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**South Carolina
Division of General Services**

PROCUREMENT AUDIT AND CERTIFICATION

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JAN 15 1987

STATE DOCUMENTS

FORTY OF THE SMALLER STATE AGENCIES
AGENCY

JANUARY 6, 1987

DATE

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-2150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

WILLIAM J. CLEMENT
ASSISTANT DIVISION DIRECTOR

December 30, 1986

Mr. Richard W. Kelly
Director
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

Dear Rick:

Please find attached a procurement audit report prepared by the Office of Audit and Certification that covers forty (40) of the smallest agencies, boards and commissions of South Carolina State Government. The list at the front shows the audit reports included here. Since none of the agencies requested certification above the \$2,500.00 limit allowed by Consolidated Procurement Code Regulations, Budget and Control Board action is not required. I recommend that the report be presented to Dr. Coles for his information.

Sincerely,

A handwritten signature in dark ink, appearing to read "WJ Clement".

William J. Clement, AIA
Assistant Division Director

Attachment

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-2150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



WILLIAM J. CLEMENT
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

December 17, 1986

Mr. William J. Clement
Assistant Division Director
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

Dear Bill:

During fiscal year 1985/86, the Office of Audit and Certification completed procurement audits of forty (40) of the smallest agencies, boards and commissions. The attached list shows the audits performed. Also, I have included the audit reports and agency responses that were received.

These audits were performed to determine compliance with the State Procurement Code and to educate the smallest agencies of South Carolina State Government in the Code as it effects them. It was a major step toward accomplishing my goal of auditing all governmental bodies covered by the Code.

As part of the audits, we made studies and evaluations of internal controls over procurement transactions to the extent we deemed necessary. In all cases, we reviewed sole source and emergency procurements one hundred percent (100%). Further, in all but several cases, we reviewed all procurement actions for the periods covered.

The administration of each agency is responsible for establishing and maintaining a system of internal control over procurement transactions. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance of the integrity of the procurement process, that affected assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and are recorded properly.

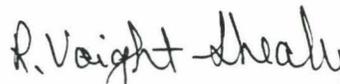
Mr. Clement
December 17, 1986
Page 2

Because of inherent limitations in any system of internal control, errors or irregularities may occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions, or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation of internal control of procurement transactions of these agencies as well as our overall examinations of procurement policies and procedures were conducted with due professional care. They would not, however, because of the nature of audit testing, necessarily disclose all weaknesses in each agency's system. The audits did, however, disclose conditions enumerated in these reports which we believe to be subject to correction or improvement.

We have followed up at each agency to determine that the recommended corrective action has been taken. Since none of the agencies listed herein requested certification above the \$2,500.00 limit allowed by the Consolidated Procurement Code, Budget and Control Board action is not required. I recommend and request that these reports be submitted to Dr. Jesse Coles, Executive Director, for his information.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

RECAP OF SMALL AGENCIES

<u>AGENCY</u>	<u>FISCAL YEAR 1984</u> <u>TOTAL BUDGET</u>
1) Board of Podiatry Examiners	\$1,044.00
2) Cemetery Board	2,652.00
3) Board of Social Workers Registration	2,930.00
4) Board of Examiners for Registered Sanitarians	2,957.00
5) Board of Registration of Foresters	4,643.00
6) Family Farm Development Authority	6,000.00
7) Board of Examiners in Psychology	9,125.00
8) Board of Examiners for Speech Pathology and Audiology	9,511.00
9) Board of Veterinary Medical Examiners	11,502.00
10) Board of Examination and Registration of Physical Therapists	17,929.00
11) Financial Institution - Board of Administration	18,533.00
12) S.C. State Guard	23,776.00
13) Board of Examiners in Optometry	25,019.00
14) Commission on Women	39,076.00
15) Board of Examiners for Nursing Home Administrators	40,911.00
16) Board of Chiropractic Examiners	50,154.00
17) S.C. Sentencing and Guidelines	52,761.00
18) Board of Funeral Services	53,022.00

<u>AGENCY</u>	<u>FISCAL YEAR 1984</u> <u>TOTAL BUDGET</u>
19) Auctioneers' Commission	\$ 77,734.00
20) Board of Certification of Environmental System Operators	106,385.00
21) Board of Barber Examiners	120,538.00
22) State Ethics Commission	121,764.00
23) Board of Dentistry	124,918.00
24) Confederate Relic Room	132,858.00
25) Advisory Council for Vocational and Technical Education	148,953.00
26) Board of Pharmacy	152,158.00
27) Board of Architectural Examiners	155,795.00
28) Law Officers Hall of Fame	159,924.00
29) Lt. Governor's Office	174,729.00
30) Contractors' Licensing Board	209,984.00
31) Board of Engineering Examiners	210,554.00
32) Board of Accountancy	216,619.00
33) Charleston Higher Education Consortium	225,355.00
34) Old Exchange Building	234,447.00
35) State Dairy Commission	238,196.00
36) Board of Cosmetology	269,742.00
37) Financial Institution Board of Consumer Finance	274,265.00
38) Clarks Hill-Russell Authority of S.C.	275,390.00
39) Second Injury Fund	315,790.00
40) Secretary of State's Office	571,963.00

STATE OF SOUTH CAROLINA
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300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
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COMPTROLLER GENERAL



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SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

June 19, 1986

Dr. Nicholas A. Straney, DPM
South Carolina Board of
Podiatry Examiners
701 St. Andrews Boulevard
Charleston, South Carolina 29407

Subject: Procurement Code Compliance Review

Dear Dr. Straney:

On May 1, 1986, we reviewed your purchasing procedures to determine the appropriateness of procurement actions and to ensure compliance with the Consolidated Procurement Code and ensuing regulations. The Board had a limited number of procurement transactions, none of which exceeded \$500.00.

We noted that the Board of Podiatry Examiners has not submitted an Information Technology Plan or a Minority Business Enterprise (MBE) Plan for Fiscal Year 1987. The Division of Information Resources Management (DIRM) and the Office of Small and Minority Business Assistant (OSMBA) should be contacted to determine whether a letter of intent or plan is required. In addition, quarterly reports of sole source and emergency procurements and trade-ins have not been submitted to the Materials Management Office (MMO). This is required by Section 11-35-2240 of the Procurement Code.

You have not requested additional certification, therefore we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

I have enclosed the names, addresses, and telephone numbers of the individuals to contact concerning the reporting requirements listed above. I ask that you formally respond in writing to this report within thirty days of receipt.

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,

R. Voight Shealy
R. Voight Shealy, Manager
Audit and Certification

/kd

Attachment

cc: Mr. Richard Kelly
Mr. Richard Campbell
Ms. Rebecca Jones

Mr. Ted Lightle
Director
Division of Information
Resource Management
1203 Gervais Street
Columbia, South Carolina 29201
803-758-2771

Mr. John W. Gadson
Director
Office of Small and Minority
Business Assistance
Edgar A. Brown Building, Room 305
1205 Pendleton Street
Columbia, South Carolina 29201
803-758-5560

Ms Linda C. Jones
Contracts and Special
Projects Administrator
Materials Management Office
800 Dutch Square Boulevard, Suite 150
Columbia, South Carolina 29210
803-758-6060

STATE OF SOUTH CAROLINA
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CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

June 16, 1986

Mr. John T. Campbell
Executive Office Chairman
State Cemetery Board
P.O. Box 11350
Columbia, South Carolina 29211

RE: Audit of Procurement Activity

Dear Mr. Campbell:

On April 30, 1986, we examined your procurement records for the period July 30, 1981 through March 31, 1986. This review was conducted to determine the appropriateness of the procurement action taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your office had a limited number of procurement transactions and our examination indicated they were handled properly.

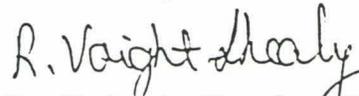
We did note that no Minority Business Enterprise Utilization plan (MBE) for fiscal year 1985-86 has been submitted to the Office of Small and Minority Business Assistanances. This is an annual requirement and should be submitted for approval, in accordance with Section 11-35-5240(2) of the Procurement Code. Also since your office has no formal procurement procedure manual, a letter of interest to comply to the Code should be submitted to our office. These two requirements have been discussed with Mrs. Ethel Riley in your office.

Since you have not requested additional certification, we recommend that the Commission be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss our review or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

We appreciate the cooperation that you and your staff provided during our audit. If we may be of assistance in the future, please call me or Jim Stiles at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jim Stiles
Mrs. Ethel S. Riley

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
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(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

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STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

March 10, 1986

Ms. Sue Hawkins
President
Board of Social Work Examiners
P.O. Box 1083
Columbia, South Carolina 29202

Dear Ms. Hawkins:

On October 30, 1985, we examined your procurement records for the period July 30, 1983 through October 28, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions; however, we noted the following exceptions. The administrative services contract totalling \$1,950 plus expenses for the period August 1, 1984 to June 30, 1985 was not supported by three written quotations, as required by regulation 19-445-2100(B)(3). The subsequent administrative services contract totalling \$1,200 for the period July 1 - December 31, 1985 was not supported by two verbal quotes, as required by regulation 19-445-2100(B)(2). We recommend adherence to the competitive requirements of the Consolidated Procurement Code and regulations.

The Board has not submitted a Minority Business Enterprise (MBE) Plan to the Office of Small and Minority Business Assistance (OSMBA). We recommend that the Board contact OSMBA to determine whether a letter of intent or plan is required.

Additionally, the Division of Information Resource Management (DIRM) does not have an information technology plan for the fiscal year ending 6/30/86. We recommend that the Board contact DIRM to determine their requirements.

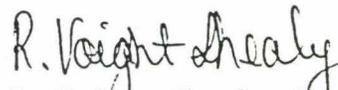
You have not requested additional certification, therefore we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Ms. Sue Hawkins
President
Page 2

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Larry Sorrell

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

March 7, 1986

Mr. Ronald P. Koeppen
Chairperson
Board of Registered Sanitarians
P.O. Box 8793
Columbia, South Carolina 29202

Dear Mr. Koeppen:

On October 30, 1985 we examined your procurement records for the period July 1, 1983 through October 28, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

We noted the following exceptions:

1. The Board made a \$1,500.00 procurement for a consultant services without competition. Regulation 19-445-2100 (B)(3) requires solicitation of quotations from three qualified sources for purchases from \$1,500.00 to \$2,499.99. We recommend adherence to the competitive requirements of the Consolidated Procurement Code and regulations.
2. The Board has not submitted a Minority Business Enterprise (MBE) Plan or minority utilization reports to the Office of Small and Minority Business Assistance (OSMBA). The OSMBA should be contacted to determine whether a letter of intent or plan is required.

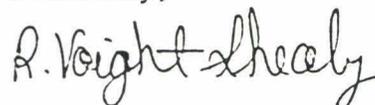
You have not requested additional certification, therefore we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Mr. Ronald P. Koeppen
March 7, 1986
Page 2

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Larry G. Sorrell

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE
WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

December 30, 1985

Mr. Claude F. Barden
Secretary
Board of Registration
for Foresters
Post Office Box 21707
Columbia, South Carolina 29221

RE: Procurement Code Compliance Audit

Dear Mr. Barden:

On October 29, 1985, we examined your procurement records for the period July 30, 1981 through October 29, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your agency had a limited number of procurement transactions; however, we noted the following exceptions.

1. Printing services provided by Information Resource Management for \$590.00 were not competed. Regulation 19-445.2100, Subsection B, requires solicitation of verbal or written quotes from a minimum of two qualified sources for purchases from \$500.01 to \$1,499.99. Unless approval is obtained from the Materials Management Officer, this includes contracts between agencies.
2. The Board procured temporary employment services during Fiscal Year 1985 and the first quarter of Fiscal Year 1986 but did not utilize the primary vendor on the State term contract for temporary employment services. Section 11-35-310 of the Procurement Code defines term contract as "a contract established by the Materials Management Office for a specific product or service for a specified time and for which it is mandatory that all governmental bodies procure their requirements for such goods and services during its terms."

Mr. Claude F. Barden
December 30, 1985
Page 2

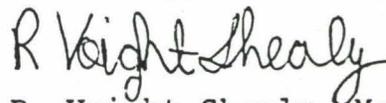
3. The Materials Management Office does not have on file the Board's annual report of sole source and emergency procurements and trade-ins for Fiscal Year 1985. The Board was exempted from the requirement to file quarterly reports unless these transactions arise with the stipulation that an annual report must be submitted.
4. The Board has not submitted a Minority Business Enterprise (MBE) Plan or minority utilization reports to the Office of Small and Minority Business Assistance (OSMBA). The OSMBA should be contacted to determine whether a letter of intent or plan is required.

You have not requested additional certification, therefore we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/db

cc: ✓ Mr. Richard W. Kelly
Mr. Richard Campbell
Ms. Rebecca Jones



STATE BOARD OF REGISTRATION FOR FORESTERS

P.O. BOX 21707
COLUMBIA, S.C. 29221

February 7, 1986

Mr. R. Voight Shealy, Manager
Audit and Certification
Division of General Services
300 Gervais Street
Columbia, SC 29201

Dear Mr. Shealy:

Please excuse the lateness of this response to your letter to me as Secretary of the Board of Registration for Foresters on December 30, 1985. The Board is having problems keeping secretarial help.

The responses to the four items listed are as follows:

1. I, as the Board's administrative officer, was unaware that there was need to solicit quotes from outside vendors when having printing done by a state agency. This requirement will be adhered to in the future.
2. We began dealing with Manpower, Inc. when they were the primary vendor for the temporary services needed by the Board. When the rebidding was done we had a person from Manpower that had already been trained for the work required. There was only a slight difference in the hourly wage, less than five cents per hour, therefore it was judged to be more economical to continue with Manpower than to train someone new to do the Board's work.
3. This was an oversight that has been corrected.
4. The Office of Small and Minority Business has been contacted and I am in the process of complying with their requirements concerning a Minority Business Enterprise Plan.

Please advise if there are questions or if the Board can be of assistance to you in any other way.

Sincerely,

Claude F. Barden

Claude F. Barden
Board Secretary

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
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GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR
February 28, 1986

Mr. Clyde Livingston
Executive Director
South Carolina State Family Farm
Development Authority
915 South Main Street
Columbia, South Carolina 29201

RE: Procurement Code Compliance Audit

Dear Mr. Livingston:

On February 28, 1986, we examined your procurement records for the period July 1, 1981 through February 28, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your Agency had a limited number of procurement transactions and our examination indicated that these were handled in compliance with the Code and regulations.

You have not requested additional certification, therefore we recommend that the Agency be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Your cooperation is appreciated and our staff is available for your assistance at 758-3150.

Sincerely,

Handwritten signature of R. Voight Shealy in cursive.

R. Voight Shealy, Manager
Audit and Certification

/db

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. M. B. Williams, Jr.

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
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RICHARD W. RILEY, CHAIRMAN
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RICHARD W. KELLY
DIVISION DIRECTOR

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CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D
EXECUTIVE DIRECTOR

July 11, 1986

Dr. Kelvin King
Chairman
Board of Examiners in Psychology
202 Close Business Building
University of South Carolina
Columbia, South Carolina 29208

RE: Audit of Procurement Activity

Dear Dr. King:

On July 7, 1986 we examined your procurement records for the period July 30, 1981 through June 30, 1986. This review was conducted to determine the appropriateness of the Procurement action taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your office had a limited number of procurement transactions and our examination indicated they were handled properly.

We did note that no Minority Business Enterprise Utilization Plan (MBE) for fiscal year 1986-87 has been submitted to the Office of Small and Minority Business Assistance. This is an annual requirement and should be submitted for approval in accordance with Section 11-35-5240(2) of the Procurement Code.

Since you have not requested additional certification, we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss our review or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

We appreciate the cooperation that you provided during our audit. If we may be of assistance in the future, please call me or Jim Stiles at 737-2140.

Sincerely,

R. Voight Shealy

R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jim Stiles

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
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RICHARD W. RILEY, CHAIRMAN
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TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

March 7, 1986

Dr. William A. Cooper
Chairperson
Board of Examiners In Speech
Pathology and Audiology
P.O. Box 11876
Columbia, South Carolina

Dear Dr. Cooper:

On November 1, 1985 we examined your procurement records for the period July 30, 1981 through June 30, 1985. This review was conducted to determine the appropriateness of procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions and our examination of these transactions indicated they were handled properly.

The Board has not submitted a Minority Business Enterprise (MBE) Plan or minority utilization reports to the Office of Small and Minority Business Assistance (OSMBA). The OSMBA should be contacted to determine whether a letter of intent or plan is required.

You have not requested additional certification, therefore, we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Dr. William A. Cooper
March 7, 1986
Page 2

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,

R. Voight Shealy
R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Larry Sorrell



S.C. State Board of Examiners in
Speech Pathology and Audiology

Post Office Box 11876
Columbia, South Carolina 29211
April 1, 1986

Mr. R. Voight Shealy
Audit and Certification
Division of General Services
300 Gervais Street
Columbia, S. C. 29201

Dear Mr. Shealy:

The South Carolina State Board of Examiners in Speech Pathology and Audiology has submitted a letter of intent to Ms. Carol Schroeder of the Office of Small and Minority Business Assistance. We were not aware that a letter must be sent each fiscal year even though a change is not implemented. We will send a similar letter for FY 1986-87.

Yours truly,

Florence W. Gibbes

Florence W. Gibbes
Secretary-Treasurer

FWG/gh

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

April 14, 1986

Dr. Marnie Hook
Board of Veterinary Medical
Examiners
105 Gray Fox Court
West Columbia, South Carolina 29169

RE: Compliance Audit of Agency Procurement Activity

Dear Dr. Hook:

On March 4, 1986 we examined your procurement records for the period July 30, 1984 through February 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions, and our review of all of these indicated they were handled properly. However, the Board has not submitted a Minority Business Enterprise (MBE) Plan or minority utilization reports to the Office of Small and Minority Business Assistance (OSMBA). The OSMBA should be contacted to determine whether a letter of intent or plan is required.

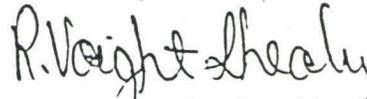
Since you have not requested additional certification, we recommend the Board be allowed to procure all goods and services, construction, information technology and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the exception listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty (30) days of receipt of this letter.

Dr. Marnie Hook
April 14, 1986
Page 2

We appreciate the cooperation that you provided during our audit. If we may be of assistance in the future, please call me at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Jeffrey Widdowson
Mr. Richard J. Campbell

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

January 3, 1986

Ms. Brenda M. Owens
Board of Physical Therapy Examiners
Post Office Box 11594
Columbia, South Carolina 29211

RE: Procurement Code Compliance Audit

Dear Ms. Owens:

On October 28, 1985, we examined your procurement records for the period July 1, 1981 through June 30, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your agency had a limited number of procurement transactions, and our examination of all of these indicated they were handled properly. The only exception noted was your reporting of the purchase of a personal copier in fiscal year 1985 as a sole source procurement. Adequate competition was obtained, as shown on Requisition No. 00907, therefore this was not a sole source procurement. Section 19-445.2105 of the Regulations should be applied when determining whether or not a procurement is a sole source.

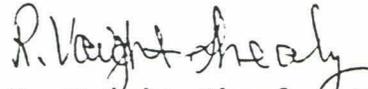
You have not requested additional certification, therefore we recommend that the Agency be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transaction listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Ms. Brenda M. Owens
January 3, 1986
Page 2

Your cooperation is appreciated, and our staff is available
for your assistance at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/db

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Ms. Rebecca Jones

South Carolina State Board
of Physical Therapy Examiners
Post Office Box 11594
Columbia, South Carolina 29211

January 8, 1986

Mr. R. Voight Shealy, Manager
Audit and Certification
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

Dear Mr. Shealy:

This is to inform you that the South Carolina State Board of Physical Therapy Examiners has received your letter regarding the Procurement Code compliance audit of our agency. As in the past, the Physical Therapy Board will continue to make procurements in accordance with the South Carolina Consolidated Procurement Code.

Sincerely,

Brenda M. Owens

Brenda M. Owens
Administrative Assistant

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

May 13, 1986

Mr. Robert C. Cleveland
Commission of Banking
Board of Financial Institutions
1026 Sumter Street Room 217
Columbia, South Carolina 29201

Dear Mr. Cleveland:

On April 23, 1986, we examined your procurement records for the period July 1, 1981 through March 30, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

The commission had a limited number of procurement transactions and our examination indicated that these were handled in compliance with the Code and regulations.

You have not requested additional certification, therefore we recommend that the Commission be allowed to procure goods and services, construction, information technology, and consultant service up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Your cooperation is appreciated and our staff is available for your assistance at 758-3150.

Sincerely,

A handwritten signature in cursive script that reads "R. Voight Shealy".

R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jeff Widdowson

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-2140

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D
EXECUTIVE DIRECTOR

July 11, 1986

LTC Henry DuRant
Administrative Officer
S.C. State Guard
Olympia Armory
551 Gramby Lane
Columbia, South Carolina 29201

Dear LTC DuRant:

On June 19, 1986 we examined your procurement records for the period July 30, 1981 through March 31, 1986. This review was conducted to determine the appropriateness of the procurement action taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your office had a limited number of procurement transactions and our examination indicated the following exceptions:

We noted several procurements of boots that were not supported by documented competition, although your purchasing staff stated other companies were called for bids. Your agency requires a large yearly quantity of boots and assorted items but usually orders on an as-needed basis. We recommend that your agency establish an agency contract through State Procurements for items such as boots, web belts, ribbons, insignias and patches.

Further, the purchase of field jackets and trousers were procured as sole source but no formal determinations was prepared nor were these procurements reported to Division of General Services as required by the Code.

LTC Henry DuRant
July 11, 1986
Page 2

In June 1985 there was strong evidence of order splitting to keep purchase orders less than 2,500 rather than to forward these procurements to State Procurement. We remind the agency of Regulation 19-445-12100 which States ,,, "Procurement requirements shall not be artificially divided so as to constitute a small purchase,,,,. This problem area will be reviewed again in future audits to insure such practices have stopped.

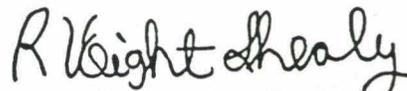
We also noted that no Minority Business Enterprise Utilization Plan (MBE) for fiscal year 1985-86 has been submitted to the Office of Small and Minority Business Assistance. This is an annual requirement and should be submitted for approval in accordance with Section 11-35-5240(2) of the Procurement Code. Also since your office has no formal procurement procedure manual, a letter of intent to comply to the code should be submitted to our office. These two requirements have been discussed with LTC Charles Haas in your office.

Since you have not requested additional certification, we recommend that your agency be allowed to procure goods and services, construction, information technology and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement code.

If you wish to discuss our review or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

We appreciate the cooperation that you and your staff provided during our audit. If we may be of assistance in the future, please call me or Jim Stiles at 737-2140.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jim Stiles
LTC Charles T. Haas
BG Jasper B. Varn, Jr.

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

March 10, 1986

Dr. Theron C. Smith, III
Chairperson
Board of Examiners in Optometry
P.O. Box 8725
Columbia, South Carolina 29202

Dear Dr. Smith:

On October 28, 1985, we examined your procurement records for the period July 30, 1981 through September 30, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions; however we noted the following exceptions:

1. Competition was not obtained for the procurement paid on voucher 142 dated 8/28/85 for \$2,101 for assistance with development and analysis of the 1985 examination. Regulation 19-445-2100(B)(3) requires solicitation from three qualified sources for a procurement between \$1,500.00 and \$2,499.99. We recommend adherence to the competitive requirements of the Consolidated Procurement Code and regulations.
2. The Division of Information Resource Management (DIRM) does not have an information technology plan for the fiscal year ending 6/30/86. We recommend that the Board contact DIRM to determine their requirements.
3. The Board has not submitted a Minority Business Enterprise (MBE) Plan or minority utilization reports to the Office of Small and Minority Business Assistance (OSMBA). The OSMBA should be contacted to determine whether a letter of intent or plan is required.

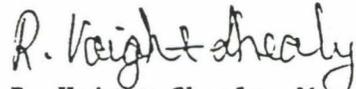
Dr. Theron C. Smith, III
Chairperson
Page 2

You have not requested additional certification, therefore we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Larry G. Sorrell

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

March 13, 1986

Ms. Betsy Kohlsaat
SC Commission on Women
2221 Devine Street, Suite 408
Columbia, South Carolina 29205

RE: Procurement Code Compliance Audit

Dear Ms. Kohlsaat:

On March 4, 1986, we examined your procurement records for the period July 1, 1981 through February 28, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your Agency had a limited number of procurement transactions and our examination indicated that these were handled in compliance with the Code and regulations.

You have not requested additional certification, therefore we recommend that the Agency be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Your cooperation is appreciated and our staff is available for your assistance at 758-3150.

Sincerely,

A handwritten signature in cursive script that reads "R. Voight Shealy".

R. Voight Shealy, Manager
Audit and Certification

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. M.B. Williams, Jr.

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

January 3, 1986

Ms. Bonnie L. Carroll
Executive Director
Board of Examiners for Nursing
Home Administrators
Post Office Box 11477, Capitol Station
Columbia, South Carolina 29211

RE: Procurement Code Compliance Audit

Dear Ms. Carroll:

On October 24, 1985, we examined your procurement records for the period July 1, 1981 through October 24, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your agency had a limited number of procurement transactions, and our examination indicated that the majority of these were procured in compliance with the Code. However, we did note the following exception.

Requisition number 63935 dated July 30, 1982, for four chairs totaling \$880.00, plus tax, did not have the required number of quotes attached. We recommend strict adherence to the competitive requirements of the Consolidated Procurement Code and regulations.

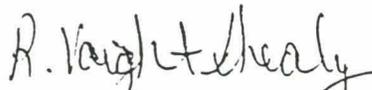
You have not requested additional certification, therefore we recommend that the Agency be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transaction listed herein or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Ms. Bonnie L. Carroll
January 3, 1986
Page 2

Your cooperation is appreciated, and our staff is available
for your assistance at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/db

cc: ✓ Mr. Richard W. Kelly
Mr. Richard Campbell
Ms. Rebecca Jones

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

January 3, 1986

Mr. Edwin E. Bowen, Jr.
Executive Director
Board of Chiropractic Examiners
1001 Assembly Street
Columbia, South Carolina 29201

RE: Compliance Audit of Agency Procurement Activity

Dear Mr. Bowen:

On October 14, 1985, we examined your procurement records for the period July 1, 1981 through October 14, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your agency had a limited number of procurement transactions, and our examination of all of these indicated they were handled properly.

We noted that an information technology plan had not been filed with the Division of Information Resource Management as required by Consolidated Procurement Code, Section 11-35-1580, Subsection (1), Item (g). If you have any questions concerning this Code requirement please contact Doug Smith at 758-2771.

Since you have not requested additional certification, we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the discrepancy listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Mr. Edwin E. Bowen, Jr.
January 3, 1986
Page 2

We appreciate the cooperation that you provided through our audit. If we may be of assistance in the future, please call me at 758-3150.

Sincerely,

R. Voight Shealy

R. Voight Shealy, Manager
Audit and Certification

/db

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jeffrey Widdowson

W.T. CHANDLER, D.C., Chairman
P.O. Box 5777
Anderson, S.C. 29623
Phone 261-3941

HENRY W. HULTEEN, D.C., Member
P.O. Box 1257
Camden, S.C. 29020
Phone 432-1478

EDWARD L. SESSIONS, D.C., Member
3835 Rivers Avenue
Charleston, S.C. 29405
Phone 554-1570

BILLY J. WEEKS, Member
1224 W. Evans
Florence, S.C. 29501
Phone 669-6623

Board of Chiropractic Examiners State of South Carolina



EDWIN E. BOWEN, JR., Executive Director
1001 Assembly St., Columbia, S.C. 29201
PHONE (803) 758-5601

RALPH D. POLSON, D.C., Vice Chairman
8 Middleton Place
Greer, S.C. 29651
Phone 877-2042

RICHARD D. MOONEYHAM, D.C., Member
1655 Broad River Road
Columbia, S.C. 29210
Phone 772-5241

LEON SIGLER, D.C., Member
P.O. Box 711
Kingstree, S.C. 29558
Phone 354-6514

LESLIE M. WISE, D.C., Member
1400 Fernwood Road
Spartanburg, S.C. 29302
Phone 585-5558

February 13, 1986

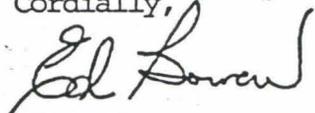
R. Voight Shealy, Manager
Audit and Certification
State of South Carolina
B&C - Div. of General Services
300 Gervais Street
Columbia, South Carolina 29201

Dear Voight:

I'm sorry for the delay in getting back to you on your letter of January 3 — I had some difficulty in getting in touch with Doug Smith — in fact I never was able to talk to him.

In any event, this will acknowledge receipt of your audit compliance letter of January 3. I hope the attached copy of my letter to Charles Forbes will take care of the requirement noted in paragraph 3 of the subject letter.

Cordially,


Edwin E. Bowen, Jr.
Executive Director

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

January 3, 1986

Mr. G. Anderson Surles
Executive Director
South Carolina Commission on
Sentencing Guidelines
2221 Devine Street, Suite 409
Columbia, South Carolina 29205

RE: Audit of Procurement Activity

Dear Mr. Surles:

On November 7, 1985, we examined your procurement records for the period July 1, 1981 through September 30, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

The Commission had a limited number of procurement transactions, and our examination of all of these indicated they were handled properly.

We noted that an information technology plan had been submitted to the Division of Information Resource Management for fiscal year 1986-87 but no plan had been submitted for fiscal year 1985-86. This current year plan should be prepared and submitted. Also, we found that no Minority Business Enterprise Utilization Plan for fiscal year 1985-86 had been submitted to the Office of Small and Minority Business Assistance. This plan should be submitted for approval.

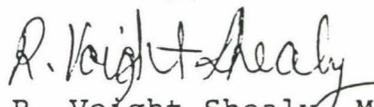
Since you have not requested additional certification, we recommend that the Commission be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Mr. G. Anderson Surles
January 3, 1986
Page 2

If you wish to discuss the discrepancies listed herein or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

We appreciate the cooperation that you and your staff provided during our audit. If we may be of assistance in the future, please call me or Jim Stiles at 758-3150.

Sincerely,



R. Voight Shealy Manager
Audit and Certification

/db

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jim Stiles

May 6, 1986

Mr. Avery Bland
Executive Secretary
Board of Funeral Services
Post Office Box 305
Johnston, South Carolina 29832

Dear Mr. Bland:

On April 15, 1986, we examined your procurement records for the period July 1, 1984 through March 31, 1986. This review was conducted to determine the appropriateness of procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions and our examination of these transactions indicated they were handled properly, however we noted the following exceptions.

1. The Board has not submitted a Minority Business Enterprise (MBE) Plan or minority utilization reports to the Office of Small and Minority Business Assistance (OSMBA). The OSMBA should be contacted to determine whether a letter of intent or plan is required.
2. The Materials Management Office does not have on file the Board's quarterly reports of sole source and emergency procurements and trade-ins for fiscal year 1985. The Board should contact The Materials Management Office to verify the procedures for filing these reports. Future reports should be filed on a quarterly basis with the Materials Management Office.
3. The Division of Information Resource Management (DIRM) does not have an information technology plan for the fiscal year ending 6/30/86. We recommend that the Board contact DIRM to determine their requirements.

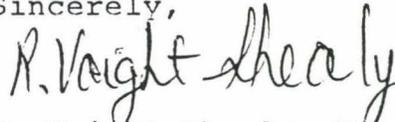
Mr. Avery Bland
May 6, 1986
Page 2

You have not requested additional certification, therefore we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

kl

CC: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Larry G. Sorrell

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

February 28, 1986

Colonel George P. Pechilis
Executive Director
Auctioneers' Commission
915 Main Street, Suite 221
Columbia, South Carolina 29202

Dear Colonel Pechilis:

On February 28, 1986, we examined your procurement records for the period July 1, 1981 through February 28, 1986. This review was conducted to determine the appropriateness of the procurement actions taken to ensure compliance with the Procurement Code and ensuing regulations.

Your Commission had a limited number of procurement transactions and our examination indicated that these were handled in compliance with the Code and regulations.

You have not requested additional certification, therefore we recommend that the Commission be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Your cooperation is appreciated and our staff is available for your assistance at 758-3150.

Sincerely,

A handwritten signature in cursive script that reads "R. Voight Shealy".

R. Voight Shealy, Manager
Audit and Certification

/db

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Marshall B. Williams, Jr.

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE F. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN
SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE
WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

January 3, 1986

Mr. William R. Moore
Director
Board of Certification of
Environmental Systems Operators
2221 Devine Street, Suite 320
Columbia, South Carolina 29205

RE: Compliance Audit of Agency Procurement Activity

Dear Mr. Moore:

On October 30, 1985, we examined your procurement records for the period July 1, 1981 through June 30, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

We noted the following exceptions:

1. The Board made an expenditure which exceeded its certification limit of \$2,500.00. Voucher 79 dated April 23, 1985, included payment for furniture totaling \$2,776.20. Section 19-445.2000, Subsection C, of the Regulations restricts direct procurements above \$2,500.00 to certified agencies. As a result, this is an unauthorized procurement and the Board must request ratification by the Materials Management Officer in accordance with Section 19-445.2015 of the regulations.
2. We noted four (4) procurements from \$500.00 to \$2,500.00 which were subject to the Code and regulations. None of these had required number of quotes attached.

Mr. William R. Moore
January 3, 1986
Page 2

<u>Voucher Date</u>	<u>Voucher Number</u>	<u>Amount</u>
11/18/83	62	\$687.49
02/10/84	107	\$600.60
03/09/84	123	\$553.98
04/16/85	77	\$959.27

Section 19-445.2100, Subsection B, requires solicitations of verbal or written quotes from a minimum of two qualified sources of supply for purchases from \$500.01 to \$1,499.99. We recommend strict adherence to the competitive requirements of the Consolidated Procurement Code and regulations.

In addition, the Board has not submitted a Minority Business Enterprise (MBE) Plan to the Office of Small and Minority Business Assistance (OSMBA). We recommend that the Board contact OSMBA to determine their requirements.

You have not requested additional certification, therefore we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,

R. Voight Shealy
R. Voight Shealy, Manager
Audit and Certification

/db

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Ms. Rebecca E. Jones



State of South Carolina

OFFICE OF

BOARD OF CERTIFICATION OF ENVIRONMENTAL SYSTEMS OPERATORS

2221 DEVINE STREET, SUITE 320
COLUMBIA, SC 29205

PHONE 758-5434

January 15, 1986

Mr. R. Voight Shealy
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

Dear Mr. Shealy:

In response to your letter of January 3, 1986 please note the following:

1. Voucher 79 which exceeded by \$276.20 the \$2,500.00 procurement limit was the result of adding to the purchase order several minor items, not realizing that the additional items would put the total over \$2,500.00. Estimates were obtained from three sources and we did buy from the lowest of the three bids. We do request ratification of this purchase in accordance with Section 19-445.2015 of the regulations and will make every effort to stay within existing regulations.
2. Voucher 62 (\$687.49) was for office equipment and three quotes were obtained before the purchase was made. Quotes were from Rigdon Office Supply, Columbia Office Supply and Lorick Office Equipment. Voucher 107 was for special computer software which could not be obtained elsewhere. Vouchers 123 and 77 were for business forms and quotes had been obtained when we first ordered the forms. In the future we will obtain quotes before placing any new orders for forms.
3. We will contact the Office of Small and Minority Business Assistance concerning the development of a Minority Business Enterprise Plan.

We are grateful for your recommendations and will be happy to respond to any additional concerns as a result of your audit.

Sincerely,

A handwritten signature in cursive script, appearing to read "W. R. Moore".

William R. Moore
Director

WRM/tg

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

January 31, 1986

Mr. Russel Logan, Chairman
Board of Barber Examiners
P.O. Box 11983
Columbia, S.C. 29211

RE: Compliance Audit of Agency Procurement Activity

Dear Mr. Logan:

On January 14, 1986 we examined your procurement records for the period July 30, 1981 through September 30, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions, and our examination of all of these indicated most were handled properly. However, we did note the following transactions that we wish to draw to your attention. The majority of these were for printing services, competition should have been solicited.

<u>Date</u>	<u>Amount</u>	<u>Item Description</u>
1-10-84	857.68	Desk and Chair
9-9-82	553.70	Printing Services
6-30-83	835.54	Printing Services
7-10-82	541.00	Printing Services
4-5-82	988.81	Printing Services
4-1-84	799.66	Printing Services
5-24-84	517.50	Printing Services

In the future, these type transactions should be handled under one of the source selection processes as outlined in Section 11-35-1510 of the Code.

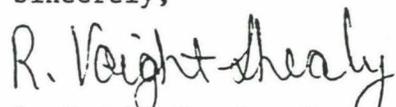
Since you have not requested additional certification, we recommend the Board be allowed to procure all goods and services, construction, information technology, and consultant services up to the basic level of 2,500.00 as outlined in the Procurement Code.

Mr. Russell Logan, Chairman
January 31, 1986
Page 2.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty (30) days of receipt of this letter.

We appreciate the cooperation that you provided through our audit. If we may be of assistance in the future, please call me at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Jeffrey Widdowson
Mr. Richard J. Campbell

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR
GRADY L. PATTERSON, JR.
STATE TREASURER
EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE
TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE
WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

January 3, 1986

Mr. Gary R. Baker
Executive Director
State Ethics Commission
SCN Center, Suite 930
1122 Lady Street
Columbia, South Carolina 29201

RE: Audit of Procurement Activity

Dear Mr. Baker:

On October 28, 1985, we examined your procurement records for the period July 30, 1981 through September 30, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

We reviewed one hundred percent (100%) of the transactions for fiscal years 1983-84 and 1985-86. We found no audit exceptions and commend you for your efforts. We did note your agency had not submitted a fiscal year 1985-86 Minority Business Enterprise Utilization Plan (MBE). This should be submitted to the Office of Small and Minority Business for approval, in accordance with Section 11-35-5240(2) of the Procurement Code.

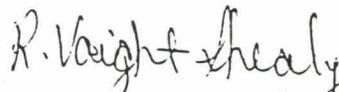
Since you have not requested additional certification, we recommend that the Commission be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss our review or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Mr. Gary R. Baker
January 3, 1986
Page 2

We appreciate the cooperation that you and your staff provided during our audit. If we may be of assistance in the future, please call me or Jim Stiles at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/db

cc: ✓ Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jim Stiles

COMMISSIONERS
C.HUGH PATRICK, JR., 4TH DISTRICT
CHAIRMAN
S. ANNE WALKER, 5TH DISTRICT
VICE-CHAIRWOMAN



COMMISSIONERS
EDWARD E. DURYEY, 1ST DISTRICT
DR. CLEMMIE E. WEBBER, 2ND DISTRICT
DR. D.H. DANIEL, 3RD DISTRICT
JAMES C. McLEOD, JR., 6th DISTRICT

State of South Carolina
State Ethics Commission

GARY R. BAKER
EXECUTIVE DIRECTOR

(803) 758-7408
1122 Lady Street, Ste. 930
Columbia, S.C. 29201

January 6, 1986

Mr. R. Voight Shealy, Manager
Audit and Certification
Division of General Services
300 Gervais Street
Columbia, SC 29201

RE: AUDIT OF PROCUREMENT ACTIVITY July 30, 1981 through
September 30, 1985

Dear Mr. Shealy:

Your letter of January 3, 1986 stated that your audit of the State Ethics Commission indicated no audit exceptions. You also recommended that the Commission be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500 as outlined in the Procurement Code.

However, you did note that the Commission failed to submit a fiscal year 1985-86 Minority Business Enterprise Utilization Plan (MBE) and suggested that the plan be submitted for approval in accordance with Section 11-35-5240(2) of the Procurement Code. Approval was received on November 27, 1985, after the completion of your audit, and a copy of that approval is enclosed. I shall appreciate your making the MBE letter of approval a part of your audit file and letting me have your letter of acknowledgement indicating that the State Ethics Commission is now in full compliance with the Procurement Code and ensuing regulations.

Please contact me if I can provide any further information in this matter.

Sincerely,

A handwritten signature in dark ink that reads "Gary R. Baker".
Gary R. Baker
Executive Director

GRB:abs
Enclosure

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jim Stiles

State of South Carolina

Office of the Governor

RICHARD W. RILEY
GOVERNOR

OFFICE OF EXECUTIVE
POLICY AND PROGRAMS

September 13, 1984

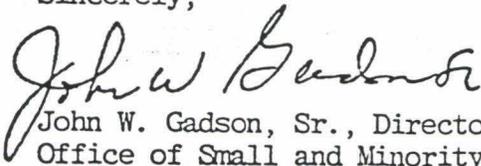
Mr. Gary Baker, Executive Director
State of South Carolina Ethics Commission
SCN Center, Suite 930
1122 Lady Street
Columbia, South Carolina 29201

Dear Mr. Baker,

Your Minority Business Utilization Plan has been reviewed by our office and found to be in compliance with Article 21 of the State Procurement Code. We appreciate the time and efforts you have put into the agency's plan.

We look forward to working with you in its implementation during the fiscal year 1984-1985.

Sincerely,



John W. Gadson, Sr., Director
Office of Small and Minority Business Assistance

copies: Mr. Voight Shealy, Audits and Certification ✓
Division of General Services
Ms. Karla Schroeder, OSMBA

Office of Small & Minority Business Assistance
Edgar A. Brown Building, Room 305, 1205 Pendleton Street, Columbia 29201
(803) 758-5560

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
 DIVISION OF GENERAL SERVICES
 300 GERRAIS STREET
 COLUMBIA, SOUTH CAROLINA 29201
 (803) 758-3150

RICHARD W. RILEY, CHAIRMAN
 GOVERNOR

GRADY L. PATTERSON, JR.
 STATE TREASURER

EARLE E. MORRIS, JR.
 COMPTROLLER GENERAL



REMBERT C. DENNIS
 CHAIRMAN,
 SENATE FINANCE COMMITTEE

TOM G. MANGUM
 CHAIRMAN,
 HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
 EXECUTIVE DIRECTOR

RICHARD W. KELLY
 ASSISTANT DIVISION DIRECTOR

March 10, 1986

Mr. N.B. Heyward
 Executive Director
 Board of Dentistry
 1315 Blanding Street
 Columbia, South Carolina 29201

Dear Mr. Heyward:

On October 28, 1985, we examined your procurement records for the period July 1, 1984 through October 15, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

We noted these exceptions:

1. The following vouchers for the period 7/1/84 - 6/30/85 were not competed:

<u>Voucher</u>	<u>Amount</u>	<u>Description</u>
3	\$1,222.00	Maintenance on Equipment
34	\$700.15	Transcript Services
36	\$673.40	Insurance above State limit
I-18	\$546.85	Transcript Services
175	\$506.28	Shipping Containers

2. The following vouchers for the period 7/1/85 to 10/15/85 were not competed:

<u>Voucher</u>	<u>Amount</u>	<u>Description</u>
5	\$1,222.00	Maintenance on Equipment
39	686.89	Insurance above State limit

Regulation 19-445-2100(B)(2) requires solicitations of verbal or written quotes from a minimum of two qualified sources for purchases from \$500.01 to \$1,499.99. We recommend adherence to the competitive requirements of the Consolidated Procurement Code and regulations.

Mr. N.B. Heyward
Executive Director
Page 2

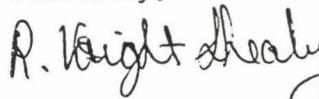
2. The Board has not submitted a Minority Business Enterprise (MBE) Plan or minority utilization reports to the Office of Small and Minority Business Assistance (OSMBA). The OSMBA should be contacted to determine whether a letter of intent or plan is required.

You have not requested additional certification, therefore we recommend that the Board be allowed to procure good and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd

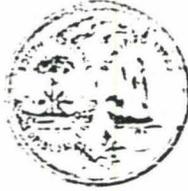
cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Larry Sorrell

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

March 6, 1986

Mrs. Laverne H. Watson
Directress
S.C. Confederate Relic Room
and Museum
World War Memorial Building
920 Sumter Street
Columbia, South Carolina 29201

RE: Procurement Code Compliance Audit

Dear Mrs. Watson:

On March 4, 1986 we examined your procurement records for the period July 1, 1981, through February 28, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your Agency had a limited number of procurement transactions and our examination indicated that these were handled in compliance with the Code and regulations.

You have not requested additional certification, therefore we recommend that the Agency be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Your cooperation is appreciated and our staff is available for your assistance at 758-3150.

Sincerely,

A handwritten signature in dark ink that reads "R. Voight Shealy".

R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. M.B. Williams, Jr.

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

June 3, 1986

Mr. Robert H. White
Executive Director
SC Council on Vocational
and Technical Education
2221 Devine Street, Suite 420
Columbia, South Carolina 29205

Subject: Procurement Code Compliance Audit

Dear Mr. White:

On April 30, 1986 we examined your procurement records for the period July 30, 1981 through March 31, 1986. The review was conducted to determine the appropriateness of procurement actions and to ensure compliance with the Procurement Code and ensuing regulations.

The Council had a limited number of procurement transaction, and our examination indicated that the majority of these were procured in compliance with the Code. We did note the following exception:

The determination for one (1) sole source procurement did not justify it as such (marketing research contact for \$7,500.00). Additional information indicated that an emergency determination might have been more appropriate. Sections 19-445.2105 and 19-445.2110 of the regulations specify the bases for sole source and emergency procurements.

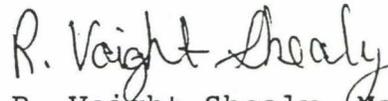
Mr. White
June 3, 1986
Page 2

You have not requested additional certification, therefore we recommend that the council be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt.

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd



SOUTH CAROLINA COUNCIL ON
VOCATIONAL AND TECHNICAL EDUCATION

2221 DEVINE STREET, SUITE 420
COLUMBIA, S.C. 29205
TEL. (803) 758-3038



STEPHEN CARTER
Chairman

ROBERT H. WHITE
Executive Director

June 9, 1986

Mr. R. Voight Shealy, Manager
Audit and Certification
Budget and Control Board
Division of General Services
300 Gervais Street
Columbia, S. C. 29201

Dear Mr. Shealy:

I have received your letter of June 3 relating to the Procurement Code Compliance Audit.

The decision as to whether a contract should be under sole source or by an emergency determination is essentially subjective in nature. It is my belief, after having again reviewed the regulations that specify the bases for sole source and for emergency procurements, that our initial determination was correct.

We are making every effort to comply with the provisions of the Procurement Code, and we appreciate the cooperation from your office in conducting the audit.

Sincerely,

Robert H. White
Executive Director

/s

xc: Mr. Stephen Carter, Council Chairman

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

January 31, 1986

Mr. C. Douglas Chavous
Executive Secretary
Board of Pharmacy
P.O. Box 11927
Columbia, S.C. 29211

RE: Compliance Audit of Agency Procurement Activity

Dear Mr. Chavous:

January 14, 1986, we examined your procurement records for the period July 30, 1981 through September 30, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions, and our examination of all of these indicated most were handled properly. However, we did note the following exceptions that we wish to draw to your attention:

- 1). Your Board uses examination forms which you purchase from the National Association of Boards of Pharmacy. In August, 1982, the Budget and Control Board exempted the procurement of printed examination forms from the Code. Therefore, these procurements need not be reported as sole source.
- 2). Your agency has not complied with the Code for the submission of an agency Information Technology Plan to the Division of Information Resource Management for fiscal years 1984-85 and 1985-86. Please comply with this requirement in the immediate future and forward us a copy of its approval for our files.

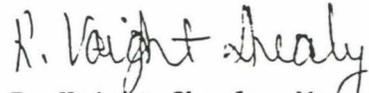
Since you have not requested additional certification, we recommend the Board be allowed to procure all goods and services, construction, information technology, and consultant services up to the basic level of 2,500.00 as outlined in the Procurement Code.

Mr. C. Douglas Chavous
Executive Secretary
January 31, 1986
Page 2.

If you wish to discuss the transaction listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty (30) days of receipt of this letter.

We appreciate the cooperation that you provided during our audit. If we may be of assistance in the future, please call me at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Jeffrey Widdowson
Mr. Richard J. Campbell

South Carolina Board of Pharmacy



POST OFFICE BOX 11927
COLUMBIA, SOUTH CAROLINA 29211
TELEPHONE (803) 758-5447

July 11, 1986

R. Voight Shealy, Manager
Audit and Certification
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

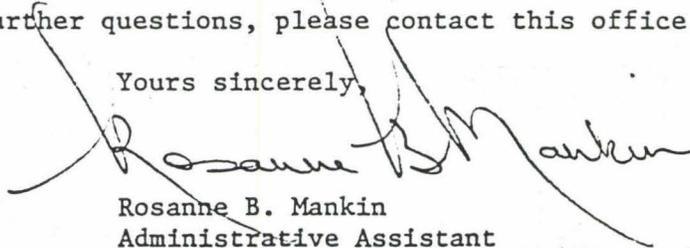
Dear Mr. Shealy:

Due to an oversight, your letter of January 31, 1986 concerning the Compliance Audit of Agency Procurement Activity for the Board of Pharmacy was not acknowledged.

In response to the exceptions noted in your letter, we will discontinue reporting the purchase of our examination forms as sole source procurements; and, attached is a copy of a memorandum from C. D. Chavous, Executive Secretary of the Board of Pharmacy, to Larry Huckabee of Information Resource Management concerning the Information Technology Plan for the Board of Pharmacy.

Should you have further questions, please contact this office.

Yours sincerely,

A handwritten signature in cursive script, appearing to read "Rosanne B. Mankin".

Rosanne B. Mankin
Administrative Assistant

Enclosure

cc: Jeff Widdowson

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

January 3, 1986

Ms. Barbara P. Harper
Executive Director
State Board of Architectural Examiners
Suite 244, 2221 Devine Street
Columbia, South Carolina 29205

RE: Audit of Procurement Activity

Dear Ms. Harper:

On November 8, 1985, we examined your procurement records for the period July 30, 1981 through September 30, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions, and our examination of all of these indicated they were handled properly.

We did note that an information technology plan had not been submitted to the Division of Information Resource Management for fiscal year 1986-87. Since this is past due it should be submitted as soon as possible. Also, we found that no Minority Business Enterprise Utilization Plan (MBE) for fiscal year 1985-86 had been submitted to the Office of Small and Minority Business Assistance. This is an annual requirement by the Procurement Code.

In the past three years you have reported over \$28,000 of sole source procurements to the Materials Management Office. These procurements were to the National Council of Architectural Registration Board for examinations. In August, 1982, the Budget and Control Board exempted the procurement of printed examination forms from the Code. Therefore, these procurements need not be reported as sole sourced.

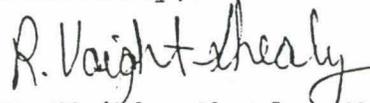
Ms. Barbara P. Harper
January 3, 1986
Page 2

Since you have not requested additional certification, therefore we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the discrepancies listed herein or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

We appreciate the cooperation that you and your staff provided during our audit. If we may be of assistance in the future, please call me or Jim Stiles at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/db

cc: ✓ Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jim Stiles



South Carolina
State Board of
Architectural
Examiners

January 9, 1986

Mr. R. Voight Shealy, Manager
Audit and Certification
Budget and Control Board
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

RE: Audit of Procurement Activity

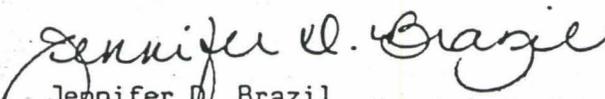
Dear Mr. Shealy:

We are in receipt of your letter of January 3, 1986, regarding the Audit of Procurement Activity for our Agency. Please be advised that our Information Technology Plan has been filed and approved by the Division of Information Resource Management. Also, the Office of Small and Minority Business Assistance has received and approved this Agency's Minority Business Enterprise Utilization Plan.

We appreciate Mr. Stiles' bringing to our attention that the sole source reports in the future should not contain printed examination forms used by this Board in administering the annual examination. We have noted our records to reflect this exemption, and they will not be reported in the future.

Our Board appreciates the patient and professional manner in which Mr. Stiles conducted this audit, and we hope he found our cooperation to be satisfactory. Please let us know if we may be of further assistance.

Sincerely,


Jennifer D. Brazil
Administrative Assistant

/jdb

F. Earle Gaudin
Chairman
P. O. Box 2527
Greenville, SC 29602
803 242-0761

Peter A. McKellar, III
Vice-Chairman
P. O. Box 1076
Mt. Pleasant, SC 29464
803 884-9085

Don E. Golightly
Secretary-Treasurer
2818 Devine St.
Columbia, SC 29205
803 799-6900

M. Elizabeth Crum
Public Member
P. O. Box 17390
Columbia, SC 29211
803 799-9800

Harlan E. McClure
Member
College of Architecture
Clemson University
Clemson, SC 29631
803 654-2862

Allen P. Wood
Member
P. O. Drawer 3868
Florence, SC 29502
803 669-8266

Mrs. Barbara P. Harper
Executive Director

Trent D. Siple
Investigator

Suite 244
2221 Devine Street
Columbia, South Carolina
29205-2470
Telephone 803 758-3598

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-2150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



WILLIAM J. CLEMENT
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

March 3, 1986

Ms. Jami A. Bennett
Directress
South Carolina Criminal Justice Hall of Fame
5400 Board River Road
Columbia, South Carolina 29210

SUBJECT: Procurement Code Compliance Audit

Dear Ms. Bennett:

On March 3, 1986, we examined your procurement records for the period July 1, 1981 through February 28, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your Agency had a limited number of procurement transactions and our examination indicated that these were handled in compliance with the Code and regulations.

You have not requested additional certification, therefore we recommend that the Agency be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Your cooperation is appreciated and our staff is available for your assistance at 737-2140.

Sincerely,

A handwritten signature in cursive script that reads "R. Voight Shealy".

R. Voight Shealy, Manager
Audit and Certification

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

April 1, 1986

Ms. Jane W. Wicker
Office of the Lieutenant Governor
P. O. Box 142
Columbia, South Carolina 29202

RE: Compliance Audit of Agency Procurement Activity

Dear Ms. Wicker:

On March 14, 1986, we examined your procurement records for the period July 1, 1981 through February 28, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

We noted the following exceptions:

1. Two procurements for engraved stationary exceeded \$500. per procurement. These were procured without either competition or sole source justification. Section 19-445.2100, Subsection B, requires solicitations of verbal or written quotes from a minimum of two qualified sources of supply for purchases from \$500.01 to \$1,499.99. We recommend strict adherence to the competitive requirements of the Consolidated Procurement Code and regulations.
2. Your office has not submitted a Minority Business Enterprise Plan to the Office of Small and Minority Business Assistance. We recommend that your office contact them to determine their requirements.

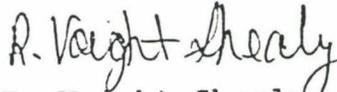
Your office has not requested additional certification, therefore, we recommend that the office be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Ms. Jane Wicker
April 1, 1986
Page 2

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience.

The cooperation of Ms. Ross is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/ss

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. M. B. Williams, Jr.

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

April 1, 1986

Mr. Errol Catoe
Executive Director
Licensing Board for Contractors
P.O. Box 5737
Columbia, S.C. 29250

RE: Compliance Audit of Agency Procurement Activity

Dear Mr. Catoe:

On March 3, 1983 we examined your procurement records for the period July 30, 1983 through February 28, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions, and our examination of all of these indicated most were handled properly. However, we did note the following transactions that we wish to draw to your attention. These were for office furniture and competition should have been solicited.

<u>Date</u>	<u>Amount</u>	<u>Item Description</u>
08/05/83	\$628.16	Wood Secretarial Desk
09/11/84	\$556.48	Padded Folding Chairs
08/26/85	\$673.15	Wood Desk

In the future, these type transactions should be handled under one of the source selection processes outlined in Section 11-35-1510 of the Code.

Additionally, the Board has not submitted a Minority Business Enterprise Plan or minority utilization reports to the Office of Small and Minority Business Assistance. They should be contacted to determine whether a letter of intent or plan is required.

Mr. Errol Catoe
April 1, 1986
Page 2

A review of sole source and emergency procurements revealed one transaction for the development of examination forms which does not appear to be a sole source. Your justification reads in part:

".... This is a very specialized service and is offered by a limited number of firms and organizations."

The justification indicates that other sources are available. Section 19-445.2110 of the regulations states: "Sole source procurement is not permissible unless there is only a single supplier."

You have not requested additional certification, therefore we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,

R. Voight Shealy
R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard Kelly
Mr. Richard Campbell
Mr. Jeff Widdowson



State of South Carolina
Licensing Board for Contractors

1300 PICKENS STREET
P.O. BOX 5737
COLUMBIA, S.C. 29250
(803) 758-2356

April 18, 1986

R. Voight Shealy, Manager
Audit & Certification
SOUTH CAROLINA BUDGET & CONTROL BOARD
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

RE: Procurement Activity Audit

Dear Mr. Shealy:

I have received your letter dated April 1, 1986 concerning the result of the referenced audit.

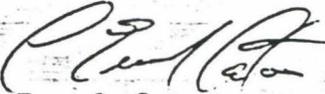
The desk and chair purchases were errors on my part. I misunderstood that the State contract with the vendor did not include "wood" furniture.

Item two, Minority Business Enterprise Plan has been filed with the Office of Small & Minority Business Administration along with a utilization report for the last two years.

The last item, sole source procurement of exam development, was handled properly in my opinion. While others offer similar services, it is like comparing apples and oranges. Our exams must be geared to the particular classification and limitation groups set forth in the statute. We also wanted to keep the exam development in State if possible. We feel that by contracting with another State agency, Clemson University, we met these requirements and received quality exams at a very reasonable price. I would also point out that examination forms used for State licensing examinations are exempt from the procurement code. Clemson contract required them to provide the necessary forms for the exams.

This agency will make every effort to continue our purchase practices in accordance with the Consolidated Procurement Code.

Sincerely yours,


C. Errol Catoe
Executive Director

CEC/kw

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

January 3, 1986

Mrs. Mary M. Law
Director
State Board of Registration
for Professional Engineers
and Land Surveyors
2221 Devine Street, Suite 404
Columbia, South Carolina 29205

RE: Audit of Procurement Activity

Dear Mrs. Law:

On November 6, 1985, we examined your procurement records for the period July 30, 1981 through September 30, 1985. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions, and our examination of all of these indicated most were processed accurately and properly. However, we did not the following exceptions that we wish to draw to your attention.

1. Your Board uses examination forms that are prepared and graded by the National Council of Engineering Examiners (NCEE). In August, 1982, the Budget and Control Board exempted the procurement of printed examination forms from the Code. Therefore, these procurements need not be reported as sole source.
2. Requisition 4717 dated January 25, 1985, for license mailers totaled \$3,65.00. This was handled as an emergency procurement but a written determination was not prepared. According to your internal policy, you should have completed and signed a formal determination for this procurement.

Mrs. Mary M. Law
January 3, 1986
Page 2

3. Requisition 5533 dated January 16, 1985, for continuous printed forms totaled \$3,008.02. A note on the requisition indicated that this was a sole source procurement but the required determination was not prepared.
4. We observed two orders for printing services, Requisitions 5511 and 5526, where the vendor, who was low bid a year earlier, was awarded these contracts totaling \$1,668.00. Even though the vendor had the job set up from the previous year, competition should have been solicited.
5. The following transactions had neither documentation of competition nor sole source justifications:
 - a) Requisition 5548 for a Query 36 software package and Displaywriter 36 totaling \$1,357.46.
 - b) Rental of Jamil Temple Auditorium for \$650.00.
 - c) IBM S/36 System Operations Class for \$550.00.
 - d) Maintenance agreement to IBM for fiscal year 84-85 totaling \$1,356.00.

In the future, these type transactions should be handled under one of the source selection processes as outlined in Section 11-35-1510 of the Code.

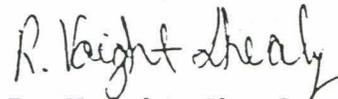
Since the Board has not requested additional certification, we recommend the Board be allowed to procure all goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty (30) days of receipt of this letter.

Mrs. Mary M. Law
January 3, 1986
Page 3

We appreciate the cooperation of you and your staff during our audit and if we can be of assistance in the future, please call me or Jim Stiles at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/db

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jim Stiles

May 2, 1986

Mr. R. Larry Kight
Director
Board of Accountancy
Post Office Box 11376
Columbia, South Carolina 29211

Dear Mr. Kight:

On April 14, 1986, we examined your procurement records for the period July 1, 1984 through March 31, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions, and our examination indicated they were handled properly. The only exceptions noted was your reporting the following transactions as sole source procurements:

<u>VOUCHER</u>	<u>AMOUNT</u>	<u>DESCRIPTION</u>
205	\$23,670.00	CPA exam
357	\$21,423.80	CPA exam

On August 24, 1982, the Budget and Control Board granted an exemption for printed examination forms used in the administration of State licensing examinations. Therefore, these transactions need not be reported.

In addition, the Board has not submitted a Minority Business Enterprise (MBE) Plan to the Office of Small and Minority Business Assistance (OSMBA). We recommend that the Board contact OSMBA to determine their requirements.

You have not requested additional certification, therefore we recommend that the Board be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Mr. Larry Kight
May 2, 1986
Page 2

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Your cooperation is appreciated, and our staff is available for your assistance at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

CC: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Larry G. Sorrell

South Carolina Board of Accountancy

P. O. Box 11376 / Columbia, S. C. 29211

May 14, 1986

(803) 758-8355

R. LARRY KIGHT, CPA
Director

Mr. R. Voight Shealy, Manager
Audit and Certification
Division of General Services
300 Gervais Street
Columbia, SC 29201

Dear Mr. Shealy:

This is in response to your letter of May 2, 1986 concerning the review of our procurement records.

Today we have sent a letter of intent to the Office of Small and Minority Business Assistance stating that we will, whenever possible, use minority businesses during 1986-87 when procuring goods and services, under the guidelines of Article 21 of the South Carolina Procurement Code.

Very truly yours,


R. Larry Kight
Director

RLK/es

JOHN M. GREENE, CPA
Chairman
P. O. Box 1406
Anderson, SC 29622

BERNARD H. BAUM
Vice-Chairman
P. O. Box 3487
North Myrtle Beach, SC 29582

WILLIAM P. EDENFIELD, CPA
Secretary-Treasurer
P. O. Box 1284
Orangeburg, SC 29116

CARL B. HARPER, JR., CPA
1600 Daniel Building
Greenville, SC 29602

JOSEPH E. HEYWARD
P. O. Box 384
Florence, SC 29503

FRANCIS A. HUMPHRIES, CPA
155 King Street
Charleston, SC 29401

MARION E. SMITH, SR., PA
P. O. Box 676
Conway, SC 29526

JOHN M. STOVER, CPA
P. O. Box 135
Columbia, SC 29202

JOHN A. THEODORE, PA
46 Pine Knot Drive
Greenville, SC 29609

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

April 3, 1986

Dr. John M. Bevan
Executive Director
Charleston Higher Education Consortium
171 Ashley Avenue
Charleston, South Carolina 29425

RE: Compliance Audit of Agency Procurement Activity

Dear Dr. Bevan:

On March 12, 1986 we examined your procurement records for the period July 1, 1984 through February 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Consortium had a limited number of procurement transactions, and our review of all of these indicated they were handled properly. However, the Consortium has not submitted a Minority Business Enterprise (MBE) Plan or minority utilization reports to the Office of Small and Minority Business Assistance (OSMBA). The OSMBA should be contacted to determine whether a letter of intent or plan is required.

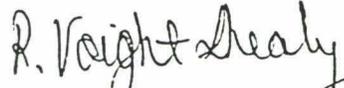
Since you have not requested additional certification, we recommend the Consortium be allowed to procure all goods and services, construction, information technology and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transaction listed here or any other procurement related matter, we will be glad to meet with you at your convenience.

Dr. John M. Bevan
April 3, 1986
Page 2

We appreciate the cooperation that Ms. Donna Bessinger and Mr. Chad Chadwick of MUSC provided during our audit. If we may be of assistance in the future, please call us at 758-3150.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Marshall B. Williams, Jr.
Mr. Fred Woodham - MUSC

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-2140

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D
EXECUTIVE DIRECTOR



RICHARD W. KELLY
DIVISION DIRECTOR

July 24, 1986

Ms. Marie Pelzer
Executive Director
The Old Exchange Building Commission
East Bay at Broad Street
Charleston, South Carolina 29401

Dear Ms. Pelzer:

On April 30, 1986 we examined your procurement records for the period July 1, 1983 through March 31, 1986. This review was conducted to determine the appropriateness of procurement actions and to ensure compliance with the South Carolina Consolidated Procurement Code and ensuing regulations.

Your agency had a limited number of procurement transactions; however we noted the following exceptions.

1. Twenty-one expenditures were not supported by evidence of competition or a sole source determination.

<u>Voucher Date</u>	<u>Voucher Number</u>	<u>Voucher Amount</u>
11/10/83	223	\$ 596.51
03/06/84	372	728.00
06/08/84	522	565.00
06/08/84	523	542.85
12/14/83	288	1,351.17
03/06/84	370	553.24
08/22/84	79	950.52
09/10/84	89	2,013.62
04/09/85	359	1,090.50
10/01/84	134	574.97
10/01/84	142	625.35
08/22/84	84	1,211.22
03/11/85	326	556.51
05/01/85	402	621.33

Ms. Marie Pelzer
July 24, 1986
Page 2

<u>Voucher Date</u>	<u>Voucher Number</u>	<u>Voucher Amount</u>
05/21/85	420	509.47
12/03/85	243	2,586.00
11/08/85	228	584.21
02/21/86	319	521.81
07/30/85	60	761.52
11/08/85	236	563.39
12/13/85	272	644.69

The competitive requirements of the Consolidated Procurement Code must be satisfied by utilizing one of the methods of source selection described in section 19-445.2000, Subsection D, of the regulations.

2. Voucher 243 for \$2,586.00, dated December 3, 1985, exceeded the agency's certification limit of \$2,500.00. This procurement must be ratified by the Materials Management Officer in accordance with section 19-445.2015 of the regulations.

3. Voucher 227 dated November 10, 1983 for \$2,195.00 was supported by two written quotes rather than the three required by section 19-445.2100 of the regulations.

4. A procurement of twenty-eight color slides totalling \$1,470.00 was paid on three vouchers. No competition was obtained.

<u>Voucher Date</u>	<u>Voucher Number</u>	<u>Voucher Amount</u>
02/04/85	287	\$ 367.50
04/09/85	353	367.50
05/21/85	419	735.00

5. An emergency determination was prepared for voucher 410, \$ 6,300.00, dated May 15, 1985, but the expenditure was not reported to the Division of General Services. Records at General Services indicate that quarterly reports have not been filed since August, 1984. Section 11-35-2440 of the Procurement Code states the reporting requirements of state agencies. Reports must be filed indicating "no activity" if that is the case.

Ms. Marie Pelzer
July 24, 1986
Page 3

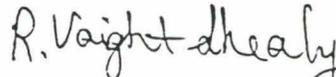
6. Our records indicate that the former executive director is the authorized designee to sign sole source and emergency determinations for your agency. Please notify us in writing of the current designee.

7. The Commission has not submitted a Minority Business Enterprise (MBE) Plan or minority utilization reports to the Office of Small and Minority Business Assistance (OSMBA). The OSMBA should be contacted to determine whether a letter of intent or plan is required.

We acknowledge that the current administration was not employed by the Commission during the audit period, however, due to the number and types of audit findings, I would like to meet with you and your staff to discuss the contents of this letter. Hopefully, we can conduct this meeting by August 22. Please contact me at 737-2140 to establish a date and time convenient to you.

I have enclosed the forms and information pertaining to determinations and findings and quarterly reports that you have requested. Your cooperation is appreciated, and our staff is available for assistance.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard Kelly
Mr. Richard Campbell
Ms. Rebecca Jones

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

May 13, 1986

Mr. Charles A. Shaw
Director
S.C. Dairy Commission
Columbia, South Carolina 29201

Dear Mr. Shaw:

On April 28, 1986, we examined your procurement records for the period July 1, 1981 through March 30, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

The Commission had a limited number of procurement transactions and our examination indicated that these were handled in compliance with the Code and regulations.

You have not requested additional certification, therefore we recommend that the Commission be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Your cooperation is appreciated and our staff is available for your assistance at 758-3150.

Sincerely,

Handwritten signature of R. Voight Shealy in cursive.

R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jeff Widdowson

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILLY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

December 30, 1985

Mrs. Doris Brantley
Executive Secretary
State Board of Cosmetology
1209 Blanding Street
Columbia, South Carolina 29201

RE: Audit of Procurement Activity

Dear Mrs. Brantley:

On October 25, 1985, we examined your procurement records for the period July 30, 1981 through June 30, 1985. This review was conducted for the purpose of determining the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

The Board had a limited number of procurement transactions yearly. Our examination of one hundred percent (100%) of the procurements in fiscal year 1984-85 indicated they were handled properly with the following seven exceptions:

1. Your Board needs to submit the fiscal year 1985-86 Minority Business Enterprise Utilization Plan (MBE) to the Office of Small and Minority Business for approval in accordance with Section 11-35-5240(2) of the Procurement Code.
2. Computer services to Digitron, approved in 1976, need to be reported as a sole source procurement to the Materials Management Office.

Mrs. Doris Brantley
December 30, 1985
Page 2

3. The Board obtained a grading service for examinations from the National Interstate Council of State Boards of Cosmetology. This procurement also appears to be a sole source and, if so, should be reported to the Materials Management Office.
4. On October 21, 1985, the Board entered into a purchase order agreement for five new typewriters. Four old typewriters were traded in for \$1,280. Approval must be obtained from the Materials Management Office for trade ins greater than \$500.
5. One procurement for a PCMATE Software Package, with training, totaling \$855.75 was not supported by documented competition or a sole source justification.
6. Four skin care chairs and four ottomays were purchased for \$760.90. The purchase was made by using prices received a year earlier when buying similar chairs. New prices should have been solicited. Only one additional quote was required.
7. As we discussed, it is our opinion that all purchases should be supported at least by the preparation of requisitions. As indicated in Regulation 19-445.2020, Subsection A, we must review the particular governmental body for:
 - a) adequate audit trails and purchase order registers; and
 - b) file documentation of procurements.

Since you have not requested additional certification, we recommend that the Board be allowed to procure goods and services, information technology, consultants and construction up to the basic level of \$2,500, as outlined in the Code.

If you wish to discuss the transactions listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty (30) days of receipt of this letter.

Mrs. Doris Brantley
December 30, 1985
Page 2

We appreciate the cooperation that you and your staff provided during our audit. If we may be of assistance in the future, please call me or Jim Stiles at 758-3150.

Sincerely,

R. Voight Shealy

R. Voight Shealy, Manager
Audit and Certification

/db

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jim Stiles

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

April 1, 1986

Mr. Emory L. Hilton
Director
Board of Financial Institutions
Consumer Finance Division
P.O. Box 11905
Columbia, South Carolina 29211

RE: Procurement Code Compliance

Dear Mr. Hilton:

On March 13, 1986, we examined your procurement records for the period July 1, 1983 through February 28, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your Agency had a limited number of procurement transactions and our examination indicated that these were handled in compliance with the Code and regulations.

You have not requested additional certification, therefore we recommend that the Agency be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Your cooperation is appreciated and our staff is available for your assistance at 758-3150.

Sincerely,

R. Voight Shealy
R. Voight Shealy, Manager ✓
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Larry Sorrell

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-2140

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



RICHARD W. KELLY
DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D
EXECUTIVE DIRECTOR

July 29, 1986

Mr. James N. Workman
Executive Director
Clarks Hill-Russell Authority
of South Carolina
Post Office Drawer K
McCormick, South Carolina 29835

RE: Compliance Audit of Agency Procurement Activity

Dear Mr. Workman:

On June 13, 1986 we examined your procurement records for the period July 30, 1983 through May 30, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Authority had a limited number of procurement transactions, and our examination of all of these indicated most were handled properly. However, our review of your sole source files revealed quarterly procurements for printed newsletters about the Authority which do not appear to be sole sources. Section 19-445.2110 of the regulations states: "Sole source procurement is not permissible unless there is only a single supplier." We recommend competition be solicited in the future for this type of procurement.

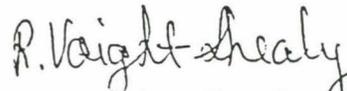
You have not requested additional certification, therefore we recommend that the Authority be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Mr. Workman
July 29, 1986
Page 2

If you wish to discuss the transaction listed here or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Your cooperation is appreciated, and our staff is available for your assistance at 737-2140.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

CC: Mr. William Clement
Mr. Richard Campbell
Mr. Jeff Widdowson

J.A. McALLISTER, CHAIRMAN
MT. CARMEL, SC 29840

S.M. BEATY, V. CHAIRMAN
ABBEVILLE, SC 29620

ROBERT E. "GENE" POWELL
GREENWOOD, SC 29646

S.F. SHERARD, JR.
CALHOUN FALLS, SC 29628

REBECCA M. PENNELL
ANDERSON, SC 29621

WILLIAM S. SIMPSON, JR.
IVA, SC 29655



CLARKS HILL-RUSSELL AUTHORITY
OF SOUTH CAROLINA

JOHN R. WEST
ABBEVILLE, SC 29620

J.L. BURCH
McCORMICK, SC 29835

O. LEE STURKEY,
GENERAL COUNSEL
McCORMICK, SC 29835

J.N. WORKMAN,
EXECUTIVE DIRECTOR
P. O. DRAWER K
McCORMICK, SC 29835
PHONE (803) 443-2168

August 5, 1986

Mr. R. Voight Shealy, Manager
Audit and Certification
Division of General Services
300 Gervais Street
Columbia, South Carolina 29201

RE: Compliance Audit of Agency Procurement Activity

Dear Mr. Shealy:

Clarks Hill-Russell Authority will adhere to your recommendation that we be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

Sincerely,

James N. Workman
Executive Director

/sr

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVALS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-2150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



WILLIAM J. CLEMENT
ASSISTANT DIVISION DIRECTOR

REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

JESSE A. COLES, JR., Ph.D.
EXECUTIVE DIRECTOR

June 18, 1986

Mr. G. James Berry
Business Manager
The South Carolina Second Injury Fund
Middleburg Office Park
1777 St. Julian Place
Columbia, South Carolina 29204

SUBJECT: Compliance Audit of Agency Procurement Activity

Dear Mr. Berry:

On April 30, 1986 we examined your procurement records for the period July 30, 1983 through April 30, 1986. This review was conducted to determine the appropriateness of the procurement actions taken and to ensure compliance with the Consolidated Procurement Code and ensuing regulations.

The Fund had a limited number of procurement transactions, and our examination of all of these indicated most were handled properly. However, we did note the following exceptions that we wish to draw to your attention.

1. The Fund had not submitted a Minority Business Enterprise Plan or minority utilization reports to the Office of Small and Minority Business Assistance. They should be contacted to determine whether a letter of intent or plan is required.
2. A review of sole source and emergency procurements revealed several sole source transactions which did not exceed \$500.00 but were reported to the Materials Management Office. Purchases less than this amount do not require competition if the price obtained is considered fair and reasonable. Additionally, one procurement for a dictating machine was reported correctly but a determination was not prepared, as required by Section 11-35-1560 of the Procurement Code. We recommend these adjustments be made for processing future sole source procurements.

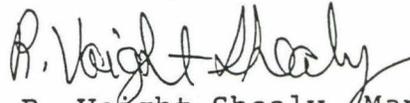
Mr. Berry
June 18, 1986
Page 2

You have not requested additional certification, therefore we recommend that the Fund be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss the transactions listed here or any other procurement related matter we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

Your cooperation is appreciated, and our staff is available for your assistance at 737-2140.

Sincerely,



R. Voight Shealy, Manager
Audit and Certification

kl

The South Carolina Second Injury Fund

MIDDLEBURG OFFICE PARK
1777 ST. JULIAN PLACE

DOUGLAS P. CROSSMAN
Director



Phone: 758-2578

Columbia, S.C. 29204
July 16, 1986

Mr. R. Voight Shealy, Mgr.
S.C. Budget & Control Board
Div. of General Services
300 Gervais Street
Columbia, S.C. 29201

Dear Mr. Shealy:

Thank you for your letter covering our Procurement Activity. I intend to follow all suggestions that were recommended and trust that this will fully comply with the procurement regulations.

Cordially,

G. James Berry
G. James Berry
Business Manager

GJB/dm
CC: Mr. Jeff Widdowson

STATE OF SOUTH CAROLINA
BUDGET AND CONTROL BOARD
DIVISION OF GENERAL SERVICES
300 GERVAIS STREET
COLUMBIA, SOUTH CAROLINA 29201
(803) 758-3150

RICHARD W. RILEY, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

EARLE E. MORRIS, JR.
COMPTROLLER GENERAL



REMBERT C. DENNIS
CHAIRMAN,
SENATE FINANCE COMMITTEE

TOM G. MANGUM
CHAIRMAN,
HOUSE WAYS AND MEANS COMMITTEE

WILLIAM T. PUTMAN
EXECUTIVE DIRECTOR

RICHARD W. KELLY
ASSISTANT DIVISION DIRECTOR

June 16, 1986

Mr. John T. Campbell
Secretary of State
P.O. Box 11350
Columbia, South Carolina 29211

RE: Audit of Procurement Activity

Dear Mr. Campbell:

On April 30, 1986, we examined your procurement records for the period July 30, 1981 through March 31, 1986. This review was conducted to determine the appropriateness of the procurement action taken and to ensure compliance with the Procurement Code and ensuing regulations.

Your office had a limited number of procurement transactions and our examination indicated they were handled properly.

We did note that no Minority Business Enterprise Utilization plan (MBE) for fiscal year 1985-86 has been submitted to the Office of Small and Minority Business Assistances. This is an annual requirement and should be submitted for approval, in accordance with Section 11-35-5240(2) of the Procurement Code. Also since your office has no formal procurement procedure manual, a letter of interest to comply to the Code should be submitted to our office. These two requirements have been discussed with Mrs. Ethel Riley in your office.

Since you have not requested additional certification, we recommend that the Commission be allowed to procure goods and services, construction, information technology, and consultant services up to the basic level of \$2,500.00 as outlined in the Procurement Code.

If you wish to discuss our review or any other procurement related matter, we will be glad to meet with you at your convenience. Otherwise, I ask that you formally respond in writing to this report within thirty days of receipt of this letter.

We appreciate the cooperation that you and your staff provided during our audit. If we may be of assistance in the future, please call me or Jim Stiles at 758-3150.

Sincerely,

R. Voight Shealy
R. Voight Shealy, Manager
Audit and Certification

/kd

cc: Mr. Richard W. Kelly
Mr. Richard Campbell
Mr. Jim Stiles
Mrs. Ethel S. Riley

