

MINUTES OF BUDGET AND CONTROL BOARD MEETING

DECEMBER 15, 1964

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The State Budget and Control Board met in the Conference Room of the State Auditor's Office at 10:30 A. M., on Tuesday, December 15, 1964, with all members of the Board present. In addition to Board members, Messrs. J. M. Smith, Furman McEachern and P. C. Smith were also in attendance.

The following business was transacted.

HIGH HILL DRAINAGE DISTRICT OF FLORENCE COUNTY - Appointment of Supervisors

In accord with the provision of law, and upon recommendation of Mr. E. L. Chapman, Treasurer of Florence County, the Board appointed Messrs. Myers F. Singletary, J. Fred Parrott and R. L. Hutchinson to fill vacancies on the District Board of Supervisors.

SURPLUS PROPERTY WAREHOUSE - Construction Authorized

Upon recommendation of Mr. McEachern, the Board approved the erection of a dismantled metal warehouse now owned by the Surplus Property office.

On the basis of quotations obtained, Mr. McEachern was authorized to contract for the erection of this warehouse with Midland Construction Company at a price of \$19,100.00.

The cost of the above facilities is to be paid from funds derived from the disposition of surplus property.

PURCHASE OF STATE-OWNED VEHICLES

Mr. McEachern submitted for the Board's consideration a list of requests from certain departments for the purchase (or trade) of new State-owned automobiles.

The list was reviewed and acted upon item by item by the Board. A copy of this list is attached herewith indicating Board action. (No. 9)

PROPOSED PURCHASE OF TURTLE ISLAND

Mr. McEachern advised the Board that Mr. G. G. Dowling, Attorney, of Beaufort, had approached him on behalf of a client who was interested in purchasing

the property known as Turtle Island, lying between the mouth of the Savannah River and Daufuskie Island in Beaufort County.

The Board considered the advisability of the sale of this property and declined to consider a sale at this time.

INSTALLATION OF CENTREX TELEPHONE SYSTEM

Mr. McEachern informed the Board that in planning the installation of the new Centrex Telephone System it appeared that a number of departments throughout the State Government were desiring an expansion of their present telephone system in order to provide more telephone locations. He indicated that the extent of this proposed expansion would likely more than offset the savings anticipated by the installation of this system.

The Board expressed its concern over this trend and directed Mr. McEachern to make every reasonable effort to prevent unnecessary expansion.

GASOLINE CREDIT CARDS

In connection with the regulation of travel by automobile by State employees, the Board directed Mr. McEachern to obtain an inventory of commercial gasoline credit cards now in the hands of various personnel within the State Government. He was asked to develop a practical method of regular reports to be made to his office on the use of these credit cards.

UNIVERSITY OF SOUTH CAROLINA - PERMANENT IMPROVEMENTS

- | | | |
|------------------------------|---|---------------|
| 1. Addition to Russell House | - | \$ 450,000.00 |
|------------------------------|---|---------------|

The Board had before it a request from the University for the construction of an addition to Russell House in order to accommodate the general needs of the growing student body on the main campus of the University.

The project would be financed by the issuance of University Notes authorized by the General Assembly for this specific purpose. A student fee will be imposed to the extent necessary to retire this obligation.

The Board approved the proposed construction and the issuance of the

of the notes as requested. The purchase of these notes by the South Carolina Retirement System as an investment of its Reserve Funds was also approved.

2. Construction of Physical Sciences Center - \$ 2,997,250.00
3. Purchase of Booker T. Washington School - 1,700,000.00

The University requested the Board's approval of their construction of a Physical Sciences Center on University property fronting on Lower Main Street at a total estimated cost of \$2,997,250.00.

A grant of \$550,560.00 from the National Science Foundation has been secured by the University for this project. Other funds now on hand will also be applied to this project, leaving a bond issue of \$2,300,000.00 necessary to complete the financing plan for this facility.

The Board is also requested to approve the University's purchase of Booker T. Washington High School from the City of Columbia School Board, at a price of \$1,700,000.00. This School is located on Devine Street and is now surrounded on three sides by property of the University.

In each of the above two instances the University does not now have authorization to issue the \$2,300,000.00 and the \$1,700,000.00 of bonds that is required. The University recognizes this situation and asks the Board's approval of the desirability of these two projects in order that the University would be aided thereby in its approach to the General Assembly for bond authorization.

The Budget and Control Board declined to take action on these two projects until financing authorizations have been secured from the Legislature.

MEDICAL COLLEGE

1. Annuity Plan for Employees

The Board had before it a request from the Trustees of the Medical College for its approval of a proposed annuity plan for employees of the College. The College proposes to enter into an annuity plan with the Mutual Benefit Life Insurance Company whereby premium amounts will be periodically deducted from the compensation of College employees and remitted to the insurance company. This

arrangement is being proposed in view of the benefits accruing to employees under provisions of the Internal Revenue Code. These provisions allow the amount deducted for this purpose as an exclusion from gross income in computing the employee's Federal income tax.

The Board reviewed the proposal and gave its approval to the plan as presented.

2. Allocation of Fees for Medical College Hospital Services

The Board noted that the Trustees of the Medical College, at their meeting October 9, 1964, had adopted a policy regarding Hospital patients' fees which provided "that the net amount of collection after hospital insurance be prorated between the hospital and professional fees on a ratio, and that hospital insurance be applied as paid".

Although this policy was not adopted contingent on its approval by the State Budget and Control Board, the Board nevertheless took action looking toward the revision of this policy by the Trustees. The Board took the position, and so instructed, that fees from patients shall be applied first toward the discharge of amounts due the Hospital and, second, to professional fees for services rendered the patient. The Board also agreed that 10% of the amount collected as professional fees shall be allocated to operation of the Hospital to compensate for the provision of facilities.

The State Auditor was asked to convey this action by the Board to the proper Medical College authorities.

THE CITADEL

- | | | |
|-------------------------------|---|--------------|
| 1. Construction of Gate House | - | \$ 12,578.00 |
|-------------------------------|---|--------------|

The Board approved the construction of a Gate House at Lesesne Gate entrance to The Citadel campus at an estimated cost of \$12,578.00, to be financed out of balances remaining in previous issues of bonds and notes for permanent improvements.

MENTAL HEALTH COMMISSION

- | | | |
|---|---|---------------|
| 1. Alterations and Additions to Ward Building
at Palmetto State Hospital | - | \$ 220,000.00 |
|---|---|---------------|

The Board approved the above project at the request of the Mental Health Commission, to be financed by the issuance of State Notes for which the Commission has Legislative authorization.

OFFICE FOR STATE COORDINATOR OF THE ECONOMIC OPPORTUNITIES ACT

Mr. Edwin M. Culpepper, Coordinator of the Economic Opportunities Act, submitted a proposed Budget for the operation of his office which was reviewed and approved by the Board. It is anticipated that Federal Funds will be available within the next thirty days which will provide 90% of the cost of maintaining this office.

STATE BOARD OF HEALTH - PROPOSED SALARY INCREASES

The following salary increases were proposed by Dr. G. S. T. Peeples, State Health Officer, for which the Board's approval was requested.

	<u>From</u>	<u>To</u>
Dr. G. S. T. Peeples - State Health Officer	\$18,900.00	\$21,000.00
Dr. G. E. McDaniel - Director, Disease Control	18,065.00	20,192.00
Dr. Hilla Sheriff Zerbst - Director, Maternal & Child Health	17,357.00	20,192.00
Dr. Frank L. Geiger - Director, Cancer, T.B., Heart Disease Control	17,357.00	20,192.00
Dr. R. W. Ball - Chief, V.D., Crippled Children & RHD Services	17,357.00	20,192.00

The Board discussed the request and referred it to Governor Russell for action.

ALLOCATIONS FROM CIVIL CONTINGENT FUND

The Board approved the following allocations from the Civil Contingent Fund.

1. An allocation of \$100.00 for the State's contribution to the Commission on Uniform State Laws.

2. An allocation of \$2,500.00 to the Forest Study Committee.
3. An allocation of \$8,156.50 to the Secretary of State's office for Election Expenses.
4. An allocation of \$200.00 toward the cost of the Silver Service for the new aircraft carrier AMERICA. This contribution was made at the suggestion of Governor Harrison, of Virginia, to be joined by similar action by other States.

PROPOSED INSTALLATION OF ELECTRONIC COMPUTER - OFFICES OF
COMPTROLLER GENERAL AND STATE TREASURER

The Board heard a report of a Committee authorized at a December 1963 meeting, to study the feasibility of the installation of an electronic computer for record keeping purposes in the offices of the Comptroller General and State Treasurer.

The report indicated that the installation of a computer had been formally recommended to the Comptroller General and the State Treasurer with January 1, 1966 proposed as the date for installation. Mr. Rhodes and Mr. Bates had approved the recommendation with the understanding the project be likewise approved by the Budget and Control Board.

The Board discussed the matter but at the request of Mr. Rhodes action was deferred until a later date.

Following the transaction of the above business, the Board received a preliminary report from the State Auditor on Budget recommendations for the year 1965-66, together with the Auditor's estimates of General Fund revenue.

The Board reviewed the estimates and the appropriation recommendations in detail with certain changes being made in the preliminary draft.

The Board recessed for lunch at 1:00 P. M. and reconvened at 2:30 P. M. for final consideration and adoption of its recommendations.

The meeting adjourned at 5:15 P. M.

Request for approval to purchase State-owned Vehicle

No. 9
Dec. 15, 1964

<u>State Agency & Custodian</u>	<u>Vehicle & Make</u>	<u>Justification</u>
Dept. of Agriculture Carl H. Stender	Chev. 4-door (Impala) (New) <i>Not Approved</i>	To be added to present 2-car pool. A third car urgently needed to meet needs of official travel by employees of this department.
State Development Bd. Walter Harper, Director	Olds. 4-door (New) <i>Not Approved</i>	Pool car not always available to meet needs of official travel by Director, due to increased personnel and number of cars has decreased. Official travel is approximately 16,000 miles annually.
Department of Corrections (Motor Pool) - Wateree River Correctional Institution	Chev. Station Wagon Biscayne (New) (Trade-in) <i>Approved</i>	Replacement of pool vehicle which has been driven 125,000 miles (1961 Chev. Station Wagon). Institution is located 13 miles from nearest city and 40 miles from Columbia.
Department of Corrections (Motor Pool) - Walden Correctional Institution	Chev. Station Wagon Biscayne (New) (Trade-in) <i>Approved</i>	Replacement of Ford Station Wagon with 185,010 miles. This vehicle is used for transportation of prisoners and supplies from Main Penitentiary, also emergency use for escapes, accidents, etc.
State Dept. of Mental Health, Dr. W. S. Hall	Buick 4-door, Electra (New) <i>Approved</i>	For official use by Dr. Hall as Commr. of Mental Health - endorsed by the Mental Health Commission - Garage on State Property.
The Citadel Citadel Motor Pool	Ford or Chev. 6-passenger Station Wagon (New) (Trade - in)	Replacement of 9-passenger Ford Sta. Wagon (1961) with 91,174 miles, unsafe for road travel. Pool vehicle used by faculty, staff, college organizations and athletic department.
<i>Approved</i> {	Ford or Chev. 6-passenger Station Wagon (New) (Trade - in)	Replacement of 9-passenger Ford Station Wagon (1961) with 96,497 miles and unsafe for road travel. Pool vehicle used by faculty, etc. (as stated above).
	Ford or Chev. 6-passenger Station Wagon (New) (Trade - in)	Replacement of 1960 Chev. Station Wagon with 72,693 miles and unsafe for long road trips. Pool vehicle used by faculty, etc. (as stated above).

Request for approval to purchase State-owned Vehicle

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The Citadel
Motor Pool

Ford or Chev. 4-door
sedan (New)
(Trade - in)

Approved

Replacement of Cadillac Sedan (1958)
with 72,016 miles and in need of major
repairs to be in safe running condition.
This will be the only sedan in Motor Pool
and will be used by faculty and staff
members on official college business.

AGENDA MATERIALS
AND SUPPORTING DOCUMENTS
FOR THE MEETING OF
DECEMBER 15, 1964



UNIVERSITY OF SOUTH CAROLINA

COLUMBIA, S. C. 29208

OFFICE OF THE PRESIDENT

December 1, 1964

State Budget and Control Board
Post Office Box 333
Columbia, South Carolina

Attention: The Honorable J. M. Smith

Gentlemen:

Attached to this letter are requests for two Permanent Improvement Projects as follows:

	<u>Project Cost</u>	<u>New Institution Bond</u>
Physical Sciences Center	\$2, 997, 250	\$2, 300, 000
Booker T. Washington	\$1, 700, 000	1, 700, 000
		<u>\$4, 000, 000</u>

Both of these projects have been submitted to your Board in different forms over the last two years, but action has been purposely postponed. The Physical Sciences Center was tabled until we learned the participation of the National Science Foundation. Booker T. Washington was tabled during this summer and fall while Columbia Schools were being integrated.

On July 28, 1964, we were awarded \$550,560 by NSF toward the construction of the Physical Sciences Center (the largest single award ever received by the University). In regard to Booker T. Washington, School District No. 1 has just contacted us to renew confidential negotiations. Because of these two developments, we are now reinstating both applications.

We do not propose issuing the new \$4, 000, 000 Institution Bond until next Spring or later. At that time, our bonding power will be as follows:

Total Outstanding Bonds (4/1/65) Principal and Interest	\$ 9,632,868.75
150% of Debt Service	\$14,449,303.00
Estimated Revenue (based on 6560 students) \$1,188,385 x 20 years	<u>\$23,767,700.00</u>
Balance for Future Debt Service	\$ 9,318,397.00
Two-thirds available for direct financing	\$ 6,212,265.00
Available for annual debt service (divided by 20)	\$ 310,600.00
Will support 20-year issue at 4 1/2%	<u>\$ 4,040,000.00</u>

We recognize that the amount of our bonding power is not the limiting factor at this time since a new \$4,000,000 bond would exceed the State Institution Bond Debt ceiling of \$25,000,000. During discussions with Mr. Huger Sinkler, he suggested three approaches to solve this problem, none of which would require raising the debt ceiling.

1. The existing statute might be modified to allow the debt ceiling to be calculated by subtracting the reserves from the amount of outstanding bonds. (This is apparently standard policy in many states.)
2. The reserve could be limited to a fixed amount (i. e., one year's debt service) and the remainder used to retire outstanding bonds.
3. All outstanding bonds could be recalled and reissued at a lower rate, possibly for about 3%. Because several outstanding issues are 4 1/2% or 5%, this charge could literally save the State several million dollars.

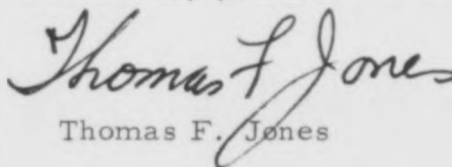
State Budget and Control Board
Page three
December 2, 1964

While the instigation of one, or all, of these approaches appears to have considerable merit (aside from our need of more State borrowing ability), it would probably take several months before any of them could be accomplished. Time is a very critical factor for us, particularly because our NSF grant has a limited period during which construction has to start. We, therefore, request approval to take the following immediate steps:

1. We request permission to proceed with working drawings on the Physical Sciences Center. As shown on the E-1 submitted herewith, we propose to pay the \$146,000 estimated architects' fee from the remaining funds in our 1962 Institutional Bonds Issue. This would mean that we could keep the project on schedule without any new funding at this time.
2. We would like clearance to notify School District No. 1 of our intention of acquiring Booker T. Washington, provided that sufficient bonding capacity can be found. This notification would permit the School Board to proceed with site acquisition architectural plans for a new high school, with reasonable assurance that the University wanted and would try to buy the school buildings surrounded by our campus. Transfer of the school would not take place until at least 1967 or 1968, but planning must be started soon for acquisition at that time.

These two projects are extremely important in the long-range development of the University. Our present student enrollment provides adequate funding for them and, because of the student boom, it would be desirable if they were available today. It is hoped that action can be taken on both of them immediately.

Sincerely yours,


Thomas F. Jones

Enclosures
cc: Dean W. H. Patterson
Dean H. Brunton

APPLICATION FOR APPROVAL OF A PERMANENT IMPROVEMENT PROJECT

DATE November 23, 1964

Institution or Agency University of South Carolina

Name of Project Acquisition, Booker T. Washington High School

Total Estimated Cost - - - - - \$1,700,000.00

To:—State Budget and Control Board
Columbia, South Carolina

In accord with procedures outlined in your "Manual for the Planning and Execution of State Permanent Improvement Projects", your approval of the project described herein is requested.

I. JUSTIFICATION

(The Owner should attach hereto a full and complete resume of facts contributing to the need of this proposed project. The objective should be to provide sufficient information to fully acquaint the Board with conditions, prospective growth and/or other circumstances that led the Owner to propose this particular project.

Copies of studies or surveys, made either by the Owner or by an outside commercial or other firm, should be made available to the Board. Comments should be included concerning any alternative proposals, if any, considered by the Owner).

II. DESCRIPTION OF PROJECT

A. Type (New building, addition to existing building, renovation, alteration, etc.):

Acquisition of four (4) public school buildings totalling approximately
140,000 square feet floor space located on a full four (4) acre city block.

B. Intended Use: Primarily office and academic space for Secretarial and Commercial
Science, ROTC, Admissions Testing and other general academic uses.

C. If New Construction is Involved:

1. Attach (a) Architect's schematic drawing with facilities labeled.
(b) Outline specifications.
(c) Small scale locality map.
(d) Analysis of Architect's Preliminary Construction Estimate.

2. No. Square Feet: _____

3. Principal Facilities (No. of stories, rooms, offices, etc.) _____

D. If renovation and/or alteration of an existing building is involved, attach a statement outlining generally the principal work to be done.

E. If land acquisition is involved, attach a plat of the property, showing general location and acreage. Comment on any problems of acquisition or title that may exist.

F. For any unusual type project, the Owner should confer with the Board in the preparation of this Request, and attach such descriptive data as the Board may require in this particular instance.

III. ESTIMATED COST

Site - - - - -	\$ 1,700,000.00
Grading - - - - -	
Construction - - - - -	
Fees - - - - -	
Renovation - - - - -	
Basic Equipment and Supplies - - - - -	
Landscaping - - - - -	
Builder's Risk Insurance - - - - -	
Other (Specify) _____	
Contingencies - - - - -	
TOTAL ESTIMATED COST - - - - -	\$ 1,700,000.00

It is further estimated that this project will add \$ 120,000.00 per year to operation and maintenance costs of this agency.

IV. FINANCING PLAN

A. Funds Already in Hand - - - - -	\$ _____
Source: _____	
B. Proposed Bond Issue - <u>Spring 1965</u> - - - - -	<u>1,700,000.00</u>
(If a bond issue is proposed, the Board should be consulted prior to preparation of this application, to determine the details to be submitted herewith).	
C. Other (describe) _____	
TOTAL - - - - -	\$ 1,700,000.00

Has your governing board taken formal action authorizing the submission of this application?

(Signed) H. Brunton
Title Dean of Administration

BOARD'S ACTION

APPROVED: _____
State Auditor

DATE: _____

JUSTIFICATION FOR ACQUIRING BOOKER T. WASHINGTON

Any university or college finds it advantageous to be able to conduct its educational program in a setting and atmosphere removed from outside distractions. A separate location enables concentration on studies and avoids conflicts or friction with non-university activities.

The problem of obtaining a quiet academic environment conducive to scholastic attainment is particularly acute in institutions in urban areas. Around and sometimes through such institutions there sweeps a flow of both vehicular and pedestrian traffic. This flow is increased, with consequent aggravations, by the presence of activities which are not an integral part of the institution.

The University of South Carolina has been singularly fortunate in the past with its overall relations with non-University personnel. Potential problems will be relieved after 1965 with the termination of the University High School operation which brings many high school students and some vehicles including school buses into the University area.

There will then remain only one major area which is not a part of the campus and which generates traffic across and through the campus. This is the Booker T. Washington High School, situated on ground along Blossom Street that was once University property. The University in its growth has now reached around and past this school. (See attached map.) As a consequence, the University finds itself in the position of having another educational institution, on a completely different age level, operated under a different civic administration, virtually in the middle of its campus.

There is an obvious undesirability of any such situation. It is one which conceivably could work to the detriment of both institutions and certainly cannot benefit either one. Therefore, it is earnestly recommended that arrangements now be made, just as University High is being absorbed, to acquire the Booker T. Washington High School from the City of Columbia.

While the buildings of Booker T. Washington were designed for a specific purpose, they can be put to good and immediate use by the University in their expansion program. Situated as the school is, close to the proposed intramural and athletic fields, parts of Physical Education, ROTC and other activities will find Booker T. a "natural" location.

JUSTIFICATION FOR THE PRICE OF BOOKER T. WASHINGTON

For several months, the University's Land Acquisition Committee, the Buildings and Grounds Committee and the Administration has been negotiating with a committee designated by District #1 School Board. As a result of this negotiation, the following appraisal was developed:

<u>Cafeteria & Ind. Art. (1955)</u>	<u>Ft.²</u>	<u>\$/Ft.²</u>	<u>Value</u>	
Basement	1,903			
Floor #1	8,611			
Floor #2	<u>7,810</u>			
	18,324	\$10	\$183,240	
Deprec. (2% - 8 yrs)			<u>29,318</u>	153,922
<u>Audit, & General Arts (1956)</u>				
Floor #1	17,842			
Floor #2	<u>17,842</u>			
	35,684	\$10	356,840	
Deprec. (2% - 7 yrs.)			<u>49,958</u>	306,882
<u>Main (1930 Renov. 1955)</u>				
Basement	16,800			
Floor #1	20,000			
Floor #2	<u>20,000</u>			
	56,800	\$10	568,000	
Deprec. (2% - 15* yrs)			<u>170,400</u>	397,600
<u>Gymnasium (1938)</u>				
Basement	5,020			
Floor #1	<u>9,768</u>			
	14,783	\$10	147,830	
Deprec. (2% - 25 yrs)			<u>73,915</u>	73,915
<u>Gym Addition (1960)</u>				
Basement	2,800			
Floor #1	5,387			
Floor #2	<u>5,662</u>			
	13,849	\$10	138,490	
Deprec. (2% - 3 yrs)			<u>8,309</u>	130,181
<u>Land</u>				
Acreage	173,889	\$2		347,778
Development of City Property				<u>50,000</u>
				1,460,278
<u>Equipment and Furnishings</u>				<u>189,722</u>

Total Value -- \$1,650,000

Despite this appraisal, the School Board felt they could not justify the move for anything less than \$1,750,000. In a final negotiation, it was decided to split the difference and settle on a price of \$1,700,000.



MEDICAL COLLEGE OF SOUTH CAROLINA
80 BARRE STREET
CHARLESTON, SOUTH CAROLINA 29401

OFFICE OF THE PRESIDENT

October 12, 1964

Mr. J. M. Smith, State Auditor
State Budget and Control Board
P. O. Box 333
Columbia, South Carolina

Dear Mr. Smith:

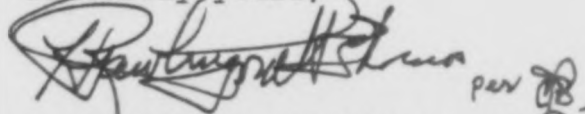
The Medical College of South Carolina has for some time been working on an annuity program for its professional staff and key administrative officials. A great deal of time and effort has been spent in determining what program would be suitable for our needs and of greatest benefit to our employees. We believe that the plan herein enclosed measures up to these requirements. The basis for this tax-sheltered annuity program is contained in the first paragraph of the Group Retirement Plan. This Plan in no way alters or infringes upon the South Carolina Retirement System.

The Plan was approved by action of the Board of Trustees of the Medical College of South Carolina at its meeting on October 9, 1964 with the understanding that it be approved by appropriate state authorities. I am submitting the Plan to you with the request that you take such action as you deem fit and necessary in regards to this Plan. I am asking Mr. Michaelis to transmit this material to you as I wish to get in your hands as soon as possible.

Your continuing cooperation and interest is greatly appreciated.

Kindest personal regards.

Sincerely yours,

A handwritten signature in dark ink, appearing to read "H. Rawling Pratt-Thomas", with a stylized flourish at the end. To the right of the signature is a small handwritten note "per [initials]".

H. Rawling Pratt-Thomas, M.D.
President

HRP-T/cbl

MEDICAL COLLEGE OF SOUTH CAROLINA

GROUP RETIREMENT PLAN

WHEREAS, Section 403(b) of the 1954 Internal Revenue Code, as amended by Section 23(a) of the Technical Amendments Act of 1958 and as further amended by Public Law 87-370 provides that amounts contributed by an employer to purchase an annuity contract for an employee are excluded from the gross income of the employee in the year contributed to the extent of an exclusion allowance if the employee performs services for an educational institution as defined in Section 151(d)(4) of the 1954 Code and which employer is a state, a political subdivision of a state, or an agency or instrumentality of any one or more of the foregoing, provided the annuity contract is not part of a qualified plan under Section 401(a) of the 1954 Code and the employee's rights under such contracts are nonforfeitable except for the failure to pay future premiums,

WHEREAS, such annuity contract benefits can be most economically and beneficially provided through the medium of mass purchase,

WHEREAS, Medical College of South Carolina has agreed to provide the vehicle whereby they may purchase such annuity benefits for their employees, and

NOW, THEREFORE, Medical College of South Carolina by these presents does hereby declare and adopt the Medical College of South Carolina Group Retirement Plan (hereinafter called the "Plan".)

ARTICLE I

Membership

1. Any person who is a full-time employee of Medical College of South Carolina is eligible for membership in the Plan provided eligibility requirements herein set forth are met.
2. An eligible employee may become a Member of the Plan (hereinafter called "Member") by making application on an enrollment card furnished by the Medical College of South Carolina provided the Medical College of South Carolina has agreed to purchase such annuity contract benefits and contribute in the proper manner and form the considerations required by the insurance company hereinafter referred to, to obtain such benefits.
3. Upon satisfaction of the above eligibility requirements and the furnishing of the annuity consideration by the Medical College of South Carolina, such employee will obtain membership in the Plan, provided,

(2)

however, such Member shall not be entitled to annuity benefits unless and until Medical College of South Carolina shall have paid such consideration of such Member to the insurance company hereinafter referred to which has agreed to contractually provide the required annuity.

ARTICLE II

Administration

1. Medical College of South Carolina shall perform all duties required by the terms of the Plan and shall maintain such proper records as may be required.
2. Medical College of South Carolina shall not be liable for any loss or damage which may result from the performance of duties hereunder, nor in the exercise of any discretion granted to it hereunder, nor for any act or failure to act provided such action taken or not taken by them is in good faith.
3. No insurance company shall be deemed to be a party hereto or bound by the terms of this Plan, and, shall not be required to look into the terms of the Plan nor be responsible to see that any action of the Medical College of South Carolina is authorized.
4. Any insurance company shall be discharged from all liability for any amount paid in accordance with the direction of the Medical College of South Carolina.
5. The amount of annuity considerations cannot be changed except on the anniversary date of the group annuity contract nor can payment of such considerations be discontinued except by reason of death or resignation during the year.

ARTICLE III

Annuity Contract

1. Medical College of South Carolina shall obtain from a legal reserve life insurance company a group annuity contract (herein called "Annuity Contract") which shall contain such terms and conditions as will permit the Medical College of South Carolina to obtain annuity contract benefits for such of their employees as shall be admitted to membership in the Plan.

(3)

2. Medical College of South Carolina will buy the Annuity Contract for the Members from the Mutual Benefit Life Insurance Company and will authorize the Secretary-Treasurer of the Medical College of South Carolina to pay to Mutual Benefit Life Insurance Company the premiums on said Annuity Contract.
3. The terms and conditions of such Annuity Contract shall be such as are adequate and necessary to provide the annuity benefits to be provided under this Plan for the Members thereof. By way of explanation but not in limitation, such contracts shall provide for the purchase of annuity benefits which shall be payable to a Member for life beginning upon retirement and such death benefits as may be appropriate to such beneficiary as may have been selected by the Member in his sole discretion. Upon termination of membership, whether voluntary or involuntary, annuity and death benefits shall be provided on a deferred basis provided, however, the Member shall have an unrestricted right to cancel such benefits and to receive the cancellation value in cash.
4. Any dividend declared under such Annuity Contract shall be allocated by the insurance company herein above referred to, to Members toward the purchase of additional annuity benefits under such Annuity Contract.
5. Under the terms of this Plan it is specifically required that the interest of Members in Annuity Contract benefits purchased for them by Medical College of South Carolina shall be nonforfeitable, accordingly, such Annuity Contract shall further provide by its terms that the rights of participating Members thereunder shall not be subject to divestment or other forfeiture.

ARTICLE IV

1. Medical College of South Carolina reserve the right to amend this Plan at any time provided, however, any amendment made in accordance with this reserved authorization shall not affect the rights or interests of any Member.
2. Medical College of South Carolina is authorized to terminate this Plan by giving to each Member 30 days advance written notice.

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(4)

State of South Carolina

County of _____

I _____, Secretary-Treasurer of the Medical College of South Carolina, hereby certify that the foregoing resolution was duly and regularly adopted at a meeting of the Board of Trustees of the Medical College of South Carolina held on _____, 1964.

Secretary-Treasurer

Subscribed and sworn to before me this

_____ day of _____, 1964.

File
Med. College

The gross amount of professional fees collected at the Medical College on account of services to patients by doctors and other employees of the Medical College shall be distributed as follows:

1. The cost of the ~~College and~~ collection and disbursement of the money shall be paid.
2. 10% of the gross amount shall be credited to the Operating Revenue of the State Medical College or the Hospital and expended as directed by the Board of Trustees of the said institution, and,
3. All the remaining funds, or any such part thereof that may be determined by the shall be disbursed to the membership of the faculty with a total income limit

CONFIDENTIAL

TO: Dr. H. R. Pratt-Thomas, President Medical College.
FROM: The Geographic Full-Time Clinical Professional Staff of the
Medical College Hospital.

Pursuant to notice by the President of the Medical College that the Resolution of this staff dated August 11, 1964 has been approved by the Board of Trustees, a proposed plan for establishment and operation of a separate business office for this staff was formulated by the Medical College Private Diagnostic Clinic Committee (hereafter called "the P.D.C. Committee". In accordance with the President's request, this committee included in its proposal to the staff features concerning income ceiling limitations and allowable business deductions.

This plan has been circulated to the present forty-six members of the Geographic Full-Time Clinical Professional Staff and the staff of the Radiology Department. By roll-call vote the plan was approved at a meeting of this staff on November 5, 1964 as follows:

Plan for the establishment and operation of a Professional Staff Business Office.

SECTION I. The Medical College Hospital geographic full-time clinical staff should establish its own business operation separate from the Business Office of the Medical College of South Carolina and the Medical College Hospital. The operation should be named The Medical College Professional Staff Office. The functions of this office will be to:

1. Serve as agent for the members of the geographic full-time clinical professional staff in dealing directly with patients in matters pertaining to fees for professional services.
2. Bill and collect fees for all in patient and out patient professional services rendered by the geographic full-time clinical staff.
3. Maintain a bank account into which proceeds from these collections will be deposited and from which disbursements will be made in accordance with policy formulated by the geographic full-time clinical staff through its FDC Committee and approved by the President of the Medical College.
4. Maintain a system of accounting of (a) collections from patients and (b) disbursements to members of the professional staff satisfactory to the professional staff and meeting the requirements of the Budget and Control Board for proper auditing.
5. Disburse funds from the Bank account such as those accumulated in excess of allowable income ceiling, in accordance with policy formulated by the FDC Committee and approved by the President of the Medical College.
6. Provide liaison with the state auditor in the maintenance of fiscal policy which assures that requirements regarding faculty income are met.

SECTION II. Operation of the Medical College Professional Staff Office.

The services of a reputable, bonded fiscal agency, approved by the President of the Medical College will be engaged to operate this facility in accordance with policy outlined in Sections III and IV below.

The Firm of Data Processing Incorporated, operated by Charles E. Palmer, 123 Ball Street, Charleston, South Carolina, will be engaged for this purpose. That firm is to be charged with proceeding immediately to formulate a detailed plan for the Medical College Professional Staff Office to be approved by the FPC Committee and the President of the Medical College and to be operational on January 1, 1965.

A ten percent deduction will be made from collected professional fees before disbursement. The services of this fiscal agency and the staff of this office will be paid from this source. Any excess of funds from this source will be transferred to the President's and Dean's Fund of the Medical College.

SECTION III. Determination of Policy.

The policy under which the fiscal agent will operate the Medical College Professional Staff Office will be established by the geographic full-time professional staff through its FPC Committee.

In addition to the six members appointed by the Geographic Full-Time Clinical Professional Staff*, the President of the Medical College and a representative of the state auditor will be members of the PDC Committee ex-officio.

The present six members of the PDC Committee will continue to serve at the pleasure of the geographic full-time clinical professional staff and no more than two members of this committee will be replaced in any one calendar year... In the event that any member of the committee becomes unable to serve, his replacement will be elected by a majority vote of the members of the geographic full-time clinical professional staff at a called meeting. Any member of the geographic full-time clinical professional staff may require that a meeting of this staff be called for the purpose of considering the replacement of any member of the PDC Committee (other than the ex-officio members) at any time, provided that at least four days notice of the meeting is given to all members of the geographic full-time clinical professional staff.

*The following members were appointed by the staff on September 25, 1964: Dr. E. J. Dennis, III; Dr. Louis Jervoy, Dr. Richard Banckel, Dr. William Miller, Dr. Julian Hensens and Dr. O. R. Talbert (Chairman). Regarding future composition of the committee, the staff approved the proposal that: (a) at least four of the five major clinical divisions (medicine, surgery, ob-gyn, pediatrics and psychiatry) be represented on the committee at all times; and (b) no more than two representatives from any one of these clinical divisions be members of the committee at a time.

The PDC Committee will meet at such intervals as necessary to maintain maximum operating efficiency of the office. It will render a report at least annually to the geographic full-time clinical professional staff on the operation of the Medical College Professional Staff Office.

SECTION IV. Initial Policy for Activating the Medical College Professional Staff Office.

In formulating its plan of operation the fiscal agent will be guided by the following initiating policy:

1. A professional staff business office will be established in the Medical College Hospital at a location to be designated by the President of the Medical College. This office should be in close proximity to the hospital business office and should provide sufficient space for the business staff recommended by the fiscal agent.
2. In locating this office and in all decisions pertaining to its operation, primary consideration should be given to convenience to the patient and preservation of the doctor-patient relationship.
3. Consultation with the hospital administration throughout the process of establishing this office and subsequently in operating the office should be a continuing process in order to insure the fullest possible cooperation between the two business agencies and the least possible duplication that would inconvenience patients.

4. The staff and facilities of this office will include:

- (a) Provision for service to patients on a seven-day-a-week basis.
- (b) A supervisor with experience and ability in dealing with patients and in fiscal matters peculiar to dealing with the sick.
- (c) Clerical personnel and facilities to bill and collect professional fees from patients at the time of discharge from the hospital or private clinic, to maintain fiscal records regarding professional fees on patients during hospitalization, and to process and file insurance claims for professional fees.

5. An accounting system will be established which will provide each member of the professional staff with a monthly statement of unpaid fees and an "aging analysis" of these accounts. The accounting system will also provide an accounting of the collections disbursed to each staff member and the undisbursed residue in the fund. These accounts will be accessible to the state auditor at all times.

6. A system of follow-up billing of patients in accordance with the highest standards of business and medical ethics should be recommended by the fiscal agent for the approval of the committee.

7. The plan should include specific instructions to the members of the professional staff as to the procedure for submitting charges for professional services and processing insurance claims. This procedure

each member of the professional staff with a monthly statement of unpaid fees and an "aging analysis" of these accounts. The accounting

should be explained to the professional staff at a called meeting. Once a procedure is adopted, every participating professional staff member will be required to adhere to it strictly.

8. Policy regarding the determination of a patient's financial status with regard to professional fee charges, a method of prorating the disbursement of incomplete payments, the handling of charges of patients sponsored by the various agencies (e.g. Voc. Rehab.) and the details of the billing process will be determined in the near future and will depend in part on recommendations of the fiscal agent.

SECTION V. Income Ceiling Limitations and Overage Disbursements.

The Medical College Professional Staff Office will act as an agency for the professional staff to regulate itself with regards to ceiling limitations and disbursement of overage.

The maximum ceiling of income from professional fees and medical school or hospital salary will be \$36,000 per year. Each member of the staff will have this ceiling or a lesser one in accordance with his contract with the Medical College.

In order to obviate the need for future renegotiations and to reflect the changing economic factors from year to year, the ceiling will be adjusted upward or downward on a yearly basis. The index for yearly adjustment of the ceiling will be the change, if any, in per capita income of the people of South Carolina as documented and published by the United States Department of Commerce.

The Department of Commerce figures are published each August for the preceeding year. The ceiling in effect at that time will be adjusted to reflect any percentage change in per capita income during the preceeding year as compared to the immediately prior year. The adjustment in the ceiling will be in effect for the year in which it is published. For example, the figures published by the Department of Commerce in August, 1965 will be used to adjust the ceiling for the income year of 1965 to reflect the changes in per capita income from 1963 to 1964.

It will be a duty of the PDC Committee to obtain the figures for computation of the ceiling adjustment. The yearly adjustment factor will be given to the administration and the members of the staff affected by the ceiling.

No staff member will have a higher ceiling than the published ceiling at that time. This staff affirms its agreement and desire that no exceptions to the top ceiling be made with any staff member. This limitation on income must be observed by all members, if it is not to become a demoralizing and divisive force within the staff.

Each staff member whose gross income from his medical school base salary and private practice income exceeds his ceiling will submit a certified copy of that portion of his income tax pertaining to expenses incident to his practice of medicine and position on the Medical School faculty to the Medical College Professional Staff Office. The Medical College Professional Staff Office shall receive the

certified copies of the portion of the staff member's income tax report as outlined above on the same date as the Federal Income tax is due. The fiscal agent will check the Staff member's report and notify him of overage due. This overage will be collected during the next thirty days.

Upon request of the POC Committee the authenticity of the certified copy of the member's income tax report will be verified by submission of a photocopy of the member's income tax return, which is obtainable from the Internal Revenue Service. This photocopy of the original income tax return will be reviewed only in the presence of the staff member whose report is under study and only in regard to the pertinent portions necessary to authenticate the copy submitted to the Medical College Professional Staff Office.

At the end of thirty days following the filing date of the federal income tax return, the Medical College Professional Staff Office will report to the President of the Medical College, the following categories of the staff:

(A) Those members whose gross income and Medical College salary does not raise the question of exceeding the income limit.

(B) Those members of the staff whose gross income minus the allowable deductions as filed on the federal income tax return does not exceed their ceiling.

(C) Those members whose gross income minus the allowable deductions exceeds their ceiling. The amount of overage collected, or uncollected, for each staff member in this category will also be reported.

(D) Those members whose accounts are in dispute or those members who have submitted insufficient data and hence, the Medical College Professional Staff Office cannot certify as being within their contractual limitation.

Overage is defined as that portion of a staff member's income from salary and professional fees in excess of his ceiling limit after allowable deductions.

Disbursement of overage will be made by the Medical College Professional Staff Office as follows:

1. Twenty-five percent of overage will be transferred to the President's and Dean's Fund of the Medical College.

2. Seventy-five percent of overage will be held by this office. Separate accounts will be maintained for each department, division or section. Expenditure of the overage money held by this office will be by requisition of the chief of the respective department, division or section. The use of these funds will be limited to operational or educational expenses of a non-personal nature. Single expenditures of \$500 or more of overage will require prior approval by the President of the Medical College.

Respectively submitted by the Medical College Private Diagnostic Clinic Committee in behalf of the Geographic Full-Time Clinical Professional Staff of the Medical College Hospital.

/s/ O. Rhett Talbert
O. Rhett Talbert, M.D., Chairman

/s/ Edward J. Dennis, M.D.
Edward J. Dennis, M.D.

/s/ Richard W. Hanckel, M.D.
Richard W. Hanckel, M.D.

/s/ Louis P. Jarvey
Louis P. Jarvey, M.D.

/s/ William C. Miller
William C. Miller, M.D.

/s/ Julian R. Youmans, M.D.
Julian R. Youmans, M.D.

The regular meeting of the Board of Trustees of the Medical College of South Carolina was held October 9, 1964 in the Board Room of the Medical College Hospital. The meeting was called to order at 2:30 P. M. by Dr. Thomas A. Pitts, Chairman, with the following members present:

Dr. Thomas A. Pitts, Chairman	Mr. J. Edwin Schachte, Jr.
Dr. A. F. Burnside, Vice-Chairman	Dr. Joseph P. Cain, Jr.
Dr. J. Decherd Guess	Dr. John McG. Pratt
Mr. A. Eugene Geer	

Dr. H. Rawling Pratt-Thomas, President, Mr. L. W. Michaelis, Secretary-Treasurer, and Mr. Glenn D. Searcy, Superintendent, Medical College Hospital, were also present.

Dr. Pitts asked if there was any discussion of the minutes of the last meeting held July 23, 1964, if not a motion to approve them as written is in order. Dr. A. F. Burnside moved that the minutes of the meeting held July 23, 1964 be approved as written. The motion was seconded by Mr. J. Edwin Schachte, Jr., and was unanimously carried.

Dr. Pitts stated that Special Committee reports would not be presented at this time but would be taken up later on in the meeting, and asked Dr. Pratt-Thomas to proceed with the regular order of business.

Dr. Pratt-Thomas distributed summary sheets of the Accreditation Survey Report and stated that he felt we had received a very favorable report. He further reiterated that South Carolina according to Dr. Dietrick received more for its medical educational dollar than any other medical school in the country with which he was acquainted.

Several members of the Board discussed the proposed two-year medical school and some were of the opinion that the Board should adopt a resolution opposing the two-year medical school. Dr. Burnside asked Dr. Cain, who is a council member of the South Carolina Medical Association, whether or not he felt the Association would adopt a resolution opposing the two-year medical school. Mr. Schachte stated that in his opinion he did not feel that we should consider a resolution at this time inasmuch as Dr. Pitts and Dr. Pratt-Thomas very ably expressed the viewpoints of the Board at their recent meeting held in Columbia. At this point Mr. Schachte related the Board should go on record that they endorse the comments made by Dr. Pitts and Dr. Pratt-Thomas at their recent meeting and that the Board may receive the discussions of the two-year medical school as information. Dr. Pitts then stated that if there are no objections we will receive the discussion of the two-year medical school as information.

Dr. Pratt-Thomas distributed copies of the 1965-66 Budget Request for the Medical College and the Medical College Hospital and stated that he would present each of the budgets separately and would discuss in detail the increases requested for 1965-66. Upon the conclusion of the presentation of the Medical College Budget, Dr. J. D. Guess moved that the Board adopt the Medical College Budget Request for 1965-66 as presented by the President. The motion was seconded by Dr. Joseph P. Cain and was unanimously adopted.

Dr. Pratt-Thomas discussed in detail increases by categories as related to the Medical College Hospital Budget for 1965-66 and explained that House Staff (interns and residents) salaries reflected very much of the overall increased request. He also stated that Nursing salaries have risen sharply and that the Hospital has recently hired 68 nurses, and have lost 20 which gives them a net increase of 48. Dr. Pratt-Thomas mentioned that the Institution has plans for renting a 1440 Computer Data Processing equipment which is intended to serve the entire Medical Complex. He further mentioned that he would appreciate the Board's approval to rent this equipment. Dr. Joseph P. Cain moved that the Board adopt the Medical College Hospital Budget as presented by the President. The motion was seconded by Mr. A. Eugene Geer and was unanimously carried.

Dr. J. M. Pratt moved that the Board give approval to Dr. Pratt-Thomas to complete negotiations for installation of a computer system at the Medical College of South Carolina. Mr. A. Eugene Geer seconded the motion and it was unanimously carried.

Dr. Pratt-Thomas presented the 1965-66 Budget for the School of Nursing and stated that we have instituted credit courses at the University of South Carolina, however, we do not know the exact cost of these courses but feel that the cost may be between \$10,000 and \$15,000 for the academic year. Dr. Pratt-Thomas gave a detailed description of the increased request in this budget and stated that we still need three additional instructors in Nursing. Dr. J. P. Cain moved that the Board adopt the budget for the School of Nursing as presented by the President. The motion was seconded by Dr. A. F. Burnside and Dr. J. D. Guess and was unanimously carried.

Dr. Pratt-Thomas next presented the budget for the School of Dentistry and explained that the request of \$80,000 for the fiscal year 1965-66 is in part a preliminary cost necessary to working out curriculum plans and other activities, but that the Dean and the two proposed department chairmen would continue as a nucleus for the administration and instructional faculty of the School of Dentistry. Dr. J. M. Pratt moved that the Board adopt the budget for the School of Dentistry as presented by the President. The motion was seconded by Dr. A. F. Burnside and was unanimously carried.

The next budget presented to the Board was that of the Cancer Clinic and Dr. Pratt-Thomas stated that our request this year is approximately \$18,000 more than that received for 1964-65. The main area of increase is for patient care (Hospital and Out-Patient). Dr. J. P. Cain moved that the Board adopt the budget for the Cancer Clinic as presented by the President. The motion was seconded by Mr. A. Eugene Geer and was unanimously carried.

Dr. Pratt-Thomas mentioned that the other two budget requests for 1965-66 consisted of the Cardiac Clinic for which we are requesting \$25,000 and for the Psychiatric Residency Training Program for which we are also requesting \$25,000. Dr. A. F. Burnside moved that the Board adopt the Budget Requests for the Cardiac Clinic and the Psychiatric Residency Training Program as presented by the President. The motion was seconded by Mr. J. Edwin Schachte, Jr., and was unanimously carried.

Dr. Pratt-Thomas presented a plan of the proposed Diagnostic and Evaluation Center of the Retarded Children's Habilitation Center to be established on a portion of the Porter Property consisting of approximately one (1) acre of land in the Northwest corner. He also mentioned that there could be a conflict of objectives inasmuch as this Diagnostic and Evaluation Center has a separate Board which governs their operation and is primarily service oriented whereas the Medical College's orientation in this sphere is primarily education and research. However, he was of the opinion that as long as Dr. Moseley is Chairman of that Board there would be no unsolvable problems and that this aspect has been discussed with Dr. Moseley. Mr. J. Edwin Schachte, Jr., made a motion that this new proposal has no bearing on the Board's previous action and must be taken under separate consideration. Dr. J. M. Pratt seconded the motion and it was unanimously carried.

Dr. Pratt-Thomas reported that the Medical College of South Carolina had been requested to participate in a compact with sixteen (16) Southern States under which these states have established the Southern Regional Educational Board "to explore fully, recommend, where desirable, and develop, where needed, interstate collaboration in the support, expansion, or establishment of regional services or schools for graduate, professional, and technical education."

Inasmuch as the primary purpose of this program is to strengthen advance graduate training in pharmaceutical sciences in the South, only institutions offering programs in one or more of the pharmaceutical sciences leading to a Ph.D. degree or its equivalent were invited to participate. Since we offer graduate degrees in Pharmacology we were eligible to participate and the agreement was signed. The Medical College of South Carolina is under no commitment financial or otherwise but will be expected to appoint a regional representative to participate in the summer sessions. Dr. James A. Richardson, Professor of the Department of Pharmacology, was chosen as our representative. Dr. Pratt-Thomas requested the Board's approval of the Medical College entering into this agreement.

Mr. J. Edwin Schachte moved that the Board approve the Medical College of South Carolina's participation in this program and to commend the President for his action. Dr. A. F. Burnside seconded the motion and it was unanimously carried.

Dr. Pratt-Thomas reported that the opening of Pinehaven Hospital by Charleston County for the care of adult indigent medical and surgical patients will make available in early 1965 approximately 75 or 80 service beds in the Medical College Hospital for admission for out-of-county referred service patients. If the present number of "teaching case beds" is to be maintained for the various services, the financial support must be planned for all the service beds in lieu of per diem revenue as now received from Charleston County. Dr. Pratt-Thomas further stated that it is the feeling of all concerned that we should establish a policy which would establish a per diem rate for service patients for all counties throughout the State on a basis similar to that established for Charleston County. Upon adoption of a policy which is approved by the Medical College's Board of Trustees all counties will be notified of the activation of this policy. The following is the proposed policy:

A. Every Department of Public Welfare agency in each county in South Carolina is to be notified on a named date that due to change in arrangements with Charleston County for the care of its certified indigent patients, the Medical College Hospital will have beds available to which counties may, by proper arrangement, refer indigent patients in need of the special services which the Medical College Hospital can supply, but subject to the approval of the service and department heads, and as their teaching needs may dictate from time to time.

B. Each indigent out-of-county patient must be certified by the responsible county agency, and a standard per diem payment must be guaranteed to the Hospital by the county or its responsible agency for the cost of hospitalization.

C. A standard per diem rate will be set annually for certified indigent patients, and notification of this is to be sent to each certifying county agency by the Superintendent of the Medical College Hospital.

D. Physicians who wish to refer patients should be prepared to use the mechanics of the county agency for proper certification and investigation.

E. Prior arrangements must be made by the county agency before any out-of-county indigent patient can be admitted, and admission will be only at the time appointed by the Hospital Admitting Office. Exceptions will be made in life and death situations as determined by the admitting professional staff personnel of the Medical College Hospital.

F. Chiefs of services and department heads may continue, as presently, to select individual patients after examination in one of the Out-Patient Departments for admission as a "Teaching Case", but each service must adhere strictly to the limit of the established quota for patients of this category. The Superintendent of the Hospital will notify each department and service of its annual quota of teaching cases and as subject to quarterly revision by the Superintendent and the Executive Committee.

G. Medically indigent patients hospitalized on the basis of referral and by acceptable prior arrangements with a State agency are to be admitted as service cases for direct House Staff management under supervision of faculty attending staff, but where necessary because of specific agency requirements, such a sponsored patient may be accepted as a private patient by a faculty staff member.

After much discussion by members Dr. Pitts suggested that this problem be cleared through Mr. J. M. Smith, State Auditor, as well as the Attorney General as to legality of patients from counties not paying their hospitalization costs. Mr. A. Eugene Geer moved that the Board request that this matter be given further study and present a recommendation at the next meeting to be held in December. The motion was seconded by Dr. J. M. Pratt and was unanimously carried.

Dr. Pratt-Thomas advised the Board that Bishop Temple has agreed to turn the chapel over to the Medical College of South Carolina. Bishop Temple requested College permission to use any of the shrubbery within the Porter Property that the Medical College did not intend to use. Dr. Pratt-Thomas mentioned that in our option to purchase that it was agreed that Porter may salvage the arsenal however, the deed for the purchase of this property does not mention that the arsenal may be salvaged by Porter, and Dr. Pratt-Thomas advised that in his opinion he felt we had a moral obligation as far as the arsenal was concerned. Mr. J. Edwin Schachte moved that the President confer with Mr. Sinkler to determine whether or not we have a moral obligation to let Porter have the arsenal and if so we should have them to remove it on or before July 1, 1965. Mr. A. Eugene Geer seconded the motion and it was unanimously carried.

Dr. Pratt-Thomas discussed in general progress being made toward our baccalaureate degree program for the School of Nursing and advised that 52 of our students have been accepted for credit in the University of South Carolina Extension Division. The overall number accepted for credit amounted to 63, however, 8 of them have a deficiency in Chemistry.

Dr. Pratt-Thomas presented a recommendation for the promotion of Miss Ruth Pierce to the rank of Assistant Professor of Nursing and stated that the recommendation was made by the faculty of the School of Nursing and requested the Board's approval. Mr. A. Eugene Geer moved that the Board approve the appointment of Miss Ruth Pierce as Assistant Professor of Nursing. Dr. A. F. Burnside seconded the motion and it was unanimously carried.

Dr. Pratt-Thomas advised the Board that on April 1, 1957 Dr. W. Rufus Smith of Foley, Alabama, created an irrevocable unfunded life insurance trust with the Merchants National Bank of Mobile, Alabama. On December 11, 1961, Dr. Smith attempted to amend the irrevocable trust and under this amendment the Medical College was named as a remainder beneficiary which would amount to approximately \$5,000. Inasmuch as the attorneys were advised that an irrevocable trust cannot be changed and the only way to settle this matter would be to take the case to court. This matter was discussed with our attorneys, Sinkler, Gibbs, and Simons, and we were advised by the Attorney General that he would approve of the Medical College of South Carolina participating in the court proceedings in order to affect the settlement of this case. Mr. J. Edwin Schachte moved that the Medical College of South Carolina be permitted to enter into the suit as approved by the Attorney General. Dr. J. P. Cain seconded the motion and it was unanimously carried.

Dr. Pratt-Thomas discussed in general progress being made by the planning consultants and stated that a mass of information has been requested and furnished to Mr. Lieberfeld and he is of the opinion that we should have the information in ample time to complete our application for matching funds.

Dr. Pratt-Thomas discussed the inadequacies of the electrical system in our Quadrangle and stated that it would take approximately \$40,000 to bring our electrical system into a condition necessary for safe and efficient operation as well as to meet the Fire Marshal's report of deficiencies, and he requested the Board's approval to proceed with this project. Dr. J. M. Pratt moved that the President be authorized to proceed with the changes in the electrical system as he outlined in his presentation. The motion was seconded by Dr. A. F. Burnside and was unanimously carried.

Dr. Pratt-Thomas reported that he feels the Faculty Compensation Plan recommendations should be ready around the middle of November, 1964. He also mentioned that an annuity plan has been presented to the Faculty in which a payroll deduction may be made with a minimum of \$10.00 per month to a maximum depending upon various factors as to salary and length of service and stated that a copy of this brochure has been submitted to the State Budget and Control Board for their approval and requested the Board's approval to implement this program. After a brief discussion Dr. J. D. Guess moved that the Board approve the establishment of this annuity plan program subject to the approval of the State Authorities. Dr. A. F. Burnside and Dr. J. P. Cain seconded the motion and it was unanimously carried.

Dr. Pratt-Thomas mentioned as a matter of information that we may at a future date establish a School of Nurse anesthetist, however, he was not prepared

at this time to give a more detailed plan since the financial arrangements have not been determined.

At this point the Chairman stated that he would now have the reports of the various committees and asked Mr. Schachte to proceed. Mr. Schachte, reporting for the Sub-Committee of the Board which had been appointed to make recommendations for the proper handling of the endowment fund of the Medical College of South Carolina, stated that he, Mr. A. Eugene Geer, and Mr. Huger Sinkler, attorney, had studied the proposals made by the Citizens and Southern National Bank of South Carolina, The First National Bank of South Carolina, The South Carolina National Bank, and Merrill, Lynch, Pierce, Fenner and Smith, Incorporated. The Sub-Committee recommended that the funds be lodged with the three national banks on a five-year rotation basis, provided the fees charged by these banks do not exceed one-fifth of one percent (.002%) of the market valuation of the securities held, computed annually. The Sub-Committee further recommended that the sequence of rotation be decided by lots from among those of the said banks which are agreeable to handling the funds on the basis outlined. Dr. Joseph P. Cain moved that the recommendations of the Sub-Committee be adopted and that this committee be empowered to enter into an agreement with these banks and that they bring back recommendations to the next meeting of the Board for re-investing the endowment funds. Dr. J. D. Guess seconded the motion and it was unanimously carried.

Dr. A. F. Burnside reported that the meeting of the Special Committee of the Board of Trustees and the Medical College Faculty appointed to study and make recommendations concerning the Faculty Compensation Plan was held August 28, 1964, in the Board Room of the Medical College Hospital. He stated that several recommendations were made and he will ask the Board to act upon them separately.

"Mr. J. Edwin Schachte, Jr. moved that we establish a policy for collection of patients' bills that the net amount of collection after hospital insurance be prorated between the hospital and professional fees on a ratio, and that hospital insurance be applied as paid; also that this recommendation be presented to the Board of Trustees for their action. The motion was seconded by Senator Rembert C. Dennis and was unanimously carried."

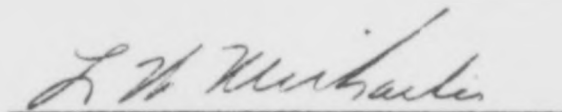
Dr. Joseph P. Cain moved that the Board adopt this recommendation as passed by the Sub-Committee. The motion was seconded by Mr. A. Eugene Geer and was unanimously passed.

The next recommendation of this Special Committee was as follows:

✓ "Senator Rembert C. Dennis moved that the Special Committee of the Board recommend to the Board of Trustees that a separate professional fee accounting agency be set up in the Medical College Hospital and that they be accountable to the individual faculty member and the State of South Carolina. The motion was seconded by Dr. J. D. Guess and was unanimously carried."

Dr. J. D. Guess moved that the Board adopt the recommendation as passed by the Special Committee, that a separate professional fee accounting agency be set up in the Medical College Hospital and that they be accountable to the individual faculty member and the State of South Carolina. Dr. J. M. Pratt seconded the motion and it was unanimously carried.

There being no further business, the meeting was duly adjourned.



L. W. Michaelis
Secretary-Treasurer



DONALD RUSSELL
GOVERNOR

State of South Carolina
Executive Department
Columbia

December 3, 1964

Mr. Edwin M. Culpepper
Coordinator
S. C. Economic Opportunity Act
The S. C. Education Association
1510 Gervais Street
Columbia, South Carolina

Dear Ed:

I have referred your letter of November 24th with enclosures to Dr. J. M. Smith with the request that it be submitted to the Budget and Control Board at its next meeting for approval.

Kind regards.

Sincerely,

DR:hc

bc: Dr. J. M. Smith

MRS. MARGARET F. KELLY, PRESIDENT
2023 FORREST STREET
NEWBERRY

CYRIL B. BUSBEE, PRESIDENT-ELECT
900 N AVENUE
CAYCE

CARLOS W. GIBBONS, SECRETARY-TREASURER
1510 GERVAIS STREET
COLUMBIA

The South Carolina Education Association

TELEPHONE AL 4-0341

1510 GERVAIS STREET

Columbia 1, South Carolina 29201

November 24, 1964

The Honorable Donald S. Russell
The Governor of the State of South Carolina
Wade Hampton Office Building
Columbia, South Carolina

Dear Governor:

I am enclosing herewith a rough proposal for what I think it would take to get going with a minimum set-up for the State. I made the salary for the coordinator conform with that in the plan sent to Washington. This is subject to the will of you and the Budget and Control Board. I hope this idea can receive favorable consideration as it seems to me to be urgent at this time.

A meeting with the Washington staff of the Office of Economic Opportunity was today confirmed for December 8th. I was told that at this time our application will be completely reviewed and such revisions as must be made will be pointed out. If you would like for me to attend the meeting on migrating farm workers called by Mr. Shivar during that week, it will be possible for me to do so. You would have to notify him that I would be doing this.

With very best wishes, I am

Sincerely yours,



Edwin M. Culpepper

EMC

Re: Economic Opportunities Act.

PROPOSAL

To set up a temporary office for coordination of the Economic Opportunities Act of 1964 pending final approval of budget request already submitted to Washington.

JUSTIFICATION

The widespread national and state publicity given to the Economic Opportunity Act of 1964 has created an unusual amount of interest in its implications. This has resulted in a flood of requests for information from municipal and county leaders as well as from school and other organized community groups who would seek to take advantage of some provisions in the Act. Greatly complicating the picture is the lack of adequate official guidelines and the resulting conflict in information that some of our people have gotten either through individual attendance at seminars in Washington or through the mass media. Now that the national program is officially launched it seems imperative that South Carolina do the following things immediately.

- (1) Develop a complete state plan that will permit the State to take advantage of the Act while at the same time protect it from unwarranted intrusion of Federal agencies. This plan, while it must be flexible must also provide safeguards against the aggressive and over-zealous activities of many socially conscious groups within the State.

CORRECTION

MRS. MARGARET F. KELLY, PRESIDENT
2023 FORREST STREET
NEWBERRY

CYRIL B. BUSBEE, PRESIDENT-ELECT
900 N AVENUE
CAYCE

CARLOS W. GIBBONS, SECRETARY-TREASURER
1510 GERVAIS STREET
COLUMBIA

The South Carolina Education Association

TELEPHONE AL 4-0341

1510 GERVAIS STREET

Columbia 1, South Carolina 29201

November 24, 1964

The Honorable Donald S. Russell
The Governor of the State of South Carolina
Wade Hampton Office Building
Columbia, South Carolina

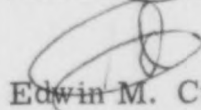
Dear Governor:

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With very best wishes, I am

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Edwin M. Culpepper

EMC

EXECUTIVE BOARD

FIRST DISTRICT

JOE A. CARROLL, JR.
ROUTE 1
PENDLETON
ANDERSON
OCONEE
PICKENS

SECOND DISTRICT

MISS MARTHA PHILLIPS
ROUTE 2
SEMPSONVILLE
GREENVILLE

THIRD DISTRICT

WM. MAXWELL FERGUSON
BOX 173
FAIRFOREST
SPARTANBURG

FOURTH DISTRICT

GEORGE W. SEABORN
521 VERNON STREET
CAFFREY

CHESTER
UNION
YORK

FIFTH DISTRICT

Mrs. BELA P. HERLONG
SALUDA

ABBEVILLE
EDGEFIELD
GREENWOOD
LAURENS
NEWBERRY
SALUDA

SIXTH DISTRICT

W. J. CLARK
1794 CENTRAL, N. E.
ORANGEBURG

AIKEN
BARNWELL
CALHOUN
ORANGEBURG

SEVENTH DISTRICT

Mrs. ALICE B. BABON
6116 SHAKESPEARE ROAD
COLUMBIA
LEXINGTON
RICHLAND

EIGHTH DISTRICT

Mrs. WALTER B. BROWN
BRATTON STREET
WINNSBORO
CHESTER
CHESTERFIELD
FAIRFIELD
KERSHAW
LANCASTER

NINTH DISTRICT

Mrs. IRIS TODD PARKER
ROUTE 2
LONGS
DARLINGTON
DILLON
HOBBS
MARION
MARLBORO

TENTH DISTRICT

J. B. MELLETT
TIMMONSVILLE
CLARENDON
FLORENCE
LAKES
SHUTTER
WILLIAMSBURG

ELEVENTH DISTRICT

HENRY E. BOYSTER
100 BROWN STREET
MONCK'S CORNER

DECEMBER

BRANFLEET
CHARLESTON
GEORGETOWN

TWELTH DISTRICT

Mrs. BOBBIE W. SANDERS
FAIRFAX
ATLENDALE
BAMBERG
BEAUFORT
COLLETON
DOCHESTER
HAMPTON
JAMPER

IMMEDIATE PAST PRESIDENT

WM. ARTHUR SMITH
DRAWER 128
LAKE CITY

EX-OFFICIO

J. McBRIDE CHRYST
P.O. BOX 247
BATESBURG
Mrs. DAISY LANFORD
PRESIDENT, SCDCT
BOX 102
BIDDELAND
Mrs. GLADYS ROBINSON
DIRECTOR, NEA
ROUTE 1
LANCASTER
DR. JESSE T. ANDERSON
STATE SUPERINTENDENT OF EDUCATION
314 WADE HAMPTON BLDG.
COLUMBIA

236-a

Re: Economic Opportunities Act.

PROPOSAL

To set up a temporary office for coordination of the Economic Opportunities Act of 1964 pending final approval of budget request already submitted to Washington.

JUSTIFICATION

The widespread national and state publicity given to the Economic Opportunity Act of 1964 has created an unusual amount of interest in its implications. This has resulted in a flood of requests for information from municipal and county leaders as well as from school and other organized community groups who would seek to take advantage of some provisions in the Act. Greatly complicating the picture is the lack of adequate official guidelines and the resulting conflict in information that some of our people have gotten either through individual attendance at seminars in Washington or through the mass media. Now that the national program is officially launched it seems imperative that South Carolina do the following things immediately.

- (1) Develop a complete state plan that will permit the State to take advantage of the Act while at the same time protect it from unwarranted intrusion of Federal agencies. This plan, while it must be flexible must also provide safeguards against the aggressive and over-zealous activities of many socially conscious groups within the State.

- (2) Set up files for correspondence and accumulate official information.
- (3) Have the means for disseminating through personal contacts and by correspondence accurate and official information as it becomes available.

This will require the full time services of a minimum staff even before the full staff can be organized.

MINIMUM TEMPORARY REQUIREMENTS

STAFF -

- 1 full time coordinator for the Economic Opportunities Act of 1964
- 1 full time clerk-typist

SPACE -

Approximately 120 - 150 square feet of floor space.

EQUIPMENT -

- 1 executive type desk
- 1 secretary's desk
- 1 typewriter
- filing cabinets
- telephone
- access to duplicating machine

CONSUMABLE SUPPLIES

- | | | |
|------------|--------------|------------------------|
| stationery | carbon paper | typewriter supplies |
| paper | paper clips | stamps |
| | | miscellaneous supplies |

BUDGET

STAFF -

Coordinator	\$1, 000 per month
Clerk-Typist	300 per month
Travel	<u>250</u> per month
Total	\$1, 550 per month

SPACE -

Depends upon whether space is presently
available or whether it must be rented.

EQUIPMENT

\$ 350 - first month (based on rent except for
filing cabinets)

CONSUMABLE SUPPLIES	100 - first month
Total	<u>\$2, 000</u> - first month

NOTE: As soon as the Federal Budget for a State Office of Economic
Opportunity has been approved and funds made available the
staff will be enlarged with most of the total cost then being
absorbed.

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SUPPLIES

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-------	------------------------------

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Next Budget Meeting

Legislative Council of the General Assembly
AND
Committee on Statutory Laws
STATE OF SOUTH CAROLINA

LEGISLATIVE COUNCIL

ROBERT E. MCNAIR
PRESIDENT OF THE SENATE, CHAIRMAN
SOLOMON BLATT
SPEAKER OF THE HOUSE OF REPRESENTATIVES
VICE-CHAIRMAN
O. FRANK THORNTON
SECRETARY OF STATE
L. MARION GRESSETTE
CHAIRMAN, JUDICIARY COMMITTEE
SENATE
AUGUSTINE T. SMYTHE, JR.
CHAIRMAN, JUDICIARY COMMITTEE
HOUSE OF REPRESENTATIVES



P. O. BOX 732

Columbia

October 12, 1964

COMMITTEE ON STATUTORY LAWS

SENATORS

P. BRADLEY MORRAH, JR.
MARSHALL B. WILLIAMS
JOHN D. LONG

MEMBERS OF THE HOUSE OF
REPRESENTATIVES

JOHN D. LEE, JR.
AUGUSTINE T. SMYTHE, JR.
JAMES B. STEPHEN

Honorable J. M. Smith
State Auditor
Wade Hampton Office Building
Columbia, S. C.

Dear Jim:

I am enclosing a memorandum to the State Budget and Control Board requesting that the sum of one hundred dollars be transferred from the Contingent Fund to Item 7 of Section 67 of Act No. 829 of 1964. The amount as shown in the Act of 1964 is eight hundred fifty dollars, whereas our proportionate share is nine hundred fifty dollars. You will recall that the Finance Committee approved an amendment to the act inserting nine hundred fifty dollars in the place of eight hundred fifty. Through an oversight the amendment was not shown in the Finance Committee's report and Item 7 still stands as eight hundred fifty dollars. I have corrected this in the budget request for the fiscal year 1965-1966, which if approved by the Budget and Control Board and the General Assembly, will meet the state's contribution to the Commission for the immediate future.

Sincerely,

L. G. Merritt
L. G. Merritt

LGM/rk

Legislative Council of the General Assembly

AND

Committee on Statutory Laws

STATE OF SOUTH CAROLINA

LEGISLATIVE COUNCIL

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PRESIDENT OF THE SENATE, CHAIRMAN
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MEMORANDUM TO THE STATE BUDGET AND CONTROL BOARD:

It is requested that the sum of \$100.00 be transferred from the Civil Contingent Fund to Item 7 of Section 67, Act No. 829 of 1964. This item carries the state's contribution to the Commissioners on Uniform State Laws and appears in the Act of 1964 in the sum of \$850.00. The entire contribution from all the states was increased and South Carolina's proportionate share of the increase is \$100.00, thusly making the total amount due \$950.00 as shown on the attached statement from the Commissioners on Uniform State Laws.

Respectfully requested,

L. G. Merritt
Liaison Commissioner between
the Commission and the State
of South Carolina

Attachment
LGM/rk

October 12, 1964

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Liaison Commissioner between
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of South Carolina

Attachment
LGM/rk

National Conference of Commissioners on Uniform State Laws

OFFICERS

PRESIDENT WALTER D. MALCOLM
1 FEDERAL ST.
BOSTON 10, MASS.
VICE-PRESIDENT MAURICE H. MERRILL
UNIVERSITY OF OKLAHOMA
LAW SCHOOL
NORMAN, OKLAHOMA
TREASURER TALBOT RAIN
REPUBLIC NATIONAL BANK BLDG.
DALLAS 1, TEXAS
SECRETARY JOSEPH McKEOWN
AMERICAN BLDG.
COOS BAY, OREGON

EXECUTIVE DIRECTOR
ALLISON DUNHAM

EXECUTIVE SECRETARY
FRANCES D. JONES
1155 EAST 60TH ST.
CHICAGO 37, ILLINOIS
HYDE PARK 3-0533

EXECUTIVE COMMITTEE

WILLIAM A. Mc KENZIE, CHAIRMAN
1616 FIFTH THIRD BANK BLDG.
CINCINNATI 2, OHIO
ARTHUR L. ABRAMS
744 BROAD ST.
NEWARK 2, NEW JERSEY
FRANK F. JESTRAB
P. O. BOX 1343
WILLISTON, NORTH DAKOTA
WILLIAM J. PIERCE
UNIVERSITY OF MICHIGAN LAW SCHOOL
ANN ARBOR, MICHIGAN
RUSSELL N. SULLIVAN
COLLEGE OF LAW, UNIVERSITY OF ILLINOIS
URBANA, ILLINOIS

EX-OFFICIO

PRESIDENT, VICE-PRESIDENT,
SECRETARY, TREASURER
WALTER P. ARMSTRONG, JR.
LAST RETIRING PRESIDENT
COMMERCE TITLE BLDG.
MEMPHIS 3, TENNESSEE
FRED S. FARR, CHAIRMAN
LEGISLATIVE COMMITTEE
BOX 3305
CARMEL, CALIFORNIA
WILLIAM A. SCHNADER, CHAIRMAN
COMMERCIAL CODE COMMITTEE
1719 PACKARD BLDG.
PHILADELPHIA 2, PENNSYLVANIA

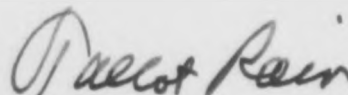
Dallas, Texas
September 25, 1964

Honorable L. G. Merritt
Director and Code Commissioner
Legislative Council of the General Assembly
and Committee on Statutory Laws
P.O.Box 732
Columbia, South Carolina 29201

Dear General Merritt:

I am enclosing the statement of the National Conference of Commissioners on Uniform State Laws for your state's allocated contribution to the Conference for its fiscal year ending June 30, 1965.

Sincerely yours,



Talbot Rain
Treasurer

Enclosure
TR:LJ

National Conference of Commissioners on Uniform State Laws

OFFICERS

PRESIDENT WALTER D. MALCOLM
1 FEDERAL ST.
BOSTON 10, MASS.
VICE-PRESIDENT MAURICE H. MERRILL
UNIVERSITY OF OKLAHOMA
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1719 PACKARD BLDG.
PHILADELPHIA 2, PENNSYLVANIA

Dallas, Texas
September 25, 1964

TO: THE STATE OF **SOUTH CAROLINA**

To contribution of the State of **South Carolina**
toward expenses of the National Conference of
Commissioners on Uniform State Laws for the
period July 1, 1964, through June 30, 1965----- \$**950.00**

Talbot Rain, Treasurer

STATE OF TEXAS }
COUNTY OF DALLAS } SS:

SUBSCRIBED AND SWORN TO before me this 25th day of
September 1964.

Notary Public in and for Dallas County, Texas

My commission expires:
June 1, 1965

State of South Carolina
Department of State

COLUMBIA

O. FRANK THORNTON
SECRETARY OF STATE

November 4, 1964

JOHN P. STOKES, JR.
DEPUTY SECRETARY OF STATE

BRADLEY HEALD
DEPUTY SECURITIES COMMISSIONER

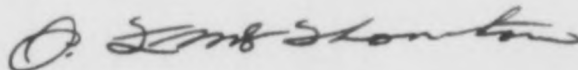
Mr. J. M. Smith, Secretary
State Budget and Control Board
Wade Hampton Office Building
Columbia, South Carolina

Dear Mr. Smith:

Application is hereby made for the sum of \$8,156.50 to pay the balance of the Election Expenses B-7, for November 3, 1964. We have bills which have been properly approved for this amount.

The past election has been the most expensive in the history of the office. We had to furnish Constitutional Amendments, paper ballots, to all counties where voting machines were used for the reason the nineteen amendments could not get on the machines, additional Election Laws and additional ballots for precincts. We had to print more ballots than ever in the history of the State which could not be anticipated and as a result, we have a deficit in the above amount.

Yours very truly,



O. FRANK THORNTON
Secretary of State

OFT/er

ITEMS FOR CONSIDERATION BY THE BUDGET AND CONTROL BOARD
AT ITS MEETING TUESDAY, DECEMBER 15, 1964, AT 10:30 A. M.
IN THE GOVERNOR'S OFFICE

- o -

I. PERMANENT IMPROVEMENTS

1. University of South Carolina

- a). Russell House Addition \$ 450,000.00

The University is proposing an addition to Russell House to accommodate organizations and activities expanding as a result of the continuing growth of the University student body.

In 1962 the Legislature authorized the issuance of \$1,750,000.00 of University Revenue bonds for the construction of this addition and for an Infirmary. A special student fee will be imposed to retire these bonds.

- b). Physical Sciences Center \$ 2,997,250.00

- c). Purchase of Booker T. Washington High School Property \$ 1,700,000.00

The proposed new Physical Sciences Center is to be constructed on property now owned by the University, fronting on the 800 block of Lower Main Street. A grant of \$550,560.00 for this facility has been received by the University from the National Science Foundation. Funds in the amount of \$146,600.00 on hand out of the University's State Institution Bond issue of May 1, 1962 will also be applied to this project, leaving \$2,300,000.00 to be secured from a new bond issue.

Booker T. Washington is the principal Negro High School in the City of Columbia. It is located on Devine Street and is now surrounded on three sides by University property. This situation makes it essential that the University acquire this property as soon as practicable. Negotiations with the City of Columbia School Board have been under way for some time and a price of \$1,700,000.00 has been agreed upon.

In the above two proposals, the University does not now have authorization to issue the \$2,300,000.00 and \$1,700,000.00 of bonds that would be necessary. It is requested by the University, however, that the Budget and Control Board

approve these two projects in order that the University may proceed with architecturally planned development for the Sciences Center and to inform the Columbia City Schools of approval to purchase the Booker T. Washington property. It is understood that Legislative authorization to issue bonds would have to be obtained later.

2. The Citadel

- a). Gate House \$ 12,578.00

The Citadel is proposing the construction of a Gate House to be located at Lesesne Gate entrance to The Citadel campus. The proposed facility would provide office and other space for the police force of the institution also.

The project would be financed from balances remaining from previous bond issues of The Citadel for other projects.

3. Mental Health Commission

- a). Alterations and Additions to Ward Building
at Palmetto State Hospital \$ 220,000.00

The Commission proposed to renovate and alter Ward Building No. 14 at Palmetto Hospital and to provide 62 additional beds.

This project has been approved by the Mental Health Commission and would be financed through the issuance of State Notes for which the Commission has Legislative authorization.

II. MEDICAL COLLEGE - Proposed Allocation of Patients' Fees

The Medical College Board has for some time had under consideration a revision in the plan of allocation of patients' fees between amounts applicable to hospital services and professional fees of the Medical College staff. At the meeting of the College Board of Trustees October 9, 1964, the Board adopted a policy providing "that the net amount of collections after hospital insurance be prorated between the hospital and professional fees on a ratio, and that the hospital insurance be applied as paid".

The Board further adopted a policy providing "that a separate professional fee accounting agency be set up in the Medical College Hospital and that they be

accountable to the individual faculty member and the State of South Carolina".

The reaction of the Budget and Control Board to the above policies has been requested. Details on this entire subject will be available at the meeting.

III. MEDICAL COLLEGE - Proposed Annuity Plan for Faculty Personnel

The Board of the Medical College has proposed to enter into an annuity plan for the benefit of College personnel under the provisions of the Federal Internal Revenue Code which provides that contributions to the plan by the College would be excluded from employees' income tax. Under the proposed plan the College would withhold a certain amount from each employee's salary, subject to his approval, which amount would be remitted to the Mutual Benefit Life Insurance Company as the premium on an annuity contract. The College would make no contribution toward the plan.

The approval of the Budget and Control Board has been requested on this proposal. Further details will be available at the meeting.

IV. PROPOSED FACULTY COMPENSATION POLICIES FOR STATE COLLEGES AND UNIVERSITIES

The Council of Presidents of State-supported colleges have developed certain compensation policies to regulate employment of personnel at the several State institutions. A copy of these proposed policies is attached herewith.

It is requested that the Board give its approval to these policies.

V. ESTABLISHMENT OF OFFICE FOR STATE COORDINATOR OF THE ECONOMIC OPPORTUNITY ACT

Mr. Edwin M. Culpepper, Coordinator of the Economic Opportunity Act has proposed certain arrangements and budget requirements for the establishment of his office. A copy of the proposal is attached herewith for the Board's reaction.

VI. STATE BOARD OF HEALTH - Proposed Salary Increases

The Board's approval of the following salary increases has been requested by Dr. G. S. T. Peebles, State Health Officer:

Dr. G. S. T. Peebles -
State Health Officer

<u>From</u>	<u>To</u>
\$ 18,900.00	\$21,000.00

	<u>From</u>	<u>To</u>
Dr. G. E. McDaniel Director, Disease Control	\$18,065.00	\$20,192.00
Dr. Hilla Sheriff Zerbst Director, Maternal & Child Health	\$17,357.00	\$20,192.00
Dr. Frank L. Geiger Chief, Cancer, T.B., Heart Disease Control	\$17,357.00	\$20,192.00
Dr. R. W. Ball Chief, V.D., Crippled Children & RHD Services	\$17,357.00	\$20,192.00

VII. ALLOCATIONS FROM CIVIL CONTINGENT FUND

1. General Merritt is requesting an allocation of \$100.00 from the Civil Contingent Fund for the State's contribution to the Commission on Uniform State Laws. Our share has been increased from \$850.00 to \$950.00.
2. Governor Harrison, of Virginia, is suggesting to all the fifty States that each State contribute \$200.00 toward the cost of the silver service for the new aircraft carrier AMERICA. A copy of his letter to Governor Russell is attached herewith.
3. Frank Thornton is requesting an allocation of \$8,156.50 for Election Expenses.

VIII. PROPOSED INSTALLATION OF ELECTRONIC COMPUTER - OFFICES OF COMPTROLLER GENERAL AND STATE TREASURER

About a year ago, the Board authorized a study to be made of the feasibility of installing electronic computer accounting equipment in the offices of the Comptroller General and State Treasurer. Following this action of the Board, a small committee with personnel from these two offices, the State Auditor's office, and Division of General Services was formed. This committee, during the past year, has spent considerable time informing itself on computers in general and the desirability of converting the present accounting system in these two offices to a more modern system.

Accounting by computer process is a relatively new means of record keeping but is no longer in the experimental stage. The Committee has visited State

offices in Alabama and Mississippi where computers are now in operation. Numbers of other States are also using computers.

The objective in installing a computer in the Comptroller's and Treasurer's offices would be primarily to modernize accounting processes to make available statistical information on the finances of the State Government that are difficult to obtain under the present system. The growth of the State Government makes it necessary for good management to have available more detailed information than can practicably be obtained under the present system.

The Committee reviewed equipment available from four principal manufacturers: I. B. M., Burroughs, National Cash Register Company and General Electric Company. After a thorough study, the Committee is recommending the installation of a Burroughs' system.

✓ The Committee has reported its recommendations to the State Treasurer and the Comptroller General. They have tentatively accepted the recommendation, but want the entire proposal endorsed by the Budget and Control Board before proceeding further. It is estimated that approximately a year would be required to develop details of paper work and other system changes before actual installation could be effected. It is accordingly proposed that the installation be effected as of January 1, 1966.

Estimated cost of the equipment is \$55,000.00 per year.

12/15/65

10:30 - And long know

All Present

Gen. Service items [See M.C.]

USC -

Russell Hanner

b) { should for handling authority
c) {

Med Cal

Pills on same statement

Help. List.

Dr. Mkt.

10% of Dr. Fee
to Skips.

Budget -

Rev Est. Approved

Out of State Fees

OSC	250
Clem	251
Witch	275
Cit	250
Mbl	
State	320

Leah Ed Fdr agreed to -

St. Fdr.

Carry Fund. 300,000 to 65-66

St. Ad. allocate 1,000,000 of Fed Fdr to Sec 1965-66
for instructional purposes.

Tax Com. - Prop. Tax personnel

✓ Storing measures, etc. - General Services

States Dept

Reduce Employees to 145,000

Food for Negro Girls

Add Op. Ex for 6 mar - new dormitory 11-12,000

Post Commission

X Architects - eliminate recommendation.

✓ Assessments Supervisors - Add per request.

Cameron - Ag Res. Equipment

Primmell Airport

Dev. Prod - Storage 246,000 Ex Ex. Dev. Prog.

Letter to Dept - Re: Oil Dism. Substance

Rehr } 390
Emp }

WINTHROP COLLEGE

THE SOUTH CAROLINA COLLEGE FOR WOMEN • ROCK HILL

OFFICE OF THE PRESIDENT

July 23, 1964

Mr. J. M. Smith
P. O. Box 333
Columbia, South Carolina

Dear Jim:

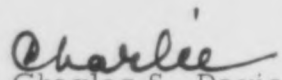
Enclosed is an amended version of the document entitled "Policy on Salaries and Salary Adjustments" which had previously been approved by the Budget and Control Board.

At the request of the Council of Presidents, I appointed a subcommittee (composed of Presidents Jones, Edwards and Turner) to re-study the document and recommend such changes as would take care of the problems of the three institutions represented on the subcommittee.

You will note from a comparison of the two drafts that actually nothing of consequence has been changed. The amended version is simpler, clearer and therefore more easily understood. The problem of extra compensation for twelve-month employees I believe has been completely resolved to the satisfaction of all members of the Council. This was the main reason for the changes, since President Turner, in particular, felt that the original draft did not take care of his needs.

Though General Clark is the new Chairman of the Council, I have been asked to follow this through to get the amended document substituted for the one previously approved. Should you have any questions, I can come to Columbia at your convenience and discuss them with you.

Sincerely yours,


Charles S. Davis
President

CSD:mfp

Enclosures

WINTHROP COLLEGE

THE SOUTH CAROLINA COLLEGE FOR WOMEN • ROCK HILL

OFFICE OF THE PRESIDENT

September 10, 1964

Mr. P. C. Smith
Assistant State Auditor
P. O. Box 333
Columbia, South Carolina

Dear Pat:

Attached is a reorganized version of our policy on salaries and salary adjustments for the faculties of state-supported colleges and universities of South Carolina. As you read the revised version you will note certain passages enclosed by brackets, this rewording has been inserted by me in order to clarify the text and explain certain details that seemed to be missing in the original version. I call this to your attention because theoretically I have altered the original document which had been passed by the Presidents. All other material not enclosed by brackets has been taken from the original document with no wording changed.

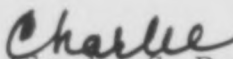
In my judgment, this improves the sense of the whole document, makes it easier to interpret and appears to me to be an improvement over the original version. One of the difficulties we always face in any meeting is that everybody present wishes to re-edit the text and this is virtually impossible with five or six people working on it.

I believe if you will reread the original document which is attached, and then the revised version which I have just mentioned, you will see that no principals have been changed but I hope the text will be clearer and more understandable from your point of view. If there are questions which are confusing, please send them back and I will do my best to answer them.

Meanwhile, if this version suits you and the Budget and Control Board, I see no reason to send it back to the Council of Presidents who will then re-edit it again and make it as confusing as the first one was. Be sure to let me know if you want me to do anything else.

With best personal regards,

Sincerely yours,


Charles S. Davis
President

CSD:jmh

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POLICY ON SALARIES AND SALARY ADJUSTMENTS
FOR THE FACULTIES OF THE STATE COLLEGES AND UNIVERSITIES
OF SOUTH CAROLINA

I. [From time to time faculty members may be called on to render services requiring an expenditure of time and effort beyond those demands normally made of a person on full-time appointment. Persons in critical positions who are assigned these duties may receive extra compensation; therefore,] salaries may be adjusted as a matter of routine without reference to the Budget and Control Board in the following situations:

A. A member of the faculty or staff who is teaching extension or field courses, who is participating in adult education courses or professional updating seminars, or who is engaged in short-duration public service problems such as materials testing and data collection, may be provided extra compensation for such activity to a maximum of 15% of his approved salary for the appropriate period of time. [The formula for extra compensation will be applied in the same fashion to all faculty members whatever their period of employment. Therefore, maximum compensation will be computed as follows:

- (1) Persons on nine-month appointments performing services included in I-A above: Maximum compensation per semester will be 115% of the approved semester salary. Maximum compensation per academic year will be 115% of the approved nine-month salary. Maximum summer salary will be 115% of the approved six-week (or appropriate period) salary.
- (2) Persons on twelve-month appointments performing services included in I-A above: Maximum compensation per month, semester, academic year, or calendar year will be 115% of the approved salary for that period.]

- B. A member of the faculty or staff who is teaching correspondence courses may be paid in addition to his approved salary \$20 maximum per student registration to a maximum of 15% of his approved salary for the appropriate period of time [as illustrated in A-(1) and A-(2) above.]

The maximum which a faculty or staff member can receive from categories A and B above may not exceed 15 per cent of his approved salary for the appropriate period of time.

- C. A member of the faculty or staff who is employed for teaching and/or sponsored research during the summer months will have a pay rate based on his approved nine-month salary, or for twelve-month employees, a pay rate not to exceed 115% of the approved salary for the appropriate period of time. [The approved compensation for a full-time, six-week summer session teaching and/or research

appointment is 15% of the nine-month salary. Extra compensation to the maximum of 15% will be provided only for those services conforming to the requirements stated in categories A and B above. The usual teaching and research assignments do not fall into categories A and B. Twelve-month employees may be provided extra compensation for extra duties fitting categories A and B above not to exceed 15% of the approved salary for the appropriate period of time during a summer session.]

- D. A member of the faculty or staff engaged in sponsored research during the academic year will perform the same as a part of his normal academic assignment. The research project shall bear a pro rata share of the faculty member's salary. Extra pay for such work will not be given except under the most unusual circumstances and with specific consideration and approval of the Budget and Control Board. The policy shall be similarly applied to twelve-month employees.

Special or unusual situations relating to employment and salary may exist at one or more of the state-supported institutions of higher learning. Such situations should be explained in writing to the Budget and Control Board which may authorize departure from the provisions stated in this section.

- II. From time to time it may become desirable to assign faculty or staff to extended duties other than those regularly assigned and those described in section I above. In any case deserving salary adjustment, complete explanation and justification will be submitted to the Budget and Control Board and no commitment will be made until approval is obtained.
- III. The institution will make offers of positions in teaching and administration prior to approval by the Budget and Control Board only if the salary is within the range of comparable positions within the budget as submitted and accepted by the Budget and Control Board. Budget and Control Board approval will be obtained before making commitments for salaries otherwise.
- IV. A supplemental stipend provided by a foundation, an industry, or an individual for a distinguished faculty or staff member will be reported to the Budget and Control Board.

(PROPOSED)
FACULTY COMPENSATION POLICIES
FOR STATE COLLEGES AND UNIVERSITIES

- 0 -

(The objective of the following proposed policies is to establish certain guides and limits for the compensation of faculty personnel that will eliminate the necessity of obtaining the Budget and Control Board's approval of each individual case in the more common areas of employment. The Board's approval would continue to be sought in any instance not covered by these policies).

I. DEFINITIONS.

The following definitions apply to terms used herein:

(1) Base Period means either (a) a semester, (b) the academic year (which covers both of the two regular semesters), or (c) the full twelve months' year.

(2) Base Pay means the compensation allowed for full time employment during a base period.

(3) Extra Duties means certain work performed during a base period in addition to work covered by the base pay. The following are examples of extra duties:

(a) Teaching extension, correspondence or field courses.

(b) Participating in adult education courses, or up-dating seminars.

(c) Engaging in short-duration public service problems.

II. BASE PAY.

Base pay shall be allowed in accord with compensation rates approved by the Budget and Control Board for the several categories of employment.

III. COMPENSATION FOR EXTRA DUTIES.

Compensation for performance of extra duties may not exceed 15% of the employee's base pay for the period during which the extra duties are performed.

IV. COMPENSATION FOR SIX-WEEK SUMMER SCHOOL.

Compensation for a full time work load for a six-weeks shall not exceed 15% of the employee's base pay for the immediately preceding academic year.

V. COMPENSATION FOR THE SUMMER PERIOD.

Compensation for teaching and/or sponsored research performed during the summer months (between academic years), and not related to a regular six-weeks summer session, shall be allowed as follows:

(1) for an employee whose base period is a semester or academic year, compensation shall be at the same rate as for his base period.

(2) for an employee whose base period is the full twelve months' year, compensation shall not exceed 15% of his base pay for the time such teaching and/or sponsored research is performed. This additional compensation will be allowed only in those instances where it is clear that the particular teaching and/or sponsored research is over and above the duties covered by base pay.

VI. SPONSORED RESEARCH.

Sponsored research engaged in during an employee's base period will be considered as compensated for in his base pay. Additional or extra compensation for such work will not be allowed except under the most unusual circumstances and only with specific approval of the Budget and Control Board.

VII. EXCEPTIONS.

Any proposed compensation not in accord with the policies outlined herein will be submitted to the Budget and Control Board for approval before a commitment is made with the particular employee concerned.

VIII. APPLICATION OF POLICIES.

College authorities are authorized to employ personnel under the terms of these policies without obtaining the Board's approval of each individual case. For record purposes, however, authorities will continue to notify the Board of all employment, resignations, compensation changes or other personnel actions.

E N D