

MINUTES OF BUDGET AND CONTROL BOARD MEETING

FEBRUARY 3, 1976

The Budget and Control Board met at 10:00 a. m. on February 3, 1976, in the conference room of the Governor's office with the following members in attendance.

Governor James B. Edwards
Mr. Grady L. Patterson, Jr.
Mr. Henry Mills
Mr. F. Julian LeaMond

Senator Rembert C. Dennis was absent from the meeting as he was confined in the hospital.

Also in attendance were Messrs. P. C. Smith and W. T. Putnam.

The following business was conducted.

MINUTES OF PREVIOUS MEETINGS - Board members unanimously approved a motion by Mr. Patterson, seconded by Mr. Mills, approving, as written, the minutes of the Budget and Control Board meetings of January 20, 1976 and January 27, 1976.

RETIREMENT DIVISION - Mr. Purvis Collins, Director of the Retirement Division, appeared before the Budget and Control Board along with Mr. Hugh Gillespie, an actuary with the firm of George B. Buck Consulting Actuaries, Inc.

Mr. Gillespie commented at length on the present standing of the South Carolina State Retirement System and stated that present funding was adequate. However, he indicated that additional monies will probably be needed after December 31, 1978. He also reported that the system was presently underfunded but that the unfunded liability would be liquidated in approximately thirty-eight years. He stated that this was an acceptable situation but that any additional benefits would require additional payments into the fund.

Mr. Gillespie strongly warned against individuals or groups who attempt to relate current benefits of retirees to current income. He stated that this approach was used in the Social Security System which is presently in very serious trouble. Mr. Gillespie also advised that the strength of retirement systems is now an important factor in the selling of municipal bonds.

Mr. Gillespie furnished printed data which has been retained in these files and is identified as Exhibit I.

LICENSING FOR THE COLLECTION OF FOSSILS - Dr. Alan B. Albright of the University of South Carolina Department of Archaeology appeared before the Budget and Control Board to further discuss the licensing of divers who wish to collect fossils. He indicated that it is important to keep a record of amateur divers who wish to collect fossils as a hobby and asked for authority for the Department of Archaeology to license these amateur divers and to monitor their activities.

Dr. Albright also asked for permission for divers of the Department of Archaeology to collect fossils and for permission for a group of amateur divers in the Charleston area to dive for fossils in the Cooper River on February 22, 1976.

Board members present unanimously approved a motion by Mr. Patterson, seconded by Mr. Mills, asking Dr. Albright to present each of his requests in writing for further consideration.

GENERAL SERVICES DIVISION - Mr. Furman McEachern appeared before the Budget and Control Board to discuss the following items of business.

PROPOSED LEGISLATION - NEWSPAPER ADVERTISING - Sometime ago, the Budget and Control Board took note of the fact that most newspapers in this State had increased the price for advertising beyond the limits which can legally be paid by State agencies. At that time the Board agreed to sponsor legislation which would

increase the authorized amount which might be paid by State agencies for such advertising. At the present meeting Mr. McEachern submitted copies of proposed legislation to authorize these increased payments for newspaper advertising.

After studying the proposed bill, Board members took note of the fact that it called for charges at the "regular advertising rate". Board members directed Mr. McEachern to change the wording of this portion of the proposed bill so that it would read "shall be charged at not more than the regular advertising rate".

Board members present unanimously approved a motion by Mr. Patterson, seconded by Mr. Mills, that the proposed bill, with the amended wording, be forwarded to the Judiciary Committee of the House of Representatives with a request that it be introduced as a Committee bill.

A copy of the bill has been retained in these files and is identified as Exhibit II.

PROPOSED LEGISLATION - SINKING FUND LOANS - The General Services Division has been granting loans from the State Sinking Fund to political subdivisions and has used as its authority local legislation. At the present meeting, Mr. McEachern proposed that a bill formally authorizing such loans should be sponsored by the Budget and Control Board.

Board members unanimously approved a motion by Mr. Mills, seconded by Mr. Patterson, authorizing Mr. McEachern to submit a copy of a proposed bill to the Judiciary Committee of the House of Representatives with the request that it be introduced by the Committee.

A copy of this proposed bill has been retained in these

files and is identified as Exhibit III.

Mr. Smith commented that the titles "State Sinking Fund" or "Insurance Sinking Fund" are misnomers. Board members unanimously agreed and approved a motion by Mr. Patterson, seconded by Mr. LeMond, formally changing this name to "Insurance Reserve Fund".

PROPOSED LEGISLATION - REVOLVING FUNDS - Mr. McEachern presented the Budget and Control Board with a proposed bill authorizing the General Services Division to establish revolving funds to finance inventories and accounts receivables for goods and services rendered by that division. He stated that this bill would formally sanction revolving funds which are badly needed for better control.

Board members unanimously approved a motion by Mr. Mills, seconded by Mr. Patterson, authorizing Mr. McEachern to submit this proposed bill to the Judiciary Committee of the House of Representatives.

A copy of the proposed bill has been retained in these files and is identified as Exhibit IV.

STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION - FOREIGN TRAVEL - In a letter dated January 23, 1976, Dr. Charles E. Palmer, Executive Director of the State Board for Technical and Comprehensive Education, advised that Mr. Henry M. Wilkie, an instructor at Tri-County Technical College, has an opportunity to participate in a teacher exchange program sponsored by the United States Office of Education. It is proposed that Mr. Wilkie will teach at a technical institution in England for a period of one year beginning September 1976 while an instructor from England will teach at Tri-County TEC. During the period in question, each instructor will be paid by his home institution.

The area commission for Tri-County TEC as well as the State Board for Technical and Comprehensive Education have both approved this request and the Budget and Control Board was asked to give its authorization.

Board members unanimously approved a motion by Mr. Patterson, seconded by Mr. LeaMond, authorizing the request for Mr. Wilkie to engage in the teacher exchange program for one year.

Data pertaining to this matter has been retained in these files and is identified as Exhibit V.

ADJUTANT GENERAL'S DEPARTMENT - SELECTION OF ARCHITECT - In a letter dated January 26, 1976, the Adjutant General's office requested permission to hire the architectural firm of McGinty and Dye of Hilton Head, South Carolina to design certain alterations to the facilities located in Columbia, South Carolina.

After being assured that evidence had been received indicating that all legal requirements had been met, Budget and Control Board members unanimously approved a motion by Mr. Patterson, seconded by Mr. Mills, authorizing the hiring of this firm.

Data pertaining to this matter has been retained in these files and is identified as Exhibit VI.

CIVIL CONTINGENT FUND - ATTORNEY FEES - The Budget and Control Board was advised that a bill for \$5,271.97 had been received from Mr. J. D. Todd of the legal firm of Leatherwood, Walker, Todd & Mann in connection with his services in the court action testing the right of the Budget and Control Board to issue Capital Improvement Bonds.

Board members unanimously approved a motion by Mr. Patterson, seconded by Mr. LeaMond, giving tentative approval for the payment of these fees from the Civil Contingent Fund pending approval of the bill by the Office of the Attorney General.

Data pertaining to this matter has been retained in these files and is identified as Exhibit VII.

PERSONNEL DIVISION - Dr. Jack Mullins appeared before the Budget and Control Board to discuss the following item of business.

PROPOSED LEGISLATION - At previous meetings, Dr. Mullins had discussed proposed bills pertaining to nepotism, holidays, and annual leave for State employees. At the present meeting, he presented the final draft of the proposed legislation concerning each of these matters. In the discussion which followed, the question was raised as to whether annual leave should be paid in case of death of the employee. Board members unanimously approved a motion by Mr. Mills, seconded by Mr. LeaMond, approving such payments and Dr. Mullins agreed to modify the proposed annual leave bill to incorporate such a provision.

Board members then unanimously approved a motion by Mr. Mills, seconded by Mr. Patterson, authorizing Dr. Mullins to submit the proposed legislation pertaining to each of the above mentioned matters to the Committee on State Employees.

Copies of the proposed legislation have been retained in these files and are collectively identified as Exhibit VIII.

BUDGET AND CONTROL BOARD MEETING - Board members unanimously agreed to hold the next regular Budget and Control Board meeting at 10:00 a. m. on Tuesday, February 17, 1976.

COMMENDATION FOR MR. PATTERSON - Board members unanimously approved a motion by Mr. Henry Mills commending Mr. Patterson for his expert handling of the financial affairs of the State of South Carolina which was reflected in the excellent interest rates which were recently obtained in the sale of \$30,000,000 of State Highway Bonds.

SECRETARY'S NOTE: Dr. Mullins reported that there were additional items of business but that each pertained to personnel and should be discussed in Executive Session.

Board members, therefore, unanimously agreed to hold the balance of the meeting in Executive Session.

EXHIBIT I
FEB 3 1976

SOUTH CAROLINA RETIREMENT SYSTEM

SUMMARY OF PRINCIPAL RESULTS

For convenience of reference, the principal results of the valuation and a comparison with the preceding year's results are summarized below:

VALUATION DATE	6/30/75	6/30/74
Earnable compensation of members	:\$ 915,758,250 E	:\$ 782,832,216
Number of retired members and beneficiaries	15,069	13,561
Annual pensions	:\$ 39,528,252	:\$ 28,645,421
Assets for valuation purposes	:\$ 918,437,002*	:\$ 799,217,612**
Unfunded past service cost	Not Available	:\$ 329,948,244
Remaining funding period	38 years E	39 years

E = Estimated

* Including \$3,587,378 creditable to the Group Life Insurance Fund

** Including \$2,423,258 creditable to the Group Life Insurance Fund

RATES OF CONTRIBUTION RECOMMENDED FOR PAYMENT BY EMPLOYERS

(Class II Coverage)

	FISCAL YEAR ENDING 6-30-76*		FISCAL YEAR ENDING 6-30-75	
RATES OF CONTRIBUTION	State	Other	State	Other
Retirement	6.80%	5.95%	6.50%	5.65%
Pre-retirement Death:	.30	.30	.40	.40
TOTAL	7.10%	6.25%	6.90%	6.05%

* The rate of contribution increase for retirement benefits results from reducing the service requirement for full formula benefits from 35 to 30 years of service. The rate of contribution decrease for pre-retirement death benefits results from favorable experience.

February 2, 1976

1840

SOUTH CAROLINA RETIREMENT SYSTEM

Allocation of Assets as of June 30, 1974

Attributable to accumulated employee contributions	\$ 235,002,840
Allocated to retired and disabled members and beneficiaries drawing benefits	265,401,485
Reserve for future increases in retirement allowances	72,816,059
Allocated to provide benefits for active members and former members with vested rights	223,573,970
Reserve for future pre-retirement death benefits	<u>2,423,258</u>
Total Assets as of June 30, 1974	\$ 799,217,612

February 2, 1976

1841

SOUTH CAROLINA RETIREMENT SYSTEM

Revenues and Expenditures for the Period July 1, 1974 to June 30, 1975

Assets as of June 30, 1974		\$ 799,217,612
Auditors adjustment		<u>666,667</u>
Adjusted Assets as of June 30, 1974		\$ 799,884,279
Revenues:		
Employer contributions	\$ 63,970,855	
Employee contributions	46,092,694	
Investment earnings	<u>54,076,063</u>	
		\$ 164,139,612
Expenditures:		
Retirement benefits	\$ 34,218,268	
Pre-retirement death benefits	2,557,946	
Refunds to members	<u>8,810,675</u>	
		\$ 45,586,889
Assets as of June 30, 1975		\$ 918,437,002

February 2, 1976

1842

EXHIBIT II
FEB. 3, 1976

A BILL

TO AMEND SECTION 10-1308, CODE OF LAWS OF SOUTH CAROLINA, 1962, RELATING TO CHARGES FOR LEGAL ADVERTISING IN NEWSPAPERS SO AS TO PROVIDE THAT THE RATE FOR LEGAL ADVERTISING SHALL BE THE SAME AS THOSE RATES CHARGED TO THE GENERAL PUBLIC FOR COMPARABLE ADVERTISEMENTS.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. Section 10-1308 of the 1962 Code is amended to read as follows:

"Section 10-1308. State and county officials authorized by law to publish advertisements in the newspapers of this State, including advertisements of sales of real and personal property by masters, clerks of court, judges of probate and sheriffs, citations, notices to creditors, notices of final settlement by executors, administrators, guardians and all other persons acting in a fiduciary capacity, service of summons by publication, notices of election ordered by commissioners, reports of county treasurers, supervisors and superintendents of education, notices of county auditors, proclamations of the executive department, proposals for works and supplies by the heads of departments or other officials authorized to advertise for competitive bids and all other advertising whatever done by order of court or by State and county officials, ^{not more than} shall be charged at the regular advertising rate shown on the newspaper's rate card or the rates published in the newspaper, deducting any and all applicable discounts earned by the volume or frequency of the legal advertising. The advertisement shall be set in solid six (6) point type, including the caption and all other parts of the advertisement. Newspapers that do not use six (6) point type shall receive compensation based on six (6) point measure and any lesser measure shall be charged only at actual space measurement as printed; however, agencies placing advertisements may order larger measure at their discretion.

"The publication of any of the notices provided for in this section may be let by contract for not more than the price authorized by this section."

SECTION 2. Any contracts in existence for legal advertising on the effective date of this act shall be completed in accordance with the terms thereof.

SECTION 3. This act shall take effect upon approval of the Governor.

EXHIBIT III
C-1
FEB. 3, 1926

A BILL

TO AUTHORIZE COUNTIES, POLITICAL SUBDIVISIONS OR MUNICIPAL CORPORATIONS OF THIS STATE TO OBTAIN LOANS THROUGH FUNDS OF THE SINKING FUND OF THE STATE.

Section 1. Counties, political subdivisions or municipal corporations of this State shall be eligible to obtain loans through the Sinking Fund of the State upon approval by the Budget and Control Board when the following conditions have been met:

- (1) Amounts borrowed are within the constitutional debt limit
- (2) Full faith and credit and taxing power shall be pledged for repayment of the amounts thus borrowed
- (3) The loan shall be repaid within a period set by the Budget and Control Board at a rate of interest to be determined by the State Treasurer
- (4) The appropriate officials of the borrowing entity shall, upon default of the terms of the loan, authorize the State Treasurer to withhold any State funds accruing to that entity until the loan is placed in a current condition.

This act shall take effect upon approval by the Governor.

EXHIBIT Copy
II
FEB. 3, 1976

A BILL

TO AUTHORIZE THE BUDGET AND CONTROL BOARD TO MAINTAIN REVOLVING FUNDS ADEQUATE TO FINANCE INVENTORIES AND ACCOUNTS RECEIVABLE FOR GOODS AND SERVICES RENDERED BY THE DIVISION OF GENERAL SERVICES ON A REIMBURSEMENT BASIS.

Section 1. The Budget and Control Board is authorized to maintain revolving funds adequate to finance inventories and accounts receivable for goods and services rendered by the Division of General Services on a reimbursement basis.

Section 2. All statutes inconsistent with this statute are hereby repealed.

This act shall take effect upon approval by the Governor.



CHARLES E. PALMER
EXECUTIVE DIRECTOR

THE STATE BOARD

OFFICERS

Y.W. SCARBOROUGH, JR.
CHAIRMAN

TRACY J. GAINES
VICE CHAIRMAN

CHARLES E. PALMER
SECRETARY

MEMBERS

Y.W. SCARBOROUGH, JR.
Charleston, S.C.
First Congressional District

WILLIAM A. HORGEE
Orangeburg, S.C.
Second Congressional District

P. HENDERSON BARNETTE
Greenwood, S.C.
Third Congressional District

TRACY J. GAINES
Inman, S.C.
Fourth Congressional District

FRANCIS L. BELL
Fort Mill, S.C.
Fifth Congressional District

JOHN G. WELLMAN
Johnsonville, S.C.
Sixth Congressional District

JOHN L. BAUER
Greenville, S.C.
At-Large

HERBERT A. DeCOSTA
Charleston, S.C.
At-Large

CYRIL B. RUSSEE
Columbia, S.C.
Superintendent of Education
Ex-Officio

W. MILTON FOLDS
Columbia, S.C.
State Development Board
Ex-Officio

STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION

1429 Senate Street Columbia, South Carolina 29201 803-758-3171

January 23, 1976

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

Dear Pat:

Mr. Henry M. Wilkie, an instructor at Tri-County Technical College, has an opportunity to participate in a teacher exchange program sponsored by the U. S. Office of Education in cooperation with the U. S. Department of State. He would be exchanging teaching positions with an instructor from a technical institution in England for one year, from September, 1976 to September, 1977. The exchange arrangement requires that Tri-County TEC continue to pay Mr. Wilkie's salary during the exchange year and the English exchange instructor would continue to receive his salary from his employer. There would be no additional costs to Tri-County TEC and the exchange would be beneficial to Mr. Wilkie as well as to the college.

The Area Commission for Tri-County TEC and the State Board for Technical and Comprehensive Education have both approved this request and I was directed by the State Board to request approval by the Budget and Control Board. I will appreciate your submitting this request to the Budget and Control Board for consideration.

Sincerely,

Charlie
Charles E. Palmer
Executive Director

CEP:nhb

CC: Dr. Don C. Garrison
Mr. Henry G. Heriot
Mr. Wyman D. Shealy

1847



EXHIBIT VI
COPY
FEB 3 1976

ROBERT L. MCCRADY
MAJOR GENERAL
THE ADJUTANT GENERAL

Military Department
STATE OF SOUTH CAROLINA
OFFICE OF THE ADJUTANT GENERAL
NATIONAL GUARD ARMORY, 1225 BLUFF ROAD
COLUMBIA 29201

26 January 1976

State Auditor's Office
ATTN: Mr. William T. Putnam
Asst. State Auditor
Room 205, Wade Hampton Office Building
P. O. Box 11333
Columbia, South Carolina 29211

In accordance with State regulations, we are requesting approval for the hiring of an Architectural Firm for the design of an Alteration located at Columbia, South Carolina. This is a 100% Federal Funded project but will be built on State property. The following Architectural Firms are listed in priority of our selection:

1. McGinty and Dye, Hilton Head Island, South Carolina
2. Olin Pate, Columbia, South Carolina
3. Paul E. Allen, Columbia, South Carolina

We request prompt approval due to the short time available for the completion of this project. Thank you very much for your prompt consideration.

Yours truly,

Vernon E. Amick
VERNON E. AMICK
CPT, SCARNG
Construction & Facilities Mgr.

Paul E. Allen
Architect
Post Office Box 5762
Columbia, S. C. 29205

Century Southern, Inc.
Engineers
P. O. Box 19042
Greenville, S. C. 29603

McGinty and Dye
A.I.A. Architects
Lagoon Road
Hilton Head Island, S. C. 29928

Olin Pate
Architect
3 Northlake Road
Columbia, S. C. 29204

Riley, Bultman, Coulter Associates
Architects - Engineers
6941 North Trenholm Road
Columbia, S. C. 29206

Jeffrey Marc Rosenblum
A.I.A. Architect
276 East Bay Street
Charleston, S. C. 29401

The Statson Partnership
Architects & Engineers, Inc.
Piedmont Center, 33 Villa Road
Greenville, S. C. 29607

ADVERTISEMENT FOR BID

The Office of The Adjutant General requires the services of an Architectural Firm for the design and supervision of the construction of a National Guard Project consisting of Alterations to the Combined Support Maintenance Shop, located in Columbia, South Carolina. Required will be the installation of eleven roll-up doors and modification of electrical system. The estimated construction cost is \$85,000.00.

Architectural Firms interested will so advise The Adjutant General, 1225 Bluff Road, ATTN: CPT Vernon E. Amick on or before 5 January 1976. Firms having a resume' on file with this office need not duplicate.

STATE OF SOUTH CAROLINA
Military Department
Office of The Adjutant General

<u>PROJECTS</u>	<u>ARCHITECT</u>	<u>COST</u>
CSMS Paint Booth Addition	Demosthenes, McCreight & Riley	39,974.00
Mt Pleasant Addition	David LeRoy Parrott	27,263.00
Warrenville Armory	Alexander & Moormann	457,879.00
Rock Hill OMS	Opsahl & Pate	150,500.00
Lockhart Armory	Carson & Williams	411,250.00
Andrews Armory	Edward P. Guerard	386,000.00
Edgefield Addition	Demosthenes, McCreight & Riley	24,700.00
Laurens Armory	Demosthenes, McCreight & Riley	387,684.00
Greenville Armory	Prather, Thomas, Campbell & Pridgeon, Inc.	407,215.00
Greenville OMS	Prather, Thomas, Campbell & Pridgeon, Inc.	113,760.00
Leesburg Latrine	Demosthenes, McCreight & Riley	84,818.00
Leesburg Mess Shelters (3)	Columbia Architectural Group	46,475.00
Leesburg Mess Shelter (Restoration)	Columbia Architectural Group	25,000.00
Leesburg METEP Shop	Columbia Architectural Group	385,000.00
IDS	Holladay, Coleman, Williams & Assoc.	176,000.00
Chester Armory	Larkin Jennings III, & Assoc.	28,674.00
Bennettsville Armory	Design Collaborative	28,784.00
Eastover Armory	Riley, Bultman, Coulter & Assoc.	36,956.90
Edgefield OMS	John W. Wells	10,556.00
Mullins OMS	Vickery, Allen & Bashor	7,140.00
Greer OMS	James D. Miller & Assoc.	12,049.80

<u>PROJECTS</u>	<u>ARCHITECT</u>	<u>COST</u>
Mc. Pleasant CMS	J. Harrell Gandy	7,140.00
BELOG Addition	Larkin Jennings III, & Assoc.	2,910.60
Hemingway CMS	Jeffrey March Rosenblum	8,496.00
USPFO Office & Warehouse Addition	Columbia Architectural Group	16,296.00
CCMS Alteration	McGinty and Dye	5,185.00



copy
A-1

Exhibit VI

2/3/76

Military Department

STATE OF SOUTH CAROLINA

OFFICE OF THE ADJUTANT GENERAL

NATIONAL GUARD ARMORY, 1225 BLUFF ROAD

COLUMBIA 29201

ROBERT L. MCCRADY
MAJOR GENERAL
THE ADJUTANT GENERAL

26 January 1976

State Auditor's Office
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CPT, SCARNG
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1853

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Olin Pate
Architect
3 Northlake Road
Columbia, S. C. 29204

Riley, Bultman, Coulter Associates
Architects - Engineers
6941 North Trenholm Road
Columbia, S. C. 29206

Jeffrey Marc Rosenblum
A.I.A. Architect
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Charleston, S. C. 29401

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STATE OF SOUTH CAROLINA
Military Department
Office of The Adjutant General

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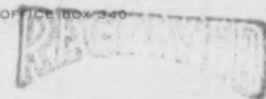
SINKLER GIBBS SIMONS & GUÉRARD
ATTORNEYS & COUNSELLORS AT LAW
PROFESSIONAL ASSOCIATION

HUGER SINKLER
CHARLES H. GIBBS
ALBERT SIMONS, JR.
THEODORE B. GUÉRARD
G. DANA SINKLER
THOMAS A. HUTCHESON
ROBERT H. HOOD
CHARLES F. AILSTOCK
M. WILLIAM YOUNGBLOOD, JR.
JOHN H. WARREN, III
J. RANDOLPH PELZER
STEPHEN E. DARLING

2 PRIOLEAU STREET

CHARLESTON, S. C. 29402

POST OFFICE BOX 340



JAN 15 1976

OFFICE OF
STATE TREASURER

January 15, 1976

Honorable Grady L. Patterson, Jr.
State Treasurer
Post Office Box 11778
Columbia, South Carolina 29211

Re: Hughes v. Edwards, et. al.

Dear Grady:

I overlooked sending you the enclosed bill of Mr. J. D. Todd in the recent case of Hughes v. Edwards, et. al. Could you arrange to make provision for its prompt payment. I should have sent this to you a long time ago, but, as you know, I have been engrossed in other matters.

With kind regards,

Sincerely,

Huger

HS:dn
Enclosure

LEATHERWOOD, WALKER, TODD & MANN

ATTORNEYS AT LAW
217 EAST COFFEE STREET

GREENVILLE, SOUTH CAROLINA 29602

conf

I. R. S. ACCOUNT NO. 57-0333730

TO ALL PROFESSIONAL SERVICES rendered in connection with the case of
R. E. Hughes vs. James B. Edwards, Governor, and the other members of the State Budget
and Control Board, including:

10/1/75	Trip to Columbia; conference with State Treasurer, State Auditor, and attorneys for the State Budget and Control Board;
10/2/75	Conference with R. E. Hughes; preparation of Summons and Complaint seeking declaratory judgment and injunction;
10/7/75	Long distance telephone call to Huger Sinkler regarding revisions in Complaint;
10/9/75	Receipt and review of additional data from Mr. Sinkler and State Auditor; letter to Mr. Sinkler and Mr. Patterson;
10/16/75	Legal research regarding statutory language;
10/18/75	Further legal research; preparation of Trial Memorandum;
10/20/75	Further legal research; travel to Columbia; conference with Mr. Sinkler and Mr. Youngblood;
10/21/75	Argument of case before the Honorable Joseph R. Moss; return to Greenville;
10/29/75	Legal research and work on Brief and Proposed Order;
10/30/75	Further work on Proposed Order;
10/31/75	Final draft of Proposed Order; correspondence to Judge Moss;
11/5/75	Receipt and review of Order of Judge Moss; long distance phone call to Mr. Sinkler;
11/6/75	Long distance call to Mr. Sinkler; receipt of Notice of Intention to Appeal;
11/10/75	Receipt and review of proposed Transcript;

11/11/75	Review of appellant's Brief; work on respondent's Brief;	
11/12/75	Legal research; further work on respondent's Brief; travel to Columbia;	
11/13/75	Argument of case in Supreme Court; return to Greenville. . .	\$5,000.00

COSTS ADVANCED:

9/30/75	J. D. Todd, Jr., expenses of trip to Columbia and return (mileage 200 mi. at .18 a mile for \$36.00 and meals for \$10.00)	\$46.00
10/2/75	Telephone call to Huger Sinkler, Charleston	6.31
10/7/75	Telephone call to Huger Sinkler, Charleston	5.93
10/16/75	Telephone call to Huger Sinkler, Charleston	2.65
10/16/75	Telephone call to Townhouse Motel, Columbia	1.15
10/20/75	Xerox copies	3.15
10/20/75	J. D. Todd, Jr., mileage, hotel and meal expenses on trip to Columbia	61.00
10/20/75	Telephone call to Huger Sinkler, Charleston	2.08
10/20/75	Xerox copies	.45
11/5/75	Xerox copies of Order	11.70
11/11/75	Xerox copies of Brief	3.30
11/12/75	J. D. Todd, Jr., mileage to Columbia, S.C. and return and motel and meal expenses	61.00
11/12/75	Michael John Giese, mileage on trip to Columbia and return (200 miles at .18 a mile for \$36.00 and meals for \$5.00)	41.00
11/12/75	Telephone call to Huger Sinkler, Charleston	3.75
11/12/75	Xerox copies (10 copies of Brief)	22.50
		<hr/>
		\$271.97

TOTAL \$5,271.97

DRAFT

EXHIBIT VII

1/23/76

FEB 3, 1976

A BILL

TO AMEND SECTION 50-101, CODE OF LAWS OF SOUTH CAROLINA, 1962, RELATING TO NEPOTISM, SO AS TO FURTHER PROVIDE THEREFOR.

Be it enacted by the General Assembly of the State of South Carolina:

Section 50-101, Code of Laws of South Carolina, 1962, as amended, is further amended to read as follows:

Section 1. Members of an immediate family, as hereinafter defined, may not be employed concurrently within any one agency of State government if such employment will result in an employee being in the chain of command under a member of his or her immediate family. If an employee is promoted to a position that has the effect of placing a member of his or her immediate family in the chain of command under him or her, effort shall be made to place the employee in a comparable position in another organizational unit, or the agency head may request an exception from the State Budget and Control Board.

Section 2. Employment of close relatives may be permitted in strictly emergency situations for temporary periods of time, normally not to exceed thirty calendar days, or for some longer period with the approval of the State Budget and Control Board in cases where other qualified applicants are not available for an essential task.

Section 3. Exceptions to Section 1 of this Act may be made only by the State Budget and Control Board.

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Section 4. Immediate family shall include wife, husband, mother, father, sister, brother, son, daughter, mother-in-law, father-in-law, son-in-law, daughter-in-law, grandmother, grandfather, granddaughter, grandson, step-mother, step-father, step-son, step-daughter, aunt, uncle, niece and nephew.

Section 5. All agencies, authorities, boards, bureaus, commissions, committees, councils, departments, divisions, offices and educational institutions of State government shall operate hereunder. The provisions of this Act shall not apply to members, officers and employees of the General Assembly.

Section 6. All employment situations in effect prior to July 1, 1976, shall not be affected by this Act.

Section 7. Section 50-101 of the Code of Laws is repealed.

Section 8. This Act shall take effect July 1, 1976.

A BILL

TO AMEND SECTION 64-151.2, CODE OF LAWS OF SOUTH CAROLINA, 1962, RELATING TO HOLIDAYS, AS AMENDED, AND ADD SECTION 64-153.1 TO PROVIDE FOR HOLIDAYS FALLING ON SATURDAYS.

BE IT ENACTED by the General Assembly of the State of South Carolina:

Section 1. Section 64-151.2 of the 1962 Code is amended to read as follows:

"Section 64-151.2. A State employee who is required to work on a legal holiday shall be given compensatory time at the convenience of the agency in which employed within ninety days of such holiday, except employees of agencies following academic schedules. Employees following academic schedules who are required to work on a legal holiday shall be given compensatory time off at the convenience of the agency in which employed within one year from the date of the holiday. Employees who do not work a normal Monday through Friday workweek shall receive no more nor any fewer number of holidays than those employees who work the normal Monday through Friday workweek. All State employees whose positions are non-exempt as defined by the Fair Labor Standards Act and who are not allowed to take compensatory leave, earned for working on a legal holiday, within the ninety day period or the one year period in the case of employees who follow academic schedules, shall be compensated for the holiday by the employing agency, at the straight hourly pay rate of the employee, no later than the second regular pay period following the last day of the time period prescribed in which compensatory time off must be given."

Section 2. "Section 64-153. Whenever any of the legal holidays specified in Section 64-151 fall upon Sunday the following Monday shall be deemed a public holiday for all of the aforesaid purposes. All bills of exchange, checks, and promissory notes which would otherwise be presentable for acceptance of payment on any such Monday shall be deemed to be presentable for acceptance or payment on the secular or business day succeeding the holiday."

Section 3. Add Section 64-153.1.

"Section 64-153.1. Whenever any of the legal holidays specified in Section 64-151 fall upon Saturday, the preceding Friday shall be granted to State employees as a day off in place of the Saturday holiday.

Section 4. This act shall take effect on July 1, 1976.

A BILL

TO AMEND SECTIONS 3 AND 5 OF ACT 997 OF 1974, THE ANNUAL LEAVE ACT, SO AS TO REVISE THE METHOD OF DETERMINING LUMP SUM PAYMENT FOR EARNED ANNUAL LEAVE UPON TERMINATION OF STATE SERVICE AND TO CLARIFY LANGUAGE PERTAINING TO PRIOR STATE SERVICE.

BE IN ENACTED by the General Assembly of the State of South Carolina:

Section 1. Section 3 of Act 997 is amended to read as follows:

"Upon termination from State employment, an employee may take both annual leave and a lump sum payment for unused leave, but in no event shall such combination exceed forty-five days in a calendar year except as provided for in Section 2. If an employee dies, his legal representative shall be entitled to a lump sum payment for his unused leave, not to exceed forty-five working days, except as provided for in Section 2. "Upon retirement from State employment, an employee shall receive a lump sum payment for unused leave, not to exceed forty-five days unless a higher maximum is approved under the provisions of Section 2."

Section 2. Section 5 of Act 997 is amended to read as follows:

"All employees of the State as of June 2, 1972, shall receive full credit for employment prior to such date. Following the date of June 2, 1972, all employees who are rehired following a break in service shall be given credit for prior State service to a maximum of ten years for purposes of computing bonus earnings. In the event an employee transfers from one State agency to another, his annual leave balance shall also be transferred."

Section 3. This Act shall take effect on July 1, 1976.