

MINUTES OF
BUDGET AND CONTROL BOARD
MEETING

March 22, 1988

State of South Carolina
State Budget and Control Board

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

Box 12444
Columbia
29211

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

March 22, 1988

MEMORANDUM

TO: Budget and Control Board Division Directors
FROM: William A. McInnis, Deputy Executive Director *WAM*
SUBJECT: Summary of Board Actions at March 22, 1988, Meeting

This listing of actions is not the minutes of the referenced meeting. It is an unofficial (meaning it has not been approved by the Board) summary of the Board actions taken at that meeting. The minutes of the meeting are presented in a separate, much more detailed document which becomes official when approved by the Board at a subsequent meeting.

1. Adopted the agenda as proposed by staff after discussing carrying over consideration of a College of Charleston contractual matter proposed for executive session;
2. Approved the minutes of the March 8, 1988, meeting;
3. Received as information a status report on the Family Farm Development Authority relating to inventory, files, office space, appropriations, Agri-Family Credit Union, and personnel; and directed staff to provide further details at the next meeting on the status of the Credit Union;
4. Received as information the Budget Division report submitted to the General Assembly on the 1988-89 Ways and Means Appropriations Bill;
5. Received as information a report on USC foreign travel involving over \$1,000 and less than \$2,000 of State funds approved by staff;
6. Received as information reports on the reimbursement of interviewee travel expenses by Lander College (2) and Mental Health (1);
7. Received as information a report that the following permanent improvement projects have been reviewed favorably by the Joint Bond Review Committee and approved by staff:

(1) On Summary 15-88: Items 1, 3, 6 and 7, (involving Winthrop, Health and Environmental Control, PRT and Highways & Public Transportation).

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- (2) On Summary 16-88: Items 1 through 3 and 6 through 8, (involving B&C Bd-General Services, Clemson, Vocational Rehabilitation, Wildlife & Marine Resources and PRT).
8. Received as information a report that the following permanent improvement projects have been approved by staff and that Joint Bond Review Committee review is not required:
- (1) On Summary 15-88: Items 8 through 14 (involving B&C Bd-General Services and Wildlife & Marine Resources).
- (2) On Summary 16-88: Items 9 through 11 (involving Clemson and Wildlife & Marine Resources).
9. Received as information a briefing by City of Charleston Mayor Riley on a request for State funding for the South Carolina Aquarium, a Marine Science Museum;
10. Adopted the following tentative schedule for the 1989-90 budget hearings and recommendations, with the understanding that the hearings dates are to be adjusted:
- | | |
|------------------------|---|
| May 13, 1988 | Budget request materials sent to agencies |
| May 13-August 12, 1988 | Budget request preparation by agencies |
| July 8, 1988 | Deadline for program structure changes |
| July 26, 1988 | Initial Allocation for FY 90 (Base+Annualization) |
| July 29, 1988 | Budget Office distributes allocation letter for FY 90 to all agencies |
| August 12, 1988 | Deadline for requests for budget increases with IT schedule |
| August 29-Sept 9, 1988 | Agency budget hearings (tentative) |
| September 1, 1988 | Request working estimate from BEA |
| September 15, 1988 | Deadline for submitting detail budgets |
| November 1, 1988 | BEA official estimate |
| November 2-4, 1988 | Final Board allocation |
11. Approved the following agency requests to transfer personal service funds:
- (a) Mental Retardation - \$36,049 from Personal Services and \$7,251 from Travel to Contractual services; [and delete 3.00 FTE positions (one State funded and two Other funded)];
- (b) Housing Authority - \$15,000 Other funds from Per Diem to Travel;
- (c) Housing Authority - \$15,000 Federal funds from Special Contract Employee to Travel;

- (d) Mental Retardation - \$150,000 (\$75,000 State, \$75,000 Other) from Personal Services to Contractual Services; and
 - (e) Forestry Commission - \$177,542 Federal funds from Classified Employees, Merit Pay, and Employer Contributions to Other Operating Expense categories in the Forest Landowner Assistance Program;
12. Directed the Retirement Systems to provide cost analyses and estimated cost impacts on the State Health Plan of the proposed procurement of case management services, the addition of a drug card program, and the implementation of a mammography testing service, with the cost impact data to be supplied for each proposed Plan change and for their combined impact on the total Plan;
13. Carried over consideration of the findings and recommendations of the Fire Marshal Appeal Panel in the Berea First Baptist Church appeal until the April 12 meeting to provide the appellant an opportunity to know the Board will be acting on the matter at that meeting and to advise the Board in writing of any matters it wishes to bring to the Board's attention; and directed staff to add to Board procedures provision for notifying appellants of the date the Board will consider Panel findings and recommendations and to invite the submission of written comments by appellants;
14. Adopted resolutions approving the following proposals to issue revenue bonds, on the condition that the required reviews are completed with satisfactory results:
- | | |
|------------------------|---|
| (a) Issuing Authority: | Orangeburg County |
| Amount of Issue: | \$470,000 Hospital Revenue Note |
| Name of Project: | Dawn Center (Tri County Commission on Alcohol and Drug Abuse) |
| Employment Impact: | N/A |
| Project Description: | Renovation of an existing drug rehabilitation center and the refinancing of approximately \$190,000 outstanding debt. |
| (b) Issuing Authority: | Spartanburg County |
| Amount of Issue: | \$25,000,000 Hospital Facilities Revenue Bonds |
| Name of Project: | Mary Black Memorial Hospital Inc. |
| Employment Impact: | N/A |
| Project Description: | Refunding of existing bonds and construction of new perinatal center. |

15. Received as information the status report on the State Ceiling as of March 17, 1988, (year elapsed 21%) which showed:

	<u>1988 Ceiling</u>	<u>Allocated</u>	<u>(%)</u>	<u>Not Allocated</u>	<u>(%)</u>
State Pool	\$ 68,500,000	\$ 3,100,000	(5%)	\$ 65,400,000	(95%)
Local Pool	<u>102,750,000</u>	<u>74,860,000</u>	(73%)	<u>27,890,000</u>	(27%)
Total	\$171,250,000	\$ 77,960,000	(46%)	\$ 93,290,000	(54%)

16. Authorized the Employment Security Commission to substitute the acquisition of a two-acre parcel on Lockwood Boulevard from the City of Charleston for a two-acre parcel on Fishburne and Hagood Streets to be used as a site for a new office building (project #9286), contingent upon the suitability of the Lockwood Boulevard property as a building site;
17. Approved the Wildlife and Marine Resources Department purchase of 453 acres in Marion County for the appraised value of \$92,260 to be dedicated as a heritage preserve;
18. Approved the conveyance by quit claim deed of all of Clarks Hill-Russell Authority's interest in the 7.4-acre site sold to McCormick County as a site for a nursing home, on the condition that the deed include a reversionary clause that will be cancelled upon the issuance by the County of the bonds to finance the construction of the nursing home;
19. In accord with Code Section 10-1-130, concurred and acquiesced in the granting of an easement by the Wildlife and Marine Resources Department to the Department of Highways and Public Transportation to allow for the paving of a frontage road (Pisgah Road, Florence);
20. In accord with Code Section 1-11-80, granted an easement to Palmetto Electric Cooperative, Inc., to install, operate and maintain electrical cables beneath the bed of Calibogue Sound;
21. In accord with Section 11-35-1210, granted procurement certification to the Department of Corrections within the parameters described in the audit report for the following limits (total potential purchase commitment whether single- or multi-year contracts are used) for a period of one year: goods and services, \$10,000 per purchase commitment and construction services, \$25,000 per purchase commitment; and directed staff to arrange for an executive session briefing for the next Board meeting on construction and procurement procedures for the prison system;

22. Approved the following permanent improvement project budget revision which has been reviewed favorably by the Joint Bond Review Committee:

On Summary 15-88: Item 2:

Agency: Technical & Comprehensive Education
Project: 8642, C. A. Brown Renovation
Request: Increase budget to \$4,165,500 (Add \$400,000)
Source: Federal and Other (Local) funds
Purpose: To revise scope to include additional classrooms and offices which are required because of increased number of programs.

23. Contingent upon Joint Bond Review Committee emergency approval, approved the following project:

On Summary 17-88: Item 17:

Agency: Winthrop College
Project: 8803, Roddey Apartments Renovation
Request: Increase budget to \$2,350,000 (Add \$450,000)
Source: Revenue Bond and Excess Debt Service funds
Purpose: To cover the cost of renovations and the completion of the campus chilled water loop. Bid expires March 26.

24. Carried over consideration of a proposed bill which would place final permitting authority for complex environmental matters such as permits for construction in navigable waters with the Water Resources Commission rather than the Budget and Control Board;
25. Approved the travel of SLED agents Capt. Joseph A. Holley and Lt. Jack Proffitt to London, England during the March 14-19, 1988, period at an estimated cost of \$5,000 State funds;
26. Approved the travel of PRT staff members Robert G. Liming, Martha E. Beckman, and the International Marketing Coordinator to Tokyo, Japan during the July 16-22, 1988, period at an estimated cost of \$3,750 per person to be paid from State-appropriated funds;
27. Approved the travel of Development Board staff member Fitzhugh S. Owens to Italy during the April 13-27, 1988, period at an estimated cost of \$2,555 State funds;
28. Agreed to hold a regular meeting at 10:30 a.m. on Tuesday, April 12, 1988, in the Governor's conference room in the State House;
29. Directed staff of the Division of General Services and the College of Charleston to provide by Thursday, March 24, a side-by-side comparative analysis of the College's dormitory project proposal at the several key points in the process and specifics on the proposed maintenance, repair

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and operating agreement on the project; and authorized staff to schedule a telephone conference call meeting for Friday, March 25, to consider the proposal;

30. Approved a special salary supplement for Commission on Higher Education employees of \$4,862 for Mr. John Smalls to bring his annual salary to \$53,488; \$4,914 for Mr. John Sutusky to bring his annual salary to \$54,057; and \$2,091 for Mr. Alan Krech to bring his annual salary to \$54,363;
31. Approved an annual salary of \$99,972 for Medical University employee Dr. Walter W. Fingar in conjunction with his appointment as Dean of the College of Dental Medicine; and
32. Approved an annual salary \$51,374 for Criminal Justice Academy employee James M. Kirby for service as the Interim Executive Director, effective March 22, 1988, through June 30, 1988.

/dw

MINUTES OF STATE BUDGET AND CONTROL BOARD MEETING

MARCH 22, 1988

9:30 A. M.

The Budget and Control Board met at 9:30 a.m. on Tuesday, March 22, 1988, in the Governor's conference room in the State House, with the following members in attendance:

Governor Carroll A. Campbell, Jr., Chairman;
Mr. Earle E. Morris, Jr., Comptroller General;
Senator James M. Waddell, Jr., Chairman, Senate Finance Committee;
Representative Robert N. McLellan, Chairman, House Ways & Means Committee.

State Treasurer Grady L. Patterson, Jr., was absent.

Also attending were:

Jesse A. Coles, Jr., Ph.D.	Executive Director
William A. McInnis	Secretary
J. Samuel Griswold, Ph.D.	Deputy Executive Director
Philip G. Grose, Jr.	Assistant Executive Director
Charles H. Smith	Special Projects Administrator
Donna K. Williams	Assistant to Board Secretary
Other Board staff	
Joseph A. Wilson, II	Chief Deputy Attorney General
Q. Whitfield Ayres, Ph.D.	Governor's Dir., Budget & Social Policy
Luther F. Carter, Ph.D.	Governor's Exec. Asst. Finance & Planning
Mark R. Elam	Governor's Legal Counsel
George M. Lusk	Senior Assistant Comptroller General
Scott R. Inkley, Jr.	Ways & Means Committee Dir. of Research
Susan K. Hooks	Ways & Means Committee Research Analyst

Adoption of Agenda

Upon a motion by Senator Waddell, seconded by Mr. McLellan and Mr. Morris, the Board adopted the agenda as proposed by staff after discussing carrying over consideration of a College of Charleston contractual matter proposed for executive session, which Governor Campbell reported had been requested by Mr. Patterson.

Minutes of Previous Meeting (Regular #1)

Board members previously had been furnished a draft version of the minutes of the March 8, 1988, Budget and Control Board meeting.

Upon a motion by Mr. McLellan, seconded by Mr. Morris and Senator Waddell, the Board approved the referenced minutes as written.

Blue Agenda

Dr. Coles advised that the five items included on the blue agenda are for information only and do not require Board action.

Discussion relating to particular blue agenda items is included at those points in the minutes.

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved the blue agenda.

Executive Director: Family Farm Development Authority Status (Blue #1)

Board members were furnished a status report on the Family Farm Development Authority relating to inventory, files, office space, personnel, appropriations, and the Agri-Family Credit Union. The report was in the form of a memo from Assistant Executive Director Grose to Dr. Coles to which Dr. Coles invited the Board's attention.

Mr. McLellan, noting that the Attorney General's Office had advised that the Board had no legal obligation to contact members of the public who have paid money to the Agri-Family Credit Union in Mr. Grose's memo, asked if funds have been collected from the public for the Agri-Farm Credit Union. In response, Mr. Grose advised that \$5 and \$10 memberships had been solicited for the Credit Union which he said is an independent entity. He also noted that the former head of the Authority is one of the signers on the Credit Union account in a Florence financial institution.

Mr. McLellan asked who has oversight responsibility in this situation. Senator Waddell noted that the Authority had encouraged the formation of the Credit Union. He also said that the Attorney General's Office may be correct legally in saying the Board has no legal obligation to contact members of the Credit Union but he wondered about the ethical responsibilities involved.

Mr. Grose said his understanding is that the Credit Union has officers but he was uncertain as to whether or not it has been chartered.

Dr. Coles indicated that the operating records of the Family Farm Development Authority are presently at Archives and the State Treasurer's Office. He indicated that there were no records on the Credit Union.

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Mr. McLellan requested that staff contact Mr. Livingston to determine what the Credit Union plans are. Governor Campbell requested that staff report that information back to the Board.

The Board received as information a status report on the Family Farm Development Authority relating to inventory, files, office space, appropriations, Agri-Family Credit Union, and personnel; and directed staff to provide further details at the next meeting on the status of the Credit Union.

Information relating to this matter has been retained in these files and is identified as Exhibit 1.

Budget Division: Statutory Report on Appropriations Bill (Blue #2)

At each step in the appropriation process, the Budget Division is required by law to submit several reports to the next body then considering the bill.

Board members were provided with a copy of the required report submitted to the General Assembly on the 1988-89 Ways and Means Appropriations Bill.

The Board received as information the Budget Division report submitted to the General Assembly on the 1988-89 Ways and Means Appropriations Bill.

Information relating to this matter has been retained in these files and is identified as Exhibit 2.

Executive Director: Foreign Travel (Blue #3)

The Board was advised that, in accord with Board policy, staff has approved the following University of South Carolina foreign travel involving over \$1,000 and less than \$2,000 of State-appropriated funds:

- (a) Dr. John Spurgeon to Korea during the September 5-22, 1988, period at an estimated cost of \$1,411 State funds.
- (b) Donald J. Puchala to London, England during the March 9-16, 1988, period at an estimated cost of \$1,300 State funds.
- (c) Dr. Tom Mack to Cambridge England during the July 24 - August 6, 1988, period at an estimated cost of \$1,577 State funds.

The Board received as information a report on USC foreign travel involving over \$1,000 and less than \$2,000 of State funds approved by staff.

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Information relating to this matter has been retained in these files and is identified as Exhibit 3.

Executive Director: Interviewee Travel Expense Reimbursement (Blue #4)

The Board was provided with a report for details on payments of interviewee travel expenses by the following agencies:

<u>Agency</u>	<u>Number</u>	<u>Estimated Cost</u>
(a) Lander College	2	828.43
(b) Mental Health	1	400.00

The Board received as information reports on the reimbursement of interviewee travel expenses by Lander College (2) and Mental Health (1).

Information relating to this matter has been retained in these files and is identified as Exhibit 4.

General Services: Permanent Improvement Projects (Blue #5)

The Board received as information a report that the following permanent improvement projects have been reviewed favorably by the Joint Bond Review Committee and approved by staff:

On Summary 15-88:

Items 1, 3, 6 and 7, (involving Winthrop, Health and Environmental Control, PRT and Highways & Public Transportation).

On Summary 16-88:

Items 1 through 3 and 6 through 8, (involving B&C Bd-General Services, Clemson, Vocational Rehabilitation, Wildlife & Marine Resources and PRT).

The Board also received as information a report that the following permanent improvement projects have been approved by staff and that Joint Bond Review Committee review was not required:

On Summary 15-88:

Items 8 through 14 (involving B&C Bd-General Services and Wildlife & Marine Resources).

On Summary 16-88:

Items 9 through 11 (involving Clemson and Wildlife & Marine Resources).

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Information relating to this matter has been retained in these files and is identified as Exhibit 5.

City of Charleston: State Funding Request for Aquarium (Regular #2)

City of Charleston Mayor Riley appeared before the Board to make a presentation on the South Carolina Aquarium, a Marine Science Museum.

The Board was advised that, when Mayor Riley appeared before the Board to discuss this idea in August of 1986, the Aquarium was estimated to cost between \$12 and \$13 million dollars. At that time, he had said he would request \$8 or \$9 million in State funding in 1988.

Mayor Riley advised the Board that the proposed South Carolina Aquarium will be South Carolina's most important tourist visitation spot and the greatest asset to South Carolina.

He advised that a video presentation had been prepared by volunteers as a part of a collaborative effort involving some 3,000 persons and that, since his time on the Board's agenda is short, he would not show the whole tape but would, instead, provide a copy for each Board member for viewing at another time.

Mayor Riley advised that two feasibility studies of the aquarium now have been completed both of which say the facility will be self-supporting. He said it will be the only aquarium of its kind in the world. He said that the City had been working closely with the State Department of Education and he pointed out that the aquarium will have an education staff. He said it will be located adjacent to the Ft. Sumter tour facility and that it will have the world's only living salt water marsh estuary exhibit.

Mayor Riley expressed the view that the aquarium will provide the most eloquent environmental message to South Carolina and that visitors to it will not be able to leave without having gained new environmental zeal.

He also expressed the view that State support is justified on educational and environmental bases and that it will be a world class facility. He noted that two feasibility studies show that the facilities will operate in the black.

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Mayor Riley said that the aquarium is projected to tap 20% of the resident market and 40% of the tourist market. He said if it does half as well as similar facilities in Monterey and in Baltimore it will produce an operating surplus of \$1.6 million in its first year of operation and over \$9 million in its first five years. He estimated that a direct economic impact of over \$38 million would be felt during the aquarium's first five years of existence along with secondary impacts during that time of more than \$230 million.

He said two years ago, when he first appeared before the Board on this subject, they were looking at a smaller facility (then estimated to cost about \$13 million). He said the proposal is for the State to participate by providing two thirds of the capital expenses for the facility which he estimated at about \$20 million. He said the City would be obligated to raise the other third of the estimated cost in cash first with the State funds to be the last dollars spent sometime during 1990 and 1991.

Mayor Riley expressed the belief that the proposed aquarium would be a money maker and that the State will gain over \$2 million a year in revenues generated by the aquarium. He said that the City already has the land the value of which he estimated at \$1.5 million. He also said that the City had invested about \$1 million in feasibility studies and design work. He said the proposal should be viewed in the context of some \$100 million of development on the Charleston waterfront.

Mayor Riley said all of the numbers on the proposal were gotten just last week. He said he knew that the Board had already forwarded its recommendations on the bond bill to the General Assembly. He said he is scheduled to appear before the Bond Committee next week.

In response to Governor Campbell who asked for a printout on the figures referenced and if the marine science programs of the various colleges and universities had been involved, Mayor Riley advised that MUSC, the College of Charleston and The Citadel all are intimately involved in the aquarium project.

The Board received as information the briefing by City of Charleston Mayor Riley on a request for State funding for the South Carolina Aquarium, a Marine Science Museum.

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Information relating to this matter has been retained in these files and is identified as Exhibit 6.

Budget Division: 1989-90 State Budget Hearing/Recommendation Schedule (R#3)

Upon a motion by Senator Waddell, seconded by Mr. Morris, adopted the following tentative schedule for the 1989-90 budget hearings and recommendations, with the understanding that the hearings dates are to be adjusted:

May 13, 1988	Budget request materials sent to agencies
May 13-August 12, 1988	Budget request preparation by agencies
July 8, 1988	Deadline for program structure changes
July 26, 1988	Initial Allocation for FY 90 (Base+Annualization)
July 29, 1988	Budget Office distributes allocation letter for FY 90 to all agencies
August 12, 1988	Deadline for requests for budget increases with IT schedule
August 29-Sept 9, 1988	Agency budget hearings (tentative)
September 1, 1988	Request working estimate from BEA
September 15, 1988	Deadline for submitting detailed budgets
November 1, 1988	BEA official estimate
November 2-4, 1988	Final Board allocation

Information relating to this matter has been retained in these files and is identified as Exhibit 7.

Budget Division: Transfer Requests (Regular #4)

Budget Division staff member Curtis Holt appeared before the Board on this matter.

Mr. Holt reviewed the several requests briefly.

Mr. Morris asked for an explanation of the forest landowner assistance program which Mr. Gilbert Brown of the Forestry Commission provided. Mr. Brown said it offers a variety of services for forest landowners including the provision of seedlings, insect and disease control, fire control and others.

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved the following agency requests to transfer personal service funds:

- (a) Mental Retardation - \$36,049 from Personal Services and \$7,251 from Travel to Contractual services; [and delete 3.00 FTE positions (one State-funded and two Other-funded)];

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- (b) Housing Authority - \$15,000 Other funds from Per Diem to Travel;
- (c) Housing Authority - \$15,000 Federal funds from Special Contract Employee to Travel;
- (d) Mental Retardation - \$150,000 (\$75,000 State. \$75,000 Other) from Personal Services to Contractual Services; and
- (e) Forestry Commission - \$177,542 Federal funds from Classified Employees, Merit Pay, and Employer Contributions to Other Operating Expense categories in the Forest Landowner Assistance Program.

Information relating to this matter has been retained in these files and is identified as Exhibit 8.

Retirement Systems: Case Management (Regular #5)

Retirement Systems: Drug Card Program (Regular #6)

Retirement Systems: Mammography Testing Service (Regular #7)

Retirement Systems Division Director Purvis Collins and staff members Joseph Mack and Phyllis Beighley and actuary William Perry appeared before the Board on these matters.

The Retirement Systems advised the Board in the agenda materials that Case Management is a cost containment strategy which functions by requiring pre-approval of certain non-elective surgical procedures and which also monitors the cost effectiveness of the surgery performed. The Division expressed the position that it also is an employee benefit in that the administrator provides employee education and assistance to help enrollees better understand medical situations and treatment alternatives. Case management was recommended by TPF&C insurance consultants as part of the State's cost containment effort.

The Systems proposed to solicit proposals to provide case management services and extracts from the proposed RFP were supplied to Board members.

The Board also was advised in the agenda materials that the System's User Advisory Committee had recommended that a version of case management be added to both State Plans A and B. That Committee's report, which includes references to the Drug Card and the Mammography Testing Service proposals

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which also are proposed by the Systems for adoption by the Board, was provided to Board members in the agenda materials.

The Retirement Systems advised that the drug card program would pay prescription drugs with a drug card at any pharmacy with only a small co-payment (\$5-\$7 approximately) instead of under the major medical plan at 80% with a \$150 deductible. The Division advised the Board that adding this feature to the program would help the State Health Plan compete with the HMOs. It also reported that the costs of prescription drugs to the State will not increase because significant discount rates with the pharmacies can be negotiated and policies can be established that will control costs.

The Retirement Systems advised the Board in the agenda materials that the proposed mammography service would offer mammograms to eligible employees at a reduced rate through the various hospitals and physicians in the State. The Systems described this proposed program as a cost containment procedure to detect breast cancer in the early stages so as to prevent having to pay greater costs later on. The Board was advised in the agenda materials that guidelines have been drafted that would tightly control who is selected for the program, the frequency of testing and the facilities that would meet the requirements to participate in this program. The Division expressed the belief that this program would help to make the State Health Plan more competitive with the HMOs and would be a first step in offering broader screening service to participants in the State Health Plan.

At the meeting, Mr. Collins introduced consulting actuary William Perry, noting that two of the proposals are cost containment measures while the third (the drug card program) is a break-even proposal which would be a great convenience to the employees.

Mr. Perry advised that the three proposed changes are not radical, not uncommon, and not terribly significant. He said they are, however, a departure from the way the State has done business up to now.

Mr. Perry noted that three characteristics of the State plan now are that it (1) makes confinement in acute care hospitals attractive by paying more for that sort of service; (2) pays bills as presented and with a significant

percentage of those involving the full retail price; and (3) treats things after they are broken and it does not anticipate developing medical problems.

Mr. Perry advised that breast cancer is the second leading cause of death among women. He said that, under the proposed mammography testing service, eligibility would be controlled as would the locales at which the service could be obtained. He also said that the price of the service would be set by the program and that distribution of the information generated would be controlled. He reminded the Board that the State already pays for a large number of mammograms under the diagnostic allowance but that most of them come too late when the remedy is costly invasive surgery. He said the proposed program would mean that the State would buy more mammograms but would pay less for the service. He said that the program, by being in position to anticipate treatment, could make it less expensive. He said that he could not promise that this program would save much money but he said that there would be enormous savings of human life and in prevention of suffering.

With regard to the proposed case management program, Mr. Perry advised that it would be a more formal program which could provide savings over time in dealing with the more serious disabilities. Under it, he said the delegate would be required to seek less costly treatment alternatives which, he said, could involve the expenditure of funds outside the Plan, so to speak. He cited the cost of home care by a registered nurse as compared with the cost of acute care hospitals.

Mr. Perry advised that prescription drug claims administration costs are high and that, in the proposed drug card program, each participant would have a card and there would be participating pharmacies. He said there would be a required co-payment and that the State would pay up to 90% of the average wholesale price of drugs in contrast to the present practice of paying the full retail price. He advised that the pharmacists are happy with the proposal as it would preserve their market shares and ensure faster payment. He said the employee participants would love the drug card program because of its simplicity.

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Mr. Perry expressed the belief that the State will pay more drug claims but it will pay less per bill. He said he thinks the State will spend more on this plan but that its adoption will gain employee appreciation.

Mr. Perry expressed the view that the three proposals are not radical nor are they uncommon. He said they are significant in that, for the first time, the State will be intervening in the process used now by defining where treatment may be received, the conditions under which treatment may be received, and the amount the State will pay for such treatment. He said they are an early step in managed care and in calling the tune, after having paid the piper for so long.

Governor Campbell asked if the proposed changes are tracking the federal government's managed care program. Mr. Perry said that he is not familiar with that program, but that the proposed programs are consistent with those in the private sector.

Mr. McLellan noted that there are numerous complaints about Medicare and wondered if the proposals are the same. Mr. Perry responded that the proposals are not the same in that participants are free to go where they want but that a patient advocate will discuss any recommended course of treatment and inquire into its medical necessity. Mr. McLellan also noted that disagreements often arise between attending physicians on treatment standards but Mr. Perry advised that the State would not be setting rigid standards under the three proposals.

Mr. McLellan asked if the use of the drug card will mean a change in the contract and in the \$150 deductible. He also asked about the impact of the proposal on rates.

Mr. Perry advised of his belief that the drug card would cost slightly more. He noted that it had been proposed partially to compete with the HMOs. He added that the convenience of the drug card is very attractive to employees and that the control of drug prices also is involved.

Mr. McLellan expressed concern that each year the benefits to employees cost both the State and the employees more. He said that he is not saying the program is not good, but questioned what it will cost, commenting that he can't imagine it would not cost both groups more.

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Senator Waddell noted that the HMOs suffered under the drug card program after estimating that three drug prescriptions per month would be the norm per participant and finding that the number actually was nine. He also wondered about the costs of the proposals.

Mr. Perry said he believed that the deductible would be more than offset by the wholesale price base which he said is 20% less than the retail now being paid. He also advised that the co-payment required would not make the program entirely painless for the employees.

Mr. McLellan, referring to the illustration included in the agenda materials, calculated that it would take 30 prescriptions at the proposed \$5 co-payment to equal the current \$150 deductible. He said he needs more figures on the proposal.

Mr. Perry advised that the program could end up saving the State \$300,000 a year. He noted that the deductible this year is \$150 because of the 18-month contract time period instead of the usual \$100.

In response to Mr. Morris' query about other states' experiences, Mr. Perry advised that Utah had saved a lot of money but that its program had some unusual features.

Governor Campbell said he joined other Board members in expressing concern about the costs of the proposals. He noted that many pharmacies have gone out of business complaining about the slow payment by government programs and have said they cannot carry the usual 30-day to 45-day payment lag. He asked for information on how much savings will be involved in paperwork reduction.

Governor Campbell also noted that the cost of Blue Cross inquiries sometimes exceeds the cost of small claims. He said he likes idea of the drug card program, but is concerned about the cost. He suggested that the program would eliminate a great deal of paperwork. He asked if the suggested co-payment level is substantial enough.

Mr. Perry advised that standards would be set to limit the quantity of prescriptions. He noted that the program would detect any abuses.

Governor Campbell asked if participants or pharmacists would have a choice of using generic or name brand drugs.

Mr. Mack said that these details have not been set yet.

Mr. McLellan indicated that he does not want to oppose the program, but that he does not have enough information on the rates. He asked for scenarios on the impact on major medical. He indicated that he is particularly nervous and concerned about the proposed case management program.

Mr. Perry advised that case management programs are very common in the private sector.

Mr. McLellan asked for cost impact figures on the premiums for the three proposed programs and for extended figures on the drug card program.

Senator Waddell said he wants to know more about the pharmaceutical program in particular.

Mr. Mack said that the co-payment level had not yet been finalized.

Governor Campbell noted that the Systems could plug in a very realistic figure for the co-payment in the drug card program and give the Board an analysis of the cost impacts of each individual program proposed and their combined impact on the whole system.

Mr. Morris wanted assurances that participants would not be getting cut-rate surgery. He also suggested that it is time to raise the half-million dollar limit on major medical to one million dollars.

Governor Campbell expressed his appreciation for the effort exhibited in moving toward these programs but he asked that the Systems first address the questions and concerns raised by the Board.

Following these discussions, the Board directed the Retirement Systems to provide cost analyses and estimated cost impacts on the State Health Plan of the proposed procurement of case management services, the addition of a drug card program, and the implementation of a mammography testing service, with the cost impact data to be supplied for each proposed Plan change and for their combined impact on the total Plan.

Information relating to this matter has been retained in these files and is identified as Exhibit 9.

Fire Marshal Appeal Panel: Berea First Baptist Church Appeal (Regular #8)

Fire Marshal Richard Campbell appeared before the Board on this matter.

The Board was advised in the agenda materials that, on December 22, 1986, a Fire Marshal Inspection Order (a copy of which was supplied to the members) regarding the Berea First Baptist Church, Greenville, was issued. The Order was appealed to the Panel.

The Board was advised in the agenda materials that a hearing was held on December 15, 1987, and the Panel made recommendations regarding ten of the items remaining at issue as referenced in the Fire Marshal's Order of December 22, 1986. The Panel's recommendations involved such things as the installation of a manual fire alarm system in the sanctuary; the determination by the State Fire Marshal of the number of occupants that may safely occupy the sanctuary and that a notice to that effect be posted in that building; and that fire alarm systems be installed and other improvements be made in other buildings within the Church complex.

Dr. Coles reviewed the matter briefly and advised that the Board is asked to affirm the findings and recommendations of the Fire Marshal Appeal Panel in the Greenville Berea First Baptist Church appeal and incorporate those recommendations into the Board's Order.

Governor Campbell asked if anyone from the Berea Baptist Church were present but no one responded.

Mr. Wilson asked if the Church were aware that the Board was to consider this matter today. There is no requirement in the Board's current procedure for notifying the appellants in these cases and no one indicated that the Church had been advised that the matter would be on the agenda today.

Governor Campbell said he is inclined to support the recommendations of the Panel but not without having given notice to the Church that the Board would be considering the matter. He asked that this item be moved to the April 12 agenda.

In response to Mr. Morris' inquiry on the impact of the Panel's recommendations, Fire Marshal Campbell said that this is a rare case in that work on it has been underway for about three years. He said it does not

involve a day care operation although the Church now is considering getting into that. He expressed the view that the Appeal Panel's processing of this issue was very clean. He said that local authorities are aware that this matter is on the Board's agenda today.

Governor Campbell asked what the past practice had been on regulating church sanctuaries. Fire Marshal Campbell advised that churches are required to meet fire codes and that they are not exempted.

Mr. Wilson commented that five buildings, including the sanctuary, are involved in the appeal.

Governor Campbell was advised that the inspection on which the order was based was made one year (December of 1986) and appealed in the next and that nothing had been done to meet the complaint. He said the Berea Church is large.

Mr. Wilson asked if the cost of complying with the requirements had come out in the hearing.

Fire Marshal Campbell said that these costs would no doubt be significant.

Following further discussion, upon a motion by Mr. Morris, seconded by Senator Waddell, the Board carried over consideration of the findings and recommendations of the Fire Marshal Appeal Panel in the Berea First Baptist Church appeal until the April 12 meeting to provide the appellant an opportunity to know the Board will be acting on the matter at that meeting and to advise the Board in writing of any matters it wishes to bring to the Board's attention; and directed staff to add to Board procedures provision for notifying appellants of the date the Board will consider Panel findings and recommendations and to invite the submission of written comments by appellants.

Information relating to this matter has been retained in these files and is identified as Exhibit 10.

Executive Director: Revenue Bond Issues; State Ceiling Allocations (R#9)

Board Secretary William A. McInnis appeared before the Board on this matter.

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He advised that the required reviews on the following proposals to issue revenue bonds have not yet been completed and requested that the Board grant conditional approval.

He advised that each of the projects requires approval under State law and that neither project requires a ceiling allocation.

Mr. McInnis also pointed out to the Board the note in the agenda materials indicating that no processing fee had been charged for the Orangeburg County Dawn Center project because of the Board's policy which exempts public entities from that charge.

- (a) Issuing Authority: Orangeburg County
Amount of Issue: \$470,000 Hospital Revenue Note
Name of Project: Dawn Center (Tri County Commission on Alcohol and Drug Abuse)
Employment Impact: N/A
Project Description: Renovation of an existing drug rehabilitation center and the refinancing of approximately \$190,000 outstanding debt.

(Exhibit 11)

- (b) Issuing Authority: Spartanburg County
Amount of Issue: \$25,000,000 Hospital Facilities Revenue Bonds
Name of Project: Mary Black Memorial Hospital Inc.
Employment Impact: N/A
Project Description: Refunding of existing bonds and construction of new perinatal center.

(Exhibit 12)

The Board was provided with a status report on the State Ceiling as of March 17, 1988, (year elapsed 21%) which showed:

	<u>1988 Ceiling</u>	<u>Allocated</u>	<u>(%)</u>	<u>Not Allocated</u>	<u>(%)</u>
State Pool	\$ 68,500,000	\$ 3,100,000	(5%)	\$ 65,400,000	(95%)
Local Pool	<u>102,750,000</u>	<u>74,860,000</u>	(73%)	<u>27,890,000</u>	(27%)
Total	\$171,250,000	\$ 77,960,000	(46%)	\$ 93,290,000	(54%)

Upon a motion by Senator Waddell, seconded by Mr. Morris, the Board adopted resolutions approving the following proposals to issue revenue bonds, on the condition that the required reviews are completed with satisfactory results: (a) Orangeburg County, \$470,000 Hospital Revenue Note on behalf of the Dawn Center (Tri County Commission on Alcohol and Drug Abuse; and

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Regular Session -- March 22, 1988 -- Page 17

(b) Spartanburg County, \$25,000,000 Hospital Facilities Revenue Bonds, Mary Black Memorial Hospital Inc.

The Board also received as information the status report on the State Ceiling as of March 17, 1988 (exhibit 13).

Information relating to this matter has been retained in these files and is identified as Exhibits 11 through 13, respectively.

General Services: ESC Charleston Office Land Acquisition Change (R#10)

General Services Division Director Richard Kelly appeared before the Board on this matter.

The Division reminded the Board in the agenda materials that, on August 25, 1987, the Board authorized the Employment Security Commission to acquire a two-acre parcel of land located on Fishburne Street (project #9286) from the City of Charleston. The parcel, appraised at \$525,000, was to have been used as a site for a new Employment Security Commission office building and was to have been obtained from the City of Charleston in exchange for ESC property at 1061 King Street appraised at \$275,000 and \$100,000 cash.

The Division advised that the City of Charleston now wishes to amend the proposed agreement to substitute a two-acre site on Lockwood Boulevard for the two-acre site on Fishburne and Hagood Streets.

The appraiser who valued the Fishburne property at \$525,000 has indicated that nothing has changed in that neighborhood since the appraisal date which would prompt him to alter the reported value.

The Division indicated that there is a strong possibility that the Lockwood Boulevard site is more valuable although it is at a lower elevation. However, the Division reported in the agenda materials that an appraisal of the Lockwood Boulevard site had not been obtained.

In response to Mr. McLellan, Mr. Kelly advised that the Division had not been able to get an appraisal of the Lockwood Boulevard property on such short notice. He stated that a letter had been received from the individual who did an appraisal of that property and that Division people had examined the property and had determined that the value assigned seems fair.

Senator Waddell expressed the view that the Lockwood property is more valuable than the Fishburne property.

Mr. Wilson asked if pilings are used in construction in the Lockwood area. Mr. Kelly said that pilings galore can be found in that area.

Governor Campbell observed that including a condition that the site be suitable for building doesn't hurt.

Upon a motion by Mr. McLellan, seconded by Senator Waddell, the Board authorized the Employment Security Commission to substitute the acquisition of a two-acre parcel on Lockwood Boulevard from the City of Charleston for a two-acre parcel on Fishburne and Hagood Streets to be used as a site for a new office building (project #9286), contingent upon the suitability of the Lockwood Boulevard property as a building site.

Information relating to this matter has been retained in these files and is identified as Exhibit 14.

General Services: Property Purchase, Wildlife Department (Regular #11)

Division Director Richard Kelly appeared before the Board on this matter.

The Division advised the Board in the agenda materials that the Department of Wildlife and Marine Resources wants to purchase 453 acres, the Tilghman property, in Marion County to be dedicated as a heritage preserve.

The Division reported that the property is a deep swamp system in the Little Pee Dee River corridor which harbors Ilex amelanchier, a plant species under federal status review for possible listing as endangered or threatened.

The Board was advised that the acquisition, project #9511, was approved by the Bond Committee on March 2, 1988, and that the purchase price, also the appraised value, is \$92,260 and will be paid from Heritage Land Trust Funds. The Division indicated that the property is in two tracts: one of 452 acres owned by the Nature Conservancy and one of approximately 1.2 acres owned by Mrs. Lawton Huggins.

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved the Wildlife and Marine Resources Department purchase of 453 acres in Marion County for the appraised value of \$92,260 to be dedicated as a heritage preserve, with Heritage Land Trust Funds as the source of funds.

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Regular Session -- March 22, 1988 -- Page 19

Information relating to this matter has been retained in these files and is identified as Exhibit 15.

General Services: Quit Claim Deed, Clarks Hill-Russell Authority (R#12)

Division Director Richard Kelly appeared before the Board on this matter.

The Board was reminded that, in February 1987, it had approved the sale by Clarks Hill-Russell Authority of 7.4 acres of land to McCormick County for a site for a nursing home.

In the agenda materials, the Board was advised that bond counsel W. E. Applegate, III, has indicated that a reverter clause in the deed giving the Authority the right to repurchase the land if the County fails to construct the nursing home within three years prevents the existence of the first mortgage lien on the property in favor of the Bond trustee and holders of the Bonds (to be issued to finance the nursing home) as required by the Trust Indenture pursuant to which the Bonds will be issued.

In response to Senator Waddell who had asked what would happen if the reverter clause were taken out and the County never used the property for the nursing home, Mr. Kelly advised that the bond sale is scheduled for April 7, 1988, and that the project apparently is ready to proceed.

In further discussion, the Board agreed to the inclusion of a reversionary clause which would be cancelled upon the issuance of the bonds for the nursing home project, as was suggested as a possibility by bond counsel Applegate.

Following further discussion, upon a motion by Mr. McLellan, seconded by Senator Waddell, the Board approved the conveyance by quit claim deed of all of Clarks Hill-Russell Authority's interest in the 7.4-acre site sold to McCormick County as a site for a nursing home, on the condition that the deed include a reversionary clause that will be cancelled upon the issuance by the County of the bonds to finance the construction of the nursing home.

Information relating to this matter has been retained in these files and is identified as Exhibit 16.

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Regular Session -- March 22, 1988 -- Page 20

General Services: Easements (Regular #13)

Upon a motion by Senator Waddell, seconded by Mr. McLellan, the Board concurred and acquiesced in the granting of the following easement in accord with Code Section 10-1-130:

County Location: Florence
From: Department of Wildlife and Marine Resources
To: Department of Highways and Public Transportation
Description/Purpose: Easement to allow for paving frontage road (Pisgah Road, Florence)
(Exhibit 17)

Upon a motion by Mr. McLellan, seconded by Senator Waddell, the Board approved the following easement in accord with Code Section 1-11-80:

County Location: Beaufort
From: State of South Carolina
To: Palmetto Electric Cooperative, Inc.
Description/Purpose: Install, operate and maintain electrical cables beneath the bed of Calibogue Sound
Consideration: \$1,154
(Exhibit 18)

Information relating to this matter has been retained in these files and is identified as Exhibits 17 and 18, respectively.

General Services: Dept. of Corrections Procurement Certification (R#14)

Division Director Richard Kelly appeared before the Board on this matter.

The Board was advised that the Division of General Services, in accord with Section 11-35-1210, audited the procurement activity of the Department of Corrections for the July 1, 1984, through June 30, 1986, period and found abuses of the emergency procurement authority along with widespread violations of the requirement to get State Engineer approval of permanent improvement project expenditures. Division staff met with the new Commissioner and the new Department Director of Construction in September of 1987 and agreed to conduct a follow-up audit of the July 1, 1986, through September 30, 1987, period. The Division reported that the results of that audit were similar to those obtained in the previous report.

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Regular Session — March 22, 1988 — Page 21

Division staff advised the Board in the report, however, that follow-up audits of the Department's procurement activity under the new administration have been very positive and that no exceptions had been found in the problem areas identified earlier.

On the basis of the most recent audit work, the Division recommended that the Department of Corrections be certified within the parameters described in the audit report for the following limits (total potential purchase commitment whether single- or multi-year contracts are used) for a period of one year: Goods and services, \$10,000 per purchase commitment and construction services, \$25,000 per purchase commitment.

The Division noted that the Department currently is certified to this level for construction services. The recommendation of \$10,000 for goods and services is an increase above the present limit of \$2,500.

Mr. McLellan noted that the Department has about as many violations as he has seen in any of these reports. He said he is encouraged to note that Commissioner Evatt has accepted responsibility for the past situation but he noted that the number of violations cited is a lot.

Governor Campbell agreed with Mr. McLellan's observation and suggested that the Board receive an executive briefing on the construction and procurement procedures of the prison system at the next meeting.

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board, in accord with Section 11-35-1210, granted procurement certification to the Department of Corrections within the parameters described in the audit report for the following limits (total potential purchase commitment whether single- or multi-year contracts are used) for a period of one year: goods and services, \$10,000 per purchase commitment and construction services, \$25,000 per purchase commitment; and directed staff to arrange for an executive session briefing for the next Board meeting on construction and procurement procedures for the prison system.

Information relating to this matter has been retained in these files and is identified as Exhibit 19.

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Regular Session — March 22, 1988 — Page 22

General Services: Permanent Improvement Projects (Regular #15)

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board approved the following permanent improvement project budget revision which had been reviewed favorably by the Joint Bond Review Committee:

On Summary 15-88: Item 2:

Agency: Technical & Comprehensive Education
Project: 8642, C. A. Brown Renovation
Request: Increase budget to \$4,165,500
Amount: Add \$400,000
Source: Federal and Other (Local) funds
Purpose: To revise scope to include additional classrooms and offices
which are required because of increased number of programs.
(Exhibit 20)

Upon a motion by Mr. Morris, seconded by Senator Waddell, contingent upon Joint Bond Review Committee emergency approval, the Board approved the following project:

On Summary 17-88: Item 17:

Agency: Winthrop College
Project: 8803, Roddey Apartments Renovation
Request: Increase budget to \$2,350,000
Amount: Add \$450,000
Source: Revenue Bond and Excess Debt Service funds
Purpose: To cover the cost of renovations and the completion of the
campus chilled water loop. Bid expires March 26.
(Exhibit 21)

Senator Waddell noted that submitting this project will be like waving a red flag at the Bond Committee. He said it seems that agencies would get approval of projects prior to awarding bids.

General Services Division staff member Charles Shaw said that he feels somewhat responsible for the tight timeframe the project is now in but the Division had been waiting on CHE approval of the project which was submitted a long time ago. He advised that CHE meets quarterly.

Mr. Kelly noted that the bids had been higher than anticipated and that had necessitated the budget increase.

Information relating to these matters has been retained in these files and is identified as Exhibits 20 and 21, respectively.

General Services: Navigable Waters Permitting Authority (Regular #16)

The Board was reminded in the agenda materials that, at its meeting on October 27, 1987, the Board directed staff to draft the necessary regulations or statutes to place final permitting authority for complex environmental matters such as permits for construction in navigable waters with an entity having expertise in those matters.

At this meeting, the Board was provided with a proposed bill which would transfer that final authority from the Board to the Water Resources Commission.

As the Board agreed at the March 8 meeting, a skeleton bill was prepared and introduced in both the House (H3924) and the Senate (S1307).

Governor Campbell asked that the matter be carried over.

Upon a motion by Senator Waddell, seconded by Mr. McLellan, the Board carried over consideration of a proposed bill which would place final permitting authority for complex environmental matters such as permits for construction in navigable waters with the Water Resources Commission rather than the Budget and Control Board.

Information relating to this matter has been retained in these files and is identified as Exhibit 22.

State Law Enforcement Division: Foreign Travel (Regular #17)

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board approved the travel of SLED agents Capt. Joseph A. Holley and Lt. Jack Proffit to London, England during the March 14-19, 1988, period at an estimated cost of \$5,000 State funds.

Information relating to this matter has been retained in these files and is identified as Exhibit 23.

Parks, Recreation and Tourism: Foreign Travel (Regular #18)

The Department of Parks, Recreation and Tourism requested approval of the travel of three staff members (Robert G. Liming, Martha E. Beckman, and the International Marketing Coordinator) to Tokyo, Japan during the July 16-22,

Minutes of State Budget and Control Board Meeting
Regular Session — March 22, 1988 — Page 24

1988, period to explore marketing strategies for tourism promotion and representation.

The estimated cost of this travel \$3,750 per person and will be paid from State funds appropriated for tourism promotion and travel.

The Board also was advised in the agenda materials that the Department also requested Board approval of the travel of PRT Commission Chairman Charles A. Bundy. Staff pointed out that Regulation 19-101.17 states: "Any foreign travel of a State employee will require prior approval...." On that basis, staff took the position that, because Mr. Bundy is not a State employee, Board action on that request is not required.

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved the travel of PRT staff members Robert G. Liming, Martha E. Beckman, and the International Marketing Coordinator to Tokyo, Japan during the July 16-22, 1988, period at an estimated cost of \$3,750 per person to be paid from State-appropriated funds.

Information relating to this matter has been retained in these files and is identified as Exhibit 24.

Development Board: Foreign Travel (Regular #19)

The Development Board requested approval of the travel of Mr. Fitzhugh S. Owens to Italy during the April 13-27, 1988, period to represent South Carolina manufacturers at the Great April Fair in Milan and to make investment promotion calls. The estimated cost of this travel is \$2,555 and will be paid from State-appropriated funds.

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved the travel of Development Board staff member Fitzhugh S. Owens to Italy during the April 13-27, 1988, period at an estimated cost of \$2,555 State funds.

Information relating to this matter has been retained in these files and is identified as Exhibit 25.

Future Meeting

The Board agreed to hold a regular meeting at 10:30 a.m. on April 12, 1988, in the Governor's conference room in the State House.

Executive Session

Dr. Coles advised that one contractual and three personnel items had been proposed for consideration during executive session.

Upon a motion by Mr. Morris, seconded by Mr. McLellan, the Board agreed to consider these items in executive session whereupon Governor Campbell declared the meeting to be in executive session.

Vote on Matters Discussed in Executive Session Actions

Following consideration of executive session items, the meeting was opened, and the Board voted on the following items which had been discussed during executive session:

(a) General Services: College of Charleston Dormitory Agreement

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board directed staff of the Division of General Services and the College of Charleston to provide by Thursday, March 24, a side-by-side comparative analysis of the College's dormitory project proposal at the several key points in the process and specifics on the proposed maintenance, repair and operating agreement on the project; and authorized staff to schedule a telephone conference call meeting for Friday, March 25, to consider the proposal.

(b) HRM: Special Salary Adjustment, Commission on Higher Education

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved special salary supplements for three Commission on Higher Education employees (\$4,862 for Mr. John Smalls to bring his annual salary to \$53,488; \$4,914 for Mr. John Sutusky to bring his annual salary to \$54,057; and \$2,091 for Mr. Alan Krech to bring his annual salary to \$54,363).

(c) HRM: Faculty Appointment Salary, Medical University

Upon a motion by Senator Waddell, seconded by Mr. McLellan, the Board approved an annual salary of \$99,972 for Medical University employee Dr. Walter W. Fingar in conjunction with his appointment as Dean of the College of Dental Medicine.

(d) HRM: Interim Agency Head Salary, Criminal Justice Academy

Upon a motion by Mr. Morris, seconded by Senator Waddell, the Board approved an annual salary \$51,374 for Criminal Justice Academy employee James M. Kirby for service as the Interim Executive Director, effective March 22, 1988, through June 30, 1988.

Adjournment

Upon a motion by Senator Waddell, seconded by Mr. Morris, the meeting was adjourned at 12:00 Noon.

[Secretary's Note: In compliance with Code §30-4-80, public notice of and the agenda for this meeting were posted on bulletin boards in the office of the Governor's Press Secretary and in the Press Room in the State House, near the Board Secretary's office in the Wade Hampton Building, and in the lobby of the Wade Hampton Office Building at 4 p.m. on Friday, March 18, 1988.]

EXHIBIT

MAR 22 1988

NO. 1

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

STATE BUDGET & CONTROL BOARD AGENDA

ITEM NUMBER

1

AGENCY: Executive Director

SUBJECT: Status of Family Farm Development Authority

Attached is a status report on the Family Farm Development Authority relating to inventory, files, office space, appropriations, Agri-Family Credit Union, and personnel. Please refer to the attachment for details.

BOARD ACTION REQUESTED:

Receive as information a status report on the Family Farm Development Authority relating to inventory, files, office space, appropriations, Agri-Family Credit Union, and personnel.

ATTACHMENTS:

Grose March 15 memo to Coles

13756

EXHIBIT

State of South Carolina

MAR 22 1988

NO. 1

State Budget and Control Board

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.

STATE TREASURER

EARLE E. MORRIS, JR.

COMPTROLLER GENERAL



Box 12444

Columbia
29211

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

MEMORANDUM

To Jesse A. Coles Jr.

From Philip Grose *PG*

Date: March 15, 1988

Re: Status of Family Farm Development Authority

Per our earlier conversations, here is the status of those elements of the Family Farm Development Authority which you had designated for attention:

1. Inventory of furniture, equipment. In response to specific requests for items remaining in the Forsyth Building Offices, furniture and equipment have been distributed to the following entities:

- Budget Division
- Governor's Office (CETA/JTPA)
- Office of Executive Director
- Division of General Services (Building Services)
- Auctioneers Commission
- Board of Physical Therapy Examiners

Specific itemization is available by separate memos.

2. Files. Eight boxes containing financial material (six dealing with bonds, two dealing with credit union information) have been transmitted to the Treasurer's Office, as acknowledged in the February 25, 1988 letter from Sandy Agee Huey. The remaining miscellaneous records, as recorded in the transmittal and receipt document of 2/28/88, are at Archives and History.

3. Office space. As noted in your February 26 memorandum to Marcia Szerlip, the office space was vacated March 2, 1988.

4. \$1 million seed money appropriated to Family Farm by the General Assembly. The House Ways and Means Committee has incorporated the funds into this year's supplemental appropriation bill. Other options, which are expected to be rejected by the Ways and Means Committee, are the following:

- S. 1206 (Sens. Garrison and Doar). Would transfer the \$1 million to Clemson University for Research.

EXHIBIT

MAR 22 1988 NO. 1

STATE BUDGET & CONTROL BOARD

--H. 3838 (Rep. Rhoad). Would transfer authority for carrying out the functions previously under Family Farm to the Department of Agriculture.

Through conversations with Fred Carter and Whit Ayres, it is my understanding that the Governor's Office continues to support the transfer of the Family Farm functions to the Department of Agriculture.

5. Agri-Family Credit Union. At my request, Brooks Shealy of the Attorney General's Office has provided us personal advice, which finds that the credit union "is a private entity separate and distinct from the Family Farm Development Authority."

He further finds that "it appears that...(it)...has never been chartered." On that basis, he says, "You would have no legal obligation to contact members of the public who have paid money to Agri-Family or anyone acting on its behalf. If you are contacted by members of the public, I believe the proper action would be to refer them to Clyde Livingston, who has acted on behalf of Family Farm and apparently has access to the funds collected."

5. Personnel Status. As you are aware, final payment for leave time has been made to Catherine Dreher. The Ed Francis grievance was resolved in favor of Mr. Francis. All legal documents pertaining to the Ed Francis issue are in the hands of our attorney, Craig Davis.

As I have mentioned, we may wish to place this on the agenda for the March 22 meeting of the Board. For that reason, I am copying Mr. McInnis with this material.

Please let me know what you think.

cc: Bill McInnis

13758

EXHIBIT MAR 25 1988

State of South Carolina

MAR 22 1988

NO. 1

State Budget and Control Board

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.

STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



Box 12444

Columbia
29211

REMBERT C. DENNIS

CHAIRMAN, SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN

CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

March 25, 1988

Mr. Clyde Livingston
417 Amelia Drive
Orangeburg, S. C. 29115

Dear Clyde:

At its March 22 meeting, the Budget and Control Board received a brief report on the status of the Family Farm Development Authority, including updates on the status of equipment, records, personnel issues and legislation.

There were also questions regarding the Agri-Family Credit Union and its status. (See attached Summary of Board Actions, Item 3.) At the Board's direction, I have been asked to contact you and request an update or report on the status of the Credit Union, including any plans for the future of the Credit Union, the condition of its records and files, and any other information you feel may be useful to the Board.

If convenient, I would appreciate receiving this information by Tuesday, April 5, so that it can be prepared for submission to the Board at its April 12 meeting. Thank you for your assistance.

Sincerely,

Jesse A. Coles Jr., Ph.D.

13759

EXHIBIT

State of South Carolina

MAR 22 1988

NO. 1

State Budget and Control Board

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



Box 12444
Columbia
29211

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

March 22, 1988

MEMORANDUM

TO: Budget and Control Board Division Directors
FROM: William A. McInnis, Deputy Executive Director *WAM*
SUBJECT: Summary of Board Actions at March 22, 1988, Meeting

This listing of actions is not the minutes of the referenced meeting. It is an unofficial (meaning it has not been approved by the Board) summary of the Board actions taken at that meeting. The minutes of the meeting are presented in a separate, much more detailed document which becomes official when approved by the Board at a subsequent meeting.

1. Adopted the agenda as proposed by staff after discussing carrying over consideration of a College of Charleston contractual matter proposed for executive session;
2. Approved the minutes of the March 8, 1988, meeting;
3. Received as information a status report on the Family Farm Development Authority relating to inventory, files, office space, appropriations, Agri-Family Credit Union, and personnel; and directed staff to provide further details at the next meeting on the status of the Credit Union;
4. Received as information the Budget Division report submitted to the General Assembly on the 1988-89 Ways and Means Appropriations Bill;
5. Received as information a report on USC foreign travel involving over \$1,000 and less than \$2,000 of State funds approved by staff;
6. Received as information reports on the reimbursement of interviewee travel expenses by Lander College (2) and Mental Health (1);
7. Received as information a report that the following permanent improvement projects have been reviewed favorably by the Joint Bond Review Committee and approved by staff:

(1) On Summary 15-88: Items 1, 3, 6 and 7, (involving Winthrop, Health and Environmental Control, PRT and Highways & Public Transportation).

13760

EXHIBIT

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES

NOV 22 1988

NO. 1

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



Property Management
1201 Main Street, Suite 410
Columbia, South Carolina 29201
(803) 737-0790

STATE BUDGET & CONTROL BOARD

JAMES M. WADDELL, JR.
CHAIRMAN
SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

February 22, 1988

MEMORANDUM TO: Dr. Jesse A. Coles, Jr.
FROM: Naomi Kellum *NK*
SUBJECT: Family Farm Development Authority - Equipment
Budget and Control Board, Budget Division

The equipment described below is located in the Budget Division of the Budget and Control Board, and they would like it to be permanently transferred to that office:

IBM Personal Computer, Model 5153, FFDA #011
Expansion Unit, #009
Disc Drive, #010
Epson Printer, #012

/nk

13761

State of South Carolina
State Budget and Control Board



CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

Box 12444
Columbia
29211

REMBERT C. DENNIS
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

February 29, 1988

MEMORANDUM TO: Dr. Jesse A. Coles, Jr.
FROM: Naomi Kellum *NK*
SUBJECT: Family Farm Development Authority - Furniture
Office of the Governor, Executive Policy
and Programs

The attached memorandum documents that personnel from the Governor's Office inspected the furniture in the offices at 915 Main Street formerly occupied by Family Farm, and identified only one piece which had to be returned according to Federal guidelines: a desk, Office of the Governor, Manpower, inventory tag no TC 2268. That desk was picked up and returned by Governor's Office personnel on February 23, 1988.

The other pieces of furniture referred to in Mr. Branham's memo were personally inspected by Tony Kester in my presence on February 18, and he said he has no interest in any of it; we are free to dispose of it as we deem appropriate.

/nk

Attachment

13762

Rec'd 2-24-88 m

State of South Carolina
Office of the Governor

CARROLL A. CAMPBELL, JR.
GOVERNOR

OFFICE OF EXECUTIVE
POLICY AND PROGRAMS

MEMORANDUM

To: Naomi Kellum, Office of the Executive Director
Budget and Control Board

From: Jerry Branham, Director
Employment and Training Division *[Signature]*

Subject: CETA/JTPA Equipment Located at 915 S. Main St.
(S.C. Family Farm Dev. Auth.)

Date: February 22, 1983

It is my understanding that Judi Matthews, CETA/JTPA Property Manager has completed an inventory of the CETA/JTPA equipment located at 915 S. Main St. and has identified one (1) desk as being the property of the Office of the Governor, Employment and Training Division (E.&T. Div.). The desk per Ms. Matthews is appropriately marked with a blue decal bearing the State Identification Number T6 2268.

Ms. Matthews stated that there are several desks at the same address bearing Office of the Governor, Office of Executive Policies and Programs (OEPP) decals and that she notified both you and Mr. Tony Kester, OEPP, on this matter.

Mr. George Martin, Property Officer, E. & T. Div., has been notified that the desk should be picked up and will be contacting you this week (Feb. 22-26) to make the arrangements.

If you should need further information on this, please contact Ms. Matthews or Mr. Martin at 734-8929.

JB:jcm

This desk picked up 2/23/88

*Tag: ofc of Gov
Manager*

TC 2268

DIVISION OF EMPLOYMENT AND TRAINING
1300 PICKENS STREET, COLUMBIA 29201
803 734-8924

13763

EXHIBIT

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES

MAR 22 1988

NO. 1

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



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ROBERT N. MCLELLAN
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

February 23, 1988

MEMORANDUM TO: Dr. Jesse A. Coles, Jr.
FROM: Naomi Kellum *NK*
SUBJECT: Family Farm Development Authority
Furniture and Equipment

Listed below are items in the Budget and Control Board's Office of Executive Director, AT&T Building, Room 540, which we would like to have transferred permanently from the Family Farm Development Authority.

SC Code of Laws with bookcase
Cabinet, storage, black metal, 2 shelves
Cabinet, file, black legal, 4 drawer (SFFDA #003)
Cabinet, file, lateral, black, 4 drawer
Cabinets (2), file, legal, 5 drawer
Cabinet, file, legal, 2 drawer
Calculator, Canon P-101-D
Calculator, Casio 121-S
Calculator, Sharp Compet Elec Print
Dictating Machine, Sanyo, SFFDA #006
Dictating Machine, Sony TCM-5000 EV
Dictating Machine, Sony, Secutive BM-11 (hand held)
Typewriter, IBM Selectric II (Grose)
Typewriter, Brother Electronic EM-811 (SFFDA #015)
Table, Folding 8' (SFFDA #001)
Tables (2), Folding 5'
Bookcase (4), wooden, 36X37X14
Chairs (2), Secretarial, black metal legs, tweed fabric seat/back
Chair, Secretarial, brown
Chair, Secretarial, black (rollers bad)
Chair, Side, brown fabric seat/back
Costumer, metal
Pencil Sharpener, Boston 328539, Electric

13764

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

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HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., PH.D.
EXECUTIVE DIRECTOR

February 22, 1988

MEMORANDUM TO: Dr. Jesse A. Coles, Jr.
FROM: Naomi Kellum *NK*
SUBJECT: Family Farm Development Authority
Furniture and Equipment - General Services

Attached is a list of furniture and equipment located in the Forsythe Building which Buildings and Grounds would like to have transferred to that office. As I understand it, Buildings and Grounds will occupy the majority of the space vacated by Family Farm Development.

/nk

Attachment

13765

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
1201 MAIN STREET, SUITE 420
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-3880

CARROLL A. CAMPBELL, JR.
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

JAMES M. WADDELL, JR.
CHAIRMAN
SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

WILLIAM J. CLEMENT, AIA
ASSISTANT DIVISION DIRECTOR

MEMORANDUM

TO: Naomi Kellum, Office of the Executive Director
THRU: Warren S. Holland, ^{Wah} Manager of Building Services
FROM: Cathy Pierce, ^{CPP} Business Manager II
SUBJECT: Request for Equipment & Miscellaneous Items Located at
915 Main Street
DATE: February 19, 1988

Attached is a complete list of all items which Building Services would like to have. This list replaces any information previously sent to you.

Thank you for all of your help.

CPP/ahp

13756

<u>Location</u>	<u>Item #</u>	<u>Quantity</u>	<u>Description</u>
Conference Room, 1st floor	1	1	Conference Room Table, Wooden, 4' x 12'
"	2	18	Conference Room Chairs 13 - gold 1 - aqua 3 - blue 1 - red
Hallway - 2nd floor	1	1	Reception Desk (near ladies room)
Room 203	1	3	Green - vinyl upholstery side chairs
"	2	2	27 drawer index file cabinets (both are black)
"	3	1	Cardboard box on desk containing miscellaneous items.
Room 203 inner office	1	1	File credenza
"	2	1	Lateral file cabinet
"	3	1	Secretarial Desk with return, Wooden
"	4	1	Black Executive Chair
Room 207 (Linton's Office)	1	1	Gold chair
Room 208	1	6	Stacking chairs- brown upholstery
"	2	1	Metal clothes tree
"	3	2	Square tables
"	4	3	Business form racks
"	5	1	Double seater - metal/vinyl
"	7	2	Dark tan vinyl upholstered arm chairs

13767

EXHIBIT

MAR 22 1988

NOL 1

STATE BUDGET & CONTROL BOARD

Room 213	1	1	Wooden bookcase
"	2	1	Victor adding machine
"	3	1	Framed picture (waterfall)
"	4	1	Wooden bookcase
"	5	1	Pendulum wall clock
"	6	1	Framed picture with boats
"	7	1	Executive chair with golden leather upholstered seat
"	8	1	Vinyl upholstered chair-green
"	9	1	Vinyl upholstered chair-orange
"	10	1	Ash urn
"	11	1	Wooden Desk
"	12	2	Gold chairs
"	13	1	Ash urn
Storage closet in Hall - no room # (between 212 & 213)	1	1	Bookcase with glass lift up doors
Storage Room (Old Boiler Room)	1	1	Roll of Brown paper
"	2	18 drawers	Drawer index file cabinets
"	3	3	Rolling chair ^{cart}
Room 215	1	1	14 slot display rack
"	2	1	Copy holder with arm extension
"	3	1	Chair mat
"	4	1	Box of unused printer paper
"	5	1	Black executive chair, vinyl

13768

Room 216	1	5	Stacking trays
"	2	1	Metal waste baskets
"	3	1	Green metal executive desk
"	4	1	Green metal credenza
"	5	1	Framed map of S.C.
Room 217 (storage)	1	1	Green "Psychiatrist" Sofa
"	2	4	Folding chairs - brown
"	3	1	Wall clock (quartzmatic)
"	4	2	5' folding tables
"	5	6	Folding chairs
Room 218	1	1	IBM Electronic Typewriter (Blue)
"	2	1	Leather chair - black
"	3	1	Metal desk
"	4	1	Metal credenza
"	5	1	Aluminum clothes tree
"	6	1	Chair mat
"	7	2	Upholstered green arm chairs
Room 220	1	1	Floor lamp
"	2	1	Gold side chair
"	3	1	Gold side chair
"	4	1	Typewriter table
"	5	1	Gold arm chair
"	6	1	Side chair - wood/vinyl
"	7	1	Side chair - wood/vinyl
"	8	1	Metal clothes tree
"	9	1	Wooden desk

"	10	1	IBM selectric typewriter (black)
"	11	1	Brown upholstered arm chair
Room 221-A	1	1	File cabinet (5 drawer)
"	2	1	Wooden credenza
"	3	1	Framed map of S.C.
"	4	1	Executive chair-brown upholstery
Room 221-A/Inner Office	1	1	Wooden clothes tree
"	2	1	Ampex radio with 2 speakers
"	3	1	Bookcase
"	4	2	Arm chairs - Black vinyl

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



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CHAIRMAN,
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ROBERT N. McLELLAN
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

February 23, 1988

MEMORANDUM TO: Dr. Jesse A. Coles, Jr.
FROM: Naomi Kellum *NK*
SUBJECT: Family Farm Development Authority - Furniture
SC Auctioneer's Commission

The South Carolina Auctioneer's Commission, at 915 Main Street, would like to have the furniture listed below transferred permanently to that agency:

Calculator, Sharpe CS 1165 #029193 Credenza
Cabinet, file black
Cabinet, file, lateral, black
Table, square w/butcher block top (w/TV in breakroom)
TV, RCA, SN 440500785, w/antenna
Refrigerator, GE, SN736245

/nk

13771

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES

CARROLL A. CAMPBELL, JR., CHAIRMAN
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HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

February 23, 1988

MEMORANDUM TO: Dr. Jesse A. Coles, Jr.
FROM: Naomi Kellum *NK*
SUBJECT: Family Farm Development Authority - Furniture
Board of Physical Therapy Examiners

The Board of Physical Therapy Examiners located in the Forsythe Building at 915 Main Street, would like to have the furniture listed below transferred permanently to them:

Table, folding work ~~table~~, 5'

/nk

EXHIBIT

MAR 22 1988

NO. 1

STATE BUDGET & CONTROL BOARD

13772

EXHIBIT

STATE OF SOUTH CAROLINA

MAR 22 1988

NO. 1

OFFICE OF STATE TREASURER

STATE BUDGET & CONTROL BOARD

GRADY L. PATTERSON, JR.
TREASURER

P. O. DRAWER 11778

COLUMBIA
29211

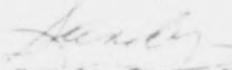
February 25, 1988

Mr. Phil Grose
Assistant Director
State Budget and Control Board
612 Wade Hampton Building
Columbia, SC 29211

Dear Mr. ~~Grose~~:

Pursuant to your recent request, we hereby confirm the delivery of eight boxes of information from the Family Farm Development Authority, six of which deal with bond related material and two relating to credit union information.

Very truly yours,


Sandy Agee Huey
Deputy State Treasurer

SAH:cp

13773

RECORDS TRANSMITTAL AND RECEIPT		TO BE COMPLETED BY RECORDS CENTER	
INSTRUCTIONS		SIGNATURE	
SEND ORIGINAL AND TWO COPIES TO THE RECORDS CENTER		TITLE	
FROM: (NAME AND ADDRESS OF AGENCY TRANSFERRING RECORDS) Budget and Control Board Office of Executive Director 612 Wade Hampton Building, Columbia		TO: SOUTH CAROLINA DEPARTMENT OF ARCHIVES AND HISTORY STATE RECORDS CENTER 1919 BLANDING STREET COLUMBIA, S. C. 29201	
1. CITE SECURITY CLASSIFICATION AND/OR RESTRICTION ON USE OF RECORDS, (IF ANY) FAMILY FARM DEVELOPMENT AUTHORITY DEFUNCT AS OF JUNE 30, 1987			
2. SQUARE FEET OF SPACE CLEARED		3. FILING EQUIPMENT EMPTIED	
A. OFFICE	B. STORAGE	A. FILE CABINETS (NO.)	B. TRAN. FILES (NO.) C. SHELVING (LIN. FT.)
4. NAME OF AGENCY RECORDS OFFICER Phillip G. Grose		5. BUILDING AND ROOM NO. Wade Hampton 612	
6. DATE RECORDS TRANSFERRED 2/26/88		7. TELEPHONE 734-2320	
8. AGENCY REPRESENTATIVE TRANSFERRING RECORDS Jesse A. Coles, Jr.		9. TITLE Executive Director	
10. BOX NUMBERS		11. DESCRIPTION OF RECORDS WITH INCLUSIVE DATES	
S R C	AGENCY	12. DISPOSAL AUTHORITY (SCHEDULE NUMBER AND DISPOSITION DATE)	
	1	Folder 1 Automobile Records (DMVM) 2 Automobile Insurance Records 3 Computer Records 4 Fidelity Bond Insurance Records 5 Pending File Records 6 Ethics Commission Records 7 Minority Business Records 8 Information Technology Plans 9 JTPA Disposition Data 10 General Ledger & Unentered vouchers 11 Quarterly Procurement Data 12 Equipment Purchases 13 Current Receipts 14 Bills 15 Budget 1987-88 16 Vouchers 17 Fiscal Year 1984-85 (187-356) 18 Fiscal Year 1984-85 (001-186)	
	2	1 CPR240CW Payroll Warrant Register 2 Analysis of Expenditures by Minor Objection 3 Cash receipts 1984-85 4 Fixed Assets 1984-85 5 Payroll Register 1984-85 6 Budget Computations 7 Budget Data 8 Paid Invoices for FY 86-87 9 Paid Invoices for FY 86-87	
	3	1 Contracts 2 Budget Data 3 Vouchers 4 Vouchers 5 CSA Computer Printouts 6 TCA Computer Printouts	

13774

RECORDS TRANSMITTAL AND RECEIPT (CONTINUATION)		AGENCY Budget & Control Board Office of Exec Director 612 Wade Hampton Bldg		DATE 2/26/87
BOX NUMBERS		DESCRIPTION OF RECORDS WITH INCLUSIVE DATES		DISPOSAL AUTHORITY (SCHEDULE NUMBER AND DISPOSITION DATE)
S R C	AGENCY			
	cont'd	folder		
	3	7	T Computer Printouts	
		8	TSA Computer Printouts	
		9	CPR Computer Printouts	
	4	1	Vouchers - Board Members	
		2	Budget Data 1986-87	
		3	Bank Deposits	
		4	Financial Data	
		5	Records FY 1985-86 (Debits and Deposits)	
		6	Vouchers by Account (8700301)	
		7	Vouchers by Account (860607-860616)	
		8	Payroll Vouchers	
		9	Vouchers by Account (870001-8700100)	
		10	Vouchers by Account (8700101-8700200)	
		11	Vouchers by Account (8700201-8700300)	
	5	1	Contingencies Check Register and General Ledger	
		2	General Fund Control and Cash Status Report	
		3	Appropriation Balances	
		4	Payroll Check Register	
		5	Interim Balance Sheet	
		6	Summary of Expenditures by Program	
	6		<u>PERSONNEL RECORDS</u>	
		1	Dental Insurance	
		2	Optional Life Insurance	
		3	Retirement Quarterly	
		4	Health Maintenance Organizations	
		5	Unemployment Quarterly	
		6	Workmans Compensation Quarterly	
		7	Personnel File - Melba Gurley	
		8	Personnel File - Sunni Rushing	
		9	Personnel File - Claudia Boykin	
		10	Personnel File - Billy Lyles	
		11	Personnel File - Clyde Livingston	
		12	Personnel File - Charlie Crews	
		13	Personnel File - Val Burroughs	
		14	Personnel File - Wallace Brown	
		15	Personnel File - Henry Glover	
				13775

EXHIBIT

State of South Carolina

State Budget and Control Board

MAR 22 1988

NO. 1

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.

STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



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ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

February 26, 1988

MEMORANDUM TO: Marcia Szerlip, Property Management

FROM: Jesse A. Coles, Jr. *JAC nk*

SUBJECT: Family Farm Development Authority
Space, Forsythe Building, 915 Main Street

Please be advised that the space occupied by the Family Farm Development Authority in the Forsythe Building is being vacated as of Wednesday, March 2, 1988.

As you know, the agency has not operated since June, 1987, and the Budget and Control Board was authorized to complete the business of the agency, archive records and distribute furniture and equipment as deemed appropriate. We are now ready to release the space for other tenants.

JACjr/nk

cc: Richard W. Kelly
Jerry Branham
Linde Breedlove, Internal Operations
Warren Holland, Buildings and Grounds
✓ Phil Grose

RECEIVED

CONTROL BOARD
EXECUTIVE DIRECTOR

13776

S. 1206 -- Senators Garrison and Doar: A BILL TO REPEAL CHAPTER 47 OF TITLE 46, CODE OF LAWS OF SOUTH CAROLINA, 1976, "THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY ACT" AND TO TRANSFER FUNDS HELD BY THE SOUTH CAROLINA CREDIT UNION LEAGUE PENDING THE CHARTER FOR THE CREDIT UNION OF THE FAMILY FARM DEVELOPMENT AUTHORITY, WHICH WAS NEVER GRANTED, TO THE STATE TREASURER AND TO TRANSFER THE ONE MILLION DOLLARS APPROPRIATED AS SEED MONEY FOR THE PROPOSED CREDIT UNION FROM THE STATE TREASURER TO CLEMSON UNIVERSITY FOR RESEARCH.

EXHIBIT

MAR 22 1988 NO. 1

STATE BUDGET & CONTROL BOARD

A BILL

TO REPEAL CHAPTER 47 OF TITLE 46, CODE OF LAWS OF SOUTH CAROLINA, 1976, "THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY ACT" AND TO TRANSFER FUNDS HELD BY THE SOUTH CAROLINA CREDIT UNION LEAGUE PENDING THE CHARTER FOR THE CREDIT UNION OF THE FAMILY FARM DEVELOPMENT AUTHORITY, WHICH WAS NEVER GRANTED, TO THE STATE TREASURER AND TO TRANSFER THE ONE MILLION DOLLARS APPROPRIATED AS SEED MONEY FOR THE PROPOSED CREDIT UNION FROM THE STATE TREASURER TO CLEMSON UNIVERSITY FOR RESEARCH.

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

SECTION 1. (A) Funds held by the South Carolina Credit Union League pending granting of a charter for a credit union for the South Carolina Family Farm Development Authority must be transferred to the State Treasurer for deposit in the general fund of the State.

(B) The one million dollars appropriated as seed money for the Family Farm Development Authority Credit Union which was never chartered is transferred from the State Treasurer to Clemson University to be used for research.

SECTION 2. Chapter 47 of Title 46 of the 1976 Code is repealed.

SECTION 3. This act takes effect upon approval by the Governor.

1 COMMITTEE REPORT
2 March 9, 1988

H. 3838

7 Introduced by REP. Rhoad

9 S. Printed 3/9/88--H.
10 Read the first time February 24, 1988.

11
12
13 THE COMMITTEE ON
14 AGRICULTURE AND NATURAL RESOURCES

15 To whom was referred a Bill (H. 3838), to
16 amend Section 46-47-70, Code of Laws of South
17 Carolina, 1976, relating to powers of the Family
18 Farm Development Authority, etc., respectfully

19 REPORT:

20 That they have duly and carefully considered
21 the same, and recommend that the same do pass:

22
23 H.E. PEARCE, JR., for Committee.
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EXHIBIT

MAR 22 1988

NO. 1

STATE BUDGET & CONTROL BOARD

A BILL

1
2
3
4
5
6
7
8
9
10
11
12 TO AMEND SECTION 46-47-70, CODE OF LAWS OF SOUTH
13 CAROLINA, 1976, RELATING TO POWERS OF THE FAMILY
14 FARM DEVELOPMENT AUTHORITY, SO AS TO DELETE THE
15 POWER TO PARTICIPATE IN PROGRAMS WITH FEDERAL,
16 STATE, AND NONPROFIT ENTITIES WHICH MAY MAKE
17 LOANS TO FARMERS OF THE BENEFICIARY CLASS; AND
18 TO AMEND THE 1976 CODE BY ADDING SECTION
19 46-3-145 SO AS TO EMPOWER THE DEPARTMENT OF
20 AGRICULTURE TO PARTICIPATE IN PROGRAMS WITH
21 FEDERAL, STATE, AND NONPROFIT ENTITIES WHICH MAY
22 MAKE LOANS TO FARMERS OF THE BENEFICIARY CLASS.

23
24 Be it enacted by the General Assembly of the
25 State of South Carolina:

26
27 SECTION 1. The 1976 Code is amended by adding:

28 "Section 46-3-145. (A) As used in this
29 section:

30 (1) 'Beneficiary class' means:

31 (a) farmers and farm families of low and
32 moderate income;

33 (b) residents of the State who produce
34 evidence satisfactory to the authority that they
35 intend to become residents and begin farming
36 within the State;

37 (c) farmers who shall use the agricultural
38 land, agricultural improvements, or depreciable
39 agricultural property proposed to be purchased
40 for farming within the State;

41 (d) farmers who shall apply the proceeds of
42 each mortgage loan to the acquisition by the
43 farmer of agricultural land or agricultural
44 improvements thereon, or depreciable
45

[3838-3]

1 agricultural property totaling no more than six
2 hundred twenty-five thousand dollars in fair
3 market value;

4 (e) farmers who demonstrate to the
5 authority's satisfaction that they can repay the
6 loan from farming operations within the State;

7 (f) farmers who are creditworthy according
8 to standards prescribed by the authority;

9 (g) farmers who, inclusive of amounts
10 estimated to be received as a result of the
11 acquisition of the agricultural land,
12 agricultural improvements, or depreciable
13 agricultural property to be financed with each
14 mortgage loan or secured loan, receive at least
15 sixty percent of the combined gross incomes of
16 the farmer, his spouse, and dependents from
17 farming operations within the State;

18 (h) farmers who have not received previously
19 a mortgage loan or secured loan from an entity
20 authorized to make loans under the provisions of
21 this section. This restriction does not apply
22 if the amount of the loan previously received
23 for the property plus the amount of the loan
24 sought does not exceed six hundred twenty-five
25 thousand dollars for agricultural land or
26 agricultural improvements or depreciable
27 agricultural property;

28 (i) farmers who satisfy other criteria the
29 department prescribes by regulation.

30 (B) The Department of Agriculture may
31 participate in and cooperate with the programs
32 of the Farmers Home Administration, the Federal
33 Land Banks, and any other agency or
34 instrumentality of the United States and sponsor
35 or participate in programs with other entities,
36 including nonprofit corporations which may make
37 loans to farmers of the beneficiary class, and
38 participate in and cooperate with a program of
39 another agency of the State or a political
40 subdivision in the administration of any of the
41 programs authorized to make loans to farmers of
42 the beneficiary class."

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[3838-4]

1 SECTION 2. Section 46-47-70(29) of the 1976
2 Code is repealed.

3
4 SECTION 3. This act takes effect upon approval
5 by the Governor.

6 -----XX-----
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SECTION 6

TO REPEAL CHAPTER 47, TITLE 46, CODE OF LAWS OF SOUTH CAROLINA, 1976, THE SOUTH CAROLINA STATE FAMILY FARM DEVELOPMENT AUTHORITY ACT, AND TO TRANSFER THE ONE MILLION DOLLARS APPROPRIATED AS SEED CAPITAL FOR THE PROPOSED CREDIT UNION FOR THE AUTHORITY TO THE GENERAL FUND.

Section 1. (A) Chapter 47, Title 46 of the 1976 Code is repealed.

(B) The one million dollars appropriated as seed capital for the Family Farm Development Authority Credit Union which was never chartered must be transferred by the State Treasurer to the general fund of the State.

The State of South Carolina



Office of the Attorney General

EXHIBIT

MAR 22 1988

NO. 1

STATE BUDGET & CONTROL BOARD

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803 734 3680

MEMORANDUM

TO: ✓ Philip G. Grose, Jr., Assistant Executive Director
Deme Bybee
State Budget & Control Board

FROM: ✍ P. Brooks Shealy
Assistant Attorney General

RE: Agri-Family Credit Union

DATE: February 29, 1988

I have reviewed my records concerning the Family Farm Development Authority and the Agri-Family Credit Union and discussed Agri-Family with attorneys Tom Curlee and Dan McLeod. Neither of these attorneys represented Agri-Family. Mr. McLeod did some bond work for Family Farm Development Authority and Mr. Curlee represents the South Carolina League of Credit Unions. Both were familiar with the attempts to establish Agri-Family and both are of the opinion that Agri-Family is a private entity separate and distinct from the Family Farm Development Authority.

Based upon these discussions and the limited information in my file, it appears that Agri-Family is a proposed credit union which has never been chartered. The Secretary of State was unable to give me any information, presumably because nothing has been filed with that office. Apparently, Clyde Livingston is the only person who could give us the complete story concerning Agri-Family. However, pursuant to your request I have not contacted him.

Based upon the above I am of the opinion that Agri-Family Credit Union is a private entity separate and distinct from Family Farm Development Authority. You would have no legal obligation to contact members of the public who have paid money to Agri-Family or anyone acting on its behalf. If you are

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MEMORANDUM

TO: Philip G. Grose, Jr.
Deme Bybee
February 29, 1988
Page 2

EXHIBIT

MAR 22 1988

NO. 1

STATE BUDGET & CONTROL BOARD

contacted by members of the public, I believe the proper action would be to refer them to Clyde Livingston who we know has acted on behalf of Agri-Family and apparently has access to the funds collected. Naturally, this opinion could change if we receive additional information concerning Agri-Family Credit Union. The comments contained herein represent my personal advice to you and may or may not constitute the opinion of the Office of the Attorney General.

If you receive additional information, complaints or any documents concerning Agri-Family Credit Union, please let me know so that I can consider them.

gmb

13785

EXHIBIT

MAR 22 1988

NO. 2

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

STATE BUDGET & CONTROL BOARD

BLUE AGENDA

ITEM NUMBER

2

AGENCY: Budget Division

SUBJECT: Statutory Report on Appropriations Bill

At each step in the appropriation process, the Budget Division is required by law to submit several reports to the next body then considering the bill.

Attached is the required report submitted to the General Assembly on the 1988-89 Ways and Means Appropriations Bill.

BOARD ACTION REQUESTED:

Receive as information the Budget Division report submitted to the General Assembly on the 1988-89 Ways and Means Appropriations Bill

ATTACHMENTS:

Agenda item worksheet and referenced report

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EXHIBIT

MAR 16 1988

MAR 22 1988

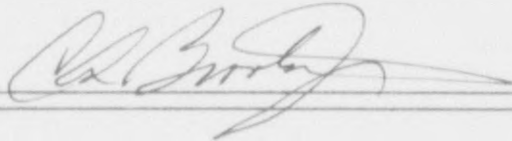
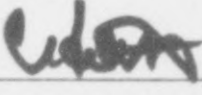
NO. 2

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

88-161

Meeting Scheduled for: March 22, 1988

Blue Agenda

1. Submitted By:
(a) Agency: State Budget Division
(b) Authorized Official Signature: 
2. Subject:
State Budget Division Statutory Report
3. Summary Background Information:
At each step of the appropriation process, the State Budget Division is required, by law, to submit several statutory reports to the next committee then considering the Bill. Attached is the required report on the 1988-89 Ways and Means Appropriation Bill.
4. What is Board asked to do?
Information Only
5. What is recommendation of Board Division involved?
Information Only

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: _____
(b) Division/Agency Name: _____
7. Supporting Documents:
(a) List Those Attached:
1. Statutory Report on the 1988-89 Ways and Means Committee Appropriation Bill

(b) List Those Not Attached But Available From Submitter:

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EXHIBIT

MAR 22 1988 NO. 2

STATE BUDGET & CONTROL BOARD

STATE BUDGET DIVISION

REPORT TO

THE HOUSE OF REPRESENTATIVES

ON THE

1988-89

WAYS & MEANS COMMITTEE

APPROPRIATION BILL

Prepared
March 4, 1988

13788

EXHIBIT

MAR 22 1988 NO. 2

STATE BUDGET & CONTROL BOARD

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State Employee Annual Allowable Growth	2
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Appropriated FTE Position Base By Committee	4
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Explanation and Justification For All New FTE	14
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4. Major Expenditures Report	41
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13789

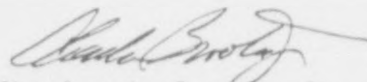
EXHIBIT

STATE BUDGET DIVISION
1988-89
COMPUTATION OF ANNUAL LIMITATION ON
THE NUMBER OF STATE EMPLOYEES

MAR 22 1988 NO. 2
STATE BUDGET & CONTROL BOARD

1980-81 State Population	3,191,996	=====
1980-81 State Employees (FTE)	38,183.69	=====
1980-81 Ratio of State Employees (FTE) to Total State Population	38,183.69	-----= 1.1962 %
	3,191,996	
1988-89 State Population Estimate	3,571,000	
1980-81 State Employees (FTE) Ratio to Total State Population	X 0.011962	-----
1988-89 State Employees (FTE) Limitation	42,716.30	=====
1988-89 Budget & Control Board Recommendation State Funded Employees (FTE)	40,686.03	=====
1988-89 Ways & Means Committee Approp Bill State Funded Employees (FTE)	40,383.93	=====

In compliance with Section 11-11-420 of the 1981 Cumulative Supplement to the 1976 Code, I certify that the above information is true and correct to the best of my knowledge and belief.


Charles A. Brooks, Jr.

Director, State Budget Division

March 4, 1988

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EXHIBIT

MAR 22 1988

NO. 2

STATE BUDGET & CONTROL BOARD

STATE BUDGET DIVISION
LIMITATION ON NUMBER OF STATE EMPLOYEES
FOR FISCAL YEAR 1988-89

1988 - 89 State Employees (FTE) Limit	42,716.30
1987 - 88 Certified (FTE) Position Base	<u>39,654.31</u>
1988 - 89 (FTE) Growth Allowable	<u><u>3,061.99</u></u>

Prepared
January 22, 1988

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
STATE BUDGET DIVISION
EDGAR BROWN BUILDING, 1205 PENDLETON STREET
COLUMBIA, S. C. 29201
(803 734-2280)

CARROLL A. CAMPBELL, JR. CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. McLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE
JESSE A. COLES, Ph.D.
EXECUTIVE DIRECTOR

MEMORANDUM

FROM: Curtis Holt *Curtis Holt*
SUBJECT: Authorized FTE Positions Analysis Report
DATE: March 4, 1988

The following is a brief description of each schedule included in the above referenced report:

Schedule I - This report reflects the bottom line net change in FTE positions by committee. It gives a complete summarized picture of the statewide authorized FTE positions beginning with the appropriated headcount as contained in the previous Appropriation Act.

Schedule IA - Is a report reflecting the new FTE positions added by the B & C Board and the Joint Legislative Committee on Personal Service, Financing and Budgeting during the interim and have been included in the 1987-88 FTE position base.

Schedule IB - This report reflects all existing FTE positions added, deleted, transferred and/or restored by the B & C Board and the Joint Legislative Committee on Personal Service, Financing and Budgeting to the 1987-88 authorized FTE position base.

Schedule II and Its Attachment - Is a cumulative report reflecting the net new FTE positions added by each committee in the appropriation process. If a subsequent committee deletes any FTE positions added by a previous committee, the entries will be identified by (0.00). The bottom line of the last two columns should always give the cumulative new FTE positions added to the Appropriation Bill. The Explanation and Justification for action by each committee is attached.

Schedule III - This report reflects the action of the previous committee considering the bill on the agencies' authorized FTE position base and deals only with established FTE positions.

Schedule IV - Is a report reflecting only the new FTE positions added by the previous committee considering the bill.

Schedule V - Is a report reflecting only the new FTE positions added during the appropriation process by the B & C Board and the Joint Legislative Committee on Personal Service, Financing and Budgeting. These positions have been included in the current appropriation bill being considered.

Schedule VI - Is a report reflecting new FTE positions and costs for such positions as added by each committee.

STATE BUDGET DIVISION
ANALYSIS OF 1988-89
FTE POSITION BASE

SCHEDULE I

	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
FTE positions Authorized in the 1987-88 Appropriation Act	67,426.09	39,675.99	8,062.24	19,687.86
1987-88 Adjustments				
Schedule IA - New FTE positions added by the Joint Committee and the B & C Board	52.95	16.35	15.65	20.95
Schedule IB - Existing FTE positions added or deleted by the B&C Board	(62.68)	(38.03)	(45.70)	21.05
Total Adjustment	(9.73)	(21.68)	(30.05)	42.00
1987-88 Certified FTE Position Base 9/30/87	67,416.36	39,654.31	8,032.19	19,729.86
1988-89 B & C Board Adjustments				
Existing FTE positions added or deleted by the B & C Board	(76.00)	(39.02)	(115.05)	78.87
New FTE positions Recommended by the B & C Board	1,694.27	1,070.74	70.35	553.18
Total Adjustment	1,618.27	1,031.72	(45.50)	632.05
The 1988-89 FTE Position Base as Recommended by the B & C Board	69,034.63	40,686.03	7,986.69	20,361.91

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STATE BUDGET DIVISION
ANALYSIS OF 1988-89
FTE POSITION BASE

SCHEDULE I

	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
Ways & Means Committee Adjustments				
Schedule III Existing FTE Positions added or deleted by the Ways & Means Committee	(14.25)	(218.75)	(4.77)	209.27
Schedule IV New FTE Positions Adjustments by the Ways & Means Committee	(130.60)	(94.60)	1.00	(37.00)
Schedule V New FTE Positions added by the B & C Board and the Joint Legislative Committee on Personal Service, Financing & Budgeting	29.25	11.25	15.00	3.00
Total Adjustment	(115.60)	(302.10)	11.23	175.27
The 1988-89 FTE Position Base as Appropriated by Ways & Means Com	68,919.03	40,383.93	7,997.92	20,537.18

Prepared
March 4, 1988

STATE BUDGET & CONTROL BOARD
MAR 22 1988 NO. 2

EXHIBIT

13794

SCHEDULE 1A

STATE BUDGET DIVISION
ANALYSIS OF NEW FTE POSITION ADJUSTMENTS
AS RECOMMENDED
BY THE BUDGET AND CONTROL BOARD AND
THE JOINT LEGISLATIVE COMMITTEE ON
PERSONAL SERVICE, FINANCING AND BUDGETING
FOR 1987-88

SEC NO	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
5B	GOVERNOR'S OFFICE-SLED	1.00	1.00		
5C	GOVERNOR'S OFFICE-OEPP	17.00	5.75	5.75	5.50
13	ADJUTANT GENERAL'S OFFICE	11.00	0.75	7.25	3.00
26	WINTHROP COLLEGE-SCCTR	1.00	1.00		
31	ETV COMMISSION	0.13	0.00	0.00	0.13
34	SCHOOL FOR DEAF & BLIND	8.32	0.00	0.00	8.32
40	HEALTH & HUMAN SVCS FINANCE COMM	4.00	0.00	0.00	4.00
46	JOHN DE LA HOWE SCHOOL	7.50	6.85	0.65	
62	FORESTRY COMMISSION	2.00	0.00	2.00	
92	AUCTIONEER'S COMMISSION	1.00	1.00		

Total New FTE Position
Added to the 1987-88 Base

52.95 16.35 15.65 20.95

13795

Prepared
January 22, 1988

SCHEDULE 1B

STATE BUDGET DIVISION
ANALYSIS OF EXISTING FTE POSITIONS ADDED OR DELETED BY
BY THE BUDGET AND CONTROL BOARD AND THE JOINT LEGISLATIVE COMMITTEE
ON PERSONAL SERVICE, FINANCING AND BUDGETING
TO THE 1987-88 AUTHORIZED BASE

SEC NO	AGENCY	TOTAL FTE	STATE FTE	FEDERAL FTE	OTHER FTE
3H	REORGANIZATION COMMISSION	1.00			1.00
5C	GOVERNOR'S OFFICE-OEPP	72.00	3.00	69.00	
5D	GOVERNOR'S OFFICE-MANSIONS & GROUNDS	1.00	1.00		
11	APPELLATE DEFENSE	(0.18)	(0.18)		
13	ADJUTANT GENERAL	0.00		(1.00)	1.00
16A	B&C BD-EXECUTIVE DIRECTOR	(87.00)	(72.93)		(14.07)
16B	B&C BD-INTERNAL OPERATIONS	56.00	40.93		15.07
16C	B&C BD-FINANCIAL DATA SYSTEMS	29.00	29.00		
16D	B&C BD-BUDGET DIVISION	0.00			
16E	B&C BD-RESEARCH & STATISTICS	(9.00)	(1.00)		(8.00)
16F	B&C BD-IRM	1.00			1.00
16G	B&C BD-GENERAL SERVICES	13.00	4.00		9.00
16H	B&C BD-STATE FIRE MARSHAL	(2.00)			(2.00)
16J	B&C BD-HUMAN RESOURCES MGMT	(2.00)	(1.00)		(1.00)
16K	B&C BD-LOCAL GOVERNMENT	1.00	1.00		
20	CLEMSON-E&G	(2.00)	(1.61)	(23.75)	23.36
21	COLLEGE OF CHARLESTON	(5.00)	(4.00)	(0.40)	(0.60)
22	FRANCIS MARION	(0.53)	(0.53)	(0.75)	0.75
24	S.C. STATE COLLEGE	(0.75)		(0.75)	
25	UNIVERSITY OF SOUTH CAROLINA	0.00		4.00	(4.00)
26	WINTHROP COLLEGE	(7.50)		(7.50)	
27	MEDICAL UNIVERSITY	0.00		(30.00)	30.00
29	STATE BD FOR TECH & COMP EDUCATION	(69.00)		(69.00)	
30	DEPT OF EDUCATION	(0.35)	(0.35)		
31	ETV COMMISSION	0.00	3.00		(3.00)
34	DEAF & BLIND SCHOOL	(5.12)	(4.21)		(0.91)
37	STATE LIBRARY	0.00	(1.00)	1.00	
40	HEALTH & HUMAN SERVICES	7.00	4.00		3.00

EXHIBIT

MAR 22 1988 NO. 2

STATE BUDGET & CONTROL BOARD

SCHEDULE IB

STATE BUDGET DIVISION
 ANALYSIS OF EXISTING FTE POSITIONS ADDED OR DELETED BY
 BY THE BUDGET AND CONTROL BOARD AND THE JOINT LEGISLATIVE COMMITTEE
 ON PERSONAL SERVICE, FINANCING AND BUDGETING
 TO THE 1987-88 AUTHORIZED BASE

SEC NO	AGENCY	TOTAL FTE	STATE FTE	FEDERAL FTE	OTHER FTE
41	HEALTH & ENVIRONMENTAL CONTROL	(5.00)	(1.00)	30.00	(34.00)
42	MENTAL HEALTH	(5.25)	(5.25)		
43	MENTAL RETARDATION	(3.00)	(3.00)		
45	DEPT OF SOCIAL SERVICES	1.00	1.00		
46	JOHN DE LA HOWE SCHOOL	(2.00)	(2.00)		
47	FOSTER CARE REVIEW BOARD	0.00	(1.10)	1.10	
55	CORRECTIONS	0.00		(5.45)	5.45
56	PAROLES & COMMUNITY CORR	0.00	(20.00)		20.00
63	AGRICULTURE	(4.00)			(4.00)
64	FAMILY FARM DEVELOPMENT AUTHORITY	(14.00)			(14.00)
66	MIGRATORY WATERFOWL	(0.50)	(0.50)		
67	WILDLIFE & MARINE RESOURCES	(1.00)	(1.00)		
69	SEA GRANT CONSORTIUM	0.00			
70	PARKS, RECREATION & TOURISM	(2.00)	(2.00)		
820	FINANCIAL INSTITUTIONS-CONSUMER FINANCE	(0.50)	(0.50)		
85	DEPARTMENT OF LABOR	0.00	(1.80)	1.80	
89	EMPLOYMENT SECURITY	(17.00)		(14.00)	(3.00)
	Total	(62.68)	(38.03)	(45.70)	21.05

Prepared
 January 22, 1988

13797

STATE BUDGET DIVISION
ANALYSIS OF ALL FTE POSITION CHANGES
BY WAYS AND MEANS
TO THE 1988-89 APPROPRIATION BILL

SEC NO	AGENCY	NEW FTE POSITIONS		EXISTING FTE POSITIONS		NET CHANGE	
		TOTAL FTE	STATE FTE	TOTAL FTE	STATE FTE	TOTAL FTE	STATE FTE
3F	LEG. DEPT-LEG AUDIT COUNCIL	2.00	2.00			2.00	2.00
3K	JT. LEG. COMMITTEES			1.50	1.50	1.50	1.50
5A	GOVERNORS OFF-EXECUTIVE CONTROL OF STATE			-1.00	-1.00	-1.00	-1.00
5B	GOVERNORS OFF-STATE LAW ENFORCEMENT DIVISION	-5.00	-5.00			-5.00	-5.00
5C	GOVERNORS OFF-OFF EXEC POLICY & PROGRAMS	4.00	3.00	1.00	1.00	5.00	4.00
7	SECRETARY OF STATE'S OFFICE	2.00	2.00			2.00	2.00
10	ATTORNEY GENERAL'S OFFICE	2.00	2.00			2.00	2.00
15	STATE ELECTION COMMISSION	1.00				1.00	
16B	B & C-DIV OF INTERNAL OPERATIONS			3.00	4.00	3.00	4.00
16D	B & C-BUDGET DIVISION	-4.00	-4.00	1.00	1.00	-3.00	-3.00
16E	B & C-RESEARCH AND STATISTICAL SERVICES DIV.				2.00		2.00
16F	B & C-INFORMATION RESOURCES MANAGEMENT	-1.00		1.00			
16G	B & C-GENERAL SERVICES DIVISION	-3.00	-3.00			-3.00	-3.00
16J	B & C-HUMAN RESOURCE MANAGEMENT			-4.00	-4.00	-4.00	-4.00
16K	B & C-LOCAL GOVERNMENT DIVISION	-.25	-.25	-1.00	-1.00	-1.25	-1.25
24	S C STATE COLLEGE	1.00	1.00			1.00	1.00
27A	MEDICAL UNIVERSITY OF S C				-275.00		-275.00
30	STATE EDUCATION DEPARTMENT	5.00			10.00	5.00	10.00
33	VOCATIONAL REHABILITATION	12.00				12.00	
34	SCHOOL FOR THE DEAF AND THE BLIND	3.00	3.00		-4.23	3.00	-1.23
41	DEPT OF HEALTH & ENVIRONMENTAL CONTROL				48.88		48.88

EXHIBIT

MAR 22 1988

NO. 2

STATE BUDGET & CONTROL BOARD

STATE BUDGET DIVISION
ANALYSIS OF ALL FTE POSITION CHANGES
BY WAYS AND MEANS
TO THE 1988-89 APPROPRIATION BILL

SEC NO.	AGENCY	NEW FTE POSITIONS		EXISTING FTE POSITIONS		NET CHANGE	
		TOTAL FTE	STATE FTE	TOTAL FTE	STATE FTE	TOTAL FTE	STATE FTE
42	DEPARTMENT OF MENTAL HEALTH	-126.00	-76.00			-126.00	-76.00
43	DEPARTMENT OF MENTAL RETARDATION			1.00	1.00	1.00	1.00
44	S. C. COMMISSION ON ALCOHOL & DRUG ABUSE	8.00	4.00	-1.00	-1.00	7.00	3.00
45	DEPARTMENT OF SOCIAL SERVICES			1.00	1.00	1.00	1.00
46	JOHN DE LA HOWE SCHOOL	14.00	14.00			14.00	14.00
47	ADV. BD. FOR REV OF FOSTER CARE OF CHILDREN	-1.00	-1.00			-1.00	-1.00
50	COMMISSION ON AGING		2.00				2.00
52	S. C. COMMISSION ON HUMAN AFFAIRS	3.00	3.00			3.00	3.00
55	DEPARTMENT OF CORRECTIONS		-11.00				-11.00
57	DEPARTMENT OF YOUTH SERVICES	-31.00	-31.00			-31.00	-31.00
63	DEPARTMENT OF AGRICULTURE			-8.75	-2.00	-8.75	-2.00
65	CLEMSON UNIVERSITY-PUBLIC SERVICE ACTIVITIES	3.00	3.00			3.00	3.00
67	WILDLIFE & MARINE RESOURCES DEPARTMENT	4.00	3.00			4.00	3.00
69	SEA GRANT CONSORTIUM			-1.00		-1.00	
71	STATE DEVELOPMENT BOARD	3.00	3.00			3.00	3.00
81	DEPARTMENT OF INSURANCE	2.00	2.00			2.00	2.00
85	DEPARTMENT OF LABOR				-.90		-.90
88	STATE ETHICS COMMISSION	1.00	1.00			1.00	1.00
89	EMPLOYMENT SECURITY COMMISSION			-7.00		-7.00	
100	BOARD OF ENGINEERS AND LAND SURVEYORS	.50	.50			.50	.50
101	BD. OF CERT. OF ENVIR. SYSTEMS OPRS.	-1.00	-1.00			-1.00	-1.00
113	BOARD OF EXAMINERS IN PSYCHOLOGY	.40	.40			.40	.40
TOTAL		-101.35	-83.35	-14.25	-218.75	-115.60	-302.10

13799

SCHEDULE II

STATE BUDGET DIVISION
CUMULATIVE ANALYSIS OF ALL NEW FTE POSITIONS
REFLECTED IN THE 1988-89 APPROPRIATION BILL
BY COMMITTEE

SEC NO	AGENCY	B & C BOARD RECOMMENDATION		WAYS & MEANS COMMITTEE		CUMULATIVE TOTAL	
		TOTAL FTE'S	STATE FTE'S	TOTAL FTE'S	STATE FTE'S	TOTAL FTE'S	STATE FTE'S
3F	LEG DEPT-LEG AUDIT COUNCIL			2.00	2.00	2.00	2.00
3K	JT LEG COMMITTEES	1.00	1.00			1.00	1.00
5B	GOVERNOR'S OFFICE-SLED	24.00	24.00	(5.00)	(5.00)	19.00	19.00
5C	GOVERNOR'S OFFICE-OEPP	17.00	5.75	4.00	3.00	21.00	8.75
7	SECRETARY OF STATE'S OFFICE			2.00	2.00	2.00	2.00
9	STATE TREASURER'S OFFICE	2.00	2.00			2.00	2.00
10	ATTORNEY GENERAL'S OFFICE			2.00	2.00	2.00	2.00
13	ADJUTANT GENERAL'S OFFICE	11.00	0.75			11.00	0.75
15	ELECTION COMMISSION			1.00		1.00	0.00
16B	B&CB-INTERNAL OPERATIONS	1.00				1.00	0.00
16D	B&CB-BUDGET DIVISION	7.00	7.00	(4.00)	(4.00)	3.00	3.00
16E	B&CB-RESEARCH & STATISTICS	2.00				2.00	0.00
16F	B&CB-INFORMATION RES MGMT	11.00		(1.00)		10.00	0.00
16G	B&CB-GENERAL SERVICES	11.00	7.00	(3.00)	(3.00)	8.00	4.00
16I	B&CB-MOTOR VEHICLE MGMT	2.00				2.00	0.00
16J	B&CB-HUMAN RES MGMT	2.00				2.00	0.00
16K	B&CB-LOCAL GOVERNMENT	4.00	4.00	(0.25)	(0.25)	3.75	3.75
16M	B&CB-RETIREMENT DIVISION	3.00				3.00	0.00
20	CLEMSON UNIVERSITY	66.00				66.00	0.00
22	FRANCIS MARION COLLEGE	1.63				1.63	0.00
24	S.C. STATE COLLEGE			1.00	1.00	1.00	1.00
26	WINTHROP COLLEGE	1.00	1.00			1.00	1.00
30	EDUCATION	2.00		5.00		7.00	0.00
31	EDUCATIONAL TELEVISION	0.13				0.13	0.00
33	VOCATIONAL REHABILITATION			12.00		12.00	0.00

EXHIBIT

MAR 22 1988 NO. 2

STATE BUDGET & CONTROL BOARD

SCHEDULE II

STATE BUDGET DIVISION
CUMULATIVE ANALYSIS OF ALL NEW FTE POSITIONS
REFLECTED IN THE 1988-89 APPROPRIATION BILL
BY COMMITTEE

SEC NO	AGENCY	B & C BOARD RECOMMENDATION		WAYS & MEANS COMMITTEE		CUMULATIVE TOTAL	
		TOTAL FTE'S	STATE FTE'S	TOTAL FTE'S	STATE FTE'S	TOTAL FTE'S	STATE FTE'S
34	DEAF & BLIND SCHOOL	12.32	4.00	3.00	3.00	15.32	7.00
37	STATE LIBRARY	1.00	1.00			1.00	1.00
39	STATE MUSEUM	20.00	20.00			20.00	20.00
40	HEALTH & HUMAN SVCS FIN COM	4.00				4.00	0.00
42	MENTAL HEALTH	171.00	121.00	(126.00)	(76.00)	45.00	45.00
44	ALCOHOL & DRUG ABUSE COMM			8.00	4.00	8.00	4.00
45	SOCIAL SERVICES	76.00	16.94			76.00	16.94
46	JOHN DE LA HOWE SCHOOL	9.84	8.85	14.00	14.00	23.84	22.85
47	FOSTER CARE REVIEW BD	1.00	1.00	(1.00)	(1.00)	0.00	0.00
50	COMMISSION ON AGING	4.00		0.00	2.00	4.00	2.00
52	HUMAN AFFAIRS COMMISSION			3.00	3.00	3.00	3.00
55	CORRECTIONS	719.00	707.00		(11.00)	719.00	696.00
56	PAROLE & COMMUNITY CORRECTI	15.00	7.00			15.00	7.00
57	YOUTH SERVICES	76.00	76.00	(31.00)	(31.00)	45.00	45.00
58	LAW ENFORCEMENT TRAINING CO	12.00				12.00	0.00
60	WATER RESOURCES	5.00	5.00			5.00	5.00
61	LAND RESOURCES	1.00	1.00			1.00	1.00
62	FORESTRY	4.00	2.00			4.00	2.00
63	AGRICULTURE	2.00	2.00			2.00	2.00
65	CLEMSON-PSA			3.00	3.00	3.00	3.00
67	WILDLIFE & MARINE RESOURCES	4.00		4.00	3.00	8.00	3.00
70	PARKS, RECREATION & TOURISM	34.00	27.00			34.00	27.00
71	DEVELOPMENT BOARD	4.00	4.00	3.00	3.00	7.00	7.00

13801

SCHEDULE II

STATE BUDGET DIVISION
CUMULATIVE ANALYSIS OF ALL NEW FTE POSITIONS
REFLECTED IN THE 1988-89 APPROPRIATION BILL
BY COMMITTEE

SEC NO	AGENCY	B & C BOARD RECOMMENDATION		WAYS & MEANS COMMITTEE		CUMULATIVE TOTAL	
		TOTAL FTE'S	STATE FTE'S	TOTAL FTE'S	STATE FTE'S	TOTAL FTE'S	STATE FTE'S
72	JEDA	2.00	2.00			2.00	2.00
79	STATE WORKERS' COMP FUND	4.00				4.00	0.00
81	DEPARTMENT OF INSURANCE			2.00	2.00	2.00	2.00
83	CONSUMER AFFAIRS	1.00	1.00			1.00	1.00
86	TAX COMMISSION	22.00	22.00			22.00	22.00
88	STATE ETHICS COMMISSION			1.00	1.00	1.00	1.00
90	BOARD OF ACCOUNTANCY	1.00	1.00			1.00	1.00
92	AUCTIONEERS' COMMISSION	1.00	1.00			1.00	1.00
100	BD OF ENGINEERS & LAND SURV	0.50	0.50	0.50	0.50	1.00	1.00
101	BD OF CERT OF ENVIR SYSTEMS	1.00	1.00	(1.00)	(1.00)	0.00	0.00
113	BD OF EXAMINERS IN PSYCHOLO	0.30	0.30	0.40	0.40	0.70	0.70
115	RESIDENTIAL HOME BUILDERS C	2.00	2.00			2.00	2.00
126	HIGHWAYS & PUBLIC TRANSPORT	368.50				368.50	0.00
Total		1,747.22	1,087.09	(101.35)	(83.35)	1,645.87	1,003.74

NOTE: This is a summary report of all new positions including those new positions added during the interim by the B & C Board and the Joint Legislative Committee on Personal Service, Financing and Budgeting and have been included in the Appropriation Bill for Legislative approval.

Prepared
March 4, 1988

13802

EXHIBIT

MAR 22 1988 NO. 2

STATE BUDGET DIVISION'S
EXPLANATION AND JUSTIFICATION STATE BUDGET & CONTROL BOARD
FOR ALL NEW FTE POSITIONS
AS CONTAINED IN THE
WAYS AND MEANS COMMITTEE
1988-89 APPROPRIATION BILL

SECTION 3F - LEGISLATIVE AUDIT COUNCIL (A20)

Two (2.00) State funded FTE positions are needed to strengthen the ability of the agency to comply with legislative mandates for special audits and reports. (WMC)

CUMULATIVE: TOTAL 2.00 STATE 2.00

SECTION 3K23 - JOINT LEG. TAX STUDY COMMITTEE (A30)

One (1.00) State funded FTE position, as recommended by the Operations and Management Committee, is requested to assist with research and administrative duties involved with tax reform. (B&CB)

CUMULATIVE: TOTAL 1.00 STATE 1.00

SECTION 5B - GOVERNOR'S OFFICE-SLED (D10)

Twenty-four (24.00) State funded FTE Positions - Seventeen (17.00) positions are requested to provide additional laboratory personnel due to the scheduled opening of a new forensic services laboratory in January, 1990. Positions are requested due to extensive training requirements to perform lab analyses. Six (6.00) FTE positions are needed to implement the implied consent program, conducting blood/urinalysis tests. One (1.00) position is requested in the Regulatory Division because of an increase in the workload of collecting funds and issuing regulatory permits. (B&CB)

Seven (7.00) State funded positions for additional laboratory personnel for the new forensic services laboratory were deleted. Two (2.00) additional State funded positions are required to supervise and process the increased workload in the accounting office due to the implementation of the Implied Consent Program. (WMC)

CUMULATIVE: TOTAL 19.00 STATE 19.00

SECTION 5C - GOVERNOR'S OFFICE-OEPP (D17)

Five and seventy-five hundredths (5.75) State funded FTE positions are requested to implement program realignments in the Governor's Office. Five and seventy-five hundredths (5.75) Federally funded and five and one-half (5.50) Other funded FTE positions are requested to administer federally funded programs in the Office of Executive Policy and Programs. (B&CB)

13803

Three (3.00) State funded FTE positions are added to provide staff for School for Math and Science. One (1.00) Federally funded FTE position is needed to staff Traffic Safety Program in Governor's Office. (WMC)

CUMULATIVE: TOTAL 21.00 STATE 8.75 FEDERAL 6.75 OTHER 5.50

SECTION 7 - SECRETARY OF STATE (E08)

Two (2.00) State funded FTE positions are required to provide staff to handle constantly increasing workload in program area responsible for keeping state records. (WMC)

CUMULATIVE: TOTAL 2.00 STATE 2.00

SECTION 9 - STATE TREASURER'S OFFICE (E16)

Two (2.00) State funded FTE positions, one Computer Programmer and one Programmer Analyst III, are requested to implement Cash Management System. (B&CB)

CUMULATIVE: TOTAL 2.00 STATE 2.00

SECTION 10 - ATTORNEY GENERAL'S OFFICE (E20)

Two (2.00) State funded FTE's are requested to represent the State's interest in Asbestos Abatement Litigation. (WMC)

CUMULATIVE: TOTAL 2.00 STATE 2.00

SECTION 13 - ADJUTANT GENERAL'S OFFICE (E24)

Seventy-five hundredths (0.75) State funded, seven and twenty-five hundredths (7.25) Federally funded, and three (3.00) Other funded FTE positions are requested to strengthen staff at training sites, the Army Contract Support Program, and McEntire Air National Guard Base. Five (5.00) FTE positions in Training Sites have changed from Federal funding to Other funding. (B&CB)

CUMULATIVE: TOTAL 11.00 STATE 0.75 FEDERAL 2.25 OTHER 8.00

SECTION 15 - ELECTION COMMISSION (E28)

One (1.00) Other funded FTE position is needed to provide accounting support for rapidly increasing voter registration lists and preparation for General Election in November, 1988. (WMC)

CUMULATIVE: TOTAL 1.00 STATE 0.00 FEDERAL 0.00 OTHER 1.00

EXHIBIT

MAR 22 1988

NO. 2

STATE BUDGET & CONTROL BOARD

SECTION 16B - BUDGET & CONTROL BOARD-INTERNAL OPERATIONS (F04)

One (1.00) Other funded FTE position is needed to provide a senior accountant to give support for management and supervision to the Budget and Control Board accounting activities associated with the permanent improvement projects, payroll accounting, and cashier responsibilities. (B&CB)

CUMULATIVE: TOTAL	1.00	STATE	0.00	FEDERAL	0.00	OTHER	1.00
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SECTION 16D - BUDGET & CONTROL BOARD-BUDGET DIVISION (F06)

Seven (7.00) State funded positions are needed to provide additional budget analysts (4.00), ~~administrative assistant (1.00)~~, programming analyst (1.00), and ~~administrative analyst (1.00)~~ for implementation of the functional area team concept to allow for better and more timely analysis of the state budget and budgeting process. (B&CB)

Reduction of four (4.00) State funded FTE positions, two (2.00) budget analysts and two (2.00) administrative positions. (WMC)

CUMULATIVE: TOTAL	3.00	STATE	3.00
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SECTION 16E - BUDGET & CONTROL BOARD-RESEARCH & STATISTICS (F08)

Two (2.00) Other funded FTE positions (Data Control Clerk and an Administrative Specialist) are requested to be transferred from contractual employees to full-time, permanent positions. (B&CB)

CUMULATIVE: TOTAL	2.00	STATE	0.00	FEDERAL	0.00	OTHER	2.00
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SECTION 16F - BUDGET & CONTROL BOARD-INFORMATION RESOURCES MANAGEMENT (F10)

Eleven (11.00) Other funded FTE positions will provide one (1.00) additional Accounting Technician for processing the increased number of financial transactions, data processing positions (8.00) to provide support for user operations, and two (2.00) positions for print shop operations. (B&CB)

Reduction of three (3.00) Other funded FTE positions in data processing operations and increase of two (2.00) Other funded FTE positions in telecommunications services. (WMC)

CUMULATIVE: TOTAL	10.00	STATE	0.00	FEDERAL	0.00	OTHER	10.00
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SECTION 16G - BUDGET & CONTROL BOARD-GENERAL SERVICES (F12)

Seven (7.00) State funded FTE positions and four (4.00) Other funded FTE positions are requested. Five (5.00) of the State funded positions are to provide additional architectural, engineering, and administrative support for the State Engineer's Office. The two ~~(2.00)~~ remaining State funded positions are to

provide needed administrative and technical writing requirements for additional and complex contracts. The four (4.00) Other funded positions will provide field agents and administrative support for tort liability, school bus claims, and the passage of the S.C. Tort Claims Act. (B&CB)

Reduction of one (1.00) State funded FTE position in the State Engineer's Office and two (2.00) State funded FTE positions in the Materials Management Office. (WMC)

CUMULATIVE:	TOTAL	8.00	STATE	4.00	FEDERAL	0.00	OTHER	4.00
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SECTION 16I - BUDGET & CONTROL BOARD-MOTOR VEHICLE MANAGEMENT (F16)

Two (2.00) Other funded FTE positions are requested. Positions include an Administrative Specialist for reconciling and processing invoices for gasoline, repairs, and service to vehicles and an Automotive Maintenance Technician for servicing vehicles. The Division presently has five Technicians for approximately 1,000 vehicles. (B&CB)

CUMULATIVE:	TOTAL	2.00	STATE	0.00	FEDERAL	0.00	OTHER	2.00
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SECTION 16J - BUDGET & CONTROL BOARD-HUMAN RESOURCE MANAGEMENT (F24)

Two (2.00) Other funded FTE positions are requested to help develop improvement strategies for state agencies. The positions will provide efficient allocation of resources to increase productivity. (B&CB)

CUMULATIVE:	TOTAL	2.00	STATE	0.00	FEDERAL	0.00	OTHER	2.00
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SECTION 16K - BUDGET & CONTROL BOARD-LOCAL GOVERNMENT (F26)

Four (4.00) State funded positions are needed to provide staff to administer the EPA funds that will be received by the state and distributed to local entities for development of rural water and sewer capacity. (B&CB)

Reduction of one-fourth (0.25) of an administrative assistant State funded FTE position in the administration of the Local Government Division. (WMC)

CUMULATIVE:	TOTAL	3.75	STATE	3.75
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SECTION 16M - BUDGET & CONTROL BOARD-RETIREMENT DIVISION (F29)

Three (3.00) Other funded FTE positions, including an accounting technician, postal clerk, and coverage processing assistant supervisor, will provide support for quality control for the Health, Dental, and Life Insurance Program and reduce

the backlog in the Retirement Benefits Program. Workload has increased due to the legislative changes in Federal Income Tax reporting requirements and more frequent maintenance of existing programs. (B&CB)

CUMULATIVE: TOTAL 3.00 STATE 0.00 FEDERAL 0.00 OTHER 3.00

SECTION 20 - CLEMSON UNIVERSITY (H12)

Sixty-six (66.00) FTE positions, thirty-three (33.00) Federally funded and thirty-three (33.00) Other funded, are necessary to support the research functions at the University. Positions include Technicians (20.00); Administrative Assistant I's (4.00); Administrative Specialist A's (3.00); Research Associates (20.00); and Associate Professors (19.00). (B&CB)

CUMULATIVE: TOTAL 66.00 STATE 0.00 FEDERAL 33.00 OTHER 33.00

SECTION 22 - FRANCIS MARION COLLEGE (H18)

One and sixty-three hundredths (1.63) Other funded positions are requested to support auxiliary services. Positions include a part-time Supply Specialist II (0.63) and an Administrative Assistant I (1.00). (B&CB)

CUMULATIVE: TOTAL 1.63 STATE 0.00 FEDERAL 0.00 OTHER 1.63

SECTION 24 - SOUTH CAROLINA STATE COLLEGE (H24)

One (1.00) State funded FTE position is added to continue and strengthen the recruitment program for faculty and students of the minority status at the College. (WMC)

CUMULATIVE: TOTAL 1.00 STATE 1.00

SECTION 26 - WINTHROP COLLEGE (H47)

One (1.00) State funded FTE position, a secretarial position, was added by the Budget and Control Board and Joint Committee on Personal Services, Financing and Budgeting. (B&CB)

CUMULATIVE: TOTAL 1.00 STATE 1.00

SECTION 30 - DEPARTMENT OF EDUCATION (H63)

Two (2.00) Other funded FTE positions - One (1.00) Data Coordinator is needed to provide technical assistance to local school districts for the reduction of paperwork project, and one (1.00) Data Management/Research Analyst I is needed for maintenance of science exam and exit exam data files. (B&CB)

Five (5.00) Other funded FTE positions (data coordinators) are added to provide technical assistance in use of computers to local school districts; EIA reduction of paperwork project. (WMC)

CUMULATIVE:	TOTAL	7.00	STATE	0.00	FEDERAL	0.00	OTHER	7.00
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SECTION 31 - EDUCATIONAL TELEVISION COMMISSION (H67)

Thirteen hundredths (0.13) Other funded FTE position - Two part-time positions were combined, and 0.13 is needed to create 1.0 FTE position (Associate Producer/Director for the Beaufort station). (B&CB)

CUMULATIVE:	TOTAL	0.13	STATE	0.00	FEDERAL	0.00	OTHER	0.13
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SECTION 33 - VOCATIONAL REHABILITATION (H73)

Twelve (12.00) Federally funded FTE's are required for the federally-mandated Employment Program. (WMC)

CUMULATIVE:	TOTAL	12.00	STATE	0.00	FEDERAL	12.00	OTHER	0.00
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SECTION 34 - SCHOOL FOR THE DEAF & BLIND (H75)

Twelve and thirty-two hundredths (12.32) FTE positions - Four (4.00) State funded positions are needed to provide Educational Support Services. Positions include Teachers (2.00), Teacher's Aide (1.00), and Dorm Counselor (1.00). Eight and thirty-two hundredths (8.32) Other funded positions are to assist the School in providing services in the Multihandicapped Program. These positions include Occupational Therapist II (0.50), Occupational Therapist Assistant (0.8076), Physical Therapist Assistant (0.8076), Special Education Teacher (1.00), Activity Therapist II (1.00), Guidance Counselor (1.00), Associate Teacher (1.00), Youth Counselor III's (2.00), Administrative Specialist A (0.20). (B&CB)

Provides three (3.00) State funded FTE positions to fully implement the School's Vocational Food Service Program and a coordinator for the Deaf School's "Project Insight" Program. (WMC)

CUMULATIVE:	TOTAL	15.32	STATE	7.00	FEDERAL	0.00	OTHER	8.32
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SECTION 37 - STATE LIBRARY (H87)

One (1.00) State funded FTE position (Volunteer Service Coordinator) is requested to develop a volunteer program to improve the delivery of library services to the 8,000 registered blind and handicapped readers served by the State Library. (B&CB)

CUMULATIVE:	TOTAL	1.00	STATE	1.00
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13808

SECTION 39 - STATE MUSEUM (H95)

Twenty (20.00) State funded FTE positions are necessary for the Museum to open and operate at acceptable levels. Positions include Computer Assistant (1.00), Purchasing Coordinator (1.00), Editorial Assistant (1.00), Education Study Specialist (1.00), Education Program Specialist (1.00), Senior Designer (1.00), Graphic Designer (1.00), Gallery Guards (7.00), Postal/Supply Clerk (1.00), Assistant Store Manager (1.00), and Custodial Workers (4.00). (B&CB)

CUMULATIVE: TOTAL 20.00 STATE 20.00

SECTION 40 - HEALTH & HUMAN SERVICES FINANCE COMMISSION (J02)

Four (4.00) Other funded FTE Positions are needed to fulfill the legal requirement of S.C. Code 44-6-150 (Medically Indigent Assistance Fund) to perform internal audit of the fund at the expense of the fund as required by the Code. Two (2.00) Staff Auditors, one (1.00) Auditor II, and one (1.00) Administrative Specialist B have been determined to be needed to effect the Audit Plan as approved by the State Auditor's Office. (B&CB)

CUMULATIVE: TOTAL 4.00 STATE 0.00 FEDERAL 0.00 OTHER 4.00

SECTION 42 - DEPARTMENT OF MENTAL HEALTH (J12)

One hundred nine (109.00) State funded ~~and fifty (50.00) Other funded~~ FTE's are requested to provide additional staffing at State Hospital and the community mental health centers in accordance with the Justice Department Suit settlement which will complete the third year of a four-year plan. Twelve (12.00) State funded FTE's are needed to provide staffing for the Young Adult Program for Alcohol and Drug Addiction at Morris Village. (B&CB)

Reduction of seventy-six (76.00) State funded FTE positions and fifty (50.00) Other funded FTE positions related to reduction in funding for third year of Justice Department suit settlement. (WMC)

CUMULATIVE: TOTAL 45.00 STATE 45.00 FEDERAL 0.00 OTHER 0.00

SECTION 44 - COMMISSION ON ALCOHOL & DRUG ABUSE (J20)

Four (4.00) State funded FTE positions and four (4.00) Other funded FTE positions are needed to administer a program of alcohol and drug abuse services for Medicaid clients. Positions include Grants Coordinator (1.00), Planner III (2.00), Data Coordinator I (1.00), Planner IV (2.00), Administrative Assistant (1.00), and Coordinator of Community Services (1.00). (WMC)

CUMULATIVE: TOTAL 8.00 STATE 4.00 FEDERAL 0.00 OTHER 4.00

EXHIBIT

MAR 22 1988

NO. 2

SECTION 45 - DEPARTMENT OF SOCIAL SERVICES (L04)

STATE BUDGET & CONTROL BOARD

Seventy-six (76.00) FTE positions - Eleven and one-half (11.50) State funded and seven and one-half (7.50) Federally funded FTE positions are needed in the Work Support Program to provide three additional sites for Teen Companion and work support. Twenty (20.00) Federally funded and twenty (20.00) Other funded FTE positions are requested for Hospital Eligibility Workers to permit the agency to enter into contracts with hospitals for the purpose of out-stationing eligibility workers in order to make health services more accessible to needy citizens. Five and forty-four hundredths (5.44) State funded and eleven and fifty-six hundredths (11.56) Federally funded FTE positions are needed in the Child Support Program to assist the agency in meeting mandated services to all children in need of securing child support from parents who have the legal and moral responsibility to support the children. (B&CB)

CUMULATIVE: TOTAL 76.00 STATE 16.94 FEDERAL 39.06 OTHER 20.00

SECTION 46 - JOHN DE LA HOWE SCHOOL (L12)

Eight and one-half (8.50) State funded FTE positions (Special Education Teachers and Clinical Counselor II's) are requested to assist the School in expanding its outdoor Therapeutic Camping Program-Wilderness Camp. Thirty-five hundredths (0.35) State funded, sixty-nine hundredths (0.69) Federally funded, and three tenths (0.30) Other funded FTE's are needed for Clinical Counselor II positions in the Education Program. (B&CB)

Provides fourteen (14.00) State funded FTE positions of which three (3.00) are vocational teachers and seven (7.00) are classroom teachers in the Education Program and four (4.00) are clinical counselor positions in the Wilderness Camp program. (WMC)

CUMULATIVE: TOTAL 23.84 STATE 22.85 FEDERAL 0.69 OTHER 0.30

SECTION 47 - ADVISORY BOARD FOR REVIEW OF FOSTER CARE OF CHILDREN (L16)

One (1.00) State funded FTE position (Review Board Coordinator) is needed to assist the Board in alleviating the excessive review caseloads of its current Boards and help insure that each child receives a high quality review. (B&CB)

Deletes Budget and Control Board recommended FTE to support the creation and management of five additional state supported review boards. (WMC)

CUMULATIVE: TOTAL 0.00 STATE 0.00

SECTION 50 - COMMISSION ON AGING (L28)

Four (4.00) Other funded FTE positions are needed to assist the Commission in implementing an Activities of Daily Living and Instrumental Activities of Daily Living Program for senior citizens to allow them to live independently. (B&CB)

Provides two (2.00) State funded FTE positions to help implement a program for in-home services for the functionally disabled and two (2.00) Federally funded FTE positions to implement the Alzheimer's project. Deletes four (4.00) Other funded FTE positions which were to support the ADL and IADL Programs. (WMC)

CUMULATIVE: TOTAL 4.00 STATE 2.00 FEDERAL 2.00 OTHER 0.00

SECTION 52 - HUMAN AFFAIRS COMMISSION (L36)

Provides three (3.00) State funded FTE positions to assist the agency in reducing its back caseload of cases and keeping the caseload current. (WMC)

CUMULATIVE: TOTAL 3.00 STATE 3.00

SECTION 55 - DEPARTMENT OF CORRECTIONS (N04)

Seven hundred nineteen (719.00) FTE positions - Six hundred eighty-seven (687.00) State funded and twelve (12.00) Other funded positions are security and non-security personnel required to staff the Allendale and Marlboro correctional institutions scheduled for opening in the spring of 1989. Twenty (20.00) State funded FTE's are needed to provide additional security personnel to expand prison industries to include the refurbishing of school busses by inmate labor. (B&CB)

Eleven (11.00) State funded positions for prison industries were changed to Other funds. State funds are to provide only for security personnel in prison industries. These eleven positions represent the industrial supervision of the inmates in prison industries, which is supported by prison industry revenue. (WMC)

CUMULATIVE: TOTAL 719.00 STATE 696.00 FEDERAL 0.00 OTHER 23.00

SECTION 56 - PAROLE & COMMUNITY CORRECTIONS (N08)

Fifteen (15.00) FTE positions represent additional probation/parole agents to supervise the anticipated increase in offenders. Seven (7.00) positions are State funded, and the remaining eight (8.00) will be supported by fees collected from offenders under the intensive supervision program. (B&CB)

CUMULATIVE: TOTAL 15.00 STATE 7.00 FEDERAL 0.00 OTHER 8.00

SECTION 57 - DEPARTMENT OF YOUTH SERVICES (N12)

Seventy-six (76.00) State funded FTE positions are requested for: additional security positions (71.00) to provide double coverage in residential cottages and on perimeter security patrol, ~~additional social workers (4.00) in the Birchwood dormitories, and an additional psychologist (1.00) at the Reception and Evaluation Center.~~ (B&CB)

The reduction of thirty-one (31.00) State funded positions are: four (4.00) social workers in the Birchwood dormitories, one (1.00) additional psychologist at the Reception and Evaluation Center, and twenty-six (26.00) security positions which would have provided double coverage of the residential cottages on the day shift. (WMC)

CUMULATIVE: TOTAL 45.00 STATE 45.00

SECTION 58 - LAW ENFORCEMENT TRAINING COUNCIL (N20)

Twelve (12.00) Other Funded FTE positions are needed to provide additional instructors and maintenance personnel due to the growth and expansion of the academy. (B&CB)

CUMULATIVE: TOTAL 12.00 STATE 0.00 FEDERAL 0.00 OTHER 12.00

SECTION 60 - WATER RESOURCES (P04)

Five (5.00) State funded FTE positions are needed to staff and operate two regional offices in Charleston and Greenwood. Positions include: Hydrologist III (1.00), Hydrologist I's (2.00), Geologist I (1.00), and Planner II (1.00). (B&CB)

CUMULATIVE: TOTAL 5.00 STATE 5.00

SECTION 61 - LAND RESOURCES CONSERVATION COMMISSION (P08)

One (1.00) State funded FTE position is necessary to carry out the provisions of the S.C. Mining Act. (B&CB)

CUMULATIVE: TOTAL 1.00 STATE 1.00

SECTION 62 - FORESTRY COMMISSION (P12)

Four (4.00) FTE positions - Two (2.00) are State funded and include one (1.00) Marketing Specialist to recruit value-added timber manufacturing businesses to the state and one (1.00) Senior Accountant in compliance with a Legislative Audit Council report recommendation. The two (2.00) Federally funded FTE's provide forestry assistance to farmers under the Conservation Reserve Program. (B&CB)

CUMULATIVE: TOTAL 4.00 STATE 2.00 FEDERAL 2.00

SECTION 63 - DEPARTMENT OF AGRICULTURE (P16)

Two (2.00) State funded FTE positions are needed to recruit agricultural-based industries into South Carolina, promote international export of farm commodities, and support development of non-traditional agricultural enterprises. (B&CB)

CUMULATIVE: TOTAL 2.00 STATE 2.00

SECTION 65 - CLEMSON-PSA (P20)

Three (3.00) State funded FTE's are needed including: one (1.00) Research Associate dedicated to the Free Enterprise Program at the John de la Howe School, one (1.00) Pool Manager for the recently donated swimming pool at Camp Hope, and one (1.00) Horticultural Inspector. (WMC)

CUMULATIVE: TOTAL 3.00 STATE 3.00

SECTION 67 - WILDLIFE & MARINE RESOURCES DEPARTMENT (P24)

Four (4.00) FTE positions - Three and one-quarter (3.25) are Federally funded, and three-quarters (0.75) is Other funded. Positions include two (2.00) Wildlife Conservation Officers in the Hunter Education Program; one (1.00) Wildlife Technician to implement the damage mitigation plan in the Russell Dam Management area; and one (1.00) Wildlife Technician to support fisheries research biologists in the Congaree-Wateree management area. These positions are needed to support federal grants which have been or will be awarded. (B&CB)

Four (4.00) FTE's are added including one (1.00) existing Federally funded Education Specialist II transferred from Sea Grants Consortium and three (3.00) State funded support personnel (Programmer Analyst I, Audits Supervisor, Civil Engineer III). (WMC)

CUMULATIVE: TOTAL 8.00 STATE 3.00 FEDERAL 4.25 OTHER 0.75

SECTION 70 - PARKS, RECREATION & TOURISM (P28)

Twenty-seven (27.00) State funded FTE positions and seven (7.00) Other funded FTE positions are needed for development/expansion and operation of nine state parks and historic sites, including four new parks. Other funded positions include Park Technicians (3.00), Custodial Worker II's (3.00), and Custodial Supervisor (1.00). State funded positions include Park Superintendents (4.00), Park Rangers (4.00), Park Technicians (9.00), Clerks (2.00), Groundskeeper Supervisors (2.00), Naturalists (2.00), Public Information Specialist (1.00), Law Enforcement Officers (2.00), and Draftsman (1.00). (B&CB)

CUMULATIVE: TOTAL 34.00 STATE 27.00 FEDERAL 0.00 OTHER 7.00

SECTION 71 - STATE DEVELOPMENT BOARD (P32)

Four (4.00) State funded FTE positions - Three (3.00) FTE's are needed to staff the reorganized Film Office; positions include Economic Development Manager III (1.00) and Economic Development Manager I (2.00). Also one (1.00) FTE, Economic Development Manager II, is needed in the Business Development and Assistance Program to provide central sources for people to obtain information/assistance about requirements for new business formations/expansions in South Carolina. (B&CB)

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STATE BUDGET & CONTROL BOARD

Three (3.00) State funded FTE's are added, including a Computer Programmer III and Business Finance Analyst for the Research and Information Program and an Accountant III under Finance and Administration. (WMC)

CUMULATIVE: TOTAL 7.00 STATE 7.00

SECTION 72 - JOBS-ECONOMIC DEVELOPMENT AUTHORITY (P34)

Two (2.00) State funded FTE positions (Industrial Finance Specialists) are needed to strengthen the agency's loan management and loan monitoring capability. (B&CB)

CUMULATIVE: TOTAL 2.00 STATE 2.00

SECTION 79 - STATE WORKERS' COMPENSATION FUND (R12)

Four (4.00) Other funded FTE positions - These clerical positions are needed to meet the increased workload of the agency. (B&CB)

CUMULATIVE: TOTAL 4.00 STATE 0.00 FEDERAL 0.00 OTHER 4.00

SECTION 81 - DEPARTMENT OF INSURANCE (R20)

Two (2.00) State funded FTE positions (Insurance Analyst III) are added to assist the Market Conduct Division investigate the increased number of complaints filed by consumers. (WMC)

CUMULATIVE: TOTAL 2.00 STATE 2.00

SECTION 83 - CONSUMER AFFAIRS (R28)

One (1.00) State funded FTE position (paralegal) is needed to maintain the mandates of the Legal Division. (B&CB)

CUMULATIVE: TOTAL 1.00 STATE 1.00

SECTION 86 - STATE TAX COMMISSION (R44)

Six (6.00) State FTE positions are needed in the Information Resources Management Program, and sixteen (16.00) State funded FTE positions are needed in the Field Services Program to enhance revenue collections and audits of taxpayers. (B&CB)

CUMULATIVE: TOTAL 22.00 STATE 22.00

SECTION 88 - ETHICS COMMISSION (R52)

One (1.00) State funded FTE position is needed to provide investigatory and inspection staff to support mandate on candidates' ethical complaints. (WMC)

CUMULATIVE: TOTAL 1.00 STATE 1.00

SECTION 90 - BOARD OF ACCOUNTANCY (R64)

One (1.00) State funded FTE position - An Administrative Specialist C is needed to handle the increased workload of the agency. (B&CB)

CUMULATIVE: TOTAL 1.00 STATE 1.00

SECTION 92 - AUCTIONEER'S COMMISSION (R69)

One (1.00) State funded position (Administrative Specialist A) is requested to handle the increase in the clerical workload. (B&CB)

CUMULATIVE: TOTAL 1.00 STATE 1.00

SECTION 100 - BOARD OF ENGINEERS & LAND SURVEYORS (R92)

One-half (0.50) State funded FTE position is needed to give the agency a full-time position for an Examination Coordinator in order to handle the increase in the workload due to additional investigative activities. (B&CB)

One-half (0.50) State funded FTE position is needed for a part-time legal secretary to assist the investigator in reviewing the increased number of complaints filed by consumers.

CUMULATIVE: TOTAL 1.00 STATE 1.00

SECTION 101 - BOARD OF CERTIFICATION OF ENVIRONMENTAL SYSTEMS (R94)

~~One (1.00) State funded position is requested to provide essential staff capability to meet the administrative requirements of current certification programs. (B&CB)~~

~~Deletes one (1.00) State funded FTE position needed to provide support to meet administrative requirements of certification programs.~~

CUMULATIVE: TOTAL 0.00 STATE 0.00

SECTION 113 - BOARD OF EXAMINERS IN PSYCHOLOGY (S32)

Three tenths (0.30) State funded position is requested to provide an additional part-time position which is needed to handle the increase in the number of applications. (B&CB)

EXHIBIT

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NO. 2

STATE BUDGET & CONTROL BOARD

Four-tenths (0.40) State funded FTE position is added to increase a part-time position to full-time which is needed to handle the increase in the number of applications. (WMC)

CUMULATIVE: TOTAL 0.70 STATE 0.70

SECTION 115 - RESIDENTIAL HOME BUILDERS (S40)

Two (2.00) State funded positions - Two additional Special Investigators are needed on a full-time basis to handle the increased workload in the Examination Division. (B&CB)

CUMULATIVE: TOTAL 2.00 STATE 2.00

SECTION 126 - DEPARTMENT OF HIGHWAYS & PUBLIC TRANSPORTATION (U12)

Three hundred sixty-eight and one-half (368.50) Other funded positions - Positions include administrative and computer positions (13.00) for the Administrative Division; engineers, appraisers, and planners (155.00) for the Engineering Division; maintenance workers (100.00) for the Highway Maintenance Division; administrative and clerical positions (20.50) for the Motor Vehicle Division; and troopers (80.00) for the Law Enforcement Division. (B&CB)

CUMULATIVE: TOTAL 368.50 STATE 0.00 FEDERAL 0.00 OTHER 368.50

CUMULATIVE: TOTAL 1,645.87 STATE 1,003.74 FEDERAL 102.00 OTHER 540.13

13816

STATE BUDGET DIVISION
ANALYSIS OF EXISTING FTE POSITIONS
ADDED OR DELETED BY THE
WAYS AND MEANS COMMITTEE
TO THE 1988-89 APPROPRIATION BILL

SEC NO	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
3K	JT. LEG. COMMITTEES	1.50	1.50		
5A	GOVERNORS OFF-EXECUTIVE CONTROL OF STATE	-1.00	-1.00		
5C	GOVERNORS OFF-OFF EXEC POLICY & PROGRAMS	1.00	1.00		
16B	B & C-DIV OF INTERNAL OPERATIONS	3.00	4.00		-1.00
16D	B & C-BUDGET DIVISION	1.00	1.00		
16E	B & C-RESEARCH AND STATISTICAL SERVICES DIV.		2.00		-2.00
16F	B & C-INFORMATION RESOURCES MANAGEMENT	1.00			1.00
16J	B & C-HUMAN RESOURCE MANAGEMENT	-4.00	-4.00		
16K	B & C-LOCAL GOVERNMENT DIVISION	-1.00	-1.00		
20	CLEMSON UNIVERSITY (EDUCATIONAL & GENERAL)			-12.00	12.00
27A	MEDICAL UNIVERSITY OF S C		-275.00		275.00
30	STATE EDUCATION DEPARTMENT		10.00	-10.00	
34	SCHOOL FOR THE DEAF AND THE BLIND		-4.23	-1.16	4.39
41	DEPT OF HEALTH & ENVIRONMENTAL CONTROL		48.88	13.49	-62.37
42	DEPARTMENT OF MENTAL HEALTH			10.00	-10.00
43	DEPARTMENT OF MENTAL RETARDATION	1.00	1.00		
44	S. C. COMMISSION ON ALCOHOL & DRUG ABUSE	-1.00	-1.00		
45	DEPARTMENT OF SOCIAL SERVICES	1.00	1.00		
63	DEPARTMENT OF AGRICULTURE	-8.75	-2.00		-6.75
69	SEA GRANT CONSORTIUM	-1.00		-1.00	
85	DEPARTMENT OF LABOR		-.90	.90	
89	EMPLOYMENT SECURITY COMMISSION	-7.00		-6.00	-1.00
TOTAL		-14.25	-218.75	-4.77	209.27

13817

STATE BUDGET DIVISION
ANALYSIS OF NEW FTE POSITION ADJUSTMENTS
BY THE
WAYS AND MEANS COMMITTEE
TO THE 1988-89 APPROPRIATION BILL

SEC NO	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
3F	LEG. DEPT-LEG AUDIT COUNCIL	2.00	2.00		
5B	GOVERNORS OFF-STATE LAW ENFORCEMENT DIVISION	-5.00	-5.00		
7	SECRETARY OF STATE'S OFFICE	2.00	2.00		
10	ATTORNEY GENERAL'S OFFICE	2.00	2.00		
16D	B & C-BUDGET DIVISION	-4.00	-4.00		
16F	B & C-INFORMATION RESOURCES MANAGEMENT	-3.00			-3.00
16G	B & C-GENERAL SERVICES DIVISION	-3.00	-3.00		
16K	B & C-LOCAL GOVERNMENT DIVISION	-2.00	-2.00		
24	S C STATE COLLEGE	1.00	1.00		
30	STATE EDUCATION DEPARTMENT	5.00			5.00
34	SCHOOL FOR THE DEAF AND THE BLIND	3.00	3.00		
42	DEPARTMENT OF MENTAL HEALTH	-126.00	-76.00		-50.00
44	S. C. COMMISSION ON ALCOHOL & DRUG ABUSE	8.00	4.00		4.00
46	JOHN DE LA HOWE SCHOOL	8.00	8.00		
47	ADV. BD. FOR REV OF FOSTER CARE OF CHILDREN	-1.00	-1.00		
50	COMMISSION ON AGING	-2.00	2.00		-4.00
52	S. C. COMMISSION ON HUMAN AFFAIRS	3.00	3.00		
55	DEPARTMENT OF CORRECTIONS		-11.00		11.00
57	DEPARTMENT OF YOUTH SERVICES	-31.00	-31.00		
65	CLEMSON UNIVERSITY-PUBLIC SERVICE ACTIVITIES	3.00	3.00		
67	WILDLIFE & MARINE RESOURCES DEPARTMENT	4.00	3.00	1.00	

STATE BUDGET & CONTROL BOARD

MAR 22 1988 NO. 2

EXHIBIT

STATE BUDGET DIVISION
ANALYSIS OF NEW FTE POSITION ADJUSTMENTS
BY THE
WAYS AND MEANS COMMITTEE
TO THE 1988-89 APPROPRIATION BILL

SEC NO	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
71	STATE DEVELOPMENT BOARD	3.00	3.00		
81	DEPARTMENT OF INSURANCE	2.00	2.00		
88	STATE ETHICS COMMISSION	1.00	1.00		
101	BD. OF CERT. OF ENVIR. SYSTEMS OPRS.	-1.00	-1.00		
113	BOARD OF EXAMINERS IN PSYCHOLOGY	.40	.40		
	TOTAL	-130.60	-94.60	1.00	-37.00
=====					

13819

STATE BUDGET DIVISION
ANALYSIS OF INTERIM NEW POSITION ADJUSTMENTS
BY THE JOINT LEGISLATIVE COMMITTEE ON
PERSONAL SERVICE FINANCING AND BUDGETING
BY WAYS AND MEANS COMMITTEE
TO THE 1988-89 APPROPRIATION BILL

SEC NO	AGENCY	TOTAL FTE POSITIONS	STATE FTE POSITIONS	FEDERAL FTE POSITIONS	OTHER FTE POSITIONS
5C	GOVERNORS OFF-OFF EXEC POLICY & PROGRAMS	4.00	3.00	1.00	
15	STATE ELECTION COMMISSION	1.00			1.00
16F	B & C-INFORMATION RESOURCES MANAGEMENT	2.00			2.00
16K	B & C-LOCAL GOVERNMENT DIVISION	1.75	1.75		
33	VOCATIONAL REHABILITATION	12.00		12.00	
46	JOHN DE LA HOWE SCHOOL	6.00	6.00		
50	COMMISSION ON AGING	2.00		2.00	
100	BOARD OF ENGINEERS AND LAND SURVEYORS	.50	.50		
	TOTAL	29.25	11.25	15.00	3.00

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EXHIBIT

MAR 22 1988 NO. 2

STATE BUDGET & CONTROL BOARD

SCHEDULE VI

STATE BUDGET DIVISION
1988-89
NEW POSITION COST REPORT
BY COMMITTEE

	B & C BOARD		WAYS & MEANS		CUMULATIVE TOTAL	
	TOTAL FTE POSITIONS	STATE FTE POSITIONS	TOTAL FTE POSITIONS	STATE FTE POSITIONS	TOTAL FTE POSITIONS	STATE FTE POSITIONS
DOLLARS	\$22,732,315	\$14,061,395	(\$2,590,335)	(\$2,128,998)	\$20,141,980	\$11,932,397
FTE'S	1,747.22	1,087.09	(101.35)	(83.35)	1,645.87	1,003.74

Prepared
March 4, 1988

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PRGM = ANC061CR
TIME = 15:16:51

ANALYSIS OF CHANGES TO THE FY 1988-89 APPROPRIATION BILL

PAGE 305
DATE = 03/08/88

S T A T E W I D E S U M M A R Y

	TOTAL	STATE	FEDERAL	OTHER
87-88 APPROPRIATIONS PER ACT	5,912,074,929 (67,426.09)	2,853,533,541 (39,675.99)	1,555,210,214 (8,062.24)	1,503,331,174 (19,687.86)
SUM OF ADJUSTMENTS FOR OPERATING YEAR 87-88	141,581,562 (-9.73)	10,779,619 (-21.68)	16,802,245 (-38.87)	113,999,698 (50.82)
ADJUSTED FUNDS AVAILABLE FOR OPERATING YEAR 87-88	6,053,656,491 (67,416.36)	2,864,313,160 (39,654.31)	1,572,012,459 (8,023.37)	1,617,330,872 (19,738.68)
SUM OF ADJUSTMENTS FOR BUDGET YEAR BASE	185,863,189 (324.50)	-5,878,341 (-60.64)	71,157,063 (-112.03)	120,584,467 (497.17)
ADJUSTED BASE FOR BUDGET YEAR 88-89	6,239,519,680 (67,740.86)	2,858,434,819 (39,593.67)	1,643,169,522 (7,911.34)	1,737,915,339 (20,235.85)
SUM OF AGENCY PRIORITY REQUESTS (FOR INFO ONLY)	487,024,911 (0.00)	391,274,190 (0.00)	65,726,512 (0.00)	30,025,909 (0.00)
BUDGET AND CONTROL BOARD RECOMMENDED CHANGES	220,966,691 (1,293.77)	200,382,847 (1,092.36)	18,214,229 (75.35)	2,369,615 (126.06)
BUDGET AND CONTROL BOARD RECOMMENDATION	6,460,486,371 (69,034.63)	3,058,817,666 (40,686.03)	1,661,383,751 (7,986.69)	1,740,284,954 (20,361.91)
WAYS AND MEANS RECOMMENDED CHANGES	86,070,052 (-115.60)	15,014,830 (-302.10)	65,179,736 (11.23)	5,875,486 (175.27)
WAYS AND MEANS RECOMMENDATION	6,546,556,423 (68,919.03)	3,073,832,496 (40,383.93)	1,726,563,487 (7,997.92)	1,746,160,440 (20,537.18)
GRAND TOTALS	6,546,556,423 (68,919.03)	3,073,832,496 (40,383.93)	1,726,563,487 (7,997.92)	1,746,160,440 (20,537.18)
NEW APPROPRIATIONS VS. PRIOR YEAR APPROPRIATIONS	634,481,494 (1,492.94)	220,298,955 (707.94)	171,353,273 (-64.32)	242,829,266 (849.32)
NEW APPROPRIATIONS VS. ADJUSTED BASE	492,899,932 (1,502.67)	209,519,336 (729.62)	154,551,028 (-25.45)	128,829,568 (798.50)

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TIME = 15:16:51

ANALYSIS OF CHANGES TO THE FY 1988-89 APPROPRIATION BILL

DATE = 03/08/88

AGENCY SUMMARY

AGY NUM	AGENCY/PROGRAM/ITEM NAME	TOTAL	STATE	FEDERAL	OTHER
A01	LEG. DEPT-THE SENATE	6,063,557 (161.00)	6,063,557 (161.00)	0 (0.00)	0 (0.00)
A05	LEG. DEPT-HOUSE OF REPRESENTATIVES	8,329,081 (358.00)	8,329,081 (358.00)	0 (0.00)	0 (0.00)
A10	LEG. DEPT-SPECIAL SERVICES FOR BOTH HOUSES	390,151 (22.00)	390,151 (22.00)	0 (0.00)	0 (0.00)
A15	LEG. DEPT-CODIFICATION OF LAWS & LEG COUNCIL	1,910,900 (43.00)	1,910,900 (43.00)	0 (0.00)	0 (0.00)
A17	LEG. DEPT-LEG PRINTING & INF. TECH. RES.	2,797,657 (16.00)	2,797,657 (16.00)	0 (0.00)	0 (0.00)
A20	LEG. DEPT-LEG AUDIT COUNCIL	1,037,879 (26.00)	1,037,879 (26.00)	0 (0.00)	0 (0.00)
A25	LEG. DEPT-LEG INFORMATION SYSTEMS	928,413 (17.00)	928,413 (17.00)	0 (0.00)	0 (0.00)
A27	STATE REORGANIZATION COMMISSION	1,092,906 (13.00)	839,406 (12.00)	253,500 (0.00)	0 (1.00)
A28	S C ADV COMM INTERGOVERNMENTAL RELATIONS	245,046 (4.00)	245,046 (4.00)	0 (0.00)	0 (0.00)
A30	JT. LEG. COMMITTEES	2,747,481 (56.50)	2,658,583 (54.50)	0 (0.00)	88,898 (2.00)
B04	JUDICIAL DEPARTMENT	23,365,696 (399.22)	23,365,696 (399.22)	0 (0.00)	0 (0.00)
D05	GOVERNORS OFF-EXECUTIVE CONTROL OF STATE	1,217,724 (23.00)	1,217,724 (23.00)	0 (0.00)	0 (0.00)
D10	GOVERNORS OFF-STATE LAW ENFORCEMENT DIVISION	17,529,512 (413.25)	16,547,512 (413.25)	0 (0.00)	982,000 (0.00)
D17	GOVERNORS OFF-OFF EXEC POLICY & PROGRAMS	117,555,251 (264.00)	6,461,177 (127.23)	89,480,633 (131.27)	21,613,441 (5.50)
D20	GOVERNORS OFF-MANSION AND GROUNDS	203,571 (5.00)	203,571 (5.00)	0 (0.00)	0 (0.00)
E04	LIEUTENANT GOVERNOR'S OFFICE	252,472 (5.00)	252,472 (5.00)	0 (0.00)	0 (0.00)
E08	SECRETARY OF STATE'S OFFICE	1,158,492 (35.00)	1,158,492 (35.00)	0 (0.00)	0 (0.00)
E12	COMPTROLLER GENERAL'S OFFICE	4,006,785 (99.00)	4,006,785 (99.00)	0 (0.00)	0 (0.00)
E16	STATE TREASURER'S OFFICE	3,415,177 (66.49)	3,415,177 (66.49)	0 (0.00)	0 (0.00)
E20	ATTORNEY GENERAL'S OFFICE	9,968,865 (143.75)	9,968,865 (143.75)	0 (0.00)	0 (0.00)
E22	COMMISSION ON APPELLATE DEFENSE	781,870 (17.89)	781,870 (17.89)	0 (0.00)	0 (0.00)
E24	ADJUTANT GENERAL'S OFFICE	10,408,454 (190.00)	4,533,416 (56.50)	5,182,923 (115.75)	692,115 (17.75)
E28	STATE ELECTION COMMISSION	1,826,529 (18.50)	1,658,252 (17.50)	0 (0.00)	168,277 (1.00)
F02	B & C-OFFICE OF EXECUTIVE DIRECTOR	1,657,242 (24.00)	1,551,671 (21.00)	0 (0.00)	105,571 (3.00)

13823

EXHIBIT

MAR 22 1988 NO. 2

STATE BUDGET & CONTROL BOARD

PRGM = ANC061CR
TIME = 15:16:51

ANALYSIS OF CHANGES TO THE FY 1988-89 APPROPRIATION BILL

DATE = 03/08/88

AGENCY SUMMARY

AGY NUM	AGENCY/PROGRAM/ITEM NAME	TOTAL	STATE	FEDERAL	OTHER
F04	B & C-DIV OF INTERNAL OPERATIONS	2,858,852	2,240,518	0	618,334
		(60.00)	(44.93)	(0.00)	(15.07)
F05	B & C-FINANCIAL DATA SYSTEMS	2,873,250	2,161,250	0	712,000
		(29.00)	(29.00)	(0.00)	(0.00)
F06	B & C-BUDGET DIVISION	1,181,338	1,181,338	0	0
		(27.00)	(27.00)	(0.00)	(0.00)
F08	B & C-RESEARCH AND STATISTICAL SERVICES DIV.	3,742,844	3,372,992	0	369,852
		(75.30)	(71.67)	(0.00)	(3.63)
F10	B & C-INFORMATION RESOURCES MANAGEMENT	36,977,777	1,999,334	0	34,978,443
		(164.70)	(30.00)	(0.00)	(134.70)
F12	B & C-GENERAL SERVICES DIVISION	28,535,996	5,700,907	0	22,835,089
		(413.00)	(130.77)	(0.00)	(282.23)
F14	B & C-STATE FIRE MARSHAL	3,408,925	2,657,435	10,000	741,490
		(79.00)	(71.00)	(0.00)	(8.00)
F16	B & C-MOTOR VEHICLE MANAGEMENT DIVISION	5,281,806	269,346	0	5,012,460
		(26.00)	(9.00)	(0.00)	(17.00)
F24	B & C-HUMAN RESOURCE MANAGEMENT	4,150,843	3,023,569	0	1,127,274
		(105.00)	(79.00)	(0.00)	(26.00)
F26	B & C-LOCAL GOVERNMENT DIVISION	46,256,706	9,256,706	37,000,000	0
		(5.75)	(5.75)	(0.00)	(0.00)
F27	B & C-STATE AUDITOR	3,632,353	3,632,353	0	0
		(77.00)	(77.00)	(0.00)	(0.00)
F29	B & C-RETIREMENT DIVISION	7,562,286	0	0	7,562,286
		(150.00)	(0.00)	(0.00)	(150.00)
F30	B & C-EMPLOYEE BENEFITS	78,840,150	78,840,150	0	0
		(0.00)	(0.00)	(0.00)	(0.00)
F31	B & C-CAPITAL EXPENDITURE FUND	61,636,163	61,636,163	0	0
		(0.00)	(0.00)	(0.00)	(0.00)
H03	COMMISSION ON HIGHER EDUCATION	3,840,223	3,534,226	305,997	0
		(23.00)	(23.00)	(0.00)	(0.00)
H06	HIGHER EDUCATION TUITION GRANTS COMMITTEE	17,261,476	16,430,617	830,859	0
		(7.00)	(7.00)	(0.00)	(0.00)
H09	THE CITADEL	35,886,531	12,382,348	1,042,441	22,461,742
		(517.22)	(323.98)	(0.00)	(193.24)
H12	CLEMSON UNIVERSITY (EDUCATIONAL & GENERAL)	180,058,337	63,730,541	11,301,593	105,026,203
		(2,459.42)	(1,355.14)	(68.21)	(1,036.07)
H15	COLLEGE OF CHARLESTON	36,805,902	17,161,442	1,775,000	17,869,460
		(598.76)	(455.01)	(5.13)	(138.62)
H18	FRANCIS MARION COLLEGE	20,084,093	10,300,734	993,763	8,789,596
		(335.18)	(247.15)	(0.00)	(88.03)
H21	LANDER COLLEGE	13,715,799	6,799,477	194,290	6,722,032
		(240.77)	(157.85)	(2.50)	(80.42)
H24	S C STATE COLLEGE	34,085,722	17,001,932	3,945,142	13,138,648
		(755.63)	(553.22)	(58.17)	(144.24)
H27	UNIV OF SOUTH CAROLINA	262,704,169	107,120,775	37,550,549	118,032,845
		(4,116.89)	(2,463.37)	(230.49)	(1,423.03)
H28	UNIV OF SOUTH CAROLINA - MEDICAL SCHOOL	23,478,034	16,078,467	3,773,717	3,625,850
		(284.36)	(198.74)	(41.50)	(44.12)

13824

PRGM = ANC061CR
TIME = 15:16:51

ANALYSIS OF CHANGES TO THE FY 1988-89 APPROPRIATION BILL

DATE = 03/08/88

AGENCY SUMMARY

AGY NUM	AGENCY/PROGRAM/ITEM NAME	TOTAL	STATE	FEDERAL	OTHER
H29	U S C - AIKEN CAMPUS	12,049,856 (193.88)	5,584,248 (134.30)	1,375,908 (2.90)	5,089,700 (56.68)
H32	U S C - COASTAL CAROLINA CAMPUS	16,462,712 (271.14)	8,087,348 (132.74)	1,296,352 (2.40)	7,079,012 (136.00)
H34	U S C - SPARTANBURG CAMPUS	14,585,038 (281.53)	7,555,119 (161.16)	1,433,061 (25.60)	5,596,858 (94.77)
H36	U S C - BEAUFORT CAMPUS	2,516,941 (36.93)	1,296,595 (20.95)	223,506 (0.20)	996,840 (15.78)
H37	U S C - LANCASTER CAMPUS	4,000,355 (58.30)	2,004,035 (26.91)	468,061 (6.20)	1,528,259 (25.19)
H38	U S C - SALKEHATCHIE CAMPUS	2,555,246 (38.00)	1,209,475 (21.70)	411,833 (0.98)	933,938 (15.32)
H39	U S C - SUMTER CAMPUS	4,913,986 (85.12)	2,657,343 (56.24)	445,889 (0.03)	1,810,754 (28.85)
H40	U S C - UNION CAMPUS	1,513,932 (30.49)	718,755 (16.92)	287,424 (3.78)	507,753 (9.79)
H47	WINTHROP COLLEGE	37,699,884 (649.33)	17,175,535 (426.36)	1,349,013 (28.00)	19,175,336 (194.97)
H51	MEDICAL UNIVERSITY OF S C	114,835,627 (2,460.07)	67,835,627 (1,660.18)	19,000,000 (175.61)	28,000,000 (624.28)
H52	MEDICAL UNIVERSITY OF S C HOSPITAL	140,472,936 (2,571.01)	14,972,936 (281.73)	500,000 (5.99)	125,000,000 (2,283.29)
H53	S. C. CONSORTIUM OF COMM. TEACHING HOSPITALS	14,528,807 (53.17)	13,828,807 (52.17)	450,000 (1.00)	250,000 (0.00)
H54	CHARLESTON HIGHER EDUCATION CONSORTIUM	600,000 (5.28)	0 (0.00)	350,000 (5.15)	250,000 (0.13)
H55	ADV COUNCIL VOCATIONAL & TECHNICAL ED.	201,720 (3.00)	40,680 (1.00)	161,040 (2.00)	0 (0.00)
H59	ST. BD. FOR TECHNICAL & COMPREHENSIVE ED.	162,353,201 (3,317.09)	90,942,054 (2,730.40)	17,410,163 (322.13)	54,000,984 (264.56)
H63	STATE EDUCATION DEPARTMENT	1,466,786,252 (1,145.55)	1,010,219,956 (876.76)	184,535,785 (148.09)	272,030,511 (120.70)
H67	EDUCATIONAL TELEVISION COMMISSION	22,917,544 (365.55)	16,304,865 (323.45)	39,360 (0.00)	6,573,319 (42.10)
H71	WIL LOU GRAY OPPORTUNITY SCHOOL	3,152,626 (88.60)	2,562,123 (80.52)	178,279 (4.15)	412,224 (3.93)
H73	VOCATIONAL REHABILITATION	61,874,029 (1,162.70)	14,359,103 (460.40)	37,784,721 (675.90)	9,730,205 (26.40)
H75	SCHOOL FOR THE DEAF AND THE BLIND	11,429,482 (359.95)	9,706,148 (312.39)	479,283 (13.78)	1,244,051 (33.78)
H79	DEPARTMENT OF ARCHIVES AND HISTORY	4,602,725 (123.50)	3,765,342 (119.50)	161,800 (0.00)	675,583 (4.00)
H83	CONFEDERATE RELIC ROOM	195,447 (5.00)	195,447 (5.00)	0 (0.00)	0 (0.00)
H87	S. C. STATE LIBRARY	7,188,505 (51.00)	5,263,107 (43.00)	1,925,398 (8.00)	0 (0.00)
H91	S. C. ARTS COMMISSION	3,831,845 (41.31)	2,918,702 (32.83)	751,739 (8.34)	161,404 (0.14)

EXHIBIT

MAR 22 1988

NO. 2

STATE BUDGET & CONTROL BOARD

PRGM = ANC061CR
TIME = 15:16:51

ANALYSIS OF CHANGES TO THE FY 1988-89 APPROPRIATION BILL

DATE = 03/08/88

AGENCY SUMMARY

AGY NUM	AGENCY/PROGRAM/ITEM NAME	TOTAL	STATE	FEDERAL	OTHER
H95	STATE MUSEUM COMMISSION	5,842,796 (73.00)	4,999,822 (69.00)	100,000 (0.00)	742,974 (4.00)
J02	STATE HEALTH & HUMAN SERVICES FINANCE COMMSN	628,936,561 (318.00)	113,754,941 (121.59)	443,219,268 (189.41)	71,962,352 (7.00)
J04	DEPT OF HEALTH & ENVIRONMENTAL CONTROL	202,848,421 (4,249.62)	81,643,036 (2,187.79)	74,397,231 (1,168.38)	46,808,154 (893.45)
J12	DEPARTMENT OF MENTAL HEALTH	214,475,463 (6,689.46)	150,227,457 (5,171.45)	6,707,437 (201.87)	57,540,569 (1,316.14)
J16	DEPARTMENT OF MENTAL RETARDATION	154,075,863 (4,479.51)	72,307,518 (2,812.68)	3,150,961 (26.00)	78,617,384 (1,640.83)
J20	S. C. COMMISSION ON ALCOHOL & DRUG ABUSE	17,420,306 (83.51)	8,744,493 (73.85)	7,084,371 (3.66)	1,591,442 (6.00)
L04	DEPARTMENT OF SOCIAL SERVICES	476,110,071 (4,372.70)	92,167,379 (1,889.35)	376,660,591 (2,438.34)	7,282,101 (45.01)
L12	JOHN DE LA HOWE SCHOOL	3,371,429 (119.06)	3,073,534 (113.41)	130,723 (2.05)	167,172 (3.60)
L16	ADV. BD. FOR REV OF FOSTER CARE OF CHILDREN	552,606 (16.00)	494,819 (12.90)	55,582 (3.10)	2,205 (0.00)
L20	CHILDREN'S BUREAU	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)
L24	COMMISSION FOR THE BLIND	5,745,854 (114.50)	3,021,681 (52.60)	2,654,673 (61.90)	69,500 (0.00)
L28	COMMISSION ON AGING	13,770,428 (32.01)	1,915,621 (18.49)	10,777,307 (13.52)	1,077,500 (0.00)
L32	STATE HOUSING AUTHORITY	13,963,348 (49.00)	466,662 (8.00)	12,390,463 (19.00)	1,106,223 (22.00)
L36	S. C. COMMISSION ON HUMAN AFFAIRS	1,722,363 (47.00)	1,433,193 (38.55)	251,170 (8.45)	38,000 (0.00)
L40	DEPT. OF VETERANS AFFAIRS	1,149,515 (20.00)	1,149,515 (20.00)	0 (0.00)	0 (0.00)
L44	COMMISSION ON WOMEN	70,839 (1.75)	69,589 (1.75)	0 (0.00)	1,250 (0.00)
N04	DEPARTMENT OF CORRECTIONS	178,170,172 (5,829.65)	152,868,710 (5,572.22)	1,059,857 (28.22)	24,241,605 (229.21)
N08	PAROLE AND COMMUNITY CORRECTIONS	21,900,365 (690.00)	12,023,276 (464.00)	0 (0.00)	9,877,089 (226.00)
N12	DEPARTMENT OF YOUTH SERVICES	33,359,325 (1,062.50)	29,837,456 (979.75)	1,812,336 (59.75)	1,709,533 (23.00)
N20	LAW ENFORCEMENT TRAINING COUNCIL	5,011,505 (97.95)	0 (0.00)	0 (1.00)	5,011,505 (96.95)
N24	LAW OFFICERS HALL OF FAME COMMITTEE	175,231 (3.00)	0 (0.00)	0 (0.00)	175,231 (3.00)
P04	WATER RESOURCES COMMISSION	4,705,471 (62.00)	3,474,797 (57.00)	1,135,786 (3.00)	94,888 (2.00)
P08	STATE LAND RESOURCES CONSERVATION COMMISSION	3,124,070 (63.00)	2,841,070 (63.00)	263,000 (0.00)	20,000 (0.00)
P12	STATE FORESTRY COMMISSION	17,587,711 (597.43)	15,235,334 (576.42)	1,722,507 (21.01)	629,870 (0.00)

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PRGM = ANC061CR
TIME = 15:16:51

ANALYSIS OF CHANGES TO THE FY 1988-89 APPROPRIATION BILL

DATE = 03/08/88

AGENCY SUMMARY

AGY NUM	AGENCY/PROGRAM/ITEM NAME	TOTAL	STATE	FEDERAL	OTHER
P16	DEPARTMENT OF AGRICULTURE	9,757,047	6,120,814	30,604	3,605,629
		(214.13)	(153.00)	(0.00)	(61.13)
P18	FAMILY FARM DEVELOPMENT AUTHORITY	0	0	0	0
		(0.00)	(0.00)	(0.00)	(0.00)
P20	CLEMSON UNIVERSITY-PUBLIC SERVICE ACTIVITIES	52,999,847	38,769,515	12,567,622	1,662,710
		(1,315.51)	(873.46)	(388.74)	(53.31)
P22	MIGRATORY WATERFOWL COMMISSION	241,556	31,556	0	210,000
		(0.00)	(0.00)	(0.00)	(0.00)
P24	WILDLIFE & MARINE RESOURCES DEPARTMENT	38,305,207	17,713,908	6,193,121	14,398,178
		(750.55)	(422.00)	(95.75)	(232.80)
P25	COASTAL COUNCIL	2,570,755	1,201,755	1,369,000	0
		(38.00)	(17.00)	(21.00)	(0.00)
P26	SEA GRANT CONSORTIUM	1,828,265	474,098	1,300,000	54,167
		(12.00)	(9.00)	(2.00)	(1.00)
P28	DEPARTMENT OF PARKS, RECREATION & TOURISM	30,067,487	13,710,150	815,400	15,541,937
		(509.67)	(370.47)	(0.00)	(139.20)
P32	STATE DEVELOPMENT BOARD	7,931,020	7,409,020	0	522,000
		(82.00)	(82.00)	(0.00)	(0.00)
P33	S C COORDINATING COUNCIL FOR ECONOMIC DEV	115,000	0	0	115,000
		(0.00)	(0.00)	(0.00)	(0.00)
P34	JOBS-ECONOMIC DEVELOPMENT AUTHORITY	630,199	520,199	70,000	40,000
		(12.00)	(11.00)	(1.00)	(0.00)
P36	PATRIOTS POINT DEVELOPMENT AUTHORITY	2,481,099	0	0	2,481,099
		(39.00)	(0.00)	(0.00)	(39.00)
P40	CLARKS HILL-RUSSELL AUTHORITY OF S.C.	1,627,970	1,627,970	0	0
		(8.00)	(8.00)	(0.00)	(0.00)
P48	OLD EXCHANGE BUILDING COMMISSION	212,046	132,046	0	80,000
		(5.00)	(3.00)	(0.00)	(2.00)
R04	PUBLIC SERVICE COMMISSION	6,154,324	6,060,258	94,066	0
		(146.36)	(144.86)	(1.50)	(0.00)
R08	WORKERS' COMPENSATION COMMISSION	3,670,984	3,406,484	0	264,500
		(82.48)	(82.48)	(0.00)	(0.00)
R12	STATE WORKERS' COMPENSATION FUND	2,236,344	106,283	0	2,130,061
		(54.00)	(0.00)	(0.00)	(54.00)
R14	PATIENTS' COMPENSATION FUND	164,885	0	0	164,885
		(3.00)	(0.00)	(0.00)	(3.00)
R16	SECOND INJURY FUND	598,441	0	0	598,441
		(13.00)	(0.00)	(0.00)	(13.00)
R20	DEPARTMENT OF INSURANCE	4,747,341	4,747,341	0	0
		(114.00)	(114.00)	(0.00)	(0.00)
R23	FINANCIAL INST BD-ADMINISTRATION DIVISION	19,305	19,305	0	0
		(0.00)	(0.00)	(0.00)	(0.00)
R24	FINANCIAL INST BD-BANK EXAMINING DIVISION	1,035,324	1,035,324	0	0
		(25.00)	(25.00)	(0.00)	(0.00)
R25	FINANCIAL INST BD-CONSUMER FINANCE DIVISION	399,608	399,608	0	0
		(8.50)	(8.50)	(0.00)	(0.00)
R28	DEPARTMENT OF CONSUMER AFFAIRS	1,867,645	1,854,445	0	13,200
		(44.00)	(44.00)	(0.00)	(0.00)

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ANALYSIS OF CHANGES TO THE FY 1988-89 APPROPRIATION BILL

DATE = 03/08/88

AGENCY SUMMARY

AGY NUM	AGENCY/PROGRAM/ITEM NAME	TOTAL	STATE	FEDERAL	OTHER
R36	DEPARTMENT OF LABOR	5,444,316	3,814,428	1,629,888	0
		(152,50)	(109,49)	(43,01)	(0,00)
R44	STATE TAX COMMISSION	33,470,721	33,140,721	0	330,000
R48	ALCOHOLIC BEVERAGE CONTROL COMMISSION	(834,00)	(834,00)	(0,00)	(0,00)
		4,021,530	3,469,530	0	552,000
R52	STATE ETHICS COMMISSION	(82,00)	(82,00)	(0,00)	(0,00)
		214,284	214,284	0	0
R60	EMPLOYMENT SECURITY COMMISSION	(5,00)	(5,00)	(0,00)	(0,00)
		53,668,361	194,031	45,258,988	8,215,342
R64	BOARD OF ACCOUNTANCY	(1,214,33)	(0,00)	(1,096,33)	(118,00)
		361,084	361,084	0	0
R68	BOARD OF ARCHITECTURAL EXAMINERS	(5,00)	(5,00)	(0,00)	(0,00)
		203,001	203,001	0	0
R69	AUCTIONEERS' COMMISSION	(3,75)	(3,75)	(0,00)	(0,00)
		115,618	115,618	0	0
R72	BOARD OF BARBER EXAMINERS	(3,00)	(3,00)	(0,00)	(0,00)
		162,596	162,596	0	0
R74	STATE ATHLETIC COMMISSION	(5,00)	(5,00)	(0,00)	(0,00)
		25,764	25,764	0	0
R76	CEMETERY BOARD	(0,00)	(0,00)	(0,00)	(0,00)
		24,441	24,441	0	0
R80	BOARD OF CHIROPRACTIC EXAMINERS	(1,00)	(1,00)	(0,00)	(0,00)
		59,441	59,441	0	0
R82	CONTRACTORS LICENSING BD	(1,00)	(1,00)	(0,00)	(0,00)
		359,306	359,306	0	0
R84	BOARD OF COSMETOLOGY	(10,00)	(10,00)	(0,00)	(0,00)
		441,112	441,112	0	0
R88	BOARD OF DENTISTRY	(12,00)	(12,00)	(0,00)	(0,00)
		318,019	318,019	0	0
R92	BOARD OF ENGINEERS AND LAND SURVEYORS	(5,25)	(5,25)	(0,00)	(0,00)
		350,870	350,870	0	0
R94	BD. OF CERT. OF ENVIR. SYSTEMS OPRS.	(7,50)	(7,50)	(0,00)	(0,00)
		174,847	174,847	0	0
R96	BOARD OF REGISTRATION FOR FORESTERS	(5,00)	(5,00)	(0,00)	(0,00)
		14,429	14,429	0	0
R99	BOARD OF FUNERAL SERVICE	(0,50)	(0,50)	(0,00)	(0,00)
		69,551	69,551	0	0
S02	BOARD OF REGISTRATION FOR GEOLOGISTS	(1,75)	(1,75)	(0,00)	(0,00)
		29,515	29,515	0	0
S04	BOARD OF MEDICAL EXAMINERS	(0,00)	(0,00)	(0,00)	(0,00)
		740,956	740,956	0	0
S08	BOARD OF NURSING	(17,04)	(17,04)	(0,00)	(0,00)
		635,472	635,472	0	0
S12	BD. OF EX. FOR NURSING HOME ADMINISTRATORS	(18,00)	(18,00)	(0,00)	(0,00)
		60,669	60,669	0	0
S14	BD. OF OCCUPATIONAL THERAPY	(1,60)	(1,60)	(0,00)	(0,00)
		2,916	2,916	0	0
		(0,00)	(0,00)	(0,00)	(0,00)

EXHIBIT

MAR 22 1988 NO. 2

STATE BUDGET & CONTROL BOARD

13828

PRGM = ANCO61CR
TIME = 15:16:51

ANALYSIS OF CHANGES TO THE FY 1988-89 APPROPRIATION BILL

DATE = 03/08/88

AGENCY SUMMARY

AGY NUM	AGENCY/PROGRAM/ITEM NAME	TOTAL	STATE	FEDERAL	OTHER
S17	BD. OF EXAM. IN OPTICIANRY	14,875 (0.50)	14,875 (0.50)	0 (0.00)	0 (0.00)
S18	BD. OF EXAM. IN OPTOMETRY	41,676 (0.35)	41,676 (0.35)	0 (0.00)	0 (0.00)
S20	THE BOARD OF PHARMACY	241,631 (6.50)	241,631 (6.50)	0 (0.00)	0 (0.00)
S24	BOARD OF PHYSICAL THERAPY EXAMINERS	44,428 (1.00)	44,428 (1.00)	0 (0.00)	0 (0.00)
S28	BOARD OF PODIATRY EXAMINERS	1,014 (0.00)	1,014 (0.00)	0 (0.00)	0 (0.00)
S30	BOARD OF PROF. COUNSELORS & THERAPISTS	65,187 (0.80)	65,187 (0.80)	0 (0.00)	0 (0.00)
S32	BOARD OF EXAMINERS IN PSYCHOLOGY	36,718 (1.00)	36,718 (1.00)	0 (0.00)	0 (0.00)
S36	REAL ESTATE COMMISSION	1,488,211 (35.00)	1,488,211 (35.00)	0 (0.00)	0 (0.00)
S40	RESIDENTIAL HOME BUILDERS COMMISSION	555,669 (13.00)	555,669 (13.00)	0 (0.00)	0 (0.00)
S44	BD. OF EX. FOR REGISTERED SANITARIANS	6,071 (0.00)	6,071 (0.00)	0 (0.00)	0 (0.00)
S48	STATE BOARD OF SOCIAL WORK EXAMINERS	53,895 (0.00)	53,895 (0.00)	0 (0.00)	0 (0.00)
S52	BD. OF EX. FOR SPEECH, PATHOLOGY & AUDIOLOGY	14,944 (0.00)	14,944 (0.00)	0 (0.00)	0 (0.00)
S56	BD. OF VETERINARY MEDICAL EXAMINERS	24,166 (0.73)	24,166 (0.73)	0 (0.00)	0 (0.00)
S60	PROCUREMENT REVIEW PANEL	122,650 (2.00)	122,650 (2.00)	0 (0.00)	0 (0.00)
U04	AERONAUTICS COMMISSION	2,995,241 (42.00)	2,549,071 (42.00)	265,000 (0.00)	181,170 (0.00)
V04	DEBT SERVICE	103,135,296 (0.00)	103,135,296 (0.00)	0 (0.00)	0 (0.00)
W90	DUES AND CONTRIBUTIONS	0 (0.00)	0 (0.00)	0 (0.00)	0 (0.00)
X22	AID TO SUBDIVISIONS	216,224,163 (0.00)	216,224,163 (0.00)	0 (0.00)	0 (0.00)
X50	DEPT. OF HIGHWAYS & PUBLIC TRANSPORTATION	701,751,375 (7,516.00)	1,100,925 (2.08)	248,737,513 (6.68)	451,912,937 (7,507.24)
	GRAND TOTALS	6,546,556,423 (68,919.03)	3,073,832,496 (40,383.93)	1,726,563,487 (7,997.92)	1,746,160,440 (20,537.18)

13829

MAJOR BUDGET CATEGORY TOTALS

MAJOR BUDGET CATEGORIES	1987-88 AUTHORIZED		B & C BD RECOMMEND.		1988-89 WAYS & MEANS BILL		HOUSE BILL	
	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS	TOTAL FUNDS	STATE FUNDS
PERSONAL SERVICE								
HEAD OF AGENCY	17,101,472	16,358,267	17,137,872	16,389,300	17,139,259	16,390,687		
CLASSIFIED POSITIONS	65,374,939	596,219,652	102,599,942	615,914,322	101,094,651	614,866,034		
UNCLASSIFIED POSITIONS	303,965,865	233,343,883	309,881,286	235,404,691	310,332,215	235,829,419		
OTHER PERSONAL SERVICE	55,721,001	20,055,328	56,068,652	22,228,823	56,218,832	22,379,003		
TEMPORARY POSITIONS	45,011,843	10,411,227	46,398,425	12,015,579	46,532,321	12,250,492		
PER DIEM	995,542	636,768	855,793	580,199	874,104	600,115		
OVERTIME & SHIFT DIFF.	10,244,758	3,396,934	11,355,110	3,596,954	11,355,110	3,596,954		
INCREMENTS - MERIT								
INCREMENTS - CLASSIFIED			1,014,793		1,014,793			
INCREMENTS - LONGEVITY								
INCREMENTS - UNCLASSIFIED			43,192		43,192			
INCREMENTS-CONTINUED-85-86			48,654		48,654			
BASE PAY INCREASE	29,359		64,710,510	46,019,435	38,530,284	19,834,508		
MERIT PAY								
TOTAL PERSONAL SERVICE	1,498,444,779	880,422,059	1,610,114,229	952,149,303	1,583,183,415	925,747,212		
OTHER OPERATING EXPENSES	1,003,212,489	306,883,213	1,101,796,085	342,982,573	1,099,337,083	338,377,051		
SPECIAL ITEMS	134,975,023	89,685,374	144,159,471	98,316,400	168,071,022	121,291,288		
PERMANENT IMPROVEMENTS	323,825,883	153,885	383,713,395		383,713,395			
DEBT SERVICES	139,836,643	111,416,143	120,156,901	109,487,707	115,663,901	104,994,707		
PUBLIC ASSISTANCE PAYMENTS	900,235,585	142,394,879	923,682,839	151,328,307	962,550,107	162,578,069		
AID TO SUBDIVISIONS	1,715,272,880	1,118,903,027	1,817,814,921	1,177,733,371	1,856,947,631	1,176,193,827		
EMPLOYER CONTRIBUTIONS	334,374,922	211,950,766	358,110,230	226,031,705	364,221,127	232,081,600		
NON-RECURRING APPRO	3,478,287	2,503,814	938,300	788,300	12,868,742	12,568,742		
GRAND TOTAL	6,053,656,491	2,864,313,160	6,460,486,371	3,058,817,666	6,546,556,423	3,073,832,496		

13830

DATE=03/03/88
TIME=09:48:17

PERSONAL SERVICE SUMMARY
1988 - 1989

PROG=AAP208CR
CONTROL=000001

BUDGET CODE	DESCRIPTION	----- 1987-88 -----		STATE TOTALS		1988-89 -----		FEDERAL FUNDS	OTHER FUNDS
		APPROP. TOTAL FUNDS	APPROP. STATE FUNDS	B & C TOTAL FUNDS	BD RECOMMEND. STATE FUNDS	WAYS TOTAL FUNDS	& MEANS BILL STATE FUNDS		
10101	TOTAL HEAD OF AGENCY	17,101,472	16,358,267	17,137,872	16,389,300	17,139,259	16,390,687	343,006	405,566
10101		(411.00)	(398.00)	(411.00)	(398.00)	(411.00)	(398.00)	(6.00)	(7.00)
10158	CLASSIFIED POSITIONS	1065,374,939	596,219,652	1079,933,192	601,918,492	1081,287,897	603,268,863	143,425,842	334,593,192
10158		(58,341.75)	(32,606.11)	(58,220.12)	(32,560.41)	(58,206.37)	(32,617.16)	(7,351.51)	(18,237.70)
10159	NEW CLASSIFIED POSIT			22,666,750	13,995,830	19,594,548	11,597,171	606,651	7,390,726
10159				(1,655.93)	(1,065.74)	(1,520.33)	(966.14)	(76.31)	(477.88)
10166	INTERIM NEW CLASSIFI					212,206		196,975	15,231
10166				(45.45)	(9.50)	(64.95)	(11.00)	(25.00)	(28.95)
	TOTAL CLASSIFIED	1065,374,939	596,219,652	1102,599,942	615,914,322	1101,094,651	614,866,034	144,229,468	341,999,149
		(58,341.75)	(32,606.11)	(59,921.50)	(33,635.65)	(59,791.65)	(33,594.30)	(7,452.82)	(18,744.53)
10160	UNCLASSIFIED POSITIO	303,965,865	233,343,883	309,815,721	235,339,126	309,996,989	235,494,193	17,842,052	56,660,744
10160		(8,663.61)	(6,650.20)	(8,656.29)	(6,640.53)	(8,655.79)	(6,365.03)	(538.41)	(1,752.35)
10161	NEW UNCLASSIFIED POS			65,565	65,565	174,855	174,855		
10161				(38.00)	(5.00)	(43.00)	(10.00)		(33.00)
10167	INTERIM NEW UNCLASSI					160,371	160,371		
10167				(7.84)	(6.85)	(17.59)	(16.60)	(.69)	(.30)
	TOTAL UNCLASSIFIED	303,965,865	233,343,883	309,881,286	235,404,691	310,332,215	235,829,419	17,842,052	56,660,744
		(8,663.61)	(6,650.20)	(8,702.13)	(6,652.38)	(8,716.38)	(6,391.63)	(539.10)	(1,785.65)
10170	OTHER PERSONAL SERVI	55,721,001	20,055,328	56,068,652	22,228,823	56,218,832	22,379,003	8,612,531	25,227,298
10171	TEMPORARY POSITIONS	45,011,843	10,411,227	46,398,425	12,015,579	46,532,321	12,250,492	9,000,326	25,281,503
10172	PER DIEM	995,542	636,768	855,793	580,199	874,104	600,115	98,621	175,368
10173	OVERTIME AND SHIFT D	10,244,758	3,396,934	11,355,110	3,596,954	11,355,110	3,596,954	109,704	7,648,452
10191	INCREMENTS-CLASSIFIE			1,014,793		1,014,793		851,406	163,387
10192	INCREMENTS-LONGEVITY								
10193	INCREMENTS-UNCLASSIF			43,192		43,192		15,442	27,750
10194	INCREMENTS-CONTINUE			48,654		48,654		41,372	7,282
10195	BASE PAY INCREASE	29,359		64,710,510	46,019,435	38,530,284	19,834,508	4,992,723	13,703,053
99995	TOTAL PERSONAL SERVI	1498,444,779	880,422,059	1610,114,229	952,149,303	1583,183,415	925,747,212	186,136,651	471,299,552
99995		(67,416.36)	(39,654.31)	(69,034.63)	(40,686.03)	(68,919.03)	(40,383.93)	(7,997.92)	(20,537.18)
ANALYSIS OF CHANGE									
70001	CHANGE IN HEAD OF AG			36,400	31,033	37,787	32,420		
70001									
70002	CHANGE IN CLASSIFIED			37,225,003	19,694,670	35,719,712	18,646,382		
70002				(1,579.75)	(1,029.54)	(1,449.90)	(988.19)		
70003	CHANGE IN UNCLASSIFI			5,915,421	2,060,808	6,366,350	2,485,536		
70003				(38.52)	(2.18)	(52.77)	(-258.57)		
70006	OTHER PERSONAL SERVI			347,651	2,173,495	497,831	2,323,675		
70007	TEMPORARY POSITIONS			1,386,582	1,604,352	1,520,478	1,839,265		
70008	PER DIEM			-139,749	-56,569	-121,438	-36,653		
70009	OVERTIME AND SHIFT D			1,110,352	200,020	1,110,352	200,020		
70023	INCREMENT-CLASS.,UNC			1,057,985		1,057,985			
70024	INCREMENT-CONTINUED			48,654		48,654			
70025	BASE PAY INCREASE			64,681,151	46,019,435	38,500,925	19,834,508		
99995	TOTAL CHANGES			111,669,450	71,727,244	84,738,636	45,325,153		
99995				(1,618.27)	(1,031.72)	(1,502.67)	(729.62)		

13831

EXHIBIT
MAR 22 1988 NO. 2
STATE BUDGET & CONTROL BOARD

SECTION 128
ESTIMATE OF GENERAL, SCHOOL, HIGHWAY,
AND EDUCATION IMPROVEMENT ACT REVENUES
FISCAL YEAR 1988-89

	BEA Estimated FY 1988-89 November 1, 1987	Budget and Control Board Estimated FY 1988-89 November 25, 1987	Ways & Means Committee Estimated FY 1988-89 February 26, 1988
REGULAR SOURCES:			
Retail Sales Tax	\$1,062,000,000	\$1,064,498,018	\$1,077,598,415
Income Tax (Total)	1,382,000,000	1,388,670,532	1,398,470,532
Individual	1,149,000,000	1,153,785,266	1,163,585,266
Corporation	233,000,000	234,885,266	234,885,266
Total Income and Sales Tax	\$2,444,000,000	\$2,453,168,550	\$2,476,068,947
All Other Revenue			
Admissions Tax	\$7,600,000	\$7,600,000	\$7,600,000
Aircraft Tax	1,000,000	1,000,000	1,000,000
Alcoholic Liquor Tax	50,700,000	50,700,000	50,700,000
Bank Tax	6,500,000	6,500,000	6,500,000
Beer and Wine Tax	75,077,000	75,077,000	75,477,000
Business License Tax	31,200,000	31,200,000	31,200,000
Cable Television Fees	0	0	0
Cion-Operated Device Tax	12,400,000	12,400,000	12,400,000
Commercial Nuclear Waste Tax	8,000,000	11,238,500	8,000,000
Contractors' License Tax	1,400,000	1,400,000	1,284,000
Corporation License Tax	38,000,000	38,000,000	38,000,000
Department of Agriculture	6,104,800	6,104,800	6,104,800
Departmental Revenue	28,087,550	29,074,414	29,654,904
Documentary Tax	16,700,000	16,700,000	16,700,000
Earned on Investments	60,000,000	60,000,000	60,000,000
Electric Power Tax	15,900,000	15,900,000	15,900,000
Estate Tax	29,000,000	29,000,000	29,000,000
Fertilizer Inspection Tax	195,000	195,000	195,000
Gasoline Tax-Counties	18,500,000	18,500,000	18,500,000
Gift Tax	4,700,000	4,700,000	4,700,000
Insurance Tax	87,379,700	87,379,700	87,379,700
Infectious Waste Tax	0	0	110,000
Motor Transport Fees	6,100,000	6,100,000	6,100,000
Private Car Lines Tax	1,500,000	1,500,000	1,500,000
Public Service Assessment	3,730,675	3,730,675	3,730,675
Public Service Authority	2,000,000	5,000,000	5,000,000
Radioactive Waste Surcharge	4,000,000	4,000,000	4,000,000

13832

Retailers' License Tax	1,600,000	1,600,000	1,600,000
Savings & loan Association Tax	500,000	500,000	500,000
Soft Drinks Tax	23,645,000	23,645,000	23,645,000
Workers' Compensation Insurance Tax	14,500,000	14,500,000	14,700,000
Total All Other Revenue	\$556,019,725	\$563,245,089	\$561,181,079
Total Regular Sources	\$3,000,019,725	\$3,016,413,639	\$3,037,250,026
MISCELLANEOUS SOURCES:			
Circuit & Family Court Fines	2,240,000	2,240,000	2,240,000
Debt Service Reimbursement	10,754,801	10,754,801	6,268,801
Housing Authority Reimbursement	465,334	465,334	465,334
Indirect Cost Recoveries	15,164,819	15,164,819	20,054,007
Mental Health Fees	3,800,000	3,800,000	3,800,000
Parole & Property Supervision Fees	3,150,000	3,300,000	3,300,000
Unclaimed Property Fund Transfer	14,000,000	14,000,000	8,000,000
Waste Treatment Loan Repayment	430,000	430,000	430,000
Total Miscellaneous Sources	\$50,004,954	\$50,154,954	\$44,558,142
Total Regular and Miscellaneous Revenue	\$3,050,024,679	\$3,066,568,593	\$3,081,808,168
Reserve Fund Transfers		(\$7,235,819)	(\$7,235,819)
Total General Fund Revenue		\$3,059,332,774	\$3,074,572,349
Total Highway Revenue		\$451,912,937	\$451,912,937
Total EIA		\$267,400,000	\$271,299,603
Total All Sources of Revenues		\$3,778,645,711	\$3,797,784,889

EXHIBIT
MAR 22 1988 NO. 2
STATE BUDGET & CONTROL BOARD

STATE BUDGET DIVISION
ANALYSIS OF THE
1988-89 GENERAL APPROPRIATIONS BILL
PART III

1987-88 Total Appropriation \$ 0

1988-89 Appropriation

B & C Board Recommended Adjustments \$ 0

Total B & C Board Recommendation \$ 0

Ways & Means Committee Adjustments \$ 0

Total 1988-89 Part III Appropriation \$ 0

Prepared
March 4, 1988

1383A

MAR 22 1988 NO. 2

STATE BUDGET & CONTROL BOARD

EXHIBIT

EXHIBIT
MAR 22 1988 NO. 2
STATE BUDGET & CONTROL BOARD

EXHIBIT

MAR 22 1988

NO. 3 3

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

STATE BUDGET & CONTROL BOARD
BLUE AGENDA
ITEM NUMBER

3

AGENCY: Executive Director

SUBJECT: Foreign Travel

In accord with Board policy, staff has approved the following University of South Carolina foreign travel involving over \$1,000 and less than \$2,000 of State-appropriated funds:

- (a) Dr. John Spurgeon to Korea during the September 5-22, 1988, period at an estimated cost of \$1,411 State funds.
- (b) Donald J. Puchala to London, England during the March 9-16, 1988, period at an estimated cost of \$1,300 State funds.
- (c) Dr. Tom Mack to Cambridge England during the July 24 - August 6, 1988, period at an estimated cost of \$1,577 State funds.

BOARD ACTION REQUESTED:

Receive as information a report on USC foreign travel involving over \$1,000 and less than \$2,000 of State funds approved by staff.

ATTACHMENTS:

Denton March 4 and 8 memos to Williams

13635



UNIVERSITY OF SOUTH CAROLINA
COLUMBIA, S. C. 29208

MAR - 9 1988

EXHIBIT

MAR 22 1988 NO. 3

STATE BUDGET & CONTROL BOARD

SENIOR VICE PRESIDENT

Business and Finance
(803) 777-7478

March 4, 1988

REQUEST FOR APPROVAL OF FOREIGN TRAVEL

TO : Donna K. Williams
Administrative Assistant
Budget and Control Board

FROM : R. W. Denton *[Signature]*
Senior Vice President for Business and Finance

SUBJECT : Dr. John Spurgeon
College of Health

DESTINATION : Cheonan and Seoul, Korea

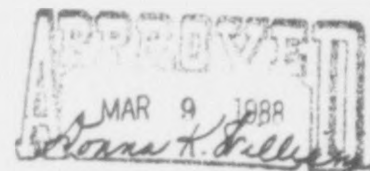
TIME PERIOD : September 5 - 22, 1988

PURPOSE : Participating in the Seoul Olympic Scientific Congress

STATE FUNDS : \$1,411.00

TOTAL USC FUNDS : \$1,411.00

pdo



STATE BUDGET AND
CONTROL BOARD

13836 (a)



MAR 11 1988

EXHIBIT

UNIVERSITY OF SOUTH CAROLINA
COLUMBIA, S. C. 29208

MAR 22 1988

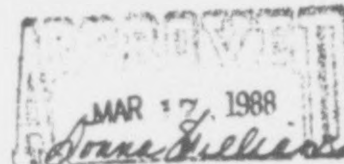
NO. 3

STATE BUDGET & CONTROL BOARD

SENIOR VICE PRESIDENT

Business and Finance
(803) 777-7478

March 8, 1988



STATE BUDGET AND
CONTROL BOARD

REQUEST FOR APPROVAL OF FOREIGN TRAVEL

TO : Donna K. Williams
Administrative Assistant
Budget and Control Board

FROM : R. W. Denton *RWD*
Senior Vice President for Business and Finance

SUBJECT : Donald J. Puchala
Institute of International Studies

DESTINATION : London, England

TIME PERIOD : March 9 - 16, 1988

PURPOSE : To present a paper entitled "America's Feelings
with the European Common Market" in London, England

STATE FUNDS : \$1,300.00

TOTAL USC FUNDS: \$1,300.00

pdo

*Verbal approval per Bill McInnis 3-8-88

13837

(b)



MAR 11 1988

EXHIBIT

UNIVERSITY OF SOUTH CAROLINA
COLUMBIA, S. C. 29208

MAR 22 1988

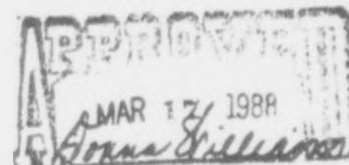
NO. 3

STATE BUDGET & CONTROL BOARD

SENIOR VICE PRESIDENT

Business and Finance
(803) 777-7478

March 8, 1988



STATE BUDGET AND
CONTROL BOARD

REQUEST FOR APPROVAL OF FOREIGN TRAVEL

TO : Donna K. Williams
Administrative Assistant
Budget and Control Board

FROM : R. W. Denton
Senior Vice President for Business and Finance

SUBJECT : Dr. Tom Mack
USC - Aiken

DESTINATION : Cambridge, England

TIME PERIOD : July 24 - August 6, 1988

PURPOSE : 1988 International Conference on the First Year Experience

STATE FUNDS : \$1,577.00

TOTAL USC FUNDS : \$1,577.00

pdo

13838

(c)

EXHIBIT

MAR 22 1988

NO. 4

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

BLUE AGENDA
ITEM NUMBER

4

AGENCY: Executive Director

SUBJECT: Interviewee Travel Expense Reimbursement

Please refer to the attached report for details on payments of interviewee travel expenses by the following agencies:

<u>Agency</u>	<u>Number</u>	<u>Estimated Cost</u>
(a) Lander College	2	828.43
(b) Mental Health	1	400.00

BOARD ACTION REQUESTED:

Receive as information reports on the reimbursement of interviewee travel expenses by Lander College (2) and Mental Health (1).

ATTACHMENTS:

Referenced report

13839

INTERVIEWEE TRAVEL EXPENSE REIMBURSEMENT PAYMENTS

Agency	Period	Total Number	Total Cost	Number of Payments			
				\$100 or Less	\$101 to \$300	\$301 to \$500	\$501 and Over
Lander College	February 1988	2	828.43	0	0	2	0
Mental Health	March 1988	1	400.00	0	0	1	0
Total		3	1228.43	0	0	3	0

EXHIBIT
MAR 22 1988 NO. 4
STATE BUDGET & CONTROL BOARD

13840

Lander

COLLEGE

Greenwood, South Carolina 29646

EXHIBIT

MAR 22 1988

NO. 4

MAR - 9 1988

STATE BUDGET & CONTROL BOARD

Office of Academic Affairs

Telephone (803) 229-8320

DATE: February 3, 1988

TO: Larry A. Jackson, President

FROM: Michael L. Rowland

Your approval is requested to invite Mrs. Lila Roberts to campus for an interview for the position of Visiting Instructor of Math. and to pay his (her) travel expenses. The significance of this position is such that it warrants the costs of an interview. The participation of a number of Lander College persons is vital to this particular interview; therefore, the costs of bringing the candidate to the campus would be far less than would be the expense of conducting the interview at his (her) home area or elsewhere. Qualified candidates residing within South Carolina were considered before candidates from other states were sought.

Travel-----	\$ <u>225</u>
Food-----	\$ <u>25</u>
Lodging-----	\$ <u>100</u>
TOTAL	\$ <u>350</u>

Initial Approval: L.A.J.
Larry A. Jackson

Date: 2-5-88

Actual Costs:

Travel-----	\$ <u>210.00</u>
Food-----	\$ <u>35.07</u>
Lodging-----	\$ <u>94.16</u>
TOTAL	\$ <u>339.23</u>

13841

APPROVAL RECOMMENDED Michael L. Rowland
Michael L. Rowland

APPROVED L.A. Jackson
Larry A. Jackson

3/6/88

Date: March 3, 1988

1 9 8 7

Celebrate the Arts

Date: _____

1 9 8 8

Lander

COLLEGE

Greenwood, South Carolina 29646

EXHIBIT

MAR 22 1988

NO. 4

STATE BUDGET & CONTROL BOARD of Academic Affairs

Telephone (803) 229-8320

DATE: February 3, 1988

TO: Larry A. Jackson, President

FROM: Michael L. Rowland

Your approval is requested to invite Ms. Shirleen Smith to campus for an interview for the position of Visiting Instructor of Math. and to pay his (her) travel expenses. The significance of this position is such that it warrants the costs of an interview. The participation of a number of Lander College persons is vital to this particular interview; therefore, the costs of bringing the candidate to the campus would be far less than would be the expense of conducting the interview at his (her) home area or elsewhere. Qualified candidates residing within South Carolina were considered before candidates from other states were sought.

Travel-----	\$ <u>400</u>
Food-----	\$ <u>25</u>
Lodging-----	\$ <u>75</u>
TOTAL	\$ <u>500</u>

Initial Approval: L. A. J.
Larry A. Jackson

Date: 2/5/88

Actual Costs:

Travel-----	\$ <u>379.60</u>
Food-----	\$ <u>109.60</u> (meals included)
Lodging-----	\$ <u>109.60</u> (meals included)
TOTAL	\$ <u>489.20</u>

13842

APPROVAL RECOMMENDED

Michael L. Rowland
Michael L. Rowland

APPROVED

L. A. J.
Larry A. Jackson
3/4/88

Date: March 2, 1988

1 9 8 7

Celebrate the Arts

Date: 3/4/88

1 9 8 8



South Carolina Department of Mental Health

An Equal Opportunity Employer

P. O. Box 485 / 2414 Bull Street / Columbia, South Carolina 29202

Information (803) 734-7766

Joseph J. Bevilacqua, Ph.D. / State Commissioner

(803) 734-7780

RECEIVED

MEMORANDUM

MAR 03 1988

State Commissioner of
Mental Health
S. C. Dept. of Mental Health

MENTAL HEALTH COMMISSION:

William L. Pope, Chairman
Columbia

C. Alex Harvin, Jr., Vice-Chairman
Summerton

Elaine T. Freeman
Spartanburg

E. A. Hall, Jr.
Columbia

Richard K. Harding, M.D.
Columbia

Ernest E. Harrill
Greenville

Louise R. Hassenplug
Rock Hill

C. M. Tucker, Jr.
Chairman Emeritus
Pageland

John M. Fewell, M.D.
Member Emeritus
Greenville

G. Werber Bryan
Member Emeritus
Sumter

Bernard Warshaw
Member Emeritus
Walterboro

TO: Joseph J. Bevilacqua, Ph.D.
State Commissioner of Mental Health

FROM: Tony A. Gore, M.D. *702*
Senior Deputy Commissioner for Clinical Services

DATE: March 4, 1988

SUBJECT: Reimbursement for Interview Travel

I request approval of travel reimbursement in the amount of approximately \$400.00 for B. V. Smith, Ph.D. Dr. Smith was requested to return to Columbia for a second interview for the position of Deputy Commissioner of Community Mental Health Services.

TAG:mk

C: Mr. William S. McInnis
Deputy Executive Director
State Budget and Control Board



13843

EXHIBIT

MAR 22 1988

NO. 5

STATE BUDGET AND CONTROL BOARD AGENDA
MEETING OF March 22, 1988

ITEM NUMBER

5

AGENCY: General Services

SUBJECT: Permanent Improvement Projects

A. The following permanent improvement projects have been reviewed favorably by the Joint Bond Review Committee and approved by staff:

- (1) On Summary 15-88:
Items 1, 3, 6 and 7, (involving Winthrop, Health and Environmental Control, PRT and Highways & Public Transportation).
- (2) On Summary 16-88:
Items 1 through 3 and 6 through 8, (involving B&C Bd-General Services, Clemson, Vocational Rehabilitation, Wildlife & Marine Resources and PRT).

B. The following permanent improvement projects have been approved by staff and Joint Bond Review Committee review is not required:

- (1) On Summary 15-88:
Items 8 through 14 (involving B&C Bd-General Services and Wildlife & Marine Resources).
- (2) On Summary 16-88:
Items 9 through 11 (involving Clemson and Wildlife & Marine Resources).

BOARD ACTION REQUESTED:

Receive as information.

ATTACHMENTS:

Referenced summary extracts.

13844

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
February 1, 1988 Through February 15, 1988

SUMMARY 15-88
Forwarded to JBRC 02/18/88

Page 1 of 5

Item Agency: H47 Winthrop College Project: 9504, Bancroft Animal Laboratory

1. Action
Proposed: Establish project.

Total budget.....\$ 66,100.00
[6] Appropriated State.....\$ 66,100.00

Purpose: To renovate the basement area of Bancroft Building to upgrade air conditioning and heating and to convert the space from temporary office use to an animal research and instructional laboratory.

Ref: Supporting document pages 1-4.

CHE Approval Date: 02/17/88
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed	
Source	Amount
Appropriated State	66,100.00

TOTAL FUNDS 66,100.00

Item Agency: J04 Health & Env Control Project: 9092, Camp Burnt Gin Dining/Rec Hall

3. Action
Proposed: Increase budget from \$ 191,000.00 to \$ 200,000.00

(Add \$ 9,000.00 [9] Other, Donations)

Purpose: To cover actual cost of construction. This project was approved by JBRC as an emergency request on 2/9/88.

Ref: Supporting document pages 8-11.

CHE Approval Date: Not req'd
Committee Review Date: 02/09/88
B&C Board Approval Date: 02/09/88

Budget After Action Proposed	
Source	Amount
Appropriated State	151,000.00
Other	49,000.00

TOTAL FUNDS 200,000.00

Item Agency: P28 Parks, Rec & Tourism Project: 9307, Hampton Plantation Superintendent's Residence

6. Action
Proposed: Increase budget from \$ 27,000.00 to \$ 37,000.00

(Add \$ 10,000.00 [9] Other, Operating)

Purpose: Increase is needed to complete this project.

Ref: Supporting document pages 12-13.

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed	
Source	Amount
Other	37,000.00

TOTAL FUNDS 37,000.00

EXHIBIT
MAR 22 1988
NO. 5
STATE BUDGET & CONTROL BOARD

13845

A(1)

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
February 1, 1988 Through February 15, 1988

SUMMARY 15-88 Page 2 of 5
Forwarded to JBRC 02/18/88

Item Agency: U12 Highway & Public Trans Project: 9528, Andrews Section Shed Roof Replace
7.

Action
Proposed: Establish project.

Total budget.....\$	50,000.00
[9] Other, S.C.D.H. & P.T.....\$	50,000.00

Purpose: To replace roof and gutter.

Ref: Supporting document pages 14-15.

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed	
Source	Amount
Other	50,000.00

TOTAL FUNDS	50,000.00
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EXHIBIT

MAR 22 1988 NO. 5

STATE BUDGET & CONTROL BOARD

13846

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
February 16, 1988 Through February 29, 1988

SUMMARY 16-88 Page 1 of 4
Forwarded to JBRC 03/02/88

Item Agency: F12 B&C Bd-General Services Project: 9506, Wade Hampton Bldg Basement Renovation
1.

Action
Proposed: Establish project.

Total budget.....\$ 40,000.00
[6] Appropriated State.....\$ 40,000.00

Purpose: To renovate storage area in basement to provide an additional 968 sq. ft.
for seven offices.

Ref: Supporting document pages 1-2.

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed	
Source	Amount
Appropriated State	40,000.00

TOTAL FUNDS 40,000.00

Item Agency: H12 Clemson University Project: 9139, Security & Retail Building Renovations
2.

Action
Proposed: Increase budget from \$ 925,000.00 to \$ 1,081,000.00

(Add \$ 156,000.00 [9] Other, Private Donations (IPTAY))

Purpose: To increase gross area by 1,850 square feet and cover actual construction cost.

Ref: Supporting document pages 3-5.

CHE Approval Date: 02/17/88
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed	
Source	Amount
Athletic	925,000.00
Other	156,000.00

TOTAL FUNDS 1,081,000.00

Item Agency: H73 Vocational Rehab Project: 9511, Sumter VR Center-Dock Area Renovation
3.

Action
Proposed: Establish project.

Total budget.....\$ 81,974.00
[7] Federal.....\$ 40,987.00
[9] Other, Sumter Workshop Revenue.....\$ 40,987.00

Purpose: To enclose dock area, size 25' x 58' (1,450 sq.ft.) and install necessary
heating and cooling system, paint and decorate for a working area for
contract work.

Ref: Supporting document pages 6-9.

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed	
Source	Amount
Federal	40,987.00
Other	40,987.00

TOTAL FUNDS 81,974.00

EXHIBIT
MAR 22 1988
NO. 5
STATE BUDGET & CONTROL BOARD

A(2)
13847

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
February 16, 1988 Through February 29, 1988

SUMMARY 16-88 Page 2 of 4
Forwarded to JBRC 03/02/88

Item Agency: P24 Wildlife & Marine Res Project: 9389, Hampton-Webb Wildlife Center Renov
6.

Action
Proposed: Increase budget from \$ 180,000.00 to \$ 230,000.00

(Add \$ 25,000.00 [7] Federal)
(Add \$ 25,000.00 [9] Other, License Fees)

Purpose: To remove the plaster walls and replace it with sheetrock.

Ref: Supporting document pages 19-20.

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed	
Source	Amount
Capital Improvement Bonds	80,000.00
Federal	125,000.00
Other	25,000.00

TOTAL FUNDS 230,000.00

Item Agency: P24 Wildlife & Marine Res Project: 9511, Marion-Tilghman Land Acquisition
7.

Action
Proposed: Increase budget from \$ 10,000.00 to \$ 102,260.00

(Add \$ 92,260.00 [9] Other, Heritage Land Trust)

Purpose: To allow purchase of property, 453.2 acres of land in Marion County, based on recent appraisal.

Ref: Supporting document pages 21-25.

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed	
Source	Amount
Other	102,260.00

TOTAL FUNDS 102,260.00

Item Agency: P28 Parks, Rec & Tourism Project: 8957, Governor's House at Charles Towne Landing
8.

Action
Proposed: Increase budget from \$ 300,000.00 to \$ 303,800.00

(Add \$ 3,800.00 [6] Appropriated State)

Purpose: To provide for the installation of a security system in the Governor's House at Charles Towne Landing.

Ref: Supporting document pages 26-27.

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed	
Source	Amount
Appropriated State	303,800.00

TOTAL FUNDS 303,800.00

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EXHIBIT
MAR 22 1988 NO. 5
STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
February 1, 1988 Through February 15, 1988

SUMMARY 15-88 Page 1 of 5
Forwarded to JBRC 02/18/88

Item Agency: F12 B&C Bd-General Services Project: 9502, Supreme Court Bldg-Asbestos Abatement Refurbish

8.

Action

Proposed: Decrease budget from \$ 736,836.00 to \$ 530,243.41

(Subtract \$ 206,592.59 [9] Other, Rent)

Purpose: To decrease budget to a more accurate cost estimate and change source due to unavailable funds in rental account.

Ref: Supporting document pages 16-18.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 02/15/88

Budget After Action Proposed	
Source	Amount
Other	530,243.41

TOTAL FUNDS 530,243.41

Item Agency: P24 Wildlife & Marine Res Project: 8593, Greenville-Ashmore Tract Land Purchase

9.

Action

Proposed: Decrease budget from \$ 323,500.00 to \$ 220,498.61

(Subtract \$ 103,001.39 [6] Appropriated State)

Purpose: To close completed project.

Ref: Supporting document pages 19-20.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 02/15/88

Budget After Action Proposed	
Source	Amount
Appropriated State	220,498.61

TOTAL FUNDS 220,498.61

Item Agency: P24 Wildlife & Marine Res Project: 8853, Aiken-Caver Park Boat Ramp

10.

Action

Proposed: Cancel project.

(Subtract \$ 50,000.00 [9] Other, Aiken Co Water Rec Res)

Purpose: To cancel project. Funding was withdrawn by Delegation.

Ref: Supporting document pages 21-22.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 02/15/88

Budget After Action Proposed	
Source	Amount
Other	0.00

TOTAL FUNDS 0.00

B(1)

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STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
February 1, 1988 Through February 15, 1988

SUMMARY 15-88 Page 2 of 5
Forwarded to JBRC 02/18/88

Item Agency: P24 Wildlife & Marine Res Project: 8854, Aiken-Langley Pond Boat Ramp

11.

Action
Proposed: Cancel project.

(Subtract \$ 75,000.00 [9] Other, Aiken Co Water Rec Res)

Purpose: To cancel project. Funds were withdrawn by Delegation.

Ref: Supporting document pages 23-24.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 02/15/88

Budget After Action Proposed	
Source	Amount
Other	0.00

TOTAL FUNDS 0.00

Item Agency: P24 Wildlife & Marine Res Project: 9079, Georgetown-Sampit Boat Ramp

12.

Action
Proposed: Cancel project.

(Subtract \$ 24,876.00 [9] Other, Georgetown Co Game & Fish)

Purpose: To cancel project. Funds were withdrawn by Delegation.

Ref: Supporting document pages 25-26.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 02/15/88

Budget After Action Proposed	
Source	Amount
Other	0.00

TOTAL FUNDS 0.00

Item Agency: P24 Wildlife & Marine Res Project: 9364, Horry-Little River Dock at Hwy #9

13.

Action
Proposed: Close project.

Purpose: To close completed project.

Ref: Supporting document pages 27-28.

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 02/15/88

Budget After Action Proposed	
Source	Amount
Other	22,485.00

TOTAL FUNDS 22,485.00

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STATE BUDGET & CONTROL BOARD

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STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
February 1, 1988 Through February 15, 1988

SUMMARY 15-88 Page 3 of 5
Forwarded to JBRC 02/18/88

Item Agency: P24 Wildlife & Marine Res Project: 9428, Spartanburg-Lake Blalock Fishing Pier

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 02/15/88

<u>Budget After Action Proposed</u>	
<u>Source</u>	<u>Amount</u>
Other	27,000.00

Action
Proposed: Close project.

Purpose: To close complete project.

Ref: Supporting document pages 29-30.

TOTAL FUNDS 27,000.00

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STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
February 16, 1988 Through February 29, 1988

SUMMARY 16-88 Page 1 of 4
Forwarded to JBRC 03/02/88

Item Agency: H12 Clemson University Project: 8938, Filter Plant Improvements

CHE Approval Date: 03/01/88
Committee Review Date: 99/99/99
B&C Board Approval Date: 02/29/88

9. Action
Proposed: Decrease budget from \$ 200,000.00 to \$ 154,362.45

(subtract \$ 45,637.55 [6] Appropriated State)

Purpose: To close completed project.

Ref: Supporting document pages 28-29.

Budget After Action Proposed	
Source	Amount
Appropriated State	51,656.21
Other	102,706.24

TOTAL FUNDS 154,362.45

Item Agency: P24 Wildlife & Marine Res Project: 9232, Williamsburg-Staples Lake Boat Ramp

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 02/29/88

10. Action
Proposed: Decrease budget from \$ 60,000.00 to \$ 39,519.05

(Subtract \$ 20,480.95 [9] Other, Williamsburg Co Water Rec Res)

Purpose: To close completed project.

Ref: Supporting document pages 30-31.

Budget After Action Proposed	
Source	Amount
Other	39,519.05

TOTAL FUNDS 39,519.05

Item Agency: P24 Wildlife & Marine Res Project: 9512, Berkeley Co-Richardson Landing Seawall Repair

CHE Approval Date: Not req'd
Committee Review Date: 99/99/99
B&C Board Approval Date: 02/29/88

11. Action
Proposed: Establish project.

Total budget.....\$ 28,800.00
[9] Other, Berkeley Co Game & Fish.....\$ 28,800.00

Purpose: To repair existing seawall which has suffered major damage in the past few weeks due to age, rainfall, and rough water conditions in the lake.

Ref: Supporting document pages 32-33.

Budget After Action Proposed	
Source	Amount
Other	28,800.00

TOTAL FUNDS 28,800.00

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MAR 22 1988 NO. 5
STATE BUDGET & CONTROL BOARD

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B(2)

EXHIBIT

MAR 22 1988

NO. 6

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

REGULAR SESSION

ITEM NUMBER

2

AGENCY: City of Charleston

SUBJECT: State Funding Request for Aquarium

City of Charleston Mayor Riley will make a presentation on the South Carolina Aquarium, a Marine Science Museum.

When Mayor Riley appeared before the Board to discuss this idea in August of 1986, the Aquarium was estimated to cost between \$12 and \$13 million dollars. At that time, he said he would request \$8 or \$9 million in State funding in 1988.

BOARD ACTION REQUESTED:

Consider.

ATTACHMENTS:

13853

EXHIBIT

South Carolina Aquarium

MAR 22 1988

NO. 6

STATE BUDGET & CONTROL BOARD

	Year 1	Year 2	Year 3	Year 4	Year 5
South Carolina Aquarium Operating Surplus	\$1,661,465	\$1,836,539	\$1,931,073	\$1,936,310	\$2,061,835
Tax Revenues to State of South Carolina	\$1,812,000	\$1,848,000	\$2,063,000	\$2,151,000	\$2,290,000
Subtotal	\$3,473,465	\$3,684,539	\$3,994,073	\$4,087,310	\$4,351,835
Debt Service on \$13.4 million State of S.C. Capital Improvement Bonds 6.25%/15 year term	\$ 837,500	\$1,237,500	\$1,312,500	\$1,381,250	\$1,443,750
Net Gain to South Carolina	\$2,635,965	\$2,447,039	\$2,681,573	\$2,706,060	\$2,908,085

13854

EXHIBIT

SOUTH CAROLINA AQUARIUM

MAR 22 1988

NO. 6

STATE BUDGET & CONTROL BOARD

FINANCIAL PERFORMANCE

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Total Revenues	\$4,796,220	\$5,217,865	\$5,562,950	\$5,817,228	\$6,236,576
Total Expenditures	3,134,755	3,381,326	3,631,877	3,880,918	4,174,741
Operating Surplus	\$1,661,465	\$1,836,539	\$1,931,073	\$1,936,310	\$2,061,835

Total Operating Surplus:

First Five Years of Operation - \$9,427,422

13855

EXHIBIT

SOUTH CAROLINA AQUARIUM

MAR 22 1988

NO. 6

STATE BUDGET & CONTROL BOARD

OVERALL ECONOMIC IMPACT THROUGH THE FIRST FIVE YEARS OF OPERATION

DIRECT IMPACTS

Construction Expense	\$ 20,000,000
Operations Expense	18,204,000

SECONDARY IMPACTS

Construction Expense	20,000,000
Operations Expense	34,300,000
Visitor Spending	138,156,000

TOTAL Economic Impact	\$230,660,000
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13856

EXHIBIT

MAR 22 1988 NO. 6

SOUTH CAROLINA AQUARIUM

STATE BUDGET & CONTROL BOARD

TAXES RETURNED TO THE STATE OF SOUTH CAROLINA FIRST FIVE YEARS OF OPERATION

DIRECT TAXES

Income Tax	\$ 612,000
Admissions Tax	718,000
Sales Tax	561,000

SECONDARY TAXES

Accommodations Tax	586,000
Income Tax	490,000
Gasoline Tax	975,000
Sales Tax on Visitor Spending	6,908,000

TOTAL State Taxes	\$10,850,000
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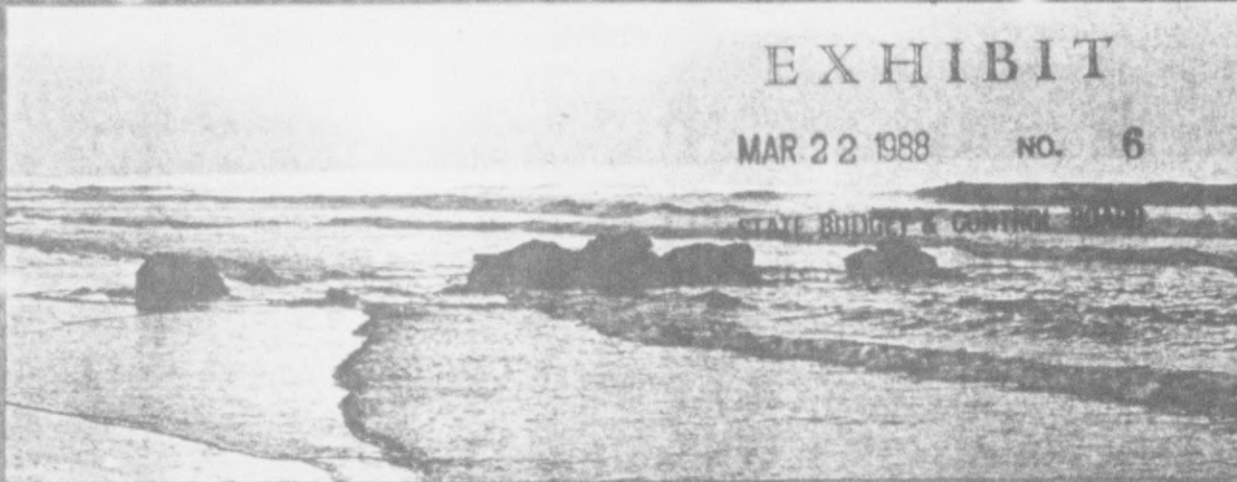
13857

EXHIBIT

MAR 22 1988

NO. 6

STATE BUDGET & CONTROL BOARD



SOUTH CAROLINA AQUARIUM

A MARINE SCIENCE MUSEUM

13858

THE SOUTH CAROLINA AQUARIUM

EXHIBIT

MAR 22 1988

NO. 6

FINANCIAL PERFORMANCE

STATE BUDGET & CONTROL BOARD

The South Carolina Aquarium will be an extraordinary educational and economic asset for South Carolina. An invaluable investment for the State, the Aquarium will yield \$17 dollars in taxes, direct and indirect impacts in its first five years of operation for every state dollar invested in 1990.

Two-thirds of the total project cost of \$20 million, or \$13.4 million is requested from the State of South Carolina through a bond issue. The City of Charleston, which has already

contributed \$1 million for the development of the project, will be responsible for the first \$6.6 million of construction costs. Construction is expected to begin in 1990. State funds will not be needed until later in 1990 to continue construction.

The South Carolina Aquarium, properly built and managed, is projected to accumulate an operating surplus of over \$9 million in its first five years of operation. The Aquarium never need draw upon the State's General Operating Fund for

revenue. It will, in fact, contribute to the economy.

Over \$10 million in taxes is expected to be returned to the State of South Carolina from 1990 through 1995 as a result of the South Carolina Aquarium. Direct taxes include income, admissions, and sales tax from the operation of the facility. Secondary taxes from income, sales, accommodations and gasoline sales are a result of the increased length of visitor stay and associated visitor spending statewide.

The South Carolina Aquarium will be a point of pride for South Carolinians. It will easily contribute more to the state's economy than its initial construction costs. The South Carolina Aquarium makes sense — both on the balance sheet and as a great contribution to the quality of life in South Carolina. It is affordable today, and is a gift to present and future South Carolinians.

Financial Performance

	Year 1	Year 2	Year 3	Year 4	Year 5
Total Revenues	\$4,796,220	\$5,217,865	\$5,562,950	\$5,817,228	\$6,236,576
Total Expenditures	3,134,755	3,381,326	3,631,877	3,880,918	4,174,741
Operating Surplus	\$1,661,465	\$1,836,539	\$1,931,073	\$1,936,310	\$2,061,835
Total Operating Surplus:					
First Five Years of Operation —	\$9,427,422				

Revenues to the State of South Carolina

	Year 1	Year 2	Year 3	Year 4	Year 5
South Carolina Aquarium Operating Surplus	\$1,661,465	\$1,836,539	\$1,931,073	\$1,936,310	\$2,061,835
Tax Revenues to State of South Carolina	\$1,812,000	\$1,848,000	\$2,063,000	\$2,151,000	\$2,290,000
Subtotal	\$3,473,465	\$3,684,539	\$3,994,073	\$4,087,310	\$4,351,835
Debt Service on \$13.4 million State of S.C. Capital Improvement Bonds 6 25/4/15 year term	\$ 837,500	\$1,237,500	\$1,312,500	\$1,381,250	\$1,443,750
Net Gain to South Carolina	\$2,635,965	\$2,447,039	\$2,681,573	\$2,706,060	\$2,908,085

Overall Economic Impact Through the First Five Years of Operation

DIRECT IMPACTS	
Construction Expense	\$ 20,000,000
Operations Expense	18,204,000
SECONDARY IMPACTS	
Construction Expense	\$20,000,000
Operations Expense	34,300,000
Visitor Spending	138,156,000
TOTAL Economic Impact	\$230,660,000

Taxes Returned to the State of South Carolina First Five Years of Operation

DIRECT TAXES	
Income Tax	\$ 612,000
Admissions Tax	718,000
Sales Tax	561,000
SECONDARY TAXES	
Accommodations Tax	586,000
Income Tax	490,000
Gasoline Tax	975,000
Sales Tax on Visitor Spending	6,908,000
TOTAL State Taxes	\$10,850,000

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EXHIBIT

MAR 22 1988

NO. 6

STATE BUDGET & CONTROL BOARD



- Estuaries and marshlands provide nurseries for many of the sea's residents. From microscopic organisms to full-sized fish, three-quarters of our Atlantic Coast's fish, shellfish and crustaceans spend at least part of their lives here.
- As a state-of-the-art educational facility, the Aquarium will include a major central tank with sharks and colorful Gulf Stream fish. Living freshwater, shoreline and marsh exhibits will introduce visitors to the animals and plants of our State's ecosystems. The hands-on laboratory will have touch-tanks, interactive programs and research tools.
- The coastline will always know change from the tides, the weather and the seasons, but nothing threatens our coastal environment like man's lack of understanding.



An Opportunity To Understand The World Around Us

The pursuit of excellence in education continues to be a top priority for our State. The South Carolina Aquarium will provide a unique science education opportunity for all South Carolinians.

Educators are advising on the development of programs and exhibits to ensure that the Aquarium will enrich the science curriculum of every school district in the State. Textbook information will come to life, with much greater meaning, as students participate with hands-on, practical learning, closely correlated to their science

courses. The proximity of the South Carolina Aquarium to the Fort Sumter Boat Tours offers an extraordinary combination of learning experiences.

South Carolina has some of the finest marine research scientists and centers in the country. Biologists and ecologists from universities, state and federal agencies, are working with the Aquarium staff to develop exhibits, workshops and programs that will reflect marine research in South Carolina and make environmental education resources within the State available to everyone.

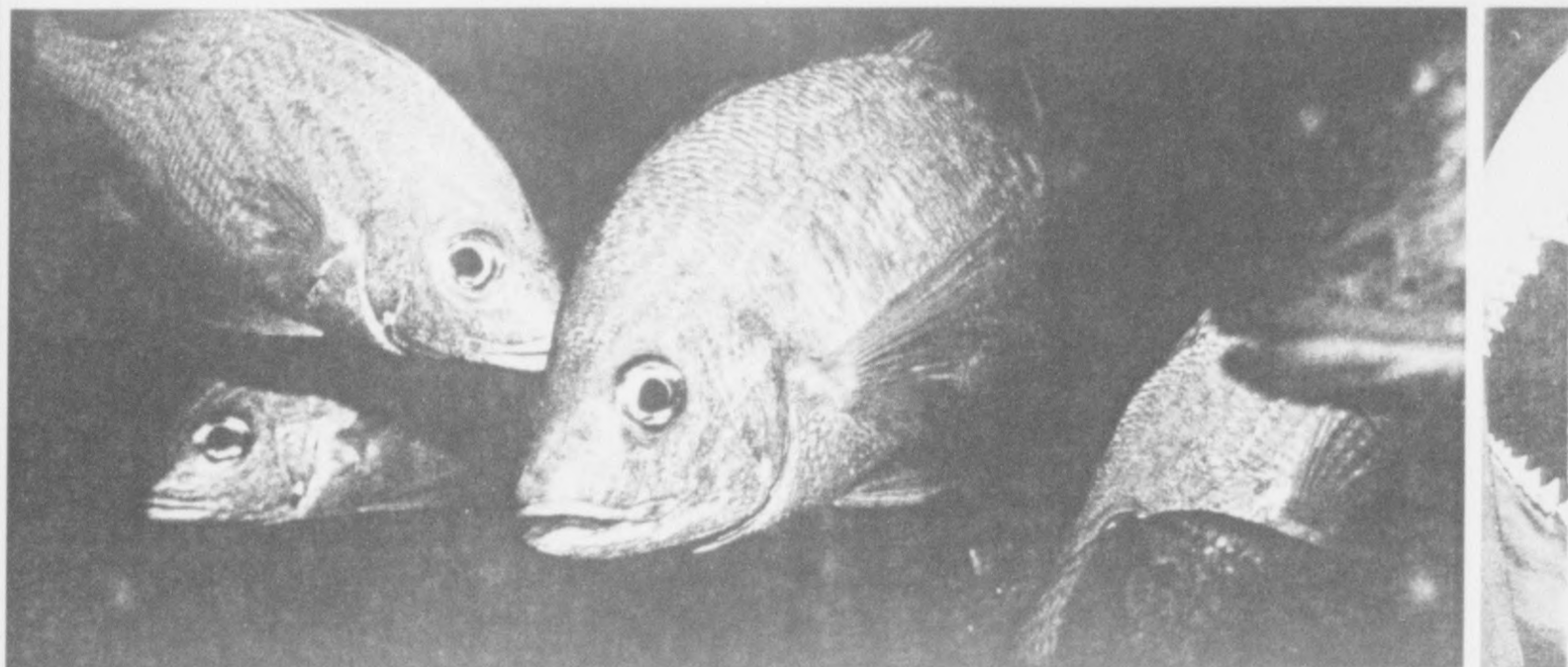
From hands-on experiments for students to sophisticated research

13860

EXHIBIT

MAR 22 1988 NO. 6

STATE BUDGET & CONTROL BOARD



opportunities. The Museum will provide educational learning opportunities at all levels. It will be open 365 days a year, 10 am to 5 pm, with special hours for school groups and seniors.

Protecting The Environment For Our Future

With South Carolina's 12th largest population, we are one of the most densely populated states in the Southeast. Our state's land and water resources are under increasing pressure. The South Carolina Department of Natural Resources is committed to protecting our natural resources for the future.

South Carolina is the only state in the Southeast with a large, undeveloped area of land. This land is rich in natural resources and is a valuable asset to our state. The Department of Natural Resources is committed to protecting this land for the future.

The Department of Natural Resources is committed to protecting our natural resources for the future. We are currently working on a number of projects to protect our land and water resources. These projects include the creation of new parks and preserves, the restoration of degraded areas, and the implementation of strict regulations to protect our natural resources.

South Carolina is a beautiful state with a rich history and a diverse culture. We are proud of our natural resources and are committed to protecting them for the future. The Department of Natural Resources is working hard to ensure that our natural resources are preserved for generations to come.

A More Tourist Friendly State

The South Carolina Department of Natural Resources is committed to making our state more tourist friendly. We are currently working on a number of projects to improve our tourism industry. These projects include the creation of new tourist attractions, the improvement of our transportation system, and the implementation of strict regulations to protect our natural resources.

South Carolina is a beautiful state with a rich history and a diverse culture. We are proud of our natural resources and are committed to protecting them for the future. The Department of Natural Resources is working hard to ensure that our natural resources are preserved for generations to come.

The Department of Natural Resources is committed to making our state more tourist friendly. We are currently working on a number of projects to improve our tourism industry. These projects include the creation of new tourist attractions, the improvement of our transportation system, and the implementation of strict regulations to protect our natural resources.

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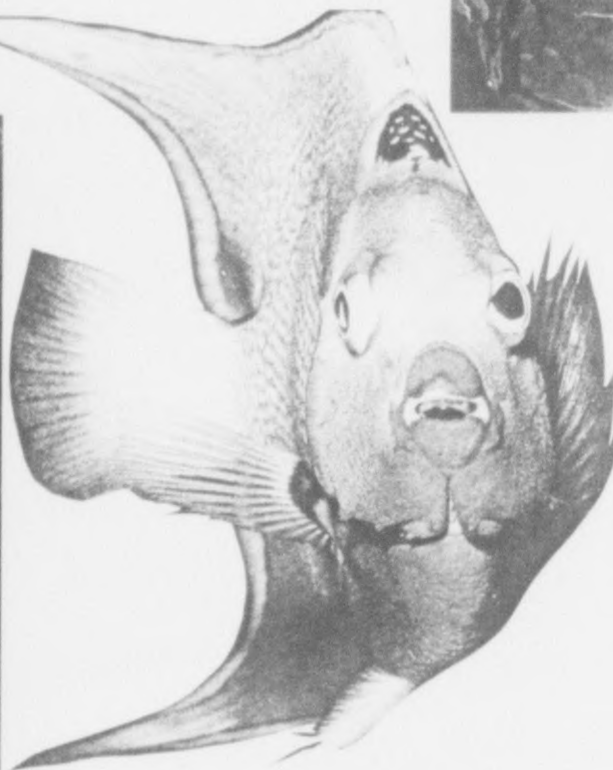
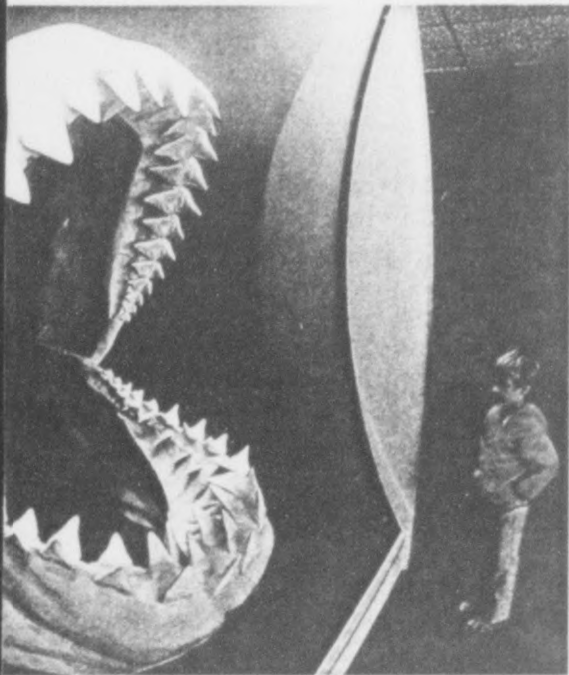
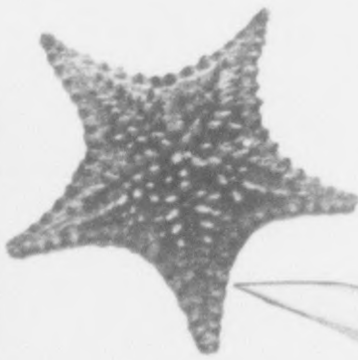
13861

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STATE BUDGET & CONTROL BOARD



which will most certainly encourage more and longer visits.

A Self-Supporting Museum That Enriches Us All

Feasibility studies confirm that the Aquarium will operate with a surplus and will increase tourism revenues for the State.

The first five years of attendance projections are based on only 16 percent of the resident population and only 16 percent of the annual Charleston tourist population, percentages which are average for facilities of this kind.

Many similar facilities have easily exceeded early visita-

tion estimates. For example, the Monterey Bay Aquarium in California, which opened in 1984, exceeded first-year projections by more than one million visitors.

The South Carolina Aquarium is an affordable, viable project. It will not only be self-supporting, it will also be beneficial to the State on educational, cultural and economic levels. The Aquarium will become a vital living institution for present and future generations.

- From hands-on experiments for students to sophisticated research projects, the Aquarium will provide extraordinary learning opportunities at all levels.
- Understanding the system of barrier islands and tidal waterways that form the coastal boundary of South Carolina and protect the mainland from the blows of ocean-borne storms is vital to man's peaceful coexistence with the sea.
- With sharks and crustaceans, cephepods and cormorants, the living freshwater, shoreline and marsh ecosystem exhibits will enhance our understanding of the life systems we depend on.

Photographs
provided by Wildlife
and Department of
the Interior
Wildlife
and Department
of the Interior
Department of
the Interior
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the Interior



13862

What South Carolinian has not stood barefoot in the soft sands bordering the Atlantic Ocean and pondered the majesty of the pounding surf? Yet the coastal grandeur that has continuously stirred the longings of poets, artists, balladeers — all of us — wields influence far greater than creative inspiration.

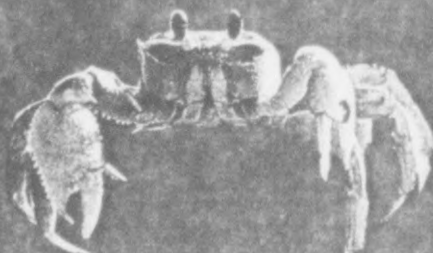
It was upon these waters that the 17th century settlers found their way here, and beside these waters that we thrive today. Within the surrounding estuaries and waterways, and beneath the surface of the ocean itself, lie the keys to the quality of life for future generations.

South Carolina's 178 miles of coastline make up one-third of the State's boundaries and over 20 percent of the existing salt marshes on the Atlantic coast. Combined with our 18 major lakes and more than 8,000 miles of rivers and streams, these waters are our greatest resource,

affecting the lives of every South Carolinian. Everyday, more than 33 billion gallons of water flow from South Carolina waterways into the sea. The State's industry, economy, energy, transportation, recreation, even the food we eat, depend upon our waterways and the life in them.

The understanding we all need to tap the abundant resources at hand while preserving and protecting them for the future must be a paramount concern for all South Carolinians. The South Carolina Aquarium, a marine science museum for South Carolina will be instrumental in providing that understanding.

Located in Charleston, the Aquarium will become one of South Carolina's major tourist attractions, contributing substantially to our State's economy. It represents a vital educational, environmental and economic resource for the benefit of all South Carolinians.



■ South Carolina has 178 miles of ocean shores, more than 3,000 miles of labyrinthine tidal shores, half-a-million acres of coastal marshes and 8,000 miles of freshwater rivers and streams. To sustain and protect these vital resources, we must educate the people of our State.



STATE BUDGET & CONTROL BOARD

The Aquarium will become a major tourist attraction for South Carolina. Feasibility studies conclude that the facility will be self-sufficient and will produce an operating surplus.



State Advisory Board South Carolina Aquarium Marine Science Museum February 1988

Mr. Hamp Allford
Eastover
Mr. Thomas A. Babb
Laurens
Mr. Robert H. Barnneau
Andrews
Mr. Robert D. Bell
Summerville
Mr. Nicholas L. Belmont
Spartanburg
Dr. J. Thomas Berry, Sr.
Greenville
Mr. Nevin Betts
Hartsville
Mr. Frederick Blackwell
Monetta
Mr. Mike Blinding
Sumter
Mr. B. Frank Boyd
Loris
Mr. James W. Botton
Sumter
Mr. Wallace Brown
Columbia
Mrs. Cynthia M. Brown
Eastover
Mayor Carmen Bunch
Isle of Palms
Ms. Rosemary H. Byerly
Irmo
Mr. James Carow
Charleston
Mr. Allen Caithen
Lancaster
Mrs. Julie S. Cliff
Mt. Pleasant
Mr. John Crocker
Clover
M. Roberta Cumbis
Hanahan
Mr. Lloyd Crumley
Greenville
Mr. Joe B. Dinsinger
Anderson
Mr. J. Randall Duce
Lexington
Dr. John Mark Deane
Columbia
Pastor Thomas A. DeGenn
Friedmont
Mr. Collins Douglass
Hilton Head Island
Mr. David C. Dudley
Lexington

Mr. E. B. Earle, Sr.
McBee
Mr. Terry Ehrlich
Chester
Dr. Robert J. Feller
Columbia
Mr. Henry J. Fickling, III
Ridgeland
Mr. Herbert S. Fielding
Charleston
Mrs. John Flinton
St. Matthews
Mr. Richard S. Fox
Greenwood
Mr. Floyd Gordon
Columbia
Mr. W. O. Grawson
Georgetown
Mr. Phil Gover
Pickens
Mr. Isaac Harper
Greenville
Mr. Leon Harrison
Dillon
Mayor Ralph Hendricks
Spartanburg
Dr. Ben Hodges
Goose Creek
Mr. James C. Holcombe
Irmo
Mrs. Betty L. Hudson
Duncan
Mr. A. J. Hunt
Easley
Dr. Jacqueline H. Jacobs
Columbia
Mrs. Gloria M. James
Holly Hill
Mr. Charles Jennings
Gaffney
Mr. Leon Johnson
Society Hill
Mr. Guy T. Jones, III
Columbia
Mr. Dan E. Jones
Columbia
Dr. Bernard Joseph M. Kelley, Jr.
Charleston
Dr. Rex E. Kerstetter
Greenville
Mr. Carl Kilgus
Barnburg
Mr. Gary Lacour, Director
Moncks Corner
Mr. Raymond P. Mallon
Summerton
Mr. Jeff Mann
Rock Hill

Mr. John A. McAllister
Greenwood
Mrs. Marlene M. McGorklin
Columbia
Mr. Joe McGowan
Laurens
Mrs. Sheda D. McMillan
Columbia
Mr. David McNamara
Columbia
Mrs. Gail R. McTeer
Columbia
Mr. Joseph Mix
Beaufort
Mr. William H. Monkton
Myrtle Beach
Dr. Lawrence E. Moore
Spartanburg
Mrs. Audrey W. Morgan
Gaffney
Mr. Kiffin Nanner
Landrum
Mr. B. E. Nicholson
Edgefield
Mrs. Garle T. O'Dell
Ware Shoals
Mrs. Marguerite Palmer
Charleston
Mrs. Claudia Peoples
Barnwell
Mr. Robert Pickering
Charleston
Mr. Andrew Polakoff
Spartanburg
Ms. Sharon Porter
Spartanburg
Mr. Ronald L. Proton
Lake City
Mr. Philip W. Prescott
Columbia
Mrs. Virginia Prosser
Aiken
Dr. Theodore D. Ravenel, Jr.
Columbia
Mr. Leonard D. Reynolds
Darlington
Mr. M. Q. Roberts
Newberry
Dr. LeGrand D. Rodgers
Greenville
Ms. Frances C. Rogers
Charleston
Mrs. Page S. Rountree
Landrum
Dr. Judith Sales
Orangeburg
Dr. Paul A. Sandler
Charleston

Mr. Walter Shrader
Rock Hill
Cmdr. Ralph C. Scott, USN (Ret.)
Clarks Hill
Mrs. Nanette P. Shalles
Charleston
Mr. M. Duane Shaler
Kingstree
Dr. Garnet Smith
Aiken
Mrs. Rene Smith
Woodruff
Mrs. Elizabeth M. Smith
Pawnee
Mrs. Dorothe J. Smith
Edisto Island
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Chester
Mrs. James E. Stratton, Jr.
Hartsville
Mr. Richard Thompson
Spartanburg
Dr. James A. Timmerman, Jr.
Columbia
Dr. John Verberg
Columbia
Mrs. Pat Wardlaw
Charleston
Mr. David L. Weekes
Greenville
Mr. Edward J. Wernitz
Walterboro
Mr. Lewis Wessinger
Columbia
Mr. Tilmund Williams
Columbia
Mr. D. Reese Williams
Columbia
Mr. Bradford Wheeler Wyche
Greenville
Mr. Roland C. Young
Columbia
Mr. Karl B. Zertst
North Charleston
Mrs. Sharon Zim
Barnburg

Co-Chairmen of the Friends of The South Carolina Marine Science Museum

Mr. Mahon Solomon
Charleston
Dr. Alan Navstbaum
Charleston

EXHIBIT

MAR 22 1988

NO. 7

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

REGULAR SESSION
ITEM NUMBER

3

AGENCY: Budget Division

SUBJECT: 1989-90 State Budget Hearing and Recommendation Schedule

The Budget Division has prepared the following proposed schedule for the 1989-90 budget hearings and recommendations:

May 13, 1988	Budget request materials sent to agencies
May 13-August 12, 1988	Budget request preparation by agencies
July 8, 1988	Deadline for program structure changes
July 26, 1988	Initial Allocation for FY 90 (Base + Annualization)
July 29, 1988	Budget Office distributes allocation letter for FY 90 to all agencies
August 12, 1988	Deadline for requests for budget increases with IT schedule
August 29-Sept 9, 1988	Agency budget hearings (tentative)
September 1, 1988	Request working estimate from BEA
September 15, 1988	Deadline for submitting detail budgets
November 1, 1988	BEA official estimate
November 2-4, 1988	Final Board allocation

REGULAR MEETINGS SCHEDULED FOR CALENDAR YEAR 1988

January	12	26	July	12	26
February	9		August	9	23
March	8	22	September	13	27
April	12	26	October	11	25
May	10	24	November	9	22
June	14	28	December	6	20

BOARD ACTION REQUESTED:

Approve the 1989-90 State Budget Hearings schedule.

ATTACHMENTS:

Agenda item worksheet.

13865

EXHIBIT

MAR 16 1988

MAR 22 1988

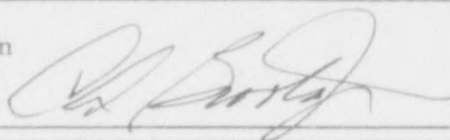
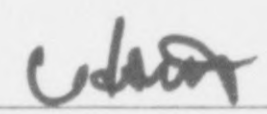
NO. 7

BUDGET AND CONTROL BOARD AGENDA STATE BUDGET & CONTROL BOARD ITEM WORKSHEET (12/84)

88-162

Meeting Scheduled for: March 22, 1988

Regular Agenda

1. Submitted By:
(a) Agency: State Budget Division
(b) Authorized Official Signature: 
2. Subject:
1989-90 State Budget Hearing and Recommendation Schedule
3. Summary Background Information:
The State Budget Division has attached a proposed schedule for the 1989-90 State Budget Hearings and Recommendation for your review and consideration.
4. What is Board asked to do?
Approve the 1989-90 State Budget Hearings Schedule
5. What is recommendation of Board Division involved?
Recommend Approval

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: _____
(b) Division/Agency Name: _____
7. Supporting Documents:
(a) List Those Attached:
1. Proposed Schedule

(b) List Those Not Attached But Available From Submitter:

13866

EXHIBIT

MAR 22 1988

NO. 7

PROPOSED FY 90 SCHEDULE

STATE BUDGET & CONTROL BOARD

May 13	Budget request materials sent to agencies
May 13 - August 12	Budget request preparation by agencies
July 8	Deadline for Program Structure changes
July 26	Initial Allocation for FY 90 (Base + Annualization)
July 29	Budget Office distributes allocation letter for FY 90 to all agencies
August 12	Deadline for requests for budget increases with IT schedules
August 29 - September 9	Agency budget hearings (tentative)
September 1	Request working estimate from BEA
September 15	Deadline for submitting detail budgets
November 1	BEA official estimate
November 2 - 4	Final Board allocation

State Budget Division
3/14/88 - budget schedule

13867

EXHIBIT

MAR 22 1988

NOL 8

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF March 22, 1988

ITEM NUMBER

4

AGENCY: Budget Division

SUBJECT: Transfer Requests

The Budget Division recommends approval of the following agency requests to transfer personal service funds:

- (a) Mental Retardation - \$36,049 from Personal Services and \$7,251 from Travel to Contractual services; [and delete 3.00 FTE positions (one State funded and two Other funded)];
- (b) Housing Authority - \$15,000 Other funds from Per Diem to Travel;
- (c) Housing Authority - \$15,000 Federal funds from Special Contract Employee to Travel;
- (d) Mental Retardation - \$150,000 (\$75,000 State, \$75,000 Other) from Personal Services to Contractual Services; and
- (e) Forestry Commission - \$177,542 Federal funds from Classified Employees, Merit Pay, and Employer Contributions to Other Operating Expense categories in the Forest Landowner Assistance Program.

If approved, all of these involve amounts which exceed the approved level delegated to staff.

BOARD ACTION REQUESTED:

Approve.

ATTACHMENTS:

Agenda item worksheets plus attachments.

13868

EXHIBIT

MAR 16 1988

MAR 22 1988

NO. 8

BUDGET AND CONTROL BOARD AGENDA ITEM STATE BUDGET & CONTROL BOARD RESOLUTION (12/84)

88-163

Meeting Scheduled for: March 22, 1988

Regular Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: 

2. Subject:

Department of Mental Retardation Request to Transfer Personal Services Funding to Other Operating Expenses

3. Summary Background Information:

The Department of Mental Retardation requests the transfer of \$36,049 including \$13,380 State funds and \$22,669 Other funds from Personal Services and \$7,251 from Travel to Contractual Services in the Prevention and Research Program. This transfer will allow the Department to contract with the Greenwood Genetic Center for genetic screening testing to prevent mental retardation. The Department has had great difficulty in recruiting and maintaining technically trained and qualified staff to perform this testing in-house. There will be no RIF involved.

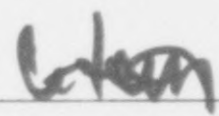
The request exceeds the authority of the State Budget Division because the Department has transferred previously this fiscal year more than .0025 of Personal Service funds (\$421,208 of \$68,515,508 total Personal Service appropriation).

4. What is Board asked to do?

Approve the transfer of \$36,049 from Personal Services and \$7,251 from Travel to Contractual Services. The Board is also asked to delete three (3.00) FTE positions, one (1.00) State funded and two (2.00) Other funded.

5. What is recommendation of Board Division involved?

Recommend approval



6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Agency Letter
2. Transfer Form #30
3. FTE Position Deletion Request Form

(b) List Those Not Attached But Available From Submitter:

13869

(a)

Charles D. Barnett, Ph.D.
Commissioner

Philip S. Massey, Ph.D.
Deputy Commissioner
Client Services

Lonnie A. Bowman, Jr.
Deputy Commissioner
Support Services

James E. Kirk
Deputy Commissioner
Fiscal Affairs



MENTAL RETARDATION
COMMISSION

Clarence H. Buurman, Ph.D., Chairman
Melvin L. Burton, Jr., Vice Chairman
Mrs. Doris G. Woods, Secretary
Mrs. Mary C. Ramsay
William deB. Mebane
Mrs. Ava M. Hope
Herbert Rudnick

South Carolina Department of Mental Retardation

2712 Middleburg Drive
P. O. Box 4706
Columbia, South Carolina 29240

February 23, 1988

EXHIBIT

MAR 22 1988 NO. 8

STATE BUDGET & CONTROL BOARD

Mr. Aaron Krute
State Budget Analyst
State Budget Division
Budget and Control Board
530 Edgar Brown Building
Columbia, South Carolina 29201

Dear Aaron:

We are forwarding the attached Appropriation Transfer, ATB-22-88, for your review and approval.

In our Prevention and Research Program we are requesting to transfer remaining funds from our three genetics associate classified positions (\$13,380 state and \$22,669 other) and associated travel funds (\$5,834 state and \$1,417 other) to contractual services. This transfer will allow the department to contract this service with the Greenwood Genetic Center. The department has experienced problems in recruiting and maintaining these positions due to the unique qualifications required. It is felt that the Genetic Center can provide the necessary staff and program continuity required.

In association with this transfer we will be deleting three FTE's. These have already been deleted in the Budget & Control Board version of the FY 1988-89 State Budget due to our plans to contract this service. There will be no RIF involved since all three positions are currently vacant.

13870

EXHIBIT

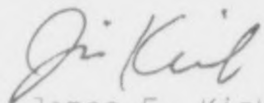
Mr. Aaron Krute
Page Two
February 23, 1988

MAR 22 1988 NO. 8

STATE BUDGET & CONTROL BOARD

Thank you for your consideration and should you have any questions, please call.

Sincerely,



James E. Kirk
Deputy Commissioner,
Fiscal Affairs

JEK/lbw

Attachment

cc: Mr. Robert W. Barfield

13871

EXHIBIT

MAR 22 1988

NO. 8

REQUEST TO DELETE AUTHORIZED FTE POSITIONS STATE BUDGET & CONTROL BOARD

FROM: S. C. Dept. of Mental Retardation

DATE 02/23/88

CODE NO. J16

TO: Budget and Control Board
State Budget Division

SUBJECT: Request to delete FTE positions authorized in the Appropriation Act.
Request is to delete 3 FTE positions as follows:

NUMBER POSITIONS	POSITION TITLE	GRADE	CLASS CODE	ANNUAL SALARY	SOURCE OF FUNDS (PERCENT)		
					STATE	FEDERAL	OTHER
1	Genetics Assoc.	32	4719	21,682	100%		
2	Genetics Assoc.	32	4719	21,682			100%

REQUEST JUSTIFICATION: WILL THERE BE A RIF OF EMPLOYEES?

The department would like to contract the services provided by these positions due to our inability to keep the positions filled. The contractor selected can provide the necessary staff and program continuity required.

REQUESTED BY: James E. Kirk
James E. Kirk, Deputy Commissioner, Fiscal Affairs

DATE: 02/23/88

STATE BUDGET DIVISION:

RECOMMEND:

☒ APPROVAL
☐ DISAPPROVAL

James H. Haring
State Budget Analyst

3-15-88
Date

W. J. H. Haring
Assistant Director
State Budget Division

3/15/88
Date

Budget & Control Board Action:

13873

MAR 16 1988

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

88-164

Meeting Scheduled for: March 22, 1988

Regular Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: 

2. Subject:

State Housing Authority Request to Transfer \$15,000 from Personal Services to Executive Branch Travel

3. Summary Background Information:

The State Housing Authority requests the transfer of \$15,000 in Other funds from Per Diem to Travel (Executive Branch Program). A reduction in force (RIF) is not involved. This transfer is necessary to cover executive staff and commissioners' travel to the National Council of State Housing Agencies Legislative Conference and related planning sessions this spring.

This request results in the transfer of Personal Service funds in excess of the \$25,000 which staff may approve. Excluding this transfer, the agency has transferred \$34,000 in Personal Service funds (Federal/Other) since July 1, 1987.

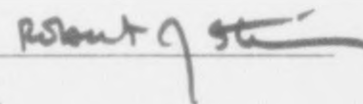
4. What is Board asked to do?

Approve the transfer of \$15,000 in Other funds from Per Diem to Travel for the State Housing Authority.

5. What is recommendation of Board Division involved?

Recommend approval of requested transfer to allow agency to participate in legislative conference.

6. Recommendation of other Division/agency (as required)?



(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Agency Letter
2. Transfer Form #30

(b) List Those Not Attached But Available From Submitter:

13874

(b)



EXHIBIT

MAR 22 1988 NO. 8

STATE BUDGET & CONTROL BOARD

SOUTH CAROLINA STATE HOUSING AUTHORITY

1710 GERVAIS STREET • SUITE 300 • COLUMBIA, SOUTH CAROLINA 29201

March 2, 1988

Mr. Robert Stein
Budget Division
Budget and Control Board
532 Edgar Brown Building
Columbia, S.C. 29201

MAR 02 1988

Ref: Appropriations Transfer

Budget
DIVISION

Dear Mr. Stein:

Enclosed is an appropriation transfer to move \$15,000.00 into Executive Branch Travel. These funds are needed to cover Executive staff and Commissioners' travel to the National Council of State Housing Agencies Legislative Conference and related planning sessions this spring. One of the key items to be addressed are strategies to provide the passing of legislation to rescind the December 31, 1988 Sunset of the Single Family Mortgage Programs.

This amount results in an aggregate total of \$25,000.00 transferred from Executive Branch Personal Services. In keeping with Budget and Control procedures, this does not require approval by the Budget and Control Board.

If you have any questions or comments, please contact me at 734-8751.

Sincerely,

Zelice Roache
Zelice Roache
Director of Finance

13875

EXHIBIT

MAR 1 6 1988

MAR 22 1988

NO. 8

BUDGET AND CONTROL BOARD AGENCY ITEM WORKSHEET (12/84)

88-165

Meeting Scheduled for: March 22, 1988

Regular Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: 

2. Subject:

State Housing Authority Request to Transfer Personal Service Funds to Travel

3. Summary Background Information:

The State Housing Authority requests the transfer of \$15,000 in Federal funds from Special Contract Employee to Travel (Rental Housing Program). A reduction in force (RIF) is not involved. This transfer is necessary to cover executive staff and commissioners' travel to the National Council of State Housing Agencies Legislative Conference and related planning sessions beginning in March and to cover the automobile lease travel requirement in the federal program.

This request results in the transfer of Personal Service funds in excess of the \$25,000 level which staff may approve. Excluding this transfer and Agenda Item #88-164, the agency has transferred \$34,000 in Personal Service funds (both Federal and Other) since July 1, 1987.

4. What is Board asked to do?

Approve the transfer of \$15,000 in Federal funds from Special Contract Employee to Travel for the State Housing Authority.

5. What is recommendation of Board Division involved?

Recommend approval of requested transfer to allow agency to participate in legislative conference and to lease an automobile necessary to their Federal Rental Housing Program.

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Agency Letter
2. Transfer Form #30

(b) List Those Not Attached But Available From Submitter:

13877

(c)



EXHIBIT

MAR 22 1988

NO. 8

STATE BUDGET & CONTROL BOARD

SOUTH CAROLINA STATE HOUSING AUTHORITY

1710 GERVAIS STREET • SUITE 300 • COLUMBIA, SOUTH CAROLINA 29201

March 10, 1988

Mr. Robert Stein
Budget Division
Budget and Control Board
532 Edgar Brown Building
Columbia, S.C. 29201

Ref: Appropriation Transfers

Dear Mr. Stein:

Enclosed are three appropriation transfers to cover projected expenses in personal service, travel and contractual services. The personal service transfer is to cover the salary expense of the Executive Director for the remainder of the year. The \$10,000.00 transfer to contractual services is to cover the \$15,000.00 anticipated cost to complete the computerization of financial statements in the Finance area. \$15,000.00 is being transferred to travel in the Section 8 Federal Program area to cover the auto lease travel requirement for the remainder of the year. This \$15,000.00 results in an aggregate total of \$25,000.00 transferred from Section 8 Special Contracts. In keeping with Budget and Control procedures, this does not require approval by the Budget and Control Board.

If you have any questions or comments, please contact me at 734-8751.

Sincerely,

Zelice Roache
Zelice Roache
Accounting Manager

710-1988
13878

EXHIBIT MAR 16 1988

MAR 22 1988 NO. 8

BUDGET AND CONTROL BOARD AGENDA ITEM NO. 10 STATE BUDGET & CONTROL BOARD

88-166

Meeting Scheduled for: March 22, 1988

Regular Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: 

2. Subject:

Request from Department of Mental Retardation to Transfer Personal Service Funds

3. Summary Background Information:

The Department of Mental Retardation requests the transfer of \$150,000 including \$75,000 State funds and \$75,000 Other funds from Personal Services to Contractual Services in their Health Program. The Department's regional facilities have had great difficulty in hiring nurses despite nationwide recruitment. Services normally provided by staff nurses are being met by contracting with private providers particularly for required shift coverage. No RIF will be involved.

This request exceeds the authority of the State Budget Division staff. The Department has transferred previously this fiscal year more than .0025 of Personal Service funds (\$421,204 of \$68,515,508 total Personal Service appropriation).

4. What is Board asked to do?

Approve the transfer of \$150,000 from Personal Services to Contractual Services.

5. What is recommendation of Board Division involved?

Recommend approval



6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Agency Letter
2. Transfer Form #30

(b) List Those Not Attached But Available From Submitter:

(d)

13880

Charles D. Barnett, Ph.D.
Commissioner

Philip S. Massey, Ph.D.
Deputy Commissioner
Client Services

Lonnie A. Bowman, Jr.
Deputy Commissioner
Support Services

James E. Kirk
Deputy Commissioner
Fiscal Affairs



MENTAL RETARDATION
COMMISSION

Clarence H. Buurman, Ph.D., Chairman
Melvin L. Burton, Jr., Vice Chairman
Mrs. Doris G. Woods, Secretary
Mrs. Mary C. Ramsay
William deB. Mebane
Mrs. Ava M. Hope
Herbert Rudnick

South Carolina Department of Mental Retardation

2712 Middleburg Drive
P. O. Box 4706
Columbia, South Carolina 29240

March 14, 1988

EXHIBIT

MAR 22 1988 NO. 8

STATE BUDGET & CONTROL BOARD

Mr. Aaron Krute
State Budget Analyst
State Budget Division
Budget and Control Board
530 Edgar Brown Building
Columbia, South Carolina 29201

Dear Aaron:

We are forwarding the attached Appropriation Transfer, ATB-28-88, for your review and approval.

We are requesting to transfer \$75,000 state and \$75,000 other funds from Health program classified positions to contractual services. This request is the result of the difficulties experienced in filling critical medical positions through personal services as opposed to contracts.

Our regional facilities have been experiencing difficulties in hiring nurses periodically during the past two fiscal years. Since July 1986, we have had an average vacancy of 36 nurses, and a turnover of approximately 95 nurses. The regions have been recruiting nationwide to fill the vacant positions but have not been successful due to the reduction in numbers of graduates from nursing schools, the non-competitive pay grades, and also to the reluctance of nurses to work with people with mental retardation.

Services normally provided by the nursing positions are being met by contracting with private providers. Our regions have become dependent upon contractual nurses for required shift coverage. The vacancies and high turnover rates have created additional contractual services expenditures in nursing of \$166,892. Budgeted funds in our Other Operating categories are not sufficient to cover these additional expenses.

13881

EXHIBIT

MAR 22 1988 NO. 8

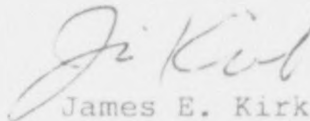
Mr. Aaron Krute
Page 2
March 14, 1988

STATE BUDGET & CONTROL BOARD

We are requesting this transfer of personal service funds without the deletion of the associated FTE's as we feel that this is a temporary situation and will be resolved with the implementation of a nurses grade reallocation. There will be no RIF's involved. This transfer will enable us to maintain staffing ratios as required by DHEC in the interim of the grade reallocation. There is a sufficient lapse related to the nursing vacancies in classified positions to cover this transfer.

Thank you for your consideration and should you have any questions, please call.

Sincerely,



James E. Kirk
Deputy Commissioner,
Fiscal Affairs

JEK/lbw

Attachment

cc: Mr. Robert W. Barfield

13882

EXHIBIT MAR 16 1988

MAR 22 1988

NO. 8

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12)
STATE BUDGET & CONTROL BOARD

88-167

Meeting Scheduled for: March 22, 1988

Regular Agenda

1. Submitted By:

(a) Agency: State Budget Division

(b) Authorized Official Signature: 

2. Subject:

Forestry Commission Request to Transfer \$137,368 from Personal Services and \$40,174 from Employer Contributions to Other Operating Expenses

3. Summary Background Information:

The Forestry Commission requests the transfer of \$123,753 in Federal funds from Classified Employees, \$13,615 in Federal funds from Merit Pay, and \$40,174 in Federal funds from Employer Contributions to Other Operating Expenses in the Forest Landowner Assistance Program. A reduction in force (RIF) is not involved. These transfers are necessary to enable the Commission to renovate the Headquarters Building, re-roof the Disease Detection Lab, purchase communications repair equipment, purchase photocopiers for project offices, and allow for increased transportation and utility costs.

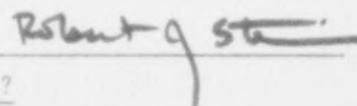
This request results in the transfer of Personal Service funds in excess of the level which staff may approve (\$26,182 is one-fourth of 1% of the agency's Personal Service budget).

4. What is Board asked to do?

Approve the transfer of \$177,542 in Federal funds from Classified Employees, Merit Pay, and Employer Contributions to Other Operating Expense categories in the Forest Landowner Assistance Program for the Forestry Commission.

5. What is recommendation of Board Division involved?

Recommend approval



6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Agency Letter
2. Transfer Form #30

(b) List Those Not Attached But Available From Submitter:

13884

(e)



South Carolina Forestry Commission

LEONARD A. KILIAN JR. STATE FORESTER

P.O. BOX 21707 COLUMBIA, S.C. 29221 (803) 758-6900

EXHIBIT

MAR 22 1988 NO. 8

STATE BUDGET & CONTROL BOARD

March 11, 1988

Mr. Robert Stein
Budget Division
Budget & Control Board
Columbia, SC 29201

Dear Mr. Stein:

The attached Transfer of Funds in the Forest Landowner Assistance Program is needed to enable the Forestry Commission to make needed renovation to the headquarters building; reroof the Insect and Disease Detection and Evaluation Lab and Sign Shop; purchase needed maintenance and repair equipment for the Two-way Radio Communication System and purchase photo copiers for the Project Offices; and allow for additional needs for transportation and utilities.

Sincerely,

Paul A. Jones
Accounting Manager

PAJ:mm

214 ND

How has money become available — :
vacancies not filled is a need for
have pay later & merit

13885

AGENCY NUMBER P12	AGENCY BATCH NUMBER 8803110	OBJECT CODE HASH TOTAL 8353	TOTAL BATCH AMOUNT 355,084.00	BATCH DATE	BATCH NUMBER	DOCUM
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AGENCY VOUCHER NUMBER

T8023

STATE OF SOUTH CAROLINA

BUDGET AND CONTROL BOARD - FINANCE DIVISION

CG WARRANT NUMBER

AGENCY TRANSFERRED TO (CRI)

NAME

FORESTRY COMMISSION

ADDRESS

PO BOX 21707

COLUMBIA SC 29221

APPROPRIATION TRANSFER

TO REQUESTING AGENCY:

This form must be supported with documentation indicating the reason for the transfer. No commitment should be made in anticipation of the approval of a transfer.

AGENCY TRANSFERRED FROM (I)

NAME

FORESTRY COMMISSION

ADDRESS

PO BOX 21707

COLUMBIA SC 29221

REASON FOR TRANSFER:

FROM

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
09	350	P12	3754	5055				4230	80	0158	123,753.00	
09	350	P12	1510	5055				4230	80	0195	13,615.00	
09	350	P12	1509	5055				4230	80	1300	40,174.00	
										EXHIBIT		
										MAR 22 1988 NO. 8		
										STATE BUDGET & CONTROL BOARD		
TOTAL										1653	177,542.00	

TO

FM	TRANS CODE	AGCY NO	MINI CODE	SUB FUND CODE	SUB SIDIARY ACCOUNT NO	ENCUM BRANCE NO	M O D	PROJECT CODE	AGENCY REFERENCE NUMBER	OBJECT CODE	TRANSACTION AMOUNT	MULTI PURPOSE CODE
09	300	P12	3754	5055				4230 80		0200	26,000.00	
09	300	P12	3754	5055				4230 80		0300	56,526.00	
09	300	P12	3754	5055				4230 80		0400	111.00	
09	300	P12	3754	5055				4230 80		0500	5,000.00	
09	300	P12	3754	5055				4230 80		0600	63,879.00	
09	300	P12	3754	5055				4230 80		2300	3,000.00	
09	300	P12	3754	5055				4230 80		2400	23,026.00	
TOTAL										6700	177,542.00	

REQUESTED BY  DATE 03/11/88 STATE BUDGET ANALYST _____ DATE _____

To the Comptroller General and Treasurer, By unanimous approval of the Budget and Control Board, the above appropriation transfers are authorized

STATE AUDITOR

DATE 13886

EXHIBIT

MAR 22 1988

NO. 9

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF March 22, 1988

ITEM NUMBER

5

AGENCY: Retirement Systems

SUBJECT: Case Management

Retirement Systems advises that Case Management is a cost containment strategy that functions by requiring pre-approval of certain non-elective surgical procedures and also monitors the cost effectiveness of the surgery that must be performed. It is also an employee benefit in that the administrator provides employee education and assistance to help enrollees better understand medical situations and treatment alternatives. This was recommended by TPF&C insurance consultants as part of the State cost containment effort.

The Systems propose to solicit proposals to provide case management services. Extracts from the RFP are attached.

The System's User Advisory Committee recommended that a version of case management be added to both State Plans A and B. That Committee's report is attached. (It also includes references to the Drug Card and the Mammography Testing Service proposals in the next agenda items.)

BOARD ACTION REQUESTED:

Approve Retirement Systems issuing an RFP to procure Case Management services for the State Health Plan.

ATTACHMENTS:

Agenda item worksheet; extracts from RFP; User Advisory Committee 2-4-88 report

13887

EXHIBIT

MAR 16 1988

BUDGET AND CONTROL BOARD ~~MAR 22 1988~~ WORKSHEET ~~NO. 9~~ (Revised 8/84)

For meeting scheduled for:

STATE BUDGET & CONTROL BOARD

March 22, 1988

☒ Regular Session Agenda
☐ Executive Session Agenda

1. Submitted By:

(a) Agency: South Carolina Retirement Systems

(b) Authorized Official Signature:

Sam W. Tulline

2. Subject:

Case Management

3. Summary Background Information:

Case Management is a cost containment strategy that functions by requiring pre-approval of certain non-elective surgical procedures and also monitors the cost effectiveness of the surgery that must be performed. It is also an employee benefit as the administrator provides an employee education and assistance provision. This was recommended by TPF&C insurance consultants as part of the State cost containment effort.

4. What is Board asked to do?

Approve SCRS issuing an RFP to procure Case Management Services for the health program.

5. What is recommendation of the Board Division involved?

That Case Management Services be included as part of the State Health Plan.

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available
from Submitter

13888

DENSITY SHEET

EXHIBIT

MAR 22 1988 NO. 9

PART II

SCOPE OF PROPOSAL

STATE BUDGET & CONTROL BOARD

It is the intent of the State of South Carolina, South Carolina Retirement Systems to solicit proposals to provide services or Employee Advocacy and Case Management for the benefit of insured employees and their dependents who participate in the State Group Health Insurance Plan (SP) and are not eligible for Medicare benefits.

PART III

Introduction

A. Background and Purpose

The State Group Health Plan (SP), administered by the South Carolina Retirement Systems (SCRS), provides health benefits to state and public school district employees, both active and retired, and their eligible dependents. This indemnity plan is self-insured and administered by a third party administrator (TPA) (currently Blue Cross/Blue Shield of South Carolina). SCRS intends to institute an Employee Advocate (Patient Counseling) and Case Management program on January 1, 1989 for approximately _____ eligible employees located throughout the state (employees and ✓ retirees covered by Medicare or HMOs are to be excluded). The covered population is expected to experience over _____ hospital admissions during the first full year of the program. The FY _____ total health care expenses for this group of employees was \$ _____. Hospitals in and around _____ cities within the state account for more than _____ of the total admissions. These _____ cities and their approximate percent of total admission are as follows:

—	_____	_____
—	_____	_____
—	_____	_____
—	_____	_____
—	_____	_____
—	_____	_____

B. Eligible Members

The term eligible, used throughout this RFP, is defined as those employees and retirees plus eligible dependents who are enrolled in the State Group Health Plan (SP) and eligible to participate in the Employee Advocacy (Patient Counseling) and

EXHIBIT

MAR 22 1988

NO. 9

STATE BUDGET & CONTROL BOARD

Case Management Program. The number of eligible members shall be calculated as follows:

- (a) Number of employees, retirees, and dependents eligible and enrolled for coverage under the SP as defined by the State Health Plan eligibility requirements. (Refer to eligibility in State Health Plan Booklet, Exhibit _____.)
- (b) Less the number of active employees and retired employees who have selected a health maintenance organization option;
- (c) Less the number of retirees enrolled in Medicare or enrolled in an HMO.
(Refer to Exhibit _____ for enrollment information on the State Health Plan by county).

C. Program Goals

SCRS envisions an Employee Advocacy (Patient Counseling) and Case Management Program which will be cost effective and reasonable in the effort to maintain (or improve) the quality and accessibility of health care while managing costs. Moreover, the program is designed to be a progressive new feature in the health benefit program. Patient counseling will enable SP enrollees to better understand medical situations and treatment alternatives, but the counseling program will not make patient decisions for them. Participation in the Program by enrolled employees and dependents will be mandatory for the diagnosed illnesses listed in the expanded list of treatment procedures provided in the State Health Plan Booklet requiring hospital admission pre-certification. Participation will be voluntary for all other procedures. It will be important for the Employee Advocate to use an approach which emphasizes the advantages of the program and encourages participation.

D. SCRS Initiatives to Achieve Program Goals

The SCRS desires a high level of employee participation in the program. SCRS also realizes the importance of effective communications in implementing these programs and plans to contract with an independent consulting firm to assist in these communication efforts. Current plans are to produce a video tape presentation of the program for viewing by all eligible employees. Additionally, all employees will receive written materials explaining the program and a new identification card containing the Employee Advocate's name and telephone number. The costs of the communication activities outlined in this paragraph shall be the sole responsibility of the offeror.

EXHIBIT

MAR 22 1988 NO. 9

STATE BUDGET & CONTROL BOARD

February 12, 1988

Mr. Purvis W. Collins, Director
South Carolina Retirement Systems
P.O. Box 11960
Columbia, South Carolina 29211

Dear Mr. Collins:

On behalf of the User Advisory Committee, I would like to convey our appreciation for the opportunity to serve the South Carolina Retirement Systems and our fellow State Employees through participation in the UAC program. This approach; which allows users of State sponsored health, dental and life insurance programs to share ideas and have input into the coverage and design of these plans, has certainly proven worthwhile based on the acceptance of past recommendations.

The recommendations contained in the attached report represent a consensus of opinion among the FY 87-88 User Advisory Committee members. As you know, the members provide valuable insight with regard to constituent needs and desires relative to their employee benefits. Consequently, we respectfully request your support in considering the attached recommendations.

Sincerely,

Mr. Ron Herrin,
Chairperson
User Advisory Committee

RH/sw

13891

EXHIBIT

MAR 22 1988 NO. 9

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: User Advisory Committee (UAC) Members
FROM: Ron Herrin, Chairperson
SUBJECT: UAC Final Report FY 87-88
DATE: February 4, 1988

Please find attached a draft copy of the final Committee report as agreed upon by those present at the last meeting held January 15, 1988. You are requested to review this draft. Unless you have any corrections, the final form of this report of recommendations will be submitted to the management of the South Carolina Retirement Systems on February 12, 1988.

Your participation and service on the Committee has been greatly appreciated by all. Thank you again for your assistance and cooperation this year.

13892

EXHIBIT

MAR 22 1988

NO. 9

STATE BUDGET & CONTROL BOARD

User Advisory Committee

Report

February 4, 1988

Committee Members

State Employees

Jane Livingston
William Noyes
Ron Herrin
Robert R. Hill

Retirees

Carroll Brooks
Thomas J. Crawford
Leslie T. Gilbert

School District Employees

Dill Gamble
Wendell Clamp
Beverly Clyburn
Gloria Frieson

At-Large Members

Joseph M. Grant
Larry Ellis
Tom Ackerman
Elizabeth Gressette

The S. C. Retirement Management Staff
Insurance Benefits Section
Suzanne Wall - Secretary to the Committee

13893

EXHIBIT

MAR 22 1988 NO. 9

STATE BUDGET & CONTROL BOARD

MEMORANDUM

TO: S.C. Retirement System
Insurance Benefits Section

FROM: User Advisory Committee

SUBJECT: Report and Recommendations for Insurance Programs
Effective January 1, 1989

DATE: February 4, 1988

The User Advisory Committee held its first meeting November 5, 1987 at 1:00 p.m. in the NBSC Building in Columbia, S.C. The Committee received a status report on the insurance plans offered to State Employees. The Committee also had available a report on the background, current status and issues facing our insurance programs. After reviewing available information and discussing the issues presented, the Committee developed the following agenda:

December 2, 1987

Case Management
Well Baby Coverage
Multiple Surgical Procedures
Prescription Drug Card Program
Vision Care Benefit

January 15, 1988

Routine Physical Exams
Mental and Nervous Treatment
Long-Term Care
Hearing Aid Benefit
State Health Plan Design
SubCommittee Reports:
 Optional Life Insurance
 Dental Coverage

During the December 2, 1987 and the January 15, 1988 meetings, the Committee members heard presentations from a number of people with experience and knowledge on the various topics being discussed. The Committee also received articles, reports and statistical data relative to each program or benefit discussed.

After lengthy consideration, review, examination and debate, the Committee makes the following recommendations in order of priority:

13894

1. Case Management - The Committee voted to recommend that a modified version of Case Management be added to both plans, A and B, of the State Health Plan. The modified approach would focus more on catastrophic illnesses and those procedures that are determined by SCRS to be most costly. The current list of procedures requiring Preadmission Certification would be expanded to include treatment in at least the following areas:

1. Cardiovascular
2. Cancer
3. Hypertension
4. Hysterectomy
5. AIDS

EXHIBIT

MAR 22 1988 NO. 9

STATE BUDGET & CONTROL BOARD

SCRS would make the determination as to how this expansion would be implemented in the area of Case Management.

2. Well Baby Care - The Committee voted to recommend the addition of coverage for Well Baby Care to both plans, A and B, of the State Health Plan.
3. Multiple Surgical Procedures - The Committee voted to recommend removal of this contractual limitation and thus provide an additional benefit to employees and dependents covered under both plans, A and B, of the State Health Plan.
4. Prescription Drug Card - The Committee voted to recommend that a Prescription Drug Card benefit, in a form similar to that of Carolina Pharmaceutical Network (CPN), be added to Plan B of the State Health Plan. Additional discussion indicated that mail order of drugs under such a program was not desirable.
5. Plan Design - The Committee voted to recommend two (2) modifications to Plan B of the State Health Plan.
 - a. An increase in the Diagnostic, X-Ray and Laboratory (DXRL) services benefit from the current level of \$600 to \$800;
 - b. An increase in the Major Medical (MM) limit on Plan B of the State Health Plan from \$500,000 to an unlimited amount.
6. Mental and Nervous (M&N) Benefits for Outpatient Services - The Committee voted to recommend increasing the outpatient M&N benefits provided on both plans, A and B, of the State Health Plan. This increase would be in the form of doubling the current daily maximum of \$40 to \$80 and increasing the annual outpatient maximum from \$1,200 to \$1,800.
7. Vision Care Benefit - The Committee voted to recommend the addition of a Vision Care Benefit to Plan B of the State

EXHIBIT

MAR 22 1988

NO. 9

STATE BUDGET & CONTROL BOARD

Health Plan. SCRS would determine a plan design similar to examples presented to the Committee.

8. Routine Physical Exam Benefit - The Committee voted to recommend that a form of Routine Physical Exam for employees (only) be added to Plan B of the State Health Plan. Although the Committee fully supported the concept, a definite decision was not reached as to a specific approach toward implementation. Considering projected cost and logistics, SCRS would develop the design of such a program.
9. Long-Term Care - The Committee voted to acknowledge the need for this benefit and support the development of a request for a proposal (RFP) in order to make this benefit available to employees, both active and retired, and their dependents on an employee pay all basis similar to the Optional Life Program.
10. Hearing Aid Benefit - The Committee voted to recommend further research of this feature and to defer consideration until a later date.
11. Optional Life Insurance - The Committee accepted and recommends the following summarized report from the Optional Life Insurance Subcommittee:
 - a. The current State sponsored dependent life insurance be transferred to the Optional Life Program and the level of coverage be increased to \$5,000 per dependent.
 - b. Employees be given the opportunity to purchase \$50,000 of life insurance with pre-tax dollars under the Cafeteria Plan (Section 125).
 - c. That an Annual Open Enrollment period be provided for the Optional Life Insurance Program. This open enrollment would coincide with other State open enrollment periods and would provide employees, who have the maximum coverage, a specific time (with reminders) to adjust their maximum coverage.
 - d. Require the Optional Life Insurance Carrier to notify the Agency and employee when they request information from the employee's physician due to additional evidence of insurability being required in order to approve an application for insurance.
12. Dental Insurance - The Committee recommends increasing the dental fee schedule on an individual procedure basis, as needed, to bring the fee schedule in line with the HIAA dental schedule for the next contract period. The projected cost of updating the schedule would be \$1,016,693 annually, or about \$.56 per month per employee.

EXHIBIT

MAR 22 1988

NO. 9

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF March 22, 1988

ITEM NUMBER

6

AGENCY: Retirement Systems

SUBJECT: Drug Card Program

Retirement Systems advises that this program would pay prescription drugs with a drug card at any pharmacy with only a small co-payment (\$5-\$7 approximately) instead of under the major medical plan at 80% with a \$150 deductible. Adding this feature to the program would help the State Health Plan compete with the HMOs. The costs will not increase as significant discount rates with the pharmacies can be negotiated and policies established that will control costs.

Please refer to attachments for additional detail on the proposal.

BOARD ACTION REQUESTED:

Approve the addition of drug card provision to the State Health Plan.

ATTACHMENTS:

Agenda item worksheet; 2/1/88 Boyd-Leopard memo to Davis

13897

MAR 16 1988

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

For meeting scheduled for:

March 22, 1988

Blue Agenda

☒ Regular Session Agenda

Executive Session Agenda

1. Submitted By:

(a) Agency: South Carolina Retirement Systems

(b) Authorized Official Signature: *David W. Callum*

2. Subject:

Drug Card Program

3. Summary Background Information:

This program would pay prescription drugs with a drug card at any pharmacy with only a small co-payment (\$5-\$7 approximately) instead of under the major medical plan at 80% with a \$150 deductible. Adding this feature to our program would help the State Health Plan compete with the HMOs. The costs will not increase as we can negotiate a significant discount rate with the pharmacies and establish policies that will control costs.

EXHIBIT

MAR 22 1988 NO. 9

STATE BUDGET & CONTROL BOARD

4. What is Board asked to do?

Approve the addition of a drug card provision to the coverage.

5. What is recommendation of the Board Division involved?

Recommend approval.

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available
from Submitter

13898

EXHIBIT

MAR 22 1988 NO. 9

DRAFT

STATE BUDGET & CONTROL BOARD

Comparison Example of Possible Savings

Prescription Drug Purchase

<u>Current Major Medical Mode</u>		<u>Proposed Card Mode</u>	
Usual and Customary Charge	30.00	Average Wholesale Price (AWP)	24.00
		9.5% Reduction	-2.28
Dispensing Fee	<u>+3.30</u>		<u>+3.30</u>
Sub Total	33.30		25.02
Major Medical Deductible	Met at (\$150.00)	Co-payment	-5.00
Sub Total	33.30		20.02
Major Medical (Percentage of Reimbursement at 80%)	<u>80%</u>		<u>N/A</u>
Net Cost to the State (State Health Plan)	26.64		20.02
Savings for the State	0		6.62
Out-of-Pocket Expense to Covered Employee	\$ 6.66		\$ 5.00

. 13899

South Carolina Retirement Systems



INSURANCE BENEFITS SECTION
POST OFFICE BOX 11960
COLUMBIA, S.C. 29211

Purvis W. Collins
Director

EXHIBIT

MAR 22 1988

NO. 9

STATE BUDGET & CONTROL BOARD

(803) 734-1660

M E M O R A N D U M

TO: James R. Davis, Manager

FROM: Lewis Boyd-Leopard, Supervisor *L.B.L.*

SUBJECT: Change of Drug Purchase Mode for State Health Plan

DATE: February 1, 1988

MANAGEMENT SUMMARY

In consideration of the Texas approach to drug benefits, it would seem that South Carolina could achieve a change of payment mode for drug purchases covered under the State Health Plan by merely "carving out" this feature from Major Medical and requiring the Third Party Administrator (TPA) to pay claims by means of a card system rather than a Major Medical claim form. If this were done, a network of participating pharmacies would have to be established to provide ready access by covered employees statewide. Ready access to the local pharmacy is a critical requirement if the State adopted the card purchasing approach because under Major Medical, covered employees have unrestricted choice with regard to the provider pharmacy. By virtue of design, a card system requires a network of participating providers in order to achieve offsetting savings that provide the convenience of card use. If the network of participating pharmacies represents a significantly reduced number than is now available to covered employees under Major Medical, then, in effect, the plan would reduce or restrict the drug benefit by carving it out.

HMOs introduced the popular drug card system to employees as an alternative. Many subscribers were attracted to this approach, thus eroding participation in the traditional State Health Plan. HMOs also ran into difficulty in their efforts to maintain a network of participating pharmacies cost effectively. As a result, negotiations led to HMO contracts with large chains who were able cut costs more than the smaller independents. This may

13202

EXHIBIT

MAR 22 1988 NO. 9

STATE BUDGET & CONTROL BOARD

Memo, continued
February 1, 1988
page 2

have proven cost effective for the HMO, but in many cases it severely limited access by subscribers, especially in the rural areas of the state. SCRS received many complaints from employees and pharmacies across the state when this occurred.

Companion Health Care is one of the HMOs that forced this change on its subscribers. Companion is a subsidiary of Blue Cross Blue Shield (BCBS), who also has a similar drug card program. Coincidentally, BCBS is the State Health Plan (TPA). If the State Health Plan carved out drug purchases from the Major Medical mode and directed BCBS to pay drug claims under contract by means of its card system, which is already in place, the state could be inviting the same problems concerning limited access that BCBS/Companion has.

As an alternative, the state could take advantage of its existing contractual relationship with 95% of the pharmacies across the state by adopting the South Carolina Medicaid approach to doing business with this network of participating pharmacies. The State Health Plan could maximize available contractual resources by establishing its drug benefit for employees on the same processing and reimbursement basis as that in existence with Medicaid. By doing so, the state and its employees could take advantage of paying less than average wholesale price (AWP) for prescription drugs, as opposed to the retail price as is currently the practice, while at the same time limit the dispensing fee to no more than \$3.30 per prescription.

Based on discussions with Mr. James Assey, Director of the drug component for South Carolina Medicaid Plan, a parallel system could be established by replicating the existing contract with existing pharmacies, after proper SCRS modification. Then, merely ask them to sign this agreement, similar to the one in existence with Medicaid, for the same level of payment.

It would seem that this approach would not require any bid process activity under the S.C. Consolidated Procurement Code since it represents an expansion of an existing relationship/contract between the state (HHSFC) and pharmacies which would only extend purchasing opportunities to SCRS. This could also establish a precedence for development of a preferred provider organization (PPO) in the future.

Having established this approach with 95% of the pharmacies across the state, SCRS could then obtain the monthly tape to tape transfer of information from HHSFC needed to pay claims on the Medicaid 75 percentile basis. The tape would then be sent to BCBS (SCRS-TPA) who in turn would be required to pay the State

Memo, continued
February 1, 1988
page 3

Plan's drug benefits based on this data.

Since SCRS contractually has the right to dictate benefits that the TPA must administer, the transition to a card payment mode, as a carve out from the existing Major Medical approach, should not require any additional procurement action. Furthermore, the adoption of the existing Medicaid method should make it easier for BCBS to process claims under the new method. For example, some pharmacies provide their billing for reimbursement, on the card system, by tape or disk. This electronic transfer should reduce processing steps on the part of BCBS, as compared to the manual transactions currently associated with processing Major Medical drug claim forms. Furthermore, if the state adopted the Medicaid system, BCBS (TPA) would not be involved in the network contracting aspect of the program, thus avoiding the disadvantages cited earlier.

13902

EXHIBIT

MAR 22 1988

NO. 9

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

REGULAR SESSION
ITEM NUMBER

7

AGENCY: Retirement Systems

SUBJECT: Mammography Testing Service

Retirement Systems advises that this service would offer mammograms to eligible employees at a reduced rate through the various hospitals and physicians in the State. This is a cost containment procedure to detect breast cancer in the early stages preventing greater costs later on. Guidelines have been drafted that would tightly control who is selected for the program, the frequency of testing and the facility that would meet the requirements to participate in this program.

This program would help to make the State Health Plan more competitive with the HMOs and would be a first step in offering broader screening service to people in the State Health Plan.

Please refer to the attached guidelines for additional detail.

BOARD ACTION REQUESTED:

Approve the implementation of a Mammography Testing Service under the State Health Plan.

ATTACHMENTS:

Agenda item worksheet; Guidelines

13903

EXHIBIT

MAR 16 1988

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (Revised 8/84)

MAR 22 1988

NO. 9

For meeting scheduled for:

STATE BUDGET & CONTROL BOARD

Blue Agenda

Regular Session Agenda

Executive Session Agenda

March 22, 1988

1. Submitted By:

(a) Agency: South Carolina Retirement Systems

(b) Authorized Official Signature: *David W. Collins*

2. Subject:

Mammography Testing Service

3. Summary Background Information:

This service would offer mammograms to eligible employees at a reduced rate through the various hospitals and physicians in the State. This is a cost containment procedure to detect breast cancer in the early stages preventing greater costs later on. Guidelines have been drafted that would tightly control who is selected for the program, the frequency of testing and the facility that would meet the requirements to participate in this program.

This program would help to make the State Health Plan more competitive with the HMOs and would be a first step in offering broader screening service to people in the State Health Plan.

4. What is Board asked to do?

The Board is asked to approve the implementation of a Mammograph Testing Service program.

5. What is recommendation of the Board Division involved?

This program should be implemented.

6. Recommendation of other office (as required)?

(a) Office Name

Authorized

(b) Signature

7. Supporting Documents:

List Those Attached

List Those Not Attached But Available
from Submitter

13904

EXHIBIT

MAR 22 1988 NO. 9

SOUTH CAROLINA RETIREMENT SYSTEMS GUIDELINES FOR MAMMOGRAPHY TESTING SERVICES FEBRUARY 22, 1988

STATE BUDGET & CONTROL BOARD

I. Statement of Policy

It is the policy of the South Carolina Retirement Systems to promote the early detection of disease through a safe and effective mammography testing program. Testing must comply with the requirements of the State Group Health Plan for reimbursement or assignment of payment for services rendered.

II. Administration

- A. The South Carolina Retirement Systems (SCRS) is responsible for administering the state's employee and retiree benefits programs under the direction of the Budget and Control Board.
- B. For the contract period July 1, 1987 through June 30, 1990, Blue Cross Blue Shield of South Carolina is the Third Party Administrator responsible for adjudicating claims for payment against the State Group Health Plan. Benefits for diagnostic testing are set forth in the adjudication contract which determines payment for mammography testing.

III. Service Area

The service area for the benefit of mammography testing will extend statewide to all active State employees who participate in the State Group Health Plan limited only by the availability of qualified facilities.

IV. Patient Eligibility and Participation

Active employees who are enrolled in the State Group Health Plan may participate in the mammography testing program based on the testing criteria set forth in these guidelines. As of July 1987, the State Group Health Plan insured approximately 48,000 active female employees eligible for mammography services under the Plan.

V. Testing Criteria for Eligible Employees

To ensure that mammography services are covered by the State Group Health Plan, eligible members must comply with the following guidelines. Some criteria are based, in part, on breast screening policy adaptations issued by the National Cancer Institute, the American College of Radiology, and the American Cancer Society.

13905

- A. Mammographic testing is recommended for women over the age of 35. Monthly breast self-examination is recommended starting at age 20. Physical examination of the breast by a physician is recommended between the ages of 20 and 40.
- B. Patients must be referred by an attending physician testing for diagnostic purposes, or may self-refer indicating the name of her designated/referring physician. For those women without an attending physician, a list will be provided by the South Carolina Retirement Systems from which she can select a physician who has agreed to receive her mammogram report and give her the results.
- C. The State Group Health Plan covers diagnostic mammographic services for the following times in an eligible member's lifetime.
- * Between the ages of 35 and 39, eligible members will be covered who have a personal history of breast cancer or an immediate family member with premenopausal breast cancer.
 - * By age 40, a baseline or first mammogram will be covered for asymptomatic women who are eligible under the Plan.
 - * Between the ages of 40 and 49, a mammogram will be covered every other year for eligible members; and may be justified and recommended more frequently for those with a personal history of breast cancer or with a family history of breast cancer in the immediate family.
 - * For eligible members over the age of 50, mammography testing will be covered once yearly.
- D. Upon completion of the mammographic testing, the patient should receive a qualified comprehensive review of the test results by her attending or designated physician.

VI. Facility Selection Criteria and the Responsibility of the Testing Facility

A qualified and comprehensive mammography program should include no less than the following:

- A. The facility must have low dosage x-ray equipment registered by the South Carolina Department of Health and Environmental Control (or appropriate regulatory

EXHIBIT

MAR 22 1988

NO. 9

STATE BUDGET & CONTROL BOARD

agency in other states) and be manufactured solely for mammographic purposes. Patients' radiation exposure should be maintained at the lowest feasible level consistent with optimal quality. (Appendix A)

- B. A licensed, board certified radiologist must interpret the test and evaluate results.
- C. The facility must be able to accept the attending physician's referral or self-referral for mammography testing on a diagnostic basis relative to the testing criteria.
- D. The facility must provide patients with a card indicating the name, address, and phone number of the facility; the date the mammogram was taken; and the name of the patient's referring/designated physician.
- E. A mammography report must be sent to the referring/designated physician with a copy placed in the patient's file folder at the facility. A copy of this report must be given to the patient if she makes the request. If the mammogram is interpreted as abnormal, the referring physician should receive a telephone report in advance of the written report. The discussion of test results with the patient would be the responsibility of the referring physician. Patients must be notified in writing that the report has been sent to her physician. (Appendix B: Example)
- F. If the patient is to be tested under the assumption there will be no out-of-pocket expenses when the claim for payment is filed with the State's Third Party Administrator for the State Group Health Plan (Blue Cross Blue Shield), the facility and the designated physicians from the SCRS participating list must have entered into an agreement in advance with SCRS in order to ensure this fact. Agreements can be negotiated with SCRS in exchange for advertised recognition by the State Group Health Plan that the facility and designated physician participates in such an arrangement with the State for the benefit of its employees.
- G. Follow-up with patients must be provided by the facility according to the "Testing Criteria for Eligible Employees." Reminders must be sent by the provider facility to patients recommending that they contact an attending physician for the appropriate referral to follow-up mammographic testing in subsequent years.
- H. The facility must be capable of and provide the patient with a health education component dealing with breast

self-care, breast diseases, and a discussion of mammography. Patients should be provided with literature and be exposed to audiovisual aids or a presentation of these subjects. The health education component must be delivered to each patient and must include, but not be limited to these topics:

- * A discussion of breast health and breast self-care, as well as a demonstration of breast self-examination.
- * A discussion of breast disease; how it can be identified, treated, and prevented as well as the impact of lifestyle on breast health.
- * An explanation of mammographic testing; its safety and effectiveness, when it should be done, its frequency thereafter, and what the results can mean.

This educational component must be supplemented with printed literature and resource information to be given to each patient.

- I. For facilities with mobile units, coordination for on-site testing must be planned and scheduled through South Carolina Retirement Systems. Facility staff must be qualified and available to provide the above described health education component on site where the mobile unit will provide services.

VII. Participating/Designated Physicians' Responsibilities

- A. The participating/designated physician will enter into an agreement with the South Carolina Retirement Systems to serve as an "attending/designated" physician for those employees without a doctor. His or her name will then be placed on a list with other participating physicians for selection by employees. Upon designation by the employee, the physician accepts responsibility for relaying the results of mammographic findings for a ~~pre-negotiated~~ flat fee of \$____.
- B. The participating/designated physician will accept the mammography report from the facility and set up a file on each patient. He or she will then notify every patient of the results with a phone call. The patient will be asked to come in for further consultation if the report was abnormal. If phone contact is not possible, then written correspondence will suffice.
- C. The participating/designated physician will follow-up with patients for future mammograms based on combined analysis of age and mammographic findings.

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VIII. EVALUATION

STATE BUDGET & CONTROL BOARD

It is recommended that an evaluation of this project be done to track the impact on State Group Health Plan utilization costs rather than on the impact of mammographic screening on mortality. This approach should address our concerns about the effect of early detection and intervention methods on the Plan.

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EXHIBIT

MAR 22 1988 NO. 9

STATE BUDGET & CONTROL BOARD

Major Cancer Sites

BREAST CANCER

Incidence: An estimated 123,000 new cases in the United States during 1986. About one out of 11 women will develop breast cancer at some time during her life.

Mortality: An estimated 40,200 deaths (39,900 females; 300 males) in 1986, in females, second only to lung cancer, now the foremost site of cancer deaths in women.

Warning Signals: Breast changes that persist such as a lump, thickening, swelling, dimpling, skin irritation, distortion, retraction or scaliness of the nipple, nipple discharge, pain or tenderness.

Risk Factors: Over age 50; personal or family history of breast cancer; never had children; first child after age 30.

Early Detection: The American Cancer Society recommends the monthly practice of breast self-examination (BSE) by women 20 years and older as a routine good health habit. Most breast lumps are not cancer, but only a physician can make a diagnosis.

The American Cancer Society and the National Cancer Institute, in their joint Breast Cancer Detection Demonstration program, found that mammography—a low-dose x-ray examination—could find cancers too small to be felt by the most experienced examiner.

Besides its effectiveness in screening women without symptoms, mammography is recognized as a valuable diagnostic technique for women who do have findings suggestive of breast cancer. Once a breast lump is found, mammography can help determine if there are other lesions in the same or opposite breast which are too small to be felt. All suspicious lumps should be biopsied for a definitive diagnosis—even when the mammogram is

described as normal.

The Society recommends a mammogram every year for asymptomatic women age 50 and over, and a baseline mammogram for those 35 to 39. Asymptomatic women 40 to 49 should have mammography every 1-2 years, depending on physical and mammographic findings as well as other risk factors. In addition, a professional breast examination is recommended every three years for women 20 to 40, and every year for those over 40.

Treatment: Several methods may be used, depending on the individual woman's preferences and medical situation—surgery varying from local removal of the tumor to mastectomy, radiation therapy, chemotherapy or hormone manipulation. Often two or more methods may be used in combination. Patients should discuss with their physicians possible options available concerning the specific management of their breast cancer.

New techniques in recent years have made breast reconstruction possible after mastectomy, and the cosmetic results are good. Reconstruction now has become an important part of treatment and rehabilitation. (See p. 22)

Survival: The 5-year survival rate for localized breast cancer has risen from 78% in the 1940's to 91% today. If the breast cancer is not invasive (in situ), the survival rate approaches 100%. If the cancer has spread, however, the rate is 59%.

Despite an increasing incidence of breast cancer, longer survival has helped to stabilize mortality rates over the last 50 years.

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EXHIBIT

MAR 22 1988

NO. 10

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

STATE BUDGET & CONTROL BOARD

REGULAR SESSION

ITEM NUMBER

8

AGENCY: Fire Marshal Appeal Panel

SUBJECT: Berea First Baptist Church Appeal

On December 22, 1986, a Fire Marshal Inspection Order (copy attached) regarding the Berea First Baptist Church was issued. The Order was appealed to the Panel.

A hearing was held on December 15, 1987, and the Panel made recommendations regarding those items remaining at issue as referenced in the Fire Marshal's Order of December 22, 1986. Please refer to the attachments for details.

BOARD ACTION REQUESTED:

Affirm the findings and recommendations of the Fire Marshal Appeal Panel in the Berea First Baptist Church appeal and incorporate those recommendations into the Board's Order.

ATTACHMENTS:

Decision; Findings and Recommendations; attachments

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EXHIBIT

MAR 22 1988

NO. 10

State of South Carolina

State Budget and Control Board

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

Box 12444
Columbia
29211

JAMES M. WADDELL, JR.
CHAIRMAN, SENATE FINANCE COMMITTEE
ROBERT N. MCLELLAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

March 22, 1988

Mr. Floyd Parker
Associate Minister and Church Administrator
Berea First Baptist Church
Farr's Bridge Road
Greenville, SC 29611

Dear Mr. Parker:

Re: Your Appeal from State Budget and Control Board Regulation
19-300.11(B)(2)(a) as a result of Fire Marshal Inspection
Order dated December 22, 1986

The findings and recommendations of the Fire Marshal Appeal Panel in the case of your appeal of the referenced Fire Marshal Inspection Order was on the agenda of the Budget and Control Board agenda for the meeting held today.

However, because Board members were not certain that you and others associated with your Church were aware that the Board was to make its decision in the matter today, the Board postponed acting on it until the meeting now scheduled to be held on April 12, 1988.

The Board directed staff to advise you of this postponement and to invite you to submit in written form any additional information you may want to bring to the Board's attention in connection with the appeal. Should you plan to send a letter or other written documentation, I would appreciate receiving it by Thursday, April 7, 1988. If I might assist you in any way in the interim, please call me at 734-2320.

Sincerely,

William A. McInnis
William A. McInnis
Secretary

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NO. 1 0

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

STATE BUDGET & CONTROL BOARD
DECISION BY SOUTH CAROLINA
STATE BUDGET AND CONTROL BOARD

DECISION RE: BEREA FIRST BAPTIST CHURCH
FARR'S BRIDGE ROAD
GREENVILLE, SOUTH CAROLINA 29611

Decision on Appeal from State Budget and Control Board Regulation 19-300.11 (B)(2)(a) as a result of a Fire Marshal Inspection Order dated December 22, 1986.

The South Carolina State Budget and Control Board at its meeting held _____, 1988, reviewed the Findings and Recommendations of the South Carolina State Fire Marshal Appeal Panel in this matter.

The Board affirms the Findings and Recommendations of the Fire Marshal Appeal Panel and incorporates the recommendations as its Order as follows:

A. With regard to the sanctuary, it is the unanimous recommendation of the Panel that a manual fire alarm system complying with the requirements as set forth in the Fire Marshal's Order be installed.

B. By unanimous vote of the Panel, it is recommended that the State Fire Marshal determine the number of occupants that may safely occupy the sanctuary, and that a notice of the same be posted in that building.

C. With regard to Building A, it is the unanimous recommendation of the Panel that a fire alarm system be installed as required in the Fire Marshal's Order of December 22, 1986.

D. With regard to Building A, it is the unanimous recommendation of the Panel that the furnace room be enclosed with two hour fire rated construction, and that the hole connecting that room with the adjacent room be closed in a like manner.

E. With regard to Building B, it is the unanimous recommendation of the Panel that the stairways be enclosed with one hour fire resistant construction.

F. With regard to Building B, it is the unanimous recommendation of the Panel that a manual fire alarm system be installed consistent with the Fire Marshal's Order of December 22, 1986.

G. With regard to Building B, it is the unanimous recommendation of the Panel that fire rated doors of one and three-fourths hours fire resistance for separation between buildings be installed in accordance with the Fire Marshal's Order of December 22, 1986.

H. With regard to Building C, it is the unanimous recommendation of the Panel that an additional exit from the third floor be provided.

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0101 MAR 22 1986

ORABO JOSTH D. With regard to Building C, it is the unanimous recommendation of the Panel that stairwells be enclosed with one hour construction and one hour doors with self closures as described in the Fire Marshal's Order of December 22, 1986.

J. With regard to Building C, it is the unanimous recommendation of the Panel that a manual fire alarm system be installed complying with the Fire Marshal's Order of December 22, 1986.

These conditions should be completed within thirty (30) days from the date of a decision by the Budget and Control Board on this Panel's recommendation.

Let a copy of this Decision and a copy of the Findings and Recommendations of the Fire Marshal Appeal Panel be forwarded to Berea First Baptist Church, Farr's Bridge Road, Greenville, South Carolina 29611.

SOUTH CAROLINA STATE BUDGET AND
CONTROL BOARD

By: William A. McInnis, Secretary

Columbia, South Carolina

_____, 1988.

EXHIBIT

MAR 22 1988

NO. 10

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

BEFORE THE SOUTH CAROLINA
FIRE MARSHAL APPEAL PANEL

IN THE MATTER OF:)

BEREA FIRST BAPTIST CHURCH,)

Appellant.)

FINDINGS AND RECOMMENDATIONS

This matter is before the South Carolina Fire Marshal Appeal Panel (hereinafter referred to as the "Panel") for administrative review pursuant to the Administrative Procedures Act, South Carolina Code § 1-23-310, et seq. (1983, as amended), and pursuant to State Budget and Control Board Regulation 19-312 as a result of an Order issued by the State Fire Marshal and a request by Appellant for review of that Order.

PROCEDURAL HISTORY

On or about December 22, 1986, Deputy Fire Marshal Mack Lancaster issued a Fire Marshal Inspection Order regarding the Berea First Baptist Church, Appellant herein. Appellant timely appealed this Order to the Panel.

A hearing was held in this matter on December 15, 1987. Appellant was represented by Ray D. Lathan, Attorney at Law, and the State Fire Marshal was represented by C. H. Jones, Jr., Assistant Attorney General. Testifying on behalf of Appellant were Floyd Parker, Associate Minister and Administrator of the Church and Chief Joseph Best, of the Berea Fire Department. Testifying on behalf of the State Fire Marshal were Mack Lancaster and State Fire Marshal Richard S. Campbell.

Several issues came before this Panel, and are incorporated into this recommendation by reference, according to the attached copy of the December 22, 1986, Fire Marshal Inspection Order. References to items or

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STATE BUDGET & CONTROL BOARD

deficiencies that were inspected are made to the item number, noted in the Fire Marshal's Order, with the respective Fire Code or State Building Code section as indicated thereon.

A number of deficiencies noted by the State Fire Marshal's inspection have been stipulated to, and will be corrected and are, therefore, not a matter at issue before this Panel. It should be noted that the inspection covered five buildings, described as the sanctuary, Building A, the gymnasium, Building B, and Building C. By consent of the parties, and incorporated into this recommendation, the following items have been stipulated to and will be corrected by the Appellant within one hundred twenty (120) days from the date of the Order of the South Carolina State Budget and Control Board. They are as follows: With regard to the sanctuary, Item A-4 and D-5; with regard to Building A, Items A-3 and A-4; with regard to the gymnasium, Items A-3, A-4, and A-5; with regard to Building B, Items A-3, A-5, and C-1; with regard to Building C, Items A-3, A-5, A-1 (exit doors shall be equipped with panic hardware and shall swing in direction of exit travel), and D-5.

Remaining at issue are the following items, referred to by their number, with the accompanying description on the attached Fire Marshal's Order of December 22, 1986: With regard to the sanctuary, Items B-1 and an unnumbered item relating to the number of occupants limited to the number of fixed seats; with regard to Building A, Items A-1 and C-1; with regard to Building B, Items A-7, B-1, and C-5; and with regard to Building C, Items A-1 (provide additional exit from third floor), A-7, and B-1.

FINDINGS

1. Berea First Baptist Church is located on Farr's Bridge Road in Greenville County, South Carolina.

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2. The buildings in which Appellant is located are basically masonry construction.

3. Buildings A, B, and C are used for educational purposes, with parts of them being used for such purposes as Sunday School and, in Building C, meetings of classes from North Greenville College three nights per week on the ground floor.

4. In Building A there is a furnace room that does not have a fire rated door, and has an opening in the wall that could provide a hazard in case of a fire by allowing excessive ventilation to the source of the fire.

5. The sanctuary, Building A, Building B, and Building C do not possess fire alarm systems consistent with the requirements set forth in the Fire Marshal's Order of December 22, 1986.

6. The number of persons attending services in the sanctuary occasionally exceeds the number of fixed seats.

7. Building B, last renovated in 1976, has open stairways, not enclosed with fire resistant construction.

8. Building C has limited exits from the third floor, as noted on the Fire Marshal's Order of December 22, 1986.

9. Building C also has stairwells that are not enclosed with fire resistant construction.

10. The Panel finds that it would not be in the best interest of justice and safety that a variance be granted to Appellant with regard to the deficiencies found in the Fire Marshal's Report.

RECOMMENDATIONS

Accordingly, the Panel makes the following recommendations with regard to those items remaining at issue as referenced in the Fire Marshal's Order of December 22, 1986, and that no variance be granted:

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A. With regard to the sanctuary, it is the unanimous recommendation of the Panel that a manual fire alarm system complying with the requirements as set forth in the Fire Marshal's Order be installed.

B. By unanimous vote of the Panel, it is recommended that the State Fire Marshal determine the number of occupants that may safely occupy the sanctuary, and that a notice of the same be posted in that building.

C. With regard to Building A, it is the unanimous recommendation of the Panel that a fire alarm system be installed as required in the Fire Marshal's Order of December 22, 1986.

D. With regard to Building A, it is the unanimous recommendation of the Panel that the furnace room be enclosed with two hour fire rated construction, and that the hole connecting that room with the adjacent room be closed in a like manner.

E. With regard to Building B, it is the unanimous recommendation of the Panel that the stairways be enclosed with one hour fire resistant construction.

F. With regard to Building B, it is the unanimous recommendation of the Panel that a manual fire alarm system be installed consistent with the Fire Marshal's Order of December 22, 1986.

G. With regard to Building B, it is the unanimous recommendation of the Panel that fire rated doors of one and three-fourths hours fire resistance for separation between buildings be installed in accordance with the Fire Marshal's Order of December 22, 1986.

H. With regard to Building C, it is the unanimous recommendation of the Panel that an additional exit from the third floor be provided.

I. With regard to Building C, it is the unanimous recommendation of the Panel that stairwells be enclosed with one hour construction and one

A. With regard to the sanctuary, it is the unanimous recommendation of the Panel that a manual fire alarm system complying with the requirements as set forth in the Fire Marshal's Order be installed.

B. By unanimous vote of the Panel, it is recommended that the State Fire Marshal determine the number of occupants that may safely occupy the sanctuary, and that a notice of the same be posted in that building.

C. With regard to Building A, it is the unanimous recommendation of the Panel that a fire alarm system be installed as required in the Fire Marshal's Order of December 22, 1986.

D. With regard to Building A, it is the unanimous recommendation of the Panel that the furnace room be enclosed with two hour fire rated construction, and that the hole connecting that room with the adjacent room be closed in a like manner.

E. With regard to Building B, it is the unanimous recommendation of the Panel that the stairways be enclosed with one hour fire resistant construction.

F. With regard to Building B, it is the unanimous recommendation of the Panel that a manual fire alarm system be installed consistent with the Fire Marshal's Order of December 22, 1986.

G. With regard to Building B, it is the unanimous recommendation of the Panel that fire rated doors of one and three-fourths hours fire resistance for separation between buildings be installed in accordance with the Fire Marshal's Order of December 22, 1986.

H. With regard to Building C, it is the unanimous recommendation of the Panel that an additional exit from the third floor be provided.

I. With regard to Building C, it is the unanimous recommendation of the Panel that stairwells be enclosed with one hour construction and one

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hour doors with self closures as described in the Fire Marshal's Order of December 22, 1986.

J. With regard to Building C, it is the unanimous recommendation of the Panel that a manual fire alarm system be installed complying with the Fire Marshal's Order of December 22, 1986.

These conditions should be completed within thirty (30) days from the date of a decision by the Budget and Control Board on this Panel's recommendation.

SOUTH CAROLINA FIRE MARSHAL APPEAL
PANEL

By:

Lewis B. Lee
LEWIS B. LEE, ACTING CHAIRMAN

Newberry, South Carolina

February 28, 1987.

1988 WJM

13918

FIRE MARSHAL INSPECTION ORDER

STATE OF SOUTH CAROLINA

COUNTY OF Greenville

SOUTH CAROLINA STATE FIRE MARSHAL

IN RE

Berea First Baptist Church

NOTICE OF ORDER

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects found to exist in the above-referenced structure, building, and further requiring that you as owner, agent, or person in control of said structure or building have 30 days to complete the specified improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: 737-8300

Name of Facility	<u>Berea First Baptist Church</u>			Number of Years in Operation	<u>346-1921</u>	Date of Inspection	<u>12-1-86</u>
Street & No.	<u>Farr's Bridge Rd</u>	City	<u>Greenville</u>	Zip	<u>29611</u>	County	<u>Greenville</u>
Location	Within City Limits <input type="checkbox"/> Out of City Limits <input type="checkbox"/> Distance Out of City Limits _____						
Name & Address of Tenant	<u>Mr. Floyd Parker</u>						
Name & Address of Owner	<u>Same</u>						
Nature of Inspection	<input checked="" type="checkbox"/> Routine <input type="checkbox"/> Re-inspect		<input type="checkbox"/> Requested Person Making Request				
Age of Building	<u>1944</u>	Height of Building	<u>1 1/2</u>	Number of Stories	<u>1 1/2</u>	Approximate Square Footage	<u>12000</u>
Type Construction	Fire Proof <input type="checkbox"/> Fire Resistive <input type="checkbox"/> Heavy Timber <input type="checkbox"/> Non-Combustible <input type="checkbox"/> Ordinary <input type="checkbox"/> Wood Frame <input type="checkbox"/> Other <input type="checkbox"/> Specify _____						
Occupancy Category	Assembly <input checked="" type="checkbox"/> Business <input type="checkbox"/> Educational <input type="checkbox"/> Hazardous <input type="checkbox"/> Factory <input type="checkbox"/> Institutional <input type="checkbox"/> Mercantile <input type="checkbox"/> Residential <input type="checkbox"/> Storage <input type="checkbox"/>						
Number of People using Building	Capacity of People <u>1140</u>						

		MANDATED CORRECTIONS	
		ITEM	DESCRIPTION & LOCATION
A EITS & ESCAPES	1	Number of Exit Doors	<u>9</u> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	2	Blocked <input type="checkbox"/> Locked <input type="checkbox"/>	
	3	Exit Signs Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>	
	4	Emergency Lights Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>	
	5	Panic Hardware Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>	
	6	Self-closing Device Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>	
	7	Number of Stairways	Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	8	Open <input type="checkbox"/> Closed <input type="checkbox"/> Wood <input type="checkbox"/> Metal <input type="checkbox"/> Masonry <input type="checkbox"/>	
	9	Number of Fire Escapes	Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	10	Wood <input type="checkbox"/> Metal <input type="checkbox"/> Other <input type="checkbox"/> (Specify)	
	11	Handrails Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>	
	12	Landings Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>	
	13	Other	
B FIRE SYSTEMS	1	Fire Alarm Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	2	Smoke Detectors Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	3	Sprinkler System Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	4	Standpipe System Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	5	Number of Fire Extinguishers	Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	6	Date Last Charged	Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/>
	7	Fixed Hood Extinguisher System Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required <input checked="" type="checkbox"/>	
C CONSTRUCTION	1	Fire Rated Corridors Walls Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	2	Fire Rated Ceilings Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	3	Frame Splead Rating Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	4	Fire & Draft Stopping Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	5	Other	
D HEATING	1	Heating System Gas <input type="checkbox"/> Electric <input type="checkbox"/> Oil <input type="checkbox"/> Wood <input type="checkbox"/> Other <input type="checkbox"/>	
	2	Condition Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	3	Chimneys & Flues Metal <input type="checkbox"/> Masonry <input type="checkbox"/> NA <input type="checkbox"/>	
	4	Condition Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	5	Other <u>Furnace Room Separation</u>	
E ELECTRICAL	1	Electrical Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	2	Excessive use of Extension Cords Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	3	Open breakers Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	4	Covers Missing on Electrical Boxes Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	5	Proper Sized Fuses/Breakers Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	6	Licensed Electrician Certification Required Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	7	Other	
F GENERAL	1	Housekeeping Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	2	Excessive Storage of Combustibles Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	3	Storage under Stairs Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	4	Flammable Liquid Storage Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	5	Chemical Storage Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate <input type="checkbox"/>	
	6	Excessive Flammable Decorative Materials Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate <input type="checkbox"/>	
	7	Other	

In accordance with §23-9-B, Code of Laws, South Carolina, 1976, as amended, a true copy of the ORDER was

Delivered Personally to [Signature]

AS OWNER OR OCCU

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Mark Lancaster
Deputy Fire Marshal

Box 73 Express

DATE 12/22/86

RE MARSHAL INSPECTION ORDER

2 of 5

STATE OF SOUTH CAROLINA

COUNTY OF Greenville

SOUTH CAROLINA STATE FIRE MARSHAL

IN RE

Berea First Baptist Church

NOTICE OF ORDER

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects found to exist in the above-referenced structure or building, and further requiring that you as owner, agent, or person in control of said structure or building have 30 days to complete the specified repairs or improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: 737-8300

Name of Facility	<u>Berea First Baptist Church</u>		Number of Years in Operation	<u>346-1921</u>	Date of Inspection	<u>12-1-86</u>	
Street & No.	<u>Farr's Bridge Rd</u>	City	<u>Greenville</u>	Zip	<u>29601</u>	County	<u>Greenville</u>
Location	Within City Limits <input checked="" type="checkbox"/> Out of City Limits <input type="checkbox"/> Distance Out of City Limits _____						
Name & Address of Tenant	<u>Mr. Floyd Parker</u>						
Name & Address of Owner	<u>Same</u>						
Nature of Inspection	Routine <input checked="" type="checkbox"/> Re-Inspect <input type="checkbox"/>		Requested Person Making Request _____				
Age of Building	<u>1960</u>	Height of Building	Number of Stories	<u>2</u>	Approximate Square Footage	<u>7600</u>	
Type Construction	Fire Proof <input type="checkbox"/> Fire Resistive <input type="checkbox"/> Heavy Timber <input checked="" type="checkbox"/> Non-Combustible <input type="checkbox"/> Ordinary <input type="checkbox"/> Wood Frame <input type="checkbox"/> Other <input type="checkbox"/> Specify _____						
Occupancy Category	Assembly <input type="checkbox"/> Business <input type="checkbox"/> Educational <input checked="" type="checkbox"/> Hazardous <input type="checkbox"/> Factory <input type="checkbox"/> Institutional <input type="checkbox"/> Mercantile <input type="checkbox"/> Residential <input type="checkbox"/> Storage <input type="checkbox"/>						
Number of People using Building	Capacity of People _____						

		MANDATED CORRECTIONS	
		ITEM	DESCRIPTION & LOCATION
A EXITS & ESCAPES	1	Number of Exit Doors	<u>4</u> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	2	Blocked <input type="checkbox"/> Locked <input type="checkbox"/>	
	3	Exit Signs Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>	
	4	Emergency Lights Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>	
	5	Panic Hardware Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>	
	6	Self-closing Device Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>	
	7	Number of Stairways	<u>2</u> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	8	Open <input type="checkbox"/> Closed <input checked="" type="checkbox"/> Wood <input type="checkbox"/> Metal <input type="checkbox"/> Masonry <input type="checkbox"/>	
	9	Number of Fire Escapes	<u>0</u> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>
	10	Wood <input type="checkbox"/> Metal <input type="checkbox"/> Other <input type="checkbox"/> (Specify)	
	11	Handrails Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>	
	12	Landings Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>	
	13	Other	
B FIRE SYSTEMS	1	Fire Alarm Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	2	Smoke Detectors Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	3	Sprinkler System Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	4	Standpipe System Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	5	Number of Fire Extinguishers	Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	6	Date Last Charged	Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/>
	7	Fixed Hood Extinguisher System Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Required <input type="checkbox"/>	
	8	Date Last Serviced	Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
C CONST	1	Fire Rated Corridors Walls Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	2	Fire Rated Ceilings Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	3	Flame Spread Rating Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	4	Fire & Draft Stopping Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	5	Other	
D HEATING	1	Heating System Gas <input type="checkbox"/> Electric <input checked="" type="checkbox"/> Oil <input checked="" type="checkbox"/> Wood <input type="checkbox"/> Other <input type="checkbox"/>	
	2	Condition Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	3	Chimneys & Flues Metal <input type="checkbox"/> Masonry <input checked="" type="checkbox"/> NA <input type="checkbox"/>	
	4	Condition Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	5	Other	
E ELEC	1	Electrical Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	2	Excessive use of Extension Cords Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	3	Open Breakers Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	4	Covers Missing on Electrical Boxes Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	5	Proper Sized Fuses/Breakers Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	6	Licensed Electrician Certification Required Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	7	Other	
F GENERAL	1	Housekeeping Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	2	Excessive Storage of Combustibles Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	3	Storage Under Stairs Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	4	Flammable Liquid Storage Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	5	Chemical Storage Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate <input type="checkbox"/>	
	6	Excessive Flammable Decorative Materials Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate <input type="checkbox"/>	
	7	Other	

In accordance with §23-9-80 Code of Laws, South Carolina, 1976, as amended, a true copy of the ORDER was

Delivered Personally to

AS OWNER OR OCCUPANT

13920

Mark Lancaster
Deputy Fire Marshal

12-2 Box 73 Enoree SC 29 335

DATE 12-22-1986

FIRE MARSHAL INSPECTION ORDER

3 of 5
EXHIBIT

STATE OF SOUTH CAROLINA

COUNTY OF Greenville

SOUTH CAROLINA STATE FIRE MARSHAL

MAR 22 1988

NO. 10

IN RE:

NOTICE OF ORDER

Berea First Baptist Church

STATE BUDGET & CONTROL BOARD

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects found to exist in the above-referenced structure or building, and further requiring that you as owner, agent, or person in control of said structure or building have 30 days to complete the specified repairs or improvements.
You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

South Carolina State Fire Marshal
800 Duich Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: 737-8300

Name of Facility	<u>Berea First Baptist Church</u>			Number of Years in Operation	<u>346-1921</u>	Date of Inspection	<u>12-1-86</u>
Street & No.	<u>Farr's Bridge Rd.</u>	City	<u>Greenville</u>	Zip	<u>29611</u>	County	<u>Greenville</u>
Location	Within City Limits <input type="checkbox"/> Out of City Limits <input type="checkbox"/> Distance Out of City Limits _____						
Name & Address of Tenant	<u>Mr. Floyd Parker</u>						
Name & Address of Owner	<u>Same</u>						
Nature of Inspection	Routine <input checked="" type="checkbox"/> Re-inspect <input type="checkbox"/> Requested Person Making Request <input type="checkbox"/>			Building Name or Number <u>Gymnasium</u>			
Age of Building	<u>1976</u>	Height of Building	<u>1</u>	Number of Stories	<u>1</u>	Approximate Square Footage	<u>4000</u>
Type Construction	Fire Proof <input type="checkbox"/> Fire Resistive <input type="checkbox"/> Heavy Timber <input type="checkbox"/> Non-Combustible <input type="checkbox"/> Ordinary <input type="checkbox"/> Wood Frame <input type="checkbox"/> Other <input checked="" type="checkbox"/> Specify <u>Metal</u>						
Occupancy Category	Assembly <input checked="" type="checkbox"/> Business <input type="checkbox"/> Educational <input type="checkbox"/> Hazardous <input type="checkbox"/> Factory <input type="checkbox"/> Institutional <input type="checkbox"/> Mercantile <input type="checkbox"/> Residential <input type="checkbox"/> Storage <input type="checkbox"/>						
Number of People using Building	Capacity of People _____						

		MANDATED CORRECTIONS	
ITEM	DESCRIPTION & LOCATION	CODE	
A-3	All Required exits shall be equipped with approved exit signs in all occupancies with an occupant load of 50 or more.	SFC 15.10	
A-4	A separate emergency source of illumination shall be provided in assembly areas with an occupant capacity of 300 or more.	SFC 15.11 b	
A-5	Repair broken panic hardware exit.	SFC 15.14 c	
1	Number of Exit Doors <u>4</u> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
2	Blocked <input type="checkbox"/> Locked <input type="checkbox"/>		
3	Exit Signs Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>		
4	Emergency Lights Good <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>		
5	Panic Hardware Good <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>		
6	Self-closing Device Good <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>		
7	Number of Stairways <u>0</u> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
8	Open <input type="checkbox"/> Closed <input type="checkbox"/> Wood <input type="checkbox"/> Metal <input type="checkbox"/> Masonry <input type="checkbox"/>		
9	Number of Fire escapes <u>0</u> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
10	Wood <input type="checkbox"/> Metal <input type="checkbox"/> Other <input type="checkbox"/> (Specify) _____		
11	Handrails Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>		
12	Landings Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>		
13	Other _____		
14	Fire Alarm Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
15	Smoke Detectors Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
16	Sprinkler System Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
17	Standpipe System Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
18	Number of Fire Extinguishers _____ Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
19	Date last charged _____ Good <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>		
20	Fixed hood extinguisher system Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>		
21	Date last serviced _____ Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
22	Other _____		
23	Fire Rated Corridor Walls Yes <input type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
24	Fire Rated Ceilings Yes <input type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
25	Flame spread Rating Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
26	Fire & Draft Stopping Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
27	Other _____		
28	Heating System Gas <input type="checkbox"/> Electric <input type="checkbox"/> Oil <input checked="" type="checkbox"/> Wood <input type="checkbox"/> Other <input type="checkbox"/>		
29	Condition Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>		
30	Chimneys & Flues Metal <input checked="" type="checkbox"/> Masonry <input type="checkbox"/> NA <input type="checkbox"/>		
31	Condition Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>		
32	Other _____		
33	Electrical Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>		
34	Excessive use of Extension Cords Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
35	Open breakers Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
36	Covers Missing on Electrical Boxes Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
37	Proper sized fuses/breakers Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
38	Licensed electrician certification required Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
39	Other _____		
40	Housekeeping Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>		
41	Excessive storage of Combustibles Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
42	Storage under stairs Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
43	Flammable liquid storage Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
44	Chemical storage Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate <input type="checkbox"/>		
45	Excessive flammable decorative materials Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate <input type="checkbox"/>		
46	Other _____		

In accordance with §23-2-80, Code of Laws, South Carolina, 1975, as amended, a true copy of the ORDER was

Delivered Personally to [Signature]

as owner or occupant

13921

Mark Lancaster
Deputy Fire Marshal

Re: 2 Bay 73 Enforce SC 29 335
12-22-81

FIRE MARSHAL INSPECTION ORDER

STATE OF SOUTH CAROLINA

COUNTY OF Greenville

SOUTH CAROLINA STATE FIRE MARSHAL

IN RE

Berea Baptist Church

NOTICE OF ORDER

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects and repairs in the above-referenced structure of building, and further requiring that you as owner, agent, or person in control of said structure or building have 30 days to complete the specified repairs or improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: 737-8300

Name of Facility <u>Berea First Baptist Church</u>		Number of Years in Operation <u>346-1921</u>	Date of Inspection <u>12-1-86</u>
Street <u>Fair's Bridge Rd.</u>		City <u>Greenville</u>	Zip <u>29611</u> County <u>Greenville</u>
Location Within City Limits <input type="checkbox"/> Out of City Limits <input checked="" type="checkbox"/> Distance Out of City Limits _____			
Name & Address of Tenant <u>Mr. Floyd Parker</u>		Building Name or Number <u>B</u>	
Name & Address of Owner <u>SAME</u>			
Nature of Inspection <input type="checkbox"/> Routine <input type="checkbox"/> Re-inspect <input type="checkbox"/> Requested Person Making Request _____			
Age of Building <u>Renovated 1976</u>	Height of Building _____	Number of Stories <u>3</u>	Approximate Square Footage <u>10488</u>
Type Construction Fire Proof <input type="checkbox"/> Fire Resistive <input type="checkbox"/> Heavy Timber <input type="checkbox"/> Non-Combustible <input type="checkbox"/> Ordinary <input type="checkbox"/> Wood Frame <input type="checkbox"/> Other <input type="checkbox"/> Specify _____			
Occupancy Category Assembly <input checked="" type="checkbox"/> Business <input type="checkbox"/> Educational <input type="checkbox"/> Hazardous <input type="checkbox"/> Factory <input type="checkbox"/> Institutional <input type="checkbox"/> Mercantile <input type="checkbox"/> Residential <input type="checkbox"/> Storage <input type="checkbox"/>			
Number of People using Building _____		Capacity of People _____	

		MANDATED CORRECTIONS	
		ITEM DESCRIPTION & LOCATION	CODE
1	Number of Exit Doors <u>9</u> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	A-3 install approved exit signs throughout Building	SFC 15.10
2	Blocked or Locked <input type="checkbox"/>		
3	Exit Signs Good <input type="checkbox"/> Unsatisfactory <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>	A-5 install panic hardware on all exit doors.	1973 SFC 11.12
4	Emergency Lights Good <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>	A-7 stairways shall be enclosed with one hour fire resistance construction	1973 SFC 11.06B
5	Panic Hardware Good <input type="checkbox"/> Unsatisfactory <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>		
6	Self-closing Device Good <input type="checkbox"/> Unsatisfactory <input type="checkbox"/> Not Required <input type="checkbox"/>	B-1 install Manual fire alarm system to meet NFPA 72A specifications.	1975 SFC 11.6
7	Number of Stairways <u>2</u> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	C-1 Furnace Room must be separated by one hour fire resistance construction	1973 SFC 11.2
8	Open <input type="checkbox"/> Closed <input checked="" type="checkbox"/> Wood <input type="checkbox"/> Metal <input type="checkbox"/> Masonry <input type="checkbox"/>	C-5 Install Fire Rated doors of one hour fire resistance for separation between buildings	1973 SFC 705.2
9	Number of Fire Escapes _____ Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
10	Wood <input type="checkbox"/> Metal <input type="checkbox"/> Other <input type="checkbox"/> (Specify) _____		
11	Handrails Adequate Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>		
12	Landings Adequate Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>		
13	Other _____		
14	Fire Alarm Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
15	Smoke Detectors Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
16	Sprinkler System Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
17	Standpipe System Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
18	Number of Fire Extinguishers _____ Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
19	Date Last Charged _____ Good <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>		
20	Fixed hood extinguisher system Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>		
21	Date Last Serviced _____ Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
22	Other _____		
23	Fire Rated Corridor Walls Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
24	Fire Rated Ceilings Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
25	Flame Spread Rating Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
26	Fire & Draft Stopping Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>		
27	Other <u>FIRE RATED DOORS</u>		
28	Heating System Gas <input type="checkbox"/> Electric <input checked="" type="checkbox"/> Oil <input type="checkbox"/> Wood <input type="checkbox"/> Other _____		
29	Condition Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>		
30	Chimneys & Flues Metal <input type="checkbox"/> Masonry <input checked="" type="checkbox"/> NA <input type="checkbox"/>		
31	Condition Good <input type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>		
32	Other _____		
33	Electrical Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>		
34	Excessive use of Extension Cords Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
35	Open Breakers Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
36	Covers Missing on electrical boxes Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
37	Proper sized Fuses/Breakers Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
38	Licensed electrician Certification Required Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
39	Other _____		
40	Housekeeping Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>		
41	Excessive storage of Combustibles Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
42	Storage under stairs Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
43	Flammable liquid storage Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
44	Chemical storage Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate <input type="checkbox"/>		
45	Excessive flammable decorative materials Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate <input type="checkbox"/>		
46	Other _____		

In accordance with 423-9-80 Code of Laws, South Carolina, 1976, as amended, a true copy of the ORDER was

Delivered Personally to

Floyd Parker

as owner or occupant

13922

Mark Lancaster
Deputy Fire Marshal

Rt. 2 Box 73, Enoree, SC 29335

DATE 12/22/86

MARSHAL INSPECTION ORDER

5 of 5

STATE OF SOUTH CAROLINA

COUNTY OF Greenville

SOUTH CAROLINA STATE FIRE MARSHAL

IN RE

NOTICE OF ORDER

Berea First Baptist Church

YOU ARE HEREBY NOTIFIED that this is an official ORDER of the South Carolina State Fire Marshal stating the defects found to exist in the above-referenced structure or building and further requiring that you as owner, agent, or person in control of said structure or building have 30 days to complete the specified repairs or improvements.

You are further notified that said owner, agent, or party in control of said building or structure may appeal this ORDER of the State Fire Marshal by serving upon the State Fire Marshal at the below address by mail or otherwise within thirty (30) days the specified grounds of appeal.

South Carolina State Fire Marshal
800 Dutch Square Blvd., Suite 201
Columbia, S.C. 29210
Phone: 737-8300

Name of Facility	<u>Berea First Baptist Church</u>	Number of Years in Operation	<u>346-1921</u>	Date of Inspection	<u>12-1-86</u>
Street & No.	<u>Farr's Bridge R.d.</u>	City	<u>Greenville</u>	Zip	<u>29611</u>
County	<u>Greenville</u>				
Location	Within City Limits <input type="checkbox"/> Out of City Limits <input type="checkbox"/> Distance Out of City Limits _____				
Name & Address of Tenant	<u>Mr. Floyd Parker</u>				
Name & Address of Owner	<u>SAME</u>				
Building Name or Number	<u>C</u>				
Nature of Inspection	<input checked="" type="checkbox"/> Routine	<input type="checkbox"/> Requested Person Making Request			
Age of Building	<u>1943</u>	Height of Building	<u>3</u>	Approximate Square Footage	<u>7000</u>
Type Construction	Fire Proof <input type="checkbox"/> Fire Resistive <input type="checkbox"/> Heavy Timber <input type="checkbox"/> Non-Combustible <input type="checkbox"/> Ordinary <input type="checkbox"/> Wood Frame <input type="checkbox"/> Other <input type="checkbox"/> Specify _____				
Occupancy Category	Assembly <input type="checkbox"/> Business <input type="checkbox"/> Educational <input type="checkbox"/> Hazardous <input type="checkbox"/> Factory <input type="checkbox"/> Institutional <input type="checkbox"/> Mercantile <input type="checkbox"/> Residential <input type="checkbox"/> Storage <input type="checkbox"/>				
Number of People using Building	Capacity of People _____				

		MANDATED CORRECTIONS	
		ITEM	DESCRIPTION & LOCATION
A EXITS & ESCAPES	1	Number of Exit Doors	<u>3</u> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	2	Blocked <input type="checkbox"/> Locked <input type="checkbox"/>	
	3	Exit Signs Good <input type="checkbox"/> Unsatisfactory <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>	
	4	Emergency Lights Good <input type="checkbox"/> Unsatisfactory <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>	
	5	Panic Hardware Good <input type="checkbox"/> Unsatisfactory <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>	
	6	Self-closing Device Good <input type="checkbox"/> Unsatisfactory <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>	
	7	Number of Stairways	<u>2</u> Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
	8	Open <input type="checkbox"/> Closed <input checked="" type="checkbox"/> Wood <input type="checkbox"/> Metal <input type="checkbox"/> Masonry <input type="checkbox"/>	
	9	Number of Fire Escapes	<u>0</u> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>
	10	Wood <input type="checkbox"/> Metal <input type="checkbox"/> Other <input type="checkbox"/> (Specify)	
	11	Handrails Adequate Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>	
	12	Landings Adequate Yes <input type="checkbox"/> No <input type="checkbox"/> NA <input type="checkbox"/>	
	B FIRE SYSTEMS	1	Fire Alarm Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
2		Smoke Detectors Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>	
3		Sprinkler System Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>	
4		Standpipe System Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>	
5		Number of Fire Extinguishers	Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>
6		Date Last Charged	Good <input checked="" type="checkbox"/> Unsatisfactory <input type="checkbox"/>
7		Fixed Hood Extinguisher System Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Not Required <input type="checkbox"/>	
8		Date Last Serviced	Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>
9		Other	
C CONSTRUCTION	1	Fire Rated Corridors/Walls Yes <input type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>	
	2	Fire Rated Ceilings Yes <input type="checkbox"/> No <input type="checkbox"/> Adequate Yes <input type="checkbox"/> No <input type="checkbox"/>	
	3	Flame Spread Rating Adequate Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	4	Fire & Draft Stopping Adequate Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	5	Other	
D HEATING	1	Heating System Gas <input type="checkbox"/> Electric <input type="checkbox"/> Oil <input checked="" type="checkbox"/> Wood <input type="checkbox"/> Other <input type="checkbox"/>	
	2	Condition Good <input type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	3	Chimneys & Flues Metal <input type="checkbox"/> Masonry <input checked="" type="checkbox"/> NA <input type="checkbox"/>	
	4	Condition Good <input type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	5	Other	<u>Furnace Room Separation</u>
E ELECTRICAL	1	Electrical Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	2	Excessive Use of Extension Cords Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	3	Open Breakers Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	4	Covers Missing on Electrical Boxes Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	5	Proper Sized Fuses/Breakers Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	6	Licensed Electrician Certification Required Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	7	Other	
F GENERAL	1	Housekeeping Good <input checked="" type="checkbox"/> Fair <input type="checkbox"/> Unsatisfactory <input type="checkbox"/>	
	2	Excessive Storage of Combustibles Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	3	Storage Under Stairs Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	4	Flammable Liquid Storage Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	5	Chemical Storage Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate <input type="checkbox"/>	
	6	Excessive Flammable Decorative Materials Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> Adequate <input type="checkbox"/>	
	7	Other	

In accordance with §23-80 Code of Laws, South Carolina, 1975, as amended, a true copy of the ORDER was

Delivered Personally to

Floyd Parker

AS OWNER OR OCCUPANT

13923

Mike Lancaster
Deputy Fire Marshal

H-2 Box 73 Enoree

SC 29335

DATE 12/22/86

APR - 5 1988

The State of South Carolina



Office of the Attorney General

EXHIBIT

MAR 22 1988

NO. 11

STATE BUDGET & CONTROL BOARD

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803/734-3680

March 30, 1988

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Columbia, South Carolina 29201

Re: \$470,000 Orangeburg County, South Carolina,
Hospital Revenue Note: Dawn Center (TriCounty
Commission on Alcohol & Drug Abuse); Projected
Issue Date: April, 1988

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Section(s) 44-7-1590, et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

This opinion addresses only the legal sufficiency of the documents you have provided for our review. No opinion is expressed as to any other matters, including whether the Petition should be approved as a matter of policy.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "D. Eckstrom".

David C. Eckstrom
Assistant Attorney General

DCE:tgc

Enclosures

13924

EXHIBIT

MAR 22 1988

no. 11

STATE OF SOUTH CAROLINA
STATE BUDGET AND CONTROL BOARD
Standard Form Investment Letter

STATE BUDGET & CONTROL BOARD

TO: Secretary, State Budget and Control Board
P. O. Box 12444
Columbia, SC 29211

RE: Sale by Orangeburg County, South Carolina (the "Issuer")
Of its Hospital Revenue Note (the "Bonds")
On behalf of TriCounty Commission on Alcohol & Drug Abuse (the "Company")
Dawn Center (the "Project")
To NCNB South Carolina (the "Purchaser")

DATE:

In connection with the referenced sale of Bonds by the Issuer, the Purchaser makes the following representations and certifications:

1. The Purchaser has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of its prospective investment in the Bonds;
2. The Purchaser is financially able to bear the economic risk of its proposed investment in the Bonds for an indefinite period;
3. The Purchaser is familiar with the business affairs of the Company and has obtained and examined all financial and other information with respect to the Bonds, the Company and the officers and shareholders of the Company which it deems necessary in order to enable it to evaluate the merits and risks of its investment in the Bonds and to make an informed investment judgment in connection with the purchase of the Bonds;
4. The Purchaser has had the opportunity to ask questions of, and receive answers from, the Issuer and the Company concerning the terms and conditions of the offering and any other information which it has deemed relevant to the Bonds and its investment in the Bonds; and
5. The Bonds are being purchased for the account of the Purchaser and for the purpose of investment and not presently for resale, and the Purchaser has no present intention of offering the Bonds or any portion thereof for resale either currently or after the passage of a fixed period of time, or upon the occurrence or nonoccurrence of any predetermined event or circumstances.

SWORN to and subscribed
before me this 1st day
of February 1988.

Betty E. Heaton
Notary Public

My Commission expires
May 15, 1988.

PURCHASER:

13925

Name: NCNB SOUTH CAROLINA
P.O. Box 1247
Address: Orangeburg, SC 29116

BY: B. Lynn Bowie
Signature of Authorized Official

EXHIBIT

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NO. 11

STATE OF SOUTH CAROLINA)

Dawn Center

STATE BUDGET & CONTROL BOARD

COUNTY OF RICHLAND)

TriCounty Commission on Alcohol & Drug Abuse

I, WILLIAM A. McINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the State Budget and Control Board (the Board) is composed of the following:

His Excellency, Carroll A. Campbell, Jr., Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable James M. Waddell, Jr., Chairman of the Senate Finance Committee; and

The Honorable Robert N. McLellan, Chairman of the House Ways and Means Committee.

WAM That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 9:30 a.m., on Tuesday, March 22, 1988, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of: Mr. Patterson.

That at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Senator Waddell, who moved its adoption; the motion was seconded by Mr. Morris, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

4

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of the Board in my custody as its Secretary.

April 5, 1988

William A. McInnis

13926

A RESOLUTION APPROVING THE ISSUANCE BY ORANGEBURG COUNTY, SOUTH CAROLINA, OF A HOSPITAL FACILITIES REVENUE NOTE (DAWN CENTER PROJECT) SERIES 1988 IN THE PRINCIPAL AMOUNT OF \$470,000, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 44, CHAPTER 7 (1976), AS AMENDED.

EXHIBIT

MAR 22 1988 NO. 111

STATE BUDGET & CONTROL BOARD

WHEREAS, the County Council of Orangeburg County, South Carolina (the "Governing Board") has heretofore, by submitting a petition (the "Petition"), under and pursuant to the provisions of Section 44-7-1590 of South Carolina Code Annotated, Title 44, Chapter 7, Article 11 (1976), as amended (the "Act") requested the approval by the State Budget and Control Board of the issuance by Orangeburg County (the "County") pursuant to the Act of its Hospital Facilities Revenue Note (Dawn Center Project) in the aggregate principal amount of not exceeding \$600,000 (the "Note"); and

WHEREAS, the County proposes to issue the Note for the purpose of defraying the cost of renovating certain existing facilities and certain machinery, apparatus, equipment, office facilities and furnishings for the purpose of providing a drug prevention, treatment and rehabilitation center and to refinance certain existing indebtedness incurred to provide qualifying "hospital facilities" (such renovation and refinancing being referred to hereafter collectively as the "Project").

WHEREAS, the Note proceeds are to be made available to the TriCounty Commission on Alcohol & Drug Abuse (the "Commission") upon terms which require the Commission to make payments to or for the account of the County in amounts sufficient to pay the principal and interest on the Note and which secure the obligation of the Commission by a mortgage and security interest in the Project; and

WHEREAS, the Note will be payable from and secured by an assignment of the obligations of the Commission under the Loan Agreement and by a mortgage and security interest in the Project; and

WHEREAS, the County has submitted with the Petition (i) an Inducement Agreement by and between the Commission and the County executed by the County on December 7, 1987 and thereafter by the Commission, and (ii) a copy of a Resolution and Petition adopted by the County on December 7, 1987, and this board has reviewed and considered each of said documents in its consideration of said Petition by the County;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

13927

Section 1. The Board has made such investigation of the matters set forth in the Petition as it deems appropriate, and on the basis of such investigation and the representations made by the County it is hereby found, determined and declared:

(a) The facts set forth in the Petition, and in the preamble hereto, are in all respects true and correct;

(b) The Petition filed by the Governing Board contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 44-7-1590 of the Act;

(c) The Project as described in the Petition of the Governing Board is intended to promote the purposes of the Act and is reasonably anticipated to effect such result; and

(d) Based upon the Commitment from NCNB South Carolina to purchase the Note in the amount of \$470,000, the proposed financing is economically feasible.

Section 2. In consequence of the foregoing, the proposal of the County to defray the cost of the Project, to make the Note proceeds available to the Commission, to finance the cost thereof and expenses incidental thereto by the execution and delivery of the Note, secured by an assignment of the revenues to be derived from a loan agreement, and further secured by a mortgage and security interest in the project, be and the same is hereby and in all respects approved. This approval shall not be affected by any changes in the details of the proposal of the County as long as such changes do not impose a pecuniary liability upon the County or its general credit or taxing power, are approved by the County Council and the Commission, and do not make inaccurate, except as to dates and amounts, the summaries of the loan agreement and/or indenture to be entered into by the County and the Commission and the description of the Project.

Section 3. Notice of the action taken by this Board in approving the above described undertaking of the County shall be published in the Times and Democrat which is a newspaper having general circulation in Orangeburg County.

Section 4. The notice, required in Section 3 above to be published, shall be in substantially the form set forth in Exhibit "A" of this Resolution.

Section 5. This Resolution shall take effect immediately.

EXHIBIT

MAR 22 1988 NO. 11

STATE BUDGET & CONTROL BOARD

EXHIBIT A

EXHIBIT

NOTICE PURSUANT TO THE PROVISIONS
OF SOUTH CAROLINA CODE ANNOTATED,
TITLE 44, CHAPTER 7, ARTICLE 11
(1976), AS AMENDED

MAR 22 1988

NO. 1 1

STATE BUDGET & CONTROL BOARD

Notice is hereby given pursuant to the provisions and requirements of Section 44-7-1590 of South Carolina Code Annotated, Title 44, Chapter 7, Article 11 (1976), as amended, (the "Act") that the State Budget and Control Board of South Carolina, pursuant to a Petition filed by the County Council of Orangeburg County, South Carolina, has given its approval to the following undertaking by Orangeburg County, South Carolina:

The issuance by Orangeburg County of its Hospital Facilities Revenue Note (Dawn Center Project) in the original principal amount of \$470,000 (the "Note"), to defray the costs of renovating certain existing facilities and acquiring certain machinery, apparatus, equipment, and furnishings by the TriCounty Commission on Alcohol & Drug Abuse, a South Carolina 501(c)(3) publicly supported organization, to be used as an hospital facility for the purpose of providing a drug prevention, treatment and rehabilitation center and refinancing certain existing indebtedness of the Commission incurred to provide qualifying hospital facilities (hereinafter referred to collectively as the "Project") to be located in Orangeburg County. The Note proceeds will be made available to the TriCounty Commission on Alcohol & Drug Abuse which will unconditionally covenant to make payments sufficient to pay the principal and interest on the Note. The Note will be payable by the County solely and exclusively out of payments to be made by the TriCounty Commission on Alcohol & Drug Abuse and the Note is to be additionally secured by a mortgage and security interest in the Project granted in favor of NCNB South Carolina, the purchaser of the Note.

Notice is further given that any interested party may, within twenty (20) days after the date of the publication of this notice, but not afterwards, challenge the action taken by the State Budget and Control Board with respect to the Project and the issuance of the Note by Orangeburg County to finance the same, by action de novo instituted in the Circuit Court for Orangeburg County, South Carolina.

STATE BUDGET AND CONTROL BOARD

By: WILLIAM A. McINNIS, Secretary

Dated: March __, 1988

13930

STATE OF SOUTH CAROLINA)
)
ORANGEBURG COUNTY)

PETITION

EXHIBIT

TO THE STATE BUDGET AND CONTROL BOARD)
)
OF SOUTH CAROLINA)

MAR 22 1988 NO. 11

STATE BUDGET & CONTROL BOARD

This Petition of Orangeburg County, South Carolina (the "County"), pursuant to South Carolina Code Annotated, Title 44, Chapter 7, Article 11 (1976), as amended (the "Act") and specifically Section 44-7-1590 thereof, respectfully shows:

1. The County Council of Orangeburg County (the "County Council"), is the governing body of the County and as such is the "governing board" of the County referred to in the Act.

2. The Act, among other things, empowers the County, subject to the obtaining the approval of the State Budget and Control Board, pursuant to Section 44-7-1590 of the Act: (i) to enter into agreements with any hospital agency or public agency necessary or incidental to the issuance of bonds, as defined in the Act to include notes; (ii) to enter into a loan agreement with a hospital agency or public agency prescribing the terms and conditions of the payments to be made by the hospital agency or the public agency to the County or its assignee; to meet payments that shall become due on bonds, including terms and conditions relative to the acquisition and use of "hospital facilities" and the issuance of bonds; and (iii) to issue revenue bonds for the purpose of defraying the cost of providing hospital facilities and to secure the payment of such bonds; and to make the proceeds of any bonds available by way of a loan to a hospital agency or public agency pursuant to a loan agreement.

3. The County has agreed to assist the TriCounty Commission on Alcohol & Drug Abuse (the "Commission"), by issuing its revenue note for the purpose of defraying the cost of renovating certain "hospital facilities" located in the County and to refinance approximately \$190,000 of outstanding indebtedness incurred to provide qualifying "hospital facilities" (the "Project").

4. The County has been advised by the Commission that the estimated cost of the Project will be not exceeding \$600,000 and it has requested the County to issue and sell its Hospital Revenue Note (Dawn Center Project) (the "Note") in the original principal amount of not exceeding \$600,000 to defray such costs.

5. Pursuant to Section 44-7-1480 of the Act, the County Council has made the requisite findings that:

(a) the Project to be acquired or constructed constitutes Hospital Facilities as defined in the Act;

(b) there is a need for the Project in the area in which it is to be located to serve the people of the County;

(c) the Commission is a hospital agency as defined in the Act with established credit and is financially responsible and capable of fulfilling its obligation and discharging its responsibilities which may be imposed under the loan agreement to be entered into by and between the County and the Commission;

(d) adequate provision shall be made for the payment of principal of and interest on the Note and any necessary reserves therefor and for the operation, repair and maintenance of the Project at the expense of the Commission including all proper insurance with respect thereto;

(e) the public facilities, including utilities and public services necessary for the Project, will be made available;

(f) the issuance of the Note will subserve the purposes and in all respects conform to the provisions and requirements of the Act; and

(g) neither the Project, the Note, nor any documents or agreements entered into by the County in connection therewith will constitute an indebtedness of the County within the meaning of any State constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing power.

(h) Because the Note is being issued on behalf of a qualifying 501(c)(3) entity, it is not necessary to secure an allocation of the State's Private Activity Volume Cap.

6. Pursuant to Section 44-7-1480 of the Act, the County sets forth the following information:

(a) The Project consists of the renovation of certain existing facilities and furnishings to be installed therein to be used as a drug treatment, prevention and rehabilitation center and the refinancing of approximately \$190,000 of outstanding indebtedness incurred to provide qualifying hospital facilities.

EXHIBIT

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MAR 22 1988 NO. 11

STATE BUDGET & CONTROL BOARD

13932

(b) It is estimated that the cost of the Project, including the items of cost authorized in the Act, will be not exceeding \$600,000.

(c) The proposed Loan Agreement between the Commission and the County provides in general:

(A) To finance the cost of the Project the County will, at the request of the Commission, issue the Note to be purchased by NCNB South Carolina and loan the proceeds thereof to the Commission for the purpose of defraying the cost of the Project including interest during construction and for a period not to exceed two years following construction, financing costs and all other expenses to be incurred in connection therewith.

(B) The Loan Agreement contains no provisions imposing an indebtedness on the County within the meaning of any State constitutional provision or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

(C) The Loan Agreement contains provisions whereby the Commission pledges and assigns to the County and agrees to pay to NCNB South Carolina, as lender, for the benefit of the County, revenues of the Commission derived under the Loan Agreement.

Upon the basis of the foregoing, the County respectfully prays that the State Budget and Control Board (i) accept the filing of this Petition and the documents submitted herewith, (ii) make such investigation as it deems advisable, (iii) if it finds that the Project is intended to promote the purposes of the Act and may be reasonably anticipated to effect such result, that it approve the Project and the issuance and sale of the Note by the County pursuant to the Act to defray the cost of the Project (including changes in any details of the said financing as finally consummated which do not materially affect the undertaking of the

EXHIBIT

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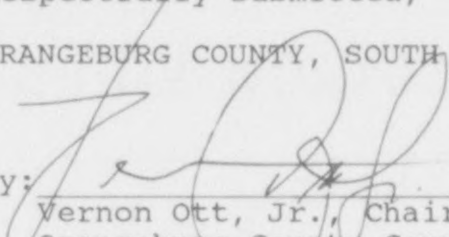
STATE BUDGET & CONTROL BOARD

County), and (iv) give published notice of its approval in the manner set forth in Section 44-7-1590 of the Act.

Respectfully submitted,

ORANGEBURG COUNTY, SOUTH CAROLINA

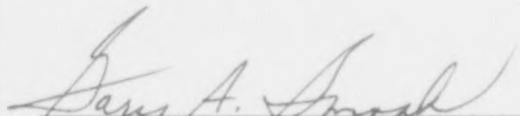
By:


Vernon Ott, Jr., Chairman
Orangeburg County Council

Dated: December 7, 1987

(SEAL)

ATTEST:


Gary A. Smoak, Orangeburg
County Administrator

EXHIBIT

MAR 22 1988 NO. 11

STATE BUDGET & CONTROL BOARD

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INDUCEMENT AGREEMENT BY AND BETWEEN ORANGEBURG COUNTY, SOUTH CAROLINA AND THE TRICOUNTY COMMISSION ON ALCOHOL & DRUG ABUSE, WHEREBY UNDER CERTAIN CONDITIONS, ORANGEBURG COUNTY WILL ISSUE ITS HOSPITAL REVENUE NOTE IN AN AMOUNT NOT EXCEEDING \$600,000.

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STATE BUDGET & CONTROL BOARD

WHEREAS, Orangeburg County, South Carolina (the "County") acting by and through its County Council (the "County Board"), is authorized and empowered under and pursuant to the provisions of Title 44, Chapter 7, Code of Laws of South Carolina, 1976 (the "Act"), to enter into agreements with any hospital agency or public agency necessary or incidental to the issuance of bonds and to issue bonds for the purpose of defraying the cost of providing "hospital facilities" as defined in the Act, through which the public health and welfare of the people of the State of South Carolina may be promoted at the lowest possible expense; and

WHEREAS, the County is further authorized by the Act to issue revenue bonds (as defined in the Act to include notes) payable solely out of the revenues derived pursuant to a loan agreement with respect to any such project or facility and secured by a pledge of said revenues, and to enter into a security agreement covering all or any part of such project; and

WHEREAS, the TriCounty Commission on Alcohol & Drug Abuse, a South Carolina 501(c)(3) publicly supported organization (the "Commission"), has requested the County to issue its Hospital Revenue Note in an amount not exceeding \$600,000 (Dawn Center Project) pursuant to the Act for the purpose of defraying the cost of renovating certain existing facilities including the machinery, apparatus, equipment, office facilities and furnishings to be installed therein for the purpose of operating a drug rehabilitation center and to refinance approximately \$190,000 of outstanding indebtedness which was incurred to finance other necessary hospital facilities (referred to hereafter collectively as the "Project"), all as more fully set forth in the Inducement Agreement attached hereto; and

WHEREAS, the County Board has made a legislative finding that the Project would constitute "hospital facilities" as that term is defined in the Act and that the Project would subserve the purposes of the Act.

NOW, THEREFORE, BE IT RESOLVED, by the County Board as follows:

Section 1. Pursuant to the authority of the Act, subject to the approval by the State Budget and Control Board, and subject to the provisions of Title 4, Chapter 9, Code of Laws of South Carolina, 1976 (the "Home Rule Act"), and for the purpose of defraying the cost (as defined in the Act) of acquiring the Project there is hereby authorized to be issued a revenue note of the County in the original principal amount of not exceeding \$600,000 to be designated "Orangeburg County, South Carolina Hospital Revenue Note (Dawn Center Project) Series 1988" (the "Note").

Section 2. The provisions, terms and conditions of the loan agreement by and between the County and the Commission, the provisions, terms and conditions of the mortgage by and between the Commission and NCNB South Carolina, as lender, and the form, details, rate of interest and maturity of the Note, other details of any loan agreement relating to the Note, and findings required by the Act shall be prescribed by subsequent resolution or ordinance of the County Board.

Section 3. The Chairman of the County Board is hereby authorized and directed to execute the Inducement Agreement attached hereto in the name and on behalf of Orangeburg County, and the County Administrator is hereby authorized and directed to affix thereto the seal of the County and to attest the same; and the Chairman of the County Board is hereby further authorized and directed to deliver said executed Inducement Agreement to the Commission.

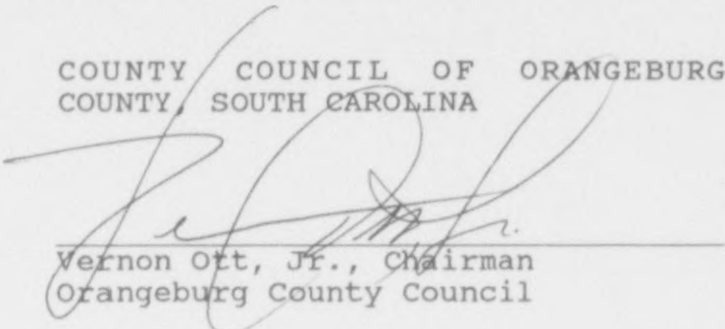
Section 4. Prior to the issuance of the Note, the County Board will comply with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances and resolutions and with the Act.

Section 5. All orders, resolutions, ordinances and parts thereof in conflict herewith are to the extent of such conflict hereby repealed. This resolution shall take effect and be in full force from and after its passage by the County Board.

Section 6. Its is the intention of the County Board that this resolution shall constitute an official action on the part of the County within the meaning of the applicable regulations of the Treasury Department relating to the issuance of tax-exempt revenue bonds.

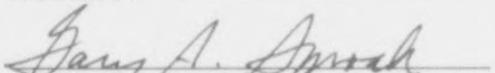
Done in meeting duly assembled this 7th day of December,
1987.

COUNTY COUNCIL OF ORANGEBURG
COUNTY, SOUTH CAROLINA


Vernon Ott, Jr., Chairman
Orangenburg County Council

(SEAL)

ATTEST:


Gary A. Smoak, Orangenburg
County Administrator

EXHIBIT

MAR 22 1988 NO. 11

STATE BUDGET & CONTROL BOARD

EXHIBIT

INDUCEMENT AGREEMENT

MAR 22 1988

NO. 1 1

THIS AGREEMENT made and entered into by and between Orangeburg County, a body politic and corporate and a political subdivision of the State of South Carolina (the "County"), and the TriCounty Commission on Alcohol & Drug Abuse, a South Carolina 501(c)(3) publicly supported organization (the "Commission").

STATE BUDGET & CONTROL BOARD

W I T N E S S E T H:

ARTICLE I

RECITATION OF FACTS

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Agreement, the following statements of fact are herewith recited:

Section 1.01. The County is a body politic and corporate, and a political subdivision of the State of South Carolina, and is authorized and empowered by the provisions of Title 44, Chapter 7, Code of Laws of South Carolina, 1976 (the "Act"), to enter into agreements with any hospital agency or public agency necessary or incidental to the issuance of bonds and to issue bonds (as defined in the Act to include Notes) for the purpose of defraying the cost of providing "hospital facilities" as defined in the Act, through which the public health and welfare of the people of the State of South Carolina may be promoted at the lowest possible expense;

Section 1.02. The Commission proposes to renovate certain existing facilities including machinery, apparatus, equipment, office facilities and furnishings, to operate a drug rehabilitation center and to refinance approximately \$190,000 of outstanding indebtedness which was incurred to finance other necessary hospital facilities (referred to hereafter collectively as the "Project").

Section 1.03. The Commission has requested the County to assist it with its contemplated program through the sale of its Orangeburg County Hospital Revenue Note pursuant to the Act, whereby the County would defray certain costs of the Project.

Section 1.04. The County has given due consideration to all the proposals and requests of the Commission and has agreed to endeavor to effect the issuance of the note at the time and on the terms and conditions hereafter set forth.

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ARTICLE II

UNDERTAKINGS ON THE PART OF THE COUNTY

The County agrees as follows:

Section 2.01. The County will, subject to the approval by the State Budget and Control Board required by the Act, and subject to the provisions of Title 4, Chapter 9, Code of Laws of South Carolina, 1976 (the "Home Rule Act"), authorize the issuance of a not exceeding \$600,000 Orangeburg County, South Carolina Hospital Revenue Note (Dawn Center Project) Series 1988 (the "Note"), at such time as the Commission may request the County to do so.

Section 2.03. The proceeds from the sale of the Note may be applied to the payment of the costs of the Project as determined under the Act including, without limitation, the expenses incurred in connection with the issuance and sale of the Note, the acquisition of the Project including buildings, necessary machinery and equipment and other items permitted by the Act, and the repayment of any funds advanced or loans incurred by the Commission for such purposes.

Section 2.04. Prior to issuing the Note, the County may enter into a loan agreement with the Commission and the Commission may enter into a mortgage with NCNB South Carolina, as lender. The Note will be issued pursuant to a Note Ordinance to be adopted hereafter. Such documents shall be substantially in the form used in connection with the issuance of other South Carolina hospital revenue bonds. The Loan Agreement shall impose a lien on the revenue derived from the Commission with respect to the Project to secure the payment of the Note.

Section 2.05. If requested by the Commission and in order to provide interim financing pending the issuance of the Note, the County will adopt the necessary proceedings and provide for the issuance of bond anticipation notes pursuant to Title 11, Chapter 17, Code of Laws of South Carolina, 1976, in anticipation of the issuance of the Note.

Section 2.06. The County will perform such other acts and adopt such further proceedings, including the designation of the Note as "bank qualified," as may be required to faithfully implement its undertakings and to consummate the proposed financing.

EXHIBIT

MAR 22 1988

NO. 11

ARTICLE III

UNDERTAKINGS ON THE PART OF THE COMMISSION ~~STATE BUDGET & CONTROL BOARD~~

Section 3.01. The Commission agrees that the County will have no obligation to find a purchaser of the Note.

Section 3.02. The Commission further agrees, if the plan proceeds as contemplated, as follows:

(a) to acquire by purchase and construction the Project;

(b) to enter into a loan agreement with the County, under the terms of which the Commission will obligate itself to pay to the County sums sufficient to pay the principal and interest on the Note, as and when the same become due and payable;

(c) to obligate itself to make the additional payments required by the Act;

(d) to hold the County harmless from all pecuniary liability and to reimburse it for all expenses to which it might be put in the fulfillment of its obligations under this Agreement;

(e) to perform such further acts and adopt such further proceedings as may be required faithfully to implement its undertakings and to consummate the proposed financing; and

(f) to covenant and agree in the loan agreement referred to above to install in the buildings which are to become a part of the Project all necessary equipment and machinery and initially to operate the Project in the manner described in Section 1.02 hereof.

ARTICLE IV GENERAL PROVISIONS

Section 4.01. All commitments of the County under Article II hereof are subject to all of the provisions of the Act and the condition that nothing contained in this Agreement shall constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing power.

Section 4.02. The parties hereto agree that the Commission may proceed with the Project prior to the issuance of the Note.

Section 4.03. All commitments of the County and the Commission hereunder are subject to the condition that the County and the Commission do agree on mutually acceptable terms and conditions of all documents, the execution and delivery of which are contemplated by the provisions hereof.

Section 4.04. The parties understand that the Commission may choose not to finance the Project as herein provided, in which event this Agreement shall become void.

Section 4.05. This Agreement may be assigned by the Commission to another 501(c)(3) entity.

Section 4.06. Prior to the issuance of the Note, the County will comply with the provisions of the Home Rule Act regarding the procedural requirements for adopting ordinances and resolutions.

Section 4.07. It is the intention of the parties hereto that this Agreement shall constitute an official action on the part of the County within the meaning of the applicable regulations of the Treasury Department relating to the issuance of tax-exempt revenue bonds.

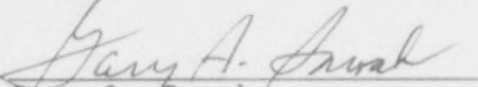
EXHIBIT

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STATE BUDGET & CONTROL BOARD

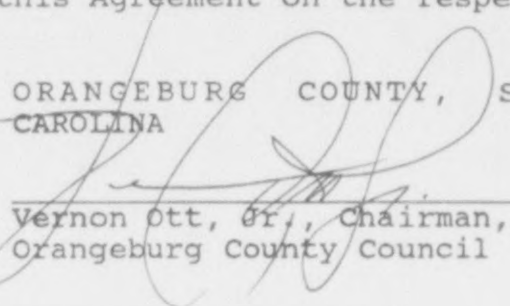
IN WITNESS WHEREOF, the parties hereto, each after due authorization, have executed this Agreement on the respective dates indicated below.

ATTEST:



Gary A. Smoak,
Orangeburg County
Administrator

ORANGEBURG COUNTY, SOUTH
CAROLINA



Vernon Ott, Jr., Chairman,
Orangeburg County Council

Dated: December 1, 1987

(SEAL)

ATTEST:

TRICOUNTY COMMISSION ON ALCOHOL
AND DRUG ABUSE

By: _____

Its: _____

Its: _____

Dated: December __, 1987

(SEAL)

EXHIBIT

MAR 22 1988 NO. 11
STATE BUDGET & CONTROL BOARD

TRANSMITTAL FORM, REVENUE BONDS

Date: March 15, 1988
Submitted for BCB Meeting on:
March 22, 1988

FROM:

McNair Law Firm, P.A.
Name of Law Firm
Columbia, SC 29211
City, State, Zip Code

RE: \$470,000
Amount of Issue
Orangeburg County, S.C.
Issuing Authority Name

EXHIBIT NO. 11
MAR 22 1988

TO: William A. McInnis, Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, SC 29201
OR P. O. Box 12444, Columbia, SC 29211

Post Office Box 11390
Street Address/Box Number
(803) 799-9800
Telephone Area Code and Number

Hospital Revenue Note
Type of Bonds or Notes
April 1988
Projected Issue Date

Project Name: Dawn Center (TriCounty Commission on Alcohol & Drug Abuse)
Project Description:

The renovation of an existing drug rehabilitation center and the
refinancing of approximately \$190,000 outstanding debt.

Employment as result of project: N/A per Hospital Bond Act

CEILING ALLOCATION REQUIRED

Yes (\$) X No
Amount

REFUNDING INVOLVED

Yes (\$) X No
Amount

PROJECT APPROVED PREVIOUSLY

Yes () X No
Date

DOCUMENTS ENCLOSED:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. X Petition (executed original and two copies)
- B. X Resolution or ordinance (executed copy)
- C. X Inducement Resolution or comparable preliminary approval (executed copy)
- D. X Standard Form Investment Letter from bonds purchaser (executed original)
(Purchaser: NCNB South Carolina)

OR Audited financial statements for three most recent years

E. Department of Health and Environmental Control certificate IF REQUIRED

F. X Budget and Control Board Resolution and Public Notice (original)
[Plus 4 copies for certification and return to counsel]

G. Processing fee

Amount \$ Waiver requested inasmuch as Check No.
Payor Commission is public agency

Bond Counsel: M. William Youngblood, Jr.
Typed Name

By: Bill Youngblood
Signature

13943

EXHIBIT

MAR 14 1988
12:37 P.M.

LL

TRANSMITTAL FORM ~~MAR 22 1988~~ BONDS NO. 11

TO: William A. McInnis, Secretary **STATE BUDGET & CONTROL BOARD**
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, SC 29201
OR P. O. Box 12444, Columbia, SC 29211
Date: March 14, 1988

FROM: McNAIR LAW FIRM, P.A.
Name of Law Firm
P. O. Box 11390
Street
Columbia, South Carolina 29211
City, State, Zip Code
Telephone Area Code 803
Number: 799-9800
Charleston 723-7831
Submitted for BCB Meeting of:
March 22, 1988

RE: \$400,000 Orangeburg County South Carolina
Amount of Issue, Local Government Issuer
Hospital Revenue Note
Type of Bonds/Notes
Dawn Center (TriCounty Commission on
Name of Project Alcohol & Drug Abuse)
Private Activity Bonds:
YES X NO
Projected Issue Date:
April 1988

Project Description:

The renovation of an existing drug rehabilitation center and the
refinancing of approximately \$190,000 outstanding debt

Number of persons to be employed: N/A per Hospital Bond Act

Documents Enclosed:

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. ☒ Petition (executed original and two copies)
- B. ☒ Resolution or ordinance (executed copy)
- C. ☒ Inducement Resolution or comparable preliminary approval (executed copy)
- D. ☒ Standard Form Investment Letter from purchaser of bonds (executed original)
(Purchaser: NCNB South Carolina) OR
Audited financial statements for three most recent years
- E. ☐ Department of Health and Environmental Control certificate
Required ☒ Not Required
- F. ☒ Budget and Control Board Resolution and Public Notice
Original (and 4 copies for certification and return)
- G. ☐ Processing fee
Amount \$ N/A per Attorney Check No.
Payor General's Office

723-7831
Called
3-15
who said?

Bond Counsel: M. William Youngblood, Jr.
Typed Name

By: *Bill Youngblood*
Signature

13944

DEC 29 1987

8:45 A.M.

LL

MCNAIR LAW FIRM, P. A.

ATTORNEYS AND COUNSELORS AT LAW

NCNB TOWER

POST OFFICE BOX 11390

COLUMBIA, SOUTH CAROLINA 29211

803-799-9800

TELECOPIER 803-799-9804

CHARLESTON OFFICE
140 EAST BAY STREET
POST OFFICE BOX 1431
CHARLESTON, S.C. 29402
803-723-7831

GEORGETOWN OFFICE
1112 HIGHMARKET STREET
POST OFFICE DRAWER 459
GEORGETOWN, S.C. 29442
803-546-6131

GEORGETOWN OFFICE
121 SCREVEN STREET
POST OFFICE DRAWER 418
GEORGETOWN, S.C. 29442
803-546-6102

GREENVILLE OFFICE

SUITE 1201

NCNB PLAZA

7 NORTH LAURENS STREET

GREENVILLE, S.C. 29601

803-271-4940

HILTON HEAD ISLAND OFFICE

MCNAIR LAW BUILDING

10 POPE AVENUE EXECUTIVE PARK

POST OFFICE BOX 5914

HILTON HEAD ISLAND, S.C. 29928

803-785-5169

WASHINGTON OFFICE

SUITE 400

MADISON OFFICE BUILDING

1155 15TH STREET, N.W.

WASHINGTON, D.C. 20005

202-659-3900

December 22, 1987

EXHIBIT

MAR 22 1988

NO. 11

STATE BUDGET & CONTROL BOARD

Mr. David Eckstrom
Attorney General's Office
Rembert C. Dennis Office Bldg.
P.O. Box 11549
Columbia, South Carolina 29211

Dear David:

We are working on a hospital revenue bond issue for the Tri-County Commission on Alcohol and Drug Abuse. The Commission was created by Act. No. 346 of the 1975 Acts of the South Carolina General Assembly. It is composed of commissioners who are appointed by the governor for three year terms upon the recommendation of the respective legislative delegations for Bamberg, Calhoun and Orangeburg counties.

The purpose of this letter is to request from you an opinion as to whether or not the Commission should be required to pay a processing fee to the South Carolina Budget and Control Board in connection with seeking the approval for the financing.

If you would take a few moments to review the matter and give me a call I would appreciate it.

With warm personal regards during the Holiday Season,

Bill Youngblood

M. William Youngblood, Jr.

MWYjr/tmm

cc: Mr. William A. McInnis

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The State of South Carolina

MAR 25 1988



Office of the Attorney General

EXHIBIT

MAR 22 1988

NO. 12

STATE BUDGET & CONTROL BOARD

T. TRAVIS MEDLOCK
ATTORNEY GENERAL

REMBERT C. DENNIS BUILDING
POST OFFICE BOX 11549
COLUMBIA, S.C. 29211
TELEPHONE 803 734-3680

March 25, 1988

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Columbia, South Carolina 29201

Re: \$25,000,000, Spartanburg County, South Carolina,
Hospital Facilities Revenue Bonds: Mary Black
Memorial Hospital, Inc.; Projected Issue Date:
May, 1988

Dear Mr. McInnis:

Regarding the above-referenced bond, we have reviewed the Petition and other documents submitted to the State Budget and Control Board for its approval pursuant to Section(s) 44-7-1590, et seq., Code of Laws of South Carolina, 1976, as amended, and the same appear, in our opinion, to be in order.

This opinion addresses only the legal sufficiency of the documents you have provided for our review. No opinion is expressed as to any other matters, including whether the Petition should be approved as a matter of policy.

Sincerely yours,

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

David C. Eckstrom
Assistant Attorney General

DCE:tgc

Enclosures

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State of South Carolina



APR - 7 1988

EXHIBIT

MAR 22 1988

NO. 12

STATE BUDGET & CONTROL BOARD

State Budget and Control Board

OFFICE OF THE STATE AUDITOR

P.O. BOX 11333
COLUMBIA, S.C.
29211
(803) 734-1727

EDGAR A. VAUGHN, JR., CPA
STATE AUDITOR

MARGARET C. STILWELL, CPA
DEPUTY STATE AUDITOR

April 5, 1988

Mr. William A. McInnis
Deputy Executive Director
State Budget and Control Board
Post Office Box 12444
Columbia, South Carolina 29211

RE: Spartanburg County - Hospital Revenue Bonds -
\$25,000,000 - The Mary Black Memorial Hospital, Inc.

Dear Mr. McInnis:

1. The proposed bond issue will be used primarily to advance refund the 1979 bonds, to prepay the 1985 bond, to finance construction of a new perinatal care center (the Project), and to reimburse the Hospital for non-Project capital expenditures made and to be made in the fiscal years ended 1991.
2. We reviewed audited financial statements of The Mary Black Memorial Hospital, Inc. for the four years ended June 30, 1987. The statements were examined by Peat Marwick Main & Co. (formerly Peat, Marwick, Mitchell & Co.) of Greenville, South Carolina. Each year received an unqualified opinion from the independent auditors.
3. A. We also reviewed the financial feasibility study dated February 18, 1988. This study was examined by the Peat Marwick Main & Co. (Peat Marwick) firm's Jacksonville, Florida, office. As stated in the independent auditors' report, the study was undertaken to evaluate the ability of the Hospital to meet its forecasted operating expenses, working capital needs, and other financial requirements, including debt service for the proposed \$22,190,000 bonds during the five years ending June 30, 1992.

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER

STATE BUDGET & CONTROL BOARD
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL
REMBERT C. DENNIS
CHAIRMAN
SENATE FINANCE COMMITTEE

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ROBERT N. McLELLAN
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE
JESSE A. COLES, JR.
EXECUTIVE DIRECTOR

EXHIBIT

MAR 22 1988

NO. 1 2

STATE BUDGET & CONTROL BOARD

B. Peat Marwick concluded in its report on the feasibility study as follows:

In our opinion, the underlying assumptions provide a reasonable basis for management's forecast. There will usually be differences between the forecasted and actual results because events and circumstances frequently do not occur as expected, and those differences may be material.

The accompanying financial forecast indicates that sufficient funds could be generated to meet the Hospital's operating expenses, working capital needs, and other financial requirements, including the debt service requirements associated with the proposed \$22,190,000 Series 1988 Bonds issue, during the forecast period. However, the achievement of any financial forecast is dependent upon future events, the occurrence of which cannot be assured.

C. The forecasted debt service coverage ratios are presented below:

	Forecasted Year Ending June 30,			
	1989	1990	1991	1992
	(In Thousands of Dollars)			
Available for debt service:				
Excess revenues over expenses	\$1,901	\$2,272	\$2,692	\$3,064
Depreciation	2,543	2,906	3,137	3,389
Amortization expense	51	51	51	51
Interest	953	1,327	1,427	1,442
Total available for debt service	<u>5,448</u>	<u>6,556</u>	<u>7,307</u>	<u>7,946</u>
Debt service:				
Series 1988 Bonds				
Principal	-	590	620	650
Interest	1,519	1,496	1,463	1,428
Less funded interest	(313)	-	-	-
Total Series 1988 Bonds	<u>1,206</u>	<u>2,086</u>	<u>2,083</u>	<u>2,078</u>
Other debt:				
Principal	300	232	239	263
Interest	89	63	40	14
Total other debt	<u>389</u>	<u>295</u>	<u>279</u>	<u>277</u>
Total debt:				
Principal	300	822	859	913
Interest	1,608	1,559	1,503	1,442
Less funded interest	(313)	-	-	-
Total debt service	<u>\$1,595</u>	<u>\$2,381</u>	<u>\$2,362</u>	<u>\$2,355</u>
Estimated debt service coverage on Series 1988 Bonds	<u>4.52x</u>	<u>3.14x</u>	<u>3.51x</u>	<u>3.82x</u>
Estimated total debt service coverage	<u>3.42x</u>	<u>2.75x</u>	<u>3.09x</u>	<u>3.37x</u>

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EXHIBIT

Mr. William A. McInnis
Page Three
April 5, 1988

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STATE BUDGET & CONTROL BOARD

D. Some key assumptions underlying the forecast are as follows:

- a. The estimated sources and uses of funds for the proposed project are summarized below:

(In Thousands of Dollars)

Financing sources:

Series 1988 Bonds	\$22,190
Hospital contributions	8,537
Contributions from Duke Endowment	175
Interest earnings	195
Transfers from 1979 Bonds reserve funds	902
Transfers from 1985 Bond reserve funds	<u>552</u>

Total financing sources \$32,551

Program requirements:

Construction, renovation and equipment costs:

Construction, site work, and renovation	\$ 5,372 *
Movable equipment	9,413
Architectural, engineering and development fees	430
Contingency	<u>300</u>

Total construction, renovation and equipment costs 15,515

Deposits to Escrow Funds:

1979 Bonds	8,697
1985 Bond	<u>4,890</u>

Total deposits to Escrow Funds 13,587

Financing costs:

Underwriter's discount	377
Insurance costs	175
Bond insurance premium	<u>382</u>

Total financing costs 934

Other costs:

Funded and accrued interest	405
Debt Service Reserve Fund	<u>2,110</u>

Total other costs 2,515

Total financing program requirement \$32,551

- * Construction costs are based upon the guaranteed maximum price under a contract with the general contractor. Other program requirement costs are based upon estimates provided by contractors, vendors, and Hospital management.

- b. The assumed interest rates on the proposed 1988 bonds range from 5.1 percent to 7.55 percent.
- c. Construction began in January 1988 and is expected to be completed by December 1988.
- d. The Project will decrease the number of licensed beds by two for a total of 211 beds.
- e. The forecast is based on government legislation and regulations currently in effect.
- f. The Hospital is managed under a contract with HCA Management Company.
- g. Spartanburg County is considered the Hospital's primary service area. Approximately 80% of those using the Hospital reside in that area. This usage is expected to remain stable.
- h. There are four nonfederal, acute-care hospitals in the primary service area. The Hospital had a 19.3 percent market share of Spartanburg County residents served in 1985. The one competing hospital (Spartanburg Regional Medical Center) with a higher market share had a 57.7% share. In 1985, that hospital had 584 licensed beds compared with only 213 for the Hospital.

Below is a table comparing utilization statistics for the Hospital and its chief competitor:

	Staffed Beds			Occupancy Based on Staffed Beds		
	1984	1985	1986	1984	1985	1986
The Hospital	213	165	165	70.7%	74.6%	71.5%
Spartanburg RMC	531	531	526	81.3	77.6	79.7

- i. Inpatient utilization has steadily declined since 1984 from 70.5% occupancy of licensed beds to 46.0% at December 31, 1987.
- j. The average length of stay decreased .6 days from 1984 to 1987 and decreased .7 days for the six months ended December 31, 1987. Hospital management does not expect further decreases. The average length of stay is forecasted to remain relatively constant at the level experienced during the six months ended December 31, 1987.

EXHIBIT

Mr. William A. McInnis
Page Five
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STATE BUDGET & CONTROL BOARD

- k. Hospital admissions have decreased by 0.66 percent over the two-year period from fiscal years 1985 to 1987. Fiscal year 1988 admissions are 227 lower than the corresponding prior year's total. Hospital management does not anticipate further declines in patient volume as a result of these factors.
 - l. Admissions are expected to increase by 0.3 percent per year during 1989 through 1992 as a reflection of the increased population of the area as well as the increased population base 65 years and older and as a result of the Project completion in 1989.
 - m. Emergency room visits and outpatient cases increased from fiscal years 1985 to 1987 by 12.0 percent per year. In addition, emergency room visits and outpatient cases for the six months ended December 31, 1987 are approximately 14.3 percent higher than the corresponding prior year's level. Emergency room visits and outpatient cases are forecasted to increase approximately 4.0 percent per year in 1989 and thereafter based on historical trends.
 - n. The Hospital's rates are assumed to be subject to the same influences affecting the other area hospitals. Hospital management assumes it would maintain its historical competitive position with respect to rates charged by other hospitals located in its service area.
 - o. The Hospital classifies patient revenues in four categories: (1) Medicare, (2) Blue Cross/Blue Shield, (3) Preferred Provider Organizations and Health Maintenance Organizations, and (4) private pay and other insurance. Management expects revenues from category (4) to decline from 44.6% in 1988 to 40.7% in 1992. Management estimates that contractual adjustments and other deductions from revenue pursuant to contractual agreements with the payors, bad debts, indigent care, and other adjustments will increase as a percentage of total patient service revenues from approximately 16% in 1988 to 20% in 1992.
4. According to an April 4th phone discussion with John Paul Trouche, Esq., of the Haynesworth, Marion, McKay & Guerard law firm, bond counsel for the project, although the Hospital requested approval to issue bonds not exceeding \$25,000,000, the bond issue is expected to be approximately \$22,000,000. Further, the underwriter anticipates that the bonds will be fully insured under a noncancellable insurance policy for the life of the bonds. (The financing costs section of the estimated uses of Project funds includes an amount for the bond insurance premiums.)

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EXHIBIT

Mr. William A. McInnis
Page Six
April 5, 1988

MAR 22 1988 NO. 12

STATE BUDGET & CONTROL BOARD

5. Relying upon the assumptions, estimates, and forecasts utilized in the feasibility study, Peat Marwick's conclusion that the Hospital's "underlying assumptions provide a reasonable basis for management's forecast... (and) sufficient funds could be generated..." are reasonable. It must be borne in mind, however, that this conclusion is heavily reliant upon certain assumptions and estimates and therefore there is no assurance that actual revenues will, in fact, equal the forecast levels or that actual expenses will not exceed forecast amounts, as projected by the feasibility study. Key factors in generating projected operating results will be achieving and maintaining the projected patient mix and occupancy rates of the facility and controlling costs and lengths of hospitalization to maximize reimbursements. Even though rate increases may be implemented as projected to keep pace with increasing costs, the possibility will exist that utilization may decrease because of the increased rates. A decrease in utilization would, of course, have an unfavorable effect on projected revenues. There is also the possibility that contractual adjustments to revenue and cost disallowances may reduce reimbursements below costs incurred.

Our review of the feasibility study produced no indications that would cause us to dispute any of the assumptions, estimates, or forecast information contained therein; however, we do have some reservations about whether the Hospital can stop the decline in inpatient utilization and, in fact, stabilize or increase usage. Relying on the guarantee provided by the bond insurance policy and based upon the results of our review of the financial statements and the feasibility study, we see no reason to disapprove the proposed bond issue.



Rosa B. Hughes, CPA
Audit Manager

RBH/dc

13952

EXHIBIT

MAR 22 1988

NO. 12

STATE OF SOUTH CAROLINA)

Mary Black Memorial Hospital

COUNTY OF RICHLAND)

STATE BUDGET & CONTROL BOARD

I, WILLIAM A. MCINNIS, SECRETARY to the South Carolina State Budget and Control Board, DO HEREBY CERTIFY:

That the State Budget and Control Board (the Board) is composed of the following:

His Excellency, Carroll A. Campbell, Jr., Governor and Chairman of the Board;

The Honorable Grady L. Patterson, Jr., State Treasurer;

The Honorable Earle E. Morris, Jr., Comptroller General;

The Honorable James M. Waddell, Jr., Chairman of the Senate Finance Committee; and

The Honorable Robert N. McLellan, Chairman of the House Ways and Means Committee.

That due notice of a meeting of the Board, called to be held in Columbia, South Carolina, at 9:30 a.m. on Tuesday, March 22, 1988, was given to all members in writing, and at least four (4) days prior to the meeting; that all members of the Board were present at the meeting, with the exception of Mr. Patterson.

That at the meeting, a Resolution, of which the attached is a true, correct and verbatim copy, was introduced by Senator Waddell, who moved its adoption; the motion was seconded by Mr. Morris, and upon the vote being taken and recorded it appeared that the following votes were cast:

FOR MOTION

4

AGAINST MOTION

0

That the Chairman thereupon declared the Resolution unanimously adopted and the original thereof has been duly entered in the permanent records of minutes of meetings of the Board in my custody as its Secretary.

April 7, 1988

William A. McInnis

13953

EXHIBIT

MAR 22 1988 NO. 12

A RESOLUTION STATE BUDGET & CONTROL BOARD

APPROVING THE ISSUANCE BY SPARTANBURG COUNTY, SOUTH CAROLINA, OF NOT EXCEEDING \$25,000,000 HOSPITAL FACILITIES REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 1988 (MARY BLACK MEMORIAL HOSPITAL, INC. PROJECT), PURSUANT TO THE PROVISIONS OF TITLE 44, CHAPTER 7, ARTICLE 11, CODE OF LAWS OF SOUTH CAROLINA 1976.

WHEREAS, the County Council of Spartanburg County, South Carolina (the County Board) has heretofore, by submitting a petition (the Petition), under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976 (the Act), requested the approval by the State Budget and Control Board of the issuance by Spartanburg County (the County), pursuant to the Act, of its Hospital Facilities Revenue Refunding and Improvement Bonds (as defined in the Act), Series 1988 (Mary Black Memorial Hospital, Inc. Project), in an aggregate principal amount of not exceeding \$25,000,000 (the Bonds); and

WHEREAS, the County now proposes to issue the Bonds, in the aggregate principal amount of not exceeding \$25,000,000, and loan the proceeds thereof to Mary Black Memorial Hospital, Inc., a not-for-profit corporation organized and existing under the Laws of the State of South Carolina (the Hospital), to finance (a) the cost of a project (the Project) consisting of the construction on lands currently owned by the Hospital of a perinatal center and related facilities, and acquisition and installation of major moveable equipment and other hospital equipment, and (b) the cost of refunding, defeasing and discharging the County's \$9,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Parity Bonds, Series 1979 (The Mary Black Memorial Hospital Project), and its \$5,400,000 Spartanburg County, South Carolina,

Hospital Facilities Revenue Parity Bonds, Series 1985 (The Mary Black Memorial Hospital Project) (collectively, the Prior Bonds) through the issuance of not exceeding \$25,000,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Refunding and Improvement Bonds, Series 1988 (Mary Black Memorial Hospital, Inc. Project) (the Series 1988 Bonds), all of which will be of the character and accomplish the purposes provided by Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976, as amended (the Enabling Statute); and

WHEREAS, it is proposed that the Bonds will be payable from revenues and receipts of the Hospital pledged and assigned to the County under the terms of a Loan and Security Agreement (the Loan Agreement), dated as of April 1, 1988, between the County and the Hospital, which revenues and receipts have been assigned to the Trustee hereinbelow defined by an assignment of the Loan Agreement. The Bonds are further secured by a Trust Indenture (the Trust Indenture), dated as of April 1, 1988, between the County and a trustee bank (the Trustee) to be selected by the hospital; and

WHEREAS, the County has submitted (i) a copy of the Certificate of Need, dated May 8, 1987, from the South Carolina Department of Health and Environmental Control, and annual financial reports of the Hospital for the last three fiscal years, and this Board has reviewed and considered each of such documents in its consideration of the Petition by the County;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA, as follows:

SECTION 1

The Board has made an independent investigation of the matters set forth in the Petition and, on the basis of such investigation, it is hereby found, determined, and declared:

(a) the facts set forth in the Petition and in the preamble hereto are, in all respects, true and correct;

(b) the Petition filed by the County Board contains all matters required by law and the rules of this Board to be set forth therein and, in consequence thereof, the jurisdiction of this Board has been properly invoked under and pursuant to the Act;

(c) the Hospital Facilities which are the subject of the Petition of the County Board are intended to promote the purposes of the Act and are reasonably anticipated to effect such result; and

(d) the proposed financing is economically feasible.

SECTION 2

In consequence of the foregoing, the proposal of the County to issue the Bonds and loan the proceeds thereof to the Hospital for the purpose of defraying the cost of acquiring, constructing, and installing the Project and refunding, defeasing and discharging the Prior Bonds, the Bonds to be payable solely from the revenues and receipts pledged and assigned under the terms of the Loan Agreement, and to be secured by the Trust Indenture be, and the same hereby is, hereby, in all respects, approved.

EXHIBIT

MAR 22 1988 NO. 12

STATE BUDGET & CONTROL BOARD

EXHIBIT

MAR 22 1988

NO. 12

SECTION 3

STATE BUDGET & CONTROL BOARD

Approval of this undertaking is granted on the condition that a copy of Internal Revenue Service (IRS) Form 8038 relating to any bonds issued pursuant to this approval be filed with the Board's Secretary at the same time such form is submitted to the IRS.

SECTION 4

Approval of this undertaking is further conditioned upon the receipt by the Hospital from the Department of Health and Environmental Control of all Certificates of Need required in connection with the Hospital Facilities.

SECTION 5

Notice of the action taken by this Board in approving the above described undertaking of the County shall be published, following receipt by the Hospital of the Certificates of Need referred to in Section 3 above, in The Spartanburg Herald, a daily newspaper having general circulation in Spartanburg County.

SECTION 6

The Notice required in Section 5 above to be published shall be in substantially the form set forth in Exhibit A to this Resolution.

SECTION 7

This Resolution shall take effect immediately.

EXHIBIT

MAR 22 1988 NO. 12

STATE BUDGET & CONTROL BOARD

NOTICE
PURSUANT TO THE PROVISIONS OF
SECTION 44-7-1590
CODE OF LAWS OF SOUTH CAROLINA 1976

NOTICE is hereby given, pursuant to the provisions and requirements of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976 (the Act), that the State Budget and Control Board of South Carolina, pursuant to a Petition filed by the County Council of Spartanburg County, South Carolina, has given its approval to the following undertaking by Spartanburg County, South Carolina:

The issuance by Spartanburg County, South Carolina, of its Hospital Facilities Revenue, Refunding and Improvement Bonds (as defined in the Act), Series 1988 (Mary Black Memorial Hospital, Inc. Project), in the aggregate principal amount of not exceeding \$25,000,000 (the Bonds); and the loaning of the proceeds of the Bonds to Mary Black Memorial Hospital, Inc., a not-for-profit corporation organized and existing under the Laws of the State of South Carolina, for the purpose of financing (a) the cost of a project (the Project) consisting of the construction on lands currently owned by the Hospital of a perinatal center and related facilities, and acquisition and installation of major moveable equipment and other hospital equipment, and (b) the cost of refunding, defeasing and discharging the County's \$9,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Bonds, Series 1979 (The Mary Black Memorial Hospital Project) and its \$5,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Parity Bonds, Series 1985 (The Mary Black Memorial Hospital Project) (collectively, the Prior Bonds), through the issuance of not exceeding \$25,000,000 Spartanburg County, South Carolina, Hospital

Facilities Revenue Refunding and Improvment Bonds, Series 1988 (Mary Black Memorial Hospital, Inc. Project) (the Series 1988 Bonds), all of which will be of the character and accomplish the purposes provided by Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976, as amended (the Enabling Statute). The Bonds will be payable from revenues and receipts of the Hospital pledged and assigned to the County under the terms of a Loan and Security Agreement (the Loan Agreement), dated as of April 1, 1988, between the County and the Hospital, which revenues and receipts have been assigned to the Trustee hereinbelow defined by an assignment of the Loan Agreement. The Bonds are further secured by a Trust Indenture, dated as of April 1, 1988, between the County and a trustee bank (the Trustee) to be selected by the Hospital.

The County Council of Spartanburg County has made the following findings:

(i) The Project and the facilities acquired, constructed, and installed from the proceeds of the Prior Bonds are "hospital facilities" (the Hospital Facilities), as defined in the Act.

(ii) There is a need for the Hospital Facilities in the County to serve the people of the County and make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

(iii) The Hospital is a corporation with established credit and is financially responsible and capable of fulfilling its obligations and discharging its responsibilities which may be imposed under the Loan Agreement.

EXHIBIT

MAR 22 1988 NO. 12

STATE BUDGET & CONTROL BOARD

(iv) Adequate provisions shall be made for the payment of principal and interest on the bonds and any necessary reserves therefor and for the operation, repair, and maintenance of the Hospital Facilities at the expense of the Hospital.

(v) The public facilities, including utilities, and public services necessary for the Hospital Facilities will be made available.

The South Carolina Department of Health and Environmental Control, on May 8, 1987, issued its Certificate of Need, approving the Project.

NOTICE IS FURTHER GIVEN that any interested party may, within twenty (20) days after the date of publication of this Notice, but not afterwards, challenge the validity of the action taken by the State Budget and Control Board, the County Council of Spartanburg County, or the Department of Health and Environmental Control of South Carolina, by action de novo, instituted in the Court of Common Pleas for Spartanburg County, South Carolina.

STATE BUDGET AND CONTROL BOARD

By: William A. McInnis
Secretary

EXHIBIT

MAR 22 1988 NO. 1 2

PETITION

TO

STATE BUDGET & CONTROL BOARD

THE STATE BUDGET AND CONTROL BOARD

OF

SOUTH CAROLINA

PURSUANT TO SECTION 44-7-1590 OF THE
CODE OF LAWS OF SOUTH CAROLINA 1976

RE: NOT EXCEEDING \$25,000,000 SPARTANBURG
COUNTY, SOUTH CAROLINA HOSPITAL
FACILITIES REVENUE REFUNDING AND
IMPROVEMENT BONDS, SERIES 1988 (THE
MARY BLACK MEMORIAL HOSPITAL
PROJECT)

EX PARTE:

COUNTY COUNCIL OF SPARTANBURG COUNTY,
SOUTH CAROLINA

139S1

TO: The Honorable Carroll A. Campbell, Governor
 The Honorable Grady L. Patterson, Jr.
 State Treasurer
 The Honorable Earle E. Morris, Jr.
 Comptroller General
 The Honorable Rembert C. Dennis, Chairman
 Senate Finance Committee
 The Honorable Robert N. McLellan, Chairman
 House Ways and Means Committee

Your Petitioner, the County Council of Spartanburg County, South Carolina, pursuant to Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976 (the Act), and specifically, Section 44-7-1590 thereof, respectfully shows:

1. The County Council of Spartanburg County is the governing body of Spartanburg County and, as such, constitutes a "County Board", as referred to in the Act, with respect to hospital facilities located in South Carolina.

2. The Act, among other things, empowers Spartanburg County (the County), functioning through its County Board (the County Board), subject to obtaining approval from the State Budget and Control Board (the State Board) required by Section 44-7-1590 of the Act and from the Department of Health and Environmental Control (the Department), required by Section 44-7-1490 of the Act, to enter into agreements with any hospital agency or public agency necessary or incidental to the issuance of bonds; to enter into loan agreements with any hospital agency or public agency, prescribing the payments to be made by the hospital agency or public agency to the County or its assignee to meet the payments that shall become due on the bonds, including terms and conditions relative to the acquisition and use of hospital facilities and the issuance of bonds; to issue bonds for the

purpose of defraying the cost of providing hospital facilities or to refund bonds issued to defray such cost; to secure the payment of such bonds; and to make the proceeds of any bonds available by way of a loan to a hospital or public agency pursuant to a loan agreement.

3. The County has heretofore, by Ordinances enacted June 13, 1979 and December 18, 1985, issued its \$9,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Bonds, Series 1979 (The Mary Black Memorial Hospital Project) (the Series 1979 Bonds) and its \$5,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Parity Bonds, Series 1985 (the Series 1985 Bonds) (the Series 1979 Bonds and the Series 1985 Bonds being hereinafter sometimes collectively referred to as the Prior Bonds) pursuant to the Act and, pursuant to the terms of a Loan Agreement, dated as of June 1, 1979, and a Supplemental Loan Agreement, dated as of December 1, 1985, between the County and The Mary Black Memorial Hospital, a not-for-profit corporation organized and existing under the laws of the State of South Carolina (the Hospital), loaned the proceeds of the Prior Bonds to the Hospital to finance certain facilities constituting "hospital facilities" under the Act (the Existing Facilities).

4. The Hospital has advised County Council that the acquisition, construction, and equipping of the Existing Facilities from the proceeds of the Prior Bonds has been completed.

5. The Hospital has further advised County Council that it is now desirable to refund, defease and discharge the Prior Bonds.

6. The Hospital has now requested that County Council assist in financing the cost of the (i) construction of a perinatal center and

related facilities on lands currently owned by the Hospital, and (ii) acquisition and installation of major moveable equipment and other hospital equipment (such building and equipment, as so acquired, constructed and installed, being referred to herein as the Project).

7. The County Board has found and determined that:

a. The Existing Facilities acquired, constructed, and equipped from the proceeds of the Prior Bonds and the Project to be acquired, constructed and equipped from proceeds of the proposed bonds are "hospital facilities", as defined in the Act, and the Prior Bonds were issued pursuant to the terms of the Act.

b. The issuance of the proposed bonds will enhance the Hospital's ability to maintain the Hospital Facilities in the County to serve the people of the County and make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

c. The Hospital is a corporation with established credit and is financially responsible and capable of fulfilling its obligations under the loan agreement to be entered into between the County and the Hospital, pursuant to which the bonds will be issued, including the obligations to make the payments required thereunder, to operate, repair, and maintain, at its own expense, the Hospital Facilities, and discharging such other responsibilities as may be imposed under the loan agreement.

d. Adequate provision shall be made for the payment of principal of and interest on the bonds and any necessary reserves therefor and for the operation, repair, and maintenance of the Hospital Facilities at the expense of the Hospital.

e. The public facilities, including utilities, and public services necessary for the Hospital Facilities will be made available.

f. The issuance of not exceeding TWENTY-FIVE MILLION (\$25,000,000) DOLLARS Spartanburg County, South Carolina, Hospital Facilities Revenue Refunding and Improvement Bonds, Series 1988 (The Mary Black Memorial Hospital Project) (the Bonds), will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

g. Neither the Hospital Facilities, the Bonds, nor any documents or agreements entered into by the County in connection therewith will constitute an indebtedness of the County within the meaning of any State constitutional provision (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing County obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

8. Pursuant to Section 44-7-1590 of the Act, the County Board sets forth the following information:

a. The financing to be undertaken consists of the issuance of bonds in an amount sufficient (a) to refund, defease and discharge the Prior Bonds, and (b) to finance the cost of (i) construction of a perinatal center and related facilities on lands currently owned by the Hospital, and (ii) acquisition and installation of major moveable equipment and other hospital equipment.

b. In connection with the Project, the Department of Health and Environmental Control has issued its Certificates of Need, dated _____.

c. The cost of defeasing and discharging the Prior Bonds and acquiring, constructing and installing the Project is approximately TWENTY-FIVE MILLION (\$25,000,000) DOLLARS, including interest during construction, amounts deposited in the debt service reserve fund, financing cost, and all other expenses incurred in connection therewith.

d. In general, the terms and conditions of the proposed loan agreement provide that:

(i) To finance the cost of refunding, defeasing and discharging the Prior Bonds and acquiring, constructing and installing the Project, the County will, at the request of the Hospital, issue not exceeding \$25,000,000 Spartanburg County, Hospital Facilities Revenue Refunding and Improvement Bonds,

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STATE BUDGET & CONTROL BOARD

Series 1988 (The Mary Black Memorial Hospital Project), and loan the proceeds thereof to the Hospital for the purpose of defraying the cost of refunding, defeasing and discharging the Prior Bonds and acquiring, constructing and installing the Project, funding the debt service reserve fund, and the costs of the financing.

(ii) The loan agreement shall contain no provision imposing an indebtedness on the County within the meaning of any State constitutional provision (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing County obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its credit or taxing powers.

(iii) The loan agreement shall contain provisions obligating the Hospital to pay loan repayments which, upon the basis of the determinations heretofore made by County Council, will be sufficient to pay the principal of, redemption premium, if any, and interest on the refunding bonds, as well as any amounts deemed necessary to build up and maintain any reserve in connection with the Hospital Facilities or the Bonds.

(iv) The loan agreement shall contain the agreement of the Hospital to pay for the maintenance and insurance of the Hospital Facilities and to pay the cost of maintaining the Hospital Facilities in good repair and keeping them properly insured.

(v) The loan agreement will contain no provision imposing any pecuniary liability upon the County or which would create a charge upon the County's general credit or taxing power.

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STATE BUDGET & CONTROL BOARD

Upon the basis of the foregoing, the County Board respectfully prays:

That the State Budget and Control Board (i) accept the filing of the Petition presented herewith, (ii) as soon as practicable, make such independent investigation of the Hospital Facilities and the proposed refunding of the Prior Bonds, as it deems advisable, (iii) thereafter, make a finding that the acquisition, construction and installation of the Project and the proposed refunding of the Prior Bonds are intended to promote the purposes of the Act and that it is reasonably anticipated that the acquisition, construction and installation of the Project and the proposed refunding of the Prior Bonds will effect such result, (iv) make a finding that the proposed financing is economically feasible, and, on the basis of such finding, approve the issuance of not exceeding \$25,000,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Refunding and Improvement Bonds, Series 1988 (The Mary Black Memorial Hospital Project), and the loan of the proceeds thereof to the Hospital for the purpose of refunding, defeasing and discharging

the Prior Bonds heretofore issued and to defray the cost of the acquisition, construction, and installation of the Project, including changes in any details of such financing as finally consummated which do not materially affect such undertaking, and (v) give published notice of its approval in the manner set forth in Section 44-7-1590 of the Act.

Respectfully submitted,

SPARTANBURG COUNTY, SOUTH CAROLINA

(SEAL)

By: K. L. Westmoreland
K.L. Westmoreland, County Administrator
Spartanburg County, South Carolina

ATTEST:

C. P. Parris
C.P. Parris, Clerk
County Council of Spartanburg County,
South Carolina

Dated: 2/17, 1988

APPROVED as to Form and Content:

~~_____
County Attorney
Spartanburg County, South Carolina~~

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EXHIBIT

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A RESOLUTION

STATE BUDGET & CONTROL BOARD

MAKING CERTAIN DETERMINATIONS AND FINDINGS PRIOR TO THE ISSUANCE OF NOT EXCEEDING \$25,000,000 SPARTANBURG COUNTY, SOUTH CAROLINA, HOSPITAL FACILITIES REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 1988 (THE MARY BLACK MEMORIAL HOSPITAL PROJECT); AND AUTHORIZING THE FILING OF A PETITION TO THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA, SEEKING ITS APPROVAL FOR THE ISSUANCE OF THE BONDS.

WHEREAS, Spartanburg County, South Carolina (the County), acting by and through its County Council (the County Council), is authorized and empowered, under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976, as amended (the Act), to promote the public health and welfare by providing for the financing, refinancing, acquiring, enlarging, improving, constructing, equipping, and providing of hospital facilities to serve the people of the State and to make accessible to them modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities; and

WHEREAS, the County is further authorized to issue revenue bonds for the purpose of defraying the cost of providing hospital facilities; and

WHEREAS, the County is further authorized to make the proceeds of any revenue bonds available by way of loan to a hospital or public agency pursuant to a loan agreement; and

WHEREAS, the County is further authorized to pledge or assign any moneys, rents, charges, fees, or other revenues, including any proceeds of insurance or condemnation awards pursuant to any loan agreement, to the payment of the bonds issued pursuant to such loan agreement; and

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WHEREAS, the County is further authorized, under Section 44-7-1560 of the Act and Title 11, Chapter 21, Code of Laws of South Carolina 1976, as amended, to issue refunding bonds, under the terms and conditions set forth therein, to refund any bonds issued under the Act; and

WHEREAS, the County has heretofore, by Ordinances enacted June 13, 1979 and December 18, 1985, issued its \$9,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Bonds, Series 1979 (The Mary Black Memorial Hospital Project) (the Series 1979 Bonds) and its \$5,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Parity Bonds, Series 1985 (The Mary Black Memorial Hospital Project) (the Series 1985 Bonds) (the Series 1979 Bonds and the Series 1985 Bonds being hereinafter sometimes collectively referred to as the Prior Bonds) pursuant to the Act and, pursuant to the terms of a Loan Agreement, dated as of June 1, 1979, and a Supplemental Loan Agreement, dated as of December 1, 1985, between the County and The Mary Black Memorial Hospital, a not-for-profit corporation organized and existing under the laws of the State of South Carolina (the Hospital), loaned the proceeds of the Prior Bonds to the Hospital to finance certain facilities constituting "hospital facilities" under the Act (the Existing Facilities); and

WHEREAS, the Hospital has advised County Council that the acquisition, construction, and equipping of the Existing Facilities from the proceeds of the Prior Bonds has been completed; and

WHEREAS, the Hospital has further advised County Council that it is now desirable to refund, defease and discharge the Prior Bonds; and

WHEREAS, the Hospital has now requested that County Council assist in financing the cost of the (i) construction of a perinatal center and related facilities on lands currently owned by the Hospital, and (ii) acquisition and installation of major moveable equipment and other hospital equipment (such building and equipment, as so acquired, constructed and installed, being referred to herein as the Project); and

WHEREAS, the County Council now proposes to file with the State Budget and Control Board of South Carolina, in compliance with Section 44-7-1590 of the Act, the Petition of the County requesting approval by the State Budget and Control Board of the issuance by the County of bonds and refunding bonds, in the aggregate amount of not exceeding \$25,000,000, to defease and discharge the Prior Bonds and finance the acquisition, construction and installation of the Project (the Existing Facilities and the Project being hereinafter collectively referred to as the Hospital Facilities).

NOW, THEREFORE, BE IT RESOLVED by the County Council of Spartanburg County, South Carolina, as follows:

SECTION 1

A. The County Council constitutes the "County Board", as that term is defined in the Act.

B. The Existing Facilities acquired, constructed, and equipped from the proceeds of the Prior Bonds and the Project to be acquired, constructed and equipped from proceeds of the proposed bonds are "hospital facilities", as defined in the Act, and the Prior Bonds were issued pursuant to the terms of the Act.

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STATE BUDGET & CONTROL BOARD

C. The issuance of the proposed bonds will enhance the Hospital's ability to maintain the Hospital Facilities in the County to serve the people of the County and make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

D. The Hospital is a corporation with established credit and is financially responsible and capable of fulfilling its obligations under the loan agreement to be entered into between the County and the Hospital, pursuant to which the bonds will be issued, including the obligations to make the payments required thereunder, to operate, repair, and maintain, at its own expense, the Hospital Facilities, and discharging such other responsibilities as may be imposed under the loan agreement.

E. Adequate provisions shall be made for the payment of principal of and interest on the bonds and any necessary reserves therefor and for the operation, repair, and maintenance of the Hospital Facilities at the expense of the Hospital.

F. The public facilities, including utilities, and the public services necessary for the Hospital Facilities will be made available.

G. The issuance of not exceeding TWENTY-FIVE MILLION (\$25,000,000) DOLLARS Spartanburg County, South Carolina, Hospital Facilities Revenue Refunding and Improvement Bonds, Series 1988 (The Mary Black Memorial Hospital Project) (the Bonds), will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

H. Neither the Hospital Facilities, the Bonds, nor any documents or agreements entered into by the County in connection therewith will

constitute an indebtedness of the County within the meaning of any State constitutional provision (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing County obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

1. The issuance of the Bonds, in an aggregate principal amount of not exceeding \$25,000,000, will be required in order to loan the proceeds thereof to the Hospital for the purpose of acquiring, constructing and installing the Project and refunding, defeasing and discharging the Prior Bonds.

SECTION 2

There is hereby authorized and directed to be submitted, on behalf of the County, a Petition of this County Council, requesting the approval of the proposed issuance of bonds by the State Budget and Control Board of South Carolina, pursuant to the provisions of Section 44-7-1590 of the Act, such Petition to be in substantially the form attached hereto as Exhibit A, with such changes, insertions, and omissions as may be approved by the County Attorney for Spartanburg County, such execution being conclusive evidence of such approval.

SECTION 3

The County Administrator of Spartanburg County (or, in his absence, the Acting County Administrator) is hereby authorized and directed to execute such Petition in the name and on behalf of the County and the Clerk of the County Council (or, in her absence, the

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STATE BUDGET & CONTROL BOARD

Acting Clerk) is hereby authorized and directed to affix the Seal of the County Council to such Petition and to attest the same and thereafter submit an executed copy of this Resolution, along with such Petition, to the State Budget and Control Board of South Carolina.

SECTION 4

All orders and resolutions and parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed and this Resolution shall take effect and be in full force from and after its passage and approval.

EXHIBIT

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NO. 12

STATE BUDGET & CONTROL BOARD

PETITION
TO
THE STATE BUDGET AND CONTROL BOARD
OF
SOUTH CAROLINA

PURSUANT TO SECTION 44-7-1590 OF THE
CODE OF LAWS OF SOUTH CAROLINA 1976

RE: NOT EXCEEDING \$25,000,000 SPARTANBURG
COUNTY, SOUTH CAROLINA HOSPITAL
FACILITIES REVENUE REFUNDING AND
IMPROVEMENT BONDS, SERIES 1988 (THE
MARY BLACK MEMORIAL HOSPITAL
PROJECT)

EX PARTE:
COUNTY COUNCIL OF SPARTANBURG COUNTY,
SOUTH CAROLINA

13976

TO: The Honorable Carroll A. Campbell, Governor
 The Honorable Grady L. Patterson, Jr.
 State Treasurer
 The Honorable Earle E. Morris, Jr.
 Comptroller General
 The Honorable Rembert C. Dennis, Chairman
 Senate Finance Committee
 The Honorable Robert N. McLellan, Chairman
 House Ways and Means Committee

Your Petitioner, the County Council of Spartanburg County, South Carolina, pursuant to Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976 (the Act), and specifically, Section 44-7-1590 thereof, respectfully shows:

1. The County Council of Spartanburg County is the governing body of Spartanburg County and, as such, constitutes a "County Board", as referred to in the Act, with respect to hospital facilities located in South Carolina.

2. The Act, among other things, empowers Spartanburg County (the County), functioning through its County Board (the County Board), subject to obtaining approval from the State Budget and Control Board (the State Board) required by Section 44-7-1590 of the Act and from the Department of Health and Environmental Control (the Department), required by Section 44-7-1490 of the Act, to enter into agreements with any hospital agency or public agency necessary or incidental to the issuance of bonds; to enter into loan agreements with any hospital agency or public agency, prescribing the payments to be made by the hospital agency or public agency to the County or its assignee to meet the payments that shall become due on the bonds, including terms and conditions relative to the acquisition and use of hospital facilities and the issuance of bonds; to issue bonds for the

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purpose of defraying the cost of providing hospital facilities or to refund bonds issued to defray such cost; to secure the payment of such bonds; and to make the proceeds of any bonds available by way of a loan to a hospital or public agency pursuant to a loan agreement.

3. The County has heretofore, by Ordinances enacted June 13, 1979 and December 18, 1985, issued its \$9,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Bonds, Series 1979 (The Mary Black Memorial Hospital Project) (the Series 1979 Bonds) and its \$5,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Parity Bonds, Series 1985 (the Series 1985 Bonds) (the Series 1979 Bonds and the Series 1985 Bonds being hereinafter sometimes collectively referred to as the Prior Bonds) pursuant to the Act and, pursuant to the terms of a Loan Agreement, dated as of June 1, 1979, and a Supplemental Loan Agreement, dated as of December 1, 1985, between the County and The Mary Black Memorial Hospital, a not-for-profit corporation organized and existing under the laws of the State of South Carolina (the Hospital), loaned the proceeds of the Prior Bonds to the Hospital to finance certain facilities constituting "hospital facilities" under the Act (the Existing Facilities).

4. The Hospital has advised County Council that the acquisition, construction, and equipping of the Existing Facilities from the proceeds of the Prior Bonds has been completed.

5. The Hospital has further advised County Council that it is now desirable to refund, defease and discharge the Prior Bonds.

6. The Hospital has now requested that County Council assist in financing the cost of the (i) construction of a perinatal center and

related facilities on lands currently owned by the Hospital, and (ii) acquisition and installation of major moveable equipment and other hospital equipment (such building and equipment, as so acquired, constructed and installed, being referred to herein as the Project).

7. The County Board has found and determined that:

a. The Existing Facilities acquired, constructed, and equipped from the proceeds of the Prior Bonds and the Project to be acquired, constructed and equipped from proceeds of the proposed bonds are "hospital facilities", as defined in the Act, and the Prior Bonds were issued pursuant to the terms of the Act.

b. The issuance of the proposed bonds will enhance the Hospital's ability to maintain the Hospital Facilities in the County to serve the people of the County and make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

c. The Hospital is a corporation with established credit and is financially responsible and capable of fulfilling its obligations under the loan agreement to be entered into between the County and the Hospital, pursuant to which the bonds will be issued, including the obligations to make the payments required thereunder, to operate, repair, and maintain, at its own expense, the Hospital Facilities, and discharging such other responsibilities as may be imposed under the loan agreement.

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d. Adequate provision shall be made for the payment of principal of and interest on the bonds and any necessary reserves therefor and for the operation, repair, and maintenance of the Hospital Facilities at the expense of the Hospital.

e. The public facilities, including utilities, and public services necessary for the Hospital Facilities will be made available.

f. The issuance of not exceeding TWENTY-FIVE MILLION (\$25,000,000) DOLLARS Spartanburg County, South Carolina, Hospital Facilities Revenue Refunding and Improvement Bonds, Series 1988 (The Mary Black Memorial Hospital Project) (the Bonds), will subserve the purposes and in all respects conform to the provisions and requirements of the Act.

g. Neither the Hospital Facilities, the Bonds, nor any documents or agreements entered into by the County in connection therewith will constitute an indebtedness of the County within the meaning of any State constitutional provision (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing County obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its general credit or taxing powers.

8. Pursuant to Section 44-7-1590 of the Act, the County Board sets forth the following information:

a. The financing to be undertaken consists of the issuance of bonds in an amount sufficient (a) to refund, defease and discharge the Prior Bonds, and (b) to finance the cost of (i) construction of a perinatal center and related facilities on lands currently owned by the Hospital, and (ii) acquisition and installation of major moveable equipment and other hospital equipment.

b. In connection with the Project, the Department of Health and Environmental Control has issued its Certificates of Need, dated _____.

c. The cost of defeasing and discharging the Prior Bonds and acquiring, constructing and installing the Project is approximately TWENTY-FIVE MILLION (\$25,000,000) DOLLARS, including interest during construction, amounts deposited in the debt service reserve fund, financing cost, and all other expenses incurred in connection therewith.

d. In general, the terms and conditions of the proposed loan agreement provide that:

(i) To finance the cost of refunding, defeasing and discharging the Prior Bonds and acquiring, constructing and installing the Project, the County will, at the request of the Hospital, issue not exceeding \$25,000,000 Spartanburg County, Hospital Facilities Revenue Refunding and Improvement Bonds,

EXHIBIT

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Series 1988 (The Mary Black Memorial Hospital Project), and loan the proceeds thereof to the Hospital for the purpose of defraying the cost of refunding, defeasing and discharging the Prior Bonds and acquiring, constructing and installing the Project, funding the debt service reserve fund, and the costs of the financing.

(ii) The loan agreement shall contain no provision imposing an indebtedness on the County within the meaning of any State constitutional provision (other than Article X, Section 14, Paragraph 10 of the South Carolina Constitution authorizing County obligations payable solely from special sources not involving revenues from any tax or license) or statutory limitation and shall never constitute nor give rise to a pecuniary liability of the County or a charge against its credit or taxing powers.

(iii) The loan agreement shall contain provisions obligating the Hospital to pay loan repayments which, upon the basis of the determinations heretofore made by County Council, will be sufficient to pay the principal of, redemption premium, if any, and interest on the refunding bonds, as well as any amounts deemed necessary to build up and maintain any reserve in connection with the Hospital Facilities or the Bonds.

(iv) The loan agreement shall contain the agreement of the Hospital to pay for the maintenance and insurance of the Hospital Facilities and to pay the cost of maintaining the Hospital Facilities in good repair and keeping them properly insured.

(v) The loan agreement will contain no provision imposing any pecuniary liability upon the County or which would create a charge upon the County's general credit or taxing power.

Upon the basis of the foregoing, the County Board respectfully prays:

That the State Budget and Control Board (i) accept the filing of the Petition presented herewith, (ii) as soon as practicable, make such independent investigation of the Hospital Facilities and the proposed refunding of the Prior Bonds, as it deems advisable, (iii) thereafter, make a finding that the acquisition, construction and installation of the Project and the proposed refunding of the Prior Bonds are intended to promote the purposes of the Act and that it is reasonably anticipated that the acquisition, construction and installation of the Project and the proposed refunding of the Prior Bonds will effect such result, (iv) make a finding that the proposed financing is economically feasible, and, on the basis of such finding, approve the issuance of not exceeding \$25,000,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Refunding and Improvement Bonds, Series 1988 (The Mary Black Memorial Hospital Project), and the loan of the proceeds thereof to the Hospital for the purpose of refunding, defeasing and discharging

the Prior Bonds heretofore issued and to defray the cost of the acquisition, construction, and installation of the Project, including changes in any details of such financing as finally consummated which do not materially affect such undertaking, and (v) give published notice of its approval in the manner set forth in Section 44-7-1590 of the Act.

Respectfully submitted,

SPARTANBURG COUNTY, SOUTH CAROLINA

(SEAL)

By:

K. L. Westmoreland
K.L. Westmoreland, County Administrator
Spartanburg County, South Carolina

ATTEST:

C. P. Parris
C.P. Parris, Clerk
County Council of Spartanburg County,
South Carolina

Dated: Feb. 17th, 1988

EXHIBIT

MAR 22 1988 NO. 12

STATE BUDGET & CONTROL BOARD

APPROVED as to Form and Content:

County Attorney
Spartanburg County, South Carolina

EXHIBIT

MAR 22 1988

NO. 12

STATE OF SOUTH CAROLINA)
)
COUNTY OF SPARTANBURG)

STATE BUDGET & CONTROL BOARD

THIS IS TO CERTIFY that the foregoing is an exact, verbatim copy of a Resolution unanimously adopted at a duly called and held regular meeting of the County Council of Spartanburg County, South Carolina, on ^{February} ~~MARCH~~ 17, 1988, at which meeting a quorum was present and remained throughout.

The Resolution was offered by Councilmember Alba, seconded by Councilmember Dennis, and has been recorded in the County Council's records of proceedings and remains in my custody as Clerk, and the Resolution remains in full force and effect and has not been amended, modified, or repealed.

WITNESS my Hand and the Seal of Spartanburg County, South Carolina, this 10th day of March, A.D. 1988.

EXHIBIT

MAR 22 1988

NO. 12

(SEAL)

STATE BUDGET & CONTROL BOARD

C. P. Parris
C.P. Parris, Clerk
County Council of
Spartanburg County, South Carolina

ASSISTANCE CONTRACT

THIS CONTRACT made and entered into by and between SPARTANBURG COUNTY, SOUTH CAROLINA, a body politic and corporate and a political subdivision of the State of South Carolina (the County), and THE MARY BLACK MEMORIAL HOSPITAL, a not-for-profit corporation organized and existing under the Laws of the State of South Carolina (the Hospital),

WITNESSETH:

EXHIBIT

ARTICLE I

MAR 22 1988

NO. 12

RECITATION OF FACTS

STATE BUDGET & CONTROL BOARD

SECTION 1.01

As a means of setting forth the matters of mutual inducement which have resulted in the making and entering into of this Contract, the following statements of fact are herewith recited:

1. The County is a body politic and corporate and a political subdivision of the State of South Carolina and is authorized and empowered by the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976, as amended (the Enabling Statute): (i) to enter into agreements with any hospital agency or public agency (as defined in the Enabling Statute) necessary or incidental to the issuance of bonds pursuant to the Enabling Statute; (ii) to enter into loan agreements (as defined in the Enabling Statute) with such agencies prescribing the payments to be made by such agencies to the County or its assignee to meet the payments that shall become due on any bonds issued by the County pursuant to the Enabling Statute, including terms and conditions relative to the acquisition and use of the hospital facilities and the issuance of bonds; and (iii) to issue bonds for the purpose of defraying the cost of providing hospital facilities, and to secure the payment of such bonds as provided in the Enabling Statute; all in order to provide a means for the financing, refinancing, acquiring, enlarging, improving, constructing, equipping, and providing of hospital facilities to serve the people of the State of South Carolina and to make accessible to them modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

2. The County has heretofore, on behalf of the Hospital, issued its \$9,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Bonds, Series 1979 (The Mary Black Memorial Hospital Project) (the Series 1979 Bonds) and \$5,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Parity Bonds, Series 1985 (The Mary Black Memorial Hospital Project) (the Series 1985 Bonds) (the

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Series 1979 Bonds and the Series 1985 Bonds being hereinafter sometimes collectively referred to as the Prior Bonds).

3. The County is further authorized and empowered under and pursuant to the provisions of Title 11, Chapter 21, Code of Laws of South Carolina 1976, as amended, to issue revenue refunding bonds for the purpose of defeasing and discharging the Prior Bonds.

4. The Hospital is a "hospital agency" as defined in the Enabling Statute and now proposes that the County issue not exceeding \$25,000,000 of hospital facilities revenue bonds pursuant to the Enabling Statute to finance (i) the construction of a perinatal center and related facilities on lands currently owned by the Hospital, (ii) the acquisition and installation of major moveable equipment and other hospital equipment (such building and equipment, as so acquired, constructed and installed, being referred to herein as the Project) (such facilities as so constructed and equipped being hereinafter called the Hospital Facilities), and (iii) the cost of refunding, defeasing and discharging the Prior Bonds.

5. The Hospital has advised the County that it wishes to avail itself of the assistance which the County might render through the sale of Spartanburg County Hospital Facilities Revenue Refunding and Improvement Bonds pursuant to the Enabling Statute.

6. The County has given due consideration to all of the proposals and requests of the Hospital submitted to it and has agreed to endeavor to effect the issuance of the bonds hereinafter spoken of at the time and on the terms and conditions hereinafter set forth.

ARTICLE II

UNDERTAKINGS OF THE COUNTY

SECTION 2.01

The County agrees, subject to the provisions of the Enabling Statute and compliance therewith, as follows:

1. It will enter into a Loan Agreement (the Loan Agreement) with the Hospital, upon such terms and conditions as shall be mutually agreed upon between the County and the Hospital, pursuant to which it will lend to the Hospital the proceeds of not exceeding \$25,000,000 Hospital Facilities Revenue Refunding and Improvement Bonds (The Mary Black Memorial Hospital Project), in order that such proceeds be applied to the cost of the Hospital Facilities and the refunding, defeasing and discharging of the Prior Bonds and expenses incident thereto, including the costs of the financing;

2. It will, subject to the approval by the State Budget and Control Board required by the Enabling Statute, authorize the issuance

EXHIBIT

MAR 22 1988 NO. 12

STATE BUDGET & CONTROL BOARD

of not exceeding TWENTY-FIVE MILLION and no/100 (\$25,000,00) DOLLARS Spartanburg County, South Carolina, Hospital Facilities Revenue Refunding and Improvement Bonds, Series 1988 (The Mary Black Memorial Hospital Project) (the Bonds), under the Enabling Statute, as a single issue or as several separate issues, at such time as the Hospital may request the County to do so;

3. It will permit the Hospital to arrange for the sale of the Bonds, and, if successful marketing arrangements can be made, the County will adopt such proceedings as are necessary for the making of the Loan Agreement and the issuance and securing of the Bonds;

4. If the Bonds shall be sold, the County will provide that the proceeds thereof shall be applied to the payment of the costs theretofore and thereafter to be incurred in the acquisition, construction and installation of the Hospital Facilities, including advances made or loans incurred by the Hospital for such purposes, the cost of refunding, defeasing and discharging the Prior Bonds, costs incident to the issuance of the Bonds, and the payment, to the extent permitted by the Enabling Statute, of interest on the Bonds;

5. Prior to the issuance of the Bonds, the County will, if requested by the Hospital, enter into an indenture, providing for the issuance and securing of the Bonds, with a bank or banks, as trustee, to be selected by the Hospital with the approval of the County, upon such terms and conditions as the Hospital shall propose and shall be agreeable to the County. In this connection, the parties recognize that such terms and conditions will be initially agreed upon between the Hospital and the purchasers of the Bonds, and the County will not unreasonably disagree with any terms and conditions so agreed upon;

6. Simultaneously with the issuance of the Bonds, the County will assign to the trustee or the initial purchaser of the Bonds, as the case may be, its interest in the Loan Agreement and any security agreement upon the Hospital Facilities between the Hospital and the County (the Security Agreement), securing the obligations of the Hospital under the Loan Agreement; and

7. The County will perform such other acts and adopt such further proceedings as may be required to implement faithfully its undertakings under this Contract.

ARTICLE III

UNDERTAKINGS OF THE HOSPITAL AGENCY

SECTION 3.01

The Hospital agrees as follows:

1. The Hospital will market the Bonds on behalf of the County and, in this connection, the Hospital expressly acknowledges that the County has no obligation with regard to the marketing of the Bonds;

2. The Hospital will enter into the Loan Agreement with the County under the terms of which the Hospital will unconditionally obligate itself to pay to the County sums sufficient to pay the principal of, premium, if any, and interest on the Bonds as and when the same become due and payable, which Loan Agreement shall be in such form and content satisfactory to the County and to the Hospital;

3. The Hospital will, if necessary, enter into the Security Agreement, securing its obligations to the County under the Loan Agreement;

4. The Hospital will obligate itself to perform all obligations required of it pursuant to the Enabling Statute;

5. The Hospital will hold the County harmless from all pecuniary liability and will reimburse it for all expenses to which the County might be put in the fulfillment of its obligations under this Contract and the Loan Agreement and in the implementation of the respective terms and provisions thereof; and

6. The Hospital will perform such further acts and adopt such further proceedings as may be required to implement faithfully its undertakings under this Contract.

ARTICLE IV

GENERAL PROVISIONS

SECTION 4.01

Neither the performance of this Contract by the County, nor any obligation of the County resulting from the execution and delivery, or performance, of this Contract, nor any failure by the County to perform under this Contract, shall constitute or give rise to a pecuniary liability of the County or charge against its general credit or taxing powers; but all undertakings by the County hereunder are otherwise fully binding and enforceable by a suit for specific performance or by mandamus.

SECTION 4.02

The implementation of this Agreement through the issuance of the Bonds is subject to obtaining approvals, if any, required by the Enabling Statute of the South Carolina Department of Health and Environmental Control and the State Budget and Control Board of South Carolina, and further subject to all terms and conditions in any loan agreement, trust indenture or any agreement relating to the issuance and delivery of the bonds being satisfactory to the County.

SECTION 4.03

The parties agree that the Hospital may proceed with the acquisition, construction and installation of the Hospital Facilities prior

to the issuance of the Bonds. The parties further agree that, prior to the issuance of the Bonds, the Hospital may lease all or a portion of the Hospital Facilities to another entity related to the Hospital, provided that such lease shall not materially alter the nature of the operation of the Hospital Facilities.

SECTION 4.04

The benefits and burdens of this Contract shall inure to the parties hereto and their respective assigns.

IN WITNESS WHEREOF, the parties hereto, each after due authorization, have caused this Contract to be executed in their respective names and under their respective seals as of _____, _____, but on the respective dates indicated below.

SPARTANBURG COUNTY, SOUTH CAROLINA

(SEAL)

By: K. L. Westmoreland
County Administrator
Spartanburg County, South Carolina

ATTEST:

C. P. Parris
Clerk
County Council of
Spartanburg County, South Carolina

Dated: 2/17/88, 1988

EXHIBIT

MAR 22 1988

NO. 12

STATE BUDGET & CONTROL BOARD

THE MARY BLACK MEMORIAL HOSPITAL

(SEAL)

By: Serald W. Larcher

Its: President

ATTEST:

[Signature]
Its: Vice-President Finance

Dated: MARCH 7, 1988

EXHIBIT
MAR 22 1988 NO. 12
STATE BUDGET & CONTROL BOARD

South Carolina Department of Health and Environmental Control

2600 Bull Street
Columbia, S.C. 29201

Commissioner
Michael D. Jarrett



Board
Moses H. Clarkson, Jr., Chairman
Gerald A. Kaynard, Vice-Chairman
Oren L. Brady, Jr., Secretary
Barbara P. Nuessle
James A. Spruill, Jr.
William H. Hester, M.D.
Euta M. Colvin, M.D.

May 8, 1987

Re: SC-87-25
Construction of replacement facility for
the existing perinatal services including
the relocation of eighteen obstetric beds,
two delivery/c-section rooms, and support
space and the reduction of five acute care
beds for a total licensed capacity of
two-hundred and eight (208) acute care beds
Mary Black Memorial Hospital
Spartanburg, South Carolina

Mr. Gerald W. Landis, President
The Mary Black Memorial Hospital
P. O. Box 3217
Spartanburg, SC 29304

Dear Mr. Landis:

Enclosed is the Certificate of Need granting approval of the
above named project. This Certificate is valid for a period of
one year.

If this office can be of further service to you or if you have
any questions concerning the above, feel free to contact us at
734-4690.

Sincerely,

A handwritten signature in cursive script, reading "Leon B. Frishman".

Leon B. Frishman, Director
Bureau of Health Facilities and Services Development

LBF:dbw

Enclosure

13992

South Carolina Department of Health and Environmental Control



CERTIFICATE OF NEED

THIS Certificate of Need is issued to: Mary Black Memorial Hospital, Spartanburg, SC; Mr. Gerald W. Landis, President-Agent; Construction of replacement facility for the existing perinatal services including the relocation of eighteen obstetric beds, two delivery/c-section rooms, and support space and the reduction of five acute care beds for a total licensed capacity of two-hundred and eight (208) acute care beds.

For Project No. SC-87-25 in accordance with the Code of Laws of South Carolina.

In determining the need for this project, the South Carolina Department of Health and Environmental Control has taken into consideration the "Criteria for Project Review" and the State Medical Facilities Plan.

This Certificate of Need is valid for a period of twelve months from the date of issuance unless the applicant has awarded a construction contract or has made substantial progress toward implementation of the Project, as approved by the Department, within the twelve month period.

In Witness Whereof we have hereunto
set our hands and the seal of the
Department of Health and Environ-
mental Control this the 8th
day of May, 19 87

Albert N. Whitendo

Director, Division of Planning & Certification of Need

Leo B. Fishman

Director, Bureau of Health Facilities & Services
Development

Richard C. Arney

Deputy Commissioner, Health Facilities & Services
Regulations

13993

KL

XHIBIT

MAR 22 1988

STAFF BUDGET & CONTROL BOARD

William A. McInnis, Secretary
State Budget and Control Board
600 Wade Hampton Office Building
Columbia, SC 29201
OR P. O. Box 12444, Columbia, SC 29211

Haynsworth, Marion, McKamy & Gerard
Name of Law Firm
Charleston, SC 29401
City, State, Zip Code

2 Prioleau Street, P.O. Box 1119
Street Address/Box Number
(803) 722-7606
Telephone Area Code and Number

RE: \$25,000,000
Amount of Issue
Spartanburg County
Issuing Authority Name

Hospital Facilities Revenue Bonds
Type of Bonds or Notes
May 1988
Projected Issue Date

Project Description:

CEILING ALLOCATION REQUIRED
 Yes (\$) x No
 Amount 7

REFUNDING INVOLVED
 x Yes (\$12,000,000) No
 Amount
 Approximately

PROJECT APPROVED PREVIOUSLY
 Yes () ☒ No
 Date

(ALL required for State law approval; A and C only for ceiling allocation only.)

- A. x Petition (executed original and two copies)
- B. x Resolution or ordinance (executed copy)
- C. x Inducement Resolution or comparable preliminary approval (executed copy)
- D. Standard Form Investment Letter from bonds purchaser (executed original)
- (Purchaser: _____)

E. x Department of Health and Environmental Control certificate IF REQUIRED

F. x Budget and Control Board Resolution and Public Notice (original)
[Plus 8 copies for certification and return to counsel]

G. x Processing fee

Amount \$ 3,000.00 Check No. 937
Payor Mary Black Memorial Hospital, Inc.

Bond Counsel: John Paul Trouche
Typed Name

By: John A. T. [Signature]
Signature

13994

EXHIBIT

MAR 22 1988

NO. 13

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

REGULAR SESSION

ITEM NUMBER

9

AGENCY: Executive Director

SUBJECT: Revenue Bond Issues; State Ceiling Allocations

The required reviews on the following proposals to issue revenue bonds have not yet been completed. Staff will advise the Board on the results of these reviews at the meeting.

Each of the projects requires approval under State law.

(a) Issuing Authority: Orangeburg County
Amount of Issue: \$470,000 Hospital Revenue Note
Name of Project: Dawn Center (Tri County Commission on Alcohol and Drug Abuse)
Employment Impact: N/A
Project Description: Renovation of an existing drug rehabilitation center and the refinancing of approximately \$190,000 outstanding debt.

NO CEILING ALLOCATION REQUIRED

No processing fee is to be charged because of the Board's policy which exempts public entities from that charge.

(b) Issuing Authority: Spartanburg County
Amount of Issue: \$25,000,000 Hospital Facilities Revenue Bonds
Name of Project: Mary Black Memorial Hospital Inc.
Employment Impact: N/A
Project Description: Refunding of existing bonds and construction of new perinatal center.

NO CEILING ALLOCATION REQUIRED

The status report on the State Ceiling as of March 17, 1988, (year elapsed 21%) shows:

	1988 Ceiling	Allocated (%)	Not Allocated (%)
State Pool	\$ 68,500,000	\$ 3,100,000 (5%)	\$ 65,400,000 (95%)
Local Pool	102,750,000	74,860,000 (73%)	27,890,000 (27%)
Total	\$171,250,000	\$ 77,960,000 (46%)	\$ 93,290,000 (54%)

BOARD ACTION REQUESTED:

Adopt resolutions approving proposals to issue revenue bonds, on the condition that the required reviews are completed with satisfactory results and receive as information the status report on the State Ceiling.

ATTACHMENTS:

Referenced status report on State Ceiling; Resolutions

13995

1988 STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION

A. State Government Pool (40%)	68,500,000
Total, State Government Pool (40%)	<u>68,500,000</u>
B. Local Pool (60%)	102,750,000
Total, Local Pool (60%)	<u>102,750,000</u>
Certified State Ceiling (01/05/88)	<u>171,250,000</u>

* * * * *

1988 STATE CEILING AMOUNT AVAILABLE FOR ALLOCATION

<u>Date of B&C Board Allocation</u>	<u>Governmental Unit</u>	<u>Name of Project</u>	<u>Pool Total</u>	<u>Amount of Pool Allocated</u>	<u>Balance of Pool Available</u>	<u>Amount Certified for Issue</u>	<u>Issue Date</u>	<u>Attorney</u>
01/05/88	STATE GOVERNMENT POOL		68,500,000					
03/08/88	JEDA	Kent Manufacturing Co.		-2,200,000				Lucas
03/08/88	JEDA	Mar-Mac Mfg. Co., Inc.		-900,000				Lucas
	Total, State Government Pool		<u>68,500,000</u>	<u>-3,100,000</u>	<u>65,400,000</u>	<u>0</u>		
01/05/88	LOCAL POOL		102,750,000					
01/12/88	Greenville County	National Electrical Carbon		-6,000,000		6,000,000	01/27/88	Page
01/12/88	Laurens County	Dispoz-o Plastics		-4,000,000		4,000,000	02/02/88	Page
01/12/88	Spartanburg County	Alkahn Labels, Inc.		-2,000,000		2,000,000	01/29/88	Page
01/12/88	Darlington County	Hobart Corporation		-3,500,000		3,500,000	01/20/88	Jeffcoat
02/09/88	PMPA	PMPA		-55,000,000		26,943,000	03/23/88	Corley
03/08/88	Oconee County	Log Cabin Acquisition		-1,160,000		1,160,000	03/10/88	Miller
03/08/88	Spartanburg County	Garfield Construction Co.		-1,700,000				Page
03/08/88	Greenville County	Gress Foods		-1,500,000				Lucas
	Total, Local Pool		<u>102,750,000</u>	<u>-74,860,000</u>	<u>27,890,000</u>	<u>43,603,000</u>		
	GRAND TOTAL		<u>171,250,000</u>	<u>-77,960,000</u>	<u>93,290,000</u>	<u>43,603,000</u>		

EXHIBIT
MAR 22 1988 NO. 13
STATE BUDGET & CONTROL BOARD

A RESOLUTION APPROVING THE ISSUANCE BY ORANGEBURG COUNTY, SOUTH CAROLINA, OF A HOSPITAL FACILITIES REVENUE NOTE (DAWN CENTER PROJECT) SERIES 1988 IN THE PRINCIPAL AMOUNT OF \$470,000, PURSUANT TO THE PROVISIONS OF SOUTH CAROLINA CODE ANNOTATED, TITLE 44, CHAPTER 7 (1976), AS AMENDED.

WHEREAS, the County Council of Orangeburg County, South Carolina (the "Governing Board") has heretofore, by submitting a petition (the "Petition"), under and pursuant to the provisions of Section 44-7-1590 of South Carolina Code Annotated, Title 44, Chapter 7, Article 11 (1976), as amended (the "Act") requested the approval by the State Budget and Control Board of the issuance by Orangeburg County (the "County") pursuant to the Act of its Hospital Facilities Revenue Note (Dawn Center Project) in the aggregate principal amount of not exceeding \$600,000 (the "Note"); and

WHEREAS, the County proposes to issue the Note for the purpose of defraying the cost of renovating certain existing facilities and certain machinery, apparatus, equipment, office facilities and furnishings for the purpose of providing a drug prevention, treatment and rehabilitation center and to refinance certain existing indebtedness incurred to provide qualifying "hospital facilities" (such renovation and refinancing being referred to hereafter collectively as the "Project").

WHEREAS, the Note proceeds are to be made available to the TriCounty Commission on Alcohol & Drug Abuse (the "Commission") upon terms which require the Commission to make payments to or for the account of the County in amounts sufficient to pay the principal and interest on the Note and which secure the obligation of the Commission by a mortgage and security interest in the Project; and

WHEREAS, the Note will be payable from and secured by an assignment of the obligations of the Commission under the Loan Agreement and by a mortgage and security interest in the Project; and

WHEREAS, the County has submitted with the Petition (i) an Inducement Agreement by and between the Commission and the County executed by the County on December 7, 1987 and thereafter by the Commission, and (ii) a copy of a Resolution and Petition adopted by the County on December 7, 1987, and this board has reviewed and considered each of said documents in its consideration of said Petition by the County;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. The Board has made such investigation of the matters set forth in the Petition as it deems appropriate, and on the basis of such investigation and the representations made by the County it is hereby found, determined and declared:

(a) The facts set forth in the Petition, and in the preamble hereto, are in all respects true and correct;

(b) The Petition filed by the Governing Board contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 44-7-1590 of the Act;

(c) The Project as described in the Petition of the Governing Board is intended to promote the purposes of the Act and is reasonably anticipated to effect such result; and

(d) Based upon the Commitment from NCNB South Carolina to purchase the Note in the amount of \$470,000, the proposed financing is economically feasible.

Section 2. In consequence of the foregoing, the proposal of the County to defray the cost of the Project, to make the Note proceeds available to the Commission, to finance the cost thereof and expenses incidental thereto by the execution and delivery of the Note, secured by an assignment of the revenues to be derived from a loan agreement, and further secured by a mortgage and security interest in the project, be and the same is hereby and in all respects approved. This approval shall not be affected by any changes in the details of the proposal of the County as long as such changes do not impose a pecuniary liability upon the County or its general credit or taxing power, are approved by the County Council and the Commission, and do not make inaccurate, except as to dates and amounts, the summaries of the loan agreement and/or indenture to be entered into by the County and the Commission and the description of the Project.

Section 3. Notice of the action taken by this Board in approving the above described undertaking of the County shall be published in the Times and Democrat which is a newspaper having general circulation in Orangeburg County.

Section 4. The notice, required in Section 3 above to be published, shall be in substantially the form set forth in Exhibit "A" of this Resolution.

Section 5. This Resolution shall take effect immediately.

EXHIBIT A

NOTICE PURSUANT TO THE PROVISIONS
OF SOUTH CAROLINA CODE ANNOTATED,
TITLE 44, CHAPTER 7, ARTICLE 11
(1976), AS AMENDED

Notice is hereby given pursuant to the provisions and requirements of Section 44-7-1590 of South Carolina Code Annotated, Title 44, Chapter 7, Article 11 (1976), as amended, (the "Act") that the State Budget and Control Board of South Carolina, pursuant to a Petition filed by the County Council of Orangeburg County, South Carolina, has given its approval to the following undertaking by Orangeburg County, South Carolina:

The issuance by Orangeburg County of its Hospital Facilities Revenue Note (Dawn Center Project) in the original principal amount of \$470,000 (the "Note"), to defray the costs of renovating certain existing facilities and acquiring certain machinery, apparatus, equipment, and furnishings by the TriCounty Commission on Alcohol & Drug Abuse, a South Carolina 501(c)(3) publicly supported organization, to be used as an hospital facility for the purpose of providing a drug prevention, treatment and rehabilitation center and refinancing certain existing indebtedness of the Commission incurred to provide qualifying hospital facilities (hereinafter referred to collectively as the "Project") to be located in Orangeburg County. The Note proceeds will be made available to the TriCounty Commission on Alcohol & Drug Abuse which will unconditionally covenant to make payments sufficient to pay the principal and interest on the Note. The Note will be payable by the County solely and exclusively out of payments to be made by the TriCounty Commission on Alcohol & Drug Abuse and the Note is to be additionally secured by a mortgage and security interest in the Project granted in favor of NCNB South Carolina, the purchaser of the Note.

Notice is further given that any interested party may, within twenty (20) days after the date of the publication of this notice, but not afterwards, challenge the action taken by the State Budget and Control Board with respect to the Project and the issuance of the Note by Orangeburg County to finance the same, by action de novo instituted in the Circuit Court for Orangeburg County, South Carolina.

STATE BUDGET AND CONTROL BOARD

By: WILLIAM A. McINNIS, Secretary

Dated: March __, 1988

14000

EXHIBIT

MAR 22 1988 NO. 13

A RESOLUTION STATE BUDGET & CONTROL BOARD

APPROVING THE ISSUANCE BY SPARTANBURG COUNTY, SOUTH CAROLINA, OF NOT EXCEEDING \$25,000,000 HOSPITAL FACILITIES REVENUE REFUNDING AND IMPROVEMENT BONDS, SERIES 1988 (MARY BLACK MEMORIAL HOSPITAL, INC. PROJECT), PURSUANT TO THE PROVISIONS OF TITLE 44, CHAPTER 7, ARTICLE 11, CODE OF LAWS OF SOUTH CAROLINA 1976.

WHEREAS, the County Council of Spartanburg County, South Carolina (the County Board) has heretofore, by submitting a petition (the Petition), under and pursuant to the provisions of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976 (the Act), requested the approval by the State Budget and Control Board of the issuance by Spartanburg County (the County), pursuant to the Act, of its Hospital Facilities Revenue Refunding and Improvement Bonds (as defined in the Act), Series 1988 (Mary Black Memorial Hospital, Inc. Project), in an aggregate principal amount of not exceeding \$25,000,000 (the Bonds); and

WHEREAS, the County now proposes to issue the Bonds, in the aggregate principal amount of not exceeding \$25,000,000, and loan the proceeds thereof to Mary Black Memorial Hospital, Inc., a not-for-profit corporation organized and existing under the Laws of the State of South Carolina (the Hospital), to finance (a) the cost of a project (the Project) consisting of the construction on lands currently owned by the Hospital of a perinatal center and related facilities, and acquisition and installation of major moveable equipment and other hospital equipment, and (b) the cost of refunding, defeasing and discharging the County's \$9,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Parity Bonds, Series 1979 (The Mary Black Memorial Hospital Project), and its \$5,400,000 Spartanburg County, South Carolina,

14001

(b)

Hospital Facilities Revenue Parity Bonds, Series 1985 (The Mary Black Memorial Hospital Project) (collectively, the Prior Bonds) through the issuance of not exceeding \$25,000,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Refunding and Improvement Bonds, Series 1988 (Mary Black Memorial Hospital, Inc. Project) (the Series 1988 Bonds), all of which will be of the character and accomplish the purposes provided by Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976, as amended (the Enabling Statute); and

WHEREAS, it is proposed that the Bonds will be payable from revenues and receipts of the Hospital pledged and assigned to the County under the terms of a Loan and Security Agreement (the Loan Agreement), dated as of April 1, 1988, between the County and the Hospital, which revenues and receipts have been assigned to the Trustee hereinbelow defined by an assignment of the Loan Agreement. The Bonds are further secured by a Trust Indenture (the Trust Indenture), dated as of April 1, 1988, between the County and a trustee bank (the Trustee) to be selected by the hospital; and

WHEREAS, the County has submitted (i) a copy of the Certificate of Need, dated May 8, 1987, from the South Carolina Department of Health and Environmental Control, and annual financial reports of the Hospital for the last three fiscal years, and this Board has reviewed and considered each of such documents in its consideration of the Petition by the County;

NOW, THEREFORE, BE IT RESOLVED BY THE STATE BUDGET AND CONTROL BOARD OF SOUTH CAROLINA, as follows:

SECTION 1

The Board has made an independent investigation of the matters set forth in the Petition and, on the basis of such investigation, it is hereby found, determined, and declared:

(a) the facts set forth in the Petition and in the preamble hereto are, in all respects, true and correct;

(b) the Petition filed by the County Board contains all matters required by law and the rules of this Board to be set forth therein and, in consequence thereof, the jurisdiction of this Board has been properly invoked under and pursuant to the Act;

(c) the Hospital Facilities which are the subject of the Petition of the County Board are intended to promote the purposes of the Act and are reasonably anticipated to effect such result; and

(d) the proposed financing is economically feasible.

SECTION 2

In consequence of the foregoing, the proposal of the County to issue the Bonds and loan the proceeds thereof to the Hospital for the purpose of defraying the cost of acquiring, constructing, and installing the Project and refunding, defeasing and discharging the Prior Bonds, the Bonds to be payable solely from the revenues and receipts pledged and assigned under the terms of the Loan Agreement, and to be secured by the Trust Indenture be, and the same hereby is, hereby, in all respects, approved.

SECTION 3

Approval of this undertaking is granted on the condition that a copy of Internal Revenue Service (IRS) Form 8038 relating to any bonds issued pursuant to this approval be filed with the Board's Secretary at the same time such form is submitted to the IRS.

SECTION 4

Approval of this undertaking is further conditioned upon the receipt by the Hospital from the Department of Health and Environmental Control of all Certificates of Need required in connection with the Hospital Facilities.

SECTION 5

Notice of the action taken by this Board in approving the above described undertaking of the County shall be published, following receipt by the Hospital of the Certificates of Need referred to in Section 3 above, in The Spartanburg Herald, a daily newspaper having general circulation in Spartanburg County.

SECTION 6

The Notice required in Section 5 above to be published shall be in substantially the form set forth in Exhibit A to this Resolution.

SECTION 7

This Resolution shall take effect immediately.

EXHIBIT

MAR 22 1988

NO. 13

STATE BUDGET & CONTROL BOARD

EXHIBIT

MAR 22 1988

NO. 13

NOTICE
PURSUANT TO THE PROVISIONS OF
SECTION 44-7-1590
CODE OF LAWS OF SOUTH CAROLINA 1976
STATE BUDGET & CONTROL BOARD

NOTICE is hereby given, pursuant to the provisions and requirements of Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976 (the Act), that the State Budget and Control Board of South Carolina, pursuant to a Petition filed by the County Council of Spartanburg County, South Carolina, has given its approval to the following undertaking by Spartanburg County, South Carolina:

The issuance by Spartanburg County, South Carolina, of its Hospital Facilities Revenue, Refunding and Improvement Bonds (as defined in the Act), Series 1988 (Mary Black Memorial Hospital, Inc. Project), in the aggregate principal amount of not exceeding \$25,000,000 (the Bonds); and the loaning of the proceeds of the Bonds to Mary Black Memorial Hospital, Inc., a not-for-profit corporation organized and existing under the Laws of the State of South Carolina, for the purpose of financing (a) the cost of a project (the Project) consisting of the construction on lands currently owned by the Hospital of a perinatal center and related facilities, and acquisition and installation of major moveable equipment and other hospital equipment, and (b) the cost of refunding, defeasing and discharging the County's \$9,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Bonds, Series 1979 (The Mary Black Memorial Hospital Project) and its \$5,400,000 Spartanburg County, South Carolina, Hospital Facilities Revenue Parity Bonds, Series 1985 (The Mary Black Memorial Hospital Project) (collectively, the Prior Bonds), through the issuance of not exceeding \$25,000,000 Spartanburg County, South Carolina, Hospital

Facilities Revenue Refunding and Improvement Bonds, Series 1988 (Mary Black Memorial Hospital, Inc. Project) (the Series 1988 Bonds), all of which will be of the character and accomplish the purposes provided by Title 44, Chapter 7, Article 11, Code of Laws of South Carolina 1976, as amended (the Enabling Statute). The Bonds will be payable from revenues and receipts of the Hospital pledged and assigned to the County under the terms of a Loan and Security Agreement (the Loan Agreement), dated as of April 1, 1988, between the County and the Hospital, which revenues and receipts have been assigned to the Trustee hereinbelow defined by an assignment of the Loan Agreement. The Bonds are further secured by a Trust Indenture, dated as of April 1, 1988, between the County and a trustee bank (the Trustee) to be selected by the Hospital.

The County Council of Spartanburg County has made the following findings:

(i) The Project and the facilities acquired, constructed, and installed from the proceeds of the Prior Bonds are "hospital facilities" (the Hospital Facilities), as defined in the Act.

(ii) There is a need for the Hospital Facilities in the County to serve the people of the County and make accessible modern and efficient hospital facilities at the lowest possible expense to those utilizing such hospital facilities.

(iii) The Hospital is a corporation with established credit and is financially responsible and capable of fulfilling its obligations and discharging its responsibilities which may be imposed under the Loan Agreement.

(iv) Adequate provisions shall be made for the payment of principal and interest on the bonds and any necessary reserves therefor and for the operation, repair, and maintenance of the Hospital Facilities at the expense of the Hospital.

(v) The public facilities, including utilities, and public services necessary for the Hospital Facilities will be made available.

The South Carolina Department of Health and Environmental Control, on May 8, 1987, issued its Certificate of Need, approving the Project.

NOTICE IS FURTHER GIVEN that any interested party may, within twenty (20) days after the date of publication of this Notice, but not afterwards, challenge the validity of the action taken by the State Budget and Control Board, the County Council of Spartanburg County, or the Department of Health and Environmental Control of South Carolina, by action de novo, instituted in the Court of Common Pleas for Spartanburg County, South Carolina.

STATE BUDGET AND CONTROL BOARD

By: William A. McInnis
Secretary

EXHIBIT
MAR 22 1988 NO. 13
STATE BUDGET & CONTROL BOARD

EXHIBIT

MAR 22 1988 NO. 13

STATE BUDGET & CONTROL BOARD

EXHIBIT

MAR 22 1988

NO. 14

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD SESSION
MEETING OF March 22, 1988 ITEM NUMBER

10

AGENCY: General Services

SUBJECT: Employment Security Commission Charleston Office

The Division of General Services advises that, on August 25, 1987, the Budget and Control Board authorized the Employment Security Commission to acquire a two-acre parcel of land located on Fishburne Street (project #9286) from the City of Charleston. The parcel, appraised at \$525,000, was to be used as a site for a new Employment Security Commission office building and was to be obtained from the City of Charleston in exchange for ESC property at 1061 King Street appraised at \$275,000 and \$100,000 cash.

The City of Charleston now wishes to amend the proposed agreement to substitute a two-acre site on Lockwood Boulevard for the two-acre site on Fishburne and Hagood Streets.

The appraiser who valued the Fishburne property at \$525,000 has indicated that nothing has changed in that neighborhood since the appraisal date which would prompt him to alter the reported value.

The Division indicates that there is a strong possibility that the Lockwood Boulevard site is more valuable although it is at a lower elevation. However, an appraisal has not been obtained.

BOARD ACTION REQUESTED:

Authorize the Employment Security Commission to substitute the acquisition of a two-acre parcel on Lockwood Boulevard from the City of Charleston for a two-acre parcel on Fishburne and Hagood Streets to be used as a site for a new office building (project #9286).

ATTACHMENTS:

Agenda item worksheet; attachment

14008

EXHIBIT

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

MAR 22 1988

NO. 14

Meeting Scheduled for: March 22, 1988

Regular Agenda STATE BUDGET & CONTROL BOARD

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Richard W. Kelly

2. Subject:

Substitution of alternate site for Employment Security Office in Charleston

3. Summary Background Information:

1. On August 25, 1987 the Budget & Control Board authorized the Employment Security Commission to acquire a two acre parcel of land located on Fishburne Street, (appraised at \$525,000) from the City of Charleston, to provide a site for a new office building in exchange for Employment Security Commission Property located at 1061 King Street, (appraised at \$275,000) and \$100,000 of Employment Security Commission cash. This Permanent Improvement Project, Number 9286, was also approved.

2. The City of Charleston has now requested to amend their proposed agreement, to substitute a two acre site on Lockwood Boulevard for the two acre site on Fishburne and Hagood Streets.

3. Employment Security Commission has obtained a letter from the appraiser of the Fishburne Property saying that, in his opinion, nothing has changed in that neighborhood since the appraisal date which would prompt him to alter the reported value. There is a strong possibility that the Lockwood Boulevard site is more valuable, however, an appraisal of the Lockwood property has not been obtained.

4. What is Board asked to do?

Approve the property substitution.

5. What is recommendation of Board Division involved?

Approve the property substitution.

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Summary of B&CB Action dated August 25, 1987
2. Proposed Agreement for transfer of land
3. Appraisal letter dated February 17, 1988
4. Map Of Area
5. SC Code 1-11-65
6. Letter From Employment Security Commission

14009

EXHIBIT

MAR 22 1988

NO. 14

Summary of BC3 Actions
August 25, 1987 Meeting
Page 4

STATE BUDGET & CONTROL BOARD

(d) Item 30:

Agency: Criminal Justice Academy Project: Kitchen/Cafeteria Upgrade
Request: Increase budget to \$800,000
Amount: Add \$300,000
Source: Other (Fines & Forfeitures) funds
Purpose: Programmatic development indicated that there is a need to revise scope by relocating the Clipper Room (dishwashing area) in the existing Conference Room to improve circulation and avoid conflict with the serving line;

15. Authorized the Employment Security Commission (ESC) to acquire a two-acre land parcel located on Fishburne Street (appraised at \$525,000) from the City of Charleston to provide a site for a new office building in exchange for the ESC property located at 1061 King Street (appraised at \$275,000) and \$100,000 of ESC cash;
16. Authorized the Employment Security Commission to acquire a two-acre land parcel on Highway 9 in Bennettsville for a site for a 4,000 square foot office building with off-street parking for the appraised value of \$25,000;
17. Authorized the Employment Security Commission to trade a one-acre lot in Bluffton (appraised at \$45,000) for a 1½-acre site (corner lot with better access and closer to the Center entrance, appraised at \$52,300);
18. Authorized the Wildlife and Marine Resources Department to purchase a 70-acre tract (appraised value \$2,700 per acre) and an 8-acre tract (appraised value \$850 per acre) adjacent to the 58.5-acre Bunched Arrowhead Preserve purchased recently;
19. Approved the Forestry Commission request to dispose of the Cane Branch Tower residence in Colleton County under standard surplus property procedures;
20. Approved the following:
 - (a) Sale by Clemson University of 44± acres to the Agricultural Research Service of the U.S. Department of Agriculture for the appraised value of \$134,649;
 - (b) Lease by Clemson University of 14± acres contiguous to the 44± acre tract to the U.S. Department of Agriculture for ten years;
 - (c) Agreement between Clemson University and the South Carolina Department of Agriculture (1) giving the Department the right to purchase the 14± acres leased to the U.S. Department of Agriculture during the term but subject to that lease; and (2) if the 14± acre tract is not earlier purchased by the Department, leasing the tract to the Department with an option to buy;

EXHIBIT

MAR 22 1988 NO. 14

STATE OF SOUTH CAROLINA) STATE BUDGET & CONTROL BOARD
COUNTY OF CHARLESTON) AGREEMENT FOR THE TRANSFER OF LAND

AGREEMENT concluded this _____ day of _____, 1987, by and between the South Carolina Employment Security Commission, an agency of the State of South Carolina (herein the Commission), and the City of Charleston, South Carolina, a municipal corporation of the State of South Carolina (herein the City).

For and in consideration of the mutual promises, covenants and conditions contained herein, and in further in consideration of the sum of \$1.00, the receipt and sufficiency of which is hereby acknowledged, is agreed, by and between the parties, as follows:

1. The City does agree to convey to the Commission, by Special Warranty Deed, approximately two (2) acres of land lying generally at the southwest corner of Fishburne and Hagood Streets in the City of Charleston (Fishburne/Hagood Property), and is a portion of TMS #460-00-00-008 and 460-00-00-022. In order to arrive at and delineate a complete, accurate and final description, the City shall have the property surveyed and a plat of the property drawn.

2. The Commission agrees, in consideration of the foregoing transfer, to convey to the City, by Special Warranty Deed, all its interest in that certain parcel of property now known as,

14C11

EXHIBIT

MAR 22 1988 NO. 14

STATE BUDGET & CONTROL BOARD

or formerly known as, 1061 King Street, the same bearing TMS #463-15-02-096. In addition, and in further consideration of the foregoing transfer, the Commission does agree to pay to the City at the time of the transfer the sum of \$100,000 in cash.

3. As a part and parcel of this Agreement, the Commission does agree that the primary structure that may be constructed by it on the Fishburne/Hagood Property shall be no less than three (3) stories in height. The Commission does also agree to submit any development plan for the Fishburne/Hagood Property to the City's Technical Review Committee to assure that the development complies with all requirements of the City zoning ordinance. Finally, any development undertaken by the Commission on the Fishburne/Hagood Property shall be subject to the review and approval of the Board of Architectural Review of the City of Charleston.

4. The City does agree to assist the Commission in the preparation and submission of the necessary applications to the applicable City Boards and Commissions, including but not limited to the Board of Architectural Review, the Planning and Zoning Commission and the Board of Adjustment.

5. The Commission does agree to, and hereby does, accord the City, its successors and assigns, (1) the first right to repurchase the Fishburne/Hagood Property if it should hereafter ever seek to dispose of the property; and (2) the right to repurchase the property at the end of five (5) years from the

EXHIBIT

MAR 22 1988

NO. 14

STATE BUDGET & CONTROL BOARD

date of transfer to the Commission if the Commission has not constructed an office building on the site within five (5) years of its having acquired title to the site. If the right of re-purchase be exercised by the City, then the purchase price shall be that paid by the Commission, to wit: the appraised value of 1061 King Street as stipulated in the appraisal done by Charleston Appraisal Services dated November 6, 1986, a copy of which is on file in the Clerk of Council's Office, plus \$100,000; provided, however, that should this right of re-purchase be exercised by the City after the Commission has held title to the property for more than five (5) years, then the re-purchase price shall be that paid for the property by the Commission, to wit: the appraised value of 1061 King Street as stipulated hereinabove plus \$100,000, escalated at the rate of six (6%) percent, per year, simple interest, commencing at the beginning of the sixth (6th) year after the Commission has acquired title and continuing for each successive year, pro-rated for partial years, thereafter.

6. The property transfer contemplated by this Agreement (i.e. Fishburne/Hagood Property and 1061 King Street) shall occur within sixty (60) days of the State Budget and Control Board having approved this contract. The Commission agrees to promptly notify the City upon receipt of State Budget and Control Board approval or disapproval.

7. The Commission does contemplate removing its offices from 1061 King Street to the Fishburne/Hagood Property upon the completion of the construction of an office building on the Fishburne/Hagood Property. In the interim, the Commission will be accorded the right to lease 1061 King Street for office use, subject to the parties mutually agreeing upon terms concerning rent and the duration of the lease. It is acknowledged that, at a minimum, the lease will include reimbursement to the City for any and all out-of-pocket expenses it may incur in operating the building, including but not limited to all types of insurance, utilities and taxes, if applicable, plus a reasonable rental. Additionally, the lease will require the Commission to indemnify and hold the City harmless from any claims arising out of its occupancy of the building. The parties agree to work with each other in good faith so as to have a lease proposal finalized on or before the settlement and conveyance of the subject properties.

8. This Agreement is contingent upon each party being able to tender to the other, without any judicial or other proceeding, fee simple, marketable title to the tract of land that each has bound itself herein to convey, and also, on the approval of this contract by the State Budget and Control Board.

9. The parties acknowledge that the terms and provisions hereof shall survive, and not merge into, the property transfer contemplated hereby, and do agree to execute the necessary

EXHIBIT

MAR 22 1988

NO. 14

documents required, if such be required, to issue the same. ~~STATE BUDGET & CONTROL BOARD~~

IN WITNESS WHEREOF the parties have set their hands and seals this day and year as aforewritten.

WITNESS

CITY OF CHARLESTON

BY: _____

ITS: _____

WITNESS

EMPLOYMENT SECURITY COMMISSION

BY: _____

ITS: _____



174 East Bay Street, Suite 200
Charleston, South Carolina 29401
Phone: (803) 722-1039

9-E 40th, 5th Floor
New York, New York 10016
Phone: (212) 213-2348

FRED J. ATTAWAY, JR., MAI
C.O. THOMPSON, III, MAI
HARVEY P. JEFFERS, MAI
REAL ESTATE APPRAISERS AND CONSULTANTS

EXHIBIT
MAR 22 1988
NO. 14

STATE BUDGET & CONTROL BOARD

Mailing Address:
P.O. Box 833
Charleston, South Carolina
29402-0833

ASSOCIATES
STEPHEN C. ATTAWAY
BETH BELL
JOHN T. BLACK, JR.
EMORY O. BROWN
PATRICIA B. BROWN
JOANNA G. DRAKE
GRACE P. JEFFERS
FRANCIS B. KERR, JR.
LISA D. NIMMICH
J. MICHAEL SURLS
ANN L. WEEKLEY

February 17, 1988

Mr. C. Michael Mungo
South Carolina Employment Security Commission
P.O. Box 995
Columbia, South Carolina 29202

RE: Appraisal of a 2.0 Acre Site
Fishburne Street
Charleston, South Carolina
TMS 460-00-00-008

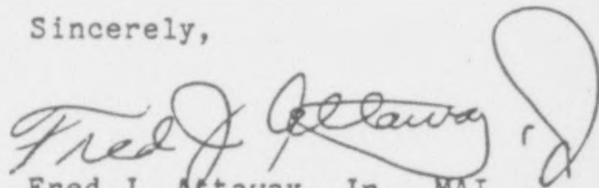
Dear Mr. Mungo:

I have reviewed our appraisal performed on the above referenced property as of July 10, 1987, in which the indicated Fair Market Value of the subject property was \$525,000. It is difficult to detect a marginal change in the past eight months in an area of extremely limited real estate activity.

In my opinion, nothing has changed in that neighborhood since the appraisal date which would prompt me to alter the reported value.

I trust this is adequate for your purposes.

Sincerely,


Fred J. Attaway, Jr., MAI

FJAjr:erm
87C-188



14016

EXHIBIT

§ 1-11-35

ADMINISTRATION OF THE GOVERNMENT

MAR 22 1988

NO. 1

§ 1-11-35. Procurement of products manufactured in South Carolina or United States; priority over foreign products.

The State Budget and Control Board by regulation shall develop and implement a policy whereby this State, and its agencies, departments, institutions of higher learning, boards, commissions, and committees in procuring necessary products to perform their assigned duties and functions must obtain products made, manufactured, or grown in South Carolina if available or must obtain products made, manufactured, or grown in the United States if similar South Carolina products are not available before any foreign made, manufactured, or grown products may be procured.

HISTORY: 1985 Act No. 201, Part II, § 70.

§ 1-11-65. Approval and recordation of real property transactions involving governmental bodies.

All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board unless a governmental body is expressly exempted by the Budget and Control Board.

HISTORY: 1985 Act No. 201, Part II, § 5.

§ 1-11-70. Lands subject to Board's control.

All vacant lands and lands purchased by the former land commissioners of the State shall be subject to the directions of the State Budget and Control Board.

HISTORY: 1962 Code § 1-357; 1952 Code § 1-357; 1942 Code § 2137; 1932 Code § 2137; Civ. C. '22 § 98; Civ. C. '12 § 93; Civ. C. '02 § 89; G. S. 61; R. S. 83; 1878 (16) 559; 1950 (46) 3605.

Cross references—

As to State Budget and Control Board granting easements and rights of way over vacant lands or marshlands, see §§ 1-11-80 and 1-11-90.

As to lease of gas, oil and certain other mineral interests upon lands and waters under control of State Budget and Control Board, see § 10-9-10.

As to duties and authority of State Budget and Control Board over state's phosphate interests, see §§ 10-9-110 et seq.

Research and Practice References—

63A Am Jur 2d, Public Lands § 113.

73B CJS, Public Lands §§ 178, 180.

§ 1-11-75. Board may charge fee to applicants for permits to engage in construction, alteration, dredging, filling and the like in state's navigable waters.

The State Budget and Control Board may charge a fee to an

72

applicant filling or project is that charge services, and is non-co have no c ten dollar

The fee the General to the State Board to mending application.

HISTORY:

§ 1-11-80. Utilities.

The State easements maintenance railroad for land as ar value ther

HISTORY:

Cross reference As to sale 3, § 31.

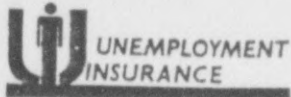
§ 1-11-90. State agencies.

The State political way through for the co ways or p Control B affected th

HISTORY:

Cross reference As to sale 3, § 31.

14018



EXHIBIT

MAR 22 1988

NO. 14 ^{JOB SERVICE}

South Carolina

Employment Security Commission

STATE BUDGET & CONTROL BOARD

COMMISSION

Frank E. Baldwin, Jr., Chairman
C. Lem Harper, Vice-Chairman
Cecil T. Sandifer, Commissioner



1550 Gadsden Street
P. O. Box 995
Columbia, South Carolina 29202

March 14, 1988

EXECUTIVE DIRECTOR

Robert E. "Jack" David

Mr. Jack Sprott
Property Management
Budget and Control Board
1201 Main Street (Suite 401)
Columbia, S. C. 29201



Dear Mr. Sprott:

Attached is a letter-appraisal for a building site located on Lockwood Boulevard in Charleston. We have been asked by Mayor Riley to build on this lot instead of the one located on the corner of Fishbourne and Hagood. Mayor Riley and his staff would like to keep the Fishbourne site within the six-acre tract for future development.

Therefore, we are asking for your assistance in reviewing this proposal and placing it on the March 22, 1988 Agenda of the Budget & Control Board.

If any additional information is needed, please contact Mike Mungo at 737-2547.

Sincerely,

Robert E. David
Executive Director

RED/lf
Encl.
ADM-9

14019

EXHIBIT

MAR 22 1988

NO. 15

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

REGULAR SESSION

ITEM NUMBER

11

AGENCY: General Services

SUBJECT: Property Purchase, Wildlife Department

The Division of General Services advises that the Department of Wildlife and Marine Resources wants to purchase 453 acres, the Tilghman property, in Marion County to be dedicated as a heritage preserve.

The property is a deep swamp system in the Little Pee Dee River corridor. It harbors *Ilex amelanchier*, a plant species under federal status review for possible listing as endangered or threatened.

This acquisition, project #9511, was approved by the Bond Committee on March 2, 1988. The purchase price, also the appraised value, is \$92,260 and will be paid from Heritage Land Trust Funds.

The property is in two tracts: one of 452 acres owned by the Nature Conservancy and one of approximately 1.2 acres owned by Mrs. Lawton Huggins.

BOARD ACTION REQUESTED:

Approve the Wildlife and Marine Resources Department purchase of 453 acres in Marion County for the appraised value of \$92,260 to be dedicated as a heritage preserve.

ATTACHMENTS:

Agenda item worksheet; attachments

14020

EXHIBIT

MAR 22 1988

NO. 15

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)
STATE BUDGET & CONTROL BOARD

Meeting Scheduled for: March 22, 1988

REGULAR AGENDA

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Richard W. Kelly

2. Subject: Wildlife Department purchase of 453 + acres in Marion County

3. Summary Background Information:

The Wildlife Department desires to purchase 453 acres in Marion County to be dedicated as a Heritage Preserve. The property, known as the Tilghman property is a deep swamp system in the Little Pee Dee River corridor. It harbors llexamelanchier, a plant species under federal status review for possible listing as federally endangered or threatened. This acquisition is permanent improvement project #9511 which was approved by JBRC on 3-2-88. The source of funds is the Heritage Land Trust. The purchase price is \$92,260 which is the appraised value of the property. Tract one contain 452 acres and is owned by the Nature Conservancy. Tract two contains approximately 1.2 acres and is owned by Mrs. Lawton Huggins.

4. What is Board asked to do?

Approve the Wildlife Department purchase of 453 acres for the appraised value of \$92,260 to be dedicated as a Heritage preserve.

5. What is recommendation of Board Division involved?

Approve

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

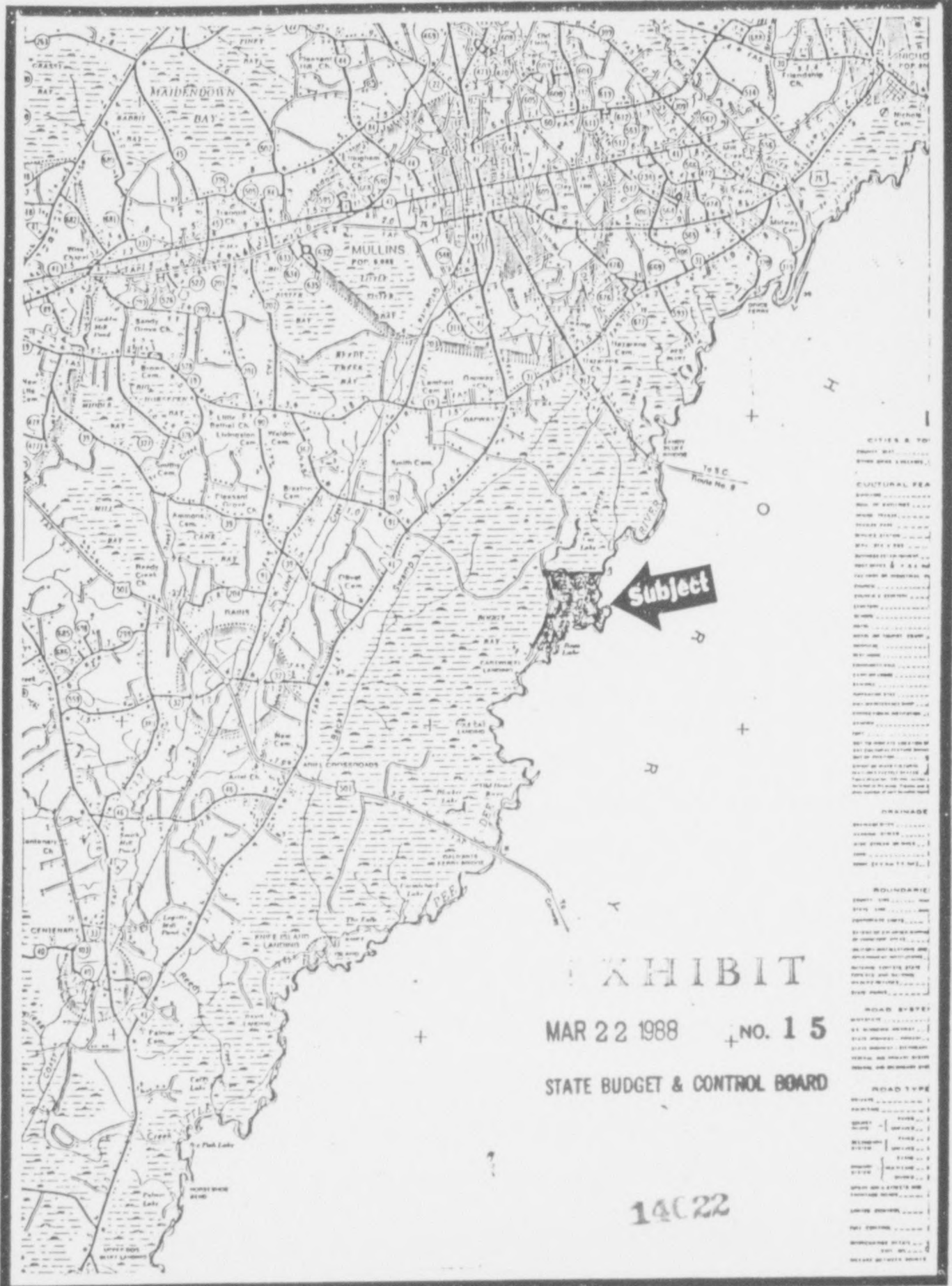
7. Supporting Documents:

(a) List Those Attached:

1. Map of the property
2. Appraisal
3. Code 1-11-65

(b) List Those Not Attached But Available From Submitter:

14021



Site Location

JEFFERY WYMAN & ASSOCIATES

REAL ESTATE APPRAISERS AND CONSULTANTS
17 CALENDAR COURT, SUITE 4
COLUMBIA, SOUTH CAROLINA 29206

TELEPHONE (803) 782-5008

EXHIBIT

MAR 22 1988

NO. 15

STATE BUDGET & CONTROL BOARD

February 1, 1988

Mr. Zach Corontzes
South Carolina Wildlife & Marine Resources Dept.
Non-Game and Heritage Trust Program
P.O. Box 167, 1000 Assembly Street
Columbia, SC 29202

RE: Appraisal of two tracts of land in Marion County, South Carolina. Tract One contains approximately 452 acres and is owned by The Nature Conservancy. Tract Two contains approximately 1.2 acres of land and is owned by Mrs. J. Lawton Huggins.

Dear Mr. Corontzes:

Pursuant to your request, we have inspected and appraised all those pieces, parcels or tracts of land as referenced above for the purpose of estimating their market value.

It should be noted at this time that your appraisers were not supplied with accurate plats of these parcels of land. The amount of acreage contained in these parcels of land was estimated by the Wildlife Department, therefore, this appraisal is contingent upon accurate surveys of both tracts to determine the exact acreage.

After applying the methods and techniques recommended by The Society of Real Estate Appraisers, The American Institute of Real Estate Appraisers and The American Society of Farm Managers and Rural Appraisers and after analyzing the data presented, including the attached Assumptions and Limiting Conditions, it is our opinion that the Market Value of the subject properties as of January 28, 1988, is:

TRACT ONE
(\$200 per acre)
NINETY THOUSAND FOUR HUNDRED DOLLARS
\$90,400

14023

Mr. Zach Corontzes
February 1, 1988
Page Two

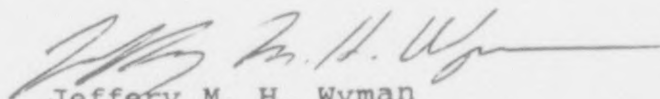
EXHIBIT

MAR 22 1988 NO. 15

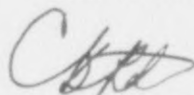
STATE BUDGET & CONTROL BOARD

TRACT TWO
(\$1,550 per acre)
ONE THOUSAND EIGHT HUNDRED SIXTY DOLLARS
\$1,860

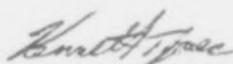
Respectfully submitted,



Jeffery M. H. Wyman
Real Estate Appraiser
and Consultant



Clyde B. Ratchford, M.A. I.



Kenneth T. Jones
Associate Appraiser

14C24

EXHIBIT

MAR 22 1988

NO. 15

STATE BUDGET & CONTROL BOARD

§ 1-11-35 ADMINISTRATION OF THE GOVERNMENT

§ 1-11-35. Procurement of products manufactured or produced in South Carolina or United States; priority over foreign products.

The State Budget and Control Board by regulation shall develop and implement a policy whereby this State, and its agencies, departments, institutions of higher learning, boards, commissions, and committees in procuring necessary products to perform their assigned duties and functions must obtain products made, manufactured, or grown in South Carolina if available or must obtain products made, manufactured, or grown in the United States if similar South Carolina products are not available before any foreign made, manufactured, or grown products may be procured.

HISTORY: 1985 Act No. 201, Part II, § 70.

§ 1-11-65. Approval and recordation of real property transactions involving governmental bodies.

All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board unless a governmental body is expressly exempted by the Budget and Control Board.

HISTORY: 1985 Act No. 201, Part II, § 5.

§ 1-11-70. Lands subject to Board's control.

All vacant lands and lands purchased by the former land commissioners of the State shall be subject to the directions of the State Budget and Control Board.

HISTORY: 1962 Code § 1-357; 1952 Code § 1-357; 1942 Code § 2137; 1932 Code § 2137; Civ. C. '22 § 98; Civ. C. '12 § 93; Civ. C. '02 § 89; G. S. 61; R. S. 83; 1878 (16) 559; 1950 (46) 3605.

Cross references—

As to State Budget and Control Board granting easements and rights of way over vacant lands or marshlands, see §§ 1-11-80 and 1-11-90.

As to lease of gas, oil and certain other mineral interests upon lands and waters under control of State Budget and Control Board, see § 10-9-10.

As to duties and authority of State Budget and Control Board over state's phosphate interests, see §§ 10-9-110 et seq.

Research and Practice References—

63A Am Jur 2d, Public Lands § 113.

73B CJS, Public Lands §§ 178, 180.

§ 1-11-75. Board may charge fee to applicants for permits to engage in construction, alteration, dredging, filling and the like in state's navigable waters.

The State Budget and Control Board may charge a fee to an

EXHIBIT

MAR 22 1988

NO. 16

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD REGULAR SESSION
MEETING OF March 22, 1988 ITEM NUMBER

12

AGENCY: General Services

SUBJECT: Quit Claim Deed, Clarks Hill-Russell Authority

In February 1987, the Board approved the sale by Clarks Hill-Russell Authority of 7.4 acres of land to McCormick County for a site for a nursing home.

Bond counsel W. E. Applegate, III, advises that a reverter clause in the deed giving the Authority the right to repurchase the land if the County fails to construct the nursing home within three years prevents the existence of the first mortgage lien on the property in favor of the Bond trustee and holders of the Bonds (to be issued to finance the nursing home) as required by the Trust Indenture pursuant to which the Bonds will be issued.

BOARD ACTION REQUESTED:

Approve conveyance by a quit claim deed of all of Clarks Hill-Russell Authority's interest in the 7.4-acre site for \$1.00.

ATTACHMENTS:

Agenda item worksheet; Applegate 3/17/88 letter to Parrott; quit claim deed

14026

EXHIBIT

MAR 22 1988

NO. 16

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET (12/84)

STATE BUDGET & CONTROL BOARD

Meeting Scheduled for: March 22, 1988

Agenda: Regular

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Richard W. Kelly, Division Director

2. Subject: Clark's Hill-Russell Authority seeks approval of its giving a Quit-Claim Deed for 7.4 acres to McCormick County.

3. Summary Background Information:

On February 10, 1987, Clark's Hill-Russell Authority requested that Board's approval of its sale for \$10,485 of 7.4 acres to McCormick County to be used to construct and operate a nursing home; the Board granted its approval. Bond Counsel for the county now advises that a reversionary clause in the deed giving Clark's Hill-Russell Authority the right to repurchase the 7.4 acres if the county fails to construct the nursing home within three years prevents the existence of a first mortgage lien on the property in favor of the Bond Trustee and in effect, prevents the issuance of the bonds to be used in financing the construction of the nursing home.

4. What is Board asked to do?

Approve Clark's Hill-Russell Authority's conveyance by Quit-Claim Deed of all of its interest in the 7.4 acres for \$1.00.

5. What is recommendation of Board Division involved?

That the sale be approved.

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

(a) List Those Attached:

1. Letter of Bond Counsel
2. Proposed Quit-Claim Deed

(b) List Those Not Attached But Available From Submitter:

14027

EXHIBIT

HAYNSWORTH, MARION, McKAY & GUERARD
ATTORNEYS AT LAW

MAR 22 1988

NO. 16

Sixth Floor, South Carolina National Bank Building STATE BUDGET & CONTROL BOARD

Post Office Drawer 7157
Columbia, South Carolina 29202
(803) 765-1818

Two Shelter Centre
Eleventh Floor
Post Office Box 2048
Greenville, South Carolina 29602
(803) 240-3200

Two Prioleau Street
Post Office Box 1119
Charleston, South Carolina 29402
(803) 722-7606

W. Francis Marion
Julius W. McKay
Robt. S. Galloway, Jr.
Fred D. Cox, Jr.
O.G. Calhoun, Jr.
Theodore B. Guerard
Donald L. Ferguson
G. Dewey Oxner, Jr.
William M. Grant, Jr.
Jesse C. Belcher, Jr.
Maye R. Johnson, Jr.
W. E. Applegate, III
Charles E. McDonald, Jr.
William E. Shaughnessy
James B. Pressly, Jr.
Sherwood M. Cleveland
H. Donald Sellers
Robert C. Wilson, Jr.
Donald A. Harper

Andrew J. White, Jr.
Ellis M. Johnston, II
Joseph J. Blake, Jr.
John M. Campbell, Jr.
William C. Cleveland
Sam L. Stephenson
Thomas H. Coker, Jr.
John Paul Trouche
William P. Simpson
Theodore S. Stern, Jr.
W. Francis Marion, Jr.
John B. McLeod
Bryan Francis Hickey
Samuel W. Howell, IV
Frances D. Ellison
Robert W. Hassold, Jr.
John H. Muench
Anne Etelson

John R. Tally
Knox H. White
Edwin B. Parkinson, Jr.
H. Sam Mabry, III
F. Matlock Elliott
David Hill Keller
Shawn Daughtridge, Wallace
Anne G. H. Rounds
Roy F. Harmon, III
Alexander M. Bullock
Van D. Hipp, Jr.
Moffatt G. McDonald
Lester S. Schwartz
Carol L. Clark
Jeffrey E. Gray
James H. Ritchie, Jr.
Amy Miller Snyder
Steven T. Moon

H.J. Haynsworth
1859-1941

C.F. Haynsworth
1886-1953

J.M. Perry
1894-1964

Eugene Bryant
1902-1969

OF COUNSEL
Thomas K. Johnstone, Jr.
Andrew B. Marion
Harry R. Stephenson, Jr.

March 17, 1988

Mr. Morrison Parrott
Executive Director
Clarks Hill Russell Authority
P. O. Drawer K
McCormick, South Carolina 29835

BY TELEFAX

RE: \$2,995,000 McCormick County, South Carolina, Hospital
Facilities Revenue Bonds, Series 1988 (McCormick Health Care
Center Project)

Dear Mr. Parrott:

We are serving as bond counsel for the above-captioned bonds (the "Bonds") issued by McCormick County, South Carolina (the "County"). The proceeds from the sale of the Bonds will finance the acquisition, construction, and equipping of the McCormick Health Care Center. As bond counsel, we should like to request the cooperation of the Clarks Hill Russell Authority (the "Authority") in releasing the County from the obligation imposed by, or otherwise cancelling the effect of, the reversionary clause in the Title to Real Estate, dated February 27, 1987, recorded in Deed Book 83, Page 74, in the R.M.C. office of the County, by which the Authority conveys certain real property to the County (the "Deed").

The reversionary clause provides that the County must sell, and the Authority must repurchase, the property if the County fails to construct and operate a nursing home and related health care facilities on the property within a three-year period. The clause therefore prevents the existence of the first mortgage lien on the property in favor of the Bond trustee and the holders of the Bonds that is required by the Trust Indenture pursuant to which the Bonds will be issued.

14C28

HAYNSWORTH, MARION, McKAY & GUÉRARD
ATTORNEYS AT LAW

Mr. Morrison Parrott
March 17, 1988
Page 2

EXHIBIT

MAR 22 1988 NO. 16

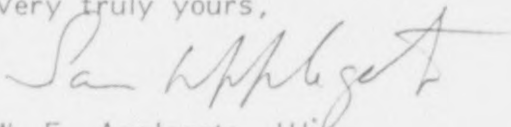
STATE BUDGET & CONTROL BOARD

The requirement of a first mortgage lien is necessary to provide collateral for the holders of the Bonds. Absent this collateral, the Bonds could not be successfully marketed. As the proceeds from the sale of the Bonds are essential to finance the construction of the McCormick Health Care Center, the cancellation of the effect of or release from the reversionary clause in the Deed becomes critical.

Either the granting of a new Deed which does not contain a reversionary clause or contains a reversionary clause that will be cancelled upon the issuance of the Bonds and cancels the previous Deed or a supplementary document releasing the County from the obligations imposed by the reversionary clause upon the issuance of the Bonds would be satisfactory. In any case, the document effecting cancellation or release should be in recordable form.

We would very much appreciate the cooperation of the Clarks Hill Russell Authority in resolving this matter in such a way as to permit the issuance of the Bonds on April 7, 1988, as scheduled, and would be grateful for your help in expediting this resolution.

Very truly yours,



W. E. Applegate, III

WEA/mc

cc Curtis E. Baggett
County Supervisor
Frank E. Harrison, Esquire
County Attorney

14029

EXHIBIT

MAR 22 1988

NO. 16

STATE OF SOUTH CAROLINA)

QUIT-CLAIM DEED

COUNTY OF MCCORMICK)

STATE BUDGET & CONTROL BOARD

TO ALL WHOM THESE PRESENTS MAY COME:

WHEREAS, the Clarks Hill Russell Authority of the State of South Carolina, hereinafter referred to as the "Authority", heretofore conveyed a 7.41 acre, more or less, tract of land to the County of McCormick, South Carolina, dated February 27, 1987, recorded in the Office of the Clerk of Court for McCormick County, South Carolina, in Deed Book 83, at Page 74; and

WHEREAS, the said deed contains a condition expressed in the premises clause thereof as follows:

The condition of this conveyance is that by delivery and acceptance of this deed, the Grantee represents and warrants that it intends to utilize the property for the construction and operation of a nursing home and related health care facilities and that the property hereinabove described will be utilized for no other purpose. In the event that, the Grantee is unable or unwilling to complete construction of the proposed facilities, then and in that event, the Grantee agrees to sell and the Grantor agrees to repurchase the property for the purchase price hereinabove provided. This condition is a restriction running with the land for the said three year period.
and

WHEREAS, in order that the County market the bonds for the nursing home to be constructed thereon it is necessary that the condition be released, and the County hold the property in fee simple; and

WHEREAS, it is the desire of the Authority to release said condition in order to encourage, assist, promote and cooperate in the development of the area as required by Sec. 13-9-30 (h), South Carolina Code of Laws, 1976, as amended; and

WHEREAS, the Authority has heretofore been paid the market value of the property and the value of the reversionary interest of the condition is more than offset by the enhancement of the regional economy, from which revenues shall accrue to the benefit of the Authority and the State of South Carolina;

NOW THEREFORE, know all men by these presents that the Clarks Hill Russell Authority of the State of South Carolina in the State aforesaid for and in consideration of the sum of ONE AND 00/100 (\$1.00) DOLLAR AND THE PREMISES, to it in hand paid at and before the sealing of these presents by the County of McCormick, State of South Carolina, in the State aforesaid, the receipt and sufficiency of which is hereby acknowledged, have remised, released and forever quit-claimed and by these presents do remises, release and forever quit-claim unto the said County of McCormick, State of South Carolina, its successors and assigns, forever, the following described property, to wit:

ALL and singular that certain piece, parcel or tract of land, situate

14030

lying and being in the Bordeaux Township, County of McCormick, State of South Carolina, containing SEVEN AND 41/100ths (7.41) gross acres, more or less, fronting for a distance of 539.95 feet, more or less, on South Carolina Road S-33-07 (old Willington Road) the centerline thereof being the line, separating this tract from other lands of the Clarks Hill Russell Authority of the State of South Carolina; on the Southeast and Southwest by lands of Clarks Hill Russell Authority of the State of South Carolina (designated on the plat hereinafter described as a "proposed 66 foot right of way" which said right of way expressly is not herein conveyed nor dedicated to public use); and on the Northwest by lands of the Clarks Hill Russell Authority of the State of South Carolina. For a more particular description of said tract, reference is made to a plat prepared by Newby, Proctor and Associates, Surveyors, dated November 17, 1986, copy of which is recorded in the Office of the Clerk of Court for McCormick County in Plat Book 9, at Page _____. This is a portion of Tract 1-E described in that deed from the United States of America acting by and through the Administrator of General Services Administration, to the Clarks Hill Russell Authority of the State of South Carolina, said deed being dated June 27, 1986, and recorded in the Office of the Clerk of Court for McCormick County in Deed Book 77, at Page 52.

TOGETHER with all and singular the Rights, Members, Hereditaments and Appurtenances to the said Premises belonging, or in anywise incident or appertaining.

TO HAVE AND HOLD, subject to the condition hereinabove contained, all and singular the said premises before mentioned unto the County of McCormick, State of South Carolina, its successors and assigns, forever.

TO HAVE AND TO HOLD all and singular the said premises before mentioned unto the said County of McCormick, its assigns, forever-so that neither the said Clarks Hill Russell Authority of the State of South Carolina nor their assigns nor any other person or persons, claiming under it or them, shall at any time hereafter, by any way or means, have claim or demand any right or title to the aforesaid premises or appurtenances, or any part or parcel thereof, forever.

IN WITNESS WHEREOF, the Clarks Hill Russell Authority of the State of South Carolina, has caused these presents to be executed in its name by John A. McAllister, Sr., its chairman, and by J. L. Burch, its secretary, this the ____ day of _____, in the year of our Lord one thousand nine hundred and eighty eight, and in the two hundred and twelfth year of the Sovereignty and Independence of the United States of America.

CLARKS HILL RUSSELL AUTHORITY OF
THE STATE OF SOUTH CAROLINA

BY _____

JOHN A MCALLISTER, SR., CHAIRMAN

BY _____

J. L. BURCH, SECRETARY

EXHIBIT

MAR 22 1988 NO. 118

STATE BUDGET & CONTROL BOARD

14031

STATE OF SOUTH CAROLINA

COUNTY OF MCCORMICK

)

)

ACKNOWLEDGEMENT

Section 26-3-70 SC Code of Laws

The foregoing instrument was acknowledged before me this _____ day
of _____, 1988, by John A. McAllister, Sr., and J. L. Burch.

Notary Public for South Carolina

My Commission Expires: _____

EXHIBIT

MAR 22 1988 NO. 16

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

)

)

APPROVAL BY STATE BUDGET
AND CONTROL BOARD

The conveyance of the lands hereinbove described is hereby approved by
the South Carolina Budget and Control Board.

SOUTH CAROLINA BUDGET AND CONTROL BOARD

BY _____

ITS _____

BY _____

ITS _____

STATE OF SOUTH CAROLINA

COUNTY OF RICHLAND

)

)

ACKNOWLEDGMENT

Section 26-3-70 SC Code of Laws

The foregoing instrument was acknowledged before this _____ day
of _____, 1988, by _____ and
_____.

Notary Public for South Carolina

My Commission Expires: _____

14032

EXHIBIT

MAR 22 1988

NO. 16

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
COUNTY OF MCCORMICK)
CORRECTIVE DEED)

WHEREAS, the CLARKS HILL RUSSELL AUTHORITY OF THE STATE OF SOUTH CAROLINA, hereinafter referred to as the "Authority", by deed dated February 27, 1987, duly approved by the South Carolina Budget and Control Board and recorded on December 17, 1987 in Deed Book 83 at Page 74 in the Office of the Register of Mesne Conveyances of the County and on December 17, 1987 in Book 7 at Page 91 in the Auditor's Office of the County, hereinafter called the "Prior Deed" has conveyed to the COUNTY OF MCCORMICK, STATE OF SOUTH CAROLINA, hereinafter referred to as the "County", certain property described in the Deed, hereinafter called the "Property"; and

WHEREAS, the reversionary clause set forth in the first full paragraph on the second page of the Deed contains an ambiguity in that the phrase "the said three year period" in the last sentence of such paragraph does not refer to a specified three year period; and

WHEREAS, the Authority now desires to correct such ambiguity by specifying the original intention that the duration of such three year period is the period beginning on the date of the Deed and ending on the third anniversary thereof; and

WHEREAS, in order to accomplish such correction of such ambiguity in the Deed, the Authority, in these presents, does recite again in full the grant of the Property to the County, with the modification of the sentence referred to above by the substitution of the words "a three year period beginning on the date of this Title to

Real Estate, February 27, 1987, and ending on the third anniversary thereof" for the words "the said three year period."

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS that the Clarks Hill Russell Authority of the State of South Carolina in the State aforesaid for and in consideration of the matters recited above and the sum of TEN THOUSAND FOUR HUNDRED EIGHTY-FIVE AND NO/100 DOLLARS (\$10,485.00) recited in the Deed referred to above, to it in hand paid at and before the sealing of these presents by the County of McCormick, State of South Carolina, in the State aforesaid, the receipt and sufficiency of which is hereby acknowledged, have remised, released and forever quit-claimed and by these presents do remise, release and forever quit-claim unto the said County of McCormick, State of South Carolina, forever, the following described property, to wit:

All and singular that certain piece, parcel or tract of land, situate, lying and being in the Bordeaux Township, County of McCormick, State of South Carolina, containing SEVEN AND 41/100ths (7.41) gross acres, more or less, fronting for a distance of 539.95 feet, more or less, on South Carolina Road S-33-07 (old Willington Road) and being bounded on the Northeast by South Carolina Road S-33-07 (old Willington Road) the centerline thereof being the line, separating this tract from other lands of the Clarks Hill Russell Authority of the State of South Carolina; on the Southeast and Southwest by lands of Clarks Hill Russell Authority of the State of South Carolina (designated on the plat hereinafter described as a "proposed 66 foot right of way" which said right of way expressly is not herein conveyed nor dedicated to public use); and on the Northwest by lands of the Clarks Hill Russell Authority of the State of South Carolina. For a more particular description of said tract, reference is made to a plat prepared by Newby, Proctor and Associates, Surveyors, dated November 17, 1986, copy of which is recorded in the Office of the Clerk of Court for McCormick

EXHIBIT

MAR 22 1988 NO. 16

STATE BUDGET & CONTROL BOARD

EXHIBIT

MAR 22 1988 NO. 16

STATE BUDGET & CONTROL BOARD

County in Plat Book 13, at Page 252. This a portion of Tract 1-E described in that deed from the United States of America acting by and through the Administrator of General Services Administration, to the Clarks Hill Russell Authority of the State of South Carolina, said deed being dated June 27, 1986, and recorded in the Office of the Clerk of Court of McCormick County in Deed Book 77, at Page 52.

The condition of this conveyance is that by delivery and acceptance of this deed, the Grantee represents and warrants that it intends to utilize the property for the construction and operation of a nursing home and related health care facilities and that the property hereinabove described will be utilized for no other purpose. In the event that the Grantee is unable or unwilling to complete construction of the proposed facilities, then and in that event, the Grantee agrees to sell and the Grantor agrees to repurchase the property for the purchase price hereinabove provided. This condition is a restriction running with the land for a three year period beginning on the date of this Title to Real Estate, February 27, 1987, and ending on the third anniversary thereof.

TOGETHER with all and singular the Rights, Members, Hereditaments and Appurtenances to the said Premises belonging, or in anywise incident or appurtenanting.

TO HAVE AND HOLD, subject to the condition hereinabove contained, all and singular the said premises before mentioned unto the County of McCormick, State of South Carolina, its successors and assigns, forever.

TO HAVE AND TO HOLD all and singular the said premises before mentioned unto the said County of McCormick, its assigns, forever so that neither the said Clarks Hill Russell Authority of the State of South Carolina nor their assigns nor any other person or persons, claiming under it or them, shall at any time hereafter, by any way or means,

have claim or demand any right or title to the aforesaid premises or appurtenances, or any part or parcel thereof, forever.

IN WITNESS WHEREOF, the Clarks Hill Russell Authority of the State of South Carolina, has caused these presents to be executed in its name by _____, its chairman, and by _____, its secretary, this the ____ day of March, in the year of our Lord one thousand nine hundred and eighty-eight, and in the two hundred twelfth year of the Sovereignty and Independence of the United States of America.

CLARKS HILL RUSSELL AUTHORITY OF
THE STATE OF SOUTH CAROLINA

BY _____, Chairman

BY _____, Secretary

STATE OF SOUTH CAROLINA)
) ACKNOWLEDGMENT
COUNTY OF MCCORMICK) Section 26-3-70 SC Code of Laws

The foregoing instrument was acknowledged before me this _____
day of March, 1988, by _____ and
_____.

Notary Public for South Carolina

My Commission Expires: _____

- 4 -

14036

EXHIBIT
MAR 22 1988 **NO. 16**
STATE BUDGET & CONTROL BOARD

EXHIBIT

MAR 22 1988

NO. 16

STATE OF SOUTH CAROLINA)

COUNTY OF RICHLAND)

STATE BUDGET & CONTROL BOARD

APPROVAL BY STATE BUDGET
AND CONTROL BOARD

The conveyance of the lands hereinabove described is hereby
approved by the South Carolina State Budget and Control Board.

SOUTH CAROLINA STATE BUDGET
AND CONTROL BOARD

BY

William A. McInnis

ITS

Secretary

BY

ITS

Dorothy S. Long
Anna Perreyclean

STATE OF SOUTH CAROLINA)

COUNTY OF RICHLAND)

ACKNOWLEDGMENT

Section 26-3-70 SC Code of Laws

The foregoing instrument was acknowledged before me this 31st ^{day} ~~day~~
day of March, 1988, by William A. McInnis, its Secretary,
and Dorothy S. Long
Anna Perreyclean.

Dorothy S. Williams
Notary Public for South Carolina

My Commission Expires: 5/3/89

MAR 22 1988 NO. 16

MAR 22 1988

NO. 16

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
)
) RELEASE OF REVERSIONARY
COUNTY OF MCCORMICK)
) INTEREST

WHEREAS, the CLARKS HILL RUSSELL AUTHORITY OF THE STATE OF SOUTH CAROLINA, hereinafter referred to as the "Authority", by deed dated February 27, 1987, duly approved by the South Carolina Budget and Control Board and recorded on December 17, 1987 in Deed Book 83 at Page 74 in the Office of the Register of Mesne Conveyances of McCormick County and on December 17, 1987 in Book 7 at Page 91 in the Auditor's Office of McCormick County, hereinafter called the Deed", has conveyed to the COUNTY OF McCORMICK, STATE OF SOUTH CAROLINA, hereinafter referred to as the "County", certain property described in the Deed (hereinafter called the "Property"); and

WHEREAS, the Deed contains a reversionary clause from which the Authority now desires to release the County upon the issuance by the County of the \$2,995,000 McCormick County, South Carolina, Hospital Facilities Revenue Bonds (McCormick Health Care Center Project) (the "Bonds") for the purpose of defraying the cost of a proposed nursing home and related health care facilities; and

WHEREAS, the Authority has duly approved the release of such reversionary interest pursuant to a Resolution of its Board of Directors; and

WHEREAS, the Budget and Control Board of the State of South Carolina has, on March 22, 1988, duly approved the release of such reversionary interest.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS that the Authority, for and in consideration of the matters recited above and the

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sum of TEN AND NO/100 (\$10.00), the receipt and sufficiency of which is hereby acknowledged, does release, discharge and forever extinguish the reversionary interest in the Property heretofore retained by the Authority as set forth in the Deed, upon the issuance by the County of those certain Bonds referred to above, as evidenced by the filing in the Office of the Clerk of Court for McCormick County, South Carolina, of the Transcript of the Record of Proceedings taken in connection with the issuance of such Bonds, as prescribed by Section 11-15-10, Code of Laws of South Carolina 1976 (as amended), and upon the filing of such Transcript, ipso facto the reversionary interest shall be released, discharged and forever extinguished and of no further force and effect, and the Authority shall have no further interest, of any kind whatsoever, in the Property, and neither the Authority nor its assigns nor any other person or persons, claiming under it or them, shall at any time thereafter, by any way or means, have claim or demand any right or title or interest to or in the Property or appurtenances, or any part or parcel thereof, forever.

IN WITNESS WHEREOF, the Clarks Hill Russell Authority of the State of South Carolina, has caused these presents to be executed in its name by _____, its chairman, and by _____, its secretary, this the _____ day of March, in the year of our Lord one thousand nine hundred and

eighty-eight, and in the two hundred twelfth year of the Sovereignty
and Independence of the United States of America.

CLARKS HILL RUSSELL AUTHORITY OF
THE STATE OF SOUTH CAROLINA

BY _____, Chairman

BY _____, Secretary

STATE OF SOUTH CAROLINA)
) ACKNOWLEDGMENT
COUNTY OF MCCORMICK) Section 26-3-70 SC Code of Laws

The foregoing instrument was acknowledged before me this _____
day of March, 1988, by _____ and
_____.

Notary Public for South Carolina

My Commission Expires: _____

EXHIBIT

MAR 22 1988

NO. 16

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)

COUNTY OF RICHLAND)

) APPROVAL BY STATE BUDGET
) AND CONTROL BOARD

The conveyance of the lands hereinabove described is hereby
approved by the South Carolina State Budget and Control Board.

SOUTH CAROLINA STATE BUDGET
AND CONTROL BOARD

BY William A. McInnis

ITS Secretary

BY _____

ITS _____

Nancy S. Long
Anna Penneydean

STATE OF SOUTH CAROLINA)

COUNTY OF RICHLAND)

) ACKNOWLEDGMENT

) Section 26-3-70 SC Code of Laws

The foregoing instrument was acknowledged before me this 31st ^{day} ~~day~~
day of March, 1988, by William A. McInnis, its Secretary,
and Nancy S. Long
and Anna Penneydean.

Joana L. Williams
Notary Public for South Carolina

My Commission Expires: 5/3/89

EXHIBIT

MAR 22 1988

NO. 1 6

HAYNSWORTH, MARION, McKAY & GUERARD
ATTORNEYS AT LAW

STATE BUDGET & CONTROL BOARD

Sixth Floor, South Carolina National Bank Building

Post Office Drawer 7157
Columbia, South Carolina 29202
(803) 765-1818

Two Shelter Centre
Eleventh Floor
Post Office Box 2048
Greenville, South Carolina 29602
(803) 240-3200

Two Prioleau Street
Post Office Box 1119
Charleston, South Carolina 29402
(803) 722-7606

W. Francis Marion
Julius W. McKay
Robt. S. Galloway, Jr.
Fred D. Cox, Jr.
O.G. Calhoun, Jr.
Theodore B. Guerard
Donald L. Ferguson
G. Dewey Oxner, Jr.
William M. Grant, Jr.
Jesse C. Belcher, Jr.
Maye R. Johnson, Jr.
W. E. Applegate, III
Charles E. McDonald, Jr.
William E. Shaughnessy
James B. Pressly, Jr.
Sherwood M. Cleveland
H. Donald Sellers
Robert C. Wilson, Jr.
Donald A. Harper

Andrew J. White, Jr.
Ellis M. Johnston, II
Joseph J. Blake, Jr.
John M. Campbell, Jr.
William C. Cleveland
Sam L. Stephenson
Thomas H. Coker, Jr.
John Paul Trouche
William P. Simpson
Theodore S. Stern, Jr.
W. Francis Marion, Jr.
John B. McLeod
Bryan Francis Hickey
Samuel W. Howell, IV
Frances D. Ellison
Robert W. Hassold, Jr.
John H. Muench
Anne Ellefson

John R. Tally
Knox H. White
Edwin B. Parkinson, Jr.
H. Sam Mabry, III
F. Matlock Elliott
David Hill Keller
Shawn Daughtridge Wallace
Anne G. H. Rounds
Roy F. Harmon, III
Alexander M. Bullock
Van D. Hipp, Jr.
Moffatt G. McDonald
Lester S. Schwartz
Carol L. Clark
Jeffrey E. Gray
James H. Ritchie, Jr.
Amy Miller Snyder
Steven T. Moon

H.J. Haynsworth
1859-1941

C.F. Haynsworth
1886-1953

J.M. Perry
1894-1964

Eugene Bryant
1902-1969

OF COUNSEL
Thomas K. Johnstone, Jr.
Andrew B. Marion
Harry R. Stephenson, Jr.

March 17, 1988

Mr. Morrison Parrott
Executive Director
Clarks Hill Russell Authority
P. O. Drawer K
McCormick, South Carolina 29835

BY TELEFAX

RE: \$2,995,000 McCormick County, South Carolina, Hospital
Facilities Revenue Bonds, Series 1988 (McCormick Health Care
Center Project)

Dear Mr. Parrott:

We are serving as bond counsel for the above-captioned bonds (the "Bonds") issued by McCormick County, South Carolina (the "County"). The proceeds from the sale of the Bonds will finance the acquisition, construction, and equipping of the McCormick Health Care Center. As bond counsel, we should like to request the cooperation of the Clarks Hill Russell Authority (the "Authority") in releasing the County from the obligation imposed by, or otherwise cancelling the effect of, the reversionary clause in the Title to Real Estate, dated February 27, 1987, recorded in Deed Book 83, Page 74, in the R.M.C. office of the County, by which the Authority conveys certain real property to the County (the "Deed").

The reversionary clause provides that the County must sell, and the Authority must repurchase, the property if the County fails to construct and operate a nursing home and related health care facilities on the property within a three-year period. The clause therefore prevents the existence of the first mortgage lien on the property in favor of the Bond trustee and the holders of the Bonds that is required by the Trust Indenture pursuant to which the Bonds will be issued.

14042

HAYNSWORTH, MARION, McKAY & GUÉRARD
ATTORNEYS AT LAW

Mr. Morrison Parrott
March 17, 1988
Page 2

EXHIBIT

MAR 22 1988

NO. 16

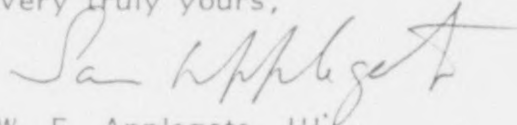
STATE BUDGET & CONTROL BOARD

The requirement of a first mortgage lien is necessary to provide collateral for the holders of the Bonds. Absent this collateral, the Bonds could not be successfully marketed. As the proceeds from the sale of the Bonds are essential to finance the construction of the McCormick Health Care Center, the cancellation of the effect of or release from the reversionary clause in the Deed becomes critical.

Either the granting of a new Deed which does not contain a reversionary clause or contains a reversionary clause that will be cancelled upon the issuance of the Bonds and cancels the previous Deed or a supplementary document releasing the County from the obligations imposed by the reversionary clause upon the issuance of the Bonds would be satisfactory. In any case, the document effecting cancellation or release should be in recordable form.

We would very much appreciate the cooperation of the Clarks Hill Russell Authority in resolving this matter in such a way as to permit the issuance of the Bonds on April 7, 1988, as scheduled, and would be grateful for your help in expediting this resolution.

Very truly yours,



W. E. Applegate, III

WEA/mc

cc Curtis E. Baggett
County Supervisor
Frank E. Harrison, Esquire
County Attorney

14043

EXHIBIT

MAR 22 1988

NO. 17

STATE BUDGET AND CONTROL BOARD STATE BUDGET & CONTROL BOARD
MEETING OF March 22, 1988 ITEM NUMBER

13

AGENCY: General Services

SUBJECT: Easements

- A. The Division of General Services recommends that the Board concur and acquiesce in the granting of the following easement in accord with Code Section 10-1-130:

County Location: Florence
From: Department of Wildlife and Marine Resources
To: Department of Highways and Public Transportation
Description/Purpose: Easement to allow for paving frontage road (Pisgah Road, Florence)

- B. The Division also recommends Board approval of the following easement in accord with Code Section 1-11-80:

County Location: Beaufort
From: State of South Carolina
To: Palmetto Electric Cooperative, Inc.
Description/Purpose: Install, operate and maintain electrical cables beneath the bed of Calibogue Sound
Consideration: \$1,154

BOARD ACTION REQUESTED:

- A. In accord with Code Section 10-1-130, concur and acquiesce in the granting of an easement by the Wildlife and Marine Resources Department to the Department of Highways and Public Transportation to allow for the paving of a frontage road (Pisgah Road, Florence); and
B. In accord with Code Section 1-11-80, grant an easement to Palmetto Electric Cooperative, Inc., to install, operate and maintain electrical cables beneath the bed of Calibogue Sound.

ATTACHMENTS:

Agenda item worksheet; referenced easements

14044

EXHIBIT
BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

For meeting scheduled for **MAR 22 1988**

NO. 17 X

Blue Agenda

Regular Session Agenda

Executive Session Agenda

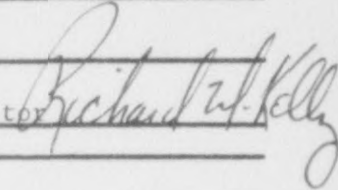
March 22, 1988

STATE BUDGET & CONTROL BOARD

1. Submitted By:

(a) **Agency:** Division of General Services

(b) **Authorized Official Signature:** Richard W. Kelly, Director



2. Subject:

Easement Between the South Carolina Wildlife and Marine Resources Department and the South Carolina Department of Highways and Public Transportation.

3. Summary Background Information:

The Highway Department is in the process of paving and resurfacing Pisgah Road in Florence. A portion of that road fronts the Wildlife Department's Florence District office. The Wildlife Department is requesting approval to grant this easement to the Highway Department in order that their frontage road can be paved thereby enhancing its property.

The proposed easement has been executed by Dr. James A. Timmerman, Jr., Executive Director of the Wildlife Department.

4. What is Board asked to do?

Approve the granting of the proposed easement in accordance with §10-1-130 of the South Carolina Code of Laws, 1976, as amended.

5. What is recommendation of the Board Division involved?

That the proposed easement grant be approved in accordance with §10-1-130 of the South Carolina Code of Laws, 1976, as amended.

6. Recommendation of other office (as required).

(a) **Office Name:** _____

(b) **Authorized Signature:** _____

7. Supporting Documents:

List Those Attached

1. Easement executed by Grantor.
2. Copy of §10-1-130.
3. Letter dated 01/25/88 from Florence District Office.

List Those Not Attached But Available from Submitter

1. Planning and Profile Sheets

14045

EXHIBIT

MAR 22 1988 NO. 17

STATE BUDGET & CONTROL BOARD

The State of South Carolina

TRACT.....3

COUNTY OF Florence

Route No. Road S-112.....File No. 21.....

Project No. C-.....Item No. 29057.....

Approx. survey station, from 28+75 to 29+06 Left

Right of Way Easement

KNOW ALL MEN BY THESE PRESENTS, That I (or we), South Carolina Wildlife and Marine

Resources Department

in consideration of the sum of One Dollar, to me (or us) in hand paid, and other valuable consideration at and before sealing and delivering thereof, by the South Carolina Department of Highways and Public Transportation, receipt of which is hereby acknowledged, have granted, bargained, sold, and released, and by these presents do grant, bargain, sell and release, unto the said South Carolina Department of Highways and Public Transportation, its successors and assigns a right

of way for the construction of a section of the State Highway from survey station 25+00 to survey station 55+00 *see "Special Provisions" on Route No. Road S-112 State and

County aforesaid, as shown by plans prepared by the South Carolina Department of Highways and Public Transportation, on and over all lands which I (or we) may own in whole or in part, for the purpose of locating, constructing, improving, and maintaining the above described highway with the bridges and causeways thereon, and the right to construct and maintain controlled access facilities to said highway.

Bounded by the lands of C. Edward Floyd, Et. Al. on the northeast and by other lands of the Grantor on the southwest and others.

Said right of way to have a width of 66 feet, that is 33 feet on each side of the center line of the highway. The grantor expressly recognizes the possibility that the property described herein may be used in the future by cable television companies for the purposes provided by Act No. 688 of the Acts of Joint Resolutions (1976).

"Special Provisions": The actual easement area extends only to that portion of

roadway fronting the Florence District office between Survey Station 28+75

and Survey Station 29+06 and is limited to the left side of the roadway

centerline. The actual easement area measures 33 feet in width and 31

feet in length.

Together with, all and singular, the rights, members, hereditaments and appurtenances thereunto belonging, or in any wise incident or appertaining, it is agreed that buildings, fences, signs or other obstructions will not be erected by me (or us), my heirs, assigns or administrators within the limits of the right of way herein conveyed and that such buildings and fences as are now within the limits of the right of way herein conveyed will be moved from the right of way and restored in as good condition as before moving at the expense of the South Carolina Department of Highways and Public Transportation.

TO HAVE AND TO HOLD, all and singular, the said right of way and the rights hereinbefore granted, unto the said South Carolina Department of Highways and Public Transportation, its successors and assigns forever.

IN WITNESS WHEREOF, I (or we) have hereunto set my (or our) hand, and seal, this 8th day of February, in the year of our Lord, One Thousand Nine Hundred and Eighty-eight

Signed, sealed and delivered in the presence of:

South Carolina Wildlife and Marine Resources

By: Carl E. Wilkes (L.S.)

NOTE: All Right of Way Agreements must be in writing and are subject to rejection by the South Carolina Department of Highways and Public Transportation.

The State of South Carolina

COUNTY OF RICHLAND

Personally appeared John B. Lewis

and made oath that he saw the within named James A. Tamm, Jr. (Tamm)

sign, seal and, as he act and deed, deliver the within written easement; and that he with

Sworn to before me this 8th day of February, A. D., 1988

My Commission expires 4-1-90 Notary Public for South Carolina

Approved by the State Budget and Control Board at its meeting held March 22, 1988.

William A. Tamm, Secretary

14046

The State of South Carolina

RENUNCIATION OF DOWER

COUNTY OF.....

I,..... Notary Public for S. C.

do hereby certify unto whom it may concern, that Mrs.

the wife of the within named....., did this day appear before me, and upon being privately and separately examined by me, did declare that she does freely, voluntarily, and without any compulsion, dread or fear of any person or persons whomsoever, renounce, release, and forever relinquish unto the within named South Carolina Department of Highways and Public Transportation, its successors and assigns, all her interest and estate, and also her right and claim of dower of, in and to, all and singular, the premises within mentioned and released.

Given under my hand and seal, this.....day of.....

Anno Domini, 19.....

Signature of Wife.....

Sworn to before me this.....day of.....A. D., 19.....

(L. S.)

My Commission expires.....
Notary Public for South Carolina

The State of South Carolina

MORTGAGE RELEASE

COUNTY OF.....

KNOW ALL MEN BY THESE PRESENTS, That I (or we).....do for certain valuable consideration release from the lien and operation of my (or our) mortgage the property conveyed by the within deed so that the said property shall be free and unaffected by said mortgage.

Witness our hand and seal this.....day of....., 19.....

In the presence of:

EXHIBIT

MAR 22 1988 NO. 17

STATE BUDGET & CONTROL BOARD

14047



*South Carolina
Wildlife & Marine
Resources Department*

James A. Timmerman, Jr., Ph.D.
Executive Director

January 25, 1988

EXHIBIT

MAR 22 1988 NO. 17

STATE BUDGET & CONTROL BOARD

Mr. John B. Reeves, Director
Division of Administrative Services
South Carolina Wildlife and Marine Resources Department
P. O. Box 167
Columbia, South Carolina 29202

Dear Mr. Reeves:

RE: HIGHWAY RIGHT OF WAY
FLORENCE DISTRICT OFFICE PROPERTY

I have been informed by the Highway Department that they need additional right of way in order to pave the road in front of our Florence District Office.

I see no problem in granting this request.

Sincerely,

Olin J. Driggers, Captain
District #8

OJD:JJ

14048

EXHIBIT

MAR 22 1988 NO. 17

STATE BUDGET & CONTROL BOARD

§ 10-1-130. State institutions and agencies may grant easements and rights of way on consent of Budget and Control Board.

The trustees or governing bodies of State institutions and agencies may grant easements and rights of way over any property under their control, upon the concurrence and acquiescence of the State Budget and Control Board, whenever it appears that such easements will not materially impair the utility of the property or damage it and, when a consideration is paid therefor, any such amounts shall be placed in the State Treasury to the credit of the institution or agency having control of the property involved.

HISTORY: 1962 Code § 1-49.3; 1963 (53) 177.

Cross references—

As to composition, powers and duties of State Budget and Control Board generally, see Chapter 11 of Title 1.

As to the State Budget and Control Board, generally, see §§ 1-11-10 et seq.

As to execution of conveyances of such easements, see § 1-11-100.

EXHIBIT

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

MAR 22 1988

NO. 18

For meeting scheduled for:

March 22, 1988

XX

Blue Agenda

Regular Session Agenda

Executive Session Agenda

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Richard W. Kelly, Director

2. Subject:

Easement from the State of South Carolina to Palmetto Electric Cooperative, Inc.

3. Summary Background Information:

This is an easement from the State to Palmetto Electric Cooperative, Inc., for the purpose of installing, operating and maintaining two electrical cables four feet beneath the ground bed of Calibogue Sound in order to provide electric service from Bram's Point of Hilton Head Island to Buck Island in Beaufort County.

The easement has been approved by the Attorney General's Office and executed by an executive officer of Palmetto Electric Cooperative. A consideration in the amount of \$1,154 has been paid by the Grantee as well.

4. What is Board asked to do?

Grant the proposed easement in accordance with §1-11-80 of the Code of Laws of South Carolina, 1976, as amended.

5. What is recommendation of the Board Division involved?

That the proposed easement be granted in accordance with §1-11-80 of the Code of Laws of South Carolina, 1976, as amended.

6. Recommendation of other office (as required).

(a) Office Name:

(b) Authorized Signature:

7. Supporting Documents:

List Those Attached

1. Original Easement.
2. Statement of approval by the Grantee.
3. Copy of §1-11-80 of the Code.

List Those Not Attached But
Available from Submitter

14050

MAR 22 1988

NO. 18

STATE BUDGET & CONTROL BOARD

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

EASEMENT

THIS EASEMENT, made and entered into this 17th day of March, 1988, by and between the State of South Carolina, Budget and Control Board, as Grantor (hereinafter "STATE"), and Palmetto Electric Cooperative, Inc., as Grantee (hereinafter "COOPERATIVE").

WITNESSETH

WHEREAS, COOPERATIVE is an electric distribution cooperative providing electric service to customers in Hampton, Jasper and Beaufort Counties. COOPERATIVE's mailing address is Post Office Box 1218, Hilton Head, South Carolina 29925; and

WHEREAS, COOPERATIVE proposes to install, operate and maintain two electrical cables four feet beneath the ground bed of Calibogue Sound in order to provide electric service from Bram's Point of Hilton Head Island to Buck Island in Beaufort County, South Carolina. The easement area is more particularly shown and delineated on a plat entitled "A PLAT SHOWING PROPOSED EASEMENT IN CALIBOGUE SOUND" dated January 26, 1988, which is attached hereto and incorporated herein by reference as Exhibit A.

WHEREAS, pursuant to Section 1-11-80 of the South Carolina Code of Laws, 1976, as amended, the STATE is empowered to grant certain rights-of-way or easements through and over riverbeds and marshlands for construction, operation, and maintenance of power lines over, on, or under such land or marshland as are owned by the STATE; and

14051

EXHIBIT

MAR 22 1988 NO. 18

STATE BUDGET & CONTROL BOARD

WHEREAS, COOPERATIVE is desirous of obtaining the hereinafter described easement through and over riverbeds and marshlands in Beaufort County, and the STATE considers the granting of such an easement to be in the public interest.

NOW, THEREFORE, the STATE as Grantor, in consideration of the sum of One Thousand One Hundred Fifty-four and NO/100 (\$1,154.00) Dollars, receipt of which is hereby acknowledged, does hereby grant, remise, and release unto COOPERATIVE, its successors and assigns, a right-of-way easement in, to, upon and over the below described portion of riverbed and marshland; such riverbed and marshland situate in Beaufort County and lying below the mean high water line.

This Easement of right-of-way shall be used solely for the purposes incidental with the installation, operation and maintenance of said electrical cables beneath the ground bed of Calibogue Sound in order to provide electric service from Bram's Point of Hilton Head Island to Buck Island in Beaufort County, South Carolina. The easement area is more particularly described as follows:

A 40 foot wide Utility Easement beginning at a concrete monument situate at the northeast corner of Lot "H" and the northwest corner of Lot "I", Bram's Point Subdivision, Spanish Wells Plantation, Hilton Head Island, South Carolina; thence North 63 Degrees 48 Minutes 00 Seconds West for a distance of 267.58 feet to a point; thence South 46 Degrees 22 Minutes 01 Seconds West for a distance of 507.49 feet to a point; thence South 25 Degrees 00 Minutes 35 Seconds West for a distance of 1015.77 feet to a point; thence South 36 Degrees 23 Minutes 00 Seconds West for a distance of 1869.83 feet to a point; thence South 42 Degrees 39 Minutes 46 Seconds West for a distance of 933.66 feet to a point; thence South 30 Degrees 06 Minutes 38 Seconds West for a distance of 978.38 feet to a point; thence South 13 Degrees 00 Minutes 46 Seconds East for a distance of 713.54 feet to a point being the high water mark of Buck Island.

14052

EXHIBIT

MAR 22 1988

NO. 18

STATE BUDGET & CONTROL BOARD

The easement area is more particularly shown and delineated on a plat entitled "A PLAT SHOWING PROPOSED EASEMENT IN CALIBOGUE SOUND", prepared by T-Square Group, Inc., Forrest F. Baughman, dated January 26, 1988, which is attached hereto and incorporated herein by reference as Exhibit A.

This easement of right-of-way is subject to all easements and rights-of-way of record or which may be revealed by inspection of the property and extends only to the STATE's prima facie ownership.

COOPERATIVE hereby agrees and covenants with the STATE that COOPERATIVE, its successors and assigns, shall not block or obstruct navigable waters or cause unreasonable adverse impact on fish, wildlife, or water quality in its use of the easement area. COOPERATIVE shall use the easement area solely for the purposes incidental with the installation, operation, and maintenance of said electrical cables, and shall maintain such easement area and electrical cables in good condition.

COOPERATIVE further agrees and covenants that COOPERATIVE shall indemnify and hold harmless the STATE from and against any and all liabilities, claims, causes of action and expenses including, but not limited to, reasonable costs and attorney fees, resulting from bodily injury or death to any person or persons or damage to any property at any time that arises from or is incident to the construction, operation, maintenance, or use of the easement granted herein.

In the event of major maintenance, after construction, affecting the bed of the waterway, the South Carolina Coastal Council and the South Carolina Water Resources Commission shall be notified in writing prior thereto.

EXHIBIT

MAR 22 1988

NO. 18

STATE BUDGET & CONTROL BOARD

COOPERATIVE will comply with and be bound by any and all applicable State statutes, regulations, and terms and conditions of any permits or agreements concerning this project and any and all lands and waters involved therewith.

This Easement may be terminated by the STATE, in its discretion and such interests as the STATE may have shall revert to the STATE if COOPERATIVE, its successors and assigns: (1) quits and abandons all use of such electrical cables, in which case this easement of right-of-way shall terminate thirty (30) days after the date of such abandonment; or (2) continues an uncorrected violation or breach of any of the terms and conditions herein.

It is further understood and agreed that this easement is not to be construed as an easement granted to the exclusion of the STATE or to others later granted a similar right. This easement is subject to all easements, permits, restrictions and covenants of record, or of plats of record, or which may be revealed upon inspection of the property.

IN WITNESS WHEREOF, this instrument is being executed in accordance with the action of the South Carolina Budget and Control Board at its meeting held on the 22nd day of March, 1988.

WITNESSES:

Michael L. Thompson
Florence O. Roach

(signatures continue)

STATE OF SOUTH CAROLINA
BUDGET & CONTROL BOARD

BY: Carroll A. Campbell, Jr.
Governor Carroll A. Campbell, Jr.
Chairman

14054

PALMETTO ELECTRIC COOPERATIVE, INC.

CEC
Marshall D. Miller

BY: C. Thomas Upshaw
TITLE: General Manager

ATTORNEY GENERAL'S OFFICE

Approved: Kenneth B. Woodly

EXHIBIT

MAR 22 1988 NO. 18

STATE BUDGET & CONTROL BOARD

14055

EXHIBIT

MAR 22 1988

NO. 18

STATE OF SOUTH CAROLINA)
COUNTY OF RICHLAND)

STATE BUDGET & CONTROL BOARD

PERSONALLY appeared before me Michael L. Thompson
and made oath that he/she saw the within named State of South
Carolina, Budget and Control Board, by its Chairman, Governor
Carroll A. Campbell, Jr., sign, seal, and as its act and deed
deliver the within written Easement, and that he/she, along with
Florence O. Roach, witnessed the execution thereof.

Michael L. Thompson

SWORN to before me this 22nd
day of March, 1988.

Jay Atkins (L.S.)
Notary Public for South Carolina

My Commission Expires: 3-21-95

STATE OF SOUTH CAROLINA)
COUNTY OF BEAUFORT)

PERSONALLY appeared before me MARTHA C. McMillan
and made oath that he/she saw the within named Palmetto Electric
Cooperative, Inc., by D. Thomas Watson, its
Dennis Watson, sign, seal, and as its act and deed
deliver the within written Easement, and that he/she, along with
C.E. EVANS witnessed the execution thereof.

Martha C. McMillan

SWORN to before me this 17th
day of March, 1988.

Judy B. Bryant (L.S.)
Notary Public for South Carolina

My Commission Expires: 7-21-97

14056

EXHIBIT

MAR 22 1988

NO. 18

MCNAIR LAW FIRM, P. A.
ATTORNEYS AND COUNSELORS AT LAW

NCNB TOWER

POST OFFICE BOX 11390

COLUMBIA, SOUTH CAROLINA 29211

803-799-9800

TELECOPIER 803-799-9804

March 17, 1988

STATE BUDGET & CONTROL BOARD

GREENVILLE OFFICE

SUITE 1201

NCNB PLAZA

7 NORTH LAURENS STREET

GREENVILLE, S.C. 29601

803-271-4940

HILTON HEAD ISLAND OFFICE

MCNAIR LAW BUILDING

10 POPE AVENUE EXECUTIVE PARK

POST OFFICE BOX 5914

HILTON HEAD ISLAND, S.C. 29928

803-785-5169

WASHINGTON OFFICE

SUITE 400

MADISON OFFICE BUILDING

155 15TH STREET, N.W.

WASHINGTON, D.C. 20005

202-659-3900

CHARLESTON OFFICE
140 EAST BAY STREET
POST OFFICE BOX 1431
CHARLESTON, S.C. 29402
803-723-7831

GEORGETOWN OFFICE
1112 HIGHMARKET STREET
POST OFFICE DRAWER 459
GEORGETOWN, S.C. 29442
803-546-6131

GEORGETOWN OFFICE
121 SCREVEN STREET
POST OFFICE DRAWER 418
GEORGETOWN, S.C. 29442
803-546-6102

HAND DELIVERED

William A. McInnis
Deputy Executive Director
Budget and Control Board
Post Office Box 12444
Columbia, SC 29211

Re: Right-of-Way Easement
Coastal Council P/N 84-5T-086

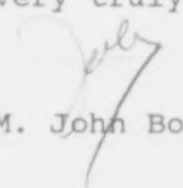
Dear Bill:

Pursuant to our telephone conversation, enclosed is a copy of an easement being entered into between Palmetto Electric Cooperative, Inc., and the Budget and Control Board. I understand that this will enable you to place this item on the agenda for the Budget and Control Board's meeting next week.

Again, let me express my deep appreciation and thanks for your assistance in this matter. Also, please relay to Rick Kelly of my hesitancy in calling you, but in that I was unable to reach him yesterday and this morning, and the twelve o'clock deadline was becoming bewitching, I felt I had to contact you direct.

Once again, thank you.

Very truly yours,


M. John Bowen, Jr.

MJB,jr/bw

Enclosure

14057

EXHIBIT

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES

MAR 22 1988

NO. 18

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



Property Management
1201 Main Street, Suite 410
Columbia, South Carolina 29201
(803) 737-0790
March 16, 1988

JAMES M. WADDELL, JR.
CHAIRMAN,
SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

G. Thomas Upshaw, Executive Vice-President
Palmetto Electric Cooperative, Inc.
Post Office Box 1218
Hilton Head, South Carolina 29925

RE: Right-of-Way Easement
Coastal Council P/N 84-5T-086

Dear Mr. Upshaw:

Enclosed is an original easement from the State to Palmetto Electric Cooperative, Inc., for the above-referenced project which crosses Calibogue Sound in Beaufort County. This easement should be executed by an executive officer and returned to this office along with payment of the consideration. In order for this easement to be placed on the agenda for consideration by the Budget and Control Board at their March 22nd meeting, we must receive the executed easement no later than noon Thursday, March 17th.

The consideration for this easement is One Thousand One Hundred Fifty-four and No/100 (\$1,154.00) Dollars. The check for that amount should be made payable to the State of South Carolina, Division of General Services.

Also, a copy of the Cooperative's minutes pertaining to their approval of this transaction should accompany the executed easement. If that portion of the minutes applicable to this transaction is not available, a formal statement indicating the date of approval as well as the nature of the transaction will suffice.

Very truly yours,

Delphine Bigony
Permit & Easement Administrator

Enclosure: Easement

Administration

Appraisal, Inventory
Sales and Acquisitions

Leasing and Planning

14058 PIRS

EXHIBIT

LAW OFFICES

PETERS, MURDAUGH, PARKER, ELTZROTH & DETRICK

PROFESSIONAL ASSOCIATION

MAR 22 1988

NO. 18

STATE BUDGET & CONTROL BOARD

RANDOLPH MURDAUGH, SR.
(1887-1940)

J. ROBERT PETERS, JR.

RANDOLPH MURDAUGH, III

CLYDE A. ELTZROTH, JR.

JOHN E. PARKER

J. PAUL DETRICK

DANIEL E. HENDERSON

March 17, 1988

RIDGELAND OFFICE

110 WEST WILSON ST.

P. O. BOX 1274

RIDGELAND, S. C. 29936

TELEPHONE (803) 726-6131

EXPRESS MAIL

Ms. Delphine Bigony
Permit & Easement Administrator
State of South Carolina
Budget and Control Board
1201 Main Street, Suite 410
Columbia, South Carolina 29201

RE: Right-of-Way Easement
Coastal Council P/N 84-5T-086

Dear Ms. Bigony:

Our office represents Palmetto Electric Cooperative, Inc.

With regard to the last paragraph of your letter, there are no Cooperative minutes which specifically authorize the General Manager to execute the easement in question. As legal counsel for the Cooperative, it is my opinion that as Executive Vice-President and General Manager, G. Thomas Upshaw is clothed with the authority to negotiate the original Easement from the State to Palmetto Electric. Mr. Upshaw would not have the authorization without Board approval to dispense Cooperative property, but this transaction entails the acquisition of a property right by the Cooperative.

The President of the Board of Directors is aware of and concurs in this letter.

I hope that this letter will be sufficient to meet the requirements of your letter of March 16th.

With kind regards, I am

Sincerely,



Daniel E. Henderson

DEH/mf

14059

EXHIBIT

MAR 22 1988

NO. 18

STATE BUDGET & CONTROL BOARD

§ 1-11-80. Board authorized to grant easements for public utilities on vacant State lands.

The State Budget and Control Board is authorized to grant easements and rights of way to any person for construction and maintenance of power lines, pipe lines, water and sewer lines and railroad facilities over, on or under such vacant lands or marshland as are owned by the State, upon payment of the reasonable value thereof.

HISTORY: 1962 Code § 1-357.1; 1963 (53) 177.

Cross references—

As to sale or donation of, or rights of way over, public lands, see SC Const, Art 3, § 31.

14060

EXHIBIT

MAR 22 1988

NO. 19

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF March 22, 1988

ITEM NUMBER

14

AGENCY: General Services

SUBJECT: Department of Corrections Procurement Certification

The Division of General Services, in accord with Section 11-35-1210, has audited the Department of Corrections and recommends its certification within the parameters described in the audit report for the following limits (total potential purchase commitment whether single- or multi-year contracts are used) for a period of one year: Goods and services, \$10,000 per purchase commitment and construction services, \$25,000 per purchase commitment.

The Division notes that the Department currently is certified to this level for construction services. The recommendation of \$10,000 for goods and services is an increase above the present limit of \$2,500.

BOARD ACTION REQUESTED:

In accord with Section 11-35-1210, grant procurement certification to the Department of Corrections within the parameters described in the audit report for the following limits (total potential purchase commitment whether single- or multi-year contracts are used) for a period of one year: goods and services, \$10,000 per purchase commitment and construction services, \$25,000 per purchase commitment.

ATTACHMENTS:

Agenda item worksheet and attachment

14061

EXHIBIT

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET **MAR 22 1988** **NO. 1 9**

Meeting Scheduled for: March 22, 1988

Agenda **STATE BUDGET & CONTROL BOARD**

1. Submitted By:

(a) Agency: Division of General Services

(b) Authorized Official Signature: Richard W. Kelly, Division Director

2. Subject: Procurement Certification of the Department of Corrections

3. Summary Background Information:

In accordance with the Consolidated Procurement Code Section 11-35-1210, the Division of General Services has audited the Department of Corrections' procurement system and recommends its certification within the parameters described in the audit report for the following limits for a period of one (1) year.

I. Goods and Services	*\$10,000 Per Purchase Commitment
II. Construction Services	*\$25,000 Per Purchase Commitment

*Total potential purchase commitment to the State whether single year or multi-term contracts are used.

The Department is currently certified to this level for construction services. The recommendation of \$10,000 for goods and services is an increase above the present limit of \$2,500.

4. What is Board asked to do?

Grant Procurement Certification for the Department of Corrections.

5. What is recommendation of Board Division involved?

Grant Certification.

6. Recommendation of other Division/agency (as required)?

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. Supporting Documents:

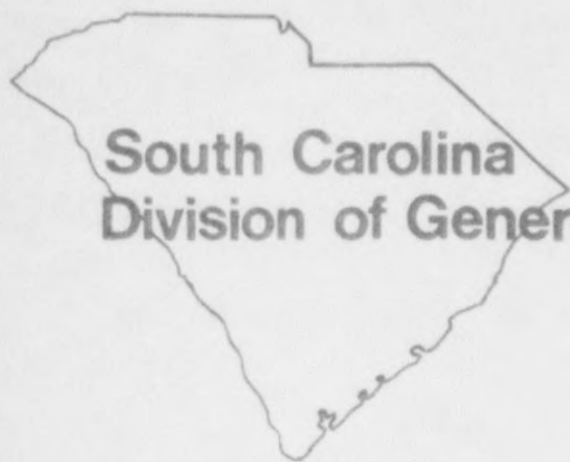
(a) List Those Attached:

20 copies of Procurement Audit and Certification Report

(b) List Those Not Attached But Available From Submitter:

Procurement Audit and Certification History of the Department of Corrections

14062



South Carolina
Division of General Services

EXHIBIT

MAR 22 1988

NO. 19

STATE BUDGET & CONTROL BOARD

PROCUREMENT AUDIT AND CERTIFICATION

DEPARTMENT OF CORRECTIONS

AGENCY

JULY 1, 1984 - DECEMBER 31, 1987

DATE

14063

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
1201 MAIN STREET, SUITE 600
COLUMBIA, S.C. 29201
(803) 737-0600

EXHIBIT

MAR 22 1988

NO. 19

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD J. CAMPBELL
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

DR. JESSE A. COLES, JR.
EXECUTIVE DIRECTOR

February 4, 1988

Mr. Richard W. Kelly
Director
Division of General Services
1201 Main Street
Columbia, South Carolina 29201

Dear Rick:

Attached is the final audit report of the South Carolina Department of Corrections as prepared by the Office of Audit and Certification. Initially, an audit was performed of the Department's procurement activity for the period July 1, 1984 through June 30, 1986. We found that the Department had abused the emergency procurement authority of the Consolidated Procurement Code. We also found that required approvals from the State Engineer for expenditures under permanent improvement projects were largely disregarded. The violations were widespread and cause for much concern.

On September 24, 1987, the auditors met with Department staff to discuss the results of the audit. Included in this meeting were the new Commissioner, Mr. Parker Evatt, and the new Director of Construction, Mr. Bill Harmon.

We agreed to perform a follow-up audit of the period July 1, 1986 through September 30, 1987 to bring the audit current. The Division of General Services offered its assistance in developing strategies toward elimination of the problem areas. In addition, we indicated that we would monitor emergency and sole source procurements on a monthly basis and conduct a thorough follow-up audit in January 1988 to determine progress.

Results of the first follow-up audit covering the period July 1, 1986 - September 30, 1987 were similar to those of the original report.

MATERIALS MANAGEMENT OFFICE

14064

State Supply & Surplus Property Management
Surplus Property
Boston Avenue
W. Cola S.C. 29169
734-4335

Supply, Warehousing & IMS
1942 Laurel Street
Cola, S.C. 29201
734-7919

Training & Research
300 Gervais Street
Annex 3
Cola, S.C. 29201
737-2060

State Procurements &
Information Technology Management Office
1201 Main Street
Suite 600
Cola, S.C. 29201
737-0600

Office of Audit & Certification
1201 Main Street
Suite 600
Cola, S.C. 29201
737-0600

Installment Purchase Program
1201 Main Street
Suite 600
Cola, S.C. 29201
737-0600

EXHIBIT

MAR 22 1988

NO. 19

STATE BUDGET & CONTROL BOARD

However, the follow-up audits of the Department's procurement activity under the new administration have been very positive. We found no exceptions in the previous problem areas. Compliance with the Consolidated Procurement Code and regulations is emphasized by top management. Replacements in key positions and a reorganization in purchasing authority should help insure present and future compliance.

We believe that the Department has taken the necessary actions to insure compliance with the State Procurement Code and regulations and should be certified to the following limits:

Goods and Services	\$10,000
Construction Services	25,000

Sincerely,

D.L. McMillin

D.L. McMillin, CPPO
Acting Materials Management Officer

14065

EXHIBIT

MAR 22 1988

NO. 19

STATE BUDGET & CONTROL BOARD

SOUTH CAROLINA DEPARTMENT OF CORRECTIONS AUDIT REPORT

ORIGINAL AUDIT PERIOD

July 1, 1984 - June 30, 1986

FOLLOW-UP AUDIT PERIOD

JULY 1, 1986 - DECEMBER 31, 1987

14066

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Mr. D.L. McMillin
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We have examined the procurement policies and procedures of the South Carolina Department of Corrections for the period July 1, 1984 - December 31, 1987. As a part of our examination, we made a study and evaluation of the system of internal control over procurement transactions to the extent we considered necessary.

The purpose of such evaluation was to establish a basis for reliance upon the system of internal control to assure adherence to the Consolidated Procurement Code and State and department procurement policy. Additionally, the evaluation was used in determining the nature, timing and extent of other auditing procedures that were necessary for developing an opinion on the adequacy, efficiency and effectiveness of the procurement system.

The administration of the South Carolina Department of Corrections is responsible for establishing and maintaining a system of internal control over procurement transactions. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide

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management with reasonable, but not absolute, assurance of the integrity of the procurement process, that affected assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and are recorded properly.

Because of inherent limitations in any system of internal control, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation of the system of internal control over procurement transactions as well as our overall examination of procurement policies and procedures were conducted with due professional care. They would not, however, because of the nature of audit testing, necessarily disclose all weaknesses in the system.

The examination did disclose conditions enumerated in this report which we believe to be subject to correction or improvement.

Corrective action based on the recommendations described in these findings will in all material respects place the South Carolina Department of Corrections in compliance with the South Carolina Consolidated Procurement Code and ensuing regulations.

R. Voight Shealy
R. Voight Shealy, Manager

Audit and Certification

INTRODUCTION

The Audit and Certification Section conducted an examination of the internal procurement operating procedures and policies and related manual of the Department of Corrections.

Our on-site review was conducted September 8, 1986 through November 12, 1986, and was made under the authority as described in Section 11-35-1230(1) of the South Carolina Consolidated Procurement Code and Regulation 19-445.2020. A follow-up review was performed September 29-30, 1987. Monthly follow-up reviews were performed on November 17 and December 8, 1987. An extensive follow-up audit was performed January 18-21, 1988.

The examination was directed principally to determine whether, in all material respects, the procurement system's internal controls were adequate and the procurement procedures, as outlined in the Internal Procurement Operating Procedures Manual, were in compliance with the South Carolina Consolidated Procurement Code and its ensuing regulations.

BACKGROUND

Section 11-35-1210 of the South Carolina Consolidated Procurement Code states:

The (Budget and Control) Board may assign differential dollar limits below which individual governmental bodies may make direct procurements not under term contracts. The Division of General Services shall review the respective governmental body's internal procurement operation, shall verify in writing that it is consistent with the provisions of this code and the ensuing regulations, and recommend to the Board those dollar limits for the respective governmental body's procurement not under term contract.

Section 11-35-1230 (1) of the South Carolina Consolidated Procurement Code states in part:

In procurement audits of governmental bodies thereafter, the auditors from the Division of General Services shall review the adequacy of the system's internal controls in order to ensure compliance with the requirements of this code and the ensuing regulations.

We have received a written request from the Department of Corrections for recertification to make procurements in the following categories and designated amounts:

<u>AREA</u>	<u>AMOUNT</u>
Goods and Services	\$10,000.00
Construction Services	25,000.00

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SCOPE

Our examination encompassed a detailed analysis of the internal procurement operating procedures of the Department of Corrections and the related policies and procedures manual to the extent we deemed necessary to formulate an opinion on the adequacy of the system to properly handle procurement transactions.

The Audit and Certification team statistically selected random samples for the period July 1, 1984 - June 30, 1986, of procurement transactions for compliance testing and performed other auditing procedures that we considered necessary in the circumstances to formulate this opinion. Additionally, selected transactions were tested for the period July 1, 1986 - September 30, 1987. All emergency and sole source procurements were tested for the months of October - December 1987. Finally, during and extensive follow-up audit, we performed tests of selected procurement transactions for the period October 1 - December 31, 1987. As specified in the Consolidated Procurement Code and related regulations, our review of the system included, but was not limited to, the following areas:

- (1) adherence to provisions of the South Carolina Consolidated Procurement Code and regulations;
- (2) procurement staff and training;
- (3) adequate audit trails and purchase order registers;
- (4) evidences of competition;
- (5) small purchase provisions and purchase order confirmations;
- (6) emergency and sole source procurements;

- (7) source selections;
- (8) file documentation of procurements;
- (9) disposition of surplus property;
- (10) economy and efficiency of the procurement process;
- (11) Minority Business Enterprise Plan review.

SUMMARY OF AUDIT FINDINGS

Our audit of the procurement function at the South Carolina Department of Corrections (hereinafter referred to as SCDC) produced findings and recommendations in the following areas:

I. <u>Emergency Procurements</u>	<u>Page</u>
SCDC has abused the emergency procurement provisions of the Consolidated Procurement Code.	9
II. <u>Compliance-Construction</u>	28
A. <u>Permanent Improvement Project Expenditures</u>	28
SCDC has vastly exceeded its authority involving the expenditure of funds within permanent improvement projects.	
B. <u>Small Architect-Engineer Contracts</u>	30
Section 11-35-3230 of the Consolidated Procurement Code which covers procurements of small architect-engineer and land surveying contracts was misused in two cases.	

III. Division of Industries

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The Division of Industries is exempt from the purchasing provisions of the Consolidated Procurement Code for the purchase of raw materials to be used in the production of finished goods. However, the exemption does not apply to other procurement activity. In twelve cases, the Procurement Code was violated.

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IV. Interest Penalties Paid and Discounts Lost

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Due to slow processing of invoices for payment and a lost cash discount SCDC spent over \$5,000.00 unnecessarily over the past two years.

V. Reporting of Sole Source and Emergency Procurements and Trade-ins

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We recommend a change to the automated sole source and emergency procurement and trade-in sales reporting system.

Results of Examination

I. Emergency Procurements

SCDC has abused the emergency procurement provisions of the South Carolina Consolidated Procurement Code. These provisions of the Procurement Code are intended to provide governmental bodies a streamlined procurement process where unforeseen events have resulted in an emergency situation that presents a need for goods and/or services that cannot be met through normal procurement procedures. Specifically, Section 19-445.2110 of the regulations states:

Subsection A. Application

The provisions of the Regulation apply to every procurement made under emergency conditions that will not permit other source selection methods to be used.

Subsection B.

An emergency condition is a situation which creates a threat to public health, welfare, or safety such as may arise by reason of floods, epidemics, riots, equipment failures, fire loss, or such other reason as may be proclaimed by either the Chief Procurement Officer or the head of a governmental body or a designee of either office. The existence of such conditions must create an immediate and serious need for supplies, services, or construction that cannot be met through normal procurement methods and the lack of which would seriously threaten:

- (1) the functioning of State government;
- (2) the preservation or protection of property; or
- (3) the health or safety of any person.

Subsection C. - Limitations

Emergency procurement shall be limited to those supplies, services, or construction items necessary to meet the emergency.

Subsection D. - Conditions

Any governmental body may make emergency procurements when an emergency condition arises and the need cannot be met through normal procurement methods, provided that whenever practical, approval by either the head of a governmental body or his designee or the Chief Procurement Officer shall be obtained prior to the procurement.

Subsection E. - Selection of Method of Procurement.

The procedure used shall be selected to assure that the required supplies, services, or construction items are procured in time to meet the emergency. Given this constraint, such competition as is practicable shall be obtained.

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Subsection G. - Written Determination.

The Chief Procurement Officer or the head of the governmental body or a designee of either office shall make a written determination stating the basis for an emergency procurement and for the selection of the particular contractor.

The following emergency procurements are examples of problems in this area. In our opinion, these represent instances where emergency procurement authority was used primarily to extend SCDC's procurement authority. This is particularly apparent in the Division of Construction, Engineering and Maintenance. We are well aware of the difficulties placed on SCDC by the Nelson Consent Decree and have attempted to consider this during our audit. However, after taking this into consideration, we believe the following transactions are improper as emergency procurements.

- (1) X-ray equipment totalling \$34,301.25 was procured on an emergency basis on purchase order H57629. It was for a new outpatient clinic at Francis Lieber Correctional Institute that was being built as a permanent improvement project. Since permanent improvement projects must be planned well in advance of actual construction, ample time was available to procure this equipment through normal procedures, thus it is not justified as an emergency. Additionally, obtaining only one quotation for a procurement of this dollar amount is in violation of Section 19-445.2110, Subsection E, which requires, "such competition as is practicable."

- (2) Purchase order H46554 was for the emergency procurement of cable and connectors totalling \$11,132.00 with the following justification: "to replace deteriorating and faulty cable presently installed and to be able to return modules on consignment." This seems to indicate that no unforeseen event occurred to create an emergency situation. Three verbal quotes were obtained but the Procurement Code requires solicitation of ten formal sealed bids.
- (3) Transient protectors for the fire alarm system at Perry Correctional Institution totalling \$4,224.60 were procured on an emergency basis. The justification states, "This is an urgent matter due to approaching season in which lightning storms are prevalent." These were new items, not replacements. Proper planning should have allowed ample time for normal procedures. A requisition should have been sent to the Division of General Services for purchase.
- (4) Light fixtures and material totalling \$13,210.58 were procured on an emergency basis on purchase orders H46635 and H46631 to construct a flood-lighting system for MacDougall Youth Correction Center. It was justified as: "There is no lighting for the entire yard of the institution at this time. This creates a safety hazard for inmates and officers in this area. It is also a definite safety hazard to local residents as inmates are able to escape into the community due to lack of visual contact." Apparently, SCDC did not consider outside lighting when the prison was built.

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(5) Two vehicle refrigeration units costing \$15,680.00 were procured on purchase order H53167 on an emergency basis. The justification states, "Present thermo kings installed on vehicles 56 and 957 are inoperable and not economically feasible to repair due to age and number of operating hours logged on them." We have the following problems with this emergency procurement:

- a) These units had been in service for a long time. Proper planning would have indicated that they would have to be replaced soon.
- b) The emergency justification states that the two old units which were traded in were inoperable. However, the vendor's quotation states that one of these was "running and cooling" so possibly the situation could have been satisfied with the procurement of one unit.
- c) Competition was not obtained. The Procurement Code requires solicitation of ten formal sealed bids for a purchase of this dollar amount.

(6) The Cooper Building on the State Park grounds was renovated as a joint project between the Department of Mental Health and SCDC. On October 17, 1984, SCDC declared the procurement of various construction materials an emergency. The Code permits and limits emergency procurements to those necessary to meet the emergency. The procurements listed below were procured as emergencies, however, more than ample time was available to make the purchases through normal

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channels. It was also noted that the required amount of competition was not obtained.

<u>DATE</u>	<u>P.O.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
3/14/85	H43431	fence	6,230.00
8/14/85	H49173	alcorn values	12,100.14
8/16/85	H49344	windows	2,654.40
8/28/85	H49702	shear	<u>18,345.00</u>
			<u>\$39,329.54</u>

The above procurements were not justified as emergencies as some were made more than a year after the emergency was declared.

- (7) The up-grade of the wastewater treatment plant which services Dutchman and Cross Anchor institutions was declared an emergency as the existing facility was exceeding its discharge limits.

Emergencies are occurrences in which time does not permit procurement in any other manner. SCDC knew of the condition for a long period of time before any action was taken. This is evidenced by the fact that a permanent improvement project was established July 25, 1984, one full year before the below listed procurements were made. Even after the emergency was declared on June 10, 1985, there was more than ample time for the procurements to be made through normal channels as evidenced by the purchase order dates listed below:

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<u>DATE</u>	<u>P.O.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
7/03/85	H47451	concrete	\$ 7,760.00
7/03/85	H47457	building materials	4,922.80
8/21/85	H49439	bar screen	24,500.00
8/23/85	H49528	electrical material	5,641.61
8/28/85	H49438	36' tank	8,100.00
9/18/85	H50313	upgrade package	46,394.10
11/19/85	H52172	review shop drawings	<u>2,500.00</u>
			<u>\$99,819.11</u>

No more than three verbal quotes were obtained for any of these procurements. The Procurement Code requires solicitation of from three to ten formal sealed bids before procurements of these dollar amounts are made.

- (8) The building of an engineering and maintenance warehouse on an emergency basis was justified by SCDC as not having adequate space to safeguard construction material.

This permanent improvement project was approved on December 12, 1985. Purchases were made months later as listed below.

<u>DATE</u>	<u>P.O.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
4/24/86	H57393	electrical line	\$ 3,349.00
4/29/86	H57550	concrete block	3,515.55
5/08/86	H57871	electrical supplies	7,479.67
5/08/86	H57907	heaters and fans	4,799.62
6/10/86	H59120	overhead doors	<u>7,199.85</u>
			<u>\$26,259.69</u>

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We do not believe the building of this warehouse qualifies as an emergency. We also believe ample time was available for State Procurements to procure the items as each procurement exceeds SCDC's certification. Finally, no more than three verbal quotes were obtained before the procurements were made. The Procurement Code requires solicitation of at least three formal sealed bids for each of these procurements.

- (9) A washer and dryer totalling \$5,420.00 were procured on purchase order H53039 as an emergency procurement. The blanket emergency procurement justification indicated that it is for "various construction materials to increase the security." The emergency justification is unacceptable and insufficient competition was solicited. The procurement was not made until two and one-half months after the emergency determination was prepared. The dollar amount exceeds SCDC's certification so a requisition should have been sent to State Procurements.
- (10) Purchase order H59158 was for the emergency procurement of a back-hoe/front-end loader costing \$26,750.00. It was justified for "The emergency repairs of fresh and waste water lines throughout the state..." SCDC was allowed a trade-in of \$7,000.00 for an existing piece of equipment. This certainly seems to be a planable procurement that could have been made through normal channels. Only three quotes were obtained rather than the solicitation of ten formal sealed bids as required for a procurement of this amount. The trade-in was not

approved by the Division of General Services as required by Section 19-445.2150, Subsection E., of the regulations.

(11) SCDC failed to justify an emergency procurement of 1230 tons of rock costing \$10,416.00 on purchase order 0100021343. The rock was purchased as "necessary to prepare base for installation of high security man barrier were required for all maximum security institutions." This does not indicate what occurred that created an emergency situation. Only three verbal quotes were obtained rather than the solicitation of ten formal sealed bids as required by the Procurement Code. The procurement should have been sent to State Procurements as it exceeds SCDC's authority.

(12) The purchase of two complete dental units totalling \$15,155.00 on purchase order H43372 was justified as "the two units at Kirkland Dental Clinic have completely broken down and are not repairable." One must question why at least one unit was not replaced sooner through normal channels. Deterioration of equipment does not necessarily constitute an emergency as it happens over a period of time.

(13) The emergency procurement of a roof system for a dairy feed lot at the Wateree Dairy Facility totalling \$37,601.00 was justified as "necessary for the operation of the new milk processing plant." Reference purchase order H40746. We noted the following problems with this procurement:

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a) As noted above, the facility the roof was being procured for was new. However, another statement seems to indicate that this is a replacement roof. It is, "Present facilities are both structurally unsafe and do not provide an acceptable sanitary environment."

b) A note on the emergency justification states that "ordinarily this would not be an emergency because we have known about this since the project began. Since he wasn't sure there would be sufficient funds, he froze these funds. Now it is an emergency."

A self-imposed freeze on funds in no way justifies an emergency.

c) Only three verbal quotes were obtained instead of the solicitation of ten formal sealed bids as required by the Procurement Code.

d) A roof to cover cattle is questionable as an emergency in any circumstance.

(14) Purchase orders H44163 for technical services totalling \$4,800.00, H49034 for a metal roof and siding totalling \$7,300.00 and H49179 for installation of electrical services totalling \$7,600.00 were all determined to be emergency procurements. The three procurements were part of a permanent improvement project for construction of an ethanol plant. They were all justified by SCDC as emergencies based on time constraints but no mention was made of what those time constraints were

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or who they were imposed by. There is nothing in the available documentation to justify these as emergency procurements. Insufficient competition was obtained. All three procurements should have been sent to State Procurements for normal processing.

- (15) Purchase orders H57951 and H57949 were for emergency procurements of an irrigation hose reel totalling \$23,900.00 and a diesel engine totalling \$12,445.00 respectively. SCDC justified both emergency procurements as, "To supply water for irrigation of grain and forage crops to maintain food supplies for livestock during the drought periods." This justification meets none of the criteria for an emergency. Besides, it was declared an emergency on April 24, 1986, before the start of the dry months. Three quotes were solicited for each procurement rather than ten formal sealed bids, which the Procurement Code requires for each one. There was ample time to submit this to State Procurements.
- (16) Purchase order H56452 was for the emergency purchase of locks "to replace unsafe, unserviceable, unsecure room door security hardware at Wateree River Correctional Institution." Nothing occurred to create an emergency situation. This was merely a normal replacement of locks. Proper planning would have eliminated this \$3,805.00 emergency. Normal procurement procedures should have been used.
- (17) A corn snapper-husker for \$10,689.00 was procured on an emergency basis on purchase order H46072. The need for the piece of equipment in

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itself does not justify an emergency. Phone quotes were solicited rather than the ten formal sealed bids required by the Procurement Code. With proper planning, this equipment could have been procured through normal channels.

- (18) An epoxy floor for \$3,988.05 was procured as an emergency on purchase order H48202 "To complete the milking parlor so that the start-up may be made immediately because Sumter Dairies has requested the return of their milk transport trailer." This is insufficient reason for an emergency procurement. Another transport trailer could have been obtained, an extension could have been worked out with the vendor or other arrangements could have been made. Besides, since this was a new milking parlor, it should have been known well in advance that the epoxy floor was necessary. Finally, making a \$3,988.05 purchase without seeking competition is totally unacceptable.

- (19) The below listed emergency procurements of vehicles were justified by SCDC as either vehicles for new employees or programs or to replace those that were worn out. Neither justification is acceptable and represent a complete lack of planning and preparation. Further, the competitive bidding process was ignored with only a single phone quote supporting many of these.

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<u>P.O.#</u>	<u>AMOUNT</u>
H30336	\$ 10,800.00
H37889	24,759.05
H37890	23,993.00
H37891	9,700.00
H45946	271,346.40
H48812	11,300.00
H54562	46,500.00
H59629	<u>9,399.00</u>
	<u>\$407,797.45</u>

(20) Purchase order H58297 for a \$5,320.35 hot water tank and purchase order H59579 for \$8,043.82 worth of miscellaneous plumbing parts were justified as emergency procurements by SCDC as "The hot water system has deteriorated to the point of being dangerously unsafe." The justification does not explain why this was suddenly an emergency. The deterioration over a period of time does not meet the criteria of an emergency and reflects poor planning.

(21) The following various materials to construct an x-ray room and medical examining area at Lieber Correctional Institution were procured as emergencies "for the safety and health of inmates."

<u>P.O.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>
H58118	wood doors	\$3,840.37
H58139	jams & doors	5,539.00
H58567	security hardware	<u>4,106.00</u>
		<u>13,485.37</u>

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As noted in the first item under this report point, the x-ray room was a permanent improvement project, meaning SCDC had prior knowledge of the addition well in advance of the procurements being made. The procurements should have been sent to State Procurements. Again, phone quotes rather than required formal sealed bids were solicited.

- (22) Two additional cameras for \$11,824.00 were procured as an emergency on purchase order H59878. The justification states, "Lieber Correctional Institute will become operational sooner than planned and these items are necessary for adequate security measure. The contractor is supplying two...cameras per contract; the two additional cameras needed must be compatible to the existing cameras which have been installed by (this vendor)."

We have the following problems with this emergency procurement.

- a) The existing contract should have covered all cameras necessary.
- b) The need for compatibility may justify the purchase of the same type equipment, but not necessarily the same vendor.
- c) This \$11,824.00 procurement was made without competition.

- (23) Purchase order H58965 was for an emergency procurement of a \$31,120.00 fuel pumping system for Lieber Correctional Institution. The emergency justification states: "The change of the opening date for Lieber makes it necessary to speed the installation of the fuel system."

Lieber Correctional Institution was opened two months ahead of schedule, but construction was scheduled to begin in October 1984 per the Nelson Consent Decree. So, the project had been under way at least one year and one-half before this emergency procurement was made.

This is a tremendous oversight.

(24) The \$28,607.00 emergency procurement on purchase order H57647 of a deaerator for the boiler at Central Correctional Institution stated the following as SCDC's justification. "The deaerator for the CCI boiler is so deteriorated that it has become a dangerous safety hazard. The deaerator has been taken out of service." Emergency procurements are not for replacing worn out equipment unless it breaks down unexpectedly. Proper planning and preventative maintenance should identify the problems so the procurements can be made in the standard manner within the competitive bid process which assures the best cost for the state and taxpayers. In this case, only three quotes were solicited rather than the required ten formal sealed bids.

(25) Purchase order 100027571 was an emergency procurement totalling \$4,750.00 for labor and materials to construct additional parking. The emergency justification states "to provide needed parking area for employees and visitors. Present parking area is inadequate and vehicles are being parked on pipeline right-of-way which is prohibited." This justification, in no way, qualifies this procurement as an emergency.

(26) Purchase orders H58651 for \$17,030.00 and H58645 for \$5,924.00 were emergency procurements for repairing asphalt roads and creating additional parking area at Broad River Road Complex Area. The emergencies were justified as deteriorated roads and the need for additional parking. Again, emergency procurement was totally unwarranted.

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(27) SCDC spent \$38,616.00 for asphalt paving of roads at Mac Dougall Youth Correction Center. the justification for the emergency procurement is quoted as follows: "Dirt roads cause undue wear and tear on state vehicles due to rough surface and potholes. Also impede timely movement from area to area due to rough surface. When wet, roads are unsafe for vehicular traffic due to boggy surfaces which cause slipping and sliding. This is dangerous for the vehicles and the operators. This also restricts greatly the response time to a dormitory in case of emergency. Muddy road surfaces are a threat to pedestrians who might try to use them. Water on the road is a breeding ground for mosquitoes and other pest."

This is an unacceptable justification for the paving of a dirt road as an emergency. The procurement exceeded \$30,000.00 and would constitute a permanent improvement project. Finally, the procurement was based on solicitation of only three informal quotations.

(28) Purchase order H56507 was an emergency procurement for upgrade of the primary electrical system for the SCDC Headquarters and Walden Correctional Institution at a cost of \$6,495.00. There is no evidence that a real emergency as defined in the procurement code existed. Time was available to procure the services through normal channels.

(29) SCDC procured an aluminum storage building for \$2,531.00 as an emergency procurement on purchase order 0100027515. The justification stated that this procurement would comply with the Fire Marshal's

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deadline. Supporting documents state a ninety day deadline for compliance. This was more than sufficient time for procurement through normal channels.

- (30) Twelve recording Resusci Annes at a cost of \$11,414.40 were procured on an emergency basis on purchase order H35680 as being needed to train correctional officers. This procurement meets none of the criteria of an emergency and should have been sent to State Procurements. Also, the procurement was made based on four phone quotes rather than the solicitation of ten formal sealed bids as required.

- (31) The procurement of a \$23,057.00 modular office building on an emergency basis on purchase order 54242 does not meet the criteria of an emergency. The justification states: "To provide offices for additional employees required to comply with the Nelson suit. Office space requirement by June 30, 1986." We have the following problems with this procurement:

- a) The Nelson Consent Decree was finalized in 1982, so it is questionable that this procurement is justified as an emergency based on the decree.
- b) The Manual for Planning and Execution of State Permanent Improvements indicates that the purchase of any building must be established as a permanent improvement project. This was not done.

- c) Three telephone quotes were sought on June 4 with a required delivery date of June 30. Only one vendor could meet this very strict delivery requirement. The award was made based on this one phone quote.
- (32) SCDC purchased a bulldozer for \$36,624.00 to close a lagoon at Kirkland Correctional Institution. SCDC justified the procurement as the lagoon posed a serious health threat. We agree that the emergency was to close the lagoon. However, before the procurement was made, SCDC rented a bulldozer for a period of nine months to close the lagoon. Emergencies are designed to meet the emergency and the rental satisfied that. Ample time was available to secure a new bulldozer through normal channels. Therefore, the procurement of a new bulldozer exceeds the scope of the emergency. Reference purchase order H48410.
- (33) Purchase order H45220 was an emergency procurement of termite extermination services at Givens Youth Corrections Center in the amount of \$4,700.00. This procurement does not meet the criteria of an emergency and should have been sent to State Procurements for bidding.
- (34) The procurement of a rooftop air conditioner on purchase order H37068 for the canteen at Dutchman Correctional Institution for \$5,150.00 was justified by SCDC as "failure to make this repair could jeopardize the health/safety of personnel." However, the quotation was dated one month prior to the requisition being prepared. This seems to indicate

that the situation was not serious. Further, we were told that this was not a repair at all, but rather the procurement of a new unit where there had been no previous unit in place.

- (35) On December 7, 1984, SCDC's master locksmith prepared a memorandum that indicated a quotation had been received for replacing six doors at Aiken Youth Correctional Institution. On February 20, 1985, two and one half months after the original quotation was received an emergency procurement was made on purchase order H42643 to replace the doors at a cost of \$2,667.60. The dates of documents in the file indicate that ample time was available for the procurements to be made through normal channels. Further, the emergency justification indicates that the damage to the doors occurred over time, not by an unforeseen event.

- (36) (Purchase order H61772) Six gas packs were procured for the visitation area at Dutchman Correctional Institute at a cost of \$15,942.00. The emergency justification was dated July 30, 1986 and the purchase order was dated July 31, 1986. Documentation, however, shows that quotes were received as early as April 9, 1986, over three months before the emergency was declared. The documentation also clearly shows that documentation dates were altered in order for the emergency to appear legitimate. This example of emergency procurement policy at SCDC shows the height of total disregard for the procurement system established by the Code and regulations.

II. Compliance Construction

A. Permanent Improvement Project Expenditures

SCDC has vastly exceeded its authority involving the expenditure of funds within permanent improvement projects. There appears to be a total disregard for the authority of the State Engineer's Office as the required authorizations have been ignored.

Approval of the State Engineer is required for all expenditures of permanent improvement project funds. This is accomplished by the agency sending and obtaining the authority on one or more of the following forms.

SE 220 A & E Selection Approval Request

SE 380 Request for Authority to Execute a
Construction Contract

SE 520 Request for Authority to Purchase
equipment and/or construction materials.

SE 550 Request for Sole Source Procurement

SE 560 Request for Emergency Procurement

We found in most cases that SCDC has failed to execute SE-520 or SE-560 forms. Below, please find listed permanent improvement projects in which approvals for expenditures were not requested by SCDC nor granted by the State Engineer as of December 31, 1986.

<u>PROJECT#</u>	<u>DESCRIPTION</u>	<u>PIP \$</u>	<u>EXPENDITURES AT 12/31/86</u>	<u>EXPENDITURES NOT APPROVED</u>
8662	General Renovations	\$1,216,000	\$ 840,428	\$ 688,838
8664	Fire/life safety	10,255,800	1,718,090	353,408
8679	Wateree Ethanol Plant	229,000	none reported	229,000
9026	Canteen Warehouse Renovation	36,825	36,293	36,293
9072	Temp. Housing	246,148	209,656	209,656
9073	Temp. Housing	264,185	195,944	195,944
9074	Temp. Housing	192,302	153,222	153,222
8687	Construction Warehouse	40,000	39,594	39,594
8960	Construction Warehouse	40,000	none reported	40,000
8625	Upgrade of Sewer	242,000	206,924	206,924
7426	Wateree Dairy	1,336,629	1,046,774	1,046,774
7128	Womens Correctional Center	745,289	668,551	668,551
8152	State Park Renovation	250,000	214,559	214,559
8151	Manning Central Laundry	1,565,000	354,019	354,019
8061	Blue Ridge Renovation	79,750	73,656	73,656
8057	Kirkland Psychiatric Facility	1,704,969	1,644,000	1,213,000
8616	MacDougall Gen. Reno.	75,000	74,210	70,710
8617	Goodman Roof Repairs	35,000	34,802	34,802
8618	Kirkland Roof/Floor Repairs	98,000	96,508	96,508
8619	Perry Security Upgrade	55,650	55,696	55,696
8620	Walden Renovations	65,000	64,807	64,807
8621	Greenwood Electrical Renovations	30,000	30,045	30,045
8622	Stevenson Wards/Chapel Education Buildings Renovations	91,200	47,213	47,213
8644	Palmer Roof Replacement	50,000	48,827	48,827
8658	Convert Dutchman to Medium Security	676,000	101,683	101,683
8660	WCC Additions	379,000	392,127	392,127
8661	Manning Lockup Renovation	48,000	16,310	16,310
				<u>56,682,166</u>

Source:

STARS expenditure data as of 12/31/86.

14096

EXHIBIT

MAR 22 1988

NO. 19

STATE BUDGET & CONTROL BOARD

As these expenditures exceed the purchasing authority of SCDC and are in violation of requirements set forth by the Budget and Control Board, these must be ratified as unauthorized procurements in accordance with regulation 19-445.2015.

B. Small Architect-Engineer Contracts

The department requested and received approval for two small contracts for architect-engineer services. These contracts were for \$12,000 each and would be allowable under Section 11-35-3230, Exception for Small Architect Engineer and Land Surveying Services Contracts, except that the corresponding regulation (19-445.2145, Subsection F, Item 2) limits the use of this simplified procurement method to contracts with firms who have received less than \$36,000 in fees during the twenty-four month period immediately preceding negotiation of the contract. In this case, the same firm received both contracts. At that time, this firm already had two contracts in force with SCDC where more than \$2,000,000 in fees would be earned. Payments to the firm greatly exceeded the \$36,000 limit, thus a small A & E Contract was inappropriate. We recommend that SCDC adhere to Section 11-35-3230 of the Code and the corresponding regulations.

14097

III. Division of Industries

Our examination included a view of the Division of Industries purchasing department, its policies and procedures and a sample of procurement transactions from fiscal year 1985/86. The procurement officer's primary function is to purchase the required raw materials for the thirteen plants which the Department of Corrections operate. The purchase of raw materials is exempt from the Code, however, all other goods and services procured by the Division of Industries must be handled according to the Code. We found the following procurement transactions other than raw materials were not made in compliance with the Code.

<u>ITEM</u>	<u>P.O.</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
1.	8321	\$ 968.00	Slotting/Notching Dies
2.	7983	1861.00	Repair blanking die, grind & replace parts
3.	7471	918.00	Punching die
4.	7793	677.84	3-part purchase order form
5.	8437	659.45	State of S.C. IDT forms
6.	7859	1,560.00	Yearly contract for pick up of waste/trash
7.	7159	1,407.00	Reinforced nylon thread paper towels
8.	7720	1,407.00	" "
9.	8136	1,411.00	" "
10.	8703	1,411.00	" "
11.	contract	8,856.75	Calendar year 1985 personal service contract to direct operation of cutting tables, train personnel in making patterns and markers and make required markers as directed.
12.	4637	35,484.00	48 month lease/purchase of truck.

14098

Item numbers one through ten were made without following the competitive source selection process nor were they justified as sole source or emergency purchases.

Section 19-445.2100, Subsection B, Items 2 and 3, of the regulations require solicitation of verbal or written quotes from two sources of supply for purchases from \$500.01 to \$1,499.99 and solicitation of written quotations from three qualified sources of supply for purchases from \$1,500.00 to \$2,499.99.

Additionally, Section 19-445.2000, Subsection C, Item 1, of the regulations limits the procurement authority of the Department of Corrections, including Prison Industries, to \$2,500.00 when not procuring exempted services as in item Number (11) eleven.

For the lease in item number 12, we were unable to locate (1) the approval of Department of Motor Vehicle Management (2) the lease approval by the Materials Management Office (3) competitive bids. Further, this exceeds the agency's certification limits by almost \$33,000.00

Items 11 and 12 were unauthorized procurements and must be ratified in accordance with Section 19-445.2015 of the regulations.

We remind the Division of Industries per the Materials Management Office's letter dated February 1985 that only the "consumable materials or supplies used in the production, packaging, labeling or shipment of products or equipment produced by the Division of Industries, which are exclusively used for these distribution functions, are exempt under Section 11-35-710 (b) (h) of the South Carolina Procurement Code."

14099

All other procurements must be made in strict compliance with the Code and regulations.

IV. Interest Penalties Paid and Discounts Lost

Over the past two years, SCDC has been assessed more than \$4,500.00 in interest penalties for late payment of invoices. Additionally, the accounts payable department failed to take a cash discount of \$503.00 on payment for purchase order 49980 even though payment was made within the discount period.

Section 11-35-45 of the Consolidated Procurement Code states in part:

Beginning January 1, 1983, all vouchers for payment of purchases of goods or services shall be delivered to the Comptroller General's Office within thirty work days from receipt of the goods or services whichever is received later by the agency. After the thirtieth work day, the Comptroller General shall pay an amount not to exceed fifteen percent per annum from the funds available to the agency, such amount to be applied to the unpaid balance to be remitted to the vendor.

Lack of compliance with this section of the Procurement Code and the previously mentioned failure of accounts payable to take a cash discount resulted in the unnecessary expenditure of over \$5,000.00.

We recommend the invoice review process be reevaluated to improve handling time and control of disbursements. Also, accounts payable must be aware that State Procurement purchase orders sometimes show a discount for timely payment that may not be shown on the vendor invoice. All state purchase orders should be specifically checked for such authorized discounts.

14100

EXHIBIT

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NO. 19

STATE BUDGET & CONTROL BOARD

V. Reporting of Sole Source and Emergency Procurements and Trade Ins

Section 11-35-2440 of the Procurement Code requires governmental bodies to report quarterly all sole source and emergency procurements to the chief procurement officers. Section 11-35-3830(3) of the Procurement Code requires that governmental bodies report quarterly to the materials management officer a record listing all trade-in sales.

To accomplish this, SCDC developed a computerized system that captures this information automatically. When a sole source, emergency or trade-in sale purchase order is entered into the system, it is noted by the codes S, E or T respectively.

We compliment SCDC on development of such a system. However, codes were never developed to indicate combinations of these, such as a sole source or emergency procurement that includes a trade-in. To ensure complete reporting, we recommend that additional report codes be developed to capture combination transactions.

14101

CONCLUSION

The conditions enumerated in this report indicate areas of major deficiencies in the procurement system at SCDC. The key problem areas are abuse of emergency procurement authority and disregard for the authority of the State Engineer's Office. SCDC should take immediate action in these problem areas.

The Division of General Services acknowledges SCDC's situation resulting from the Nelson Consent Decree, changeover of administration and the tremendous task of operating the State's prison system. Over the next six months we offer the assistance of key management staff in developing strategies toward elimination of the problem areas noted herein.

The Office of Audit and Certification will perform immediately a review of emergency procurement activity since the cutoff date of the audit period. Additionally, we will monitor SCDC's future emergency procurement activity on a monthly basis. Finally, in January 1988 we will perform a review of procurement management at SCDC to determine progress therein.

If, at that time, substantial improvement is noted, we will recommend recertification for construction services. However, if substantial progress is not evident, we will recommend that SCDC's current procurement certification for construction services be revoked by the Budget and Control Board.

The follow-up audit was performed January 18-21, 1988. Results are shown in the letter at the back of this report. Based upon the results of the follow-up audit, we recommend recertification for construction services at the current level of \$25,000.00 and additional certification for goods and services of \$10,000.00 for a period of two (2) years.

14162



south carolina department of corrections

P.O. BOX 21787/4444 BROAD RIVER ROAD/COLUMBIA, SOUTH CAROLINA 29221 1787
TELEPHONE (803) 737-8555
PARKER EVATT, Commissioner

November 6, 1987

Mr. Voight Shealy
Manager
Audit and Certification
South Carolina Budget and
Control Board
1201 Main Street, Suite 600
Columbia, South Carolina 29201

Dear Voight:

We accept your audit findings without exception for the period July 1, 1984, through September 30, 1987. Your report was very thorough, and your team brought to our attention several areas wherein we need improvement. It is the intention of this Agency to have a "clean" audit report.

Those permanent improvements which were cited in Paragraph III of the Audit Report have been ratified by the State Engineer, Jay Flanagan (letter attached). Additionally, the following changes have been implemented since September 30, 1987:

- 1) All procurement personnel assigned to the Division of Construction, Engineering, and Maintenance are now responsible to Mr. Don Lemmons, Director of Procurement.
- 2) All Sole Source procurements will be verified with Central State Purchasing.
- 3) All Emergency procurements will be made in accordance with Regulation 19-445.2110 of the South Carolina Procurement Code.
- 4) All engineers, project directors, superintendents, and craftsmen from Construction, Engineering, and Maintenance have been instructed in specific rules and regulations pertinent to the Consolidated Procurement Code. A similar training class will be conducted for all new hires.

14103

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Mr. Voight Shealy
November 6, 1987
Page two

This Agency is dedicated to ensuring compliance with the South Carolina Consolidated Procurement Code, and we solicit your help in our efforts to achieve higher certification.



Parker Evatt

PE:bd

Attachment

14104



south carolina department of corrections

P.O. BOX 21787/444 BROAD RIVER ROAD/COLUMBIA, SOUTH CAROLINA 29221-1787
TELEPHONE (803) 737-8555
PARKER EVATT, Commissioner

November 6, 1987

Mr. Jay Flanagan, State Engineer
Division of General Services
Budget and Control Board
1201 Main Street
Columbia, South Carolina 29201

RE: N04-116, Stars ID#9078
Women's Correctional Center Shock Probation

Dear Jay:

This purpose of this letter is to ask for ratification of procurements unauthorized that were made on the following purchase orders:

H76667	\$ 800.00
H75198	3,196.00
H75603	2,537.90
H77939	2,898.60
H72722	2,640.00
H72747	22,000.00
H72751	3,476.94
H73273	5,609.82
H73312	3,058.00
H73791	2,597.64

A blanket emergency was prepared and signed by South Carolina Department of Corrections' officials for various vendors under State Procurement Code Subsection B(2 & 3) Section 19-445.2110. We were required by the Omnibus Crime Bill to provide bedspace to house certain individuals convicted of non-violent crimes in lieu of long-term incarceration. Because of the required completion date it precluded us from using the normal purchasing channels and procedures. However, we did not follow the procedure and have the State Engineer approve this as required by the Manual for Planning and Execution of State Permanent Improvements. The prices paid for the materials procured were fair and reasonable; therefore, no one individual will be held pecuniarily liable.

14105

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EXHIBIT

Mr. Jay Flanagan
November 6, 1987
Page Two

MAR 22 1988 NO. 19

STATE BUDGET & CONTROL BOARD

We have now devised a form listing all approvals needed before we proceed with the purchase of materials. With better planning it should give ample time to send procurements over \$2500.00 to the Materials Management Office(MMO). Your approval of this ratification will be greatly appreciated.

Sincerely,

William H. Harmon

William H. Harmon, P.E.
Director, Division of
Construction, Engineering
and Maintenance

WHH:mb

APPROVED/ DISAPPROVED:

Jay Flanagan 11/6/87
State Engineer

14106

Reference State Consolidated Procurement Code Permanent Regulations dated 6-7-82 and signed by Tony R. Ellis, Section 19-445.2110, Subsection B, Paras. 1 and 2.

Don Lemmons
Don Lemmons

JUSTIFICATION FOR

P.O.

EMERGENCY PROCUREMENT
Based upon the following determination, the proposed procurement action described below is being procured pursuant to the authority of Section 11-35-1570 of the South Carolina Consolidated Procurement Code.

This government body proposes to procure various construction materials to build a
24 bed female Shock Probation Unit at WCC.

EXHIBIT

MAR 22 1988 NO. 19

as an emergency procurement from various vendors

(2) STATE BUDGET & CONTROL BOARD

based upon the following justification: State Procurement Code Subsection B(2) and (3)

(3) Section 19-445.2110, Emergency Procurements to provide bedspace mandated by the

Omnibus Crime Bill which requires this department to house certain individuals

convicted of non-violent crimes in lieu of long term incarceration. This critical

need is to provide space for these non-violent inmates to protect and ensure safety

of these inmates, plus the required completion dates preclude the use of normal purchasing channels and procedures.

John W. Mueh SOUTH CAROLINA DEPARTMENT OF CORRECTIONS
Office/Region/ Division/Branch/Institution GOVERNMENTAL BODY

I CERTIFY THAT THE STATEMENTS LISTED ABOVE ARE TRUE AND THAT THE CONDITIONS CITED EXIST AND JUSTIFY THIS EMERGENCY PROCUREMENT.

Requestor's Signature/Date

Approved: W. J. C. 5/19/87
Disapproved:

AUTHORIZED SIGNATURE/DATE

DEPUTY COMMISSIONER

Notes: (1) Enter description of goods or services to be procured.
(2) Enter name of contractor.
(3) Enter the basis of emergency procurement.

RECEIVED

Distribution: Original - attached to voucher for payment (ACCOUNTS PAYABLE COPY) MAY 15 1987
Carbon copy - retained in governmental body contract file (REQUISITIONER)
Carbon copy - attached to PURCHASING NUMERIC COPY

DEPUTY COMMISSIONER
OPERATIONS

MMO #103
SCDC 20 50

14107



south carolina department of corrections

P.O. BOX 21787 4444 BROAD RIVER ROAD COLUMBIA, SOUTH CAROLINA 29221-1787
TELEPHONE (803) 737-8555
PARKER EVATT, Commissioner

December 15, 1987

Mr. R. Voight Shealy
Manager, Audit and Certification
South Carolina Budget and Control Board
Division of General Services
1201 Main Street, Suite 600
Columbia, South Carolina 29201

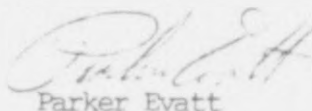
Dear Mr. Shealy:

Thank you for the progress report of December 7, 1987 on the Department's compliance with the State Procurement Code. I am extremely pleased that you found everything to be in order.

The Department is committed to abiding by the State Procurement Code. A special effort has been made and will continue to be made to remain in compliance with the Code.

I look forward to the next progress report after your December visit. If you need any information from me with regard to your next visit, please let me know.

Sincerely,


Parker Evatt

cc: Rick Kelly
Don Lemmons
Marshall Williams

14108

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south carolina department of corrections

P.O. BOX 21787, 4444 BROAD RIVER ROAD, COLUMBIA, SOUTH CAROLINA 29221-1787
TELEPHONE (803) 737-8555
PARKER EVATT, Commissioner

January 11, 1988

Mr. R. Voight Shealy, Manager
Office of Audit and Certification
Budget and Control Board
Division of General Services
1201 Main Street, Suite 600
Columbia, South Carolina 29201

Dear Mr. Shealy:

Thank you for your December 30 letter advising me you found no problems in either our emergency or sole source procurements during your December 8, 1987, audit.

We are committed to complying with state procurement policies and procedures to the fullest extent possible.

Sincerely,

Parker Evatt

PE:abb

cc: Mr. Rick Kelly
Mr. Don Lemmons
Mr. Marshall Williams

14109

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NORMAN KIRKLAND
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Bamberg, S.C.

GOV. CARROLL A. CAMPBELL, JR., Member, Ex Officio, Columbia, S.C.

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
1201 MAIN STREET, SUITE 600
COLUMBIA, S.C. 29201
(803) 737-0600

EXHIBIT

MAR 22 1988

NO. 19

STATE BUDGET & CONTROL BOARD

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GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD J. CAMPBELL
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

DR. JESSE A. COLES, JR.
EXECUTIVE DIRECTOR

October 20, 1987

Mr. Parker Evatt
Commissioner
S.C. Department of Corrections
P.O. Box 21787
Columbia, South Carolina 29221-1787

Dear Commissioner:

On September 29th and 30th, we returned to the South Carolina Department of Corrections (SCDC) to follow up on our exit conference of September 24th and to bring the audit period current through September 30, 1987 as stated in the conclusion section of the audit report.

We found exceptions similar to those addressed in the audit report as listed below:

I. The following procurements are not justified as emergencies.

<u>P.O. Number</u>	<u>Amount</u>
H60406	\$40,268.88
H61309	24,012.00
H66410	26,756.75
H64684	9,200.00
58708	3,053.40
H72850	14,900.00
H71432	12,732.72
H71889	6,722.56
H72192	13,175.00
H73620	4,820.00
H73391	25,448.00
H71890	9,370.32
H73084	11,725.00
H64342	15,876.82

MATERIALS MANAGEMENT OFFICE

14110

State Supply & Surplus Property Management
Surplus Property
Boston Avenue
W. Coia S.C. 29169
734-4335

Supply, Warehousing & IMS
1942 Laurel Street
Coia, S.C. 29201
734-7919

Training & Research
300 Gervais Street
Annex 3
Coia, S.C. 29201
737-2060

State Procurement &
Information Technology Management Office
1201 Main Street
Suite 600
Coia, S.C. 29201
737-0600

Office of Audit & Certification
1201 Main Street
Suite 600
Coia, S.C. 29201
737-0600

Installment Purchase Program
1201 Main Street
Suite 600
Coia, S.C. 29201
737-0600

We remind SCDC that all expenditures for permanent improvement projects must have the approval of the State Engineer.

IV. The appropriate number of bids were obtained and these procurements were within the certification limits of the Department, therefore, they should not have been reported as emergencies.

<u>Purchase Order Number</u>	<u>Amount</u>
H68818	\$ 810.00
H68811	2,028.60
H68779	2,461.24
H68820	1,021.80
H69954	1,250.00
H69053	1,841.84
H69021	1,270.25
H69033	2,439.50
H62630	2,443.20
H62080	2,437.65
H61562	2,483.16
H64803	2,433.00
H71344	2,495.00

Procurements which are made based upon solicitation of the required number of competitive bids should not be reported as emergencies.

This review brings us current with our exit conference with you and your staff when we discussed the areas of noncompliance in SCDC's past procurement activity.

The types of exceptions noted herein are similar to those in the audit report. These exceptions should not be taken lightly. However, they occurred prior to your administration and prior to our discussion of the audit results. As such, we require no further discussion with you on these specific exceptions unless you feel this would be helpful.

Beginning with the month of October, we will review your emergency procurements on a monthly basis through January 1988. Our primary interest there will be to determine current emergency procurement management at SCDC. As indicated in the audit report, we must see evidence of improvement before we can recommend recertification for the Department.

SCDC must be more cognizant of what constitutes an emergency as defined in Section 11-35-1570 of the South Carolina Consolidated Procurement Code.

II. Ample time was available to send the below listed emergency procurements to State Procurement, thus they were inappropriate as emergencies.

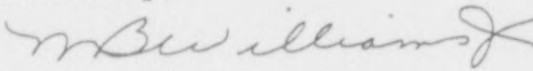
<u>P.O. Number</u>	<u>P.O. Date</u>	<u>Emergency Date</u>	<u>Amount</u>
H71199	04/09/87	02/02/87	\$4,761.00
H70066	02/09/87	03/20/87	6,294.00
H77939	09/22/87	02/02/87	2,898.60
H64195	09/15/86	04/02/86	3,998.00
H61992	07/31/86	03/17/86	12,416.00
H62014	08/19/86	04/08/86	4,639.00
H67026	12/18/86	05/30/86	19,844.05
H66948	12/15/86	04/08/86	2,830.04
H65999	11/13/86	04/08/86	6,823.10
H65256	10/22/86	04/08/86	5,618.50
H65031	10/16/86	04/08/86	2,624.07
H64910	11/22/86	04/08/86	5,987.00

III. The below listed procurements were made as emergencies on permanent improvement project N04-116 (9078). A blanket emergency was prepared by SCDC but never approved by the State Engineer as required by the Manual for Planning and Execution of State Permanent Improvements. These procurements are unauthorized and must be ratified in accordance with Regulation 19-445.2105 as they exceed SCDC's procurement authority.

<u>P.O. Number</u>	<u>Amount</u>
H76667	\$ 800.00
H75198	3,916.00
H75603	2,537.90
H77939	2,898.60
H72722	2,640.00
H72747	22,000.00
H72751	3,476.94
H73273	5,609.82
H73312	3,058.00
H73791	2,597.64

Please let me know if you would like to discuss the exceptions listed herein. We will be glad to do so.

Sincerely,

for 
R. Voight Shealy, Manager
Audit and Certification

cc: Mr. Rick Kelly
Mr. Richard Campbell
Mr. Marshall Williams
Mr. Don Lemmons

14113

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
1201 MAIN STREET, SUITE 600
COLUMBIA, S.C. 29201
(803) 737-0600

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD J. CAMPBELL
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN
SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE

DR. JESSE A. COLES, JR.
EXECUTIVE DIRECTOR

December 7, 1987

Mr. Parker Evatt
Commissioner
S.C. Department of Corrections
4444 Broad River Road
Columbia, South Carolina 29221-1787

Dear Commissioner:

As we indicated at our exit conference of September 24, the Office of Audit and Certification has started monitoring the Department of Correction's emergency procurements on a monthly basis beginning with October 1987 activity. On November 17, we returned to the Department to review emergency procurements for the month of October. We found that no emergencies had been reported. We commend the Department for its prudent use of emergency procurements.

As a control measure, we also reviewed the sole source procurements for October. Nine sole source procurements were reported during the month. All available documentation for these procurements were reviewed and we found them to be appropriate as sole sources. No exceptions were noted.

We will return in early December to review November's emergency procurements. If you have any questions or comments, please let us know.

Sincerely,

R. Voight Shealy, Manager
Audit and Certification

cc: Rick Kelly
Don Lemmons
Marshall Williams

MATERIALS MANAGEMENT OFFICE

14114

State Supply & Surplus Property Management
Surplus Property
Boston Avenue
W. Cola S.C. 29169
734-4335

Supply, Warehousing & IMS
1942 Laurel Street
Cola, S.C. 29201
734-7919

Training & Research
300 Gervais Street
Annex 3
Cola, S.C. 29201
737-3860

State Procurements &
Information Technology Management Office
1201 Main Street
Suite 600
Cola, S.C. 29201
737-0600

Office of Audit & Certification
1201 Main Street
Suite 600
Cola, S.C. 29201
737-0600

Installment Purchase Program
1201 Main Street
Suite 600
Cola, S.C. 29201
737-0600

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
1201 MAIN STREET, SUITE 600
COLUMBIA, S.C. 29201
(803) 737-0600



CARROLL A. CAMPBELL, JR., CHAIRMAN
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COMPTROLLER GENERAL

RICHARD J. CAMPBELL
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

DR. JESSE A. COLES, JR.
EXECUTIVE DIRECTOR

December 30, 1987

Mr. Parker Evatt
Commissioner
S.C. Department of Corrections
4444 Broad River Road
Columbia, South Carolina 29221-1787

Dear Commissioner:

As we indicated at our exit conference of September 24, the Office of Audit and Certification has started monitoring the Department of Correction's emergency procurements on a monthly basis beginning with October 1987 activity. On December 8, we returned to the Department to review emergency procurements for the month of November. We found that no emergencies had been reported. Again, we commend the Department for its prudent use of emergency procurements.

As a control measure, we also reviewed the sole source procurements for November. Twenty-one sole source procurements were reported during the month. All available documentation for these procurements were reviewed and one exception was noted on purchase order number 0100055299-0100055302. Upon further review, we determined that the sole source justification is poorly written. We requested that the purchasing department add certain additional information to the file which we believe will bring this sole source procurement in compliance with the Code.

We will return in early January to review December's emergency procurements as well as perform an extensive follow-up of the Department's general procurement activity. As we indicated in our report, the results of this follow-up review will determine whether the Department will be recertified to handle its own procurements of construction services. Thus far, the results have been positive.

MATERIALS MANAGEMENT OFFICE

14115

State Supply & Surplus Property Management
Surplus Property
Boston Avenue
W. Cola. S.C. 29169
734-4335

Supply, Warehousing & IMS
1942 Laurel Street
Cola., S.C. 29201
734-7919

Training & Research
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Annex J
Cola., S.C. 29201
737-2060

State Procurements &
Information Technology Management Office
1201 Main Street
Suite 600
Cola., S.C. 29201
737-0600

Office of Audit & Certification
1201 Main Street
Suite 600
Cola., S.C. 29201
737-0600

Installment Purchase Program
1201 Main Street
Suite 600
Cola., S.C. 29201
737-0600

If you have any questions or comments, please let us know.

Sincerely,

R. Voight Shealy

R. Voight Shealy, Manager
Audit and Certification

cc: Rick Kelly
Don Lemmons
Marshall Williams

EXHIBIT

MAR 22 1988

NO. 19

STATE BUDGET & CONTROL BOARD

14116

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
1201 MAIN STREET, SUITE 600
COLUMBIA, S.C. 29201
(803) 737-0600

EXHIBIT

MAR 22 1988

NO. 19

STATE BUDGET & CONTROL BOARD

CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD J. CAMPBELL
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

ROBERT N. McLELLAN
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

DR. JESSE A. COLES, JR.
EXECUTIVE DIRECTOR

February 9, 1988

Mr. D.L. McMillin
Acting Materials Management Officer
Division of General Services
1201 Main Street, Suite 600
Columbia, South Carolina 29201

The Office of Audit and Certification performed an extensive follow-up audit of the South Carolina Department of Corrections for the period October 1 through December 31, 1987.

Our on-site audit was conducted January 18-21, 1988, and was made as part of our previous audit which covered the period July 1, 1984, through June 30, 1986. Since we have reviewed procurement activity for the period July 1, 1986 - September 30, 1987 previously, we concentrated on the months of October - December 1987. Our primary interest was to determine the current state of procurement management at the Department.

The scope of our audit included, but was not limited to review of the following:

- (1) One hundred selected procurement transactions which each exceeded five hundred dollars;
- (2) A block sample review of all purchase orders;
- (3) All sole source procurements;
- (4) All emergency procurements;

MATERIALS MANAGEMENT OFFICE

14117

State Supply & Surplus Property Management
Surplus Property
Boston Avenue
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734-4335

Supply Warehousing & IMS
1942 Laurel Street
Coia, S.C. 29201
734-7919

Training & Research
300 Gervais Street
Annex 7
Coia, S.C. 29201
737-2060

State Procurement &
Information Technology Management Office
1201 Main Street
Suite 600
Coia, S.C. 29201
737-0600

Office of Audit & Certification
1201 Main Street
Suite 600
Coia, S.C. 29201
737-0600

Installment Purchase Program
1201 Main Street
Suite 600
Coia, S.C. 29201
737-0600

- (5) Selected blanket purchase agreements from the maintenance and communications area;
- (6) A review of all purchase orders executed by the Industries Division; which processes its own orders up to \$2,500.00.
- (7) A review of construction procurements.

Since the audit was performed, the Department of Corrections has had key changes in top management. These changes have resulted in the Department achieving compliance with the Procurement Code and regulations. Substantial improvement in the management and control of the procurement function has been accomplished. We did note, however, the below listed items which should be addressed by management.

1. We found two instances where purchases had been split, resulting in procurements which exceeded the Department's certification limit of \$2,500.00.

<u>P.O. #</u>	<u>Description</u>	<u>Amount</u>
H81463	Concentrated fruit juice	\$2,323.70
H81464	Concentrated fruit juice	<u>2,264.00</u>
		<u>\$4,587.70</u>
01-55711	Bedspreads	\$1,488.96
01-55743	Blankets	<u>1,183.68</u>
		<u>\$2,672.64</u>

These are unauthorized procurements and must be ratified in accordance with Section 19-445.2015, Subsection A, Item number 2, of the regulations.

2. Purchase order number 01-56704 was supported by written quotes which had expired. The prices quoted were good for thirty days but the procurement was made ninety days after the quotes were received.

We recommend that the Department obtain new quotes in such situations.

3. Prison Industries purchased shoes from the Florida State Prison System and sold them to the Department on purchase order number H80441. The Department paid Prison Industries a surcharge/handling fee on the shoes.

We recommend that the Department handle the procurement directly and avoid any additional charges or fees.

4. Our review of procurements in Prison Industries revealed two purchases which were not supported by the required number of quotes.

<u>P.O. #</u>	<u>Amount</u>
13378	\$1,476.16
13475	634.34

The Procurement Code regulations require solicitation of quotes from a minimum of two qualified sources for each procurement from \$500.01 - \$1,499.99. Only a single quote was requested on each purchase.

We recommend that Industries solicit the required amount of competition.

Management must secure ratification for the procurements listed in item number one above. Overall, however, the problem areas addressed in the audit report have been corrected by the Department. We believe that the South Carolina Department of Corrections is now acting in compliance with the Consolidated Procurement Code and its regulations.

Based upon the complete reversal toward procurement compliance and the current state of procurement management of the Department, we recommend that certification be granted by the Budget and Control Board.

Sincerely,

R. Voight Shealy

R. Voight Shealy, Manager
Audit and Certification

EXHIBIT
MAR 22 1988 NO. 19
STATE BUDGET & CONTROL BOARD

14120

EXHIBIT

MAR 22 1988

NO. 20

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

STATE BUDGET & CONTROL BOARD

ITEM NUMBER

15

AGENCY: General Services

SUBJECT: Permanent Improvement Projects

- A. Budget and Control Board approval is requested for the following permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee:

On Summary 15-88: Item 2:

Agency: Technical & Comprehensive Education
Project: 8642, C. A. Brown Renovation
Request: Increase budget to \$4,165,500
Amount: Add \$400,000
Source: Federal and Other (Local) funds
Purpose: To revise scope to include additional classrooms and offices which are required because of increased number of programs.

- B. Budget and Control Board approval is requested contingent upon Joint Bond Review Committee emergency approval for the following project:

On Summary 17-88: Item 17:

Agency: Winthrop College
Project: 8803, Roddey Apartments Renovation
Request: Increase budget to \$2,350,000
Amount: Add \$450,000
Source: Revenue Bond and Excess Debt Service funds
Purpose: To cover the cost of renovations and the completion of the campus chilled water loop. Bid expires March 26.

BOARD ACTION REQUESTED:

Approve permanent improvement project revisions.

ATTACHMENTS:

Referenced summary extracts plus attachments.

14121

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
February 1, 1988 Through February 15, 1988

SUMMARY 15-88 Page 1 of 5
Forwarded to JBRC 02/18/88

Item Agency: H59 Tech & Comp Education Project: 8642, C. A. Brown Renovation

2.

Action

Proposed: Increase budget from \$ 3,765,500.00 to \$ 4,165,500.00

(Add \$ 400,000.00 [9] Other, Local)

Purpose: To revise scope to include additional classrooms and offices which are required because of increased number of programs.

Ref: Supporting document pages 5-7.

CHE Approval Date: Not req'd
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed	
Source	Amount
Federal	212,500.00
Other	3,953,000.00

TOTAL FUNDS	4,165,500.00
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EXHIBIT
MAR 22 1988 NO. 20
STATE BUDGET & CONTROL BOARD

14122

A

BUDGET AND CONTROL BOARD FORM A-23 PAGE 1
STATEWIDE PERMANENT IMPROVEMENT REPORTING SYSTEM (SPIRS)

For Board Use Only
15-88 (2)
Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 87/88

1. PROJECT IDENTIFIERS:

A. Agency: Number H59 Name Trident Technical College
B. Contact person: George Struzyna Phone: 572-6363
C. Project Number: 8642 Name: Renovate Portions of the Old C.A. Brown High School
for use as the Trident Tech Palmer Campus

2. PROJECT ACTION PROPOSED:

☒ Increase total project budget ☐ Change source of funds
☐ Decrease total project budget ☒ Revise scope

3. WHAT IS THE REVISION PROPOSED?:

1. To carry out the engineering design work for the total of Phase III;
2. To execute the renovation of Phase II/A (1st floor of building only).

4. JUSTIFICATION FOR REVISION (Why is it needed?):

Additional classrooms and offices are required, because of increased number of programs.

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision? Yes ☒ No ☐
If yes, complete and attach Addendum A-49.

6. ESTIMATES OF PROJECT COSTS AS REVISED

- A. Total estimated cost of project as revised: \$ 4,165,500.00
- B. Total estimated cost of project as revised includes the following (1 through 10 = 6A above)
- | | | |
|------|-------------------|--|
| (1) | \$ <u>276,600</u> | Planning/design services |
| (2) | <u>217,000</u> | Site work (including utilities) |
| (3) | <u>815,000</u> | Central energy systems repair/replacement |
| (4) | <u>1,519,900</u> | Mechanical systems repair/replacement |
| (5) | <u>240,000</u> | General renovation/repair of floor space (Gross sq ft <u>71,090</u>) |
| (6) | <u>240,000</u> | Roof repair/replacement |
| (7) | <u>689,000</u> | Construction of additional floor space (Gross sq ft <u> </u>) |
| (8) | <u>250,000</u> | Equipment/supplies |
| (9) | <u>158,000</u> | Purchase of facilities (Floor space, gross sq ft <u>109,790</u>)
(Land, acres <u>5.2 acres</u>) |
| (10) | <u> </u> | Other (Specify) <u>contingencies</u> |

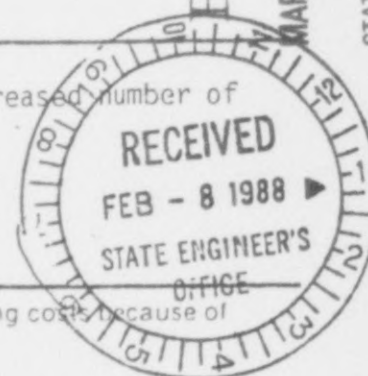
\$ 4,165,500 Total (Same as 6A)

14123

NO. 20

MAR 22 1988

STATE BUDGET & CONTROL BOARD



6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: \$ 4,165,500
(equals 1 through 8, below, and is same as 6A)

1. Purchase land \$ _____
2. Purchase facility \$ 250,000
3. Demolish facility \$ _____
4. Construct additional facility \$ 846,000

5. Restore facility \$ 2,911,500
6. Maintain facility \$ _____
7. Replace facility \$ _____
8. Other Contingencies \$ 158,000

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: 87/88 \$ 3,870,500
(expenditure purposes (use 6B categories): _____)

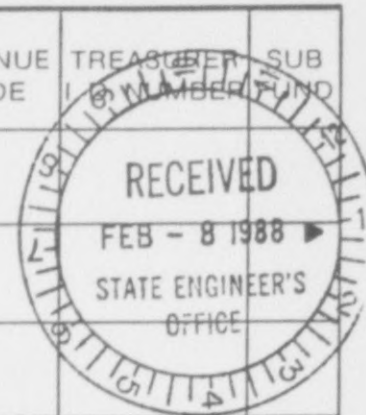
B. Estimated expenditures after this FY

295,000
\$ _____
4,165,500
\$ _____

C. Total (Same as 6A, 6B and 6C)

8. PROPOSED SOURCES OF FUNDS AS REVISED:

TYPE	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE -	REVISED AMOUNT	REVENUE CODE	TREASURER'S SUB FUND
(0) Capital Improvement Bonds	\$ _____	\$ _____	\$ _____		
(1) Depart Capital Imp Bonds					
(2) Inst (tuition) Bonds					
(3) Revenue Bonds					
(4) Excess Debt Service					
(6) Appropriated State					
(7) Federal	212,500	-0-	212,500	2801	78800.100
(8) Athletic					
(9) Other Local	3,553,000	400,000	3,953,000	7841	98800100
TOTAL	\$3,765,500	\$ 400,000	\$4,165,500		



9. Submitted By:

Authorized Official

Charles Branch
Typed Name and Title and Signature
Dr. Charles W. Branch, President

Date Submitted February 1, 1988

FY Submitted 87/88

10. APPROVED (For Board Use Only):

14124

Typed Name and Title and Signature

Date

⑥

EXHIBIT

NO. 20

MAR 22 1988

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD, OFFICE OF EXECUTIVE DIRECTOR
SUMMARY OF PERMANENT IMPROVEMENT PROJECT ACTIONS PROPOSED BY AGENCIES
March 1, 1988 Through March 15, 1988

SUMMARY 17-88 Page 6 of *
Forwarded to JBRC *

Item Agency: H47 Winthrop College Project: 8670, Thomson Hall Cafeteria Renovation
16.

Action
Proposed: Increase budget from \$ 400,000.00 to \$ 580,000.00

(Add \$ 180,000.00 [9] Other, Meal Plan Fees)

Purpose: Bids exceeded the estimated budget.

Ref: Supporting document pages *.

Item Agency: H47 Winthrop College Project: 8803, Roddey Apartments Renovation
17.

Action
Proposed: Increase budget from \$ 1,900,000.00 to \$ 2,350,000.00

(Add \$ 450,000.00 [4] Excess Debt Service)

Purpose: To cover the cost of renovations and the completion of the campus chilled water loop.

Ref: Supporting document pages *.

Item Agency: H51 Medical University Project: 8517, Grounds-General Landscaping
18.

Action
Proposed: Increase budget from \$ 275,000.00 to \$ 290,000.00

(Add \$ 15,000.00 [4] Excess Debt Service)

Purpose: Increase is needed in order to complete the landscaping at the Sebring-Aimar House.

Ref: Supporting document pages *.

CHE Approval Date:
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed
Source Amount

Other 580,000.00

TOTAL FUNDS 580,000.00

CHE Approval Date: 3/3/88
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed
Source Amount

Revenue Bonds 1,900,000.00
Excess Debt Service 450,000.00

TOTAL FUNDS 2,350,000.00

CHE Approval Date: 03/09/88
Committee Review Date: *
B&C Board Approval Date: *

Budget After Action Proposed
Source Amount

Excess Debt Service 290,000.00

TOTAL FUNDS 290,000.00

EXHIBIT
MAR 22 1988
STATE BUDGET & CONTROL BOARD
NO. 21

14125

B

For Board Use Only

Packet Number

REVISION OF PROJECT BUDGET OR PROJECT SCOPE

FOR ANNUAL PERMANENT IMPROVEMENT PROGRAM FOR FISCAL YEAR 1988

1. PROJECT IDENTIFIERS:

A. Agency: Number H-47 Name WINTHROP COLLEGE
B. Contact person: J. P. McKee Phone: 323-22-05
C. Project Number: 8803 Name: RODDEY APARTMENTS RENOVATION

2. PROJECT ACTION PROPOSED:

☒ Increase total project budget ☐ Change source of funds
☐ Decrease total project budget ☒ Revise scope

3. WHAT IS THE REVISION PROPOSED?:

Increase the project by \$450,000.00 to cover the cost of the project. The bids exceeded the original project budget. *Bids expire March 26, 1988.*

4. JUSTIFICATION FOR REVISION (Why is it needed?):

The budget increase is necessary to fully cover the cost of renovations and the completion of the campus chilled water loop. Attached is a copy of the bid tabulation.

*Alternate (1) 48,000 Tie-in existing chiller to loop
(2) 186,000 Trenching and piping to complete South Campus chilled water loop*

5. ADDITIONAL OPERATING COSTS: Will this project require additional annual operating costs because of the revision? Yes ☐ No ☒
If yes, complete and attach Addendum A-49

6. ESTIMATES OF PROJECT COSTS AS REVISED

A. Total estimated cost of project as revised: \$ 2,350,000.00

B. Total estimated cost of project as revised includes the following (1 through 10 - 6A above)

(1)	\$ <u>150,000.00</u>	Planning/design services
(2)	<u>150,000.00</u>	Site work (including utilities)
(3)	<u>500,000.00</u>	Central energy systems repair/replacement
(4)	<u>400,000.00</u>	Mechanical systems repair/replacement
(5)	<u>1,100,000.00</u>	General renovation/repair of floor space: (Gross sq. ft. <u>59,845</u>)
(6)		Roof repair/replacement
(7)		Construction of additional floor space (Gross sq. ft. _____)
(8)		Equipment/supplies
(9)		Purchase of facilities: (Floor space, gross sq. ft. _____)
		(Land, acres: _____)
(10)	<u>50,000.00</u>	Other (Specify) <u>Contingency</u>
	<u>2,350,000.00</u>	
	\$ _____	Total (Same as 6A)

14126

6. C. Total estimated cost of project, as revised, by broad purpose: Total cost: \$ 2,350,000.00
(equals 1 through 8, below, and is same as 6A) 2,350,000.00

1. Purchase land \$ _____
2. Purchase facility \$ _____
3. Demolish facility \$ _____
4. Construct additional facility \$ _____

5. Restore facility \$ _____
6. Maintain facility \$ _____
7. Replace facility \$ _____
8. Other \$ _____

EXHIBIT

MAR 22 1988 NO. 21

7. PROJECT COMPLETION SCHEDULE AND ESTIMATED EXPENDITURES BY FISCAL YEAR AS REVISED:

A. Estimated expenditures and expenditure purposes, this FY: \$ 1,500,000.00
(expenditure purposes (use 6B categories): _____
Renovation)

B. Estimated expenditures after this FY \$ 850,000.00

C. Total (Same as 6A, 6B and 6C) \$ 2,350,000.00

8. PROPOSED SOURCES OF FUNDS AS REVISED:	PREVIOUSLY APPROVED AMOUNT	PROPOSED INCREASE + DECREASE -	REVISED AMOUNT	REVENUE CODE	TREASURER I. D. NUMBER	SUB FUND
TYPE						
(0) Capital Improvement Bonds	\$	\$	\$			
(1) Depart Capital Imp Bonds						
(2) Inst (tuition) Bonds						
(3) Revenue Bonds						
HOUSING	1,900,000.00		1,900,000.00	8211	36001800	3302
(4) Excess Debt Service						
HOUSING		450,000.00	450,000.00	8803		4649
(6) Appropriated State						
(7) Federal						
(8) Athletic						
(9) Other						
TOTAL	\$1,900,000.00	\$ 450,000.00	\$2,350,000.00			

9. Submitted By:

Authorized Official J. P. McKee
Typed Name and Title and Signature

Date Submitted Jan. 29/88
FY Submitted _____

10. APPROVED (For Board Use Only):

14127

Typed Name and Title and Signature

Date

EXHIBIT

MAR 22 1988

NO. 22

STATE BUDGET AND CONTROL BOARD ~~STATE BUDGET & CONTROL BOARD~~ REGULAR SESSION
MEETING OF March 22, 1988 ITEM NUMBER

16

AGENCY: General Services

SUBJECT: Navigable Waters Permitting Authority

At its meeting on October 27, 1987, the Board directed staff to draft the necessary regulations or statutes to place final permitting authority for complex environmental matters such as permits for construction in navigable waters with an entity having expertise in those matters.

Attached is a proposed bill which would transfer that final authority from the Board to the Water Resources Commission.

As the Board agreed at the March 8 meeting, a skeleton bill was prepared and introduced in both the House (H3924) and the Senate (S1307).

BOARD ACTION REQUESTED:

Approve for submission to the General Assembly a bill which would place final permitting authority for complex environmental matters such as permits for construction in navigable waters with the Water Resources Commission rather than the Budget and Control Board.

ATTACHMENTS:

Agenda item worksheet; draft Bill

14128

EXHIBIT

A BILL

MAR 22 1988

NO. 22

TO TRANSFER AUTHORITY FROM THE STATE BUDGET
AND CONTROL BOARD FOR THE BOARD'S PERMITTING PROGRAM

STATE BUDGET & CONTROL BOARD

FOR ACTIVITIES IN NAVIGABLE WATERS TO THE
WATER RESOURCES COMMISSION; TO AUTHORIZE THE
WATER RESOURCES COMMISSION TO ADMINISTER A
NAVIGABLE WATERS PERMIT PROGRAM;
TO ESTABLISH A NAVIGABLE WATERS PERMIT PROGRAM;
AND TO PROVIDE FOR ENFORCEMENT AND PENALTIES

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

SECTION 1. This Act may be cited as the South Carolina Navigable Waters Act.

SECTION 2. The General Assembly finds that:

(A) South Carolina's navigable waters are a resource of inestimable value. Navigable waters constitute an important component of the State's natural, commercial, recreational, industrial, and aesthetic heritage.

(B) Navigable streams and rivers were the State's first highways, providing avenues for transportation and commerce in all parts of the State. The people of South Carolina have long recognized the value of their navigable waters. The South Carolina Constitution states the fundamental rule attaching to all navigable waters - that such waters shall be forever free and open to all of the people of the State and of the United States. The General Assembly has long adhered to this principle, providing from time to time for the maintenance of navigation and for the abatement of obstructions to navigation. The current statute

SECRET

mandating and enforcing free and unobstructed navigation has served since 1853 and now requires augmentation.

(C) The South Carolina Supreme Court has declared that a strong public interest exists in the State's navigable waters, and as such, the State has an obligation to actively protect that public interest.

(D) Since 1970, the State Budget and Control Board has been responsible for administering a permitting program to protect the public interest in navigable waters. The General Assembly finds that the navigable waters permitting program, being one involving oversight of and day-to-day administration of a public natural resource, should be administered by a public agency possessing experience and expertise in water resources. The Water Resources Commission has served as the agent of the Board in coordinating this program since 1976. Therefore, the General Assembly finds that the navigable waters permitting program should be transferred to the Water Resources Commission and that the Commission should be authorized to administer such a program.

SECTION 3. With respect to navigable waters, the General Assembly declares the following to be the policy of this State:

(A) Consistent with the Constitution of South Carolina, Article XIV, Section 4, and Section 49-1-10, Code of Laws of South Carolina, 1976, all navigable waters in the State shall forever remain public highways free to the citizens of the State and the United States.

(B) The State should undertake a comprehensive survey of the rivers, streams, and water courses within its jurisdiction, including boundary

waters, in order to study, inventory and classify such waters as navigable waters of the State.

(C) Navigable waters shall be protected and conserved at least to the extent necessary to maintain the public interest in such waters now and in the future.

EXHIBIT

MAR 22 1988

NO. 22

SECTION 4. As used in this Act:

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(A) Applicant means any person who files an application for a permit under the provisions of this Act.

(B) Commission means the South Carolina Water Resources Commission.

(C) Person means any individual, organization, association, partnership, business trust, estate trust, corporation, public or municipal corporation, county, local government unit, public or private authority, agencies of the federal government, and includes the State of South Carolina, its political subdivisions and all its departments, boards, bureaus or other agencies, unless specifically exempted by this Act.

(D) Navigable Waters means those waters as defined in Section 49-1-10, Code of Laws of South Carolina, 1976. Navigable waters are waters subject to a public navigational servitude, including those waters which are now navigable, or have been navigable at any time, or are capable of being rendered navigable by the removal of accidental obstructions, by rafts of lumber or timber or by small pleasure or sport fishing boats. Navigability shall be determined by the Commission.

(E) Lands and waters subject to a public navigational servitude means those lands below the mean high water line in tidally influenced areas, or below the ordinary high water mark of any nontidal navigable waterway of

the State.

(F) Mean high water line means that line which intersects with the shore representing the average height of high waters over an 18.5 year tidal cycle. Benchmarks purporting to have established mean high or low water values must be verified by the Commission as meeting State and National Ocean Survey Standards.

(G) Ordinary high water mark means the natural or clear line impressed on the shore or bank in nontidal waters representing the ordinary height of water therein. It may be determined by bank shelving, changes in the character of the soil, destruction or absence of terrestrial vegetation, the presence of litter or debris, or a combination of the above or other appropriate criteria that consider the characteristics of the surrounding area.

(H) Feasible (feasibility) is determined by the Commission and is based upon available information, including but not limited to technical input from the agencies, and consideration of economic, environmental, social and legal factors bearing on the suitability of the proposed activity and its alternatives. It includes the concepts of reasonableness and likelihood of success of achieving the purpose. "Feasible alternatives" applies to both locations or sites and to methods of design or construction.

(I) Dredging means the removal or displacement by any means of soil, sand, gravel, or other material, whether of intrinsic value or not, from any navigable water.

(J) Filling means the displacement of water by the depositing into navigable waters of soil, sand, or any other material.

SECTION 5. The Water Resources Commission is designated as the State agency to administer the program created by this Act. Without limiting its general authority, the Commission shall have the following powers and duties:

(A) To develop, implement, and enforce a comprehensive program designed to promote the policies set forth in this Act.

(B) To hold public informational hearings, adjudicatory hearings, compel attendance of witnesses, make findings of fact and determinations and assess such penalties as are herein prescribed.

(C) To issue, deny, revoke, suspend or modify permits under such conditions as it may prescribe for the dredging, filling, construction in, or alteration of navigable waters.

(D) To apply for, accept, and expend financial assistance from public and private sources in support of activities undertaken pursuant to this Act.

(E) To promulgate such rules and regulations as necessary to carry out the provisions of this Act.

(F) To revoke or suspend permits of persons who fail or refuse to carry out or comply with their permit within a reasonable time.

(G) To enforce the provisions of this Act and all rules and regulations promulgated by the Commission and to institute or cause legal proceedings, including injunctions, to be instituted in a court of competent jurisdiction, to compel compliance with the provisions of this Act or the determinations, permits, and permit conditions and orders of the Commission. An injunction granted by the Court shall be issued

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without bond.

(H) To manage navigable waters and to regulate activities as provided in this Act.

(I) Conduct or have conducted studies, investigations, and research as deemed appropriate by the Commission to implement this Act.

(J) Settle or compromise any action or cause of action for the recovery of a penalty or damage under this Act as it may deem advantageous to the State.

(K) Administer penalties as otherwise provided herein for violations of this Act, including any order, permit, regulation, or standard.

(L) To delegate administration of the permitting program created by this Act to the staff of the Commission; provided that the Commission shall retain the ultimate authority to determine any matter arising from the administration of the permitting program.

(M) Exercise all incidental powers necessary to carry out the provisions of this Act.

SECTION 6.

(A) Unless expressly exempted, no person shall do any dredging, filling or construction or alteration activity in, on, under, or over a navigable water, or in, or on the bed under navigable waters, or in, or on lands or waters subject to a public navigational servitude, including submerged lands under the navigable waters of the State, or any activity significantly affecting the flow of any navigable water.

(B) No permit shall be required for the following; provided, however, exemptions to the general requirement for a permit must be strictly and narrowly construed.

1. No permit is required for any activity or construction on private lands above the mean high water line or ordinary high water mark which does not affect directly or significantly any navigable water or water or land subject to a public navigational servitude.

2. No permit is required for any activity subject to the exclusive permitting authority of the South Carolina Coastal Council within a critical area under Section 48-39-130 et seq., Code of Laws of South Carolina, 1976.

3. No permit is required for any normal or otherwise lawful use of the navigable waters of the state which does not involve construction, filling, dredging or alteration activity in navigable waters, or any activity significantly affecting the flow of navigable waters.

4. No permit is required for any state or federal navigational markers.

5. No permit is required for the normal maintenance and repair of any existing structure, heretofore permitted by the State Budget and Control Board, or any structure completed prior to December 31, 1976 that is currently serviceable, intact and has been maintained in good working order since that date, provided that the normal maintenance and repairs on these structures does not alter significantly the dimensions nor change the purpose, scope or use of the structure nor do the repairs and maintenance activities create a hazard to navigation nor otherwise adversely affect the navigable waters of the state, water quality or wildlife. Any activity that is intended to restore a water control structure involving impoundment that has not been continually maintained and is not currently serviceable and intact and is now in disrepair and disuse shall require a permit.

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6. Any activity undertaken prior to the commencement of the State Budget and Control Board's permitting program on December 31, 1976, pursuant to regulation 19-450, which involves a structure which has been continually maintained in good working order since then and is intact and functional on the effective date of this Act, and which subsequently does not adversely affect water quality, navigability, or other natural resource conditions existing on the effective date shall be exempt from the permitting process, provided, however, that the Commission may require the owner or other person responsible for the structure to report the existence and condition of the structure.

7. No permit shall be required for the following activities provided that the applicant or permittee, in all except emergency situations, obtains from the Commission a written exemption from the permitting procedure prior to commencing work:

(a) Any activity on a permitted structure that does not significantly alter the dimensions, changes the purpose, scope or use of the structure, or may create a hazard to navigation or otherwise adversely affect the navigable waters of the state, the flow of navigable waters, water quality, or wildlife. Any request to perform an activity which significantly affects the navigable waters of the state, the flow of navigable waters, water quality, or wildlife shall be processed as an amendment to the permit. Any activity on an unpermitted structure, or that is intended to restore a water control structure involving impoundment that has not been continually maintained and is not currently serviceable and intact and is now in disrepair and disuse, shall require a permit.

(b) Any emergency construction when the construction is ordered by a duly constituted official of a county, municipality or the state acting to protect the public safety from a sudden and unanticipated threat to the health or public safety. The Commission must be notified promptly by telephone and not later than seventy-two hours after construction has commenced, and within thirty days of the commencement of construction, written application must be made to the Commission for permission or a permit for the activity undertaken under emergency conditions.

(c) Any emergency repair or replacement of a recently damaged permitted structure, or any structure completed prior to the commencement of the State Budget and Control Board's permitting program on December 31, 1976, pursuant to regulation 19-450, provided that it has been continually maintained in an intact and currently serviceable condition and that the repairs are essential to prevent property damage from sudden and unanticipated events which make it impossible to notify the Commission prior to undertaking the activity, providing that the Commission must be notified not later than seventy-two hours after construction has commenced, and written application made within thirty (30) days for permission or a permit for the activity undertaken under emergency conditions.

(d) Any installation of utility lines to be attached to an existing permitted structure, or to a structure completed prior to December 31, 1976, and which meets the standards for exemption under subsection (B)(5) above, provided that the utility lines do not alter or reduce significantly the vertical or horizontal clearance provided by the structure.

(e) Any drilling for soil borings for construction foundation testing.

(C) Act No. 489 of 1986 is hereby repealed.

(D) Application for a permit shall be made to the Commission on forms provided by the Commission. An application shall contain, but not be limited to, the following:

1. The name and address of the applicant;
2. The location of the proposed activity, including the navigable stream where the construction or activity is contemplated.
3. A brief description of the proposed activity, its purpose and intended use, including a drawing of the type of structures and method of construction.
4. Evidence of ownership or the consent of the owners of the adjacent land on which any part of the projected activity will be located;
5. Certification that the applicant has or will publish a notice describing the application in a newspaper of general circulation in the county where the encroachment is sought at least once in each of two consecutive weeks. Proof of the publication shall be furnished to the Commission. The Commission shall specify the contents of the notice.

SECTION 7.

(A) The Commission is authorized to cooperate with other State agencies and agencies of the federal government to the extent practical in the implementation of this Act. The Commission may enter into or execute memoranda of understanding, agreements, or like instruments for purposes of coordinating administration of this program with any related or similar

program administered by a federal agency or another agency of the State.

(B) For any structure or activity requiring a permit from the United States Army Corps of Engineers within the permitting jurisdiction of the Commission as provided in this Act, the Commission is hereby designated as the coordinating agency on behalf of the State with respect to comments on the federal permit; provided, that this authority shall not alter the authority of the Department of Health and Environmental Control in the issuance of water quality certifications.

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SECTION 8.

(A) Application Review.

The Commission shall develop and implement a procedure to provide notice of permit applications to other interested State agencies and allow such agencies to provide comments. To the extent possible, each commenting agency should submit comments based on that agency's statutory responsibilities.

An agency which comments on a proposed activity that requires a permit under this Act is responsible for presenting and supporting the comments and objections, if any, made by that agency during any administrative or judicial proceedings arising out of the permitting process.

(B)

1. In addition to the requirements in subsection (A) above and Section 9, the Commission shall not issue a permit except upon a certification by the South Carolina Department of Health and Environmental Control (DHEC) that the proposed activity or structure will not violate the water classification standard system regulation or the stream classification regulation. A determination by DHEC, after efforts to

conciliate its objection based on water quality, that the proposed activity or structure will violate water classifications and standards shall be conclusive and the Commission shall deny the permit on that ground.

2. In addition to the requirements of subsection (A) above and Section 9, the Commission shall not issue a permit except upon the issuance of certification by the South Carolina Coastal Council that any proposed activity or structure within the coastal zone as defined in Section 48-39-10(B), Code of Laws of South Carolina, 1976, is consistent with the coastal zone management plan. A determination by the Coastal Council, after efforts to conciliate its objection, that the proposed activity or structure will be inconsistent with the coastal zone management plan shall be conclusive and the Commission shall deny the permit on that ground.

3. The certification determinations covered by this subsection are a part of the overall permitting process required by this Act, and no separate adjudicatory hearing shall be conducted by the Department of Health and Environmental Control or the Coastal Council with respect to any such certification or denial thereof. All matters relating to such certifications appropriate for an adjudicatory hearing shall be considered in one hearing conducted by the Commission pursuant to Section 11 of this Act following its final determination on any permit application. The Department of Health and Environmental Control or the Coastal Council shall be made a party to any adjudicatory hearing in which any issue is raised concerning a certification by either agency.

(C) The Commission shall provide for public comment or input on permit applications including but not limited to the following.

1. Any interested person shall be allowed to submit comments in writing to the Commission during a reasonable period of time as determined by the Commission. The comments of interested persons shall be public records available to the applicant and all interested persons.

2. The Commission may hold public informational hearings if such hearings are deemed necessary to receive information from the public or obtain local public comment.

3. The application for a permit, any amendments thereto, any official comments on the application by agencies or comments by the public including joint or individual statements of objections, any proposal for replacement or compensation for unavoidable detriments, and any comments thereto, all records and statements from the public informational hearing and comments thereon and all extensions of time and other scheduling matters and the recommendation of the Commission, and all similar documents filed with the Commission shall be available to the public as provided by law.

SECTION 9.

(A) Review by Commission.

The Commission is responsible for assessing the total impact of the projected activity on the navigable waters and lands subject to the jurisdiction of the State, as well as the impact on the economy and natural resources of the state. The Commission shall be concerned with the utilization and protection of important state resources and balance the extent and permanence of reasonably foreseeable benefits and detriments of the projected activity including its impact on conservation,

economics, aesthetics, general environmental concerns, cultural values, fish and wildlife, navigation, erosion and accretion, recreation, water quality, supply and conservation, and determine whether the projected activity is consistent with the needs and welfare of the public. In particular the Commission shall consider the comments and objections of the affected agencies as well as the public, and the extent to which:

1. the activity requires construction in, on, under or over a navigable waterway, and the benefits to the state and public from such location;
2. the activity would harmfully obstruct navigability or the natural flow of navigable waters or cause erosion, shoaling of navigable channels, or the creation of stagnant waters;
3. the activity would impact fish and wildlife, water quality and other natural resource values or could affect the habitats of rare and endangered species of wildlife and irreplaceable historic and archaeological sites associated with public lands and waters;
4. the activity could affect public access to and use of public lands;
5. the benefits to the state and public from the authorized use of lands and waters meets or exceeds the benefits from preservation of the area in its unaltered state;
6. there is any adverse environmental impact which cannot be avoided by reasonable safeguards;
7. feasible alternatives are taken to avoid adverse environmental impact resulting from the project; and
8. the long range, cumulative effects of the project, including

the cumulative effects of similar existing or permitted projects, may affect navigable waters.

(B) Request for Proposal For Replacement or Compensation For Unavoidable Detriments.

1. If the Commission determines:

(a) that the proposed activity is likely to produce more than a minimal adverse impact on navigable waters or other associated natural resources;

(b) that the applicant has already agreed to or taken feasible and reasonable measures to prevent the detriment; and

(c) there are sufficient public benefits associated with the project so as not to warrant denying the permit based on these detriments without further consideration, the Commission shall request the applicant to submit a proposal that provides or creates natural resource benefits lost by the proposed activity so that even considering the detriment or negative impacts of the project, the proposal, including the compensation/replacement, results in a net gain of natural resource benefits to the state. Provided, however, that no compensation or replacement may be made for a project that produces no benefits to the public or state or where the proposed activity amounts to a taking of public land for private purposes or when a reasonable, and feasible alternative, step, effort or activity is available that prevents or corrects a detriment created by the proposed activity. A reasonable and feasible alternative, step, effort or activity shall not be deemed unreasonable or infeasible because it would require the applicant to expend more time, effort or expense than the proposed replacement or

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compensation offered by the applicant.

2. The applicant shall submit the proposal for compensation/replacement to the Commission which shall be a public record available to the public, and shall provide for public and agency comments.

3. In addition to the factors mentioned above, the Commission shall consider:

(a) whether the replacement/compensation proposal provides resources of the same type, quality and extent as those destroyed or burdened by the proposed activity and replaces the same type of natural resource or benefit adversely affected by the projected activity so that the proposal if accepted, results in compensation in kind rather than the substitution of poorer or more common natural resources for more valuable lands and water or more rare resources;

(b) whether the replacement/compensation proposal will provide the public with comparable access as previously available to the jurisdictional lands or waters burdened by the projected activity;

(c) whether the replacement/compensation is located on or near the same area as the lands or waters burdened by the proposed activity;

(d) whether the replacement/compensation produces specific benefits to the state and public beyond those produced by compliance with existing state or federal regulation of the resources included in the proposal;

(e) whether the replacement/compensation proposal presently provides specific benefits without further effort or expense by the applicant or the state;

(f) whether the replacement/compensation proposal will require

the state to incur costs in obtaining, maintaining or preserving the resources, land or waters in the proposal in appropriate condition;

(g) whether the replacement/compensation proposal is comparable to the lands and waters of the projected activity, when the areas surrounding the respective locations are considered;

(h) whether the replacement/compensation proposal provides permanent benefits;

(i) the likelihood that the benefits in the replacement/compensation proposal will occur, the person responsible for monitoring the replacement/compensation to see that it does occur as proposed, and modifications or alternatives if the benefits do not occur;

(j) the necessity for obtaining financial guarantees including secured bonds to insure that the applicant complies with all of the terms and conditions of the replacement/compensation proposal;

(k) such other factors, conditions, or requirements that may be necessary to insure that specific and permanent benefits accrue to the public or the state from the proposal that compensate or replace the resources burdened by the proposed permitted activity.

(C) Action by the Commission.

After the receipt of all written agency comments and objections to the proposed activity including an offer of replacement or compensation, if any, and if required, the final certification decision by the Coastal Council and a determination of water quality by the Department of Health and Environmental Control, and the timely comments of others, the Commission shall review all comments and supporting information and, the materials submitted by the applicant, and, in light of the standards

listed above make its decision on the permit application.

(D) The Commission shall act upon an application within a reasonable time after an application is complete, the period for comments has expired, and certification determinations by DHEC and the Coastal Council, as applicable, have been made. In the event a permit is denied the Commission shall state the reasons for such denial.

(E) Any applicant having a permit denied or any person adversely affected by the granting of the permit has the right of direct appeal to the Commission. Any applicant having a permit denied may challenge the validity of any and all reasons given for denial.

SECTION 10. Permit conditions, duration, modification.

(A) Any permit authorizing an activity or structure shall constitute a revocable license to use the lands and waters within the jurisdiction of the State. A permit shall be issued for a term of ten years or for such longer period as the Commission may grant for structures which have a substantially longer useful life. Permits may be renewed by the Commission provided that there has been no material adverse change in circumstances.

(B) The Commission may require a permittee to modify, or remove activities or structures authorized herein if the Commission determines that such modification or removal is consistent with the requirements of Section 9. Modification or removal after the permit has been granted shall be ordered only after reasonable notice stating the reasons therefor and providing the permittee an opportunity to be heard.

(C) All activities authorized by the permit shall be consistent with and limited by the terms and conditions of the permit; any unauthorized work or activity different from or inconsistent with the permit may result in the modification, suspension, or revocation of the permit in whole or in part, and the institution of such legal proceedings as the Commission may consider appropriate.

(D) The construction or activity authorized by this permit must be completed within three years of the date of issuance or such other time as the Commission may set for good cause shown. Extensions of time may be granted for good cause provided that the requests are submitted to the Commission in writing prior to the expiration of the original time period, state whether there has been any change in the circumstances since the permit was approved and the reason for the extension of time.

(E) No permit shall convey nor be interpreted as conveying expressly or implicitly, any property right in the land or water in which the permitted activity is located. No permit shall be construed or interpreted as alienating public property for private use, nor does it authorize the permittee to alienate, diminish, infringe upon or otherwise restrict the property rights of other persons or the public.

(F) The grant, denial, modification, suspension, revocation of a permit or removal of a structure authorized under these regulations, shall not be the basis for any claim for damages against the State of South Carolina. In no way shall the State be liable for any damage as the result of the erection of permitted works.

(G) The permitted activities shall not block or obstruct navigation or the flow of any waters unless specifically authorized herein; no attempt shall be made by the permittee to prevent the full and free use by

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the public of all navigable waters at or adjacent to the work authorized by the permits; and that no spoil, dredged material, or any other fill material be placed below the mean high water or ordinary high water elevation, unless specifically authorized herein.

(H) The permittee shall make every reasonable effort to perform the authorized work in a manner to minimize adverse impact on fish, wildlife, or water quality and shall maintain any authorized structure in good condition in accordance with approved plans and specifications.

(I) The permittee shall allow the Board or its authorized agents or representatives to make periodic inspections at any time deemed necessary to assure that the activity being performed is in accordance with the terms and conditions of the permit.

(J) Permits are issued in the name of the applicant and may not be assigned to another without the written permission of the Commission and the written agreement of the transferee to abide by all the terms and conditions of the permit.

SECTION 11. Hearings, Judicial Review.

(A) Any hearing provided for in this Act may be conducted by the Commission at a regular or special meeting or it may delegate to any member, to the executive director or to any employee or agent of the Commission, the authority to conduct such hearings in the name of the Commission at any time and place. However, the Commission shall make all final decisions as to the matter under consideration. Such decision may be based solely upon the record of any hearing conducted by the Commission or by its duly authorized representative.

(B) In any such hearing, any member of the Commission, the executive director or any employee or agent thereof authorized by the Commission may administer oaths, examine witnesses and issue in the name of the Commission notices of hearings and subpoenas requiring the attendance and testimony of witnesses and the production of evidence relevant to any matter involved in any such hearing.

(C) In case of refusal to obey a notice of hearing or subpoena, the Court of Common Pleas shall have jurisdiction, upon application of the Commission to issue an order requiring such person to appear and testify or produce evidence, as the case may require, and any failure to obey such order of the court may be punished by the court as a contempt thereof.

(D) Any applicant whose permit application has been denied, revoked, suspended, modified, or approved subject to conditions of the Commission, or any person adversely affected by the permit may file Petition in the circuit court having jurisdiction over the affected land or water for a review of the Commission's action consistent with the requirements of Section 1-23-310, et seq., Code of Laws of South Carolina, 1976.

SECTION 12. The Commission is authorized to issue general permits for a category or categories of activities, following a review of the proposed activity consistent with the requirements of Sections 8 and 9 herein, as applicable. Consideration of a general permit for any category or activity may be commenced upon the application of any person or at the instigation of the Commission. General permits may be issued to an individual person or to the public generally in the name of the State, and such permits may be issued for activities in any specified area of the State or statewide. Following the issuance of a general permit, no

individual permit will be required for the activity covered by the general permit; provided, however, that any person conducting an activity under a general permit must report such activity to the Commission prior to its undertaking. When the Commission determines on a case-by-case basis that the concerns for the aquatic environment so indicate, the Commission may exercise discretionary authority to override the general permit and require an individual permit application and review.

SECTION 13. The Commission shall have the right to conduct such investigations as may reasonably be necessary to carry out its duties described in this Act, and for this purpose to enter at reasonable times upon any property, public or private, for the purpose of investigating any activity occurring in, on, under, over, or adjacent to navigable waters to determine compliance with this Act and to require written statements or the filing of reports under oath, with respect to pertinent questions relating to any activity affecting navigable waters. No person shall refuse entry or access to any authorized representative of the Commission who requests entry for the purposes of a lawful inspection, and who presents appropriate credentials, nor shall any person obstruct, hamper or interfere with any such representative while in the process of carrying out his official duties consistent with the provisions of this Act.

SECTION 14.

The circuit court of the county in which the affected reach of navigable water lies shall have jurisdiction to restrain a violation of this chapter at the suit of the Commission, the Attorney General, or any person adversely affected. In the same action the circuit court having

jurisdiction over the affected reach may require such reach to be restored to its original condition, if possible, and environmentally desirable. In the alternative, the Commission may complete the restoration at the expense of the person altering the reach in which case suit for recovery of the amount so expended may be brought in any court having jurisdiction to restrain a violation. No bond shall be required as a condition of the granting of a temporary restraining order under this section.

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SECTION 15. (A) The penalties and remedies contained in this Act are additional and cumulative and nothing contained in this Act shall abridge or alter rights of action in the civil courts or remedies existing in equity or under the common law or statutory law, nor shall any provision in this Act be construed as estopping the State, persons, or municipalities, as riparian owners or otherwise, in the exercise of their rights under the common law, statutory law, or in equity to suppress nuisances, maintain riparian rights, or safeguard the public interest.

(B) Any person violating any provision of this Act shall be deemed guilty of a misdemeanor and upon conviction, shall be fined not less than one hundred dollars nor more than one thousand dollars for each violation. In addition, if any person is adjudged to have committed such violation willfully, the court may determine that each day during which such violation continued constitutes a separate offense.

(C) In addition, upon violation of any of the provisions of this Act, or the regulations of the Commission, the executive director may, either before or after, or in lieu of, the institution of criminal proceedings, institute a civil action in the circuit court in the name of the State for injunctive relief. Neither the institution of the actions nor any of the

proceedings thereon shall relieve any party to such proceedings from the penalty prescribed by this Act for any violation of the same.

(D) Any person who is determined to be in violation of any provision of this Act by the Commission shall be liable for, and may be assessed by the Commission for, a civil penalty for not less than fifty dollars nor more than one thousand dollars per day of violation. Whenever the Commission determines that any person is in violation of any permit, regulation, standard, or requirement under this Act, the Commission may issue an order requiring such person to comply with such permit, regulation, standard, or requirement, including an order requiring modification or restoration when deemed environmentally appropriate by the Commission.

(E) All penalties assessed and collected pursuant to this section shall be deposited in the general fund of the State.

SECTION 16. The Commission may charge a fee to an applicant for a permit under this Act, which fee must be paid before the Commission may process an application. If the project is commercial or industrial and is in support of operations that charge for the production, distribution, or sale of goods or services, a fee of one hundred dollars must be charged. If the work is noncommercial in nature and provides personal benefits that have no connection with a commercial enterprise the fee must be twenty-five dollars. The fees must be forwarded to the State Treasurer for credit to the general fund of the State and must be appropriated annually to the Commission. Governmental bodies shall not be charged an application fee for a permit.

SECTION 17. Following the effective date of this Act and until regulations promulgated to implement this Act are approved by the General Assembly, the Commission shall follow the regulations promulgated by the State Budget and Control Board, approved by the General Assembly and published in the South Carolina State Register, Volume 10, Issue No. 6, dated June 27, 1986; provided, however, that all references to the Budget and Control Board shall mean the Commission; provided, further, that the Commission shall adhere to and implement the express provisions of this Act in the event of any conflict with the aforementioned regulations of the Board, or on any matter addressed in this Act but omitted in the Board's regulations.

SECTION 18. The Commission may conduct a public education program on the provisions of this Act and accompanying rules and regulations.

SECTION 19. If any provisions of this Act are adjudged invalid or unconstitutional, the remaining provisions and their applications to other people or circumstances shall not be affected thereby.

SECTION 20. This Act shall become effective upon approval by the Governor.

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STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

STATE BUDGET & CONTROL BOARD
REGULAR SESSION
ITEM NUMBER

17

AGENCY: State Law Enforcement Division

SUBJECT: Foreign Travel

The State Law Enforcement Division requests approval of the travel of two agents, Captain Joseph A. Holley and Lieutenant Jack Proffitt, who are assigned to the Governor's Security Detail, to London, England during the March 14-19, 1988, period to accompany Governor and Mrs. Campbell. The estimated cost of this travel is \$5,000 and will be paid from State-appropriated funds.

BOARD ACTION REQUESTED:

Approve the travel of SLED agents Capt. Joseph A. Holley and Lt. Jack Proffitt to London, England during the March 14-19, 1988, period at an estimated cost of \$5,000 State funds.

ATTACHMENTS:

Stewart March 10 letter to McInnis

14154

MAR 14 1988

SOUTH CAROLINA LAW ENFORCEMENT DIVISION

CARROLL A. CAMPBELL, JR.
Governor



ROBERT M. STEWART
Chief
EXHIBIT

MAR 22 1988 NO. 23

STATE BUDGET & CONTROL BOARD

4400 Broad River Road (J.P. Strom Boulevard) • Mail: P.O. Box 21398
Columbia, South Carolina 29221-1398 • Phone: 803/737-9000

March 10, 1988

Mr. William A. McInnis
Budget and Control Board
612 Wade Hampton Office Building
P. O. Box 12444
Columbia, SC 29211

Dear Mr. McInnis:

Governor and Mrs. Carroll A. Campbell are traveling to London, England, for a Economic Development Meeting. Two (2) SLED Agents, Captain Joseph A. Holley and Lieutenant Jack Proffitt, who are assigned to the Governor's security detail, will be traveling with the economic delegation. Captain Holley will be departing South Carolina on March 14, 1988, and will return on March 19, 1988. Lieutenant Proffitt will be departing South Carolina on March 15, 1988, and will return March 19, 1988. Estimated costs for these two agents are \$5,000.00. Air reservations are in coach class.

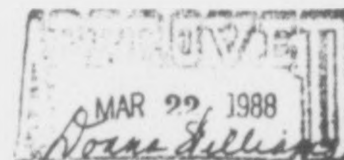
Please do not hesitate to contact us if we can be of assistance to you, for it is our desire to work with you in all matters of mutual interest.

Yours very truly,

14155

Robert M. Stewart, Chief
South Carolina Law Enforcement Division

RMS/dwh
cc: Willard Polk



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STATE BUDGET AND CONTROL BOARD ~~STATE BUDGET & CONTROL BOARD~~ REGULAR SESSION
MEETING OF March 22, 1988 ITEM NUMBER

18

AGENCY: Parks, Recreation and Tourism

SUBJECT: Foreign Travel

The Department of Parks, Recreation and Tourism requests approval of the travel of three staff members (Robert G. Liming, Martha E. Beckman, and the International Marketing Coordinator) to Tokyo, Japan during the July 16-22, 1988, period to explore marketing strategies for tourism promotion and representation.

The estimated cost of this travel \$3,750 per personal and will be paid from State funds appropriated for tourism promotion and travel.

The Department also requested Board approval of the travel of PRT Commission Chairman Charles A. Bundy. Regulation 19-101.17 states: "Any foreign travel of a State employee will require prior approval...." As Mr. Bundy is not a State employee, Board action is not required.

BOARD ACTION REQUESTED:

Approve the travel of PRT staff members Robert G. Liming, Martha E. Beckman, and the International Marketing Coordinator to Tokyo, Japan during the July 16-22, 1988, period at an estimated cost of \$3,750 per person to be paid from State-appropriated funds.

ATTACHMENTS:

Brinkman March 3 letter to Coles

14156



Fred P. Brinkman
Executive Director
(803) 734-0166

EXHIBIT

MAR 22 1988 NO. 24

STATE BUDGET & CONTROL BOARD

March 3, 1988

Dr. Jesse A. Coles, Jr.
Executive Director
State Budget and Control Board
612 Wade Hampton Building
Columbia, South Carolina 29211

Dear Jesse:

I am writing to request Budget and Control Board approval for four persons to represent the South Carolina Department of Parks, Recreation and Tourism on a fact-finding mission to Tokyo, Japan. In light of the inauguration of direct air service between Tokyo and Atlanta, PRT is exploring marketing strategies for tourism promotion and representation in Japan.

Dates: July 16 - 22, 1988

Participants: Charles A. Bundy, Chairman, PRT Commission
Robert G. Liming, Tourism Director, PRT
Martha E. Beckman, Assistant to the Executive
Director, PRT
International Marketing Coordinator,
PRT (This position is vacant, but
will be filled next month.)

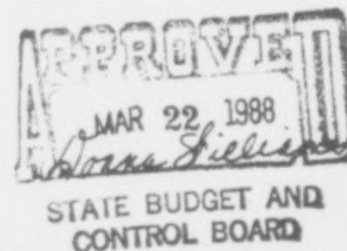
Estimated Costs: \$15,000.00

This trip is part of PRT's ongoing International Marketing Program. All transportation, housing, meals and related expenses will be paid out of regular funds appropriated for tourism promotion and travel. If there is any additional information you or the Board may need, please let me know.

Sincerely,

Fred P. Brinkman
Executive Director

CC: ✓ William A. McInnis, Deputy Executive Director
Edgar A. Vaughn, Jr., State Auditor



14157

EXHIBIT

MAR 22 1988

NO. 25

STATE BUDGET AND CONTROL BOARD
MEETING OF March 22, 1988

REGULAR SESSION

ITEM NUMBER

19

AGENCY: Development Board

SUBJECT: Foreign Travel

The Development Board requests approval of the travel of Mr. Fitzhugh S. Owens to Italy during the April 13-27, 1988, period to represent South Carolina manufacturers at the Great April Fair in Milan and to make investment promotion calls. The estimated cost of this travel is \$2,555 and will be paid from State-appropriated funds.

BOARD ACTION REQUESTED:

Approve the travel of Development Board staff member Fitzhugh S. Owens to Italy during the April 13-27, 1988, period at an estimated cost of \$2,555 State funds.

ATTACHMENTS:

Holladay March 9 letter to McInnis

14158



SOUTH CAROLINA
STATE DEVELOPMENT BOARD

March 9, 1988

MAR 11 1988

EXHIBIT

MAR 22 1988

NO. 25

STATE BUDGET & CONTROL BOARD

J. Mac Holladay
Director

Mr. William A. McInnis
Deputy Executive Director
Budget and Control Board
P. O. Box 12444
Columbia, SC 29211

Dear Dr. Coles:

Budget and Control Board approval is requested for international travel associated with a trade mission to Italy departing Wednesday, April 13, 1988 and returning Wednesday, April 27, 1988.

The source of funds will be taken out of the State Development Board budget for the following state employee:

Mr. Fitzhugh S. Owens, State Development Board.

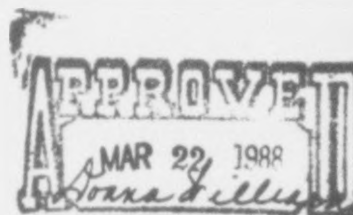
The purpose of this mission is to represent six South Carolina manufacturers at the Great April Fair in Milan and to make investment promotion calls in Italy. The estimate budget cost for this mission will be approximately \$2,555.

Kindest regards,

J. Mac Holladay

JMH:ns

cc: Jesse A. Coles, Jr.



STATE BUDGET AND
CONTROL BOARD

14159