

**Chair Wm. Weston J. Newton**

*First Vice-Chair:*  
*Laurie Slade Funderburk*

## **Legislative Oversight Committee**

*Micajah P. (Micah) Caskey, IV*  
*Neal A. Collins*  
*Patricia Moore (Pat) Henegan*  
*William M. (Bill) Hixon*  
*Jeffrey E. (Jeff) Johnson*  
*Marvin R. Pendarvis*  
*Tommy M. Stringer*  
*Bill Taylor*  
*Robert Q. Williams*



**South Carolina House of Representatives**

*Gary E. Clary*  
*Chandra E. Dillard*  
*Lee Hewitt*  
*Joseph H. Jefferson, Jr.*  
*Mandy Powers Norrell*  
*Robert L. Ridgeway, III*  
*Edward R. Tallon, Sr.*  
*John Taliaferro (Jay) West, IV*  
*Chris Wooten*

*Jennifer L. Dobson*  
*Research Director*

*Cathy A. Greer*  
*Administration Coordinator*

**Post Office Box 11867**  
**Columbia, South Carolina 29211**  
**Telephone: (803) 212-6810 • Fax: (803) 212-6811**  
**Room 228 Blatt Building**

*Charles L. Appleby, IV*  
*Legal Counsel*

*Carmen J. McCutcheon Simon*  
*Research Analyst/Auditor*

*Kendra H. Wilkerson*  
*Fiscal/Research Analyst*

September 10, 2019

State Inspector General Brian Lamkin  
111 Executive Center Drive, Suite 204  
Synergy Business Park Enoree Building  
Columbia, South Carolina 29210 - 8416

Dear Inspector General Lamkin:

The House Legislative Oversight Committee (Committee) is conducting an oversight study of the South Carolina State Housing Finance and Development Authority (SC Housing). The purpose of this letter is to share information obtained from the public as a part of this study that may be viewed as items the State Inspector General's Office is charged with investigating and detecting (i.e., fraud, waste, abuse, mismanagement, violations of state or federal law, and misconduct and/or wrongdoing in the executive branch) for consideration of whether the concerns rise to the level of necessitating an investigation by your office.

The Committee seeks input from the public as a part of its legislative process. Public input is solicited in a variety of ways, including sworn testimony at meetings, interactions with constituents, and online surveys allowing for anonymous comments. Online surveys and interactions with constituents that wish to remain anonymous, pursuant to Committee Standard Practice 10.4, are not considered testimony or offered for the truth of the matter asserted but may nevertheless serve the purpose of directing the Committee to potential issues with an agency.

While not all of the concerns shared by a constituent, wishing to remain anonymous, may rise to the level of necessitating an investigation by your office, nonetheless for context all of the constituent's concerns are listed below. The concerns shared by the constituent allege and/or question the appropriateness of the following: (1) development, structure, and lack of timely notice to appropriate officials (e.g., board of commissioners and agency general counsel) of a separation agreement with a former deputy director; (2) position fulfillment practices (e.g., not posting positions); (3) low employee morale with high turnover among senior management; (4) annual board retreats costing the agency approximately \$10,000 to \$15,000 each year; (5) implementation of appropriate internal agency practices to address issues identified in the federal audit of the SC HELP Program,

Page Two

State Inspector General Brian Lamkin

a program no longer accepting applications which provided assistance to homeowners impacted by the economic crisis; (6) exploration of formation of a nonprofit organization that may supplement salaries of agency executive leadership; (7) excess unspent bond proceeds (\$150 million) which could be put towards increasing housing across South Carolina; and (8) termination of a program with the Office of Aging without a vote by the agency's board of commissioners.

The Committee's Economic Development, Transportation, and Natural Resources Subcommittee will continue its study of the agency. If the Committee may be of assistance to the Office of State Inspector General with regards to these concerns, please do not hesitate to contact us. Thank you for your dedication to the important issues facing the people of South Carolina.

Sincerely,



Wm. Weston J. Newton  
Committee Chair



William M. (Bill) Hixon  
Subcommittee Chair

cc: Economic Development, Transportation and Natural Resources Subcommittee  
SC Housing Board of Commissioners  
Ms. Bonita Shropshire, SC Housing Executive Director