| 1 | CONFERENCE COMMITTEE REPORT ADOPTED NOT |
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| 2 | PRINTED |
| 3 | June 29, 2011 |
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| _ | S. 172 |
| 5 | 5.172 |
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| 7 | Introduced by Senators Rose, Fair, Leatherman, Bright, Bryant, |
| 8 | Campsen, Knotts, O'Dell, S. Martin, Ford and McGill |
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| 10 | S. Printed 6/1/11S. |
| 11 | Read the first time January 11, 2011. |
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| 13 | |

A BILL

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TO ENACT THE "SOUTH CAROLINA HIGHER EDUCATION EFFICIENCY AND ADMINISTRATIVE POLICIES ACT OF 2011", BY ADDING SECTION 59-101-670 SO AS TO 14 PROVIDE THAT EACH PUBLIC INSTITUTION OF HIGHER 15 LEARNING MUST MAINTAIN A DETAILED TRANSACTION 16 REGISTER OF ALL FUNDS EXPENDED EACH MONTH AND 17 POST THAT REGISTER ONLINE; BY ADDING SECTION 18 1-1-1040 SO AS TO PROVIDE THAT ALL STATE AGENCIES 19 MUST HAVE A LINK ON THEIR INTERNET WEBSITE TO 20 THE STATE AGENCY RESPONSIBLE FOR POSTING ON ITS 21 INTERNET WEBSITE THE AGENCY'S, DEPARTMENT'S, 22 OR INSTITUTION'S MONTHLY STATE PROCUREMENT 23 CARD STATEMENTS, TO DIRECT THE BUDGET AND 24 CONTROL BOARD'S **STATE** OFFICE OF **HUMAN** 25 RESOURCES TO **PARTICIPATE** WITH **FIVE** 26 REPRESENTATIVES SELECTED BY THE RESPECTIVE 27 PRESIDENTS OF THE PUBLIC INSTITUTIONS OF HIGHER 28 LEARNING AND TECHNICAL COLLEGES TO STUDY. 29 DEVELOP. AND **RECOMMEND** Α SEPARATE. 30 COMPREHENSIVE HUMAN RESOURCES SYSTEM FOR 31 THE PUBLIC INSTITUTIONS OF HIGHER LEARNING AND 32 TECHNICAL COLLEGES; TO AMEND SECTION 2-47-50, AS 33 AMENDED, RELATING TO PERMANENT IMPROVEMENT 34 PROJECTS, AS TO **DEFINE** SO **'PERMANENT** 35 IMPROVEMENT PROJECT'; TO AMEND SECTION 11-35-36 1210. RELATING TO THE STATE BUDGET AND CONTROL 37 BOARD'S REVIEW OF DOLLAR LIMITS FOR 38 GOVERNMENTAL BODY'S PROCUREMENT. SO AS TO 39 PROVIDE THAT THE STATE BOARD FOR TECHNICAL AND COMPREHENSIVE EDUCATION, IN COORDINATION APPROPRIATE CHIEF PROCUREMENT 42 OFFICER, MAY APPROVE A CUMULATIVE TOTAL OF UP

1 TO FIFTY THOUSAND DOLLARS IN ADDITIONAL 2 PROCUREMENT AUTHORITY FOR **TECHNICAL** 3 COLLEGES; TO AMEND SECTION 11-35-1550, RELATING 4 TO BID PROCEDURES, SO AS TO PROVIDE THAT IN 5 CERTAIN SITUATIONS, A PUBLIC INSTITUTION OF 6 HIGHER LEARNING AND TECHNICAL COLLEGE MAY 7 MAKE SMALL PURCHASES NOT EXCEEDING TEN 8 THOUSAND DOLLARS WITHOUT CERTAIN PROVISIONS 9 OF THE PROCUREMENT CODE APPLYING: TO AMEND 10 SECTION 11-35-3310, RELATING TO **INDEFINITE** 11 DELIVERY CONTRACTS, SO AS TO INCREASE CERTAIN 12 DOLLAR LIMITS FOR PUBLIC INSTITUTIONS OF HIGHER 13 LEARNING AND TECHNICAL COLLEGES; TO AMEND 14 SECTION 11-35-4810. RELATING TO COOPERATIVE 15 PURCHASING, SO AS TO EXEMPT PUBLIC INSTITUTIONS 16 OF HIGHER LEARNING FROM THE REQUIREMENT OF 17 THIRTY DAYS' NOTICE OF Α **MULTISTATE** 18 SOLICITATION IF A COST SAVINGS IS DEMONSTRATED 19 TO THE OFFICE OF STATE PROCUREMENT; TO AMEND 20 SECTION 1-7-170, RELATING TO ENGAGING 21 ATTORNEY ON A FEE BASIS, SO AS TO PROVIDE THAT A 22 PUBLIC INSTITUTION OF HIGHER LEARNING SHALL 23 ENGAGE AND COMPENSATE OUTSIDE COUNSEL IN 24 ACCORDANCE WITH POLICIES AND PROCEDURES 25 ADOPTED BY THE STATE BUDGET AND CONTROL 26 BOARD FOR MATTERS OF BONDED INDEBTEDNESS, 27 PUBLIC FINANCE, BORROWING, AND RELATED 28 FINANCIAL MATTERS: BY ADDING SECTION 59-101-55 SO 29 AS TO PROHIBIT STATE APPROPRIATED FUNDS FROM 30 BEING USED TO PROVIDE OUT-OF-STATE SUBSIDIES TO ATTENDING 31 STUDENTS STATE-SUPPORTED 32 INSTITUTIONS OF HIGHER LEARNING; BY ADDING 33 SECTION 59-112-115 SO AS TO PROVIDE THAT WHEN THE 34 GOVERNING BOARD OF A PUBLIC INSTITUTION OF 35 HIGHER LEARNING OR TECHNICAL COLLEGE ADOPTS A 36 CHANGE TO THE TUITION OR FEES IMPOSED ON 37 STUDENTS, THE CHANGE MAY BE IMPLEMENTED ONLY 38 AFTER A PUBLIC VOTE WITH THE NUMBER OF 39 TRUSTEES OR LOCAL AREA COMMISSIONERS VOTING 40 FOR AND AGAINST THE CHANGE BEING COUNTED; BY 41 ADDING SECTION 8-11-162 SO AS TO PROVIDE THAT 42 TECHNICAL COLLEGE PRESIDENTS ARE COVERED BY 43 THE AUTHORITY OF THE AGENCY HEAD SALARY

1 COMMISSION; TO AMEND SECTION 1-11-55, RELATING TO LEASING OF REAL PROPERTY THE 3 GOVERNMENTAL BODIES, SO AS TO PROVIDE THAT A TECHNICAL COLLEGE, WITH THE APPROVAL OF THE 5 STATE BOARD FOR TECHNICAL AND COMPREHENSIVE 6 EDUCATION, AND A PUBLIC INSTITUTION OF HIGHER 7 LEARNING, MAY ENTER INTO ANY LEASE AGREEMENT 8 OR RENEW ANY LEASE AGREEMENT UP TO ONE 9 HUNDRED THOUSAND DOLLARS ANNUALLY FOR EACH 10 PROPERTY OR FACILITY WITHOUT NOTIFYING THE 11 OFFICE OF GENERAL SERVICES FOR AN INVESTIGATION 12 OF AVAILABLE SPACE; BY ADDING SECTION 59-53-168 13 SO AS TO AUTHORIZE THE STATE BOARD FOR 14 TECHNICAL AND COMPREHENSIVE EDUCATION TO 15 EMPLOY AND ADMINISTER CERTAIN ADMINISTRATIVE 16 EFFICIENCY PROVISIONS, AND TO ESTABLISH AN 17 ADVISORY BOARD; BY ADDING SECTION 59-112-140 SO 18 AS TO ALLOW THE AREA COMMISSION FOR THE 19 FLORENCE-DARLINGTON TECHNICAL COLLEGE 20 WAIVE CERTAIN REQUIREMENTS FOR STUDENT 21 PARTICIPANTS IN THE CATERPILLAR DEALER 22 ACADEMY OPERATED BY FLORENCE-DARLINGTON 23 TECHNICAL COLLEGE: TO AMEND SECTION 2-77-20. 24 RELATING TO THE SOUTH CAROLINA HIGHER 25 EDUCATION EXCELLENCE ENHANCEMENT PROGRAM, REQUIRE THAT ALL THE **FUNDS** AS TO 27 APPROPRIATED TO THE **PROGRAM MUST** EQUALLY 28 ALLOCATED AMONG THE 29 INSTITUTIONS; AND TO AMEND SECTION 59-142-40, 30 RELATING TO STUDENTS FIRST FINANCIAL RESOURCES 31 FOR SCHOLARSHIPS AND TUITION, SO AS TO UPDATE 32 REFERENCES AND TO PROVIDE THAT FUNDS FOR THE 33 NEED-BASED GRANT MUST BE ALLOCATED IN A GIVEN 34 YEAR TO INSTITUTIONS USING A METHODOLOGY THAT 35 CONSIDERS STATE RESIDENT PELL GRANT RECIPIENTS 36 SO THAT EACH PUBLIC INSTITUTION SHALL RECEIVE 37 AN AMOUNT SUFFICIENT TO PROVIDE A SIMILAR LEVEL 38 OF SUPPORT PER STATE RESIDENT PELL RECIPIENT 39 WHEN COMPARED TO TUITION AND REQUIRED FEES, 40 BUT THAT NO INSTITUTION SHALL RECEIVE A 41 SMALLER PROPORTION OF FUNDING THAN WOULD BE UNDER THE STUDENT ENROLLMENT 42 PROVIDED

| 1 | METHODOLOGY USED IN YEARS PRIOR TO FISCAL YEAR |
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| 2 | 2008-2009. |
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| 4 | Be it enacted by the General Assembly of the State of South |
| 5 | Carolina: |
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| 7 | Part I |
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| 9 | Citation |
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| 11 | SECTION 1. This act is known and may be cited as the "South |
| 12 | Carolina Higher Education Efficiency and Administrative Policies |
| 13 | Act of 2011". |
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| 15 | Part II |
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| 17 | Transaction Register |
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| 19 | SECTION 2. A. Article 2, Chapter 101, Title 59 of the 1976 |
| 20 | Code is amended by adding: |
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| 22 | "Section 59-101-670. (A) Each public institution of higher |
| 23 | learning shall maintain a transaction register that includes a |
| 24 | complete record of all funds expended, from whatever source for |
| 25 | whatever purpose. The register must be prominently posted on the |
| 26 | institution's Internet website and made available for public |
| 27 | viewing and downloading. |
| 28 | (1)(a) The register must include for each expenditure: |
| 29 | (i) the transaction amount; |
| 30 | (ii) the name of the payee; |
| 31 | (iii) the identification number of the transaction; and |
| 32 | (iv) a description of the expenditure, including the |
| 33 | source of funds, a category title, and an object title for the |
| 34 | expenditure. |
| 35 | (b) The register must include all reimbursements for |
| 36 | expenses, but must not include an entry for salary, wages, or other |
| 37 | compensation paid to individual employees. |
| 38 | (c) The register must not include a social security number. |
| 39 | (d) The register must be accompanied by a complete |
| 40 | explanation of any codes or acronyms used to identify a payee or |
| 41 | an expenditure. |

- (e) At the option of the public institution, the register may exclude any information that can be used to identify an individual employee or student.
- (f) This section does not require the posting of any information that is not required to be disclosed under Chapter 4, Title 30.
- (2) The register must be searchable and updated at least once a month. Each monthly register must be maintained on the Internet website for at least three years.
- (B) Each public institution of higher learning shall be 11 responsible for providing on its Internet website a link to the Internet website of any agency, other than the individual 13 institution, that posts on its Internet website the institution's 14 monthly state procurement card statements or monthly reports containing all or substantially all of the same information 16 contained in the monthly state procurement card statements. The link must be to the specific webpage or section on the website of the agency where the state procurement card information for the institution can be found. The information posted may not contain the state procurement card number.
 - (C) Any information that is expressly prohibited from public disclosure by federal or state law or regulation must be redacted from any posting required by this section.
 - (D) In the event any public institution of higher learning has a question or issue relating to technical aspects of complying with the requirements of this section or the disclosure of public information under this section, it shall consult with the Comptroller General's Office, which may provide guidance to the public institution."

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> B. Article 15, Chapter 1, Title 1 of the 1976 Code is amended by adding:

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"Section 1-1-1040. All agencies, departments, and institutions of state government must be responsible for providing on their Internet websites a link to the Internet website of any agency, other than the individual agency, department, or institution, that posts on 37 its Internet website that agency's, department's, or institution's monthly state procurement card statements or monthly reports 40 containing all or substantially all the same information contained in the monthly state procurement card statements. The link must be to the specific webpage or section on the website of the agency where the state procurement card information for the state agency,

department, or institution can be found. The information posted 2 may not contain the state procurement card number. information that is expressly prohibited from public disclosure by federal or state law or regulation must be redacted from any posting required by this section."

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C. This SECTION takes effect upon approval by the Governor, and public institutions of higher learning to which this SECTION applies shall have one year from the effective date of this act to comply with its requirements.

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12 Part III

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Human Resources

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16 SECTION 3. The Budget and Control Board's State Office of Human Resources shall participate with five representatives selected by the respective presidents of the public institutions of higher learning and technical colleges to represent all of the public 20 institutions of higher learning and technical colleges to study, develop, and recommend a separate, comprehensive human resources system for the public institutions of higher learning and technical colleges. The recommendation shall include, but not be limited to, prescription of a methodology to establish a uniform compensation and classification plan among the public institutions 26 of higher learning and technical colleges. The recommendations must provide for necessary accountability to the Budget and Control Board, including a process for reporting human resources data. The recommendation must be submitted to the State Budget and Control Board for its review no later than July 1, 2012, and shall not be implemented until approved by the Budget and Control Board pursuant to Section 8-11-230.

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Part IV

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Facilities and Capital Expenditure Revisions

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SECTION 4. Section 2-47-50 of the 1976 Code, as last amended by Act 143 of 2005, is further amended to read:

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"Section 2-47-50. The board shall establish formally each permanent improvement project before actions of any sort which implement the project in any way may be undertaken and no

expenditure of any funds for any services or for any other project purpose contracted for, delivered, or otherwise provided prior to the date of the formal action of the board to establish the project shall be approved. State agencies and institutions may advertise and interview for project architectural and engineering services for a pending project so long as the architectural and engineering contract is not awarded until after a state project number is assigned. After the committee has reviewed the form to be used to request the establishment of permanent improvement projects and has reviewed the time schedule for considering such requests as proposed by the board, requests to establish permanent improvement projects shall be made in such form and at such times as the board may require.

Any proposal to finance all or any part of any project using any funds not previously authorized specifically for the project by the General Assembly or using any funds not previously approved for the project by the board and reviewed by the committee shall be referred to the committee for review prior to approval by the board.

Any proposed revision of the scope or of the budget of an established permanent improvement project deemed by the board to be substantial shall be referred to the committee for its review prior to any final action by the board. In making their determinations regarding changes in project scope, the board and the committee shall utilize the permanent improvement project proposal and justification statements, together with any supporting documentation, considered at the time the project was authorized or established originally. Any proposal to increase the budget of a previously approved project using any funds not previously approved for the project by the board and reviewed by the committee shall in all cases be deemed to be a substantial revision of a project budget which shall be referred to the committee for review. The committee shall be advised promptly of all actions taken by the board which approve revisions in the scope of or the budget of any previously established permanent improvement project not deemed substantial by the board.

For purposes of this chapter, with regard to all institutions of higher learning, permanent improvement project is defined as:

- (1) acquisition of land, regardless of cost, with staff level review of the committee and the Budget and Control Board, Capital Budget Office, up to two hundred fifty thousand dollars;
- (2) acquisition, as opposed to the construction, of buildings or other structures, regardless of cost, with staff level review of the

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41 42 committee and the Budget and Control Board, Capital Budget Office, up to two hundred fifty thousand dollars;

- (3) construction of additional facilities and work on existing facilities for any given project including their renovation, repair, maintenance, alteration, or demolition in those instances in which the total cost of all work involved is five hundred thousand one million dollars or more;
- (4) architectural and engineering and other types of planning and design work, regardless of cost, which is intended to result in a permanent improvement project. Master plans and feasibility studies are not permanent improvement projects and are not to be 12 included:
 - (5) capital lease purchase of a facility acquisition or construction in which the total cost is one million dollars or more; and
 - (6) equipment that either becomes a permanent fixture of a facility or does not become permanent but is included in the construction contract shall be included as a part of a project in which the total cost is one million dollars or more; and
 - (7) new construction of a facility that exceeds a total cost of five hundred thousand dollars.

Any permanent improvement project that meets the above definition must become a project, regardless of the source of funds. However, an institution of higher learning that has been authorized or appropriated capital improvement bond funds, capital reserve fund or state appropriated funds, or state infrastructure bond funds by the General Assembly for capital improvements shall process a permanent improvement project, regardless of the amount.

For purposes of establishing permanent improvement projects, Clemson University Public Service Activities (Clemson-PSA) and South Carolina State University Public Service Activities (SC State-PSA) are subject to the provisions of this chapter."

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Part V

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Procurement Code Revisions

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SECTION 5. Section 11-35-1210 of the 1976 Code is amended by adding an appropriately numbered subsection at the end to read:

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"() Subject to subsection (1), the State Board for Technical and Comprehensive Education, in coordination with the appropriate Chief Procurement Officer, may approve a cumulative total of up

to fifty thousand dollars in additional procurement authority for technical colleges, provided that the designated board office makes no material audit findings concerning procurement. As provided by regulation, any authority granted pursuant to this paragraph is effective when certified in writing by the designated board office."

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SECTION 6. Section 11-35-1550 of the 1976 Code is amended to read:

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- "Section 11-35-1550. (1) Authority. The following small purchase procedures may be utilized only in conducting procurements for governmental bodies that are up to fifty thousand dollars in actual or potential value. A governmental body may conduct its own procurement up to fifty thousand dollars in actual or potential value, and a governmental body that has received procurement certification pursuant to Section 11-35-1210 to handle the type and estimated value of the procurement may conduct the procurement under its own authority in accordance with this code. Procurement requirements must not be artificially divided by governmental bodies so as to constitute a small purchase pursuant to this section.
 - (2) Competition and Price Reasonableness.
- (a) Purchases not in excess of two thousand five hundred dollars. Except as provided in subitem (d) below, small purchases not exceeding two thousand five hundred dollars may be accomplished without securing competitive quotations if the prices are considered reasonable. The purchasing office must annotate the purchase requisition: 'Price is fair and reasonable' and sign. The purchases must be distributed equitably among qualified suppliers. When practical, a quotation must be solicited from other than the previous supplier before placing a repeat order. The administrative cost of verifying the reasonableness of the price of purchase 'not in excess of' may more than offset potential savings in detecting instances of overpricing. Action to verify the reasonableness of the price need be taken only when the procurement officer of the governmental body suspects that the price may not be reasonable, comparison to previous price paid, or personal knowledge of the item involved.
- (b) Purchases over two thousand five hundred dollars to ten thousand dollars. Except as provided in subitem (d) below, solicitation of written quotes from a minimum of three qualified sources of supply must be made and documentation of the quotes attached to the purchase requisition for a small purchase over two

thousand five hundred dollars but not in excess of ten thousand 2 dollars. The award must be made to the lowest responsive and 3 responsible sources.

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- (c) Purchases over ten thousand dollars up to fifty thousand dollars. Written solicitation of written quotes, bids, or proposals must be made for a small purchase over ten thousand dollars but not in excess of fifty thousand dollars. The procurement must be advertised at least once in the South Carolina Business Opportunities publication or through a means of central electronic advertising as approved by the designated board office. A copy of the written solicitation and written quotes must be attached to the purchase requisition. The award must be made to the lowest responsive and responsible source or, when a request for proposal process is used, the highest ranking offeror.
- (d) For public institutions of higher learning in this State 16 excluding technical colleges, small purchase amounts to which the provisions of subitem (a) apply are those purchases not exceeding ten thousand dollars, and for these purchases subitem (b) above does not apply. In addition, purchasing cards of the institution for these purchases also may be used by officials or employees of the institution as the governing board approves.
 - (3) All competitive procurements above ten thousand dollars must be advertised at least once in the South Carolina Business Opportunities publication or through a means of central electronic advertising as approved by the designated board office. Governmental bodies may charge vendors the cost incurred for copying and mailing bid or proposal documents requested in response to a procurement.
 - (4) The Division of Aeronautics of the Department of Commerce may act as its own purchasing agency for all procurements of maintenance services for aircraft and these procurements may be conducted pursuant to Section 11-35-1550 subsection (2)(b).
 - (5) For a technical college authorized by the State Board for Technical and Comprehensive Education, small purchase amounts to which the provisions of subsection (2)(a) apply are those purchases up to an amount not to exceed ten thousand dollars. If authority is approved, a technical college may use purchasing cards for these purchases up to the amount approved by the State Board for Technical and Comprehensive Education."

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SECTION 7. Section 11-35-3310 of the 1976 Code is amended to 42 43 read:

"Section 11-35-3310. (1) General Applicability. Indefinite delivery contracts may be awarded on an as-needed basis for construction services pursuant to the procedures in Section 11-35-3015(2)(b) and for architectural-engineering and land surveying services pursuant to Section 11-35-3220.

- (a) Construction Services. When construction services contracts are awarded, each contract shall must be limited to a total expenditure of seven hundred fifty thousand dollars for a two-year period with individual project expenditures not to exceed one hundred fifty thousand dollars; however, for public institutions of higher learning, and for technical college service contracts authorized by the State Board for Technical and Comprehensive Education, these limits shall be one million dollars for total expenditures and two hundred fifty thousand dollars for individual 16 expenditures within the time periods specified.
- (b) Architectural-Engineering and Land-Surveying Services. When architectural-engineering and land_surveying services contracts are awarded, each contract shall must be limited to a total expenditure of three hundred thousand dollars for a two-year period with individual project expenditures not to exceed one hundred thousand dollars; however, for public institutions of higher learning, and for technical college service contracts authorized by the State Board for Technical and Comprehensive Education, these limits shall be five hundred thousand dollars for 26 total expenditures and two hundred thousand dollars for individual expenditures within the time periods specified.
 - (2) Small Indefinite Delivery Contracts. Small indefinite delivery contracts for architectural-engineering and land-surveying services may be procured as provided in Section 11-35-3230. A contract established under this section shall must be subject to Section 11-35-3230, and any regulations promulgated thereunder except that for public institutions of higher learning, and for technical college delivery contracts authorized by the State Board for Technical and Comprehensive Education, the individual and total contract limits shall be fifty thousand and one hundred fifty thousand dollars, respectively."

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SECTION 8. Section 11-35-4810 of the 1976 Code is amended to 39 40 read:

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Any public procurement unit may 42 "Section 11-35-4810. participate in, sponsor, conduct, or administer a cooperative

1 purchasing agreement for the procurement of any supplies, services, or construction with one or more public procurement units or external procurement activities in accordance with an agreement entered into between the participants. Such cooperative purchasing may include, but is not limited to, joint or multi-party contracts between public procurement units and open-ended state public procurement unit contracts which shall be made available to local public procurement units, except as provided in Section 11-35-4820 or except as may otherwise be limited by the board through regulations. 10

However, thirty days' notice of a proposed multi-state solicitation shall must be provided through central advertising and such contracts may be only awarded to manufacturers who will be distributing the products to South Carolina governmental bodies through South Carolina vendors; provided, however, that the provisions of this paragraph do not apply to public institutions of higher learning if the institution demonstrates a cost savings to the Office of State Procurement in regard to the multistate solicitation and procurement."

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Part VI

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Miscellaneous Provisions

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SECTION 9. Section 1-7-170 of the 1976 Code, as added by Act 353 of 2008, is amended to read:

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"Section 1-7-170. (A) A department or agency of state government may not engage on a fee basis an attorney at law except upon the written approval of the Attorney General and upon a fee as must be approved by him. This section does not apply to the employment of attorneys in special cases in inferior courts when the fee to be paid does not exceed two hundred fifty dollars or exceptions approved by the State Budget and Control Board. This section does not apply to an attorney hired by the General Assembly or the judicial department.

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compensate outside counsel in accordance with policies and procedures adopted by the State Budget and Control Board for matters of bonded indebtedness, public finance, borrowing, and

(B) A public institution of higher learning shall engage and

related financial matters." 41

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1 SECTION 10. Article 1, Chapter 101, Title 59 of the 1976 Code 2 is amended by adding:

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"Section 59-101-55. State appropriated funds shall not be used to provide out-of-state subsidies to students attending state-supported institutions of higher learning."

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SECTION 11. Chapter 112, Title 59 of the 1976 Code is amended by adding:

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11 "Section 59-112-115. When the governing board of a public 12 institution of higher learning, excluding technical colleges, adopts a change to the tuition or fees imposed on students, the change may be implemented by the institution only after a public vote with 15 the number of trustees voting for and against the change being 16 counted. A majority vote is required to implement any change to the tuition or fees. For technical colleges, when the local area 17 commission of a technical college adopts a change to the tuition or fees imposed on students, the change may be implemented by the technical college only after a public vote with the number of local area commissioners voting for and against the change being 21 counted. A majority vote is required to implement any change to the tuition or fees. A change to tuition or fees adopted by the local area commission must be reported to the State Board for Technical 25 and Comprehensive Education within five business days."

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SECTION 12. Article 1, Chapter 11, Title 8 of the 1976 Code is amended by adding:

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30 "Section 8-11-162. For purposes of Section 8-11-160 and the 31 other provisions related to the authority of the Agency Head Salary 32 Commission, Technical College Presidents are covered by the 33 authority of the commission."

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35 SECTION 13. Section 1-11-55(2) of the 1976 Code is amended 36 to read:

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38 "(2) The Budget and Control Board is hereby designated as the 39 single central broker for the leasing of real property for 40 governmental bodies. No governmental body shall enter into any 41 lease agreement or renew any existing lease except in accordance 42 with the provisions of this section. However, a technical college, 43 with the approval by the State Board for Technical and

Comprehensive Education, and a public institution of higher learning, may enter into any lease agreement or renew any lease agreement up to one hundred thousand dollars annually for each property or facility."

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6 SECTION 14. Article 2, Chapter 53, Title 59 of the 1976 Code is amended by adding:

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- 9 "Section 59-53-168. (A) The State Board for Technical and 10 Comprehensive Education (state board) is granted the authority to employ and administer certain administrative efficiency provisions provided in Sections 11-35-1210, 11-35-1550(2), 11-35-3310, 13 11-35-4810, 1-7-170, 59-101-620, and 1-11-55(2) of the 1976 14 Code. The state board shall establish a tiered system for categorizing technical colleges with respect to their financial 16 strength and ability to manage day-to-day operations. Technical colleges, by way of application from their area commissions, may 17 request the state board apply these administrative efficiency provisions to their respective institutions. The state board shall 20 review the technical college's request and determine the proper category for the technical college. 21
- (B) The state board shall establish an advisory board to provide oversight and review of the provisions of this chapter. The state board shall submit an annual report on oversight to the Governor, the Chairman of the House Ways and Means Committee, and the 26 Chairman of the Senate Finance Committee by November fifteenth of each year and shall submit a report every two years to include 28 how changes have benefitted the agency to the Governor and the Chairmen of the House Ways and Means Committee, the Senate Finance Committee, the House Education and Public Works Committee, and the Senate Education Committee."

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33 SECTION 15. Chapter 112, Title 59 of the 1976 Code is 34 amended by adding:

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"Section 59-112-140. The 36 area commission for the 37 Florence-Darlington Technical College may waive the requirements of this chapter for student participants in the Caterpillar Dealer Academy operated by Florence-Darlington 40 Technical College."

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SECTION 16. Section 2-77-20(C) of the 1976 Code is amended 42 43 to read:

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"(C) An institution seeking to qualify as an eligible institution must submit an annual application to the commission. The commission must certify the eligibility of institutions seeking contracts pursuant to this section. Of the The funds appropriated for this program, one half must be allocated equally among the eligible institutions. The remainder of the appropriated funds shall be awarded to eligible institutions based upon merit, through criteria developed by the Commission on Higher Education."

SECTION 17. Section 59-142-40 of the 1976 Code is amended to read:

"The provisions of this chapter apply to eligible students beginning in the 1996-97 academic year. Funds must be allocated in a given year to institutions using a methodology that considers state resident Pell Grant recipients so that each public institution shall receive an amount sufficient to provide a similar level of support per state resident Pell recipient when compared to tuition and required fees. However, no institution shall receive a smaller proportion of funding than would be provided under the student enrollment methodology used in years prior to fiscal year 2008-09 based on the percentage of the state full time enrollment enrolled at the institutions in the preceding year. Funds must be awarded to eligible students according to the financial need of the student."

Part VII

Severability and Time Effective

SECTION 18. If any section, subsection, item, subitem, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection, item, subitem, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, items, subitems, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

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1 SECTION 19. Unless otherwise provided, this act takes effect
2 upon approval by the Governor.
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4 /s/Sen. John E. Courson /s/Rep. Phillip D. Owens
5 /s/Sen. Darrell Jackson /s/Rep. Lester P. Branham
6 /s/Sen. Michael T. Rose Rep. Rick Quinn
7 On Part of the Senate. On Part of the House.
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