

MINUTES OF BUDGET AND CONTROL BOARD MEETING

MAY 22, 1963

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The Budget and Control Board met in the office of Governor Russell at 9:30 A. M., May 22, 1963 with all members of the Board present. Also present was P. C. Smith, Assistant State Auditor.

The Board had before it a proposed memorandum of understanding and agreement between the State Board of Education and the S. C. Committee for Technical Education having to do with procedures involved in the expenditure of Federal Funds available to South Carolina under the National Defense Education Act. A copy of this proposed memorandum and agreement is attached herewith as a part of the minutes.

The Board approved the above proposal without change.

The State Department of Education submitted for the Board's approval a proposed transfer of \$360,000.00 from the current appropriation for maintenance and overhead to the current appropriation for state aid for teachers' salaries. It was noted that the 1962-63 appropriation for teachers' salaries will be short of the amount required for that purpose by an estimated \$900,000.00. This transfer was proposed as a temporary means of partially meeting this additional need. It was understood that the maintenance and overhead appropriation will be reimbursed for this \$360,000.00 out of the 1963-64 appropriation for teachers' salaries when that appropriation becomes available. The additional amount needed to complete payment of salaries for the current year will likewise be provided out of the 1963-64 appropriation. This arrangement is proposed on the understanding that the 1963-64 General Appropriation Act will allow the use of 1963-64 funds to cover any deficit in the current year's appropriation for teachers' salaries. The Board approved the proposed transfer of \$360,000.00.

Mr. Smith called the Board's attention to the Act of the General Assembly requiring the State Auditor to supervise the transfer of the assets of the Police

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Insurance and Annuity Fund to the newly created S. C. Police Officers' Retirement System. The Police Insurance and Annuity Fund will terminate its affairs on June 30, 1963 and the transfer is to be made as of that date.

Mr. Smith proposed that the State Auditor be authorized to accept the statement of assets and liabilities of the Police Insurance and Annuity Fund as will be shown in the report of Mr. Raymond Finch, Certified Public Accountant, who will be engaged by the Commissioners of the Police Insurance and Annuity Fund to audit their records at the close of June 30, 1963.

The Board withheld action on the above proposal until an opinion of the Attorney General can be had as to the State Auditor's responsibility in this matter.

No further business was transacted and the meeting adjourned at 10:10

A. M.

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Amendment to the Memorandum of Understanding and Agreement Between The
South Carolina State Board for Vocational Education and the South Carolina
Committee for Technical Education Entered Into January 26, 1962

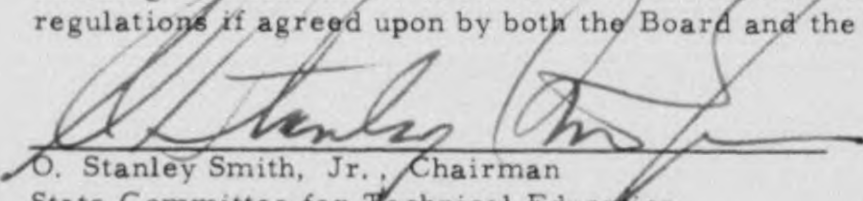
This Memorandum of Understanding and Agreement is amended by deleting in its entirety Item 2 under Agreement found on page 2 and substituting therefor the following:

"The State Board for Vocational Education recognizes the State Committee for Technical Education as a public school system and as such eligible to receive federal funds under Title VIII of the National Defense Education Act of 1958. Funds expended by the State Committee for Technical Education may be used as state and/or local matching funds. The State Board for Vocational Education, through its Executive Officer, shall advance funds to the State Committee for Technical Education under such terms and conditions as are outlined below:

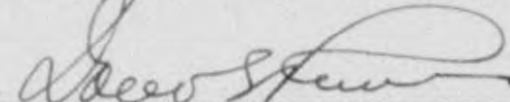
- I. At the beginning of each fiscal year, upon notification from the U. S. Office of Education of the amount of Title VIII funds that will be available, the Executive Officer of the State Board for Vocational Education will determine the amount needed by the State Board for Vocational Education for its programs and shall transfer the balance to the Committee for Technical Education in such amounts as desired by the Coordinator of the Committee.
- II. The State Board for Vocational Education under the State Plan for Vocational Education shall continue to be responsible for such programs and accountable for such funds as may be provided.
- III. The State Committee for Technical Education will receive these funds with the understanding that this Committee shall assume full responsibility for the following:
 1. All funds shall be used for conducting programs that are highly technical in nature and are classified as necessary for national defense as required under Title VIII of the National Defense Education Act of 1958.
 2. The program will be provided within the structure of and in compliance with the State Plan for Vocational Education.
 3. All necessary inventories, records, and reports as required by the State Board shall be maintained and kept up-to-date in the office of the Coordinator of the Committee for Technical Education and shall be readily available to authorized representatives of the State Board.
 4. On August 15 of each fiscal year the Chairman of the Committee for Technical Education shall provide the Executive Officer for the State Board for Vocational Education all records and information as required as a part of the statistical and descriptive reports to the U. S. Office of Education. In addition, the Committee for Technical Education shall at any time furnish the State Board for Vocational Education special information as may be requested by the Board.

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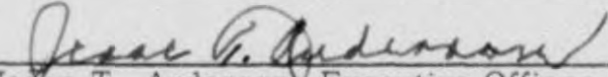
5. The Committee for Technical Education shall assume responsibility for the Title VIII funds transferred to it and shall be subject to both program and financial audits that will be made in its office by the state and federal auditors and/or program specialists.
 6. Any exceptions taken in either the program or financial audits that require the refund of federal funds by the State Board shall be the responsibility of the Committee for Technical Education and shall require a refund in equal amount by the Committee for Technical Education and any such refund shall be made directly to the State Board for Vocational Education.
- IV. This Agreement is made with the approval of the State Budget and Control Board which has general supervision over the financial operations of state agencies and will see that the financial responsibility in the Agreement is carried out.
- V. The State Board for Vocational Education, through its Executive Officer, shall invite the State Committee for Technical Education to report its progress annually in a joint meeting of the Board and the Committee. This Memorandum of Understanding will also be reviewed and modified within the framework of federal regulations if agreed upon by both the Board and the Committee."


O. Stanley Smith, Jr., Chairman
State Committee for Technical Education

May 28, 1963
Date


Governor Donald S. Russell, Chairman
State Board for Vocational Education

May 28, 1963
Date

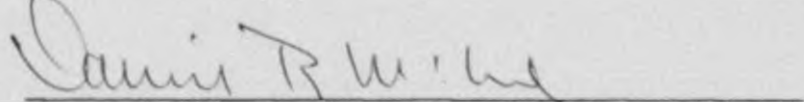

Jesse T. Anderson, Executive Officer
State Board for Vocational Education and
Ex Officio Member, State Committee for
Technical Education

May 28, 1963
Date


Governor Donald S. Russell, Chairman
State Budget and Control Board

May 28, 1963
Date

Approved by:


Daniel R. McLeod, Attorney General
State of South Carolina

28 May 63
Date

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