

MINUTES OF BUDGET AND CONTROL BOARD MEETING

APRIL 29 1975

The Budget and Control Board met in the Conference Room of the Governor's office at 10:30 a. m. on April 29, 1975, with the following members in attendance.

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

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

The following business was conducted.

BUDGET AND CONTROL BOARD MINUTES - All Board members had previously been furnished with copies of the minutes of the meeting of April 16, 1975. Upon a motion by Mr. Mills, seconded by Mr. LeaMond, unanimous approval was given to these minutes as written.

PARKS, RECREATION AND TOURISM - LAND TRUST FUND EXPENDITURES -

The Budget and Control Board received requests from the Department of Parks, Recreation and Tourism for the expenditure of \$80,800 from the Land Trust Fund for the following purposes.

Oconee Station - 209 acres -	\$37 800
Long Bluff - 260 acres -	43 000

Mr. P. C. Smith described the historic significance of both of the sites in question and indicated that all previously established criteria for the use of Land Trust funds had been met.

With respect to the Oconee Station property the report indicated that the total cost will be \$135,850, but Oconee County and the Federal Government will pay the difference between the total selling price and the amount to be expended by the State.

With respect to the Long Bluff property the appraised value is \$176,000, but the owners are willing to sell to the State of South Carolina for \$160,000. Of the total selling price, local governments and the Federal Bureau of Outdoor Recreation will pay \$117,000.

The Budget and Control Board members unanimously approved a motion by Mr. LeaMond, seconded by Mr. Mills, authorizing the expenditures as requested.

Data pertaining to these purchases have been retained in these files and are identified as Exhibit I.

TECHNICAL AND COMPREHENSIVE EDUCATION - ACQUISITION OF CHARLESTON PROPERTY - In its meeting of December 23, 1974, the Budget and Control Board gave consideration to a request by Dr. Charles E. Palmer, Executive Director of the State Board for Technical and Comprehensive Education, for approval for his Agency to purchase a fourteen acre tract of land adjacent to The Citadel for the purpose of relocating the Charleston campus of Palmer College. It was proposed that this tract of land be purchased for approximately \$225,000 with funds collected as a special tuition fee charged by Palmer College.

The Board gave tentative approval to the request but appointed Senator Dennis and Mr. LeaMond to act on behalf of the Board to either give final approval for the project to to re-introduce the matter at a subsequent meeting for further discussion.

This matter was placed on the agenda for the meeting of April 16, 1975, but was postponed until the present meeting at the request of Mr. LeaMond.

Senator Dennis reported that his original concern pertaining to this matter revolved around the concept of establishing two Technical Education Centers in the Charleston area. However, subsequent conversation with local Trustees of the Organization indicated that this concept was contem-

plated when the Palmer Colleges were assimilated into the Technical Education Program. He further indicated that all local Trustees were in agreement with respect to the need for the purchasing of the property in question and he, therefore, withdrew his objections.

Mr. LeMond indicated that he had been concerned over the fact that two institutions in the Charleston area might create a situation where each had an excessive population of a single race. However, he stated that conversations with Agency officials had relieved this concern. He, therefore, concurred with Senator Dennis that his objections should be withdrawn.

The Budget and Control Board unanimously approved a motion by Senator Dennis, seconded by Mr. LeMond, authorizing the State Board for Technical and Comprehensive Education to purchase approximately fourteen acres of land in Charleston with funds which have been accumulated through a student fee levied by Palmer College.

Mr. LeMond stated, and all other Board members concurred, that officials of the State Board for Technical and Comprehensive Education should not interpret this action as inferring that the Budget and Control Board would subsequently recommend State funds for construction at this site.

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

STATE-OWNED HOUSING STUDY - On December 3, 1974, Governor John C. West, as Chairman of the Budget and Control Board, appointed a committee composed of William T. Putnam, A. Baron Holmes and Harry M. Johnston to conduct a review of the situation existing with respect to State-owned housing and directed this committee to make a report to the Board, along with recommendations with respect to overall policy. On April 22, 1975, a copy of this report was furnished to all Budget and Control Board members.

At the present meeting, Mr. P. C. Smith briefly outlined the findings of the committee and suggested the adoption of all of the recom-

mendations as set forth in the report.

In the discussion which followed, Mr. LeaMond stated that he felt that the Budget and Control Board had the authority to implement the recommendations and suggested certain specific dates and assignments of duties with respect to the various recommendations. The recommendations, with the added suggestions of Mr. LeaMond in parenthesis, are as follows.

- A. The Budget and Control Board should recommend that the Law be rewritten to provide the following:
1. A single Authority designated to monitor the various aspects of the housing situation.
 2. A clear statement of Legislative intent with respect to State housing policies.

(State Auditor's office to develop an appropriate proviso to be recommended to the Senate Finance Committee for inclusion in the Appropriation Bill)

- B. A program should be established to determine fair rents for all dwelling units owned by the State and to revise rental schedules from time to time as changing conditions may make appropriate.

(Mr. P. C. Smith should assemble the appropriate individuals and agencies to accomplish the establishment of a fair rental program)

- C. The Personnel Division should be requested to conduct a survey of all agency directorships to determine the true value of their total compensation including salaries and other perquisites. This study should be followed by a recommended salary structure for agency heads which will provide equity and a competitive scale.

(This survey to be accomplished by September 15,

1975)

D. The Personnel Division should be requested to review, by agency and job class, the employees who receive housing to determine:

1. The actual need for housing to further the program objectives of the agency.
2. The degree of inequity in compensation created within certain job classes where some individuals receive housing while others do not.
3. Transition problems which might be involved in a substantial policy change.

(This survey to be accomplished by September 15, 1975)

E. No new residence should be built or purchased without the expressed approval of the Budget and Control Board. These requests should be approved only where such acquisitions are clearly within the intent of the Law and clearly necessary for the proper operation of the agency.

(This item should be implemented by the Budget and Control Board immediately)

F. All costs of utilities should be paid by occupants of State-owned housing and individuals meters should be installed to each dwelling unit, where practical.

The furnishing of other items in connection with housing, such as milk, laundry, etc., should be terminated.

(This item should be given immediate attention by the Budget and Control Board)

In further discussion, it was suggested that personnel of the General Services Division and the Division of Administration of the Governor's office should be made available to assist in certain of these surveys and programs.

The Budget and Control Board members unanimously approved a motion by Mr. LeaMond, seconded by Mr. Patterson, adopting the recommen-

dations of the Housing Study Committee including the suggested implementation procedures.

A copy of the Housing Study Committee's report along with a copy of the Conclusions and Recommendations, in brief, have been retained in these files and are collectively identified as Exhibit III.

LANDER COLLEGE - LEASE CANCELLATION - In 1952, the Board of Trustees of Lander College entered into a thirty-year lease with the City and County of Greenwood whereby the College provided approximately seven acres of land for a recreational facility, and the Governmental units constructed two ballfields and a small gymnasium. Later an outdoor swimming pool was constructed by the City and County. These facilities were used by all citizens, but Lander College was given priority during specific hours each day.

Although the lease has approximately seven years to run, Lander College now wishes to reclaim approximately five acres of this property as a site for the construction of the College Center. The two Governmental units have agreed to return the desired property provided Lander College will pay for constructing two new ballfields at a price of approximately \$34,000.

For the fiscal year 1973-74 Lander College received an appropriation, from surplus, of \$125,000 for the planning of library facilities. Of this amount, approximately \$25,000 still remains; and the College officials have requested permission to use these funds for the construction of the above mentioned ballfields.

The balance of approximately \$9,000 will be paid from other existing funds.

The Board members unanimously approved a motion by Mr. LeMond, seconded by Mr. Mills, authorizing this expenditure.

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

CIVIL CONTINGENT FUND - GOVERNOR'S OFFICE - A request was made by the Office of the Governor for a transfer of \$19,031.73 from the Civil Contingent Fund for the purpose of buying typewriters which are presently being leased. In making this request, Governor Edwards indicated that the purchases could create a savings of \$30,119 over the next four years.

The Budget and Control Board members unanimously approved a motion by Mr. LeaMond, seconded by Mr. Patterson, authorizing this transfer.

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

DELEGATION OF CLASSIFICATION AUTHORITY - At the meeting of April 16, 1975, Dr. Mullins requested approval for the delegation of authority to selected agencies for certain classification actions. At that time, Governor Edwards suggested that the matter should be deferred until a subsequent meeting as two Board members were absent. At the present meeting, the matter was once again presented for consideration.

Dr. Mullins and Mr. Robert E. Derrick spoke in favor of the proposal indicating that it would alleviate a very pressing manpower problem in the Personnel Division and stated that stringent rules were proposed which would prevent abuse.

Mr. P. C. Smith expressed the opinion that this delegation of authority would create a degree of control loss at a time when the Budget and Control Board is attempting to effect better procedures with respect to personnel records. He further indicated that he believed that, if necessary, additional employees should be added to the Personnel Division in order to maintain this authority.

Mr. LeaMond suggested that the proposed procedure might possibly be tried for a short period of time with the idea that

classification authority for the various agencies could be rescinded at any time. Senator Dennis pointed out that it was very difficult to regain authority once it has been relinquished and suggested the perhaps the matter should be given more study. The Board members unanimously approved a motion by Mr. Patterson, seconded by Senator Dennis, that the question of delegation of classification authority be carried over to some subsequent meeting. (For data pertaining to the delegation of classification authority, see Exhibit IV of the meeting of April 16, 1975.)

INSURANCE CONSULTANT - Dr. Mullins advised Budget and Control Board members that Mr. Gordon Trapnell, who has been acting as an insurance consultant has finished his duties with respect to his original contract for the drafting and evaluation of insurance contracts for State and public school employees. However, it is now felt that he will be needed to assist in the final negotiation of these contracts and Dr. Mullins requested that he be retained at \$50 per hour plus expenses. It was agreed that he would not be used for more than twenty hours.

In reply to a question by Mr. LeaMond, Dr. Mullins assured Board members that the original contract had been substantially completed and that the proposed payments were in no way a supplement to the original agreement.

The Board members unanimously approved a motion by Mr. LeaMond, seconded by Mr. Patterson, authorizing Dr. Mullins to retain Mr. Gordon Trapnell as an insurance consultant at an hourly rate of \$50 plus expenses, with his total involvement not to exceed twenty hours.

CIVIL CONTINGENT FUND - LEGAL FEES - The Board unanimously approved a motion by Senator Dennis, seconded by Mr. Patterson, authorizing the pay

ment of \$3,954.99 to Mr. Frank K. Sloan, Attorney, for legal fees in connection with the case of Casey versus South Carolina Housing Authority.

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

SECRETARY'S NOTE: Dr. Mullins advised that the additional items pertained to personnel and present contract negotiations and that both should be heard in Executive Session. Therefore, the Board members unanimously approved a motion by Mr. Patterson, seconded by Mr. Mills, that an Executive Session should be declared.

EXHIBIT I
APRIL 29, 1975



Fred P. Brinkman
Executive Director
(803) 758-2566

April 23, 1975

Mr. P. C. Smith
State Auditor
Room 205, Wade Hampton
Office Building
Post Office Box 11333
Columbia, South Carolina 29211

Dear Mr. Smith:

The South Carolina Department of Parks, Recreation and Tourism requests approval for expenditures from the South Carolina Land Trust Fund for the following proposed acquisitions:

1. Oconee Station	209 acres at	\$37,800
2. Long Bluff	260 acres at	<u>43,000</u>
	Total:	\$80,800

The South Carolina Department of Parks, Recreation and Tourism Commission and the PRT Department feel that these proposed acquisitions represent opportunity for the State of South Carolina to acquire areas of unique recreational, historic and environmental significance. We, therefore, feel an urgent need to proceed as expeditiously as possible.

Attached you will find a brief report on each of these proposed acquisitions along with a budget sheet showing a breakdown of the expenditures. Please do not hesitate to contact me if we can furnish you with any additional information.

Sincerely,

Fred P. Brinkman
Executive Director

FPB:jh

Enclosures

1793

PROPOSED EXPENDITURES
FROM
THE RECREATION LAND TRUST FUND

I.	<u>Oconee Station</u>		
	A. Surveys, Appraisals, Legal Fees, (Estimated).....	\$ 2,800	
	B. Property Acquisition	<u>35,000</u>	
	TOTAL		\$ 37,800
II.	<u>Long Bluff</u>		
	A. Surveys, Appraisals, Legal Fees, (Estimated).....	\$ 3,000	
	B. Property Acquisition	<u>40,000</u>	
	TOTAL		\$ 43,000
	GRAND TOTAL		\$ 80,800

PROPOSED ACQUISITION
FOR
LONG BLUFF STATE PARK

Prepared By
Division of Planning and Development
South Carolina Department of Parks, Recreation and Tourism
April, 1975

1795

PROPOSED ACQUISITION
FOR
LONG BLUFF

- I. LOCATION
- II. DESCRIPTION OF PROPERTY
- III. CRITERIA FOR ACQUISITION
 - A. Historic Significance
 - B. Recreational Potential
- IV. DETAILS OF ACQUISITION
- V. SUMMARY

I. LOCATION

This proposed state park is located in northeastern Darlington County on U. S. Highway 401, approximately sixteen (16) miles north of the City of Darlington, twenty-six miles (26) from Interstate 95 and about two (2) miles from the Town of Society Hill.

II. DESCRIPTION OF PROPERTY

The proposed acquisition consists of approximately 260 acres of gently rolling terrain with about one-quarter mile of frontage on the Great Pee Dee River. The land is high and dry and not subject to flooding. The entire tract is in forest lands with about 60 percent being pine and the other 40 percent being hardwoods such as oaks, hickories and gum trees.

III. CRITERIA FOR ACQUISITION

The primary and overriding criteria for proposed acquisitions under the Recreation Land Trust Fund is that it conform to the State Comprehensive Outdoor Recreation Plan (SCORP). This particular piece of property meets all of the SCORP requirements for a District Park as defined on page 9 of the State Comprehensive Outdoor Recreation Plan 1970-1984 -- Executive Summary and illustrated on the exurban park system map as District Park No. 71.

A. Historic Significance

The proposed acquisition is rich in early South Carolina history. The parcel contains a stagecoach road, an old landing and a reported country courthouse. Five (5) miles downstream was the site of the Revolutionary Battle of Hunts Bluff. Approximately two (2) miles north is the site of Pouncey's Ferry, one of the earliest crossings of the Great Pee Dee and the site of another small Revolutionary War battle.

B. Recreational Potential

In addition to the historic significance, it is anticipated that the park will provide recreational opportunities over a 20 mile radius for persons living in the counties of Marlboro, Chesterfield, Darlington and Florence. The variety of recreational uses possible at this site is quite large. Proposed development would include camping, picnicking, fishing, natural as well as historic interpretation, development of a living farm and hiking. Easy access, good soil conditions, excellent vegetative cover, water accessibility and historic significance indicate that this area could be developed into a very attractive state park.

IV. DETAILS OF ACQUISITION

The property which makes up the proposed Long Bluff State Park consists of one tract of land presently owned by the Canal Industries, Incorporated. The tract is made up of approximately 260 acres which has been appraised at \$176,000 or about \$680 per acre. The owners are willing to sell the property at \$160,000, approximately \$16,000 below the appraised "fair market" value. The proposed financing plan includes \$40,000 from the Land Trust Fund, \$40,000 from the local counties and \$80,000 from the Bureau of Outdoor Recreation.

V. SUMMARY

The South Carolina Parks, Recreation and Tourism Commission and the Parks, Recreation and Tourism Department feel that the proposed Long Bluff acquisition represents an unique opportunity for the State of South Carolina to obtain a park with both historic value as well as recreational potential. Since the local people are actively supporting a park in this area and since we are now able to purchase this property at less than fair market value, we feel an urgent need to proceed with this acquisition as soon as possible.

PROPOSED ACQUISITION

FOR

OCONEE STATION

Prepared By
Division of Planning and Development
South Carolina Department of Parks, Recreation and Tourism
April, 1975

1799

PROPOSED ACQUISITION
FOR
OCONEE STATION

- I. LOCATION
- II. DESCRIPTION OF THE PROPERTY
- III. CRITERIA FOR ACQUISITION
 - A. Historic Significance
 - B. Recreational Potential
- IV. DETAILS OF ACQUISITION
- V. SUMMARY

I. LOCATION

Oconee Station is located approximately five (5) miles northeast of Walhalla on County Road S-37-95. It is approximately two (2) miles east of Oconee State Park.

II. DESCRIPTION OF PROPERTY

The proposed acquisition consists of approximately 209 acres of varying terrain. Presently, the entire area is in forests with the majority being oaks scattered with pine thickets. A six to ten acre manmade lake exists within the property boundaries.

III. CRITERIA FOR ACQUISITION

A. Historic Significance

The property encompasses the site known as Oconee Station, an old Indian outpost built by Colonel Montgomery in 1760. It was later used as a trading post and stagecoach station. Another feature is the Richards House. This building was built after the Revolution and has been partially restored by its present owner. The following narrative, taken from "Historic Oconee in South Carolina" by Mary Cherry Doyle, serves to further explain the historic significance of this property:

The oldest building in the county stands at Oconee Station in a remote section above Walhalla. From the early colonial history of South Carolina we learn that the outlying frontiers suffered from the depredations of the Indians from the years 1756-1760 and besought the government to come to their aid. Yielding to their entreaties England, in the year 1760, sent Colonel Montgomery with 1,200 men who landed at Charleston where he was joined by a Scotch regiment, and at the Congaree his forces were still further augmented. With this force he marched into the heart of Cherokee territory carrying fire and sword, burning villages, killing 80 braves and taking 40 prisoners, mostly women and children.

He established three outposts but only this one remains. The story handed down by the early settlers is that the rough stone house was the guard house of Colonel Montgomery's military post and that soldiers were kept there until after the Revolution.

Located on a hill overlooking the mountains is a building of rough plaster with thick walls, the windows are high, narrow and deepset. It consists of two rooms, roughly plastered with a large chimney in the center furnishing two high fireplaces.

From one of the rooms a narrow stairway leads into a basement which is filled with an assortment of household utensils of a half century ago. On the walls hang bunches of life everlasting, boneset, mullin and jimsen, the latter to inhale for the asthma, festoons of onions and peppers, twists of golden brown home grown tobacco, dried apples on canes and a medley of peanuts, pumpkins and potatoes. It is so peaceful now where once was heard the tramp of soldiers' feet, the savage yells of the Indians in warpaint and feathers, the cries of the panther and the howl of the wolf.

Hard by the guard house stands a substantial two storied brick house and into the wall of this dwelling is inserted a marble slab bearing this inscription: William Richards -- 1805.

The early settlers tell that when the troops were removed after the Revolution that the three Richards brothers remained, living for a while in a house at the foot of the hill, later building the present house which bears the name of William Richards.

The house was surrounded by an old English garden. Boxwood, euonimus and English ivy form an old-world setting for the daffodils, roses, lilacs and clumps of lavender and rosemary. No doubt the garden was lovingly tended by the English girl who came over to join her brothers, and the fragrance of her garden was like a breath of home in her wilderness dwelling.

Her grave lies at the foot of the hill and on her tomb we read the following: "Margaret Richards who crossed the ocean for love of her brothers."

During the years that followed the three brothers died and are buried in the same spot in unmarked graves. We are told that when the last brother died that a relative from England took over the property.

The property was later owned by James Doyle, Sheriff of Pickens District. His sons fought in the Confederate Army and after peace was declared, all save one went to Texas where they made honorable names for themselves, but never failed in love to their native state. The McWhorter boys, John, Lee, Will and Doyle, once called this home and later became merchants and heads of railways in other states. Here the genial Henry F. Alexander and his bride, Rebecca Doyle, set up housekeeping and their first child was born.

After their removal, it seems that this property fell into the hands of Mr. Green who came with his large family from the mountains of North Carolina.

Three of these kindly daughters still live here, Misses Parnecy, Salina, Tekorah and Victoria Green. For half a century they have tended their fields and made the cloth for their clothing. They will gladly show you their treasured quilts, representing years of patient toil, calling them lovingly by name, a young man's fancy, Rosebud and Magnolia.

May they long be spared, these gentle sisters of the long ago.

B. Recreational Potential

In addition to the historic significance, it is anticipated that this acquisition will help to expand the recreational opportunities now provided by Oconee State Park. Since the property is physically separated from the Park by lands owned by the National Forest Service, it is hoped that the two will be tied together by means of nature and equestrian trails. Negotiations have already begun with the National Forest Service to accommodate this endeavor under a joint land-use agreement. Other types of development such as camping and picnicking are envisioned as part of the overall recreational experience.

IV. DETAILS OF ACQUISITION

The property which makes up this proposed acquisition consists of one tract of land approximately 209 acres in size. It is currently on the market for \$135,850 or approximately \$650.00 per acre. The proposed financing plan includes \$35,000 from the Recreation Land Trust Fund and \$35,000 from Oconee County to be matched on a 50/50 basis with federal funds available through the Bureau of Outdoor Recreation.

V. SUMMARY

The South Carolina Parks, Recreation and Tourism Commission and the Parks, Recreation and Tourism Department feel that this acquisition represents a unique opportunity for the State of South Carolina to obtain an addition to Oconee State Park with both historic value as well as recreational potential. Since the property is on the market at a very reasonable price and stands to be purchased by a developer, we feel an urgent need to proceed with this acquisition as soon as possible.

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P
Personal Matter
Hand 4/29/75

EXHIBIT II
APRIL 29, 1975



STATE BOARD FOR TECHNICAL
AND
COMPREHENSIVE EDUCATION

DR. CHARLES E. PALMER
EXECUTIVE DIRECTOR

1429 SENATE STREET
COLUMBIA, S. C. 29201

January 31, 1975

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

Dear Pat:

Please refer to my letters of December 17 and December 19, 1974 concerning the purchase of 14 acres of land in Charleston using the funds accumulated by the former Palmer College specifically for that purpose. It is my understanding that Representative LeMond and Senator Dennis have gone into this matter and are now in agreement that the land be purchased. I respectfully request, therefore, the approval of the Budget and Control Board on this matter as soon as conveniently possible. If you think it advisable for me to appear before the Budget and Control Board in support of this request, Pat, I shall be glad to do so.

Incidentally, I have this week been invited to join a limited partnership of Charleston businessmen who have contracted to buy 7.3 acres of this same land, almost contiguous, for \$800,000. This limited partnership has already purchased this tract at a price in excess of \$100,000 per acre.

This 14 acre tract is an ideal location for many, many purposes. It is and has been the number one choice for the new Palmer Campus of Trident Technical College. It is clearly understood that the purchase of this land does not constitute a commitment of any kind, but we must act now to get this land while it is available. Subsequent consideration and decisions will indicate whether or not the Palmer Campus will be relocated on this site. If the decision is negative, the property can be converted to other uses or disposed of at a handsome profit!

Sincerely,

Charles E. Palmer
Charles E. Palmer
Executive Director

CEP/clb

EXHIBIT I
DEC. 23, 1974



STATE BOARD FOR TECHNICAL
AND
COMPREHENSIVE EDUCATION

DR. CHARLES E. PALMER
EXECUTIVE DIRECTOR

1429 SENATE STREET
COLUMBIA, S. C. 29201

December 17, 1974

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

Dear Pat:

During the fiscal year 1973-74, Palmer College at Charleston was in a transitional stage occasioned by the merger which resulted in the creation of Trident Technical College. The former B-C-D Technical Education Center became the North Campus of Trident Technical College and the former Palmer College at Charleston became the Palmer Campus of Trident. Effective July 1, 1974, Trident Technical College assumed full responsibility for the merged institutions and the Berkeley-Charleston-Dorchester Area Commission for Technical Education assumed full responsibility for the new institution in the same manner as is customary for all the other technical institutions throughout the state.

During the transitional year 1973-74, by deliberate design, a tuition rate of \$10.00 per credit hour was charged by Palmer College at Charleston for the purpose of creating a fund to be used in the relocation of the Palmer Campus in accordance with the approvals and commitments of the various agencies and legislative delegations involved. The total of this fund, which is on deposit with the State Treasurer as retained fees, is approximately \$225,000.

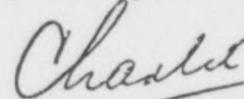
The Berkeley-Charleston-Dorchester Area Commission and the City of Charleston have reached agreement whereby the City will make available to Trident TEC a tract of approximately 14 acres of very desirable land adjacent to The Citadel Campus on the Ashley River in Charleston. This is a prime location for the institution and the Area Commission and State Board are grateful for the diligent efforts of President Waldroup and his staff and for the interest and cooperation evidenced by Mayor Gaillard and the City Council of Charleston.

1805

Mr. P. C. Smith
December 17, 1974
Page 2

We respectfully request approval of the State Budget and Control Board for release of these retained fees in the amount of approximately \$225,000 for the purchase of the new campus site in accordance with the plan and purpose for which the fees were accumulated. With the release of these fees for the purchase of the land and related direct costs, the retained fees account of Palmer College at Charleston on the books of the State Treasurer will be closed. The Area Commission has now assumed full responsibility for the new institution resulting from the merger and will retain student fees and use local funds within the unitary budgeting and accounting procedures in the same way as the other technical education institutions which have local Area Commissions.

Sincerely,



Charles E. Palmer
Executive Director

CEP/clb



STATE BOARD FOR TECHNICAL
AND
COMPREHENSIVE EDUCATION

DR. CHARLES E. PALMER
EXECUTIVE DIRECTOR

1429 SENATE STREET
COLUMBIA, S. C. 29201

December 19, 1974

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

Dear Pat:

At the invitation of the Berkeley-Charleston-Dorchester Area Commission for Technical Education, I was privileged to be present during the meeting at which agreement was reached concerning the availability and the purchase price of the land made available by the City of Charleston to Trident Technical College.

The Area Commission had requested a donation of the tract of land by the City of Charleston. The City had responded by quoting the price of \$23,000 per acre, being the unit price at which the City had last sold comparable property in the immediate vicinity. Subsequent offers and counter-offers were made in the process of negotiating a mutually satisfactory price, resulting in quotation by the City of Charleston of \$15,000 per acre which price was accepted by the Area Commission.

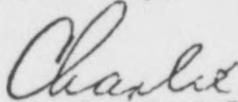
During its regular monthly meeting on November 20, 1974, the State Board for Technical and Comprehensive Education considered this matter and took the following action:

"After discussion, motion made by Mr. DeCosta and seconded by Mr. Barnette that the Executive Director be authorized to request that the State Budget and Control Board release all retained fees in the amount of approximately \$225,000 to Trident Technical College to purchase the additional land. Unanimous."

Mr. P. C. Smith
December 19, 1974
Page 2

The City of Charleston recognized the desirability of having this institution located on this site and made a generous concession in establishing the price of \$15,000 per acre. This site was recommended in the various studies and plans over the past years and is recognized as being the most logical and desirable site available in or near the peninsula city, being quite close to the Medical University and to major transportation arteries.

Cordially,


Charles E. Palmer
Executive Director

CEP/clb

REPORT

STATE HOUSING STUDY COMMITTEE

REPORT

EXHIBIT III
APRIL 29, 1971

STATE HOUSING STUDY COMMITTEE

FOR MSD DENSITY TESTING PURPOSES ONLY



STATE OF SOUTH CAROLINA

OFFICE OF THE STATE AUDITOR

P. O. BOX 11333

COLUMBIA

29211

P. C. SMITH
STATE AUDITOR

TELEPHONE
(803) 758-3106

April 22, 1975

Governor James B. Edwards, Chairman
State Budget and Control Board
Columbia, South Carolina

Dear Governor Edwards:

On December 3, 1974, the Budget and Control Board determined that "the entire question of housing for State employees should be reviewed and that an over-all policy should be developed."

Governor John C. West appointed the undersigned as a three-man committee, subsequently known as the State Housing Study Committee, to conduct a review of the various housing units owned by the State of South Carolina and to make appropriate recommendations for Budget and Control Board consideration.

The results of the study of State-owned housing, along with recommendations of the Committee, are enclosed herewith. It is hoped that this information will be of use to Board members when they further consider this matter.

Yours very truly,

Handwritten signature of William T. Putnam in cursive.

William T. Putnam, Chairman

Handwritten signature of A. Baron Holmes, IV in cursive.

A. Baron Holmes, IV

Handwritten signature of Harry M. Johnston, Jr. in cursive.

Harry M. Johnston, Jr.

WTP:sc

Enclosure

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I. INTRODUCTION

As first steps in the conducting of a survey of State-owned housing, the Housing Study Committee (1) attempted to collect data on such housing from other southeastern states and (2) sent questionnaires to all South Carolina agencies which furnish housing to one or more employees.

Replies to inquiries were received from seven states. Of these, only one indicated that a serious effort had been made to come to grips with the issue of housing for State employees and this state has simply made an effort to establish fair rental values on housing units. It appears, however, that the program has been diluted by weak administrative procedures. The other six states seem to have problems equal to or greater than South Carolina and offered no information which might be helpful in this study.

The various State agencies and institutions of South Carolina were asked to complete a questionnaire on each unit of housing owned by that department. This data, along with information obtained by telephone and personal interviews, are the basis for the conclusions and recommendations as set forth in this report.

The Housing Study Committee found that some 939 living units are furnished by the State to employees ranging from the Governor to farm laborers, and for reasons which extend from "absolute necessity" to "because the housing unit is there."

The first review of the assembled information prompted the Study Committee to reach these conclusions:

- A. The housing study cannot be divorced from consideration of overall compensation.
- B. Each housing unit and each occupant should be evaluated individually.

C. State-owned housing can be classified into two categories:

1. That which exists primarily for the benefit of the State.
2. That which exists primarily for the benefit of the employee.

An in-depth study of the accumulated data confirmed the original conclusions of the members of the Housing Study Committee and these conclusions are ultimately reflected in their recommendations.

The balance of this report is set forth in sections as follows:

An Assembling of Facts
Schedules and Exhibits
Conclusions
Recommendations

II. FACTS

A. The Law

Act 1136, Acts of 1974, (The General Appropriations Act) contains the following provisos which pertain directly or indirectly to the furnishing of State-owned housing to State employees.

SECTION 58 Provided, Further, that the South Carolina State Commission of Forestry Fire tower operators, forest tree nurserymen and assistants, state forest directors and forestry aides, and caretakers at central headquarters may be permitted to occupy residences owned by the Forestry Commission without charge.

SECTION 92 Provided, Further, That the expenditure of funds by agencies of the State Government from sources other than General Fund appropriations shall be subject to the same limitations and provisions of law applicable to the expenditure of appropriated funds with respect to salaries, wages or other compensation, travel expense, and other allowances or benefits for employees.

SECTION 93 Provided, Further, That the appropriated salaries for specified positions shall mean the maximum compensation for such position, and in any case where the head of any department can secure the services for a particular position or work at a lower rate than the salary specified in this Act, authority for so doing is hereby given.

SECTION 94 That salaries paid to officers and employees of the State, including its several boards, commissions, and institutions shall be in full for all services rendered, and no perquisites of office or of employment shall be allowed in addition thereto, but such perquisites, commodities, services or other benefits shall be charged for at the prevailing local value and without the purpose or effect of increasing the compensation of said officer or employee; Provided, However, That this shall not apply to Governor's Mansion, nor to guards at any of the State's penal institutions and nurses and attendants at the Department of Mental Health, Department of Mental Retardation, and the S. C. Sanatorium (Department of Health and Environmental Control), when the cash compensation of such employees is \$5,000.00 or less per year. Provided, Further, That the Presidents of the State's institutions of higher learning may be permitted to occupy a residence on the grounds of such institutions without charge. Provided, Further, That the Director of the Department of Corrections, the Farm Director, Farm Managers and Specialists employed at Wateree River Correctional Institution, Walden Correctional Institution and MacDougall Youth Correctional Center may be permitted to occupy residences owned by the Department without charge. Provided, Further, That all salaries paid by departments and institutions shall be in accord with a uniform classification and compensation plan,

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approved by the Budget and Control Board, applicable to all personnel of the State Government whose compensation is not specifically fixed in this Act. Such plan shall include all employees regardless of the source of funds from which payment for personal service is drawn.....Provided, Further, That salary appropriations for employees fixed in this Act shall be in full for all services rendered, and no supplements from other sources shall be permitted or approved by the State Budget and Control Board.

A careful reading of the foregoing excerpts from the Law reveals a clear intent that the following might receive housing from the State of South Carolina at no cost or at some rate other than the prevailing value.

1. The Governor.
2. College and University Presidents, provided they "occupy a residence on the grounds of the institution."
3. The Director of the Department of Corrections.
4. Several categories of employees of the Commission of Forestry and the Department of Corrections.
5. Guards at the State's penal institutions and nurses and attendants at the Department of Health and Environmental Control, Mental Health and Mental Retardation, provided these individuals have an annual salary of less than \$5,000.

The Law seems to further indicate that the Legislature intended for all other State employees to pay a rental equivalent to the prevailing local value for housing received and that free or inexpensive housing is not to be permitted as a salary supplement.

B. Fringe Benefits and the Personnel Plan

In considering the question of State-owned housing, the Study Committee felt that information was needed as to how the furnishing of such housing relates to the classification plan and the recruiting and retention of employees.

To obtain this information, several meetings were held with officials of the State Personnel Division. Mr. Robert E. Derrick, Director of Classification and Compensation, wrote the following memorandum with respect to classified positions.

"In reviewing the information provided by your committee concerning the provision of housing benefits by State agencies, it appears that in many instances these perquisites represent supplements which are clearly over and above established compensation levels for the jobs involved. In terms of general internal equity, the Personnel Division feels that the current pay grade allocations within the salary schedule offer fair and equitable compensation for work performed. Although this pay schedule should be wholly revised upwards for better total competitiveness, the ranges provided for those classifications receiving housing benefits are correctly and properly designated. Therefore, where these benefits are being offered, the employees are receiving total compensation over and above established base rates of pay for their classifications."

In a study of agency head salaries, conducted for the Budget and Control Board in 1973 by the Frank C. Brown Company, the following paragraph was included:

"In making the above comparisons, due consideration was given to State-owned cars, (and in a few instances, housing and special allowances) which are provided for incumbents. In most cases, such perquisites are common practice in other states as well. In some situations involving housing for heads of institutions, any financial advantage is counterbalanced by the resident's continuing full-time presence on the institution's grounds."

Although the "Brown Study" purportedly gave consideration to housing, there is no evidence that any effort was made to actually determine the fair market value of the perquisites. Therefore, it is difficult to see how the total salary picture could have been properly evaluated.

In any event, complete data pertaining to the effect of the furnishing of State-owned housing is not available.

C. Housing Recipients By Categories

1. Agency Heads - South Carolina, along with the forty-nine other states and numerous cities, furnishes its Chief Executive with housing. It is doubtful that anyone would question the necessity of the State providing its Governor with suitable quarters and the Committee felt that this matter was not pertinent to the present study. For this reason, the Governor's Mansion has been excluded from all comments and statistics in this report.

There are 124 individuals employed by the State of South Carolina

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who are generally designated as "Agency Heads". Of this number, fifteen are presently occupying State-owned housing or, in one instance, housing rented by the State.

Of the fifteen agency heads occupying State housing, nine are specifically authorized by Law to have free quarters. A tenth agency head, the President of Francis Marion College, would also be included under the Law authorizing free housing except for the inclusion of the words "on the grounds of the institution". The home provided for the President of Francis Marion is located in the city of Florence, some six or seven miles from the campus.

It should be noted that all of the agency heads who are provided with homes are in charge of institutions which are normally associated with resident populations; i. e. students, patients, inmates, etc.

It is of interest that the agency heads of the following organizations are not supplied with living quarters even though such quarters may be available to one or more of their employees.

Department of Mental Retardation
Board of Health and Environmental Control
Board of Technical and Comprehensive Education
Parks, Recreation and Tourism
Forestry Commission
Wildlife and Marine Resources Commission
Criminal Justice Academy

2. Administrative - Of the twenty-two agencies having facilities available, thirteen have at least one administrative employee occupying a dwelling unit. One of these agencies has 38% of the available units occupied by administrative personnel, while four others have at least 25%.

Although the Housing Study Committee did not attempt to establish the fair market value of the housing provided, the monthly charges for most of these units are very obviously below prevailing local rentals. This situation results in a salary supplement to most of these administrative employees.

3. Physicians and Dentists - Of approximately two hundred physicians and dentists employed by the State of South Carolina in classified positions, thirty-two are furnished living quarters by the following agencies.

Mental Health - 24
Mental Retardation - 5
Board of Health and Environmental Control - 3

Of the twenty-four units furnished by the Department of Mental Health, eight are occupied by doctors enrolled in the Psychiatric Residents Program who are furnished free housing as a part of their remuneration. The remaining twenty-four physicians or dentists who occupy State-owned housing pay a monthly rental, but in no case could the rental charged be logically construed as equalling the local prevailing rates.

4. Faculty - At eleven State agencies, one or more faculty members are living in State-owned quarters. Of the total 208 faculty members in this group, only nine are outside of the field of higher education. Surprisingly, the University of South Carolina has only five faculty members living in State-owned housing while the largest suppliers are Citadel (114 units), South Carolina State College (48 units) and Clemson University (24 units).

Although their estimates of current housing values may be questioned, most of the institutions of higher learning seem to have made a reasonable effort to establish an equitable rental schedule. An apparent exception is The Citadel where a very high percentage of the faculty lives in housing owned by the Institution. Most of these dwelling units are actually located on the campus but a limited number of houses are owned in areas immediately adjacent to the College. The living units are made available under an established system of priorities at monthly rentals of \$30 to \$60. These do not include utilities, which are recorded on individual meters and paid for by the occupant.

The nine faculty members, at institutions other than colleges

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and universities, are generally receiving housing at rates which seem to be substantially below prevailing local values.

5. Nurses, Aides, Other Medical - Twenty-eight employee-occupants were reported in this group by six agencies. All but three of this total were reported by Health and Environmental Control, Mental Health and Mental Retardation.

All employee-occupants in this group pay a monthly rental even though nurses and attendants are one of the groups not required by existing Law to pay the prevailing local value of any perquisites received if the annual salary is \$5,000.00 or less. However, only three employees of the total appear to be in a job class (Nursing Assistant) with a minimum salary of \$5,000.00 or less and they very likely are above the minimum level.

6. Forestry and Wildlife Personnel, Park Rangers, Etc. - The largest single group of individuals who are being furnished with State-owned housing is composed of forestry personnel, rangers and superintendents in State parks, and supervisors and caretakers of wildlife refuges. Some 236 of these individuals are furnished with housing by the following agencies.

Forestry Commission (116 units)
Parks, Recreation and Tourism (104 units)
Wildlife and Marine Resources (16 units)

Most of these individuals occupy jobs carrying modest salaries. Also, these positions often require that an employee live in a remote location and be available on twenty-four hour call.

No rental charges are made to any member of this group, but only those employees working for the Forestry Commission have been clearly identified by statute as qualified to receive housing at less than local prevailing rates.

7. Correctional Officers and Security - Fifty-nine of the sixty-four employee occupants in this group were reported by the Department of Cor-

rections. Four other agencies account for the remaining five employees in this category.

Of the fifty-nine occupants reported by the Department of Corrections, fifty-four are prison guards and one is a warden who are not charged for the units they occupy even though it is doubtful that any of them meet the salary criteria (\$5,000 or less per year) which would qualify these employees for an exemption from rental payments under the existing Law. Three employee in this category as reported by the Department of Corrections are authorized to occupy Department-owned housing without charge while a fourth is charged a nominal rent.

The other five employees were reported by the Law Enforcement Training Council, Youth Services, Mental Health (each reporting one) and Health and Environmental Control (reporting two). The Council makes no charge for the one room it provides at its Academy and the charges for the other four units are quite modest (ranging from a low of \$4.50 for one apartment to \$20 for a house valued at \$40,000).

8. Counselors, Cottage Parents, Dormitory Supervisors, Etc. - Six agencies reported a total of seventy-six employee-occupants in this category. Slightly over half of these are dormitory supervisors at Clemson (where no charge is made) and at the University of South Carolina (where rentals ranging from \$20 to \$150 and averaging \$63 monthly are charged). Twenty-nine of the total occupy units (mostly rooms) provided by the Departments of Mental Health (11) and Mental Retardation (18).

The rentals charged for units occupied by this group appear to be generally in line with local values with the exception of those reported by Mental Health.

9. Other State Employees - Eighty-seven employees, most of whom are maintenance personnel and trades and food service workers, are in this group. Five agencies (Clemson and The Citadel with ten each; Health and Environmental Control with twenty; Mental Health with eleven; and Mental

Retardation with nine) account for sixty of the total reported by the fifteen agencies with employee-occupants in this category.

No charge is made for nineteen of the units occupied by personnel in this group and rental charges for most of the remaining sixty-eight units appear to be at levels well under the prevailing local values.

10. Non-State Employees - Five agencies reported a total of thirteen units which were occupied by persons not employed by the State. Six of these thirteen units are provided by Clemson University; three by the University of South Carolina; two by Wildlife and Marine Resources; and one each by Winthrop College and Parks, Recreation and Tourism.

All six of the Clemson units are occupied by retired employees or survivors of former employees. Monthly rentals consistent with those levied on units occupied by employees are charged for five of the six units. No charge is made for one house valued at \$2,200 located at the Sandhill Experiment Station.

Two of the three units at the University of South Carolina are occupied by students while the third is occupied by the former owner of the structure in which his unit is located. The monthly rentals charged for these units appear to be the prevailing local values.

Pursuant to the deed which transferred ownership of certain property to the Wildlife and Marine Resources Department, the donor is allowed to occupy a mobile home at no charge. The second unit provided by the Department to a non-State employee is occupied by part of the large family of an employee who also is housed by the Department. No charge is made for this unit.

The wife of the founder and first President of Winthrop College occupies a house provided by the College. The monthly rental charged for this unit appears to be well below the prevailing local value.

Life time privileges were granted to the owners of the Charles

Towne Landing site when it was purchased by Parks, Recreation and Tourism.

No monthly charge is made for the house occupied by the former owners.

III. TABLES

The following pages contain tables depicting information pertaining to State-owned housing and the employees occupying these dwelling units.

STATE-OWN HOUSING
BY TYPE

<u>Agency</u>	<u>Single- Family Houses</u>	<u>Mobile Homes</u>	<u>Apartments</u>	<u>Rooms</u>	<u>Total</u>	<u>Units Vacant At Time Of Survey</u>
1. University of South Carolina	1	0	36*	0	37	0
2. Clemson University	74	0	14	0	88	14
3. Medical University	1	0	0	0	1	0
4. The Citadel	13	0	124	0	137	0
5. Winthrop College	5	0	1	0	6	0
6. State College	20	0	8	40	68	7
7. Francis Marion College	1	0	0	0	1	0
8. College of Charleston	5	0	5	0	10	0
9. Lander College	1	0	0	0	1	0
10. Technical & Comprehensive Educ.	2	0	4	0	6	0
11. Opportunity School	6	0	6	0	12	0
12. School for the Deaf and the Blind	2	0	0	0	2	0
13. Health and Environmental Control	15	0	9	19	43	2
14. Department of Mental Health	32	0	9	20	61	1
15. Department of Mental Retardation	17	0	7	38	62	2
16. John de la Howe School	13	0	1	0	14	0
17. Department of Corrections	10**	0	0	84	94	30
18. Department of Youth Services	22	0	12	0	34	10
19. Law Enforcement Training Council	0	0	0	1	1	0
20. Forestry Commission	126	2	0	0	128	1
21. Wildlife & Marine Resources	19	4	0	0	23	0
22. Parks, Recreation and Tourism	<u>83</u>	<u>25</u>	<u>1</u>	<u>0</u>	<u>109</u>	<u>0</u>
Total	<u>468</u>	<u>31</u>	<u>237</u>	<u>202</u>	<u>938</u>	<u>67</u>

* One rented unit occupied by visiting faculty is included.

** One leased unit occupied by Department head is included.

STATE-OWNED HOUSING
JOB CLASS OCCUPANT

Occupants

Job Class	University of South Caro.	Clemson University	Medical University	The Citadel	Winthrop College	State College	Francis Marion College	College of Charleston	Lander College	Technical & Comp. Educ.	Opportunity School	School for Deaf & Blind	Health & Environ. Contr.	Mental Health	Mental Retardation	John de la Howe School	Corrections	Youth Services	Law Enfor. Training Coun.	Forestry Commission	Wildlife & Marine Res.	Parks, Recreation & Tour.	Total
Department Head	1	1	1	1	1	1	1	1	1	0	1	1	0	1	0	1	1*	1	0	0	0	0	15
Administrative	2	2	0	12	1	12	0	2	0	2	3	0	1	0	8	4	1	9	0	0	0	0	59
Physicians & Dentists	0	0	0	0	0	0	0	0	0	0	0	0	3	24	5	0	0	0	0	0	0	0	32
Faculty	5**	24	0	114	1	48	0	7	0	3	1	0	0	0	2	2	0	1	0	0	0	0	208
Nurses, Aides, Other Medical	0	0	0	0	0	0	0	0	0	1	1	0	10	8	7	0	0	1	0	0	0	0	28
Tower Attendants, Forestry & Horticulture, Park Supts. & Rangers, Wildlife Refuge, Farm	0	18	0	0	0	0	0	0	0	0	0	0	0	4	4	3	3	4	0	123	16	104	279
Correctional Officers & Security	0	0	0	0	0	0	0	0	0	0	0	0	2	1	0	0	59	1	1	0	0	0	64
Counselors, Cottage Parents, Residence Supervisors	25	14	0	0	0	0	0	0	0	0	0	0	0	11	18	2	0	6	0	0	0	0	76
Other State Employees	1	10	0	10	2	0	0	0	0	1	6	1	20	11	9	2	0	1	0	4	5	4	87
Non-State Employees	3	6	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	1	13
Total ***	27	75	1	137	6	61	1	10	1	7	12	2	36	60	53	14	64	24	1	127	23	109	851

* This unit is leased by the Department of Corrections.
** Includes one rented unit occupied by visiting faculty.

*** Total occupants will not balance with total units due to double occupancy or to single occupants being assigned two units.

AGENCIES FURNISHING HOUSING FOR DEPARTMENT HEAD

<u>Agency</u>	<u>Estimated Current Value of Unit</u>	<u>Monthly Rental Charge</u>
1. University of South Carolina	\$800,000	None
2. Clemson University	200,000	None
3. Medical University	50,000	None
4. The Citadel	109,906	None
*5. Winthrop College	50,000	\$150
6. State College	83,300	None
7. Francis Marion College	42,500	None
8. College of Charleston	165,000	None
9. Lander College	70,000	None
10. Opportunity School	44,275	\$35
11. School for the Deaf and the Blind	67,000	\$30
12. Department of Mental Health	64,358	\$51
13. John de la Howe School	25,000	\$25
**14. Department of Corrections	55,000	None
15. Department of Youth Services	47,500	\$15

* A housing allowance of \$150 monthly is paid to the President of Winthrop College.

** This unit is leased by the Department of Corrections for the Department head.

STATE-OWNED HOUSING
 UNITS FURNISHED WITH UTILITIES AND OTHER ITEMS
 BY SELECTED MONTHLY RENTAL CHARGE GROUPINGS

	Units						Total
	Monthly Rental Charge						
	None	\$1.25 to \$25	\$25 to \$50	\$50 to \$75	\$75 to \$125	\$125 and Over	
Total Number of Units	427*	122	257	58	53	21**	938

Utilities and Other Items Furnished:

None	14	10	126	3	0	0	153
Electricity	271	82	124	29	26	20	552
Heat	260	86	110	29	26	20	531
Water	410	110	126	42	32	20	740
Telephone	272	21	18	12	6	0	329
Maid or Janitorial Service	6	40	1	0	0	1	48
Cook	3	0	1	0	0	0	4
Yard Maintenance	82	71	89	40	44	2	328
Garbage Service	46	0	0	0	0	0	46
Pest Control	12	22	0	0	0	0	34
Milk	0	0	7	0	0	0	7
Milk and Laundry	0	0	8	12	1	0	21
Electric Water Heater	0	0	1	3	1	0	5
Linen	12	20	0	0	0	0	32
Laundry	0	20	0	0	0	0	20
Furnishings	0	0	0	0	0	2	2

*Includes one leased unit.

**Includes one rented unit.

STATE OWNED HOUSING
TOTAL MONTHLY RENTAL CHARGES
BY TYPE

<u>Type</u>	<u>Number of Units</u>	<u>Total Monthly Rental Charges</u>
Single-family Houses	468*	\$10,045.66
Mobile Homes	31	-0-
Apartments	237**	10,179.69
Rooms	<u>202</u>	<u>2,870.00</u>
Total	938	<u>\$23,095.35</u>

* One leased unit is included.

** One rented unit is included.

IV. CONCLUSIONS

- A. Numerous agencies are either ignoring the Law or interpreting it so broadly as to make its provisions of little meaning. In addition, it is obvious that certain agencies are either incapable of arriving at a fair rental charge or are very reluctant to do so. Assignment policies vary considerably from agency to agency as do the types of construction and extras such as utilities, yard maintenance, laundry, etc.

In order to provide consistency, the Housing Study Committee strongly believes that a single Authority should be designated to develop policies, assignment criteria, charges and types of construction for all State-owned housing. This same Authority should continually monitor the housing situation and should periodically publish data concerning all dwelling units.

- B. The statutes, as presently written, involve some inequities and, if enforced, would not provide for the flexibility needed in dealing with the various facets of the housing problem. The Legislature, in attempting to deal specifically with various groups of employees, has provided for some and failed to include others with virtually identical situations. At the same time, existing statutes fail to give a comprehensive picture of Legislative intent which would permit equitable administration.

The Housing Study Committee believes that Legislative intent should be clearly set forth with respect to the furnishing of State-owned housing but the statutes should not attempt to deal with each detail of administration.

- C. Historically, because of limited staff, slow transportation and inadequate communications systems, it once was necessary for some agency heads and staff members to live on or near to the site of their

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work. For the most part, the Housing Study Committee feels that these factors of the past are no longer applicable and that the supplying of housing at many of these agencies is now simply a salary supplement. The furnishing of such supplements creates a distinct inequity in salary scales and also endows various institutions with a marked advantage over other State agencies in recruiting personnel.

The conclusions set forth in the above paragraph should not be interpreted to apply to the situations in which housing is furnished because of the remoteness of the locations of the jobs themselves nor do they apply to instances where employees may actually be on twenty-four hour call.

- D. The Budget and Control Board and the Legislature have recognized that the salaries of agency heads have a direct relationship to each other and to like positions in other states. The Housing Committee feels that all perquisites, including housing, received by agency heads must be considered in such comparisons and that a study of total compensation is essential in the interest of fairness.

This study may well result in the altering of the real value of compensation received by some agency heads and, therefore, call for the adjustment of the salaries of others in this category to provide for equity and a competitive posture with other states.

- E. The Housing Study Committee is firmly of the opinion that the only basis for the granting of approval for any new employee housing should be a clearly demonstrated need on the part of the State of South Carolina. A request for new housing should be subjected to rigid scrutiny to prevent such dwellings from being constructed for the purpose of salary subsidies.

New housing should be comfortable and attractive, but costly "frills and extras" should be avoided. The Housing Study Committee does not feel that the State is obligated to furnish living quarters

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which are substantially better, or more costly, than those which the employee might reasonable be expected to provide for himself.

F. Although the members of the Housing Study Committee are not qualified to analyze the many ramifications of the Fair Labor Standards Act, it would appear that the furnishing of housing on an inequitable or arbitrary basis might result in problems of compliance with the provisions of the Law. Further scrutiny of the legal implications of that Act should take place as soon as possible.

G. The Housing Study Committee believes that all occupants of State-owned housing should be required to pay for utilities at their actual cost. Whereas the furnishing of subsidized housing may be necessary to entice an employee to live in a certain locale, utilities are required by all, regardless of location, and the same logic for their being furnished does not apply. Also, individuals tend to be more wasteful of water and energy when they pay nothing.

The Committee also concluded that other items furnished, such as milk and laundry, are clearly a salary supplement and should be discontinued.

H. In its study, the State Housing Committee found that any significant change in present housing practices and policy would probably have an important impact upon agencies and employees alike and believes that each suggested change should be implemented with a calculated concern for the effect of the change upon the efficient operations of the agencies affected.

Many agency heads and other State employees accepted their present positions with the understanding that, in addition to their stated salaries, housing would be furnished free or at some reduced rental rate. In some instances, such as the Director of the Department of Corrections and the various Presidents of the Institutions of Higher Learning, the furnishing of free housing is authorized by Law. Whether

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or not such commitment should have been made by the agencies, the housing is now considered as an integral part of the salary package and has been built into the employees' cost of living. Some agencies appear to have used housing to attract "hard to find" employees and, although this practice is contrary to the intent of the Law, its abrupt discontinuance could possibly jeopardize staffing patterns.

The intent of the Committee is not to ignore the importance of equity and economy through clearly stated rules and regulations applicable to all agencies. Rather the Committee is suggesting that equity and economy be attained in a phased sequence which would minimize any adverse effect on retention of trained and qualified employees who are critical to the provision of effective services to the public by the State agencies affected.

V. RECOMMENDATIONS

- A. The Budget and Control Board should recommend that the Law be rewritten to provide the following:
1. A single Authority designated to monitor the various aspects of the housing situation.
 2. A clear statement of Legislative intent with respect to State housing policies.

SUGGESTED PROVISIO:

The Budget and Control Board is directed to develop and enforce a set of rules and regulations equitably applied to all State agencies concerning the provision of fringe benefits.

Fringe benefits shall be provided only through application of State Law. The Budget and Control Board annually shall review the fringe benefits authorized and shall submit a report to the Legislature specifying the fair market value of each benefit, the extent of its application, the effect upon equity in the classification and compensation plan and the rationale for their provision.

Concerning houses, apartments, trailers and other residences provided by the State, the Board shall develop and enforce rules and regulations to insure that the full fair market value is charged, except when it is clearly in the State's interest to provide subsidized housing because of remoteness of the location or because of the requirement of twenty-four hour per day duty by the employee.

In order that the continuing operations of the various agencies may not be impaired, the Budget and Control Board, may, at its discretion, implement this plan in phases. However, the final implementation shall be accomplished on or before July 1, 1978.

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- B. A program should be established to determine fair rents for all dwelling units owned by the State and to revise rental schedules from time to time as changing conditions may make appropriate.
- C. The Personnel Division should be requested to conduct a survey of all agency directorships to determine the true value of their total

compensation including salaries and other perquisites. This study should be followed by a recommended salary structure for agency heads which will provide equity and a competitive scale.

D. The Personnel Division should be requested to review, by agency and job class, the employees who receive housing to determine:

1. The actual need for housing to further the program objectives of the agency.
2. The degree of inequity in compensation created within certain job classes where some individuals receive housing while others do not.
3. Transition problems which might be involved in a substantial policy change.

E. No new residence should be built or purchased without the expressed approval of the Budget and Control Board. These requests should be approved only where such acquisitions are clearly within the intent of the Law and clearly necessary for the proper operation of the agency.

F. All costs of utilities should be paid by occupants of State-owned housing and individual meters should be installed to each dwelling unit, where practical.

The furnishing of other items in connection with housing, such as milk, laundry, etc., should be terminated.

STATE HOUSING STUDY COMMITTEE

Conclusions In Brief

1. A single agency needs designated authority to monitor the housing situation.
2. The statutes need to be rewritten so as to provide clear legislative intent with respect to housing policy, leaving general administration to a designated agency.
3. A study is needed of the remuneration of all State agency heads, including salary and other perquisites.
4. Many of the reasons for furnishing housing to employees are no longer valid and numerous dwellings represent salary supplements to the employees.
5. The only basis for constructing new employee housing should be a clearly demonstrated need on the part of the State for efficient operation of the agency. New housing should be comfortable and attractive but "frills and extras" should be avoided.
6. The furnishing of housing on an inequitable or arbitrary basis may result in problems of compliance with the Fair Labor Standards Act.
7. The cost of all utilities should be charged to the occupants of State-owned housing and certain other extras such as laundry and milk should be discontinued.
8. Sudden changes in present housing practices may have an important impact upon agencies and employees. For this reason, careful study should be given to each proposed change before its implementation.

STATE HOUSING STUDY COMMITTEE

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8. Sudden changes in present housing practices may have an important impact upon agencies and employees. For this reason, careful study should be given to each proposed change before its implementation.

Recommendations In Brief

1. The Budget and Control Board should recommend that the law be rewritten to set forth clear Legislative intent with respect to State housing policies and designate a single agency with authority of monitoring the situation.
2. The Personnel Division should be requested to conduct a survey of all agency directorships to determine the true value of total compensation.
3. The Personnel Division should be directed to review, by agency and job class, all employees who receive housing to determine actual needs, equity and compensation as well as any transition problems which might be involved in policy change.
4. A program should be established to determine fair rentals for all dwellings units owned by the State.
5. All utility costs should be charged to the occupants of State-owned housing and individual meters should be installed where practical. The furnishing of other extras such as milk, laundry, etc. should be terminated.
6. No new residences should be built or purchased without the expressed approval of the Budget and Control Board and these requests should be approved only where such acquisition is clearly within the intent of the law.

Implementation

The Housing Study Committee feels that recommendations 1 through 3 can and should be implemented immediately. The first recommendation, pertaining to amendment of the statutes might possibly be included in the current Appropriations Act. The recommendation concerning the two studies by the Personnel Division will be necessary before any further action may be properly evaluated.

Although the Housing Study Committee feels that the Budget and Control Board presently has the authority to implement the remaining three recommendations, it is possible that the Board may wish to defer this action pending reaction to the proposed statutes revision.

P
Pound
Sill

Sh. IV
April 29, 1975



April 24, 1975

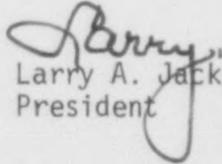
CONFIDENTIAL

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

Dear Pat:

I understand that you may be considering at the next Budget and Control Board meeting the payment of \$25,513* by Lander College to the county for the cost of buying out their lease early with the understanding that this money is going to be used by the county to replace the playing fields that we are taking over on the parcel of land they have under lease from us until 1982. Although we don't feel that we came out at a modest cost on this, this grew out of a very early conversation when our Board Chairman and I were meeting with the county officials and the chairman agreed that we would cover the cost of recreating the two fields on the fairgrounds. I think that the good faith of the college is tied up in this and I hope we will be granted the right to pay the county.

Sincerely,


Larry A. Jackson
President

LAJ:bk

* Appropriated in 1973-74 - Appropriations Act, Part II, Sub-Part A
Planning Library Facilities and Expansion. 125,000

1337



February 10, 1975

Mr. P. C. Smith
State Auditor
State of South Carolina
Columbia, South Carolina

Dear Mr. Smith:

Again we ask your help. We have imposed on you quite frequently during the past two years and we are extremely grateful for your help.

First, a thumbnail sketch of our problem. In the early 50's Lander was in the process of seeking accreditation from the Southern Association of Colleges and Schools. There were no recreational facilities on campus and with a major in physical education it was essential that the college provide such facilities. Dr. Grier and the Board of Trustees entered into a 30 year lease that expires in 1982 with Greenwood City and County which required the college to provide approximately 7 acres of it's property for a recreational facility. The City and County constructed two ball fields and a building containing a small gym, rooms for crafts and other uses. An outdoor swimming pool was later constructed by the City and County. These facilities were used by all citizens of Greenwood County with Lander given a priority during specified hours each day.

Our master plan was developed on the premise that this part of the campus would be available for exclusive use of the college. The architects selected to design our College Center are making excellent progress with design completion scheduled for late summer of this year.

The College Center building site, as shown on our master plan, is partly situated on the 7 acres now under lease to the County. Mr. Johnson, our Board Chairman, and Dr. Jackson have met with County officials and Greenwood County has agreed to return approximately 5 of the 7 acres to Lander. However, the college in return would reimburse the County for the construction of two new ball fields to replace those under lease at Lander College.

1338

Mr. Smith

- 2 -

February 10, 1975

County officials have estimated the cost of constructing two ball fields at a maximum of \$34,000. Dr. Jackson has reached a tentative agreement with the county whereby Lander would make an immediate payment of \$20,000 with the balance to be paid upon completion of construction based on actual expenditures with a maximum balance owed by Lander of \$14,000.

We would appreciate your permission to use the remaining balance of the \$125,000 appropriation in Part II, Sub-Part A, 1973-74 for this expenditure. The present unencumbered balance of this account is \$25,513.

This tentative agreement has the unanimous approval of our Board of Trustees.

Again, please accept our most grateful thanks for your help during the past two years.

Sincerely,

Billy K. Dawson
Vice President for Financial Affairs

BKD/ec

PS.-Our attorney has indicated that this payment of \$34,000 is designated as payment for release of the remaining years of the original lease of this property.

1339

COMMISSIONERS

HUGH C. LANE
Chairman

HEMPHILL PRIDE, II
Vice Chairman

JOHN HARDIN
DR. R. L. HURST
REV. I. D. NEWMAN
SHEDDIE TETTERTON

JOHN C. WEST
Governor

DR. E. K. AYCOCK
State Health Officer

GRADY L. PATTERSON
State Treasurer

P. C. SMITH
State Auditor



SOUTH CAROLINA STATE HOUSING AUTHORITY

L. STEVE MAYFIELD
Executive Director

Suite 1101
1122 Lady Street
Columbia, S. C. 29201
(803) 758-2844

EXHIBIT V

APRIL 29, 1975

April 7, 1975

The Hon. Grady Patterson
State Treasurer
P. O. Box 11778
Columbia, S. C. 29211

Dear Mr. Patterson:

As per our telephone conversation of this date,
I am enclosing a copy of the Authority's bill from Frank
Sloan, attorney, for his services.

As I understand it, you mentioned you would speak
with Mr. Smith, State Auditor, concerning the matter and
be back in touch with me.

Thank you again for your assistance. Please give
us a call if there is any further information we can provide.

Sincerely,

L. Steve Mayfield

L. Steve Mayfield
Executive Director

LSM/pr
Encl.

RECEIVED

APR 8 1975

OFFICE OF
STATE TREASURER

1340

The State of South Carolina



Attorney General
DANIEL R. MCLEOD

Attorney General
Columbia

March 24, 1975

RECEIVED
MAY 23 1975
S. C. STATE
HOUSING AUTHORITY

Mr. Steve L. Mayfield
Executive Director
S. C. State Housing Authority
Suite 1101
1122 Lady Street
Columbia, South Carolina 29201

Dear Mr. Mayfield:

I am enclosing herewith a bill submitted by Mr. Frank K. Sloan, Attorney of Columbia, in the amount of \$3,954.99, for services rendered in the case of Casey v. S. C. Housing Authority. Please place this bill in line for payment at the earliest opportunity.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Daniel R. McLeod".

Daniel R. McLeod
Attorney General

DRM/hm

Enclosure

1341

Rec'd 3.20.75

(803) 779-3269

Frank H. Sloan
Attorney at Law

1107 Barringer Building
~~519 S. Community Federal Building~~
Columbia, South Carolina 29201

March 20, 1975

In account with:

To: Professional Services,
Re: Casey vs. S. C. Housing Authority

August, 1974-March, 1975

Preparation of original pleading and notices
Preparation of trial brief
Argument of case in Court of Common Pleas
Research and preparation of brief for trial court.
Conferences to settle a record for appeal to the Supreme Court
Research, writing and filing brief for respondent in the
Supreme Court.
Argument of case in the Supreme Court.
Conferences and telecons with Attorney General and
opposing attorneys.

\$3,500.00

Expenses:

Filing fees \$ 10.00
Printing brief, R. L. Bryan Co. 266.24
Printing of public notices, Greenville News 81.94
State Record 15.00
Special typing services 18.00
Xerox copying (237 at .10) 23.70
Long distance telephone calls to Charleston (Mr. Sinkler) 9.31
Mileage to and from Charleston, Dec. 6, 1974
(220 at .14) 30.80

Sub Total \$ 454.99 454.99

TOTAL - \$3,954.99

-Thank You-

1342

5.28

Chief of Staff
David C. Jones