The South Carolina Arts Commission
Fiscal Year 2002 Accountability Report

Section I - Executive Summary

Our Mission

The mission of the South Carolina Arts Commission springs from the 1967 act which created it, mandating the agency "to insure that the arts… will continue to grow and play an ever more significant part in the welfare and educational experiences of our citizens."

Last revised in 1998, the agency's mission statement continues to guide its commissioners, senior management and staff:

With a commitment to excellence across the spectrum of our state's cultures and forms of expression, the South Carolina Arts Commission pursues its public charge to develop a thriving arts environment, which is essential to quality of life, education, and economic vitality for all South Carolinians.

The Arts Commission has worked to accomplish its mission by concentrating resources on three strategic goals:

- **Arts Education**, to establish the arts as an integral part of South Carolina's educational systems and the lifelong learning process of our citizens;
- **Community Arts Development**, to stimulate the development of South Carolina's culturally diverse arts resources and organizations and promote creative partnerships to improve the quality of our lives, preserve our cultural heritage, and enhance our economic growth; and
- **Artist Development**, to encourage, nurture and support the artistic growth and personal and economic well-being of South Carolina's artists.

Our Values

The board, management and staff of the Arts Commission articulates the agency's organizational values as ideals that influence daily decisions and are reflected in the agency's behavior:

- *We are a public agency,* relying on public funds and a mandate from the citizenry to provide service and be responsible to the people of South Carolina. We operate within the realm of state government, aware of its opportunities and limitations.
- *We are committed to providing service to all constituents* by building relationships with the people and communities we serve, being responsive to their needs and proactive in our outreach. We value the state's cultural diversity and strive to reflect that diversity in our staffing and programming.
- *We are accountable for our actions* and conduct agency business in an environment of honesty, fairness, integrity and openness. We strive to be a responsible steward of public resources, investing those resources prudently for the greatest public benefit.
- *We are passionate about the arts.* The commissioners and staff of the Arts Commission share the belief that artistic expression and experiences are vital to human society and individual well-being. We are committed to building respect and support for those who create art in its

many forms, as well as building opportunities for the public to experience art in the widest variety of ways.

- *We strive for quality and excellence* in all we do, maintaining the highest levels of professional conduct and sharing the highest levels of skill, knowledge and experience in the workplace and with our constituents. We operate in an environment that encourages planning, communication and collaboration to maximize our individual strengths for the public good.
- *We believe education is our best hope* for building a statewide community of citizens who value the arts. Educational outreach to children, teachers, parents, artists, arts organizations and all other citizens lays the groundwork for all of our other programs.
- *We value independence, tempered with personal responsibility.* As a small agency with a highly creative and committed staff, we believe that encouraging flexibility, ambition, innovation and entrepreneurial thinking among employees results in higher quality service to the public, increases staff commitment to the agency and its mission, and fosters a stronger work ethic.
- *We create a positive work environment* for employees where staff at all levels are involved in decision-making and are supported by management and peers in an atmosphere of mutual respect. Individuality, friendships and fun combine with professionalism to encourage job satisfaction and personal fulfillment in the workplace.

Major Achievements: FY 01-02

The Arts Commission celebrated some major successes and agency milestones in fiscal year 2001-2002. Some of the year's highlights:

- The Arts Commission completed its *Long Range Plan for the Arts in South Carolina*, 2001-2010, involving 1400 South Carolinians statewide. The product is a plan for building and supporting the state's arts community through the end of the decade. The plan has been widely promoted and distributed statewide.
- Following the release of the long-range plan, the Arts Commission developed its three-year strategic plan to directly address the long-range plan's key goals and objectives.
- The agency began planning and development for E-grant, a new service offering an online application process for grants and, ultimately, other Arts Commission services.
- The Arts Commission launched the first phase of its Cultural Participation Project, a major initiative in partnership with the Wallace Reader's Digest Funds to learn about and positively impact levels of public participation in the arts. Accomplishments for the year included the appointment of a project coordinator and the beginning of a staff learning and development phase in preparation for statewide outreach.
- As a leader for the arts in the state, the Arts Commission convened multiple statewide gatherings for constituents, providing learning, networking and professional development opportunities for organizations and artists at a minimal cost.
- The agency began a new initiative targeting after school programs, partnering with the S.C. Afterschool Alliance, Communities in Schools and others to develop a plan for integrating the arts into after school programming for children around the state.
- In the wake of dramatic reductions to the agency's state budget (33% total year-to-year reduction), the Arts Commission evaluated and prioritized its programs, resulting in the

realignment of several agency activities and the elimination of nine programs. While the process of scaling back agency operations was difficult, the changes have positioned the agency to better address its long range goals.

- The agency's computer-based communications have continued to expand to offer constituents a widening array of electronic information and services. Content continues to grow and improve as usage of these services increases.
- One of the agency's most recognized and utilized communications tools, *Arts Daily,* increased its presence to cover all stations on S.C. Educational Radio network, expanding its reach to an estimated 275,000 weekly listeners.
- At the State House, two key pieces of legislation helped advance public support of the arts. One bill amended current legislation to allow limited state funding for the Jean Laney Harris Folk Heritage Awards. Another revised a law governing the distribution of local Accommodations Tax funds, removing a major barrier to funding for local arts organizations, particularly those in rural areas.
- Working with the Darla Moore School of Business at the University of South Carolina, the agency commissioned a study on the economic impact of the arts industry in South Carolina. The findings show the arts support $1.9 billion in economic output in the state each year, approximately 1.5% of the state's total economy.
- The Arts in Basic Curriculum (ABC) Outreach Initiative increased its presence in school districts of greatest need, dramatically increasing the number of ABC Comprehensive Planning projects (from 2 in FY01 to 13 in FY02) and maintained last year's impressive increase in schools receiving QuickStart grants (rapid response funding to place artists-in-residence in previously unserved schools). Also, the number of summer arts education institutes for teachers grew to 18 (from only 3 a few years ago).
- The agency's wellness program for its employees was recognized as the best wellness program among all state agencies.
- The Arts Commission awarded 398 grants totaling $2,244,271 serving 42 counties.

Upcoming Opportunities

The S.C. Arts Commission anticipates a number of notable opportunities for the upcoming year. Among them:

- The commission will move into the next phase of its five-year Cultural Participation Project – identifying and building intensive relationships with 10 to 15 organizations around the state, each of which will begin their own local initiatives to build cultural participation in their communities.
- Staff will be promoting the *Long Range Plan for the Arts in South Carolina*. Arts coordinators and agency management will visit communities statewide to speak about the plan and advance its goals at the local level.
- In partnership with Young Audiences, a national arts organization, the S.C. Arts Commission will pilot a national project to create online and digital resources for schools and teachers who want to work with artists and connect that work with established curriculum guidelines.
- Plans for FY03 include completion of development and the launch of the agency's new E-grant system.

Barriers to Success

In order to accomplish the Arts Commission's goals for the year, we must overcome some known obstacles:

- State budget cuts continue to have a dramatic impact on the agency's capacity to accomplish its strategic goals. With more cuts pending in FY03, the Arts Commission will be challenged further to find ways of providing quality service with fewer resources.
- One of the ways the agency has dealt with a shrinking budget is to reduce staff travel in the field. This results in fewer opportunities for staff to interact directly with constituents and provide the personalized service to which our customers have become accustomed.
- There is a danger of diminished constituent satisfaction as a result of less frequent contact with staff coordinators. The Arts Commission anticipates that changes in the grants application and management process, as well as statewide learning initiatives funded through other sources, may help maintain the agency's high satisfaction rate among its customers.
- The introduction of the E-grant application system will introduce a challenging learning curve for both staff and constituents to become proficient in a new process for conducting a major segment of agency business.
- Staff morale is likely to continue to be impacted by the budget climate in state government as the agency continues to be limited in the ways it can reward and encourage employees.

Section II - Business Overview

The S.C. Arts Commission employs a total of 33 permanent staff and 2 temporary staff, headquartered at the agency's offices at 1800 Gervais Street in Columbia.

Appropriations/expenditures chart

See table 2.1, page 9.

Key customers and suppliers

The Arts Commission is committed to serving all residents of South Carolina. The agency identifies its key customer groups as the following:

- Students
- Teachers
- Parents
- Artists
- Arts councils
- Arts organizations
- Arts consumers
- National foundations and funders, currently the Wallace-Reader's Digest Funds and the National Endowment for the Arts

The agency's key suppliers include:

- Grantees
- Legislature
- Department of Education
- National Endowment for the Arts
- National Association of State Arts Agencies
- Other national and regional organizations
- Foundations, including the S.C. Arts Foundation and the Wallace-Reader's Digest Funds
- Corporations
- Colleges and universities

Major products and services

In fiscal year 2001-2002, the Arts Commission offered a wide range of services in three major areas: Arts Education, Community Arts and Artist Development:

Arts Education
Arts in the Basic Curriculum (ABC) - Provides grants and assistance designed to help the arts become a basic in South Carolina schools.

Arts in Education (AIE) - Provides grants for residencies, performances, projects, planning and implementation of comprehensive arts education plans. Also provides a booking conference for education sponsors and roster artists, and a profile directory of residency artists.

Media Arts Education - Initiates partnerships which provide workshops and teleconferences on media literacy and film, video, and new technologies for teachers and students.

Roster of Approved Artists - Provides qualified artists for Arts in Education Program.

Community Arts
Art Accessibility (504) - Provides assistance through awareness training to artists and organizations in developing architectural, programmatic and attitudinal accessibility for persons with disabilities.

"Artifacts" - A publication that provides information on all Arts Commission programs, as well as arts events and activities statewide.

Arts Daily - Broadcasts of segments of local and regional arts activities on S.C. Educational Radio. A companion web page is linked to the Arts Commission's web site.

Biennial Support/Annual Support/Subgranting/Project Support/Quarterly Grants - Provides matching funds to professional artists and arts organizations to promote quality arts projects and services.

Cultural Participation Project – A statewide initiative, funded by the Wallace-Reader's Digest Funds, to study cultural participation in the South Carolina and design programs intended to positively impact levels of participation in arts activities.

Cultural Visions for Rural Communities - Provides funding and technical assistance to rural South Carolina communities to stimulate economic development through the use of existing cultural assets and by the formation of strong partnerships between cultural and economic development agencies at the local and state level.

Design Arts - Provides assistance to communities and organizations developing activities that will promote design excellence in the areas of architecture, landscape architecture, urban design and planning, graphic and product design, interior design and historic preservation. Program supports the South Carolina Design Arts Partnership, which delivers broadly based design assistance to South Carolina communities and is a project of the Arts Commission; Clemson University College of Architecture, Arts and Humanities; Clemson University Cooperative Extension Service; and the South Carolina Downtown Development Association.

Diversity Initiatives - Provides development assistance to ethnic and tribal artists and organizations through training subsidies and development grants. Also provides planning grants to mainstream organizations to help them address multicultural needs.

Elizabeth O'Neill Verner Governor's Awards for the Arts - Presents annually the highest honor the state gives in the arts to South Carolina organizations, businesses and individuals participating in the growth and advancement of the arts in South Carolina.

Email Newsletter - A brief letter available by email with opportunities, deadlines, dates and internet resources of interest to artists and organizations.

Folklife and Traditional Arts - Provides technical assistance and grants to community organizations seeking to identify, document and present traditional art forms and their practitioners. Also provides technical assistance to traditional artists seeking to promote or sustain their art forms.

Percent for Art - Encourages funds to be set aside by state entities to purchase artwork for new and renovated state buildings.

Artist Development

Fellowships - Recognizes the artistic achievements of artists who show significant quality in their work. Awards are given by discipline and are rotated on a yearly basis.

Performing Arts Showcase - Provides opportunity for juried performing artists to perform for presenters through an event co-sponsored by the S.C. Presenters Network and S.C. Arts Alliance, held in conjunction with the Arts in Education booking conference.

Community Tour - Provides fee support for performances in South Carolina by selected South Carolina performing ensembles and soloists.

Literary Arts – Supports the South Carolina Literary Arts Partnership, a project of the Arts Commission, S.C. Humanities Council, S.C. State Library and the Palmetto Book Alliance, promoting literary arts programming throughout the state.

Media Arts Center - Provides workshops, technical assistance, equipment access, studio access and film and video exhibitions in ten southeastern states.

Regional Media Artists Program - Provides film and video equipment awards and Southeastern Media Institute tuition assistance to regional media artists through a partnership with state arts councils in Georgia, Alabama, Mississippi, Louisiana, Tennessee, Kentucky, Virginia and North Carolina.

Slide Registry - Provides an image bank of slides for any organization or individual in South Carolina to review when interested in purchasing or exhibiting works by visual artists.

South Carolina Fiction Project - Publishes works of short fiction through a partnership with *The (Charleston) Post & Courier* newspaper.

Southeastern Media Institute - A biennial event featuring intensive film, video and audio workshops and screenings.

Southern Circuit - Tours six internationally recognized independent film and video artists who screen and discuss their work in six southeastern cities.

State Art Collection - Builds and maintains a collection of work by contemporary South Carolina artists which is displayed in state buildings and loaned to arts organizations for special exhibitions, both in-state and out-of-state.

"Untitled" - An online publication providing artists of all disciplines with marketing information and professional opportunities.

Visual Arts Exhibitions - Provides exhibitions of South Carolina artists' works.

Organizational Structure

See table 2.2, page 10.

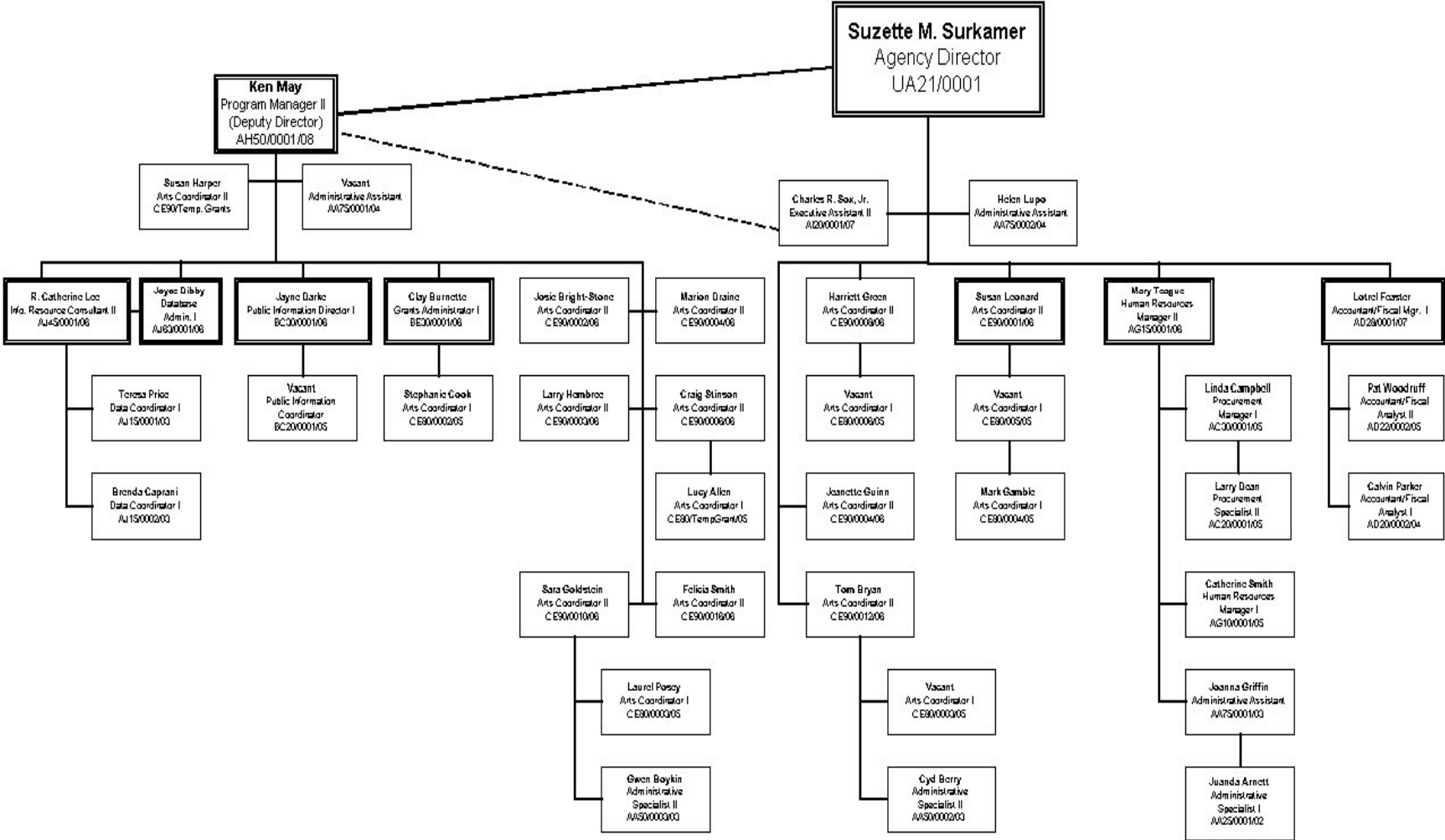**Table 2.1 - Accountability Report Appropriations/Expenditures Chart**

Base Budget Expenditures and Appropriations

Major Budget Categories	00-01 Actual Expenditures		01-02 Actual Expenditures		02-03 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	1,389,187	1,273,275	1,374,982	1,299,653	1,489,405	1,337,561
Other Operating	1,007,221	850,320	731,885	616,808	966,956	762,269
Special Items	313,622	313,622	313,622	313,622	305,719	305,719
Permanent Improvements						
Case Services						
Distributions to Subdivisions	2,839,215	2,467,100	2,271,731	1,859,349	2,879,312	1,767,157
Fringe Benefits	371,105	344,114	363,934	345,436	373,248	345,000
Non-recurring						
Total	**5,920,350**	**5,248,431**	**5,056,154**	**4,434,868**	**6,014,640**	**4,172,706**

Other Expenditures

Sources of Funds	00-01 Actual Expenditures	01-02 Actual Expenditures
Supplemental Bills	1,291,912	164,231
Capital Reserve Funds	0	0
Bonds	0	0

Table 2.2 – S.C. Arts Commission Organizational Structure

Suzette M. Surkamer — Agency Director — UA21/0001

Ken May — Program Manager II (Deputy Director) — AH50/0001/08

Susan Harper — Arts Coordinator II — CE90/Temp. Grants

Vacant — Administrative Assistant — AA7S/0001/04

Charles R. Sox, Jr. — Executive Assistant II — AI20/0001/07

Helen Lupo — Administrative Assistant — AA7S/0002/04

R. Catherine Lee — Info. Resource Consultant II — AJ4S/0001/08

Joyce Dibby — Database Admin. I — AJ60/0001/08

Jayne Darke — Public Information Director I — BC30/0001/08

Clay Burnette — Grants Administrator I — BE30/0001/08

Josie Bright-Stone — Arts Coordinator II — CE90/0002/08

Marion Draine — Arts Coordinator II — CE90/0004/08

Harriett Green — Arts Coordinator II — CE90/0009/08

Susan Leonard — Arts Coordinator II — CE90/0001/08

Mary Teague — Human Resources Manager II — AG1S/0001/08

Letrel Forster — Accountant/Fiscal Mgr. I — AD29/0001/07

Teresa Price — Data Coordinator I — AJ1S/0001/00

Vacant — Public Information Coordinator — BC20/0001/0S

Stephanie Cook — Arts Coordinator I — CE90/0002/0S

Larry Hembree — Arts Coordinator II — CE90/0003/08

Craig Stinson — Arts Coordinator II — CE90/0006/08

Vacant — Arts Coordinator I — CE90/0008/0S

Vacant — Arts Coordinator I — CE90/000S/0S

Linda Campbell — Procurement Manager I — AC30/0001/0S

Pat Woodruff — Accountant/Fiscal Analyst II — AD22/0002/0S

Brenda Caprani — Data Coordinator I — AJ1S/0002/00

Lucy Allen — Arts Coordinator I — CE90/TempGrant/0S

Jeanette Guinn — Arts Coordinator I — CE90/0004/08

Mark Gamble — Arts Coordinator I — CE90/0004/0S

Larry Dean — Procurement Specialist II — AC20/0001/0S

Calvin Parker — Accountant/Fiscal Analyst I — AD20/0002/04

Sara Goldstein — Arts Coordinator II — CE90/0010/08

Felicia Smith — Arts Coordinator II — CE90/0016/08

Tom Bryan — Arts Coordinator II — CE90/0012/08

Catherine Smith — Human Resources Manager I — AG10/0001/0S

Laurel Posey — Arts Coordinator I — CE90/0000/0S

Vacant — Arts Coordinator I — CE90/0000/0S

Joanna Griffin — Administrative Assistant — AA7S/0001/00

Gwen Boykin — Administrative Specialist II — AAS0/0003/00

Cyd Berry — Administrative Specialist II — AAS0/0002/00

Juanda Arnett — Administrative Specialist I — AA2S/0001/02

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The South Carolina Arts Commission
Fiscal Year 2002 Accountability Report
<u>Section III – Elements of the Malcolm Baldrige Award Criteria</u>

Category 1 – Leadership

1.1   How do senior leaders set, deploy and communicate:

a-b.   Short and long term direction, performance expectations?

The Board of Commissioners and senior management staff are guided by the agency's mission, which they interpret in terms of the needs of the state and its people at large. Long-term direction is set through long-range planning, combining broad public involvement, extensive research into local and national trends, and an understanding of gubernatorial and legislative priorities for the state. An example is the Arts Commission's new *Long-Range Plan for the Arts in South Carolina 2001 – 2010.* Laying out a broad direction for the arts in South Carolina through the end of the decade, the long-range plan includes issues to be addressed by the Arts Commission and by the agency's partners in the public and private sectors. Shorter-term direction is set in the Arts Commission's three-year strategic plans, which outline agency strategies for achieving long-range goals and performance expectations for measuring the agency's success. Further, senior managers work with agency staff to identify short-term goals and set performance expectations in annual work plans, which are created for each of the agency's programs.

c.   Organizational values?

The formalized values of the organization are a product of discussions between management, staff and the agency's board of commissioners, and continue to be acknowledged as the guiding principals that influence decision making and organizational behavior at the Arts Commission. The agency's values statement appears in the Executive Summary (Section I) of this accountability report. Decisions are frequently tested against the values, and in staff meetings the values statement is frequently invoked as a means of making sure that the organization's day-to-day work aligns with its stated goals and priorities.

d.   Empowerment and innovation?

Senior leaders at the Arts Commission encourage staff to work independently and creatively to accomplish the goals established in their work plans and the agency's strategic plan. Leaders and staff believe that such entrepreneurial thinking has resulted in creative partnerships, successful outcomes, and a higher level of job satisfaction that may not have occurred in other operational climates. Indeed, the Arts Commission has recognized *independence, tempered with personal responsibility* as one of its organizational values.

e.   Organizational and employee learning?

Learning is a constant process at the Arts Commission, taking place at all levels of the organization. Senior leaders challenge themselves and staff to keep abreast of research and national trends that can impact the agency's work in South Carolina. Thanks to the agency's involvement with the Wallace Reader's Digest Funds' cultural participation initiative, the agency

has been able to spend a significant amount of time in the last year devoted to employee learning. One segment of the grant activity is the Staff Learning Community. Bi-weekly meetings are set aside for the staff to gather and discuss current research, theory and findings related to cultural participation. Staff are provided with literature, bibliographies and other related materials, and are encouraged to get involved in leading discussions. It is anticipated that the Staff Learning Community will serve as a model for a larger statewide learning community for artists and arts providers that appears later in the grant project's timeline. Agency leaders also encourage staff to take advantage of opportunities to learn within and across their specific disciplines, and an agency-wide training program keeps staff current on issues and skills needed to perform efficiently in the workplace. Staff are encouraged to self-identify specific training needs through submitting an annual Learning Plan as a companion to their annual work plans.

f. Ethical behavior?

Commissioners and senior managers set a high standard for ethical behavior and set the example for the staff to emulate. Because a significant part of the agency's program involves distributing public funds through grantmaking, the staff is sensitive to ethical issues and is encouraged by leaders to engage in frank and open discussions regarding ethics. Agency leaders regularly provide guidance to staff on ethical questions, and have sought opinions from the State Ethics Commission when answers were not immediately clear. This year, agency management and staff held discussions focusing on conflict of interest issues – an area of particular interest to Arts Commission staff who are also practicing artists within the state's arts community. (Prior to the talks, conflict of interest questions were decided on a case-by-case basis.) The result was a formal Conflict of Interest Policy for the agency, a mutually agreed-upon policy that guides both employees and management in making decisions about individuals' personal involvement in the arts. South Carolina is now one of the few state arts agencies in the nation with such a policy for its employees.

1.2 How do senior leaders establish and promote a focus on customers?

Customers are at the center of the Arts Commission's programs, and it is the goal of the agency's leaders to provide constituents with the broadest level of input, access and participation in agency activities. Agency leaders maintain a high level of visibility among constituents, and the management team has built an organizational structure that encourages frequent personal contact between staff and constituents statewide. The agency's use of "coordinators in the field" helps insure that constituents have direct and easy access to Arts Commission staff, regardless of the customer's physical location. Senior leaders regularly review programs with staff to help insure that Arts Commission services are simple to find, easy to use, and are of the greatest benefit to constituents. Revisions to make programs more accessible and stronger for the customer are common. The agency's long-range plan, strategic plans and annual work-plans are directly based on input collected from our customers through the statewide *Canvas of the People,* a series of twelve public meetings to gauge local needs in the arts community and incorporate those needs into its planning process. Throughout the year, the Arts Commission asks its customers for feedback to check its success in meeting customer expectations. Questions on grantees' final reports and targeted surveys help the Arts Commission stay current on what customers need from their state arts agency.

1.3   **What performance measures are regularly reviewed by your senior leaders?**

The Arts Commission's leaders gauge the success of agency programs by measuring the reach of those programs into South Carolina's communities and the impact those programs have locally and statewide. Data collected each year from grant recipients and others participating in Arts Commission programs helps paint the picture of the agency's efforts to serve the statewide arts community. The long-range plan for the arts and the agency's three year strategic plan are key tools in assessing the agency's progress toward its strategic goals. Programs are checked against the plans to insure the Arts Commission is maintaining the direction they set. Performance measures are individualized for specific programs through annual work plans and for individual staff members through the Employee Performance Management System (EPMS).

1.4   **How do senior leaders use organizational performance review findings and employee feedback to improve their own leadership effectiveness and the effectiveness of management throughout the organization?**

Senior leaders at the Arts Commission use organizational performance review findings to make key decisions about the agency's direction as it seeks to accomplish its strategic goals. They are not opposed to adjusting a plan to more effectively steer the agency toward its goals. Agency leaders look at information about the overall health of the state's arts community as a reflection on the performance of the Arts Commission. Recent findings showing declining public participation in the arts statewide are cause for concern, and the agency has laid the groundwork for addressing this area in its long-range and strategic planning. Senior leaders take advantage of the agency's small size to maintain a high level of personal contact with each employee, in both one-on-one and group settings. Their management styles are highly participatory, and staff members at all levels are encouraged to provide feedback and suggestions for managerial and programmatic improvements. Staff members regularly make their opinions known, and managers regularly reiterate their support for that level of interaction by utilizing staff suggestions where beneficial, and actively soliciting continued input into the management process.

1.5   **How does the organization address the current and potential impact of its products, programs, services, facilities and operations, including associated risks?**

The Arts Commission bases each current and new program on the needs of the state and its citizens. Those needs become apparent in many ways, but are primarily identified through public input on the agency's programs, direct interaction between staff and constituents, and statewide priorities established by the governor and the General Assembly. The impact of current programs is tracked through direct contact with customers and through data reported by grantees and program participants. The information is compiled in an agency database, through which agency leaders and staff can easily analyze trends, make program decisions and predict the future impact and costs of the agency's programs and services.

1.6   **How does senior leadership set and communicate key organizational priorities for improvement?**

Senior leaders at the Arts Commission use the agency's planning process effectively to determine areas where improvement and change are warranted. Programs are monitored against existing long-range and strategic plans, and changes are recommended when necessary to insure all are aligned. Input collected from the public and staff, as well as available constituent data are used when making dramatic changes in the agency's strategic goals or key programs. Changes are communicated to staff and constituents through direct interaction and the agency's network of communication tools, including newsletters, email and web site.

1.7   How does senior leadership and the agency actively support and strengthen the community? Include how you identify and determine areas of emphasis.

Community arts development is one of the Arts Commission's strategic goals. Indeed, much of the agency's resources and energies focus on building and supporting strong local arts programs which, themselves, support and strengthen communities. The organizational structure of the Arts Commission confirms that commitment to communities through its regional coordinators – staff in the field across the state who build relationships with local communities and have a direct impact on their cultural climates. Senior leaders use a variety of sources of information to help determine strategic ways of using agency resources to strengthen communities, including public input, research into local and national trends and staff observations. Education is the primary area of current emphasis, identified by *every* source as a priority for the Arts Commission's efforts.

Category 2 – Strategic Planning

2.1   What is your strategic planning process, including participants, and how does it account for:

a.   Customer needs and expectations?

In the Arts Commission's strategic planning process, customer needs and expectations are identified through extensive public input. In the agency's preparation for creating the current long-range plan for the arts and its current strategic plan, representatives from the Arts Commission held twelve meetings around the state to engage artists, arts organizations, educators, students, and other stakeholders in a dialogue designed to reveal their current needs and expectations for the arts in South Carolina. Those who did not participate in person were invited to submit information via mailed questionnaires, email surveys and questions on the agency's web site. The agency conducted personal interviews with a diverse array of civic, business and community leaders across the state to capture their perspectives and priorities concerning the arts. Also, the agency commissioned a public opinion survey through the University of South Carolina to create a representative snapshot of arts involvement and of South Carolinians' opinions on the value of arts in their lives and communities. In all, close to 1400 individuals participated in the planning process.

b.   Financial, societal and other risks?

A great deal of study and research goes into the Arts Commission's strategic planning process, including a thorough evaluation of the costs of implementing recommendations or creating new programs. As a good steward of state resources, the Arts Commission uses planning to make the most prudent use of its state dollars. Research also helps the agency anticipate other risks, costs and barriers and plan for minimizing or dealing with those risks as they arise.

c – d.   Human resource and operational capabilities and needs?

The Arts Commission understands that, just as programs have financial costs, they carry costs in terms of human resources and operational capacity. When exploring new programs or new strategic directions, the agency's planning process includes an assessment of the investment of human resources required and the impact of the new initiative on the agency's current operations. Agency leaders, commissioners and staff work together to prioritize future needs and current programs, and are willing to adjust existing programs to make way for new directions that will help the agency fulfill its mission.

e.   Supplies/contractor/partner capabilities and needs?

The Arts Commission has a strong history of working with partners statewide who share the agency's commitment to the arts in South Carolina, so much so that searching for effective and innovative partnerships has become a natural part of the planning process. Partners are sought who can deepen the impact of a program by bringing resources, experience, customers and prestige beyond the usual capabilities of the agency. Programs are planned to capitalize on partners' strengths and deepen the relationships between agency, partners and constituents.

2.2   How do you develop and track action plans that address your key strategic objectives?

Plans for action begin in the agency's three-year strategic plans. Based on broad objectives set in the long-range plan for the arts, the three-year strategic plan outlines specific strategies to support the objectives. Annual work plans for each program specify actions and assign performance measures targeted toward successful implementation of the strategies. Program budgets and timelines are linked to the work plans to guarantee that adequate resources are available. Agency managers track progress through regular meetings involving agency leaders, staff and partners, and monitoring of timelines and budgets.

2.3   How do you communicate and deploy your strategic objectives, action plans and performance measures?

The agency's long-range plan is published and distributed in a variety of ways: printed copies are provided to key constituent groups, state and local government leaders and partners, accompanied by a statewide awareness campaign to alert the public to the plan. Summaries of the plan are widely distributed through brochures and agency newsletters. The complete plan is also available on the agency's web site. The agency's three-year strategic plans are distributed to

agency commissioners, management and staff, as well as key partners involved in implementing specific actions. Annual work plans and performance measures are created, deployed and tracked by agency management and program staff.

Category 3 – Customer Focus

3.1   Identify key customers and stakeholders.

For the Arts Commission, key customers and stakeholders are K-12 students, their teachers and parents, artists, regional arts councils, local arts organizations, arts consumers, local governments and organizations interested in economic development and planning, the General Assembly, the Governor, the National Endowment for the Arts, partners in our initiatives such as corporations, local and national foundations, other state agencies, the S.C. Department of Education, the state's colleges and universities, regional and national arts organizations and any citizen or organization interested in the quality of life and economic benefits the arts bring to the state of South Carolina.

3.2   How do you determine who your customers are and what are their key requirements?

The Arts Commission identifies its customers in several ways. Some customers are mandated. The act that created the Arts Commission in 1967 charges the agency to work on behalf of all citizens of the state. The agency interprets the same act as a mandate to involve the arts in the education process of South Carolinians. Some customers identify themselves to the agency, seeking funding or technical support in their efforts to deliver arts programming and education in their communities. Other customers are strategically sought out by the Arts Commission for their skills, resources or experience that could enhance the agency's ability to fulfill its mission. The requirements of each group can be very different, and the Arts Commission maintains contact with its customers through formal and informal interaction, research and tracking to monitor their changing needs and plan the best methods of satisfying them.

Grantees are customers, in the sense that they come to the agency for resources, but they are accountable to the agency for the grant-funded work they do. The Arts Commission is interested in seeing these artists and organizations mature and progress in their work, and one of the best ways to track this progress is through objective panel reviews of their grant proposals. These reviews give the commission a snapshot of an organization's health, general artistic focus and its commitment to supporting its community. Proposals give specific information on projects and activities and key needs and requirements. Objective evaluations of grant applications also provide the Arts Commission with an indication of where it might focus its efforts statewide to provide assistance in areas that may need improvement.

3.3   How do you keep your listening and learning methods current with changing customer/business needs?

The commission, managers and staff of the Arts Commission share the belief that direct, personal constituent contact is the best way to maintain an understanding of customer needs. The

agency's organizational structure encourages frequent contact between staff and constituents, and allows them to build relationships in communities throughout the state. The agency regularly convenes conferences, meetings and forums which bring constituents together to discuss needs and ways to address them. New and emerging technology has broadened the agency's capacity to gather feedback from its constituents, and expanded its ways of responding. The agency's web site shows a pattern of increased use by constituents, and email continues to grow as a vehicle for communicating and gathering information from our customers. The current "E-grant" initiative at the Arts Commission will significantly modernize methods of dealing with a significant group of customers who are looking for a more efficient and simplified way of providing information to the agency.

3.4   How do you use information from customers/stakeholders to improve services or programs?

Information supplied by constituents is a key consideration in evaluating and making decisions about agency programs and services. The Arts Commission's *Canvas of the People* gathered information from constituent groups statewide. They voiced their thoughts and ideas on the agency's strategic goals and programs, and the agency uses that information to help set its long- and short-term direction. Constituents also supply information to the Arts Commission in their grant proposals and final reports, which supply more quantitative information about the communities and populations they serve, their success in reaching those communities, and the amount of local investment generated by state dollars. Analysis of this information helps the Arts Commission identify areas where change may improve the effectiveness of programs or make better use of state resources. Final grant reports include questions that allow customers to identify needs or suggest ways the agency could improve its service to the field. The agency's current strategic plan responds to the needs constituents have identified by forming a direct link between the day-to-day work of the agency and the needs of its customers.

3.5   How do you measure customer/stakeholder satisfaction?

In fiscal year 2002, the Arts Commission surveyed its largest recorded customer base, its current grantees. The survey was designed to do two things: ask about our customers' satisfaction with the grant application and management process, and collect information that would be useful in designing the agency's new online "E-grant" product. The survey was constructed in a way that allowed customers to score their levels of satisfaction with various elements of the granting process and to write more detailed explanations of specific issues and suggestions. Some of the results are shown in category 7 of this section.

To take the survey further, a second round of questionnaires was sent to a different group of customers: those who had previously applied to the Arts Commission for grant funding, but were not successful in receiving awards. Information gathered from these surveys has been especially helpful in creating a more user-friendly way for the public to approach the Arts Commission's services.

Past efforts to solicit information on customer satisfaction have included constituent forums, open-ended questions on the final report form for grant recipients, evaluation surveys associated

with meetings or conferences, and similar vehicles for collecting feedback in addition to the staff's direct interaction with customers. These methods of collecting satisfaction information continue to be an important part of the Arts Commission's relationship with its customers.

3.6   How do you build positive relationships with customers and stakeholders? Indicate any key distinctions between different customer groups.

One of the strengths of the Arts Commission is its track record of creating and maintaining strong personal relationships with its constituents. Agency commissioners, managers and staff place a high priority on being accessible and responsive to constituents. The agency organizes itself to provide the most access and expertise directly to constituents through its discipline and region-based arts coordinator system. Through this system, constituents have a direct relationship with a staff member who is knowledgeable in a specialized field, be it arts in education, visual arts, performing arts, craft, literary arts or other art forms. Other staff are assigned to cover specific regions of the state, so arts organizations can rely on having access to someone who is knowledgeable about the physical, economic, social and cultural makeup of their own communities. One area of recent emphasis has been building relationships within the state's growing Latino community. The presence of a bilingual arts coordinator on staff has helped the Arts Commission see significant progress in its outreach to this community. In all regions and arts disciplines, constituents repeatedly voice their appreciation of this personalized system of constituent service and the value it adds to the Arts Commission's programs.

Category 4 – Information and Analysis

4.1   How do you decide which operations, processes and systems to measure?

For the Arts Commission, setting out to measure the results of its programs is a challenge. The very nature of the work of the agency largely produces intangibles: creativity, artistic expression, inspiration, artistic opportunity, and other practically immeasurable, yet valuable, products. To measure success, the Arts Commission has chosen what it considers key indicators of a thriving arts community in South Carolina. These indicators measure the agency's reach into communities, the return on its investment in artists and organizations, the economic impact of the arts industry and the overall climate of arts participation in the state. The agency's support processes such as procurement and accounting set standards for their operations, and measure their success in order to maintain a smooth workflow within the agency and with their associated offices elsewhere in state government.

4.2   How do you ensure data quality, reliability, completeness and availability for decision-making?

By far, the largest set of data the Arts Commission uses comes from information supplied by grantees in their proposals and the final reports required by the terms of their grant agreements. Information submitted is checked for accuracy by the arts coordinator who deals most directly with that artist or organization. The competitive nature of the Arts Commission's grants process is such that inaccurate or incomplete information renders an applicant ineligible for funding. Grantees are also subject to periodic audits to verify financial data. For most surveys, polls and

focus groups, the agency contracts with qualified research professionals to guarantee accuracy and solid methodology. Surveys generated within the agency are constructed using the best known practices. The agency manages its data in two databases: one that tracks statistical and program data, the other for accounting and financial data. Data across several years is easily accessible to staff at their desktops. A full-time database manager works to help guarantee that the most current data is posted and that information is easily retrieved.

4.3   How do you use data/information analysis to provide effective support for decision-making?

The Arts Commission monitors its data to make informed decisions about programs and strategic direction, using the data to highlight areas where improvement may be needed, or where notable levels of success are being achieved. Program-level staff are trained in using the agency's statistical and financial databases to monitor trends, identify needs and generate reports that support decision-making.

4.4   How do you select and use comparative data and information?

The Arts Commission uses comparative data to show how the agency performs regionally or nationally with its counterparts in other states. The agency also reviews data over periods of time, which allow it to track trends and monitor progress in some key areas.

Category 5 – Human Resources

5.1   How do you and your managers/supervisors encourage and motivate employees (formally and/or informally) to develop and utilize their full potential?

Employees at the S.C. Arts Commission are encouraged to seek contentment in the contexts of both their professional and personal lives. Staff are given a great deal of flexibility to exercise independence and creativity when setting their work priorities and carrying out their duties. Managers have established a very open management style, which encourages employees to provide input and opinions at all levels of agency operation. When funding is available, the agency uses merit increases to reward outstanding job performance. Opportunities for professional development and skills training are made available to staff, although recent budget reductions have impacted the quantity of training the agency can offer. Staff appreciation and recognition events are held during the year. For personal development, the agency offered employees a tuition assistance program in fiscal year 2002 to encourage staff to seek higher education (this incentive has been discontinued for FY03 due to budget reductions). Flexible work schedules allow staff to adjust their work times around needs at home. The agency has a wellness program that encourages staff to practice good exercise and nutrition habits. The agency periodically invites a health professional to a brown-bag lunch with staff to discuss health matters. Using donated exercise equipment, the agency installed an exercise area in one part of the building. Health screenings and flu shots are offered during the year. The agency's wellness program was honored as the best among state agencies for FY02.

5.2 How do you identify and address key developmental and training needs, including job skills training, performance excellence training, diversity training, management/leadership development, new employee orientation and safety training?

Agency-wide training requirements are driven by changing staffing needs, changing organizational structures, and changes in technology or major agency processes. The key to identifying needs for individual training and staff development is an ongoing dialogue between supervisors and employees. This open communication helps both supervisor and employee identify areas where additional growth or skills could be beneficial for the agency and the staff member. Staff are currently asked to submit an annual Professional Development Plan in conjunction with their annual work plans. The Learning Plan identifies areas where an employee believes his ability to serve customers can benefit from additional training or learning. Information from the Learning Plans is used to create an agency-wide training plan for staff.

The Arts Commission has a detailed employee orientation program that formally introduces new staff to the diverse functions of the agency, while allowing the new employee to quickly become acquainted with co-workers. In FY02 a staff team redesigned and updated a disaster plan for the agency in an effort to protect staff and resources in case of a major emergency. The agency partnered with local fire and law enforcement agencies to provide training on safety and security in the workplace.

5.3 How does your employee performance management system, including feedback to and from employees, support high performance?

Managers and supervisors at the Arts Commission share the belief that the Employee Performance Management System is an ongoing communication process that takes place all year long, not just at evaluation time. Employees actively participate in the creation of personal planning documents, and frequent discussions between supervisors and employees help track personal progress throughout the year in order for the employee to have the best opportunity for high achievement. Merit raises linked to EPMS results help provide a reward for outstanding performance when those raises are fiscally possible.

5.4 What formal and/or informal assessment methods and measures do you use to determine employee well-being, satisfaction and motivation?

Being a small agency, the Arts Commission enjoys the ability to gather its entire staff together to discuss a wide range of issues concerning the organization. These "all staff" meetings are frequent and members of the staff are open and vocal about their concerns, needs, ideas and celebrations. These gatherings are excellent barometers of staff morale and a valuable tool for discovering areas where improvements may be needed. Smaller group meetings between the executive director and specific departments allow a dialogue focused on assessing departmental needs. Again, the ongoing dialogue between supervisors and employees is the key method for tracking well-being, satisfaction and motivation.

5.5 How do you maintain a safe and healthy work environment?

The Arts Commission's Property and Procurement department works to maintain a safe and healthy workplace for the agency's staff by ensuring compliance with safety and building standards. It maintains relationships with city, state and federal agencies that monitor and provide information about workplace health and safety. In 2002, the agency provided several workshops for staff on fire safety, OSHA requirements, and personal safety and security. The agency's wellness program seeks to assist staff in maintaining good health at the workplace and elsewhere.

5.6   What is the extent of your involvement in the community?

Throughout the year, the Arts Commission participates in agency-wide projects to contribute to the well-being of the midlands and statewide community. This year agency employees coordinated a holiday food drive to help stock a local food bank. The agency participates in the United Way workplace giving campaign, and the Good Health Appeal to benefit local health service organizations. In addition to agency-wide involvement in the community, individual staff members support the community through their participation in civic, cultural and philanthropic activities.

Category 6 – Process Management

6.1   What are your key design and delivery processes for products/services, and how do you incorporate new technology, changing customer and mission-related requirements, into these design and delivery processes and systems?

Decisions about programs and services offered by the Arts Commission are made in anticipation of, or in response to, the needs of our constituent base. Through the information-gathering process of public meetings, surveys, research, interaction with customers, and monitoring trends, the Arts Commission keeps pace with the changing needs of its constituents and makes relevant services available to meet those needs and accomplish the agency's goals. Technology innovations have expanded opportunities for delivering information and services, and for making information and services more accessible to a wider range of constituents. The Arts Commission has embraced new technology, specifically using computers and the Internet to expand its ability to offer and deliver services. The most current example is the agency's "E-grant" project, begun in FY02, which will convert the grant application and management process from a paper-based one to a digital one. Applicants will use an internet-based interface to complete and submit grant applications and final reports. Data from these documents will go directly into the agency's database, and will remain accessible for reference by agency staff and the applicant. The new system fulfills a customer need for a less cumbersome application process while fulfilling an agency need for a streamlined system of inputting and tracking data.

6.2   How does your day-to-day operation of key production/delivery processes ensure meeting key performance requirements?

The Arts Commission operates in a continuing cycle of planning, communicating, evaluating and adjusting its programs, overlaid on a rolling cycle of program and grant deadlines for the agency

and its grantees. Day-to-day operations are targeted toward providing accurate, timely and relevant assistance and information to our constituents in order that they, in turn, may provide accurate, timely and relevant services that advance the Arts Commission's strategic goals in their communities. Our constituents are an excellent barometer for gauging the success of our day-to-day operations, and they do not hesitate to sound the alarm if a breakdown in the production/delivery cycle occurs.

6.3   What are your key support processes, and how do you improve and update these processes to achieve better performance?

Key processes that support the Arts Commission's programmatic work include information processing and management, accounting, facilities management, procurement, human resource management, and public information. Staff members in these areas fully participate in agency-wide planning, and conduct planning for improving and updating functions in their departments. Planning in these areas is especially sensitive to using technology for improving support processes and making more efficient use of agency resources.

6.4   How do you manage and support your key supplier/contractor/partner interactions and processes to improve performance?

Relationships with partners are key to the success of many of the Arts Commission's programs. The agency identifies its partners early, and involves them in the planning and development process, with a goal of utilizing the strengths and resources of each partner for mutual benefit. Partners are involved in decision-making, implementing, evaluating and documenting. The Arts Commission frequently acts as "lead" partner in some initiatives, and frequently participates as a partner in programs initiated by other agencies and organizations.

The Arts Commission's relationship with its grantees is a unique one, in which grantees are customers, seeking grants and services from the agency, but grantees are also "contractors," fulfilling a contracted obligation to carry out programming or provide services in local communities in exchange for a monetary award. The Arts Commission works diligently to maintain strong relationships with its grantees and provide a level of monetary and technical support that encourages improvement among grantees and builds their capacity for providing stronger services at the local level.

Category 7 – Results

7.1   What are your performance levels and trends for the key measures of customer satisfaction?

The Arts Commission has relied on maintaining close customer contact and providing ways for customers to be involved and supply feedback. Agency management and staff feel that this has been the most valuable method of tracking customer satisfaction. In FY02, the agency created a survey that would collect information from current customers about several issues, one of which was customer satisfaction. The results of the survey indicate a high level of general satisfaction among current grantees with the agency's grants programs.

Fig 7.2h Customer Satisfaction Rates

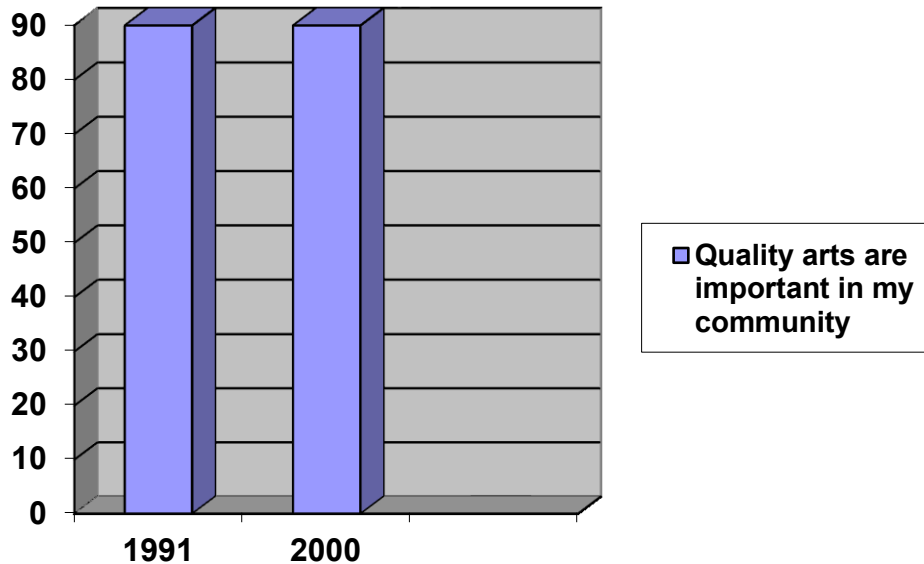*** These questions not applicable for non-grantees**

Surveys were also distributed to organizations and artists who had applied to the Arts Commission for grant funding, but did not receive grants. The results showed surprisingly high levels of satisfaction with the application process. The most telling piece of data is one indicating the needs of this group of customers may not be addressed by the agency's current grants offerings.

7.2 What are your performance levels and trends for the key measures of mission accomplishment?

Among its measures of mission accomplishment, the Arts Commission looks for trends in public behavior and opinion related to the arts in South Carolina. In the fall of 2000, the agency commissioned the University of South Carolina to conduct a survey following up on one conducted in 1991. The 2000 survey questions were phrased and asked in exactly the same way as in 1991 to guarantee comparable results. The findings have been most useful as the Arts Commission creates a new long-range plan for the arts in the state. While these measures were reported in last year's accountability report, they continue to drive decision-making at the Arts

Commission, especially one of the agency's long-range goals addressing participation in the arts. We feel they bear repeating here.

Figure 7.2a – Percentage of South Carolinians who say quality arts are important to have available in their communities.

A very high percentage of respondents, virtually the same in 2000 as in 1991, feel it is important to have quality arts opportunities available in their communities, lending support to the Arts Commission's belief that its message of arts contributing to quality of life, and its direct efforts to support community arts initiatives, are achieving success.

Figure 7.2b - Percentage of South Carolinians who say the arts are an important part of a child's basic education.

A very high percentage of respondents, slightly higher in 2000 than in 1991, consider arts to be an important part of a child's basic K-12 education. This, combined with other research pointing to the value in arts education, supports the Arts Commission's efforts to increase its outreach to schools across the state (see figure 7.2d).

Figure 7.2c – Percentage of South Carolinians attending at least one arts event in a year.

The change in reported arts attendance levels over ten years is significant, but is consistent with trends observed nationwide. Studying and addressing levels of public participation has been identified as one of the agency's priorities in its long- and short-term planning.

Note: The survey added a question in 2000 that did not appear in the 1991 survey, asking whether the respondent or a member of the respondent's household had been involved in creating art in the last year. Findings show 57% of South Carolina households are involved in some arts activity. This data will be used in future research to track the activity of South Carolinians as art makers.

Figure 7.2d – Growth in outreach to schools by ABC Partnership

Integrating standards-based arts programming into the basic K-12 curriculum is one of the Arts Commission's primary strategic goals, addressed through its Arts in Basic Curriculum (ABC) Partnership. Among its indicators for success is the number of school districts participating in this arts education initiative.

The results of agency efforts to encourage schools and districts to engage in strategic planning for arts education is reflected in the trend for Comprehensive Planning Grants. These grants offer support for the creation of five-year arts education plans for schools, school districts, or

gifted and talented consortia by broad-based school or district-wide steering committees. FY02 saw significant progress with a dramatic increase in schools which are engaged in a long-range planning process for arts education.

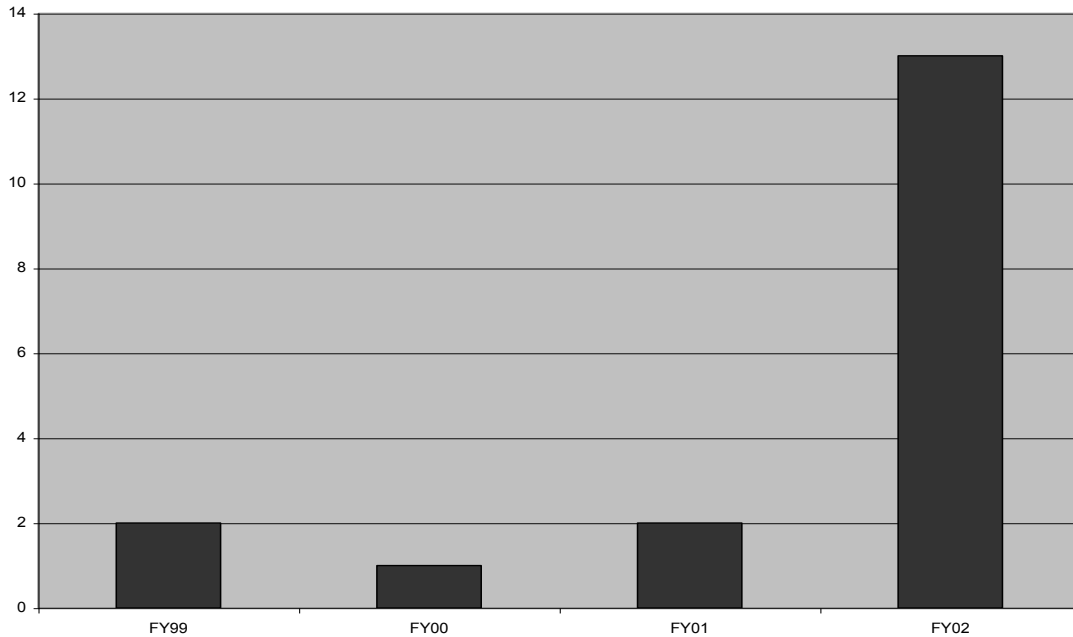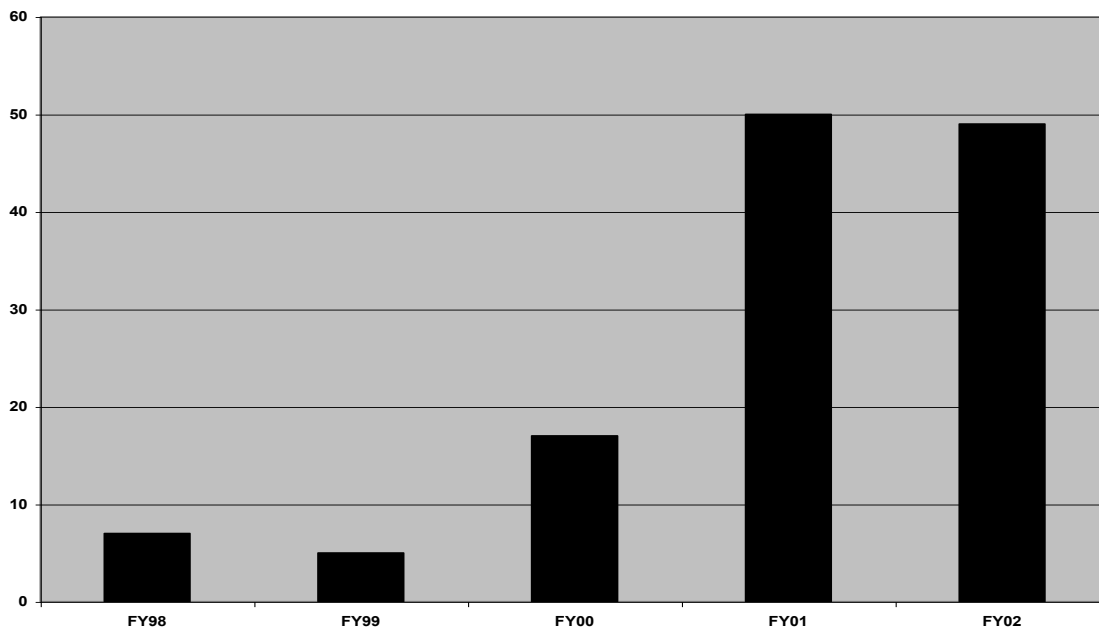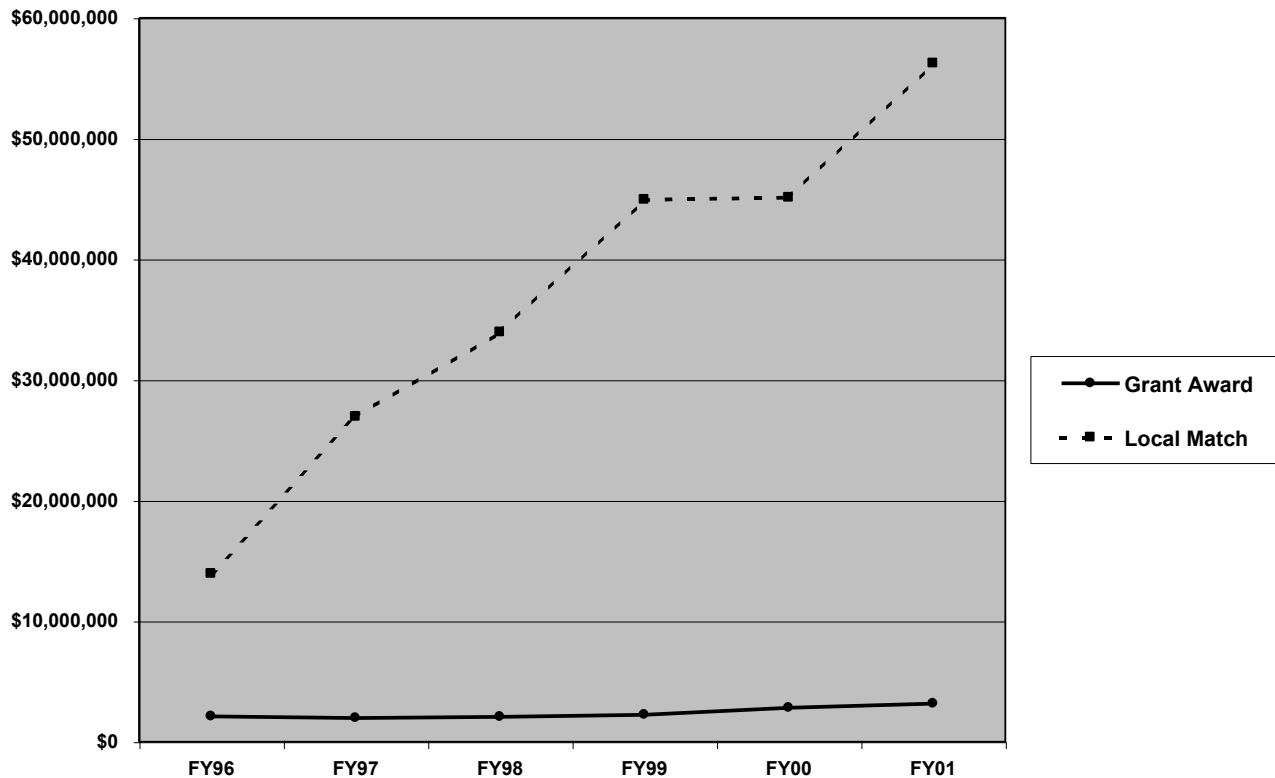**Figure 7.2d – Schools participating in Comprehensive Planning projects**
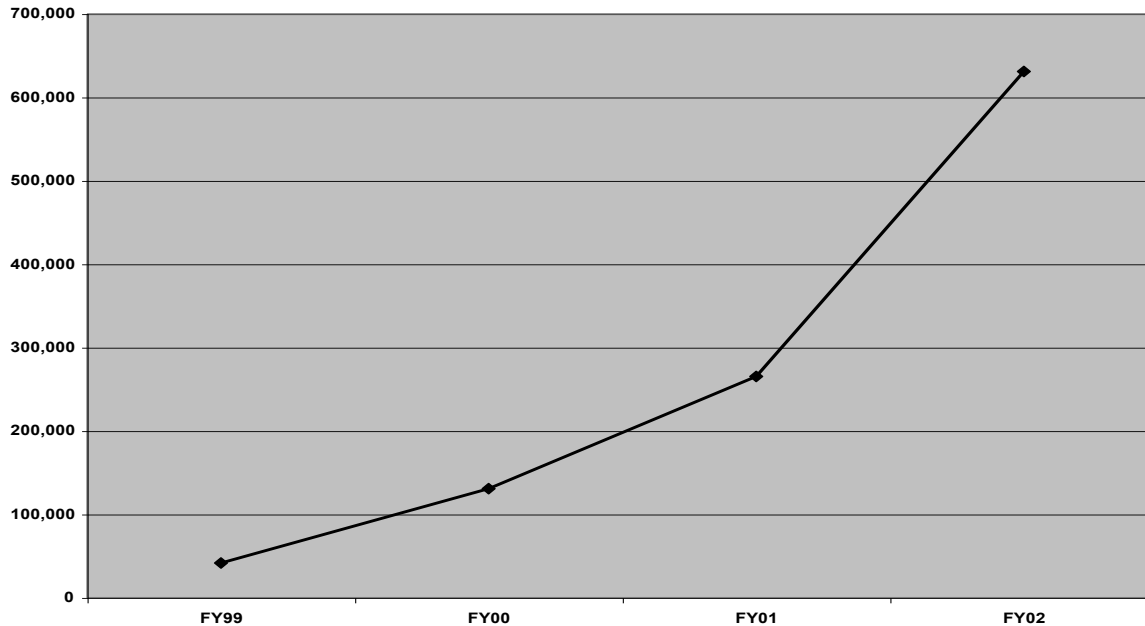

Figure 7.2e - Schools participating in QuickStart grant program

The increase in outreach to schools has had a dramatic impact on the number of schools taking advantage of Arts Commission programs. One example is the sharp rise in schools served by the agency's QuickStart grants program, which provides rapid-response funding for artists-in-residence in schools that have not received such support in the recent past. This program has had notable success in school districts designated by the state as "districts of greatest need." In FY02, the Arts Commission and its partners were able to sustain the dramatic gains made in FY01 in bringing new schools and districts into the program.

Figure 7.2f – Local return on Arts Commission investment

One key indicator of the Arts Commission's success in arts and community development is the return on the agency's investment through its grants programs. The Arts Commission considers its grants program as an investment in South Carolina's local communities. Organizations that receive Arts Commission grants are required to locally match their awards, usually on a 2:1 or 3:1 ratio (local:arts commission). From FY96 to FY01 (the last year for which complete records are available) the Arts Commission's grant investment increased by 50%, while documented local matching has grown 404%.

Figure 7.2g - Visits to agency web site

The Arts Commission's web site has become one of the agency's primary tools for communicating with constituents, gathering information and delivering services, and will continue to grow in importance as the agency's online grant application process is phased in. The agency continues to make improvements and expand the functionality of the site, while providing equal service to constituents who may not have full access to technology. The web site has seen a more than 1500% increase in traffic since tracking began in FY99, and a 238% increase over FY01. The agency has experienced significant cost savings over distributing printed materials, and most constituents tell us they appreciate the flexibility and ease of access of information via the web.

In FY02 the web site added new features to its already-popular *Arts Daily* feature, listing arts events and opportunities across the state. The improved web feature now consistently lists three to five times the number of events it did last year, probably attributable to a new user interface which allows customers to add their own arts events to the site.

7.3   What are your performance levels and trends for the key measures of employee satisfaction, involvement and development?

Because the Arts Commission is a small agency, it has been able to use informal methods of gauging employee satisfaction, involvement and development: frequent direct contact between supervisors and employees, frequent direct communication between staff and executive managers, one-on-one staff interaction and a genuine concern among employees for one another. From these we know that, in general, the employees at the Arts Commission are passionate about

the agency's mission and committed to performance excellence. They value independence and creativity in the workplace and want to contribute to a positive work environment. The agency promotes and strives to supply the qualities the staff identifies with a satisfactory work experience, and we feel we succeed.

One indicator that staff are generally satisfied with their work at the Arts Commission is the remarkable rate of employee retention the agency enjoys. When compared to national data for employee tenure, Arts Commission staff are far beyond national statistic for length of job stay. 47% of the agency's full-time permanent staff have been with the agency for fifteen years or more.

Figure 7.3 – Length of job stay

7.4   What are your performance levels and trends for the key measures of supplier/contractor/partner performance?

The Arts Commission looks at its pool of grantees around the state as its primary group of "contractors," using state funds from the agency to provide arts and arts services in local communities. One key indicator of performance from this group is the peer panel review process, through which grant proposals are evaluated and scored by panels of arts professionals. Grant awards are based in large part on these scores, but other factors, such as grant histories and outreach goals, are figured into the final decision. While the peer panel review process does

render a numerical score, the makeup and priorities of the panels may change from year to year, and different panels review different categories of grant proposals within the same year. The agency uses these scores as a reflection of past performance, and a solid predictor of future success for grant applicants.

The other primary measure of contractor (grantee) performance is the final report each is required to submit in order to fulfill its contract and receive final payment. The final report verifies the grantee accomplished the goals set in the original grant proposal and provided the required local matching funds. In FY01, the last year for which complete data is available, grantees achieved 99% compliance with this requirement.

With planned revisions to the Arts Commission's Operating Support Grants, supported by the new E-grant process, the agency is building a new multi-year tracking component into its grants management database. The goal will be to more easily monitor and track trends and performance levels within the agency's grantee base.

7.5   What are your performance levels and trends for the key measures of regulatory/legal compliance and citizenship?

The Arts Commission is consistently compliant with legal and regulatory requirements including those for hiring, facility safety, records management, and Freedom of Information. The building which serves as headquarters for the Arts Commission has been a major focus of attention for regulatory compliance this year with its transfer of ownership from private owners to the state. A number of changes were made this year to the building and grounds to make the building more compliant with building codes, safety regulations and the Americans with Disabilities Act. More significant changes are planned for FY03 to continue the upgrading process.

In addition to its own compliance, the Arts Commission asks for assurance from its contractors (grantees) that they are in compliance with federal and state regulations governing them, and makes efforts to assist them where needed, particularly in the area of access for people with disabilities.

7.6   What are your current levels and trends of financial performance?

The Arts Commission receives its funding from two primary sources, state appropriations and a federal allotment from the National Endowment for the Arts. It is not a significant revenue-generating agency, and therefore experiences little fluctuation directly based on trends which impact earned revenue. The agency consistently operates within its annual budget, and has a long track record of clean financial audits. The Arts Commission, like all state agencies in South Carolina, is currently reducing its budget to comply with mandated cuts and reductions as the state deals with budget shortfalls.

Section I - Executive Summary

Our Mission

The mission of the South Carolina Arts Commission springs from the 1967 act which created it, mandating the agency "to insure that the arts… will continue to grow and play an ever more significant part in the welfare and educational experiences of our citizens."

Last revised in 1998, the agency's mission statement continues to guide its commissioners, senior management and staff:

With a commitment to excellence across the spectrum of our state's cultures and forms of expression, the South Carolina Arts Commission pursues its public charge to develop a thriving arts environment, which is essential to quality of life, education, and economic vitality for all South Carolinians.

The Arts Commission has worked to accomplish its mission by concentrating resources on three strategic goals:

- **Arts Education**, to establish the arts as an integral part of South Carolina's educational systems and the lifelong learning process of our citizens;
- **Community Arts Development**, to stimulate the development of South Carolina's culturally diverse arts resources and organizations and promote creative partnerships to improve the quality of our lives, preserve our cultural heritage, and enhance our economic growth; and
- **Artist Development**, to encourage, nurture and support the artistic growth and personal and economic well-being of South Carolina's artists.

Our Values

The board, management and staff of the Arts Commission articulates the agency's organizational values as ideals that influence daily decisions and are reflected in the agency's behavior:

- *We are a public agency,* relying on public funds and a mandate from the citizenry to provide service and be responsible to the people of South Carolina. We operate within the realm of state government, aware of its opportunities and limitations.
- *We are committed to providing service to all constituents* by building relationships with the people and communities we serve, being responsive to their needs and proactive in our outreach. We value the state's cultural diversity and strive to reflect that diversity in our staffing and programming.
- *We are accountable for our actions* and conduct agency business in an environment of honesty, fairness, integrity and openness. We strive to be a responsible steward of public resources, investing those resources prudently for the greatest public benefit.
- *We are passionate about the arts.* The commissioners and staff of the Arts Commission share the belief that artistic expression and experiences are vital to human society and individual well-being. We are committed to building respect and support for those who create art in its many forms, as well as building opportunities for the public to experience art in the widest variety of ways.

- *We strive for quality and excellence* in all we do, maintaining the highest levels of professional conduct and sharing the highest levels of skill, knowledge and experience in the workplace and with our constituents. We operate in an environment that encourages planning, communication and collaboration to maximize our individual strengths for the public good.
- *We believe education is our best hope* for building a statewide community of citizens who value the arts. Educational outreach to children, teachers, parents, artists, arts organizations and all other citizens lays the groundwork for all of our other programs.
- *We value independence, tempered with personal responsibility.* As a small agency with a highly creative and committed staff, we believe that encouraging flexibility, ambition, innovation and entrepreneurial thinking among employees results in higher quality service to the public, increases staff commitment to the agency and its mission, and fosters a stronger work ethic.
- *We create a positive work environment* for employees where staff at all levels are involved in decision-making and are supported by management and peers in an atmosphere of mutual respect. Individuality, friendships and fun combine with professionalism to encourage job satisfaction and personal fulfillment in the workplace.

Major Achievements: FY 01-02

The Arts Commission celebrated some major successes and agency milestones in fiscal year 2001-2002. Some of the year's highlights:

- The Arts Commission completed its *Long Range Plan for the Arts in South Carolina*, 2001-2010, involving 1400 South Carolinians statewide. The product is a plan for building and supporting the state's arts community through the end of the decade. The plan has been widely promoted and distributed statewide.
- Following the release of the long-range plan, the Arts Commission developed its three-year strategic plan to directly address the long-range plan's key goals and objectives.
- The agency began planning and development for E-grant, a new service offering an online application process for grants and, ultimately, other Arts Commission services.
- The Arts Commission launched the first phase of its Cultural Participation Project, a major initiative in partnership with the Wallace Reader's Digest Funds to learn about and positively impact levels of public participation in the arts. Accomplishments for the year included the appointment of a project coordinator and the beginning of a staff learning and development phase in preparation for statewide outreach.
- As a leader for the arts in the state, the Arts Commission convened multiple statewide gatherings for constituents, providing learning, networking and professional development opportunities for organizations and artists at a minimal cost.
- The agency began a new initiative targeting after school programs, partnering with the S.C. Afterschool Alliance, Communities in Schools and others to develop a plan for integrating the arts into after school programming for children around the state.
- In the wake of dramatic reductions to the agency's state budget (33% total year-to-year reduction), the Arts Commission evaluated and prioritized its programs, resulting in the realignment of several agency activities and the elimination of nine programs. While the

process of scaling back agency operations was difficult, the changes have positioned the agency to better address its long range goals.

- The agency's <u>computer-based communications</u> have continued to expand to offer constituents a widening array of electronic information and services. Content continues to grow and improve as usage of these services increases.
- One of the agency's most recognized and utilized communications tools, *Arts Daily,* increased its presence to cover all stations on S.C. Educational Radio network, expanding its reach to an estimated 275,000 weekly listeners.
- At the State House, two key pieces of legislation helped advance public support of the arts. One bill amended current legislation to allow limited <u>state funding for the Jean Laney Harris Folk Heritage Awards</u>. Another revised a law governing the distribution of <u>local Accommodations Tax funds</u>, removing a major barrier to funding for local arts organizations, particularly those in rural areas.
- Working with the Darla Moore School of Business at the University of South Carolina, the agency commissioned a study on the <u>economic impact of the arts industry in South Carolina</u>. The findings show the arts support $1.9 billion in economic output in the state each year, approximately 1.5% of the state's total economy.
- <u>The Arts in Basic Curriculum (ABC) Outreach Initiative</u> increased its presence in school districts of greatest need, dramatically increasing the number of <u>ABC Comprehensive Planning projects</u> (from 2 in FY01 to 13 in FY02) and maintained last year's impressive increase in schools receiving <u>QuickStart grants</u> (rapid response funding to place artists-in-residence in previously unserved schools). Also, the number of summer <u>arts education institutes</u> for teachers grew to 18 (from only 3 a few years ago).
- The agency's wellness program for its employees was recognized as <u>the best wellness program</u> among all state agencies.
- The Arts Commission <u>awarded 398 grants</u> totaling $2,244,271 serving 42 counties.

Upcoming Opportunities

The S.C. Arts Commission anticipates a number of notable opportunities for the upcoming year. Among them:

- The commission will move into the next phase of its five-year <u>Cultural Participation Project</u> – identifying and building intensive relationships with 10 to 15 organizations around the state, each of which will begin their own local initiatives to build cultural participation in their communities.
- Staff will be <u>promoting the *Long Range Plan for the Arts in South Carolina*</u>. Arts coordinators and agency management will visit communities statewide to speak about the plan and advance its goals at the local level.
- In partnership with Young Audiences, a national arts organization, the S.C. Arts Commission will pilot a national project to create <u>online and digital resources for schools and teachers</u> who want to work with artists and connect that work with established curriculum guidelines.
- Plans for FY03 include completion of development and the launch of the agency's new <u>E-grant system</u>.

Barriers to Success

In order to accomplish the Arts Commission's goals for the year, we must overcome some known obstacles:

- State <u>budget cuts</u> continue to have a dramatic impact on the agency's capacity to accomplish its strategic goals. With more cuts pending in FY03, the Arts Commission will be challenged further to find ways of providing quality service with fewer resources.
- One of the ways the agency has dealt with a shrinking budget is to <u>reduce staff travel</u> in the field. This results in fewer opportunities for staff to interact directly with constituents and provide the personalized service to which our customers have become accustomed.
- There is a danger of <u>diminished constituent satisfaction</u> as a result of less frequent contact with staff coordinators. The Arts Commission anticipates that changes in the grants application and management process, as well as statewide learning initiatives funded through other sources, may help maintain the agency's high satisfaction rate among its customers.
- The introduction of the <u>E-grant</u> application system will introduce a challenging learning curve for both staff and constituents to become proficient in a new process for conducting a major segment of agency business.
- <u>Staff morale</u> is likely to continue to be impacted by the budget climate in state government as the agency continues to be limited in the ways it can reward and encourage employees.

Section II - Business Overview

The S.C. Arts Commission employs a total of 33 permanent staff and 2 temporary staff, headquartered at the agency's offices at 1800 Gervais Street in Columbia.

Appropriations/expenditures chart

See table 2.1, page 9.

Key customers and suppliers

The Arts Commission is committed to serving all residents of South Carolina. The agency identifies its key customer groups as the following:

- Students
- Teachers
- Parents
- Artists
- Arts councils
- Arts organizations
- Arts consumers
- National foundations and funders, currently the Wallace-Reader's Digest Funds and the National Endowment for the Arts

The agency's key suppliers include:

- Grantees
- Legislature
- Department of Education
- National Endowment for the Arts
- National Association of State Arts Agencies
- Other national and regional organizations
- Foundations, including the S.C. Arts Foundation and the Wallace-Reader's Digest Funds
- Corporations
- Colleges and universities

Major products and services

In fiscal year 2001-2002, the Arts Commission offered a wide range of services in three major areas: Arts Education, Community Arts and Artist Development:

Arts Education
Arts in the Basic Curriculum (ABC) - Provides grants and assistance designed to help the arts become a basic in South Carolina schools.

Arts in Education (AIE) - Provides grants for residencies, performances, projects, planning and implementation of comprehensive arts education plans. Also provides a booking conference for education sponsors and roster artists, and a profile directory of residency artists.

Media Arts Education - Initiates partnerships which provide workshops and teleconferences on media literacy and film, video, and new technologies for teachers and students.

Roster of Approved Artists - Provides qualified artists for Arts in Education Program.

Community Arts
Art Accessibility (504) - Provides assistance through awareness training to artists and organizations in developing architectural, programmatic and attitudinal accessibility for persons with disabilities.

"Artifacts" - A publication that provides information on all Arts Commission programs, as well as arts events and activities statewide.

Arts Daily - Broadcasts of segments of local and regional arts activities on S.C. Educational Radio. A companion web page is linked to the Arts Commission's web site.

Biennial Support/Annual Support/Subgranting/Project Support/Quarterly Grants - Provides matching funds to professional artists and arts organizations to promote quality arts projects and services.

Cultural Participation Project – A statewide initiative, funded by the Wallace-Reader's Digest Funds, to study cultural participation in the South Carolina and design programs intended to positively impact levels of participation in arts activities.

Cultural Visions for Rural Communities - Provides funding and technical assistance to rural South Carolina communities to stimulate economic development through the use of existing cultural assets and by the formation of strong partnerships between cultural and economic development agencies at the local and state level.

Design Arts - Provides assistance to communities and organizations developing activities that will promote design excellence in the areas of architecture, landscape architecture, urban design and planning, graphic and product design, interior design and historic preservation. Program supports the South Carolina Design Arts Partnership, which delivers broadly based design assistance to South Carolina communities and is a project of the Arts Commission; Clemson University College of Architecture, Arts and Humanities; Clemson University Cooperative Extension Service; and the South Carolina Downtown Development Association.

Diversity Initiatives - Provides development assistance to ethnic and tribal artists and organizations through training subsidies and development grants. Also provides planning grants to mainstream organizations to help them address multicultural needs.

Elizabeth O'Neill Verner Governor's Awards for the Arts - Presents annually the highest honor the state gives in the arts to South Carolina organizations, businesses and individuals participating in the growth and advancement of the arts in South Carolina.

Email Newsletter - A brief letter available by email with opportunities, deadlines, dates and internet resources of interest to artists and organizations.

Folklife and Traditional Arts - Provides technical assistance and grants to community organizations seeking to identify, document and present traditional art forms and their practitioners. Also provides technical assistance to traditional artists seeking to promote or sustain their art forms.

Percent for Art - Encourages funds to be set aside by state entities to purchase artwork for new and renovated state buildings.

Artist Development

Fellowships - Recognizes the artistic achievements of artists who show significant quality in their work. Awards are given by discipline and are rotated on a yearly basis.

Performing Arts Showcase - Provides opportunity for juried performing artists to perform for presenters through an event co-sponsored by the S.C. Presenters Network and S.C. Arts Alliance, held in conjunction with the Arts in Education booking conference.

Community Tour - Provides fee support for performances in South Carolina by selected South Carolina performing ensembles and soloists.

Literary Arts – Supports the South Carolina Literary Arts Partnership, a project of the Arts Commission, S.C. Humanities Council, S.C. State Library and the Palmetto Book Alliance, promoting literary arts programming throughout the state.

Media Arts Center - Provides workshops, technical assistance, equipment access, studio access and film and video exhibitions in ten southeastern states.

Regional Media Artists Program - Provides film and video equipment awards and Southeastern Media Institute tuition assistance to regional media artists through a partnership with state arts councils in Georgia, Alabama, Mississippi, Louisiana, Tennessee, Kentucky, Virginia and North Carolina.

Slide Registry - Provides an image bank of slides for any organization or individual in South Carolina to review when interested in purchasing or exhibiting works by visual artists.

South Carolina Fiction Project - Publishes works of short fiction through a partnership with *The (Charleston) Post & Courier* newspaper.

Southeastern Media Institute - A biennial event featuring intensive film, video and audio workshops and screenings.

Southern Circuit - Tours six internationally recognized independent film and video artists who screen and discuss their work in six southeastern cities.

State Art Collection - Builds and maintains a collection of work by contemporary South Carolina artists which is displayed in state buildings and loaned to arts organizations for special exhibitions, both in-state and out-of-state.

"Untitled" - An online publication providing artists of all disciplines with marketing information and professional opportunities.

Visual Arts Exhibitions - Provides exhibitions of South Carolina artists' works.

Organizational Structure

See table 2.2, page 10.

Table 2.1 - Accountability Report Appropriations/Expenditures Chart

Base Budget Expenditures and Appropriations

Major Budget Categories	00-01 Actual Expenditures		01-02 Actual Expenditures		02-03 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	1,389,187	1,273,275	1,374,982	1,299,653	1,489,405	1,337,561
Other Operating	1,007,221	850,320	731,885	616,808	966,956	762,269
Special Items	313,622	313,622	313,622	313,622	305,719	305,719
Permanent Improvements						
Case Services						
Distributions to Subdivisions	2,839,215	2,467,100	2,271,731	1,859,349	2,879,312	1,767,157
Fringe Benefits	371,105	344,114	363,934	345,436	373,248	345,000
Non-recurring						
Total	**5,920,350**	**5,248,431**	**5,056,154**	**4,434,868**	**6,014,640**	**4,172,706**

Other Expenditures

Sources of Funds	00-01 Actual Expenditures	01-02 Actual Expenditures
Supplemental Bills	1,291,912	164,231
Capital Reserve Funds	0	0
Bonds	0	0

Table 2.2 – S.C. Arts Commission Organizational Structure

Section III – Elements of the Malcolm Baldrige Award Criteria

Category 1 – Leadership

1.4   How do senior leaders set, deploy and communicate:

a-b.   Short and long term direction, performance expectations?

The Board of Commissioners and senior management staff are guided by the agency's mission, which they interpret in terms of the needs of the state and its people at large. Long-term direction is set through long-range planning, combining broad public involvement, extensive research into local and national trends, and an understanding of gubernatorial and legislative priorities for the state. An example is the Arts Commission's new *Long-Range Plan for the Arts in South Carolina 2001 – 2010.* Laying out a broad direction for the arts in South Carolina through the end of the decade, the long-range plan includes issues to be addressed by the Arts Commission and by the agency's partners in the public and private sectors. Shorter-term direction is set in the Arts Commission's three-year strategic plans, which outline agency strategies for achieving long-range goals and performance expectations for measuring the agency's success. Further, senior managers work with agency staff to identify short-term goals and set performance expectations in annual work plans, which are created for each of the agency's programs.

c.   Organizational values?

The formalized values of the organization are a product of discussions between management, staff and the agency's board of commissioners, and continue to be acknowledged as the guiding principals that influence decision making and organizational behavior at the Arts Commission. The agency's values statement appears in the Executive Summary (Section I) of this accountability report. Decisions are frequently tested against the values, and in staff meetings the values statement is frequently invoked as a means of making sure that the organization's day-to-day work aligns with its stated goals and priorities.

d.   Empowerment and innovation?

Senior leaders at the Arts Commission encourage staff to work independently and creatively to accomplish the goals established in their work plans and the agency's strategic plan. Leaders and staff believe that such entrepreneurial thinking has resulted in creative partnerships, successful outcomes, and a higher level of job satisfaction that may not have occurred in other operational climates. Indeed, the Arts Commission has recognized *independence, tempered with personal responsibility* as one of its organizational values.

e.   Organizational and employee learning?

Learning is a constant process at the Arts Commission, taking place at all levels of the organization. Senior leaders challenge themselves and staff to keep abreast of research and national trends that can impact the agency's work in South Carolina. Thanks to the agency's involvement with the Wallace Reader's Digest Funds' cultural participation initiative, the agency

has been able to spend a significant amount of time in the last year devoted to employee learning. One segment of the grant activity is the Staff Learning Community. Bi-weekly meetings are set aside for the staff to gather and discuss current research, theory and findings related to cultural participation. Staff are provided with literature, bibliographies and other related materials, and are encouraged to get involved in leading discussions. It is anticipated that the Staff Learning Community will serve as a model for a larger statewide learning community for artists and arts providers that appears later in the grant project's timeline. Agency leaders also encourage staff to take advantage of opportunities to learn within and across their specific disciplines, and an agency-wide training program keeps staff current on issues and skills needed to perform efficiently in the workplace. Staff are encouraged to self-identify specific training needs through submitting an annual Learning Plan as a companion to their annual work plans.

f.   Ethical behavior?

Commissioners and senior managers set a high standard for ethical behavior and set the example for the staff to emulate. Because a significant part of the agency's program involves distributing public funds through grantmaking, the staff is sensitive to ethical issues and is encouraged by leaders to engage in frank and open discussions regarding ethics. Agency leaders regularly provide guidance to staff on ethical questions, and have sought opinions from the State Ethics Commission when answers were not immediately clear. This year, agency management and staff held discussions focusing on conflict of interest issues – an area of particular interest to Arts Commission staff who are also practicing artists within the state's arts community. (Prior to the talks, conflict of interest questions were decided on a case-by-case basis.) The result was a formal Conflict of Interest Policy for the agency, a mutually agreed-upon policy that guides both employees and management in making decisions about individuals' personal involvement in the arts. South Carolina is now one of the few state arts agencies in the nation with such a policy for its employees.

1.5   How do senior leaders establish and promote a focus on customers?

Customers are at the center of the Arts Commission's programs, and it is the goal of the agency's leaders to provide constituents with the broadest level of input, access and participation in agency activities. Agency leaders maintain a high level of visibility among constituents, and the management team has built an organizational structure that encourages frequent personal contact between staff and constituents statewide. The agency's use of "coordinators in the field" helps insure that constituents have direct and easy access to Arts Commission staff, regardless of the customer's physical location. Senior leaders regularly review programs with staff to help insure that Arts Commission services are simple to find, easy to use, and are of the greatest benefit to constituents. Revisions to make programs more accessible and stronger for the customer are common. The agency's long-range plan, strategic plans and annual work-plans are directly based on input collected from our customers through the statewide *Canvas of the People,* a series of twelve public meetings to gauge local needs in the arts community and incorporate those needs into its planning process. Throughout the year, the Arts Commission asks its customers for feedback to check its success in meeting customer expectations. Questions on grantees' final reports and targeted surveys help the Arts Commission stay current on what customers need from their state arts agency.

1.6   What performance measures are regularly reviewed by your senior leaders?

The Arts Commission's leaders gauge the success of agency programs by measuring the reach of those programs into South Carolina's communities and the impact those programs have locally and statewide. Data collected each year from grant recipients and others participating in Arts Commission programs helps paint the picture of the agency's efforts to serve the statewide arts community. The long-range plan for the arts and the agency's three year strategic plan are key tools in assessing the agency's progress toward its strategic goals. Programs are checked against the plans to insure the Arts Commission is maintaining the direction they set. Performance measures are individualized for specific programs through annual work plans and for individual staff members through the Employee Performance Management System (EPMS).

1.4   How do senior leaders use organizational performance review findings and employee feedback to improve their own leadership effectiveness and the effectiveness of management throughout the organization?

Senior leaders at the Arts Commission use organizational performance review findings to make key decisions about the agency's direction as it seeks to accomplish its strategic goals. They are not opposed to adjusting a plan to more effectively steer the agency toward its goals. Agency leaders look at information about the overall health of the state's arts community as a reflection on the performance of the Arts Commission. Recent findings showing declining public participation in the arts statewide are cause for concern, and the agency has laid the groundwork for addressing this area in its long-range and strategic planning. Senior leaders take advantage of the agency's small size to maintain a high level of personal contact with each employee, in both one-on-one and group settings. Their management styles are highly participatory, and staff members at all levels are encouraged to provide feedback and suggestions for managerial and programmatic improvements. Staff members regularly make their opinions known, and managers regularly reiterate their support for that level of interaction by utilizing staff suggestions where beneficial, and actively soliciting continued input into the management process.

1.5   How does the organization address the current and potential impact of its products, programs, services, facilities and operations, including associated risks?

The Arts Commission bases each current and new program on the needs of the state and its citizens. Those needs become apparent in many ways, but are primarily identified through public input on the agency's programs, direct interaction between staff and constituents, and statewide priorities established by the governor and the General Assembly. The impact of current programs is tracked through direct contact with customers and through data reported by grantees and program participants. The information is compiled in an agency database, through which agency leaders and staff can easily analyze trends, make program decisions and predict the future impact and costs of the agency's programs and services.

1.6   How does senior leadership set and communicate key organizational priorities for improvement?

Senior leaders at the Arts Commission use the agency's planning process effectively to determine areas where improvement and change are warranted. Programs are monitored against existing long-range and strategic plans, and changes are recommended when necessary to insure all are aligned. Input collected from the public and staff, as well as available constituent data are used when making dramatic changes in the agency's strategic goals or key programs. Changes are communicated to staff and constituents through direct interaction and the agency's network of communication tools, including newsletters, email and web site.

1.7   How does senior leadership and the agency actively support and strengthen the community? Include how you identify and determine areas of emphasis.

Community arts development is one of the Arts Commission's strategic goals. Indeed, much of the agency's resources and energies focus on building and supporting strong local arts programs which, themselves, support and strengthen communities. The organizational structure of the Arts Commission confirms that commitment to communities through its regional coordinators – staff in the field across the state who build relationships with local communities and have a direct impact on their cultural climates. Senior leaders use a variety of sources of information to help determine strategic ways of using agency resources to strengthen communities, including public input, research into local and national trends and staff observations. Education is the primary area of current emphasis, identified by *every* source as a priority for the Arts Commission's efforts.

Category 2 – Strategic Planning

2.3   What is your strategic planning process, including participants, and how does it account for:

c.   Customer needs and expectations?

In the Arts Commission's strategic planning process, customer needs and expectations are identified through extensive public input. In the agency's preparation for creating the current long-range plan for the arts and its current strategic plan, representatives from the Arts Commission held twelve meetings around the state to engage artists, arts organizations, educators, students, and other stakeholders in a dialogue designed to reveal their current needs and expectations for the arts in South Carolina. Those who did not participate in person were invited to submit information via mailed questionnaires, email surveys and questions on the agency's web site. The agency conducted personal interviews with a diverse array of civic, business and community leaders across the state to capture their perspectives and priorities concerning the arts. Also, the agency commissioned a public opinion survey through the University of South Carolina to create a representative snapshot of arts involvement and of South Carolinians' opinions on the value of arts in their lives and communities. In all, close to 1400 individuals participated in the planning process.

d.   Financial, societal and other risks?

A great deal of study and research goes into the Arts Commission's strategic planning process, including a thorough evaluation of the costs of implementing recommendations or creating new programs. As a good steward of state resources, the Arts Commission uses planning to make the most prudent use of its state dollars. Research also helps the agency anticipate other risks, costs and barriers and plan for minimizing or dealing with those risks as they arise.

c – d. Human resource and operational capabilities and needs?

The Arts Commission understands that, just as programs have financial costs, they carry costs in terms of human resources and operational capacity. When exploring new programs or new strategic directions, the agency's planning process includes an assessment of the investment of human resources required and the impact of the new initiative on the agency's current operations. Agency leaders, commissioners and staff work together to prioritize future needs and current programs, and are willing to adjust existing programs to make way for new directions that will help the agency fulfill its mission.

f.   Supplies/contractor/partner capabilities and needs?

The Arts Commission has a strong history of working with partners statewide who share the agency's commitment to the arts in South Carolina, so much so that searching for effective and innovative partnerships has become a natural part of the planning process. Partners are sought who can deepen the impact of a program by bringing resources, experience, customers and prestige beyond the usual capabilities of the agency. Programs are planned to capitalize on partners' strengths and deepen the relationships between agency, partners and constituents.

2.4   How do you develop and track action plans that address your key strategic objectives?

Plans for action begin in the agency's three-year strategic plans. Based on broad objectives set in the long-range plan for the arts, the three-year strategic plan outlines specific strategies to support the objectives. Annual work plans for each program specify actions and assign performance measures targeted toward successful implementation of the strategies. Program budgets and timelines are linked to the work plans to guarantee that adequate resources are available. Agency managers track progress through regular meetings involving agency leaders, staff and partners, and monitoring of timelines and budgets.

2.3   How do you communicate and deploy your strategic objectives, action plans and performance measures?

The agency's long-range plan is published and distributed in a variety of ways: printed copies are provided to key constituent groups, state and local government leaders and partners, accompanied by a statewide awareness campaign to alert the public to the plan. Summaries of the plan are widely distributed through brochures and agency newsletters. The complete plan is also available on the agency's web site. The agency's three-year strategic plans are distributed to

agency commissioners, management and staff, as well as key partners involved in implementing specific actions. Annual work plans and performance measures are created, deployed and tracked by agency management and program staff.

Category 3 – Customer Focus

3.1   Identify key customers and stakeholders.

For the Arts Commission, key customers and stakeholders are K-12 students, their teachers and parents, artists, regional arts councils, local arts organizations, arts consumers, local governments and organizations interested in economic development and planning, the General Assembly, the Governor, the National Endowment for the Arts, partners in our initiatives such as corporations, local and national foundations, other state agencies, the S.C. Department of Education, the state's colleges and universities, regional and national arts organizations and any citizen or organization interested in the quality of life and economic benefits the arts bring to the state of South Carolina.

3.4   How do you determine who your customers are and what are their key requirements?

The Arts Commission identifies its customers in several ways. Some customers are mandated. The act that created the Arts Commission in 1967 charges the agency to work on behalf of all citizens of the state. The agency interprets the same act as a mandate to involve the arts in the education process of South Carolinians. Some customers identify themselves to the agency, seeking funding or technical support in their efforts to deliver arts programming and education in their communities. Other customers are strategically sought out by the Arts Commission for their skills, resources or experience that could enhance the agency's ability to fulfill its mission. The requirements of each group can be very different, and the Arts Commission maintains contact with its customers through formal and informal interaction, research and tracking to monitor their changing needs and plan the best methods of satisfying them.

Grantees are customers, in the sense that they come to the agency for resources, but they are accountable to the agency for the grant-funded work they do. The Arts Commission is interested in seeing these artists and organizations mature and progress in their work, and one of the best ways to track this progress is through objective panel reviews of their grant proposals. These reviews give the commission a snapshot of an organization's health, general artistic focus and its commitment to supporting its community. Proposals give specific information on projects and activities and key needs and requirements. Objective evaluations of grant applications also provide the Arts Commission with an indication of where it might focus its efforts statewide to provide assistance in areas that may need improvement.

3.5   How do you keep your listening and learning methods current with changing customer/business needs?

The commission, managers and staff of the Arts Commission share the belief that direct, personal constituent contact is the best way to maintain an understanding of customer needs. The

agency's organizational structure encourages frequent contact between staff and constituents, and allows them to build relationships in communities throughout the state. The agency regularly convenes conferences, meetings and forums which bring constituents together to discuss needs and ways to address them. New and emerging technology has broadened the agency's capacity to gather feedback from its constituents, and expanded its ways of responding. The agency's web site shows a pattern of increased use by constituents, and email continues to grow as a vehicle for communicating and gathering information from our customers. The current "E-grant" initiative at the Arts Commission will significantly modernize methods of dealing with a significant group of customers who are looking for a more efficient and simplified way of providing information to the agency.

3.4 How do you use information from customers/stakeholders to improve services or programs?

Information supplied by constituents is a key consideration in evaluating and making decisions about agency programs and services. The Arts Commission's *Canvas of the People* gathered information from constituent groups statewide. They voiced their thoughts and ideas on the agency's strategic goals and programs, and the agency uses that information to help set its long- and short-term direction. Constituents also supply information to the Arts Commission in their grant proposals and final reports, which supply more quantitative information about the communities and populations they serve, their success in reaching those communities, and the amount of local investment generated by state dollars. Analysis of this information helps the Arts Commission identify areas where change may improve the effectiveness of programs or make better use of state resources. Final grant reports include questions that allow customers to identify needs or suggest ways the agency could improve its service to the field. The agency's current strategic plan responds to the needs constituents have identified by forming a direct link between the day-to-day work of the agency and the needs of its customers.

3.7 How do you measure customer/stakeholder satisfaction?

In fiscal year 2002, the Arts Commission surveyed its largest recorded customer base, its current grantees. The survey was designed to do two things: ask about our customers' satisfaction with the grant application and management process, and collect information that would be useful in designing the agency's new online "E-grant" product. The survey was constructed in a way that allowed customers to score their levels of satisfaction with various elements of the granting process and to write more detailed explanations of specific issues and suggestions. Some of the results are shown in category 7 of this section.

To take the survey further, a second round of questionnaires was sent to a different group of customers: those who had previously applied to the Arts Commission for grant funding, but were not successful in receiving awards. Information gathered from these surveys has been especially helpful in creating a more user-friendly way for the public to approach the Arts Commission's services.

Past efforts to solicit information on customer satisfaction have included constituent forums, open-ended questions on the final report form for grant recipients, evaluation surveys associated

with meetings or conferences, and similar vehicles for collecting feedback in addition to the staff's direct interaction with customers. These methods of collecting satisfaction information continue to be an important part of the Arts Commission's relationship with its customers.

3.8   How do you build positive relationships with customers and stakeholders? Indicate any key distinctions between different customer groups.

One of the strengths of the Arts Commission is its track record of creating and maintaining strong personal relationships with its constituents. Agency commissioners, managers and staff place a high priority on being accessible and responsive to constituents. The agency organizes itself to provide the most access and expertise directly to constituents through its discipline and region-based arts coordinator system. Through this system, constituents have a direct relationship with a staff member who is knowledgeable in a specialized field, be it arts in education, visual arts, performing arts, craft, literary arts or other art forms. Other staff are assigned to cover specific regions of the state, so arts organizations can rely on having access to someone who is knowledgeable about the physical, economic, social and cultural makeup of their own communities. One area of recent emphasis has been building relationships within the state's growing Latino community. The presence of a bilingual arts coordinator on staff has helped the Arts Commission see significant progress in its outreach to this community. In all regions and arts disciplines, constituents repeatedly voice their appreciation of this personalized system of constituent service and the value it adds to the Arts Commission's programs.

Category 4 – Information and Analysis

4.4   How do you decide which operations, processes and systems to measure?

For the Arts Commission, setting out to measure the results of its programs is a challenge. The very nature of the work of the agency largely produces intangibles: creativity, artistic expression, inspiration, artistic opportunity, and other practically immeasurable, yet valuable, products. To measure success, the Arts Commission has chosen what it considers key indicators of a thriving arts community in South Carolina. These indicators measure the agency's reach into communities, the return on its investment in artists and organizations, the economic impact of the arts industry and the overall climate of arts participation in the state. The agency's support processes such as procurement and accounting set standards for their operations, and measure their success in order to maintain a smooth workflow within the agency and with their associated offices elsewhere in state government.

4.5   How do you ensure data quality, reliability, completeness and availability for decision-making?

By far, the largest set of data the Arts Commission uses comes from information supplied by grantees in their proposals and the final reports required by the terms of their grant agreements. Information submitted is checked for accuracy by the arts coordinator who deals most directly with that artist or organization. The competitive nature of the Arts Commission's grants process is such that inaccurate or incomplete information renders an applicant ineligible for funding. Grantees are also subject to periodic audits to verify financial data. For most surveys, polls and

focus groups, the agency contracts with qualified research professionals to guarantee accuracy and solid methodology. Surveys generated within the agency are constructed using the best known practices. The agency manages its data in two databases: one that tracks statistical and program data, the other for accounting and financial data. Data across several years is easily accessible to staff at their desktops. A full-time database manager works to help guarantee that the most current data is posted and that information is easily retrieved.

4.6   How do you use data/information analysis to provide effective support for decision-making?

The Arts Commission monitors its data to make informed decisions about programs and strategic direction, using the data to highlight areas where improvement may be needed, or where notable levels of success are being achieved. Program-level staff are trained in using the agency's statistical and financial databases to monitor trends, identify needs and generate reports that support decision-making.

4.4   How do you select and use comparative data and information?

The Arts Commission uses comparative data to show how the agency performs regionally or nationally with its counterparts in other states. The agency also reviews data over periods of time, which allow it to track trends and monitor progress in some key areas.

Category 5 – Human Resources

5.7   How do you and your managers/supervisors encourage and motivate employees (formally and/or informally) to develop and utilize their full potential?

Employees at the S.C. Arts Commission are encouraged to seek contentment in the contexts of both their professional and personal lives. Staff are given a great deal of flexibility to exercise independence and creativity when setting their work priorities and carrying out their duties. Managers have established a very open management style, which encourages employees to provide input and opinions at all levels of agency operation. When funding is available, the agency uses merit increases to reward outstanding job performance. Opportunities for professional development and skills training are made available to staff, although recent budget reductions have impacted the quantity of training the agency can offer. Staff appreciation and recognition events are held during the year. For personal development, the agency offered employees a tuition assistance program in fiscal year 2002 to encourage staff to seek higher education (this incentive has been discontinued for FY03 due to budget reductions). Flexible work schedules allow staff to adjust their work times around needs at home. The agency has a wellness program that encourages staff to practice good exercise and nutrition habits. The agency periodically invites a health professional to a brown-bag lunch with staff to discuss health matters. Using donated exercise equipment, the agency installed an exercise area in one part of the building. Health screenings and flu shots are offered during the year. The agency's wellness program was honored as the best among state agencies for FY02.

5.8   How do you identify and address key developmental and training needs, including job skills training, performance excellence training, diversity training, management/leadership development, new employee orientation and safety training?

Agency-wide training requirements are driven by changing staffing needs, changing organizational structures, and changes in technology or major agency processes. The key to identifying needs for individual training and staff development is an ongoing dialogue between supervisors and employees. This open communication helps both supervisor and employee identify areas where additional growth or skills could be beneficial for the agency and the staff member. Staff are currently asked to submit an annual Professional Development Plan in conjunction with their annual work plans. The Learning Plan identifies areas where an employee believes his ability to serve customers can benefit from additional training or learning. Information from the Learning Plans is used to create an agency-wide training plan for staff.

The Arts Commission has a detailed employee orientation program that formally introduces new staff to the diverse functions of the agency, while allowing the new employee to quickly become acquainted with co-workers. In FY02 a staff team redesigned and updated a disaster plan for the agency in an effort to protect staff and resources in case of a major emergency. The agency partnered with local fire and law enforcement agencies to provide training on safety and security in the workplace.

5.9   How does your employee performance management system, including feedback to and from employees, support high performance?

Managers and supervisors at the Arts Commission share the belief that the Employee Performance Management System is an ongoing communication process that takes place all year long, not just at evaluation time. Employees actively participate in the creation of personal planning documents, and frequent discussions between supervisors and employees help track personal progress throughout the year in order for the employee to have the best opportunity for high achievement. Merit raises linked to EPMS results help provide a reward for outstanding performance when those raises are fiscally possible.

5.10   What formal and/or informal assessment methods and measures do you use to determine employee well-being, satisfaction and motivation?

Being a small agency, the Arts Commission enjoys the ability to gather its entire staff together to discuss a wide range of issues concerning the organization. These "all staff" meetings are frequent and members of the staff are open and vocal about their concerns, needs, ideas and celebrations. These gatherings are excellent barometers of staff morale and a valuable tool for discovering areas where improvements may be needed. Smaller group meetings between the executive director and specific departments allow a dialogue focused on assessing departmental needs. Again, the ongoing dialogue between supervisors and employees is the key method for tracking well-being, satisfaction and motivation.

5.11   How do you maintain a safe and healthy work environment?

The Arts Commission's Property and Procurement department works to maintain a safe and healthy workplace for the agency's staff by ensuring compliance with safety and building standards. It maintains relationships with city, state and federal agencies that monitor and provide information about workplace health and safety. In 2002, the agency provided several workshops for staff on fire safety, OSHA requirements, and personal safety and security. The agency's wellness program seeks to assist staff in maintaining good health at the workplace and elsewhere.

5.12   What is the extent of your involvement in the community?

Throughout the year, the Arts Commission participates in agency-wide projects to contribute to the well-being of the midlands and statewide community. This year agency employees coordinated a holiday food drive to help stock a local food bank. The agency participates in the United Way workplace giving campaign, and the Good Health Appeal to benefit local health service organizations. In addition to agency-wide involvement in the community, individual staff members support the community through their participation in civic, cultural and philanthropic activities.

Category 6 – Process Management

6.5   What are your key design and delivery processes for products/services, and how do you incorporate new technology, changing customer and mission-related requirements, into these design and delivery processes and systems?

Decisions about programs and services offered by the Arts Commission are made in anticipation of, or in response to, the needs of our constituent base. Through the information-gathering process of public meetings, surveys, research, interaction with customers, and monitoring trends, the Arts Commission keeps pace with the changing needs of its constituents and makes relevant services available to meet those needs and accomplish the agency's goals. Technology innovations have expanded opportunities for delivering information and services, and for making information and services more accessible to a wider range of constituents. The Arts Commission has embraced new technology, specifically using computers and the Internet to expand its ability to offer and deliver services. The most current example is the agency's "E-grant" project, begun in FY02, which will convert the grant application and management process from a paper-based one to a digital one. Applicants will use an internet-based interface to complete and submit grant applications and final reports. Data from these documents will go directly into the agency's database, and will remain accessible for reference by agency staff and the applicant. The new system fulfills a customer need for a less cumbersome application process while fulfilling an agency need for a streamlined system of inputting and tracking data.

6.6   How does your day-to-day operation of key production/delivery processes ensure meeting key performance requirements?

The Arts Commission operates in a continuing cycle of planning, communicating, evaluating and adjusting its programs, overlaid on a rolling cycle of program and grant deadlines for the agency

and its grantees. Day-to-day operations are targeted toward providing accurate, timely and relevant assistance and information to our constituents in order that they, in turn, may provide accurate, timely and relevant services that advance the Arts Commission's strategic goals in their communities. Our constituents are an excellent barometer for gauging the success of our day-to-day operations, and they do not hesitate to sound the alarm if a breakdown in the production/delivery cycle occurs.

6.7   What are your key support processes, and how do you improve and update these processes to achieve better performance?

Key processes that support the Arts Commission's programmatic work include information processing and management, accounting, facilities management, procurement, human resource management, and public information. Staff members in these areas fully participate in agency-wide planning, and conduct planning for improving and updating functions in their departments. Planning in these areas is especially sensitive to using technology for improving support processes and making more efficient use of agency resources.

6.8   How do you manage and support your key supplier/contractor/partner interactions and processes to improve performance?

Relationships with partners are key to the success of many of the Arts Commission's programs. The agency identifies its partners early, and involves them in the planning and development process, with a goal of utilizing the strengths and resources of each partner for mutual benefit. Partners are involved in decision-making, implementing, evaluating and documenting. The Arts Commission frequently acts as "lead" partner in some initiatives, and frequently participates as a partner in programs initiated by other agencies and organizations.
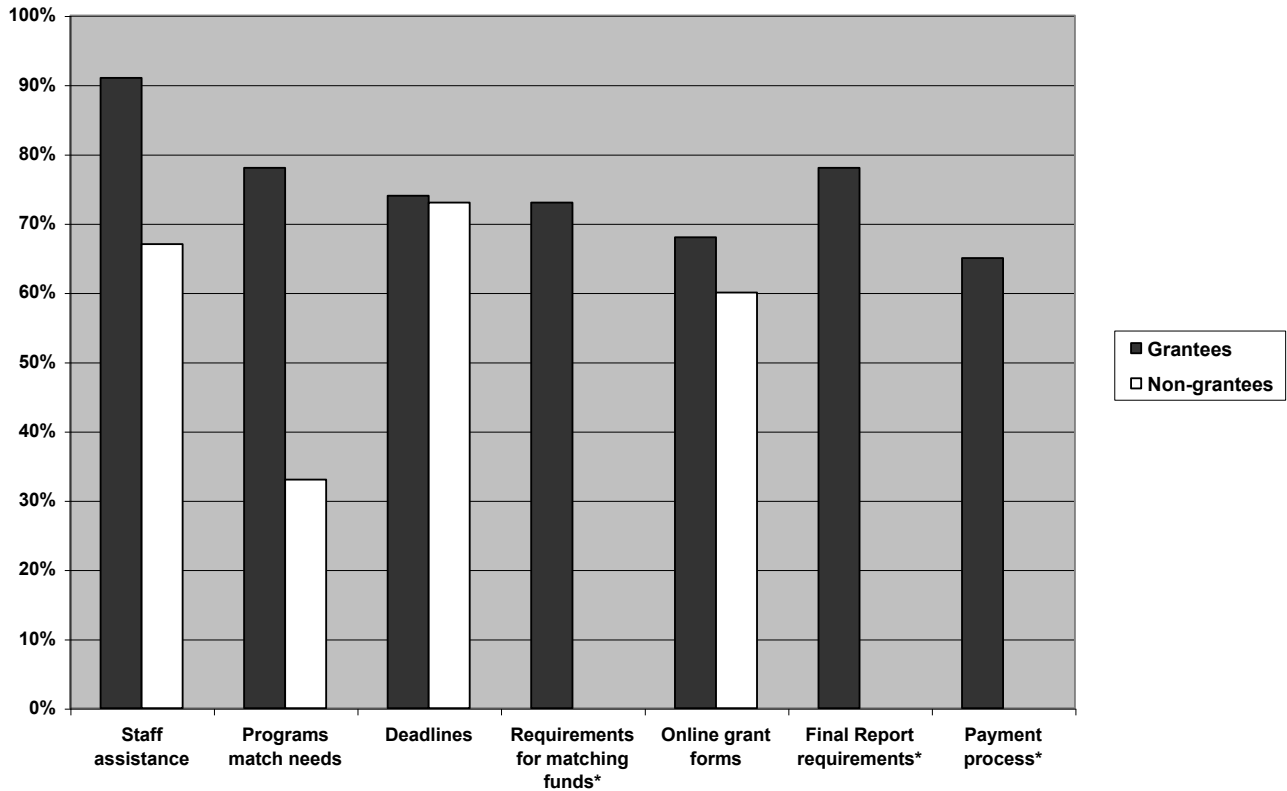
The Arts Commission's relationship with its grantees is a unique one, in which grantees are customers, seeking grants and services from the agency, but grantees are also "contractors," fulfilling a contracted obligation to carry out programming or provide services in local communities in exchange for a monetary award. The Arts Commission works diligently to maintain strong relationships with its grantees and provide a level of monetary and technical support that encourages improvement among grantees and builds their capacity for providing stronger services at the local level.

Category 7 – Results

7.7   What are your performance levels and trends for the key measures of customer satisfaction?

The Arts Commission has relied on maintaining close customer contact and providing ways for customers to be involved and supply feedback. Agency management and staff feel that this has been the most valuable method of tracking customer satisfaction. In FY02, the agency created a survey that would collect information from current customers about several issues, one of which was customer satisfaction. The results of the survey indicate a high level of general satisfaction among current grantees with the agency's grants programs.

Fig 7.2h Customer Satisfaction Rates

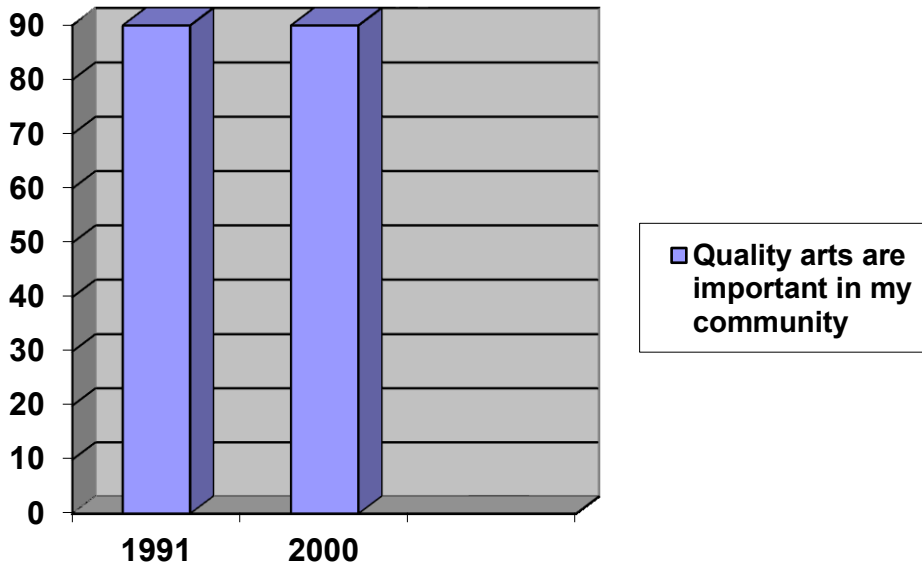*** These questions not applicable for non-grantees**

Surveys were also distributed to organizations and artists who had applied to the Arts Commission for grant funding, but did not receive grants. The results showed surprisingly high levels of satisfaction with the application process. The most telling piece of data is one indicating the needs of this group of customers may not be addressed by the agency's current grants offerings.

7.8   What are your performance levels and trends for the key measures of mission accomplishment?

Among its measures of mission accomplishment, the Arts Commission looks for trends in public behavior and opinion related to the arts in South Carolina. In the fall of 2000, the agency commissioned the University of South Carolina to conduct a survey following up on one conducted in 1991. The 2000 survey questions were phrased and asked in exactly the same way as in 1991 to guarantee comparable results. The findings have been most useful as the Arts Commission creates a new long-range plan for the arts in the state. While these measures were reported in last year's accountability report, they continue to drive decision-making at the Arts
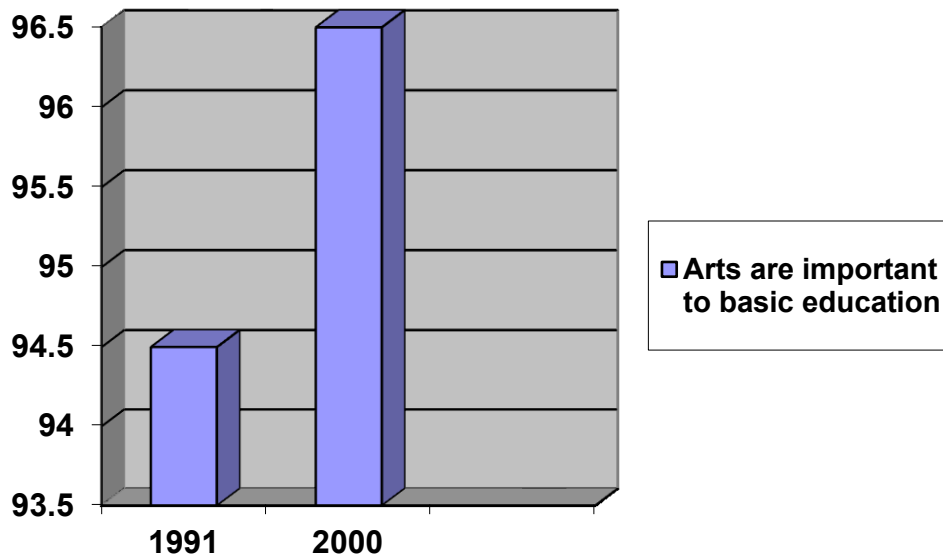
Commission, especially one of the agency's long-range goals addressing participation in the arts. We feel they bear repeating here.

Figure 7.2a – Percentage of South Carolinians who say quality arts are important to have available in their communities.
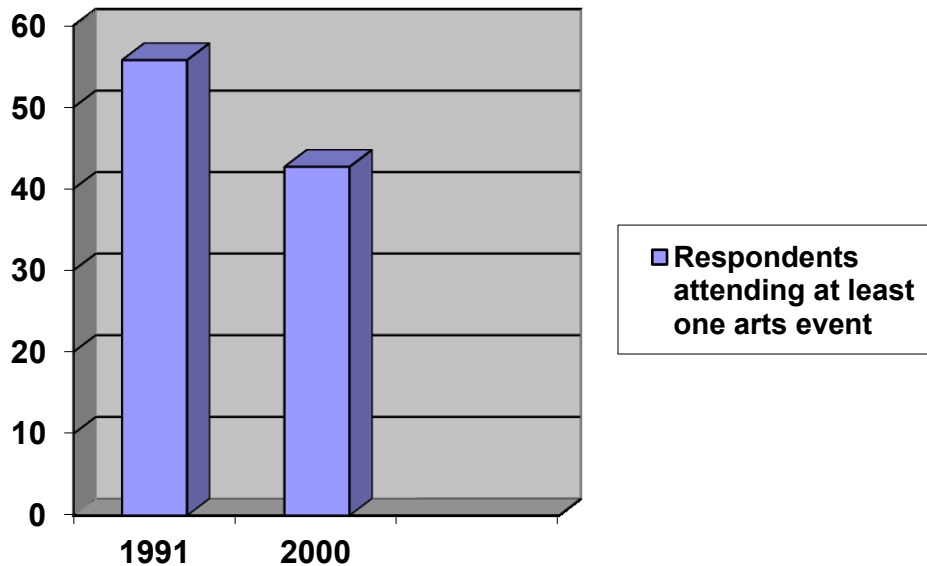

A very high percentage of respondents, virtually the same in 2000 as in 1991, feel it is important to have quality arts opportunities available in their communities, lending support to the Arts Commission's belief that its message of arts contributing to quality of life, and its direct efforts to support community arts initiatives, are achieving success.

Figure 7.2b - Percentage of South Carolinians who say the arts are an important part of a child's basic education.

A very high percentage of respondents, slightly higher in 2000 than in 1991, consider arts to be an important part of a child's basic K-12 education. This, combined with other research pointing to the value in arts education, supports the Arts Commission's efforts to increase its outreach to schools across the state (see figure 7.2d).

Figure 7.2c – Percentage of South Carolinians attending at least one arts event in a year.

The change in reported arts attendance levels over ten years is significant, but is consistent with trends observed nationwide. Studying and addressing levels of public participation has been identified as one of the agency's priorities in its long- and short-term planning.

Note: The survey added a question in 2000 that did not appear in the 1991 survey, asking whether the respondent or a member of the respondent's household had been involved in creating art in the last year. Findings show 57% of South Carolina households are involved in some arts activity. This data will be used in future research to track the activity of South Carolinians as art makers.

Figure 7.2d – Growth in outreach to schools by ABC Partnership

Integrating standards-based arts programming into the basic K-12 curriculum is one of the Arts Commission's primary strategic goals, addressed through its Arts in Basic Curriculum (ABC) Partnership. Among its indicators for success is the number of school districts participating in this arts education initiative.

The results of agency efforts to encourage schools and districts to engage in strategic planning for arts education is reflected in the trend for Comprehensive Planning Grants. These grants offer support for the creation of five-year arts education plans for schools, school districts, or

gifted and talented consortia by broad-based school or district-wide steering committees. FY02 saw significant progress with a dramatic increase in schools which are engaged in a long-range planning process for arts education.

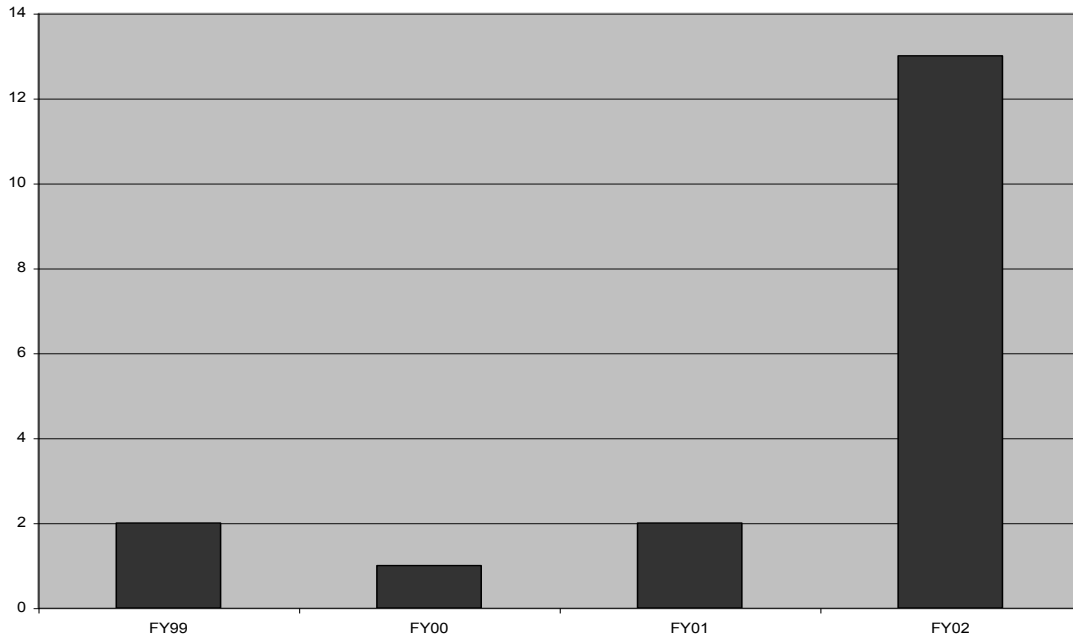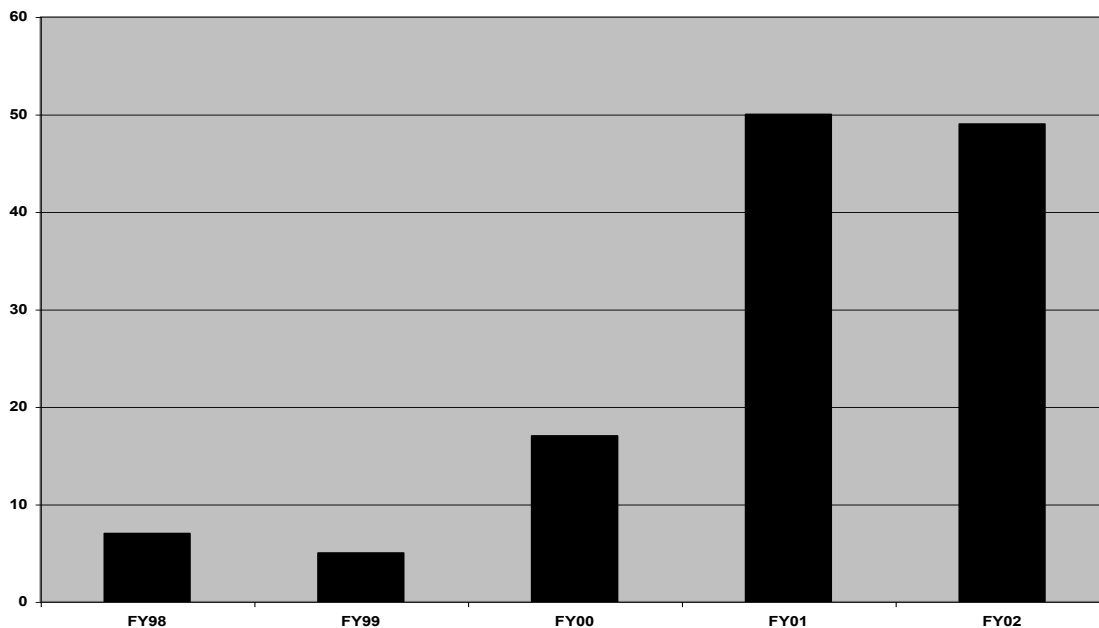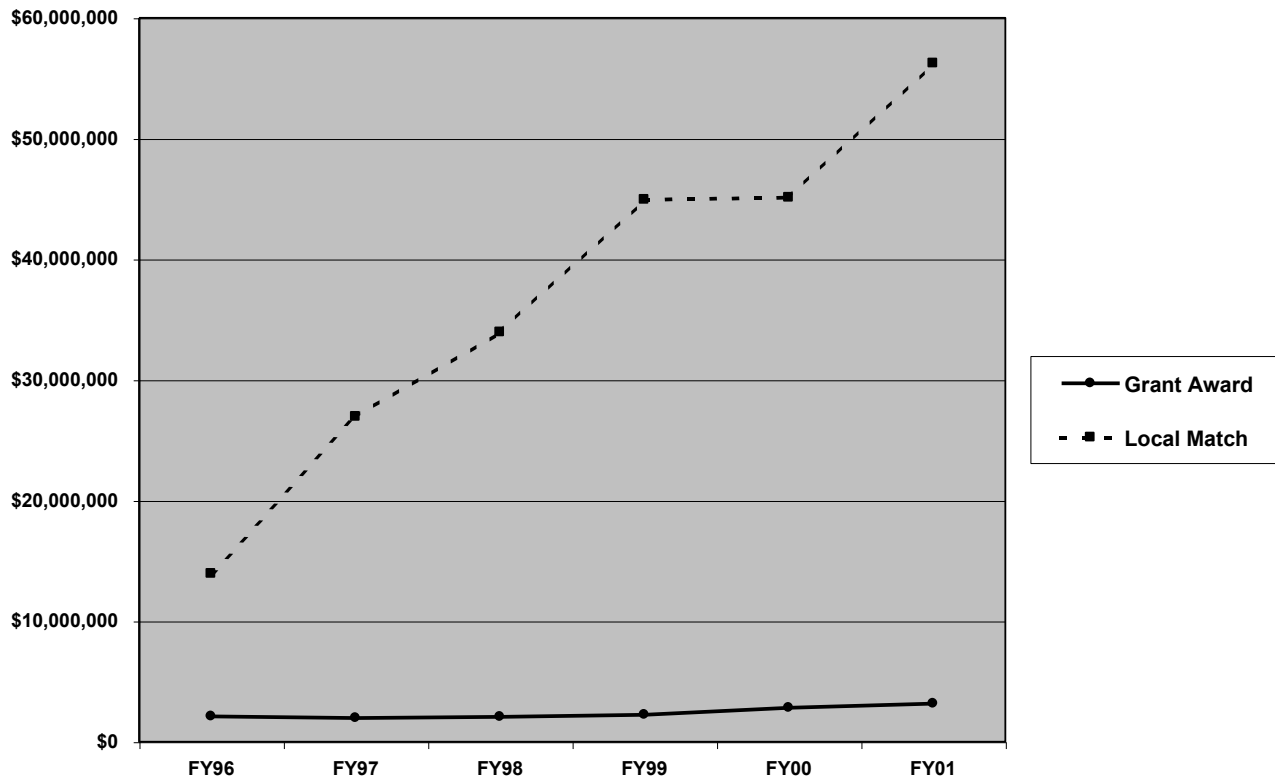**Figure 7.2d – Schools participating in Comprehensive Planning projects**

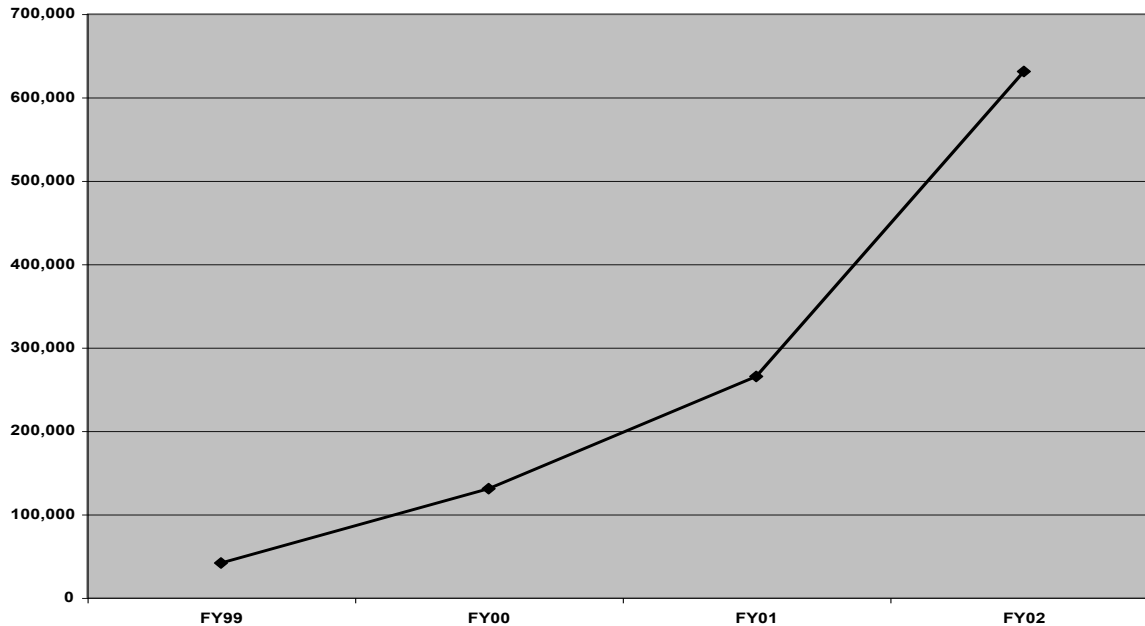**Figure 7.2e - Schools participating in QuickStart grant program**

The increase in outreach to schools has had a dramatic impact on the number of schools taking advantage of Arts Commission programs. One example is the sharp rise in schools served by the agency's QuickStart grants program, which provides rapid-response funding for artists-in-residence in schools that have not received such support in the recent past. This program has had notable success in school districts designated by the state as "districts of greatest need." In FY02, the Arts Commission and its partners were able to sustain the dramatic gains made in FY01 in bringing new schools and districts into the program.

Figure 7.2f – Local return on Arts Commission investment

One key indicator of the Arts Commission's success in arts and community development is the return on the agency's investment through its grants programs. The Arts Commission considers its grants program as an investment in South Carolina's local communities. Organizations that receive Arts Commission grants are required to locally match their awards, usually on a 2:1 or 3:1 ratio (local:arts commission). From FY96 to FY01 (the last year for which complete records are available) the Arts Commission's grant investment increased by 50%, while documented local matching has grown 404%.

Figure 7.2g - Visits to agency web site

The Arts Commission's web site has become one of the agency's primary tools for communicating with constituents, gathering information and delivering services, and will continue to grow in importance as the agency's online grant application process is phased in. The agency continues to make improvements and expand the functionality of the site, while providing equal service to constituents who may not have full access to technology. The web site has seen a more than 1500% increase in traffic since tracking began in FY99, and a 238% increase over FY01. The agency has experienced significant cost savings over distributing printed materials, and most constituents tell us they appreciate the flexibility and ease of access of information via the web.

In FY02 the web site added new features to its already-popular *Arts Daily* feature, listing arts events and opportunities across the state. The improved web feature now consistently lists three to five times the number of events it did last year, probably attributable to a new user interface which allows customers to add their own arts events to the site.
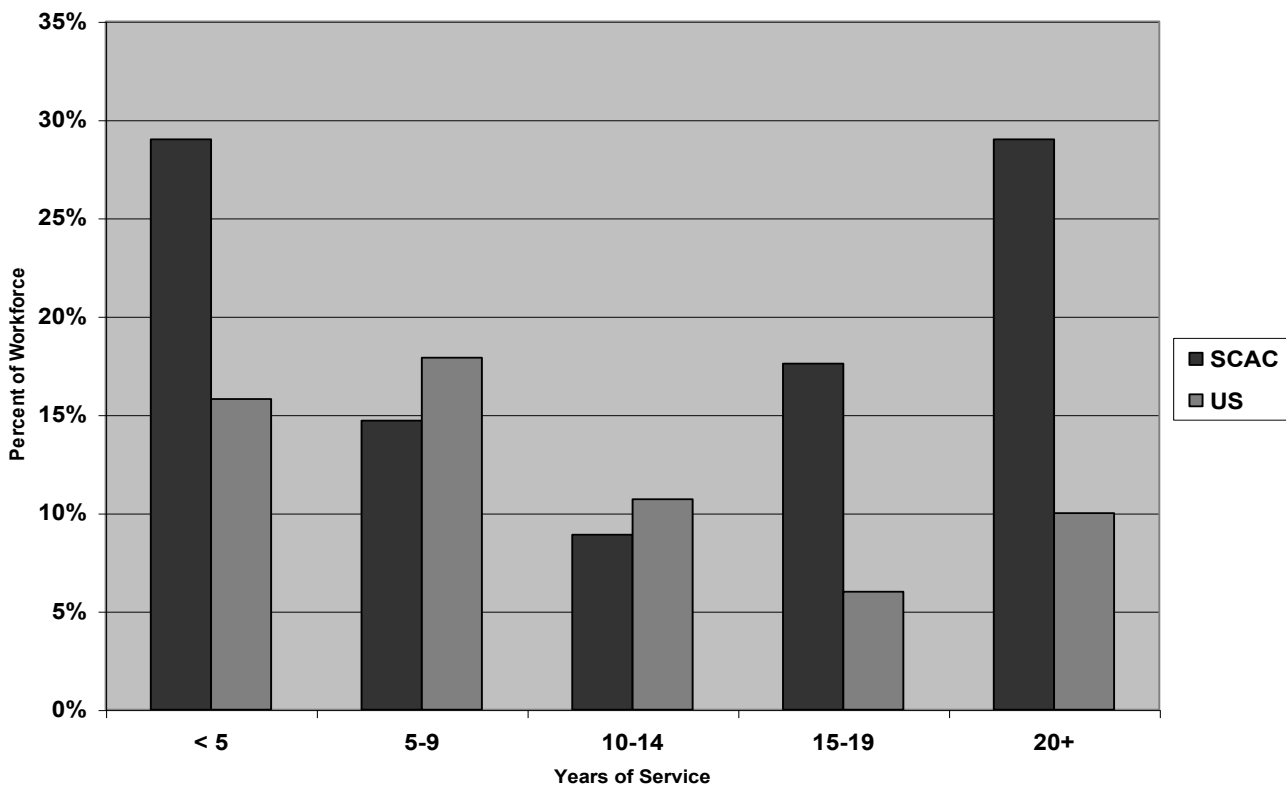
7.9   What are your performance levels and trends for the key measures of employee satisfaction, involvement and development?

Because the Arts Commission is a small agency, it has been able to use informal methods of gauging employee satisfaction, involvement and development: frequent direct contact between supervisors and employees, frequent direct communication between staff and executive managers, one-on-one staff interaction and a genuine concern among employees for one another. From these we know that, in general, the employees at the Arts Commission are passionate about

the agency's mission and committed to performance excellence. They value independence and creativity in the workplace and want to contribute to a positive work environment. The agency promotes and strives to supply the qualities the staff identifies with a satisfactory work experience, and we feel we succeed.

One indicator that staff are generally satisfied with their work at the Arts Commission is the remarkable rate of employee retention the agency enjoys. When compared to national data for employee tenure, Arts Commission staff are far beyond national statistic for length of job stay. 47% of the agency's full-time permanent staff have been with the agency for fifteen years or more.

Figure 7.3 – Length of job stay

7.10   What are your performance levels and trends for the key measures of supplier/contractor/partner performance?

The Arts Commission looks at its pool of grantees around the state as its primary group of "contractors," using state funds from the agency to provide arts and arts services in local communities. One key indicator of performance from this group is the peer panel review process, through which grant proposals are evaluated and scored by panels of arts professionals. Grant awards are based in large part on these scores, but other factors, such as grant histories and outreach goals, are figured into the final decision. While the peer panel review process does

render a numerical score, the makeup and priorities of the panels may change from year to year, and different panels review different categories of grant proposals within the same year. The agency uses these scores as a reflection of past performance, and a solid predictor of future success for grant applicants.

The other primary measure of contractor (grantee) performance is the final report each is required to submit in order to fulfill its contract and receive final payment. The final report verifies the grantee accomplished the goals set in the original grant proposal and provided the required local matching funds. In FY01, the last year for which complete data is available, grantees achieved 99% compliance with this requirement.

With planned revisions to the Arts Commission's Operating Support Grants, supported by the new E-grant process, the agency is building a new multi-year tracking component into its grants management database. The goal will be to more easily monitor and track trends and performance levels within the agency's grantee base.

7.11   What are your performance levels and trends for the key measures of regulatory/legal compliance and citizenship?

The Arts Commission is consistently compliant with legal and regulatory requirements including those for hiring, facility safety, records management, and Freedom of Information. The building which serves as headquarters for the Arts Commission has been a major focus of attention for regulatory compliance this year with its transfer of ownership from private owners to the state. A number of changes were made this year to the building and grounds to make the building more compliant with building codes, safety regulations and the Americans with Disabilities Act. More significant changes are planned for FY03 to continue the upgrading process.

In addition to its own compliance, the Arts Commission asks for assurance from its contractors (grantees) that they are in compliance with federal and state regulations governing them, and makes efforts to assist them where needed, particularly in the area of access for people with disabilities.

7.12   What are your current levels and trends of financial performance?

The Arts Commission receives its funding from two primary sources, state appropriations and a federal allotment from the National Endowment for the Arts. It is not a significant revenue-generating agency, and therefore experiences little fluctuation directly based on trends which impact earned revenue. The agency consistently operates within its annual budget, and has a long track record of clean financial audits. The Arts Commission, like all state agencies in South Carolina, is currently reducing its budget to comply with mandated cuts and reductions as the state deals with budget shortfalls.