
AGENCY: Procurement Services Division

SUBJECT: SC Research University Procurement Code for Research Infrastructure

Section 11-51-190 of the South Carolina Code of Laws, reads:

The research universities, while engaging in projects related to this act shall be exempt from the state procurement process, except such research universities must work in conjunction with the Budget and Control Board's Chief Procurement Officer to establish alternate procurement procedures, and must submit a procurement process to the State Commission on Higher Education to be forwarded to the State Budget and Control Board for approval. These processes shall include provisions for audit and recertification.

Clemson University, working with the University of South Carolina and the Medical University of South Carolina, has completed development of a standard alternate procurement code, the South Carolina Research University Procurement Code for Research Infrastructure. The model alternative procurement code and regulations have received approval of the Board's Chief Procurement Officer and the Commission on Higher Education and are compliant with the requirements of 11-51-190. A copy of the proposed procurement policy is attached as a part of this item.

BOARD ACTION REQUESTED:

Under authority of SC Code section 11-51-190, approve the South Carolina Research University Procurement Code for Research Infrastructure for use by Clemson University, the University of South Carolina, and the Medical University of South Carolina. This alternate code replaces the University of South Carolina Procurement Code for Economic Development and Research, which was approved by this board on June 14, 2005.

ATTACHMENTS:

Agenda item worksheet; SC Code 11-51-190; Festa 10/7/05 letter; South Carolina Research University Procurement Code for Research Infrastructure

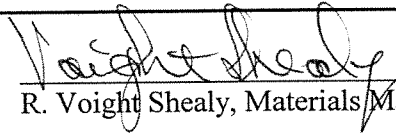
BUDGET AND CONTROL BOARD AGENDA ITEM WORKSHEET

Meeting scheduled for: November 1, 2005

Regular Agenda

1. Submitted by:

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


R. Voight Shealy, Materials Management Officer

2. Subject: SC Research University Procurement Code for Research Infrastructure

3. Summary Background Information:

Section 11-51-190 of the South Carolina Code of Laws, reads:

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4. What is Board asked to do? Under authority of SC Code section 11-51-190, approve the South Carolina Research University Procurement Code for Research Infrastructure for use by Clemson University, the University of South Carolina, and the Medical University of South Carolina. This alternate code replaces the University of South Carolina Procurement Code for Economic Development and Research, which was approved by this board on June 14, 2005.

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

6. Recommendation of other office (as required)?

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

7. List of supporting documents:

- (a) SC Code 11-51-190
- (b) South Carolina Research University Procurement Code for Research Infrastructure

§ 11-51-160. Advertisement and sale requirements; right to reject bids; expenses incident to sale.

General obligation debt must be sold by the Governor and the State Treasurer upon sealed proposals, after publication of a summary notice of the sale one or more times at least seven days before the sale, in a financial paper published in New York City which regularly publishes notices of sale of state or municipal bonds. The general obligation debt may be awarded upon the terms and in the manner as prescribed by the State Treasurer. The right is reserved to reject bids and to re-advertise the general obligation debt for sale. For the purpose of bringing about successful sales of the general obligation debt, the State Treasurer may do all things ordinarily and customarily done in connection with the sale of state or municipal bonds. Expenses incident to the sale of the general obligation debt must be paid from the proceeds of the sale of the general obligation debt.

HISTORY: Added by 2004 Act No. 187, § 9, eff March 17, 2004.

§ 11-51-170. Application of sale proceeds; liability of purchaser.

The proceeds of the sale of general obligation debt must be received by the State Treasurer and applied by him to the purposes for which issued, but the purchasers of the general obligation debt are in no way liable for the proper application of the proceeds to the purposes for which they are intended.

HISTORY: Added by 2004 Act No. 187, § 9, eff March 17, 2004.

§ 11-51-180. Investment by executors, administrators and other fiduciaries.

It is lawful for executors, administrators, guardians, and other fiduciaries to invest monies in their hands in general obligation debt issued pursuant to this chapter.

HISTORY: Added by 2004 Act No. 187, § 9, eff March 17, 2004.

§ 11-51-190. Exemption from state procurement process; alternative procurement procedures.

The research universities while engaging in projects related to this act shall be exempt from the state procurement process, except such research universities must work in conjunction with the Budget and Control Board's Chief Procurement Officer to establish alternate procurement procedures, and must submit a procurement process to the State Commission on Higher Education to be forwarded to the State Budget and Control Board for approval. These processes shall include provisions for audit and recertification.

HISTORY: Added by 2004 Act No. 187, § 9, eff March 17, 2004.

§ 11-51-200. Construction of Chapter.

No provision of this act is intended nor shall any provision of this act be construed to appropriate funds. The intent of the General Assembly is authorizing bonds according to the terms pursuant to this act only.

HISTORY: Added by 2004 Act No. 187, § 9, eff March 17, 2004.

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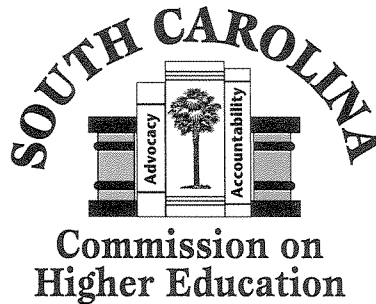
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Dr. Conrad D. Festa
Executive Director

October 7, 2005

Mr. Frank Fusco
Executive Director of the Budget and Control Board
Box 12444
Columbia, SC 29211

Dear Mr. Fusco:

Act 187, also referred to as the Life Sciences Act, allows the research universities to develop an alternate procurement code for infrastructure associated with economic development and research. This alternate procurement code must be developed in conjunction with the Budget and Control Board's Chief Procurement Officer and submitted to the Commission on Higher Education to be forwarded to the Board for approval.

Clemson University, working with the University of South Carolina and the Medical University, has completed the development of a standard alternate procurement code, the South Carolina Research University Procurement Code for Research Infrastructure. The revised code has received approval from the State's Chief Procurement Officer (copy attached). The Commission has reviewed the code and is pleased that all parties have worked together to develop a standard code to be used by the three research institutions for research infrastructure projects.

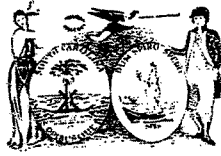
On behalf of the Commission on Higher Education, South Carolina Research University Procurement Code for Research Infrastructure is hereby submitted to the Budget and Control Board for review and approval.

Sincerely,

Conrad Festa

cc: Dr. James F. Barker
Dr. Raymond S. Greenburg
Dr. Andrew A. Sorensen
Mr. Richard W. Kelly
Ms. Angie Leidinger
Dr. Gail M. Morrison
Ms. Lisa Montgomery
Mr. Voight Shealy
Mr. Michael M. Thomas

STATE OF SOUTH CAROLINA
State Budget and Control Board
PROCUREMENT SERVICES DIVISION



MARK SANFORD, CHAIRMAN
GOVERNOR

GRADY L. PATTERSON, JR.
STATE TREASURER

RICHARD ECKSTROM
COMPTROLLER GENERAL

DELBERT H. SINGLETON, JR.
DIVISION DIRECTOR
(803) 734-2320

MATERIALS MANAGEMENT OFFICE
1201 MAIN STREET, SUITE 600
COLUMBIA, SOUTH CAROLINA 29201
(803) 737-0600
Fax (803) 737-0639

R. VOIGHT SHEALY
MATERIALS MANAGEMENT OFFICER

September 29, 2005

HUGH K. LEATHERMAN, SR.
CHAIRMAN, SENATE FINANCE COMMITTEE

DANIEL T. "DAN" COOPER
CHAIRMAN, WAYS AND MEANS COMMITTEE

FRANK W. FUSCO
EXECUTIVE DIRECTOR

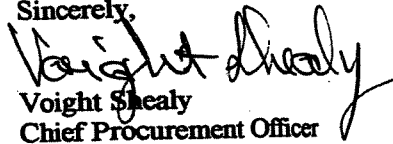
Dr. James F. Barker, FAIA
President
201 Sikes Hall
Clemson University
Clemson, South Carolina 29634

Dear Dr. Barker:

Regarding my letter of September 26 in which I approved the South Carolina Research University Procurement Code for Research Infrastructure, a standard alternative procurement code for all three research institutions, I would like to amend my approval by replacing pages 6 and 7 of that code with the attachment. Two changes are being made to Section 1510, Methods of source selection, that consist of adding subsections "(6) Section 1530 (Competitive Sealed Proposals)" and "(17) Section 3035 (Construction Manager at Risk)" to the list of methods of source selection recognized by the code. After sending my first letter, I realized that the previous pages did not list all authorized procurement methods allowed under the alternate code. In accordance with SC Code section 11-51-190, with the revisions to section 1510, I recommend approval of the attached South Carolina Research University Procurement Code for Research Infrastructure and accompanying regulations for use by Clemson University, the University of South Carolina, and the Medical University of South Carolina.

I have attached copies of the two replacement pages as well as a complete copy of the revised code and regulations. I apologize for any inconvenience that I may have caused.

Sincerely,


Voight Shealy
Chief Procurement Officer

Attachment

- C: Andrew A. Sorensen, Ph.D., President, University of South Carolina
Raymond S. Greenberg, MD, Ph.D., President, Medical University of South Carolina
Ms. Lynn W. Metcalf, Commission of Higher Education
Angie Leidinger, Executive Director of Governmental Affairs, Clemson University
Richard W. Kelly, Vice President and Chief Financial Officer, University of South Carolina
Lisa Montgomery, Vice President of Finance and Administration, Medical University of SC
Delbert H. Singleton, Jr., Secretary, Budget and Control Board
Keith McCook, Assistant General Counsel, Budget and Control Board
Michael M. Thomas, State Engineer, Budget and Control Board