



Special Called Finance, Administration, and Economic Development Committee Meeting Beaufort County, SC

This meeting was held both in person at the County Council Chambers, 100 Ribaut Road, Beaufort, and virtually through Zoom.

Wednesday, July 26, 2023
1:00 PM

MINUTES

Watch the video stream available on the County's website to hear the Council's discussion of a specific topic or the complete meeting. <https://beaufortcountysc.new.swagit.com/videos/267876>

1. CALL TO ORDER

Committee Chair Lawson called the meeting to order at 1:06 PM.

PRESENT

Chairman Mark Lawson
Vice-Chairman Anna Maria Tabernik
Council Member David P. Bartholomew
Ex-Officio Joseph F. Passiment
Council Member Paula Brown
Council Member Alice Howard
Council Member Lawrence McElynn

ABSENT

Council Member Gerald Dawson
Council Member York Glover
Council Member Logan Cunningham
Council Member Thomas Reitz

2. PLEDGE OF ALLEGIANCE

Committee Chair Lawson led the Pledge of Allegiance.

3. FOIA

Committee Chair Lawson noted that public notification of this meeting had been published, posted, and distributed in compliance with the South Carolina Freedom of Information Act.

4. APPROVAL OF AGENDA

Motion: It was moved by Council Member Passiment, seconded by Committee Vice-Chair Tabernik, to approve the agenda.

The Vote - The motion was approved without objection.

5. CITIZEN COMMENTS

No citizen comments.

6. A DISCUSSION ON AUTHORIZING THE FINANCE, ADMINISTRATION, AND ECONOMIC DEVELOPMENT COMMITTEE TO CONTRACT WITH ONE OR MORE PROFESSIONALS OR PROFESSIONAL FIRMS TO CONDUCT A THOROUGH REVIEW OF ALL PURCHASES THAT HAVE OCCURRED SINCE JANUARY 1, 2023, TO CONFIRM THAT THOSE PURCHASES COMPLY WITH THE COUNTY'S PROCUREMENT CODES, TO IDENTIFY ANY PURCHASES THAT DO NOT COMPLY WITH THE COUNTY'S PROCUREMENT CODES, TO BRING TO COUNCIL THOSE THAT DO NOT COMPLY, AND TO PROVIDE DESCRIPTION OF THE DISCREPANCIES. (FUNDING WILL COME FROM COUNCIL'S CONTINGENCY FUND, AND THE ACTING ADMINISTRATOR WILL BRING FORWARD A BUDGET ORDINANCE AMENDMENT TO FUND THESE CONTRACTS IF NECESSARY)

The Committee discussed items 6, 7, 8, and 9 together.

Please watch the video stream available on the County's website to view the whole discussion.

<https://beaufortcountysc.new.swagit.com/videos/267876?ts=76>

Committee Chairman Lawson commented on the meeting's goal of getting advice on the best way to handle the four agenda items and ensure the Council is doing the correct thing moving forward.

Acting County Administrator Robinson stated his appreciation for the trust placed in him to oversee the administration of Beaufort County Government.

Procurement Services Director Thomas provided an overview of the Beaufort County Procurement Code, which authorizes the solicitation of services. Mr. Thomas noted the requirement that solicitation of auditing services be advertised, while solicitation of legal services does not need advertisement. Mr. Thomas also laid out the plan for the solicitation, including developing an RFQ, the fifteen-day advertisement period in local and State papers, and selecting applicants to interview based on qualifications. Mr. Thomas also suggested selecting one firm instead of dividing the work and hiring different firms.

Committee Chairman Lawson asked if Council could contact firms. Director Thomas said that Council could contact firms but that the staff would prefer advertising the RFQ because auditing services are being requested.

County Attorney Keaveny commented that the chosen firm would investigate the four areas in agenda items 6, 7, 8, and 9, including purchases by the County from 1 January 2023 to the present, review of contracts for professional services by the County from 1 January 2023 to the present, review of the procurement code and an audit of the p-card system. Mr. Keaveny advised the Committee to hire a law firm to conduct the investigations and reviews, and noted that the large law firms in the State can retain additional vendors to assist with investigations as necessary. Mr. Keaveny also clarified that the Procurement Code allows the Council and the County Administrator the authority to hire law firms and that those retentions are exempt from the competitive bidding process. However, the idea would be to put requests in the South Carolina Bar, the South Carolina Lawyer, and State and local papers for firms to submit their qualifications, including their resumes and list of professionals.

Council Member Passiment asked if they were precluded from beginning the process now or if it would begin once the advertisement started. County Attorney Keaveny commented that Council Members could ask the County Administrator for any information in the County's records and files. Mr. Keaveny also noted the benefits of retaining a law firm for coordination purposes.

Council Member Passiment asked if Council would be precluded from contacting some of the large law firms or the firms contacting Council. Committee Chairman Lawson asked if they could start the interviews while advertising for additional firms. County Attorney Keaveny replied that there is no reason to delay the interviews and that those could get started while they wait for other firms to respond to the advertisement.

Council Member McElynn and County Attorney Keaveny discussed how the retained law firm might hire trained investigators to speak with people that could provide additional information and clarification and how the County does not have subpoena power. Council Member McElynn and Mr. Keaveny also discussed how there is no obligation for employees of the County to submit to interviews or cooperate in an administrative hearing.

Committee Chairman Lawson commented that the goal is to begin with a smaller, methodical search and build from there as investigative leads are followed.

Council Member Howard commented that she appreciates the urgency to get started but is worried about the perception of pre-selection if law firms are interviewed before the advertising period has expired.

Council Member Bartholomew asked about preserving evidence to ensure nothing is altered, modified, changed, or deleted. Council Member McElynn voiced his support for the idea. County Attorney Keaveny commented that the County Administrator could be instructed to inform the Procurement, Finance, and IT Departments to freeze everything.

Committee Vice-Chair Tabernik thanked County Attorney Keaveny and Procurement Services Director Thomas for explaining why bids for legal services do not need to be advertised.

Council Member McElynn commented on preserving records in Munis and asked if access needed to be considered. County Attorney Keaveny said that IT can take snapshots of all software entry data and that the information is backed up twice daily. Council Member McElynn asked how long the backups are retained. Mr. Keaveny replied that retention is for approximately three months. CFO Williams commented that Munis is the County's financial reporting system and that anything done in the system has an electronic audit trail where everything is documented.

Committee Vice-Chair Tabernik asked about Munis access limitations. CFO Williams, Acting County Administrator Robinson, and Assistant County Administrator Hill commented on the work that can be done to determine access limitations and how department directors usually permit which staff members have access to what. ACA Hill also noted that approximately 60 staff members have access to Munis.

County Attorney Keaveny proposed having the RFQ drafted by the week's end and advertised starting Monday, July 31, 2023.

Committee Vice-Chair Tabernik highlighted Council Member Bartholomew's suggestion of freezing records at the start of the fiscal year (July 1, 2023). Committee Chairman Lawson commented that staff could then take a snapshot of records once a month going forward. Assistant County Administrator Hill confirmed that staff would work on the suggestions.

Motion: It was moved by Council Member Howard, seconded by Council Member Brown, to issue an RFQ to be prepared by Friday, July 28, 2023, and advertised by Monday, July 31, 2023, for fifteen days to identify and retain a Law Firm to conduct all four investigations as discussed on Monday, July 24, 2023, during the Special Called County Council Meeting.

Discussion: The Committee and County Attorney Keaveny recommended retaining one law firm for all four investigations.

Committee Chairman Lawson commented that the cost of retaining a law firm is currently unclear, but the interviews would clarify. Committee Chairman Lawson also noted that a budget amendment may be needed.

The Vote – The motion was approved without objection.

Acting County Administrator Robinson discussed resetting the p-card policy and the expectation that all p-cards in the system are used in compliance with the County’s p-card policies regarding daily and monthly spending limits. Mr. Robinson also said that some exceptions would be noted by the Purchasing Department and approved by the County Administrator since some departments use p-cards widely for the business of the County. Mr. Robinson noted that staff would be informed on Friday, July 28, 2023.

Committee Chairman Lawson commented on the request that the Finance Department develop a monthly report of p-card use to ensure transparency and accountability. Committee Chairman Lawson also said that if there is something that Council should be aware of, staff members should feel comfortable bringing information forward.

7. **A DISCUSSION ON AUTHORIZING THE FINANCE, ADMINISTRATION, AND ECONOMIC DEVELOPMENT COMMITTEE TO A CONTRACT WITH ONE OR MORE PROFESSIONALS OR PROFESSIONAL FIRMS TO CONDUCT A THOROUGH REVIEW OF ALL CONTRACTS FOR PROFESSIONAL SERVICES WHICH THE COUNTY HAS ENTERED INTO SINCE JANUARY 1, 2023, TO CONFIRM THAT THOSE CONTRACTS COMPLY WITH THE COUNTY'S PROCUREMENT CODES, TO IDENTIFY ANY CONTRACTS THAT DO NOT COMPLY WITH THE COUNTY'S PROCUREMENT CODES, TO BRING TO COUNCIL THOSE THAT DO NOT COMPLY, AND PROVIDE A DESCRIPTION OF THE DISCREPANCIES. (FUNDING WILL COME FROM COUNCIL'S CONTINGENCY FUND, AND THE ACTING ADMINISTRATOR WILL BRING FORWARD A BUDGET ORDINANCE AMENDMENT TO FUND THESE CONTRACTS IF NECESSARY)**

Item 7 was discussed under item 6.

8. **A DISCUSSION ON AUTHORIZING THE FINANCE, ADMINISTRATION, AND ECONOMIC DEVELOPMENT COMMITTEE TO CONTRACT WITH ONE OR MORE PROFESSIONALS OR PROFESSIONAL FIRMS TO CONDUCT A THOROUGH REVIEW OF THE BEAUFORT COUNTY'S PROCUREMENT CODES TO PROVIDE THE COUNTY WITH RECOMMENDATIONS FOR ANY UPDATES, REVISIONS, NEW MEASURES, AND OTHER CHANGES WHICH IT BELIEVES ARE NEEDED IN ORDER TO STRENGTHEN THE PROCUREMENT CODE IF NEEDED. (FUNDING WILL COME FROM THE COUNCIL'S CONTINGENCY FUND, AND THE ACTING COUNTY ADMINISTRATOR WILL BRING FORWARD A BUDGET ORDINANCE AMENDMENT TO FUND THESE CONTRACTS IF NECESSARY)**

Item 8 was discussed under item 6.

9. **A DISCUSSION ON AUTHORIZING THE FINANCE, ADMINISTRATION, AND ECONOMIC DEVELOPMENT COMMITTEE TO CONTRACT WITH ONE OR MORE PROFESSIONALS OR PROFESSIONAL FIRMS TO CONDUCT AN AUDIT OF THE COUNTY'S P-CARD SYSTEM FOR THE FISCAL YEARS 2019-2020, 2020-2021, 2021-2022, AND 2022-2023 AND TO REPORT THE FINDINGS TO COUNCIL ALONG WITH RECOMMENDATIONS FOR CHANGES, IF ANY. (FUNDING WILL COME FROM COUNCIL'S CONTINGENCY FUND, AND THE ACTING ADMINISTRATOR WILL BRING FORWARD A BUDGET ORDINANCE AMENDMENT TO FUND THESE CONTRACTS IF NECESSARY)**

Item 9 was discussed under item 6.

10. **EXECUTIVE SESSION**
PURSUANT TO S. C. CODE SECTIONS 30-4-70(A)(2) TO RECEIVE LEGAL ADVICE ON MATTERS COVERED BY THE ATTORNEY-CLIENT PRIVILEGE.

Committee Chairman Lawson commented that nothing was outstanding to discuss during the executive session, so no executive session was held.

11. MATTERS ARISING OUT OF EXECUTIVE SESSION

No executive session was held, so there are no matters arising out of the executive session.

12. ADJOURNMENT

Adjourned 1:40 pm

Ratified: September 18, 2023