

MINUTES OF BUDGET AND CONTROL BOARD MEETING

JUNE 22 1972

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The Budget and Control Board met in the Governor's Office at 10:00 a. m. on Thursday, June 22, 1972 with the following Board members in attendance:

Governor John C. West  
Senator Edgar A. Brown  
Mr. R. J. Aycock  
Mr. Henry Mills  
Mr. Grady L. Patterson, Jr.

The meeting was also attended by Messrs. P. C. Smith, W. T. Putnam, F. E. Ellis and Lindsay Robinson.

The following business was transacted.

EMPLOYEE COMPENSATION - 1972-73 - Mr. P. C. Smith advised the Budget and Control Board that a problem existed in the funding of the State Employee Compensation Plan for the fiscal year 1972-73. He pointed out that, excluding the Highway Department and the Employment Security Commission, approximately \$177,650,000 would be expended for salaries from General Appropriations, and an additional \$54,059,000 of salaries would be paid from other sources. Normally the General Fund of the State would be expected to provide the increments for only those salaries which were paid from General Fund Revenues. However, it has been found that the General Fund of the State will have to bear the burden of the increments applicable to approximately \$10,500,000 of additional salaries, which salaries are presently paid from other sources. This situation has arisen as additional funds from these other sources cannot be obtained to provide for the stated increments.

The addition of the increments applicable to the salaries of \$10,500,000 as mentioned above and also the assuming of the entire increment burden of the colleges and universities has created the need for an additional \$1,000,000 to implement the Compensation Plan which was previously devised by the Personnel Division and approved by the Budget and Control Board.

Mr. Smith presented the Board with a schedule of some twenty-five major State agencies showing the difference between estimated personal service requirements and actual payments during the fiscal years 1969-70 and 1970-71. All but two of these agencies showed a substantial excess of estimated payments over actual payments. In combining all twenty-five agencies the schedule showed an overage of 5.34 per cent. When this percentage was applied to the estimated salary expenditure of the twenty-five agencies for the fiscal year 1972-73, a difference of approximately 11.6 million dollars could be anticipated.

Mr. Smith requested Board approval for taking into consideration these lapses when distributing the \$9,100,000 which will probably be appropriated for salary increments.

The Board approved Mr. Smith's request and agreed that personal service appropriations should be administered more strictly in the future.

A copy of the schedules furnished by Mr. Smith to the Board has been retained and is identified as Exhibit I.

ANNUAL LEAVE COMPUTATION - Mr. Earl Ellis advised the Budget and Control Board that he had requested legislation pertaining to the computation of annual leave in which it had been stated that such leave would be accumulated based upon a forty hour work week. He reported that this section had been amended to indicate a five day work week with each work day beginning at 8:30 a. m. and ending at 5:00 p. m.

Although Mr. Ellis has taken the position that this Act merely pertained to the computation of annual leave, the Office of the Attorney General has ruled that the provisions also apply to actual hours of employment.

Mr. Ellis merely furnished these facts to the Board for information and indicated that he was to contact the Office of the Attorney General for further clarification.

HOUSE OF REPRESENTATIVES - EXTENDED EMPLOYMENT - The Honorable Sol Blatt, Speaker, reported that John Bassard, a porter for the House of Representatives, had reached his 72nd birthday but asked for permission to retain him in his present position for the fiscal year 1972-73. It was stated that this employee had special skills and knowledge which could be of great service to the Legislature during the next fiscal year.

The Budget and Control Board approved this request.

There being no further business, the meeting adjourned at 10:30 a. m.





SOUTH CAROLINA  
STATE HIGHWAY DEPARTMENT  
DRAWER 191  
COLUMBIA, S. C. 29202

*RC Rd*

June 15, 1972

Mr. P. C. Smith, State Auditor  
State Budget and Control Board  
Post Office Box 11333  
Columbia, South Carolina 29211

Dear Mr. Smith:

The State Highway Commission at its meeting on June 15, 1972, unanimously passed a motion increasing the salaries of the Chief Highway Commissioner, State Highway Engineer, Assistant to the Chief Highway Commissioner and Secretary-Treasurer, effective July 1, 1972, subject to the approval of the State Budget and Control Board, as follows:

Chief Highway Commissioner	\$34,075.00 to \$36,000.00
State Highway Engineer	\$24,435.00 to \$25,700.00
Ass't to the Chief Highway Comm.	\$21,800.00 to \$23,000.00
Secretary-Treasurer	\$18,000.00 to \$20,000.00

This action is submitted to you for consideration of the Budget and Control Board.

With kindest regards, I remain

Yours very truly,

*S. N. Pearman*  
S. N. Pearman  
Chief Highway Commissioner

EXHIBIT I

JUNE 22, 1972

EMPLOYEE COMPENSATION, 1972-73

- o -

Total Projected Compensation of All  
Employees (both Classified and  
Unclassified) for 1972-73 -

- 1) From General Fund Sources
- 2) From Other Sources

\$ 177,650,000  
54,059,000

Total

\$ 231,709,000

Amount of Projected Compensation (above)  
over which the \$9,100,000 appropriation  
must be allocated -

- 1) From General Fund Sources
- 2) From Other Sources

\$ 177,650,000  
10,500,000

Total

\$ 188,150,000

Estimated amount required to finance the  
proposed revision in the classification  
scales (5.4%)

\$ 10,100,000  
9,100,000

Amount Appropriated (4.8%)

Additional Needed

\$ 1,000,000

ANTICIPATED PERSONAL SERVICE EXPENDITURES

1972 - 1973

(DOES NOT INCLUDE HIGHWAY DEPARTMENT  
AND EMPLOYMENT SECURITY COMMISSION)

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	<u>Agency Head</u>	<u>Classified Positions</u>	<u>Unclassified Positions</u>	<u>Total</u>
Personal Service (Excluding Special Payments, Overtime and Shift Differential)	3 153 393	161 409 496	67 146 200	231 709 089
*Due To Be Paid From Sources Other Than General Fund	124 063	49 786 496	4 148 539	54 059 098
Due To Be Paid From General Fund	3 029 330	111 623 000	62 997 661	177 649 991

\*Schedule Of Agencies Shown On Page 2



PERSONAL SERVICE 1972-73

AMOUNTS DUE FROM SOURCES OTHER

THAN THE GENERAL FUND

	<u>Agency Heads</u>	<u>Classified Positions</u>	<u>Unclassified Positions</u>	<u>Total</u>
Governor's Office	35 853	1 390 950	127 586	1 554 389
Adjutant General's Office	-0-	98 148		98 148
Budget and Control Board	25 647	1 044 995	18 718	1 089 360
Higher Education Commission	-0-	465	-0-	465
Department of Education	-0-	1 560 217	5 005	1 565 222
Technical Training	40 950	824 422	749 397	1 614 769
Deaf and Blind School	-0-	54 072	98 576	152 648
Archives and History	-0-	39 568		39 568
State Library	-0-	181 241		181 241
Arts Commission	-0-	4 848		4 848
Board of Health	-0-	6 526 455	218 294	6 744 749
Mental Health	-0-	5 041 621	84 791	5 126 412
Mental Retardation	-0-	731 207	284 752	1 015 959
Commission on Alcoholism	-0-	46 376	51 975	98 351
Public Welfare	-0-	8 752 204	28 548	8 780 752
Vocational Rehabilitation	-0-	5 963 115	97 875	6 060 990
John de la Howe	-0-	-0-	11 080	11 080
Children's Bureau	-0-	3 825		3 825
Commission For The Blind	-0-	427 693	-0-	427 693
Commission On Aging	-0-	94 142		94 142
Department of Corrections	-0-	602 249	36 269	638 518
Juvenile Corrections	-0-	558 590	185 026	743 616
Board of Juvenile Placement and Aftercare	-0-	26 149		26 149
Law Enforcement Training Commission	21 613	172 894		194 507
Pollution Control Authority	-0-	332 009		332 009
Forestry Commission	-0-	529 632	24 346	553 978
Agricultural Marketing Commission	-0-	214 958		214 958
Clemson University - PSA		4 259 718	654 893	4 914 611
Wildlife Resources Department	-0-	1 731 704	26 333	1 758 037
Parks Recreation & Tourism	-0-	349 163	137 270	486 433
Development Board	-0-	10 710	-0-	10 710
Public Service Commission	-0-	67 377		67 377
Labor Department	-0-	209 536		209 536
Tax Commission	-0-	103 315		103 315
Civil Defense	-0-	182 746		182 746
U. S. C. Aux Services		931 522	101 084	1 032 606
Clemson Aux Services		596 420	140 002	736 422
Citadel Aux Services		506 201	16 497	522 698
Winthrop Aux Services		408 086		408 086
State College Aux Services		205 986	20 000	225 986
College of Charleston Aux Services		97 249		97 249
Comptroller General's Office	-0-	852	-0-	852
*Medical University (Hospital)		4 903 866	1 030 222	5 934 088
Total	124 063	49 786 496	4 148 539	54 059 098

\*See Page 3 For Computation

MEDICAL UNIVERSITY - HOSPITAL

PERSONAL SERVICE COMPUTATION

Listed below are figures showing the total of base salaries for the fiscal year 1972-73 of all existing positions in the Medical University Hospital.

Classified	\$ 7 418 860
Unclassified	<u>1 558 581</u>
Total	<u>\$ 8 977 441</u>

The figures below are estimates of the revenue for the operation of the Medical University Hospital for the fiscal year 1972-73.

State Appropriations (33.9%)	\$ 6 143 909
Patient Fees (66.1%)	<u>12 000 000</u>
Total (100%)	<u>\$18 143 909</u>

After applying the percentages of revenue to the total salaries, it appears that the figures below represent the approximate amount of personal service expense which should be attributed to sources other than the General Fund.

	<u>Classified</u>	<u>Unclassified</u>	<u>Total</u>
All Hospital Salaries (100%)	7 418 860	1 558 581	8 977 441
Appropriations (33.9%)	2 514 994	528 359	3 043 353
Due To Be Borne By Patient Fees (66.1%)	<u>4 903 866</u>	<u>1 030 222</u>	<u>5 934 088</u>



COMPARISON OF ACTUAL TO ESTIMATED TOTAL EXPENDITURES FOR PERSONNEL

FOR 1969-70 and 1970-71, AS SHOWN BY BUDGET SUBMISSIONS,

FOR SELECTED AGENCIES

	Total - Two Years			% Actual Under Estimated	71-73		Approx. 20% of Applied %	Salary Increase Fund Allocated
	Estimated	Actual	Difference		Estimated	Applied %		
University of South Carolina	38 240 085	36 849 028	1 391 057	3.64	30 208 846	1 099 602	220 000	403 000
Clemson University	24 199 313	23 587 890	611 423	2.53	17 196 307	435 067	87 000	384 000
Medical University	33 745 871	30 665 102	3 080 769	9.12	23 912 525	2 180 822	436 000	860 000
The Citadel	7 937 106	7 784 861	152 245	1.92	4 439 669	85 242	17 000	150 000
Winthrop College	8 219 821	8 034 366	185 455	2.26	5 445 206	123 062	25 000	133 000
S. C. State College	6 756 882	6 105 545	651 337	9.64	4 011 607	386 719	77 000	86 000
Francis Marion College	835 250	847 722	( 12 472)	(1.50)	1 729 484	( 25 942)	-	19 000
College of Charleston	993 429	912 479	80 950	8.15	2 052 467	167 113	33 000	39 000
Department of Education	13 345 160	12 867 116	478 044	3.58	7 985 999	285 899	57 000	306 000
Advisory Committee for Technical Training	20 791 898	19 382 610	1 409 288	6.78	14 485 277	982 102	196 000	188 000
Educational Television Commission	2 534 164	2 499 677	34 487	1.36	1 425 885	19 392	-	51 000
Opportunity School	676 334	655 553	20 781	3.07	452 645	13 896	-	11 000
School for the Deaf and the Blind	2 926 935	2 881 425	45 510	1.55	2 038 537	31 597	6 000	38 000
Department of Social Services	18 227 176	17 093 340	1 133 836	6.22	16 084 344	1 000 446	200 000	649 000
Board of Health	19 086 712	17 860 438	1 226 274	6.42	15 466 783	992 967	199 000	710 000
Department of Mental Health	34 518 235	31 580 456	2 937 779	8.51	21 346 093	1 816 553	363 000	1 110 000
Department of Mental Retardation	17 420 530	16 729 494	691 036	3.97	15 977 874	634 322	127 000	803 000
State Agency for Vocational Rehabilitation	9 102 469	8 675 460	427 009	4.69	7 605 284	356 688	71 000	270 000
Commission for the Blind	1 153 347	1 012 750	140 597	12.19	774 287	95 386	19 000	32 000
Department of Corrections	6 424 289	6 358 131	66 158	1.03	5 670 203	58 403	11 000	263 000
Department of Youth Services	3 690 600	3 628 730	61 870	1.68	3 610 653	60 659	12 000	126 000
Forestry Commission	6 544 132	6 403 516	140 616	2.15	3 602 519	77 454	15 000	219 000
Clemson University (Pub. Serv. Act.)	18 510 238	17 332 382	1 177 856	6.36	11 183 848	711 293	142 000	301 000
Wildlife & Marine Resources	3 955 839	4 044 305	( 88 466)	(2.24)	2 559 788	( 57 339)	-	102 000
Parks, Recreation & Tourism	3 012 020	2 878 933	133 087	4.42	2 006 063	88 668	18 000	93 000
	<u>302 847 835</u>	<u>286 671 309</u>	<u>16 176 526</u>	5.34	<u>221 272 193</u>	<u>11 620 071</u>	<u>2 331 000</u>	<u>7 346 000</u>

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END OF FISCAL YEAR 1971-72