that FOIA only applies to a public body and thinks should redirect to DOT.

Let me know if you have questions.  
Madison

## Walker, Madison

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**From:** Walker, Madison  
**Sent:** Friday, September 14, 2012 8:33 AM  
**To:** 'patrickmaley@oig.sc.gov'  
**Subject:** Correspondence Received  
**Attachments:** DOC.PDF

Pat -

Just wanted to be sure this got to you. We were copied on it, but I want to be sure it didn't get lost in the shuffle and transition. Swati mentioned that FOIA only applies to a public body and thinks should redirect to DOT.

Let me know if you have questions.

Madison

August 23, 2012

James V. Martin  
Inspector General  
Kingstree Building  
110 Centerview Drive, Suite 201  
Columbia SC 29210

IN RE: CLAIM #80265  
INSURED: SCDOT/GEORGETOWN  
A&R File #20110-62

Dear Inspector General:

I am attaching for your inspection a copy of a certified Freedom of Information Act letter I sent to Lisa A. Reynolds, counsel to the Insurance Reserve Fund, on August 10, 2012, requesting certain information concerning claimants involved in the Georgetown sinkhole issue. My letter was sent to Ms. Reynolds specifically because she explicitly represented herself in an August 8, 2012 letter to me, which I copied to you, as being counsel to the Insurance Reserve Fund in its capacity as insurer of the South Carolina Department of Transportation.

I am also copying to you the letter of response I received from Ms. Reynolds dated August 21, 2012 in which she writes that "your correspondence is not a proper request." because it must be "directed to the proper party to receive such a request." Now, I realize that Ambrose Bierce was correct in his description of a lawyer as "one skilled in the circumvention of the law," but I think Ms. Reynolds is taking his description to an extreme. First, she represents herself as counsel to the IRF. Then, she subsequently tells me she isn't the proper party to receive a FOIA request directed to the IRF. And, conveniently enough, she neglects to tell me who and where the proper party is if she isn't. This is yet another example of the kind of bureaucratic runaround we Georgetown residents are experiencing in attempting to get the state government to show some accountability for its behavior. Moreover, I am sure Ms. Reynolds is cheerfully billing the IRF for the time spent responding to my correspondence, thus further enlarging the financial black hole created by this whole episode.

It seems to me that your office could at least acknowledge my correspondence to you, and could inform me as to whether your office has any intention of becoming involved in trying to represent the taxpayers' interests pursuant to the charter of your office as set forth in Governor Nikki Haley's Executive Order 2011-10 dated March 11, 2011.

Sincerely,

Joseph B. Phillips  
1201 Prince Street  
Georgetown SC 29440  
[Brett6374@comcast.net](mailto:Brett6374@comcast.net)  
703.728.5451  
cc: Governor Nikki Haley



# ANDERSON REYNOLDS & STEPHENS, LLC

ATTORNEYS AT LAW  
37 ½ BROAD STREET  
POST OFFICE BOX 87  
CHARLESTON, SOUTH CAROLINA 29402

JONATHAN J. ANDERSON  
LISA A. REYNOLDS  
SHANNA MILCETICH STEPHENS  
KATHERINE C. MIARS  
CURTIS B. MARTIN  
DANIELLE B. WEGENER

TEL. 843-723-0185  
FAX. 843-723-0977  
E-MAIL: [LREYNOLDS@ARLAWSC.COM](mailto:LREYNOLDS@ARLAWSC.COM)

August 21, 2012

Mr. Joseph B. Phillips  
1201 Prince Street  
Georgetown, SC 29440

RE: Claim No.: 80265  
Insured: SCDOT/Georgetown  
A&R File Number: 20110-62

Dear Mr. Phillips:

I am writing in response to your correspondence dated August 10, 2012 regarding a Freedom of Information Act request in the above referenced matter. Please be advised that your correspondence is not a proper request. Your request will need to be prepared and submitted in accordance with Freedom of Information Act SC Code Ann. 30-4-10 et seq. and directed to the proper party to receive such a request.

Thank you in advance for your attention to this matter. With kindest regards, I am

Sincerely yours,

  
Lisa A. Reynolds

LAR

cc: Linda McDonald, Esquire  
Mr. Brian Horahan  
Mr. Jerry Anderson

August 10, 2012

Lisa A. Reynolds  
Anderson Reynolds & Stephens LLC  
37 ½ Broad Street  
Charleston SC 29402

Dear Ms. Reynolds:

Pursuant to SC Code Ann. 30-4-10 *et seq* [The Freedom Of Information Act], this is to request that you cause to be provided to the undersigned at the address shown below a list of all parties, whether residential, commercial or governmental, that have filed damage claims—or have made inquiry as to the process for making such claims— against the SCDOT through the Insurance Reserve Fund in connection with the City of Georgetown storm water remediation project. This is to request that the information include the names and addresses of each of the above described parties, together with copies of the actual completed SCDOT claim forms where applicable.

This request is being made to your office in response to your letter to me of August 8, 2012 in which you state explicitly that you represent the Insurance Reserve Fund, which in turn represents the South Carolina Department of Transportation in matters involving damage claims.

You are reminded of the statutory response periods set forth in the Code of Laws.

Sincerely,

Joseph B. Phillips  
1201 Prince Street  
Georgetown SC 29440  
[Brett6374@comcast.net](mailto:Brett6374@comcast.net)  
703.728.5451

## Walker, Madison

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**From:** Walker, Madison  
**Sent:** Monday, October 15, 2012 4:46 PM  
**To:** Maley, Patrick  
**Subject:** Re: \*\*Cabinet Meeting

After work business would be the way to go!  
Madison Walker

---

**From:** Maley, Patrick  
**Sent:** Monday, October 15, 2012 04:33 PM  
**To:** Walker, Madison  
**Subject:** RE: \*\*Cabinet Meeting

Help—I have an urgent lead from my wife: she needs intel on dress attire for next Tuesday night--more after work business or cocktail dress attire?

thanks

---

**From:** Walker, Madison  
**Sent:** Monday, October 15, 2012 7:54 AM  
**To:** Walker, Madison  
**Subject:** \*\*Cabinet Meeting

Good morning,

Please note that the Governor's next Cabinet Meeting will be held **Wednesday, October 24<sup>th</sup> at 10:00 AM in Room 252 of the Edgar Brown Building, Statehouse grounds.** The theme for the Cabinet meeting is: **"What is your agency doing to save your customer's time?"**

Please let me know by Thursday, October 18<sup>th</sup> whether or not you will be in attendance, or who will be attending on your behalf.

Thank you,

*Madison Walker*  
*Director of Boards and Commissions*  
*Office of Governor Nikki R. Haley*

## Walker, Madison

---

**From:** Maley, Patrick  
**Sent:** Monday, October 15, 2012 4:31 PM  
**To:** Walker, Madison  
**Cc:** Pitts, Ted  
**Subject:** RE: \*\*Cabinet Meeting

Madison, I will be there just to introduce myself. I have met most Cabinet Heads, but not all. I sent Ted a two-page update on the IT self-evaluations framework with findings to date. Thanks

---

**From:** Walker, Madison  
**Sent:** Monday, October 15, 2012 7:54 AM  
**To:** Walker, Madison  
**Subject:** \*\*Cabinet Meeting

Good morning,

Please note that the Governor's next Cabinet Meeting will be held **Wednesday, October 24<sup>th</sup> at 10:00 AM** in **Room 252 of the Edgar Brown Building, Statehouse grounds**. The theme for the Cabinet meeting is: **"What is your agency doing to save your customer's time?"**

Please let me know by Thursday, October 18<sup>th</sup> whether or not you will be in attendance, or who will be attending on your behalf.

Thank you,

*Madison Walker*  
*Director of Boards and Commissions*  
*Office of Governor Nikki R. Haley*

## Walker, Madison

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**From:** Walker, Madison  
**Sent:** Tuesday, October 09, 2012 9:37 AM  
**To:** Maley, Patrick  
**Subject:** RE: Address

Perfect, I'll have it sent there.

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**From:** Maley, Patrick  
**Sent:** Tuesday, October 09, 2012 9:35 AM  
**To:** Walker, Madison  
**Subject:** RE: Address

With a new house and switching mail service from Alabama, it will be better to mail it to my attention at my daughter's house where I am living. The address is:

[REDACTED] Thanks

-----Original Message-----

**From:** Walker, Madison  
**Sent:** Tuesday, October 09, 2012 9:31 AM  
**To:** Maley, Patrick  
**Subject:** RE: Address

Best mailing address? There is a dinner on the 23rd that the Governor would like to invite you to - I believe your wife is invited as well.

---

**From:** Maley, Patrick  
**Sent:** Tuesday, October 09, 2012 9:26 AM  
**To:** Walker, Madison  
**Subject:** Re: Address

Will close on my new house next Tuesday, which is at 461 Holly Berry Lane, Blythewood, SC 29016. My personal phone is 803-[REDACTED] and bus cell is 803-429-4946.

Thanks

**From:** Walker, Madison  
**Sent:** Tuesday, October 09, 2012 07:48 AM  
**To:** Maley, Patrick  
**Subject:** Address

Good morning! Would you mind sending me your new SC address??  
Thanks!  
Madison

Madison Walker  
Director of Boards and Commissions  
Office of Governor Nikki R. Haley  
O: 803.734.5086 | C: 803.429.4947

## Walker, Madison

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**From:** Walker, Madison  
**Sent:** Tuesday, September 04, 2012 6:51 PM  
**To:** Maley, Patrick  
**Subject:** RE: Thanks

Pat,  
Sorry for delay in getting back with you -- things have been all over the place. I know that all of us in our office are extremely happy to have you in South Carolina! I really appreciate the gift and compliments. My job is easy when you have the right people going through confirmation. If you need anything during the transition, or later, please don't hesitate to contact me. Happy to help!

Thanks again,  
Madison

---

**From:** Maley, Patrick  
**Sent:** Tuesday, August 28, 2012 11:26 AM  
**To:** Walker, Madison  
**Subject:** Thanks

I have been trying to track you down for a while as I make my rounds at the State House, but I know how busy + important your role is which keeps you on the go. I dropped off a small token of my appreciation at the reception desk to thank you in navigating me through the hiring process.

You tenacity + thoroughness would make you a great investigator.

Thanks again

## Walker, Madison

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**From:** Walker, Madison  
**Sent:** Wednesday, September 05, 2012 8:54 AM  
**To:** 'etter\_jf@sctax.org'  
**Subject:** Re: Signature

Yes, that would be great. If I am not there, it is on my desk with a pink post it note where you need to sign.  
Thanks!

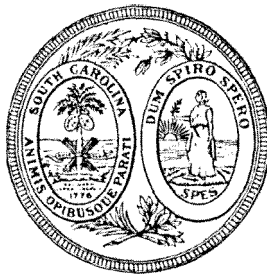
Madison Walker

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**From:** Jim Etter [[mailto:Etter\\_JF@sctax.org](mailto:Etter_JF@sctax.org)]  
**Sent:** Wednesday, September 05, 2012 08:51 AM  
**To:** Walker, Madison  
**Subject:** Signature

Do you need me to sign the performance review???

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192



## State of South Carolina Office of the Inspector General

September 18, 2012

Honorable Nikki R. Haley  
Governor of South Carolina  
1205 Pendleton Street  
Columbia, SC 29201

Re: Status Update - Review of Information Security at the Cabinet Agencies

Dear Governor Haley,

The Office of the Inspector General (OIG) has reviewed the information security practices at 12 of the 16 Cabinet Agencies. The Department of Health & Human Services (DHHS) was not included in the review inasmuch as a consultant has been retained to perform a similar, if not more extensive, evaluation. The OIG will complete its review by early October, 2012.

Of the 12 agencies evaluated, three were found either not to retain any Personally Identifiable Information (PII) other than a minimal amount constituting a minimal risk, or information retained is considered a public record under the State's public record statutes. The remaining nine agencies reviewed to date are in substantial compliance with sound information security practices. It was clear from the review, information security awareness has been heightened throughout the Cabinet Agencies since the April, 2012 DHHS data breach, and agency leadership is proactively engaged in ensuring an adequate information security posture.

Based on recommended security guidelines and best practices in government and the private sector, a questionnaire was developed to test nine major information security categories in each agency against best practices. The questionnaire was completed for each agency and interviews were conducted with employees at different levels within each agency. In some cases, the OIG viewed facilities and observed business processes. These nine categories were:

- Information Security Policy and Other IT Policies
- Inventory/Discovery of PII
- Inventory and Monitoring of Network Devices and Activity
- Password Management
- Workstation, Laptop and Other IT Devices – Setup & Security
- Database Permissions, User Management and Application Security



September 18, 2012  
Governor Nikki R. Haley

- Employee Information Security Awareness Training
- Data Loss Protection Tools and Monitoring of Network Activity
- Data Loss Response Plan

Despite all nine agencies being in substantial compliance, the OIG identified three areas with a pattern of non-compliance where information security could be improved. Those areas are as follows:

1. Lack of adequate security for the paper records containing confidential information (4 of the 9 agencies could improve).
2. Lack of a process to periodically conduct an agency-wide discovery process to assure that the locations of all confidential information are known and authorized (8 of the 9 agencies could improve). Most, if not all, agencies expressed confidence that all locations of confidential information were known and authorized, yet these agencies had not undertaken such a process, or at least, had not done so periodically. Periodically conducting an agency-wide discovery process is a major industry recommended best practice.
3. Lack of a data response plan along with a standing committee to execute it should such an information loss occur (7 of the 9 agencies could improve). This is also a major industry recommended best practice.

Agency Directors and their personnel demonstrated commitment to address these areas to improve. Each agency will receive a separate report on its information security, along with corresponding findings and recommendations. Each agency was accommodating and helpful to the OIG in conducting this review, and it was a pleasure working with them. If you or your staff needs any additional information or clarification, please do not hesitate to call me at (803) 896-4721.

Sincerely,



Patrick J. Maley  
Inspector General

PM/pw

## Baker, Josh

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**From:** Maley, Patrick  
**Sent:** Friday, October 05, 2012 12:29 PM  
**To:** Baker, Josh; haleyk@sctax.org; Paul Patrick (paulpatrick@schouse.gov); Mike Shealy (mikeshealy@scsenate.gov); psimpson@lac.sc.gov; beverlysmith@schouse.gov; Glover, Christine; Patel, Swati; srast@gudget.sc.gov; karabrurrok@schouse.gov  
**Subject:** Request Input--DRAFT Mission & Strategies of the new Office of the State Inspector General  
**Attachments:** OIG Mission DRAFT 10052012.docx

I am sending this email to some of the key people who helped shape my perspective in how to set up the new Office of the State Inspector General. I will canvas the legislators and agency heads as well, but this group really had a lot of experience and understanding of state government operations, and I value your input and insight.

The purpose of this email is to provide each of you a DRAFT overview (3 pages) of the IG mission and strategies, and request your candid feedback. I have met with a wide variety of uniquely situated people who have insights on the needs of the Executive Branch and thoughts about the strategies to implement the IG's mission. Although I have spoken to all of you, I really need your expert views as the IGs translates its broad mission to specific plans.

My research to date determined that everyone was concerned with maintaining high integrity in the workforce, but there was much more intensity on the need to focus on waste, cost/savings opportunities, and ineffective operations. A scan of other state IGs determined a concentrated focus on integrity matters (fraud, corruption, and misconduct), and a small footprint in waste, cost/savings & ineffective operations areas. Federal IGs tend to lean towards waste, cost/savings & ineffective operations. In South Carolina, to meet its mission, I believe the IG needs to be full-service with emphasis on waste, cost savings opportunities & ineffective operations.

Attached to this email is a three page "Business Plan" for the IG. I know everyone is busy, so there is no urgency in your response. I will accept feedback as long as I am in this position to make it better.

I am available 24/7 by cell for your ideas, suggestions, or just brainstorming. My cell is (803) 429-4946 & email [patrickmaley@oig.sc.gov](mailto:patrickmaley@oig.sc.gov).

Thanks in advance for your valuable time & interest.

## Baker, Josh

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**From:** Maley, Patrick  
**Sent:** Thursday, October 18, 2012 3:04 PM  
**To:** Baker, Josh; Soura, Christian  
**Subject:** little help to IG

Josh & Christian, you both have been labeled as “the smart guys” by the IG, so we hope to lean on you for input as we decide on projects/reviews due to your unique global view. Even if you only give it a few seconds of thought, we will take it.

**Potential Issue:** 14 billion in revenues from “other funds” and federal government receives little external oversight/scrutiny, which increases risk of misapplication of funds direct to activities, functions, or projects of low utility outside of the general fund of the receiving agency. We have heard anecdotes re “other funds” revenue streams being diced up in a mathematical way, then disappearing into the ether.

1. What do you guys think of the risk?
2. Any ideas to test or areas of unusual high risk you have seen where we can sample?

We are hoping this rings a bell with you guys base on your work & you may have an idea on a cost/effective way to test or potential dig site to test risk?

Thanks in advance for your time.

**Baker, Josh**

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**From:** Maley, Patrick  
**Sent:** Friday, October 26, 2012 10:02 AM  
**To:** Baker, Josh; Soura, Christian  
**Subject:** 1pm meet today

Due to the press conferences re computer intrusion issue, I need to cancel the 1pm. I will be in Gov's office at 10:30 with media and if it finishes and you guys are available, I will try to see if u can do it before noon.

Thanks for your patience.

## Haltiwanger, Katherine

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**From:** Pitts, Ted  
**Sent:** Wednesday, September 05, 2012 2:59 PM  
**To:** Meredith Cleland (clelanm@sctax.org); etter\_jf@sctax.org  
**Cc:** Haltiwanger, Katherine  
**Subject:** FW: Dept. of Revenue  
**Attachments:** DOC.PDF

**Follow Up Flag:** Follow up  
**Flag Status:** Completed

Jim & Meredith,

I hope all is well. See attachment with a complaint about DOR customer service. Can you have someone follow up with Mr. [REDACTED]

Please give Katherine Haltiwanger an update to let her know it has been handled. We have to log that it has been responded to.

Thanks,

Ted

-----Original Message-----

From: Haltiwanger, Katherine  
Sent: Wednesday, September 05, 2012 2:34 PM  
To: Pitts, Ted  
Subject: Dept. of Revenue

Please see the attached correspondence from a constituent in Easley. Can you ask someone at DOR to contact him and then let me know the outcome?

Thanks,

-Katherine

219388

nhcorrespondence,

---

**From:** Office of the Governor Site Support <[REDACTED]@com>  
**Sent:** Wednesday, August 15, 2012 11:19 PM  
**To:** Haley, Nikki  
**Subject:** State employees phone etiquette

Title: Mr  
First Name: [REDACTED]  
Middle Initial: [REDACTED]  
Last Name: [REDACTED]  
Suffix:  
Street Address: [REDACTED]  
Street Address 2:  
City: Easley  
State: Sc  
Zip: [REDACTED]  
Phone: 864-[REDACTED]

Email: [REDACTED]@com

Affiliation: Small Business Owner

Message:

Your excellency,

I just wanted to ask when state employees stopped answering the phone with "it's a great day in South Carolina. How can I help you?" I called the department of revenue today and was greeted and treated as rudely as I can remember in my adult life. That's pretty much what we all have come to expect when dealing with government agencies but no one ever gets used to it.

I know this is probably not even in your top one thousand problems but I just paid over thirty thousand dollars to our state and would appreciate a little human decency when I have to call to try and correct another government mistake, after all I am paying their salary.

Sincerely,

[REDACTED]

RECEIVED

AUG 16 2012

Referenced by [REDACTED]  
Answered: [REDACTED]

## Haltiwanger, Katherine

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**From:** Holly, Jim  
**Sent:** Friday, August 31, 2012 10:18 AM  
**To:** Patel, Swati  
**Cc:** Schimsa, Rebecca; Glover, Christine; Haltiwanger, Katherine; Maley, Patrick  
**Subject:** RE: Signed MOA

Thanks--we will review. Jim

---

**From:** Patel, Swati  
**Sent:** Friday, August 31, 2012 9:49 AM  
**To:** Holly, Jim  
**Cc:** Schimsa, Rebecca; Glover, Christine; Haltiwanger, Katherine; Maley, Patrick  
**Subject:** Signed MOA

Jim,  
Please find attached the executed Memorandum of Understanding between the Office of State Inspector General and OEPP regarding resource-sharing and authorization to access to SCEIS.

Let me know if you have any questions.

Thanks,  
Swati

Swati S. Patel  
Chief Legal Counsel  
Office of the Governor.South Carolina  
1205 Pendleton Street  
Columbia, SC 29201  
DD 803.734.5095

---

**From:** Schimsa, Rebecca  
**Sent:** Thursday, August 30, 2012 3:55 PM  
**To:** Patel, Swati  
**Subject:** Signed MOA

See attached.

Rebecca S. Schimsa  
Office of Governor Nikki R. Haley  
Staff Attorney & Commerce Liaison  
O: (803) 734-6068 | C: (803) 429-4561

**MEMORANDUM OF UNDERSTANDING BETWEEN  
THE OFFICE OF THE STATE INSPECTOR GENERAL  
AND THE OFFICE OF EXECUTIVE POLICY AND PROGRAMS  
OF THE OFFICE OF THE GOVERNOR**

**Resource-Sharing in Support of the Office of the State Inspector General**

**I. Statement of Purpose:**

This memorandum of understanding (hereinafter, "MOU") is made and entered into this 1<sup>st</sup> day of September 2012, by and between the Office of the State Inspector General (hereinafter, OSIG) and the Office of Executive Policy and Programs (hereinafter, "OEPP") as a division of the Office of the Governor, collectively referred herein as the "Parties", for the purpose of facilitating and supporting the operations of the OSIG.

This MOU is a resource-sharing agreement among the Parties and sets out the terms, conditions, and procedures of such agreement.

**II. Introduction:**

Whereas, the OSIG, pursuant to Act 105 of 2012, was established to investigate and address allegations of fraud, waste, abuse, mismanagement, misconduct, violations of state or federal law, and wrongdoing in agencies under the directorship of a State Inspector General who is appointed by the Governor; receives compensation set by the Governor, and can be removed by the Governor, subject to the limitations imposed by South Carolina Code of Laws Sections 1-3-240(c)(1)(o) and 1-6-20(C) and (D); and is also duly authorized to employ staff as necessary to carry out the duties of the OSIG; and

Whereas, the Governor, pursuant to South Carolina Code of Laws Section 1-30-10(G)(2)(i), has direct supervision over OEPP, which includes support staff in the areas of administration, human resources, finance, and information technology and is capable of rendering administrative support services to another office; and

Whereas, the General Assembly has directed state agencies, pursuant to Proviso 89.58 of the 2012-2013 General Appropriations Act, to continue to actively pursue cost-savings measures through collaborative efforts and, where feasible, combine administrative support functions with other agencies to maximize efficiency and effectiveness.

NOW, THEREFORE, in consideration of the foregoing premises, the Parties agree it is appropriate for the Governor to direct OEPP to provide administrative support services to benefit OSIG pursuant to the following terms of agreement.



**I. Terms of Agreement:**

- a. The Parties shall assign available and qualified staff as needed and requested by the State Inspector General and approved by the Director of OEPP to carry out the requirements of the OSIG.
- b. The Parties shall participate, as necessary, to develop methods and procedures to ensure continuity in processes and decision-making with respect to the delivery of administrative support services.
- c. On the effective date of this MOU, OEPP agrees to assign four individuals to serve as liaisons with the OSIG to ensure that administrative support services are provided by OEPP as needed by the OSIG. In accordance with the terms of this agreement, additional individuals may be identified as liaisons as needed and agreed to by the Parties.
  - i. Director of Administration, or his or her successor;
  - ii. Director of Human Resources, or his or her successor;
  - iii. Director of Finance, or his or her successor; and
  - iv. Director of Information Technology, or his or her successor.
- d. As part of the administrative support services provided by OEPP, OEPP is authorized to access the South Carolina Enterprise Information System for and on behalf of the OSIG.

**III. Modification and Termination of Agreement:**

This MOU may be amended from time to time by mutual written agreement of the Parties. No Party may withdraw from this agreement without prior written consent of the Signatories, except that a Party may unilaterally withdraw from this MOU on July 1 of any year, after providing thirty days written notice to the other Party. Parties participating in this MOU shall have identical standing regardless of their dates of execution.

**IV. Effective Date of Agreement:**

This MOU is effective on September 1, 2012. Each of the persons signing below warrants that he/she is duly authorized by the entity shown below to sign this agreement on behalf of that entity.

(SIGNATURE PAGE FOLLOWS)

## SIGNATURE PAGE

\_\_\_\_\_  
Patrick Maley  
State Inspector General,  
Office of the State Inspector General

\_\_\_\_\_  
Date

Katherine Haltiwanger  
Katherine Haltiwanger  
Deputy Chief of Staff for Operations,  
Office of the Governor

8/28/12  
Date

Christine Glover  
Christine Glover  
Director of Administration,  
Office of Executive Policy and Programs

8/30/12  
Date

SIGNATURE PAGE

Patrick Maley  
Patrick Maley  
State Inspector General,  
Office of the State Inspector General

8-30-12  
Date

Katherine Haltiwanger  
Katherine Haltiwanger  
Deputy Chief of Staff for Operations,  
Office of the Governor

8/28/12  
Date

Christine Glover  
Christine Glover  
Director of Administration,  
Office of Executive Policy and Programs

                      
Date

## LeMoine, Leigh

---

**From:** LeMoine, Leigh  
**Sent:** Friday, September 14, 2012 5:29 PM  
**To:** 'etter\_jf@sctax.org'  
**Subject:** Governor Haley

Dear Director Etter,

The Governor would like to schedule a time for you all to meet. Would you be available on Tuesday, September 25<sup>th</sup> at 2:30 PM?

Thank you,  
Leigh

Leigh LeMoine  
Office of Governor Nikki Haley  
(803) 734-5151

## LeMoine, Leigh

---

**From:** LeMoine, Leigh  
**Sent:** Wednesday, October 31, 2012 3:12 PM  
**To:** LeMoine, Leigh  
**Cc:** Godfrey, Rob  
**Subject:** Notification: Cabinet Meeting - Thursday, November 1st at 2:30 PM

Good afternoon,

The governor will have a Cabinet Meeting on Thursday, November 1, at 2:30 PM in Room 252 of the Edgar Brown Building. The purpose of the meeting is for Cabinet agencies to assist in notifying individuals that they should enroll in credit protection, and potentially assist in helping individuals to enroll.

Please confirm your attendance and/or let me know if you have any questions by contacting me at (803) 734-5151 or by email: [leighlemoine@gov.sc.gov](mailto:leighlemoine@gov.sc.gov).

Sincerely,  
Leigh LeMoine  
Scheduler

Leigh LeMoine  
Office of Governor Nikki Haley  
(803) 734-5151

## LeMoine, Leigh

---

**From:** LeMoine, Leigh  
**Sent:** Friday, October 19, 2012 12:58 PM  
**To:** LeMoine, Leigh  
**Cc:** Walker, Madison  
**Subject:** Notification: Governor's Cabinet Meeting

Good afternoon,

Due to conflicts in many attendees' schedules, our office will be canceling the Cabinet Meeting scheduled for Wednesday, October 24<sup>th</sup> at 10:00 am in Room 252 of the Edgar Brown Building. If you have any questions or if we may be of further assistance, please feel free to contact Madison Walker at (803) 734-5086 or by email: [madisonwalker@gov.sc.gov](mailto:madisonwalker@gov.sc.gov). Thank you for your time and consideration.

Sincerely,  
Leigh LeMoine  
Scheduler

Leigh LeMoine  
Office of Governor Nikki Haley  
(803) 734-5151

## Schimsa, Rebecca

---

**From:** Maley, Patrick  
**Sent:** Tuesday, August 28, 2012 4:22 PM  
**To:** Schimsa, Rebecca  
**Subject:** Re: oath

our meeting really clarified some of the more challenging admin areas setting up the IG--thanks a ton

---

**From:** Schimsa, Rebecca  
**Sent:** Tuesday, August 28, 2012 04:18 PM  
**To:** Maley, Patrick  
**Subject:** oath

Great meeting with you today, Pat. This is the oath that the Senate administers during committee hearings:

“Do you swear to tell the truth, the whole truth and nothing but the truth – so help you God?”

Please let us know if you need anything else. Have a great afternoon.

Rebecca S. Schimsa  
Office of Governor Nikki R. Haley  
Staff Attorney & Commerce Liaison  
O: (803) 734-6068 | C: (803) 429-4561

## Schimsa, Rebecca

---

**From:** Schimsa, Rebecca  
**Sent:** Thursday, August 30, 2012 3:54 PM  
**To:** Maley, Patrick  
**Subject:** RE: MOU

Thank you!

---

**From:** Maley, Patrick  
**Sent:** Thursday, August 30, 2012 3:42 PM  
**To:** Schimsa, Rebecca  
**Subject:** FW: MOU

Sorry for the delay—thanks for the reminder.

---

**From:** Wentworth, Patty  
**Sent:** Thursday, August 30, 2012 3:40 PM  
**To:** Maley, Patrick  
**Subject:** MOU

MOU attached.



## Schimsa, Rebecca

---

**From:** Schimsa, Rebecca  
**Sent:** Wednesday, August 29, 2012 2:50 PM  
**To:** Maley, Patrick  
**Subject:** RE: MOU Final Draft

Thank you.

---

**From:** Maley, Patrick  
**Sent:** Wednesday, August 29, 2012 2:45 PM  
**To:** Schimsa, Rebecca  
**Subject:** Re: MOU Final Draft

I am good.

---

**From:** Schimsa, Rebecca  
**Sent:** Wednesday, August 29, 2012 02:41 PM  
**To:** Maley, Patrick; Glover, Christine; Haltiwanger, Katherine  
**Subject:** MOU Final Draft

Pat, Christine, and Katherine,

Please see attached for the final draft of the resource-sharing MOU. If you would like to provide comments or changes, please do. We would like to send the final copy around for your signatures this afternoon/tomorrow, so if you have feedback, please provide it promptly.

Thank you all,

Rebecca

Rebecca S. Schimsa  
Office of Governor Nikki R. Haley  
Staff Attorney & Commerce Liaison  
O: (803) 734-6068 | C: (803) 429-4561

## Schimsa, Rebecca

---

**From:** Schimsa, Rebecca  
**Sent:** Wednesday, August 29, 2012 1:38 PM  
**To:** Maley, Patrick; Glover, Christine  
**Subject:** RE: MOU re OIG + OEPP

We hope to have the final ready copy ready for your signatures this afternoon. Thank you.

-----Original Message-----

From: Maley, Patrick  
Sent: Wednesday, August 29, 2012 1:37 PM  
To: Schimsa, Rebecca; Glover, Christine  
Subject: MOU re OIG + OEPP

Looks fine. My MOU copy had some marks as if a draft, but I can sign it as is.

Let me know.

Thanks

## Schimsa, Rebecca

---

**From:** Jim Etter <Etter\_JF@sctax.org>  
**Sent:** Friday, August 31, 2012 9:40 AM  
**To:** Schimsa, Rebecca  
**Subject:** FW: Follow up to phone conversation  
**Attachments:** BEA June 26 2012.pdf

Add'l info on transfer.

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192

---

**From:** Kevin Dailey  
**Sent:** Friday, August 31, 2012 9:39 AM  
**To:** Jim Etter  
**Cc:** Laura Watts  
**Subject:** Follow up to phone conversation

Jim, here is a copy of the letter from the BEA to the Budget Office re: transfer for FY13.

STATE OF SOUTH CAROLINA

File

BOARD OF ECONOMIC ADVISORS

CHAD WALLDORF, CHAIRMAN  
DON HERRIOTT  
HOWELL CLYBORNE, JR.  
JAMES F. ETTER, EX OFFICIO  
FRANK A. RAINWATER - CHIEF ECONOMIST



REMBERT DENNIS BUILDING  
1000 ASSEMBLY STREET, SUITE 459  
COLUMBIA, SOUTH CAROLINA 29201  
(803) 734-3805

MEMORANDUM

To: R. Lester Boles, Jr., Director  
Office of State Budget

From: Frank A. Rainwater *FAR*

Date: June 26, 2012

Subject: Property Tax Relief Fund Reimbursements for FY2012-13

Pursuant to Section 11-11-150, the Board of Economic Advisors (BEA) has determined that the total amount of the Tax Relief Trust Fund is an estimated \$549,161,002 in FY2012-13. The estimated reimbursements to be made from the Trust Fund in FY2012-13 are as follows: \$249,069,750 for the residential property tax exemption required by Section 12-37-251; \$194,304,593 for the homestead exemption for persons over age sixty-five required by Section 12-37-270; \$65,229,402 for manufacturer's additional depreciation pursuant to Section 12-37-935(b), and \$40,557,257 for the business inventory tax exemption pursuant to Section 12-37-450. The BEA is required to deduct amounts sufficient to pay the above reimbursements from the individual and corporate income tax revenue estimates. For FY2012-13, \$35,588,537 will be deducted from the Corporate Income Tax revenue estimate and \$513,572,465 will be deducted from the Individual Income Tax revenue estimate.

RECEIVED

JUN 28 2012

Budget & Control Board  
STATE BUDGET DIVISION

## Schimsa, Rebecca

---

**From:** Jim Etter <Etter\_JF@sctax.org>  
**Sent:** Friday, August 31, 2012 9:36 AM  
**To:** Schimsa, Rebecca  
**Subject:** Monthly DOR Report

Rebecca,

Below is our monthly report.

You will note that the large negative Individual Income Tax change relates to the onetime transfer required in July of each year for the "Homestead Act" portion determined by the BEA.

Have a Great weekend.

Department of Revenue July 2012	CURRENT MONTH		-1 MONTH	MONTHLY CHANGE	PRIOR MONTH
Sales Tax (*)	217,048,713	200,785,748	16,262,965		2
Corporate Income Tax	(27,739,455)	51,778,668	(79,518,123)		(3)
Individual Income Tax**	(514,923,061)	58,907,575	(573,830,637)		(50)
Withholding Tax	327,352,074	289,733,598	37,618,475		3

(\*) Sales tax includes casual sales tax collections.

(\*\*) Current month includes Annual Property Tax Relief Transfer

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192

## Schimsa, Rebecca

---

**From:** Schimsa, Rebecca  
**Sent:** Tuesday, August 28, 2012 12:32 PM  
**To:** 'mhbarb@scdj.net'; 'byars.bill@doc.state.sc.us'; 'etter\_jf@sctax.org'; 'bhitt@sccommerce.com'; 'keck@scdhhs.gov'; 'mkeel@sled.sc.gov'; 'Lillian.B.Koller@dss.sc.gov'; 'gmcgriff@doi.sc.gov'; 'dparrish@scprt.com'; 'kevin.shwedo@scdmv.net'; 'leroysmith@scdps.net'; 'stongerj@scdot.org'; 'kthomas@ppp.state.sc.us'; 'btoomey@daodas.state.sc.us'; 'aturner@dew.sc.gov'; 'Holly Pisarik'  
**Cc:** Pitts, Ted; Walker, Madison  
**Subject:** RE: employee appreciation and recognition events

Good afternoon Cabinet heads,

Due to the many differences among agencies, the Governor has decided not to issue a Cabinet-wide policy. However, if you wish to hold an employee appreciation or recognition event, then please obtain prior approval from Ted.

If you have any questions, please let us know.

Thank you,

Rebecca

---

**From:** Schimsa, Rebecca  
**Sent:** Tuesday, July 17, 2012 1:01 PM  
**To:** [mhbarb@scdj.net](mailto:mhbarb@scdj.net); [byars.bill@doc.state.sc.us](mailto:byars.bill@doc.state.sc.us); [etter\\_jf@sctax.org](mailto:etter_jf@sctax.org); [bhitt@sccommerce.com](mailto:bhitt@sccommerce.com); [keck@scdhhs.gov](mailto:keck@scdhhs.gov); [mkeel@sled.sc.gov](mailto:mkeel@sled.sc.gov); [Lillian.B.Koller@dss.sc.gov](mailto:Lillian.B.Koller@dss.sc.gov); [gmcgriff@doi.sc.gov](mailto:gmcgriff@doi.sc.gov); [dparrish@scprt.com](mailto:dparrish@scprt.com); [kevin.shwedo@scdmv.net](mailto:kevin.shwedo@scdmv.net); [leroysmith@scdps.net](mailto:leroysmith@scdps.net); [stongerj@scdot.org](mailto:stongerj@scdot.org); [kthomas@ppp.state.sc.us](mailto:kthomas@ppp.state.sc.us); [btoomey@daodas.state.sc.us](mailto:btoomey@daodas.state.sc.us); [aturner@dew.sc.gov](mailto:aturner@dew.sc.gov); Holly Pisarik  
**Cc:** Pitts, Ted; Walker, Madison  
**Subject:** employee appreciation and recognition events

Dear Cabinet heads,

Our office has received questions from several agencies regarding employee appreciation and recognition events. The Governor will be issuing a directive addressing this at the end of July, so we ask that you please hold off finalizing any events until then. If you have any questions, please let Ted or me know.

Thank you,

Rebecca

Rebecca S. Schimsa  
Office of Governor Nikki Haley  
Deputy Legal Counsel & Commerce Liaison  
O: (803) 734-6068 | C: (803) 429-4561





## Schimsa, Rebecca

---

**From:** Schimsa, Rebecca  
**Sent:** Thursday, September 20, 2012 9:07 AM  
**To:** 'mhbarb@scdj.net'; 'byars.bill@doc.state.sc.us'; 'etter\_jf@sctax.org';  
'bhitt@sccommerce.com'; 'keck@scdhhs.gov'; 'mkeel@sled.sc.gov';  
'Lillian.B.Koller@dss.sc.gov'; 'gmcgriff@doi.sc.gov'; 'dparrish@scprt.com';  
'kevin.shwedo@scdmv.net'; 'leroysmith@scdps.net'; 'stongerj@scdot.org';  
'kthomas@ppp.state.sc.us'; 'btoomey@daodas.state.sc.us'; 'aturner@dew.sc.gov'; Holly  
Pisarik (Holly.Pisarik@llr.sc.gov)  
**Cc:** Pitts, Ted (tedpitts@gov.sc.gov)  
**Subject:** Meetings with Governor

Good morning Cabinet Heads,

For your upcoming individual meetings, the Governor will have a copy of your latest "dashboard measurable" report. Some of your agencies have not been submitting the report each month, so please check with your staff.

If you have any questions, just let us know. We look forward to seeing you in the office.

Many thanks,

Rebecca

## Schimsa, Rebecca

---

**From:** Jim Etter <Etter\_JF@sctax.org>  
**Sent:** Thursday, September 20, 2012 9:51 AM  
**To:** Pitts, Ted; Schimsa, Rebecca  
**Subject:** Governor's Office perf measure template--August  
**Attachments:** Governors Perf Measure template August 2012.xlsx

Ted,

This is the current update.

We have submitted this report each month. If you need copies of June and July please let me know.

Regards,

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192

---

**From:** Kevin Dailey  
**Sent:** Wednesday, September 19, 2012 10:46 AM  
**To:** Jim Etter  
**Cc:** Laura Watts  
**Subject:** Governor's Office perf measure template--August

Jim, I have attached the performance measure template, updated with August 2012 #'s.

Thank you.

Kevin Dailey  
Office of Financial Management  
SC Department of Revenue  
[daileyk@sctax.org](mailto:daileyk@sctax.org)  
803.898.5413

**Department of Revenue**  
**August 2012**

	CURRENT MONTH	-1 MONTH	MONTHLY CHANGE	PRIOR YEAR/YTD
Sales Tax (*)	208,351,748	217,048,713	(8,696,965)	415,657,500
Corporate Income Tax	2,850,012	(27,739,455)	30,589,467	(25,049,012)
Individual Income Tax (**)	4,839,443	(514,923,061)	519,762,504	(508,093,640)
Withholding Tax	323,905,098	327,352,074	(3,446,976)	618,670,390

(\*) Sales tax includes casual sales tax collections.

(\*\*) Prior month includes annual Property Tax Relief Transfer.

ANNUAL CHANGE

12,193,439
159,570
(1,989,978)
32,586,782

## Schimsa, Rebecca

---

**From:** Schimsa, Rebecca  
**Sent:** Friday, October 05, 2012 9:42 AM  
**To:** 'Jim Etter'  
**Subject:** RE: Governor's perf measure template

Thank you, Jim! You too.

---

**From:** Jim Etter [[mailto:Etter\\_JF@sctax.org](mailto:Etter_JF@sctax.org)]  
**Sent:** Friday, October 05, 2012 9:40 AM  
**To:** Schimsa, Rebecca  
**Cc:** Pitts, Ted  
**Subject:** FW: Governor's perf measure template

Rebecca,

Attached is our September performance report for your use.

Have a great weekend.

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192

---

**From:** Kevin Dailey  
**Sent:** Thursday, October 04, 2012 10:36 AM  
**To:** Jim Etter  
**Cc:** Laura Watts  
**Subject:** Governor's perf measure template

Jim, I have attached the Governor's Office performance measure template, updated for September 2012.

Thank you.

Kevin Dailey  
Office of Financial Management  
SC Department of Revenue  
[daileyk@sctax.org](mailto:daileyk@sctax.org)  
803.898.5413

**Department of Revenue**  
**September 2012**

	CURRENT MONTH	-1 MONTH	MONTHLY CHANGE	PRIOR YEAR/YTD
Sales Tax (*)	205,115,805	208,351,748	(3,235,943)	612,789,637
Corporate Income Tax	71,431,633	2,850,012	68,581,621	31,444,071
Individual Income Tax (**)	74,716,294	4,839,443	69,876,851	(436,069,129)
Withholding Tax	303,293,537	323,905,098	(20,611,561)	916,099,871

(\*) Sales tax includes casual sales tax collections.

ANNUAL CHANGE

20,177,106
15,098,119
701,805
38,450,839

## Soura, Christian

---

**From:** Maley, Patrick  
**Sent:** Friday, October 26, 2012 12:33 PM  
**To:** Soura, Christian  
**Subject:** Re: 1pm meet today

Roger that--thanks

----- Original Message -----

**From:** Soura, Christian  
**Sent:** Friday, October 26, 2012 10:33 AM  
**To:** Maley, Patrick; Baker, Josh  
**Subject:** Re: 1pm meet today

No trouble - I expected as much. I'm off-site at a United Way meeting, but I'll be back around 11. We can pick a new time next week. Thanks.

CLS

----- Original Message -----

**From:** Maley, Patrick  
**Sent:** Friday, October 26, 2012 10:02 AM  
**To:** Baker, Josh; Soura, Christian  
**Subject:** 1pm meet today

Due to the press conferences re computer intrusion issue, I need to cancel the 1pm. I will be in Gov's office at 10:30 with media and if it finishes and you guys are available, I will try to see if u can do it before noon.

Thanks for your patience.



## Soura, Christian

---

**From:** Maley, Patrick  
**Sent:** Tuesday, October 09, 2012 9:47 AM  
**To:** Soura, Christian  
**Subject:** Assistance

Mr. Soura, I am the new Inspector General. I am nearing the end of my "perspective gaining" phase for this new position, and am preparing my plans to move forward. I have not met you, but your reputation precedes you. I would not keep bothering you if I were not convinced your unique perspective is critical to my final recipe.

After 6 weeks of collecting, it is clear there are many areas of suspected waste or ineffectiveness. The challenge will be to prioritize with my small "starter" staff to have the most impact both as a result of the audit/investigation, as well as translate the symptoms from individual engagements to other similar situations in state government.

My cell is 803-429-4946 if you can free up some time for me to come by.

Thanks in advance for your help.

## Soura, Christian

---

**From:** Pitts, Ted  
**Sent:** Monday, August 27, 2012 12:04 PM  
**To:** Soura, Christian  
**Subject:** FW: Request Assistance--OIG Funding Plan for remainder of FY 2013  
**Attachments:** OIG\_official letterhead\_new-2012-08-17.DOC; fy2013 budget memo\_Attachment A.docx

---

**From:** Maley, Patrick  
**Sent:** Monday, August 27, 2012 9:59 AM  
**To:** Pitts, Ted  
**Subject:** Request Assistance--OIG Funding Plan for remainder of FY 2013

Ted, attached is a memo from me to you, as well as an attachment with some math for non-personnel costs. The memo is the OIG's plan for the rest of FY2013. If I can get a mid-FY bump in budget to move quicker that would be great, but I am not planning on that. *My plan is to maintain status quo for FY 2013 in personnel and location. The memo lays out math so I can start paying my own way effective 10/1 in terms of personnel and day-to-day costs, but I will still need space and IT support at no expense from LRR for rest of FY13.*

My hope is to show good faith to LRR & DHHS to give them their work years back as soon as I can afford to pay personnel with my "starter" budget. The date is 10/1.

Please review & let me know how I can make it better or answer any questions you have. Once I solidify FY 2013, I will have a platform to develop FY 2014 budget due at end of Sept. We are making great strides in establishing the OIG's objectives & strategies through our outreach efforts to developed an educated perspective in moving forward. There is a thirst for oversight in the area of looking under the hood of programs/projects with high risk indicators of waste/ineffectiveness.

My new cell is 803-429-4946.

I will be in Governor's Office on Tue @ 10 to get advice from attorneys on a couple of legal opinions I need, as well as how to stay out of FOIPA prison.

Thanks

**Pitts, Ted**

---

**From:** Maley, Patrick  
**Sent:** Thursday, October 25, 2012 11:33 AM  
**To:** Pitts, Ted  
**Subject:** Re: Time + Location for Today's Meeting

10-4; be there at noon

----- Original Message -----

From: Pitts, Ted  
Sent: Thursday, October 25, 2012 11:32 AM  
To: Maley, Patrick  
Subject: RE: Time + Location for Today's Meeting

Our office.

-----Original Message-----

From: Maley, Patrick  
Sent: Thursday, October 25, 2012 10:03 AM  
To: Pitts, Ted; 'director@sctax.org'  
Subject: Time + Location for Today's Meeting

Ready--where is 1st meet? Thanks

**Pitts, Ted**

---

**From:** Maley, Patrick  
**Sent:** Monday, October 29, 2012 10:02 AM  
**To:** 'director@sctax.org'; Pitts, Ted  
**Subject:** Re: Legislative Conf Call?

?

----- Original Message -----

From: Maley, Patrick  
Sent: Monday, October 29, 2012 09:07 AM  
To: 'director@sctax.org' <[director@sctax.org](mailto:director@sctax.org)>  
Subject: Legislative Conf Call?

Don't have any coordinating numbers yet. Standing by.

Thanks

**Pitts, Ted**

---

**From:** Maley, Patrick  
**Sent:** Monday, October 29, 2012 10:02 AM  
**To:** 'director@sctax.org'; Pitts, Ted  
**Subject:** Re: Legislative Conf Call?

?

----- Original Message -----

From: Maley, Patrick  
Sent: Monday, October 29, 2012 09:07 AM  
To: 'director@sctax.org' <[director@sctax.org](mailto:director@sctax.org)>  
Subject: Legislative Conf Call?

Don't have any coordinating numbers yet. Standing by.

Thanks

**Pitts, Ted**

---

**From:** Maley, Patrick  
**Sent:** Monday, October 15, 2012 4:31 PM  
**To:** Walker, Madison  
**Cc:** Pitts, Ted  
**Subject:** RE: \*\*Cabinet Meeting

Madison, I will be there just to introduce myself. I have met most Cabinet Heads, but not all. I sent Ted a two-page update on the IT self-evaluations framework with findings to date. Thanks

---

**From:** Walker, Madison  
**Sent:** Monday, October 15, 2012 7:54 AM  
**To:** Walker, Madison  
**Subject:** \*\*Cabinet Meeting

Good morning,

Please note that the Governor's next Cabinet Meeting will be held **Wednesday, October 24<sup>th</sup> at 10:00 AM in Room 252 of the Edgar Brown Building, Statehouse grounds.** The theme for the Cabinet meeting is: **"What is your agency doing to save your customer's time?"**

Please let me know by Thursday, October 18<sup>th</sup> whether or not you will be in attendance, or who will be attending on your behalf.

Thank you,

*Madison Walker*  
*Director of Boards and Commissions*  
*Office of Governor Nikki R. Haley*

**Pitts, Ted**

---

**From:** Maley, Patrick  
**Sent:** Monday, September 24, 2012 11:40 AM  
**To:** Pitts, Ted  
**Subject:** brainstorming thoughts  
**Attachments:** ethics law thoughts.docx

Food for thought as we all move forward in promoting integrity in Executive Branch.

Any input would be appreciated.

thanks

**Pitts, Ted**

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**From:** Maley, Patrick  
**Sent:** Monday, September 24, 2012 9:33 AM  
**To:** Pitts, Ted  
**Subject:** Seeking input

I called your office and they suggested I call your cell. Not critical so just shooting you email and u can call me whenever you can.

Executive Branch integrity is big piece of my mission, to include specific statute guidance on recommendations to strengthen agency polices and input on legislation. I reviewed SC state ethics law, how executive branch agencies transmit a code of conduct to their troops, what other states have done, and ideas bubbling up in SC.

Would like your input on the "state of the world" on ethics reform in SC.

Are you aware Executive Branch can unilaterally make their own agency codes of conduct more restrictive? There are 3 individual one sentence code of conduct improvements which could, in my opinion, provide "plain speak" guidance to exec branch employees to promote a higher standard and increase the public's trust.

I plan on discussing with Sen Hayes as well.

Any input to help me would be appreciated.

O# 896-4721 C#429-4946

Thanks



**Pitts, Ted**

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**From:** Maley, Patrick  
**Sent:** Tuesday, September 18, 2012 3:52 PM  
**To:** Pitts, Ted  
**Subject:** Status Update - Review of Information Security at the Cabinet Agencies  
**Attachments:** Summary Letter to Governor\_Agcy\_Data\_Sec.docx

Ted, attached is a letter I will be sending to the Governor through your office. It is a 2 page, light read, summary of the information security review to date, with expected completion in early October 2012. I am sending this because I sense an upcoming cabinet meeting, and this is a corporate issue impacting the entire cabinet with a very positive, but room to improve, outcome.

I have met about half of the cabinet Agency Directors, and they all have been very gracious and helpful. If you could work me in for a minute or two at the next cabinet meeting, I would like to meet them all as a group and brief them on our course change and continue to seek input before I finalize the OIG tangible objectives.

I will have my final draft objectives in a couple of weeks, and will be circulating for input & you will be on the list.

My new cell is 429-4946.

thanks

**Pitts, Ted**

---

**From:** Jim Etter <Etter\_JF@sctax.org>  
**Sent:** Thursday, September 20, 2012 10:12 AM  
**To:** Pitts, Ted  
**Subject:** RE: DOR dashboard report

Thanks

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192

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**From:** Pitts, Ted [<mailto:TedPitts@gov.sc.gov>]  
**Sent:** Thursday, September 20, 2012 10:10 AM  
**To:** Jim Etter  
**Subject:** RE: DOR dashboard report

You are correct.

Sorry that is Lillian in today to meet with the Governor and you in to meet with me and Christian. She is meeting with one Director a day.

Ted

---

**From:** Jim Etter [[mailto:Etter\\_JF@sctax.org](mailto:Etter_JF@sctax.org)]  
**Sent:** Thursday, September 20, 2012 9:53 AM  
**To:** Pitts, Ted  
**Subject:** RE: DOR dashboard report

Ted,

I sent the update under a different email.

Your email indicated that we were meeting with the Governor today??  
We thought it was with you and Christian.

Please advise.

Thanks

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192

---

**From:** Pitts, Ted [<mailto:TedPitts@gov.sc.gov>]  
**Sent:** Thursday, September 20, 2012 9:35 AM  
**To:** Jim Etter; Meredith Cleland  
**Subject:** FW: DOR dashboard report

Jim,

Can you have this updated and sent back before your meeting with the Governor today?

Thanks,

Ted

**Pitts, Ted**

---

**From:** Jim Etter <Etter\_JF@sctax.org>  
**Sent:** Thursday, September 20, 2012 9:53 AM  
**To:** Pitts, Ted  
**Subject:** RE: DOR dashboard report

Ted,

I sent the update under a different email.

Your email indicated that we were meeting with the Governor today??  
We thought it was with you and Christian.

Please advise.

Thanks

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192

---

**From:** Pitts, Ted [<mailto:TedPitts@gov.sc.gov>]  
**Sent:** Thursday, September 20, 2012 9:35 AM  
**To:** Jim Etter; Meredith Cleland  
**Subject:** FW: DOR dashboard report

**Jim,**

Can you have this updated and sent back before your meeting with the Governor today?

Thanks,

Ted

**Pitts, Ted**

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**From:** Jim Etter <Etter\_JF@sctax.org>  
**Sent:** Friday, September 14, 2012 11:03 AM  
**To:** Soura, Christian; Pitts, Ted  
**Cc:** Baker, Josh  
**Subject:** RE: Legislative and budget issues

Great!!!

See you then.

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192

---

**From:** Soura, Christian [<mailto:ChristianSoura@gov.sc.gov>]  
**Sent:** Friday, September 14, 2012 11:00 AM  
**To:** Pitts, Ted; Jim Etter  
**Cc:** Baker, Josh  
**Subject:** Re: Legislative and budget issues

I can sit it in - thanks.

CLS

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**From:** Pitts, Ted  
**Sent:** Friday, September 14, 2012 10:42 AM  
**To:** Jim Etter <Etter\_JF@sctax.org>  
**Cc:** Soura, Christian; Baker, Josh  
**Subject:** RE: Legislative and budget issues

Jim,

Let's do Thursday at 1:00. Will ask Christian or Josh to sit in.

Ted

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**From:** Jim Etter [[mailto:Etter\\_JF@sctax.org](mailto:Etter_JF@sctax.org)]  
**Sent:** Friday, September 14, 2012 9:24 AM  
**To:** Pitts, Ted  
**Subject:** Legislative and budget issues

Ted,

Try Wed @ 1:00 or Thursday @ 1:00

Thanks

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192

## Pitts, Ted

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**From:** Jim Etter <Etter\_JF@sctax.org>  
**Sent:** Wednesday, August 29, 2012 4:38 PM  
**To:** Pitts, Ted  
**Subject:** Re: Annual Evaluation

Thanks!!!!

Sent from my iPhone

On Aug 29, 2012, at 4:31 PM, "Pitts, Ted" <[TedPitts@gov.sc.gov](mailto:TedPitts@gov.sc.gov)> wrote:

Jim,

See below your annual ratings that the Governor is submitting on your annual evaluation. Your overall rating was Exceeds.

No Director got all exceeds under the six criteria.

Director	Leadership	Strategic Planning	Customer Focus	Workforce Focus	Process Mang/Cont Improve	Financial Manage
Etter	Exceeds	Meets	Exceeds	Exceeds	Exceeds	Exceeds

If you have any questions call me and we can discuss. Madison may need to follow up with you to get a signature.

Thanks,

Ted Pitts  
Deputy Chief of Staff  
Governor Nikki Haley  
Cabinet and Legislative Affairs  
803.767.7862  
[TedPitts@gov.sc.gov](mailto:TedPitts@gov.sc.gov)

## Pitts, Ted

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**From:** Maley, Patrick  
**Sent:** Friday, October 05, 2012 12:41 PM  
**To:** Pitts, Ted  
**Subject:** FW: Request Input--DRAFT Mission & Strategies of the new Office of the State Inspector General  
**Attachments:** OIG Mission DRAFT 10052012.docx

Ted, FYI—I have sent the IG DRAFT Mission & Strategy document to the legislators who sponsored the IG Bill, as well as key staff people in the Exec Branch who have helped shaped my thinking.

I am sending this email to you because it has an updated version from last week, and sending it to you as the representative of the Governor's Office. Feel free to share with anyone who may be interested.

My general plan is to fine tune the document with feedback, then give all 100 Agency Heads a “bite at the apple” in a couple of weeks. By November 1, I will pull the trigger on a canvas for input/ideas/observations of operations in the Executive Branch that meet the IG criteria for investigation/audit.

Roger Myers will be leaving IG to pursue a job with the City of Columbia. George Davis and Patty Wentworth are outstanding & I am lucky to have them on the IG team. I will be posting for a new auditor/investigator. We have a couple of significant cost savings investigations rolling with an upside and several more on the front burner to launch in November.

Thanks

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**From:** Maley, Patrick  
**Sent:** Friday, October 05, 2012 12:29 PM  
**To:** Baker, Josh; 'haleyk@sctax.org'; Paul Patrick ([paulpatrick@schouse.gov](mailto:paulpatrick@schouse.gov)); Mike Shealy ([mikeshealy@scsenate.gov](mailto:mikeshealy@scsenate.gov)); 'psimpson@lac.sc.gov'; 'beverlysmith@schouse.gov'; Glover, Christine ([chgllover@oepp.sc.gov](mailto:chgllover@oepp.sc.gov)); Patel, Swati; 'srast@gudget.sc.gov'; 'karabruok@schouse.gov'  
**Subject:** Request Input--DRAFT Mission & Strategies of the new Office of the State Inspector General

I am sending this email to some of the key people who helped shape my perspective in how to set up the new Office of the State Inspector General. I will canvas the legislators and agency heads as well, but this group really had a lot of experience and understanding of state government operations, and I value your input and insight.

The purpose of this email is to provide each of you a DRAFT overview (3 pages) of the IG mission and strategies, and request your candid feedback. I have met with a wide variety of uniquely situated people who have insights on the needs of the Executive Branch and thoughts about the strategies to implement the IG's mission. Although I have spoken to all of you, I really need your expert views as the IG translates its broad mission to specific plans.

My research to date determined that everyone was concerned with maintaining high integrity in the workforce, but there was much more intensity on the need to focus on waste, cost/savings opportunities, and ineffective operations. A scan of other state IGs determined a concentrated focus on integrity matters (fraud, corruption, and misconduct), and a small footprint in waste, cost/savings & ineffective operations areas. Federal IGs tend to lean towards waste, cost/savings & ineffective operations. In South Carolina, to meet its mission, I believe the IG needs to be full-service with emphasis on waste, cost savings opportunities & ineffective operations.



Attached to this email is a three page “Business Plan” for the IG. I know everyone is busy, so there is no urgency in your response. I will accept feedback as long as I am in this position to make it better.

I am available 24/7 by cell for your ideas, suggestions, or just brainstorming. My cell is (803) 429-4946 & email [patrickmaley@oig.sc.gov](mailto:patrickmaley@oig.sc.gov).

Thanks in advance for your valuable time & interest.

## Pitts, Ted

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**From:** Maley, Patrick  
**Sent:** Friday, September 28, 2012 1:53 PM  
**To:** Pitts, Ted  
**Subject:** Information Request from the State Inspector General

TED, THIS IS JUST A HEADS UP IF YOU GET CALLS AS TO, "WHO ARE THESE GUYS"? BELOW DRAFT EMAIL WILL BE GOING OUT TO THE 100 EXECUTIVE BRANCH AGENCIES, COMMISSIONS, BOARDS, AND UNIVERSITIES LATER TODAY. THIS WILL BE MY FIRST COMMS SO I AM SURE YOU MAY GET SOME QUESTIONS.

Executive Branch Agency Heads,

My name is Pat Maley and I am the Inspector General for the new independent Office of Inspector General (OIG) established on July 1, 2012. I am here to help you! I know many will be skeptical about anyone who has "Inspector" in his title. We have the same interests—maintain a high integrity workforce and maximize taxpayer value. I consider Agency Heads as my primary customers & partners.

I am recently retired from 30 years as an FBI Special Agent, specializing in White Collar Crime and organizational effectiveness. I have served in first-line, mid-management, and executive levels in the FBI, to include leading the FBI's Office of Inspection. I know how tough it is to lead organizations, and my goal is to add-value and not be viewed as burdensome "oversight".

I have been on the job six weeks and I am establishing my objectives to meet my broad mission to investigate and address allegations of **"fraud, waste, abuse, mismanagement, misconduct, and wrongdoing"** within the Executive Branch, as set forth in Senate Bill 258 signed into law on 02/01/2012. My plans are not finalized as I am still in the "gaining perspective" phase. Before I finalize my plans and processes, I will provide each Agency Head a draft copy and formally seek your input.

Even though I only have a small staff at this time, I can assure you if you need help, the OIG will come running with what we have. These are the types of services we can provide:

- If you have a fraud, we can conduct a forensic accountant report to take the burden off you and facilitate law enforcement/SLED, and make recommendation on preventative internal controls.
- If you have a corruption allegation, we can send an investigator to bring immediate independence & objectivity in sorting it out. If the allegation has a criminal nexus, we will interface with law enforcement/SLED, or if an ethics nexus, we can make a formal referral to the Ethics Commission.
- If you have a serious misconduct matter that would benefit from an outside independent investigation, often of a senior leader, we can do it and leave your adjudicator with an independent investigative report.
- If you have a significant organizational effectiveness issue that would benefit from an external independent review, the OIG can conduct it, write a report, and make recommendations.
- The OIG's hotline gets all types of calls that do not generate OIG investigative activity, but are forwarded to agencies, often in the area of leadership or performance complaints, which may be useful as feedback for your situational awareness and any action you deem appropriate.
- There will be times when information or an allegation requires the OIG to investigate/review issues in your agency, but I can assure I will advise you personally and the OIG will be transparent, forward looking, and professional.

The experience and knowledge from the 100 Agency Head recipients of this email is immense, and I would appreciate any insight you see from your perch on the OIG's new role and potential objectives. My email is [patrickmaley@oig.sc.gov](mailto:patrickmaley@oig.sc.gov); office--(803) 896-4721; and cell--(803) 429-4946.

I do need your help answering three brief questions for me to get started:

- 1) To simplify future communication by the OIG with your agency, please identify a point of contact (name, email & phone):

- 2) The OIG does not have responsibilities for the legislative branch, judicial branch, or a quasi-judicial agency, so if you fall into any one of these categories, please advise and set forth rationale for that designation:
- 3) Please identify the head of your Internal Audit Department, if you have one, and the total number of internal auditors in your agency. I plan on reaching out to these individuals to offer the OIG's help, and reassure them the OIG does not plan to interfere with their important internal audit functions within Executive Branch agencies.

Just send your response back to me in a return email.

Thanks in advance for your help & I look forward to working with you.

**Pitts, Ted**

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**From:** Maley, Patrick  
**Sent:** Friday, September 28, 2012 1:42 PM  
**To:** Pitts, Ted  
**Subject:** Input on DRAFT OIG Business Plan re Mission/Strategies/Budget  
**Attachments:** OIG Mission DRAFT 09282012.docx

Ted, I need a little feedback on my first draft of the OIG's business plan (3 pages). I know you and others in the Governor's Office have been involved in discussions with a broad spectrum of people to establish the OIG. I am likely still a couple of drafts away from circulating it to a wider group of constituents to let them have a "bite at the apple" to gain valuable input and downstream ownership.

I would appreciate your input on content & tone. If there are others as involved as you in bringing life to the OIG, I would welcome their input as well, but I am not ready for a wide circulation of a DRAFT until I get some input from people like yourself who have been close to this issue for a long time.

Thanks in advance for your time.

**Pitts, Ted**

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**From:** Maley, Patrick  
**Sent:** Friday, October 12, 2012 9:04 AM  
**To:** Pitts, Ted  
**Subject:** lil help

Thanks for calling back yesterday. All I need is when you receive the final DOR IT checklist report which we sent out yesterday, pls toss it in the trash. DOR was OK with draft, but called yesterday and wanted another week. Once we iron out their issue, I will forward final. No findings in our report after analyzing their inspection checklist data so no sure what is issue.

thanks

## Pitts, Ted

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**From:** Maley, Patrick  
**Sent:** Monday, October 22, 2012 9:39 AM  
**To:** Pitts, Ted  
**Subject:** FW: Status of Scoping Issue re Prescription Painkiller Abuse & Diversion in SC by State Inspector General

Ted, FYI—this will give you an idea of the type of issues the IG is interested in pursuing. This issue falls in a variety of ways on multiple state agencies so it is not clear who should grab the ball. After some scoping, everyone sees the need to grab the ball & develop a state strategy to integrate multiple agencies efforts to knock this back in terms of human cost & significant Medicaid (as well as private insurers) cost savings. We should have issue hammered into a plan/report in a month or so. We will need to fix responsibility with one agency to “drive” this issue.

Thanks

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**From:** Maley, Patrick  
**Sent:** Monday, October 22, 2012 9:31 AM  
**To:** 'ervingrt@dhes.sc.gov'; 'andersc2@dhes.sc.gov'; 'Kathleen Snider'; 'adam.h.roberson@usdoj.gov'; 'agbgambrel@scag.gov'; 'bruce.duke@llr.sc.gov'; 'mark.dorman@llr.sc.gov'; 'leeann.bundrick@llr.sc.gov'; 'a.colbert@ic.fbi.gov'; 'gerald.isreal@bcbssc.com'; 'sldutton@dadoas.sc.gov'; Davis, George; 'Anthony Keck'; Deirdra Singleton (Singled@scdhhs.gov)  
**Subject:** Status of Scoping Issue re Prescription Painkiller Abuse & Diversion in SC by State Inspector General

The purpose of this email is a quick summary of the initiative to scope out prescription painkiller abuse & diversion in South Carolina. I want to thank everyone for jumping into this issue with such passion & interest. I will set forth status in outline form because I know how busy everyone is:

Predicate: SC DHHS raised two issues: 1) a University of South Carolina research report depicted an unusually high use of opiates by women of child bearing age on Medicaid which impacts birth outcomes; and 2) SC DHHS has high Medicaid cost for of prescription painkillers. How can we positively impact the public health and cost issues?

### SC IG Identified & Contacted Agencies with Insight into Issues:

1. DHEC, Drug Control – Director Regina Erving (896-0636; [ervingrt@dhec.sc.gov](mailto:ervingrt@dhec.sc.gov)) & Cheryl Anderson, Prescription Monitoring Program (896-0688; [andersc2@dhec.sc.gov](mailto:andersc2@dhec.sc.gov))
2. DHHS, Medicaid Surveillance—Kathy Snider (898-1050; [snider@scdhhs.gov](mailto:snider@scdhhs.gov))
3. DEA, Drug Diversion – Adam Roberson (253-3441; [adam.h.roberson@usdoj.gov](mailto:adam.h.roberson@usdoj.gov))
4. AG, Medicaid Fraud Control Unit--Bill Gambrell (734-3660; [agbgambrel@scag.gov](mailto:agbgambrel@scag.gov))
5. LLR, Medical Board--Mark Dorman, Investigations (896-4500; [mark.dorman@llr.sc.gov](mailto:mark.dorman@llr.sc.gov)); Bruce Duke, Administrator (896-4500; [bruce.duke@llr.sc.gov](mailto:bruce.duke@llr.sc.gov))
6. LLR, Pharmacy Board--Lee Ann Bundrick, Administrator (896-4700; [leeann.bundrick@llr.gov](mailto:leeann.bundrick@llr.gov))
7. FBI, Ann Colbert, Criminal ASAC (551-4221; [a.colbert@ic.fbi.gov](mailto:a.colbert@ic.fbi.gov))
8. Blue Cross/Blue Shield, Pharmaceutical Examinations, Gerald Isreal, Director (264-5596; [gerald.isreal@bcbssc.com](mailto:gerald.isreal@bcbssc.com))
9. DAODAS-- Lee Dutton (896-1142; [sldutton@dadoas.sc.gov](mailto:sldutton@dadoas.sc.gov))
10. Federal HHS, OIG-- Su Kim (765-5604; )
11. SC IG--Patrick Maley (896-4721; [patrickmaley@oig.sc.gov](mailto:patrickmaley@oig.sc.gov))

### General Consensus & Observations from Contacted Agencies:

1. Prescription painkiller diversion & abuse is a national epidemic; Medicaid issue is only a component.
2. South Carolina was representative of the national average in this epidemic.
3. Recently, surrounding states of Florida, Georgia, North Carolina, and Kentucky have had initiative/legislation to crack down on this issue, particularly “pill mills”, which raised concern of how this has/will impact SC.
4. Investigative resources dedicated to “pill mill” doctors were low.
5. Administrative sanctions on “pill mill” doctors were not significant.
6. Law enforcement criminal charges on “pill mill” doctors took too long and too few to address issue in a comprehensive manner.
7. Very sensitive to the challenge of how to intervene on this important issue, yet ensure patients have access to safe, effective pain treatment.
8. Doctors, as well as pharmacies, do respond to being put “on notice” with education and disproportional dispensing feedback compared to peers.
9. Regulators have powerful tools and data to analytically drill down to identify over-prescribers and “pill shoppers/seekers.” A September, 2012, study from a leading prescription management expert, Brandeis University, determined regulators collect a lot of data, but may not fully exploit the data. The guidance was to shift to a more proactive one with this data to help curb the prescription-drug epidemic.
10. There exists “lessons learned” from many recent research projects, as well as experience from many states which recently enacted legislation/regulation to crack down on “pill mills.”
11. Engaging pharmacies through analytics & oversight can bring pressure on the pill mill system.
12. Starting another task force was not the answer. Rather, develop a strategy to integrate each agencies capabilities & tools into a single streamline process (DHHS, DHEC & LRR-Medical/Pharmacy) to regulate conformity to medically sound practices by pill mills; lack of compliance to these justified higher oversight efforts only simplifies burden to justify suspensions from health programs and licenses. For example, the state of Kentucky mandated use of the prescription monitoring program prior to prescribing these high risk painkillers, which, in three months, dramatically reduced prescriptions and 25% of the pill mills closed. Equally important, this serves as a deterrent for future pill mills from setting up shop in SC. How much new legislation and regulation is needed to accomplish this was not clear.

#### Future Objectives:

1. Define & determine the extent of SC’s prescription painkiller problem through data and comparison with other states. DHHS is currently data mining, and DHEC and BCBS volunteered to assess the issue with their data, which will be coordinated in the near term.
2. DHHS, DHEC, and BCBS combine analysis to develop one common operating picture of the problem, then disseminate to group.
3. Have group members analyze this common operating picture, check their agencies databases for nexus to the issue.
4. Obtain lessons learned from literature & nearby states with recent initiatives/legislation.
5. Meet as a group to set forth each agencies role and capabilities in this issue, then brainstorm direction to address.

**LEAD FOR ALL:** Please forward any article, link, or information from your agency that helps describe the prescription pain problem nationally or in the South Carolina. The IG will then organize, de-conflict, and feedback to the group before we initially meet. For example, to demonstrate the sense of urgency in Kentucky, their data showed Kentucky prescriptions of hydrocodene was enough to supply 51 doses to supply every man, women, and child in Kentucky.

Thanks for your interest in this important issue.

## Pitts, Ted

---

**From:** Wentworth, Patty on behalf of Maley, Patrick  
**Sent:** Monday, October 22, 2012 12:12 PM  
**To:** hgregory@saf.sc.gov; bob.livingston@us.army.mil; Werts, Paul; Weathers, Hugh; winsors@atc.edu; Toomey, Bob; eemerson@scdah.state.sc.us; kmay@arts.sc.gov; agwilson@scag.gov; jkirby@sccb.sc.gov; Adams, Marcia; hardeebt@cctech.edu; trezj@citadel.edu; jbarker@clemson.edu; ddecenzo@coastal.edu; bensong@cofc.edu; bhitt@sccommerce.com; Eckstrom, Richard; DavantM@dnr.sc.gov; Grube-Lybarker, Carri; byars.bill@doc.state.sc.us; hfharrell@sccja.sc.gov; mpark@scsdb.org; boydscotland@denmarktech.edu; bbuscemi@ddsn.sc.gov; Barton, Melanie; mzais@ed.sc.gov; lobryon@scetv.org; Andino, Marci; aturner@dew.sc.gov; Hayden, Herb; Jacobs, Louie; Charles.Gould@fdtc.edu; kodama@forestry.state.sc.us; lcarter@fmarion.edu; Pitts, Ted; Keith.Miller@gvltec.edu; catherine.templeton@dhec.sc.gov; keck@scdhhs.gov; earl@sctuitiongrants.org; jcarullo@che.sc.gov; neyle.wilson@hgtc.edu; valarie.williams@schousing.com; Buxton, Ray; padams@sccid.sc.gov; don@leonardcall.com; gmcgriff@doi.sc.gov; hhuntley@scjeda.com; thomas.mayer@delahowe.k12.sc.us; mhbarb@scdjj.net; holly.pisarik@llr.sc.gov; dball@lander.edu; lbenggio@statelibrary.sc.gov; ltgovernor@scstatehouse.gov; phbethea@sclot.com; greenber@musc.edu; jhm03@scdmh.org; WHITEM@midlandstech.edu; tsmith@cfma.state.sc.us; kevin.shwedo@scdmv.net; willie.calloway@scmuseum.org; taylora@dnr.sc.gov; rbartley@netc.edu; TOBINW@OCtech.edu; dparrish@scprt.com; terry.coston@pcf.sc.gov; mburdette@patriotspoint.org; brooks.r@ptc.edu; Kthomas@ppp.state.sc.us; Copeland, Sherry; Ross, David; leroysmith@scdps.net; Jocelyn.Boyd; Scott, Dukes; director@sctax.org; Incarter@santeecooper.com; Blume, William; rick.devoe@scseagrant.org; rdaggerhart@sos.sc.gov; lillian.b.koller@dss.sc.gov; president@scsu.edu; gilesh@sccsc.edu; mkeel@sled.sc.gov; staatd@sctechsystem.edu; tcl@tcl.edu; stongerj@scdot.org; Treasurer, State; rlbooth@tctc.edu; Mary.Thornley@tridenttech.edu; pastides@gwm.sc.edu; sandraj@usca.edu; jupshaw@uscb.edu; jcat@mailbox.sc.edu; anncar@mailbox.sc.edu; lynwoodw@uscsumter.edu; lowesh@mailbox.sc.edu; TMOORE@USCUPSTATE.EDU; bhollis@scvrd.state.sc.us; smithp@wlgos.sc.gov; leep@wiltech.edu; digiorgioa@winthrop.edu; grutherford@yorktech.edu; blake.cromer@us.army.mil; Wood, Aaron; Dutton, Lee; Roberson, Lillian; AGJWMCINTO@scag.gov; HStudstill@sccb.sc.gov; Elliott, Steve; chip@clemson.edu; mailto:chuffman@sccommerce.com; Holly, Jim; adger.jerry@doc.state.sc.us; BDuncan@sccja.sc.gov; TWaring@ddsn.sc.gov; skelly@ed.sc.gov; bliving@scetv.org; lmoody@forestry.state.sc.us; Jacqui.dimaggio@gvltec.edu; Marshall.Taylor@dhec.sc.gov; Robertsb@scdhhs.gov; Wayne.Sams@schousing.com; BDuncan@doi.sc.gov; daburd@scdjj.net; hbrown@sclot.com; drachmar@musc.edu; MWB86@scdmh.org; medwaym@midlandstech.edu; karl.mcclary@scdmv.net; bonnie.moffat@scmuseum.org; guthrier@octech.edu; aduffy@scprt.com; childs.p@ptc.edu; Sgarland@ppp.state.sc.us; BobbyCollins@scdps.gov; Rawls, Marty; mdunlap@sos.sc.gov; Thompson, Tina; kiblerm@sctechsystem.edu; tcl@tcl.edu; NicholasWB@dot.state.sc.us; Leidinger, Bill; gstaplet@tctc.edu; helen.sughrue@tridenttech.edu; TERRY@mailbox.sc.edu; jbatten@scvrd.state.sc.us; Cokerm@wiltech.edu; mckeej@winthrop.edu; debbiehammond@scstatehouse.gov  
**Subject:** Open for Business-Office of the State Inspector General (IG)

The purpose of this email is to solicit your help in guiding the resources of the new, independent Office of the State



Inspector General (IG) to target waste, cost savings opportunities, or ineffective operations. This email is being sent to every legislator, key staff, and executive branch agency head. This group is the IG's primary customer base. You are on the "front line" dealing with budgets, agency(s) performance, state-wide processes, and just plain getting things done. You have the best view of what works; what is OK; and what needs examination for potential significant improvement or cost savings.

The IG was established on July 1, 2012. Over the past two months, I have sought input on implementing the IG's "fraud, waste, and abuse" mission from many of the recipients of this email via in-person contacts, phone, or email. If I have missed contacting you directly, I apologize and feel free to contact me direct (803-896-4721) with any questions, concerns, or input for this new agency.

Even with dedicated, hardworking South Carolina state employees, we are going to have pockets of fraud, waste, and abuse given an executive branch operation consisting of 20 billion dollars with 58,000 employees. Fraud and abuse are both integrity type investigations, and will have high accountability for individuals involved. However, the real cost savings and a significant aspect of the IG's work will be in just plain "waste" cases caused by illnesses found in every organization, such as duplication, obsolete processes, mission drift, lack of coordination, complacency, and organizational inertia.

Busy state government leaders get glimpses of potential cost saving ideas or improvements, but given the press of business and the complexity of many issues, it is often difficult to look further into these issues. The IG was established to do just that—have the time and skill set to "look under the hood." The IG will quickly assess, make recommendations, and report out the results to stimulate change where needed. Organizations, like humans, have an amazing ability to maintain the status quo until it is clear there is a problem. However, once a problem is accepted, organizations are equally amazing in their adaptability to address.

I promise each recipient of this email the IG will carry out its function in a positive manner to stimulate positive change for the greater good, rather than a "gotcha" approach. An agency head may be hesitant to self-identify a component of their operation to review, but oftentimes feedback from an objective external oversight agency can better help an agency head drive change more so than an internal initiative.

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- Call my office phone (803) 896-4721;
- Call my cell (803) 429-4946;
- Call & I will come to your office;
- Call IG hotline at 1-855-SC FRAUD;
- Email IG hotline via our web page [oig@oig.sc.gov](mailto:oig@oig.sc.gov);
- Send letter, true name or anonymous, to me at 110 Centerview Drive, Suite 201, Columbia, SC 29210.

The IG has limited staff as it ramps up, but we will find a way to get working on the ideas we can absorb now, and get on the rest as we increase staff. Thanks in advance for adding input to help South Carolina Government better serve our citizens.

## Baker, Josh

---

**From:** Maley, Patrick  
**Sent:** Monday, October 22, 2012 11:28 AM  
**To:** Baker, Josh; karabrurok@schouse.gov; haleyk@sctax.org; Patel, Swati; Paul Patrick (paulpatrick@schouse.gov); Mike Shealy (mikeshealy@scsenate.gov); beverlysmith@schouse.gov; Soura, Christian; Pitts, Ted; psimpson@lac.sc.gov; Rast, Suzanne  
**Subject:** Open for Business-Office of the State Inspector General (IG)

The purpose of this email is to solicit your help in guiding the resources of the new, independent Office of the State Inspector General (IG) to target waste, cost savings opportunities, or ineffective operations. This email is being sent to every legislator, key staff, and executive branch agency head. This group is the IG's primary customer base. You are on the "front line" dealing with budgets, agency(s) performance, state-wide processes, and just plain getting things done. You have the best view of what works; what is OK; and what needs examination for potential significant improvement or cost savings.

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**Pitts, Ted**

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**From:** Maley, Patrick  
**Sent:** Monday, September 24, 2012 3:26 PM  
**To:** Pitts, Ted  
**Subject:** Integrity/Ethics

Just FYI before I get back to hammering on my draft mission/objectives re ethics. If you are interested in this issue, see below.

Of my quick & dirty scan, New Jersey had a really good code and a great web page easy to navigate for employees to know what is expected of them. New Jersey titled its document as "Plain Language Guide to New Jersey's Executive Branch Ethics Standards." New Jersey's code is also rather new, likely driven by huge public corruption cases in the past five years.

Compare New Jersey's "plain language guide" with the below link to the Department of Revenues, and you don't have to ask a question as to an area we can improve upon to promote Integrity. The Department of Revenue's looks like other codes of conduct on other SC agency web pages, which just recites the legal version from the code verbatim. You do have to give DOR props for restricting their code further than the law by adding the "avoid even the appearance" standard. Not all agencies had a code of ethics on their internal web page.

Food for thought to prime the pump as we move forward.

Thanks for your interest.

New Jersey webpage: <http://www.njactb.org/ethics/plainlanguageguide.pdf>

SC DOR:

## **South Carolina Department of Revenue Ethics Policy**

**THE LANGUAGE USED IN THIS DOCUMENT DOES NOT CREATE AN EMPLOYMENT CONTRACT BETWEEN THE EMPLOYEE AND THE AGENCY. THIS DOCUMENT DOES NOT CREATE ANY CONTRACTUAL RIGHTS OR ENTITLEMENTS. THE AGENCY RESERVES THE RIGHT TO REVISE THE CONTENT OF THIS DOCUMENT, IN WHOLE OR IN PART. NO PROMISES OR ASSURANCES, WHETHER WRITTEN OR ORAL, WHICH ARE CONTRARY TO OR INCONSISTENT WITH THE TERMS OF THIS PARAGRAPH CREATE ANY CONTRACT OF EMPLOYMENT.**

### **A. Policy**

Public employment is a public trust and any effort to realize personal gain through official conduct is a violation of that trust. It is part of the Department of Revenue's (DOR or Agency) mission to administer the revenue and regulatory laws of this state in a manner deserving the highest degree of public confidence in our integrity and fairness. We recognize that integrity and honesty are critical to keeping the public's trust, and this realization guides us in all of our business decisions and actions. To this end, it is the policy of the DOR to avoid the appearance of impropriety, including the appearance of conflicts of interest. In furtherance of this policy the DOR supports the vigorous enforcement of the restrictions on employees relating to lobbyists and lobbying (S.C. Code Chapter 17 of Title 2), and the State Ethics Reform Act (S. C. Code Chapter 13 of Title 8) which was enacted, in part, to reduce conflicts of interests.

### **B. General Rule and Consequences of Violations**

1. All employees are expected to adhere to and follow the policies in (1) this Manual, (2) state law, including the rules of conduct outlined in the Ethics Reform Act, and, (3) where applicable, the ethical rules of their profession. Employees violating these rules are subject to disciplinary action, up to and including termination of employment.
2. Violation of the rules in the Ethics Reform Act is subject to prosecution. If you are found guilty, or plead guilty or nolo contendere, to violating these rules, you must be fined not more than \$5,000, or imprisoned for not more than one year, or both.
3. Violation of the rules regarding lobbyists and lobbying in S.C. Code Chapter 17 of Title 2 is subject to prosecution. If you are found guilty, or plead guilty or nolo contendere, to violating these rules, you may be fined not more than \$2,500, imprisoned for not more than one year, or both.

**C. Lobbyists and Lobbying, and the State Ethics Reform Act**

The following provisions, SC Code Chapter 17 of Title 2 and Chapter 13 of Title 8 (State Ethics Reform Act) are linked for your convenience. They have been updated through December 31 of the last calendar year. Note that you are also responsible for any amendments to them. 181

#### **D. If You Have Questions**

In the event a question arises concerning ethical conduct or possible conflicts of interest, the State Ethics Commission should be asked for an opinion. Employees may contact the DOR Ethics Coordinator if they need assistance in obtaining an opinion. Also see “Outside Employment Policy” in this manual.

#### **E. Information from the State Ethics Commission**

You may obtain further information from the State Ethics Commission’s web site at <http://ethics.sc.gov>.

The following information on Rules of Conduct, Advisory Opinions, and Statements of Economic Interest are from the State Ethics Commission’s web site. That site also has information on filing ethics complaints and campaign laws.

#### **Rules of Conduct**

##### ***General Information***

All public employees, public officeholders, and public members are expected to adhere to and follow the Rules of Conduct as outlined in the Ethics Reform Act. Anyone who is found guilty of violating these rules is subject to prosecution by the State Ethics Commission and the Attorney General's Office.

A public official, public member, or public employee may not knowingly use his official office, membership, or employment to influence a government decision to obtain an economic interest for himself, a member of his immediate family, an individual with whom he is associated, or a business with which he is associated.

A person may not directly or indirectly give, offer, or promise anything of value to a public official, public member, or public employee with intent to influence the public official’s, public member’s, or public employee’s official responsibilities, nor is the public official, public member, or public employee to ask, demand, solicit, or accept anything of value for himself or for another person in return for fulfilling his official responsibilities or duties.

A public official, public member or public employee may not receive anything of value for speaking before a public or private group in his/her official capacity. A meal can be accepted if provided in conjunction with the speaking engagement where all participants are entitled to the same meal and the meal is incidental to the speaking engagement. A public official, public member or public employee may receive payment or reimbursement for actual expenses incurred.

Public officials, public members, or public employees may not receive money in addition to that received by the public official, public member, or public employee in his official capacity for advice or assistance given in the course of his employment as a public official, public member, or public employee. 182

No public official, public member, or public employee may disclose confidential information gained as a result of his responsibility as a public official, public member, or public employee that would affect an economic interest held by himself, a member of his immediate family, an individual with whom he is associated, or a business with which he is associated.

No person may serve as a member of a governmental regulatory agency that regulates any business with which that person is associated.

No person shall serve on the governing body of a state, county, municipal or political subdivision, board, or commission and serve in a position of the same governing body which makes decisions affecting his economic interests.

A public official occupying a statewide office, a member of his immediate family, an individual with whom he is associated, or a business with which he is associated may not knowingly represent another person before a governmental entity.

No member of the General Assembly or an individual with whom he is associated or business with which he is associated may represent a client for a fee in a contested case before an agency, a commission, board, department, or other entity if the member of the General Assembly has voted in the election, appointment, recommendation, or confirmation of a member of the governing body of the agency, board, department, or other entity within the 12 preceding months.

A public member occupying statewide office, an individual with whom associated, or a business with which associated may not knowingly represent a person before the same unit or division of the governmental entity for which the public member has official responsibility.

A public official, public member, or public employee of a county or municipality, an individual with whom associated, or a business with which associated may not knowingly represent a person before any agency, unit, or subunit of that county or municipality.

A public employee, other than of a county or municipality, an individual with whom associated, or a business with which associated may not knowingly represent a person before an entity of the same level of government for which the public employee has official responsibility.

No public official, public member or public employee may cause the employment, appointment, promotion, transfer, or advancement of a family member to a state or local office or position in which the public official, public member or public employee supervises or manages. A public official, public member, or public employee may not participate in the action relating to the discipline of the public official's, public member's or public employee's family member.

A former public official, former public member, or former public employee holding office, membership, or employment may not serve as a lobbyist or represent clients before the agency or department on which the public official, public member, or public employee formerly served in a matter in which he directly and substantially participated for one year after terminating his public service or employment.

It is a breach of ethical standards for a public official, public member, or public employee who participates directly in procurement to resign and accept employment with a person contracting 183

with the governmental body if the contract falls or would fall under the public official's, public member's, or public employee's official responsibility.

No person may use government personnel, equipment, materials, or an office building in an election campaign. A person may use public facilities for campaign purposes if they are available on similar terms to all candidates and committees. Likewise, government personnel may participate in election campaigns on their own time and on non-government premises.

A public official, public member, or public employee may not have an economic interest in a contract with the state or its political subdivisions if the public official, public member, or public employee is authorized to perform an official function (including writing or preparing the contract, accepting bids, and awarding of the contracts) relating to the contract.

## **ADVISORY OPINIONS**

### ***General Information***

#### **Definitions**

Informal Opinion- A non-binding opinion issued by the staff on a real or hypothetical set of facts or circumstances.

Formal Opinion- A binding opinion issued by the commissioners on a real or hypothetical set of facts or circumstances.

#### **Who Can Request a Formal/Informal Opinion?**

An informal or formal advisory opinion may be requested by any person to whom the Act could reasonably be expected to apply. The request must be in writing and relate prospectively to a real or hypothetical set of facts or circumstances. The Commission will not issue an opinion to a third party about another person without authorization from the affected person.

The Commission will consider advisory opinion requests having prospective application only. An opinion request requiring consideration of past conduct or events may be referred to the appropriate supervisory office and an investigation of any potential violation may be conducted.

A formal advisory opinion shall be considered by the Commission at a public meeting. The person whose conduct is the subject of the request may appear at the meeting. The Commission's written opinion will be provided to the requestor and made public unless the affected parties request confidentiality. Formal advisory opinions are the final opinion of the Commission unless new and material facts are submitted which, in the opinion of staff and upon a majority vote of the commission, warrant reconsideration.

#### **How to Request a Formal /Informal Opinion?**

A request for opinion shall include the signature, address, and telephone number of the requestor and shall set forth a complete set of facts and circumstances giving rise to the request. Failure to disclose relevant information may void the opinion. Requests may be made by writing, faxing, or telephoning the Commission. Members of or candidates for the House of Representatives and Senate should request opinions from the appropriate legislative ethics committee. 184



**Confidentiality**

A person requesting an advisory opinion may request confidentiality in which case his name and governmental entity will not be disclosed in the advisory opinion. Upon a majority vote of the Commission members present, a confidential advisory opinion may be discussed in executive session.

**STATEMENT OF ECONOMIC INTERESTS**

**General Information**

**Who Files a Statement of Economic Interests Form?**

Any person appointed to fill the unexpired term of an elected official;

All public officials;

All candidates for public office (excluding Federal offices);

Any person who serves on a state board, commission or council whether salaried or not;

Chief and Deputy or assistant chief administrative official or employee or director of a division, institution or facility of any agency or department of state government. The chief administrative official of each political subdivision including school districts, libraries, regional planning councils, airport commissions, hospitals, community action agencies, water and sewer districts, and development commissions;

County and city administrators, managers, supervisors, or chief administrative official, by whatever title;

School District Board Members, superintendents of education, county superintendents of education, and county board of education members; and

Chief Finance and Chief Purchasing Official/employee of each agency, institution, or facility of state government, & of each county, municipality, or other political subdivision including school districts, libraries, regional planning councils, airport commissions, hospitals, community action agencies, water and sewer districts, and development commissions. 185

**What information is disclosed on the Statement of Economic Interests Form?**

Name, address, phone # of the filer;

Source, type, and amount or value of income received from a governmental entity by the filer or a member of the filer's immediate family;

Description, value, & location of any real property owned & options to purchase real property by the filer or a member of the filer's immediate family if there have been any public improvements of more than \$200 on or adjacent to the real property within the reporting period and the public improvements are known to the filer or if the filer sales, leases, or rents personal property to the state, county, or municipal government. A copy of the contract must be attached to the Statement of Economic Interests Form when being submitted;

Name of each organization which paid for or reimbursed any expenses of the filer for speaking before a public/private group. The amount, purpose, date, & location of the speaking engagement must be disclosed;

Identity of each business or entity in which the filer or a member of the filer's immediate family held/controlled, in the aggregate, securities or interests constituting 5% or more of the total issued AND which constitute a value of \$100,00 or more;

List name/address of each creditor to whom the filer or member of the filer's immediate family owed a debt in excess of \$500 at any time during the reporting period if the creditor is subject to regulation by the filer's agency or department. This does not include credit card installments, mortgage payments, or automobile payments;

The name of any lobbyist who is a member of the filer's immediate family or an individual with whom or business with which the filer or member of the filer's immediate family is associated;

Any compensation received from an individual or business which contracts with the governmental entity with which the filer serves or is employed; and

Any gifts received during the previous calendar from any person if the gift was believed to be given because of the filer's position or if the gift is given in hopes of seeking a contractual, business, or financial relationship with the filer's agency.

**When is the form due?**

April 15 covering the previous calendar year (Jan. 1 - Dec. 31);

When registering as a candidate for public office;

Upon entering the official responsibilities; and

Any person required to file a Statement of Economic Interests Form who is no longer holding office as of April 15 of the year following the previous filing is not required to submit the form. 186

**Where are the forms submitted?**

All Statement of Economic Interests Forms for candidates for public office (except candidates for the House of Representatives and Senate) and those public official, public members, and public employees are to be submitted to the State Ethics Commission.

Candidates for The House of Representatives or Senate may obtain forms from and file forms with:

Senate Ethics Committee or House Ethics Committee Post Office Box 142 Post Office Box 11867 Columbia, SC 29202 Columbia, SC 29211 (803) 212-6410 (803) 734-3114

All forms submitted are public record.

**FAXED COPIES WILL NOT BE ACCEPTED**

OGC/Policy 07/04

Revised 08/06

## Patel, Swati

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**From:** Maley, Patrick  
**Sent:** Friday, October 05, 2012 12:29 PM  
**To:** Baker, Josh; haleyk@sctax.org; Paul Patrick (paulpatrick@schouse.gov); Mike Shealy (mikeshealy@scsenate.gov); psimpson@lac.sc.gov; beverlysmith@schouse.gov; Glover, Christine; Patel, Swati; srast@gudget.sc.gov; karabruok@schouse.gov  
**Subject:** Request Input--DRAFT Mission & Strategies of the new Office of the State Inspector General  
**Attachments:** OIG Mission DRAFT 10052012.docx

I am sending this email to some of the key people who helped shape my perspective in how to set up the new Office of the State Inspector General. I will canvas the legislators and agency heads as well, but this group really had a lot of experience and understanding of state government operations, and I value your input and insight.

The purpose of this email is to provide each of you a DRAFT overview (3 pages) of the IG mission and strategies, and request your candid feedback. I have met with a wide variety of uniquely situated people who have insights on the needs of the Executive Branch and thoughts about the strategies to implement the IG's mission. Although I have spoken to all of you, I really need your expert views as the IGs translates its broad mission to specific plans.

My research to date determined that everyone was concerned with maintaining high integrity in the workforce, but there was much more intensity on the need to focus on waste, cost/savings opportunities, and ineffective operations. A scan of other state IGs determined a concentrated focus on integrity matters (fraud, corruption, and misconduct), and a small footprint in waste, cost/savings & ineffective operations areas. Federal IGs tend to lean towards waste, cost/savings & ineffective operations. In South Carolina, to meet its mission, I believe the IG needs to be full-service with emphasis on waste, cost savings opportunities & ineffective operations.

Attached to this email is a three page "Business Plan" for the IG. I know everyone is busy, so there is no urgency in your response. I will accept feedback as long as I am in this position to make it better.

I am available 24/7 by cell for your ideas, suggestions, or just brainstorming. My cell is (803) 429-4946 & email [patrickmaley@oig.sc.gov](mailto:patrickmaley@oig.sc.gov).

Thanks in advance for your valuable time & interest.

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**From:** Maley, Patrick  
**Sent:** Friday, October 26, 2012 6:40 PM  
**To:** peveritt@scspa.com; lhubbard@sos.sc.gov; sflowers@saf.sc.gov; mmore@sled.sc.gov; acaldwell@scsu.edu; smithp@wlgos.sc.gov; pharmon@scsah.state.sc.us; jb@clemson.edu; jswindler@sccb.sc.gov; Hoverman, Bryce; dfoshee@ddsn.sc.gov; Leach, Brian; cpou@lac.sc.gov; youlanda.mcknight@pcf.sc.gov; Randy.Erskine; jmanning@ic.sc.gov; Harris, Mike; Fallaw, Chuck; hammondj@winthrop.edu; hed00@scdmh.org; Baker, Matt; cleee@arts.sc.gov; ssprang@scag.gov; del.collins@sclot.com; Nichols, Lisa; jdixon@fmarion.edu; rlawrence@lander.edu; tsmith@cfma.sc.gov; scurryj@dnr.sc.gov; Copeland, Sherry; Hipp, Dawn; elaine.knight@scseagrant.org; Boles, Les; bcroteau@statelibrary.sc.gov; hogue@sc.edu; msanders@scalp.net; Steele, Kevin; Ford, Andrew; Davis, Brian; Davis, Brian; Sklar, Steve; abdallah@coastal.edu; rwilson@scommerce.com; mhunt@irf.sc.gov; Rasmussen, Richard; Smith, Dave; jassey@sccourts.org; troypound@scstatehouse.gov; susan.worthy@scmuseum.org; delwart@scprt.com; lphipp@retirement.sc.gov; Fletcher, Gayle; Dzek, Renee; rick.green@ganking.sc.gov; mark.phipps@schousing.com; Jones, Sam; Earley, Jimmy; Adams, Marcia; Pitts, Ted; Davis, George; Alison Hammett (ahamett@emd.sc.gov); Alton "Al" Hoy (aphoy@scdjj.net); Barry Langley (BarryLangley@scdps.net); Hartman, Betsy; Bill Miller (bmiller@ppp.state.sc.us); Bob Cape (caper@cofc.edu); Camille Brown (cbrown@che.sc.gov); Cliff Stanley (cliff.stanley@delahowe.k12.sc.us); Cooper, Doug; David "Ric" Lawson (ric.lawson@dss.sc.gov); David Beverly (dbeverly@scetv.org); Ross, David; Derrick Brown; Don Cantrell (dcantrel@ed.sc.gov); Douglas Harper (harperds@scdot.org); Guang Zhao (zhaog@dhec.sc.gov); Harrill, Ken; MacDougall, James R.; Jay Rolin (jrolin@scvrd.state.sc.us); Jeff Baumann (jbaumann@forestry.state.sc.us); Jeffrey Smith (jsmith@sccid.sc.gov); John Supra (supra@scdhhs.gov); Katie Harrison (katie@sctuitiongrants.org); Pondy, Kevin; Khush Tata (tata@sctechsystem.edu); Marshall Hollis; Melissa Forinash (forinash@muscd.edu); Michael Wingard (mhwingard@sccja.sc.gov); Richard Nelson (richard.nelson@citadel.edu); Robert Clark (rclark@patriotspoint.org); Rolf Dolder (Rolf.Dolder@scdmv.net); Ron Mitchell (mitchellrw@tag.scmd.state.sc.us); Ronnie Finley (ronnie.finley@us.army.mil); Houston, Scott; Thad Robinson (trobinson@scsdb.org); Trevis Shealy (shealy.trevis@doc.state.sc.us); Oliver, Walt; Yarbrough, Stan  
**Subject:** Inspector General Notification: State-Wide Information Security Initiative

If you have not already heard via media outlets, the Department of Revenue had a cyber intrusion resulting in the loss of 3.6 million names and social security numbers, as well as 387,000 credit card numbers. The Governor requested the Inspector General lead a state-wide information security (INFOSEC) initiative to assess our INFOSEC and make recommendations. This computer intrusion could have happened to anyone of us, but this large data loss of tax information has to impact our citizen's trust & confidence in state government to professionally protect their confidential information. After 30 years in the FBI, I don't get over-excited unless someone is shooting at me, but in my opinion, this is a crisis situation for information technology in state government.

I need your help. I am not an INFOSEC expert. My expertise is taking a mission, assembling the right team, developing objectives, collecting data on the objectives, and arriving at options & recommendations. I do know enough at this time to break this initiative into two phases. Phase I will identify measures or protocols to deploy to all agencies state-wide for immediate due diligence to give confidence to the public, as well as each other,

that the collective IT components in state government are at a common quality assurance baseline. After our due diligence baseline, then Phase II will look at issues from a state-wide, longer term strategy perspective.

I will be assembling a team of subject matter IT experts to work full-time on this task force. I ask each agency CIO to think about voluntarily contributing a qualified staff member to this full-time task force. It will certainly be highly developmental, as well as contribute to an outcome having a long lasting impact on state government IT.

I am also soliciting volunteer CIOs to attend an initial organizing/strategy meeting to primarily address Phase I which has a time sensitive quality. If you are interested, please email me back at [patrickmaley@oig.sc.gov](mailto:patrickmaley@oig.sc.gov) or call my cell (803) 429-4946.

Due to time constraints, I am unable to send a copy to each of your respective Agency Heads for situational awareness, so I would appreciate you forwarding this email up your chain of command.

I will be back in touch to all CIOs early next week.

Thanks in advance for your time & interest in this critical initiative.



## Pitts, Ted

**From:** Maley, Patrick  
**Sent:** Tuesday, October 30, 2012 4:42 PM  
**To:** Adams, Marcia; Pitts, Ted  
**Subject:** FW: IG State-Wide Information Security Initiative--MEETING NOTIFICATION, 10AM, THURSDAY, 11/1

FYI below—sorry for not putting you in the original email.

Plan is to get CIO input on DSIT DRAFT “to do” list for short term measures/protocols to raise our confidence, then email final product by cob Friday. General plan will be for Agency Heads to respond to IG re covering leads. Task force will collate data for pulse check feedback and itemize any immediate critical PII at risk.

Marcia, DSIT has been great in getting us rolling.

thanks

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**From:** Maley, Patrick  
**Sent:** Tuesday, October 30, 2012 4:34 PM  
**To:** 'Abdallah Haddad (abdallah@coastal.edu)'; 'Alison Hammett (ahamett@emd.sc.gov)'; 'Alton "Al" Hoy (aphoy@scdj.net)'; 'Ami Franklin (ami@ethics.sc.gov)'; 'Andrew Ford (andrew.ford@sceis.sc.gov)'; 'Anthony Caldwell (acaldwell@scsu.edu)'; 'Barbara Bailey (bbailey@bcbis.sc.gov)'; 'Barry Langley (BarryLangley@scdps.net)'; 'Betsy Hartman (bhartman@wcc.sc.gov)'; 'Bill Croteau (bcroteau@statelibrary.sc.gov)'; 'Bill Hogue (hogue@sc.edu)'; 'Bill Miller (bmiller@ppp.state.sc.us)'; 'Bob Cape (caper@cofc.edu)'; 'Boles, Les (LBoles@budget.sc.gov)'; 'Brian Davis (bdavis@irf.sc.gov)'; 'Bryan Leach (bleach@elections.sc.gov)'; 'Bryce Hoverman (bhoverman@scconsumer.gov)'; 'Camille Brown (cbrown@che.sc.gov)'; 'Candice Pou (cpou@lac.sc.gov)'; 'Catherine Lee (clee@arts.sc.gov)'; 'Chuck Fallaw (chuck.fallaw@sto.sc.gov)'; 'Cliff Stanley (cliff.stanley@delahowe.k12.sc.us)'; 'Dave Smith (dave@schac.sc.gov)'; 'David "Ric" Lawson (ric.lawson@dss.sc.gov)'; 'David Beverly (dbeverly@scetv.org)'; 'David Elwart (delwart@scprt.com)'; 'David Foshee (dfoshee@ddsn.sc.gov)'; 'David Ross (dross@cpc.sc.gov)'; 'Dawn Hipp (dhipp@regstaff.sc.gov)'; 'Del Collins (del.collins@sclot.com)'; 'Derrick Brown'; 'Don Cantrell (dcantrel@ed.sc.gov)'; 'Douglas Harper (harperds@scdot.org)'; 'Earley, Jimmy (jearley@cio.sc.gov)'; 'Elaine Knight (elaine.knight@scseagrant.org)'; 'Gayle Fletcher (gayle.fletcher@bofi.sc.gov)'; 'Guang Zhao (zhaog@dhec.sc.gov)'; 'Hammond, Carol'; 'Harrill, Ken (kharrill@osa.sc.gov)'; 'Herbert Drucker (hed00@scdmh.org)'; 'James Hammond (hammondj@winthrop.edu)'; 'James Manning (jmanning@ic.sc.gov)'; 'James Swindler (jswindler@sccb.sc.gov)'; 'JamesR.MacDougall@cio.sc.gov'; 'Jay Rolin (jrolin@scvrd.state.sc.us)'; 'Jeff Baumann (jbaumann@forestry.state.sc.us)'; 'Jeffrey Smith (jsmith@sccid.sc.gov)'; 'Jim Bottom (jb@clemson.edu)'; 'Jim Scurry (scurryj@dnr.sc.gov)'; 'Joan Assey (jassey@sccourts.org)'; 'John Dixon (jdixon@fmarion.edu)'; 'John Supra (supra@scdhhs.gov)'; 'Katie Harrison (katie@sctuitiongrants.org)'; 'Kevin Pondy (pondyk@aging.sc.gov)'; 'Kevin Steele (ksteele@scda.sc.gov)'; 'Khush Tata (tata@sctechsystem.edu)'; 'Larry Hubbard (lhubbard@sos.sc.gov)'; 'Lisa Nichols (lnichols@eoc.sc.gov)'; 'Margaret Sanders (msanders@scalc.net)'; 'Mark Phipps (mark.phipps@schousing.com)'; 'Marshall Hollis'; 'Matt Baker (mbaker@aeronautics.sc.gov)'; 'Matt Faile (matt@llr.sc.gov)'; 'Melissa Forinash (forinash@musc.edu)'; 'Michael Harris (mharris@sif.sc.gov)'; 'Michael Wingard (mhwingard@sccja.sc.gov)'; 'Michelle Moore (mmore@sled.sc.gov)'; 'Mike Garon (GaronM@sctax.org)'; 'Pam Everitt (peveritt@scspa.com)'; 'Pat Smith (smithp@wlgos.sc.gov)'; 'Paul Harmon (pharmon@scdah.state.sc.us)'; 'Randy Erskine (randy.erskine@psc.sc.gov)'; 'Renee Dzek (renee.dzek@banking.sc.gov)'; 'Richard Nelson (richard.nelson@citadel.edu)'; 'Richard Rasmussen (rrasmussen@oepp.sc.gov)'; 'Rick Green (rick.green@banking.sc.gov)'; 'Robert Clark (rclark@patriotspoint.org)'; 'Robert Wilson (rwilson@sccommerce.com)'; 'Robin Lawrence (rlawrence@lander.edu)'; 'Rolf Dolder (Rolf.Dolder@scdmv.net)'; 'Ron Mitchell (mitchellrw@tag.scmd.state.sc.us)'; 'Ronnie Finley (ronnie.finley@us.army.mil)'; 'Sam Jones Jr. (sjones@ohr.sc.gov)'; 'Sandee Sprang (ssprang@scag.gov)'; 'Scott Houston (shouston@cg.sc.gov)'; 'Sherry Copeland (sherry.copeland@prp.sc.gov)'; 'Steve Flowers (sflowers@saf.sc.gov)'; 'Steve Sklar (steve.sklar@ors.sc.gov)'; 'Susan Worthy (susan.worthy@scmuseum.org)'; 'Thomas Smith (tsmith@cfma.sc.gov)'; 'Trad Robinson (trobinson@scsdb.org)'; 'Trevis Shealy (shealy.trevis@doc.state.sc.us)'; 'Troy Pound (troypound@scstatehouse.gov)'; 'Walt Oliver (woliver@daodas.sc.gov)'; 'Yolanda McKnight

(youlanda.mcknight@pcf.sc.gov)'

**Subject:** IG State-Wide Information Security Initiative--MEETING NOTIFICATION, 10AM, THURSDAY, 11/1

I was overwhelmed by the show of support for this effort--thanks. As set out in the below email last Friday & reinforced by media reports of the public's concern, we will be having a meeting at **10AM, Thursday, November 1, at the Forestry Commission, 5500 Broad River Road, Columbia**. The primary purpose of this meeting will be to seek input on immediate measures/protocols that can be deployed to agencies state-wide to increase our collective information security confidence in the short-run, as well as identify critical weaknesses needing immediate attention.

To start the conversation, I will be sending an email out shortly (later today or Wednesday morning) containing a list of **DRAFT** recommendations from DSIT on this topic. Please look at this list prior to the meeting, and add/subtract/modify. We need everyone's experience & perspective on how best to swiftly check our own information security programs, deploy pragmatic measures, and identify any area that has immediate exposure to compromising PII.

Although the topic for this meeting will be a short-term response, similar to a military stand down day to re-emphasize and re-focus the importance of information security, the meeting will also start the process of planning a way forward to address longer-term issues.

I need four full-time volunteer subject matter experts from Agencies to fully staff the initial task force of six. I will personally lead this group. The group will set up the task force at DSIT offices, 4430 Broad River Road, Columbia. This task force will get it done in several months. We will add more staff if needed to hit that timeline rather than elongate a review given the significance and impact of the issue on the state. Please email me direct with your volunteer.

Thanks for your interest & support.

!

G Email to CIOs, Friday, 10/26:

If you have not already heard via media outlets, the Department of Revenue had a cyber intrusion resulting in the loss of 3.6 million names and social security numbers, as well as 387,000 credit card numbers. The Governor requested the Inspector General lead a state-wide information security (INFOSEC) initiative to assess our INFOSEC and make recommendations. This computer intrusion could have happened to anyone of us, but this large data loss of tax information has to impact our citizen's trust & confidence in state government to professionally protect their confidential information. After 30 years in the FBI, I don't get over-excited unless someone is shooting at me, but in my opinion, this is a crisis situation for information technology in state government.

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I will be back in touch to all CIOs early next week.

Thanks in advance for your time & interest in this critical initiative.

## Pitts, Ted

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**From:** Maley, Patrick  
**Sent:** Wednesday, October 31, 2012 3:48 PM  
**To:** Abdallah Haddad; Alton "Al" Hoy; Franklin, Ami; Ford, Andrew; Anthony Caldwell; Bailey, Barbara; Barry Langley; Hartman, Betsy; Bill Croteau; Bill Hogue; Bill Miller; Bob Cape; Boles, Les; Leach, Brian; Hoverman, Bryce; Camille Brown; Candice Pou; Catherine Lee; Fallaw, Chuck; Cliff Stanley; Smith, Dave; David "Ric" Lawson; David Beverly; David Elwart; David Foshee; Ross, David; Hipp, Dawn; Del Collins; Don Cantrell; Douglas Harper; Elaine Knight; Fletcher, Gayle; Guang Zhao; Hammond, Carol; Harrill, Ken; Herbert Drucker; James Hammond; James Manning; James Swindler; MacDougall, James R.; Jay Rolin; Jeff Baumann; Jeffrey Smith; Jim Bottom; Jim Scurry; Joan Assey; John Dixon; John Supra; Katie Harrison; Pondy, Kevin; Steele, Kevin; Khush Tata; Larry Hubbard; Nichols, Lisa; Margaret Sanders; Mark Phipps; Baker, Matt; Matt Faile; Melissa Forinash; Harris, Mike; Michael Wingard; Michelle Moore; Mike Garon; Pam Everitt; Pat Smith; Paul Harmon; Randy.Erskine; Dzek, Renee; Richard Nelson; Rasmussen, Richard; Green, Richards; Robert Clark; Robert Wilson; Robin Lawrence; Rolf Dolder; Ron Mitchell; Ronnie Finley; Sandee Sprang; Houston, Scott; Copeland, Sherry; Steve Flowers; Sklar, Steve; Susan Worthy; Thomas Smith; Trad Robinson; Trevis Shealy; Troy Pound; Yolanda McKnight; jlowder@dew.sc.gov; Adams, Marcia; Pitts, Ted; Earley, Jimmy; Jones, Sam; Oliver, Walt; bryanstirling@sc.gov.sc  
**Subject:** IG State-Wide Information Security Initiative--MEETING NOTIFICATION, 10AM, THURSDAY, 11/1  
**Attachments:** Short Term Cyber Security Action Plan.docx; IT Agency Self Assessment.doc

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Attached to this email are the following **DRAFT** documents: 1) "short term cyber security action plan" for each agency; and 2) IT Agency Self-Assessment.

The 10AM, Thursday, 11/1 meeting is NOT MANDATORY for all CIOs; however, all CIOs/designee are encouraged & welcome. It is an opportunity to get direct and dynamic input on the attached **DRAFT** documents from those on the "front-line" of information security. Feel free to email me direct your input to be factored into the final documents. The meeting is also an opportunity to start the conversation and get input on developing a plan to fully assess state-wide information security.

I appreciate the talent and expertise in the agencies on information security. However, given the public's confidence level in state information security, we must double check ourselves as an initial step while we pursue a better understanding of this significant state-wide issue and opportunities to improve.

Thanks for your attention to this important issue.

### **10/30 IG email:**

I was overwhelmed by the show of support for this effort--thanks. As set out in the below email last Friday & reinforced by media reports of the public's concern, we will be having a meeting at **10AM, Thursday, November 1, at the Forestry Commission, 5500 Broad River Road, Columbia**. The primary purpose of this meeting will be to seek input on immediate measures/protocols that can be deployed to agencies state-wide to increase our collective information security confidence in the short-run, as well as identify critical weaknesses needing immediate attention.

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I  
G Email to CIOs, Friday, 10/26:

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Due to time constraints, I am unable to send a copy to each of your respective Agency Heads for situational awareness, so I would appreciate you forwarding this email up your chain of command.

I will be back in touch to all CIOs early next week.

Thanks in advance for your time & interest in this critical initiative.

**Pitts, Ted**

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**From:** Jim Etter <Etter\_JF@sctax.org>  
**Sent:** Wednesday, October 31, 2012 11:43 AM  
**To:** Pitts, Ted; Stirling, Bryan  
**Cc:** Harry Cooper  
**Subject:** Questions from Finance hearing 10 30  
**Attachments:** Questions from the Senate Finance Committee 10 30.docx

These are the questions I wrote down during the session.

Jim Etter

## Pitts, Ted

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**From:** Jim Etter <Etter\_JF@sctax.org>  
**Sent:** Friday, October 26, 2012 4:44 PM  
**To:** Adams, Marcia  
**Cc:** Pitts, Ted; Jimmy Early  
**Subject:** Thanks

Marcia and Jimmy

Your group deserves a big Thank You for your support!!!!

Jim

Sent from my iPhone



## Pitts, Ted

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**From:** Maley, Patrick  
**Sent:** Monday, October 29, 2012 10:06 AM  
**To:** Pitts, Ted  
**Subject:** Re: Conf call

Roger

**From:** Pitts, Ted  
**Sent:** Monday, October 29, 2012 10:05 AM  
**To:** Maley, Patrick  
**Subject:** Conf call

Call this number at 11. 800 [REDACTED]

**From:** Adams, Marcia  
**Sent:** Sunday, October 28, 2012 10:45 PM  
**To:** Pitts, Ted  
**Subject:** Fwd: Important information regarding your reservation, #21609835 - To be confirmed

Ted,  
Please see instructions below. Speakers for the call will use a different number. I will call to confirm the number and order of speakers.

Marcia

Sent from my iPhone

Begin forwarded message:

**From:** "Hogue, Nathan" <[nhogue@cio.sc.gov](mailto:nhogue@cio.sc.gov)>  
**Date:** October 28, 2012 10:25:54 PM EDT  
**To:** "Adams, Marcia" <[madams@oed.sc.gov](mailto:madams@oed.sc.gov)>  
**Cc:** "Earley, Jimmy" <[jearely@cio.sc.gov](mailto:jearely@cio.sc.gov)>  
**Subject:** FW: Important information regarding your reservation, #21609835 - To be confirmed

Good evening,

Please find the revised conference call information attached to this email. I have summarized the highlights below:

The conference call has been scheduled for 11:00 AM EST on Monday, October 29, 2012. Participants wishing to join the call should dial 1-800-708-6791.

1. All participants will be asked to provide their first and last name to the operator before being placed into the conference. No password is required.
2. All participants will be muted for the duration of the call.
3. Participants should plan to join the call 10 to 15 minutes before the designated start time.

4. After being placed into the conference, participants will hear music until the conference begins.
5. For operator assistance during the call, please press \*0.

\*\*\*\*\*

Ted Pitts, Jim Etter, Mark Keel and Patrick Maley are designated as speakers and will dial into the call using a separate number. This number is 1-800-668-4115.

The following script will be used to open the call:

"Thank you for joining the call, Ted Pitts is the first speaker."

We can change this and any other operator function as needed before and during the call if needed.

Thanks and please let me know if you need any additional information.

Nathan

Nathan Hogue  
SC B&CB Division of State IT  
Customer Service Manager  
[nhogue@cio.sc.gov](mailto:nhogue@cio.sc.gov)  
1-803-896-0353  
1-803-237-0984

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From: The Conference Center [[conference\\_center@cfer.com](mailto:conference_center@cfer.com)]  
Sent: Sunday, October 28, 2012 9:46 PM  
To: Hogue, Nathan; CANRES; BILLY SOLOMON; ENRIQUE ROSADO  
Subject: Important information regarding your reservation, #21609835 - To be confirmed

Valued Customer,

This is an auto-generated email. Do not reply to this address.  
Please call the Customer Care number in your confirmation for assistance.

Attached is an HTML confirmation containing your important conference information.  
For best viewing and/or printing use Internet Explorer, version 5.0 and above or  
Netscape(R) version 4.5 and above.

The information in this e-mail and any attached files is CONFIDENTIAL and  
may be legally privileged or prohibited from disclosure and unauthorized use.

It is intended solely for the addressee, or the employee or agent responsible for delivering such materials to the addressee. If you have received this message in error please return it to the sender then delete the email and destroy any copies of it. If you are not the intended recipient, any form or reproduction, dissemination, copying, disclosure, modification, distribution and/or publication or any action taken or omitted to be taken in reliance upon this message or its attachments is prohibited and may be unlawful.

At present the integrity of e-mail across the Internet cannot be guaranteed and messages sent via this medium are potentially at risk.

Thank you

Netscape(R) is a registered trademark of Netscape(R).

**Pitts, Ted**

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**From:** Jim Etter <Etter\_JF@sctax.org>  
**Sent:** Friday, October 26, 2012 9:25 AM  
**To:** Pitts, Ted  
**Subject:** Pre meeting time

Ted,  
Do you want us to meet 30 minutes prior to the press conference??  
Or some earlier time.

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192

## Pitts, Ted

---

**From:** Jim Etter <Etter\_JF@sctax.org>  
**Sent:** Friday, October 26, 2012 9:21 AM  
**To:** rush.smith@nelsonmullins.com; Rick.Silver@chernoffnewman.com;  
Emily.Brady@chernoffnewman.com; Tim.Kelly@chernoffnewman.com; Maley, Patrick;  
Samantha Cheek; Harry Cooper  
**Cc:** Pitts, Ted  
**Subject:** Press Conference

The 11:30 will be delayed. It will happen today but is still in the air.  
I will keep you posted.

Jim Etter  
Director  
SC Department of Revenue  
803-315-0192

**Pitts, Ted**

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**From:** Maley, Patrick  
**Sent:** Wednesday, October 24, 2012 1:37 PM  
**To:** Pitts, Ted  
**Subject:** FW: Status Update - Review of Information Security at the Cabinet Agencies  
**Attachments:** Summary Letter to Governor\_Agcy\_Data\_Sec.docx

Attached letter is a status update of project, dated 9/18/12, which simply states methodology & results, which demonstrates due diligence by the Executive Branch in response to DHHS PII incident.

We have DDS and SLED still hanging. Closing loop with DDS is in near term because they should be nearing completion of their survey instrument. SLED just hired an IT Director and I extended their survey completion until after their IT Director can assess their IT system and accurately complete our survey.

I have had media inquiry from Tim Smith, Greenville on this project. I am generally aware of DOR issue. DOR was the only agency we looked that met expectations for having sound information security practices in all nine categories. Further, DOR has to pass requirements & testing to meet Federal IRS standards due to tax data in its custody.

Having sound IT security practices is not a guarantee of not being hacked—it is due diligence to manage the risk.

Call if you need further.

Thanks

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**From:** Maley, Patrick  
**Sent:** Tuesday, September 18, 2012 3:52 PM  
**To:** Pitts, Ted  
**Subject:** Status Update - Review of Information Security at the Cabinet Agencies

Ted, attached is a letter I will be sending to the Governor through your office. It is a 2 page, light read, summary of the information security review to date, with expected completion in early October 2012. I am sending this because I sense an upcoming cabinet meeting, and this is a corporate issue impacting the entire cabinet with a very positive, but room to improve, outcome.

I have met about half of the cabinet Agency Directors, and they all have been very gracious and helpful. If you could work me in for a minute or two at the next cabinet meeting, I would like to meet them all as a group and brief them on our course change and continue to seek input before I finalize the OIG tangible objectives.

I will have my final draft objectives in a couple of weeks, and will be circulating for input & you will be on the list.

My new cell is 429-4946.

thanks