

Conference action as of 6/21/11

PINA

S. 172 - Conference Agenda

- I. Call to Order - Sen. Courson
- II. Election of Chair - Co-Chair
- III. Opening Remarks by Chair and Co-Chair
- IV. Staff Hand-out / review conference materials
 - Senate version bill
 - House version bill
 - Staff Side by Side comparison of bill

✓ = adopted or action as noted.

○ = TBD

V. Staff review of identical "locked" Sections - For Conference Action

- ✓ a) "Transparency" - S page 1 of side by side H same
- ✓ b) Capital & Facilities Thresholds - S page 3 of side by side H same + thresholds
- ✓ c) Capital & Facilities (PSA's) - S page 3 of side by side H same
- ✓ d) Procurement - Tech Purchasing Authority S page 4 of side by side H same
- ✓ e) Out of State Subsidies S page 6 of side by side H same
- ✓ f) Proviso - Flo-Dar/Cat Dealers S page 7 of side by side H same

VI. Staff review of "locked" (with only technical differences) Sections - For Conference Action

- ~~✓ a) Capital & Facilities - Cost Over-runs S page 2 of side by side~~
- ✓ b) Tech Tiered System S page 4 of side by side
- ✓ c) Procurement Small Purchase H/S Blend page 5 of side by side
- ✓ d) Procurement - IDC/Construction S page 5 of side by side
- ✓ e) Procurement - IDC/A&E and Land Survey S page 5 of side by side
- ✓ f) Procurement - IDC/Small S page 5 of side by side
- ✓ g) Misc - Public Vote on Tuition H page 7 of side by side
- ✓ h) Misc - Lease agreements up to \$100k S page 7 of side by side

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VII. Staff review of "differences" - For Conference Action

- ✓ a) Human Resources S page 1 of side by side
- ✓ b) Capital & Facilities "Process" S page 2 of side by side
- ✓ c) Capital & Facilities - "A&E/Phase 1" S page 2 of side by side
- ✓ d) Financing and Admin - Bonding S page 4 of side by side
- ✓ e) Procurement - Multi-state Solicitation H/S Blend page 5 of side by side

S version failed
H version

5/21/11
9:40

- ✓ i) Misc - Agency Head Salary Commission ^x S page 7 of side by side ^x in H Budget
- ✓ j) Misc - Proviso (HEEEP) ^x S page 8 of side by side ^x in H Budget
- ✓ k) Misc - Proviso (Need based grants) ^x S page 8 of side by side ^x in H Budget

~~l) Ground Leases S page 3 of side by side~~

✓ m) Misc - Retaining Attorneys H page 6 of side by side

~~n) Misc - Tuition-Waivers S page 6 of side by side~~

~~o) [unclear] reconsidered, deleted in "House"~~

CHP

Senate Version

House Version

<p>1) <u>"Transparency"</u> Part II Section 2</p> <p>Requires each public college/university to keep a detailed transaction register of all expenditures including the transaction amount, name of payee, and expenditure description and would also require the monthly statements of all credit cards maintained by the entity be posted on the Web site. This would include credit cards issued to officers/employees. The disclosure of Social Security Numbers or other personally identifying information is prohibited. Any information prohibited from public disclosure by state or federal laws must be redacted from posting. Colleges have a year to comply, and many have already done so voluntarily. Also requires all state agencies to provide online information regarding procurement card statements.</p>	<p>SAME as SENATE Section 1 and 2</p>
<p>2) <u>Human Resources</u> Part III Section 3</p> <p>Brings OHR and the colleges to the table to develop a separate, parallel system for HR, but ensures OHR oversight remains and that there are not 13, but 2, separate HR policies in SC. Ie, one for the higher eds and one the rest of state government. That ensures accountability and uniformity while still providing relief. The new system would have to be approved by a majority vote of the 5 member BCB no later than July 1, 2012.</p>	<p>Not in House version</p>

Senate Version

House Version

<p>3) <u>Capital & Facilities - "Process"</u> Part IV Section 4 Retains current process (CHE, JBRC, BCB). Current JBRC statute states that one of its (JBRC's) functions is to "carry out all of the above assigned responsibilities in consultation and cooperation with the executive branch of government and the Budget and Control Board." (2-47-40(6)). Senate version retains that approach.</p> <p>4) <u>Capital & Facilities - A&E/Phase One</u> No change to current process.</p> <p>5) <u>Capital & Facilities - Cost Over-runs</u> Currently, any cost increase, even if just \$1, "triggers" the process, which is multi-phased, as we know. Bill allows, with staff level review, colleges to address cost overruns without triggering the process, so long as cost increases don't exceed 10% and \$2 Million. Further ensures that the 10% calculation is based on the most recently revised estimate, to account for multiple potential cost increases, while ensuring the \$2 Million cap is cumulative and therefore not violated.</p>	<p>Section 3 Part II B. Amends current process (CHE, JBRC, BCB) by no longer requiring CHE approval (CHE receives materials as info only) as first step and by creating a "concurrent" process under which proposals would simultaneously go before JBRC and BCB and be placed on a 45 day "clock", where (similar to how regulations time out), if JBRC or the Board fails to respond, the proposal is approved as proposed by the college. Specific to the BCB, formal discussion of a proposal by that body is only triggered if the Governor and two other board members express concern within 45 days.</p> <p>Amends process by allowing A&E expenditures without BCB approval (only JBRC review required) and project not required to be established with the BCB (under the new process as noted above) until after A&E has been completed. Eliminates A&E as a "trigger to the process.</p> <p>Similar to Senate, but does not have language ensuring the \$2M cap is cumulative and therefore would potentially permit "multiple" increases of \$2M on one project. For example, under the Senate language, at 10%, a \$20 Million project could not go up by 9% (\$1.8 Million), then another 9% (\$1.96 Million), etc. If it goes up 9%, it can go up another \$200,000 (after the \$1.8 Million) before triggering process review (CHE, JBRC, BCB). Staff level review would remain.</p>
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Senate Version

House Version

<p>6) <u>Capital & Facilities - Acquire Land/Buildings</u></p> <p>Currently, acquisition of land and buildings costing any amount, even donated property, "triggers" the process. The bill permits colleges to acquire/buy land and buildings without triggering the process if they total less than \$250,000 and ensures staff level review.</p> <p>7) <u>Capital & Facilities - Threshold Increases from \$500,000 to \$1,000,000</u></p> <p>Work on existing facilities Lease purchases Equipment purchases</p> <p>8) <u>Capital & Facilities - PSA's</u></p> <p>Clemson and SC State PSA's. Under current law, for purposes of capital and facilities "thresholds" as discussed above, these 2 PSA's have lower thresholds as compared to their college counterparts. The bill proposes, for purposes of these thresholds only, to treat these 2 PSA's like they were a college; as such, they'd enjoy higher thresholds than they do currently</p> <p>9) <u>Ground Leases</u> Section 5</p> <p>Currently, a number of colleges already have "ground lease" authority via statute. The bill would allow all colleges to obtain the authority subject to BCB approval (does not mandate BCB approve). For technical colleges, ensures Tech Board oversight via the new "tiered approach" (discussed below) with ultimate approval by BCB.</p>	<p>SAME as SENATE</p> <p>SAME as SENATE</p> <p>SAME as SENATE</p> <p>Not in House version</p>
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Senate Version

House Version

<p><u>10) Tech System "Tiered System"</u> Section 16</p> <p>Because technical colleges come under auspices of a "system wide" state office, the bill proposes, for purposes of relief provided by the bill, to create a "3 tiered" system, based on financial and managerial strength of the colleges, so as to provide individual colleges relief under the act, to the extent they can handle. Colleges could "opt in" to tiers for purposes of the act but are not required to, and system wide oversight is maintained. Furthermore, bill creates an advisory committee to create the tiers and provide reporting to the general assembly.</p> <p><u>11) Financing and Administrative - Bonding</u></p> <p>No change to current process relative to final approval of revenue bond issuances by colleges (BCB approval required).</p> <p><u>12) Procurement - Tech Purchasing Authority</u> Part V Section 6</p> <p>Allows the State Tech Board to grant tech schools \$50,000 of additional purchasing authority and notify BCB staff of the additional authority but ensures that both the Tech Office and BCB can't give multiple increases above \$50,000 and that they must work together on any increase. Note: Under current law, all agencies already have \$50,000 purchasing authority. In addition, the BCB can already grant agencies any level of purchasing authority above \$50,000.</p>	<p>SAME as SENATE (with only technical differences Part II C.</p> <p>Part III D., E., F. and G.</p> <p>House version would stop approval for issuance of revenue bonds at JBRC vs BCB level, allowing the Board of Trustees at a respective college to act as the "executive authority".</p> <p>SAME as SENATE Part IV H.</p>
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Senate Version

House Version

<p>13) <u>Procurement - Small Purchase Limit</u> Section 7 and 8</p> <p>Raises SMALL PURCHASE limit from \$2,500 to \$10,000 for colleges and effectively raises the P-card limit to \$10,000.</p> <p>14) <u>Procurement - Indefinite Delivery Contracts/Construction</u></p> <p>Increase thresholds for construction services from \$750K/\$150K to \$1M/\$250K.</p> <p>15) <u>Procurement - Indefinite Delivery Contracts/A&E and Land Surveying</u></p> <p>Increase thresholds for A&E and Land Surveying from \$300K/\$100K to \$500K/\$200K.</p> <p>16) <u>Procurement - Small Indefinite Delivery Contracts</u></p> <p>Increase from \$25K/\$75K to \$50K/\$150K respectively.</p> <p>17) <u>Procurement - Multi-State Solicitation</u> Section 9</p> <p>Exempts 4 year and 2 year branch colleges (excluding techs) from 30 day notice requirement and distribution thru SC vendors IF colleges can demonstrate cost savings to state procurement office.</p>	<p>SAME as SENATE (with only technical differences) Part IV I.</p> <p>SAME as SENATE (with only technical differences) Part IV J.</p> <p>SAME as SENATE (with only technical differences) Part IV J.</p> <p>SAME as SENATE (with only technical differences) Part IV J.</p> <p>Same as Senate, but extends provision to technical colleges as well. Part IV K.</p>
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Senate Version

House Version

<p><u>18) Miscellaneous - Retaining Attorneys</u> Part VI Section 10</p> <p>Under current law, the Attorney General has oversight and authority regarding which attorneys agencies and colleges may hire, and at what rate or level they may be paid. Allows the colleges to submit up to "3 names or firms" of which the AG MUST approve one or more BUT gives the AG discretion to approve (or disapprove) the rate at which they will be paid (blends requested action in bill with oversight in current law) and retains the clarifying language that the BCB has final say over hiring of counsel when specifically related to matters of bonded indebtedness.</p> <p><u>19) Miscellaneous - Out of state subsidies</u> Section 11</p> <p>Adds new section to ensure that no state appropriated funds may be used to provide subsidies to out of state students.</p> <p><u>20) Miscellaneous - Tuition Waivers</u> Section 12</p> <p>Increases from 4% to 8% amount of student body a college can waive tuition for; but requires that the additional 4% be for in-state residents only. Also requires the info to be gathered by, and reported by, CHE (no such requirement under current law). FYI, under current law, colleges can already provide discounted tuition for up to 4% of its student body, regardless if they are in or out of state.</p>	<p>Part V L.</p> <p>Maintains current law but clarifies that the BCB has final say/oversight when hiring counsel related to matters of bonded indebtedness.</p> <p>SAME as SENATE Part V M.</p> <p>Not in House version</p>
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Senate Version

House Version

<p><u>21) Miscellaneous - Public Vote on Tuition</u> Section 13 Require the college Board of Trustees (or Tech Area Commission) to publically vote on tuition with the numbers for and against being counted.</p> <p><u>22) Miscellaneous - Lease agreements up to \$100k</u> Section 15 Allows institutional boards, rather than the BCB, to enter into lease agreements not exceeding \$100,000.</p> <p><u>23) Miscellaneous - Agency Head Salary Com.</u> Section 14 Places technical college presidents back under the prevue of the Agency Head Salary Commission, which currently provides salary oversight for all agency heads including 4 yr college presidents, but not technical college presidents (which historically were under Agency Head via proviso for 3 years (FY07 - 09)).</p> <p><u>24) Miscellaneous - Proviso Codification</u> Section 17 Codifies a multi-year budget proviso that has allowed Flo-Dar Technical College to provide in-state tuition to the NC residents that participate in the Caterpillar maintenance and repair program offered by the college. The program (in its 9th year) enrolls 21 students per year, 60% of which are SC residents and 40% are NC residents. Upon graduation, students</p>	<p>SAME as SENATE (with only technical differences). Part V N. Note: House version requires technical colleges to report to the State Board office any tuition changes within 5 days.</p> <p>SAME as SENATE (with only technical differences). Part V O.</p> <p>Not in House version</p> <p>SAME as SENATE Part VI Section 4 Also included in House passed budget.</p>
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Senate Version

House Version

are guaranteed jobs at their respective SC or NC caterpillar dealer at an average starting salary of \$35,000. The program ensures a steady supply of diesel technicians. This proviso is similar to other provisos and statutes that offer out of state students in state rates under unique circumstances or when reciprocal agreements are in place as is the case with USC-Aiken, USC-Beaufort, etc.

25) Miscellaneous - Proviso Codification
Section 18

Codifies a 7 year old proviso regarding the long agreed upon distribution methodology HEEEP funds. HEEEP is a flow-through program to aid private and public Historically Black Colleges and Universities as well as Columbia College and Converse College in providing for program enhancement. Funds through proviso have been divided equally among all qualified participating institutions which include Converse and Columbia College and Allen University, Benedict College, Claflin University, Morris College, Voorhees College and SC State University. This had been a proviso for 7 years and was the agreed upon distribution methodology by the colleges involved.

26) Miscellaneous - Proviso Codification
Section 19

Codifies a multi-year proviso related to need based grants that requires that the distribution of the funds be based on the "front end" with regard to the need of the students as measured by the number of Pell Recipients so that a certain level of tuition and fees is covered at each school (in an equal manner based on the percentage).

Not in House version but included in House passed budget.

Not in House version but included in House passed budget.