

1983 WL 181863 (S.C.A.G.)

Office of the Attorney General

State of South Carolina

April 26, 1983

*1 Edgar A. Vaughn
State Auditor
Post Office Box 11333
Columbia, South Carolina 29211

Dear Ed:

The Attorney General has asked that I reply to your letter of April 19, 1983, concerning use of 'excess' funds obtained by colleges and universities through bookstore operations. I believe that Attorney General's Opinion of April 4, 1983, to you, copy attached, answers the second question.

As to the first question, while excess funds (after all costs are paid) may be 'expended in accordance with the policies established by the institution board of trustees', there is no Constitutional or statutory power for a State agency to give public funds to a private foundation or any other corporation or individual except in payment for goods and services. You will recall that the recent Legislative Audit Council's report severely criticized transfers between institutions and foundations. Section 129 of the Act also prohibits the named institutions of higher learning from establishing 'State scholarships', except for the purpose of implementing the South Carolina plan for equal opportunity in the public colleges and universities. Because of that proviso to Section 129, it would appear that trustees might establish scholarships for that limited purpose from funds which are truly excess to the cost of operating the bookstores and canteens.

Please call me if you have further questions.

Sincerely,

Frank K. Sloan
Chief Deputy Attorney General

1983 WL 181863 (S.C.A.G.)

End of Document

© 2015 Thomson Reuters. No claim to original U.S. Government Works.