

MINUTES OF
BUDGET AND CONTROL BOARD
MEETING

March 5, 1992

STATE OF SOUTH CAROLINA
State Budget and Control Board
OFFICE OF THE EXECUTIVE DIRECTOR



CARROLL A. CAMPBELL, JR., CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

JOHN DRUMMOND
CHAIRMAN, SENATE FINANCE COMMITTEE

WILLIAM D. BOAN
CHAIRMAN, WAYS AND MEANS COMMITTEE

LUTHER F. CARTER
EXECUTIVE DIRECTOR

P.O. BOX 12444
COLUMBIA, SOUTH CAROLINA 29211
(803) 734-2320

March 6, 1992

MEMORANDUM

TO: Budget and Control Board Division Directors
FROM: Donna K. Williams, Assistant Executive Director *DK*
SUBJECT: Summary of Board Actions at March 5, 1992, Meeting

This listing of actions is an unofficial **summary** of the Board actions taken at the referenced meeting. The minutes of the meeting are presented in a separate, more detailed document which becomes official when approved by the Board at a subsequent meeting.

1. Received as information a report that Governor Campbell has signed a Joint Resolution calling for the temporary take-over of the Department of Social Services by the Budget and Control Board;
2. Adopted the agenda as proposed;
3. Named J. Samuel Griswold, Ph.D., Deputy Executive Director of the Budget and Control Board, as Interim Commissioner of the Department of Social Services, answering to the Budget and Control Board through its Executive Director under the provisions of the Joint Resolution passed by the House and the Senate and signed by the Governor;
4. Received as information a report that Dr. Griswold will provide an interim report to the Board at its meeting on March 24 on the status of DSS and to provide a work plan for the Board members; and
5. Received as information a report that the Executive Director has named Richard Kelly as the Interim Deputy Executive Director of the Budget and Control Board during Dr. Griswold's interim tenure at DSS.

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MINUTES OF STATE BUDGET AND CONTROL BOARD MEETING

MARCH 5, 1992

3:00 P. M.

The Budget and Control Board met by means of a telephone conference call at 3:00 p.m. on Thursday, March 5, 1992, with the call originating from the Office of Executive Director, 620 Wade Hampton Office Building. The following members participated in the conference call:

Governor Carroll A. Campbell, Jr., Chairman;
Mr. Grady L. Patterson, Jr., State Treasurer;
Senator John Drummond, Chairman, Senate Finance Committee;
Representative William D. Boan, Chairman, Ways and Means Committee.

Governor Campbell presided over the meeting via telephone. Messrs. Patterson, Drummond and Boan were present in the conference room.

Mr. Earle E. Morris, Jr., Comptroller General, was out of town on state business and did not participate in the meeting.

The following staff members were present: Executive Director Luther F. Carter; Board Secretary Donna K. Williams; Deputy Executive Director J. Samuel Griswold; Chief Deputy Attorney General Joseph D. Shine; Senior Assistant State Treasurer C. C. "Chuck" Sanders, Jr.; Finance Committee Director of Research Susan K. Hooks; Ways and Means Committee Director of Research Frank Fusco; and other Board staff.

Report on Joint Resolution

Governor Campbell reported that earlier today he had signed a Joint Resolution passed by the House of Representatives and the Senate calling for the temporary take-over of the Department of Social Services by the Budget and Control Board.

Adoption of Agenda

Upon a motion by Mr. Patterson, seconded by Senator Drummond, the Board adopted the agenda as proposed.

Appointment of Interim Commissioner of Department of Social Services

Dr. Carter advised that the recommendation of the Office of Executive Director is that Dr. J. Samuel Griswold, Deputy Executive Director of the Budget and Control Board, be appointed as the Interim Commissioner of the Department of Social Services.

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**Minutes of Budget and Control Board Meeting
March 5, 1992 -- Page 2**

Governor Campbell advised that, years ago, he had the pleasure of working with Dr. Griswold when the Department of Social Services was having other problems. He said that Dr. Griswold is a very knowledgeable person in the field, and that the Board is fortunate to have someone on staff with Dr. Griswold's background and ability.

Mr. Patterson echoed Governor Campbell's remarks and added that Dr. Griswold is an outstanding person and is professional in all his activities. He wished Dr. Griswold well and said the Board expects a great deal from him.

Mr. Patterson stressed that the wording of the resolution states "temporarily." Governor Campbell observed that the Board is assuming powers and duties in an interim capacity to see what can be done to solve some of the problems and to get a more cohesive delivery system and a better system of management in order to improve services to those who need them, and to give better value to the taxpayers who are funding the agency.

Following this discussion, upon a motion by Mr. Patterson, seconded by Mr. Boan, the Board named J. Samuel Griswold, Ph.D., Deputy Executive Director of the Budget and Control Board, as Interim Commissioner of the Department of Social Services, answering to the Budget and Control Board through its Executive Director under the provisions of the Joint Resolution passed by the House and the Senate and signed by the Governor.

The Board received as information a report from Dr. Carter that Dr. Griswold will provide an interim report to the Board at its meeting on March 24 on the status of DSS and to provide a work plan for the Board members.

The Board also received as information a report that Dr. Carter has named Richard Kelly as the Interim Deputy Executive Director of the Budget and Control Board during Dr. Griswold's interim tenure at DSS.

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

Adjournment

Upon a motion by Mr. Patterson, the meeting was adjourned at 3:07 p.m.

[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 2:15 p.m. on Wednesday, March 4, 1992.]

06837-D

EXHIBIT

MAR 5 1992 1

STATE BUDGET AND CONTROL BOARD
MEETING OF March 5, 1992

STATE BUDGET & CONTROL BOARD
REGULAR SESSION

ITEM NUMBER 1

AGENCY: Executive Director

SUBJECT:

The Board is asked to appoint an Interim Commissioner of the Department of Social Services.

BOARD ACTION REQUESTED:

Appoint an Interim Commissioner of the Department of Social Services.

ATTACHMENTS:

06837 - E

P. O.

9:33AM

MAR 2, 1992

MAR 2, 1992

TO: 42117

FROM: 10 FAX

THURSDAY, FEBRUARY 27, 1992

Rudnick	Scott	Shirley
Smith	Snow	Taylor
Townsend	Whipper	White
Wilder	<i>Williams, D.</i>	

Total-62

Those who voted in the negative are:

<i>Alexander, T. C.</i>	<i>Bailey, J.</i>	Baker
Beasley	<i>Brown, H.</i>	Bruce
Cato	Clyborne	Cole
Cooper	Cork	Corning
Council	Fair	Farr
Fulmer	Gonzales	Hallman
Haskins	Huff	Hyatt
Jaskwhich	Keegan	Kempe
Klapman	Koon	Lanford
Littlejohn	Marchbanks	<i>Martin, L.</i>
Meacham	Rama	Riser
Rogers	Ross	Sharpe
Shissias	Stone	Sturkie
Vaughn	Waites	Waldrop
Wells	Wilkes	Wilkins
Wofford	Wright	<i>Young, A.</i>

Total-49

So, the amendment was tabled.

Rep. McABEE proposed the following Amendment No. 1 (Doc Name L:\council\legis\amend\N05\8123.BD), which was adopted.

Amend the resolution, as and if amended, by striking all after the title and inserting:

/Whereas, the State Department of Social Services is the State's public welfare agency with a total budget of five hundred thirty-two million, one hundred six thousand, six hundred fifty-eight dollars; and

Whereas, the State Department of Social Services provides critical services to the State's most needy and vulnerable citizens and has a projected budget deficit in excess of fifteen million dollars; and

06837-F

STATE BUDGET & CONTROL BOARD

MAR 5 1992

EXHIBIT

THURSDAY, FEBRUARY 27, 1992

SECTION 1. The terms of office of the present members of the South Carolina Board of Social Services are terminated on the effective date of this resolution.

All powers and duties of the South Carolina Board of Social Services are transferred temporarily to the State Budget and Control Board until the General Assembly again may address this matter.

The Budget and Control Board shall appoint an interim commissioner to assume the responsibilities of the current State Commissioner of Social Services, James L. Solomon, Jr. Upon the effective date of this resolution, Mr. Solomon shall remain an employee of the department at his current salary, receive full benefits, and serve in a consulting capacity to the interim commissioner and report directly to him until the effective date of his retirement. The interim commissioner shall report to the Budget and Control Board and serves at the pleasure of the board. Restructuring or reorganization of the department must be consistent with existing law. An internal structural or organizational change during this interim period must be approved by the Budget and Control Board.

The county boards of social services serve only in an advisory capacity to the county directors. The directors of the county departments of social services are placed temporarily under a chain of authority directly under and answerable to the State Commissioner of Social Services until the General Assembly takes other action on this matter.

SECTION 2. This joint resolution takes effect upon approval by the Governor./

Amend title to conform.

Rep. McABEE explained the amendment.
The amendment was then adopted.

The Senate amendments, as amended, were then agreed to and the Bill ordered returned to the Senate.

S. 830--SENATE AMENDMENTS CONCURRED IN AND BILL ENROLLED

The Senate amendments to the following Bill were taken up for consideration:

S. 830 -- Senators Martschink, Moore, McConnell, Long, Land, Rose, Saleeby, Stilwell, Washington, Pope, Passailaigue, Bryan, Shealy, Helmly and Reese: A BILL TO AMEND SECTION 56-3-1250, CODE OF LAWS OF SOUTH CAROLINA, 1976, RELATING TO MOTOR

[HJ]

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EXHIBIT

MAR 5 1992

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REPRINT

STATE BUDGET & CONTROL BOARD

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< >Indicates Matter Stricken by Senate
Indicates Senate Amendments

SENATE AMENDMENTS
February 25, 1992

H. 4321

Introduced by REPS. McAbee, Whipper, Keegan,
Gonzales, Hallman, Rhoad, Koon, G. Bailey, G.
Brown, Clyborne, Chamblee, McLeod, Sturkie, Fulmer,
Rama, Sharpe, Boan, Waites, Rogers, Klapman,
Keyserling, Tucker, Jennings, Townsend, Smith,
Corning, Shirley, Glover, Harrison, Jaskwhich,
Wells, Riser, Ross, Mattos, Kirsh, McElveen,
Shissias, Wilkins, Corbett, Huff, Haskins, Hodges,
Meacham, P. Harris, A. Young, L. Elliott, Sheheen,
Littlejohn, White, Beatty, Felder, Phillips,
Taylor, Inabinett, Cole, McCraw, Byrd, H. Brown,
Kennedy, D. Elliott, Fair, Wofford, Carnell, D.
Williams, Bruce, Bennett, Scott, Kempe, D. Martin,
Stone, Hendricks, Marchbanks, J. Brown, Cork,
Foster, Snow, Altman, L. Martin, Harvin, Kinon,
Houck, Cato, McGinnis, Baker, Delleney, Wilkes and
Farr

S. Printed 2/26/92--H.
Read the first time January 30, 1992.

[4321-1]

06837-G

EXHIBIT

MAR 5 1992 1

STATE BUDGET & CONTROL BOARD

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A JOINT RESOLUTION

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11 TO PROVIDE THAT THE TERMS OF OFFICE FOR THE PRESENT
12 MEMBERS OF THE SOUTH CAROLINA BOARD OF SOCIAL
13 SERVICES EXPIRE ON THIS JOINT RESOLUTION'S
14 EFFECTIVE DATE; TO DIRECT THE GENERAL ASSEMBLY TO
15 ELECT MEMBERS TO THE BOARD AND TO PROVIDE STAGGERED
16 TERMS FOR THESE NEW MEMBERS; TO PROVIDE THAT ALL
17 POWERS AND DUTIES OF THE BOARD ARE TEMPORARILY
18 TRANSFERRED TO THE STATE BUDGET AND CONTROL BOARD;
19 AND TO DIRECT THE BUDGET AND CONTROL BOARD TO
20 APPOINT AN INTERIM COMMISSIONER TO WORK WITH THE
21 CURRENT COMMISSIONER UNTIL HIS RESIGNATION IS
22 EFFECTIVE.

23 Amend Title To Conform)

24

25 <Whereas, Commissioner James L. Solomon, Jr., has
26 announced his retirement from the State Department
27 of Social Services effective June 30, 1992; and

28

29 Whereas, the Department of Social Services is the
30 state's public welfare agency with a total budget
31 of five hundred thirty-two million, one hundred six
32 thousand, six hundred fifty-eight dollars; and

33

34 Whereas, the Department of Social Services provides
35 critical services to the state's most needy and
36 vulnerable citizens and has a projected budget
37 deficit in excess of fifteen million dollars; and

38

39 Whereas, the General Assembly is gravely concerned
40 with the refusal of the current South Carolina
41 Board of Social Services to fulfill even its most
42 basic statutory duties and its refusal to work
43 effectively with the agency's own employees, to
44 cooperate with other agencies and branches of>

[4321]

1

06837-H

1 <state government, and, importantly, to cooperate
2 with and assist the General Assembly and the
3 Executive Branch in efforts to help resolve the
4 many financial and organizational problems of the
5 State Department of Social Services; and

6
7 Whereas, the General Assembly recognizes that the
8 continual lack of leadership and poor judgment
9 demonstrated by the South Carolina Board of Social
10 Services has created a crisis for state government
11 in South Carolina and that the crisis poses real
12 dangers to those of our state's poor who depend
13 upon the services of the agency and to the
14 taxpayers of this State due to the shocking misuse
15 of public resources by this state board; and

16
17 Whereas, the General Assembly also recognizes that
18 it is charged by statute to elect the members of
19 the South Carolina Board of Social Services and
20 must ensure that the board is comprised of members
21 who will properly carry out their duties as
22 charged; and

23
24 Whereas, the General Assembly finds that, in order
25 to ensure the restoration of trust and confidence
26 in the South Carolina Board of Social Services and
27 to ensure that the agency has strong leadership
28 through this year of budget deficits and financial
29 hardships, it is necessary to immediately terminate
30 the terms of all current members of the South
31 Carolina Board of Social Services from their
32 service on the board and to reconstitute the board
33 by timely election. Now, therefore,>

34 *Whereas, the Department of Social Services is the*
35 *state's public welfare agency with a total budget*
36 *of five hundred thirty-two million, one hundred six*
37 *thousand, six hundred fifty-eight dollars; and*

38
39 *Whereas, the Department of Social Services provides*
40 *critical services to the state's most needy and*
41 *vulnerable citizens and has a projected budget*
42 *deficit in excess of fifteen million dollars; and*
43

1 Whereas, the General Assembly is gravely concerned
2 with the inability of the current South Carolina
3 Board of Social Services to fulfill its basic
4 statutory duties and its inability to work
5 effectively with the agency's own employees, to
6 cooperate with other agencies and branches of state
7 government, and, importantly, to cooperate with and
8 assist the General Assembly and the Executive
9 Branch in efforts to help resolve the many
10 financial and organizational problems of the State
11 Department of Social Services; and

12
13 Whereas, the General Assembly recognizes that the
14 continuing divisions within the board and the
15 failure of the commissioner and the board to work
16 effectively in providing leadership, motivation,
17 and purpose to the staff which is vital to ensuring
18 proper oversight and accounting for the limited
19 public resources allocated to this state agency;
20 and

21
22 Whereas, the General Assembly recognizes that the
23 inadequate management of this agency raises serious
24 and legitimate doubt among the citizens of this
25 State as to the ability of the incumbent leaders to
26 fulfill the missions of this agency; and

27
28 Whereas, the lack of confidence in the leadership
29 compels the General Assembly to act to avert a
30 deepening crisis among the increasing number of our
31 citizens who depend upon the services provided by
32 this agency and the taxpayers who demand and should
33 rightly expect the public resources to be properly
34 managed and accounted for; and

35
36 Whereas, the General Assembly acknowledges that it
37 is charged by statute with the responsibility to
38 elect the members of the South Carolina Board of
39 Social Services, and the General Assembly also
40 recognizes that it is charged by Article XII,
41 Section 1 of the Constitution of South Carolina to
42 provide for appropriate agencies; and

43

[4321]

3

EXHIBIT

MAR 5 1992

1

STATE BUDGET & CONTROL BOARD

06837-J

1 *Whereas, there is much discussion as to the need to*
2 *reorient the governing authority of boards and*
3 *commissions and provide for more direct and clear*
4 *executive authority vested in the Governor and*
5 *appointees designated by him; and*

6
7 *Whereas, the vital role of this agency provides an*
8 *excellent opportunity to evaluate such a change in*
9 *governance; and*

10
11 *Whereas, the continued independence of forty-six*
12 *separate county operations of the State Department*
13 *of Social Services does not allow for uniformity in*
14 *and coordination of services or accountability; and*

15
16 *Whereas, in order to provide uniformity in and*
17 *coordination of services and to assure*
18 *accountability of the county operations of the*
19 *departments of social services, it is necessary to*
20 *temporarily place all county directors of the local*
21 *departments of social services in a chain of*
22 *authority directly under the Commissioner of the*
23 *State Department of Social Services; and*

24
25 *Whereas, Commissioner James L. Solomon, Jr. has*
26 *announced his retirement from the State Department*
27 *of Social Services effective June 30, 1992. Now,*
28 *therefore,*

29
30 *Be it enacted by the General Assembly of the State*
31 *of South Carolina:*

32
33 *<SECTION 1. The terms of office of the present*
34 *members of the South Carolina Board of Social*
35 *Services expire on this joint resolution's*
36 *effective date and these members shall not serve*
37 *until their successors are elected and qualify.*
38 *The General Assembly shall elect new members to*
39 *serve on the South Carolina Board of Social*
40 *Services pursuant to this joint resolution.*

41 *Those members from the first, third, and fifth*
42 *congressional districts elected to the board shall*
43 *serve four year terms and until their successors*
44 *are elected and qualify and those from the second,>*

1 <fourth, and sixth districts shall serve two year
2 terms and until their successors are elected and
3 qualify. Thereafter terms for members of the South
4 Carolina Board of Social Services are for four
5 years and until their successors are elected and
6 qualify.

7 All powers and duties of the South Carolina
8 Board of Social Services are temporarily
9 transferred to the State Budget and Control Board
10 until the General Assembly elects new members to
11 the South Carolina Board of Social Services.

12 The Budget and Control Board shall appoint an
13 interim director to work with current commissioner
14 of the State Department of Social Services, James
15 L. Solomon, before the effective date of his
16 resignation as commissioner and, if necessary, to
17 serve as acting commissioner following the current
18 commissioner's resignation date. During this
19 interim period the commissioner shall report to the
20 Budget and Control Board.>

21 *SECTION 1. The terms of office of the present*
22 *members of the South Carolina Board of Social*
23 *Services are terminated on the day the Governor*
24 *appoints a Secretary of Social Services pursuant to*
25 *this joint resolution. Upon the date of*
26 *appointment, the Secretary of Social Services shall*
27 *exercise all of the powers and duties formerly held*
28 *by the South Carolina Board of Social Services.*
29 *Upon appointment of the secretary, the board shall*
30 *cease to exist as an entity and all statutory or*
31 *regulatory references to the board or the*
32 *commissioner shall be interpreted to mean or apply*
33 *to the secretary. The Office of Commissioner shall*
34 *no longer exist upon appointment of the secretary.*

35 *The current commissioner of the State Department*
36 *of Social Services, James L. Solomon, Jr. shall no*
37 *longer exercise the responsibilities of*
38 *commissioner and these responsibilities shall be*
39 *assumed by the secretary upon appointment. Mr.*
40 *James L. Solomon shall remain an employee of the*
41 *department at his current salary and receive full*
42 *benefits and shall begin serving in a consulting*
43 *capacity to the secretary and report directly to*
44 *him until the effective date of his resignation.*

1 The new secretary shall report directly to the
2 Governor. The secretary shall serve at the
3 pleasure of the Governor and shall initially
4 receive the same salary and benefits as the former
5 commissioner. Thereafter, the secretary shall
6 receive such salary and benefits as may be
7 appropriated by the General Assembly.

8 The Governor, with the advice and consent of the
9 Senate, shall appoint an advisory board to assist
10 the secretary in the formulation of policy with
11 regard to providing advice as to improving the
12 operation of the department and improving the
13 response to client needs. The advisory board shall
14 consist of seven members with one appointed from
15 each congressional district and one appointed from
16 the state at large. The board shall select a
17 chairman from its membership. The members of the
18 advisory board shall serve for a term of four years
19 and until their successors are appointed and
20 qualify. The advisory board shall meet at least
21 quarterly and at such other times as it may decide
22 by majority vote. The members shall receive per
23 diem, mileage, and subsistence provided by law for
24 members of state boards, committees, and
25 commissions.

26 The advisory board shall report to the secretary
27 and to the General Assembly prior to February 1,
28 1993, concerning the need and justification for any
29 restructuring or reorganization of the department
30 and at such other times as it deems appropriate.

31 The directors of the county departments of
32 social services are temporarily placed under a
33 chain of authority directly under and answerable to
34 the Secretary of Social Services until such time as
35 the General Assembly takes other action on this
36 matter.

37
38 SECTION 2. This joint resolution takes effect
39 upon approval by the Governor.

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EXHIBIT

MAR 5 1992 1

[4321]

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STATE BUDGET & CONTROL BOARD

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T H E E N D

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