

MINUTES OF BUDGET AND CONTROL BOARD MEETING

DECEMBER 11, 1963

- o -

The State Budget and Control Board met in the Conference Room of the Governor's Office at 3:00 P. M., Wednesday, December 11, 1963, with all members present. Also present were Mr. J. M. Smith, State Auditor and Secretary of the Board, P. C. Smith, Assistant State Auditor and Walter B. Brown, Director of the Division of Sinking Funds and Property.

The following business was transacted:

1. REPORT ON PURCHASING PROCEDURES - REPORT ADOPTED

Mr. Furman B. Pinson, Purchasing Officer for the textile firm of J. P. Stevens & Company, together with his associate Mr. Lambeth, met with the Board for a discussion of a report prepared and submitted by Mr. Pinson on purchasing practices and procedures in the State Government. Mr. Pinson had been engaged to make this study several months ago.

The report was reviewed briefly by Mr. Pinson for the benefit of the Board with particular emphasis on its recommendations. A copy of the report is attached hereto as a part of the minutes. (No. 7)

The Board was of the opinion that no legislative authority would be necessary to implement the recommendations made in the report. It was accordingly agreed that a committee, Mr. M. A. Wilson, Comptroller at Clemson College, and Dr. W. H. Patterson, Dean of the University of South Carolina, would be requested to take the report and develop such rules and regulations as might appear necessary to carry these recommendations into effect. It was understood that Messrs. Wilson and Patterson would be free to call upon any other personnel within the State Government they felt would be of assistance to them in this connection.

It was also agreed that at the conclusion of the development of rules and regulations a group of citizens from over the State would be selected and asked to review and comment upon the proposed procedures.

The Board expressed its genuine appreciation to Mr. Pinson for a job well done.

2. REPORT OF STUDY ON STATE-OWNED AUTOMOBILES

Governor Russell asked that the Board give consideration to a report recently submitted by a committee consisting of Dr. R. C. Edwards, President of Clemson College, Mr. S. N. Pearman, Chief Highway Commissioner, and Mr. P. H. Bomar, Finance Officer of the State Department of Education, concerning State-owned automobiles. (No. 8)

Printed copies of the committee's report were available to the Board and reference was made to recommended procedures for better regulation of these vehicles. After discussion, the Board agreed that Messrs. Wilson and Patterson (see above) would be asked to ~~also~~ undertake the development of rules and regulations in this area also.

3. REPORT ON ESTABLISHMENT OF GENERAL SERVICES AGENCY

The Board had before it a report prepared by Mr. John R. Turnbull, of the State Auditor's Office, in which recommendations were made for the (1) establishment of a records management system for the State Government, (2) establishment of a centralized data processing service for the State Government as a whole, and (3) the adoption of a centralized telephone system for State agencies in the City of Columbia. (No. 9)

The report had previously been distributed to the membership of the Board and the recommendations were discussed at this time. It was agreed that this report also would be referred to Messrs. Wilson and Patterson for development of procedures to implement the report's recommendations.

4. WILDLIFE RESOURCES DEPARTMENT - PERMANENT IMPROVEMENT PROJECTS

The Board gave consideration to several requests of the Wildlife Resources Department for its approval of permanent improvement projects.

The following projects were given the Board's approval:

(a) Hampton County Lake - This project was originally approved at an estimated cost of \$385,054.00. Approval was given to an additional \$62,504.00 for the construction of a road across the dam to be financed by the State Highway Department.

(b) Clark Hill Boat House - The Board approved \$4,474.00 for construction of a two-unit boat house for storage of department equipment.

(c) Enlargement of Equipment Building - Lake Wallace - The Board approved \$1,140.00 for this project.

(d) Equipment Storage Building - Myrtle Beach - The Board approved \$6,000.00 for this project, for storage of agricultural implements, etc.

(e) Facilities for Production of Exotic Game Birds - Belmont - Approval was given to \$10,200.00 for this project, consisting of a frame building for incubation, feed storage, etc., and the fencing of several acres of project area.

The following projects were considered but were not acted upon at this time pending the appearance of department personnel to discuss them with the Board.

- |  |             |
|--|-------------|
| (a) Bonneau Beach Residence and Storage Facilities -<br>Myrtle Beach | \$49,300.00 |
| (b) Field Headquarters Building - Kershaw County                     | 24,000.00   |
| (c) Field Headquarters Building - Orangeburg County-                 | 16,000.00   |
| (d) Tenant House, etc. - Belmont                                     | 37,000.00   |

5. UNIVERSITY OF SOUTH CAROLINA - PERMANENT IMPROVEMENT PROJECTS

(a) Purchase of Property - College, Barnwell and Gregg Streets - At the meeting of the Board November 15, 1963, the Board had before it a request of the University to approve the purchase of several pieces of property on College, Barnwell and Gregg Streets in the general area of the University Campus. (See minutes of this date) Further consideration of this request was taken up at this time. The Board noted that (1) the University had already contracted for the purchase of this property and (2) it was proposed that funds from "Accumulated

Reserve" from Campus Shop and Food Service Operations be used for this purpose.

The Board was necessarily concerned that its approval was being requested by the University after formal contracts for the purchase of the property had been executed, recognizing the somewhat embarrassing position in which this procedure places the Board.

As to the use of the particular funds proposed by the University the Board felt, after consultation with the Attorney General, that these funds were not legally available for other than normal operating expenses of the University,

After a full discussion of the matter, the Board reluctantly agreed to approve the University's purchasing of this property with the understanding that any use made of it would be submitted to the Board for its approval. It was also understood that purchase of the property would be made from the proceeds of the State Institution Bond issue of May 1, 1962 now available to the University.

(b) Campus Landscaping - The University requested the Board's approval of the expenditure of \$8,750.00 for landscaping certain areas of the University's campus. The Board was of the opinion that this proposal did not come within the definition of permanent improvement and, therefore, did not require action of the Board.

(c) Addition to Neutron Generator Building - The University requested the Board's approval of the use of \$11,433.00 of funds received as reimbursement for "Research Overhead" to finance further additions to its Neutron Generator Building.

The Board approved the proposed project but with the understanding that it be financed out of State Institution Bond proceeds.

6. WHITTEN VILLAGE - PERMANENT IMPROVEMENTS

The Board was requested to approve the construction of new Laundry facilities at Whitten Village at an estimated cost of \$90,000.00, funds to be derived from the issuance of bonds authorized by the 1963 General Assembly.

The request was approved unanimously.

7. STATE COLLEGE - PERMANENT IMPROVEMENTS

State College authorities requested the Board's approval of the issuance of \$140,000.00 of additional State Institution Bonds to provide funds needed for their new Teacher Training facility on the campus. It was noted that this project had originally been approved at a cost of \$500,000.00 for which State Institution Bonds have already been issued. Bids on the project were received within the past few days indicating the need of an additional \$140,000.00.

In discussing the request the Board raised the question of the possibility of securing Federal Aid for this project. After discussion, the Board approved the issuance of the additional bonds as requested provided there is no possibility of securing federal funds. (It was understood that a formal resolution on the issuance of the bonds would be presented for Board action at a later date.)

8. DEPARTMENT OF PUBLIC WELFARE - PROPOSED SALARY INCREASES

Mr. Arthur Rivers, Director of the Department of Public Welfare, requested the Board's approval of an increase in certain categories of the salary schedule for County Welfare department personnel.

The Board reviewed the request but declined its approval at this time.

9. PROPOSED STUDY OF INSTALLING A DATA PROCESSING SYSTEM IN COMPTROLLER'S AND TREASURER'S OFFICES

At the request of personnel from the State Auditor's, Comptroller's and Treasurer's offices, the Board gave its approval to the continuation of a study looking toward the feasibility of installing electronic data processing equipment in the Comptroller's and Treasurer's offices. It was understood that no formal action would be taken on the study without approval of the Budget and Control Board and particularly that of the Comptroller and Treasurer.

10. HUMBLE OIL COMPANY PROPERTY - COLUMBIA

Mr. Walter Brown reported to the Board that negotiations were practically completed on the purchase of Humble Oil Company's property on Gervais Street at a cost of \$250,000.00. It is expected that possession of the property

can be had about March 1, 1964.

11. ADDITIONAL PERMANENT IMPROVEMENT PROJECTS - ACTION DEFERRED

The Board gave brief consideration to several permanent improvement projects being proposed by Clemson College, the University of South Carolina, the Citadel and Winthrop College. It was agreed that a report would be requested of the State Auditor's Office on the status of the State Institution Bond program and that action on these projects be deferred at this time. It was understood that a meeting for this purpose would be held within the next month.

No further matters were considered and the meeting adjourned at 5:00

P. M.

**SURVEY REPORT**  
**ON**  
**PURCHASING PRACTICES**  
**IN**  
**STATE OF SOUTH CAROLINA**

**NOVEMBER 14, 1963**

**1957**

**SURVEY REPORT**  
**ON**  
**PURCHASING PRACTICES**  
**IN**  
**STATE OF SOUTH CAROLINA**

**NOVEMBER 14, 1963**

**1957**

Copy for Minutes  
of Budget & Control Board

INDEX

No. 7

Page

12/11/63

PART I. PURPOSE	1
PART II. GENERAL	1
PART III. OBSERVATIONS	1
PART IV. CONCLUSIONS	6
PART V. POSSIBLE COURSES OF ACTION	8
PART VI. ATTACHMENTS	
TAB A. AGENCIES AND PERSONS VISITED	
TAB B. QUESTIONNAIRE TO STATE AGENCIES	
TAB C. RESPONSE OF AGENCIES TO QUESTIONNAIRE	
TAB D. EXCERPTS, REORGANIZATION PLAN NO. 2, 1950	
TAB E. VIRGINIA PURCHASING LAWS	
TAB F. NORTH CAROLINA PURCHASING LAWS	
TAB G. SOUTH CAROLINA CONTRACTS	
TAB H. NORTH CAROLINA CONTRACTS	
TAB I. VIRGINIA CONTRACTS	

1958

## I. PURPOSE

1. To review purchasing practices in the State of South Carolina with a view toward making suggestions for improved effectiveness, pursuant to request made by the Honorable Donald Russell, Governor.

## II. GENERAL

1. Visits were made to sixteen agencies (Tab A). Eleven visits were to agencies which generate purchase requirements. Three other South Carolina agencies visited were (a) Purchasing Division (b) Purchasing Division for Printing and Office Supplies and (c) State Surplus Property Office. The State Purchasing Divisions in the Commonwealth of Virginia and the State of North Carolina were also visited.
2. A questionnaire was sent to all agencies generating purchase requirements (Tab B). The purpose was to:
  - (a) Determine purchase volume of each agency.
  - (b) Establish the magnitude of total State purchase.
  - (c) Identify the more important purchases and isolate significant areas of common requirements.
  - (d) Determine amount of manpower used in the purchasing function.
3. Responses to the above questionnaire were provided by 63 agencies listed in Tab C.
4. All agencies visited were hospitable, courteous, cooperative, and helpful.
5. The personnel interviewed showed a high degree of interest in purchasing and appeared to be doing a conscientious job within the scope from which it was being done.

## III. OBSERVATIONS

1. Tab C shows total state purchases for the most recent 12-month period were \$35,000,000 excluding food. There were 299 persons involved to some degree in these purchases. Forty-six were employed as full time purchasing people. Only nine of these are assigned to the

1959

State Purchasing Office. Purchases of the eleven agencies visited amounted to 77% of total state purchases.

2. The concept of centralized purchasing was recognized by the State of South Carolina by action of the General Assembly, at its 1950 session, in approving Reorganization Plan No. 2 (Tab D). At that time a State Purchasing Office was established to operate under the direction of the State Budget and Control Board. It does not appear that the full intent of this legislation has been completely realized. The State Purchasing Office has not been adequately staffed to assume the full responsibilities intended. Why this was not done can only be assumed. One reason could be that a sufficiently clear statement of responsibility and authority of the State Purchasing Office has apparently not been issued. Discussions with the Director of State Purchases revealed he was not aware of just what his full responsibility was or how much authority he had. Discussions with representatives of other agencies visited, indicated they were equally vague on the subject. There was a general lack of knowledge of what the relationship should be between the State Purchasing Office and other agencies. The result was that many agencies felt the State Purchasing Office was to be used at their discretion. The terms of reference in Virginia (Tab E) and North Carolina (Tab F) are quite positive and to the point. In both cases it can be clearly seen that the "responsibility" for purchasing is that of the State Director. He can and does delegate "authority" to agencies to make local purchases as necessary and practicable.
3. For the most recent 12-month period the Director of State Purchases was involved to some degree in purchases amounting to about \$13,000,000 or only 37% of the total state purchases for the period. The bulk of this effort was directed toward the large volume/high value items which are contracted for on an annual basis or on separate large bids, such as gasoline, oil, tires, and vehicles.
4. The State Office of Purchases has knowledge of only those purchases made by that office. When separate agencies make direct purchases and do not go through the State office, no information of these transactions (copies of purchase orders or invoices) is furnished

the central office. No machinery was in existence to monitor agency purchases against state contracts. Therefore, it was not known just how effective these contracts were.

5. There were only five overall state contracts in South Carolina. (Tab G). All agencies visited were using them and felt they were good. There was a consensus that there was a strong need for more, covering a wider variety of items. On the other hand, many representatives did not feel obligated to use these contracts unless they felt it advantageous to do so. It was mandatory that all agencies in North Carolina and Virginia make use of any contracts in existence. North Carolina did most of its purchasing through the contract method and had 125 state contracts in existence (Tab H). In Virginia, the contract method of purchasing was used to a lesser degree than in North Carolina. Much of their purchasing was done through the bid method on consolidated requirements for items which were intended for their central warehouse and subsequent reissue to agencies. There were 25 contracts in existence in Virginia. (Tab I). No inference is made that the contract method of purchasing is always best nor that it guarantees the best price. However, the existence of a contract is an indication that the matter has been given some study.
6. In North Carolina and Virginia a copy of all purchase orders issued by the agencies are sent to the State Office where they are monitored and maintained. This offers the central office knowledge of and a degree of control over all purchases. This is not done in South Carolina nor would it be possible with the current organization and staff of the State Purchasing Office. There are only nine people assigned to this office. There are purchasing staffs in some of the separate agencies equal to, and some almost as large. (State Highway Commission has nine persons assigned to purchasing). Virginia had 20 people assigned to the State purchasing office which handles annual purchases of 25 million dollars. North Carolina had 39 people and the annual purchase volume is about 65 million dollars.
7. The people assigned to the South Carolina State Purchasing Office appeared to be working hard and

doing their best within their capabilities. Any added workload in that office or major change in purchase procedures would necessitate assignment of additional competent people. Since it appears obvious that maximum advantage of quantity purchasing is not being realized in South Carolina, it is felt that some actions toward such a goal should be taken. The potential savings to be made should far offset the cost of additional personnel that would be needed. The purchasing staffs in the separate agencies could be reduced some as more purchasing is done in the central office. This would partially offset the added personnel costs in the State Purchasing Office.

8. In most large organizations today, much is being done in the area of "Standardization" of supplies and equipment with many advantages being realized. The purpose of such a program is to:

- (a) Reduce the variety of like items being used for a particular job so that all agencies use the same tools to do similar jobs.
- (b) Direct larger volume purchases to fewer vendors with resulting price and/or quality improvement.
- (c) Reduce inventories.
- (d) Reduce administrative and overhead costs.

Little is being done toward this end in South Carolina.

9. The potential of a standardization program is almost unlimited. At the rate new and improved product and methods are being offered, such a program is never finished. Virginia had three qualified engineers employed in the Standardization section of Central Purchasing. North Carolina had six similarly employed. It is believed that many advantages would accrue if such a program were undertaken in South Carolina. The reports submitted by the 63 agencies in South Carolina (Tab C) reveal that there were some areas representing sizeable expenditures which were common to a majority of the reporting agencies. Worthy of mention here are:

- |                                   |             |
|-----------------------------------|-------------|
| (a) Office supplies & equipment   | \$1,350,000 |
| (b) Laundry & Janitorial supplies | 528,000     |

(c) Maintenance supplies	\$ 872,000
(d) Educational supplies & equipment	2,587,000
(e) Medical supplies & equipment	1,600,000

These figures do not reflect total purchases of these commodities because agencies were not specifically asked to report purchases for these items. It can be assumed then that the actual purchases here are even greater than shown. For the most part, these items are bought separately by each agency without regard to other agencies using like items. It is possible that separate agencies are buying in competition with each other rather than demanding maximum competition among vendors. The bargaining strength which would result if all requirements for these items were grouped together and procured from a single vantage point is obvious.

10. The procurement of food was not included in the details of our survey in South Carolina. However, during the visits to Virginia and North Carolina it was noted that all food purchases in those states, except perishables, are made by the State Office of Purchases. The food requirements of all state agencies would represent a significant bargaining instrument if consolidated. In North Carolina foods are purchased by contract with institutions applying requirements against the centrally negotiated contract. In Virginia centrally procured food stuffs are distributed from a state operated central warehouse to using institutions. Both states estimate that they are realizing sizeable price and quality advantages by their methods.
11. It was noted the inter-agency communication in South Carolina was generally poor. The State Director of Purchase maintained adequate communication with many agencies in the Columbia area. He was not well known nor was the purpose and capability of his office in those agencies more remote to Columbia. There was little indication of representatives of the various agencies getting together and discussing mutual procurement and supply matters.
12. Some of the agencies had prepared purchasing manuals setting forth procedures to be followed. While this is commendable, it shows how such decentralized

purchasing results in duplication of effort and a dilution of manpower. A high degree of professionalism in the procurement function is not likely under these circumstances.

13. The Director of State Purchases was not making any form of periodic report of his activities to anyone. This was also true in many of the agencies visited. Regardless of the degree of centralization in procurement, it is considered good management for some form of activity report to be submitted regularly. This provides management with a picture of what is being done, how it is being done, problems encountered and any assistance which may be indicated. It also gives the person submitting the report a greater feeling of "being a part of the team", increased incentive and a greater pride in his accomplishments.
14. The State Office of Purchases for Printing and Office Supplies is operated separately from the State Purchasing Office. The Director of this office is employed on a part-time basis and has only a small inadequate staff. No practical reason could be learned for either. The Director estimates that his annual volume of purchases might reach \$750,000. Separate agencies reported \$1,350,000 annual purchases in this area. Some agencies did not know that this office existed. Others did not know what it did. While a cost analysis was not attempted, it can be seen the potential savings which could be realized if all the state requirements here were consolidated. It would appear that this function should be strengthened and perhaps placed under the State Purchasing Office.
15. There are a number of actions possible which should improve effectiveness in purchasing in South Carolina, effect greater economy and stimulate more competition among vendors. They will be discussed in Part V below. It is reiterated that the State Purchasing Office appears to be doing about as good a job as possible with the small staff now assigned. Any further steps toward greater centralization will require additional competent people assigned in that office.

#### IV. CONCLUSIONS

1. Maximum advantage is not being realized from quantity purchasing while the potential here is great.

2. The original intent of Reorganization Plan No. 2 of 1950 regarding standardization and centralized purchasing has never been fully implemented.
3. There is considerable duplication of effort in the purchasing areas which dilutes the effect of manpower engaged in purchasing.
4. The potential for stimulating maximum competition among vendors selling to state agencies is not being exploited.
5. Many advantages could be realized from greater central control and from a closer and more positive monitoring of all State purchase transactions.
6. There is no clear statement of function, responsibility and authority for the State Director of Purchase nor the State Director of Purchase for Printing and Office Supplies. Representatives of the state agencies do not have a clear understanding of their exact authority for purchasing.
7. In practically no cases did we find evidence of purchasing officials making regular reports to management.
8. State Purchasing Office has arranged a relatively small number of state contracts. These are good as far as they go but the comment was made on all sides that more were needed.
9. Standardization of supplies and equipment used by State agencies, etc. has not been accomplished to any considerable degree.
10. Too many people are playing an active role in State purchasing.
11. With its small staff, the State Purchasing Office is doing a creditable job on requirements sent to this office for purchase. This, however, amounts to only one-third of total state purchases. They have no information or control over the other two-thirds.
12. Communication between the State agencies and the State Purchasing Office needs improvement, especially away from the Columbia area.

V. POSSIBLE COURSES OF ACTION

1. State Budget and Control Board issue a clear and concise memorandum delineating specific authority and responsibilities in the area of state purchasing. This directive should be expressed in terms which would provide for the ultimate method of operation desired. A statement such as that contained at Tab E, Page 10, Article 3, Section 2-249, should leave no doubt in the minds of anyone concerned. At the same time it would provide necessary flexibility to permit an orderly build-up of the capabilities of the State Purchasing Office, i.e., Director of State Purchases could have total "responsibility" for all purchases and delegate "authority" to agencies to buy locally, as necessary and practical, until his capability reaches a point where he can assume more of the work.
2. State Director of Purchases make periodic reports on his activities to the State Budget and Control Board. Responsible procurement personnel in agencies make similar reports to their responsible supervisors with copy sent to Director of State Purchases.
3. State Director of Purchases take steps toward better standardization. To attain a high degree of standardization outlined would necessitate some effective method of the agencies agreeing on acceptable quality standards of items to be purchased. This could be accomplished by the creation of "standardization" committees, made up of technically or professionally qualified representatives of the agencies which are the primary users of a particular category of items. For example, **there** could be a "Drug, Medical Supply & Equipment Committee", made up of doctors/pharmacists employed in the various medical institutions in the state. It would be their duty to study all the state requirements for purchases in this particular field, determine which of the items that could and should be standardized and then arrive at a proper quality standard which should be mutually acceptable to the using agencies. There could also be committees for: (a) Office Supplies & Equipment (b) Laundry & Janitorial Supplies (c) Food (d) Educational Supplies & Equipment (f) Others as required. These committees would assist the State Director of Purchases as needed. Ultimate plans should include a Standardization Section in the State Purchasing Office.

4. The State Director of Purchases, and his staff, make more visits to State agencies. Encourage representatives of State agencies to visit the State Purchasing Office and each other. Take any other steps as necessary to improve communication in the purchasing function.
5. State Director of Purchases select additional commodities for which annual or periodic contracts would be advantageous. Place emphasis on negotiating contracts with estimated or agreed-upon quantities as a basis of determining price. Take positive action to make widest dissemination of contract information to potential users. Establish procedures for State Purchasing Office to have knowledge of the degree contracts are being used.
6. Strengthen capability of the office of State Director of Purchases for Printing and Office Supplies. Make the Director's position a full-time job. Issue specific instructions on his responsibility and authority. Give consideration to consolidating this function into the State Purchasing Office.
7. As a longer term goal, have State Director of Purchases function as a truly centralized purchasing office and control all major purchase actions in the state. (As a practical matter, it would always be necessary for some minor, emergency and work-order-repair purchases to be made by using agencies). A central-warehouse operation might be especially adaptable to the State of South Carolina because of the central location of Columbia and the large concentration of using agencies in the immediate vicinity. However, such a venture should be thoroughly studied and it should be undertaken only as an ultimate goal and after other, more simple, steps toward centralization have been implemented.

F. B. Pinson, Jr.  
Manager, Purchasing  
J. P. Stevens & Co., Inc.

A

1968

AGENCIES VISITED AND PERSONNEL INTERVIEWED

- (1) Director of State Purchases, State of South Carolina.  
Mr. Hugh White, Director.
- (2) Department of Purchases and Supply, Commonwealth of Virginia.  
Mr. R. T. Scott, Purchasing Manager.
- (3) Purchasing and Contracting Division, State of North Carolina.  
Mr. John T. Henley, State Purchase Officer; Mr. Willis Holding, Jr., Ass't. State Purchase Officer; Mr. R. E. Vick, Chief Standards and Inspection.
- (4) South Carolina State Hospital, Mr. J. G. Morris, Director of Administrative Services; Mr. Connelly, Business Manager; Mr. E. C. Knight, Ass't. Business Manager.
- (5) University of South Carolina, Mr. J. F. Tyler, Purchasing Agent.
- (6) South Carolina Office of Purchases for Printing and Office Supplies, Mr. John Martin, Director.
- (7) South Carolina State Highway Department, Mr. C. R. Sanders, Purchasing Agent.
- (8) Clemson College, Mr. W. A. Wilson, Vice President for Business & Finance and Mr. Liberty, Purchasing Agent.
- (9) Winthrop College, Mr. K. R. Manning, Business Manager and Mr. W. H. Hope, Jr., Purchasing Agent
- (10) Whitten Village, Dr. B. O. Whitten, Superintendent; Dr. Suber, Ass't. Superintendent and Mr. Lorenzo Lee, Business Manager.
- (11) South Carolina State Educational & Finance Commission, Mr. E. R. Crow, Director and Mr. R. M. Hendrix, Supervisor of Transportation.
- (12) Forestry Commission. Mr. C. A. Flory, State Forester and Mr. John Tiller.
- (13) Department of Corrections, Mr. Ellis McDougall, Director.
- (14) Committee for Technical Education. Mr. Wade Martin, Director and Mr. Riley.
- (15) South Carolina State Board of Health. Mr. Walter P. Boyleston, Business Manager.
- (16) South Carolina State Surplus Property Office. Mr. E. H. Talbert, Director.

B

1970

STATE OF SOUTH CAROLINA

Office of State Auditor

P. O. Box 333  
Columbia

July 30, 1963

TO ALL DEPARTMENTS AND INSTITUTIONS:

In the interest of more efficient State Government operation, Governor Russell has inaugurated a study of purchasing practices among departments and institutions. Mr. Furman B. Pinson, Jr., purchasing agent for the textile firm, J. P. Stevens & Co., Inc., has been asked to review our procedures and to make such suggestions for improvement as may appear appropriate.

Information as to current buying practices, volume of items purchased, etc., is needed on the basis of which an evaluation of existing procedures may be made. We are accordingly asking that you give us the following data for your department or institution for the year just ended, 1962-63.

(Note: Do not include food purchases in your replies)

1. What was total expended for purchases of all types - equipment, supplies, printing, etc.?
2. Give the approximate number of orders placed during the year. (If a purchase order system is operated, the number of orders executed will answer this. If not, the number of individual invoices paid will suffice).
3. List the ten most important items purchased, and the approximate amount spent for each.
4. Indicate the number of employees, full time and/or part time, engaged in purchasing in your organization.

We shall appreciate your compliance with this request.

Very truly yours,

P. C. Smith  
Assistant State Auditor

C

1972

SUPPLIES, MATERIALS & EQUIPMENT (EXCLUDING FOOD)

DEPARTMENT, AGENCY OR INSTITUTION	ANNUAL VALUE PURCHASES 12 MONTHS ENDING JUNE 30, 1963	NO. PEOPLE ENGAGED IN PURCHASING
(1) S. C. Highway Department	\$10,772,761	9 full time 2 part time
(2) State Educational Finance Commission	4,533,968	31 part time
(3) Clemson College	2,451,000	8 full time
(4) University of South Carolina	2,350,000	3 full time
(5) S. C. State Hospital	2,341,467	3 full time
(6) State School Book Commission	2,232,871	4 part time
(7) State Committee for Technical Education	1,440,662	3 part time
(8) Medical College Hospital	1,347,621	3 full time
(9) The Citadel	998,343	2 full time
(10) Whitten Village	914,275	3 part time
(11) Winthrop College	719,193	3 full time
(12) S. C. State College	592,703	---
(13) Department of Corrections	517,468	2 full time
(14) State Board of Health	508,998	2 part time
(15) State Commission of Forestry	443,012	97 part time
(16) S. C. Tax Commission	363,997	1 full time 3 part time
(17) S. C. Educational TV Center	346,563	6 part time
(18) S. C. Wildlife Resources Dept.	335,776	---
(19) S. C. Sanatorium	194,480	1 full time
(20) Medical College of S. C.	165,910	17 part time
(21) Department of Agriculture	142,897	4 part time

. 1973

DEPARTMENT, AGENCY OR INSTITUTION	ANNUAL VALUE PURCHASES 12 MONTHS ENDING JUNE 30, 1963	NO. PEOPLE ENGAGED IN PURCHASING
(22) S. C. Trade Schools	\$ 135,671	---
(23) S. C. State Library Board	118,091	1 full time
(24) J. G. Richards Industrial School	89,853	2 part time
(25) S. C. School for Boys	84,526	1 part time
(26) S. C. Aeronautics Commission	77,291	8 part time
(27) John DeLa Howe School	68,322	3 part time
(28) S. C. Department of Education	65,883	1 part time
(29) S. C. School for Deaf & Blind	47,602	3 part time
(30) House of Representatives	47,504	1 part time
(31) S. C. Insurance Commission	46,536	---
(32) State Development Board	41,612	1 part time
(33) Industrial School for Girls	43,423	1 part time
(34) S. C. Alcoholic Rehabilitation Program	37,786	4 part time
(35) S. C. Industrial Commission	36,317	6 part time
(36) S. C. Military Department	33,453	2 part time
(37) Civil Defense Agency	31,441	3 part time
(38) State Agency of Vocational Rehabilitation	27,894	1 part time
(39) S. C. Wildlife Resources Commission Administrative Division	22,962	1 part time
(40) Department of State	19,318	1 part time
(41) Industrial School for Negro Girls	18,898	1 part time
(42) Wildlife Resources Department Bears Bluff Laboratories	15,969	5 part time
(43) Public Service Commission	17,901	10 part time

DEPARTMENT, AGENCY OR INSTITUTION	ANNUAL VALUE PURCHASES 12 MONTHS ENDING JUNE 30, 1963	NO. PEOPLE ENGAGED IN PURCHASING
(44) Executive Department	\$ 16,935	---
(45) S. C. Archives Department	15,660	1 full time
(46) The Senate	15,634	1 part time
(47) Wildlife Resources Department Div. Commercial Fisheries	15,299	---
(48) Water Pollution Control Authority	13,896	9 part time
(49) S. C. Retirement System	13,508	1 part time
(50) Supreme Court of S. C.	13,500	1 part time
(51) S. C. Probation, Parole & Pardon Board	7,349	1 part time
(52) State Budget & Control Board	6,844	9 full time
(53) Office of State Treasurer	5,367	1 part time
(54) Codification of Laws & Legislative Council	4,820	2 part time
(55) Department of Labor	4,734	1 part time
(56) Childrens Bureau	3,862	3 part time
(57) S. C. State Agricultural Marketing Commission	3,364	3 part time
(58) Dairy Commission	2,787	1 part time
(59) Board of Bank Control	1,868	1 part time
(60) Soil Conservation Committee	1,662	2 part time
(61) State Veterans Service Bureau	1,344	1 part time
(62) Juvenile Placement Division	638	1 part time
(63) State Regional Education Board	332	1 part time
TOTAL	\$34,991,626	46 full time 254 part time

D

1976

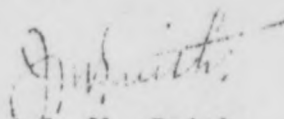
STATE OF SOUTH CAROLINA  
STATE BUDGET AND CONTROL BOARD  
COLUMBIA

Memorandum for the Administrative Head of each State Agency,  
Institution, and Department.

Inclosed herewith for your information and guidance are

1. Excerpts from Section 1 of Reorganization Plan No. 2.
2. Rules and Regulations adopted by the State Budget and Control Board to accomplish the several requirements of the quoted portion of Plan No. 2.

January 2, 1951.

  
J. M. Smith  
Secretary

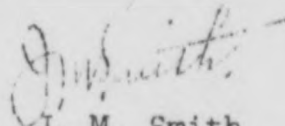
STATE OF SOUTH CAROLINA  
STATE BUDGET AND CONTROL BOARD  
COLUMBIA

Memorandum for the Administrative Head of each State Agency,  
Institution, and Department.

Inclosed herewith for your information and guidance are

1. Excerpts from Section 1 of Reorganization Plan No. 2.
2. Rules and Regulations adopted by the State Budget and Control Board to accomplish the several requirements of the quoted portion of Plan No. 2.

January 2, 1951.

  
J. M. Smith  
Secretary

EXCERPTS FROM SECTION 1 OF REORGANIZATION PLAN No. 2

(Approved by the General Assembly at its 1950 Session)

"(c) The functions of each department, institution and agency of the State government relating to the purchase or supply of personal property for its use and purposes, including supplies, equipment, machinery, fuels, motor vehicles and all other personal property, shall be and become transferred hereunder to the State Budget and Control Board on and after the effective date of this Reorganization Plan, and the said Board shall, prior to July 1, 1950, adopt and promulgate, and shall have the power and duty thereafter, to modify or abrogate, and shall enforce, rules and regulations covering the following matters, and such rules and regulations shall be binding upon all departments, institutions and agencies, to wit:

1. Requiring monthly reports by all State departments, institutions or agencies of stocks or supplies and materials and equipment on hand and prescribing the form of such report.

2. Prescribing the manner in which supplies, materials and equipment shall be delivered, stored and distributed.

3. Making provision for the adoption of standards and specifications covering all personal property purchased by State departments, institutions and agencies.

4. Prescribing the manner of inspecting deliveries of supplies, materials and equipment and making chemical and/or physical tests of samples submitted with bids and samples of deliveries to determine whether deliveries have been made to the departments, institutions or agencies in compliance with specifications.

5. Prescribing the manner in which purchases shall be made by departments, institutions and agencies in all emergencies, and in such other cases as the Board may temporarily authorize.

6. Providing for one or more central storehouses for keeping and distributing of property in common use by departments, institutions and agencies.

7. Providing for the making of basic contracts of purchase available to all departments, institutions and agencies, and authorizing purchases by one or more such departments, institutions and agencies from time to time thereunder.

8. Prescribing methods and forms for accounting and requisitioning by departments, institutions and agencies.

9. Prescribing the procedure for competitive bidding for purchases.

10. Dealing with all other matters necessary or appropriate to the proper, efficient and economical operation of the central purchase and supply functions, and the maximum coordination between the said Board and departments, institutions and agencies of the State government.

(d) The functions hereby transferred to the said State Budget and Control Board shall, after the effective date of this Reorganization Plan, be performed, exercised and discharged under the supervision and direction of the said Board through three divisions, the Finance Division (embracing the work of the State Auditor, the State Budget Commission, the State Finance Committee and the Board of Claims for the State of South Carolina), the Purchasing and Property Division (embracing the work of the Commissioners of the Sinking Fund, the Board of Phosphate Commissioners, the State Electrician and Engineer, the Commission on State House and State House Grounds, the central purchasing functions, and the Property Custodian), and the Division of Personnel Administration (embracing the work of the retirement board known as the South Carolina Retirement System, and administration of all laws relating to personnel), each division to consist of a Director and such clerical, stenographic and technical employees as may be necessary, to be employed by the respective Directors with the approval of the said Board. The State Auditor shall be Director of the Finance Division, ex officio, and the Directors of the other Divisions shall be employed by the State Budget and Control Board for such time and compensation, not greater than the term and compensation of the State Auditor, as shall be fixed by the said Board in its judgment."

STATE OF SOUTH CAROLINA  
STATE BUDGET AND CONTROL BOARD  
COLUMBIA

Pursuant to the Provisions of Reorganization Plan No. 2 approved by the General Assembly at its 1950 Session (The House February 2, 1950, The Senate February 15, 1950) the State Budget and Control Board adopts, subject to revision at any time by a majority of the Board, the Rules and Regulations set forth below to accomplish the several requirements numbered 1-10 in Paragraph (c) Section 1, and directs compliance therewith by all Agencies, Institutions and Departments of the State.

1. The Director of the Property Division, or the State Auditor, will whenever considered advantageous but not oftener than monthly, supply "Inventory" forms such as attached Form #10, to any and all Agencies, Institutions and Departments from which stock reports are desired.

The Agencies, Institutions and Departments so instructed shall supply complete inventories of all property named that is on hand on the date designated.

2. Instructions governing the manner of deliveries of supplies, materials and equipment will be specified by the Director of the Purchasing Division or the Official authorized to place an order, when any purchase order is given. In the absence of specific instructions, all vendors will be expected to make deliveries in the manner that is most appropriate. The Directors of the Property and the Purchasing Divisions shall confer with the Heads of Agencies, Institutions and Departments and determine the most advantageous means and methods of storing and distributing supplies, materials and equipment required in the operation affected.

3. The Director of the Purchasing Division shall reduce to a minimum the number of kinds, sizes and varieties of commodities purchased for use by the various Agencies, Institutions and Departments for any given purposes. This may be accomplished by adopting for all commodities requirements and specifications fixed by the Director with a view to serving satisfactorily the purposes contemplated yet securing the widest practicable measure of competition consistent with those purposes. Any Agencies, Institutions and Departments may be required by the Director to furnish specifications for the commodities they desire. All requirements and specifications will be subject to revision before adoption by the Purchasing Division. In examining, preparing and revising specifications for adoption, the Director shall require the assistance, advice and cooperation of qualified representatives of any Agency, Institution or Department and of any of their technicians and laboratories.

The adopted requirements and specifications shall apply to every State purchase of the commodity affected while they are in effect.

4. It shall be the responsibility of the Agency, Institution and Department that takes delivery of any commodity to inspect each delivery for conformity with all requirements set forth in the purchase and when deemed advisable or when so instructed by the Director, to have chemical and/or physical tests made by any State laboratory or commercial laboratory capable of making the required tests. The

1980

costs of such testing shall be borne by the using Agency, Institution, or Department. Whenever samples are submitted with bids and it is considered necessary or advisable to make chemical and/or physical tests of same, the Director shall require such tests made by any State laboratory capable of performing the tests or shall engage the services of commercial laboratories where necessary. The costs of such testing shall be distributed among the users of the commodity tested.

5. In cases of emergencies arising from any causes, including but not limited to, delays by contractors or by carriers, mechanical breakdowns, unanticipated volume in requirements or work, or where human life or State property is in jeopardy or the efficient operation of an Agency, Institution or Department will actually suffer for lack of a commodity, purchases of any necessary supplies, materials and equipment for prompt delivery to any Agency, Institution or Department may be made without formality, in the open market, by authorized officials provided that advantage is taken of every opportunity to economize by securing the best purchase agreement practicable.

In addition to the emergency purchases authorized above, purchases of the "Exempted" supplies, materials and equipment listed below may, until further notice, be made by authorized officials for each Agency, Institution and Department as needed. Whenever possible these purchases must be made pursuant to competitive bidding and always with a view to securing every practicable advantage for the State. The services of the Purchasing Division will be available at all times to assist in this procurement. Detailed records of all purchases of "Exempted" commodities shall be kept by each Agency, Institution and Department and made available for review by this Board or the Director of the Purchasing Division.

#### Exempted Supplies, Materials and Equipment.

- (a) Perishable articles such as fresh meats, fish, vegetables, milk and eggs.
- (b) Medical, dental and optical supplies, instruments and prescription items.
- (c) Technical instruments, supplies, books and other printed matter on technical subjects, also Library books, pamphlets, maps and periodicals, also textbooks.
- (d) Repair and replacement parts for equipment and machinery.

6. At this time, no additional State storehouses are deemed necessary. The storehouses already in use and serving the individual Agencies, Institutions and Departments are authorized to continue in operation at the pleasure of and under the direction of the governing authorities of the respective Agencies, Institutions and Departments, provided that this Board through the Director of its Finance Division and/or Property Division may require at intervals, reports concerning the stocks in hand, the volume of property handled, the values of stocks and the costs of operation of the storehouses for the purposes of determining if warehousing operations are being conducted efficiently and if consolidations or complete centralization may be more advantageous.

For convenience and economy in the operation of all State Agencies, Institutions and Departments, it is further provided that any Agency, Institution and Department having in hand commodities that are surplus to or are in quantities in excess of its reasonably anticipated needs shall make the same available to other State Agencies, Institutions and Departments that may have immediate need of them. Transfers of commodities may be either by sales or exchanges at prices mutually agreed upon and approved by the Director of the Purchasing Division. Funds obtained from such transactions may be used by the seller to replace the commodities with like articles or articles that may be put to similar uses.

7. All Agencies, Institutions and Departments shall upon request from the Director of the Purchasing Division furnish estimates of all supplies, materials and equipment required by the respective Agency, Institution and Department for a designated period and at a time designated in advance of the need that will enable the Purchasing Division to properly establish purchase contracts.

The Director of the Purchasing Division shall consolidate wherever practicable, the estimates of the supplies, materials and equipment required by the various Agencies, Institutions and Departments and determine the total requirements of any commodities. When the total requirements of a given commodity will involve an estimated expenditure sufficient in the judgement of the Director, a purchase contract shall be made pursuant to the provisions set forth hereinafter, preferably for a definite period of time, and providing each Agency, Institution and Department the advantages obtained by the consolidation of requirements. All such contracts shall be certified to Agencies, Institutions and Departments by the Director of the Purchasing Division and the same shall place their orders for all required supplies, materials and equipment so provided with the certified sources of supply.

8. Methods of accounting, the procedures of same and the forms to be used by each Agency, Institution and Department shall be in strict accordance with instructions issued at intervals as necessary by the Comptroller General and/or the State Auditor. Requisitioning of supplies, materials and equipment shall be on forms prescribed by the Director of the Purchasing Division with the approval of the Comptroller General and the State Auditor and shall give all information necessary for properly accomplishing the purchase as well as establishing the fact that funds are available to cover costs of the commodities requisitioned.

9. All supplies, materials and equipment purchased directly or through purchase contracts by the Purchasing Division shall conform to requirements previously fixed by the Director of the Division with a view, first, to serving satisfactorily the purpose in contemplation and, second, to securing the widest practicable measure of competition consistent with that purpose. The procedure in making purchases or purchase contracts shall be adapted to the circumstances in each case, but in general one or a combination of the following plans shall govern:

(a) Awards of purchase contracts shall be made after advertising for at least ten days and receiving bids. This plan shall be followed wherever the supplies, materials or items of equipment proposed to be purchased are of standard quality and can be described so that all bidders will base their proposals on furnishing articles of identical quality. Advertisement shall consist in publishing in one or more daily newspapers of the State a statement covering the articles to be purchased under appropriate heading, provided that other methods of advertising may be adopted by the Purchasing Division with the approval of the Board. In addition to newspaper advertisement descriptive notices shall be distributed by mail among parties known to be interested. Award, if made, shall be made in each case to the lowest responsible bidder whose bid shall have been formally made as required, taking into consideration the quality of the articles to be supplied, their conformity with the prescribed requirements and the purpose for which they are required; provided that in case no bids are received or the bids received indicate the existence of a combine, an understanding or agreement among the bidders for the purpose of fixing the price of the commodity proposed to be purchased, then the Director may, after rejecting all bids received, proceed to negotiate purchase contracts with individual firms so as to gain any available advantage either in price or purchase conditions and to that end may consummate purchase contracts with domestic or foreign persons, firms or corporations.

(b) Wherever the supplies, materials or items of equipment proposed to be purchased are not susceptible of standardization, then the Director, with the approval of the Board, may establish an eligible list of bidders and/or articles. Under this plan bidding shall be restricted to the eligible list of bidders and/or articles. Advertising and award shall be as required in Paragraph(a) of Paragraph 9.

(c) In purchasing supplies, materials or items of equipment that are controlled by virtue of patent rights so that competition is impracticable, or where the articles proposed to be purchased are produced and offered for sale by fewer than three reputable firms eligible to offer their products in direct competition and where it is impracticable to substitute other supplies, materials or items of equipment for those proposed to be purchased, purchase negotiations may be undertaken by the Director informally and purchase awards be made with the approval of the Board as a result of such negotiations, provided that each such award shall be accompanied by a statement describing in detail the procedure followed and provided further, that any purchase contract made under this plan shall be awarded only after advertising the intention to award in at least one issue of one daily newspaper published in the State.

(d) Supplies, materials and items of equipment necessarily purchased in order to replace parts of existing equipment and structures, which can be supplied only by the manufacturer of the original articles to be repaired, or by his authorized dealer or agent, may be purchased without formality, provided that the Director shall take advantage of every opportunity to economize by securing the best purchase agreements practicable. Advertising in this case shall consist in maintaining for review by the Board a complete record of all such transactions.

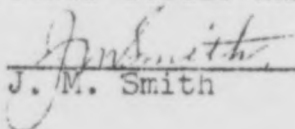
(e) In cases of emergency, as may be determined by the Chairman of the Board and the Director of the Purchasing Division, and subject to confirmation by the Board, the Director may make purchases of supplies, materials and equipment without formalities. All cases of purchases of this kind shall be reported in detail and made public at the next succeeding meeting of the Board.

10. The Board will at intervals and whenever considered necessary or advisable issue instructions to the Directors of its several Divisions and to Agencies, Institutions and Departments upon all matters concerning the operation of the central purchase and supply functions and the coordination of their activities.

General. These rules and regulations shall not affect the dealings of the Budget and Control Board and the Directors of its several Divisions, with the Federal Government or any subdivision thereof, nor any County or Municipality in the State. Such dealings shall be at the discretion of the properly designated authorities.

Unanimously adopted December 20, 1950.

STATE BUDGET AND CONTROL BOARD

 Secretary  
J. M. Smith



E

1986

F

, 1987

## PART II

### LEGAL ASPECTS OF STATE PURCHASING, INCLUDING GENERAL STATUTES

Recognizing the strong trend of business toward centralizing its purchasing functions, the North Carolina General Assembly in 1931 made into law "An Act to Create in the Governor's Office a Division of Purchase and Contract and to Prescribe the Powers and Duties thereof" (P.L. 1931, Chapter 261). It is highly probable that the serious economic depression of that time gave impetus to the passage of this act.

To the everlasting credit of that General Assembly, the Brookings Institute, a private economic research organization, was retained to frame the language of the statute. The law thus provided for the conduct of the State's purchasing affairs in accordance with the best established business practices, and the merits of this statute through the years have been recognized by its use as a model for similar laws since passed by other State legislatures.

In 1957, the General Assembly incorporated the Division of Purchase and Contract into the newly created Department of Administration (P.L. 1957, Chapter 269) (G.S. 143-48 to 64, incl.). No significant changes were made in the intent of the 1931 Act.

The basic statute is quoted below:

#### GENERAL STATUTES OF NORTH CAROLINA

##### Chapter 143 - Sections 48 to 64

143-48. Purchase and Contract Division created. There is hereby created in the Department of Administration a division to be known as the Purchase and Contract Division. (1931, c.261, s. 1; 1931, c. 396; 1957, c.269, s. 3.)

143-49. Powers and duties of Director. The Director of Administration shall have power and authority, and it shall be his duty, subject to the provisions of this article:

(1) To canvass all sources of supply, and to contract for the purchase of all supplies, materials and equipment required by the State government, or any of its departments, institutions or agencies under competitive bidding in the manner hereinafter provided for.

(2) To establish and enforce standard specifications which shall apply to all supplies, materials and equipment, purchased or to be purchased for the use of the State government for any of its departments, institutions or agencies; there shall be included in the

contract for the printing of the Session Laws of the General Assembly such specifications as to the time limit within which, or the speed with which, such Session Laws are to be printed as to insure the speediest publication practicable so as to make possible an early distribution of the Session Laws after the adjournment of the General Assembly.

(3) To purchase or contract for all telephones, telegraph, electric light power, postal and any and all other contractual services and needs of the State government, or any of its departments, institutions, or agencies; or in lieu of such purchase or contract to authorize any department, institution or agency to purchase or contract for any or all such services.

(4) To have general supervision of all storerooms and stores operated by the State government, or any of its departments, institutions or agencies; to provide for transfer and/or exchange to or between all State departments, institutions and agencies, or to sell all supplies, materials and equipment which are surplus, obsolete or unused; and to maintain inventories of all fixed property and of all moveable equipment, supplies and materials belonging to the State government, or any of its departments, institutions or agencies.

(5) To make provision for and to contract for all State printing, including all printing, binding, paper stock and supplies or materials in connection with the same.

(6) To permit charitable, nonprofit corporations operating charitable hospitals, under such rules, regulations and procedures as the Advisory Budget Commission shall adopt, to purchase hospital supplies and equipment under contracts negotiated and entered into by the Department of Administration for the purchase of hospital supplies and equipment for State sanatoria, hospitals and other medical institutions operated by the State or agencies of the State. (1931, c. 261, s. 2; 1951, c. 3, s. 1; 1951, c. 1127, s. 1; 1957, c. 269, s. 3.)

143-50 Certain contractual powers exercised by other departments transferred to Director. All rights, powers, duties and authority relating to State printing, or to the purchase of supplies, materials and equipment now imposed upon and exercised by any State Department, institution, or agency under the several statutes relating thereto, are hereby transferred to the Director of Administration and all said rights, powers, duty and authority are hereby imposed upon and shall hereafter be exercised by the Director of Administration under the provisions of this article.

(1931, c. 261, s. 3; 1957, c. 269, s. 3)

143-51. Reports to Director required of all agencies as to needs. It shall be the duty of all departments, institutions, or agencies of the State government to furnish to the Director of Administration when requested, and on blanks to be approved by him, tabulated estimates of all supplies, materials and equipment needed and required by such department, institution, or agency for such periods in advance as may be designated by the Director of Administration. (1931, c. 261, s. 4; 1957, c. 269, s. 3.)

143-52. Consolidation of estimates by Director; bids, awarding of contract; rules and regulations. The Director of Administration shall compile and consolidate all such estimates of supplies, materials and equipment needed and required by all State departments, institutions and agencies to determine the total requirements for any given commodity. If the total requirements of any given commodity will involve an expenditure in excess of two thousand dollars, sealed bids shall be solicited by advertisement in a newspaper of State-wide circulation at least once and at least ten days prior to the date fixed for opening of the bids and awarding of the contract: Provided, other methods of advertisement may be adopted by the Director of Administration, with the approval of the Advisory Budget Commission, when such other method is deemed more advantageous for the particular item to be purchased. Regardless of the amount of the expenditure, it shall be the duty of the Director of Administration to solicit bids direct by mail from reputable sources of supply. Except as otherwise provided for in this article, all contracts for the purchase of supplies, materials or equipment made under the provisions of this article shall wherever possible be based on competitive bids and shall be awarded to the lowest responsible bidder, taking into consideration the quality of the articles to be supplied, their conformity with the standard specifications which have been established and prescribed, the purpose for which said articles are required, the discount allowed for prompt payment, the transportation charges, and the date or dates of delivery specified in the bid. Competitive bids on such contracts shall be received in accordance with rules and regulations to be adopted by the Director of Administration with the approval of the Advisory Budget Commission, which rules and regulations shall prescribe among other things the manner, time and place for proper advertisement for such bids, indicating the time and place when such bids will be received, the articles for which such bids are to be submitted and the standard specifications prescribed for such articles, the amount or number of the articles desired and for which the bids are to be made and the amount, if any, of bonds or certified checks to accompany the bids. Any and all bids received may be rejected. Each and every bid conforming to the terms of the advertisement herein provided for, together with the name of the bidder, shall be entered on the records, and all such records with the name of the successful bidder indicated thereon shall, after the award or letting of the contract, be open to public inspection. Bids shall be opened in public. A bond for the faithful performance of any contract may

be required of the successful bidder in the discretion of the Director of Administration. After the contracts have been awarded, the Director of Administration shall certify to the several departments, institutions and agencies of the State government the sources of supply and the contract price of the various supplies, materials and equipment so contracted for.

The Advisory Budget Commission shall have the necessary authority to adopt rules and regulations governing the following:

(a) Designating a board of award, composed of members of the Budget Commission, or other regular employees of the State or its institutions (who shall serve without added compensation), to act with the Director in canvassing bids and awarding contracts.

(b) Fixing a quorum of the board of award and prescribing the routine and conditions to be followed in canvassing bids and awarding contracts.

(c) Prescribing routine for securing bids and awarding contracts on items that do not exceed \$2,000 in value.

(d) Prescribing items and quantities to be purchased locally.

(e) Providing that where bids are unsatisfactory the Division, with the approval and consent of the Budget Commission, may reject all bids and purchase the article in the open market, but only at a lower price.

(f) Prescribing procedure to encourage the purchase of North Carolina farm products, and products of North Carolina manufacturing enterprises.

(g) Adopting any other rules and regulations necessary to carry out the purpose of this article. (1931, c. 261, s. 5; 1933, c. 441, s. 1; 1957, c. 269, s. 3.)

143-53. Requisitioning for supplies by agencies; must purchase through sources certified. After sources of supply have been established by contract under competitive bidding and certified by the Director of Administration to the said departments, institutions and agencies as herein provided for, it shall be the duty of all departments, institutions and agencies to make requisition on blanks to be approved by the Director of Administration, for all supplies, materials and equipment required by them upon the sources of supply so certified, and, except as herein otherwise provided for, it shall be unlawful for them, or any of them, to purchase any supplies, materials or equipment from other sources than those certified by the Director of Administration. One copy of such requisition shall be sent to the Director of Administration when the requisition is issued. (1931, c. 261, s. 6; 1957, c. 269, s. 3.)

143-54. Certain purchases excepted from provisions of article. Unless otherwise ordered by the Director of Administration, with the approval of the Advisory Budget Commission, the purchase of supplies, materials and equipment through the Director of Administration shall not be mandatory in the following cases:

(1) Technical instruments and supplies and technical books and other printed matter on technical subjects; also manuscripts, maps, books, pamphlets and periodicals for the use of the State Library or any other library in the State supported in whole or in part by State funds.

(2) Perishable articles and such as fresh vegetables, fresh fish, fresh meat, eggs and milk: Provided, that no other article shall be considered perishable within the meaning of this clause, unless so classified by the Director of Administration with the approval of the Advisory Budget Commission.

All purchases of the above articles made directly by the departments, institutions and agencies of the State government shall wherever possible be based on at least three competitive bids. Whenever an order or contract for such articles is awarded by any of the departments institutions and agencies of the State government a copy of such order or contract, together with a record of the competitive bids upon which it was based, shall be forwarded to the Director of Administration. (1931, c. 261, s. 7; 1957, c. 269, s. 3.)

143-55. Purchase of articles in certain emergencies. In case of any emergency arising from any unforeseen causes, including delay by contractors, delay in transportation, breakdown in machinery, or unanticipated volume of work, the Director of Administration shall have power to purchase in the open market any necessary supplies, materials or equipment for immediate delivery to any department, institution or agency of the State government. A report on the circumstances of such emergency and his transactions thereunder shall be transmitted in writing by the Director of Administration to the Advisory Budget Commission at its next meeting and shall be entered in the minutes of the Commission. (1931, c.261, s. 8; 1957, c. 269, s. 3.)

143-56 Contracts contrary to provisions of article made void. Whenever any department, institution or agency of the State government, required by this article and the rules and regulations adopted pursuant thereto applying to the purchase of supplies, materials or equipment through the Director of Administration shall contract for the purchase of such supplies, materials or equipment contrary to the provisions of this article or the rules and regulations made hereunder, such contract shall be void and of no effect. If any such department, institution or agency purchases any supplies, materials or equipment contrary to the provisions of this article or the rules and regulations

made hereunder, the executive officer of such department, institution or agency shall be personally liable for the costs thereof, and if such supplies, materials or equipment are so unlawfully purchased and paid for out of State moneys, the amount thereof may be recovered in the name of the State in an appropriate action instituted therefor. (1931, c. 261, s. 9; 1957, c. 269, s. 3.)

143-57. Preference given to North Carolina products and articles manufactured by State agencies; sales tax considered. The Director of Administration shall in the purchase of and/or in the contracting for supplies, materials, equipment and/or printing give preference as far as may be practicable to materials, supplies, equipment and/or printing manufactured or produced in North Carolina: Provided, however, that in giving such preference no sacrifice or loss in price or quality shall be permitted; and, Provided further, that preference in all cases shall be given to surplus products or articles produced and manufactured by other State departments, institutions, or agencies which are available for distribution: Provided further, that in canvassing and comparing bids there shall be taken into consideration any sales tax or excise tax that will accrue to the State of North Carolina which is levied now or hereafter may be levied and in no case shall a bidder subject to such tax suffer in comparison with bids from those to whom such tax would not apply. (1931, c. 261, s. 10; 1933, c. 441, s. 2; 1957, c. 269, s. 3.)

143-58. Department of Administration directed to give preference to home products. The Department of Administration or any State agency or institution which is authorized to purchase foodstuffs and other supplies for State institutions, is hereby directed in all cases where the prices, products, or other supplies are available and equal, the said purchasing agency or institution shall in all such cases, contract with and purchase from the citizens of North Carolina and as far as is reasonable and practical, taking into consideration price and quality, shall purchase and use and give preference to all of such products and supplies as are grown or produced within the State of North Carolina. (1933, c. 168; 1957, c. 269, s. 3.)

143-59. Rules and regulations covering certain purposes. The Director of Administration, with the approval of the Advisory Budget Commission, may adopt, modify, or abrogate rules and regulations covering the following purposes, in addition to those authorized elsewhere in this article:

(1) Requiring monthly reports by State departments, institutions or agencies of stocks of supplies and materials and equipment on hand and prescribing the form of such reports.

(2) Prescribing the manner in which supplies, materials and equipment shall be delivered, stored and distributed.

(3) Prescribing the manner of inspecting deliveries of supplies, materials and equipment and making chemical and/or physical tests of samples submitted with bids and samples of deliveries to determine whether deliveries have been made to the departments, institutions or agencies in compliance with specifications.

(4) Prescribing the manner in which purchases shall be made by the Director of Administration in all emergencies as defined in Chapter 143-55.

(5) Providing for such other matters as may be necessary to give effect to the foregoing rules and the provisions of this article.

(6) Notwithstanding any of the provisions of this article, the Director of Administration, with the approval of the Advisory Budget Commission, may follow whatever procedure is deemed necessary to enable the State, its institutions and agencies, to take advantage of the sale of any war surplus material sold by the federal government or its disposal agencies.

(1931, c. 261, s. 11; 1945, c. 145; 1957, c. 269, s. 3.)

143-60 Standardization Committee. It shall be the duty of the Governor to appoint a Standardization Committee to consist of seven members as follows: The Director of Administration, who shall be chairman of said Committee; an engineer from the State Highway Commission to be appointed by the Governor upon the recommendation of the chairman of the State Highway Commission; a representative of the State educational institutions to be appointed by the Governor, a representative of the State departments to be appointed by the Governor, a representative of the State charitable and correctional institutions to be appointed by the Governor, and two members of the Advisory Budget Commission to be designated by the Governor. Four members of said Committee shall constitute a quorum for the transaction of business, or the performance of any duties imposed upon the Committee by this article. The Committee shall meet at such time, or times, as it shall by rule or regulation prescribe, but it may meet at other times at the call of the chairman. The Committee shall keep official minutes and such minutes shall be open to public inspection. It shall be the duty of the Standardization Committee to formulate, adopt, establish and/or modify standard specifications applying to State contracts. In the formulation, adoption and/or modification of any standard specifications, the Standardization Committee shall seek the advice, assistance and cooperation of any State department, institution or agency to ascertain its precise requirements in any given commodity. Each specification adopted for any commodity shall in so far as possible satisfy the requirements of the majority of the State departments, institutions or agencies which use the same in common. After its adoption each standard specification shall until

revised or rescinded apply alike in terms and effect, to every State purchase of the commodity described in such specifications. In the preparation of any standard specifications the Standardization Committee shall have power to make use of any State laboratory for chemical and physical tests in the determination of quality. (1931, c. 261, s. 12; 1957, c. 65, s. 11; c. 269, s. 3.)

143-61. Public printer failing to perform contract; course pursued. If any person who has contracted to do the public printing for the State shall fail to perform his contract according to the terms thereof, the Director of Administration shall procure the public printing to be done by other parties, and the Attorney General shall institute suit in the Superior Court of Wake County in the name of the State to recover of the public printer and his bond any damages for failure to perform the contract. (1899, c. 724; 1901, cc. 280, 401, 667; Rev., s. 5094; C.S., s. 7289; 1931, c. 261, s. 2; 1957, c. 269, s. 3)

143-62. Law applicable to printing Supreme Court Reports not affected. Nothing in this article shall be construed as amending or repealing § 7-34, relating to the printing of the Supreme Court reports, or in any way changing or interfering with the method of printing or contracting for the printing of the Supreme Court Reports as provided for in said section. (1931, c. 261, s. 13.)

143-63. Repealed.

143-64. Financial interest of officers in sources of supply; acceptance of bribes. Neither the Director of Administration, nor any assistant of his, nor any member of the Advisory Budget Commission, nor of the Standardization Committee shall be financially interested, or have any personal beneficial interest, either directly or indirectly, in the purchase of, or contract for, any materials, equipment or supplies, nor in any firm, corporation, partnership or association furnishing any such supplies, materials or equipment to the State government, or any of its departments, institutions or agencies, nor shall such Director, assistant, or member of the Commission or Committee accept or receive, directly or indirectly, from any person, firm or corporation to whom any contract may be awarded, by rebate, gifts or otherwise, any money or anything of value whatsoever, or any promise, obligation or contract for future reward or compensation. Any violation of this section shall be deemed a felony and shall be punishable by fine or imprisonment, or both. Upon conviction thereof, any such Director, assistant or member of the Commission or Committee shall be removed from office. (1931, c. 261, s. 15; 1957, c. 269, s. 3)

PUBLIC SCHOOLS: PURCHASE OF EQUIPMENT AND SUPPLIES  
1955 SESSION LAWS, C. 1372, Art. 5, s. 35

115-52. Purchase of equipment and supplies. It shall be the duty of county and city boards of education to purchase all supplies, equipment and materials in accordance with contracts made by or with the approval of the Department of Administration. Title to instructional supplies, office supplies, fuel and janitorial supplies, enumerated in the current expense fund budget and purchased out of State funds, shall be taken in the name of the county or city board of education which shall be responsible for the custody and replacement: Provided, that no contracts shall be made by any county or city administrative unit for purchases unless provision has been made in the budget of such unit to provide payment therefor, or unless surplus funds are on hand to pay for same, and in order to protect the State purchase contracts, it is hereby made the mandatory duty upon the part of the governing authorities of such local units to pay for such purchases promptly in accordance with the terms of the contract of purchase. (1955, c. 1372, art. 5, s. 35.)

1955 SESSION LAWS, C. 1372, Art. 21, s. 9

115-188. Purchase and maintenance of school buses, materials and supplies.

7. All school buses or service vehicles purchased by or for the account of any county or city board of education, except school buses or service vehicles purchased by such board from another county or city board of education of this State, shall be purchased through the Department of Administration. (1955, c. 1372, art. 21, s. 9.)

It is suggested that unusually careful attention be devoted to understanding these particular sections of the Public Laws:

Chapter 143, Section 49, (1), (2), (4) and (5)....Powers and Duties

Chapter 143, Section 52...Bids; Awarding of Contract, Rules and Regulations

Chapter 143, Section 53...Requisitioning; Purchase through Sources Certified

Chapter 143, Section 56...Contracts (or Purchases) Contrary to Law made Void.

Chapter 143, Section 57...Preference (Only at No Sacrifice or Loss)

Chapter 115, Section 52...Purchase of Equipment and Supplies (by Public Schools)

Further, it is most important to note that each power and authority conferred by law carries with it an equivalent duty (G.S. 143-49). 199

The Attorney General has rendered clarifying opinions from time to time pursuant to various questions which have arisen as to the specific meaning of certain language of the above statutes. Excerpts from some of the more significant of these are cited below:

1. RELATING TO STOREROOMS AND STORES

Reference: 29 July, 1955, to David Q. Holton  
From: William B. Rodman, Jr., Attorney General  
T. W. Bruton, Assistant Attorney General

".... Under this statute (G.S. 143-49(e)), as the Director of Purchase and Contract it is your duty and you have the power and authority to supervise all storerooms and stores operated by any department, institution or agency of the State. You have authority to provide for the transfer or exchange between State departments, institutions or agencies of supplies, materials and equipment, and to sell all such supplies, materials and equipment which are surplus, obsolete or unused. You are also charged with the duty of maintaining, or seeing that they are maintained, inventories of all fixed property and all moveable equipment, supplies and materials belonging to any department, institution or agency of the State.

"The term 'equipment, supplies and materials' covers a broad field, and, in my opinion, the term used in the statute quoted above is broad enough to include livestock, poultry and all other tangible personal property in the possession of any of the State departments, institutions and agencies."

2. RELATING TO QUALITY AND SPECIFICATIONS OF ITEMS REQUISITIONED

Reference: 26 January, 1938, to J. Benton Stacy  
From: A. A. F. Seawell, Attorney General  
Harry McMullan, Assistant Attorney General

"In conference you have submitted to me seven questions. . .

- "1. Does the Division have authority to reject a requisition from a State agency on the grounds that the requisition is for supplies of higher quality than our standard specifications? (see Sec. 2b, Chap. 261, P. L. 1931).

"The section referred to empowers the Department to establish and enforce standard specifications which shall apply to all supplies, materials and equipment purchased or to be purchased for the use of the State Government or any of its departments, institutions, or agencies. You would therefore, have the right to reject requisition

from a State agency upon the grounds that the requisition is for supplies of a higher quality than your standard specifications. This answers your question but does not mean that you would not be authorized, as in your discretion you saw fit, to vary the specifications as to quality in cases found to be proper."

3. RELATING TO FUNDS FROM DONATIONS

Reference: Same as 2., above.

From: A. A. F. Seawell, Attorney General

Harry McMullan, Assistant Attorney General

"4. Are purchases made from donations to any State agency for either general or specific purposes subject to Chap. 261, P. L. 1931?

"If donations are to the general fund of the agency, the purchases made therefrom are subject to the Act. If the donation is for the specific purpose of purchasing certain articles, the conditions imposed by the donor would control. If a donation is made for an object, but the selection and purchase of the object is not controlled by the terms of the gift, the funds alone being provided to make it, the purchase would be subject to your jurisdiction."

4. RELATING TO EXPENDITURE OF LOCAL FUNDS BY PUBLIC SCHOOL ADMINISTRATIVE UNITS

Reference: 24 September, 1949, to C. M. Williams

From: Harry McMullan, Attorney General

Ralph Moody, Assistant Attorney General

"You state that you have had a number of requests from school superintendents for advice as to whether or not they are required to purchase all of their requirements as to supplies and equipment through the Division of Purchase and Contract. You state that it appears that in the past, various school units in the State have purchased locally their requirements as to supplies where only local funds are involved, and through the Division of Purchase and Contract where State funds are involved. The State Board of Education, on July 1st, advised the superintendents to purchase their requirements through the Division of Purchase and Contract.

"You inquire if the governing bodies of school administrative units are required to purchase equipment and supplies through the Division of Purchase and Contract when these items will be purchased with local funds.

"I think this is answered by Chapter 115-372 of the General Statutes (Cumulative Supplement of 1947). . .

"You will note from the first portion of the above-quoted statute that it is the duty of the school authorities " to purchase all supplies, equipment and materials in accordance with contracts and/or with the approval of the state Division of Purchase and Contract.' To my mind, this statute is all inclusive since the person who drafted the statute was careful to use the word 'all'; and it was intended that school authorities administering the county and city administrative units should purchase all equipment and supplies, as well as materials, through the Division of Purchase and Contract, irrespective of the source of funds, that is, whether the funds were derived from the State or were purely local funds. In our opinion, the statute is all-embracing as to this operation, and I advise, therefore, that it is the duty of all county boards of education and the governing bodies of city administrative units to purchase all supplies, equipment and materials through the Division of Purchase and Contract, irrespective of the source of funds and that this duty applies equally to local funds as well as State funds."

PRECEDING RULING RE-AFFIRMED

Reference: 27 September 1955, to David Q. Holton  
From: William B. Rodman, Jr., Attorney General  
T. W. Bruton, Assistant Attorney General

16 November, 1956, to David Q. Holton  
From: George B. Patton, Attorney General  
Claude L. Love, Assistant Attorney General

5. RELATING TO PURCHASES FOR COUNTY PUBLIC LIBRARIES

Reference: 16 September, 1954, to David Q. Holton  
From: Harry McMullan, Attorney General

"Receipt is acknowledged of your letter of September 15, in which you state that you have been asked by several county and regional libraries for assistance in the purchase of equipment for their use and that, while it is your desire and intention to discharge the responsibilities assigned to you by statute, you feel that your Division is not provided with personnel, supplies, etc., necessary for serving the needs of agencies other than those designed by Law..l

"I have examined the statutes controlling activities of your office, found in Article 3 of Chapter 143 of the General Statutes and in the School Machinery Law, G. S. 115-372.

"G. S. 143-49 states that the Director of Purchase and Contract shall have power and authority to '(a) canvass all sources of supply and to contract for the purchase of all supplies, materials and equipment required by the State government or any of its departments, institutions or agencies, under competitive bidding, in the manner hereinafter provided for.' There are other provisions in this section which are not related to this question.

"G. S. 115-372 required all county boards of education and governing bodies of city administrative units to purchase all supplies, equipment and materials in accordance with the contracts or with the approval of your Division . . .

"County libraries or regional libraries are not departments, institutions or agencies of the State within the meaning of the statute, G. S. 143-49.

"It is therefore, my opinion that you would have no legal responsibility for purchases made by these libraries of materials and supplies . . ."

Similarly, the Purchase and Contract Division considers that it has no legal responsibility for the purchase of any other requirements of political sub-divisions except those of county and city public school administrative units.

G

2001

SOUTH CAROLINA STATE CONTRACTS

- (1) Motor Lubricating Oils.
- (2) Gasoline
- (3) Fuel Oil No. 2
- (4) Welding Gases
- (5) Fuel Oil No. 5



H

# NORTH CAROLINA STATE CONTRACT ITEMS

4	Acids and Ammonia	134	Chairs, folding
6	Air Conditioners, window	140	Chinaware, Drinking Glasses
8	Utensils & Ware, aluminum	146	Cleaners, vacuum
8-A	Utensils & Ware, stainless steel	160-R	Sweeping Compound
12	Ammonia, anhydrous	171	Seat Covers, school bus
16	Anti-freeze, permanent type	176	Cup Straws (paper)
17	Audio-visual Equipment	180	Disinfectants
17-A	Mobile Language Teaching Center	184	Dispensers, soap
18	Automotive, Industrial Parts & Supplies	188	Door Closers
19	Automobiles and Station Wagons	189	Drapery Track & Accessories
28	Batteries, drycell & flashlights	192	Surgical Dressings, First Aid Kits
32	Batteries, storage	197	Drugs & Medicines
48	Binders, Fillers, Forms, Ruled Books, Indexes, Etc.	204	Duplicators
52	Binding, library	215	Die Engraving & Die Stamping
54-A	Cabinets (Steel) Storage	215-A	Photoengraving
56	Chalkboard, Tackboard	216	Erasers (Chalkboard) Cleaners
72	Brooms, corn	224	Fire Extinguishers & Charges or Refills
80	Brushes, floor & dust	228	Fans, electric (Inc. Exhaust)
88	Brushes, paint	231	Farm Tractors & Related Equipment
100	Crackers, Cookies, Peanuts, Etc.	236	Fence, Chain Link

102	Cameras, Transparency Equipment, Professional Tape Recorders, Etc.	247	X-Ray Film and Chemicals
104	Cans, tinned	249	Filing Supplies & Cabinets, Guides and Folders, Etc.
108	Cards, census & school forms	250	Filters, oil & air
111	Cards, electronic accounting machine	251	Flags, U. S. and N. C.
116	Casters, Glides, Trucks, Carts	262	Water Coolers, Electric
124	Cereal Breakfast Foods	264-A	Mirrors
132	Chains, auto tire	264	Furniture, lounge, reception, etc.
268	Furniture, office (wood)	396A	Pens, Pencils, Erasers, Etc.
272	Furniture, school classroom	412	Oil, lubricating
273	Furniture, science	416	Oxygen, Acetylene and medical gases
276	Fuses, electric	420	Padlocks
284	Gasoline	428	Pails, Garbage Cans, Etc.
285	Gasoline, service station deliveries	436	Paints (Ready-Mixed)
288	Glass	440	Carbon Paper
292	Governors, automobile & bus	444	Paper, Bond and Duplicator
302	Electric Appliances, Cabinets (Home Economics)	445	Magazines & Periodicals
308	Hose, water, couplings & nozzles	448	Papers & Envelopes, school
316	Ink	450	Art Materials
320	Insecticides and Sprayers	458	Pianos
321	Instructional Aids & Related Items (NDEA Math List)	462	Table Ware, plastic
330	Kerosene, Fuel Oil	464	Spark Plugs

Page 3. N. C. State Contract Items

333 Food Service Machines	481 Pumps, Gasoline Dispensing
334 Laboratory Apparatus, Supplies and Reagents	488 Wiping Rags
336 Shoe Laces	490 Cooking Equipment, Commercial, Electric
338 Lighting Fixtures	492 Ribbons, Typewriter & Machine
340 Lamps, Bulbs and Tubes	500 Roofing Materials
346 Library Supplies	506 Rugs and Carpets
356 Lubricants	512 Scales, physician's, postal & platform
360 Floor Maintenance Machines	516 Seed, Grass & Pasture
364 Sewing Machines	520 Venetian Blinds
368 Door Mats	520A Window Shades & Cloth
384 Mops, Wax Applicators & Handles	528 Pencil Sharpeners and Parts
386 Motors, electric	540 Table Flatware, Stainless Steel & Silverplate
388 Mowers, grass	544 Soaps, Detergents, Alkalies & Chemicals
396 Office (& Instructional) Supplies	552 Stencils, Duplicator, Ink & Supplies
546 Soups, condensed	560 Appliances, Electric, Domestic (Incl. Water Heaters)
556 Stoves, Ranges, Heaters (Coal & Wood)	568 Stoves, Ranges, Heaters (Oil)
564 Cooking Equipment & Water Heaters, Commercial, Gas	590 Thermometers, Clinical and General Use
589-R Television Sets & Accessories	596 Tires and Tubes
592 Thread, sewing	604 Toilet Tissue, Paper Towels
600 Tire Recapping	

Page 4. N. C. State Contract Items

608 Tools, Vocational Training &  
General Shop

622 Typewriters, Office Machines

644 Wax, Seals & Polishes (Floor)

650 Uniforms, launderable

618 Trucks, Automotive

630-R Food Containers, Vacuum

646 Withholding Tax Statements  
(W-2 Forms)

656 Steel Wool, Chamois, &  
Sponges



COMMONWEALTH OF VIRGINIA  
ANNUAL CONTRACTS EXTENDED TO INCLUDE COUNTIES, CITIES,  
TOWNS AND POLITICAL SUBDIVISIONS

<u>Commodity</u>	<u>Buyer</u>	<u>Effective Date</u>	<u>Contractor</u>
Batteries, Dry Cell	Gregory	1/1/63-12/31/63	Westinghouse
Calendar Pads & Diaries	Oakes	5/1/63-4/30/64	Everett Waddey
Carbon Paper	Oakes	1/1/63-12/31/63	Allied Carbon & Ribbon
Chlorine, Anhydrous	Gregory	3/1/63-2/28/64	Roanoke Chemical
Communications Equipment	Alley	5-year program	RCA
Desk Card Cabinets	Oakes	7/1/62-8/31/63	Everett Waddey
Disinfectant, Coal Tar	Booker	11/1/62-10/31/63	Coopers Creek
Ditto Offset & Duplicating Supplies	Oakes	8/1/63-7/31/64	Ditto, Inc.
Drugs, Miscellaneous	Blanton	10/1/63-10/1/64	Various
Filing Cabinets	Oakes	7/1/62-8/31/63	Southern Stamp
Filing Supplies, Miscellaneous	Oakes	10/1/62-9/30/63	Southern Stamp
Fire Extinguishers	Johnson	1/1/63-12/31/63	General Fire Ext.
Insecticides	Gregory	7/1/63-6/30/64	Chemical Ins. Corp.
Lamps, Large	Gregory	2/1/63-1/31/64	Bemis Electric
Lamps, Photo	Gregory	2/1/63-1/31/64	Electrical Equip.
Marking Devices (Rubber Stamps)	Oakes	10/1/62-9/30/63	Roanoke Stamp
Office Supplies, Miscellaneous	Oakes	8/1/63-7/31/64	Various
Oxygen, Acetylene & Carbide	Gregory	7/1/62-6/30/64	Air Reduction
Paint	Gulick	1/1/63-12/31/63	Avolite
Paper & Envelopes	Butler	7/1/63-6/30/64	Various
Photocopy Supplies	Oakes	1/1/63-12/31/63	Various
Tires & Tubes	Johnson	11/1/62-10/31/63	Various
Typewriter Ribbons	Oakes	1/1/63-12/31/63	Allied
Wiring Devices	Gregory	5/1/63-4/30/64	Southeastern

*Copy for Minutes  
of Budget & Control Board*

*No. 8*

*12/11/63*

**REPORT OF SPECIAL COMMITTEE APPOINTED BY THE  
STATE BUDGET AND CONTROL BOARD TO STUDY THE  
PROCUREMENT, OPERATION AND USAGE OF  
STATE-OWNED PASSENGER VEHICLES**

**YEAR ENDING JUNE 30, 1963**

2010

Columbia, South Carolina

December 10, 1963

The Honorable Donald S. Russell  
Governor of South Carolina  
and  
Members of The State Budget and Control Board  
Columbia, South Carolina

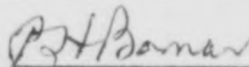
Gentlemen:

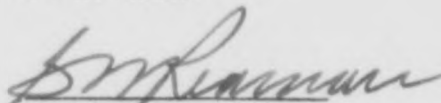
Please be advised that in accordance with the request and instructions contained in your letter dated September 18, 1963, the undersigned committee has completed its study of the subject of state-owned cars.

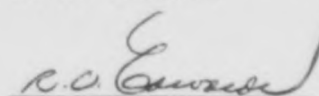
In compiling its report, the committee has analyzed very carefully all of the information furnished in response to the questionnaires dated July 16 and October 3 (Appendixes B and D), which were sent to the various agencies of State government from the State Auditor's Office.

The report containing the committee's findings, recommendations, and conclusion is respectfully submitted.

Sincerely yours,

  
P. H. Bomar

  
S. N. Pearman

  
R. C. Edwards,  
Chairman

2011

## REPORT OF THE COMMITTEE ON STATE-OWNED PASSENGER VEHICLES

### Inventory of Passenger Vehicles

As a result of the inquiry of July 16, 1963, data sheets were received on 1493 state-owned passenger vehicles as reported by 61 of the 85 departments, institutions, or divisions of the various governmental units and services. Of the remaining 24 units, 19 apparently have no state-owned passenger vehicles as indicated by their statements to this effect or by their responses to certain questions in the second inquiry which was sent to all units on October 3, 1963. Only five units or sections of units failed to respond to either inquiry, and hence the coverage of the study is essentially complete. (\*)

The 1493 vehicles reported include 1241 passenger cars, 236 station wagons, and 16 carryalls. They represent 15 makes of vehicles including 14 year-models, from 1949 to 1963. Variously equipped (heaters -- 99.6 per cent; power windows -- 5.6 per cent), they were purchased at an original cost slightly in excess of three million dollars (\*\*), or a little more than two thousand dollars per unit.

The original cost in excess of three million dollars should not be confused in any way with the current value which would be a much lower figure.

---

(\*) Included in the Appendix are (a) a copy of the Governor's News Release of July 10, setting forth the purposes of the study, (b) a copy of the Inquiry of July 16, along with a vehicle data sheet, (c) a copy of Governor Russell's letter of September 18, 1963, appointing the Committee to study the subject of state-owned cars, (d) a copy of the Questionnaire of October 3, and (e) a tabular listing of the various reporting units, indicating whether or not each unit responded to the inquiries and the number of passenger vehicles indicated.

(\*\*) The original cost of vehicles amounted to a gross cost of \$3,365,429. After deducting \$320,878, the trade-in allowance granted in the purchase of 264 of the 1493 vehicles, the net original cost amounted to \$3,044,551.

The current value of each vehicle was not asked in the inquiry, but the average vehicle was at least two years old (1961 model) and had a speedometer reading of approximately 48,000 miles at the time of the inquiry.

TABLE I -- VARIOUS MAKES INCLUDED AMONG THE STATE-OWNED PASSENGER VEHICLES

Make	Number of Vehicles	Per Cent
Ford	704	47.16
Chevrolet	279	18.69
Plymouth	217	14.54
Dodge	117	7.84
Rambler	87	5.83
Pontiac	29	1.94
Oldsmobile	15	1.00
Buick	14	0.94
Chrysler	7	0.47
Willys	6	0.40
Cadillac	5	0.33
Mercury	5	0.33
GMC	5	0.33
Volkswagen	2	0.13
International	1	0.07
Total	1493	100.00

Three makes of vehicles, Chevrolet, Ford, and Plymouth, account for 1200 or 80 per cent of the 1493 vehicles; and five makes, including also Dodge and Rambler, account for 1404 or 94 per cent of all vehicles. In lesser numbers, as indicated in Table I, are to be found Buicks, Oldsmobiles, and Pontiacs. The makes which are each represented by less than one-half of one per cent include Cadillac, Chrysler, Mercury, Volkswagen, Willys, International, and GMC, with the vehicles of the last two makes being carryalls.

Some effort was made to tabulate vehicles within makes according to body styles, but the results had little meaning in view of the modern variety of "name cars" within the same body style. The old classification of four-door sedan, for example, which was given more frequently than any other specific designation, could cover more than twenty different cars and values within the same make.

TABLE II - EQUIPMENT ON STATE-OWNED PASSENGER VEHICLES - SEVEN ITEMS SURVEYED

Equipment Items	Number of Vehicles	Per Cent of Vehicles
Heater	1484	99.6
Automatic Transmission	1192	79.7
Power Brakes	859	57.5
Radio	472	38.3
Power Steering	257	17.2
Air Conditioning	151	10.1
Power Windows	84	5.6
All Seven Items	74	5.0
No Equipment	7	0.5

Seven types of equipment were inventoried by the data sheets covering each of the 1493 vehicles. Seventy-four cars were equipped with all seven items and seven vehicles had none. As indicated in Table II, the descending order of frequency was: heater, automatic transmission, power brakes, radio, power steering, air conditioning, and power windows. A number of vehicles, especially in law enforcement and regulatory units, were also equipped with two-way radio, but this item was not surveyed by the data sheets and hence an accurate count could not be made.

No question was asked concerning the age of each vehicle, but the year-model indicates specific information on this item. While the recent models of 1962 and 1963 account for slightly more than 50 per cent of all vehicles, there are 148 or approximately 10 per cent of the vehicles which are 1958 models or older. As indicated in Table III, there are also a few very old vehicles.

TABLE III -- YEAR-MODELS OF PASSENGER VEHICLES

Year Model	Number of Vehicles	Per Cent of Vehicles
1963	455	30.5
1962	310	20.8
1961	295	19.8
1960	150	10.0
1959	135	9.1
1958	78	5.2
1957	30	2.0
1956	22	1.5
1955	4	0.3
1954	5	0.3
1953	3	0.2
1952	0	0.0
1951	2	0.1
1950	2	0.1
1949	2	0.1
Total	1493	100.0

Table IV gives a distribution of vehicles according to the speedometer readings at the time of the survey. While the average speedometer reading was approximately 48,000 miles, it will be noted in the table that there are two groupings of the vehicles on mileage, with 450 or slightly more than 30 per cent having readings in excess of 80,000 miles. Since the distribution according to year-models does not show similar clusters at two different points according to age, the figures hint that certain groups of cars are used a great deal more per unit of time than are others.

TABLE IV -- SPEEDOMETER READINGS OF PASSENGER VEHICLES

Speedometer Reading in Miles Traveled	Number of Vehicles	Per Cent of Vehicles
140,001 and above	3	0.2
120,001 -- 140,000	10	0.7
100,001 -- 120,000	115	7.8
80,001 -- 100,000	330	22.1
60,001 -- 80,000	78	5.2
40,001 -- 60,000	217	14.5
20,001 -- 40,000	211	14.1
0,000 -- 20,000	510	34.1
Not Reported	19	1.3
Total	1493	100.0

An analysis of the original cost of all vehicles was difficult as a result of the fact that 264 units were purchased by the trade-in method under which neither the gross price nor the net price really indicates the true value of the car at the time of the purchase. In view of this problem,

separate tables (Tables V and VI) were prepared to distinguish between the prices of cars secured by the direct-purchase method and those secured by the trade-in method. Table VII gives a distribution of all vehicles, but Table V is more meaningful than either Table VI or VII in indicating the true value of state-owned vehicles at the time of purchase.

TABLE V -- ORIGINAL COST OF 1224 PASSENGER VEHICLES SECURED BY DIRECT PURCHASE  
(NO TRADE-IN OF OLD VEHICLES)

Vehicles Purchased in Each Price Range		
Price Range	Number	Per Cent
8001 -- 8500	1	0.1
7501 -- 8000	0	0.0
7001 -- 7500	0	0.0
6501 -- 7000	0	0.0
6001 -- 6500	0	0.0
5501 -- 6000	0	0.0
5001 -- 5500	3	0.3
4501 -- 5000	0	0.0
4001 -- 4500	3	0.3
3501 -- 4000	3	0.3
3001 -- 3500	14	1.1
2501 -- 3000	88	7.1
2001 -- 2500	766	62.5
1501 -- 2000	323	26.3
1001 -- 1500	8	0.7
501 -- 1000	3	0.3
0 -- 500	12	1.0
Total	1224	100.0

2017

As will be noted in Table V, the bulk of vehicles at the time of purchase was in the price range from 2001 to 2500. This group, along with the group in the 1501 to 2000 range, accounted for 87.8 per cent of all cars secured by direct purchase.

TABLE VI -- ORIGINAL COST OF 264 PASSENGER VEHICLES PURCHASED BY PAYMENT IN PART WITH OLD VEHICLE (TRADE-IN METHOD)

Price Range	Vehicles Secured in Each Price Range		
	Number in Each Range Based Upon Net Price	Number in Each Range Based Upon Gross Pr.	Per Cent in Each Range Based upon Gross Price
7501 -- 8000	0	1	0.4
7001 -- 7500	0	0	0.0
6501 -- 7000	0	0	0.0
6001 -- 6500	1	0	0.0
5501 -- 6000	0	0	0.0
5001 -- 5500	0	3	1.1
4501 -- 5000	0	13	4.9
4001 -- 4500	0	14	5.3
3501 -- 4000	2	20	7.6
3001 -- 3500	0	21	8.0
2501 -- 3000	13	102	38.6
2001 -- 2500	45	56	21.2
1501 -- 2000	82	32	12.1
1001 -- 1500	116	2	0.8
501 -- 1000	5	0	0.0
0 -- 500	0	0	0.0
Total	264	264	100.0

Only ten, or slightly less than one per cent, of the cars analyzed in Table V were secured at prices in excess of \$3500. Most of the extremely low-priced cars purchased for \$1000 or less were obtained from the Surplus Property Section at nominal costs.

TABLE VII -- ORIGINAL COST OF ALL STATE-OWNED PASSENGER VEHICLES (BASED UPON ACTUAL COST OF DIRECT-PURCHASE GROUP AND GROSS COST OF TRADE-IN PURCHASE GROUP)

Vehicles Purchased in Each Price Range		
Price Range	Number	Per Cent
8001 -- 8500	1	0.1
7501 -- 8000	1	0.1
7001 -- 7500	0	0.0
6501 -- 7000	0	0.0
6001 -- 6500	0	0.0
5501 -- 6000	0	0.0
5001 -- 5500	6	0.4
4501 -- 5000	13	0.9
4001 -- 4500	17	1.1
3501 -- 4000	23	1.5
3001 -- 3500	35	2.3
2501 -- 3000	190	12.7
2001 -- 2500	822	55.1
1501 -- 2000	355	23.8
1001 -- 1500	10	0.7
501 -- 1000	3	0.2
0 -- 500	12	0.8
Not Indicated	5	0.3
Total	1493	100.0

Only ten, or slightly less than one per cent, of the cars analyzed in Table V were secured at prices in excess of \$3500. Most of the extremely low-priced cars purchased for \$1000 or less were obtained from the Surplus Property Section at nominal costs.

TABLE VII -- ORIGINAL COST OF ALL STATE-OWNED PASSENGER VEHICLES (BASED UPON ACTUAL COST OF DIRECT-PURCHASE GROUP AND GROSS COST OF TRADE-IN PURCHASE GROUP)

Price Range	Vehicles Purchased in Each Price Range	
	Number	Per Cent
8001 -- 8500	1	0.1
7501 -- 8000	1	0.1
7001 -- 7500	0	0.0
6501 -- 7000	0	0.0
6001 -- 6500	0	0.0
5501 -- 6000	0	0.0
5001 -- 5500	6	0.4
4501 -- 5000	13	0.9
4001 -- 4500	17	1.1
3501 -- 4000	23	1.5
3001 -- 3500	35	2.3
2501 -- 3000	190	12.7
2001 -- 2500	822	55.1
1501 -- 2000	355	23.8
1001 -- 1500	10	0.7
501 -- 1000	3	0.2
0 -- 500	12	0.8
Not Indicated	5	0.3
Total	1493	100.0

2019

### The Management of State-Owned Passenger Vehicles

How are state-owned passenger vehicles purchased? How are they serviced, repaired, and insured? What policies or practices are followed in disposing of old cars? What records are kept? What is the cost per mile traveled? -- These are some of the questions which were explored by the inquiries of July 16 and October 3. The information summarized below is based upon replies received from 61 reporting units having state-owned passenger vehicles and from the 56 of these 61 replying to the second inquiry giving additional information concerning practices and procedures.

Approximately 90 per cent of the vehicles were purchased by competitive bids through the State Purchasing Division, five per cent by other competitive bidding, and approximately five per cent by negotiated purchases. Table VIII gives the precise distribution, including a few vehicles acquired by methods other than those just indicated.

TABLE VIII -- HOW 1493 PASSENGER VEHICLES WERE PURCHASED

Method of Purchase	Number of Vehicles Purchased	Per Cent of Vehicles Purchased
By Competitive Bidding Through the State Purchasing Division	1318	88.3
By Other Competitive Bidding	78	5.2
By Negotiated Purchase	72	4.8
Other Replies (15 Vehicles from Surplus Property Section, 2 acquired as gifts, and 8 for which information was not given)	25	1.7
Total	1493	100.0

The various reporting units were asked to indicate their "procedure for obtaining, or otherwise providing for, (1) gasoline, oil and normal operating needs, and (2) maintenance and repair service." Some interpretation of the 56 replies was necessary to summarize the information in tabular form, but Table IX gives a fair presentation of the information summarized. Some reporting units indicated more than one procedure for obtaining gasoline as well as for maintenance and repair, and hence in Table IX the primary service was the one tabulated.

TABLE IX -- SERVICE AND REPAIR OF PASSENGER VEHICLES

Service Used	Number of Reporting Units Using Service Indicated	
	For Gasoline, Oil and Normal Operating Needs	For Maintenance and Repair Service
Agency Service Unit	23	21
State Highway Department	18	13
Regular Commercial Service	15	19
Unclassified or Not Indicated	0	3

It will be noted in the table that the State Highway Department, in addition to servicing and repairing its own vehicles, is rendering a similar service to 17 other agencies for operating service and 12 other agencies for repairs. A number of these agencies are in the Columbia area. Details of the financial arrangements with the Highway Department were not indicated.

The 15 agencies using "regular commercial service" for obtaining gasoline included 12 indicating "courtesy card" and three indicating "regular service station." It will be noted in the table that a sizeable number of agencies have their own servicing units.

As will be noted in Table X, all 56 State Agencies replying to the insurance questions carry liability insurance for bodily injury and property damage. Thirty-two agencies carry medical, 41 comprehensive and 27 collision insurance. The limits of liability vary widely as shown in Table XI.

TABLE X -- INSURANCE CARRIED BY FIFTY-SIX AGENCIES REPORTING

Type of Insurance	Number of Agencies Carrying Each Type of Insurance
Bodily Injury and Property Damage	56
Medical Coverage	32
Comprehensive	41
Collision	27

Although it was necessary to edit some of the questionnaires as the information furnished was incomplete, sufficient information was obtained to show a wide variation as to type and amount of coverage carried on state-owned vehicles. The South Carolina Highway Department, which reported approximately 25 million miles traveled annually in state-owned vehicles, carries what is considered to be the minimum insurance (\$10,000 bodily injury each person, \$20,000 each accident and \$5,000 property damage). This department does not carry medical or collision insurance. The South Carolina Public Service Authority reported approximately 600,000 miles traveled annually in state-owned vehicles. The vehicles assigned this agency are insured for \$200,000/\$500,000 bodily injury and \$100,000 property damage. There are 34 different companies writing policies for State Agencies, according to the 56 replies received.

TABLE XI -- VARIATION IN LIABILITY LIMITS OF COVERAGE CARRIED

Type of Insurance	Liability Limits	Number of Agencies Covered to the Limits Indicated
Bodily Injury	\$ 5,000/25,000	1
	10,000/20,000	17
	15,000/30,000	1
	20,000/40,000	1
	25,000/50,000	11
	25,000/100,000	2
	40,000/100,000	1
	50,000/100,000	9
	100,000/100,000	1
	100,000/200,000	1
	100,000/300,000	6
	200,000/500,000	1
	Not indicated	4
Property Damage	\$ 5,000	28
	10,000	11
	20,000	1
	25,000	5
	50,000	1
	100,000	1
	Not indicated	9
Medical	\$ 500	10
	1,000	6
	2,000	14
	5,000	2
Comprehensive	Actual Value	39
	Stated Value	2
Collision	Actual Value	2
	Actual Value less \$50	4
	Actual Value less \$100	21

The policies and practices concerning the age or mileage necessary to justify trading in or disposing of old vehicles varied considerably among the different agencies. The reporting units apparently interpreted the questions concerning "established policies" to mean written policies since only 13 of the 56 agencies reporting indicated any policy concerning age or mileage

as a basis for trading in old cars. On age alone, only 11 agencies indicated a minimum age required with the age varying from 18 months to 45 months. Only five units indicated a maximum age varying from 24 months to 96 months. On minimum mileage for trade-in only five agencies gave specific figures varying from 25,000 to 75,000. Only two maximum mileage limits were given -- 40,000 miles and 150,000 miles. In addition to the above policies, one agency indicated that vehicles were traded at three years of age or 75,000 miles, whichever occurs first, and another indicated that vehicles were traded only when used beyond repair.

The replies to the policy of "procedure for disposal of obsolete or unserviceable cars" did not yield much meaningful information in addition to the policies just summarized. The replies on this item indicated that the question was variously interpreted from that of requesting general information concerning "regular trade-in" to that of "procedure for disposing of extremely old cars." Four of 56 reporting agencies indicated that they had not disposed of any obsolete or unserviceable cars, and three additional agencies indicated that there was no established procedure. Twenty-two agencies indicated that the vehicles were traded in, and nine that they were sold -- of which seven indicated that the sale was made on competitive bids. Two agencies indicated that such cars were either traded in or sold on competitive bids. Thirteen agencies indicated that obsolete or unserviceable cars were turned over to, or traded in through, the State Purchasing Division, two that they were turned over to the Surplus Property Section, and one that they were either sold for junk or turned over to the State Purchasing Division.

So far as practices on trading in old cars is concerned, questions were asked concerning the average mileage and the average age of state-owned

passenger vehicles traded in during the last three years, excluding those traded in due to damage resulting from accidents. Eight of the 56 reporting units indicated that they had not traded any cars in the last three years, and of the remaining units, 45 indicated average mileages at the time of trade-in varying from 24,000 miles to 122,602 miles. Forty-eight units indicating average ages of vehicles at the time of trade-in varied in their replies from 18 to 129 months. While the following figures do not have too much significant meaning, the average of the average mileage at the time of trade-in for the 45 units was 55,209 miles and the average of the average ages of the 48 units was 43 months.

The first inquiry distributed to all agencies included the question, "What records are maintained showing use of each vehicle?" The replies to this question varied from no answer at all to detailed descriptions of both use records and cost records. It would be very difficult and would hardly serve any useful purpose to describe all of the records systems maintained by the agencies, but some summary is possible. Of 51 agencies answering this question, 12 indicated that no records were maintained although it is safe to assume that even these agencies had speedometer readings to refer to and accounting records of bills paid. Of the 39 agencies indicating some type of record, at least three-fourths had either fairly adequate use records or fairly accurate cost records, with at least one-half of the 39 having fairly adequate use and cost records. In general more detailed records are maintained on motor pool cars than on those individually assigned or assigned to internal administrative units. Similarly, more detailed records are maintained by agencies having a large number of cars than are maintained in general by agencies having only a few cars. The replies to this item were rather hard to interpret in view of their variation from brief statements that records are maintained to rather full illustrations of multitudinous records submitted by some agencies.

Table XII gives some information concerning the estimated cost per mile as reported by 40 different units which answered this question. The average cost based upon these estimates was approximately 6.5 cents per mile. While these estimates are no better than the records on which they are based, a rough check on some 10 to 12 agencies having a fairly adequate record system substantiates the average cost of approximately 6.5 cents. There was very slight evidence, based upon information from a few agencies, that the higher estimated costs per mile were due in part to higher priced cars being used by the agencies, but the difference in price of the cars was by no means sufficient to explain fully the difference in estimated cost per mile.

TABLE XII -- COST PER MILE AS ESTIMATED BY FORTY REPORTING UNITS, BASED UPON PASSENGER VEHICLES TRADED IN THE PAST THREE YEARS

Estimated Cost Per Mile	<u>Number and Per Cent of Agencies Estimating Cost Per Mile Within Range Indicated</u>	
	Number	Per Cent
\$ 0.000 - 0.040	1	2.5
0.041 - 0.050	7	17.5
0.051 - 0.060	8	20.0
0.061 - 0.070	12	30.0
0.071 - 0.080	5	12.5
0.081 - 0.090	2	5.0
0.091 - 0.100	2	5.0
0.101 - 0.110	2	5.0
0.111 - 0.120	1	2.5
Total	40	100.0

The Use and Need of State-Owned Passenger Vehicles

The state-owned passenger vehicles in the fiscal year 1962-1963 traveled a total of 32,613,088 miles. In addition, personnel of the state agencies having these state-owned vehicles also traveled 17,096,234 miles in personally-owned vehicles on necessary official business during the year. As indicated in Table XIII, the grand total of all state travel in passenger vehicles, state-owned, personally-owned, or rented, for 1962-1963 amounted to 53,778,921 miles.

It was not the purpose of this study to investigate state travel as such, but the figures given above and in Table XIII present a relationship between travel in state-owned passenger vehicles and the total travel by state employees in passenger vehicles. This, of course, does not include travel by commercial transportation.

TABLE XIII -- TRAVEL IN PASSENGER VEHICLES, 1962-1963, BASED UPON THE ANSWERS TO QUESTIONS 1,2,3, AND 4 OF THE INQUIRY OF OCTOBER 3, 1963.

Method of Travel	Miles Traveled
In State-Owned Passenger Vehicles	32,613,088
In Personally-Owned Vehicles on Necessary Official Business:	
By Agencies Having State-Owned Vehicles	17,096,234
By Agencies Not Having State-Owned Vehicles	3,937,957
In Rental Cars	131,642
Total	53,778,921

It was not the purpose of this study to examine any detailed justifications of travel and no questions were asked to pinpoint information in this area. Questions were asked, however, concerning the assignment of vehicles and the reasons for such assignments.

As indicated in Table XIV and elsewhere in this study, the question of car assignment was not a clear-cut division between assignments to individuals on the one hand and to motor pools on the other. There was a definite in-between group of assignments to internal administrative units.

TABLE XIV -- ASSIGNMENT OF PASSENGER VEHICLES

Assignments	<u>Number and Per Cent of Vehicles Assigned</u>	
	Number	Per Cent
To Individuals or Individual Positions	624	41.8
To Internal Administrative Units	720 *	48.2 *
To Motor Pools	149	10.0
Total	1,493	100.0

(\*) The 720 vehicles included a group of 524 designated as assigned to the "Highway Patrol" without an indication as to whether or not they were assigned to individuals or individual positions.

It was not possible in the study to make any clear-cut distinction between vehicles assigned to particular "public officials," in the connotation used in the Governor's letter of September 18, and those assigned to "individual positions" or to individuals, in the sense of state employees carrying out the official business of the state. Almost without exception, the justification of the assignment of the vehicle or vehicles to individuals, or otherwise, included either a general statement or detailed description of official business.

2028

There were some five agencies indicating limited personal use of one or more vehicles and 14 agencies indicating some assignments to individuals on what one agency described as a "carry home basis." Such an assignment was usually in an agency having a small number of cars and someone had to be responsible for the individual vehicle, especially for storage at night. Assignment to an individual or individual position, however, should not by any means be directly associated with the connotation of "limited personal use" or "assignment on a carry home basis." Many individuals in agencies such as the Law Enforcement Division, the State Highway Department, and the Department of Corrections, among other agencies, are subject to call twenty-four hours a day and must have a car immediately available to fulfill their assigned functions.

As previously indicated in Tables V, VI and VII, there were some expensive cars -- 38 having an original cost in excess of \$4,000 -- but the matter of the assignment of individual cars, expensive or otherwise, to "public officials" is only a part of the broader problem of "limited personal use" and assignment on a "carry home basis."

Before leaving the matter of assignments to individuals, administrative units or motor pools, one other facet needs to be pointed up with regard to the assignment or management of state-owned passenger vehicles. In point there is a considerable variation in this problem among the various state agencies as a result of the varying needs for cars, and the varying number of vehicles held by respective agencies.

As indicated in Table XV, 18 agencies have only one car assigned to each of these agencies while on the other extreme, 923 cars or 61.8 per cent of all state-owned vehicles are administered by the State Highway Department. The problem of management and assignment is obviously entirely different in these two situations.

TABLE XV -- VARIATION IN NUMBER OF STATE-OWNED PASSENGER VEHICLES ADMINISTERED  
BY DIFFERENT STATE AGENCIES

Number of Passenger Vehicles Reported	Number of Agencies Adminis- tering the Number of Passenger Vehicles Indicated
1	18
2	8
3	7
4	5
5	1
6	4
7	1
8	1
9	1
10	1
11	2
12	1
16	1
19	1
20	1
21	1
29	1
31	1
46	1
47	1
71	1
97	1
923	1

As a result of the variation in the number of vehicles administered by different state agencies, along with many other factors, there was considerable variation in the number of miles traveled per year among the vehicles as well as among the various state agencies. No question was asked on this point but relevant statistics were compiled to give an approximate picture. The number

of passenger vehicles administered was summarized from the first inquiry and each agency was asked on the second inquiry to estimate the number of miles traveled in state-owned passenger vehicles during the fiscal year 1962-1963. Thus, by dividing the 1493 vehicles reported by the agencies in July 1963 into the 32,613,088 estimated miles traveled for 1962-1963, the resulting average of miles per year per vehicle amounted to 21,846.

#### Recommendations

In order to provide adequate transportation, with efficient economy, for use in conducting the official business of the State of South Carolina and its respective departments, agencies, and institutions, the Committee on State-Owned Passenger Vehicles respectfully submits the following recommendations:

I. That the State Budget and Control Board be charged with the responsibility of promulgating and administering such rules, regulations, and specifications as are deemed appropriate concerning the purchase, assignment, use, maintenance, repair, insurance, and disposal of all state-owned passenger vehicles.

(It is the opinion of the Committee that for the most part this authority has already been granted to the Board by the General Assembly as indicated in various sections of the 1962 Code delineating authority of the Board.)

II. That consideration be given to the establishment and enforcement of policies relating to the items listed below:

(1) That whenever practicable official travel be undertaken in state-owned motor vehicles.

(2) That all state-owned passenger vehicles be purchased by competitive bids through the State Purchasing Division of the State Budget and Control Board.

(3) That the types of state-owned vehicles and optional accessories authorized for purchase be varied to meet the specific travel needs involved.

(4) That consideration be given to the establishment of an inter-agency pool or pools of state-owned motor vehicles with exceptions to the use of such vehicles being subject to prior approval of the State Budget and Control Board.

(5) That such motor pool or pools, as may be established in accordance with item (4) above, have facilities available for servicing both motor pool and other state-owned passenger vehicles.

(6) That assignment of state-owned motor vehicles to individuals or small administrative units be subject to specific prior approval of the State Budget and Control Board.

(7) That the State Budget and Control Board study carefully the entire matter of insurance coverage on all state-owned passenger vehicles.

(It appears to the committee that where large numbers of vehicles are involved collision insurance coverage would not be economical. The committee also feels that there is a definite need for standardization of public liability insurance coverage.)

(8) That each state agency, department or institution, including such inter-agency motor pools as may be established, maintain a perpetual inventory on state-owned vehicles and that periodic reports on these inventories be filed with the State Budget and Control Board. Further, that the State Budget and Control Board be responsible for giving advice regarding the most economical and practicable timing and methods of replacing state-owned vehicles.

### In Conclusion

With respect to the recommendations outlined above, the committee wishes to emphasize the following points:

- (a) An attempt has been made to point out the major areas where a need for policies, rules and regulations, with respect to the procurement, assignment, operation and maintenance of state-owned vehicles, is apparent without presuming to establish policy.
- (b) The effectiveness of policies, rules and regulations is directly proportionate to the manner in which such policies, rules and regulations are applied. The committee wishes to emphasize that, within the framework of state laws and regulations, the responsibility for assuring the most efficient, economical and practicable transportation arrangements must rest with the administrative head of each state governmental agency.

A P P E N D I X   A

Governor Russell's News Release of July 10, 1963

FROM: GOVERNOR DONALD RUSSELL  
TO: NEWS MEDIA  
IN RE: STATE-OWNED AUTOMOBILES

At a meeting of the Budget and Control Board held today, it was determined to request all state agencies to report to the Board

- (1) the number of vehicles owned by each
- (2) how purchased, whether by competitive bidding through the State Purchasing Agent or otherwise
- (3) to whom such vehicles are assigned, if personally assigned, the make, model, accessories and cost of such cars, and the reasons for such personal assignment
- (4) the rules, if any, under which such vehicles so assigned may be used
- (5) if such vehicles are in a pool, the method of their assignment and the regulations under which they are controlled in use
- (6) any general regulations or rules of such agency to permit appropriate review of the use of such vehicles

In requesting this data, the Board's objective is to obtain information on the basis of which appropriate regulations governing general use of state-owned automobiles can be considered.

A P P E N D I X   B

STATE OF SOUTH CAROLINA  
OFFICE OF THE STATE AUDITOR  
COLUMBIA

July 16, 1953

TO ALL DEPARTMENTS AND INSTITUTIONS:

The Budget and Control Board is concerned about the possible need of regulations regarding the use of State-owned vehicles, and accordingly has asked that the following information be obtained from all State departments and institutions. The objective is to secure an inventory of vehicles and a compilation of data concerning purchase procedures and general regulations of operation.

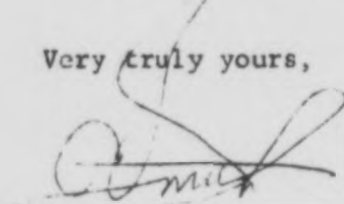
The attached sheet shows the detailed information requested for each vehicle, and the form in which it should be reported. Please duplicate this form, without charge, so that each vehicle will be reported on a separate sheet.

In addition to individual vehicle reports, please give your reply to the following items:

1. Are vehicles operated on a "pool" plan? If so, what is the plan of assignment?
2. Indicate any general rules under which your vehicles are operated, with particular reference to use other than on official business.
3. What records are maintained showing use of each vehicle?

We shall appreciate your complying with this request of the Board at your earliest convenience.

Very truly yours,



P. C. Smith  
Asst. State Auditor

PCS:vl

STATE-OWNED VEHICLE REPORT  
TO BUDGET AND CONTROL BOARD

July \_\_\_\_, 1963

DEPARTMENT OR INSTITUTION: \_\_\_\_\_

Vehicle License No. \_\_\_\_\_

Make \_\_\_\_\_

Year Model \_\_\_\_\_

Body Style \_\_\_\_\_

Accessories (Check x)

Heater \_\_\_\_\_

Radio \_\_\_\_\_

Automatic Transmission \_\_\_\_\_

Power Brakes \_\_\_\_\_

Power Steering \_\_\_\_\_

Power Windows \_\_\_\_\_

Air Conditioning \_\_\_\_\_

Cost:

Gross \$ \_\_\_\_\_

Trade-In Allowance \$ \_\_\_\_\_

Net \$ \_\_\_\_\_

Speedometer Reading \_\_\_\_\_

How Purchased (Check x)

Competitive Bids:

State Purchasing Agent \_\_\_\_\_

Other \_\_\_\_\_

Negotiated Purchase \_\_\_\_\_

To Whom Assigned \_\_\_\_\_

Reason for Assignment \_\_\_\_\_

Note: This is a sample form. Please duplicate, without alteration,  
the number you may need.

APPENDIX C



State of South Carolina  
Executive Department  
Columbia

DONALD RUSSELL  
GOVERNOR

September 18, 1963

Dr. Robert C. Edwards  
President, Clemson College  
Office of the President  
Clemson, South Carolina

Dear Bob:

I am most grateful to you, Mr. Pearman, and Mr. Bomar for your willingness to undertake, on behalf of the Budget and Control Board, a study of the subject of State-owned cars, with a view to the most economical and legitimate purchase and use of such vehicles.

As you know, there has been considerable public and legislative discussion of this subject, and a general demand has arisen for the issuance of appropriate regulations. Within its powers, the Board desires to take such steps as may be appropriate to assure the State that all vehicles purchased by the State are acquired on the best possible terms, with due regard to economy, and that the use of such automobiles be so controlled to avoid any unnecessary expense to the State.

It has been often suggested that, save in the most exceptional cases, State cars should be confined to specified models without any unnecessary extra equipment and should be purchased in fleets. Motor pools have frequently promoted economy in the use of motor vehicles by state governments, and the assignment of a car to a particular public official should be, in the opinion of many, the exception, and the reasons for such assignment should be clearly understood. Careful records covering the use of such cars can be an effective stimulant, too, to their economical use.

Any rules governing the use of State automobiles necessarily involve also the right to purchase through State facilities petroleum products. We hope, therefore, that in your study you will look into this problem as well.

Dr. Robert C. Edwards

-2-

September 18, 1963

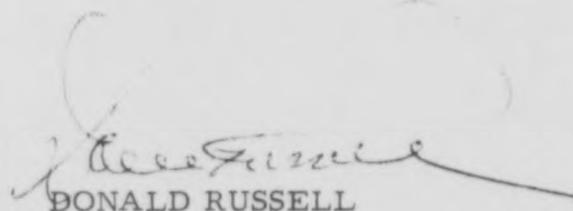
In outlining some phases of the problem entrusted to your study, we do not wish to indicate a personal opinion; we are seeking merely to outline the area of inquiry which the Board would like for your committee to cover. The entire Board has every confidence in the good judgment and public interest of you and the other members of the committee, and we want you to exercise your independent judgment.

The Board has already accumulated reports from all State agencies on the ownership and use of State cars by such agencies and these records will be made available to your committee for your study and consideration.

We hope you will be able to complete your report by December 1st.

In conclusion, may I again express on behalf of myself and all other members of the Budget and Control Board appreciation for your willingness to undertake this study. I am sure the State will be indebted to you for a job well done.

Sincerely,

  
DONALD RUSSELL

DR/ss

Identical letters from Governor Russell were sent to Mr. S. N. Pearman and Mr. P. H. Bomer on September 18.

2038

A P P E N D I X D

STATE OF SOUTH CAROLINA

Office of State Auditor

P. O. Box 333

Columbia

October 3, 1963

TO THE DEPARTMENT OR INSTITUTION ADDRESSED:

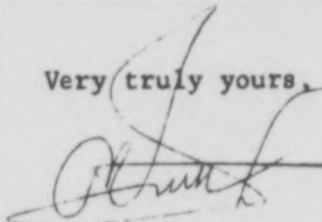
You are probably aware of the recent appointment by Governor Russell of a committee consisting of Dr. R. C. Edwards, of Clemson, Chairman, Mr. S. N. Pearman, Chief Highway Commissioner, and Mr. P. H. Bomar, of the Department of Education, to make recommendations regarding the regulation of State-owned automobiles.

The information secured from you some time ago with respect to State-owned automobiles has been turned over to this Committee. In reviewing this material the Committee has found that certain additional information would be helpful to them in their study of this subject. We are accordingly enclosing a questionnaire developed by the Committee.

It will be appreciated if you will supply this additional information. The Committee would like to conclude its work at an early date and has asked that this questionnaire be returned by October 18 if possible.

We shall appreciate your usual cooperation regarding this request.

Very truly yours,



P. C. Smith  
Assistant State Auditor

PCS:dr

Enclosure

2039

INFORMATION FOR  
COMMITTEE ON STATE-OWNED VEHICLES  
(BUDGET AND CONTROL BOARD)

\_\_\_\_\_  
(Date)

Department or Institution \_\_\_\_\_

1. Please give an estimate of the number of miles traveled in State-owned passenger vehicles by personnel in your department during the fiscal year 1962-63.

\_\_\_\_\_  
(Miles)

2. How many miles were traveled on necessary official business of your department in personally-owned vehicles during the fiscal year 1962-63?

\_\_\_\_\_  
(Miles)

3. How many miles were traveled by employees in your department on necessary official business in rental cars furnished by a commercial rental agency during the fiscal year 1962-63?

\_\_\_\_\_  
(Miles)

4. If your department used any rental cars during the fiscal year 1962-63 for official travel, please give the prevailing rate or rates paid for this service. \_\_\_\_\_

5. Please indicate the number of persons in your organization who were authorized to use either State-owned or privately owned vehicles for necessary official travel during the fiscal year 1962-63.

\_\_\_\_\_  
(No. Persons)

6. What was the average mileage on State-owned passenger vehicles which you traded during the last three years? (Exclude those traded due to damage resulting from accidents.)

\_\_\_\_\_  
(Miles)

7. What was the average age of State-owned passenger vehicles traded in the last three years? (Exclude those traded due to damage resulting from accidents.)

\_\_\_\_\_  
(Months)

8. Does your department have an established policy setting either or both upper or lower mileage limits for trading passenger vehicles? \_\_\_\_\_ If yes, please indicate lower limit \_\_\_\_\_, upper limit \_\_\_\_\_.

(miles)

(miles)

9. Does your department have an established policy setting either or both upper or lower age limits for trading passenger vehicles? \_\_\_\_\_ If yes, please indicate lower limit \_\_\_\_\_,

(months)

upper limit \_\_\_\_\_.

(months)

10. Please give the estimated average cost per mile of those passenger vehicles traded by your department during the last three years. (Be sure to include all costs such as gas, oil, repairs, tires, insurance, depreciation, etc.)

\_\_\_\_\_  
(cents)

11. Indicate insurance coverage which your department carries on passenger vehicles.

	<u>Policy Limits</u>	<u>Name of Insurance Company</u>
Liability	_____	_____
Medical Payments	_____	_____
Comprehensive Coverage	_____	_____
Collision	_____	_____
Other _____	_____	_____

NOTE: In answering the above questions, the term "passenger vehicles" should be interpreted as including passenger automobiles, station wagons, and carryalls, and excluding vehicles with a capacity of 11 or more, and all types of trucks.

PLEASE ATTACH REPLIES TO THE FOLLOWING ITEMS:

12. Please indicate procedure for disposing of obsolete or unserviceable cars.
13. If one or more State-owned cars is assigned permanently to certain of your personnel, other than to the head of your department or institution, please indicate your justification of each such assignment.
14. Please indicate your procedure for obtaining, or otherwise providing for, (1) gasoline, oil and normal operating needs, and (2) maintenance and repair service.

# A P P E N D I X E

## RESPONSE OF AGENCIES OR REPORTING UNITS TO INQUIRIES OF JULY 16 AND OCT. 3, 1963

Agency or Reporting Unit	Responded to both Inquiries	Responded to July 16 Inquiry only	Responded to Oct. 3 Inquiry only	No Reply	State-owned Passenger Vehicles Indicated
<u>Legislative Dept.</u>					
The Senate			X		None
The House				X	No Reply
Legislative Council			X		None
<u>Judicial Dept.</u>					
			X		None
<u>Exec. &amp; Admin. Div.</u>					
Governor		X			1
Law Enf. (SLED)		X			47
Lt. Governor				X	No Reply
Sec. of State	X				1
Comp. General	X				1
Attor. General		X			1
State Treasurer	X				1
Adj. General	X				1
<u>Educational Div.</u>					
Univ. of S. C.	X				29
The Citadel	X				10
Clemson College					
Coll. & Aux. Act.	X				71
Exp. Station	X				16
Ext. Service	X				21
Livest., Poul. Hl. Dept.	X				3
Fert. Insp. & Anal. Dept.	X				6
Winthrop College	X				8
Medical College	X				3
Med. Col. Hospital	X				1
S.C. State College	X				12
Jno. de la Howe School	X				2
Sch. for Deaf and Blind	X				1
State Dept. of Education			X		None
Area Trade Schools		X			4
Regional Educ. Bd.			X		None
Opportunity School	X				None
Voc. Rehabilitation	X				None
Educ. Finance Commission	X				31
Educ. Television Com.	X				2
State Library Board	X				1
Schoolbook Commission	X				1
Archives Dept.	X				1
State Library				X	No Reply
Confed. Relic Room			X		None
Com. for Technical Ed.	X				3

APPENDIX E -- RESPONSE OF AGENCIES OR REPORTING UNITS TO INQUIRIES (CONTINUED)

Agency or Reporting Unit	Responded to both Inquiries	Responded to July 16 Inquiry only	Responded to Oct. 3 Inquiry only	No Reply	State-owned Passenger Vehicles Indicated
<u>Correct. &amp; Welfare Div.</u>					
Dept. of Public Welfare	X				None
Mental Health Com.	X				2
State Hospital	X				19
Pineland Trng. Sch.	X				3
Whitten Village	X				6
S.C. Sanatorium	X				2
S.C. Alcoholic Center	X				2
Children's Bureau	X				None
Prob. Parole & Pardon Bd.	X				1
Dept. of Corrections	X				12
Indus. Schools Board					
Board Chairman		X			None
Jnr. Placement Div.	X				None
Indus. School for Boys	X				4
Indus. School for Girls		X			1
Indus. Sch. for Negro Gls.	X				2
Jno. G. Richards Indus. Sch.	X				2
<u>Regulatory Division</u>					
State Budget and Control Bd.					
Retirement System	X				1
Finance Division				X	No Reply
Sinking Fund	X				2
Of. Supplies & Print.				X	No Reply
Purchasing	X				1
Board of Health	X				6
Water Pol. Control Authy.	X				6
State Dairy Commission	X				1
Tax Commission	X				9
Insurance Dept.	X				1
Contractors' Licens. Bd.			X		None
State Service Bureau			X		None
Dept. of Agriculture	X				3
Agri. Marketing Com.	X				None
Forestry Com.	X				20
Soil Conservation Com.			X		None
Dept. of Labor			X		None
Employ. Security Com.	X				4
S.C. Industrial Com.	X				7
Wildlife Resources Dept.					
Administrative Div.	X				3
Division of Game	X				97
Com. of Fisheries	X				3
Bears Bluff Labs.	X				1

APPENDIX E -- RESPONSE OF AGENCIES OR REPORTING UNITS TO INQUIRIES (CONTINUED)

Agency or Reporting Unit	Responded to both Inquiries	Responded to July 16 Inquiry only	Responded to Oct. 3 Inquiry only	No Reply	State-owned Passenger Vehicles Indicated
Board of Bank Control	X				None
Public Service Com.	X				5
Aeronautics Com.	X				4
<u>Miscellaneous Division</u>					
State Development Bd.	X				11
Civil Defense Agency	X				4
Nuclear Energy & Sp. Com.		X			None
S. C. St. Highway Dept.	X				923
S.C. Pub. Service Authy.	X				46
Total	63	7	10	5	1493

PROPOSAL FOR A  
SPECIAL SERVICES DIVISION

*Copy for minutes  
of Budget & Control Board*

*No. 9*

*12/11/63*

Space in the new State Office Building has been allocated to departments and agencies scheduled to occupy the building to include:

Files and Storage	3,700 square feet
Data Processing Equipment	4,900 square feet
Printing	2,600 square feet
Total - - -	11,200 square feet

This is equivalent to approximately one and one-half floors of net usable space.

The new state office building has been designed to be a good building to provide work area for office workers. If space in the building is to be used for storage of records, data processing equipment, and printing equipment, either consideration will have to be given to greatly modifying the proposed building or much-needed high-cost office work area space will have to be turned over to equipment and storage for which the building is not designed. Possibly some, if not all, of the space needed for this type of equipment and storage might be provided in a more economic and efficient area--space specifically designed for this purpose.

It is believed that consideration should be given not only to the agencies scheduled to occupy the new state office building, but that the entire area of Records Management, Data Processing, and Printing (primarily reproduction of forms) should be reviewed and decisions made that would look toward assisting all state agencies in these areas.

It is anticipated that many state departments and agencies will be moving into different office space within the next two years. Unless some steps are taken to assist them, they will be moving into new office areas tremendous amounts of records and equipment that should not be carried with them into new assigned space.

Records Management System

Investigation and survey have shown that without question almost every state agency has considerable space occupied by non-current records that should either be stored in less expensive space, microfilmed, or in many instances destroyed. In 1952 the Archives Department attempted an estimate of the records-storage needs of the State government by sending a questionnaire to 94 agencies, 36 of whom replied. The replies of those 36 agencies alone indicated that their records-storage needs at that time amounted to about 12,000 cu. ft. with an annual increase of 775 cu. ft. to be expected. Extension of these figures through 1962 indicates that current records storage of less than half of the State agencies amounts to around 19,750 cu. ft. A total current records storage of 40,000 cu. ft. or more by the various State agencies is not an unreasonable estimate.

Cleaning of the so-called "Fish House" by the Archives Department and Auditor's Office during the winter of 1962-1963 demonstrated two facts: (1) that many agencies are storing hundreds of files of useless records; and (2) that the State can save storage money and increase working efficiency by systematic destruction of records of temporary value when they are no longer needed.

Information from many departments bears out that they would like to get rid of or remove old records from badly needed work areas, but that they do not know how to go about getting this accomplished. They are particularly in need of knowing how long they should retain certain records, what they can destroy and/or microfilm.

It is believed that a Central State Records Management System would be of tremendous value to the State, both in dollars saved and improved efficiency. Many states have such systems already that have proven their value both in dollars saved and improved efficiency.

North Carolina estimates an annual saving of \$3.50 for every cubic foot of records removed from office space and destroyed, and an annual saving of \$3.28 for every cubic foot transferred from office space to storage in its specially designed records center.

When established, the Records Management System should be closely coordinated with the Archives Department. A fully operating Records Management System involves (a) a systematic destruction of useless records when they cease to be of value; (b) microfilm or transfer of little-used records of temporary value to a Records Center; (c) transfer of non-current records of permanent value to the State Archives. To accomplish these purposes, each State agency must be provided with a Records Transfer and Disposal schedule listing records to be periodically destroyed, those to be transferred to the Records Center, and those to be deposited in the Archives. Formation of these schedules, it is felt, should be the responsibility of the Archives Department.

Operation of the Central Records Center concerned with the storage of records of temporary value should, on the other hand, be the function of an agency other than the Archives Department. At present, since the State has had no experience in central records management, the amount of space needed for storage of records, microfilming, and work area can only be roughly estimated. Our neighbor, North Carolina, has a two-story Records Center Building measuring one hundred thirty-five by one hundred fifty-nine feet (42,930 square feet). Not knowing how much space would be ultimately needed, South Carolina could start with considerably less space. It is believed that an area providing 15,000 to 20,000 square feet of net usable space would be adequate for several years or until experience would indicate how much space is actually needed. Experience of other states has shown that when the records management system reaches a leveling-off point, records would be

moving out of the center to the Archives or destruction at the same approximate rate as records would be moving into the center.

#### Data Processing

Within approximately the last ten years, tremendous technological advances have been made in the area of data processing. These technological advances have been necessitated by the constant increase in the volume of paper work (data) created by business and government and the corresponding need by persons in decision-making positions for more timely, meaningful, and accurate information.

The personnel and equipment to provide data processing capability is expensive. However, when justified, well-planned and operated data processing systems have proven to be the most efficient and economical means to process the volumes of paper work and provide the timely reports and information that are needed.

Some State agencies have already in operation electronic data processing (computer) systems. Many departments have punched-card tabulating equipment. Other departments have systems and equipment on order, and others feel the need and are investigating the possibility of using this kind of equipment. Other State agencies feel the need for some data processing capability, but due to their size and comparative high cost of even a small-scale system, they cannot justify an installation of their own. Equipment cost alone of equipment already in operation in state agencies amounts to from a hundred dollars a month rental for small punched-card systems to as much as up to ten thousand dollars or more monthly rental for equipment to operate computer systems. Some agencies that have systems now are not using all equipment to an optimum degree.

Initially the data processing center could be programmed to do the record keeping and provide the control for the contemplated central purchasing procedure, process data, and provide reports to the Budget and Control Board

and the General Assembly that are needed for decision making but are not available now, and provide an electronic data-processing service to many state agencies that now have the need, but because of their small size cannot justify a system of their own--using state agencies could pay the center for services performed.

It is estimated that the center could be established to include equipment rental and personnel at a monthly cost of approximately six thousand dollars. About twelve hundred square feet of space would be needed.

#### Printing of Forms and Reports

Most state agencies have some equipment that is used to reproduce or print office forms and reports. This equipment ranges from the familiar mimeograph to machines comparable with those used by commercial printers. Much of this equipment is not used an optimum amount of time. Also, without any general standardization and control of various forms and reports much duplication and unnecessary printing is done. It is believed that some centralization of this type of service would result in savings to the State.

#### Communications System

As the state moves toward centralization of operation and services such as purchasing, property control, records management, data processing, standardization and reproduction of forms, the need for improved efficient system of interdepartmental communication becomes very apparent. Centralization of the following services would contribute to efficient and economic operation of our State government:

Establishment of (1) a central mail and messenger service, (2) pickup and delivery service, and (3) telephone service would contribute to efficient and economic operations of governmental services.

This discussion has not answered the problem as to what to do about the data processing equipment that is presently scheduled to go into the new office building. Based on present space allocations, this equipment will be located on six different floors of the building. Equipment of this type needs special consideration insofar as electrical requirements, weight that floors can bear, and in some instances temperature and humidity controls. This equipment generates heat that can disrupt the normal comfort control of an area. It is noisy, creates vibrations, and has to be given special consideration whenever expansion or rearrangement of office space is contemplated.

Consideration has been given to the following:

1. Placing all of the data processing equipment on the same floor in the new building. Advantages of this would be that one area could be designed and prepared especially for this equipment. This space could be readily designed to provide adequate electrical, humidity, and temperature needs. Agencies would retain control of their own equipment, but more optimum use could be made by sharing the use of less frequently used equipment. Disadvantages of centralizing this equipment would be the loss of a certain amount of convenience by not having it located in the general work area (this is not considered to be a major disadvantage), and major revisions would have to be made at this date in the allocation of space to the agencies since based on present assignments there is not available sufficient space on one floor to accommodate this equipment.

2. Move some or all of the data processing equipment into space located other than in the new building. This space would be designed especially for such equipment. The advantages of this would be to (a) free space in the new building for future expansion of office work areas, (b) eliminate the need for special electrical wiring, floor loads, and

climatic controls in the new building, (c) provide for more efficient and economic use of this type equipment, and (d) permit easier allocation of space as data processing systems grow and require more room. The disadvantage would be loss of convenience of having equipment in or near the general office work area.

3. Leave the data processing equipment in the areas as presently allocated. The big advantages of this would be the convenience of having the equipment in the general work area. The disadvantages would be the same as previously stated.

#### Summary and Recommendations

1. The establishment of a Records Management System to include adequate space for a Records Center before the completion of the new state office building is recommended. This should be accomplished as soon as practical in order that records now stored in state departments could be scheduled, inventoried, screened, and disposed of before the departments move into new space. The establishment of a Records Management System and Center (to include microfilming) would immediately result in (a) expensive office space, now occupied by or scheduled to be occupied by obsolete or inactive records, would be freed for better use, (b) hundreds of filing cabinets would be emptied and re-used, eliminating spending thousands of dollars for new files, (c) the amount of time now spent in obtaining information from inactive and non-current records would be materially reduced.

2. It is recommended that a central electronic data-processing center be established to provide initially (a) record keeping for central purchasing and property control, (b) statistical data and timely information and reports for the Budget and Control Board and General Assembly, (c) data processing service to state agencies that are too small to justify their own systems.

3. It is recommended that there be established:

(a) A central mail and messenger service. This would result in considerable savings in cost of postage, would speed up the pickup and delivery of mail and other items, and reduce the need for individual departments to provide their own porter and messenger service. (b) A central telephone service for state agencies in the Columbia area. Southern Bell Telephone and Telegraph Company, from a survey made by them in June, 1963, estimates an annual savings of \$17,911.00 by installing a telephone "Centrex" system to serve five buildings in the capitol area. Their survey results also state that telephone services would be more efficient and satisfactory to both state agencies and the using public. (c) A central pickup and delivery service. This would be essential to the operation of central purchasing and stores, records management, and data processing.

4. It is recommended that space be provided other than in the new state office building for data processing equipment that is presently scheduled to go into this building. With the constant increase in volume of data to be processed and the urgent need for more and better information and reports, it is believed that some state agencies soon after moving into the new state office building will have the need to enlarge their data processing systems. If the needed expansion requires more space, as it most probably will, it will be difficult to provide this space in the area presently scheduled for each agency.

5. It is strongly recommended that procedures and methods be established as soon as practical to develop a plan for long-range (at least ten years) forecasting of space needs for state agencies and institutions.

6. It is recommended that further study be made of the economic and efficient advantages of providing central means for the printing and reproduction of office forms. A central printing facility could result in (a) economic savings to the State in the cost of printed forms, (b) better utilization of space and equipment, (c) and better control and standardization of forms and reports.

2052-a

REVIEW OF SPACE (IN SQUARE FEET) OF AGENCIES  
SCHEDULED TO OCCUPY NEW STATE OFFICE BUILDING

Agency	1959 Survey		1961 Actual	Allocated in New Building	
	Actual	Projected to 1964		Floor	Space
Dept. of Public Welfare				2nd	7,800
" " " "				3rd	7,800
" " " "				4th	687
Total Dept. of Public Welfare	11,994	14,500	11,994		16,287
Retirement Division	6,649	6,144	6,649	4th	7,113
Regional Education Board	125	125	256	5th	337
Dept. of Education				5th	7,463
" " " "				6th	7,800
" " " "				7th	7,800
Total Dept. of Ed.	10,939	17,000	11,646		23,063
Educational Finance Comm.	2,698	2,498	2,800	8th	5,413
Technical Education	-	-	919	8th	2,387
Vocational Rehabilitation				9th	5,863
" " " "				10th	6,325
Total Voc. Rehab.	6,519	8,800	11,243		12,188
School Book Comm.	1,702	1,702	1,702	9th	1,712
Public Service Comm.	6,264	6,364	6,264	11th	7,800
Industrial Comm.	6,442	6,962	6,442	12th	7,800
Civil Defense	845	845	3,495	Base- ment	10,800
TOTAL	54,177	64,940	63,410		94,900
Unassigned Space				9th	225
" " " "				10th	1,475
Total Unassigned Space					1,700

SPACE IN NEW BUILDING ALLOCATED FOR  
DATA PROCESSING

Agency	Floor	Space
Dept. of Pub. Wel.	2nd	1,637
Retirement Div.	4th	475
Dept. of Education	7th	1,237
Educational Finance Comm.	8th	787
Vocational Rehab.	10th	562
Industrial Comm.	12th	187
TOTAL - - - - -		4,885

AGENDA MATERIALS  
AND SUPPORTING DOCUMENTS  
FOR THE MEETING OF  
DECEMBER 11, 1963

ITEMS FOR CONSIDERATION  
OF  
THE STATE BUDGET AND CONTROL BOARD  
AT MEETING DECEMBER 11, 1963

- o -

1. PURCHASING PROCEDURES

Mr. Furman B. Pinson, of the textile firm of J. P. Stevens & Company, has completed a study of purchasing procedures in the State Government, and will present a report at this meeting.

PERMANENT IMPROVEMENT PROJECTS

2. WILDLIFE RESOURCES DEPARTMENT

The following projects are proposed, to be financed on a 50 - 50 Federal-State plan. Federal funds are available under the accelerated public works program. State funds will be provided out of accumulated Game and Fish Fund.

- ask for*
- |    |   |             |
|----|---|-------------|
| a) | Bonneau Beach Residence and Storage Facilities -<br>Santee-Cooper   | \$49,300.00 |
| 1) | Brick Veneer residence - 3 bedrooms, 2 baths,<br>den, living room, kitchen.   |             |
| 2) | Block building containing living and sleeping<br>rooms, kitchen, etc. Also storage for 6<br>vehicles or boats.  |             |
| b) | Hampton County Lake   | 62,504.00   |
|    | Project, A 175-Acre lake, has been originally<br>approved at a cost of \$385,054.00. Approval of<br>an increase to \$447,558.00 is requested, the<br>additional funds to be provided by the Highway<br>Department for construction of a road across the<br>dam. |             |
| c) | Clark Hill Boat House   | 4,474.00    |
|    | A two-unit boat house for Department equipment.   |             |
| d) | Field Headquarters Building - Kershaw County  | 24,000.00   |
|    | Consists of 4 bedrooms, 2 baths, kitchen, etc.<br>Also boat house and concrete launching ramp.  |             |
| e) | Enlargement of Equipment Building - Lake Wallace  | 1,140.00    |
| f) | Equipment Storage Building - Myrtle Beach   | 6,000.00    |
|    | For storage of agricultural implements,<br>supplies, etc.   |             |
| g) | Field Headquarters - Orangeburg County  | 16,000.00   |
|    | For temporary living quarters for Department<br>personnel in Lake Marion area. Four bedrooms,<br>2 baths, kitchen, etc.   |             |

- h) Tenant Houses and Remodeling of Existing Structure - Belmont \$37,000.00
- 1) Remodel 2 structures.  
2) Addition of bath to existing building.  
3) Construction of 4 six-room tenant houses.  
For personnel of Belmont project.
- i) Facility for Production of Exotic Game Birds - Belmont 10,200.00
- Frame building for incubation, feed storage, etc. Fencing of several acres of project area.

3. UNIVERSITY OF SOUTH CAROLINA

- a) Campus Landscaping 8,750.00
- Project involves planting of shrubs, etc., mainly in the area of Currell College (\$6,300.00), also South Dormitory, Undergraduate Library, and other areas.  
Source of funds is income from student fees beyond the amount required for budgeted operations.
- b) Addition to Neutron Generator Building 11,433.00
- An addition to this building, estimated to cost \$19,767.00 was approved in June, 1963, to be financed by funds from the National Science Foundation.  
It is now proposed to further extend the additional facilities originally planned, by providing more laboratory space, and adapting heating, wiring, etc., to better accommodate a research facility.  
The total cost of the addition will now be \$31,200.00, or \$11,433.00 above the Foundation Grant. It is proposed to use funds received as reimbursement for "Research Overhead" for this purpose.

4. WHITTEN VILLAGE

- New Laundry 90,000.00
- New facility to replace old building now obsolete.  
To be financed by issuance of bonds (\$600,000.00) authorized by 1963 General Assembly.  
Whitten Village Board does not consider it practical, in view of the distance involved, to use the new Penitentiary laundry. It is also claimed that laundry costs will be substantially less under proposed arrangements.

5. DEPARTMENT OF PUBLIC WELFARE

Mr. Arthur Rivers has requested the Board's approval of an increase of \$300.00 in salaries of certain categories of county personnel (Directors, Caseworkers).  
See Attached Letter.

6) PROPOSED STUDY OF THE FEASIBILITY OF INSTALLING AN ELECTRIC DATA PROCESSING SYSTEM IN THE COMPTROLLER GENERAL'S AND STATE TREASURER'S OFFICES

For some time, personnel of the Comptroller's, Treasurer's and Auditor's offices have given some thought to the feasibility of installing an electronic data processing system in the Comptroller's and Treasurer's offices. Electronic computers, the latest development in this field, are no longer in the experimental stage, and are rapidly becoming the standard method of processing large volumes of detailed financial transactions. A number of other States have already installed computers in their finance departments.

In order to observe a system in operation, a group from the Comptroller's, Treasurer's and Auditor's offices recently visited Alabama and Mississippi to inspect and evaluate computer operations in the finance offices of those States. In both instances, authorities were highly pleased with the new systems, and did not hesitate to recommend them to us. The fact that other States have preceded us in this field would make the transition considerably easier for us.

As a result of these preliminary investigations, the Board is requested to give its formal approval to the development of plans looking toward the ultimate installation of an electronic data processing system in the Comptroller's and Treasurer's offices. It is believed that approximately 18 months would be required to fully cover the detailed procedural changes that would be necessary to convert all operations. Some operations, such as pay rolls, might possibly be converted within six months. Complete installation of a new system should be possible by July 1, 1965. It is suggested that the development project be carried on under the supervision of a small committee representing the three offices concerned. It is understood that all proposed changes would be subject finally to the Board's approval, particularly the heads of the offices affected.

7. *John Lumbull's report.*

8. *Status of University property purchases.*

APPLICATION FOR APPROVAL OF A PERMANENT IMPROVEMENT PROJECT

DATE November 12, 1963

Institution or Agency University of South Carolina

Name of Project Campus Landscaping

Total Estimated Cost - - - - - \$ 8,750.00

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.):

Landscaping in vicinity of Currell College, South Dormitory, Devine Street  
and miscellaneous areas.

B. Intended Use: Pedestrian traffic control and completion of landscaping around  
existing buildings.

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.

*12/11/63  
Ground action not required  
not a Permanent Improvement  
Project*

### III. ESTIMATED COST

Site - - - - -	\$ _____
Grading - - - - -	_____
Construction - - - - -	_____
Fees - - - - -	_____
Renovation - - - - -	_____
Basic Equipment and Supplies - - - - -	_____
Landscaping - - - - -	8,400.00
Builder's Risk Insurance - - - - -	_____
Other (Specify) _____	_____
Contingencies - - - - -	350.00
<b>TOTAL ESTIMATED COST - - - - -</b>	<b>\$ 8,750.00</b>

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

### IV. FINANCING PLAN

A. Funds Already in Hand - - - - - \$ 8,750.00

Source: Additional income from fees above budget.

B. Proposed Bond Issue - - - - - None  
(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 - - - - - \$ 8,750.00**

Has your governing board taken formal action authorizing the submission of this application? Yes, general approval of campus improvement projects.

(Signed) \_\_\_\_\_

Title Dean of Administration

### BOARD'S ACTION

APPROVED: \_\_\_\_\_

State Auditor

DATE: \_\_\_\_\_

2058

# UNIVERSITY OF SOUTH CAROLINA

## CAMPUS LANDSCAPING

### I. JUSTIFICATION

In the past few years there have been a number of building changes and additions that have never been fully landscaped. They are unsightly and since they are open for pedestrian traffic, their condition will deteriorate unless something is done. This we propose to do on a relatively modest scale at this time.

After construction of the addition to Currell College in the Fall 1962, the area surrounding the building was only partly landscaped. No effort was made to correct the barren or sparsely planted areas on the northern or eastern sides of Currell College. As a consequence, there are no plantings or other means of controlling heavy pedestrian traffic and the area has become quite unattractive. Through use of low plantings along walks and ground cover, pedestrian traffic can be controlled and the area made more attractive. Replacement of several plants on the western side and minor modification of plantings to achieve symmetry are also included in this project.

Landscaping to the west of the new South Dormitory was also never completed. The work included in this project will complete the plantings and will properly establish this newest addition to the campus.

A high retaining wall separates the Russell House lawn and Devine Street between the Business Administration Building and the Undergraduate Library. While extensive landscaping was done on the upper level when the buildings were added, the area along the retaining wall has been left bare and very unattractive. Jasmine will be planted in this area.

Three large trees and eleven smaller trees and shrubs are available for relocation as a result of the approved and pending project to construct an addition to the Administration Building. These are valuable plantings which should be saved through relocation to other areas in need of landscaping. Some of the plantings will be used along the walkways to the north of Currell College; others on the south side of Thornwell College. The larger trees will be moved to locations behind DeSaussure College and the Administration Building. One tree will replace a dead tree in front of the Undergraduate Library.

Cost Summary:	Currell College	\$6,300.00
	South Dormitory	300.00
	Retaining Wall	500.00
	Miscellaneous	1,300.00
		<u>\$8,400.00</u>
	Contingencies	350.00
		<u>\$8,750.00</u>

All work indicated in this project was recommended this Fall by Mr. Webel, Innocenti and Webel, Landscaping Architects, Rosslyn, New York, as a part of the long-range landscaping of the University campus.

APPLICATION FOR APPROVAL OF A PERMANENT IMPROVEMENT PROJECT

DATE **November 12**, 19**63**

Institution or Agency **University of South Carolina**

Name of Project **Campus Landscaping**

Total Estimated Cost - - - - - \$ **8,750.00**

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.):

**Landscaping in vicinity of Currell College, South Dormitory, Devine Street  
and miscellaneous areas.**

B. Intended Use: **Pedestrian traffic control and completion of landscaping around  
existing buildings.**

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 - - - - -	\$ _____
Grading - - - - -	_____
Construction - - - - -	_____
Fees - - - - -	_____
Renovation - - - - -	_____
Basic Equipment and Supplies - - - - -	_____
Landscaping - - - - -	<u>8,400.00</u>
Builder's Risk Insurance - - - - -	_____
Other (Specify) _____	_____
Contingencies - - - - -	<u>350.00</u>
<b>TOTAL ESTIMATED COST - - - - -</b>	<b>\$ <u>8,750.00</u></b>

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

### IV. FINANCING PLAN

A. Funds Already in Hand - - - - -	\$ <u>8,750.00</u>
Source: <u>Additional income from fees above budget.</u>	
B. Proposed Bond Issue - - - - -	<u>None</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 - - - - -	<u>\$ 8,750.00</u>

Has your governing board taken formal action authorizing the submission of this application? **Yes, general approval of campus improvement projects.**

(Signed) \_\_\_\_\_

Title Dean of Administration

### BOARD'S ACTION

APPROVED: \_\_\_\_\_ DATE: \_\_\_\_\_  
State Auditor

1005

2062

## UNIVERSITY OF SOUTH CAROLINA

### CAMPUS LANDSCAPING

#### I. JUSTIFICATION

In the past few years there have been a number of building changes and additions that have never been fully landscaped. They are unsightly and since they are open for pedestrian traffic, their condition will deteriorate unless something is done. This we propose to do on a relatively modest scale at this time.

After construction of the addition to Currell College in the Fall 1962, the area surrounding the building was only partly landscaped. No effort was made to correct the barren or sparsely planted areas on the northern or eastern sides of Currell College. As a consequence, there are no plantings or other means of controlling heavy pedestrian traffic and the area has become quite unattractive. Through use of low plantings along walks and ground cover, pedestrian traffic can be controlled and the area made more attractive. Replacement of several plants on the western side and minor modification of plantings to achieve symmetry are also included in this project.

Landscaping to the west of the new South Dormitory was also never completed. The work included in this project will complete the plantings and will properly establish this newest addition to the campus.

A high retaining wall separates the Russell House lawn and Devine Street between the Business Administration Building and the Undergraduate Library. While extensive landscaping was done on the upper level when the buildings were added, the area along the retaining wall has been left bare and very unattractive. Jasmine will be planted in this area.

Three large trees and eleven smaller trees and shrubs are available for relocation as a result of the approved and pending project to construct an addition to the Administration Building. These are valuable plantings which should be saved through relocation to other areas in need of landscaping. Some of the plantings will be used along the walkways to the north of Currell College; others on the south side of Thornwell College. The larger trees will be moved to locations behind DeSaussure College and the Administration Building. One tree will replace a dead tree in front of the Undergraduate Library.

Cost Summary:	Currell College	\$6,300.00
	South Dormitory	300.00
	Retaining Wall	500.00
	Miscellaneous	1,300.00
		<u>\$8,400.00</u>
	Contingencies	350.00
		<u>\$8,750.00</u>

All work indicated in this project was recommended this Fall by Mr. Webel, Innocenti and Webel, Landscaping Architects, Roslyn, New York, as a part of the long-range landscaping of the University campus.

Three large trees and eleven smaller trees and shrubs are available for relocation as a result of the approved and pending project to construct an addition to the Administration Building. These are valuable plantings which should be saved through relocation to other areas in need of landscaping. Some of the plantings will be used along the walkways to the north of Currell College; others on the south side of Thornwell College. The larger trees will be moved to locations behind DeSaussure College and the Administration Building. One tree will replace a dead tree in front of the Undergraduate Library.

Cost Summary:	Currell College	\$6,300.00
	South Dormitory	300.00
	Retaining Wall	500.00
	Miscellaneous	1,300.00
		<u>\$8,400.00</u>
	Contingencies	350.00
		<u>\$8,750.00</u>

All work indicated in this project was recommended this Fall by Mr. Webel, Innocenti and Webel, Landscaping Architects, Rosslyn, New York, as a part of the long-range landscaping of the University campus.



UNIVERSITY OF SOUTH CAROLINA

COLUMBIA

December 5, 1963

DEAN OF ADMINISTRATION

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

Dear Pat:

In accordance with our conversation yesterday regarding the campus landscaping project, I am enclosing Carolina Floral Nursery estimates for the plantings around the north, west and south side of Currell College.

As you can see by the amount of material in the estimate, there is a considerable amount of barren ground and unplanted areas that should be corrected.

At the time these estimates were received, it was impractical to determine specific landscaping needs on the east side of Currell until we could develop means for controlling pedestrian traffic in that area. Subsequently, plans for new walks were developed, giving us a better idea of specific landscaping needs. Considering the known cost of other landscaping around Currell, we estimated that \$2,000 would be required for the east side, bringing the rounded total to \$6,300.

If I can provide any additional information, please do not hesitate to call upon me.

Sincerely,

A handwritten signature in dark ink, appearing to read "H. Brunton", written over a horizontal line.

H. Brunton  
Associate Dean of Administration

HB:ncb

2065

LANDSCAPE DEPT.  
F. J. AICHELE, JR.  
NIGHT PHONE-CHAS. RA 2-0798

NURSERY DEPT.  
JAMES H. AICHELE  
NIGHT PHONE-CHAS. SN 6-0353



## Carolina Floral Nursery

MT. HOLLY, SOUTH CAROLINA

NURSERY AND GREENHOUSES  
LOCATED AT MT. HOLLY, SOUTH CAROLINA  
22 MILES NORTH OF CHARLESTON, ROUTE 52  
PHONE CHARLESTON SH 4-8976

University of South Carolina  
Columbia  
South Carolina

October 1, 1963

### ESTIMATE

Landscape Work *Cumrell*  
University of South Carolina - ~~Building~~ Building

#### Plants:

<u>Quantity</u>	<u>Description</u>	<u>Size</u>	<u>Per</u>	<u>Amount</u>	<u>Total Amount</u>
280	Ilex Suspensum	18"-24"	4.00	1,120.00	
1	Burfordi	4'-5'	25.00	25.00	
5,000	English Ivy		.15	750.00	
800	Opheapogan		.25	200.00	2,095.00

#### Materials other than plants:

25	Bales Peat		5.50	137.50	
20	Loads Topsoil		10.00	200.00	
6,000	Sq. Ft. Mulch		.06	360.00	697.50

#### Labor and Equipment:

1,400.00

South Carolina Sales Tax

83.78

Total Estimate

\$4,276.28

2066

Member of Southern Nurserymen's Association - South Carolina Nurserymen's Association

Landscaping - Tree Work - Maintenance - Shrubs - Trees - Pot Plants - Liners

# STATE DEPARTMENT OF PUBLIC WELFARE

STATE BOARD  
T. C. CALLISON, CHAIRMAN  
LEXINGTON  
HUGH K. AIKEN, 4TH DIST., VICE-CHAIRMAN  
GREENVILLE  
J. B. GRUBBS, 2ND DIST., SEC'Y.  
BARNWELL  
W. W. SMOAK, JR., 1ST DIST.  
WALTERBORO  
JAMES H. SHERARD, 3RD DIST.  
ARDEVILLE  
MRS. T. K. McDONALD, 5TH DIST.  
WINNBERO  
MRS. J. DERHAM LEWIS, 6TH DIST.  
MULLINS



ARTHUR B. RIVERS  
STATE DIRECTOR

COLUMBIA, S. C.

November 15, 1963

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

Dear Mr. Smith:

During the past year 20.5% of all employees allocated to the County Departments of Public Welfare resigned their positions. The highest rate of separations was among the Caseworkers -- 24.8% of the total number employed in this position resigned. This heavy turnover in personnel is very expensive.

The beginning salary for a Caseworker with a college degree and no experience is \$3,600 per annum. An additional requirement is that the Caseworker own an automobile. It has become almost impossible to recruit and maintain a full staff among this group.

This is also true for the position of Casework Supervisor. We have positions which we have been unable to fill during the past few years. In fact, we have had to create a temporary supervisory position in order to meet certain requirements set forth by the Department of Health, Education, and Welfare. In this particular position we are using our better Caseworkers with five years' experience and the beginning salary for this position is \$3,800. Senior Casework Supervisors, with at least one year's graduate training plus sufficient experience, begin at \$4,100 per annum.

Salaries of County Directors are likewise low in keeping with their responsibilities. The beginning salary for the three grades are as follows: County Director, Class III, \$4,500; County Director, Class II, \$4,800; and County Director, Class I, \$5,200.

If the agency is to maintain efficient administration, it is necessary that we recruit and retain qualified personnel. It requires at least six months to bring a Caseworker to the point where she can render efficient service to the agency. In order to alleviate insofar as possible the problem involved, we are requesting your approval of increasing the salary scales in these areas so as to reflect a \$300 per year increase per employee. Permission is also requested to promote from Junior Stenographer to Senior Stenographer those employees who have been with the agency at least five years.

Mr. J. M. Smith, (Cont'd)

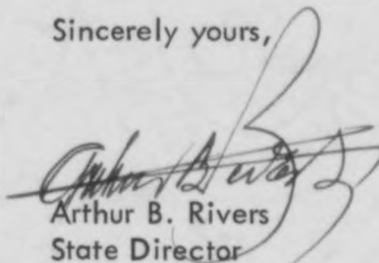
November 15, 1963

To provide the increases referred to above will cost approximately \$40,000 in State moneys for the rest of this fiscal year. This, of course, is based on the contingency that we maintain a full complement during the balance of this year. If approval of this request is made, it will not increase the agency's request for funds for the fiscal year 1964-1965.

For your information I am attaching the annual salary schedule presently in effect for all positions in the agency.

I will appreciate your consideration of this request.

Sincerely yours,



Arthur B. Rivers  
State Director

ABR-nb  
Enclosure

STATE DEPARTMENT OF PUBLIC WELFARE  
Columbia, South Carolina

ANNUAL SALARY SCALE  
Effective July 1, 1962

Chief, Division of Finance ----- \$8600-8900-9200-9500 -

Chief, Division of Public Assistance        )  
Chief, Division of Field Service            ) --- \$8300-8600-8900-9200 -  
Chief, Division of Child Welfare Services)  
Chief, Division for the Blind                )

Administrative Assistant ----- \$7400-7700-8000-8300 -

Assistant Chief, Division of Finance) ----- \$7200-7400-7600-7800 -  
Supervisor of Procurement & Supplies)  
and Concession Stands

Rehabilitation Supervisor ----- \$7000-7200-7400-7600 -

Accountant                                    )  
Supervisor of Training                    ) ----- \$6800-7000-7200-7400 -  
Supervisor of Medical Care)

Personnel Officer                            )  
Supervisor of Research & Statistics) ----- \$6300-6500-6700-6900  
Field Supervisor                            )  
Child Welfare Consultant                    )  
Medical Consultant                            )

Medical Social Worker                    )  
Social Service Analyst                    )  
Social Service Consultant) ----- \$6100-6300-6500-6700  
Appeals Examiner                            )  
Consultant on Aging                            )

Supervising Tabulating Equipment Operator ---- \$6000-6200-6400-6600

Asst. Supv. Tabulating Equipment Operator ---- \$5700-5900-6100-6300

Personnel Technician ----- \$5600-5800-6000-6200

Junior Accountant)  
Statistician        ) ----- \$5400-5600-5800-6000  
Unit Supervisor    )

Associate Field Supervisor                ) ----- \$5200-5400-5600-5800  
Associate Child Welfare Consultant)

Rehabilitation Counselor ----- \$5025-5225-5425-5625-5825

Craft Supervisor ----- \$4600-4800-5000-5200

Senior Tabulating Equipment Operator ----- \$4500-4700-4900-5100

Accounting Clerk        )  
Junior Statistician) ----- \$4400-4600-4800-5000

Placement Agent ----- \$4280-4480-4680-4880

STATE DEPARTMENT OF PUBLIC WELFARE  
Columbia, South Carolina

ANNUAL SALARY SCALE (cont'd)  
Effective July 1, 1962

Secretary Principal Clerk I)	-----	\$3900-4100-4300-4500	
Home Teacher (Sighted)	-----	\$3800-4000-4200-4400	
Duplicating Machine Operator Tabulating Equipment Operator Principal Stenographer Principal Clerk Statistical Clerk Home Teacher (Blind)	) ) ) ) ) )	----- ----- ----- ----- ----- -----	\$3625-3775-3925-4075
Key Punch Operator	-----	\$3150-3250-3350-3450	
Merit System Supervisor	-----	\$1700	
Guide (Blind Home Teacher)	-----	\$1925	
Supervising Ophthalmologist	-----	\$2600	
Porter	-----	\$2700	
Supervising Physician	-----	\$3400	
Secretary-Librarian	-----	\$6000	
County Director I	-----	\$5200-5400-5600-5800-6000	
County Director II	-----	\$4800-5000-5200-5400-5600	
County Director III	-----	\$4500-4700-4900-5100-5300	
Principal Casework Supervisor	-----	\$4200-4400-4600-4800-5000	
Senior Casework Supervisor	-----	\$4100-4300-4500-4700-4900	
Casework Supervisor	-----	\$3800-3900-4000-4100-4200	
Caseworker I	-----	\$4000-4100-4200-4300-4400-4500	
Caseworker II	-----	\$3785-3860-3935-4010-4085-4160	
Caseworker III	-----	\$3600-3675-3750-3825-3900-3975	
Casework Aide	-----	\$3300	
Senior Stenographer) Senior Clerk	) )	----- -----	\$3050-3125-3200-3275-3350-3425
Junior Stenographer Junior Transcribing Clerk)	) )	----- -----	\$2750-2825-2900-2975-3050-3125
Junior Clerk) Clerk-Typist)	) )	----- -----	\$2650-2725-2800-2875-2950-3025

E N D