

STATE BUDGET AND CONTROL BOARD

Meeting of Tuesday, March 22, 2011 -- 9:30 A. M.

Room 252, Edgar A. Brown Building

AGENDA INDEX

Item	Agency	Subject
A.	ADOPTION OF PROPOSED AGENDA	
B.	MINUTES OF PREVIOUS MEETING	
C.	BLUE AGENDA	
1.	Division of General Services	Easements
2.	Division of General Services	Real Property Conveyance
3.	Office of State Budget	Report of Unfunded Vacant State FTE Positions Deleted in Accordance with Proviso 89.16(5)
4.	Division of Procurement Services	Procurement Audits
5.	Executive Director	Revenue Bonds
6.	Division of Procurement Services	Amended Procurement Certification for the SC Department of Social Services
D.	REGULAR SESSION	
1.	Office of State Budget	Agency Deficit Update – Department of Health and Human Services
2.	Office of State Budget	Permanent Improvement Projects
3.	Budget and Control Board	Future Meeting

STATE BUDGET AND CONTROL BOARD

Meeting of March 22, 2011 -- 9:30 A. M.

Room 252, Edgar A. Brown Building

BLUE AGENDA INDEX

<u>Item</u>	<u>Agency</u>	<u>Subject</u>
1.	Division of General Services	Easements
2.	Division of General Services	Real Property Conveyance
3.	Office of State Budget	Report of Unfunded Vacant State FTE Positions Deleted in Accordance with Proviso 89.16(5)
4.	Division of Procurement Services	Procurement Audits
5.	Executive Director	Revenue Bonds
6.	Division of Procurement Services	Amended Procurement Certification for the SC Department of Social Services

AGENCY: Division of General Services

SUBJECT: Easements

The Division of General Services requests approval of the following easement in accordance with SC Code of Laws:

- (a) County Location: Charleston
From: Budget and Control Board
To: South Carolina Electric and Gas Company
Consideration: \$1,400
Description/Purpose: To grant a 0.640 acre easement and a 0.443 acre easement for the relocation, installation, operation and maintenance of overhead power lines to accommodate SCDOT's replacement of SC 171 Bridges over the Folly River and Folly Creek near the City of Folly Beach.
- County Location: Charleston
- (b) From: Budget and Control Board
To: South Carolina Electric and Gas Company
Consideration: \$1,595
Description/Purpose: To grant a 1.253 acre easement and a 1.719 acre easement for the relocation, installation, operation and maintenance of a 6" gas main to accommodate SCDOT's replacement of SC 171 Bridges over the Folly River and Folly Creek near the City of Folly Beach.
- (c) County Location: Charleston
From: Budget and Control Board
To: AT&T South Carolina
Consideration: \$1,595
Description/Purpose: To grant a 1.253 acre easement and a 1.719 acre easement for the relocation, installation, operation and maintenance of telecommunication conduits to accommodate SCDOT's replacement of SC 171 Bridges over the Folly River and Folly Creek near the City of Folly Beach.

EXHIBIT

MAR 22 2011

1

STATE BUDGET & CONTROL BOARD

AGENCY: Division of General Services

SUBJECT: Easements

- (d) County Location: Colleton
From: Budget and Control Board
To: Coastal Electric Cooperative, Inc.
Consideration: \$700
Description/Purpose: To grant a 0.19 acre easement and a 0.21 acre temporary construction easement for the relocation, installation, operation and maintenance of an aerial electric line across the Ashepoo River along US Highway 17, ACE Basin Parkway.

BOARD ACTION REQUESTED:

Approve the referenced easements.

ATTACHMENTS:

Agenda item worksheet; SC Code of Laws Sections 1-11-80, 1-11-90, 1-11-100 and 10-1-130

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: March 22, 2011

Blue Agenda

1. Submitted by:

- (a) Agency: Division of General Services
(b) Authorized Official Signature:



Karen H. Roberts, Interim Director

2. Subject:

EASEMENTS

3. Summary Background Information:

The Division of General Services requests approval of the following easements in accordance with SC Code of Laws:

- (a) County Location: Charleston
From: Budget and Control Board
To: South Carolina Electric and Gas Company
Consideration: \$1,400
Description/Purpose: To grant a 0.640 acre easement and a 0.443 acre easement for the relocation, installation, operation and maintenance of overhead power lines to accommodate SCDOT's replacement of SC 171 Bridges over the Folly River and Folly Creek near the City of Folly Beach.
- (b) County Location: Charleston
From: Budget and Control Board
To: South Carolina Electric and Gas Company
Consideration: \$1,595
Description/Purpose: To grant a 1.253 acre easement and a 1.719 acre easement for the relocation, installation, operation and maintenance of a 6" gas main to accommodate SCDOT's replacement of SC 171 Bridges over the Folly River and Folly Creek near the City of Folly Beach.
- (c) County Location: Charleston
From: Budget and Control Board
To: AT&T South Carolina
Consideration: \$1,595
Description/Purpose: To grant a 1.253 acre easement and a 1.719 acre easement for the relocation, installation, operation and maintenance of telecommunication conduits to accommodate SCDOT's replacement of SC 171 Bridges over the Folly River and Folly Creek near the City of Folly Beach.

(d) County Location: Colleton
From: Budget and Control Board
To: Coastal Electric Cooperative, Inc.
Consideration: \$700
Description/Purpose: To grant a 0.19 acre easement and a 0.21 acre temporary construction easement for the relocation, installation, operation and maintenance of an aerial electric line across the Ashepoo River along US Highway 17, ACE Basin Parkway.

4. What is the Board asked to do? Approve the referenced easements.

5. What is recommendation of Board Division involved? Recommend approval of the referenced easements.

6. List of Supporting Documents:
SC Code of Laws Sections 1-11-80, 1-11-90 and 1-11-100

EXHIBIT

MAR 22 2011

1

STATE BUDGET & CONTROL BOARD

SECTION 1-11-80. Board authorized to grant easements for public utilities on vacant State lands.

The State Budget and Control Board is authorized to grant easements and rights of way to any person for construction and maintenance of power lines, pipe lines, water and sewer lines and railroad facilities over, on or under such vacant lands or marshland as are owned by the State, upon payment of the reasonable value thereof.

SECTION 1-11-90. Board authorized to grant rights of way over State marshlands for roads or power or pipe lines to State agencies or political subdivisions.

The State Budget and Control Board may grant to agencies or political subdivisions of the State, without compensation, rights of way through and over such marshlands as are owned by the State for the construction and maintenance of roads, streets and highways or power or pipe lines, if, in the judgment of the Budget and Control Board, the interests of the State will not be adversely affected thereby.

SECTION 1-11-100. Execution of instruments conveying rights of way or easements over marshlands or vacant lands.

Deeds or other instruments conveying such rights of way or easements over such marshlands or vacant lands as are owned by the State shall be executed by the Governor in the name of the State, when authorized by resolution of the Budget and Control Board, duly recorded in the minutes and records of such Board and when duly approved by the office of the Attorney General; deeds or other instruments conveying such easements over property in the name of or under the control of State agencies, institutions, commissions or other bodies shall be executed by the majority of the governing body thereof, shall name both the State of South Carolina and the institution, agency, commission or governing body as grantors, and shall show the written approval of the majority of the members of the State Budget and Control Board.

EXHIBIT

MAR 22 2011

1

STATE BUDGET & CONTROL BOARD

AGENCY: Division of General Services

SUBJECT: Real Property Conveyance

The Division of General Services recommends approval of the following property conveyance:

Agency:	Budget and Control Board (Forestry Commission)
Acreage:	9.33± acres
Location:	255 Firetower Road, Camden
County:	Kershaw
Purpose:	To dispose of surplus property previously used by the Forestry Commission as a fire tower site.
Price/Transferred To:	Not less than appraised value / To be determined
Disposition of Proceeds:	Resolution of a Quiet Title action by the Grantor's heirs and the Forestry Commission has been achieved. Proceeds from the sale of the property shall be divided with 55% to the heirs of Richard W. Lloyd and 45% to the Forestry Commission. The funds are to be retained by the Forestry Commission pursuant to Proviso 80A.35.

BOARD ACTION REQUESTED:

Approve the property conveyance as requested.

ATTACHMENTS:

Agenda item worksheet and attachments

EXHIBIT

MAR 22 2011 2

STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: March 22, 2011

Blue Agenda

1. Submitted by:

- (a) Agency: Division of General Services
- (b) Authorized Official Signature:



Karen H. Roberts, Interim Director

2. Subject: REAL PROPERTY CONVEYANCE

3. Summary Background Information:

Agency:	Budget and Control Board (Forestry Commission)
Acreage:	9.33± acres
Location:	255 Firetower Road, Camden
County:	Kershaw
Purpose:	To dispose of surplus property previously used by the Forestry Commission as a fire tower site.
Price/Transferred To:	Not less than appraised value / To be determined
Disposition of Proceeds:	Resolution of a Quiet Title action by the Grantor's heirs and the Forestry Commission has been achieved. Proceeds from the sale of the property shall be divided with 55% to the heirs of Richard W. Lloyd and 45% to the Forestry Commission. The funds are to be retained by the Forestry Commission pursuant to Proviso 80A.35.

4. What is Board asked to do? Approve the property conveyance as requested.

5. What is recommendation of Board Division involved? Recommend approval of the property conveyance as requested.

6. List of Supporting Documents:

- (a) Letter from SC Forestry Commission
- (b) Court Order
- (c) Map
- (d) SC Code of Laws Section 1-11-65
- (e) 2010-2011 Appropriations Act 291, Part 1B, Proviso 80A.35



PO Box 21707
Columbia, SC 29221
(p) 803.896.8800
(f) 803.798.8097
www.trees.sc.gov

Henry E. (Gene) Kodama, State Forester

February 8, 2010

Lisa Catalanotto
SC Budget & Control Board
1201 Main St., Suite 420
Columbia, SC 29202

Re: Camden Tower Site

Dear Lisa,

I am writing to inform you that the Forestry Commission request that the property known as the Camden Fire Tower site be considered as surplus property and upon approval of the SC Budget & Control Board we would ask that it be sold. This property is a 10 acre site located in Kershaw County.

The Forestry Commission does have a fire tower and a communication tower on this property and both will be sold through SC Surplus Property. All other buildings will remain and be sold with the property.

Please let me know if you should have any questions about this matter.

Sincerely,

A handwritten signature in cursive script that reads "David P. Owen".

David P. Owen
SC Forestry Commission
Construction & Property Manager

Lloyd and west by other lands now or formerly of Richard W. Lloyd and lands now or formerly of Mary Moore. T.M.N. 258-00-00-039.

Richard W. Lloyd, the Plaintiffs, predecessor in title, executed a deed December 15, 1936, which deed is recorded in the Office of the Register of Deeds in Kershaw County, State of South Carolina in Deed Book CN at page 394. In said deed, Richard W. Lloyd, allegedly (according to the Plaintiffs Complaint), preserved a reverter interest in himself and his heirs if the South Carolina Forestry Commission ceased to use the same as a site for a fire tower and for the use of the premises in its efforts of fire prevention services.

The Defendant, South Carolina Forestry Commission, alleges in its answer that it acquired a fee simple interest in the parcel.

As a factual matter, the property at the time of the conveyance was all in one tract. Since then, the Parties acknowledge, that the premises have been divided into two parcels by the paving of Fire tower road: one lying North of Firetower Road and one lying South of Firetower Road. This division is more particularly shown on a Plat Prepared for South Carolina Budget & Control Board by Ben Whetstone Associates, dated March 24, 2010 and recorded in the Office of the Register of Deeds for Kershaw County on February 16, 2011 in Plat Book C98 at Page 5A. The parties have resolved the dispute concerning the title to the property and the status of that title. They are all in agreement that the property should be sold by the South Carolina Forestry Commission following the proper procedure outlined for State Agencies. The two parcels, each a portion of what was formerly T.M.N. 258-00-00-039 shall be sold according to the description resulting

from the Survey attached hereto as Exhibit A, to wit, the north Parcel, Parcel "A" consisting of 5.55 acres more or less and any improvements and the South Parcel, Parcel "B" consisting of 3.78 acres more or less and any improvements.

The property is to be sold on the following terms and conditions:

1. Parcel "A" consisting of 5.55 acres more or less and the improvements thereon and Parcel B consisting of 3.78 acres more or less and the improvements thereon shall be sold by the South Forestry Commission;
2. The South Carolina Forestry Commission shall be able to deliver the title to the property as any other State Agency, free and clear of any claim by the Plaintiffs. The purchaser(s) shall be able to rely on this Order to eliminate any cloud on the title to the property as a result of the deed of Richard W. Lloyd referred to hereinabove, which deed might have created a possibility of reverter to the heirs of Richard W. Lloyd. This Court finds that no such reverter exists and that the South Carolina Forestry Commission, has free and clear title, fee simple absolute to these parcels.
3. The net proceeds of the sale after the deduction of costs shall be divided with Fifty-five (55%) percent of the net proceeds from the parcels sold to be delivered to the Plaintiffs and Forty-five (45%) percent of the net proceeds from the parcels sold to be delivered to the Defendant.

AND IT IS SO ORDERED!

February ~~28~~, 2011

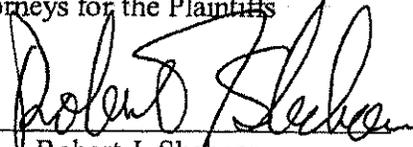


Alison Renee Lee
Chief Administrative Judge
Common Pleas, Fifth Judicial Circuit

We consent:

Savage, Royall & Sheheen L.L.P.
Attorneys for the Plaintiffs

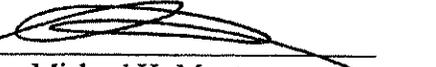
By



Robert J. Sheheen

Montgomery Willard, LLC
Attorneys for the Defendant

By



Michael H. Montgomery

EXHIBIT

MAR 22 2011

2

STATE BUDGET & CONTROL BOARD



N/F JUDITH B. & ROGER C. YOUNG, INC.

N/F JUDITH B. & ROGER C. YOUNG, INC.

N/F JACK H. & ELIZABETH T. TOWELL

N/F JACK H. & ELIZABETH T. TOWELL

N/F ANNE EDENS RAINY

10 (CONC. MON.) S84°42'19"E 351.90' 10 (CONC. MON.)

CERTIFICATE This is to certify that this plat is approved by the Kershaw County Planning & Zoning Department

FEB 16 2011

For recording in the office of the Kershaw County Register of Deeds

PARCEL A 5.55 acres IMPROVEMENTS NOT SHOWN

N/F DALE K. & JUDITH F. THIEL

201109001034 Filed for Record in KERSHAW COUNTY SC BILLIE MCLEOD, REGISTER, 02-14-2011 At 02:32:01 PM. PLAT LARGE 10.00 Value C98 Page 5A

FIRE TOWER ROAD 66'R/W

PARCEL B 3.78 acres IMPROVEMENTS NOT SHOWN

N/F DALE K. & JUDITH F. THIEL

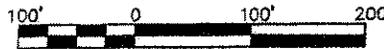
L1 N15°17'08"E 59.69' L2 S05°32'31"W 80.00'

PARCELS OF LAND NEAR CAMDEN, IN KERSHAW COUNTY, SC; SHOWN ON A PLAT PREPARED FOR THE SOUTH CAROLINA STATE FORESTRY COMMISSION, BY E. E. EDWARDS, AND RECORDED IN THE OFFICE OF THE R.O.D. FOR KERSHAW COUNTY ON DECEMBER 29, 1936 IN PLAT BOOK 10, PAGE 56. T.M.N. 258-00-00-039

PLAT PREPARED FOR SOUTH CAROLINA BUDGET & CONTROL BOARD

MARCH 24, 2010 SCALE: 1" = 100'

BEN WHETSTONE ASSOCIATES 1321 AUGUSTIA ROAD WEST COLUMBIA, SC 29169 PHONE (803) 791-8467



I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE SURVEY SHOWN HEREIN WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS B SURVEY AS SPECIFIED THEREIN, ALSO THERE ARE NO VISIBLE ENCROACHMENTS OR PROJECTIONS OTHER THAN SHOWN.

Benjamin H. Whetstone BENJAMIN H. WHETSTONE, R.L.S. S.C. REGISTRATION NUMBER 2904



N/F JUDITH B. &
ROGER C. YOUNG, INC.

N/F ANNE
EDENS RAINY

10 (CONC. MON.) S84°42'19"E 351.90' 10 (CONC. MON.)

PARCEL A
2.05 acres
IMPROVEMENTS NOT SHOWN

N/F DALE K. &
JUDITH F. THIEL

N/F JUDITH B. &
ROGER C. YOUNG, INC.

MISPLACED
CRATE
311.87' TO O/S IRON

303.20' W
583.80' TO O/S IRON

N89°47'42"W 458.32'
FIRETOWER ROAD 66'R/W
(S-28-441)
S89°33'12"E 489.33'
10 (1-1/4" PIPE) C.P. 10 (1-1/4" PIPE) C.P.
POLE O.E. (TYP.) POLE O.E. (TYP.) POLE O.E. (TYP.) POLE O.E. (TYP.)
10 (1-1/4" PIPE) C.P. 10 (1/2" REBAR) C.P.

UNKNOWN 3/4" PINCH
TOP FOUND 0.40"
INSIDE PROPERTY LINE.

N/F JACK H. &
ELIZABETH T. TOWELL

PARCEL B
3.78 acres
IMPROVEMENTS NOT SHOWN

N/F DALE K. &
JUDITH F. THIEL

MISPLACED
CRATE
312.01'
321.16' TO O/S IRON

359.19' TO O/S IRON
358.19' W

10 (CONC. MON.) N84°21'34"W 520.11' 10 (CONC. MON.)

N/F JACK H. &
ELIZABETH T. TOWELL

N/F DALE K. &
JUDITH F. THIEL

L1
N157°08'E
59.69'
L2
S05°32'31"W
80.00'

PARCELS OF LAND NEAR CAMDEN, IN KERSHAW COUNTY, SC; SHOWN ON A PLAT PREPARED FOR THE SOUTH CAROLINA STATE FORESTRY COMMISSION, BY E. E. EDWARDS, AND RECORDED IN THE OFFICE OF THE R.O.D. FOR KERSHAW COUNTY ON DECEMBER 28, 1938 IN PLAT BOOK 10, PAGE 58. T.M.N. 258-00-00-039

PLAT PREPARED FOR
SOUTH CAROLINA BUDGET & CONTROL BOARD

BEN WHETSTONE ASSOCIATES
1321 AUGUSTA ROAD
WEST COLUMBIA, SC 29189
PHONE (803) 791-8467

MARCH 24, 2010
SCALE: 1" = 100'



I HEREBY STATE THAT TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF, THE SURVEY SHOWN HEREIN WAS MADE IN ACCORDANCE WITH THE REQUIREMENTS OF THE MINIMUM STANDARDS MANUAL FOR THE PRACTICE OF LAND SURVEYING IN SOUTH CAROLINA, AND MEETS OR EXCEEDS THE REQUIREMENTS FOR A CLASS B SURVEY AS SPECIFIED THEREIN, ALSO THERE ARE NO VISIBLE ENCROACHMENTS OR PROJECTIONS OTHER THAN SHOWN.

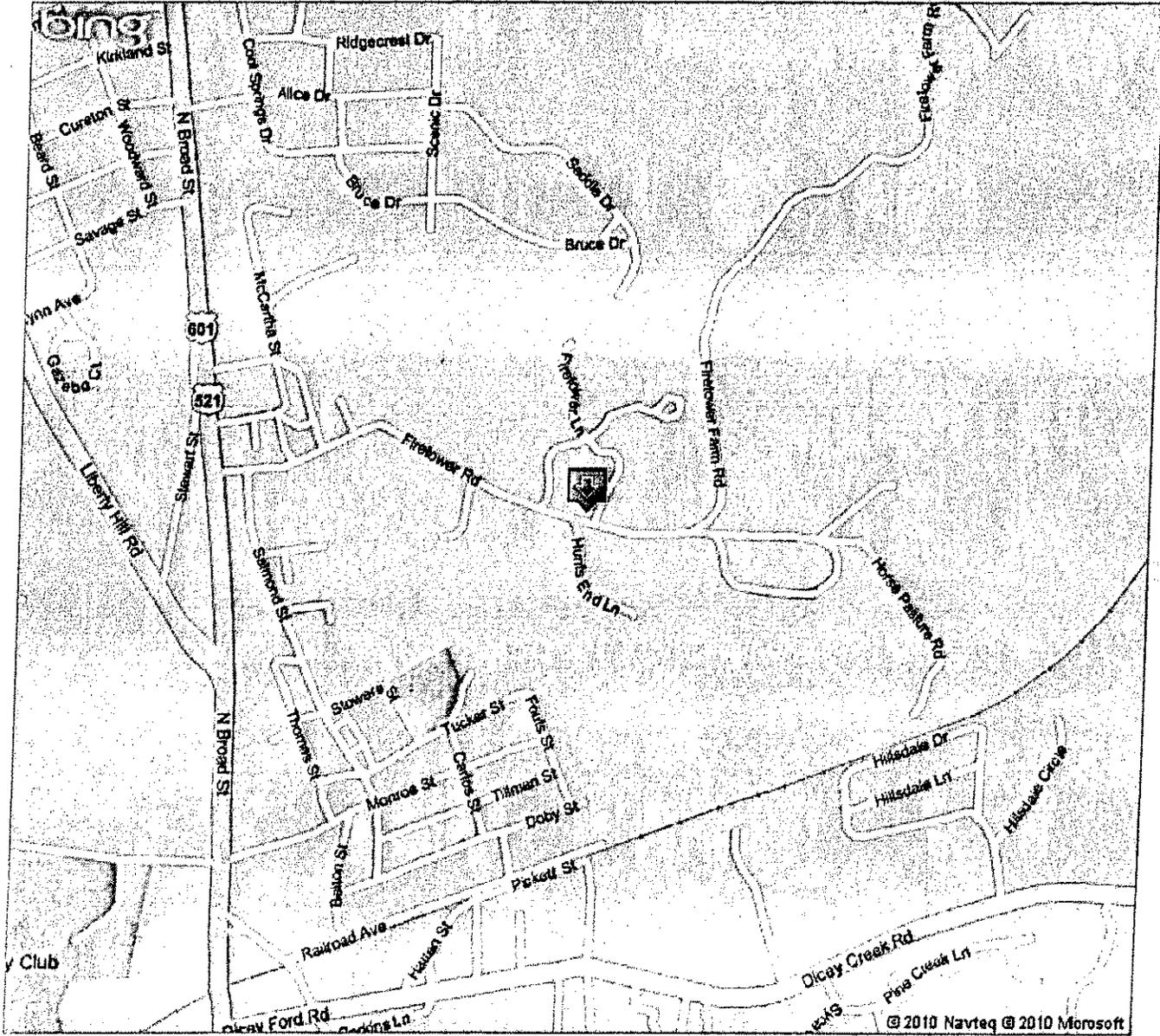
Benjamin H. Whetstone
BENJAMIN H. WHETSTONE, R.L.S.
S.C. REGISTRATION NUMBER 2904

Bing Maps

255 Fire Tower Rd, Camden, SC 29020-1936

My Notes

FREE! Use Bing 411 to find movies, businesses & more: 800-BING-411



SECTION 1-11-65. Approval and recordation of real property transactions involving governmental bodies.

(A) All transactions involving real property, made for or by any governmental bodies, excluding political subdivisions of the State, must be approved by and recorded with the State Budget and Control Board. Upon approval of the transaction by the Budget and Control Board, there must be recorded simultaneously with the deed, a certificate of acceptance, which acknowledges the board's approval of the transaction. The county recording authority cannot accept for recording any deed not accompanied by a certificate of acceptance. The board may exempt a governmental body from the provisions of this subsection.

(B) All state agencies, departments, and institutions authorized by law to accept gifts of tangible personal property shall have executed by its governing body an acknowledgment of acceptance prior to transfer of the tangible personal property to the agency, department, or institution.

EXHIBIT

MAR 22 2011

2

STATE BUDGET & CONTROL BOARD

South Carolina General Assembly
118th Session, 2009-2010

H. 4657

General Appropriations Bill for fiscal year 2010-2011
As Ratified by the General Assembly

EXHIBIT

PART IB

MAR 22 2011

2

OPERATION OF STATE GOVERNMENT

STATE BUDGET & CONTROL BOARD

SECTION 80A - F03-BUDGET AND CONTROL BOARD

80A.35. (BCB: Sale of Surplus Real Property) Up to 50% of the proceeds, net of selling expenses, from the sale of surplus real properties shall be retained by the Budget and Control Board and used for the deferred maintenance of state-owned buildings. The remaining 50% of the net proceeds shall be returned to the agency that the property is owned by, under the control of, or assigned to and shall be used by that agency for non-recurring purposes. This provision applies to all state agencies and departments except: institutions of higher learning; the Public Service Authority; the Ports Authority; the MUSC Hospital Authority; the Myrtle Beach Air Force Redevelopment Authority; the Department of Transportation; the Columbia State Farmers Market; the Department of Agriculture's Columbia Metrology Lab building and property; the Charleston Naval Complex Redevelopment Authority; the Department of Commerce's Division of Public Railways; the Midlands Technical College Enterprise Campus Authority; the Trident Technical College Enterprise Campus Authority; the Commissioners residence at the Department of Corrections and the Educational Television Commission's Key Road property.

The Educational Television Commission shall be authorized to retain the net proceeds from the sale of its property on Key Road, and such proceeds shall only be used for the renovation of the ETV Telecommunications Center. If it is determined that sufficient net proceeds are not to be derived from the sale of its property on Key Road to cover the cost of all renovations of the Telecommunications Center, the property on Key Road shall not be sold. Any proposed sale hereunder shall, prior to said sale, be submitted to the Budget and Control Board for approval as being in compliance with the requirements of this subsection.

The Department of Corrections shall be authorized to retain the net proceeds from the sale of the residence provided for the Commissioner of the Department of Corrections and use such proceeds for deferred maintenance needs at the Department of Corrections.

The Forestry Commission shall be authorized to retain the net proceeds from the sale of surplus land for use in firefighting operations and replacement of firefighting equipment.

The Department of Natural Resources shall be authorized to retain the net proceeds from the sale of existing offices originally purchased with a federal grant or with restricted revenue from hunting and fishing license sales for the improvement, consolidation, and/or establishment of regional offices and related facilities.

The Department of Agriculture, the Educational Television Commission, the Department of Corrections, the Department of Natural Resources, and the Forestry Commission shall annually submit a report, within sixty days after the close of the fiscal year, to the Senate Finance Committee and the House Ways and Means Committee on the status of the sale of the identified property and a detailed accounting on the expenditure of funds resulting from such sale.

This provision is comprehensive and supersedes any conflicting provisions concerning disposition of state owned real property whether in permanent law, temporary law or by provision elsewhere in this act.

Any unused portion of these funds may be carried forward into succeeding fiscal years and used for the same purposes.

AGENCY: Office of State Budget

SUBJECT: Report of Unfunded Vacant State FTE Positions Deleted in Accordance with Proviso 89.16(5)

Proviso 89.16(5) of the FY 2010-11 Appropriation Act states: The Budget and Control Board shall annually reconcile personal service funds with full-time employee count to determine unfunded positions which should be eliminated in the current fiscal year unless specifically exempted elsewhere in this act or by the State Budget and Control Board.

In accordance with this proviso, the Office of State Budget has prepared a report of unfunded vacant state FTE positions which is based on each state agency's personal service funding and the average salary of each state agency's vacant positions. Exemptions were granted to agencies if additional general funds were transferred to personal service on a permanent basis or if the source of funds of vacant positions was changed from state to other/federal. This report has been provided to the House Ways and Means Committee and the Senate Finance Committee for their FY 2011-12 budget deliberations. The following is a summary of the statewide findings:

Total Vacant Unfunded State FTE Positions	2,801.00
Exemptions: Source of Fund Changes and Other Operations Transfers	1,356.75
Total Vacant Unfunded State FTE Positions to be Deleted	1,444.25

BOARD ACTION REQUESTED:

Approve the deletion of vacant unfunded state positions as identified in Schedule A - Report of Unfunded Vacant State FTE Positions FY 2010-11 of this agenda item.

ATTACHMENTS:

Agenda item worksheet; Schedule A – Unfunded FTE Positions Recommended for Deletion

EXHIBIT

MAR 22 2011

3

STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

2011-09

For Meeting Scheduled for: March 22, 2011

Blue Agenda

Submitted By:

(a) Agency: Office of State Budget

(b) Authorized Official Signature: 

2. Subject:

Report of Unfunded Vacant State FTE Positions Deleted in Accordance with Proviso 89.16(5)

3. Summary:

Proviso 89.16(5) of the FY 2010-11 Appropriation Act states: The Budget and Control Board shall annually reconcile personal service funds with full-time employee count to determine unfunded positions which should be eliminated in the current fiscal year unless specifically exempted elsewhere in this act or by the State Budget and Control Board.

In accordance with this proviso, the Office of State Budget has prepared a report of unfunded vacant state FTE positions which is based on each state agency's personal service funding and the average salary of each state agency's vacant positions. Exemptions were granted to agencies if additional general funds were transferred to personal service on a permanent basis or if the source of funds of vacant positions was changed from state to other/federal. This report has been provided to the House Ways and Means Committee and the Senate Finance Committee for their FY 2011-12 budget deliberations. The following is a summary of the statewide findings:

Total Vacant Unfunded State FTE Positions	2,801.00
Exemptions: Source of Fund Changes and Other Operations Transfers	1,356.75
Total Vacant Unfunded State FTE Positions to be Deleted	1,444.25

4. What is Board asked to do?

It is recommended that the Board approve the deletion of vacant unfunded state positions as identified in Schedule A of this agenda item.

5. What is recommendation of Board Office involved?

Recommend approval.

6. Recommendation of other office (as required)?

Authorized Signature: _____

Office Name: _____

Supporting Documents:

List those attached:

- Schedule A – Unfunded FTE Positions Recommended for Deletion

List those not attached but available:

- Detailed Report of Unfunded FTE Positions

EXHIBIT

MAR 22 2011

3

STATE BUDGET & CONTROL BOARD

**REPORT OF UNFUNDED VACANT STATE FTE POSITIONS
FY2010-11**

AGY CODE	AGENCY	UNFUNDED VACANT STATE FTE'S UP FOR ELIMINATION	ACTIONS					Transferred Other Oper. Funds to Salaries	
			DELETE State	CHANGE IN SOURCE OF FUNDING					
				State	Fed	Other	Total		
Beth	D05	Governor's Office	10.00	(10.00)				-	-
Rodney	D10	Governor's Office - SLED	110.00	-	(110.00)		110.00	-	-
Beth	D17	Governor's Office - OEPP	18.00	(15.50)	(2.50)		2.50	-	-
Beth	D20	Governor's Office - Mansion & Grounds	1.00	(1.00)				-	-
Beth	E20	Attorney General's Office	30.00	-	(30.00)		30.00	-	-
David	F27	B & C - Auditor's Office	2.00	(2.00)				-	-
Nicole	H09	The Citadel	6.00	-	(6.00)		6.00	-	-
Nicole	H12	Clemson University (E&G)	122.00	(65.75)	(56.25)		56.25	-	-
Nicole	H15	University of Charleston	17.00	-	(17.00)		17.00	-	-
Nicole	H18	Francis Marion University	6.00	-	(6.00)		6.00	-	-
Nicole	H24	SC State University	60.00	(60.00)				-	-
Nicole	H47	Winthrop University	1.00	-	(1.00)		1.00	-	-
Nicole	H51	MUSC	161.00	-	(161.00)		161.00	-	-
Nicole	H59	Tech & Comprehensive Education Bd.	88.00	-	(88.00)		88.00	-	-
Bryce	H63	Dept. of Education	139.00	(31.00)	(108.00)		108.00	-	-
Steven	H67	ETV	25.00	(19.00)	(6.00)		6.00	-	-
Bryce	H71	Wil Lou Gray Opportunity School	2.00	(2.00)				-	-
Torina	H73	Vocational Rehabilitation	4.00	(4.00)				-	-
Bryce	H75	School for the Deaf & the Blind	50.00	(50.00)				-	-
Nicole	H79	Dept. of Archives & History	7.00	(5.00)	(2.00)		2.00	-	-
Bob	J04	DHEC	162.00	(153.00)	(9.00)		9.00	-	-
Torina	J12	Dept. of Mental Health	315.00	(179.00)	(136.00)		136.00	-	-
Ken	K05	Dept. of Public Safety	220.00	(180.00)	-		-	-	40.00
Ken	L04	Dept. of Social Services	282.00	-	(282.00)	282.00		-	-
Bryce	L12	John de la Howe School	3.00	(3.00)				-	-
Torina	L24	Comm. for the Blind	1.00	(1.00)				-	-
Ken	L36	Human Affairs Comm.	12.00	(12.00)				-	-
Rodney	N04	Dept. of Corrections	311.00	(259.00)	(52.00)		52.00	-	-
Rodney	N08	Dept. of Probation, Parole & Pardon	31.00	(31.00)				-	-
Ken	N12	Dept. of Juvenile Justice	247.00	(247.00)				-	-
Bob	P12	Forestry Comm.	35.00	(25.00)	(10.00)		10.00	-	-
Bob	P24	Dept. of Natural Resources	94.00	(79.00)				-	15.00
Bob	P28	Parks, Recreation & Tourism	162.00	-	(119.00)		119.00	-	43.00 (1)
Bob	P32	Dept. of Commerce	19.00	-	(19.00)		19.00	-	-
Ken	R20	Dept. of Insurance	26.00	-	(26.00)		26.00	-	-
Ken	R28	Dept. of Consumer Affairs	10.00	(10.00)				-	-
Steven	R36	Dept. of Labor, Licensing & Regulation	12.00	-	(12.00)		12.00	-	-
	TOTALS		2,801.00	(1,444.25)	(1,258.75)	282.00	976.75	-	98.00

SUMMARY - UNFUNDED VACANT STATE FTE ACTIONS:

State FTE's Deleted	1,444.25
State FTE's Reduced - Transferred to Federal/Other Funding	1,258.75
FTE's Exemption - State operating funds transferred to support salaries	98.00
Total Actions	2,801.00

(1) Agency identified existing State funding available for salaries under "Special Items" appropriation line.

EXHIBIT

MAR 2 2 2011

3

AGENCY: Division of Procurement Services

SUBJECT: Procurement Audits

The Procurement Services Division, in accord with Section 11-35-1210, has audited the following agencies and recommends certification within the parameters described in the audit reports for the following limits (total potential purchase commitment whether single-or multi-year contracts are used):

Department of Motor Vehicles (for a period of three years): supplies and services, \$250,000* per commitment; consultants, \$250,000* per commitment.

Spartanburg Community College (for a period of three years): supplies and services, \$100,000* per commitment; information technology, \$100,000* per commitment; consulting services, \$100,000* per commitment; construction services, \$100,000 per commitment; construction contract change order, \$10,000 per change order; architect/engineer contract amendment, \$5,000 per amendment.

*Total potential purchase commitment whether single or multi-term contracts are used.

In an attempt to facilitate greater agency internal controls, future failures by agencies to provide timely quarterly procurement reports (e.g., sole source, indefinite delivery) will result in notice directly to the agency director, not just to the procurement director, as has been the current practice. While procurement audits are directed towards the procurement process (as opposed to financial controls), an agency directors' awareness of untimely quarterly reports may alert them to the potential for such problems. Further, the South Carolina Enterprise Information System allows for elevated awareness of agency financial information that will prove useful to agencies and auditors alike in detecting illegal activity.

BOARD ACTION REQUESTED:

In accord with Section 11-35-1210, grant the following procurement certifications within the parameters described in the audit reports for the following limits (total potential purchase commitment whether single-or multi- year contracts are used) for the following agencies:

Department of Motor Vehicles (for a period of three years): supplies and services, \$250,000* per commitment; consultants, \$250,000* per commitment.

Spartanburg Community College (for a period of three years): supplies and services, \$100,000* per commitment; information technology, \$100,000* per commitment; consulting services, \$100,000* per commitment; construction services, \$100,000 per commitment; construction contract change order, \$10,000 per change order; architect/engineer contract amendment, \$5,000 per amendment.

ATTACHMENTS:
Agenda item worksheets and attachments

EXHIBIT

MAR 22 2011

4

STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting scheduled for: March 22, 2011

Blue Agenda

1. Submitted by:

(a) Agency: Procurement Services Division

Voight Shealy

(b) Authorized Official Signature:

R. Voight Shealy, Materials Management Officer

2. Subject: Procurement Certification for the South Carolina Department of Motor Vehicles

3. Summary Background Information:

In accordance with Section 11-35-1210 of the South Carolina Consolidated Procurement Code, the Procurement Services Division has reviewed the procurement system of the South Carolina Department of Motor Vehicles and recommends its certification within the parameters described in the audit report for the following limits for a period of three years.

	<u>Current Certification</u>	<u>Certification Recommended</u>
I. Supplies and Services	*\$250,000 Per Commitment	*\$250,000 Per Commitment
II. Consultants	*\$250,000 Per Commitment	*\$250,000 Per Commitment

*Total potential purchase commitment whether single year or multi-term contracts are used.

In an attempt to facilitate greater agency internal controls, future failures by agencies to provide timely quarterly procurement reports (e.g., sole source, indefinite delivery) will result in notice directly to the agency director, not just to the procurement director, as has been the current practice. While procurement audits are directed towards the procurement process (as opposed to financial controls), an agency directors' awareness of untimely quarterly reports may alert them to the potential for such problems. Further, the South Carolina Enterprise Information System allows for elevated awareness of agency financial information that will prove useful to agencies and auditors alike in detecting illegal activity.

4. What is Board asked to do?

Grant procurement certification for the South Carolina Department of Motor Vehicles by approval of the Blue Agenda.

5. What is recommendation of Board division involved? Approve.

6. Recommendation of other office (as required)?

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. List of supporting documents:

(a) Section 11-35-1210 of the Consolidated Procurement Code

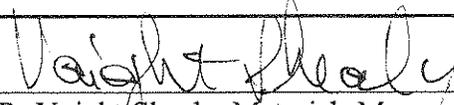
BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting scheduled for: March 22, 2011

Blue Agenda

1. Submitted by:

- (a) Agency: Division of Procurement Services
- (b) Authorized Official Signature:


 R. Voight Shealy, Materials Management Officer

2. Subject: Procurement Certification for Spartanburg Community College

3. Summary Background Information:

In accordance with Section 11-35-1210 of the South Carolina Consolidated Procurement Code, the Division of Procurement Services has reviewed the procurement system of Spartanburg Community College and recommends its certification within the parameters described in the audit report for the following limits for a period of three years.

	<u>Current Certification</u>	<u>Certification Recommended</u>
I. Supplies and Services	*\$50,000 Per Commitment	*\$100,000 Per Commitment
II. Information Technology	*\$50,000 Per Commitment	*\$100,000 Per Commitment
III. Consulting Services	*\$50,000 Per Commitment	*\$100,000 Per Commitment
IV. Construction Services	\$50,000 Per Commitment	\$100,000 Per Commitment
Construction Contract Change Order	\$ 0	\$ 10,000 Per Change Order
Architect/Engineer Contract Amendment	\$ 0	\$ 5,000 Per Amendment

*Total potential purchase commitment whether single year or multi-term contracts are used.

The audit confirms the Procurement Office has the internal controls and expertise to ensure compliance with the applicable requirements for increased certifications.

4. What is Board asked to do?

Grant procurement certification for Spartanburg Community College by approval of the Blue Agenda.

5. What is recommendation of Board division involved? Approve.

6. Recommendation of other office (as required)?

- (a) Authorized Signature: _____
- (b) Division/Agency Name: _____

EXHIBIT

MAR 22 2011

4

7. List of supporting documents:

- (a) Section 11-35-1210 of the Consolidated Procurement Code

STATE BUDGET & CONTROL BOARD

South Carolina Consolidated Procurement Code

Auditing and Fiscal Reporting

§ 11-35-1210. Certification

- (1) Authority. The board may assign differential dollar limits below which individual governmental bodies may make direct procurements not under term contracts. The designated board office shall review the respective governmental body's internal procurement operation, shall certify in writing that it is consistent with the provisions of this code and the ensuing regulations, and recommend to the board those dollar limits for the respective governmental body's procurement not under term contract.
- (2) Policy. Authorizations granted by the board to a governmental body are subject to the following:
 - (a) adherence to the provisions of this code and the ensuing regulations, particularly concerning competitive procurement methods;
 - (b) responsiveness to user needs;
 - (c) obtaining of the best prices for value received.
- (3) Adherence to Provisions of the Code. All procurements shall be subject to all the appropriate provisions of this code, especially regarding competitive procurement methods and nonrestrictive specifications.

EXHIBIT

MAR 22 2011

4

STATE BUDGET & CONTROL BOARD

AGENCY: Executive Director

SUBJECT: Revenue Bonds

The required review on the following proposals to issue revenue bonds has been completed with satisfactory results. The projects require approval under State law.

Issuing Authority: Jobs-Economic Development Authority
Amount of Issue: Not Exceeding \$21,000,000 Economic Development Revenue Bonds
Allocation Needed: -0-
Name of Project: Cardinal Real Estate Group, Inc. (Legacy Place/Bennett Place)
Employment Impact: maintain 5 jobs and add 75 in 12 months and 150 in 24 months
Project Description: acquire land, buildings, and necessary furnishings and equipment for senior housing and services, including assisted living, memory care, and supportive services in Union and Greer
Note: *private sale to a financial institution*
Bond Counsel: Kathleen Crum McKinney, Haynsworth Sinkler Boyd, P. A.

BOARD ACTION REQUESTED:

Adopt a resolution approving the referenced proposal to issue revenue bonds.

ATTACHMENTS:

Resolution; Code Section 1-11-500 et seq.

EXHIBIT

MAR 22 2011 5

STATE BUDGET & CONTROL BOARD

A RESOLUTION APPROVING THE ISSUANCE BY THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY THROUGH PRIVATE SALE OF NOT EXCEEDING \$21,000,000 AGGREGATE PRINCIPAL AMOUNT ECONOMIC DEVELOPMENT REVENUE BONDS (LEGACY PLACE AND BENNETT PLACE PROJECTS) SERIES 2011, PURSUANT TO THE PROVISIONS OF SECTION 41-43-110 OF SOUTH CAROLINA CODE ANNOTATED, TITLE 41, CHAPTER 43 (1976), AS AMENDED.

WHEREAS, the South Carolina Jobs-Economic Development Authority (the "**Authority**") has heretofore under and pursuant to the provisions of Section 41-43-110 of South Carolina Code Annotated, Title 41, Chapter 43 (1976), as amended (the "**Act**"), requested approval by the State Budget and Control Board of the issuance by the Authority pursuant to the Act of its Economic Development Revenue Bonds (Legacy Place and Bennett Place Projects) Series 2011, in the aggregate principal amount of not exceeding \$21,000,000 (the "**Bonds**"), through private sale which the Authority has determined to be most advantageous; and

WHEREAS, the Authority represents to the State Budget and Control Board that the Bonds will be placed by a financial institution through a private placement acceptable to the Authority;

NOW, THEREFORE, BE IT RESOLVED, by the State Budget and Control Board of the State of South Carolina, as follows:

Section 1. It is hereby found, determined and declared by the Board that the Petition filed by the Authority contains all matters required by law and the rules of this Board to be set forth therein, and that in consequence thereof the jurisdiction of this Board has been properly invoked under and pursuant to Section 41-43-110 of the Act.

Section 2. In consequence of the foregoing, the proposal of the Authority to issue the Bonds through private sale to a financial institution be and the same is hereby in all respects approved.

Section 3. This Resolution shall take effect immediately.

ARTICLE 3.

ALLOCATION OF STATE CEILING ON ISSUANCE OF PRIVATE ACTIVITY BONDS

SECTION 1-11-500. Calculation and certification of state ceiling.

The state ceiling on the issuance of private activity bonds as defined in Section 146 of the Internal Revenue Code of 1986 (the Code) established in the act must be certified annually by the Budget and Control Board secretary based upon the provisions of the act. The board secretary shall make this certification as soon as practicable after the estimates of the population of the State of South Carolina to be used in the calculation are published by the United States Bureau of the Census but in no event later than February first of each calendar year.

SECTION 1-11-510. Allocation of bond limit amounts.

- (A) The private activity bond limit for all issuing authorities must be allocated by the board in response to authorized requests as described in Section 1-11-530 by the issuing authorities.
- (B) The aggregate private activity bond limit amount for all South Carolina issuing authorities is allocated initially to the State for further allocation within the limits prescribed herein.
- (C) Except as is provided in Section 1-11-540, all allocations must be made by the board on a first-come, first-served basis, to be determined by the date and time sequence in which complete authorized requests are received by the board secretary.

SECTION 1-11-520. Private activity bond limits and pools.

- (A) The private activity bond limit for all state government issuing authorities now or hereafter authorized to issue private activity bonds as defined in the act, to be known as the "state government pool", is forty percent of the state ceiling less any amount shifted to the local pool as described in subsection (B) of this section or plus any amount shifted from that pool.
- (B) The private activity bond limit for all issuing authorities other than state government agencies, to be known as the "local pool", is sixty percent of the state ceiling plus any amount shifted from the state government pool or less any amount shifted to that pool.
- (C) The board, with review and comment by the Joint Bond Review Committee, may shift unallocated amounts from one pool to the other at any time.

SECTION 1-11-530. Authorized requests for allocation of bond limit amounts.

- (A) For private activity bonds proposed for issue by other than state government issuing authorities, an authorized request is a request included in a petition to the board that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a copy of the Inducement Contract, Inducement Resolution, or other comparable preliminary approval entered into or adopted by the issuing authority, if any, relating to the bonds. The board shall forward promptly to the committee a copy of each petition received.
- (B) For private activity bonds proposed for issue by any state government issuing authority, an authorized request is a request included in a petition to the board that a specific amount of the state ceiling be allocated to the bonds for which the petition is filed. The petition must be accompanied by a bond resolution or comparable action by the issuing authority authorizing the issuance of the bonds. The board shall forward promptly to the committee a copy of each petition received.
- (C) Each authorized request must demonstrate that the allocation amount requested constitutes all of the private activity bond financing contemplated at the time for the project and any other facilities located at or used as a part of an integrated operation with the project.

SECTION 1-11-540. Limitations on allocations.

(A) The board, with review and comment by the committee, may disapprove, reduce, or defer any authorized request. If it becomes necessary to exercise this authority, the board and the committee shall take into account the public interest in promoting economic growth and job creation.

(B) Authorized requests for state ceiling allocations of more than ten million dollars for a single project are deferred until after July first unless the board, after review and comment by the committee, determines in any particular instance that the positive impact upon the State of approving an allocation of an amount greater than ten million dollars is of such significance that approval of the allocation is warranted.

SECTION 1-11-550. Certificates by issuing authority and by board.

(A) An allocation of the state ceiling approved by the board is made formal initially by a certificate which allocates tentatively a specific amount of the state ceiling to the bonds for which the allocation is requested. This tentative allocation certificate must specify the state ceiling amount allocated, the issuing authority and the project involved, and the time period during which the tentative allocation is valid. This certificate must remind the issuing authority that the tentative allocation is made final after the issuing authority chairman or other duly authorized official or agent of the issuing authority, before the issue is made, certifies the issue amount and the projected date of issue, as is required by subsection (B) of this section. It also may include other information considered relevant by the board secretary.

(B) The chairman or other authorized official or agent of an issuing authority issuing any private activity bond for which a portion of the state ceiling has been allocated tentatively shall execute and deliver to the board secretary an issue amount certificate setting forth the exact amount of bonds to be issued and the projected bond issue date which date must not be more than ten business days after the date of the issue amount certificate and it must be before the state ceiling allocation involved expires. The issue amount certificate may be an executed copy of the appropriate completed Internal Revenue Service form to be submitted to the Internal Revenue Service on the issue or it may be in the form of a letter which certifies the exact amount of bonds to be issued and the projected date of the issue.

(C) In response to the issuing authority's issue amount certificate required by subsection (B) of this section, the board secretary is authorized to issue and, as may be necessary, to revise a certificate making final the ceiling allocation approved previously by the board on a tentative basis, if the secretary determines that:

(1) the issuing authority's issue amount certificate specifies an amount not in excess of the approved tentative ceiling allocation amount;

(2) the issue amount certificate was received prior to the issue date projected and that the certificate is dated not more than ten days prior to the issue date projected;

(3) the issue date projected is within the time period approved previously for the tentative ceiling allocation; and

(4) the bonds when issued and combined with the total amount of bonds requiring a ceiling allocation included in issue amount certificates submitted previously to the board by issuing authorities do not exceed the state ceiling for the calendar year. Except under extraordinary circumstances, the board secretary shall issue this certificate within two business days following the date the issue amount certificate is received.

(D) In accordance with Section 149(e)(2)(F) of the Code, the secretary of the Budget and Control Board is designated as the state official responsible for certifying, if applicable, that certain bonds meet the requirements of Section 146 of the Code relating to the volume cap on private activity bonds.

(E) Any tentative or final state ceiling allocation granted by the board before the effective date of this act remains valid as an allocation of a portion of the volume cap for South Carolina provided under Section 146 of the Code. The allocations expire in accordance with the regulations under which they were granted or extended and their validity may be extended or reinstated in accordance with the provisions of Sections 1-11-500 through 1-11-570.

EXHIBIT

MAR 22 2011

5

STATE BUDGET & CONTROL BOARD

SECTION 1-11-560. Time limits on allocations.

(A) Any state ceiling allocation approved by the board is valid only for the calendar year in which it is approved, unless eligible and approved for carry-forward election or unless specified differently in the board certificates required by Section 1-11-550.

(B) Unless eligible and approved for carry-forward election or unless specified differently in board certificates required by Section 1-11-550, each state ceiling allocation expires automatically if the bonds for which the allocation is made are not issued within ninety consecutive calendar days from the date the allocation is approved by the board.

(C) In response to a written request by the chairman or other duly authorized official or agent of an issuing authority, the board, acting during the period an approved allocation is valid, may extend the period in which an allocation is valid in a single calendar year by thirty-one consecutive calendar days to a total of not more than one hundred twenty-one consecutive calendar days.

(D) In response to a written request by the chairman or other authorized official or agent of an issuing authority, the board may reinstate for a period of not more than thirty-one consecutive calendar days in any one calendar year part or all of an allocation approved but not extended previously in accordance with subsection (C) of this section in that same calendar year which has expired. The reinstatement request must certify that the authorized request submitted previously is still true and correct or a new authorized request must be submitted.

(E) A tentative ceiling allocation is canceled automatically if the chairman or other authorized official or agent of the issuing authority involved fails to deliver the issue amount certificate required by Section 1-11-550 to the board secretary before the bonds for which the allocation is made are issued.

(F) The chairman or other authorized official or agent of an issuing authority shall advise the board secretary in writing as soon as is practicable after a decision is made not to issue bonds for which a portion of the state ceiling has been allocated. All notices of relinquishment of ceiling allocations must be entered promptly in the board's records by the board secretary.

(G) Ceiling allocations which are eligible and approved for carry-forward election are not subject to the validity limits of this section. The board shall join with the issuing authorities involved in carry-forward election statements to meet the requirements of the Internal Revenue Service.

SECTION 1-11-570. Budget and Control Board to adopt policies and procedures.

The Budget and Control Board, after review and comment by the committee, may adopt the policies and procedures it considers necessary for the equitable and effective administration of Sections 1-11-500 through 1-11-570.

SECTION 1-11-580. Budget and Control Board to make quarterly payments on certain insurance contracts.

The Budget and Control Board shall make quarterly payments on insurance contracts where the annual premium exceeds fifty thousand dollars. The board shall undertake necessary negotiations to implement this requirement. Where fees may be incurred for quarterly rather than annual payments, the Budget and Control Board shall determine whether the investment income opportunity is greater or less than proposed fees and shall make the decision which best benefits South Carolina.

EXHIBIT

MAR 2 2 2011

5

STATE BUDGET & CONTROL BOARD

AGENCY: Procurement Services Division

SUBJECT: Amended Procurement Certification for the SC Department of Social Services

The South Carolina Department of Social Services (DSS) is requesting a partial modification of its current procurement certification authority. DSS wishes to clarify the extent of the federal funding sources from which DSS can directly procure services and clarify the extent of the types of services that DSS can directly procure with these federal funding sources. The effect of this modified wording would be to clarify that DSS can directly procure, up to the same dollar and duration caps, any and all types of services permissible under these two named federal funding sources.

The current certification reads:

\$2,000,000 per contract per year, with a limit of four one-year extension options, for Service Provider Contracts funded from Social Services Block Grant and Child Welfare Service Provider Contracts funded from Federal Title IV-Service Provider being provider of services directly to a client.

In accordance with Section 11-35-1210 of the South Carolina Consolidated Procurement Code, the Procurement Services Division requests that the Board consider DSS' request to amend the procurement certification granted to the DSS on December 14, 2010, as follows:

\$2,000,000 per contract per year, with a limit of four one-year extension options, for services federally-funded from Social Services Block Grant and Title IV.

BOARD ACTION REQUESTED:

Consider amending procurement certification for the South Carolina Department of Social Services to run concurrent with the existing certification approved December 14, 2010, as follows:

\$2,000,000 per contract per year, with a limit of four one-year extension options, for services federally-funded from Social Services Block Grant and Title IV.

ATTACHMENTS:

Agenda item worksheet; Section 11-35-1210 of the Consolidated Procurement Code; Letter from DSS requesting to amend its current certification

EXHIBIT

MAR 22 2011

6

STATE BUDGET & CONTROL BOARD

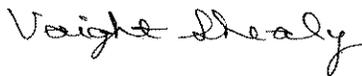
BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting scheduled for: March 22, 2011

Blue Agenda

1. Submitted by:

- (a) Agency: Procurement Services Division
- (b) Authorized Official Signature:



R. Voight Shealy, Materials Management Officer

2. Subject: Amended Procurement Certification for the South Carolina Department of Social Services

3. Summary Background Information:

DSS is requesting a partial modification of its current procurement certification authority. DSS wishes to clarify the extent of the federal funding sources from which the Department of Social Services can directly procure services and clarify the extent of the types of services that DSS can directly procure with these federal funding sources. The effect of this modified wording would be to clarify that DSS can directly procure, up to the same dollar and duration caps, any and all types of services permissible under these two named federal funding sources.

The current certification reads:

\$2,000,000 per contract per year, with a limit of four one-year extension options, for Service Provider Contracts funded from Social Services Block Grant and Child Welfare Service Provider Contracts funded from Federal Title IV-Service Provider being provider of services directly to a client.

In accordance with Section 11-35-1210 of the South Carolina Consolidated Procurement Code, the Procurement Services Division requests that the Board amend the procurement certification granted to the South Carolina Department of Social Services on December 14, 2010 as follows:

\$2,000,000 per contract per year, with a limit of four one-year extension options, for services federally-funded from Social Services Block Grant and Title IV

4. What is Board asked to do?

Amend procurement certification for the South Carolina Department of Social Services to include services federally-funded from Social Services Block Grant and Title IV to run concurrent with the existing certification approved December 14, 2010 by approval of the Blue Agenda.

5. What is recommendation of Board division involved? Consider approval.

6. Recommendation of other office (as required)?

- (a) Authorized Signature: _____
- (b) Division/Agency Name: _____

7. List of supporting documents:

- (a) Section 11-35-1210 of the Consolidated Procurement Code
- (b) Letter from DSS requesting to amend its current certification

SUBARTICLE 9.

AUDITING AND FISCAL REPORTING

SECTION 11-35-1210. Certification.

(1) Authority. The board may assign differential dollar limits below which individual governmental bodies may make direct procurements not under term contracts. The designated board office shall review the respective governmental body's internal procurement operation, shall certify in writing that it is consistent with the provisions of this code and the ensuing regulations, and recommend to the board those dollar limits for the respective governmental body's procurement not under term contract.

(2) Policy. Authorizations granted by the board to a governmental body are subject to the following:

(a) adherence to the provisions of this code and the ensuing regulations, particularly concerning competitive procurement methods;

(b) responsiveness to user needs;

(c) obtaining of the best prices for value received.

(3) Adherence to Provisions of the Code. All procurements shall be subject to all the appropriate provisions of this code, especially regarding competitive procurement methods and nonrestrictive specifications.

DSS

Serving Children and Families

LILLIAN B. KOLLER, J.D.
STATE DIRECTOR

NIKKI HALEY
GOVERNOR

March 18, 2011

VIA ELECTRONIC MAIL

Mr. Voight Shealy
Materials Management Officer
South Carolina Budget and Control Board
1201 Main Street, Suite 600
Columbia, South Carolina 29201

Dear Mr. Shealy:

The South Carolina Department of Social Services (DSS) respectfully requests that an item be placed on the agenda for the next meeting of the Budget and Control Board (B&CB).

DSS is requesting a partial modification of its current procurement certification authority. DSS wishes to clarify the federal funding sources from which DSS can directly procure services and to clarify the types of services that DSS can directly procure with these federal funding sources.

Please note that DSS is not seeking to modify the dollar or duration caps of the current DSS procurement certification authority.

Specifically, DSS is already authorized to directly procure (among other items) as follows:

"\$2,000,000 per contract per year, with a limit of four one-year extension options, for Service Provider Contracts funded from Social Services Block Grant and Child Welfare Service Provider Contracts funded from Federal Title IV-Service Provider being provider of services directly to a client."

Confusion has arisen from the wording quoted above relating to both the extent of these federal funding sources and the extent of the types of services that DSS can directly procure. Some have confused the hyphen in "Title IV-" and the reference to "Child Welfare Service Provider Contracts" to limit the Title IV federal funding sources to only Title IV-E (which provides funding for foster care and adoptions) and to procure only direct client services for child welfare.

To clarify the broader intent and to simplify the wording of the current DSS procurement certification authority, while retaining the same dollar and duration caps, DSS respectfully requests that the current wording be replaced by the following:

"\$2,000,000 per contract per year, with a limit of four one-year extension options, for services federally-funded from Social Services Block Grant and Title IV."

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES
OFFICE OF THE DIRECTOR, P.O. BOX 1520, COLUMBIA, S.C. 29202-1520
TELEPHONE: (803) 898-7360 • FAX: (803) 898-7277
WEB SITE: www.dss.sc.gov

EXHIBIT

MAR 22 2011

6

STATE BUDGET & CONTROL BOARD

Mr. Voight Shealy
March 18, 2011
Page 2

The effect of this modified wording would be to clarify that DSS can directly procure, up to the same dollar and duration caps, any and all types of services permissible under these two named federal funding sources.

For example, under the modified wording requested, DSS could directly procure services under Title IV-A which includes Temporary Assistance for Needy Families federal funding and not solely Title IV-E child welfare services. For example, under Title IV-A federal funding, contracts are permissible for services to help welfare recipients obtain jobs and to promote positive youth development and strengthen families to prevent family poverty. Under the modified wording requested, DSS could procure directly those services, too, with these federal funds.

Also, these federal funding sources permit contracts for services other than direct client services, such as quality assurance contracts for monitoring to improve outcomes. Under the modified wording requested, DSS could procure those services, too, with these federal funds.

DSS needs this clarification to be able to directly procure (while remaining in compliance with South Carolina procurement law) all types of services, permitted under these two federal funding sources, to improve DSS outcomes in the area of child welfare, strengthening families, helping more welfare recipients obtain jobs, reducing our welfare rolls and reducing children living in poverty throughout South Carolina.

Thank you in advance for expediting consideration of this request item for the agenda of the next B&CB meeting.

Very truly yours,



Lillian B. Koller, J.D.
State Director

cc: Delbert Singleton, Esq.
Jimmy Aycock
Marcia Adams
Ted Pitts
Jamie Shuster
Kathy Gettys

EXHIBIT

MAR 22 2011

6

STATE BUDGET & CONTROL BOARD

AGENCY: Office of State Budget

SUBJECT: Agency Deficit Update – Department of Health and Human Services

On February 8, 2011 the State Budget and Control Board considered the Department of Health and Human Services (DHHS) request to recognize an operating deficit within the Medicaid program estimated at \$227,786,198. At that meeting the Board determined that the operating deficit incurred by the Department was unavoidable and recognized the operating deficit not to exceed \$100,000,000. The Board further directed the Department to continue working with the Office of State Budget to reduce the projected deficit and report back at the next regularly scheduled Board meeting.

Since the last Board meeting DHHS has implemented a package of service reductions and eliminations that are projected to reduce expenditures within the Medicaid program by \$2,775,432 during this fiscal year. Therefore the balance of the operating deficit is estimated at \$125,010,766.

BOARD ACTION REQUESTED:

The Office of State Budget recommends that pursuant to Section 1-11-495 of the S.C. Code of Laws:

- A. Recognize the balance of the operating deficit not to exceed the amount of \$125,010,766.
- B. Notify the presiding officers of the House and Senate.
- C. Direct the Office of State Budget to continue working with the Department to reduce the deficit and further direct the Department to provide monthly financial status reports to the Budget and Control Board.

ATTACHMENTS:

Agenda item worksheet; March 7 letter from Anthony E. Keck – Director, Department of Health and Human Services concerning deficit status; Section 1-11-495 of the S.C. Code of Laws; Proviso 89.130 of the FY 2010-11 Appropriation Act

EXHIBIT

MAR 22 2011

7

STATE BUDGET & CONTROL BOARD

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

2011-08

For Meeting Scheduled for: March 22, 2011

Regular Agenda

1. Submitted By:

(a) Agency: Office of State Budget

(b) Authorized Official Signature: 

2. Subject:

Agency Deficit Update – Department of Health and Human Services

3. Summary:

On February 8, 2011 the State Budget and Control Board considered the Department of Health and Human Services (DHHS) request to recognize an operating deficit within the Medicaid program estimated at \$227,786,198. At that meeting the Board determined that the operating deficit incurred by the Department was unavoidable and recognized the operating deficit not to exceed \$100,000,000. The Board further directed the Department to continue working with the Office of State Budget to reduce the projected deficit and report back at the next regularly scheduled Board meeting.

Since the last Board meeting DHHS has implemented a package of service reductions and eliminations that are projected to reduce expenditures within the Medicaid program by \$2,775,432 during this fiscal year. Therefore the balance of the operating deficit is estimated at \$125,010,766.

4. What is Board asked to do?

Pursuant to Section 1-11-495 of the S.C. Code of Laws, recognize the balance of the operating deficit not to exceed \$125,010,766. Direct the Office of State Budget to continue working with the Department to reduce the deficit and further direct the Department to provide monthly financial status reports to the Budget and Control Board.

5. What is recommendation of Board Office involved?

The Office of State Budget recommends that pursuant to Section 1-11-495 of the S.C. Code of Laws:

- A. Recognize the balance of the operating deficit not to exceed the amount of \$125,010,766.
- B. Notify the presiding officers of the House and Senate.
- C. Direct the Office of State Budget to continue working with the Department to reduce the deficit and further direct the Department to provide monthly financial status reports to the Budget and Control Board.

6. Recommendation of other office (as required)?

Authorized Signature: _____

Office Name: _____

Supporting Documents:

List those attached:

- March 7 letter from Anthony E. Keck – Director, Department of Health and Human Services concerning deficit status
- DHHS Summary of Service Reductions and Eliminations with Savings Estimates
- Section 1-11-495 of the S.C. Code of Laws
- Proviso 89.130 of the FY 2010-11 Appropriation Act

List those not attached but available:



March 7, 2011

RECEIVED

MAR 09 2011

Mr. Les Boles, Director
Office of State Budget
South Carolina Budget and Control Board
1205 Pendleton Street
Edgar A. Brown Building, Suite 529
Columbia, South Carolina 29201

Budget & Control Board
OFFICE OF STATE BUDGET

Dear Mr. Boles:

As requested, I am writing to update you on the status of the projected budget deficit of the Department of Health and Human Services, in preparation for the March 22, 2011 meeting of the Budget and Control Board.

As you know, the Department in its Deficit Reduction Plan submitted to the Budget and Control Board in November, 2010, requested that a projected deficit of \$227,786,198 be recognized. When I appeared before the Board on February 8, 2011, I reported that the Department was in the process of implementing a package of service reductions and eliminations that were projected to produce savings of \$2,775,432, which would reduce the deficit to \$225,010,766. At that time, the Board took action to recognize \$100,000,000 of the deficit, leaving a remaining deficit of \$125,010,766.

In the month following the February Board meeting, we have conducted a thorough review of our weekly expenditures and our weekly cash flow analysis. We have also matched up our weekly cash flow and expenditures against outstanding cost settlements and other adjustments which are anticipated in the remainder of Fiscal Year 2011. Finally, we have compared our in-house deficit projections with updated budget forecasts prepared by Milliman, our actuarial firm. As a result of this review, we have concluded that our remaining projected deficit of \$125,010,766 is still on target, and we request that this remaining deficit amount be recognized.

While focusing on longer range cost savings measures for State Fiscal Year 2012, we have continued to work on potential savings during the remainder of Fiscal Year 2011. As you know, Senate Bill 434, which passed the Senate and is now in the House Ways and Means Committee would provide relief from provisos which prevent us from reducing reimbursement rates. If that bill passes both houses in the next couple of weeks, we have announced our intention to implement an across the board three percent reduction in provider reimbursement rates effective April 1, 2011. We estimate that the action would

MAR 22 2011

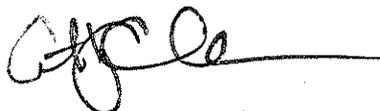
7

Mr. Les Boles, Director
March 7, 2010
Page Two

save \$7,556,380, which could be used to further reduce the remaining deficit to \$117,454,386 in the event that legislation passes; however, we cannot predict the outcome of the legislation.

I hope this update is helpful to you and to the Budget and Control Board in preparing for the March 22 meeting. Please be assured that I am committed to working with you and the Board to address the current deficit and to implement longer range solutions that drive cost out of the health care delivery system, while preserving needed care, so that the South Carolina Medicaid System can be sustainable into the future. Please feel free to contact me if you have questions or need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'A. E. Keck', with a long horizontal line extending to the right.

Anthony E. Keck
Director

AEK/wh

SCDHHS SFY 2011 Deficit Update 3-7-11		
Projected General Funds Deficit for SFY 2011	\$	227,786,198
Less: SFY 11 savings		
Elimination of Optional Programs/Services effective 2-1-11		
Adult Podiatry	\$	(52,960)
Adult Vision	\$	(296,565)
Adult Dental	\$	(1,271,000)
Coverage of circumcisions	\$	(16,400)
Reduction of Services effective 2-1-11		
Reduce diabetic shoes from 2 pairs to one pair annually	\$	(12,040)
Reduce number of diabetic shoe inserts from 6 to 4 inserts annually to match Medicare benefit	\$	(8,425)
Reduce home health visits from 75 to 50 annually	\$	(36,224)
Reduce chiropractic services from 8 to 6 visits annually	\$	(3,424)
Reduce non-institutionalized adults pharmacy benefits by one override	\$	(189,571)
Limit adult behavioral health services to 12 outpatient visits (24 units) annually	\$	(5,632)
Policy changes do not require beneficiary notice and will be put into effect 2-1-11		
Discontinue coverage for Syvek Patch	\$	(6,116)
Discontinue coverage for insulin pumps for Type II Diabetics	\$	(2,588)
Increase the time between power wheelchair replacement from 5 years to one every 7 - one time savings	\$	(41,731)
Discontinue coverage of many items for wheelchairs such as umbrella holder, pillows, and crutch/cane holder	\$	(3,050)
Elimination of CLTC Services upon CMS Approval (effective date 4-1-11)		
Eliminate chore service	\$	(2,825)
Eliminate appliances	\$	(255)
Eliminate adult day health care nursing	\$	(8,076)
Reduction of Services effective 4-1-11		
Reduce private rehab therapy visits from 75 per therapy type to 75 visits across all therapies annually	\$	(555,477)
Other Cost Saving Efforts effective 4-1-11		
Increase co-pay amounts to maximum allowed for all allowed populations	\$	(263,072)
Total Impact	\$	(2,775,432)
Adjusted Deficit	\$	225,010,766
Deficit Recognized by the Budget and Control Board on 2/8/11	\$	(100,000,000)
Remaining Deficit to be Recognized	\$	125,010,766

South Carolina Code of Laws - Section 1-11-495 – As Amended

(A) The State Budget and Control Board is directed to survey the progress of the collection of revenue and the expenditure of funds by all agencies, departments, and institutions. If the board determines that a year-end aggregate deficit may occur by virtue of a projected shortfall in anticipated revenues, it shall utilize those funds as may be available and required to be used to avoid a year-end deficit and after that take action as necessary to restrict the rate of expenditure of all agencies, departments, and institutions consistent with the provisions of this section. No agencies, departments, institutions, activity, program, item, special appropriation, or allocation for which the General Assembly has provided funding in any part of this section may be discontinued, deleted, or deferred by the board. A reduction of rate of expenditure by the board, under authority of this section, must be applied as uniformly as may be practicable, except that no reduction must be applied to funds encumbered by a written contract with the agency, department, or institution not connected with state government. This reduction is subject to any bill or resolution enacted by the General Assembly.

(B) As far as practicable, all agencies, departments, and institutions of the State are directed to budget and allocate appropriations as a quarterly allocation, so as to provide for operation on uniform standards throughout the fiscal year and in order to avoid an operating deficit for the fiscal year. It is recognized that academic year calendars of state institutions affect the uniformity of the receipt and distribution of funds during the year. The Comptroller General or the Office of State Budget shall make reports to the board as they consider advisable on an agency, department, or institution that is expending authorized appropriations at a rate which predicts or projects a general fund deficit for the agency, department, or institution. The board is directed to require the agency, department, or institution to file a quarterly allocations plan and is further authorized to restrict the rate of expenditures of the agency, department, or institution if the board determines that a deficit may occur. It is the responsibility of the agency, department, or institution to develop a plan, in consultation with the board, which eliminates or reduces a deficit. If the board makes a finding that the cause of, or likelihood of, a deficit is unavoidable due to factors which are outside the control of the agency, department, or institution, then the board may determine that the recognition of the agency, department, or institution is appropriate and shall notify the General Assembly of this action or the presiding officer of the House and Senate if the General Assembly is not in session. The board only may recognize a deficit by a vote of at least four members of the board."

(C) Upon receipt of the notification from the board, the General Assembly may authorize supplemental appropriations from any surplus revenues that existed at the close of the previous fiscal year. If the General Assembly fails to take action, then the finding of the board shall stand, and the actual deficit at the close of the fiscal year must be reduced as necessary from surplus revenues or surplus funds available at the close of the fiscal year in which the deficit occurs and from funds available in the Capital Reserve Fund and General Reserve Fund, as required by the Constitution of this State. If the board finds that the cause of or likelihood of a deficit is the result of the agency, department, or institution management, then the state officials responsible for management of the agency, department, or institution involved must be held liable for it and the board shall notify the Agency Head Salary Commission of this finding. In the case of a finding that a projected deficit is the result of the management of the agency, department, or institution, the board shall take steps immediately to curtail agency, department, or institution expenditures so as to bring expenditures in line with authorized appropriations and avoid a year-end operating deficit.

FY 2010-11 APPROPRIATION ACT

89.130. (GP: Deficit Monitoring) If at the end of each quarterly deficit monitoring review by the Office of State Budget, it is determined by either the Office of State Budget or an agency that the likelihood of a deficit for the current fiscal year exists, the agency shall submit to the Office of State Budget within fourteen days, a plan to minimize or eliminate the projected deficit. After submission of the plan, if it is determined that the deficit cannot be eliminated by the agency on its own, the agency is required to officially notify the State Budget and Control Board within thirty days of such determination that the agency is requesting that a deficit be recognized. Once a deficit has been recognized by the State Budget and Control Board, the agency shall limit travel and conference attendance to the minimum required to perform the core mission of the agency. In addition, the board when recognizing a deficit may direct that any pay increases and purchases of equipment and vehicles shall be approved by the Office of State Budget.

STATE BUDGET AND CONTROL BOARD

Meeting of Tuesday, March 22, 2011 -- 9:30 A. M.

Room 252, Edgar A. Brown Building

AGENDA INDEX

<u>Item</u>	<u>Agency</u>	<u>Subject</u>
A.	ADOPTION OF PROPOSED AGENDA	
B.	MINUTES OF PREVIOUS MEETING	
C.	BLUE AGENDA	
1.	Division of General Services	Easements
2.	Division of General Services	Real Property Conveyance
3.	Office of State Budget	Report of Unfunded Vacant State FTE Positions Deleted in Accordance with Proviso 89.16(5)
4.	Division of Procurement Services	Procurement Audits
5.	Executive Director	Revenue Bonds
6.	Division of Procurement Services	Amended Procurement Certification for the SC Department of Social Services
D.	REGULAR SESSION	
1.	Office of State Budget	Agency Deficit Update – Department of Health and Human Services
2.	Office of State Budget	Permanent Improvement Projects
3.	Budget and Control Board	Future Meeting

AGENCY: Office of State Budget

SUBJECT: Permanent Improvement Projects

Budget and Control Board approval is requested for the following permanent improvement project establishment requests and budget revisions which have been reviewed favorably by the Joint Bond Review Committee:

Establish Project for A&E Design

- (a) Summary 3-2011: JBRC Item 1. Coastal Carolina University
Project: 9580, Softball Complex Improvements
Request: Establish project and budget for \$30,000 (Other, Horry County Higher Education Commission funds) to begin design work to make improvements to the women's softball complex at Coastal Carolina. The work will include constructing a clubhouse with team and coaches' locker rooms, improving the home dugout, concessions and fan restrooms, adding an additional hitting/pitching tunnel, improving the existing tunnel, and upgrading the pressbox. The university is deficient in stadium, practice and team facilities for women's softball compared with men's baseball and with conference and peer institution softball programs. Deficiencies include lack of a dedicated locker and team room, inadequate hitting and pitching tunnels, and inefficient media space and fan amenities. Upgrades are needed to ensure compliance with federally mandated Title IX guidelines.

- (b) Summary 3-2011: JBRC Item 2. Coastal Carolina University
Project: 9581, Baseball Complex Improvements
Request: Establish project and budget for \$120,000 (Other, Institutional Capital Project Funds) to begin design work to construct a new baseball stadium at Coastal Carolina. The work will include demolishing the existing facility, replacing it with a new grandstand with 2,500 permanent seats and 3,000 additional seats on grass berms, and constructing restroom and concession areas, media work space, and a team clubhouse with team, coaches' and umpires' locker rooms and an athletic training room. The university is deficient in stadium and team facilities for its baseball program compared to other Division I baseball programs in the state. Deficiencies include overall seating capacity, ADA required seating and restroom facilities, inadequate media work space, and sub-standard public restrooms and concession areas. These deficiencies have forced the university to move baseball events, including NCAA Regional and Super Regional championships, to an off-campus venue.

- (c) Summary 3-2011: JBRC Item 3. Coastal Carolina University
Project: 9582, Student Center Annex Construction
Request: Establish project and budget for \$360,000 (Other, Renovation & Expansion funds) to begin design work to construct additional space for student activities at Coastal Carolina. The work will include constructing two, approximately 50,000 square foot annexes to the existing 28,980 square foot

EXHIBIT

MAR 22 2011 8

STATE BUDGET & CONTROL BOARD

AGENCY: Office of State Budget

SUBJECT: Permanent Improvement Projects

student center. The existing center was constructed in 1978 when the enrollment was 1,760 students and the Fall 2010 enrollment was 8,706. The student center provides only 5,652 square feet of meeting room, game room and lounge space and is predominantly used for student activities office space, dining space, and food service preparation. The center lacks lobby, lounge and general social space for students and, as the university has grown, smaller social spaces within academic buildings have been renovated to meet other space needs. Additional student life space will improve student retention and provide space for after class activities to develop a stronger student community on the campus.

- (d) Summary 3-2011: JBRC Item 4. Lander University
Project: 9532, Student Housing Construction
Request: Establish project and budget for \$240,000 (Other, Housing Reserve funds) to begin design work to construct a new 300-bed student housing facility at Lander University. The facility will include 300 bedspaces in approximately 80,000 to 120,000 square feet, a small dining hall, and flexible floor spaces for meetings and student activities. The university currently has 1,096 beds on campus while housing 407 students in leased property off campus. Constructing new housing will allow the university to begin eliminating off campus housing to meet the university's mission, to provide swing space for other housing renovations, and to consider demolishing older, antiquated housing on campus.
- (e) Summary 3-2011: JBRC Item 5. University of South Carolina
Project: 6085, Women's Quadrangle Renovations
Request: Establish project and budget for \$408,000 (Other, Housing Maintenance Reserve funds) to begin design work to renovate the Sims, McClintock and Wade Hampton residence halls on the Women's Quadrangle at USC. The work will include making interior repairs, installing new finishes and furnishings, upgrading the mechanical, electrical and plumbing systems, installing new elevators, and improving the buildings' shells and underground utilities. Conversion to suite-style rooms and renovating all three halls in the same year for cost savings will also be evaluated during the pre-design phase. The buildings were constructed between 1939 and 1959. The renovations are needed due to the age and condition of the existing systems and to keep the facilities in desirable condition. The work will significantly reduce the deferred maintenance associated with these buildings.
- (f) Summary 3-2011: JBRC Item 6. University of South Carolina
Project: 6086, Preston College Bathroom and Flooring Renovations
Request: Establish project and budget for \$22,500 (Other, Housing Maintenance Reserve funds) to begin design work to make bathroom and flooring renovations at the Preston College residence hall at USC. The work on the 80 bathrooms will

AGENCY: Office of State Budget

SUBJECT: Permanent Improvement Projects

include replacing plumbing fixtures, repairing water leaks and damaged wall surfaces, replacing floor and ceiling tiles, painting and other associated repairs.

The work in the 120 student rooms will include replacing the vinyl tile flooring with tile or simulated wood vinyl planking. Some of the plumbing and flooring are original to the 1939 building. The plumbing systems are past their expected lives and leaking. The flooring replacements are needed to correct damage from the plumbing leaks and to protect the building from normal usage. The work will significantly reduce the deferred maintenance associated with this building.

(g) Summary 3-2011: JBRC Item 8. USC - Upstate

Project: 9541, Administration Building Repairs and Renovation

Request: Establish project and budget for \$60,000 (Other, Institutional Capital Project Funds) to begin design work to renovate the 43,000 square foot Administration Building at USC-Upstate. The building houses many central administrative functions and information technology services for the campus. The work will include replacing the mechanical, electrical and plumbing systems, upgrading the fire detection system, and renovating interior space to provide adequate and proper space for all building functions that directly support the academic mission. The building was constructed in 1969 and most systems are original to the building. They are outdated, past their useful lives, do not meet capacity needs, and replacement parts are no longer manufactured. The renovations will significantly reduce deferred maintenance associated with the building.

Establish Construction Budget

(h) Summary 3-2011: JBRC Item 9. University of South Carolina

Project: 6063, Sumter Street Safety Improvements

Request: Increase budget to \$1,000,000 (add \$985,000 Other, Institutional funds) to make pedestrian safety improvements along Sumter Street for USC. The project was established in June 2009 for pre-design work which is now complete. The work has been scaled back to match available funding and will include constructing a pedestrian/bicycle bridge and sidewalks connecting the bridge to the Band/Dance facility and the Blatt PE Recreation Field, installing additional street lighting, constructing stream bank protection, erosion control and water quality components, and landscaping. The work is needed to improve campus safety by addressing a hazardous situation that exists on Sumter Street where pedestrians cross over Rocky Branch Creek. The area is prone to flooding during storm events and has no connecting sidewalks or permanent bridge structure to cross the creek, which forces students to walk in the street. Energy savings and conservation measures will include the installation of energy efficient lighting. The agency reports the total projected

AGENCY: Office of State Budget

SUBJECT: Permanent Improvement Projects

cost of this project is \$1 million and additional annual operating costs of \$297 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is November 2011 and for completion of construction is May 2012. (See Attachment 1 for additional annual operating costs.)

- (i) Summary 3-2011: JBRC Item 10. University of South Carolina
Project: 6074, Spigner House Renovation
Request: Increase budget to \$1,000,000 (add \$986,500 Other, Auxiliary funds) to renovate the 9,500 square foot Spigner House at USC. The project was established in February 2010 for pre-design work, which is now complete. The first floor will be renovated to provide space for business use suited for seminar classroom and conference space and the second floor will be renovated to create offices for the University's food service provider. The work will include replacing the mechanical, electrical, plumbing, and window systems, installing new fire suppression and fire alarm systems, upgrading water supply piping to the house, creating ADA compliant restrooms, restoring all interior finishes and repainting. The facility is unoccupied and renovations will adapt the space for new use. The building systems are outdated and do not meet current code requirements. The renovation will be done to LEED Silver certification and will include water efficiency, energy and atmosphere, materials and resources, and indoor environmental quality measures. The LEED cost benefit analysis shows a positive cost benefit of \$191,350 over 30 years. The agency reports the total projected cost of this project is \$1 million and additional annual operating costs ranging from \$85,880 to \$92,880 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is July 2011 and for completion of construction is February 2012. (See Attachment 2 for additional annual operating costs.)
- (j) Summary 3-2011: JBRC Item 11. Medical University of South Carolina
Project: 9808, Thurmond Gazes Building Envelope and Exhaust Systems Renovations
Request: Increase budget to \$7,000,000 (add \$6,895,000 Institution Bond funds) to renovate the exhaust systems and building envelope on the Thurmond Gazes Building at MUSC. The project was established in September 2010 for pre-design work which is now complete. The work will include replacing the exhaust system, providing a separate exhaust chase for two floors, sealing floor to floor penetrations, replacing wall flashing, recaulking and resealing windows, and replacing the exterior finish on the penthouse. The building lacks exterior envelope moisture resistance and mold and mildew are becoming a serious problem. The building exhaust system contributes to the problem because it runs at 100% all the time and there is not enough air supply to balance the system. This project, along with a previously approved air handler

AGENCY: Office of State Budget

SUBJECT: Permanent Improvement Projects

replacement, will correct the indoor air quality issues that exist in the building. Energy savings and conservation measures will include the installation of energy efficient exhaust fans with variable speed drives, digital electronic controls, and phoenix valves to control return air and exhaust air flow. The agency reports the total projected cost of this project is \$7 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is August 2011 and for completion of construction is August 2012.

- (k) Summary 3-2011: JBRC Item 12. Medical University of South Carolina
Project: 9809, Harborview Office Tower Chilled Water Risers Replacement
Request: Increase budget to \$650,000 (add \$635,000 Institution Bond funds) to replace the chilled water piping risers in the Harborview Office Tower at MUSC. The project was established in September 2010 for pre-design work which is now complete. The work will include demolishing the existing chilled water supply system, which carries chilled water throughout the buildings for cooling, and installing a new system including pumps, air separators, expansion tanks, variable speed drives, and controls. The existing risers are 31 years old, severely corroded, and in danger of failure. Energy savings and conservation measures will include the installation of pumps with variable speed drives and digital electronic controls. The agency reports the total projected cost of this project is \$650,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is July 2011 and for completion of construction is April 2012.
- (l) Summary 3-2011: JBRC Item 13. Medical University of South Carolina
Project: 9810, Storm Eye Institute Sanitary Sewer Riser Replacement
Request: Increase budget to \$560,000 (add \$551,600 Institution Bond funds) to replace the sanitary sewer risers in the Storm Eye Institute at MUSC. The project was established in September 2010 for pre-design work which is now complete. The work will include replacing the existing copper pipe risers with acid resistant polypropylene piping and repairing portions of walls and ceilings resulting from installation of the new piping. The risers drain laboratory waste from sinks and plumbing, are 35 years old, severely corroded, and a continuous source of leaks. They need to be replaced to prevent further damage to the building and ongoing maintenance issues. Energy savings and conservation measures are not applicable to this piping replacement project. The agency reports the total projected cost of this project is \$560,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is August 2011 and for completion of construction is December 2011.

AGENCY: Office of State Budget

SUBJECT: Permanent Improvement Projects

- (m) Summary 3-2011: JBRC Item 14. Medical University of South Carolina
Project: 9811, Basic Science Building Dental Medicine Classroom/Office Renovation
Request: Increase budget to \$2,600,000 (add \$2,561,750 - \$1,000,000 Institution Bond and \$1,561,750 Other, College of Dental Medicine Reserve funds) to renovate approximately 22,253 square feet in the Basic Science Building for the College of Dental Medicine at MUSC. The project was established in September 2010 for pre-design work which is now complete. The work will include constructing two large, tiered lecture classrooms in the former dental clinic space, creating office and lab space for dental faculty, and abating asbestos where ceilings are disturbed. The work is needed to enable the College to increase class sizes to better address the demand for dental professionals in the state and to accommodate dental faculty relocating from another facility. The affected areas have not been renovated since the building was constructed 40 years ago. Energy savings and conservation measures will include the installation of energy efficient lighting, a lighting control system, an energy efficient HVAC system, and water-conserving plumbing fixtures. The agency reports the total projected cost of this project is \$2.6 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is August 2011 and for completion of construction is September 2012.
- (n) Summary 3-2011: JBRC Item 16. Medical University of South Carolina
Project: 9813, Basic Science Building East Side Air Handler Replacement
Request: Increase budget to \$4,200,000 (add \$4,140,000 Institution Bond funds) to replace the air handler in the east half of the Basic Science Building at MUSC. The project was established in September 2010 for pre-design work which is now complete. The work will include installing a new 200,000 cubic feet per minute air handler, chilled water and steam supply lines, and supply air ductwork and upgrading the electrical systems to support the new equipment. The existing air handler is 40 years old, original to the building, well beyond its useful life, and does not have adequate capacity to support labs and classrooms. Energy savings and conservation measures will include the installation of variable frequency drives, energy efficient motors and fans, electronic controls, and energy efficient lighting and insulation. The agency reports the total projected cost of this project is \$4.2 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is August 2011 and for completion of construction is May 2012.

AGENCY: Office of State Budget

SUBJECT: Permanent Improvement Projects

- (o) Summary 3-2011: JBRC Item 18. State Board for Technical and Comprehensive Education
 Project: 6013, Piedmont - Newberry County Center Renovation
 Request: Increase budget to \$6,150,000 (add \$6,030,000 - \$3,933,100 Other, Newberry County and \$2,096,900 Other, Local College funds) to renovate approximately 45,000 square feet in a county-owned facility as the Newberry County location of Piedmont Tech. The project was established in February 2010 for pre-design work which is now complete. The work will include renovations to house general education classrooms, the veterinary technician program requiring wet labs, a surgery suite, and a boarding kennel, conference and meeting space, a learning resource center, computer rooms, an industrial arts lab area, and student vending and administrative space. Piedmont Tech will move the existing Newberry Center to meet current space, program design and parking needs. Existing facilities lack parking, have small rooms that do not meet current needs, are not energy efficient, and need building code upgrades. Energy savings and conservation measures will include the installation of energy efficient HVAC and lighting systems, motion detectors, instant hot water heaters, low flow plumbing devices, additional insulation, and an energy management system. The agency reports the total projected cost of this project is \$6,150,000 and additional annual operating costs ranging from \$152,150 to \$167,744 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is September 2011 and for completion of construction is June 2012. (See Attachment 3 for additional annual operating costs.)
- (p) Summary 3-2011: JBRC Item 19. State Board for Technical and Comprehensive Education
 Project: 6015, Trident - Building 950 Renovation Phase II
 Request: Increase budget to \$6,600,000 (add \$6,516,000 Other, Institutional funds) to renovate approximately 29,358 square feet in Building 950 at Trident Tech. The project was established in February 2010 for pre-design work which is now complete. The work will include renovations to create studios, labs, classrooms and offices for the Media Arts and the Fitness Specialist programs, student study and food service areas to support training in aircraft manufacturing, and an indoor classroom and office for the Electrical Line Worker program. The renovation is needed to provide space for Media Arts which has grown 72% in the last five years and is located in several buildings, to establish a Fitness Specialist program to fill a void in the area, to provide needed classroom space for the Electrical Line Worker program, and to provide study and food service areas for aircraft manufacturing students to eat and take breaks. The building will be renovated to LEED Silver certification and will include water efficiency, energy and atmosphere, materials and resources, and indoor environmental quality measures. The LEED cost benefit analysis shows

EXHIBIT

MAR 22 2011

8

AGENCY: Office of State Budget

SUBJECT: Permanent Improvement Projects

a positive benefit of \$882,211 over 30 years. The agency reports the total projected cost of this project is \$6.6 million and additional annual operating costs ranging from \$199,930 to \$216,242 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is November 2011 and for completion of construction is November 2012. (See Attachment 4 for additional annual operating costs.)

Increase Budget

- (q) Summary 3-2011: JBRC Item 20. Francis Marion University
Project: 9558, Center for the Performing Arts Construction
Request: Increase budget to \$34,180,000 (add \$1,680,000 - \$1,350,000 Other, Interest Earned on Private Gift and \$330,000 Other, Private Gift funds) to complete construction of the 73,665 square foot Center for the Performing Arts for Francis Marion University to house the university's fine arts programs, offices and classrooms. The project was established in September 2006 and is expected to be completed in April 2011. During the construction phase, the university received interest earned on the private funds donated for the center's construction and additional private gift funds specifically to make additional enhancements to the new facility. The increase will fund these additional enhancements, including a security system and fencing, a water feature in front of the facility, an enhanced lighting package, acoustic curtains, automatic window shades, and onyx glazing on windows. Many of these were included in the original design as alternates but were not awarded due to budget considerations. The agency reports the total projected cost of this project is \$34,180,000 and additional annual operating costs ranging from \$934,800 to \$969,677 will result in the three years following project completion. (See Attachment 5 for additional annual operating costs.)

Establish Project for Preliminary Land Studies

- (r) Summary 3-2011: JBRC Item 21. Coastal Carolina University
Project: 9578, Coastal Science Center Building and Land Acquisition
Request: Establish project and budget for \$20,000 (Other, One Cent Sales Tax funds) to procure the investigative studies required to adequately evaluate property prior to purchase. Coastal Carolina is considering the purchase of 10.62 acres of land with a 69,480 square foot building on its east campus. The building is currently leased and provides office and classroom space for the Psychology, Sociology, Computer Sciences and Marine Sciences departments. The investigative studies will enable the university to make an informed decision regarding exercising the purchase option associated with the current lease. The

AGENCY: Office of State Budget

SUBJECT: Permanent Improvement Projects

Facility provides much needed office and classroom space, including 40 offices, ten classrooms, a lab and work spaces.

- (s) Summary 3-2011: JBRC Item 22. Coastal Carolina University
 - Project: 9579, Student Health Services Building and Land Acquisition
 - Request: Establish project and budget for \$20,000 (Other, One Cent Sales Tax funds) to procure the investigative studies required to adequately evaluate property prior to purchase. Coastal Carolina is considering the purchase of 2.58 acres of land with a 7,884 square foot building on its main campus. The building is currently leased and provides office space for Student Health and Counseling Services. The investigative studies will enable the university to make an informed decision regarding exercising the purchase option associated with the current lease. The facility provides much needed administrative space including 16 offices, two conference rooms, ten exam rooms, and a nurse's station. The acreage associated with the purchase will also provide the building site for the university's new Public Safety facility.

BOARD ACTION REQUESTED:

Approve permanent improvement project establishment requests and budget revisions. All items have been reviewed favorably by the Joint Bond Review Committee.

ATTACHMENTS:

Attachments

EXHIBIT
 MAR 22 2011 8
 STATE BUDGET & CONTROL BOARD

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

ATTACHMENT 1

1. AGENCY
Code H27 Name USC Columbia

2. PROJECT
Project # 6063 Name Sumter Street Safety Improvements

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

COSTS SAVINGS NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2012-13	\$297.00	\$	\$	\$297.00
2) 2013-14	\$297.00	\$	\$	\$297.00
3) 2014-15	\$297.00	\$	\$	\$297.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget? YES NO
If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Utilities</u>	<u>\$297.00</u>
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$297.00</u>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 0

9. Submitted By: Thomas J. Oleson Associate VP, Facilities 11/3/2010
Signature of Authorized Official and Title Date

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

ATTACHMENT 2

1. AGENCY
Code H27 Name USC Columbia

2. PROJECT
Project # 6074 Name Spigner House Renovation

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

COSTS SAVINGS NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 2012/13	\$92,880.00	\$	\$	\$92,880.00
2) 2013/14	\$85,880.00	\$	\$	\$85,880.00
3) 2014/15	\$85,880.00	\$	\$	\$85,880.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).

6. Will the additional costs be absorbed into your existing budget? YES NO
If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Administration</u>	<u>\$4,940.00</u>
2. <u>Maintenance</u>	<u>\$28,785.00</u>
3. <u>Grounds</u>	<u>\$1,900.00</u>
4. <u>Custodial</u>	<u>\$14,060.00</u>
5. <u>Environmental</u>	<u>\$570.00</u>
6. <u>Utilities</u>	<u>\$35,625.00</u>
7. <u>One Time Equipment Costs</u>	<u>\$7,000.00</u>
8. _____	_____
TOTAL	<u>\$92,880.00</u>

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 0

9. Submitted By: Thomas P. Quinlan Associate VP, Facilities 10/15/10
Signature of Authorized Official and Title Date

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

ATTACHMENT 3

1. AGENCY
Code H-59 Name Piedmont Technical College

2. PROJECT
Project # H59-6013 Name Newberry County Center Renovation

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

COSTS SAVINGS NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Local -Other	Total
1) 2012-13	\$	\$	\$ 152,150	\$ 152,150
2) 2013-14	\$	\$	\$ 159,757	\$ 159,757
3) 2014-15	\$	\$	\$ 167,744	\$ 167,744

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).
County

6. Will the additional costs be absorbed into your existing budget? YES NO
If no, how will additional funds be provided?

Unknown at this time. Once the design and engineering is complete the calculations of consumption, the college will submit
With Phase II - A-49 - request.

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Utilities</u>	\$80,000
2. <u>Grounds Maintenance</u>	\$10,600
3. <u>Housekeeping</u>	\$26,800
4. <u>Maintenance Services</u>	\$15,400
5. <u>Telecommunications Services</u>	\$9,800
6. <u>Contract Services (trash, pest control &etc.)</u>	\$9,550
7. _____	_____
8. _____	_____
TOTAL	\$152,150

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 0

9. Submitted By: Ra. Brown President 12/9/2010
Signature of Authorized Official and Title Date

**ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS
RESULTING FROM PERMANENT IMPROVEMENT PROJECT**

ATTACHMENT 4

1. AGENCY
Code H59 Name Trident Technical College

2. PROJECT
Project # 6015 Name Trident - B950 Renovation Phase II

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

COSTS SAVINGS NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) FY 2013	\$	\$	\$99,965.00	\$99,965.00*
2) FY 2014	\$	\$	\$207,925.00	\$207,925.00
3) FY 2015	\$	\$	\$216,242.00	\$216,242.00

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).
* partial year - 6 mo.
Local - operating costs are provided by the counties.

6. Will the additional costs be absorbed into your existing budget? YES NO
If no, how will additional funds be provided?

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. <u>Building Maintenance</u>	<u>\$40,074.00</u>
2. <u>Utilities</u>	<u>\$46,386.00</u>
3. <u>Custodial Services</u>	<u>\$13,505.00</u>
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
TOTAL	<u>\$99,965.00*</u>

* partial year - 6 mo.

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. N/A

9. Submitted By: Dr. Mary Thornley, President Mary Thornley 12/13/10
Signature of Authorized Official and Title Date

EXHIBIT
MAR 22 2011 8
STATE BUDGET & CONTROL BOARD

ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS ATTACHMENT 5
RESULTING FROM PERMANENT IMPROVEMENT PROJECT

1. AGENCY

Code H18

Name Francis Marion University

2. PROJECT

Project #: 9558

Name Center for the Performing Arts Construction

3. ADDITIONAL ANNUAL OPERATING COSTS/SAVINGS. (Check whether reporting costs or savings.)

COSTS

SAVINGS

NO CHANGE

4.

TOTAL ADDITIONAL OPERATING COSTS/SAVINGS				
Projected Financing Sources				
(1)	(2)	(3)	(4)	(5)
Fiscal Year	General Funds	Federal	Other	Total
1) 10-11	\$ 155,800*			\$ 155,800*
2) 11-12	\$ 304,128		\$ 637,306	\$ 941,434
3) 12-13	\$ 313,252		\$ 656,425	\$ 969,677

* partial yr - 2 mo.

5. If "Other" sources are reported in Column 4 above, itemize and specify what the other sources are (revenues, fees, etc.).
 These funds will come from ticket sales, facility rentals, grants and scholarships

6. Will the additional costs be absorbed into your existing budget? YES NO
 If no, how will additional funds be provided?
 State appropriated funding through square footage formula budget additions and Center usage fees

7. Itemize below the cost factors that contribute to the total costs or savings reported above in Column 5 for the first fiscal year.

<u>COST FACTORS</u>	<u>AMOUNT</u>
1. Academic and Support Staff	\$ 115,700
2. Facilities Support, materials and supplies	\$ 20,700
3. Operating Utilities	\$ 19,400
4	
5	
6	
7	
8	
TOTAL	\$ 155,800

8. If personal services costs or savings are reported in 7 above, please indicate the number of additional positions required or positions saved. 2

9. Submitted By: John J. Kispert 20-Jan-11
 John J. Kispert, Vice President for Business Affairs
 Signature of Authorized Official and Title Date

Permanent Improvement Project Information for March 22, 2011 B&CB Meeting

Agency/ Project No.	Agency/Project Name	Original Approved Budget	Date of Original Approval	Phase I Amount	Date of Phase I Approval	Included in CPIP	Total Projected Project Cost
H17-9580	Coastal Carolina University - Softball Complex Improvements	\$30,000 for pre-design	02/08/11	\$30,000	02/08/11	No	To Be Determined
H17-9581	Coastal Carolina University - Baseball Complex Improvements	\$120,000 for pre-design	02/08/11	\$120,000	02/08/11	No	To Be Determined
H17-9582	Coastal Carolina University - Student Center Annex Construction	\$360,000 for pre-design	02/08/11	\$360,000	02/08/11	2009 CPIP Year 3	To Be Determined
H21-9532	Lander University - Student Housing Construction	\$240,000 for pre-design	02/08/11	\$240,000	02/08/11	No	To Be Determined
H27-6085	University of South Carolina - Women's Quadrangle Renovations	\$408,000 for pre-design	02/08/11	\$408,000	02/08/11	2010 CPIP Year 1	To Be Determined
H27-6086	University of South Carolina - Preston College Bathroom and Flooring Renovations	\$22,500 for pre-design	02/08/11	\$22,500	02/08/11	No	To Be Determined
H34-9541	USC - Upstate - Administration Building Repairs and Renovation	\$60,000 for pre-design	02/08/11	\$60,000	02/08/11	2010 CPIP Year 1	To Be Determined
H27-6063	University of South Carolina - Sumter Street Safety Improvements	\$15,000 for pre-design	06/29/09	\$15,000	06/29/09	2010 CPIP Year 1	\$1,000,000
H27-6074	University of South Carolina - Spigner House Renovation	\$13,500 for pre-design	02/23/10	\$13,500	02/23/10	2010 CPIP Year 1	\$1,000,000
H51-9808	Medical University of SC - Thurmond Gazes Building Envelope and Exhaust Systems Renovations	\$105,000 for pre-design	09/29/10	\$105,000	09/29/10	2010 CPIP Year 1	\$7,000,000
H51-9809	Medical University of SC - Harborview Office Tower Chilled Water Risers Replacement	\$15,000 for pre-design	09/29/10	\$15,000	09/29/10	No	\$650,000
H51-9810	Medical University of SC - Storm Eye Institute Sanitary Sewer Riser Replacement	\$8,400 for pre-design	09/29/10	\$8,400	09/29/10	No	\$560,000
H51-9811	Medical University of SC - Basic Science Building Dental Medicine Classroom/Office Renovation	\$38,250 for pre-design	09/29/10	\$38,250	09/29/10	No	\$2,600,000

EXHIBIT

MAR 22 2011 8

Permanent Improvement Project Information for March 22, 2011 B&CB Meeting

Agency/ Project No.	Agency/Project Name	Original Approved Budget	Date of Original Approval	Phase I Amount	Date of Phase I Approval	Included in CPIP	Total Projected Project Cost
H51-9813	Medical University of SC - Basic Science Building East Side Air Handler Replacement	\$60,000 for pre-design	09/29/10	\$60,000	09/29/10	2010 CPIP Year 1	\$4,200,000
H59-6013	Piedmont Tech - Newberry County Center Renovation	\$120,000 for pre-design	02/23/10	\$120,000	02/23/10	2010 CPIP Year 1	\$6,150,000
H59-6015	Trident Tech - Building 950 Renovation Phase II	\$84,000 for pre-design	02/23/10	\$84,000	02/23/10	2009 CPIP Year 2	\$6,600,000
H18-9558	Francis Marion University - Center for the Performing Arts Construction	\$18,000,000	09/19/06	N/A	N/A	No	\$34,180,000
H17-9578	Coastal Carolina University - Coastal Science Center Building and Land Acquisition	\$20,000 for preliminary studies	02/08/11	\$20,000	02/08/11	2010 CPIP Year 1	To Be Determined
H17-9579	Coastal Carolina University - Student Health Services Building and Land Acquisition	\$20,000 for preliminary studies	02/08/11	\$20,000	02/08/11	2010 CPIP Year 1	To Be Determined

BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting Scheduled for: March 22, 2011

Regular Agenda

1. Submitted By:

- (a) Agency: Office of State Budget
(b) Authorized Official Signature:


Les Boles, Director

2. Subject: Permanent Improvement Projects

3. Summary Background Information:

Establish Project for A&E Design

- (a) Summary 3-2011: JBRC Item 1. Coastal Carolina University
Project: 9580, Softball Complex Improvements
Request: Establish project and budget for \$30,000 (Other, Horry County Higher Education Commission funds) to begin design work to make improvements to the women's softball complex at Coastal Carolina. The work will include constructing a clubhouse with team and coaches' locker rooms, improving the home dugout, concessions and fan restrooms, adding an additional hitting/pitching tunnel, improving the existing tunnel, and upgrading the pressbox. The university is deficient in stadium, practice and team facilities for women's softball compared with men's baseball and with conference and peer institution softball programs. Deficiencies include lack of a dedicated locker and team room, inadequate hitting and pitching tunnels, and inefficient media space and fan amenities. Upgrades are needed to ensure compliance with federally mandated Title IX guidelines.
- (b) Summary 3-2011: JBRC Item 2. Coastal Carolina University
Project: 9581, Baseball Complex Improvements
Request: Establish project and budget for \$120,000 (Other, Institutional Capital Project Funds) to begin design work to construct a new baseball stadium at Coastal Carolina. The work will include demolishing the existing facility, replacing it with a new grandstand with 2,500 permanent seats and 3,000 additional seats on grass berms, and constructing restroom and concession areas, media work space, and a team clubhouse with team, coaches' and umpires' locker rooms and an athletic training room. The university is deficient in stadium and team facilities for its baseball program compared to other Division I baseball programs in the state. Deficiencies include overall seating capacity, ADA required seating and restroom facilities, inadequate media work space, and sub-standard public restrooms and concession areas. These deficiencies have forced the university to move baseball events, including NCAA Regional and Super Regional championships, to an off-campus venue.

- (c) Summary 3-2011: JBRC Item 3. Coastal Carolina University
Project: 9582, Student Center Annex Construction
Request: Establish project and budget for \$360,000 (Other, Renovation Reserve/Plant Expansion funds) to begin design work to construct additional space for student activities at Coastal Carolina. The work will include constructing two, approximately 50,000 square foot annexes to the existing 28,980 square foot student center. The existing center was constructed in 1978 when the enrollment was 1,760 students and the Fall 2010 enrollment was 8,706. The student center provides only 5,652 square feet of meeting room, game room and lounge space and is predominantly used for student activities office space, dining space, and food service preparation. The center lacks lobby, lounge and general social space for students and, as the university has grown, smaller social spaces within academic buildings have been renovated to meet other space needs. Additional student life space will improve student retention and provide space for after class activities to develop a stronger student community on the campus.
- (d) Summary 3-2011: JBRC Item 4. Lander University
Project: 9532, Student Housing Construction
Request: Establish project and budget for \$240,000 (Other, Housing Reserve funds) to begin design work to construct a new 300-bed student housing facility at Lander University. The facility will include 300 bedspaces in approximately 80,000 to 120,000 square feet, a small dining hall, and flexible floor spaces for meetings and student activities. The university currently has 1,096 beds on campus while housing 407 students in leased property off campus. Constructing new housing will allow the university to begin eliminating off campus housing to meet the university's mission, to provide swing space for other housing renovations, and to consider demolishing older, antiquated housing on campus.
- (e) Summary 3-2011: JBRC Item 5. University of South Carolina
Project: 6085, Women's Quadrangle Renovations
Request: Establish project and budget for \$408,000 (Other, Housing Maintenance Reserve funds) to begin design work to renovate the Sims, McClintock and Wade Hampton residence halls on the Women's Quadrangle at USC. The work will include making interior repairs, installing new finishes and furnishings, upgrading the mechanical, electrical and plumbing systems, installing new elevators, and improving the buildings' shells and underground utilities. Conversion to suite-style rooms and renovating all three halls in the same year for cost savings will also be evaluated during the pre-design phase. The buildings were constructed between 1939 and 1959. The renovations are needed due to the age and condition of the existing systems and to keep the facilities in desirable condition. The work will significantly reduce the deferred maintenance associated with these buildings.
- (f) Summary 3-2011: JBRC Item 6. University of South Carolina
Project: 6086, Preston College Bathroom and Flooring Renovations
Request: Establish project and budget for \$22,500 (Other, Housing Maintenance Reserve funds) to begin design work to make bathroom and flooring renovations at the Preston College residence hall at USC. The work on the 80 bathrooms will include replacing plumbing fixtures, repairing water leaks and damaged wall surfaces, replacing floor and ceiling tiles, painting and other associated repairs. The work in the 120 student rooms will include replacing the vinyl tile flooring with tile or simulated wood vinyl planking. Some of the plumbing and flooring are original to the 1939 building. The plumbing systems are past their expected lives and leaking. The flooring replacements are needed to correct damage from the plumbing leaks and to protect the building from normal usage. The work will significantly reduce the deferred maintenance associated with this building.

EXHIBIT

MAR 22 2011

8

STATE BUDGET & CONTROL BOARD

- (g) Summary 3-2011: JBRC Item 8. USC - Upstate
Project: 9541, Administration Building Repairs and Renovation
Request: Establish project and budget for \$60,000 (Other, Institutional Capital Project Funds) to begin design work to renovate the 43,000 square foot Administration Building at USC-Upstate. The building houses many central administrative functions and information technology services for the campus. The work will include replacing the mechanical, electrical and plumbing systems, upgrading the fire detection system, and renovating interior space to provide adequate and proper space for all building functions that directly support the academic mission. The building was constructed in 1969 and most systems are original to the building. They are outdated, past their useful lives, do not meet capacity needs, and replacement parts are no longer manufactured. The renovations will significantly reduce deferred maintenance associated with the building.

Establish Construction Budget

- (h) Summary 3-2011: JBRC Item 9. University of South Carolina
Project: 6063, Sumter Street Safety Improvements
Request: Increase budget to \$1,000,000 (add \$985,000 Other, Institutional funds) to make pedestrian safety improvements along Sumter Street for USC. The project was established in June 2009 for pre-design work which is now complete. The work has been scaled back to match available funding and will include constructing a pedestrian/bicycle bridge and sidewalks connecting the bridge to the Band/Dance facility and the Blatt PE Recreation Field, installing additional street lighting, constructing stream bank protection, erosion control and water quality components, and landscaping. The work is needed to improve campus safety by addressing a hazardous situation that exists on Sumter Street where pedestrians cross over Rocky Branch Creek. The area is prone to flooding during storm events and has no connecting sidewalks or permanent bridge structure to cross the creek, which forces students to walk in the street. Energy savings and conservation measures will include the installation of energy efficient lighting. The agency reports the total projected cost of this project is \$1 million and additional annual operating costs of \$297 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is November 2011 and for completion of construction is May 2012. (See Attachment 1 for additional annual operating costs.)
- (i) Summary 3-2011: JBRC Item 10. University of South Carolina
Project: 6074, Spigner House Renovation
Request: Increase budget to \$1,000,000 (add \$986,500 Other, Auxiliary funds) to renovate the 9,500 square foot Spigner House at USC. The project was established in February 2010 for pre-design work, which is now complete. The first floor will be renovated to provide space for business use suited for seminar classroom and conference space and the second floor will be renovated to create offices for the University's food service provider. The work will include replacing the mechanical, electrical, plumbing, and window systems, installing new fire suppression and fire alarm systems, upgrading water supply piping to the house, creating ADA compliant restrooms, restoring all interior finishes and repainting. The facility is unoccupied and renovations will adapt the space for new use. The building systems are outdated and do not meet current code requirements. The renovation will be done to LEED Silver certification and will include water efficiency, energy and atmosphere, materials and resources, and indoor environmental quality measures. The LEED cost benefit analysis shows a positive cost benefit of \$191,350 over 30 years. The agency reports the total projected cost of this project is \$1 million and additional annual operating costs ranging from \$85,880 to \$92,880 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is July 2011 and for completion of construction is February 2012. (See Attachment 2 for additional annual operating costs.)

- (j) Summary 3-2011: JBRC Item 11. Medical University of South Carolina
Project: 9808, Thurmond Gazes Building Envelope and Exhaust Systems Renovations
Request: Increase budget to \$7,000,000 (add \$6,895,000 Institution Bond funds) to renovate the exhaust systems and building envelope on the Thurmond Gazes Building at MUSC. The project was established in September 2010 for pre-design work which is now complete. The work will include replacing the exhaust system, providing a separate exhaust chase for two floors, sealing floor to floor penetrations, replacing wall flashing, recaulking and resealing windows, and replacing the exterior finish on the penthouse. The building lacks exterior envelope moisture resistance and mold and mildew are becoming a serious problem. The building exhaust system contributes to the problem because it runs at 100% all the time and there is not enough air supply to balance the system. This project, along with a previously approved air handler replacement, will correct the indoor air quality issues that exist in the building. Energy savings and conservation measures will include the installation of energy efficient exhaust fans with variable speed drives, digital electronic controls, and phoenix valves to control return air and exhaust air flow. The agency reports the total projected cost of this project is \$7 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is August 2011 and for completion of construction is August 2012.
- (k) Summary 3-2011: JBRC Item 12. Medical University of South Carolina
Project: 9809, Harborview Office Tower Chilled Water Risers Replacement
Request: Increase budget to \$650,000 (add \$635,000 Institution Bond funds) to replace the chilled water piping risers in the Harborview Office Tower at MUSC. The project was established in September 2010 for pre-design work which is now complete. The work will include demolishing the existing chilled water supply system, which carries chilled water throughout the buildings for cooling, and installing a new system including pumps, air separators, expansion tanks, variable speed drives, and controls. The existing risers are 31 years old, severely corroded, and in danger of failure. Energy savings and conservation measures will include the installation of pumps with variable speed drives and digital electronic controls. The agency reports the total projected cost of this project is \$650,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is July 2011 and for completion of construction is April 2012.
- (l) Summary 3-2011: JBRC Item 13. Medical University of South Carolina
Project: 9810, Storm Eye Institute Sanitary Sewer Riser Replacement
Request: Increase budget to \$560,000 (add \$551,600 Institution Bond funds) to replace the sanitary sewer risers in the Storm Eye Institute at MUSC. The project was established in September 2010 for pre-design work which is now complete. The work will include replacing the existing copper pipe risers with acid resistant polypropylene piping and repairing portions of walls and ceilings resulting from installation of the new piping. The risers drain laboratory waste from sinks and plumbing, are 35 years old, severely corroded, and a continuous source of leaks. They need to be replaced to prevent further damage to the building and ongoing maintenance issues. Energy savings and conservation measures are not applicable to this piping replacement project. The agency reports the total projected cost of this project is \$560,000 and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is August 2011 and for completion of construction is December 2011.

- (m) Summary 3-2011: JBRC Item 14. Medical University of South Carolina
Project: 9811, Basic Science Building Dental Medicine Classroom/Office Renovation
Request: Increase budget to \$2,600,000 (add \$2,561,750 - \$1,000,000 Institution Bond and \$1,561,750 Other, College of Dental Medicine Reserve funds) to renovate approximately 22,253 square feet in the Basic Science Building for the College of Dental Medicine at MUSC. The project was established in September 2010 for pre-design work which is now complete. The work will include constructing two large, tiered lecture classrooms in the former dental clinic space, creating office and lab space for dental faculty, and abating asbestos where ceilings are disturbed. The work is needed to enable the College to increase class sizes to better address the demand for dental professionals in the state and to accommodate dental faculty relocating from another facility. The affected areas have not been renovated since the building was constructed 40 years ago. Energy savings and conservation measures will include the installation of energy efficient lighting, a lighting control system, an energy efficient HVAC system, and water-conserving plumbing fixtures. The agency reports the total projected cost of this project is \$2.6 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is August 2011 and for completion of construction is September 2012.
- (n) Summary 3-2011: JBRC Item 16. Medical University of South Carolina
Project: 9813, Basic Science Building East Side Air Handler Replacement
Request: Increase budget to \$4,200,000 (add \$4,140,000 Institution Bond funds) to replace the air handler in the east half of the Basic Science Building at MUSC. The project was established in September 2010 for pre-design work which is now complete. The work will include installing a new 200,000 cubic feet per minute air handler, chilled water and steam supply lines, and supply air ductwork and upgrading the electrical systems to support the new equipment. The existing air handler is 40 years old, original to the building, well beyond its useful life, and does not have adequate capacity to support labs and classrooms. Energy savings and conservation measures will include the installation of variable frequency drives, energy efficient motors and fans, electronic controls, and energy efficient lighting and insulation. The agency reports the total projected cost of this project is \$4.2 million and no additional annual operating costs will result from the project. The agency also reports the projected date for execution of the construction contract is August 2011 and for completion of construction is May 2012.
- (o) Summary 3-2011: JBRC Item 18. State Board for Technical and Comprehensive Education
Project: 6013, Piedmont - Newberry County Center Renovation
Request: Increase budget to \$6,150,000 (add \$6,030,000 - \$3,933,100 Other, Newberry County and \$2,096,900 Other, Local College funds) to renovate approximately 45,000 square feet in a county-owned facility as the Newberry County location of Piedmont Tech. The project was established in February 2010 for pre-design work which is now complete. The work will include renovations to house general education classrooms, the veterinary technician program requiring wet labs, a surgery suite, and a boarding kennel, conference and meeting space, a learning resource center, computer rooms, an industrial arts lab area, and student vending and administrative space. Piedmont Tech will move the existing Newberry Center to meet current space, program design and parking needs. Existing facilities lack parking, have small rooms that do not meet current needs, are not energy efficient, and need building code upgrades. Energy savings and conservation measures will include the installation of energy efficient HVAC and lighting systems, motion detectors, instant hot water heaters, low flow plumbing devices, additional insulation, and an energy management system. The agency reports the total projected cost of this project is \$6,150,000 and additional annual operating costs ranging from \$152,150 to \$167,744 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is September 2011 and for completion of construction is June 2012. (See Attachment 3 for additional annual operating costs.)

- (p) Summary 3-2011: JBRC Item 19. State Board for Technical and Comprehensive Education
Project: 6015, Trident - Building 950 Renovation Phase II
Request: Increase budget to \$6,600,000 (add \$6,516,000 Other, Institutional funds) to renovate approximately 29,358 square feet in Building 950 at Trident Tech. The project was established in February 2010 for pre-design work which is now complete. The work will include renovations to create studios, labs, classrooms and offices for the Media Arts and the Fitness Specialist programs, student study and food service areas to support training in aircraft manufacturing, and an indoor classroom and office for the Electrical Line Worker program. The renovation is needed to provide space for Media Arts which has grown 72% in the last five years and is located in several buildings, to establish a Fitness Specialist program to fill a void in the area, to provide needed classroom space for the Electrical Line Worker program, and to provide study and food service areas for aircraft manufacturing students to eat and take breaks. The building will be renovated to LEED Silver certification and will include water efficiency, energy and atmosphere, materials and resources, and indoor environmental quality measures. The LEED cost benefit analysis shows a positive benefit of \$882,211 over 30 years. The agency reports the total projected cost of this project is \$6.6 million and additional annual operating costs ranging from \$199,930 to \$216,242 will result in the three years following project completion. The agency also reports the projected date for execution of the construction contract is November 2011 and for completion of construction is November 2012. (See Attachment 4 for additional annual operating costs.)

Increase Budget

- (q) Summary 3-2011: JBRC Item 20. Francis Marion University
Project: 9558, Center for the Performing Arts Construction
Request: Increase budget to \$34,180,000 (add \$1,680,000 - \$1,350,000 Other, Interest Earned on Private Gift and \$330,000 Other, Private Gift funds) to complete construction of the 73,665 square foot Center for the Performing Arts for Francis Marion University to house the university's fine arts programs, offices and classrooms. The project was established in September 2006 and is expected to be completed in April 2011. During the construction phase, the university received interest earned on the private funds donated for the center's construction and additional private gift funds specifically to make additional enhancements to the new facility. The increase will fund these additional enhancements, including a security system and fencing, a water feature in front of the facility, an enhanced lighting package, acoustic curtains, automatic window shades, and onyx glazing on windows. Many of these were included in the original design as alternates but were not awarded due to budget considerations. The agency reports the total projected cost of this project is \$34,180,000 and additional annual operating costs ranging from \$934,800 to \$969,677 will result in the three years following project completion. (See Attachment 5 for additional annual operating costs.)

Establish Project for Preliminary Land Studies

- (r) Summary 3-2011: JBRC Item 21. Coastal Carolina University
Project: 9578, Coastal Science Center Building and Land Acquisition
Request: Establish project and budget for \$20,000 (Other, One Cent Sales Tax funds) to procure the investigative studies required to adequately evaluate property prior to purchase. Coastal Carolina is considering the purchase of 10.62 acres of land with a 69,480 square foot building on its east campus. The building is currently leased and provides office and classroom space for the Psychology, Sociology, Computer Sciences and Marine Sciences departments. The investigative studies will enable the university to make an informed decision regarding exercising the purchase option associated with the current lease. The facility provides much needed office and classroom space, including 40 offices, ten classrooms, a lab and work spaces.

- (s) Summary 3-2011: JBRC Item 22. Coastal Carolina University
Project: 9579, Student Health Services Building and Land Acquisition
Request: Establish project and budget for \$20,000 (Other, One Cent Sales Tax funds) to procure the investigative studies required to adequately evaluate property prior to purchase. Coastal Carolina is considering the purchase of 2.58 acres of land with a 7,884 square foot building on its main campus. The building is currently leased and provides office space for Student Health and Counseling Services. The investigative studies will enable the university to make an informed decision regarding exercising the purchase option associated with the current lease. The facility provides much needed administrative space including 16 offices, two conference rooms, ten exam rooms, and a nurse's station. The acreage associated with the purchase will also provide the building site for the university's new Public Safety facility.
-

4. What is the Board asked to do?

Approve permanent improvement project establishment requests and budget revisions. All items have been reviewed favorably by the Joint Bond Review Committee.

5. What is the recommendation of Board Division involved?

Recommend approval of permanent improvement establishment requests and budget revisions.

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

(a) Authorized Signature: _____

(b) Division/Agency Name: _____

7. List of Supporting Documents:

Attached:

1. University of South Carolina Sumter Street Additional Annual Operating Costs.
2. University of South Carolina Spigner House Additional Annual Operating Costs.
3. Piedmont Tech Newberry County Center Additional Annual Operating Costs.
4. Trident Tech Building 950 Additional Annual Operating Costs.
5. Francis Marion Center for Performing Arts Additional Annual Operating Costs.
6. Permanent Improvement Project Information.

EXHIBIT

MAR 22 2011

8

STATE BUDGET & CONTROL BOARD

STATE BUDGET AND CONTROL BOARD

REGULAR SESSION

MEETING OF March 22, 2011

ITEM NUMBER 3

AGENCY: Budget and Control Board

SUBJECT: Future Meeting

The next regular meeting of the Budget and Control Board will be held at 9:30 a.m. on Monday, May 2, 2011, in Room 252 in the Edgar A Brown Building.

Proposed Schedule of Meetings in 2011

June 14
August 9
September 20
November 1
December 13

BOARD ACTION REQUESTED:

Agree to meet at 9:30 a.m. on Monday, May 2, 2011, in Room 252 in the Edgar A. Brown Building and agree to adopt the proposed schedule of Board meetings for 2011.

ATTACHMENTS: