

FUNCTIONS AND RESPONSIBILITIES

GENERAL

DOCUMENT AUDIT

The Statewide Payroll/Accounts Payable Division pre-audits all payments made by the State Treasurer. This pre-audit is conducted through the processing of two types of documents -- disbursement and payroll.

Disbursement documents are agency requests for payment of bills incurred in the operation of the agency, such as rent, telephone, travel, etc. Statewide Payroll/Accounts Payable Division certifies the authenticity and legality of all payments. After ensuring that all payments are in compliance with General Assembly statutes and Budget and Control Board rules and regulations, warrants are issued to the State Treasurer for payment.

PAYROLL

Payroll vouchers are processed semi-monthly for approximately 50,000 employees in 80 agencies, boards, commissions and committees. There are two types of payrolls -- Regular and General Assembly. All employees, other than members of the General Assembly, are paid on the Regular Payroll.

Agencies are responsible for maintaining the master data and other factors affecting the employees checks within their agency. All payroll deductions -- Federal and State income tax, FICA, State retirement contributions, parking fees, credit unions, charities, deferred compensation and U.S. Savings Bonds -- are computer-controlled and disbursed by this division, which also prepares reports that must accompany these deductions.

Statewide Payroll/Accounts Payable Division prepares and distributes Federal W-2 and 1099 tax forms to the appropriate State and Federal officials.

DISBURSEMENT REGULATIONS

AUTHORITY

SECTION 1

1. General

Section 11-3-185 of the Code of Laws of South Carolina 1976 states:

"The expenditure of money appropriated by the General Assembly is by warrant requisitions directed to the Comptroller General. Upon receipt of the requisition, accompanied by invoices or other satisfactory evidence of the propriety of the payment, and itemized according to standard budget classifications, the Comptroller General shall issue a warrant on the State Treasurer to the payee designated in the requisition. Requisitions for warrants may not be processed for any amounts less than one dollar. Upon approval and designation by the State Budget and Control Board, state institutions may requisition funds in favor of their own treasurer, itemized only to the extent of the purpose of the appropriation as expressed in the Act or joint resolution appropriating the funds, and may deposit these funds in the name of the institution in the bank or banking institutions designated by the State Treasurer, and disburse these funds by check in order to meet the purposes of the appropriation. Strict account must be kept of all these expenditures according to standard budget classifications. **Money may be drawn only when actually owing and due.** The Comptroller General shall establish rules and regulations for the uniform reimbursement, remittance and transfers of funds to the General Fund of the State as required by law."

The General Appropriations Act states:

"It is the intent of the General Assembly that the State of South Carolina issue financial statements in conformance with Generally Accepted Accounting Principles (GAAP). To this end, the Comptroller General is directed, as the State Accounting Officer, to maintain a Statewide Accounting and Reporting System (STARS) that will result in proper authorization and control of agency expenditures, including payroll transactions, and in the preparation and issuance of the official financial reports for the State of South Carolina. Under the oversight of the General Assembly, the Comptroller General is given full power and authority to issue accounting policy directives to State agencies in order to comply with GAAP. The Comptroller General is also given full authority to conduct surveys, acquire consulting services, and implement new procedures required to implement fully changes required by GAAP."

DISBURSEMENT REGULATIONS

PER DIEM

SECTION 2

1. Per Diem - Legislators

Legislators are not eligible to draw Per Diem for committee meetings on days when the General Assembly is in session.

"Members of the House of Representatives shall not be reimbursed for per diem or travel in connection with any function held outside of the regular session of the General Assembly unless prior approval has been received from the Speaker of the House."

"Per diem reimbursement for members of the General Assembly shall be at the rate provided by law."

"No per diem may be paid to any person from more than one source for any calendar day."

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2. Per Diem - Election Workers

"Managers and clerks of state and county elections shall receive a per diem of \$60.00; but managers shall not be paid for more than two days for any election and clerks for not more than three days for any election. The Commission may adjust the per diem of \$60.00 for the managers and clerks of the statewide election to a higher level only to the extent that the appropriation for the statewide election is sufficient to bear the added cost of increasing the per diem and the cost of the statewide election. Up to three additional managers per county may be appointed to assist county registration boards with the absentee/fail safe voting process prior to, on Election Day, and immediately following statewide elections. Managers assisting the registration board in the absentee/fail safe process may receive a per diem of \$60.00 per day for not more than a total of fifteen days regardless of whether one, two, or three additional managers are used."

3. Per Diem - Boards, Commissions and Committees

"The per diem allowance of all boards, commissions and committees shall be at the rate of Thirty-five Dollars (\$35.00) per day."

4. Per Diem - State Employees

"No full-time officer or employee of the State shall draw any per diem allowance for service on such boards, commissions or committees."

Circuit Judges are State employees and are not eligible for per diem.

5. Per Diem - Special Judges

"The special judge shall be allowed for his services, per diem of one hundred dollars (\$100.00) and his necessary expenses and the same per diem for not exceeding five days for the preparation of his decrees." The Judicial Section of the current Appropriations Act states that in the payment of funds from "Contractual Services," and "Administrative Fund," that no special judge shall be paid for more than a two-week term within a fiscal year except that this restriction will not apply in case of an on-going trial. (See Code 4.2.3.11 in this Section.)

6. Per Diem - Board of State Canvassers

"\$100.00 additional compensation per day may be paid to each member of the Board of State Canvassers up to a total of fifteen days (15) that may be required for hearings held by the members of the Board of State Canvassers."

DISBURSEMENT REGULATIONS

SUBSISTENCE

SECTION 3

1. General

Travel and subsistence expenses, whether paid from state appropriated, federal, local or other funds, shall be allowed in accordance with the following provisions:

Unless otherwise provided in this section, all employees of the State of South Carolina or any agency thereof including employees and members of the governing bodies of each technical college while traveling on the business of the State shall, upon presentation of a paid receipt, be allowed reimbursement for actual expenses incurred for lodging, not to exceed the current maximum lodging rates, excluding taxes, established by the U.S. General Services Administration. The lodging reimbursement for employees of a school district must also conform to these rates when that employee's travel reimbursement is paid by state funds that are transferred to the school district. Agencies may contract with lodging facilities to pay on behalf of an employee. Failure to maintain proper control of direct payments for lodging may result in the revocation of the agency's authority by the Comptroller General or the State Auditor. The employee shall also be reimbursed for the actual expenses incurred in the obtaining of meals except that such costs shall not exceed \$25 per day within the State of South Carolina. For travel outside of South Carolina the maximum daily reimbursement for meals shall not exceed \$32. Agencies may contract with food or dining facilities to pay for meals on behalf of employees in accordance with rules and regulations established by the Budget and Control Board. It shall be the responsibility of the agency head to monitor the charges for lodging which might be claimed by his employees in order to determine that such charges are following maximum lodging rates as established by the U.S. General Services Administration. Any exceptions must have the written approval of the agency head, taking into consideration location, purpose of travel or other extenuating circumstances. The provisions of this item shall not apply to Section 42-3-40 of the 1976 Code, and when pertaining to institutions of higher learning, for travel paid with funds other than General Funds.

2. Foreign Travel-State Employees

That employees of the State, when traveling outside the United States, Canada, and Puerto Rico upon promotional business for the State of South Carolina shall be entitled to actual expenses for both food and lodging.

3. Constitutional Officers

The Governor, Lieutenant Governor, Secretary of State, Comptroller General, Attorney General, State Treasurer, Adjutant General, Superintendent of Education and the Commissioner of Agriculture shall be reimbursed actual expenses for subsistence.

4. Subsistence expenses for members and Lieutenant Governor

Except for legislative days which, by Senate or House action, are designated for consideration only of local and uncontested matters, members of the General Assembly, including the Lieutenant Governor, shall be paid fifty (\$50.00) dollars subsistence expenses for each legislative day. Provided, such subsistence allowance shall be paid for each calendar day occurring within the same legislative day to members of that body in session on each calendar day.

5. Legislative Standing Committees

Standing Committees of the Senate and House of Representatives are authorized to continue work during the interim; however, House members must receive advanced approval by the Speaker of the House and Senate members must receive advanced approval by the President Pro Tempore of the Senate or Standing Committee Chairman to meet. If such advanced approval is not received, the members of the General Assembly shall not be paid the per diem authorized in this provision. When certified by the Speaker of the House, President Pro Tempore of the Senate, or Standing Committee Chairman, the members serving on such committees shall receive a subsistence and mileage at the rate provided for by law, and the regular per diem established in this act for members of boards, commissions, and committees while attending scheduled meetings. Members may elect to receive actual expenses incurred for lodging and meals in lieu of the allowable subsistence expense. The funds for allowances specified in this proviso shall be paid to the members of the Senate or House of Representatives from the Approved Accounts of the respective body except as otherwise may be provided.

6. Joint Study Committees

Joint Study Committees created pursuant to Acts and Resolutions of the General Assembly are authorized to continue work during the interim to secure such information and complete such investigations as may be assigned to the respective committees; however, House members must receive advanced approval by the Speaker of the House and Senate members must receive advanced approval by the President Pro Tempore of the Senate or Standing Committee Chairman to meet. If such advanced approval is not received, the House and Senate members of the Joint Study Committee shall not be paid the per diem authorized in this provision. When certified by the appropriate authority, the members appointed to such committees shall receive a subsistence and mileage at the rate provided for by law, and the regular per diem established in this act for members of boards, commissions, and committees while attending scheduled meetings. Members may elect to receive actual expenses incurred for lodging and meals in lieu of the allowable subsistence expense. The allowances specified in this proviso shall be paid from funds appropriated to the respective committees for such purposes, or from Approved Accounts of the respective body of the General Assembly if no funds have been appropriated to such a committee for these purposes.

7. Nonlegislative members of committees

Nonlegislative members of committees appointed pursuant to Acts and Resolutions of the General Assembly whose membership consists solely of members of the General Assembly or members of the General Assembly and other personnel who are not employees of the State of South Carolina shall be allowed subsistence expenses of \$35 per day while traveling on official business, unless otherwise designated by law. Members of such committees may opt to receive actual expenses incurred for lodging and actual expenses incurred in the obtaining of meals in lieu of the allowable subsistence expense.

8. State Grand Jury

Jurors of a state grand jury shall receive a daily subsistence expense equal to the maximum allowable for the Columbia, South Carolina area, by regulation of the Internal Revenue Code when summoned or serving, and also must be paid the same per diem and mileage as are members of state boards, commissions, and committees.

9. Boards, Commissions and Committees

Members of the state boards, commissions, or committees whose duties are not full-time and who are paid on a per diem basis, shall be allowed reimbursement for actual expenses incurred at the rates provided in paragraph A and I of this section while away from their places of residence on official business of the State. One person accompanying a handicapped member of a state board, commission, or committee on official business of the State shall be allowed the same reimbursement for actual expenses incurred at the rates provided in paragraph A through I of this section.

10. Supreme Court Justice and Court of Appeals Judges

No subsistence reimbursement shall be allowed to a Justice of the Supreme Court or Judge of the Court of Appeals while traveling in the county of his official residence. When traveling on official business of said court within fifty miles outside the county of his official residence, a Supreme Court Justice and a Judge of the Court of Appeals shall be allowed subsistence expenses in the amount of \$35 per day plus such mileage allowance for travel as is provided for other employees of the State. When traveling on official business of said court fifty or more miles outside the county of his official residence, each Justice and Judge of the Court of Appeals shall be allowed subsistence expenses in the amount as provided in this act for members of the General Assembly plus such mileage allowance for travel as is provided for other employees of the State. The Chief Justice or such other person as the Chief Justice designates, while attending the Conference of Chief Justices and one member of the Supreme Court while attending the National Convention of Appellate Court Judges, and three Circuit Judges while attending the National Convention of State Trial Judges shall be allowed actual subsistence and travel expenses. Upon approval of the Chief Justice, Supreme Court Justices, Judges of the Court of Appeals, Circuit Judges, and Family Court

Judges shall be reimbursed for actual expenses incurred for all other official business requiring out-of-state expenses at the rate provided in paragraph A of this section.

11. Circuit Court Judge, family Court Judge and Administrative Law Judges

The chief judge (Seat 1) shall receive as annual salary equal to ninety percent of that paid to the circuit court judges of this State. The remaining judges shall receive as annual salary equal to eighty percent of that paid to the circuit court judges of this State. They are not allowed any fees or perquisites of office, nor may they hold any other office of honor, trust, or profit.

Administrative law judges in the performance of their duties are also entitled to that per diem, mileage, expenses, and subsistence as is authorized by law for circuit court judges.

Each administrative law judge shall devote full time to his duties as an administrative law judge, and may not practice law during his term of office, nor may he during this term be a partner or associate with anyone engaged in the practice of law in this State.

No subsistence reimbursements are allowed to a Circuit Judge, a Family Court Judge, or an Administrative Law Judge while holding court within the county in which he resides. While holding court or on other official business outside the county, within fifty miles of his residence, a Circuit Court Judge, Family Court Judge, or an Administrative Law Judge is entitled to a subsistence allowance in the amount of \$35 per day plus such mileage allowance for travel as is provided for other employees of the State. While holding court or on other official business at a location fifty miles or more from his residence, a Circuit Court, Family Court or Administrative Law Judge is entitled to a subsistence allowance in the amount as provided in this act for members of the General Assembly plus such mileage allowance for travel as is provided for other employees of the State.

Any retired Justice, Circuit Court Judge or Family Court Judge or Master-in-Equity appointed by the Supreme Court to serve as a Special Circuit Judge, Family Court Judge, Appeals Court Judge, or Acting Associate Justice shall serve without pay but shall receive the same allowance for subsistence, expenses, and mileage as provided in Part I for Circuit Court Judges.

12. Solicitors

The solicitors of this state shall be full-time employees of the State of South Carolina, provided, however, that any solicitor serving in office on July 1, 1976, whose term of office expires in the year 1979 shall not be required to be full time as provided by this section until the expiration of

his term in 1979. Each solicitor shall receive an annual salary and a monthly expense allowance as is provided by the General Assembly.

When a solicitor is required to serve out of his circuit, he shall also receive such subsistence and mileage as is authorized by law for circuit judges while holding court without the county in which they reside. Each solicitor shall have one full-time secretary who shall receive such annual salary as may be provided by the General Assembly.

Any retired Justice, Circuit Court Judge or Family Court Judge or Master-in-Equity appointed by the Supreme Court to serve as a Special Circuit Judge, Family Court Judge, Appeals Court Judge, or Acting Associate Justice shall serve without pay but shall receive the same allowance for subsistence, expenses, and mileage as provided in Part I for Circuit Court Judges.

13. Circuit and Family Court Reporters

No expense shall be allowed an employee either at his place of residence or at the official headquarters of the agency by which he is employed except as provided in this section. When an employee is assigned to work a particular territory or district, and such territory or district and his official headquarters are in different localities or sections of the State, expenses may be allowed for the necessary travel to his official headquarters.

14. -15. Department of Employment and Workforce, Workers Compensation Commission

The members of the Workers' Compensation Commission may be reimbursed at the regular mileage rate of one round trip each week from their respective homes to Columbia. No subsistence reimbursement shall be allowed to a member of the Workers' Compensation Commission while traveling in the county of his official residence. When traveling on official business of the commission outside the county of his official residence, a member of the Workers' Compensation Commission shall be allowed subsistence expenses in the amount of \$35 per day. When traveling on official business of the commission fifty or more miles outside the county of his official residence, each member shall be allowed a subsistence allowance in the amount as provided in this act for members of the General Assembly. When out-of-state, members of the Workers' Compensation Commission and the members of the Appellate Panel of the Department of Employment and Workforce may claim the established amount of per diem, as stated in the General Appropriation Act, or actual expenses as deemed reasonable by the Comptroller General. The members of the Appellate Panel of the Department of Employment and Workforce may be reimbursed at the regular mileage rate when the member is on official business fifty miles or more outside of Columbia. The members of the Appellate Panel of the Department of Employment and Workforce shall be allowed subsistence allowance in the amount as provided in this act for members of the General Assembly when the member is on official business fifty miles or more outside of Columbia.

16. Insurance Examiners

Notwithstanding the limitations in this act as to amounts payable or reimbursable for lodging, meals, and travel, the Department of Insurance is authorized to reimburse department examiners in accordance to guidelines established by the National Insurance Commissioners only when state is reimbursed by the insurance company for travel and subsistence expenses of the Insurance Department examiners pursuant to Section 38-13-10 of 1976 code.

17. Migrant Farm Worker's Compensation

The Commission shall elect a chairman and such other officers as it deems necessary. Commission meetings shall be held at least once in each quarter and at such other times as may be necessary upon the call of the chairman. Members who are not officials or employees of either the state or federal government shall receive mileage and subsistence as paid state employees when on official business. The migrant labor division of the South Carolina Department of Labor is designated the administrative agency of the Commission.

18. Dual Employment

Agency head dually employed by another state agency; timely payment.

(A) An agency head may not be dually employed by another state agency or institution of higher education without prior approval by the Agency Head Salary Commission and the State Budget and Control Board.

(B) An employee who is approved for dual employment must be paid in a timely manner. The secondary agency must make payment of funds approved for and earned under dual employment within forty-five days of the beginning of the employment.

19. Volunteers

Transportation mileage reimbursement may be furnished those volunteers who use their personal vehicles to perform departmental tasks; provided, however, that mileage shall not be furnished to the volunteers for driving to and from their volunteer work. A meal allowance may also be furnished to such volunteers making departmental trips at departmental request if the trip necessarily extends over an established meal period.

(b) Liability insurance may be provided by the department utilizing their services both to regular-service and occasional-service volunteers to the same extent as may be provided by the department to its employees. Volunteers in state service shall enjoy the protection of sovereign immunity of the State to the same extent as employees.

20. Travel Advance

That a state agency may advance travel and subsistence expense monies to employees of that agency for the financing of ordinary and necessary travel required in the conducting of the business of the agency. The Budget and Control Board is directed to develop and publish rules and regulations pertaining to the advancing of travel expenses and no state agency shall make such advances except under the rules and regulations as published. All advances for travel and subsistence monies shall be repaid to the agency within thirty days after the end of the trip or by July fifteenth, whichever comes first.

Board Regulation 19-101.19. Advances for Travel Expenses.

Travel expense advances may be made subject to the following:

- A. No travel advance shall be made to an employee for travel within the State without specific approval of the Budget and Control Board.
- B. No travel advance shall be made for more than 80% of the estimated amount of the total travel expense, excluding airline transportation.
- C. No advance shall be made in instances where 80% of the estimated travel expense does not exceed \$250.
- D. The agency, department or institution making advances shall keep such records of advances made in accordance with rules prescribed by the Comptroller General. If the Comptroller General shall furnish to the Budget and Control Board a statement that any agency has failed to keep proper records of travel advances, the Budget and Control Board may withdraw the privilege of that agency for making travel advances.
- E. The Comptroller General may require that requests for travel advances must be submitted not later than seven (7) business days prior to the beginning of the trip for which the advance is requested.
- F. When the travel assignment is completed, a voucher payable to the traveler shall be prepared for the total amount of allowable expenses incurred and paid. The traveler must then repay the cash advance when the voucher is processed for payment and the check issued to the traveler.

21. Advance Payment of Airfares and Registration Fees

The Comptroller General is authorized to honor vouchers in the current fiscal year for advance payment of airfares and registration fees for official travel to meetings and conferences in July and August of the next fiscal year if the advance payment results in a savings and funds are available in the requesting agency's current budget.

22. General Rules

When an employee of the State shall use his or her personal automobile in traveling on necessary official business, a charge to equal the standard business mileage rate as established by the Internal Revenue Service will be allowed for the use of such automobile and the employee shall bear the expense of supplies and upkeep thereof. The standard business mileage rate used in this calculation shall be the current rate established by the Internal Revenue Service. Whenever state provided motor pool vehicles are reasonably available and their use is practical and an employee of the State shall request for his own benefit to use his or her personal vehicle in traveling on necessary official business, a charge of four cents per mile less than the standard business mileage rate as established by the Internal Revenue Service will be allocated for the use of such vehicle and the employee shall bear the expense of supplies and upkeep thereof. The standard business mileage rate used in this calculation shall be the current rate established by the Internal Revenue Service. When such travel is by a state-owned automobile, the State shall bear the expense of supplies and upkeep thereof but no mileage will be allowed. Agencies and employees are directed to use state fueling facilities to the maximum extent possible, when such use is cost beneficial to the State. When using commercial fueling facilities, operators of State-owned vehicles are directed to use self-service pumps. In traveling on the business of the State, employees are required to use the most economical mode of transportation, due consideration being given to urgency, schedules and like factors.

Mileage between an employee's home and his/her place of employment is not subject to reimbursement. However, when an employee leaves on a business trip directly from his/her home, and does not go by the employee's headquarters, the employee shall be eligible for reimbursement for actual mileage beginning at his/her residence.

That the state institutions of higher learning are authorized to reimburse reasonable relocation expenses for new employees when such reimbursements are considered by the agency head to be essential to successful recruitment of professionally competent staff members.

The Budget and Control Board is authorized to promulgate and publish rules and regulations governing travel and subsistence payments.

No state funds may be used to purchase first class airline tickets.

DISBURSEMENT REGULATIONS

Mileage

SECTION 4

1. Legislators

Members of the General Assembly shall annually receive as compensation for their services such sum as may be provided by law and mileage at the rate provided for by law for the actual distance traveled in the most direct route going to and returning from their homes on weekend adjournments of the General Assembly at the place where the sessions of the General Assembly are held. The terms of this provision shall be subject to limitations imposed by the State Constitution.

The President of the Senate, the President pro tempore of the Senate, the Speaker of the House and the Speaker pro tempore of the House shall receive, in addition, such amounts as may annually appear in the State appropriation act.

2. State Employees

When an employee of the State shall use his or her personal automobile in traveling on necessary official business, a charge to equal the standard business mileage rate as established by the Internal Revenue Service will be allowed for the use of such automobile and the employee shall bear the expense of supplies and upkeep thereof. The standard business mileage rate used in this calculation shall be the current rate established by the Internal Revenue Service. Whenever state provided motor pool vehicles are reasonably available and their use is practical and an employee of the State shall request for his own benefit to use his or her personal vehicle in traveling on necessary official business, a charge of four cents per mile less than the standard business mileage rate as established by the Internal Revenue Service will be allocated for the use of such vehicle and the employee shall bear the expense of supplies and upkeep thereof. The standard business mileage rate used in this calculation shall be the current rate established by the Internal Revenue Service. When such travel is by a state-owned automobile, the State shall bear the expense of supplies and upkeep thereof but no mileage will be allowed. Agencies and employees are directed to use state fueling facilities to the maximum extent possible, when such use is cost beneficial to the State. When using commercial fueling facilities, operators of State-owned vehicles are directed to use self-service pumps. In traveling on the business of the State, employees are required to use the most economical mode of transportation, due consideration being given to urgency, schedules and like factors.

"When an employee is assigned to work a particular territory or district, and such territory or district and his official headquarters are in different localities or sections

of the State, expenses may be allowed for the necessary travel to his official headquarters."

3. State Employee Travel During Regular Hours Between Employee's Home and Office

The Appropriation Act states: Mileage between an employee's home and his/her place of employment is not subject to reimbursement. However, when an employee leaves on a business trip directly from his/her home, and does not go by the employee's headquarters, the employee shall be eligible for reimbursement for actual mileage beginning at his/her residence.

4. Department or Employment and Workforce

The members of the Appellate Panel of the Department of Employment and Workforce may be reimbursed at the regular mileage rate when the member is on official business fifty miles or more outside of Columbia. The members of the Appellate Panel of the Department of Employment and Workforce shall be allowed subsistence allowance in the amount as provided in this act for members of the General Assembly when the member is on official business fifty miles or more outside of Columbia.

5. Workers' Compensation Commission

When an employee is assigned to work a particular territory or district, and such territory or district and his official headquarters are in different localities or sections of the State, expenses may be allowed for the necessary travel to his official headquarters. The members of the Workers' Compensation Commission may be reimbursed at the regular mileage rate of one round trip each week from their respective homes to Columbia.

6. Migrant Farm Worker's Commission.

The Commission shall elect a chairman and such other officers as it deems necessary. Commission meetings shall be held at least once in each quarter and at such other times as may be necessary upon the call of the chairman. Members who are not officials or employees of either the state or federal government shall receive mileage and subsistence as paid state employees when on official business. The migrant labor division of the South Carolina Department of Labor is designated the administrative agency of the Commission.

7. Volunteer Workers

(a) Transportation mileage reimbursement may be furnished those volunteers who use their personal vehicles to perform departmental tasks; provided, however, that mileage shall not be furnished to the volunteers for driving to and from their volunteer work. .

(b) Liability insurance may be provided by the department utilizing their services both to regular-service and occasional-service volunteers to the same extent as may be provided by the

department to its employees. Volunteers in state service shall enjoy the protection of sovereign immunity of the State to the same extent as employees.

8. Dual Employment

Travel expenses incurred by a State employee while working on official state business in a Budget and Control Board approved dual employment status may be paid in accordance with travel regulations by the secondary agency if prior written approval is secured from the employee's Home Agency.

EXPENSE ALLOWANCES

SECTION 5

1. Chief Justice, Supreme Court Justices, Circuit Court Judges, Family Court Judges, and Court of Appeals Judges

"Each Supreme Court Justice, Court of Appeals Judge, Family Court Judge and Circuit Court Judge shall receive five-hundred dollars (\$500.00) per month as expense allowance."

"The Chief Justice, or such other person as he designates...while attending the Conference of Chief Justices, shall be allowed actual subsistence and travel expenses."

"One member of the Supreme Court while attending the National Convention of Appellate Court Judges...shall be allowed actual subsistence and travel expenses."

"Three Circuit Judges while attending the National Convention of State Trial Judges shall be allowed actual subsistence and travel expenses."

2. Special Judges

"The Special Judge shall be allowed for his services per diem of one-hundred (\$100.00) dollars and his necessary expenses and the same per diem for not exceeding five days for the preparation of his decrees." (Section 14-5-200, 1976 Code as amended.)

3. Solicitor

"Each solicitor shall receive five-hundred dollars (\$500.00) per month as expense allowance."

4. General Assembly

"All members of the General Assembly shall receive an in-district compensation of \$1,000 per month."

5. Committee Chairmen - General Assembly

"The Chairman of the Standing House and Senate Committees shall each be allowed the sum of six hundred and fifty dollars (\$650.00) for expenses during the interim, between sessions of the General Assembly, to be paid from the House or Senate approved accounts, with each body paying the expense allowance of the chairman in

its membership. The Speaker of the House is authorized to approve not more than six hundred and fifty dollars for expenses during the interim for Chairmen of the Standing Committees of the House."

6. Expenses - Presidents of Colleges and Universities

"Presidents of the University of South Carolina, Clemson University, the Medical University of South Carolina, The Citadel, Winthrop University, South Carolina State University, Francis Marion University, University of Charleston, Coastal Carolina University and Lander University must not be paid a fixed allowance for personal expenses incurred in connection with the performance of their official duties. Reimbursements may be made to the Presidents from funds available to their respective institutions for any such personal expenses incurred provided that all requests for reimbursement are supported by properly documented vouchers processed through the normal accounting procedures of the institutions."

ELECTION EXPENSE

SECTION 6

1. County Registration Board and County Election Commissioners

A provision in the Election Commission section of the General Appropriation Act reads as follows:

"The amounts appropriated in this section for "County Registration Board Members and County Election Commissioners," shall be disbursed annually to the County Treasurer at the rate of \$1,500 for each member, not to exceed \$12,500 per county. The County Treasurer shall use these funds only for the compensation of County Registration Board Members and County Election Commissioners. Any funds not used for this purpose shall be returned to the State Treasurer. These funds are exempted from mandated budget reductions."

2. Board of State Canvassers

"\$100.00 additional compensation per day may be paid to each member of the Board of State Canvassers up to a total of 15 days that may be required for hearings held by the members of the Board of State Canvassers."

3. Managers and Clerks

"Managers and clerks of state and county elections shall receive a per diem of \$60.00; but managers shall not be paid for more than two days for any election and clerks for not more than three days for any election."

DISBURSEMENT REGULATIONS

COMPENSATION - JUDICIAL COMMITMENT ACT

SECTION 7

1. Court Appointed Examiners, Guardians and Attorneys

"The appropriation for continued implementation of Article 7, Chapter 17, of Title 44 of the 1976 Code, Chapter 24 of Title 44 of the 1976 Code, and Chapter 52 of Title 44 of the 1976 Code, relating to commitments, admissions and discharges to mental health facilities, or treatment facility for the purpose of alcohol and drug abuse treatment, shall be expended for the compensation of court appointed private examiners, guardians ad litem, and attorneys for proposed patients, and related costs arising from the filing, service and copying of legal papers and the transcription of hearings or testimony. Court appointed private examiners, guardians ad litem and attorneys shall be paid at such rates or schedules as are jointly determined to be reasonable by the South Carolina Association of Probate Judges, the State Court Administrator and the South Carolina Department of Mental Health with the approval of the Attorney General. The Judicial Department shall notify the Senate Finance Committee and the House Ways & Means Committee of any fee adjustment or change in schedule before implementation."

"Except as otherwise provided in Section 89.5 of the General Appropriations Act, no money appropriated pursuant to Item VI, Judicial Commitment, or Defense of Indigents shall be used to compensate any state employees appointed by the court as examiners, guardians ad litem or attorneys nor shall such funds be used in payment to any State agency for providing such services by their employees."

2. State Agency Responsibilities

"It is the responsibility of all agencies, departments and institutions of state government, to provide at no cost and as a part of the regular services of the agency, department or institution such services as are necessary to carry out the provisions of Chapter 52 of Title 44 (Involuntary Commitment), Article 7, Chapter 17 of Title 44 of the 1976 Code (Judicial Commitment), Chapter 3 of Title 17 of the 1976 Code (Defense of Indigents), and Article 1 of Chapter 3 of Title 16 of the 1976 Code (Death Penalty), as amended, upon request of the Judicial Department and/or the appropriate court. To this end, state agencies are directed to furnish to the Judicial Department a list of their employees who are competent to serve as court examiners. The Judicial Department shall forward a copy of this list to the appropriate courts, and the courts shall utilize the services of such state employees whenever feasible. State employees shall receive no additional compensation for performing such services. For the purpose of interpreting this section, employees of the Medical

University of South Carolina and individuals serving an internship or residency as an academic requirement or employees who are not full-time state employees and who are not performing duties as state employees are not considered state employees."

DISBURSEMENT REGULATIONS

MOVING EXPENSES

SECTION 8

1. State Employees

State agencies are authorized to provide aid to employees in moving personal effects (Section 8-11-130, 1976 as amended):

"Any agency of State Government is hereby authorized to provide reasonable aid or assistance to its regular employees in moving their personal effects from one town or place to another town or place when their headquarters are so moved in the course of the business of the agency."

Vouchers should state that the moving expenses are for a State employee being transferred from one location to another office of the same agency.

A state agency may pay the cost of moving the personal and household effects for newly employed personnel if all of the following conditions are met: (Section 8-11-135, 1976, as amended)

- (a) The new employee's place of residence is outside of the State of South Carolina at the time of employment by the agency.
- (b) The agency can demonstrate that paying these costs is necessary to fill the position.
- (c) The maximum payment in any instance to any new employee may not exceed (\$5,000) five thousand dollars.
- (d) The payment is certified by the agency head (or the board or commission chairman if the new employee is the agency head) as the total paid by the agency toward the total moving cost incurred by the new employee.

Moving expenses must be reported on Supplemental W-2 Forms in accordance with regulations of the Internal Revenue Service. In order to properly accumulate this information, the following procedures will be necessary regarding payment.

- (a) Payments can only be made to the employee being moved upon presentation of adequate documentation.

State Employees (Cont'd)

Section 89.22L of the General Appropriations Act provides:

"That the State institutions of higher learning are authorized to reimburse reasonable relocation expenses for new employees when such reimbursements are considered by the agency head to be essential to successful recruitment of professionally competent staff members."

DISBURSEMENT REGULATIONS

PROCUREMENT ACT OF 1981

SECTION 9

1. General

(1) General Application. This code applies only to contracts solicited or entered into after the effective date of this code unless the parties agree to its application to a contract entered into prior to its effective date.

(2) Application to State Procurement. This code applies to every procurement or expenditure of funds by this State under contract acting through a governmental body as herein defined irrespective of the source of the funds, including federal assistance monies, except as specified in Section 11-35-40(3) (Compliance with Federal Requirements) and except that this code does not apply to gifts, to the issuance of grants, or to contracts between public procurement units, except as provided in Article 19 (Intergovernmental Relations). It also shall apply to the disposal of state supplies as provided in Article 15 (Supply Management). No state agency or subdivision thereof may sell, lease, or otherwise alienate or obligate telecommunications and information technology infrastructure of the State by temporary proviso and unless provided for in the general laws of the State.

(3) Compliance with Federal Requirements. Where a procurement involves the expenditure of federal assistance, grant, or contract funds, the governmental body also shall comply with federal laws (including authorized regulations) as are mandatorily applicable and which are not presently reflected in this code. Notwithstanding, where federal assistance, grant, or contract funds are used in a procurement by a governmental body as defined in Section 11-35-310(18), this code, including any requirements that are more restrictive than federal requirements, must be followed, except to the extent such action would render the governmental body ineligible to receive federal funds whose receipt is conditioned on compliance with mandatorily applicable federal law. In those circumstances, the solicitation must identify and explain the impact of such federal laws on the procurement process, including any required deviation from this code.

(4) The acquisition of a facility or capital improvement by a foundation or eleemosynary organization on behalf of or for the use of any state agency or institution of higher learning which involves the use of public funds in the acquisition, financing, construction, or current or subsequent leasing of the facility or capital improvement is subject to the provisions of this code in the same manner as a governmental body. The definition and application of the terms "acquisition", "financing", "construction", and "leasing" are governed by generally accepted accounting principles.

(5) The licenses granted by the Federal Communications Commission to Greenville Technical College and Trident Technical College authorizing the use of the band of the Educational Broadband Service spectrum are exempt from the requirements of this code. If Greenville Technical College and Trident Technical College enter into contracts with third parties to lease their spectrum capacity, Greenville Technical College and Trident Technical College must not impose any pricing requirements on those third parties. Any lease agreements with third parties

must be designed so that Greenville Technical College and Trident Technical College receive the market rate for the spectrum capacity.

All questions concerning the Consolidated Procurement Code should be addressed to the Budget and Control Board, Division of Operations, Office of Materials Management.

2. Procurement Rights, Powers, Duties and Authority

Chapter 35 of Title 11, Section 11-35-510, of the Code of Laws of South Carolina 1976 states:

"All rights, powers, duties and authority relating to the procurement of supplies, services, and information technology and to the management, control, warehousing, sale and disposal of supplies, construction, information technology, and services now vested in or exercised by any state governmental body under the provisions of law relating thereto, and regardless of source of funding, are hereby vested in the Division of General Services. This vesting of authority shall be subject to Section 11-35-710 (Exemptions), 11-35-1250 (Authority to Contract for Auditing Services), 11-35-1260 (Authority to Contract for Legal Services), 11-35-1270 (Authority to Contract for Certain Services), Section 11-35-1550 (Small Purchases), 11-35-1570 (Emergency Procurements), Section 11-35-3230 (Exception for Small Architect-Engineer, and Land Surveying Services Contracts), and Section 11-35-3620 (Management of Warehouses and Inventory)."

Section 11-35-540 states:

"Except as otherwise provided in this code, Board shall have the authority and responsibility to promulgate regulations, consistent with this code, governing the procurement, management, control and disposal of any and all supplies, services and construction to be procured by the State. Such regulations shall be binding in all procurements made by the State."

3. Procurement Exemptions

Section 11-35-710 states:

"The (Budget and Control) Board may upon the recommendation of the Division of General Services, exempt governmental bodies from purchasing certain items through the respective chief procurement officer's area of responsibility. The board may exempt specific supplies or services from the purchasing procedures herein required and for just cause may by unanimous written decision limit or withdraw any exemptions provided for in this section."

4. Certification Authority

Section 11-35-1210 states:

- "(1) Authority. The board may assign differential dollar limits below which individual governmental bodies may make direct procurements not under term contracts. The materials management 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."

Unless certified by the Budget and Control Board, all agencies' procurement authority is \$50,000.

Exceptions are purchases of exempt items, purchase from state term contracts established by the Budget and Control Board, Division of Operations, sole source or emergency procurements.

5. Small Purchases

Section 11-35-1550 reads in part:

"...small purchase procedures may be utilized only in conducting procurements for governmental bodies that are up to \$50,000 in actual or potential value...provided, however, that procurement requirements must be artificially divided by governmental bodies so as to constitute a small purchase pursuant to this section."

6. Sole Source Procurement

Section 11-35-1560 states:

"A contract may be awarded for a supply, service or construction item without competition when, under regulations promulgated by the Board, the chief procurement officer, the head of a purchasing agency, or a designee of either officer above the level of the procurement officer determines in writing that there is only one source for the required supply, service or construction item."

7. Emergency Procurement

Section 11-35-1570 states:

"Notwithstanding any other provision of this code, the chief procurement officer, the head of a purchasing agency, or a designee of either officer may make or authorize others to make emergency procurements only when there exists an immediate threat to public health, welfare, critical economy and efficiency, or safety under emergency conditions as defined in regulations promulgated by the board; and provided, that such emergency procurements shall be made with as much competition as is practicable under the circumstances. A written determination of the basis for the emergency and for the selection of the particular contractor shall be included in the contract file."

DISBURSEMENT REGULATIONS

PROCUREMENT

SECTION 10

1. Lease, Lease/Purchase and Installment Contracts-Data Processing Equipment

SECTION 1-11-435. Protection of critical information technology infrastructure and data systems.

To protect the state's critical information technology infrastructure and associated data systems in the event of a major disaster, whether natural or otherwise, and to allow the services to the citizens of this State to continue in such an event, the Office of the State Chief Information Officer (CIO) should develop a Critical Information Technology Infrastructure Protection Plan devising policies and procedures to provide for the confidentiality, integrity, and availability of, and to allow for alternative and immediate on-line access to critical data and information systems including, but not limited to, health and human services, law enforcement, and related agency data necessary to provide critical information to citizens and ensure the protection of state employees as they carry out their disaster-related duties. All state agencies and political subdivisions of this State are directed to assist the Office of the State CIO in the collection of data required for this plan.

2. Lease, Lease-Purchase and Installment Contracts- Personal Property

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.

3. Lease and/or Rentals of Office Space or Other Property

SECTION 1-11-67. Rental charges for occupancy of state-controlled office buildings; apportionment among agency funding sources.

The State Budget and Control Board shall assess and collect a rental charge from all state departments and agencies that occupy State Budget and Control Board space in state-controlled office buildings. The amount charged each department or agency must be calculated on a square foot, or other equitable basis of measurement, and at rates that will yield sufficient total annual revenue to cover the annual principal and interest due or anticipated on the Capital Improvement Obligations for projects administered or planned by the Office of General Services, and maintenance and operation costs of State Budget and Control Board-controlled office buildings under the supervision of the Office of General Services. The amount collected must be deposited in a special account and must be expended only for payment on Capital Improvement Obligations and maintenance and operations costs of the buildings under the supervision of the Office of General Services.

All departments and agencies against which rental charges are assessed and whose operations are financed in whole or in part by federal or other nonappropriated funds are both directed to apportion the payment of these charges equitably among all funds to ensure that each bears its proportionate share.

4. Lease Payment Authorization

SECTION 1-11-110. Authorization of Board to acquire real property by gift, purchase, and condemnation.

(1) The State Budget and Control Board is authorized to acquire real property, including any estate or interest therein, for, and in the name of, the State of South Carolina by gift, purchase, condemnation or otherwise.

(2) The State Budget and Control Board shall make use of the provisions of the Eminent Domain Procedure Act (Chapter 2 of Title 28) if it is necessary to acquire real property by condemnation. The actions must be maintained by and in the name of the Board. The right of condemnation is limited to the right to acquire land necessary for the development of the capitol complex mall in the City of Columbia.

5. Procurement Approval- Data Processing

SECTION 1-11-435. Protection of critical information technology infrastructure and data systems.

To protect the state's critical information technology infrastructure and associated data systems in the event of a major disaster, whether natural or otherwise, and to allow the services to the citizens of this State to continue in such an event, the Office of the State Chief Information Officer (CIO) should develop a Critical Information Technology Infrastructure Protection Plan devising policies and procedures to provide for the confidentiality, integrity, and availability of, and to allow for alternative and immediate on-line access to critical data and information systems including, but not limited to, health and human services, law enforcement, and related agency data necessary to provide critical information to citizens and ensure the protection of state employees as they carry out their disaster-related duties. All state agencies and political subdivisions of this State are directed to assist the Office of the State CIO in the collection of data required for this plan.

6. Procurement Approval Telecommunications

SECTION 1-11-430. Board to govern supply and use of telecommunication systems for state Government.

In post-divestiture circumstances, the State, its boards, committees, commissions, councils, and agencies, and other entities excluding counties, municipalities, and special service and school districts must be treated as a single enterprise for purposes of securing and utilizing local and long distance telecommunications equipment and services.

The State Budget and Control Board shall secure all telecommunications equipment and services for the state government enterprise under terms it considers suitable and coordinate the supply of the equipment and services for state government use. No entity of state government may enter into an agreement or renew an existing agreement for telecommunications services unless approved by the board.

7. Selection of Architect, Engineer, Construction Management, and Land Surveying

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.

8. Auditing and Accounting Services

A provision in the South Carolina Consolidated Procurement Code provides:

"No contract for auditing and accounting services shall be awarded without the approval of the State Auditor except where specific statutory authority is otherwise provided."

Vouchers processed for payment for auditing and accounting services must include approval of the State Auditor.

9. Legal Fees and Services - General

S.C. Code 1-7-160 reads:

A department or agency of the State Government shall hire any classified or temporary attorney as an employee except upon the written approval of the Attorney General and at a compensation approved by him. All of these attorneys shall at all times be under the supervision and control of the Attorney General except as otherwise provided by law unless obtaining prior approval by the Budget and Control Board. This section does not apply to an attorney by the General Assembly or Judicial department.

- (a) A department or agency of state government may not engage on a fee basis an attorney at law except upon written approval of the Attorney General and upon a fee as must be approved by him. This section does not apply to the employment of attorneys in special cases in inferior courts when the fee to be paid does not exceed two hundred and fifty dollars or exceptions approved by the State Budget and Control Board. This section does not apply to an attorney hired by the General Assembly or judicial department.
- (b) A public institution of higher learning shall engage and compensate outside counsel in accordance with the policies and procedures adopted by the State Budget and Control Board for matters of bonded indebtedness, public finance, borrowing, and related financial matters.

The South Carolina Consolidated Procurement Code also addresses this issue. S.C. Code Section 11-35-260 states:

No contract for the services of attorneys shall be awarded without the approval of the State Attorney General except where specific statutory authority is otherwise provided.

Any voucher submitted to the Comptroller General's Office paying legal fees must include a copy of the Form 1 approved by the Attorney General's Office.

Exceptions not requiring approval are:

A. Guardians ad Litem retained by agencies, including:

Department of Social Services
Mental Health
Department of Disabilities and Special Needs
Governor's Office - OEPP
Attorney General (Child Support)

B. Insurance Reserve Fund (defense of medical malpractice and general torts)

C. Department of Social Services:

- 1) Attorneys representing DSS in termination of parent rights cases, as needed (maximum of \$300.00);

C. Department of Social Services: (Cont'd)

- 2) Attorneys representing DSS in periodic judicial review of children in foster care (flat \$50.00);
- 3) Attorneys representing adoptive parents of "special needs" children (maximum \$300.00, all federal funds);
- 4) Attorneys representing DSS in adult protective matters, including appointment, in Probate Court, of Guardian or Committee (maximum of \$300.00);
- 5) The payment of attorney fees for court-appointed counsel for abused or neglected children (\$100.00) per case pursuant to Family Court Rule #51;
- 6) Attorneys representing Respondents-under-disability (confined or mentally ill) in all matters as set forth above (maximum of \$300.00).

D. Juvenile Justice:

Juvenile parole hearings, under §20-7-8310.

10. Bond Requirements

Section 1-11-80 of the Code of Laws of South Carolina 1976 reads as follows:

“In addition to the powers granted the Budget and Control Board under this Chapter or any other provision of law, the board may approve blanket bonds for a state department, agency, or institution including bonds for state officials or personnel. However, the form and execution of blanket bonds must be approved by the Attorney General.”

Section 58-3-320 of the Code of Laws of South Carolina 1976 requires the bonding of the Office of Regulatory Staff's Transportation Division Inspectors. These bonds shall be approved by the Attorney General prior to payment of vouchers for premiums by the Comptroller General.

11. Advertising - Legal Notices

The charges for legal advertisements are found in Section 15-29-80 of the 1976 Code as amended are as follows:

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

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

No publication will be allowed to make any extra charges for affidavit of publication."

12. Capital Improvements

The expenditure of funds by any state agency, except the Department of Transportation for permanent improvements as defined in the state budget, is subject to approval and regulation of the State Budget and Control Board. The Board shall have authority to allot to specific projects from funds made available for such purposes, such amounts as are estimated to cover the respective costs of such projects, to declare the completion of any such projects, and to dispose, according to law, of any unexpended balances of allotments, or appropriations, or funds otherwise provided for such projects, upon the completion thereof. The approval of the Budget and Control Board is not required for minor construction projects, including renovations and alterations, where the cost does not exceed an amount determined by the Joint Bond Review Committee and the Budget and Control Board.

All construction, improvement, and renovation of state buildings shall comply with the applicable standards and specifications set forth in each of the following codes: The Standard Building Code, The Standard Existing Building Code, The Standard Gas Code, The Standard Mechanical Code, The Standard Plumbing Code and The Standard Fire Prevention Code, all as adopted by the Southern Building Code Congress International, Inc.; and the National Electrical Code NFPA 70, The National Electrical Safety Code - ANSI-C2, The National Fire Protection Association Standard - NFPA 59, all with the code editions, revision years, and deletions as specified in the Manual For Planning and Execution of State Permanent Improvements. The State Engineer shall determine the enforcement and interpretation of the aforementioned codes and referenced standards on state buildings. Any interested local officials shall coordinate their comments related to state buildings through the State Engineer and shall neither delay construction nor delay or deny water, sewer, power, other utilities, or firefighting services. Agencies may appeal to the Director of Office of Internal Operations regarding the application of these codes to state buildings.

The following will provide additional information relative to construction procurement. It will help to clarify the roles of the four groups involved in the process as required by the Consolidated Procurement Code.

- A. Construction - This can be a single or multi-purpose construction contract. Bid documents should be prepared by the agency or its professional agent. Bids shall be received and awarded by the agency with the approval of the State Engineer's Office per Section 11-35-3020(2) of the Code.

12. Capital Improvements (Cont'd)

- B. Basic Equipment (Fixed) - This is any equipment that becomes a fixed part of the building. The equipment may be that which could have been included in the contract, or it may be equipment either agency furnished, contractor installed, or agency furnished, agency installed. Fixed equipment includes, but is not limited to, manufactured equipment such as boilers, chillers, pumps, switch gear, windows, cabinet work, laboratory furniture, and kitchen equipment. This also includes site improvements such as water, sewer storm drainage lines, pavement, sidewalks, landscaping and lighting. Bid documents should be prepared by the agency or its professional agent. Bids shall be received and awarded by the agency per Section 11-35-3020 (2) of the Code. Except, basic equipment (fixed) that is specifically identified as information technology procurements, the Information Technology Management Officer must make these procurements per Section 11-35-1580 of the Code if over \$2500 or the certification limit assigned.
- C. Basic Equipment (Moveable) - This is any equipment that does not become a permanent part of the building, but is included in the construction contract. The equipment should have a useful life of five years or more and a minimum dollar limit as established by the agency per appropriate guidelines. Moveable equipment includes such items as office furniture and classroom furniture. Bid documents should be prepared by the agency or its professional agent. If estimated cost of bid package is more than the amount of certification limits assigned the agency for goods and services, then bids will be received by the Materials Management Office in cooperation with the agency in accordance with Section 11-35-1520 of the Code. Except, basic equipment (moveable) that is specifically identified as information technology procurements, then the Information Technology Management Officer must make the procurement per Section 11-35-1580 of the Code if over \$2500 or the certification limit assigned.
- D. Construction Material for In-House Construction - This is standard stock building materials or manufactured items such as brick, lumber, metal studs, gypsum board, stock electrical items, pipe, pipe fittings and valves. Following project approval by State Engineer, bid documents should be prepared by agency or its professional agent. Bids may be solicited and contracts awarded in accordance with Section 11-35-1520 by agencies up to their respective certifications. Above that, awards must be made by the Materials Management Office.

13. Art Objects - Paintings, Antiques and Sculptures

The current Appropriations Act provides:

"That before any governmental body, with the exception of the South Carolina Museum Commission, the Budget and Control Board, and the South Carolina Hunley Commission as defined under the South Carolina Consolidated Procurement Code, procures any art objects such as paintings, antiques, sculptures, or similar objects above \$1,000, the head of the Purchasing Agency shall prepare a written determination specifying the need for such objects and benefits to the State. The South Carolina Arts Commission shall review such determination for approval prior to any acquisition."

14. Unauthorized Procurements

Budget and Control Board Regulation:

"The ratification of an act obligating the State in a contract by any person without the requisite authority to do so by an appointment or delegation under the Procurement Code rests with the Division of General Services."

15. Consulting

SECTION 1-11-480. Hiring consultant or management firm to assist in administration of state employee unemployment compensation fund; annual reports to General Assembly.

The State Budget and Control Board is authorized to hire consultants or a management firm to assist in the administration of the unemployment compensation program for state employees and, for that purpose, may use funds appropriated or otherwise made available for unemployment payments. The Budget and Control Board is authorized to make the transfers necessary to accomplish this purpose. The Budget and Control Board shall report in writing annually to the General Assembly the complete name, address, and amounts paid to the consultants or management firm.

DISBURSEMENT REGULATIONS

DUAL EMPLOYMENT

SECTION 11

1. General

Section 8-11-35 of the Code of Laws of South Carolina states:

An employee of a state department or institution must not be paid any compensation from any other department of the state government except as approved under the provisions of Regulation 19-702.09 of the South Carolina Code of Regulations, and an employee of a department or institution must not be paid travel expenses by any other department or institution without approval of the agency by which he is regularly employed

The provisions of Regulation 19-707.02 of the South Carolina Code of Regulations and Section 8-13-750 do not apply to employees hired for one hundred twenty days or fewer.

Regulation 19-713 states:

No agency head may be dually employed by another State agency or institution of higher education without prior approval by the Agency Head Salary Commission and the State Budget and Control Board.

The authority for approval by the Budget and Control Board for Dual Employment has been delegated to the Office of Human Resources.

Any employee who is approved for dual employment must be paid in a timely manner. The secondary agency is required to make payment of funds approved for and earned under dual employment within forty-five days of the beginning of the employment.

Payments, other than travel expenditure, made to employees in Dual Employment status must be considered Personal Service and paid on payrolls. No dual employment payments will be made on contingent disbursement vouchers. The procedures outlined in the following subsections will apply when requests for approval for dual employment are submitted.

Dual Employment Request form and completed in this sequence:

DISBURSEMENT REGULATIONS

DONATIONS

SECTION 12

1. Deposit of Funds

Section 11-13-45, 1976 Code as amended states:

"Donations or contributions from sources other than the Federal Government, for use by any state agency, shall be deposited in the State Treasury, but in special accounts, and shall be withdrawn from the treasury as needed to fulfill the purposes and conditions of the said donations, or contributions, if specified, and, if not specified, as may be directed by the proper authorities of the department."

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

Section 2-65-20 of the Code of Laws of South Carolina 1976 requires the prior approval of the Governor and Joint Appropriation Review Committee to receive and expend any funds. (See Code 4.2.19.1)

2. Expenditure of Funds

Approved authorizations for expenditure must be secured from the Governor and Joint Appropriations Review Committee and reviewed by Budget and Control Board prior to submission and processing disbursement vouchers for expenditures. (See Code 4.2.19.1 and 4.2.19.3)

The disbursement vouchers expending funds which were donated for a specific purpose should indicate the "specific purpose" on the voucher.

Funds other than Federal Funds or those appropriated from the general funds, which are included in the state general appropriation act and acts supplemental thereto and authorized for expenditure, shall not require subsequent approval by the Governor or the (Joint Appropriation Review) Committee if the expenditures are in accord with the line item appropriation of the act.

DISBURSEMENT REGULATIONS

CONTRIBUTIONS

SECTION 13

1. Report Requirements

A provision in the General Appropriation Act reads as follows:

"Each organization receiving a contribution in this Act shall render to the state agency making the contribution by November 1 of the fiscal year in which funds are received, an accounting of how the State funds will be spent, a copy of the adopted budget for the current year, and also a copy of the organization's most recent operating financial statement. The funds appropriated in this Act for contributions shall not be expended until the required financial statements are filed with the appropriate state agency. No funds in this Act shall be disbursed to organizations or purposes which practice discrimination against persons by virtue of race, creed, color or national origin. The State Auditor shall review and audit, if necessary, the financial structure and activities of each organization receiving contributions in this Act and make a report to the General Assembly of such review and/or audit, when requested to do so by the Budget and Control Board."

The disbursement vouchers submitted for payment of contributions must contain a certification from the agency that the required financial statements and Certificate of Non-Discrimination have been filed with the agency.

Section 11-9-110 of the Code of Laws South Carolina 1976 states:

"Each organization to which a contribution is made in the Contributions Section of the General Appropriations Bill shall submit to the State Budget and Control Board by the end of the applicable fiscal year a detailed statement explaining the use that was made of such contribution. The statements shall be available at the Office of the Budget and Control Board for public inspection and shall be given to any member of the General Assembly upon request.

No contribution shall be made to any organization until it agrees in writing to allow the State Auditor to audit the funds contributed."

DISBURSEMENT REGULATIONS

AID TO SUBDIVISIONS

SECTION 14

1. General

Section 11-3-240 of the 1976 Code contains the following:

Of the amount appropriated under "Aid to Counties, Tax Forms and Supplies Expense," 4 cents per capita, based on the official United States Census for 1990, shall be remitted by the Comptroller General to the several counties of the state and shall be applied by the counties only on expense of printing tax forms and supplies for county auditors, treasurers and tax collectors. Payment shall be made to each county treasurer in one annual payment which shall be made as soon after the beginning of the fiscal year as practical.

The amounts appropriated in Part 1A, Section 86, for Aid County-Clerks of Court, Aid County-Probate Judges, Aid County-Coroners, and Aid County-Sheriffs shall be distributed by the State Treasurer to each County Treasurer equally on a quarterly basis, and shall be used as a salary supplement for each Clerk of Court, Probate Judge, County Coroner, and County Sheriff. The amounts appropriated in Part 1A, Section 86, for Aid County-Register of Deeds, shall be equally distributed by the State Treasurer to the appropriate County Treasurer on a quarterly basis, and shall be used as a salary supplement for Registers of Deeds. The amount appropriated in Part 1A, Section 86, for Aid County-Auditors and Aid County- Treasurers, shall be equally distributed to each County Auditor and County Treasurer as a salary supplement in addition to any amounts presently being provided by the county for these positions. It is the intent of the General Assembly that the amount appropriated by the county as salaries for these positions shall not be reduced as a result of the appropriation and that such appropriation shall not disqualify each County Auditor and each County Treasurer for salary increases that they might otherwise receive from county funds in the future. The salary supplement for each county auditor and county treasurer shall be paid in accordance with the schedule and method of payment established for state employees."

Notwithstanding any other provision of law, state reimbursements for the Property Tax Relief fund shall be funded in the same amount as in the prior fiscal year, except for the estimated growth in the seniors' homestead exemption and manufacturer's depreciation.

DISBURSEMENT REGULATIONS

STATE ACCOUNTING OFFICER

SECTION 15

1. General

The Appropriations Act states:

"It is the intent of the General Assembly that the State of South Carolina issue financial statements in conformance with Generally Accepted Accounting Principles (GAAP). To this end, the Comptroller General is directed, as the State Accounting Officer, to maintain a Statewide Accounting and Reporting System (STARS) that will result in proper authorization and control of agency expenditures, including payroll transactions, and in the preparation and issuance of the official financial reports for the State of South Carolina. Under the oversight of the General Assembly, the Comptroller General is given full power and authority to issue accounting policy directives to State agencies in order to comply with Generally Accepted Accounting Principles. The Comptroller General is also given full authority to conduct surveys, acquire consulting services, and implement new procedures required to implement fully changes required by GAAP."

DISBURSEMENT REGULATIONS

EMPLOYEE BENEFIT PAYMENTS

SECTION 16

1. Retirement Payments

Agency accounts are drafted based on the liability for each source of funding as reflected on the payroll. All transactions will use the mini code established for State Employer Contributions. Do not submit an IDT for payment.

2. Social Security Payments

Agency accounts are drafted based on the liability for each source of funding as reflected on the payroll. All transactions will use the mini code established for State Employer Contributions. Do not submit an IDT for payment.

3. Health Insurance Payments

An IDT submitted to the Comptroller General's Office for payment of the insurance premium must be approved by Insurance Services prior to submission.

DISBURSEMENT REGULATIONS

SALE OF PROPERTY

SECTION 17

1. Regulations for Sale, Lease, Transfer and Disposal

Chapter 35 of Title 11 of the Code of Laws of South Carolina 1976 contains the following legal requirements related to the sale, lease, transfer and disposal of surplus equipment, supplies and materials:

"Section 11-35-3810. Regulations for Sale, Lease, Transfer and Disposal. Subject to existing provisions of law, the board shall promulgate regulations governing:

- (1) the sale, lease, or disposal of surplus supplies by public auction, competitive sealed bidding or other appropriate methods designated by such regulations;
- (2) the transfer of excess supplies between agencies and departments."

2. Sale of Surplus Supplies and Personal Property

Chapter 35 of Title 11 of the Code of Laws of South Carolina 1976 includes the following:

"Section 11-35-3820. Allocation of Proceeds for Sale or Disposal of Surplus Supplies. Except as provided in Section 11-35-1580 and Section 11-35-3830 and the regulations pursuant thereto, the sale of all state owned supplies, property or personal property not in actual public use shall be conducted and directed by the Division of General Services. Such sales shall be held at such places and in such manner as in the Judgment of the Division of General Services will be most advantageous to the State. Unless otherwise determined sales shall be by either public auction or competitive sealed bid to the highest bidder. Each governmental body shall inventory and report to the Division all surplus personal property not in actual public use held by that agency for sale.

The Division of General Services shall deposit the proceeds from such sales, less expense of the sales, in the state general fund or as otherwise directed by regulation. This policy and procedure shall apply to all governmental bodies unless exempt by law."

The procurement regulations approved by Budget and Control Board amended Chapter 19 of the Rules and Regulations of 1976 Code by adding Article 9 reads as follows in Section 19-445.2150:

"Subsection A. Authority

The sale of all State-owned surplus supplies and property not in actual public use shall be conducted by the Division of General Services' Surplus Property Section at such places and in such manner most advantageous to the State. All agencies must identify surplus items, declare them as such, and report them to the Materials Management Officer or his designee within 90 days from the date they become surplus. The Division of General Services shall deposit the proceeds from such sale, less expense of the sale, in the state general fund..."

"Subsection B. Disposition of Surplus Supplies

Surplus supplies shall be offered through competitive sealed bids or public auction. It is recognized, however, that some types and classes of items can be sold or disposed of more readily and advantageously by other means, including barter. In such cases, and also where the nature of the supply or unusual circumstances call for its sale to be restricted or controlled, the Materials Management Officer or his designee may employ such other means, including, but not limited to, appraisal, provided such officer makes a written determination that such procedure is advantageous to the State. Only cashiers' checks, United States' currency or personal checks shall be accepted for sales of surplus property.

Obsolete supplies and equipment and scrap material will also be disposed of in the above manner."

Act 148 of 1981 amends the 1976 Code as follows:

A. The University of South Carolina:

"Section 12. Item (4) of Section 59-117-40 of the 1976 Code is amended to read:

(4) To make contracts and to have, to hold, to purchase and to lease real estate and personal property for corporate purposes; and to sell and dispose of personal property and any buildings that are deemed by it as surplus property or not further needed and any buildings that it may need to do away with for the purpose of making room for other construction. All such powers shall be exercised in a manner consistent with the provisions of Chapter 35 of Title 11 of the 1976 Code;"

B. Clemson University:

"Board of Trustees authorized to expend monies

Section 13. Section 59-119-80 of the 1976 Code is amended to read:

Section 59-119-80. It shall require a two-thirds vote of the board of trustees to authorize the expenditure of any monies appropriated to the university by the State or to authorize the sale, transfer or reinvestment of any property or monies arising from the sale of any property under the provisions of this chapter. All such actions shall be exercised in a manner consistent with the provisions of Chapter 35 of Title 11 of the 1976 Code."

3. Trade-In Sales

Section 11-35-3830 of the Code of Laws of South Carolina 1976 reads as follows:

"Section 11-35-3830. Trade-in Sales.

(1) Trade-in Value. Unless otherwise provided by law, governmental bodies may trade-in personal property the trade-in value of which may be applied to the purchase of new like items. The trade-in value of such personal property shall not exceed an amount as specified in regulations promulgated by the board.

(2) Approval of Trade-in Sales. When the trade-in value of personal property of a governmental body exceeds the specified amount, the board shall have the authority to determine whether (a) the subject personal property shall be traded in and the value applied to the purchase of new like items, or (b) the property shall be classified as surplus and sold in accordance with the provisions of Section 11-35-3820. The board's determination shall be in writing and be subject to the provisions of this chapter.

(3) Record of Trade-in Sales. Governmental bodies shall submit quarterly to the materials management officer a record listing all trade-in sales made under subsections (1) and (2) of this section."

The procurement regulations pertaining to "Trade-In Sales" read as follows in Section 19-445.2150:

"Subsection E. Trade-in Sales

Governmental bodies may trade-in personal property, the trade-in value of which may be applied to the purchase of new like items. The trade-in value of such personal property shall not exceed five hundred dollars (\$500.00). When the trade-in value exceeds five hundred dollars (\$500.00), the governmental body shall refer the matter to the Materials Management Officer for disposition by the office or for submission to the Board for consideration."

4. Sale of Unserviceable Materials and Equipment

Chapter 35 of Title 11 of the Code of Laws of South Carolina 1976 authorizes the sale of "junk" as follows:

"Section 11-35-4020. Sale of Unserviceable Materials and Equipment. Governmental bodies approved by the board may sell any supplies owned by it after such supplies have become entirely unserviceable and can properly be classified as 'junk', in accordance with procedures established by the Division of General Services. All sales of unserviceable supplies by the governmental body shall be made in public to the highest bidder, after advertising for fifteen days, and the funds from such sales shall be credited to the account of the governmental body owning and disposing of such unserviceable supplies."

Section 11-35-4020 of the Code of Laws of South Carolina 1976 contains the following provisions regarding sale of obsolete, surplus or junk property:

A. Medical University of South Carolina

"Provided, That the Medical University of South Carolina may sell, in cooperation with General Services Division of the Budget and Control Board, any materials, supplies or equipment classified as obsolete, surplus or junk for which the University has no further need, or offer same for trade-in in the purchase of new materials or equipment. All sales shall be made on the basis of public auction or sealed bids submitted in response to advertisements. Provided, that items having an individual value of less than \$25.00 may be disposed of by sale in the most advantageous way to the University. All proceeds from the sale of such obsolete, surplus or junk material, supplies, and equipment shall be deposited to the State General Fund."

B. State Department of Education

"Provided, Further, That the State Department of Education is hereby authorized to collect fees for damages to textbooks and sell textbooks that may be determined no longer usable either through wear on the textbook or expiration of the contract on the textbook. The proceeds of the revenue generated from the sale of textbooks or collection for damaged textbooks shall be remitted to the General Fund."

C. State Museum Commission

"Provided, Further, That upon prior approval of the Budget and Control Board, the Commission may remove objects from its museum collections by gift to another public or nonprofit institution, by trade with another public or nonprofit institution, by sale at public auction; or as a last resort, by intentional destruction on the condition that the objects so removed meet with one or more of the following criteria: (1) they fall outside the scope of the S. C. Museum Commission's collections as defined in the Master Plan dated January, 1980, (2) they are unsuitable for exhibition or research, (3) they are inferior

duplicates of other objects in the collection, or (4) they are forgeries or were acquired on the basis of false information; provided, further, that funds from the sale of such objects will be placed in a special revolving account for the Commission to use solely for the purpose of purchasing objects for the collections of the State Museum."

D. Department of Highways and Public Transportation

"Provided, Further, That the Department of Highways and Public Transportation may sell any materials, supplies, or equipment classified as obsolete, surplus, or junk for which the Department has no further need, or offer same for trade-in in the purchase of new materials or equipment. All such sales of obsolete, surplus or junk materials or equipment by the Department shall be at public auction, unless the Department deems another sales method is more advantageous, with the approval of General Services, not less than ten days after having been advertised in a newspaper of statewide circulation at least once. The Department may reserve the right to reject any or all bids. Items having a value of less than one hundred dollars may be disposed of by sale in the most advantageous way to the Department, and the Department may make negotiated sales of surplus materials, equipment and supplies to county, State, and municipal agencies on a mutually agreed upon basis. All proceeds from the sale of such obsolete, surplus or junk material, supplies and equipment shall be credited to the Highway and Public Transportation Fund."

E. Wildlife and Marine Resources Department

"Provided, Further That any equipment purchased by the department from county game funds on approval of a majority of a county delegation shall remain in that county upon the request of a majority of the respective county delegation and if sold by the department, the proceeds of such sale shall be credited to such county game fund."

5. Sale of Real Property

Section 11-9-630 of 1976 Code as amended by Act 148 of 1981 reads as follows:

"Section 11-9-630. The State Budget and Control Board shall sell and convey, for and on behalf of the State, all such real property, assets and effects belonging to the State as are not in actual public use, such sales to be made from time to time in such manner and upon such terms as it may deem most advantageous to the State. This shall not be construed to authorize the sale by the Board of any property held in

trust for a specific purpose by the State or the property of the State in the phosphate rocks or phosphate deposits in the beds of the navigable streams and waters and marshes of the State."

6. Sale of Timber

Act 148 of 1981 contains the following legal authorizations pertaining to the sale of timber and trees:

A. Board of Corrections

"Section 8. Section 24-1-250 of the 1976 Code is amended to read:

'Section 24-1-250. A) The Department of Corrections is hereby authorized to sell mature trees and other timber suitable for commercial purposes from lands owned by the department. Prior to such sales, the director shall consult with the State Forester to determine the economic and environmental feasibility of and obtain approval for such sales. Funds derived from timber sales shall be utilized by the Department of Corrections to maintain and expand the agricultural program subject to the approval of the State Budget and Control Board or at the discretion of the director, for projects or services benefiting the general welfare of the inmate population. (B) The Department of Corrections is hereby authorized to sell horticultural products suitable for commercial purposes that are grown or produced through the department's horticulture program. Notwithstanding any other provision of law, the proceeds from the sale of horticultural products by the Department of Corrections shall be retained by the agency to fund services benefiting the general welfare of all inmates.

B. South Carolina Commission on Disabilities and Special Needs

"Section 9 Section 44-20-320 of the 1976 Code is amended to read: The department may sell timber from its forest lands with the proceeds from the sales to be deposited in the general fund of the State. Before a sale, the State Budget and Control Board shall consult with the State Forester to determine the economic feasibility of the sale, and a sale must not be made without the approval of the board.

The department may, subject to the provisions of this article, contract for the harvest of timber on any lands held by the department. No contract for such cutting and sale may be entered into and no timber may be cut or sold unless the board votes that the cutting and sale of the

timber is for the best interests of the department and the improvement of its lands, by reason of thinning the timber, harvesting the over-age trees and improving general forestry conditions. Before selling or cutting the timber the department shall coordinate with the State Forester to have the timber cruised and an estimate of the value made. If the State Forester finds that the sale is not in keeping with good forestry practices or will adversely affect the remainder of the timber, the sale must not be made.

§50-3-520. If the sale is recommended by the State Forester, the department shall publicly advertise for bids for the timber at least three weeks before the closing of the bidding. The department has the right to reject any and all bids, either on account of the amounts of the bids or the lack of experience and responsibility of the bidder. A sale agreed upon must be for cash.

§50-3-530. If the sale is recommended by the State Forester, the department shall publicly advertise for bids for the timber at least three weeks before the closing of the bidding. The department has the right to reject any and all bids, either on account of the amounts of the bids or the lack of experience and responsibility of the bidder. A sale agreed upon must be for cash.

§50-3-550. Disposition of proceeds of sale. The proceeds of the sale shall be deposited in the General Fund of the State." Unless otherwise provided, the proceeds of the sale must be deposited with the State Treasurer to the credit of the Fish and Wildlife Protection Fund.

DISBURSEMENT REGULATIONS

FUNDS

SECTION 18

DISBURSEMENT REGULATIONS

FUNDS

SECTION 19

1. Appropriation of Funds

Section 11-11-160 of the Code of Laws of South Carolina reads as follows:

"The General Assembly shall appropriate all State funds and authorize and/or appropriate the use of all Federal and other funds for the operations of State agencies and institutions for the current fiscal year."

The General Assembly shall appropriate all anticipated federal and other funds for the operations of state agencies in the appropriations act and must include any conditions on the expenditure of these funds as part of the appropriations act, consistent with federal laws and regulations. Increases in project amounts as appropriated in the act must be authorized in accordance with procedures set forth in Section 2-65-40, consistent with policies as provided in the appropriations act and other applicable laws and regulations.

- (1) All agencies shall provide to the board, as part of their budget submissions, detailed statements of the sources of all federal and other funds contained in their budgets.
- (2) All state agencies shall submit programmatic and financial information for each federal project to the board in a manner prescribed by the board. The information must be submitted in a timely manner so as to permit review of the projects as part of the budget process.
- (3) The board shall provide to the Ways and Means Committee and the Senate Finance Committee at appropriate times during the budget review process its recommendations on all federal projects.
- (4) The appropriation of federal funds must be decreased to the extent that receipts from these sources do not meet the estimates reflected in each section of the appropriations act.
- (5) With the exception of funds defined as "exempt" in Section 2-65-100, no agency may receive or spend federal or other funds that are not authorized in the appropriations act, but unanticipated federal or other funds may be received and spent upon authorization pursuant to Section 2-65-30 or 2-65-40, as applicable.

The Comptroller General shall account for and control expenditures of individual federally funded projects for all agencies using the Statewide Accounting and Reporting System. For continuing federal projects, the board shall certify to the Comptroller General the actual funds approved for each project pursuant to Section 2-65-20 of this chapter, and any further adjustments to this amount, based on grant award documentation and pursuant to Section 2-65-40 of this chapter.

For new federally funded projects, the board shall inform the Comptroller General of funding levels authorized pursuant to Section 2-65-30 of this chapter.

The Comptroller General shall authorize expenditures on each project not to exceed the amount certified by the board. Upon request of the board, the House Ways and Means Committee, or the Senate Finance Committee, the Comptroller General shall provide periodic reports of authorization levels, expenditures, revenues, and other data related to the federal projects. Upon request of the board, the House Ways and Means Committee, or the Senate Finance Committee, state agencies shall provide grant award and related actual funding information.

2. Federal Fund Allocations

The General Assembly shall appropriate all anticipated federal and other funds for the operations of state agencies in the appropriations act and must include any conditions on the expenditure of these funds as part of the appropriations act, consistent with federal laws and regulations. Increases in project amounts as appropriated in the act must be authorized in accordance with procedures set forth in Section 2-65-40, consistent with policies as provided in the appropriations act and other applicable laws and regulations.

The General Assembly shall appropriate all anticipated federal and other funds for the operations of state agencies in the appropriations act and must include any conditions on the expenditure of these funds as part of the appropriations act, consistent with federal laws and regulations. Increases in project amounts as appropriated in the act must be authorized in accordance with procedures set forth in Section 2-65-40, consistent with policies as provided in the appropriations act and other applicable laws and regulations.

3. Other Funds Authorization

Code of Laws of South Carolina 1976, Section 2-65-40 reads as follows: (A) A state agency may spend "other" funds above the amount in the appropriations act and increases in anticipated federal programs if the expenditure of the funds receives the authorization of the board.

(B) Authorizations under this section are subject to the following standards, as applicable:

(1) the proposed use of the funds does not result in a fund of surplus money which may be used by the agency to expand programs without legislative approval;

(2) if the funds are earmarked for specific use in the appropriations act, or by federal law or regulation, any additional funds must be used for the same purpose;

(3) if the increase results from a fee or charge for service, the agency has the legal authority to impose the fee, and has secured any approvals required by applicable law or regulations;

(4) the proposed use of funds assists the state agency to achieve objectives or goals in keeping with the recognized powers and functions of the state agency;

(5) if the funds are generated from a new revenue source:

(a) the proposed use of funds covers only a minimum amount of administrative costs necessary to support the revenue collection, and any excess must be remitted to the general fund of the State;

- (b) it is determined that the requesting state agency is the appropriate entity to carry out the proposed activities and no duplication of services is created by the authorization;
- (6) if the increase in federal funds requires a corresponding increase in state matching funds, the state match is available from existing resources.
- (C) The board shall provide the House Ways and Means Committee and the Senate Finance Committee with periodic reports which describe actions taken under the provisions of this section.

4. Research Grants and Student Loan Funds

Chapter 65 of Title 2 of the Code of Laws of South Carolina 1976;

Agencies shall include estimates of research and student aid funds in the detailed budget statements required in Section 2-65-20 of this chapter. Agencies may not be required to submit the detailed programmatic and financial information required in Section 2-65-20(2) of this chapter, except that the agencies must furnish to the board notices of actual awards and allocations of research and student aid funds within fourteen days of receipt of the notices from funding agencies. The board shall maintain quarterly reports of the funds received by the agency, and must, upon request, provide copies to the House Ways and Means Committee or the Senate Finance Committee, or both.

5. Deposit of Funds

Section 11-13-45 of the Code of Laws of South Carolina reads as follows:

"All Federal Funds received must be deposited in the State Treasury, if not in conflict with Federal regulations, and withdrawn from the State Treasury as needed, in the same manner as that provided for the disbursement of state funds. If it is determined that federal funds are not available for, or cannot be appropriately used in connection with, all or any part of any activity or program for which state funds are specifically appropriated for the fiscal year to match Federal funds, the appropriated funds may not be expended and must be returned to the General Fund, except upon specific written approval of the State Budget and Control Board. Donations or contributions from sources other than the Federal Government, for use by any state agency, must be deposited in the State Treasury, but in special accounts, and may be withdrawn from the treasury as needed to fulfill the purposes and conditions of the donations or contributions, if specified, and, if not specified, as directed by the proper authorities of the department. The expenditure of funds by state agencies from sources other than General Fund appropriations shall be subject to the same limitations and provisions of law applicable to the expenditure of appropriated funds with respect to salaries, wages or other compensation, travel expense, and other allowances or benefits for employees."

The sections of the Code cited above have been interpreted to mean that all monies deposited in the State Treasurer's Office are "State" monies regardless of their source of origination. This means that all State Rules, Regulations and laws applying to the disbursement of appropriated funds apply to all other funds deposited in the State Treasurer's Office.

6. Expenditure of Funds - Federal and Other Funds

Section 11-11-160 of the Code of Laws of South Carolina reads as follows:

"To the extent practicable, all agencies and institutions having Federal or other funds available for the financing of their operation shall expend these funds in accordance with the provisions of the Annual General Appropriations Act. The authorization to spend Federal and other funds must be decreased to the extent that receipts from these sources do not meet the estimates as reflected in each section of the Annual General Appropriations Act and any increase must be authorized through the review process as provided in Chapter 65 of Title 2."

7. Indirect Costs Recoveries

A (A) All agencies receiving federal grants or contracts shall recover the maximum allowable indirect costs on those projects, subject to applicable federal laws and regulations. All indirect cost recoveries must be credited to the general fund of the State, with the exception of recoveries from research and student aid grants and contracts. Further, after January 1, 1999, federal grants and contracts whose annual award is two hundred thousand dollars or less are exempted also from this cost recovery requirement.

(1) Each agency receiving grants or contracts to which indirect costs may be charged must have an approved indirect cost rate or cost allocation plan. Agencies shall prepare the indirect cost proposals and submit them to the board for review. The board shall submit the proposals to the appropriate federal agencies, negotiate the agreements, and transmit approved agreements to the state agencies. The board, upon request, also shall provide a report on the proposals to the House Ways and Means Committee or the Senate Finance Committee, or both.

8. Statewide Indirect Cost Allocation Plan

Section 2-65-70 of the Code of Laws of South Carolina 1976 reads as follows:

"The board annually shall prepare the Statewide Cost Allocation Plan for allocation of central service costs to federal and other programs. The board shall ensure that state agencies recover costs approved in the plan through federal grants and contracts, subject to federal laws and regulations.

The State Comptroller General shall assist the board in ensuring compliance with this section.

If it is determined to be in the best interest of the State and the agency receiving the federal funds, the requirements of this section may be waived; except that indirect cost waivers may not be granted for unanticipated federal projects authorized pursuant to Section 2-65-30 of this chapter. Requests for indirect cost waivers for continuing federal projects must be made by the applicant agency as a part of its budget request and must be reviewed in accordance with the provisions of Section 2-65-20 of this chapter.

9. Transfer of Appropriations

Section 11-11-160 of the Code of Laws provides for transfer of appropriations as follows:

"Agencies and institutions shall be authorized to transfer appropriations within programs and within the agency with notification to the Division of Budget and Analyses and Comptroller General. No such transfer may exceed twenty percent of the program budget. Upon request, details of such transfers may be provided to members of the General Assembly on an agency by agency basis. Transfers of appropriations from personal service accounts to other operating accounts or from other operating accounts to personal service accounts may be restricted to any established standard level set by the Budget and Control Board upon formal approval by a majority of the members of the Budget and Control Board."

10. Quarterly Allocations

The requirements and authorization for quarterly allocations are included in the Code of Laws of South Carolina as follows:

"As far as practicable all departments, institutions, and agencies of the State are hereby directed to budget and allocate appropriations as quarterly allocations 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 should be recognized that academic year calendars of state institutions will affect the uniformity of the receipt and distribution of funds during the year. The Comptroller General or the Office of State Budget shall make such reports to the Budget and Control Board as they deem advisable on any agency which is expending authorized appropriations at a rate which predicts or projects a general fund deficit for the agency. The Budget and Control Board is authorized and directed to require any such agency, institution or department to file a quarterly allocations plan and is further authorized to restrict the rate of expenditures of the agency, institution or department if the Board determines that a deficit may occur. It is the responsibility of any such agency to develop a plan, in consultation with the Budget and Control Board that eliminates or reduces a deficit. Should the Budget and Control Board make a finding that the cause of and likelihood of a deficit is unavoidable due to factors which are wholly outside

of an agency's control, then the board may determine that the recognition of an agency deficit is appropriate and shall notify the General Assembly of such action or the presiding officer of the House and Senate if the General Assembly is not in session. Upon receipt of such notification from the Budget and Control Board, the General Assembly may authorize supplemental appropriations from any surplus revenues which existed at the close of the previous fiscal year. If the General Assembly fails to take action, then the finding of the Budget and Control Board shall stand, and the actual deficit at close of the fiscal year shall 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. If the Budget and Control Board finds that the likelihood and cause of a deficit is the result of agency management, then the bond of State officials responsible for management of the agency involved shall be held liable therefore and the Board shall notify the Agency Head Salary Commission of such finding."

11. Appropriation Reductions - Deficit

The Code of Laws of South Carolina authorizes the Budget and Control Board to take action to prevent a deficit as follows:

"Any appropriations made herein or by special act now or hereafter, are hereby declared to be maximum, conditional and proportionate, the purpose being to authorize expenditures not to exceed the amounts named herein, if necessary, but only in the event the aggregate revenues available during the period for which the appropriations are made are sufficient to pay them in full. The State Budget and Control Board are directed to survey the progress of the collection of revenue and the expenditure of funds by all agencies, departments and institutions. If the Budget and Control Board determines that a year-end aggregate deficit may occur by virtue of a projected shortfall in anticipated revenues, it shall utilize such funds as may be available and required to be used to avoid a year-end deficit and thereafter take such action as necessary to restrict the rate of expenditure of all agencies consistent with the provisions of this section. No institution, activity, program, item, special appropriation or allocation for which the General Assembly has provided funding in any part of this Act shall be discontinued, deleted or deferred by the Budget and Control Board. Any reduction of rate of expenditure by the Board, under authority of this Act, shall be applied as uniformly as may be practicable except that no reduction shall be applied to funds encumbered by a written contract with an agency not connected with the State Government. No such reduction shall be ordered by the State Budget and Control Board while the General Assembly is in session without first reporting such necessity to the General Assembly and the General Assembly has taken no action to prevent the reduction within five statewide session days of formal written notification."

DISBURSEMENT REGULATIONS

MISCELLANEOUS

SECTION 20

1. Petty Cash Fund

The approval of the State Auditor is required to establish a petty cash fund. If approval is received to establish a petty cash fund or to increase the amount of an existing fund, prepare an Appropriation Transfer (STARS Form 30) to transfer the appropriation to the proper area responsible for the fund. Use petty cash vendor number to replace petty cash, charging expenditures to proper general ledger accounts when replenishing account. Invoices/ receipts must be attached to document.

A petty cash fund is established to handle emergency purchases or purchases which must be paid for immediately. A petty cash fund should not be used when it is possible to arrange for the agency to be billed for the purchase and the item paid for through normal channels utilizing the Comptroller General and State Treasurer's established procedures. Agency employees should be encouraged to arrange for bills to be submitted to the agency for payment. Reimbursement to an agency employee for items purchased for agency use should be a rare occurrence. The petty cash fund may be used to purchase coffee and donuts for volunteer workers but not for state employees.

2. Gifts, Flowers, Parties and Other Benefits

Provisions in the General Appropriation Act read as follows:

"That salaries paid to officers and employees of the State, including its several boards, commissions, and institutions shall be in full for all services rendered, and no perquisites of office or of employment shall be allowed in addition thereto, but such perquisites, commodities, services or other benefits shall be charged for at the prevailing local value and without the purpose or effect of increasing the compensation of said officer or employee."

Section 8-1-180 of the South Carolina Code of Laws states:

"State agencies and institutions shall be allowed to spend public funds on employee plaques, certificates and other events, including meals and similar types of recognition to reward innovations or improvements by individual employees or employee teams that enhance the quality of work or productivity or as a part of employee development programs of their agency or institution. Awards shall be limited to fifty dollars for each individual."

2. Gifts, Flowers, Parties and Other Benefits (Cont'd)

The exemptions are listed in the provisions which read:

"This shall not apply to the Governor's Mansion, nor for department-owned housing used for recruitment and training of Mental Health Professionals, nor to guards at any of the State's penal institutions and nurses and attendants at the Department of Mental Health and the Department of Disabilities and Special Needs, and registered nurses providing clinical care at the MUSC Medical Center, nor to the Superintendent and staff of John de la Howe School, nor to the cottage parents and staff of Wil Lou Gray Opportunity School, nor to full-time or part-time staff who work after regular working hours in the SLED Communications Center or Maintenance Area, nor to adult staff at the Governor's School for Science and Mathematics who are required to stay on campus by the institution because of job requirements or program participation. The Presidents of those State institutions of higher learning authorized to provide on-campus residential facilities for students may be permitted to occupy residences on the grounds of such institutions without charge.

Any state institution of higher learning may provide a housing allowance to the President in lieu of a residential facility, the amount to be approved by the Budget and Control Board.

That the following may be permitted to occupy residences owned by the respective Departments without charge: the Commissioner of the Department of Corrections, the Director of Mental Health, the Farm Director, Farm Managers, and Specialists employed at the Wateree River Correctional Institution, Walden Correctional Institution, MacDougall Youth Correctional Center, and Givens Youth Correctional Center; the S.C. State Commission of Forestry fire tower operators, forestry aides, and caretaker at central headquarters; the Department of Natural Resources' Game Management Personnel, Fish Hatchery Superintendents, Lake Superintendent, and Fort Johnson Superintendent; the Department of Parks, Recreation and Tourism field personnel in the State Parks Division; Director of Wil Lou Gray Opportunity School; President of the School for the Deaf and Blind; house parents for the Commission for the Blind; S. C. Department of Health and Environmental Control personnel at the State Park Health Facility and Camp Burnt Gin; Residence Life Coordinators at Lander University; Residence Life Directors, temporary and transition employees, student interns, and emergency personnel at Winthrop University; Farm Superintendent at Winthrop University; Residence Hall Directors at the College of Charleston; Clemson University's Head Football Coach; the

Department of Disabilities and Special Needs' physicians and other professionals at Whitten Center, Clemson University Off-Campus Agricultural Staff and Housing Area Coordinators; and University of South Carolina's Manager of Bell Camp Facility, Housing Maintenance Night Supervisors, Residence Life Directors, temporary and transition employees and emergency medical personnel. Except in the case of elected officials, the fair market rental value of any residence furnished to a State Employee shall be reported by the State Agency furnishing the residence to the Agency Head Salary Commission, and the Division of Budget and Analyses by October 1 of each fiscal year."

3. Replacement of Personal Property

. The Appropriations Act states:

"The Department of Juvenile Justice, Department of Corrections, Probation, Parole and Pardon Services, Department of Mental Health, Department of Disabilities and Special Needs, Continuum of Care, Department of Social Services and School for the Deaf and Blind may replace the personal property of an employee which has been damaged or destroyed by a client while in custody of the agency. The replacement of personal property may be made only if the loss has resulted from actions by the employee deemed to be appropriate and in the line of duty by the agency head and if the damaged or destroyed item is found by the agency head to be reasonable in value, and necessary for the employee to carry out the functions and duties of his employment. Replacement of damaged or destroyed items shall not exceed \$250 per item, per incident. Each agency must have guidelines to insure the reasonableness of the replacement payments."

4. Credit Cards

Section 11-5-280 of the Code of Laws of South Carolina 1976 as amended reads:

"The State Treasurer may enter into contracts allowing a state agency or institution to accept credit cards as payment for goods or services provided."

5. Agency Head Business Expenses

The General Appropriations Act provides the following:

"Agency Heads and Deputy Commissioners or Deputy Directors designated by Agency Heads may receive reimbursement for business expenses incurred while performing their official duties, provided that receipts are presented when seeking

reimbursement and justification is submitted to document the time, place, and purpose of the expense as well as the names of the individuals involved. The Budget and Control Board shall promulgate regulations governing these expenses."

The Budget and Control Board has approved the following guidelines for reimbursement:

- A. Amounts and descriptions (i.e. lunch, dinner, etc.) of each separate expenditure must be provided.
- B. The time and place of each expenditure must be provided.
- C. The business purpose of each activity, including a description of any business benefit derived or expected and the nature of any business discussions must be described.
- D. The business relationship of other individuals must be established by providing names, title, occupations, or other pertinent information sufficient to establish the relationship.
- E. No expenses shall be allowed for other state employees, board members, or legislative officials.

6. Membership Dues

Membership in an organization must relate specifically to the job or function of the agency. Individual memberships are allowed only when the organization does not permit agency memberships or it is less costly to the State to have an individual membership.

The Division Director must be in a position to demonstrate how this membership benefits his division and the State of South Carolina.

Section 8-11-199 of the Code as amended states:

"State agencies and institutions are prohibited from paying or reimbursing professional dues payments for individuals to the American Bar Association."

No payment will be allowed for professional licenses or dues required by state regulatory agencies. However, the General Appropriations Act provides the following:

"Agencies and offices of the State of South Carolina that employ attorneys are authorized, if they so decide, to use other appropriated funds, including

General Fund carry forward funds, to pay the cost of mandatory dues owed to the South Carolina Bar Association.”

7. Functions at Clubs or Organizations which Discriminate

No state funds may be used to sponsor or defray the cost of any function by a state agency or institution at a club or organization which does not admit as members persons of all races, religions, colors, sexes, or national origins.

No state officer or employee may be reimbursed from public funds for expenses incurred at any club or establishment which does not admit as members persons of all races, religions, colors, sexes, or national origin.

8. Fiscal Year Closing

The General Appropriations Act provides for the fiscal year closing as follows:

"Unless specifically authorized herein, the appropriations provided in Part IA of this Act as ordinary expenses of the State Government shall lapse on July 31, 2012. State agencies are required to submit all current fiscal year input documents to the Comptroller General's Office by July 13, 2012. Appropriations for Permanent Improvements, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the State Budget and Control Board and Joint Bond Review Committee, toward the accomplishment of the purposes for which the appropriations were provided. Appropriations for other specific purposes aside from ordinary operating expenses, now outstanding or hereafter provided, shall lapse at the end of the second fiscal year in which such appropriations were provided, unless definite commitments shall have been made, with the approval of the State Budget and Control Board, toward the accomplishment of the purposes for which the appropriations were provided."

9. Document- Processing Schedule

The Code of Laws of South Carolina 1976, Section 11-35-45, contains the following legal requirement related to payment for goods and services which will become effective on January 1, 1983:

"

(A) All vouchers for payment of purchases of services, supplies, or information technology must be delivered to the Comptroller General's office within thirty work days from acceptance of the goods or services and proper invoice. After the thirtieth work day, following acceptance or the postmark on the invoice, the Comptroller General shall levy an amount not to exceed fifteen percent each year from the funds available to the agency, this amount to be applied to the unpaid balance to be remitted to the vendor unless the vendor waives imposition of the interest penalty.

(B) All agencies and institutions of the State are required to comply with the provisions of this section. Only the lump sum institutions of higher education are responsible for the payment of all goods or services within thirty work days after the acceptance of the goods or services and proper invoice, whichever is received later, and shall pay an amount not to exceed fifteen percent per annum on any unpaid balance which exceeds the thirty work-day period, if the vendor specifies on the statement or the invoice submitted to such institutions that a late penalty is applicable if not paid within thirty work days after the acceptance of goods or services.

(C) The Comptroller General shall issue written instructions to the agencies to carry out the intent of this section. All offices, institutions, and agencies of state government shall fully cooperate with the Comptroller General in the implementation of this section.

(D) The thirty-day period shall not begin until the agency, whether or not the agency processes vouchers through the Comptroller General, certifies its satisfaction with the received goods or services and proper invoice.

10. Reasons for Return of Documents:

General: A document that is rejected by the Comptroller general's Office will be auto-reversed and the agency will need to re-scan and re-enter the document if payment is needed for vendor.

Amounts: The amount on the invoice and the amount on the SAP document must agree. If there is any difference, the document will be rejected by the Comptroller General's Office.

Transaction and

Documentation: Documents submitted to this office for payment should have sufficient documents attached to verify the charges shown. If there are any discrepancies between the attached documentation and the charges shown on the document, the document will be returned to the agency for clarification.

Registration Fees: Receipts for registration fees must be attached to the document submitted for reimbursement. The registration fees should not contain charges for meals. If such charges are included, the employee should deduct the State's allowed cost

of the meal from the pre-payment of the registration fee and show that amount as subsistence.

Payee: The payee shown the document will be compared with the payee shown on the supporting documentation. If the payees are different, the document will be returned to the submitting agency for clarification.

Vendor: The vendor number and name indicated on the document will be verified against the Comptroller General's vendor file for accuracy. A W-9 from the vendor must be on file identifying the business name, TIN, and type of ownership. If any of these elements are missing or incorrect, the document will be returned for correction or until a W-9 is on file. If the IRS has notified us that the vendor information does not match its file, a voucher cannot be processed until further clarification by the vendor, IRS or Social Security Administration.

SECTION 8-11-220. Definitions.

As used in this article:

1. "Agency" shall mean any department, institution, commission, board or any other unit of government of the State.
2. "Appointing authority" shall mean any person having power by law, or by lawfully delegated authority, to make an appointment of a person for employment to any position in the State service.
3. "Agency head" shall mean the chief executive of a State agency in who is vested final appointing authority for the agency.
4. "Classified service" shall mean all of those positions in the State service which are subject to the classification policies and regulations as authorized by the provisions of this article.
5. "Unclassified service" shall mean all of those positions in the State service which are not subject to the position classification policies and regulations.
6. "Exempt positions" shall mean all of those positions in the State service which are exempt from the provisions of this article as specified in Section 8-11-260.
7. "Position" shall mean any employment requiring the paid services of one person, or any office or employment in any agency requiring specific duties to be performed by one person.
8. "Academic personnel" shall mean presidents, provosts, vice-presidents, deans, teaching and research staffs, and others of academic rank employed by the State educational institutions of higher learning, or medical institutions of education and research.

DISBURSEMENT REGULATIONS

TRAVEL REGULATIONS

SECTION 21

**BUDGET AND CONTROL BOARD
REGULATIONS FOR REIMBURSEMENT FOR
TRAVEL AND SUBSISTENCE EXPENSES**

The regulations contained herein are promulgated by the State Budget and Control Board.

P O L I C Y

These regulations apply to all employees of the State or any agencies thereof not otherwise specifically covered by law.

Travel and transportation at State expense will be authorized only when officially justified and by those means which meet State Government requirements consistent with good management practices.

A traveler on official business will exercise the same care in incurring expenses and accomplishing an assignment that a prudent person would exercise if traveling on personal business. Excess costs, circuitous routes, delays or luxury accommodations unnecessary or unjustified in the performance of an assignment are not considered acceptable as exercising prudence. Travel by commercial airlines will be accomplished in coach or tourist class, except where exigencies require otherwise. Transportation to and from points of arrival and departure will be accomplished by the most economical method.

It is the duty and responsibility of the respective department heads to insure compliance with these regulations.

DISBURSEMENT REGULATIONS

TRAVEL REGULATIONS

DEFINITIONS

PERMANENT PLACE OF EMPLOYMENT: The location of the place of activity where a State Employee is regularly assigned and performs work. The corporate limits of the city or town in which the employee's place of work is located. If an employee is not employed in an incorporated city or town, his permanent place of employment is the place of work.

RESIDENCE (ACTUAL): The fixed or permanent domicile of a person that can be reasonably justified as a bona fide place of actual residence.

MILEAGE ALLOWANCE: A rate per mile in lieu of actual expenses of operation of a privately-owned automobile. Certain restrictions and conditions are prescribed in these regulations about the allowable reimbursement amount.

- A. **Reimbursement** - Employees of the State of South Carolina or any agency thereof including employees and members of the governing bodies of each technical college while traveling on the business of the State shall, upon presentation of a paid receipt, be allowed reimbursement for actual expenses incurred for lodging.

The employee shall also be reimbursed for the actual expenses incurred in the obtaining of meals except that such costs shall not exceed **\$25 per day** within the State of South Carolina. For travel outside of South Carolina, the maximum daily reimbursement for meals shall not exceed **\$32 per day**.

It shall be the responsibility of the agency head to monitor the charges for lodging which might be claimed by his employees in order to determine that such charges are reasonable, taking into consideration location, purpose of travel, or other extenuating circumstances. Actual hotel/motel costs will be reimbursed for a single room rate or one-half the cost of the double room rate if shared with another State employee. A paid receipt must be attached to the employee's travel voucher.

- B. **Dependents Accompanying Employee** - If a dependent accompanies an employee on an authorized business trip, only those expenses which may be directly attributed to the employee may be reimbursed.

- C. Reimbursements - Non-Legislative Members of Committees - Non-Legislative members of committees appointed pursuant to Acts and Resolutions of the General Assembly whose membership consists solely of members of the General Assembly and other personnel who are not employees of the State of South Carolina shall be allowed subsistence expenses of \$35 per day while traveling on official business. Members of such committees may opt to receive actual expenses incurred for lodging and actual expenses incurred in the obtaining of meals in lieu of the allowable subsistence expense.
- D. Reimbursements - Members of State Boards, Commissions or Committees - Members of state boards, commissions, or committees whose duties are not full-time and who are paid on a per diem basis, shall be allowed reimbursement for actual expenses incurred at the rates provided in paragraphs 1 and 10 of Code 4.2.3.0 while away from their places of residence on official business of the State. One person accompanying a handicapped member of a state board, committee or commission on official business of the State shall be allowed the same reimbursement.
- E. Subsistence Reimbursement - Supreme Court Justices - No subsistence reimbursement shall be allowed to a Justice of the Supreme Court or Judge of the Court of Appeals while traveling in the county of his official residence. When traveling on official business of said Court outside the county of his official residence, but within 50 miles of his residence, a Supreme Court Justice and a Judge of the Court of Appeals shall be allowed subsistence expenses in the amount of \$35 per day. When traveling on official business of said Court outside the county of his official residence, 50 or more miles from his residence, each Justice and Judge of the Court of Appeals shall be allowed subsistence expenses in the amount as provided for members of the General Assembly. The Chief Justice or such other person as the Chief Justice designates, while attending the Conference of Chief Justices and one member of the Supreme Court while attending the National Convention of Appellate Court Judges, and three Circuit Judges while attending the National Convention of State Trial Judges shall be allowed actual subsistence and travel expenses.

- F. Subsistence Reimbursement - Circuit, Family Court and Administrative Law Judge - No subsistence reimbursements are allowed to a Circuit Court, Family Court, or Administrative Law Judge while holding court within the county in which he resides.

While holding court or on other official business outside the county within 50 miles of his residence, a Circuit Court, Family Court, or Administrative Law Judge is entitled to a subsistence allowance in the amount of \$35 per day.

While holding court or on other official business at a location fifty miles or more from his residence, a Circuit Court, Family Court, or Administrative Law Judge is entitled to a subsistence allowance as provided for members of the General Assembly.

- G. Mileage Reimbursement - When an employee of the State shall use his or her personal automobile in traveling on necessary official business, a charge to equal the standard business mileage rate as established by the Internal Revenue Service will be allowed.. Whenever State-provided motor pool vehicles are reasonably available and their use is practical and an employee of the State shall request to use his personal vehicle, a charge of 4 cents per mile less than the standard business mileage rate as established by the Internal Revenue Service will be allocated for the use of such vehicle. Auto travel should be by the most direct route practicable, and substantial deviation from the distances shown by the current State Highway System Map of the South Carolina Department of Transportation should be explained. When more than one employee is traveling to the same location, the authorized number of automobiles should be limited to not more than one automobile to two people.

A separate entry should be made for travel in the vicinity of a community or city. Only actual miles driven on official State business will be reimbursed.

Mileage between the employee's home and his or her place of employment is not subject to reimbursement. However, when an employee leaves on a business trip directly from his or her home, and does not go by the employee's headquarters, the employee shall be eligible for reimbursement for actual mileage beginning at his or her residence.

- H. Subsistence Reimbursement - Department of Workforce and Employment and Workers' Compensation Commissions - No subsistence reimbursement shall be allowed to a member of the Department of Workforce and Employment or the Workers' Compensation Commission while traveling in the county of his official residence.

When traveling on official business of the Commission outside the county of his official residence, but within 50 miles of his residence, each member shall be allowed subsistence expenses in the amount of \$35 per day.

H. Subsistence Reimbursement – Employment Security and Worker’s Compensation Commissions (Cont’d)

When traveling on official business (in state) of the Commission outside the county of his official residence, 50 or more miles from his residence, each member shall be allowed a subsistence allowance as provided for members of the General Assembly.

When traveling out-of-state, members may claim the established amount of per diem, as stated in the General Appropriation Act or actual expenses as deemed reasonable by the Comptroller General.

I. Reimbursement - Members of the General Assembly Serving on Committees - Members of the General Assembly serving on Standing Committees of the Senate and House of Representatives, Joint Study Committees created pursuant to Acts and Resolutions of the General Assembly and members traveling on official State business shall receive subsistence expense equal to the maximum allowable by regulation of the Internal Revenue code for the Columbia area.

Members may elect to receive actual expenses incurred for lodging and meals in lieu of the allowable subsistence expense.

J. Foreign Travel - any travel outside the United States, Canada, and Puerto Rico. Any foreign travel of a State employee will be reported annually at the end of each fiscal year by the authorizing agency to the President of the Senate, the Speaker of the House, and the Budget and Control Board.

The following information is to be included in the annual reports: (a) name of State employee; (b) destination; (c) inclusive dates of the travel period; (d) purpose of the travel; (e) total cost of the travel; and (f) source of funds.

K. Maximum subsistence for meals shall be determined in accordance with the attached schedule method of "Determining Maximum Subsistence."

L. Per Diem - that the per diem allowance of all boards, commissions, and committees shall be at the rate of \$35 per day. Provided, that no full-time officer or employee of the State shall draw any per diem allowance for service on such boards, commissions, or committees.

Per diem is a daily fee given in lieu of an annual salary.

- M. These limitations may be made more restrictive by the agency director as dictated by agency requirements.
- N. Automobile Travel When Air Travel Is Most Economical Mode of Travel - The Appropriations Act states that transportation for official State business will be accomplished by the most economical method. Based on this, an employee who elected to drive his car for his convenience when more economical modes of travel are available is entitled to reimbursement for:
- (1) Mileage equal to the amount of coach or tourist airplane fare.
 - (2) Vicinity mileage incurred on official business in lieu of using a taxi.
 - (3) Parking fees equal to that which would have been incurred if car had been parked at airport.
 - (4) Subsistence based on date and time airline connections would have been made for departure and return. Any period of time exceeding these guidelines would be at the employee's expense and no subsistence could be paid.
- O. Travel for Handicapped Employees: - The Appropriation Act states that transportation for official State business will be accomplished by the most economical mode of travel, due consideration being given to urgency, schedules and like factors.

We feel the above restricts handicapped employees to travel in the most economical mode of travel possible. However, a handicapped employee who is unable to use the most economical mode of travel due to his handicap may avail himself of the next most economical mode of travel available. In determining the next most economical mode of travel, the following items must be considered:

- (1) Cost of fare or mileage.
- (2) Subsistence expenses incurred due to extra days travel, if any.
- (3) Lodging expenses incurred due to extra days travel, if any.
- (4) Other allowable expenditures incurred due to extra days travel, if any.

The cost figures used in determining the mode of travel must be attached to the disbursement voucher when it is submitted for payment.

The agency director of the employee's home agency must certify the employee is handicapped. He must also certify the employee was physically unable to use the most economical mode of travel.

Expenses at the same rates allowed to State employees will be authorized for attendants traveling with State employees if the travel is required by the job.

P. Method for Determining Subsistence

METHOD OF DETERMINING SUBSISTENCE OR SINGLE CALENDAR DAY TRAVEL

In determining the maximum amount of subsistence for meals which may be reimbursed, the following time schedule will be adhered to:

<u>MEAL</u>	<u>AMOUNT PER</u>			
	<i>If Departure Time Is:</i>	<i>And If Return Time Is:</i>	<i>In State Maximum \$25/day</i>	<i>Out-of-State Maximum \$32/Day</i>
1. Before 6:30 A.M.		*1. After 11:00 A.M	*\$ 6.00	*\$ 7.00
		*2. After 1:30 P.M. (Lunch)	*\$ 7.00	*\$ 9.00
		*3. After 8:30 P.M. (Supper)	*\$12.00	*\$16.00
2. 6:30 A.M. or after and before 11:00 A.M.		*1. After 1:30 P.M. (Lunch)	*\$ 7.00	*\$ 9.00
		*2. After 8:30 P.M. (Supper)	*\$12.00	*\$16.00
3. 11:00 A.M. or after and before 5:15 P.M.		*1. After 8:30 P.M. (Supper)	*\$12.00	*\$16.00

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**METHOD OF DETERMINING SUBSISTENCE
FOR OVERNIGHT TRAVEL**

When a State Employee is traveling in or out of the State on official State business, the following maximum reimbursement will apply:

1. The costs of meals will be reimbursed up to the maximum amount as provided for in the Single Calendar Day schedule. The time limitations for breakfast will not apply for overnight trips when returning early in the morning.
2. State employees who are required to perform their duties during the night shall be allowed reimbursement for breakfast even though their arrival time back to residence or headquarters occurs prior to 11:00 A.M. if the following conditions are met:

A. Employee must be in travel status (more than 10 miles from residence and/or headquarters).

B. Employee must be in travel status after 8:30 P.M. for a period of not less than six hours.

3. Actual costs for lodging will be reimbursed in accordance with current maximum lodging rates as established by the U.S. General Services Administration. Any exceptions must have the written approval of the agency head. The single rate or one-half the cost of the double room rate if shared with another State employee will be reimbursed. A paid receipt must be attached to the employee's travel voucher.

Q. Special Rules

SPECIAL RULES

*No reimbursement shall be made for meals within ten **(10)** miles of an employee's official headquarters and/or residence. Agency directors may increase this distance requirement as deemed appropriate.

Receipts for all expenditures, except taxis and meals, shall be attached to the voucher.

Employees required by their agency head, as a part of their official duties, to attend statewide, regional or district meetings within the area in which the employee is headquartered, may receive reimbursement for the cost of meals served at such meetings. If the cost of the meal exceeds the state allowance, receipts must be provided in order to receive reimbursement. At least 75% of those attending the meeting must be employees of other agencies or outside organizations. Meetings of boards, commissions, and committees are not considered statewide, regional or district meetings.

Law enforcement personnel who are assigned to escort the Governor and members of his family, state constitutional officers, and members of the State's congressional delegation shall be allowed reimbursement for actual meal expenses if their escort duty requires them to dine with the officials.

Paid motel and hotel receipts for lodging must be attached to the travel voucher when submitted for reimbursement.

No reimbursement for overnight accommodations will be made within fifty (50) miles of the traveler's official headquarters and/or residence.

*It shall be the responsibility of the agency head to monitor the charges for lodging which might be claimed by his employees in order to determine that such charges are following maximum lodging rates as established by the U.S. General Services Administration. Any exceptions must

have the written approval of the agency head, taking into consideration location, purpose of travel or other extenuating circumstances.

MILEAGE

Mileage will be reimbursed at the current standard business mileage rate established by the Internal Revenue Service. Whenever state-provided motor pool vehicles are reasonably available, mileage will be reimbursed at 4 cents less than the current standard business mileage rate established by the Internal Revenue Service. Employees are directed to use self-service pumps when fueling state-owned vehicles at commercial facilities.

R. Method of Determining Reimbursable Expenses

METHOD OF DETERMINING REIMBURSABLE EXPENSES –

<u>TYPE</u>	<u>METHOD</u>	<u>MILEAGE</u>	<u>SPECIAL NOTES</u>
A. Members of Committees, Boards, Commissions Established by Act:			
1. Those having Legislators as Members of legislative Committees	Flat rate of \$35 per day while traveling on official business. Members may choose to receive actual expenses of food and lodging.	Current rate established by the Internal Revenue Service.	Receipts for all expenditures, except taxis and meals, shall be attached to the voucher.
2. Those not having legislators as members.	Actual expense of lodging. Actual expenses of meals, not to exceed \$25 per day within South Carolina and \$32 per day for travel outside of South Carolina.	Current rate established by the Internal Revenue Service.	Same as Regulations for State Employees.
3. Legislators	Subsistence equal to maximum allowable by regulation of the Internal Revenue Code for the Columbia area. May elect to choose actual expenses for lodging and meals.		
B. Supreme Court	See Paragraph 11-12, General	Current rate	

Justices, Court of Appeals Judges, Circuit and Family Court Judges, Administrative Law Judges

Rules.

established by the Internal Revenue Service.

C. Employment Security and Worker's Compensation Commissions

See Paragraph 15-17, General Rules.

Current rate established by the Internal Revenue Service.

Foreign Travel

When traveling outside the United States, Canada and Puerto Rico, employees are entitled to reimbursement of actual costs in obtaining meals. Employees may elect to seek reimbursement using the maximum daily rate for meals as established by the federal government per diem rates for travel in foreign areas. These amounts can be claimed without receipts. If reimbursement amounts exceed the federal per diem rates, employees will be required to present receipts in order to substantiate the claims.

DISBURSEMENT REGULATIONS

LATE PAYMENT CHARGE REGULATIONS

SECTION 22

1. General

Effective January 1, 1983, the General Assembly mandated compliance of all State agencies with Section 11-35-45 of the South Carolina Code of Laws which is a component of the South Carolina Consolidated Procurement Code. This section requires the delivery of a voucher for payment to the Comptroller General's Office within thirty (30) workdays from the receipt of the goods and/or services, whichever is later. Interest not to exceed 15 percent per annum will be levied against the agency's funds for the unpaid balance beginning on the thirty-first (31) workday.

2. Policy

These regulations are promulgated by the South Carolina Comptroller General's Office and apply to all State agencies. Agencies currently authorized to make lump sum withdrawals on vouchers will be expected to comply with these regulations. State agencies on the Comptroller General's system are expected to exercise prudence to ensure all invoices and vouchers are delivered to the Comptroller General's Office within thirty (30) workdays to avoid the assessment of late payment charges. No Interest Expense - Late Payment charges will be paid to a vendor if the invoice with the voucher was received by the Comptroller General's Office within thirty (30) workdays. It is the duty and responsibility of the respective agency, board, commission or institution director to ensure compliance with these regulations.

3. Code of Laws of South Carolina 1976, Section 11-35-45 (Amended) read as follows:

(A) All vouchers for payment of purchases of goods or services shall be delivered to the Comptroller General's Office within thirty (30) work days from acceptance of the goods or services and proper invoice. After the thirtieth work day, following acceptance or the postmark on the invoice, the Comptroller General shall levy an amount not to exceed fifteen percent per annum from the funds available to the agency, such amount to be applied to the unpaid balance to be remitted to the vendor unless the vendor waives imposition of the interest penalty.

(B) All agencies and institutions of the State are required to comply with the provisions of this section. Only the lump sum institutions of higher education are responsible for the payment of all goods or services within thirty (30) work days

after the acceptance of the goods or services and proper invoice, whichever is received later, and shall pay an amount not to exceed fifteen percent per annum on any unpaid balance which exceeds the thirty (30) work-day period, if the vendor specifies on the statement or the invoice submitted to such institutions that a late penalty is applicable if not paid within thirty (30) work days after the acceptance of goods or services.

3. Code of Laws of South Carolina 1976 (Cont'd)

(C) The Comptroller General shall issue written instructions to the agencies to carry out the intent of this section. All offices, institutions and agencies of state government shall fully cooperate with the Comptroller General in the implementation of this section.

(D) The thirty-day period shall not begin until the agency, whether or not the agency processes vouchers through the Comptroller General, certifies its satisfaction with the received goods or services and proper invoice.

4. Exemptions

Pursuant to action of the Budget and Control Board on May 27, 1986, services for gas, electricity, telephone, water, and sewer services are exempt from the application of late payment charges under Section 11-35-45. The Board's action allows public utilities to assess late payment charges under their respective tariffs as approved by the Public Service Commission.

5. Current Interest Rate

Pursuant to Section 11-35-45, the current annual percentage rate established by the Comptroller General's Office on March 28, 1994 is 6.25%.

6. Interest Expense - Late Payment Charges

A. No Interest Expense - Late Payment charges will be paid to any political sub-division of the State or to any company owned or operated by any political sub-division of the State under the provisions of the South Carolina Consolidated Procurement Code.

B. No Interest Expense - Late Payment charges will be paid to any State employee. This proviso applies to payments for travel, dual employment or any other business conducted with an agency of the State.

C. No Interest Expense - Late Payment charges will be paid to any State legislator, board or commission member for travel expenses.

- D. The thirty (30) workday time frame begins with the agency's receipt of the goods or services or the invoice, whichever is later. The agency is responsible to see that the information necessary to determine when the invoice is received by the agency is shown on the invoice. The time frame ends with the receipt of the voucher and invoice in the Comptroller General's Office.

6. Interest Expense - Late Payment Charges (Cont'd)

- E. Commencing on the thirty-first (31) workday after delivery of goods or services and invoice to the agency, a daily finance charge (0.0171232%) will be assessed. This charge will cease when the invoice and voucher are received by the Comptroller General's Office. This late payment charge will be added to the voucher by the Central State Audit Division of the Comptroller General's Office. Agencies will be notified of all changes made through a telephone conversation. This will be confirmed in writing with a form issued by the Comptroller General's Office for each invoice affected. However, no assessments will be made for less than \$5.00.
- F. The agency is responsible for notifying the vendor that the check amount include a late payment charge assessment.
- G. Invoices with documents received by the Comptroller General's Office which are over thirty (30) workdays old, will be assessed the interest penalty. A written explanation for the delay must be attached if the late payment charge is not to be applied. It will be the responsibility of the agency to attach any explanations needed to the invoice.
- H. Any late payment charges submitted by a vendor on an invoice should be deleted. However, every courtesy should be extended to the vendor in resolving any misunderstandings. If the agency determines a late payment charge is owed the vendor, a document should be submitted to the Comptroller General's Office. The expenditure general ledger code for -Interest Expense - Late Payment Charges would be used to pay the charge. The interest expense would be computed at 6.25 percent per annum.
- I. Orders not filled in their entirety will not be entitled to the late payment charge. Thirty (30) workdays after the entire order has been delivered, a late payment charge may be assessed as provided in these regulations. This does not apply to split delivery orders when this is stipulated on the purchase order. Partial orders may be paid at the agency's discretion but no late payment charges will be allowed. Payments on partial orders should be noted as such on the invoice.

- J. Disagreements concerning the delivery of goods and services are between the agency and the vendor and must be settled between those parties. The Comptroller General's Office will not arbitrate these disagreements.

- L. An expenditure object code 2205-Interest Expense - Late Payment was established July 1, 1982.

- M. Each agency will have a line item budget category established in their administration mini-code area for Interest Expense - Late Payment Charges. It will not be funded. As late payment charges are assessed, it will be charged to this line in the agency budget. At the end of the month, every agency which has processed a late payment charge will receive a statement from the Comptroller General's Office. Each agency will process a journal voucher moving the charge to the subfund detail using the same object code shown on the statement. A transfer will have to be initiated to move an appropriation into the subfund detail at the minor object level. If the funding source is the general fund, then a journal voucher is not necessary, but a transfer will be required.

- N. Documents containing errors will be rejected and returned to agency with a reason for rejection. The document will auto reverse and needs to be resubmitted for payment with calculation now reflecting entry of new document.

DISBURSEMENT REGULATIONS

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LATE PAYMENT CHARGE REGULATIONS

April 1, 2004

INTEREST EXPENSE - LATE PAYMENT
CHARGES

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6. Interest Expense - Late Payment Charges (Cont'd)

- P. When a vendor refuses an Interest Expense - Late Payment charge on an invoice(s), two methods exist for repayment to be made to the State:
- (1) If the vendor is one with which the agency deals consistently, the vendor may issue a credit on the next invoice submitted to the agency. When the credit is used, it must be shown as a line of accounting information on the document. A credit may be used by any division within the agency but it must be used within the assigned budget category.
 - (2) A vendor may also issue a check to the agency if a late payment charge is refused. The check must then be deposited back into the "account" from which it was paid.
- Q. An agency may encounter some vendors, with which it deals, who do not wish to accept a late payment charge. When this occurs, a written document to this effect from the agency's finance director or the vendor must be attached to the -document.
- R. Agencies should always take advantage of discounts offered and/or stated on invoices. Considerable savings could result with the implementation of this policy.
- S. Agencies currently operating with a "lump sum" status are also expected to comply with Section 11-35-45 of the South Carolina Code.