

**State of South Carolina
Department of Agriculture**



**Accountability Report
2009-2010**

Accountability Report Transmittal Form

Agency Name: South Carolina Department of Agriculture

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**South Carolina Department of Agriculture
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I - Executive Summary

1. South Carolina Department of Agriculture Purpose, Mission, Vision, Values

Purpose

The South Carolina Department of Agriculture exists to ensure the viability of agriculture and its related businesses in the state.

Mission

Our mission is to promote and nurture the growth and development of South Carolina's agriculture industry and its related businesses while assuring the safety and security of the buying public.

Vision

Our shared vision is for the state's economy to grow and prosper providing everyone, producers and consumers, opportunities to enjoy the fruits of agriculture.

Values

Our core values include a commitment to integrity, diversity, inclusiveness, fairness, excellence, accessibility, protection, accountability and growth.

2. Major achievements from past fiscal year

- In partnership with the Office of State Treasurer, the South Carolina Department of Agriculture (SCDA) successfully completed its second year of the Consolidated Human Resources Management Office. This unique partnership continues to improve the level of human resources services for the agency while decreasing costs.
- While procedures continue to be streamlined, the implementation of the SC Enterprise Information System (SCEIS), Human Resources/Payroll (HR/Payroll) system and health and fitness initiatives is expected to reduce costs and increase efficiency for the agency.
- The Certified SC program point-of-purchase materials were presented in over 565 retail food stores in South Carolina during the FY10 season. More and more consumers say that they can now identify South Carolina grown products by looking for the Certified SC Grown logo where they shop.
- The Waste Pesticide Recovery Program collected and disposed of 246,746 pounds of unwanted, out-of-date waste pesticides. Farmers and landowners were relieved of the risk of maintaining these pesticides. The risk of pesticides entering the environment was lowered by collecting and disposing of them in a safe and proper manner.
- In FY10, as a result of the efforts of the SCDA Grading and Inspection Service, over 43 million dozens of shell eggs and 50 million pounds of poultry were graded and 6.4 million pounds of egg products and 6.3 million pounds of MREs (Meals-Ready-to-Eat) were inspected. MREs are a self-contained, individual field rations in lightweight packaging

bought by the United States military for service members for use in combat or other field conditions where organized food facilities are not available. Our inspectors perform a valuable service for our country.

- The Dairy Stabilization program has been highly successful in helping stabilize a declining industry. Since 2004 the dairy industry had declined in production and value each year to a low in 2006 of 278,000,000 pounds worth \$42,350,000. The first assistance from the program was received in 2006. Since that time, the production and value of the industry has grown. In 2007 production increased to 322,000,000 pounds worth \$67,309,000 and in 2008 production was 319,000,000 pounds worth \$67,940,000. This represents more than \$50,000,000 of additional revenue generated in state to supply the dairy processing needs of the industry.
- To continue the momentum encouraging South Carolinians to purchase and consume produce and products grown and processed in South Carolina, the SCDA continued the Certified SC branding and marketing campaign with viral social networking on Facebook and Twitter. By the end of the FY10, over 5,100 friends and followers were tracking the Certified SC program on Facebook and Twitter.
- Administration has researched and deployed new and improved applications to decrease costs without decreasing public programs and services. Simple, yet profound, changes have made a significant difference in meeting the strategic goal of effectively managing agency operations and workforce even in the face of budget reductions. In total, Administration saved the agency about \$182,000 in FY10 by making good business decisions.
- Through a unique private-public partnership, the SCDA has created a solution for the new State Farmers Market, reducing the state's costs by over \$20 million. The new South Carolina State Farmers Market will be located in Lexington County. Ground was broken in FY09 and construction is progressing. The new market will open in phases beginning in August 2010.
- The SCDA new Laboratory and Consumer Services facility became fully operational in June 2010. The facility was moved from Williams Street in Columbia to the new South Carolina State Farmers Market site in Lexington County.

3. Key strategic goals for the present and future years

- Effectively manage agency operations and workforce
- Protect producers and consumers
- Promote agriculture and agribusiness expansion and development
- Provide public awareness, promotion, and publicity of South Carolina agricultural products

4. Your key strategic challenges

- Establishing agricultural marketing opportunities which support the state's economy, particularly in rural communities, during an economic downturn
- Maximizing safety and protection of goods and services offered for sale to the public
- Professional development for staff with limited funding
- Maintaining the integrity of programs and services
- Loss of institutional knowledge and information due to retirement and natural attrition
- Enforcing over 30 laws mandated in the SC Code of Laws

5. How the accountability report is used to improve organizational performance

Senior leaders collaborate with staff to prepare information for their respective area for the accountability report. In doing so, they are documenting improvements and performance measures. From this documentation, the accountability report is created. The report serves to monitor the Department's progress and identify gaps in performance. In addition, the accountability report is a valuable self-assessment tool in determining how well the Department focuses on the agency mission.

II - Organizational Profile

The South Carolina Department of Agriculture (SCDA) is mandated by 37 separate South Carolina laws related to:

- fostering agribusiness through marketing and promotion
- protecting the citizens of the state by ensuring proper weights and measures, grading and inspection of the state's agriculture products, and laboratory analysis of food, feed, seeds, pesticides, and petroleum products

Originally created by an Act of the General Assembly on December 23, 1879, the South Carolina Department of Agriculture (SCDA) continues to provide programs and services affecting all the people of the Palmetto State - *producers and consumers*. While the SCDA focuses on the business of agriculture, the agency also touches the lives of every citizen of the state through its programs and services.

The SCDA's role is crucial in promoting and safeguarding agribusiness, agriculture and forestry, the #1 driver of South Carolina's economy with an annual impact of \$34 billion and employing nearly 200,000 people. Cash receipts for crops and livestock total about \$2 billion but the ripple effect goes far beyond the farm gate. Billions of dollars are generated in revenue, taxes, and jobs, particularly for the rural communities of the state. Even in a slow economy, agriculture is the base for many other businesses and is essential to economic stability especially in rural areas.

1. Main products and services and the primary delivery methods

Many of the SCDA's activities are related to commerce - developing, expanding, and protecting the integrity of agricultural commerce in our state and providing the highest quality consumer service with regards to food protection and value.

- Broad-based marketing programs increase consumer awareness and product demand for South Carolina agricultural products at local, national, and international levels.
- SC Certified Roadside Market Program, established in 1972, broadened its scope to include roadside markets previously in the SC Farm Bureau program. The Small Farms Program now includes over 100 local community-based farmers markets across the state, an increase of 25 markets in the past two years.
- In May 2010, Marketing's "Certified South Carolina" marketing and branding program celebrated its third birthday. In a little over three years, the program has grown to nearly 900 members. "Fresh on the Menu" which is in its second year under the Certified South Carolina umbrella program encourages diners to look for local products in local restaurants. Nearly 300 chefs have committed to serve 25% of their menu with SC grown products when in season. In June 2009, the SCDA launched the Palmettovore movement designed to bring awareness to locally grown produce and products.

- Certified South Carolina marketing and branding program has grown to nearly 900 members in only three years. The SCDA has created a viral marketing campaign on Facebook and Twitter for the Certified SC Grown program to support the marketing and branding effort that is underway. Over 5,000 people follow of the program on Facebook and Twitter. This is a quick and less expensive way of getting the Certified SC message out to the masses. Fresh on the Menu, phase two of the branding and marketing program designed to encourage chefs to serve 25% of their menu with SC grown products in season, has grown to nearly 300 restaurants in the state since February 2008.
- Three state farmers markets continue to have a significant impact of hundreds of millions of dollars on the state's economy. A new retail facility has been opened at the Pee Dee State Farmers Market and the new SC State Farmers Market will be open in the fall of 2010. Both of these facilities will serve the consumers and producers in the area. The Laboratory and Consumer Services facility has been relocated to the new SC State Farmers Market site.
- The SCDA works cooperatively with the US Department of Agriculture to provide commodity Grading, Inspection, and Market News Services. Though continuing to mail the Market News reports through traditional distribution methods, Market News has reduced the cost of printing and mailing by issuing daily audio recordings on the agency Web site. The Market News and Grading and Inspection offices will be moving to the new state farmers market in Columbia in the fall of 2010.
- The *Market Bulletin*, a valuable resource for farmers and non-farmers, includes millions of dollars in ads each issue. Subscriptions to the 97-year-old publication are available online as well as in print and advertisers may submit their own ads through the SCDA's Web site. This feature has contributed to a significant increase in the number of ads published in each issue of the *Market Bulletin*.
- Consumer Services inspectors check scales and measuring devices throughout the state for accuracy. They make sure that a pound weighs 16 ounces, that the hamburger sold as 85% fat free is really 85% free of fat, and that a gallon of gas is really a gallon.
- Laboratory technicians through testing and analysis ensure that the ingredients listed on packages are actually the ingredients in the packages. Livestock owners want assurance that the feed bag marked "no animal protein" actually contains no animal protein. Farmers and gardeners want to make sure that their seeds germinate properly. And, consumers want to know that the gasoline they pump into their cars is free of water or any other contaminants.

Currently, the SCDA serves producers who earn their livelihood on approximately 27,000 farms, an increase of 100 farms in only one year, spreading over 4.9 million acres of farmland in the state. Year-to-year, the number of farms continues to increase while the amount of farmland remains the same. The trend is towards smaller farms with greater value per acre. That average farm size in FY10 was 181 acres. Nationally, South Carolina ranks near the top in the production of several agricultural commodities – 2nd in peaches, 3rd in flue-cured tobacco, 5th in all tobacco, 6th in peanuts and cantaloupes, 7th in cucumbers for pickles and watermelons, and 8th in cucumbers for fresh market and sweet potatoes.

The SCDA is a relatively small agency with a \$3.9 million general fund budget in FY10, a reduction of over \$2 million from the previous two fiscal years. The SCDA is responsible to both producers and consumers regarding the safety, security, and marketing of agricultural products, both fresh and processed. The 131-year-old agency is dedicated to promoting and heightening the public's awareness of South Carolina's agriculture commodities and the farmers who produce them.

2. Key customer groups

Everyone who eats even one meal a day, drives a car, plants a garden, or owns a pet is a customer.

- Consumers - everyone who consumes or uses agricultural products
- Producers - everyone who grows or produces agricultural commodities
- Processors/Manufacturers - anyone who prepares, treats, or converts raw agricultural products
- Wholesalers, Retailers, and Direct Marketers - everyone who sells raw agricultural products or value-added agricultural products
- Local, state, and federal government officials and representatives
- Agriculture Commission of SC members
- Commodity Boards and Associations members
- Representatives of existing, expanding, and developing agribusinesses
- Electronic and print media representatives
- Fuel retailers and distributors

Key stakeholders

Everyone who has a direct or indirect stake in the success of the SCDA's mission.

- Taxpayers
- Employees
- Legislators
- Vendors and suppliers
- Other local, state, and federal government agencies
- Public and private agricultural partners

Key suppliers and partners

Suppliers

Public/private individuals and organizations that are directly impacted by the efforts of the SCDA. Vendors who are eligible to bid on state contracts, small suppliers, information technology vendors, Federal government grantor, printing companies, ad and PR agency, Kelly Registration Systems Interactive Design and Development (IDD)

Partners

- SC Advocates for Agriculture
- South Carolina Farm Bureau
- Palmetto AgriBusiness Council (PABC)
- Palmetto Institute
- Clemson University
- State and Federal agencies
- Other private individuals and organizations

5. Operating Locations

- SCDA Headquarters, *State Capitol Complex, Wade Hampton Bldg., 5th Floor, Columbia*
- Columbia State Farmers Market, *1001 Bluff Road, Columbia*
- Greenville State Farmers Market, *1354 Rutherford Road, Greenville*
- Laboratory and Consumer Services, *123 Ballard Court, W. Columbia*
- Metrology Laboratory, *237 Catawba Street, Columbia*
- Pee Dee State Farmers Market, *2513 Lucas Street, Florence*

SCDA employs graders, inspectors, and market news specialists who are located throughout the state in cooperative programs with the federal government. The Laboratory and Consumer Services facility was moved to the new State Farmers Market site in Lexington County.

6. Number of Employees

At the end of FY10, the SCDA included 121 filled classified employees, 1 filled unclassified employee, and 23 part-time employees. The Agency Vacancy Rate was 20% for the past fiscal year.

7. The regulatory environment under which the SCDA operates

SCDA operations are authorized by the South Carolina Code of Laws, Title 46 Section 10 to Section 260. The SCDA oversees and enforces thirty-seven laws for the State of South Carolina. Certain activities of the Department are regulated by the EPA, OSHA, and other federal agencies. The SCDA also holds cooperative agreements to perform work for a number of federal agencies including the USDA and the FDA.

8. Performance improvement system

During FY10, the SCDA was 97% compliant in administering its Employee Performance Management System program.

9. Organizational structure (Chart 1.1)

10. Accountability Report Appropriations/Expenditure (Chart 1.2)

11. Major Program Areas (Chart 1.3)

Chart 1.1

South Carolina Department of Agriculture Organizational Chart

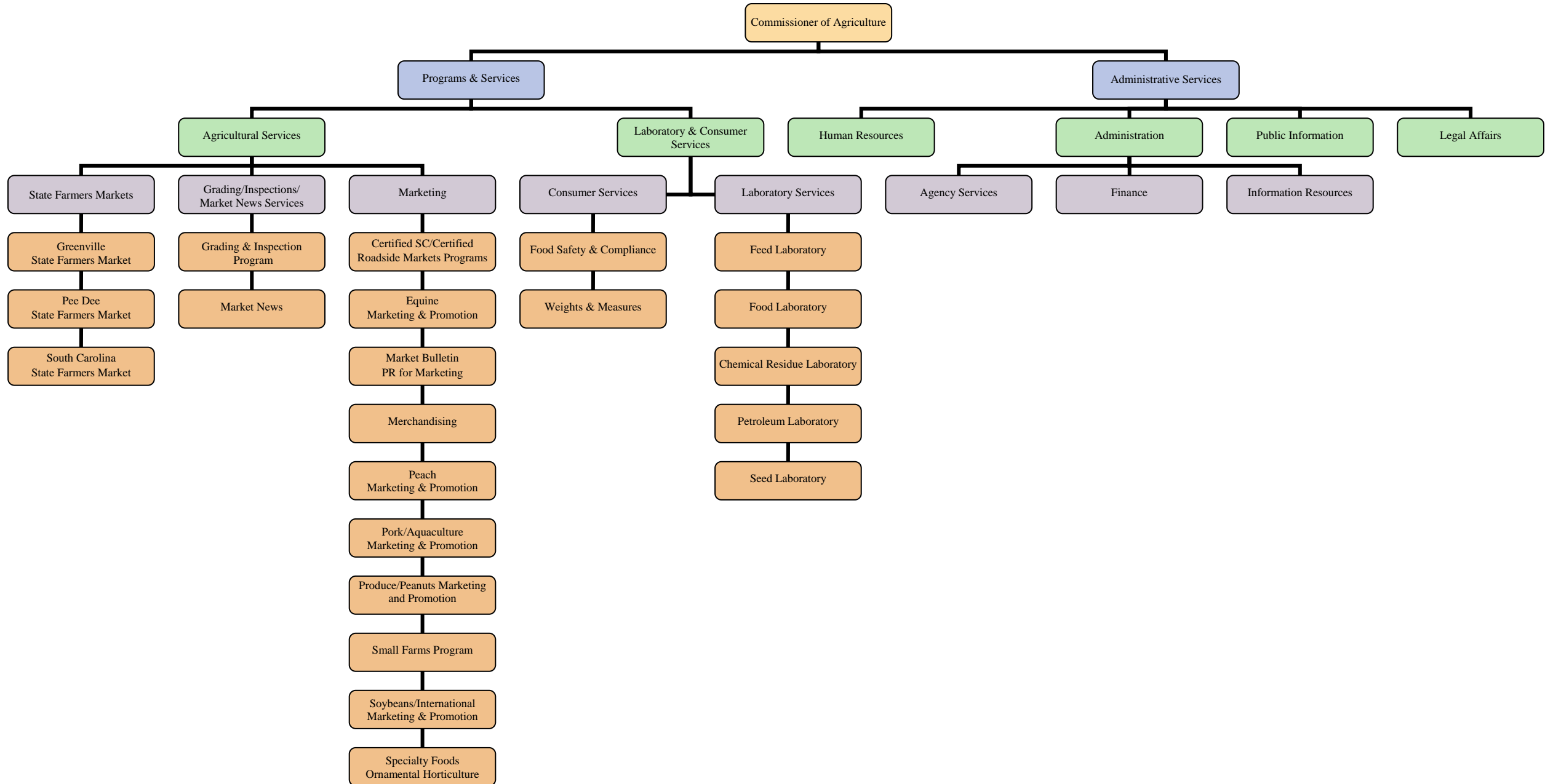


Chart 1.2

Accountability Report Appropriations/Expenditures

Base Budget Expenditures and Appropriations

	FY 08-09 Actual Expenditures		FY 09-10 Actual Expenditures		FY 10-11 Appropriations Act	
Major Budget Categories	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Services	\$ 5,315,714	\$ 2,193,612	\$ 5,172,545	\$ 2,253,777	\$ 5,367,654	\$ 1,996,733
Other Operating	\$ 6,551,802	\$ 1,991,793	\$ 5,624,544	\$ 936,998	\$ 4,597,065	\$ 316,526
Special Items	\$ 467,688		\$ 819,339		\$ 3,000,000	
Permanent Improvements	\$ 5,608,607		\$ 13,794,171			
Case Services						
Distributions to Subdivisions						
Fringe Benefits	\$ 1,795,880	\$ 724,759	\$ 1,716,320	\$ 725,827	\$ 1,891,148	\$ 767,247
Non-recurring	\$ 75,804	\$ 75,804				
Total	\$ 19,815,495	\$ 4,985,968	\$ 27,126,919	\$ 3,916,602	\$ 14,855,867	\$ 3,080,506

Sources of Funds	FY 08-09 Actual Expenditures	FY 08-09 Actual Expenditures
Supplemental Bills		
Capital Reserve Funds		
Bonds		

Chart 1.3

Major Program Areas

Program Number and Title	Major Program Area Purpose (Brief)	FY 08-09 Budget Expenditures		FY 09-10 Budget Expenditures		Key Cross References for Financial Results*
		State:	Federal:	State:	Federal:	
I Administration	Provides executive leadership, support, policy development and review, financial services, information technology, facilities management, and other administrative services	State:	878,347	State:	960,155	
		Federal:	-0-	Federal:	-0-	
		Other:	5,000	Other:	223	
		Total:	883,247	Total:	960,378	
		% of Total Budget:	4.4%	% of Total Budget:	3.5%	
II Laboratory and Consumer Services (Laboratory Services)	Protects consumers from unsafe, ineffective, or fraudulent goods that may be offered for public sale; assures that goods meet acceptable standards of quality; monitors labeling; registers animal and pet foods, frozen desserts, gasoline, and antifreeze; issues licenses for butterfat testers and milk samplers; grants permits to salvage food operations; issues two to three thousand licenses, permits and registrations; provides assistance regarding food safety and security in the event of a natural disaster or an accidental or international emergency related to Homeland Security.	State:	899,342	State:	828,205	
		Federal:	-0-	Federal:	-0-	
		Other:	779,429	Other:	788,876	
		Total:	1,678,771	Total:	1,617,081	
		% of Total Budget:	8.4%	% of Total Budget:	6.0%	
II Laboratory and Consumer Services (Consumer Services)	Draws samples for analysis in the SCDA's laboratories; protects the people of the state, farmers and non-farmers, from fraud by ensuring the accuracy of weights and measures; inspects food and cosmetic manufacturing and storage facilities; assures farmers that they receive full and prompt payment for the products they produce and that their stored cotton and grain crops are protected in warehouse facilities; inspects gas pumps, grocery store scales, vehicle tank meters, and liquid petroleum gas measuring devices; collects official samples of petroleum, produce, meat and feeds for laboratory analysis; licenses, bonds and audits warehouses and dealers; inspects storage facilities for sanitation compliance.	State:	596,222	State:	606,823	
		Federal:	-0-	Federal:	-0-	
		Other:	875,383	Other:	859,756	
		Total:	1,471,605	Total:	1,466,579	
		% of Total Budget:	7.5%	% of Total Budget:	5.4%	

Major Program Areas (Continued)

IV Agricultural Services	Develops and implements broad-based marketing programs; provides programs and services designed to increase consumer awareness and product demand for quality South Carolina agricultural commodities; strives to improve the economic vitality of business and individuals in the industry of agriculture; encourages expansion and development of existing industries that use South Carolina agricultural commodities, both fresh and processed, to increase the marketability of locally-grown products; provides quality grade standards and up-to-date first-hand market news to the allied industry through a cooperative agreement with the USDA; provides grading and inspecting of poultry products; oversees and operates the three state farmers markets; domestic and international marketing assistance; certifies roadside markets; promotes specialty crops and specialty products; assists small farmer and provides support for organically grown certification; promotes the green industry (nursery, greenhouse, landscape, etc.); authorizes individual farmers and farmers' markets to be able to accept coupons from those who are nutritionally at risk to buy fresh, unprepared produce issued in the WIC and Seniors Farmers Market Nutrition Programs; serves as a liaison to commodity boards, associations, and the state's Ag Commission; publishes the Market Bulletin which is designed as a vehicle for farmers and non-farmers to buy and sell agricultural and agricultural-related items, a resource for economic stability especially in rural areas.	State:	1,811,494		State:	795,592	
		Federal:	397,968		Federal:	699,906	
		Other:	6,092,019		Other:	6,076,893	
		Total:	8,301,481		Total:	7,572,391	
		% of Total Budget:		41.9%	% of Total Budget:		27.9%
V	Employer Contributions	State:	724,759		State:	725,827	
		Federal:	905		Federal:	250	
		Other:	1,070,216		Other:	990,243	
		Total:	1,795,880		Total:	1,716,320	
		% of Total Budget:		9.1%	% of Total Budget:		6.3%
Below: List any programs not included above and show the remainder of expenditures by source of funds.							
N/A							
	Remainder of Expenditures:	State:	75,804		State:	-0-	50.9%
	Supplemental Appropriations	Federal:	-0-		Federal:	-0-	
	Permanent Improvements	Other:	5,608,607		Other:	13,794,171	
		Total:	5,684,411		Total:		
		% of Total Budget:		28.7%	% of Total Budget:		
* Key Cross-References are a link to the Category 7 - Business Results. These References provide a page number that is included in the 7th section of this document.							

Section III -Malcolm Baldrige Performance Excellence Standards

Category I - Senior Leadership, Governance, and Social Responsibility

1. How do senior leaders set, deploy, and ensure two-way communication for: a) short and long term organizational direction and organizational priorities, b) performance expectations, c) organizational values, and d) ethical behavior.

Under the leadership of the Commissioner of Agriculture, the leadership team continues to focus on the mission of growing the business of agriculture in the state and protecting the buying public from deceptive business practices in the marketplace. This focus has instilled a sense of pride in staff and those served by the South Carolina Department of Agriculture.

Regular and frequent communication between senior staff serves as an important part of leadership in the Department of Agriculture. Division Directors meet regularly with their staff to keep employees informed of agency issues. Long-term, under the leadership of the Commissioner, current and prospective programs, new initiatives, and new and innovative ideas for future direction continue to be examined and action taken accordingly.

The Commissioner and his leadership team value partnerships with customers and stakeholders, fostering a free exchange of ideas that are used in evaluating the agency's programs and services. Employees are committed to enhancing the lives of our taxpaying citizens, providing them a better than satisfactory return on their investment.

Over time, an internal system encompassing policies, processes and people has been developed and expanded. Management activities are directed by the Commissioner of Agriculture with a good business sense, objectivity and integrity. Managers and supervisors are encouraged to make decisions that define expectations, grant power, and verify performance.

Senior staff and/or their designated apprentice liaisons gather monthly at the "Tuesdays @ 10" meetings to discuss team activities related to everything from promotion and publicity efforts to resolution of external and internal issues and problems. Through face-to-face discussions with managers and other staff, through written guidelines and policies, through EPMS links to program performance standards, and through development of effective modules, managers set clear performance expectations, goals, and objectives for employees.

Agency leadership communicates social responsibility and ethical expectations through individual evaluations and discussions, policies and procedures, and employee participation in professional organizations. As a state agency serving the people of South Carolina, the rights and privileges of the citizens are ensured. While the agency complies with the Freedom of Information Act, the Department also maintains the privacy of those served. For instance, the result of official samples that are taken by inspectors for analysis by laboratory technicians is public information. Those samples that are submitted by private parties are considered private information. The Department of Agriculture ensures that rights and privileges are maintained.

In addition to maintaining the rights and privileges of citizens, the human rights of employees are also respected. However, irresponsible and unethical behavior that may bring harm to the agency, community, its people, or the environment is not tolerated. Employee performance is directly enhanced by the attention to the details involving their benefits. Employees have a vested interest in what the agency does and how it is run. When employees perceive that they are a valuable asset, productivity increases.

Professional development is offered whenever fiscally-feasible. Managers and supervisors are active in professional organizations that foster their continued growth in knowledge and expertise in their fields of specialty. Employees, especially lab scientists, chemists and technicians, are encouraged and supported in outside professional activities that contribute to their growth and professional competence. Employees are also encouraged to present a professional attitude at all times with a commitment to the agency and the public it serves. However, because of decreases in the agency budget and the effort to keep costs down, it has become more and more difficult to fund professional development meetings and workshops.

2. How do senior leaders establish and promote a focus on customers and other stakeholders?

Every South Carolinian is a customer and stakeholder of agriculture, including SCDA employees. In reality, they are their own customers. They are constantly in touch with the public, assisting with agribusiness development and expansion, product testing and analysis, and providing reasonable assurances to the consumer.

3. How does the organization address the current and potential impact on the public of its programs, services, facilities and operations, including associated risks?

The agency continues to invite feedback on programs and services from the agricultural community, commodity boards and associations, and consumers. Testing and inspection error rates provide vital information concerning safety and risk to consumers. Also, the Department in cooperation with Clemson University, the Palmetto AgriBusiness Council, Palmetto Institute, Farm Bureau, Forestry Commission and Forestry Association, and market research companies are continuing to work to develop formulas that provide the return on investment for the Department's marketing and branding program. In addition, surveys are performed to see how well programs are working. The Department also receives between 75 and 100 information requests each week through the Web sites on a variety of topics that may or may not be the responsibility of the agency. However, the Department serves as a clearinghouse and responds as necessary or forwards to the responsible agency or parties as required.

4. How do senior leaders maintain fiscal, legal, and regulatory accountability?

Department staff is committed to the concept of fiscal responsibility. Many problems cannot be solved by money alone. Leadership provides fresh approaches and creativity in addressing issues in a cost-effective way. Particularly in the realm of regulatory responsibility, staff is instructed to treat customers fairly and with understanding. The federal agencies with which the agency has cooperative agreements monitors our regulatory activities as well. The Department's General Counsel deals with complaints, lawsuits or other legal and regulatory issues to ensure accountability. In addition, the General Counsel serves as the central contact for Freedom of Information requests.

5. What performance measures do senior leaders regularly review to inform them on needed actions? (See Category 7 for actual results.)

- Tests on feeds, seeds, foods, cosmetic and petroleum products to assure product protection
- Partnerships with stakeholders to promote agriculture in South Carolina
- Buying and selling of the state's agricultural commodities both fresh and processed
- Food sanitation inspections at locations under SCDA regulatory authority
- Market and economic research on the effectiveness of the agency's strategic marketing and branding campaign
- Growth and development of the State Farmers Markets
- Efficiency and effectiveness provided by new technology

6. *How do senior leaders use organizational performance review findings and employee feedback to improve their own leadership effectiveness, the effectiveness of management throughout the organization including the head of the organization, and the governance board/policy making body? How do their personal actions reflect a commitment to organizational values?*

Senior leaders use their division sessions, the EPMS and other meetings with staff as a discovery mechanism for employee feedback. These discussions are used to help managers determine if they are adequately directing employees and to help them identify activities that may be barriers to the performance of individual employees and of the agency as a whole. In addition, these discussions often set realistic expectations and allow the managers to modify or change priorities. In normal budget years, employees are recognized for their efforts through an Employee Appreciation Day and an Employee Recognition Day. Senior leaders serve as the model for the agency's commitment to core values.

7. *How do senior leaders promote and personally participate in succession planning and the development of future organizational leaders?*

Senior leaders know that the success of the agency depends greatly on the availability of competent people. With a significant staff turnover in the last few years due to natural attrition and retirement and the anticipation of a critical shortage of middle and senior leaders within the workforce, succession planning has been a priority. To ensure that there are successors to drive the programs and services, senior leaders are empowered to train managers that may be able to succeed them in a leadership role in the future. Senior leaders are actively involved in mentoring, training and cross-training, and they periodically review the responsibilities of their staff to determine backups for each of their positions. This is important because it often takes years of grooming to develop effective senior managers. To continue the contingency planning process, senior leaders have been tasked with designating a 'chain of command' to denote who could step up to the plate in case an employee is unable to perform job duties. In addition, employees have been asked to develop desk reference manuals detailing job duties and responsibilities and to provide a list of employees who are to be cross-trained in particular areas.

8. *How do senior leaders create an environment for performance improvement and the accomplishment of strategic objectives?*

Senior leaders are constantly looking for ways to improve the performance of employees. The EPMS system is one way supervisors work with employees to identify improvements and deficiencies whether they are related to poor performance of skills or tasks or whether it is a behavioral problem that disrupts the workplace. Each employee is individually assessed and an improvement plan is created for those individuals.

9. *How do senior leaders create an environment for organizational and workforce learning?*

For senior leaders, it all comes down to transferring knowledge and skills to people who don't necessarily have them. There are experts and there are novices, but knowledge has to be transferred in such a way that the novices get the knowledge and skills they need to perform like an expert. For example, the SCEIS system has its own teaching and training built into the program, but to prepare for implementation of the SCEIS HR/Payroll system, HR successfully coordinated many hours of SCEIS training for managers, supervisors and employees to prepare them for transition to SCEIS HR/Payroll. HR personnel participated in more than 240 hours of instructor-led and online SCEIS training at no cost to the agency. And, they spent more than 250 hours in the SCEIS Ready-Room working hands-on with SCEIS personnel to update and validate thousands of pieces of HR/Payroll data which has resulted in more efficient use of the new system.

10. How do senior leaders engage, empower, and motivate the entire workforce throughout the organization? How do senior leaders take an active role in reward and recognition processes to reinforce high performance throughout the organization?

Senior leaders encourage employee motivation throughout the agency. They focus on performance, but they are also spending more time getting each employee aimed properly so the employee understands what he or she is to accomplish - his or her goals and objectives. Employees are empowered to make decisions that affect their own work. Improvement requires creativity, challenges, and learning from mistakes.

11. How do senior leaders actively support and strengthen the communities in which your organization operates?

Senior leaders support the efforts of employee involvement in urban and rural communities through individual and collective activities. By working collectively to keep agriculture a viable industry in the state, the agency is also strengthening the economy. On an individual level, senior leadership encourages employees to be involved in community activities that will provide awareness of South Carolina agriculture and of the agency's programs and services. Through the Advocates for Agriculture and the state's community-based farmers markets in cooperation with the SCDA's Small Farms Program, more than \$7,000 has been provided to Share Our Strength's Great American Bake Sale from the statewide bake sale initiatives at local farmers markets. The Certified SC Grown Bake Sale was a sweet way for our farmers to help end hunger in the state while featuring South Carolina's bounty of locally grown products. The agency also actively supports and strengthens communities through employee involvement in civic clubs and various other community-oriented groups or committees. Staff is encouraged to be involved in programs that will provide awareness of SC agriculture and of the SCDA's programs and services. Staff worked collaboratively on various projects in FY10 to assist the community. Harvest Hope, blood drives, etc.

Category 2 - Strategic Planning

The agency continues to evaluate strategic planning processes which involve the assessment of customer needs and the design of agency programs and services. The strategic plan provides a basis for business decisions, resource allocation and management and helps the agency focus on priorities. As part of the strategic planning process, leadership meets with agribusiness partners to determine goals and objectives for agribusiness in South Carolina. Those activities are then compiled into an action plan with activities that focus on the agency's mission.

- 1. What is your Strategic Planning process, including key participants, and how does it address;*
 - a. your organization's strengths, weaknesses, opportunities and threats;*
 - b. financial, regulatory, societal and other potential risks;*
 - c. shifts in technology and customer preferences;*
 - d. workforce capabilities and needs;*
 - e. organizational continuity in emergencies; and*
 - f. your ability to execute the strategic plan.*

The weaknesses of the agency are balanced by its strengths. Every problem presents an opportunity. Salaries are generally lower in state government than in the private sector making it difficult, but not impossible, to retain qualified employees. However, through a comprehensive analysis involving the HR office, the agency has been able to continue to upgrade position descriptions and better align employees with their abilities. Staff reductions through natural attrition and retirement increased in the past few years, but with succession planning the agency has been able to blend the experience of veteran employees with the enthusiasm of novice employees.

In addition, the agency has previously collected minimal fees or no fees for certain licenses, permits, etc. Fees are now being collected to offset some of the costs involved in providing those special services. Also, laws enforced by the SCDA, policies and procedures, and rules and regulations that are outdated continue to be updated. Modest financial support for food and feed protection initiatives has been achieved by way of federal grants. The agency received about \$15,300 from the FDA for monitoring BSE (mad cow disease) at sites in the state's feed distribution chain and an additional \$8,000 from USDA for the Market News Service.

In keeping with the strategic goal of effectively managing agency operations and workforce, the SCDA's decision to consolidate its Human Resource Office with the Treasurer's Office continues to provide more efficient and effective services to the agency and its employees. This is demonstrated by the agency's relatively smooth transition to the SCEIS HR/Payroll system, ensuring the agency is in compliance with federal and state regulations and development of various health and wellness programs which encourage employees to be active and develop a healthy life style thus reducing medical cost just to name a few.

Implementation of the SCEIS HR/Payroll system has consolidated many HR and payroll activities. Data is more accurate, timely, and shared across several different modules and agencies greatly decreasing the amount of time spent entering HR/Payroll transactions in several different systems. Since SCEIS HR/Payroll is a web based system, HR/Payroll core users have 24/7 access to HR/Payroll information which allows them the flexibility to work in or out of the office when the need arises. Through MySCEmployee, employees have 24/7 access to their personal information in which they can change banking and tax withholdings, update address and emergency contact information and request an employment verification letter. Employees can also record work hours, submit leave requests, check leave balances and view pay statements. Managers can approve work hours and leave request for their employees and manage other data for their employees.

The agency also continues to incorporate new technology and computer systems to enhance work performance and customer service. Customers are able to renew licenses and registrations online with a credit card. They can also submit ads and subscribe to print and electronic versions of the *Market Bulletin* online. Also, a laboratory information management system, market vendor rental system, and interactive capabilities with the Web site have been deployed to allow the agency to be more efficient and effective.

Plans continue to be developed for organizational continuity in case of a loss in senior leadership or an operational emergency. Emergency systems have been developed at the laboratories, farmers markets, and other facilities in addition to the main headquarters.

Each division within the SCDA maintains correspondence, calendars, and written and/or verbal reports. Ongoing analysis of the reports and information provided by each division allows senior leaders to monitor the status of the various activities and administrative responsibilities of the agency.

2. *How do your strategic objectives address the strategic challenges you identified in your Executive Summary?*

Establishing agricultural marketing opportunities which support the state's economy, particularly in rural communities, during an economic downturn

In order to provide agricultural marketing opportunities which support the state's economy, particularly in rural communities, the agency continues to work with public and private individuals and organizations to collaborate on strategic goals and objectives for agribusiness. This past year, the SCDA and its partners developed the *50 by 20* plan, a concept and strategic theme that set a goal of increasing the economic impact value by \$16 billion per year to \$50 billion by 2020.

In this concept, there are four general areas on which we are focusing: Agribusiness Economic Development; Increasing Marketing & Export Opportunities; Expansion of Existing Industries; and Exploring New Technologies and New Crops.

Focusing on the *agribusiness economic development*, the SCDA is examining new recruiting tools and new incentives that work for agribusiness. An effective agribusiness recruitment effort must be focused, sufficiently funded, and staffed with professionals. For the smaller scale opportunities, reauthorization of the "Family Farm Development Act" would once again provide means to support new projects and encourage new, young producers getting into agribusiness. The SCDA is also looking at specific industries that make sense for South Carolina, such as biofuels, food processing, other value added industries, and forest products. In a 'bring in or build up' approach, the SCDA hopes to bring new business into South Carolina or build up existing businesses already operating here. Occasionally, a project of Boeing-like impact will come along, but more often it's a few added jobs at a time.

In addition to agribusiness economic development, *developing new markets and enhancing existing ones*, whether domestic or export, is very critical to creating additional profitable production opportunities for farmers and forestry producers. The Certified South Carolina marketing and branding program has been a good start. It has been embraced by retail markets across South Carolina and along the Eastern seaboard. This potential capitalizes on a very sustainable, consumer-driven local food economy. Just like in athletic competition, once you build momentum, you must maintain it to win. The SCDA is committed to keeping the momentum moving forward. By continuing this and other marketing efforts, South Carolina gains market share of our own food, fiber, and fuel expenditures in the state.

New jobs and capital investments come most often from the *expansion of existing industries*. Agribusiness firms are no different. South Carolina has vital components of agribusiness – forest products, poultry, greenhouse/nursery, equine, fruit and vegetable processing, and aquaculture – wild caught and domestic – that need to be nurtured. These industries are quite significant in their areas of the state – often employing thousands of workers. Creating a productive business climate and tool box of attractive incentives focused on agribusiness firms could be a very effective use of our resources. The SCDA is focusing on expansion of existing industries as well as developing new industries in the state.

Investments in technology and research are essential for our producers to remain competitive in a truly global patchwork of production. Breakthroughs in technology can take us down paths we

could only imagine just a few years before. Adequate funding for basic and applied research at land-grant and other research institutions is necessary to provide the means for technology to benefit our producers, as well as our environment. Research can determine the viability of new high value crops and can find new uses for traditional crops. It is an important link as we look out ten years to determine how to create additional profitable opportunities balanced with environmental enhancements. The SCDA keeps abreast of new technology and new crops that could enhance marketing opportunities.

Maximizing safety and protection of goods and services offered for sale to the public

To maximize the safety and protection of goods and services offered for sale to the public, the SCDA continues to work closely with public and private partners to establish and formalize working agreements. In addition, the agency continues to build trust and integrity by providing prompt and accurate information to the public and other stakeholders. For example, the SCDA Web site links to federal government recall notices so that the consuming public has access to information as soon as it is available. Also, the SCDA works with federal partners, FDA, USDA, EPA and others to ensure that goods offered for sale in the state are safe and labeled properly. For instance, the SCDA participates in the Country of Origin Labeling (COOL) program with the FDA through our Consumers Services Food Safety and Compliance Program. Our inspectors ensure that foods are manufactured and marketed under safe and sanitary conditions through routine surveillance inspections and audits. They also ensure that food is pure and wholesome, safe to eat, and properly labeled according to current laws and requirements.

Professional development for staff with limited funding

Professional development for staff has improved significantly. However, one of the principal challenges is providing professional development for staff on a limited budget. Even with limited resources, agency staff received nearly 2,000 hours of training and professional development in FY10. The training included supervisory skills training, technology training, food/feed safety and security training, weights and measures training, analytical sciences workshops to name a few. Some activities were extremely technical. Some activities involved leadership training. All activities focused on the goal of producing a highly trained professional staff.

Maintaining the integrity of programs and services

To maintain the integrity of the agency's programs and services, senior leaders periodically review the business results as they relate to the initial action plans. Also, feedback from those served provides valuable insight. The downturn in the economy has created a significant reduction in the state's budget. Like other agencies, the SCDA is dealing with those financial issues as they arise. Finding ways to do the same with less is difficult, but essential for the agency's programs and services to be effective.

Loss of institutional knowledge and information due to retirement and natural attrition

Fourteen employees resigned this past fiscal year due to retirement and natural attrition and 5 employees entered the TERI program. However, with cross-training, development of desk reference manuals and our workforce planning initiatives, the agency has been able to blend the experience of seasoned staff with the enthusiasm of new employees.

Enforcing 37 laws mandated in the SC Code of Laws

Enforcing the laws mandated in the SC Code of Laws continues to be simplified with new technology and alternative funding from fees. Also, updating the laws with modern standards assists in enforcement. This past fiscal year, through the General Assembly, the SC Food and Cosmetic Act, the SC Seed Law and the Weights & Measures Law were all updated. In addition, the SCDA was able to update the Seed Regulations and an amendment was added to the state's Petroleum Law.

3. How do you develop and track action plans that address your key strategic objectives, and how do you allocate resources to ensure the accomplishment of your action plans?

Senior leaders periodically discuss activities with staff, individually and collectively, to track progress in various programs and services. Financial and human resources are allocated according to adherence to the Department's mission. Our goal is to ensure that our programs and services grow agribusiness commerce while assuring the safety and security of the buying public.

4. How do you communicate and deploy your strategic objectives, action plans and related performance measures?

The accountability report is used as a self-assessment tool for ensuring that the agency remains in line with its mission. Each division develops goals and objectives based on the overall mission of the agency. The agency's mission is also communicated when planning strategies with partners.

5. How do you measure progress on your action plans?

Each division measures progress and tracks opportunities for improvement through action plans, meetings, and discussions. Measures include workload and workflow as well as customer satisfaction.

6. How do you evaluate and improve your strategic planning process?

Evaluating and improving strategic planning is an ongoing process. The process of developing an accountability report shows where progress is being made and where improvements are needed.

7. If the agency's strategic plan is available to the public through the agency's Internet homepage, please provide a Web site address for that plan. The agency's Strategic Plan is not currently posted.

See Strategic Planning Chart 2.1.

Chart 2.1

Strategic Planning Chart

<p>Program Number and Title</p>	<p>Supported Agency Strategic Planning Goal/Objective</p>	<p>Related FY09-10 Key Agency Action Plan/Initiatives</p>	<p>Key Cross References Performance Measures</p>
<p>I Administration</p>	<p>Effectively manage operations and workforce</p>	<p>Effectively manage financial resources to ensure financial well being. Create a work environment that promotes performance and employee satisfaction. Evaluate programs and services to ensure customer needs are met. Evaluate employee performance and provide materials and technological needs to be successful. Use available technology and aggressively seek new technology to improve office operations. Provide progressive leadership with a clear focus that actively guides the agency. Provide recognition to those employees for their effort. Develop a well trained and diverse workforce. Encourage staff to contribute ideas to means and methods of improving the workplace and the operation of the agency.</p>	<p>pgs. 32-37</p>
<p>II Laboratory and Consumer Services</p>	<p>Protect consumers and producers</p>	<p>Enforce all applicable laws regarding proper warehouse receipting, storage and payment for agricultural commodities. Ensure the accuracy of weights and other measurements. Work with public and private organizations to solve issues related to protection and safety. Perform food sanitation inspections at all locations under SCDA regulatory authority. Perform tests on feed, seed, food, and petroleum products to assure acceptable quality. Grant permits to salvage food operations. Inspect and grade appropriate agricultural products for domestic and international markets.</p>	<p>pgs. 37-44</p>
<p>III Agricultural Services</p>	<p>Promote agriculture and agribusiness Provide public awareness, promotion, and publicity of SC agriculture</p>	<p>Expand Certified SC Grown, the agency’s comprehensive branding and marketing strategy targeted to consumers within the state designed to build brand awareness of SC’s agricultural products. Encourage new and existing business which use traditional and non-traditional agricultural products or which service and supply agriculture. Search for new products and look for new value-added ways to use the state’s products. Provide assistance to small farmers. Support the growth and development of local farmers markets to encourage those nutritionally at-risk to buy locally grown products. Manage three regional State Farmers Markets in Columbia, Greenville, and Florence efficiently and effectively. Market local farm products to consumers and assist farmers through the Certified Roadside Market Program.</p>	<p>pgs. 44-56</p>

Category 3 - Customer and Market Focus

1. *How do you determine who your customers are and what their key requirements are?*

By virtue of our mission, our customers are producers and consumers, virtually everyone in the state. Producers need immediate access to markets and marketing information, and consumers need access to information about buying and using agricultural products. The more accessible the information, the more satisfied are our customers.

2. *How do you keep your listening and learning methods current with changing customer/business needs and expectations?*

The agency continually requests information from customers on how to improve processes. The agency's Web site was redeployed with an easier to remember address to provide current information about agriculture, agricultural events, and other valuable and useful information. Because of new functions that were added, direct communication with the public has improved considerably. SCDA staff listen and learn from viewer remarks through the agency's Web site as well as the branding and marketing Web site. Staff receive 75-100 requests for information every week through the Web sites. Also, the SCDA has included more ways of communicating. Using social networking systems like Twitter and Facebook, the SCDA is able to quickly communicate with its customer base.

3. *What are your key customer access mechanisms, and how do these access mechanisms enable customers to seek information, conduct business, and make complaints?*

The agency uses information from customers and stakeholders to keep services or programs relevant and provide for continuous improvement by surveying customers and evaluating their feedback. Staff correspond with customers through written and verbal messages – postal delivery and electronic mail, phone, fax, Internet, Twitter, and Facebook. Surveys and evaluations of meetings and events provide valuable information for future planning. In addition, staff frequently visit customers for face-to-face comments. For instance, the SCDA has a Merchandiser who visits retailers to ensure that they display the materials for the agency's branding and marketing campaign. If the retailer is not displaying the materials, the reason is determined and a solution is developed and implemented that is agreeable to all parties. Also, Certified SC messages pertaining to member-producers are posted on Twitter and Facebook for immediate access by followers and fans. These customer access mechanisms provide quick and inexpensive ways of communicating with the public.

4. *How do you measure customer/stakeholder satisfaction and dissatisfaction, and use this information to improve?*

The agency continues to train employees on how to communicate effectively with customers. Any customer complaint receives individual attention and follow-up. Also, the Web site features a complaint/suggestion area where the agency receives requests for information. The phone number for Consumer Services is displayed on the approval sticker for every scale and measuring device inspected in the state so that our customers can easily call if a device seems to be inaccurate. Staff participate in a variety of meetings and workshops in which customers and stakeholders talk about the SCDA's value.

5. *How do you use information and feedback from customers/stakeholders to keep services and programs relevant and provide for continuous improvement?*

In addition to general marketing program participant numbers and comments, the SCDA uses a variety of other tools to help evaluate success. The agency uses market research to determine the correct focus for programs and services and uses evaluation research to determine success. For instance, initial market research was performed before developing the SCDA's Certified SC Grown marketing and branding program. That research revealed that 90 percent of the shoppers surveyed would purchase SC grown products if it was competitively priced, offered good quality, and was easy to find. Thus, the SCDA developed a campaign to reinforce the image of quality in South Carolina grown with a logo showing them where to locate those products. Three years later in FY10, the Darla Moore School of Business performed a study to evaluate the return of investment of the program. The study revealed that with reasonable assumptions the Certified SC Grown program would provide over 10,000 new jobs at a time when the state's job base is shrinking. Also, the research showed that the state would enjoy an additional total economic impact of \$558.1 million because of the high consumption of locally grown produce and products buoyed by the Certified SC Grown campaign. This grassroots marketing campaign has motivated and activated South Carolina consumers to buy South Carolina grown products which, in turn, drives the demand for homegrown products and contributes to the economic development of the state.

6. *How do you build positive relationships with customers and stakeholders to meet and exceed their expectations?*

The agency builds and strengthens positive relationships with customers and stakeholders by listening and by responding quickly and appropriately. To meet the needs of our external customers (stakeholders), SCDA staff work closely with public and private partners to develop key strategies that will benefit all constituencies. To meet the needs of our internal customers (employees), HR staff maintains an open door policy which allows managers and employees access to have their issues heard and their questions answered in a timely manner. HR staff is in constant contact with employees to keep them up-to-date on information that directly affects their work and benefits.

Category 4 - Measurement, Analysis, and Knowledge Management

1. *How do you decide which operations, processes and systems to measure for tracking financial and operational performance, including progress relative to strategic objectives and action plans?*

Factors affecting marketing of South Carolina agricultural products make it difficult to measure. Effectiveness of that program area is measured by an analysis of communications with the public (buyers and sellers) and the media and the quality as well as the quantity of information provided. Public perception of the SCDA's role is important to the overall effectiveness of the agency.

The success of the SCDA's operations depends, in part, on the effectiveness of HR programs which is measured by both internal and external audits of employee records and personnel transactions. Employee satisfaction is also taken into consideration in the decision-making process concerning program improvements and delivery of services. To meet the needs of our internal customers (employees), HR staff maintain an open door policy which allows managers and employees to have their issues heard and their questions answered in a timely manner.

HR staff continues to maintain contact with employees to keep them up-to-date on information that directly affects their work and benefits.

The Laboratory and Consumer Services programs and services are measured by the satisfaction of the customers who need products sampled and analyzed. For example, customers want relatively quick turnarounds on feed testing. Product that sits on the shelves waiting to be sold, results in lost sales and deferred profit. Feed that is contaminated needs to be addressed quickly and appropriately.

2. How do you select, collect, align, and integrate data/information for analysis to provide effective support for decision-making and innovation throughout your organization?

The agency benchmarks with other state and federal agencies whenever possible. Many programs are subject to audits to ensure financial effectiveness and procedure compliance. For instance, the pesticide test results from the SCDA Chemical Residue Laboratory are comparable to the USDA Pesticide Data Program test results that are performed each year. Data shows that the food supply of the state and nation is safe and farmers are doing a good job in complying with pesticide residue laws.

In addition, data and information collected from various studies and research helps in analyzing the direction of the SCDA. For instance, *The Economic Impact of Agribusiness and the Return of the Certified SC Grown Campaign* study performed by the U.S.C. Darla Moore School of Business and released in April 2010 helps the SCDA determine the potential for the program to grow the state's economy over the next decade. If South Carolina reaches its share of locally-sourced demand for major farm products similar to our neighboring states, there is expected to be an increase in demand which would boost the total economic impact of agribusiness and add thousands of new jobs to the state's economy. The citizens of South Carolina should expect the best possible economic return on any investment, especially in an era of limited public funds. And, according to that particular study, the Certified SC campaign which supports the consumption of locally grown produce and products will not only pay off economically, but it can also bolster the quality of life, health and the well-being of the Palmetto State. Research data like this is imperative to the direction of the agency and the future of agribusiness in South Carolina.

3. What are your key measures, how do you review them, and how do you keep them current with organizational service needs and directions?

Externally, data analysis is used in a number of ways to support effective decision-making and assess performance. For example, market research determined that the majority of those surveyed would prefer South Carolina locally grown produce over that from out-of-state, but 68% of them couldn't identify South Carolina products from the competition. These findings gave direction to the SCDA's branding and marketing campaign. Recent research has determined that the Certified SC program has been well-received and is supporting economic stability for the state.

4. How do you select and use key comparative data and information to support operational and strategic decision-making and innovation?

The decision-making process is based, in part, on data and information collected. However, decision-making is also based on input from stakeholders and customers. For example, the SCDA continues to build on a strategic plan developed with like-minded partners for the future of agribusiness in keeping with the agency's mission.

5. *How do you ensure data integrity, reliability, timeliness, accuracy, security, and availability for decision-making?*

Comparative data is selected based on benchmarks relevant to the agency's mission. Participation in national organizations such as the National Association of State Department's of Agriculture, Southern Association of State Departments of Agriculture, Southern United States Trade Association also provides information for comparison purposes. In addition, much of the data collected at the SCDA is compared with data from other states. For instance, our chemical laboratory testing data is collected along with data from other states by the Environmental Protection Agency to ensure a safe food supply.

6. *How do you translate organizational performance review findings into priorities for continuous improvement?*

Performance is a measure of the results achieved. The performance efficiency of the SCDA is the ratio between the effort expended and results achieved. For instance, the Certified SC Grown program was launched with a \$500,000 grant. The question is how effective is the agency using human and financial resources in balance to the results achieved. An increase in demand for locally grown translates to an increase in economic growth for the state. The Certified SC Grown campaign has shown consumers where to find locally grown produce and products. A study released in the spring of 2010 on the Certified SC Grown program revealed that South Carolina consumers are willing to pay more for locally grown and that for every dollar of the initial \$500,000 grant invested in the program, there would be a return of \$5.8.

Program areas at the SCDA that do not measure up to their intended objectives are identified and evaluated. These reviews are used to identify the next best opportunity for improvement. Those that do measure up to their intended objectives are given priority. For instance, the SCDA's Certified Roadside Markets were validated because of the specific requirements needed to participate in the Certified SC Grown program. Merging the SCDA's public program with Farm Bureau's private program causes less confusion for markets and provides them with additional sources of information and marketing support. The Certified Roadside Markets Program and the Certified SC Grown are just two of the programs that have measured up to their intended objectives.

7. *How do you collect, transfer, and maintain organizational and workforce knowledge (knowledge assets)? How do you identify, share and implement best practices, as appropriate?*

Externally, staff continue to listen and learn from our customers, monitor their perceptions gathered at the front line, and build positive relationships with the entire customer base. The agency focuses on a broad base of customers through a variety of print and electronic means. Through the agency Web site and through the media and personal contacts, the public is provided accurate up-to-date verbal and written information. The agency staff perform end-of-event evaluations and online surveys to ensure constant contact with constituents. Internally, lessons of experience are shared among staff through meetings and one-on-one information sharing impromptu gatherings. Also, after-action meetings or debriefings help identify, analyze and capture experiences of what worked well and what needs improvement. For instance, an after-action review of the Plant and Flower Festival activities help prepare for the next year's event.

However, certain knowledge technology and skills and intellectual property can not be easily transferred from individual to individual. There are certain languages and software as well as procedures and processes that are difficult to share. To meet the challenge, the agency continues to develop a contingency plan designed to fill the gaps in case of short- and long-term vacancies.

Category 5 - Workforce Focus

1. *How does management organize and measure work to enable your workforce to:*

1) *develop to their full potential, aligned with the organization's objectives, strategies, and action plans;*

Managers and supervisors encourage employees to organize their work according to an action plan which follows the agency's goals and objectives. They realize that enabling the workforce to develop to their full potential is essential to effective management.

Conventional employment development – isolated events in which employees put in a predetermined amount of seat time – have been revised to become a “process” in which employees meet performance objectives within a certain timeline. Ample time is provided for feedback, reflection and attention to specific areas in which improvements may be made.

2) *promote cooperation, initiative, empowerment, teamwork, innovation, and your organizational culture?*

To keep employees informed, Human Resources (HR) conducts a creative benefits meeting to educate employees on the importance of benefit decisions and to address any issues regarding their benefits. Employees are encouraged to meet one on one with HR personnel to review their benefits. HR continues to instruct employees on the effective use of Web-based tools from Employee Insurance Program and MySCEmployee and how it relates to their benefits. In order to promote cooperation, provide a forum for new employees, and encourage teamwork, a “Tuesdays @ 10” meeting was established several years ago. The meeting is now held on the first Tuesday of the month and includes all employees that have something to contribute or learn. Each participant is allowed time to speak or ask questions. The meeting has become a valuable tool in highlighting the open organizational culture of the agency.

2. *How do you achieve effective communication and knowledge/skill/best practice sharing across departments, jobs, and locations? Give examples.*

Maintaining employee files electronically (SCEIS HR/Payroll) makes information accessible to all HR personnel and creates a more streamlined informational system where information is updated and provided to managers and employees in a timely manner. Having all HR information in one central location helps HR remain consistent in the information it provides.

Knowledge and best practices are shared through senior management, departmental, and open format meetings open to all staff. The open format used for the “Tuesdays @ 10” meetings encourages decision-making and exchanges of knowledge and ideas down the chain of command supporting innovative bottom up processes. An Intranet site, AgNet, available to all staff at anytime, anywhere, provides a place for posting all departmental policies and forms and is a way to communicate updates of employee issues rather than dispersing emails at will which interrupt the flow of business. Staff photos are being included in an online directory that is visible only to SCDA staff. The ability to identify individuals helps create a closer working relationship among employees.

How does management recruit, hire, place, and retain new employees? Describe any barriers that you may encounter.

Management continues to use the NEOGOV Web site as its primary recruiting tool. This system allows job posting to be more tailored to the specific requirements of the job and job postings reach more applicants who are able to submit applications electronically, thus eliminating paper applications. Since the system is Internet-driven, it also provides a higher level of qualified applicants from which to choose. NEOGOV provides applicant information which is used to develop the agency's Affirmative Action Plan. This allows for more accurate information to be reported to the State Human Affairs Commission and the General Assembly on goals attained in the agency's Affirmative Action Plan (AA).

The first step for SCDA leadership in succession planning is workforce assessment. While the state government population continues to age, the average age of an SCDA employee remains at 47 years which means that they will probably be in a workforce environment for about another 17 to 19 years providing a wide field from which to select future leadership. However, about 30% of the Department's employee base will be eligible to retire within the next five years resulting in a younger more energetic workforce. If managed properly, the new workforce will provide a solid base from which to cultivate future leadership growth.

Senior leadership also realizes the importance of differentiating between high-performing and high potential employees. High performers give the agency an immediate return on investment and can be counted on to exceed performance expectations on a consistent basis. High potentials produce outstanding results consistently, are models of the agency's values, have the potential to move up within a certain timeframe, and have the drive to take on greater responsibility. From the high potentials, senior leaders are able to identify internal talent that may be ready to step into specific roles if a key contributor or member of the executive team gave a two-week notice.

Senior leaders also use EPMS to ensure that they are training the right individuals for leadership roles of the future. The entire succession planning process provides a platform for determining those who may be ready to step up to the plate.

Having identified the right individuals for leadership roles of the future, senior leadership works to groom those individuals and deepen the bench strength in all the critical areas of the agency. The focus is on the high potential employees and how to develop and retain them, especially with no real financial incentives due to the reduction in the state's budget. The average pay rate at the SCDA is \$34,450 which decreased somewhat this past FY. Leadership development at the SCDA is an ongoing, long-term process of investing in the talents of the organization.

2. How do you assess your workforce capability and capacity needs, including skills, competencies, and staffing needs?

Supervisors and department heads assess staffing needs and evaluate workforce capability. Many of the agency's inspector positions, for instance, require specific certification that is constantly being monitored by supervisors to ensure that certification remains current. As retirees leave our workforce, more expert staff is hired to fill those positions. The institutional knowledge is captured from the retirees relevant to these transitions enabling new employee's access to this knowledge. Cross-training is stressed and is critical to many of our positions.

EPMS documents and ongoing communication with employees are several tools used by supervisors to gain valuable insight into employee workload, skill level and training needs. Information gathered is used to assist in determining staffing and training needs. Along with cross-training, the creation of desk reference manuals can be a very valuable asset to the agency in maintaining its day-to-day operations in the event of loss of a leadership and/or a critical needs position.

3. How does your workforce performance management system, including feedback to and from individual members of the workforce, support high performance work and contribute to the achievement of your action plans?

The agency continues to use the EPMS process to communicate with and keep employees up-to-date about their roles and responsibilities within the agency and how their work performance assists in reaching agency goals and maintaining its high standard of good customer service. High performance is evaluated and supported with the use of clear, obtainable and measurable success criteria which means employee performance is evaluated more objectively. Since ongoing communication between supervisor and employee is encouraged throughout the evaluation period, performance issues, good and/or bad, can be addressed in a timely manner.

6. How does your development and learning system for leaders address the following:

a. development of personal leadership attributes;

b. development of organizational knowledge;

c. ethical practices;

d. your core competencies, strategic challenges, and accomplishment of action plans?

The SCDA is operated like any successful business with effective leaders who live by values and lead by example. Senior leaders change and make changes, as necessary, in a way that improves the performance of the organization. They review lessons learned and provide responses that change the daily routine in a way that improves the overall performance of the SCDA. They practice ethical principles – public access and transparency the most evident. Employees are expected to exhibit good professional ethical practices at all times. The SCDA has distinctive areas of expertise, challenges, and accomplishments in agricultural commerce and consumer protection that are specific to our customers and different from any other government entity in the state.

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

All supervisors are required to attend Supervisory Skills Classes and all employees are offered computer training and professional certification. The Laboratory Division is also staffed with trained scientists and technicians to minimize risk. The agency has two employees who serve in the ESF-15 Public Information function and three employees who serve on the SERT team in the ESF11 Food Safety function who are responsible when a statewide emergency arises. Several employees are certified in First Aid/CPR enabling each division to have someone trained to assist with any in-house emergency. Supervisors are encouraged to use the training section of the EPMS document to help their employees develop a training plan for each new evaluation cycle. This tool is useful in helping to identify employee job interest, skill gaps, skills needed for advancement/succession planning and employee development.

8. *How do you encourage on-the-job use of new knowledge and skills?*

Employees are encouraged to share information they've learned in training sessions via either a verbal or written report. Information learned is incorporated into the employee's daily workflow wherever applicable. Employees are also encouraged to cross-train with others so that the workflow will continue in the event of an absence or vacancy in the area.

As part of ongoing workforce development activities, the initiative to have employees create a desk reference manual of their job functions continues. Having this information available helps ensure that the day-to-day operations of a department and the agency as a whole will continue to operate smoothly in the event a key employee leaves the agency or is temporarily unable to perform the job functions of their position. This is an ongoing process.

9. *How does employee training contribute to the achievement of your action plans?*

Employee training helps achieve a higher standard for work processes. Many SCDA employees are required to retain a professional license, so new training is vital. Training requirements are now incorporated as an objective into EPMS planning stages. In addition, when employees are trained properly, they are better able to perform their job duties, provide accurate information and meet customer needs in a timely and professional manner.

10. *How do you evaluate the effectiveness of your workforce and leader training and development systems?*

Internal and external audits are conducted to ensure the SCDA is in compliance with rules and regulations and that transactions are being processed correctly. The agency also uses reports and employee satisfaction/feedback to assess the effectiveness of training and programs. Exit interviews are conducted for those leaving the agency's workforce to compile information that may assist in workforce development for the future. That type of information is a subjective point-of-view and, in actuality, may not be valid, but it does give leadership a point-of-reference from which to inquire.

11. *How do you motivate your workforce to develop and utilize their full potential?*

Employees are free to work independently with limited supervision and are encouraged to take initiative and offer ideas on process improvement. Supervisors provide guidance and direction, as needed, and maintain an open door policy in which the employee is encouraged to speak freely and ask for assistance as needed. Allowing an employee to know that the work they perform is appreciated and that they are contributing to the success of the agency is important in motivating employees to continue their high level of performance in a time where monetary rewards are limited due to the current budget situation. Development of wellness programs which encourages employees to take care of their physical health as well as their emotional health attributes to a more motivated employee and encourages teamwork across the agency.

12. *What formal and/or informal assessment methods and measures do you use to obtain information on workforce well-being, satisfaction, and motivation? How do you use other measures such as employee retention and grievances?*

Informal conversations and meetings, behavioral observations, EPMS reviews, customer satisfaction, position descriptions and open door communication help assess the workforce.

13. How do you manage effective career progression and effective succession planning for your entire workforce throughout the organization?

During the past fiscal year, the agency has continued its efforts in developing a succession plan by identifying those employees in critical needs areas and those who will be eligible to retire in the next 3 to 5 years. Discussions are underway with Division Directors to determine the needs of each division and to identify those individuals who have potential to step into leadership roles with proper training and development. This process is ongoing as it relates to the agency's goals and objectives. One tool the agency utilizes to manage career progression within the agency is our EPMS process. Managers are encouraged to use objectives and clear, obtainable and measurable success criteria to evaluate high performance. This combined with observation and ongoing communication between supervisor and employee helps managers identify those employees who demonstrate the competency to assume higher level responsibilities within their own division or another division within the agency.

14. How do you maintain a safe, secure, and healthy work environment? (Include your workplace preparedness for emergencies and disasters.)

The SCDA is involved in a new Safety and Emergency Training Program sponsored by Homeland Security and the State Budget and Control Board (BCB) Safety Officers. Staff have been informed of Fire Prevention, Emergency Actions and Homeland Security Plans through a multi-agency meeting. Plans are also being developed for emergency staff training, new incident command training, and CPR-AED (Automatic External Defibrillator) training. An AED will now be available in the Wade Hampton Building and staff from the top down have been trained to use this equipment. A training session of updated emergency procedures is planned with the staff from Homeland Security and the BCB.

In addition to this new training that is taking place, the SCDA already has an emergency plan in place for the State Farmers Markets. Working cooperatively with local law enforcement and first responders, the market managers are emergency-prepared for pending intentional or unintentional disasters. The emergency plan for the new SC State Farmers Market will need to be revised after the market is moved to a new location.

Category 6 - Process Management

1. How do you determine and what are your organization's core competencies, and how do they relate to your mission, competitive environment, and action plans?

Core competencies at the SCDA are a set of integrated abilities that distinguish this agency from the rest of state government. Facilitating commerce through marketing of agricultural products and services to consumers (buyers) and protecting buyers who use those products and services are two of the core competencies that relate to the SCDA's mission. These core competencies provide benefits to consumers and producers that are unique from any other state agency.

Agricultural marketing is where the producer, the processor, the distributor and the consumer meet. It is transferring goods from producer to consumer. The SCDA is the conduit in the state that helps facilitate the transfer of agricultural products and services to the buying public. Buyers can range from consumers in the grocery store buying food for the family to buyers for supermarket chains and restaurants who buy in bulk. Marketing is not just the final transaction of receiving a check. It is also the act of buying supplies, renting equipment, paying labor,

advertising, processing and selling. Marketing is everything a business does – the most important aspect of any business – and the only action that results in revenue.

In addition to facilitating the commerce of agriculture, the SCDA's core competency is also to help make sure that those agricultural products and services are safe and effective. The SCDA ensures fair and balanced commerce for producers and consumers – ensuring that farmers get paid-in-full for what they grow and sell and consumers get the quality products and services for which they pay. The SCDA also ensures that those products are labeled properly to ensure accuracy of label contents or ingredients.

Each of these core competencies plays an integral part in the SCDA's mission *to promote and nurture the growth and development of South Carolina's agriculture industry and its related businesses while assuring the buying public of safety and security.*

2. How do you determine and what are your key work processes that produce, create or add value for your customers and your organization and how do they relate to your core competencies? How do you ensure these processes are used?

Agricultural Services and Laboratory and Consumer Services involve the majority of the SCDA's workforce. The work processes performed in these areas of the agency are invaluable to our customers and stakeholders and help to maximize the organizational success of the agency. Within these two core competencies is a myriad of functions and processes that are central to fulfilling the SCDA's mission.

Agricultural Services develops and actively promotes a positive statewide image for South Carolina agribusiness and designs and implements marketing strategies to increase the state's market share for the agribusiness community. Brand effectiveness is determined by research on public perception and knowledge of the business of agriculture and analysis of the state's economic performance in agribusiness activities. Measuring advertising awareness, Web site and social media visitation, and monitoring inquiries allows the agency to determine the effectiveness of its marketing strategy.

Laboratory and Consumers Services, the regulatory arm of the SCDA, is designed specifically to ensure fair commerce for consumers and producers. The sampling, testing and analytical functions in this area assure customers that they are getting the quality products they deserve and expect. Because of the work processes in this area of the agency, customers are protected from unsafe, ineffective, or fraudulent goods which may be offered for public sale and are assured that goods meet acceptable standards of quality.

3. How do you incorporate organizational knowledge, new technology, cost controls, and other efficiency and effectiveness factors, such as cycle time, into process design and delivery?

Organizational knowledge and other improvements for efficiency and effectiveness are incorporated into the strategy planning process. Utilizing information gathered internally from employees and externally from outside research groups, senior leaders work closely with their respective staff to design and implement new practices, techniques and innovations into process design and delivery for the customers of this state. Because of budget constraints, the costs and benefits of work processes are examined and scrutinized closely.

4. How does your day-to-day operation of these processes ensure meeting key performance requirements?

The work processes in the areas of competency that involve the majority of the SCDA's workforce and produce customer and stakeholder value include: marketing; market news; grading and inspection; and the state farmers market system. Within those areas are sub work process areas where specialists work with small farms, domestic and international commodities marketing, and marketing publicity and promotion. The other competency key work processes include: bonding dealers, handlers, and storage facilities; taking samples for testing food, feed, seed, pesticides, and petroleum products in the SCDA's five laboratories; and inspecting scales and measuring devices for accuracy. Each of these day-to-day operations is an integral part of the agency's organizational success and unique in state government operations.

5. How do you systematically evaluate and improve your key product and service related work processes?

Results for each program and service are compared with outcomes from previous years to determine positive or negative trends and assess the need for revision in work processes. Feedback supplied by stakeholders, customers and employees is also used to determine program effectiveness. The validity of ongoing programs and services in progress are weighed before determining the feasibility of creating new programs and services. To be successful, a program must have ample financial resources and manpower.

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

Administrative Services serves as the support processes arm for the SCDA. Key support processes include administration, information technology, human resources, procurement, finance, budget, legal and governmental affairs, and public information. With a shrinking workforce, technology is a critical component in improving agency performance. The work processes in these areas help provide policy interpretation, audit services and compliance with rules and regulations.

The Human Resources Office (HR) conducts new employee orientations and coordinates training opportunities for workforce improvement. In addition, this department assists employees with needs and questions concerning employee benefits (e.g. employee insurance, retirement, etc.). HR utilizes employee and supervisor surveys to gauge program effectiveness and determine areas for improvement.

The Finance Department tracks the financial performance of agency programs and services and coordinates all financial activities within the agency, including the annual budget request process, payroll, fixed assets, revenue tracking and auditing, grants management and procurement services. The Office of Information Technology provides computing and communications infrastructure and a help desk for coordination for all departments of the SCDA. Also, communication through Public Information channels between state and federal government and other State Departments of Agriculture is critical especially in product safety and biosecurity. Fortunately, South Carolina did not have a need to coordinate product safety efforts with the Food and Drug Administration (FDA) like it did in FY09 with suspected salmonella in tomatoes. However, through a coordinated effort, the SCDA worked cooperatively with state and federal officials in FY10 to create an AgWatch manual. The manual is designed as a quick reference guide written for the benefit of South Carolina producers and processors. The manual accompanies classroom training that emphasizes awareness of potential threats, notification procedures, and biosecurity measures related to farms and food-processing sites. The overall goal is to produce

educated and prepared ‘sentinels’ who will be our front-line defenders to assist in the prevention, detection and early response to possible attacks against the state’s food and agriculture sector. A national emergency communication plan was also developed across state lines through a cooperative effort of the Communications Officers of State Departments of Agriculture of which the SCDA is a member and the USDA Animal and Plant Health Inspection Service.

Category 7 – Key Results

The SCDA’s business results are similar to those of Departments of Agriculture in other states with comparable programs and services. Even though the programs and services are similar to those in our neighboring states of North Carolina and Georgia, the numbers served in those states are significantly lower than that of South Carolina. For instance, North Carolina and Georgia each have lost 1,400 farms since the last ag census and each has lost nearly 600,000 acres of farmland during that same time. In comparison, the number of farms in South Carolina has increased during that same period by 2,500 and the amount of farmland increased by 100,000 acres. Bottom line: more of South Carolina’s farmland is either in production or in conservation plots than that of our sister states. The trend in South Carolina is more smaller-sized farms. That means that the SCDA’s role in the expansion and development of agriculture, particularly that of small agribusiness, and in the protection of producers and consumers who are part of the commerce of agriculture are more important than ever to the continued health and well-being of the people of this state and to the agricultural community.

The Key Results Category examines the SCDA’s performance in all three key areas – **Administrative Services, Agricultural Services, and Laboratory and Consumer Services**. The performance and improvement in each area is measured differently. In some areas, particularly in Administrative Services and Laboratory Services, performance is measured through quantitative numerical data. In Agricultural Services, performance is more subjective in nature and is measured qualitatively focusing on the analysis of research and description of the success of programs and services. With that in mind, the following questions have been addressed in each of the key areas.

- 1. What are your performance levels and trends for your key measures of mission accomplishment/product and service performance that are important to your customers? How do your results compare to those of comparable organizations?*
- 2. What are your performance levels and trends for your key measures on customer satisfaction and dissatisfaction (a customer is defined as an actual or potential user of your organization’s products or services)? How do your results compare to those of comparable organizations?*
- 3. What are your performance levels for your key measures on financial performance, including measures of cost containment, as appropriate?*
- 4. What are your performance levels and trends for your key measures of workforce engagement, workforce satisfaction, the development of your workforce, including leaders, workforce retention, workforce climate including workplace health, safety, and security?*
- 5. What are your performance levels and trends for your key measures of organizational effectiveness/operational efficiency, and work system performance (these could include measures*

related to the following: product, service, and work system innovation rates and improvement results; improvements to cycle time; supplier and partner performance; and results related to emergency drills or exercises)?

6. *What are your performance levels and trends for the key measures of regulatory/legal compliance and community support?*

Administrative Services – Key Area I

Administrative Services includes **Administration, Human Resources, Legal and Governmental Affairs, and Public Information.**

Administration

Administration includes **Agency Services, Finance, and Information Technology (IT)** which provide executive leadership, policy development and review, financial services, information technology, facilities management, and other support services.

Agency Services has the sole responsibility for administering the requirements of the South Carolina Procurement Code in the acquisition of goods, services, telecommunications, and information technology by the issuance of purchase orders. A procedure manual is strictly followed, and all agency employees are urged to plan ahead to obtain goods and services in a timely manner. Agency Services also oversees the management of all of the agency's resources such as supplies, space management, fleet management, inventory, and telephone services as well as the mailroom which is responsible for receiving and sending all mail, including express mail and freight services.

Finance Services which includes payroll, auditing, and budgeting, is required to promptly process all receipts of revenue and expenditures of the agency and maintain proper records of these transactions consistent with state laws, regulations, and objectives of the agency and generally accepted accounting principles. Finance Services is required to promptly process all receipts of revenue and expenditures of the department and maintain accounting records of these transactions consistent with state laws, regulations, and objectives of the Department and generally accepted accounting principles. Finance Services requires at least five working days to complete all transactions. The staff focuses on paying vendors in a timely manner and on depositing incoming checks in a reasonable time frame. The employees of Finance Services have various job functions and are able to work with limited supervision.

Information Technology (IT) is an area of support services designed to keep the computer resources of the SCDA in line with the technology of other state agencies and private industry in order to provide an efficient and effective work environment. The current computer network includes an 84 user LAN and an AS/400 being phased out. IT services are also provided to approximately 20 stand-alone personal computer users. Users are located at six sites across the state. The services provided include the writing and maintaining of custom software for in-house use, the purchase of pre-packaged software, purchase of hardware, user training, and maintenance in the form of in-house repairs and maintenance agreements.

Administration has researched and deployed new and improved applications to decrease costs without decreasing public programs and services. Simple, yet profound, changes have made a

significant difference in meeting the strategic goal of effectively managing agency operations and workforce even in the face of budget reductions. In total, the Administration Division saved the agency about \$182,000 in FY10 by making good business decisions.

Agency Services saved \$69,382 in FY10 by leasing vehicles for Consumer Services inspectors rather than paying travel mileage for use of personal vehicles. The agency leased vehicles for the inspectors in Consumer Services and saved \$26,541. Simply by changing to wireless service, Administration saved \$1,521 and a one time savings of \$3,188 just for switching. The Division also saved \$768 on employee calendar orders for the new calendar year by searching for new vendors. The agency also saved \$10,000, a \$1,300 savings over the last fiscal year in promotional material costs by performing bidding and production services in-house rather than using the services of an advertising agency. Also, Information Resources (IT) made a simple adjustment in refilling ink cartridges instead of buying new cartridges to realize an additional \$3,375 savings, a \$1,575 savings over the last fiscal year.

The volume of individual disbursement requests was reduced by 50 this past FY10 from 100 in FY09 and financial rebates to the state were increased by maintaining a high usage of a Visa Procurement Card. In addition, the use of a remote processing machine now allows the agency to make significantly large deposits electronically, saving time and travel costs. The agency also has online-access banking providing immediate bank confirmation. The savings acquired by this investment was \$2,500 this past fiscal year and \$2,000 in FY09. The remote bank teller scanning equipment which was acquired in the previous fiscal year has successfully improved workflow issues, employee time, travel and greater efficiency and accountability within the agency.

Administration also initiated the SC Enterprise Information System (SCEIS) for financial and material management functions. This year the Payroll Module in SCEIS was added which provides a comprehensive platform for managing the state's financial resources. Administration saved over \$2,400 this past year, \$400 more than last year. Administration also saved \$62,226 for moving expenses to the new Laboratory by negotiating with various moving companies.

Information Technology, Administration's technological arm for the agency, implemented several cost saving activities which also links to the overall strategic goal of effectively managing agency operations.

- Recycle and refill ink cartridges to cut cost by more than half
- Order remanufactured toner cartridges to cut cost by more than half
- Networked all users to laser printers to save on printing costs
- Encourage double sided printing when possible to cut back on paper usage
- Advised reduction in printing unnecessary documents such as emails
- Provide more extensive troubleshooting over the phone to cut down on travel
- Using remote access software for remote locations including the New Farmers Market to cut down on travel costs
- Implementation of VOIP (Voice over IP) at the New Farmers Market to cut down on wiring expenses and move requests
- Implementation of new SCEIS module for payroll
- Implementation of assessment program for commodities and grain dealers

- Use replaced PCs in other divisions within the agency to eliminate the need for purchasing
- Columbia Farmers Market and Laboratory will soon be in one location to decrease the MPLS lines that are currently in place
- Consolidated the number of phones and computers that were not heavily used during the transition of the move to the New Farmers Market
- Increased conference calls to cut back on traveling for meetings by utilizing Go To Meeting software
- Upgraded memory in older machines to eliminate the purchase of newer machines
- Placed network printers on a single maintenance contract
- Implemented wireless to eliminate the need for data ports in certain areas at the new SC State Farmers Market
- Incorporated Power over Ethernet (POE) switches at the New Farmers Market facilities to provide the ability to use VoIP phones and provide power for security cameras
- Lower monthly charges on VoIP phones as opposed to the previous digital sets

In addition, IT implemented the Kelly Registration Systems software to include the Grain Dealers Guaranty Fund Program and Installed Video Surveillance and Card Access for Security of the new State Farmers Market which further helped make operations more effective and efficient.

Beginning last fiscal year, IT continued to work on final preparation for the following:

- Laboratory Information Management System (developed by Accelerated Technology Laboratories)
- Commodity Assessments
- Poultry Inspections
- Fruit and Vegetable Inspections
- Laboratory Stop Orders
- Market Vendor Rental
- Visitor Management System for New Farmers Market

IT also replaced 7 desktops and 5 laptops throughout the agency and maintained software and hardware support for the following during FY10:

- 900 COBOL programs involving 370,000 lines of code
- 4 Web sites which include (agriculture.sc.gov, certifiedscgrown.com, freshonthemenu.com, and palmettovore.org)
- 10 licensing programs
- 3 registration programs
- pump and scale inspection software
- 77 users supported for LAN and AS/400 environment
- 20 Users supported on stand-alone PCs
- 20 Users supported for email and Internet access
- 120 Users supported for hardware and software
- 12 Wireless access points
- 4 48-port POE Ethernet switches
- 2 48-port Ethernet switches
- 1 10-base-T 12 port Ethernet hubs

- 2 10-base-T 5 port Ethernet hubs
- 33 network printers
- 12 stand alone printers
- 3 print server boxes

The efficiency and effectiveness of IT services is measured by 100% real time Internet access, 100% network office access, and 100% email services was provided to 77 users in addition to access for AS/400 computer applications.

Human Resources

The Consolidated Office of Human Resources (HR) is responsible for managing a comprehensive human resources program including functional areas such as employment and recruitment, classification and compensation, employee and employer relations, benefits administration, policy development and compliance, time and attendance, and Affirmative Action. The Human Resource office is also responsible for ensuring that all SCDA personnel practices are in compliance with state and federal regulations

HR successfully completed its second year in partnership with the South Carolina Office of State Treasurer. Since the transition to consolidation of the office, HR personnel continue to provide high level professional services to managers, supervisors and employees. This is demonstrated in the agency's successful transition to SCEIS HR/Payroll, training and ongoing HR/Payroll support offered to employees, and HR identifying and working with SCEIS HR/Payroll team to successfully resolve issues that affected employee pay and proper operation of the system.

As a result of the SCDA's effectiveness in transitioning to the new HR/Payroll system and because of how rapidly the operational knowledge of the system was learned, the HR Manager was asked to assist with Wave 2 training for other agencies in state government. The agency's HR Manager instructed several two-day Time Management courses, several one-day Leave Administration courses and facilitated several other HR/Payroll courses. These instructor and facilitator opportunities allowed the HR Manager to increase her knowledge about the system, which has also been beneficial to the SCDA. In addition, the HR Manager was able to share lessons learned with other agencies, answer questions about how the system functions, and offer guidance on how to address possible issues that may arise when they implemented the new system. The HR Manager continues to offer support to the SCEIS Training Team and other agencies as requested by answering questions and assisting with time and leave issues and training.

While agency wide implementation of the SCEIS HR/Payroll system was a monumental task and presented difficult challenges, HR/Payroll's participation in SCEIS Ready Room activities along with making SCEIS training a priority for employees significantly contributed to the agency's successful and smooth transition to the SCEIS HR/Payroll system.

The HR (Benefits) Manager implemented various creative employee orientation programs as well as wellness/benefits programs to enhance employee satisfaction while encouraging team work, physical activity and developing a healthy life style. Examples of programs offered include Wii, Wii, Wii all the way Home, Walking Challenge Program, First Ladies Cancer Walk, Health Screening, Blood Drive and Flu Shot Clinic just to name a few.

Because of the HR Benefits Manager's knowledge of the various benefits programs, several employees have successfully entered the TERI program while others were successfully approved for disability retirement and other benefits for which they may not have been approved were it not for the information and assistance provided.

At the direction of the Commissioner, HR has initiated a program to assist with emergency preparedness activities, succession planning, cross-training, and developing desk reference manuals for employee positions. These focus areas are ongoing.

Legal and Governmental Affairs

The Office of Legal Affairs consists of an attorney who specializes in agricultural legal issues and provides general legal advice and statutory interpretations to the Commissioner and staff. The attorney also serves as a general South Carolina agricultural legal resource for the various commodity boards, legislators, citizens and other agency counsels. The agency's attorney continues to review and update over thirty laws under the authority of the SCDA. This includes analysis and comparison to other state and federal laws. The attorney also meets with groups to address possible legislative solutions to problems affecting their industries. Satisfaction with the laws currently in effect and the administration of those laws are measured by the number of complaints or lawsuits filed.

In cooperation with the Office of Governmental Affairs, Legal Affairs is involved in the implementation of any new legislation falling under the authority of the SCDA. New legislation and statutory amendments are also considered for the purpose of making the operation of the agency more efficient. Legislative amendments allow for improvements in laboratory analysis techniques and consumer safety services for the general public, private entities, and other groups. In addition, the agency's attorney has been involved with the legal issues associated with the coordination and planning of the new State Farmers Market in Lexington County.

The attorney works with undergraduate and law school student interns to complete a wide variety of tasks such as monitoring legislative changes, responding to requests for information from citizens and assisting staff members in their programming efforts. During the Fall/Winter of 2009, a temporary intern under the guidance of the agency General Counsel worked with the Sustainability Workshop planning committee. In addition, a USC honors student worked 20 hours a week for the SCDA for the Spring semester, learning about the agency's roles and responsibilities and furthering understanding and interest in governmental legal affairs.

A USC Law student worked with the agency in the Spring of 2010 on environmental issues and other legal issues relating to state government and a temporary USC Law clerk worked with the agency the Summer of 2010 on various legal issues and legal presentations scheduled to be presented by the General Counsel in the Fall of 2010. Through the SCDA's internship program, the agency attempts to provide students the opportunity to work on projects that are relevant to their field of study or interest. Interns have the opportunity to attend meetings; monitor legislation; attend legislative hearings; participate in the drafting, editing and promulgation of regulations; as well as reviewing and assisting with general legal affairs correspondence.

Public Information

The Public Information Office (PI) is the support arm of the SCDA that plans, develops and directs a comprehensive informational and public awareness program for the agency. This office is essential to the key strategic goal of providing public awareness, promotion, and publicity of

South Carolina agriculture and the state agency that oversees agriculture's well-being. PI provides information to the public through print and electronic means, serves as managing editor of the *Market Bulletin*, maintains the agency Web sites, oversees agency-wide media relations, provides publicity for special promotions and projects, provides support for partners and allies in the industry of agriculture, and serves in the Public Information function of the state's emergency preparedness and recovery.

In its second year, the SCDA Web site (www.agriculture.sc.gov) has been quite popular. PI continues to manage the site's content through a Content Management System. The site has averaged about 16,000 unique visitors a month, 1,500 visitors a month over the same period last fiscal year, and about one million hits per month. A news alert scans the top of the home page on the SCDA Web site to keep consumers abreast of current promotions or, when necessary, late-breaking news regarding FDA and USDA consumer recalls and other food safety alerts.

The Certified SC Web site (www.certifiedscgrown.com) was redesigned and redeployed last fiscal year with a new look and feel consistent with the agency's branding and marketing campaign. It includes dynamic pages generated from a database-driven content management system. Secure online editors allow staff to create, edit, and manage the content and navigational menus. A database of farmers markets, roadside markets, Certified SC program members, specialty food producers, Fresh on the Menu restaurants, etc. are available on the site. This site has averaged about 2,400 unique visitors each month which is 200 more per month than last fiscal year. The site is viewed by 1.2 million people per year and serves nearly 900 members in the program.

Many Internet users have expressed how user-friendly and informational the Web sites are. About 4,000 to 5,000 customers and stakeholders communicate directly to staff through information requests and/or consumer complaints through the Web sites each year. Continuing the process from FY10, the focus will be on activating an employee photo directory for staff only and micro sites for boards and associations.

PI has also proactively distributed about 100 news releases electronically by email or fax communicating key messages to media outlets statewide. Those releases produced favorable, earned media coverage for the agency and for agriculture in the state, but they also provided information regarding recalls on food products that were issued throughout the fiscal year.

Laboratory and Consumer Services – Key Area II

The Laboratory Services and Consumer Services Sections of the SCDA now operate as one division and are directed and managed by an Assistant Commissioner of Agriculture who, in turn, reports to the Commissioner of Agriculture. There is a focused and unified effort by these two groups to fulfill and comply with their legislated charge. Each unit is dependent on the other to complete tasks as required by state regulation. A new state-of-the-art facility was opened in June 2010 at the new SC State Farmers Market site on Highway 321 in Lexington County. (Figure 7.1)



New Laboratory and Consumer Services Facility
Figure 7.1

Laboratory Services

The Laboratory Services program area supports certain regulatory functions assigned to the Commissioner of Agriculture by State Law. The Laboratory is structured to provide chemical, physical and biological analytical and testing capabilities necessary to administer and enforce laws and regulations governing the production, storage, handling and sale of food for human consumption, animal feeds, seed sold for agriculture and gardening, and petroleum products sold for heating or automotive uses.

For FY10, Laboratory Services leadership included a Laboratory Director, Chief Seed Analyst, Chemical Lab Coordinator, and Registration Officer plus five Section Supervisors who perform bench work in addition to supervising other scientists and technicians. This cadre of leaders has scientific educational credentials in their respective fields of work as well as years of professional experience that they draw from in carrying out their technical and managerial duties. All division managers and supervisors are active in professional scientific organizations that foster their continued growth in knowledge and expertise in their fields of specialty. Lab scientists and supervisors and technicians are likewise encouraged and supported in outside professional activities that contribute to their growth and professional competence. Although the technical staff is relatively small, a continuing cross-training program is in effect to assure that regulatory responsibilities are met.

To ensure consumer protection, the Laboratory receives samples and analyzes products from the public food supply to detect adulteration, confirms conformance to standards of identity and quality, and assures consumers are protected from fraudulent or unsafe food products. The efficiency of the Laboratory division's testing and analytical effort is reflected in number of analyses tested annually. (Figures 7.2 and 7.3)

Number of Analyses Performed by Fiscal Year						
	FY05	FY06	FY07	FY08	FY09	FY10
Food Analyses	11,010	9,635	11,775	12,269	11,208	9,540
Feed Analyses	4,254	5,467	6,005	4,846	5,193	5,625
Seed Analyses	22,144	20,796	16,710	15,459	14,428	12,500
Petroleum Analyses	19,476	16,840	19,748	16,464	22,330	18,613
Total Analyses by FY	56,884	52,738	54,238	49,038	53,159	46,278

Figure 7.3

The objectives of Laboratory Services programs are:

1. To receive samples and analyze products from the public food supply to detect adulteration, confirm conformance to standards of identity and quality, and assure consumers are protected from fraudulent or unsafe food products.
2. To regularly collect samples of commercial animal feed and pet foods from the state's markets for analysis of nutritional and medicinal ingredients for conformance to label guarantees and standards of quality. A Feed Control Officer provides a more complete

Laboratory Services Workload by Fiscal Year						
	FY05	FY06	FY07	FY08	FY09	FY10
Food Samples	2,915	2,535	2,783	2,871	2,293	1,904
Animal Feed Samples	1,840	1,781	2,120	1,815	1,838	1,846
Seed Samples	15,684	14,423	11,714	10,335	9,065	7,706
Petroleum Samples	2,907	2,595	3,019	2,908	3,046	2,516
Registration Transactions	2,417	7,446	3,997	14,286	12,679	12,662

Figure 7.2

regulatory function for enforcing the state’s Commercial Feed Law. Feed mill inspections are a part of the feed regulatory functions. This capacity is supported partially by a contract with the US Food and Drug Administration for conducting four (4) GMP inspections of medicated feed mills and forty (40) BSE inspections. BSE refers to “bovine spongiform encephalopathy”, a disease more commonly known as “mad cow” disease. This disease can be transmitted through feeding tissue from a diseased animal to other animals of the same species making feed regulation a barrier to spreading of the disease and the consequential threat to the entire beef industry.

3. To provide seed analysis services to consumers, certifying agencies, seed companies, seed producers, and in support of regulatory surveillance and enforcement under the state’s Seed and Noxious Weed Law.
4. To regularly receive samples of gasoline, diesel fuel, kerosene, and heating fuels from channels of commerce and test them for conformance to quality standards, label representations and safety. State law requires that petroleum products offered for sale meet standards set by the American Society for Testing and Materials (ASTM).
5. To administer product registrations required by law including animal and pet foods, frozen desserts, gasolines, antifreezes, and to issue licenses and permits to certain special services and businesses. Licenses or permits are issued for frozen desserts, butterfat testers, samplers and weighers and salvagers.

A legislative proviso allows for an annually renewable Commercial Feed Registration with a registration fee of \$15.00 per product registered. Registrants have the option to register on-line at the SCDA Web site or they may register directly with SCDA Registrations Office. Approximately 9,488 products are currently registered including 9,267 commercial feeds generating \$139,005 in registration revenue.

The outcome of the Laboratory’s work can be assessed by reviewing compliance records for each of the program areas. **(Figure 7.4)**

Violation Rates by Program Over 6 Fiscal-Year Period						
	FY05	FY06	FY07	FY08	FY09	FY10
Food	9.2	8.9	10.6	11.6	9.8	12.5
Pesticide Residue	1.1	1.3	1.6	3.2	1.4	1.0
Feed	12.1	13.8	8.5	11.0	12.5	11.9
Seed	4.6	3.3	4.8	5.4	2.0	3.5
Petroleum	6.3	4.4	4.3	3.1	10.1	7.4

Figure 7.4

The meat and dairy program’s non-compliance rate is 12.5% range with excess fat in ground meats being the most frequent type of violation.

Pesticide residue violations are mostly technical in nature and do not represent a significant food safety threat. It is rare that these technical violations necessitate any enforcement action. The pattern of pesticide residue violations observed in our laboratory mirrors the pattern of violations found nationwide in USDA’s “Pesticide Data Program”. Pesticide residue tests on fruits and vegetables are performed in compliance with the state and federal food safety laws. Eleven hundred sixty (1160) official and submitted samples were screened for chemical residues in FY10.



Feed Laboratory
Figure 7.5

The official samples were randomly drawn from supermarkets and farmers markets throughout the state as part of a “Market Basket Survey” to comply with the state’s Food Safety Laws. The Department Laboratory tests showed that our growers are doing a good job.

Testing is performed at no charge to South Carolina Residents. The Pesticide Lab also tests soil and plant tissue submitted by Clemson Extension agents who request herbicide and pesticide screens. A total of 3,968 analyses were performed on the 1160 samples of produce, feed, soil, and miscellaneous animal and plant material.

Animal feed violations occurred at 11.9% which is similar to years past. This rate is typical for feed products both in the SCDA’s experience and that of other states. **(Figure 7.5)**

Seed Lab violations (approx. 3.5%) is consistent with previous years. A continued aggressive sampling protocol is being employed to assure a better cross section of establishments offering seed for sale in South Carolina. (Figure 7.6)



Seed Laboratory
Figure 7.6

At 7.4% petroleum violations, while lower than the previous year, continue to reflect the rates observed nationally where petroleum laws are in force. Based on these violation rates, South Carolina consumers can be confident that petroleum products they buy in the state meet ASTM standards and are fairly labeled. (Figure 7.7)

The General Accounting Office (GAO) has performed a study that reflects violation rates as much as 30% in other states. Petroleum violations include octane, flashpoint, and sediment or other impurities. Our state's statistics show that South Carolina petroleum marketers work hard to ensure compliance with national standards.

To provide the necessary infrastructure for an early warning system that identifies potentially hazardous foods and enables health officials to assess risks and analyze trends, the Electronic Laboratory Exchange Network (eLEXNET) continues to be

applied in Laboratory Services. eLEXNET is a seamless, integrated, web-based information network that allows health officials at multiple government agencies engaged in food safety activities to compare, share and coordinate laboratory analysis findings. eLEXNET is the data capture and communication system for the Food Emergency Response Network (FERN). This system will help the Laboratory to be more responsive to intentional or unintentional emergency food situations.



Petroleum Laboratory
Figure 7.7

The strategic thrust of the Laboratory Services Division is to meet regulatory responsibilities faithfully while minimizing disruption of regulated businesses.

There is a conscious effort to assist businesses in meeting their regulatory requirements where such assistance contributes to an orderly marketplace. The Seed and Noxious Weed Law is particularly noteworthy in this regard. The Laboratory is required by law to provide free seed testing service to farmers, gardeners and commercial seed producers and merchants. Approximately 85% of seed testing capacity is devoted to such services while the balance is taken up by testing for official regulatory purposes.

Efforts to maintain high quality of the different products regulated by Laboratory Services in light of an ever-changing marketplace can be seen by the increased resources dedicated to biofuels testing, information management, and improvement in registration capabilities.

Consumer Services

The performance level of the Consumer Services program is determined by the satisfaction of consumers. The Consumer Services Division directly enforces nine laws and assists the Laboratory Division in the enforcement of several other laws by drawing official samples of petroleum fuels, animal feeds, seeds, produce, and ground meats.

The laws enforced include:

- Weights and Measures Law – Section 39-9-10
- Gasoline, Lubricating Oils and Other Petroleum Products Law – Section 39-41-5
- Food and Cosmetic Act – Section 39-25-10
- Egg Law – Section 39-39-110
- Public Weighmaster Law – Section 39-11-10
- Dealers and Handlers of Agricultural Products – Section 46-41-10
- Grain Producers Guaranty Fund – Section 46-41-200
- Grain Dealer Guaranty Fund – Section 46-40-10
- State Warehouse System Law – Section 39-22-10

Weights and Measures

Consumer Services' inspectors check commercial weighing and measuring devices for accuracy and inspect packaged goods to ensure correct net content statements. The Division's *Metrology Laboratory* maintains the state standards for mass, length and volume and provides calibration services to the public and private sector with traceability to the National Institute of Standards and

Technology (NIST). **Figure 7.8** shows the number of inspections and calibrations performed by Consumer Services during the past five fiscal years.

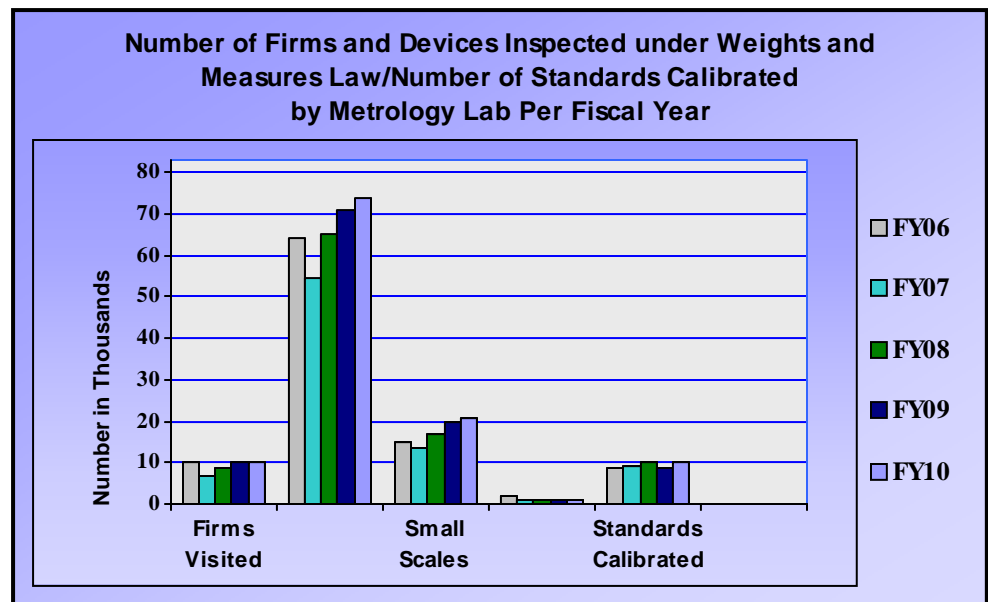


Figure 7.8

The number of firms and devices to be inspected continues to increase and today, the SCDA Consumer Services **Weights and Measures Section** has 20 field inspectors and over 73,000 fuel dispensers to inspect. When weights and measures areas are left unregulated, compliance tends to deteriorate, creating unfair competitive situations and loss of equity in the marketplace. Fortunately, new computer technology has allowed the collection of more data that gives greater detail into inspection results and helps maximize the available human resources. However, most of the inspections procedures cannot be shortened, and the current staff is diligently keeping up with the current growth. **Figure 7.9** shows the percentage of weighing or measuring devices found incorrect.

When inspecting firms that have weighing or measuring devices, our inspectors also randomly draw samples of gasoline(quantity and quality), diesel, kerosene, animal feeds, seeds, produce, and ground meats for analysis by the Department's Chemical Laboratory for the enforcement of other laws.

Food Manufacturers and Warehouse/Food Distributor Inspections

The Division's Food Safety and Compliance Section inspects food manufacturers and food warehouses to ensure that food products are manufactured and stored under safe and sanitary conditions.

Some of these inspections (115 inspections FY10) are performed under contract with the Federal Food and Drug Administration. The U.S. Department of Agriculture AMS and the SCDA have entered into a cooperative agreement to review retail grocers for compliance with Country of Origin Labeling (COOL) requirements. Additionally, the SC Food and Cosmetic Act was amended this FY to include facility registration, all Good Manufacturing Practices regulations, Specific Federal Food Safety regulations, and Hazard Analysis of Critical Control Points (HACCP) regulations.

Persons that weigh bulk commodities and issue weight certificates were required to be licensed as Public Weighmasters.

The Public Weighmaster Law has now been amended and the outdated provision for Deputy Weighmaster Licenses was removed. **Figure 7.10** shows a comparison of the number of food manufacturers and warehouses inspected and the number of licenses issued to public weighmasters during the last five fiscal years.

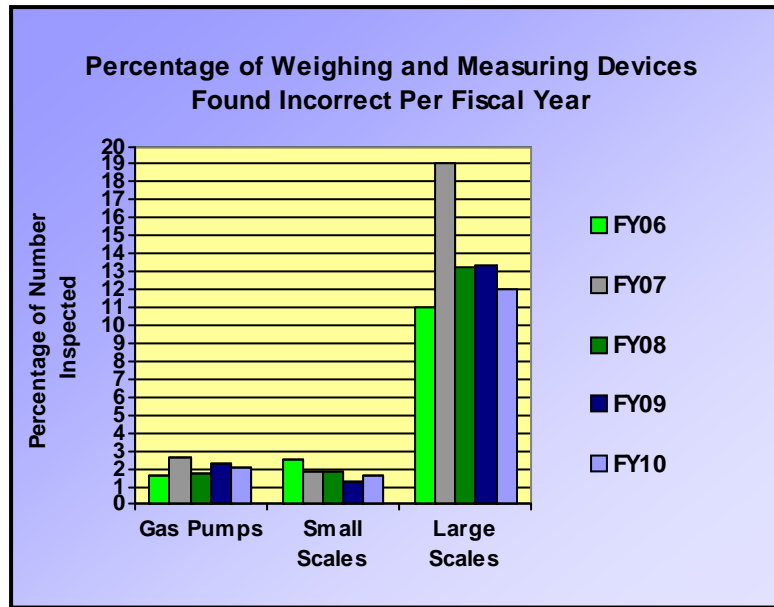


Figure 7.9

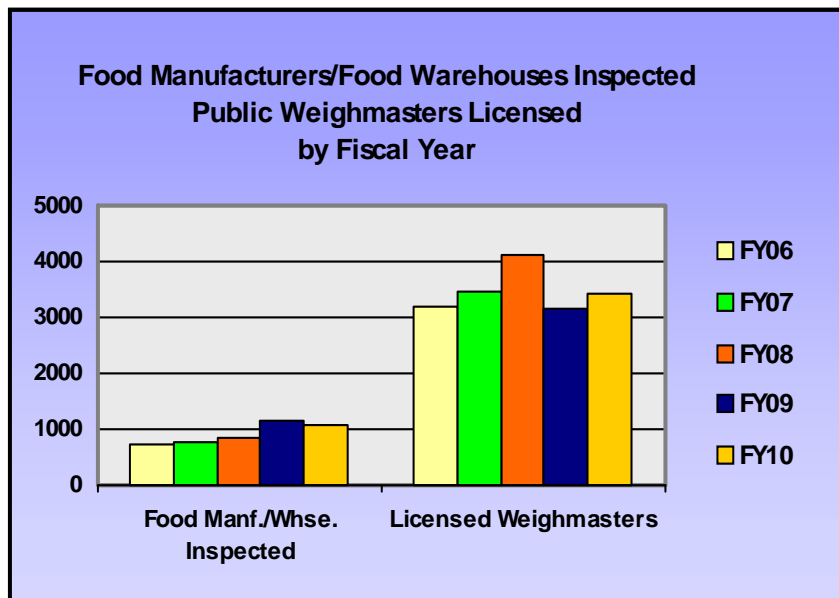


Figure 7.10

Licensing, Bonding, and Auditing

Consumer Services **Warehouse Section** also licenses, bonds, and audits dealers and handlers of agricultural products to ensure that the producer receives payment for his crop. Also, warehouses that store cotton or grain and issue warehouse receipts for those commodities are licensed, bonded, and audited. Three guaranty funds are administered by the Division to provide payment to the grain producer, licensed dealer and handler of grain, or the holder of a warehouse receipt should a licensed grain dealer or a licensed warehouse go bankrupt or commit fraud. During the fiscal year, Division personnel performed 177 audits on the 98 licensed Dealers and Handlers and 21 licensed warehouses.

Agricultural Services Division

The **Agricultural Services Division** includes those services that the SCDA renders to the agricultural sector. Ag Services includes three segments: **Marketing, State Farmers Markets, and Grading and Inspections/Market News Service.**

In addition, the Agricultural Services Division oversees several special projects including the *Waste Pesticide Recovery Program*, the *Renewable Energy Program* and the *Dairy Stabilization Program*.

The Waste Pesticide Recovery Program was established to provide opportunities for farmers and landowners to properly and legally dispose of unwanted and unused pesticides. Funds from the state and from EPA were used to operate the program. The SCDA collected and disposed of over 280,000 pounds of unwanted and unused pesticides. Farmers and landowners were relieved of the risk of maintaining these pesticides. The risk of pesticides entering the environment was lowered by collecting and disposing of them in a proper manner.

The Renewable Energy Program continues to monitor and evaluate ongoing projects previously approved. Many of these renewable energy research and demonstration projects are multi-year.

The Dairy Stabilization Program which began in 2005 and is fully implemented has reported dramatic success in helping stabilize a declining industry. Since 2004 the industry had declined in production and value each year to a low in 2006 of 278,000,000 pounds worth \$42,350,000. The first assistance from the program was received in 2006. Since that time, the production and value of the industry has grown. In 2007 production increased to 322,000,000 pounds worth \$67,309,000 and in 2008 production was 319,000,000 pounds worth \$67,940,000. This represents more than \$50,000,000 of additional revenue generated in state to supply the dairy processing needs of the industry.

The Agricultural Services Division also works closely with the South Carolina Department of Commerce on food and agricultural projects. Staff provides agribusiness development services to the industry and assists state and local economic development allies.

Marketing and Promotion

Marketing and Promotion had a very active year in FY10 and the Certified South Carolina branding effort continued to be the centerpiece of marketing efforts for agriculture in South Carolina through the SCDA.

The Certified South Carolina campaign was designed as a comprehensive media effort to encourage consumers to buy agricultural products grown and processed in the state. Marketing

continues to expand the marketing and educational strategies originally established in 2007 with the launch of the Certified SC program. **(Figure 7.11)**

In FY10, the overall Certified SC campaign effort included 30 magazine advertisements focusing on the South Carolina audience/circulation with an overall readership of 3.7 million. In addition, outdoor boards were placed throughout the state making 190 million impressions, with our branding slogan and message. Television was a large component of our marketing effort with media purchases to cover the entire state via network stations and cable. Overall impressions totaled 31 million for the commercials we created and produced encouraging consumers to support local agriculture. Radio coverage exceeded 16.8 million impressions via coverage at various sporting events and promotional pieces for plant and flower shows and for other State Farmers Market promotions. Marketing also leveraged the South Carolina grown message in the print media with widespread coverage of the Certified SC Program and what it means to our state, local communities, individual farmers and also consumers throughout the state.



Figure 7.11

While these statistics are quantitative in nature, they are indicative of the SCDA’s outreach efforts to consumers. With a total of 242 million impressions and readership from print and electronic media in FY10 (excluding social networking and earned media), the branding campaign has significantly increased the visibility of locally produced and

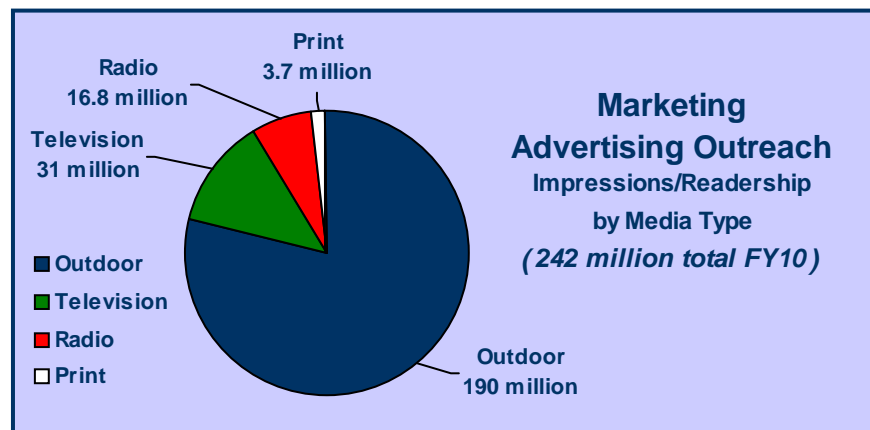


Figure 7.12

processed foods to the people of South Carolina which was the goal of the SCDA’s Certified South Carolina initiative. More people buying South Carolina products means more dollars for South Carolina’s economy. **(Figure 7.12)**

Marketing staff also continue to work the retail, wholesale, roadside market, and foodservice buying community to support the overall effort and to get our message, logo, and slogan in front of consumers where they shop throughout the state. The Certified SC point-of-purchase presence was in over 565 retail food stores in South Carolina during the peak produce season. The agency’s effort is designed to provide consumers with the opportunity to make an informed decision to support local production...and it is working.

As of the end of FY10, there were 886 producer-members in the Certified SC Program and the number continued to grow. That's an average of almost 300 new members each year since the program's inception. There continues to be a huge opportunity to expand the sales of local agricultural products to a consuming public hungry for products grown here at home. Marketing continues to work to capture market share and create market opportunity which will enhance the rural economies throughout our state. The SCDA's marketing and promotion efforts has been the catalyst for growing agribusiness in South Carolina.

Major Marketing Efforts of Certified South Carolina and the Marketing Division in General in FY10:

- Statewide television campaign
- Statewide outdoor media
- Statewide magazine coverage
- Statewide press coverage in print media
- Radio coverage for Plant and Flower show events attended by over 100,000 visitors at the Greenville, Florence, and Columbia shows. **(Figure 7.13)**
- Radio promotion during each U.S.C., Clemson, S.C. State, and The Citadel football games including a Certified SC Grown Player of the Week for each school and a feature advertisement each week reminding consumers to Buy South Carolina agricultural products where they shop
- Southeastern Wildlife Exposition Certified SC Grown tent in Charleston, S.C. SEWE provided opportunities for CSC members to showcase products to over 30,000 event attendees over the course of three days. **(Figure 7.14)**
- Participated in the Hilton Head Food and Wine Festival to promote Fresh on the Menu efforts with local restaurants
- State Fair was attended by approximately a half million visitors in FY10. Certified SC was the main theme in the SCDA's exhibit. All of the commodity groups participated in the huge consumer event and tied the new logo into their marketing efforts. Included cooking



**Midlands Plant and Flower Festival, Columbia
Figure 7.13**



**Southeastern Wildlife Expo – Charleston, SC
Figure 7.14**

demonstrations by chefs who participate in the Fresh of the Menu program. Specialty Foods also had a prominent booth where participants showcased products. (Figure 7.15)

- Produce Marketing Association Food Show in Anaheim, CA. Over 17,000 individuals attended the show. Buyers from all major U.S. food retail corporations, many wholesalers, and all national food service purveyors attended. South Carolina exhibited to promote products from the state and to develop buyer contacts for sales opportunities by South Carolina producers and companies. In addition, commercial shippers and commodity associations joined forces with the SCDA to showcase much of what South Carolina has to offer in terms of commercial product.



**SC State Fair Exhibit
Figure 7.15**

- Specialty Food Shows in Washington D.C. and Atlanta (AmericasMart) reached over 50,000 people involved in the production, manufacturing, and sales of specialty food items. Sales leads and direct sales continue to be reported by participating companies. (Figure 7.16)



**SC Specialty Food Association Exhibit
AmericasMart Food Show in Atlanta
Figure 7.16**

- International Deli and Bakery Show served as a training vehicle for staff as the SCDA looks to expand efforts in promoting products through these channels.
- Southeast Produce Council Food Show in Orlando, FL was attended by most major Southeastern based retailers, wholesalers, and foodservice companies. This show is a smaller version of PMA that provides more exposure to the local audience. Over 2500 folks attended the event.
- Eastern Produce Council Event in East Orange, New Jersey, was attended by over 123 buyers representing the greater New York, New Jersey, and Pennsylvania region and over 13 million consumers. This meeting provides South Carolina with the opportunity to showcase fresh market agriculture in South Carolina and the purchasing opportunities that abound in the state. This region consumes a huge amount of the fresh product produced in our state and the SCDA continues to cultivate relationships and provide opportunities to market products in this important area of the United States.

- Many of the SCDA marketing specialists also attended/conducted various events promoting South Carolina agriculture throughout the year. Some were consumer events. Some were buying events. All were designed to create marketing opportunities for South Carolina producers. Attendance ranged from 20 people to 20,000 people, but all were equally important in promoting the state’s diverse agricultural community.

- Roadside Marketing and Community-based marketing opportunities continued to be promoted by staff throughout our state. With approximately 170 Certified Roadside Markets and over 100 Community-based Markets in communities throughout the state, the SCDA has a unique opportunity to tie the branding message at venues that often specialize in local production. Marketing staff continued to be involved in helping train farmers and set up and promote both the use of food vouchers through the federal WIC and Seniors Farmers



SNAP Logo
Figure 7.17

Market Nutrition Programs and the use of Supplemental Nutrition Assistance Program (SNAP) (Figure 7.17) EBT cards to purchase locally grown fruits and vegetables at many markets. This created opportunities for more consumers to enjoy a healthier



Certified Roadside Market Program
Figure 7.18

lifestyle while supporting South Carolina agriculture. In addition the SCDA joined forces with the Department of Commerce and the Department of Corrections to provide 33 Roadside Market facilities in qualifying, distressed and least developed counties throughout the state. (Figure 7.18)

- General stakeholder response continued to be an important part of marketing efforts by staff. In FY10 Marketing staff again fielded thousands of calls from consumers and other stakeholders. From questions as simple as “Where can I buy SC Peaches?” (Figure 7.19) to

opportunities as detailed as starting or relocating a company in South Carolina using local agricultural products and labor, Marketing staff worked responsively each day to provide assistance to stakeholders in our state and even beyond our borders. The Marketing staff continues to operate as a team in both domestic and international marketing opportunities and goes well beyond the handled to ensure that all calls are promptly and effectively. This is an often overlooked part of what Marketing does as a division and agency as staff continue to serve as the clearinghouse for many calls concerning general agriculture in our state and spend a great deal of time ensuring that questions are answered effectively.



Certified SC Grown Peaches
Figure 7.19

relocating a company in South Carolina using local agricultural products and labor, Marketing staff worked responsively each day to provide assistance to stakeholders in our state and even beyond our borders. The Marketing staff continues to operate as a team in both domestic and international marketing opportunities and goes well beyond the handled to ensure that all calls are promptly and effectively. This is an often overlooked part of what Marketing does as a division and agency as staff continue to serve as the clearinghouse for many calls concerning general agriculture in our state and spend a great deal of time ensuring that questions are answered effectively.

- As of the end of FY109, there were 291 participating Fresh on the Menu restaurants located throughout the state. Interest from the foodservice community continued to grow. Staff attended several foodservice shows held by Sysco, U.S. Foods, I.F.H., and Merchants that reached a large percentage of restaurant owners in the state. These efforts have allowed us to assist foodservice buying entities in sourcing local products as well as providing an audience of restaurant owners to showcase Fresh on the Menu efforts. Additionally, wholesale vendors who market to foodservice have leveraged their sales team to encourage customers to participate in the Fresh on the Menu program. Results have included new South Carolina sales sheets each week at major purveyors that include all fresh and processed items available from certified members in all food categories. **(Figure 7.20)**



**Fresh on the Menu Logo
Figure 7.20**

- Facebook, Twitter, and other web-based viral communication programs continue to serve as a great tool in reaching consumers with a multitude of promotional and educational information about the Certified SC program and overall SCDA activities. By the end of the FY10, over 3,700 friends were following the Certified SC program on Facebook and over 1,400 followers were tracking on Twitter, an increase of 300 Facebook friends and a decrease of 600 Twitter followers over the previous FY. This measurement determined that the Facebook social media provides better visibility for the Certified SC campaign.

- The Merchandising Program was taken statewide and introduced in over 565 retail food stores in South Carolina. Certified SC signage was provided by Marketing staff to retailers to display and use in their advertising efforts, but the Certified SC message was also incorporated into retailers' private signage and advertising. The Marketing staff also encouraged retail advertisements during key production periods and worked with retailers daily to focus on South Carolina products. Piggly Wiggly, Bi-Lo, Food Lion, W. Lee Flowers, Publix, Wal-mart, and others were involved in the cooperative merchandising effort. An increase in sales of local products was shown through retail chains. **(Figure 7.21)**



**Certified SC Merchandising Program
Figure 7.21**

- Palmetto Sweet and Edisto River Sweet Onion promotions included grower-shipper introductions and a media event to showcase this new product to our states consumers. Ingles, Kroger, Bi-Lo, Piggly Wiggly, IGA, and Publix all included this new item in their product mix in South Carolina stores.

- Marketing expanded certified category lines across retail stores to include grocery items, deli, dairy, and meat into the retail promotional mix. Major vendors such as C.F. Sauer and Greenwood Packing Company became members of the Certified SC program this past fiscal year which provided great visibility to customers on very well-recognized food items produced in South Carolina located in most all major retail food outlets. This re-emphasized industries acceptance of Certified SC and the positive impact it continues to make at the consumer level.
- Other accomplishments during FY10 included working with companies to land sales to major food distributors that was valued at \$100K with an upside potential of over one million dollars in annual sales. Staff also worked with other companies on new distribution with W. Lee Flowers, Piggly Wiggly, Bi-Lo, Ingles, Wal-Mart and others.
- Marketing staff also held training meetings on export opportunities for small companies on the basics of exporting to increase participation in international events and to encourage exports of locally produced products.
- Marketing exhibited at the Sunbelt Agricultural Expo that showcased the latest in farming technology and the marketing of products to over 85,000 attendees.
- Marketing staff worked with the Southern United States Trade Association on two inbound trade missions to showcase South Carolina agricultural products available for export. The trade missions included buyer introductions to South Carolina companies in both the field of horticulture and fresh produce. Sales in excess of \$300K are anticipated from these missions.

- **Other Marketing Activities:**

- *Commissioner's School for Agriculture*

- To ensure the growth and development of the commerce of agriculture, the SCDA believes that it is important to expose young people to agriculture. The Commissioner's School for Agriculture reaches out to rising high school Juniors and Seniors in a week long, intensive study program designed to showcase career opportunities in agriculture, forestry, natural resources, and life sciences to the next generation. On July 18-24, 2009, 35 students participated in the weeklong 6th Commissioner's School for Agriculture summer program held on the Clemson University campus. The following spring, these participants were invited to a Reunion in Columbia where they visited the General Assembly, Harbison Forest, W.P. Rawl's produce farm, SC Department of Agriculture as well as the State Veterinarian's office. **(Figure 7.22)**



**Commissioner's School for Agriculture
Figure 7.22**

Fresh on the Campus

An extension of the Fresh on the Menu program is Fresh on the Campus, a program designed to introduce college students to the benefits of eating fresh fruits and vegetables, while also appreciating the local farmers produce and overall agricultural production in South Carolina. Healthy Carolina Farmers Market, a partnership between the University of South Carolina Healthy Carolina and the SCDA, is a community-based farmers market on the main campus in Columbia. (Figure 7.23) Clemson Farm-Fresh Farmers Market, a student-organized local farmers market on campus, began in September 2009.



Fresh on the Campus
U.S.C. Healthy Carolina Farmers Market
Figure 7.23

School Gardens Program

Health and nutrition begins at an early age and the SCDA realizes the need to support efforts at every school level. Encouraging healthy eating as children may help them look for locally grown and produced products as adults. *School Gardens – Eat Smart... it's in the Garden* (Figure 7.24) grants, funded by Eat Smart, Move More SC, were awarded to nine different elementary school garden programs

throughout South Carolina from December 2009- June 30, 2010. The grant also provided funding to host the first S.C. School Garden Workshop on June 21, 2010. Over 50 teachers participated in this workshop where they also received the *Eat Smart...it's the Garden Toolkit*, for schools and communities interested in implementing their own vegetable garden programs. This Toolkit is an 80+ page resource of information about starting and maintaining a successful school garden program in SC. The Department is pursuing subsequent grant funding with Francis Marion University and other partners, with the hope of securing additional funding for new school garden grants in the 2010-2011 growing season. Through the current grant program, a quarterly electronic newsletter has been started and currently being distributed statewide, as well as a blog site where gardeners and teachers can directly comment and communicate ideas and stories related to school gardens. Teaching children where to find locally grown produce and products as well as how to grow their own is part of the Certified SC mantra – *Certified South Carolina. Nothing's fresher. Nothing's finer.*



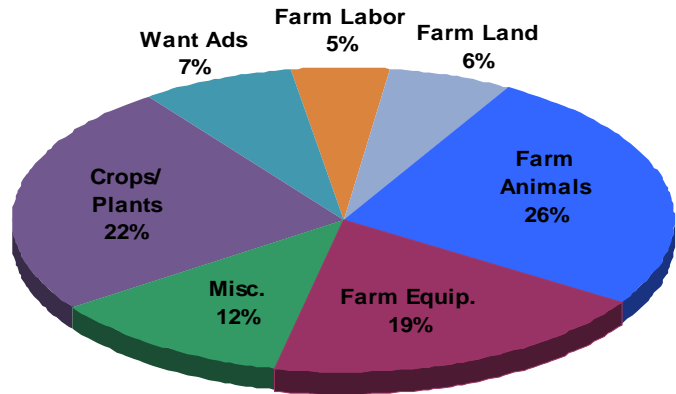
SC School Gardens Program Logo
Figure 7.24

Market Bulletin

The 97-year-old *Market Bulletin* is published twice a month for producers and consumers as a resource for buying and selling agricultural items. The *Market Bulletin* also includes information designed to encourage buying and selling of the state’s locally grown products through the “Certified South Carolina” Program, news for farmers and gardeners, and hundreds of agricultural events, seminars, and workshops.

Nearly 20,000 subscribe to the *Market Bulletin*. Staff continues to aggressively promote the *Bulletin* through other publications and partnerships with other organizations at no cost to the agency. The increase in subscriptions can be attributed to the inclusion of renewals and subscriptions in the integrated, interactive part of the agency Web site. The new process allows subscribers to view the publication online and saves staff time with data entry. Similar to the agricultural publications in Louisiana and Mississippi, the *Market Bulletin* is also published twice a month and the subscription fee is \$10 per year for either the print or the electronic version. Advertisers can now enter their own ads through the agency Web site portal and after in-house approval the ad is electronically posted for the next issue. With the implementation of the electronic subscription process, subscribers can now renew or subscribe online with a credit card. About 15,000 ads were published in FY10, about 2,000 less than the previous fiscal year. (Figure 7.25)

Market Bulletin Ads Distribution FY10



**Market Bulletin Ad Distribution
Figure 7.25**

The Marketing Section of the Agricultural Services Division continues to provide effective customer service to all of those who need assistance. Whether it is locating a product, selling a product, facilitating marketing meetings, promoting Certified SC at a food or consumer event or working with established commodity groups and associations to provide educational or promotional opportunities, Marketing continues to serve the state effectively while encouraging folks to “Buy South Carolina...Nothing’s Fresher...Nothing’s Finer”. (Figure 7.26)



State Farmers Markets

The State Farmers Market Program is the second arm of Agricultural Services. SCDA operates farmers markets in Columbia, Greenville and Florence. These markets provide facilities for farmers to conduct direct sales of fresh produce to both consumers and major food distributors. Supermarket chains, independent groceries, restaurants, and industrial food handlers are served by the vendors at these markets. The service area of the markets extends beyond the boundaries of the state, supplying produce through the eastern United States and into Canada.

- Columbia State Farmers Market**
 The Columbia State Farmers Market is considered to be the second largest farmers market in the Southeast based on volume of produce sold and distributed. Typically, annual sales at the market exceed \$250 million. The market has operated on its current site since the early 1950's. It is scheduled to be closed in the fall of 2010 and reopened at a new location on Highway 321 in Lexington County. **(Figure 7.27)**



Farmers Sheds – New SC State Farmers Market
Figure 7.27

The relocation of the Columbia State Farmers market will mark a major change in the dynamics of the market. Many aspects of the market are being privatized and much of the relocation is being privately financed. A number of wholesale vendors have purchased property at the new site and are constructing their own facilities. Private investors are building retail and wholesale units available to be rented to both annual and seasonal tenants.

The SCDA will be operating farmer and produce sheds designed to serve the state's farmers. In FY10, over 300 South Carolina farmers used the Columbia market. Farmers from all areas of the state bring produce to the market. Watermelons, tomatoes, cantaloupes and peaches constitute the bulk of the produce sold. However, farmers bring a full array of produce grown in the state to the market.

In recent years, programs have been implemented to provide better information on the users of the market so that trace-back of products can be conducted. Additionally, the market has taken steps to ensure that all non-farmers selling on the market have proper business licenses and that they are registered with the USDA's Agricultural Marketing Service.

The Columbia State Farmers Market employs seventeen people, three are part-time. It operates every day of the year with the exception of Christmas and Thanksgiving holidays. Numerous private sector jobs are supplied at the market, but many of these are seasonal in nature.

- Greenville State Farmers Market**
 The Greenville State Farmers Market relies on wholesale food distributors as the mainstay of operation income. Retail sales provide the majority of point of service contacts. Farmers from the Piedmont region and the adjoining areas of Georgia and North Carolina bring in seasonal fruit and vegetable crops for delivery and direct sales. Consumer interest in the market's facilities has increased in recent years to a point that traffic often exceeds capacity.



Greenville State Farmers Market
Figure 7.28

Strategic challenges identified at the Greenville market are: aging facilities and infrastructure; insufficient space; declining ability to meet industry facility standards for food sanitation and safety; along with the need for electronic security measures. Horticultural crops have taken a strong portion of upstate agricultural emphasis and are an extremely important element in the product mix at the Greenville facility. Seasonal promotional events bring thousands of consumers to the market. This market operates 362 days a year. It is closed on Thanksgiving, Christmas and New Year's holidays. A staff of two full-time and two part-time employees operate the facility. (Figure 7.28)

- **Pee Dee State Farmers Market**

The Pee Dee State Farmers Market, which is located in Florence, provides space for daily sales by farmers and long-term leases to wholesale and retail operations. It is a major venue for the sale of horticultural products and draws consumers from a broad geographic area. Spring and fall plant and flower festivals are a main draw for the market and help promote year-round business. Operated by a staff of five, only one is part-time. The market is closed on Sundays and at night. The only warehouse building at the market is leased to the Harvest Hope Food Bank which operates a regional distribution center from the facility. Harvest hope serves people in need with surplus food products. During the spring and summer months, the stall space at the market is fully utilized. A waiting list for space is maintained in case space becomes available. Market revenues are stable, but the lack of additional space limits the possibilities of increasing revenues. In its 2nd year of operation, the new retail building provides a controlled environment for year round retail sales operations. The building is located at the front of the market and provides a new venue to attract customers to the Pee Dee State Farmers Market. (Figure 7.29)



The Leatherman Retail Facility
Figure 7.29

Grading and Inspections and Market News Service

The Grading and Inspection/Market News Service provide quality grade standards and up-to-date market news through cooperative agreements with the United States Department of Agriculture (USDA). Fruit, vegetable, and peanut grading and inspection services are provided at shipping points, receiving locations, and terminal markets to specify grade, count, weight, and other factors important to quality determination. Official certificates of grade are issued by inspectors to verify grade factors. The SCDA issued 3,483 certificates this past fiscal year.

The *Grading and Inspection Service* works with producers, brokers, receivers, food processors, and export marketers to inspect and certify the quality as it moves through normal marketing channels. The SCDA implemented a Food Safety Audit program that provides incentives for 25 firms to receive first time audits. The Good Agricultural Practices and Good Handling Practices Food Verification Program is a FDA/USDA developed program taught by SCDA trained personnel.

Another service provided by the SCDA is Grain Inspection. Grain inspection works with growers of local grain, processors and elevators to assure all grain meets the proper requirement in accordance to the United States Grain Standard Act and South Carolina Uniform Grain Grading Act. An ongoing project has recently begun at the CSX/Transflo Terminal in North Charleston involving the loading for export of Dried Distiller's Grain from railcars into containers.

Both the handling facility and the exporter expect the export volume of the commodity to reach a Maximum of 2 million pounds per week from this facility. Also performs Official Storage Examination of containers for shippers at the Port of Charleston.

Grading for poultry, shell eggs and the inspection of egg products and meals ready to eat (MRE) are provided at shipping points, packing houses, and processing facilities by the South Carolina Department of Agriculture Poultry and Egg Programs throughout the State of South Carolina. This grading is upon request by individual firms and government agencies.

The SCDA Poultry and Egg Programs has 24 employees which are licensed by the United States Department of Agriculture, Agricultural Marketing Services after receiving at least 160 hours of supervised classroom and on the job training. Additional training is required for each commodity. Upon completion of training, a licensee will be under the supervision of the Federal and State supervisors in official USDA facilities and other approved fee locations.

Certification is made to assure graded products meet the requirements to be shipped throughout the United States and exported to foreign countries. SCDA graders and inspectors strictly follow specifications for the military, USDA school lunch programs, chain stores, and other institutional and government agencies.



Meals-Ready-to-Eat (MREs)
Figure 7.30

In FY10, 3 shell egg plants, 3 poultry plants, 1 MRE plant and 1 egg products plant with USDA resident grading services were provided by SCDA employees. Additionally, numerous fee inspections were performed at USDA-approved locations throughout the State of South Carolina. As a result, over 43 million dozens of shell eggs and 50 million pounds of poultry were graded and 6.4 million pounds of egg products and 6.3 million pounds of MREs (Meals-Ready-to-Eat) were inspected. MREs are a self-contained, individual field rations in lightweight packaging bought by the United States military for service members for use in combat or other field conditions where organized food facilities are not available. This is a valuable service to our country.

Market News Service collects, analyzes and distributes price, volume and other market information from shippers, wholesalers, brokers, dealers, and market vendors to all segments of the grain, produce, and livestock industries. The information is distributed through printed reports, telephone recordings, daily radio programs, newspapers and the Internet. In recent years the Internet has become the preferred method of dissemination.

According to Federal Market News staff, during FY10, Livestock, Grain, and Fruit & Vegetable Market News released 125,000 reports nationally which were viewed over 55 million times by 628,000 visitors on the Internet. The SCDA Market News Service released 45 reports per week

on the USDA system. The SCDA Market News office also provides three daily voice reports and two weekly pdf-style summary reports on our local Web site. Grading and Inspections and Market News Service will be moved to the new State Farmers Market facility by the end of the fiscal year.

Other SCDA Activities

Partnerships

Alliances and partnerships with other public and private organizations continue to be developed and nourished to utilize all available resources in a cooperative effort. These alliances have proven beneficial to providing information to the citizens of the state at a significant cost reduction in taxpayer dollars. The agency continues to work with the SC Advocates for Agriculture, a non-profit organization that assists the SCDA in marketing and promoting South Carolina agricultural products and the overall industry of agriculture within in South Carolina. The office has also provided promotion and publicity for the Ag Commission of South Carolina and various commodity boards.

Staff also supports the efforts of the SC Food Policy Council, which meets on a quarterly basis to network and discuss items of interest such as the Farm to School legislation, and other food system current issues or issues that are likely to occur in South Carolina. The Council is served by a nine-member volunteer board, who schedules guest presenters at meetings and tours of interest on behalf of the membership. The Council hosted the first SC Sustainable Food Systems Workshop in January of 2010 in Columbia. There were over 70 participants at the workshop and a report of the workshop findings was published.

Emergency Preparedness

The SCDA served on the state committee for Animal Disease Traceability, an effort underway to locate and identify livestock in case of an animal disease emergency. Staff also participated in exercises to prepare for potential emergency events such as catastrophic zoonotic disease outbreaks, nuclear disasters, and hurricanes. In addition, staff participated in developing an AgWatch manual designed as a quick reference guide written for the benefit of South Carolina producers and processors.

During real hurricane and other emergency events, SCDA staff support three ESF functions in the SC Emergency Operations Center. Laboratory and Consumer Services staff work in ESF 11 (Food and Water) which is responsible for identifying, securing and arranging for coordinating the transport of food and water assistance to affected areas in cooperation with the USDA Food and Nutrition Services. Public Information staff work 8-hour shifts in ESF 15 (Public Information) which is responsible for coordinating emergency public warning and information systems. Our equine specialist works in ESF 17 (Animal Protection) which is responsible for coordinating all animal response and relief activities. She provides emergency equine stabling sites within the state. In addition, SCDA staff is also deeply involved in emergency recovery and agroterrorism planning.