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Annual accountability report - 2005-2006

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Annual Accountability Report
Fiscal Year 2005 - 2006



Section I – Executive Summary

MISSION AND VALUES

The citizens of South Carolina are served by and benefit directly from the economic development activities of the agency. Accountability at SC Department of Parks, Recreation, & Tourism (PRT) is both a measurement system and a relationship system. By promoting tourism and supporting the expansion and continued growth of the tourism industry, PRT plays a key role in accomplishing the objective of increasing personal income of South Carolinians. The agency's mission is to *raise personal income of South Carolinians by creating a better environment for economic growth through delivering state government services more effectively, improving quality of life, and promoting economic development through tourism.*

Through PRT's tourism-based Community and Economic Development efforts, it is also able to extend the benefits of tourism to all areas of the state and to assist rural and lesser-developed communities in generating economic activity. In South Carolina's State Parks, visitors are given the opportunity to experience the diverse natural and cultural resources that project the essence of South Carolina. Whether it is a park visitor, a recreation enthusiast, or a tourism visitor to the state, PRT employees work together to help each of these unique individuals discover the cultural and natural resources that our state offers. Additionally, employees work hard to balance the needs of future generations of visitors without sacrificing the resources of today.

KEY STRATEGIC GOALS

PRT uses its strategic plan to better align its resources with its core mission and to adapt to the current economic realities. Also, each key program area of the agency operates from a comprehensive annual plan. A list of key initiatives is in place to support the agency with achieving two strategic objectives: (See Category 2.3)

1. WORKING WITH OUR INDUSTRY PARTNERS, INCREASE PRESENT GROWTH RATES IN GROSS TOURISM PRODUCT (GTP) PER VISITOR, RESULTING IN GROWTH OF 17% BY 06/30/09. GTP PER VISITOR MEASURES HOW MUCH VALUE OR WEALTH EACH OUT-OF-STATE VISITOR CONTRIBUTES TO OUR ECONOMY.
2. REINVEST \$5,000,000 INTO STATE PARK RESOURCES BY 06/30/2009 IN ORDER TO IMPROVE VISITOR EXPERIENCES.

OPPORTUNITIES & BARRIERS

Tourism Economy

Tourism's size, unique character, and relative importance to the state's economy require dedicated resources and specialized expertise. The purpose of the Tourism Program is to positively impact the state's economy by attracting visitors to expend discretionary income in South Carolina. The program objective is achieved through integrated research, marketing, sales, visitor services and grants strategies. On behalf of the state's tourism industry, PRT develops and implements an annual multi-faceted marketing plan that promotes the state's cultural, natural and man-made tourism resources for the purpose of attracting visitors to the state. The marketing plan strategies target key domestic and international consumer and trade markets.

The marketing and sales efforts of PRT are primarily aimed at a consumer market (i.e., travelers to the state); PRT is targeting three key markets: female decision makers; golfers and African

American women. Women, both Caucasian and African American, influence more than 80 percent of leisure travel decisions. Meanwhile, golf is a major product offering in South Carolina and represents a lucrative market for the state. In all three target markets, PRT is working to protect its “bread and butter” business, while also reaching out to a more affluent consumer through the advertising messaging and through the media schedule.

PRT’s Public Relations office works closely with its marketing and sales team to generate additional exposure for the state. Through its efforts, which include fulfilling media inquiries, hosting travel media, pitching stories to targeted media and other strategies, the office has secured placements in national and international publications.

Visitor Services

In terms of state government, PRT serves visitors and travelers almost exclusively. PRT oversees the state’s nine Welcome Centers. The South Carolina Welcome Center Program’s main purpose is to increase South Carolina visitor spending through frontline marketing of traditional and nontraditional destinations, influencing future consumer travel plans, and encouraging retirement-relocation to the state. The Welcome Center Program often serves as the first impression of the state’s hospitality shown to our tourists and travelers. (See Figures 7.1.8 and 7.1.9)

State Park Service

The State Park Service is primarily focused on providing recreational access to the state’s natural resources. The State Park Service works closely with other resource agencies to protect our state’s natural resources and to balance access with conservation. In addition to the management of natural resources, the State Park Service also manages cultural and historic resources. (See Figures 7.2.1 and 7.2.2)

The State Park Service and Welcome Center Program are unique in state government in that their customers actually have a choice in whether or not to use their services. It is this characteristic of the State Park Service and the Welcome Center Program, in combination with the role they play in supporting tourism that makes them both a logical partner with the other programs of PRT. PRT is focused on marketing to and fulfilling the needs of consumers. Likewise, the State Park Service and the Welcome Center Program must have a similar focus on the consumer, because each must “attract” its customers. (See Figures 7.2.3, 7.2.4 and 7.2.5)

MAJOR ACHIEVEMENTS

Tourism

One of our main functions is to market the state to travel consumers to increase the number of customers who patronize the diverse businesses that make up the tourism industry. In addition, we provide for the system of facilities that provide consumers with experiences in our natural environment and cultural heritage. No other agency engages in the level of marketing and visitor services on the scale that PRT does. In 2005, South Carolina’s Gross Tourism Product (GTP) per visitor was \$305, an increase of 13% over the comparable figure in 2003. Gross Tourism Product is the portion of Gross State Product generated by out-of-state visitor expenditures. (See Figure 7.1.2)

Tourism growth, measured by Accommodations Tax collections from FY 05-06 (July to June) versus FY 04-05, was 10% in the top five tourism counties, 9% in the 15 mid-range tourism

counties. Accommodations Tax collections rose 14% in the 26 lowest tourism counties. (Source: South Carolina Department of Revenue)

PRT's marketing budget (excluding personnel) for FY 05-06 was \$14,360,368, a 3% increase over the FY 04-05 budget of \$13,940,839 – counting all sources of funding (recurring funds, non-recurring funds, revenue, federal funds). The previous FY the marketing budget, including all sources of funds, totaled \$12,167,848. This represents an 18% increase in the PRT marketing budget from FY 03-04 to FY05-06.

For the six month period from January through June 2006, three major economic development projects announced plans to build new facilities. The combined capital investment of these projects totaled \$453.0 million with plans to create over 3,000 new jobs. One of these announcements is of particular significance for it was the single largest tourism-related capital investment project ever announced in South Carolina's History – Hard Rock Park, Myrtle Beach. (See Figures 7.2.11)

State Park Service

It is projected that the SC Park Service will reach its three year goal of \$5 million additional revenue for re-investment. During this review period the Park Service projects it will be able to reinvest \$2 million into the core mission of the State Park Service. This accomplishment has been made possible through innovative programs and a commitment to improve efficiencies in the operations of the State's forty-six parks. By focusing on its business components, the park service continues to make strides toward these efficiencies. This past year the Park Service implemented a new program targeting five parks in an "enterprise zone." This innovative concept allows the Park Service to focus on improving these five parks and incorporating across the system any lessons learned in new business approaches. Marketing, business analysis, and a change in business rules to allow more flexibility for park managers to make decisions have all proven to have a positive impact.

Self-sufficiency is defined as the percentage of the total park system budget derived from park-generated revenue versus percentage of budget derived from state-appropriated funds. The Park Service's target was 78% self-sufficiency. This year the park system maintained its level of self sufficiency at approximately 73%. While this number is less than the targeted 78%, it continued to improve over the last three years. This past year brought with it many uncertainties, including the high gas prices, an active 2005 hurricane season and unprecedented increases in many services necessary to operate parks, including increases in facility insurance and energy costs. When comparing S.C. to other states, particularly in the Southeast, S.C. continues to perform in the top ten of self-sufficient systems in the nation and currently ranks second behind Mississippi in the Southeast. The national average is 42%. (See Figure 7.3.1)

As a result of the new central reservation system, the state parks sales and marketing team knows more than ever about the SC State Park customer. The reservation system captures information on the state park customer in a collective database. This winter a study was done on a random sample of these customers through a telephone survey. PRT now knows the demographics of their overnight customers, including their travel party characteristics, visitor profiles at top revenue generating parks, and much more. This research will help the sales and marketing manager make more effective marketing decisions and will be a major tool in coordinating sales and marketing efforts. (See Category 7.2)

Here are a few highlights from the research:

- Just over half of visitors are South Carolina residents.
- The parks have a loyal visitor base – four in five are repeat visitors.
- Although repeat visitors tend to have a preferred/primary park, most have visited more than one park.
- Nearly three-fourths of visits occurred in the six month period between June and November.
- Almost half explore areas outside the park, and out-of-state parties who venture outside the park spend an average of \$319.90 per trip.
- Three-fourths (73%) of those who booked online or through the 800 number rate their experience positively (giving a rating of 7, 8, 9, or 10 on a scale from 1 to 10, where 10 means very positive).
- Nine out of ten visitors rate South Carolina's State Parks very positively for natural beauty (94%), friendliness of staff (92%), and upkeep/friendliness of public areas (92%).

With the acceptance by the public of the Central Reservation System (CRS) and with the efforts of the Office of Tourism Sales and Marketing, the overnight lodging rental nights continue to increase. Cabin rentals increased from 32,262 to 33,872 from FY 04-05 to FY 05-06, an almost 5% increase. And campsite rentals went up from 268,002 to 284,232 from FY04-05 to FY 05-06, an increase of almost 6%. Marketing efforts have been established to target several parks whose occupancy rates have potential for increases. (See Category 7.3)

IMPROVEMENTS

PRT developed a new consumer-focused website to serve as the nexus of PRT's marketing program. The goal is to drive South Carolina to the forefront among state tourism offices using technology to attract potential leisure travelers. Working with a leading tourism web development and internet marketing firm, Aristotle, PRT developed a new consumer-focused website: DiscoverSouthCarolina.com. The site's design and functionality were driven by consumer research and direct consumer feed back.

The new consumer website will also generate revenue for PRT. A new advertising program on the site has generated an estimated \$40,000 since its introduction in March 2006, and the program is expected to generate nearly \$100,000 during its first 12 months of operation – with revenue re-invested in the website and on-line marketing initiatives.

The development of a new website dedicated solely to the promotion of state parks has also been a much needed sales and marketing tool for state parks. The site was introduced to the public on March 1, 2006. This site, although still in the early stages, is receiving praise from state parks customers and provides detailed information to new and existing customers. (See Figure 7.1.5)

Last year, PRT developed a relationship with the Outdoor Advertising Association of South Carolina. This partnership has brought statewide advertising opportunities to the park service at no cost through a donated billboard campaign. This campaign provided the state parks with 40 billboards that rotate on a space-available basis throughout the state. The Outdoor Advertising Association donated the production of the billboards at \$45,000 and also has donated the space which would amount to approximately \$45,000 per month. These billboards surfaced across the state in November 2005 and continue to appear statewide. The partnership has brought the

park service to the forefront for travelers and residents alike along the highways and interstates of South Carolina.

PRT again produced an electronic visitors guide and introduced an e-golf guide as an electronic fulfillment item. Through an on-line advertising program, PRT pushed its e-guide into the hands of consumers who did not want to wait two weeks to receive the traditional hard-copy publication. For the more traditional traveler, the agency continues to produce and distribute the hard copy, award-winning publication.

In addition to increases in revenue, CRS has also improved business practices in state parks. Because reservations are accepted within an 11-month window, cash flow is more stable. The Park Service is better able to predict its revenue stream from season to season, manage its expenses and not struggle to meet its financial obligations during slow periods. The Park Service has eliminated the warehousing of retail items and drastically reduced the level of retail stock and concentrated on the quick turn around of fast moving retail items. Retail items that had a long shelf life and items that were "dead" stock have been reduced and eliminated. In addition, a refocus on retail to include promotion of site-specific merchandise with a high profit margin has been introduced.

PRT is leveraging its membership and program investment in Travel South in order to reach Canadian visitors. Travel South is focusing all of its marketing effort on the Canadian market – a lucrative market for South Carolina because of the state's extensive beach product and valuable tourism offerings. PRT's public relations team is supporting the effort by providing itineraries to Travel South as trip ideas to pitch to Canadian media, and has committed itself to supporting an event at the Travel Media Association of Canada meeting in October 2006. In addition to Canada, the public relations program helped generate exposure overseas for South Carolina by fulfilling image requests from newspapers, travel guides and guidebooks in the UK, Germany and German-speaking countries. Those efforts helped extend the marketing messages the agency delivers in those European regions.

PRT has also made strides in the way that it analyzes data. FY05-06 was the pilot year for a new 'dashboard' reporting system where the various functional areas of PRT maintain and present quarterly reports on data they collect that is useful for performance review and decision making by the agency. (See Category 7)

Section II – Organizational Profile

1. & 5. MAJOR PRODUCTS, SERVICES & OPERATION LOCATIONS

Due to PRT's diverse services, the agency covers a broad scope of locations and sites that are significant naturally, culturally, and historically. Operation locations include a central office complex located in Columbia and a variety of State Park sites, Welcome Centers, and a Discovery Center. PRT has four major program areas: Tourism Marketing, Tourism-based Community & Economic Development, State Parks, and Recreation.

State Parks

The Park Service manages and protects:

- More than 80,000 acres of South Carolina's natural and cultural resources;
- 46 operational parks including eight historic properties; and
- More than 1,500 separate buildings, 155 cabins, 80 motel rooms, 3,000 campsites, two 18-hole golf courses, two saltwater fishing piers, 42 ponds, 156 miles of paved roads, and more than 300 miles of hiking and riding trails.
- Special resource parks feature natural and cultural resources of such exceptional caliber they warrant special protection;
- Regional parks provide opportunities for recreation in a natural setting as well as facilities to serve the neighboring community or region;
- Outdoor recreation parks are capable of supporting more intense recreation opportunities; and
- Traditional state parks provide traditional recreation opportunities for visitors to experience without compromising the integrity of the resource.



Recreation

- Assesses statewide needs, issues, and public opinion on recreational topics;
- Promotes outdoor recreation including trails and greenways;
- Provides technical assistance to communities on a wide range of parks and recreational issues, including conceptual planning, facility management, and grant needs; and
- Administers four federal and state funded grant programs that assist with acquisition and development of parks and recreation facilities.

Tourism

As an economic driver, tourism brings new dollars into the state's economy rather than recycling existing dollars. The purpose of the PRT Tourism Program is to positively impact the state's economy by attracting visitors to spend money in South Carolina. The program:

- Works through integrated research, marketing, sales, public relations, visitor services, and grants strategies;
- Works to create and sustain the tourism image of the state;
- Works with industry partners to leverage tourism investment through cooperative programs;

- Conducts research to support industry decision making;
- Provides leadership to identify opportunities and to squarely face challenges to the state's tourism economy; and
- Provides financial and marketing assistance to eligible state, non-profit tourism marketing entities through the Tourism Marketing Partnership Program (TMPP), a 50/50 matching grants program.

Marketing and Sales

This service area is responsible for implementing agency policy and programs related to the development of South Carolina's tourism marketing, sales and grant programs.

- Develops and implements an annual multi-faceted marketing plan that promotes the state's cultural, natural, and man-made tourism resources for the purpose of attracting visitors to the state;
- Contracts to assist with United Kingdom, Ireland, Scandinavia, Germany, other European countries and other international inquiries; and
- Assists group tour operators and leaders in finding details about attractions, accommodations and restaurants, plus contact information for South Carolina's tourism regions.

Public Relations and Information

This program supports marketing and sales efforts and extends the state's paid tourism message by securing free publicity. The program provides two primary functions:

- Proactive media relations (i.e. press releases, pitches, media marketplaces, press trips); and
- Support services (response to media inquiries, information research, and referral).

Welcome Centers and Discovery Centers

The network of state Welcome Centers and Discovery Centers provide free travel services, including reservation assistance, routing assistance, trip planning assistance, translation services and pro-active distribution of a broad range of South Carolina travel-related literature.

- Exists to increase travel expenditures and expand economic development within the state's tourism industry.
- Offer services that simplify the travel experience for visitors and encourage them to stay longer and spend more money in the state.



Tourism Community and Economic Development

This program area's purpose is to attract and facilitate new and expanding quality destination tourism developments in the state, as well as to develop grassroots initiatives that use natural, cultural, and historic resources to provide economic development through tourism.

Heritage Tourism

Much of South Carolina has potential for heritage tourism development. Currently, significant heritage tourism development is taking place in the South Carolina National Heritage Corridor. The Corridor consists of 14 counties and over 250 miles, divided into four distinct regions. The corridor stretches along the western border of the state from Charleston to the mountain foothills. Heritage tourism includes:

- Historic, cultural and natural amenities;
- Folkways, the arts, the surrounding landscape and geography, the history of the peoples who settled there and the recreational amenities of an area;
- Experiences that are interactive, educational, authentic and entertaining; and
- Developing heritage tourism products relating to the Revolutionary War and Civil War, political history, and agricultural and industrial themes.

Research and Policy Development

The Research and Policy Development team provides marketing research and economic data related to tourism in the business community. A South Carolina Travel and Tourism Satellite Account (TTSA) is maintained which measures employment and Gross State Product generated by travel and tourism activity. (See Figures 7.1.1 and 7.1.2) The team also provides support and strategic policy recommendations to the agency to further the agency's mission to improve the economic well-being and quality of life in South Carolina.

Grant Funding

A variety of grants are available to non-profit and governmental organizations to develop traditional marketing materials, purchase advertising to attract visitors, develop heritage products, acquire land for the purpose of public recreation, plan and develop new indoor or outdoor public park and recreation facilities, and implement trail-related projects.

2. KEY CUSTOMER SEGMENTS

- PRT provides direct service to primary customer groups through the Park Service, Welcome Centers, and Discovery Centers.
- State park visitors are given the opportunity to experience the diverse natural, cultural, historic, and recreational resources that project the essence of South Carolina.
- Each year, over seven million domestic and international travelers and state residents rely on the wide variety of travel services offered at the state's Welcome Centers. The centers generate millions of dollars annually in additional travel revenue for the Palmetto State through such services as complimentary lodging and attraction reservations, and proactive one-on-one marketing.
- PRT's main customers are the residents of South Carolina and the state's tourism industry, and the approximately twenty-six million annual out-of-state visitors to South Carolina.

3. KEY STAKEHOLDERS

PRT maintains an ongoing dialogue with stakeholders including:

- Tourism industry partners through workshops, meetings, and conferences. These sessions provide opportunities for agency staff to acquire feedback from the industry while sharing valuable information for marketing the state.
- Citizens and industry partners attending State of the State Park meetings can express views and develop strategies for effectively utilizing each park as a community resource.
- Local, county, and statewide bodies through PRT personnel acting as experts, providing assistance and technical expertise on numerous projects.

4. KEY SUPPLIERS & PARTNERS

Key suppliers for PRT's services include:

- Marketing – the Bounce Agency, Rawle-Murdy, Aristotle, Parks Service Friends Groups, MarketSearch Corporation, M Davis and Co., and local chambers of commerce.
- Advertising – the MarketSearch Corporation and M Davis and Co. provide strategic marketing recommendations and evaluation of advertising campaigns.
- Public Relations – Lou Hammond & Associates Public Relations Firm, and the public relations staffs of tourism attractions around the state.
- State Parks – the Friends Groups have become important resources in the daily operation and long-term management of parks. They are usually formed by a group of dedicated volunteers who help operate the park, acquire funding, plan special events, support specific projects and raise awareness of the value of state parks. Many of them are called "Friends of (the state park)" or "Partners for (the state park)," but they all support public recreation and resource protection by expanding services without expanding costs.

6. EMPLOYEES

In 2003, PRT created a matrix organizational structure that is a combination of a lateral structure of service or program management and a vertical functional structure. The matrix structure has created more collaboration across the functions of the agency and maximized the use of fewer human resources across agency initiatives. The agency currently employs 458 FTEs (102 in the Central Office and 356 in the field).

PRT invests critical resources in its employees to create a motivated, diverse, and capable workforce. Services are enhanced through the support of 300 temporary or supplemental / seasonal employees. Each program area of the agency supports PRT's mission by helping staff understand and embrace the goals and philosophy of their line of service.

7. REGULATORY ENVIRONMENT

Our customers are unique in state government – they include consumers of travel and tourism activities, the private sector businesses that provide amenities for visitors and the destination marketing organizations and associations that represent the tourism industry. In addition, we cater to resident and non-resident users of parks and recreation facilities throughout the state. The agency maintains services and facilities that meet the appropriate health, safety, and disaster preparedness practices for these customers.

8. STRATEGIC CHALLENGES

- Tourism's size, unique character, and relative importance to the state's economy require dedicated resources and specialized expertise.
- Increase South Carolina visitor spending through frontline marketing of traditional and nontraditional destinations, and influencing future consumer travel plans.
- Extend the benefits of tourism to all areas of the state and to assist rural and lesser-developed communities in generating economic activity.
- Protect our state's natural, cultural, and historic resources while working to balance visitor access with conservation.
- Implement effectiveness and efficiency approaches that will increase dollars available for reinvesting in state park infrastructure and improved visitor services, all while infrastructure needs continue to grow.

9. PERFORMANCE IMPROVEMENT SYSTEM(S)

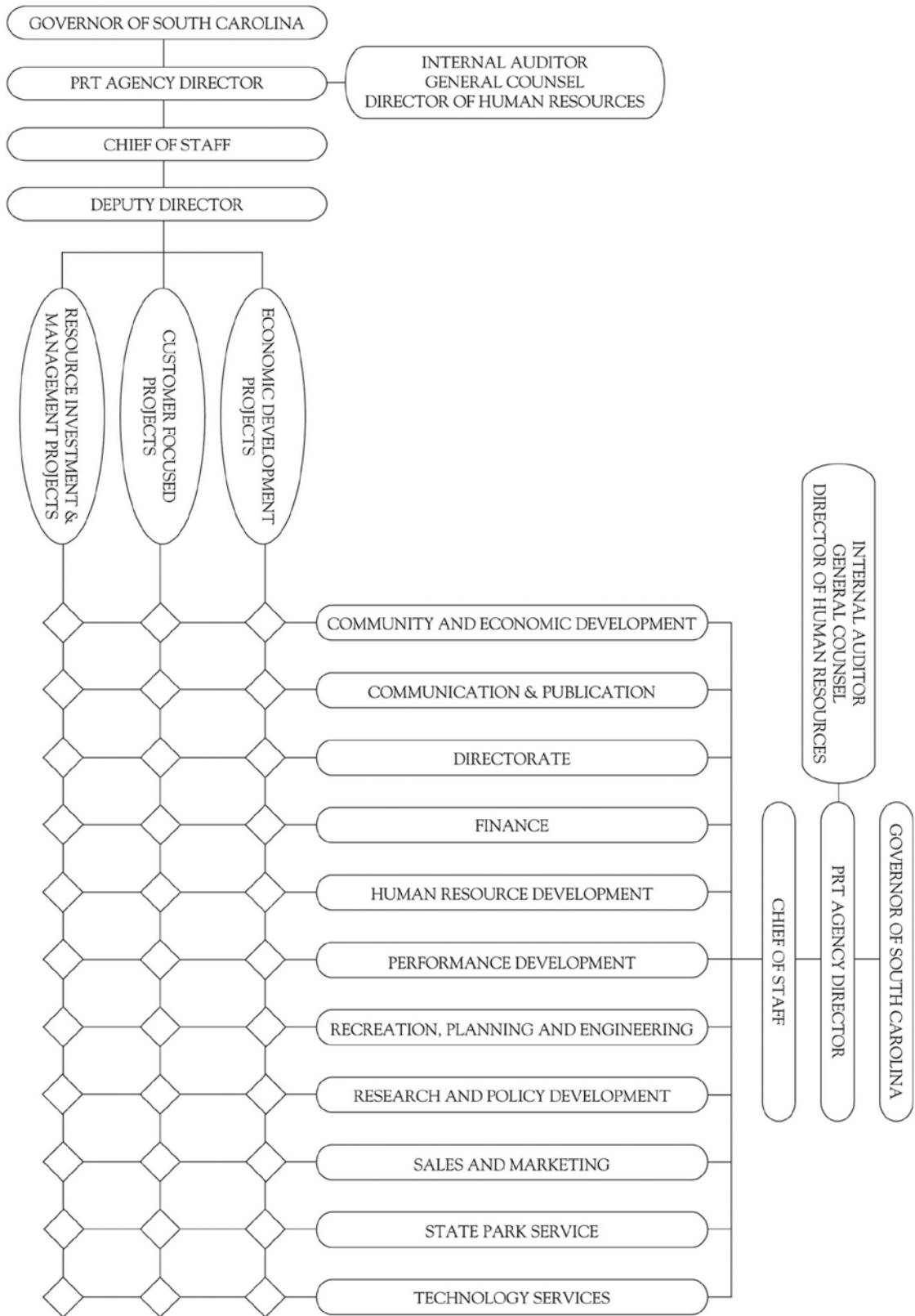
The accountability process continues to generate awareness of the opportunities to use information and analysis to improve performance. The agency reviews and analyzes the following sources of data to set and improve performance targets:

- Research data available on a variety of agency services and programs;
- Comparative data provided through industry contacts;
- Quantitative data received through agency program and service reports;
- Feedback data from various customer and employee feedback methods; and
- Integrating and monitoring trends identified in the dashboard performance measures to guide decision-making.

10. ORGANIZATIONAL STRUCTURE

PRT has significantly adapted its management structure to realign programs and functional services across the agency in order to promote greater efficiency, effectiveness, and accountability for agency services. The Director identified the matrix structure as the one that most closely aligns staffing decisions, priorities, and resources with the mission of PRT. (See Matrix Organizational Chart)

SOUTH CAROLINA DEPARTMENT OF PARKS, RECREATION & TOURISM MATRIX ORGANIZATIONAL CHART



Accountability Report Appropriations/Expenditures Chart

Base Budget Expenditures and Appropriations

Major Budget Categories	FY 04-05 Actual Expenditures		FY 05-06 Actual Expenditures		FY 06-07 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	\$ 16,436,537	\$ 11,646,737	\$ 17,629,512	\$ 12,578,936	\$ 17,993,625	\$ 12,354,121
Other Operating	\$ 14,024,839	\$ 3,572,553	\$ 13,874,834	\$ 2,554,107	\$ 14,812,547	\$ 3,517,547
Special Items	\$ 16,833,669	\$ 12,135,403	\$ 16,722,597	\$ 12,602,851	\$ 19,123,960	\$ 14,968,960
Permanent Improvements	\$ 7,474,819	\$ 5,201,000	\$ 8,206,216	\$ 220,000	\$ -	\$ -
Case Services	\$ -	\$ -			\$ -	\$ -
Distributions to Subdivisions	\$ 4,998,092	\$ 215,000	\$ 4,875,869	\$ 197,448	\$ 4,305,300	\$ -
Fringe Benefits	\$ 5,053,740	\$ 3,945,817	\$ 5,262,321	\$ 4,163,963	\$ 5,215,026	\$ 4,052,276
Non-recurring	\$ -		\$ 3,280,073	\$ 3,280,073		
Total	\$ 64,821,696	\$ 36,716,510	\$ 69,851,422	\$ 35,597,378	\$ 61,450,458	\$ 34,892,904

Other Expenditures

Sources of Funds	FY 04-05 Actual Expenditures	FY 05-06 Actual Expenditures
Supplemental Bills	\$ 1,056,157	
Capital Reserve Funds	\$ -	\$ 3,780,517
Bonds	\$ 1,220,585	\$ 1,735,725

Major Program Areas

Program Number and Title	Major Program Area Purpose (Brief)	FY 04-05 Budget Expenditures		FY 05-06 Budget Expenditures		Key Cross References for Financial Results*
		State:	Total:	State:	Total:	
01010000 Executive Offices	The Executive Program includes the Director's Office, Human Resources and Internal Audits	Federal: 983,869.00 Other: 0.00 Total: 983,869.00	% of Total Budget: 1%	State: 1,042,697.00 Federal: 0.00 Other: 0.00 Total: 1,042,697.00	% of Total Budget: 1%	7.1.1 & 7.1.2 7.4, 7.4.2, 7.4.3
50250500 Regional Promotions	South Carolina Association of Tourism Regions. These are pass-through funds.	State: 1,375,000.00 Federal: 0.00 Other: 0.00 Total: 1,375,000.00	% of Total Budget: 2%	State: 1,375,000.00 Federal: 0.00 Other: 0.00 Total: 1,375,000.00	% of Total Budget: 2%	
50650000 State Park Service	Central Park Operations focus on providing standards, guidelines and assistance to field operations in the areas of budgeting, resource management, interpretation, training, strategies, and management activities.	State: 6,417,569.00 Federal: 29,105.00 Other: 14,758,944.00 Total: 21,205,618.00	% of Total Budget: 32%	State: 6,935,431.00 Federal: 23,797.00 Other: 15,805,321.00 Total: 22,764,549.00	% of Total Budget: 30%	7.1.13 7.3.1, 7.3.2, 7.3.3
50250100 Tourism Sales & Marketing	This service area is responsible for implementing agency policy and programs related to the development of South Carolina's domestic and international tourism marketing, sales and grant programs. Group tour operators and leaders can find details about attractions, accommodations and restaurants, plus contact information for South Carolina's tourism regions.	State: 2,441,776.00 Federal: 0.00 Other: 0.00 Total: 2,441,776.00	% of Total Budget: 4%	State: 2,779,136.00 Federal: 0.00 Other: 0.00 Total: 2,779,136.00	% of Total Budget: 4%	7.1.7 & 7.1.9
01050000 Administration	The Administration Area includes Finance, Technology Services and Performance Development	State: 4,052,861.00 Federal: 2,806.00 Other: 0.00 Total: 4,055,667.00	% of Total Budget: 6%	State: 3,200,972.00 Federal: 885.00 Other: 0.00 Total: 3,201,857.00	% of Total Budget: 4%	7.4
50450100 Community & Economic Development	This program area's purpose is to attract and facilitate new and expanding quality destination tourism developments in the state, as well as to develop grassroots initiatives that use natural, cultural, and historic resources to provide economic development through tourism. This program includes the South Carolina National Heritage Corridor.	State: 640,632.00 Federal: 676,215.00 Other: 32,968.00 Total: 1,349,815.00	% of Total Budget: 2%	State: 444,422.00 Federal: 897,185.00 Other: 90,227.00 Total: 1,431,834.00	% of Total Budget: 2%	7.1.10, 7.1.11, 7.1.12
50600100 Recreation, Planning & Engineering	The Recreation Program assesses statewide needs, issues, and public opinion on recreational topics. The program administers four federal and state funded grant programs that assist with acquisition and development of parks and recreation facilities.	State: 667,342.00 Federal: 3,043,519.00 Other: 1,510,359.00 Total: 5,221,220.00	% of Total Budget: 8%	State: 697,872.00 Federal: 2,621,549.00 Other: 1,682,204.00 Total: 5,001,625.00	% of Total Budget: 7%	7.3 7.5
95050000 Employer Contributions	This program houses all the fringe benefits associated with all program positions. These benefits include retirement, Social Security, Medicare taxes, and health and dental insurance.	State: 3,945,817.00 Federal: 103,393.00 Other: 1,004,529.00 Total: 5,053,739.00	% of Total Budget: 8%	State: 4,163,964.00 Federal: 135,600.00 Other: 962,757.00 Total: 5,262,321.00	% of Total Budget: 7%	
50600400 - Litter Control	Palmetto Pride's goal is to eradicate litter and beautify the state of SC through awareness, education, pickup and enforcement to improve the quality of life, increase tourism and increase economic growth	State: 0.00 Federal: 2,849,342.00 Other: 0.00 Total: 2,849,342.00	% of Total Budget: 4%	State: 3,070,275.00 Federal: 0.00 Other: 0.00 Total: 3,070,275.00	% of Total Budget: 4%	
50050900 Advertising	PRT develops and implements an annual, multi-faceted marketing plan that promotes the state's cultural, natural, and man-made tourism resources for the purpose of attracting visitors to the state. This includes the Tourism Marketing Partnership Program. The purpose of this program is creation and implementation of projects to stimulate and expand the travel and tourism industry within the state by helping local communities' to strengthen their economy through tourism partnerships.	State: 9,721,798.00 Federal: 2,876,453.00 Other: 0.00 Total: 12,598,251.00	% of Total Budget: 19%	State: 10,178,317.00 Federal: 921,300.00 Other: 0.00 Total: 11,099,617.00	% of Total Budget: 15%	7.1.3 & 7.1.4 7.2.6 7.3

Below: List any programs not included above and show the remainder of expenditures by source of funds.

Program areas not included in the chart are: 50251200 - Wildlife Exp, 50251300 - US Youth Games, 50251400 Spoleto, 50600200 Recreation Land Trust Fund, 50600300 & 506000500- Palmetto Trails, 5070000 - Communications, 50800000 Research & Policy and 98020000 - Competitive Grants. The Remainder of Expenditures for FY04-05 contains \$8,494,404 in expenditures for Capital Projects and the FY05-06 amounts contains \$13,502,458 in expenditures for Capital Projects. It is listed in this area to reflect true operating budgets for the other program areas.

Remainder of Expenditures:	State: 6,469,737.00	State: 4,779,569.00
	Federal: 712,718.00	Federal: 542,308.00
	Other: 2,781,686.00	Other: 13,016,876.00
	Total: 9,964,141.00	Total: 18,338,753.00
	% of Total Budget: 15%	% of Total Budget: 24%

* Key Cross-References are a link to the Category 7 - Business Results. These References provide a Chart number that is included in the 7th section of this document.

Section III – Elements of Malcolm Baldrige Award Criteria

Category 1 – Leadership

1.1.a. How do senior leaders set, deploy and ensure two-way communication for short and long term direction and organizational priorities?

Senior leaders communicate direction through a variety of methods, both formal and informal. Within the work of the agency, the Director and Chief of Staff identify cooperative and collaborative objectives with key managers and key stakeholders which support agency priorities. They also work together to develop individual and management team accountabilities that determine the best conditions and results for supporting changing priorities, resources and the mission. Ongoing communication outlines information that is pertinent to supporting flexibility and adaptability in achieving priorities and using resources. Senior leaders use the analysis and decision making process for setting agency goals and for the agency accountability report to set and communicate key organizational priorities for improvement. Recent state fiscal challenges led senior leaders to look for ways to make the agency more flexible and adaptive while working with shrinking resources. Senior leaders analyze and debrief improvement opportunities and targets in key business systems: park planning, operational planning, support services, and marketing planning. The senior leaders are continuing to work on moving the agency's business planning processes for every key business function toward including matrix projects.

1.1.b-f. How do senior leaders set, deploy and ensure two-way communication for performance expectations, organizational values, empowerment and innovation, learning, and ethical behavior?

Senior leaders use the annual planning processes (see section 2.4) across the agency, key meetings, and the accountability report process to set and communicate performance expectations. Senior leaders are involved in setting performance expectations through operational plans for key services, planning for specific critical support functions, and critical project meetings. In each of these areas, leaders meet with critical staff and document the performance expectations. At key milestones the leaders receive updates on performance to plans and expectations. The universal review date for the Employee Performance Management System (EPMS) is used to align the planning cycles and performance plans for key services, functions, and projects. A mandatory objective for teamwork was developed in 2004 to measure the use of the matrix organizational structure to focus collaborative efforts on projects that cross functional areas. Senior leaders have also included an EPMS objective for agency management focused on the creation and implementation of an agency dashboard of strategic performance measures. The dashboard of measures will guide measurement processes throughout the year and are reviewed in preparation of key decisions and for improvement opportunities in the accountability report process.

Values are deployed through agency plans, interactions between supervisors and employees, and the employee reward and recognition program *PRT Matters*. PRT particularly focuses on teamwork, stewardship, customer service, leadership, quality, and innovation in the past year. These values are critical to the ongoing effort to move the agency toward a more adaptable and flexible approach to collaborating across agency functions and programs.

Emphasis and training have been placed on budget management and practical business applications to result in a better product, more productivity, and an efficient utilization of appropriated funds and self-generated revenue.

PRT uses a system that supports cross-functional, matrix-based communication, project management, team skill development, and project evaluation. This matrix-based approach to creativity is also supported through PRT's reward and recognition program. The reward and recognition program, commissioned by the director, is an ongoing formal program that expands the "winners circle" for low-cost, meaningful rewards and recognizes the achievements of employees and teams in a way that supports the agency's values. The Director, Chief of Staff, and managers continue to explore various issues and concerns as the matrix structure matures to ensure that the implementation is consistent with agency priorities, plans and values.

Organizational learning takes place through key industry linkages. Significant information on the tourism industry is gathered through the Travel & Tourism Satellite Account (See Figures 7.1.1 and 7.1.2) and shared with agency employees and key industry partners. Parks industry information is gathered through regional and national parks meetings and shared at the annual Park Managers Conference. Key employee learning in the Park Service is also shared at the conference and during the Annual Park Planning process. Welcome Center staffs share organizational and employee learning at the annual Welcome Center conference and during quarterly supervisor meetings. Key organizational learning is shared through regular agency staff meetings, IP/TV, and regular management and staff meetings within program areas.

Ethical behavior receives attention through agency human resources policies, supervision of key processes and responsibilities, and during the agency's new employee orientation. For the past two years, the agency has worked hard to incorporate the value of accountability into all agency planning processes and to follow up with plans through performance measures and the Employee Performance Management System (EPMS). The agency has also initiated reviews by the internal auditors whenever business practices were called into question or when business practices needed review prior to implementation.

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

Senior leaders proactively promote a systematic focus on customers through several strategic activities of the agency. Customer-oriented goals, objectives, and performance measures are incorporated into the PRT Marketing Plan, the State Parks Vision for the 21st Century, and the Strategic Plan for the state's National Heritage Corridor (see section 2.4). In addition, key customer access points include processes for receiving and incorporating customer feedback, including the annual Governor's Conference, website redesign, and various focus groups and meetings with key stakeholders and partners on key projects. All grant programs managed by the agency operate under a "sunshine" process, are reviewed annually, and incorporate improvement input from those customers applying for grants.

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

Annually the State Parks and recreation programs of the agency conduct an assessment of state operated facilities. There is a cost / risk analysis done for aging facilities, including an ongoing effort to deal with asbestos risks. The agency focuses on impact assessments for construction sites. A comprehensive Crisis Communication Plan guides the agency's activities and safeguards the public during major environmental crisis such as a hurricane or earthquake.

Decisions on resource allocation are based on the best use of dollars for the public impact and associated risks.

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

Senior leaders work closely with and rely on the agency's budget director, legal counsel, and internal auditors to maintain fiscal, legal and regulatory accountability. These staff members are involved with project reviews, contract reviews, and other key processes such as applicant offers, grievances, and policy changes.

1.5. What key performance measures are regularly reviewed by your senior leaders?

Key performance measures are tied to the agency's organizational objectives and critical operational plans (see section 2.4). Last year these measures were crafted into an agency dashboard of measures and selected measures were reviewed by senior leaders for inclusion in the agency's accountability report. PRT's dashboard of measures has been integrated into a performance review process that will tell the story of the agency's performance and accountability for the identified project, program, area or agency as a whole. Ownership of the dashboard is identified by who produces the data. Measurement involves analyzing the data that may be integrated from different areas of the agency and is used by senior leaders as well as a variety of audiences.

1.6. How do senior leaders use organizational performance review findings and employee feedback to improve their own leadership effectiveness and the effectiveness of management throughout the organization? How do their personal actions reflect a commitment to the organizational values?

Senior leaders review the annual budget, the agency marketing plan, Park plans, and accomplishment of agency goals/objectives regularly in the course of agency planning and decision-making processes. Senior leaders make adjustments in short-term direction through the key operational plans and performance improvement initiatives of the agency. To address management feedback and employee satisfaction processes, the Director of Organization Development and Accountability coordinates an agency-wide employee engagement process. Analysis of the employee engagement data is used to design and implement performance improvement initiatives each year. (See Category 7.4) Senior leaders plan for, model, support and encourage employee behaviors that support the five agency values of the employee reward and recognition program: Teamwork, Innovation, Stewardship, Customer Service and Leadership. The Director has made stewardship of financial resources a priority in setting direction, identifying and implementing initiatives, and improving daily business operations of the agency.

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

Several years ago, senior leaders mapped out upcoming retirements and worked to develop career paths, succession planning, and leadership development processes to position highly talented employees and new hires to step into those positions vacated due to retirement. Many of the retirements have occurred in State Park Service. The leadership development program, Strengthening Our Abilities and Resources (SOAR) has helped prepare Park employees to receive promotions to these Park leadership positions. Welcome Centers have also developed a succession plan for leadership in their areas. Managers evaluated the critical knowledge, skills and abilities of Welcome Center leadership, captured institutional knowledge important for transitions and have worked to implement cross-training and delegate duties that will build skills and knowledge among staff of the Centers.

1.8. How do senior leaders create an environment for performance improvement, accomplishment of strategic objectives and innovation?

Senior leaders sponsored a project to establish regular performance reviews of agency services, programs, and projects. FY05-06 was the pilot year for a new 'dashboard' reporting system where the various functional areas of PRT maintain and present quarterly reports on data they collect that is useful for tracking and decision making needed to accomplish strategic objectives and look for opportunities for innovation. Further detail on strategic objectives is outlined in Category 2 – Strategic Planning.

The recent organizational changes were made by senior leaders with the sole purpose of supporting a different leadership model -- a model that pushes decision-making and responsibility down the chain-of-command to everyone working in the State Park Service. The Park culture is shifting from one of centralized control, where decisions come from the top down, to a culture that supports innovation, ideas and leadership from the bottom up. To that end, the State Park Director and Regional Chiefs created a "Leadership Map" for State Park Managers. This leadership map outlined five strategic priorities, goals, and initiatives for the time period from January 2006 to June 2006.

1.9. How does senior leadership and the agency actively support and strengthen the community?

Senior leaders focus their active support for strengthening the community in the areas of natural and cultural resources and in recreation and tourism activities. Leaders provide technical support and funding support to communities through the Heritage Corridor program grants (See Figure 7.1.10), the Tourism Marketing Partnership Program, and the recreation grants programs of the agency. PRT's research reports on our website provide vital tourism-related information to communities and organizations. (See Figure 7.2.7) Areas of emphasis arise from the agency planning process and from staff interaction at the local, county, and state level of each program area. The agency offers employees opportunities for planned giving to support the United Way and other charitable organizations; staff members at all levels support such community organizations as Family Shelter, Boy Scouts of America, Girl Scouts of America, Habitat for Humanity, Richland County Public Library, Families Helping Families, and other community entities by serving on boards and as volunteers. In field locations, Park and Visitor Services staff is active in local Chambers of Commerce. Staff from throughout PRT is involved in a range of professional organizations relevant to their agency responsibilities.

Category 2– Strategic Planning

2.1.a-g. What is your Strategic Planning process, including key participants and how does it address the organization's strengths, weaknesses, opportunities, and threats, as well as financial, regulatory, societal and other risks, shifts in technology or regulatory environment, human resource capabilities and needs, opportunities and barriers, business continuity in emergencies, and ability to execute the strategic plan?

PRT has revised its strategic priorities to better align its resources with its core mission and to adapt to the current economic realities. Each program continues to operate from its own comprehensive annual plan which is aligned with the agency priorities and mission. These plans, which are designed to be consistent with the agency's goals, include:

- Annual Comprehensive Marketing Plan;
- State Park Service – "The Vision for the 21st Century";
- South Carolina Outdoor Recreation Plan (SCORP);
- Visitor Services Operational Plan; and

- South Carolina Heritage Areas Program.

Our agency's vision and goals are shaped around our relationships with the people we serve: our industry partners, our visitors, our employees, and the citizens of South Carolina. PRT is an agency with a statewide mandate serving the needs of diverse constituencies.

The agency's performance accountability is designed to link agency strategies, budgeting, and performance measures to clearly demonstrate accountability. PRT continues to utilize the Annual Governor's Conference on Tourism and Travel as the means of cross-communications to inform strategic objectives. Additionally, internal customer input and feedback is sought through the annual Park Managers meeting and Visitor Services conference. PRT uses primary and secondary marketing research to focus marketing efforts and to measure consumer reactions. Marketing research is conducted annually to ensure that our advertising is reaching our targeted customers and fulfilling our marketing goals, and maximizing greater ROI potential through our marketing dollars.

The Park Service Annual Park Planning process and the Recreation, Planning, & Engineering annual plan process each assess societal and environmental risks as a regular course of business in delivering services. It is important to develop a comprehensive, aggressive program to help protect and preserve examples of the state's unique natural features. In order for the state to be a leader in protecting vital resources, it must stand ready to face increasing competition among developers who also understand the value of prime land. The same special attributes that draw visitors also attract businesses in the "second home" or resort industries.

PRT is engaged in the South Carolina Competitiveness Initiative, a partnership of business, government, academia and the economic development community, whose goal is to create an environment in South Carolina that will foster growth and enable businesses to pay workers at a nationally competitive level. The South Carolina Competitiveness Initiative report by Michael Porter suggested eight key areas of focus for achieving this goal, including development of key industry clusters. PRT's agency director chairs the Travel and Tourism Cluster Committee, whose aim is to expand tourism in South Carolina and leverage tourism assets with related and affected industries.

During FY05-06, the Travel and Tourism Cluster Committee and the SC Council on Competitiveness commissioned a Tourism Action Plan for South Carolina. In FY06-07, the Committee plans to distribute the Tourism Action Plan, form a private sector Tourism Confederation, and develop a detailed implementation plan.

Critical to PRT's ability to better gather and identify supplier/contractor/partner capabilities and needs is the agency's direct involvement and participation in key professional associations and boards. This leadership provides the agency with the ability to be more proactive and responsive during times of critical need and challenge.

2.2. What are your key strategic objectives? (Addressed in Strategic Planning Chart)

The Director previously identified and achieved two strategic goals to guide the efforts of the agency's program areas and operational plans. The two goals have been updated and continue to encompass several key initiatives and key performance measures and represent every program and service the agency provides:

1. Working with our industry partners, increase present growth rates in South Carolina's Gross Tourism Product (GTP) per visitor, resulting in growth of 17% by 06/30/2009. GTP per visitor measures how much value or wealth each out-of-state visitor contributes to our economy.
2. Reinvest \$5,000,000 into state park resources by 6/30/2009 in order to improve visitor experiences.

2.3. *What are your key action plans / initiatives? (Address in Strategic Planning Chart)*

Mission: Raise personal income of South Carolinians by creating a better environment for economic growth through delivering state government services more effectively, improving quality of life and promoting economic development through tourism.

Vision: Shaping and sharing a better South Carolina through: Stewardship, Service, Economic Development, and Marketing. (See section 2.2 for strategic goals.)

06-07 Strategic Planning Chart

Stewardship of Financial Resources			
Program # & Title	Strategic Goal	Key Agency Strategies / Initiatives	Performance Standard / Measurement
50650000 State Park Service	Goal 2	Effectively operate State Parks with standard business management practices	Generate Net Operating Income of \$2,000,000 towards the \$5 million goal
50650000 State Park Service	Goal 2	Implement Point-of-Sale	
01050000 Administration	Goal 2	Identify and support new revenue (fundraising) and partnership opportunities	Generate \$300,000 in private donations (cash and/or in-kind) to State Park Service
50250900 Advertising 50600100 Recreation, Planning & Engineering	Goal 1	Provide technical assistance to communities and coordinate a variety of grants that are available to organizations that will expand the state's tourism and recreational products	Effectiveness of technical assistance to communities will be measured through customer satisfaction surveys Economic impact of parks and recreation grants
Stewardship of Human Resources			
Program # & Title	Strategic Goal	Key Agency Strategies / Initiatives	Performance Standard / Measurement
01010000 Executive Offices 01050000 Administration	Goal 2	Develop project management skills and project teams that align with the matrix organizational structure	Track number of staff trained in the project management system process

01010000 Executive Offices 01050000 Administration	Goal 2	Use of project management system to maximize human resources	Track number of projects, number of staff involved in project and critical milestones achieved by project
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Stewardship of Cultural and Natural Resources

Program # & Title	Strategic Goal	Key Agency Strategies / Initiatives	Performance Standard / Measurement
50650000 State Park Service	Goal 2	Identify, conserve and perpetuate its populations of endangered, threatened and rare species through an integrated program of public education and management actions aimed at protecting individual species and enhancing critical habitats. Implement an ongoing program to reliably inventory and monitor its populations of wildlife.	Measure the effectiveness of preservation efforts, national register-listed structures owned or leased by the state park service

Economic Development

Program # & Title	Strategic Goal	Key Agency Strategies / Initiatives	Performance Standard / Measurement
50450100 Community & Economic Development	Goal 1	Proactively recruit tourism businesses	Increase capital investment in tourism infrastructure
50450100 Development – Heritage Tourism	Goal 1	Assist rural and under-developed communities with tourism products	Effectively utilize \$1 million in Rural Infrastructure Funds to develop rural tourism product and support the Heritage Corridor
50650000 State Park Service	Goal 1 & 2	Develop a reinvestment plan for the State Park Service	Track strategic investments in improving state parks and protecting additional properties of significance (and impact of those investments)

Marketing			
Program # & Title	Strategic Goal	Key Agency Strategies / Initiatives	Performance Standard / Measurement
50250100 Tourism Sales & Marketing	Goal 1	Implement integrated, multi-channel sales and marketing strategies to attract new and repeat consumers from targeted domestic and international markets to spend more and stay longer in SC.	Advertising awareness study, conversion study, web performance metrics, attainment of GTP goal
50250900 Advertising 50800000 Research & Policy Development	Goal 1 and 2	Market State Parks to increase awareness, visitation and top line revenue. Define parks which have "potential and capacity" and market accordingly	Increase occupancy rates at State Parks with potential and capacity. Cabin and Villas, and Camping (per camping-nights). Increase golf rounds (per play-days) Track visitor awareness and visitation and benchmark SC state park non-resident visitors with other states

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

Annual Comprehensive Marketing Plan – This plan, updated annually, directs the majority of the work accomplished through the Tourism Program. The integrated marketing plan is developed and implemented by staff from across the agency. It is published on the agency's website. The Marketing Plan directly supports the agency's legislative mandate to promote tourism.

State Park Service – “The Vision for the 21st Century” – The State Park Service has a strategic plan that is integrated into the day-to-day operations of the Park Service. The strategic plan sets the stage for the effective management of state parks. General Management Plans for every state park have been developed in conjunction with the objectives outlined in the strategic plan. An Annual Park Plan for each park is developed by Park Managers in conjunction with senior management. These plans include many components of a traditional business plan, including a detailed financial plan.

South Carolina Outdoor Recreation Plan (SCORP) – SCORP is South Carolina’s official comprehensive outdoor recreation plan. As such, this five-year plan serves as a guide to various federal, state and local governmental agencies and private sector organizations involved in recreation and natural resources planning and development. The purpose of the plan is to consider outdoor recreation issues relating to the citizens and visitors of South Carolina, examine the state’s recreational resources, analyze demand for recreational opportunities, develop an implementation program to address identified needs and issues, identify funding opportunities to support implementation efforts, and identify issues and trends of national importance.

The SCORP is used as a guide for distribution of state recreation grant funds such as the Recreation Land Trust Fund (RELT) (See Category 6.5) and the Parks and Recreation

Development Fund (PARD) (See Categories 6.5 and 7.3). SCORP meets the National Park Service requirements for a state plan and serves as the planning document for the disbursement of the state's share of the federal Land and Water Conservation Fund (LWCF) (See Categories 6.5 and 7.3). It is also used as a guide for the distribution of the Recreational Trails Program Fund.

Visitor Services Operational Plan – This plan, which is updated annually, provides the operational road map for the day-to-day operation of the state's nine Welcome Centers and one Discovery Center. The plan directly supports the agency's legislative mandate to promote tourism. It was developed by a team from the Welcome Center and Discovery Center staffs. The program's services to tourism industry partners are communicated through a program brochure and on the agency's website. (See Figures 7.1.8 and 7.1.9)

South Carolina Heritage Areas Program – The South Carolina Heritage Areas Program was created by Executive Order of the Governor in 1994, in recognition of the value of heritage tourism to the economic revitalization of rural communities. A comprehensive strategic plan for a possible National Heritage Area was prepared by nationally recognized experts in the field of heritage tourism. The quality of their work was recognized in 1996, when the US Congress created the South Carolina National Heritage Corridor. Since that time, PRT has worked in close cooperation with the Heritage Corridor Board, as they develop the strategies and work plans that have resulted in the Heritage Corridor's development. (See Category 6.4 and Figure 7.1.10)

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

Stakeholders and employees of PRT learn face-to-face about our programs and plans through workshops, meetings, public hearings and conferences. Every program area at PRT conducts each of the above-mentioned activities during the planning processes mentioned in 2.4, but in addition, the agency and each program within it communicates with its clients and partners through regular and special communiqués. Increasingly, the agency is utilizing the Internet and its own PRT Intranet system to quickly inform our team and partners of our plans and actions and to receive their feedback in return. The agency has created an e-mail partners list, and the directorate is issuing regular bulletins of information and an e-newsletter regarding the actions of PRT and state government that affect the state's tourism industry.

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

Dashboards of performance measures are also tied to performance-based budgeting processes and other budget request processes. Performance Measures dashboards increase continuity of programs and services during electoral transition. Measurement involves analyzing data that may be integrated from diverse areas of the agency, so the dashboard is used by a variety of audiences. Measures focus primarily on impact outcomes rather than volume outputs.

2.7. How do your strategic objectives address the strategic challenges?

The Tourism Action Plan commissioned by the SC Council on Competitiveness in 2005 includes recommendations on priority marketing tasks needed for competitiveness during the next five years in its final report (see section 2.1). With implementation of the Tourism Action Plan's recommendations with respect to increased marketing, product development, access, and human resource development, South Carolina can more than double present growth rates in domestic tourism and achieve major growth in its international markets.

The SC State Park Service set a three year goal of \$5 million additional revenue for re-investment to address operational and infrastructure challenges. During this review period the Park Service projects it will be able to reinvest \$2 million into the core mission of the State Park Service. This accomplishment has been made possible through innovative programs and a commitment to improve efficiencies in the operations of the State's forty-six parks.

2.8. *The agency's internet homepage address for the strategic plan (if available to the public).*
The agency's strategic plan is not available to the public.

Category 3 – Customer Focus

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

The agency answers this question in a variety of ways depending on the program or circumstances. The citizens of South Carolina benefit directly from the economic development activities of PRT and are served by the diverse programs that manage a large segment of the state's natural, cultural, and historic resources.

Marketing research defines customer segments that visit South Carolina from its domestic markets. Some are distinct in trip behavior, media usage, and demographics, requiring differing advertising messages to attract them.

PRT is targeting three key markets: female decision makers, golfers, and African-American women. Women, both Caucasian and African-American, influence more than 80% of leisure travel decisions. Meanwhile, golf is a major product offering in South Carolina and represents a lucrative market for the state. In all three target markets, PRT is working to protect its "bread and butter" business, while also reaching out to a more affluent consumer through the advertising messages and through the media schedule.

Through the following direct interactions, PRT gets to know customers and their needs.

With the launch of a redesigned web portal, the agency began to define characteristics of key customer segments, identify opportunities to acquire contact and profile information from site visitors, establish demographic variables, and establish requirements for acquiring and using data.

The network of nine state Welcome Centers and Discovery Centers provide free travel services, including reservation assistance, routing assistance, trip planning assistance, translation services and pro-active distribution of a broad range of South Carolina travel-related literature. (See Figures 7.1.8 and 7.1.9)

The TMPP grant program provides assistance to another customer group – in-state, non-profit tourism marketing entities working to attract visitors to the state's many destinations. The TMPP staff provides one-on-one guidance to grant applicants and grant recipients to help insure the most effective use of the state's matching grant funds.

The State Park Service serves a variety of customers throughout the year and these customers utilize an assortment of diverse programs and services. Methods utilized to determine the success of the programs and services include: feedback email on the State Park website, capturing of data on repeat visitors, visitor satisfaction, and evaluations of current programs.

The Park Service provides a wide range of visitor services from more traditional activities such as camping, cabins, hiking, fishing, and recreational programs and activities to innovative educational programs like Discover Carolina. PRT continues to take a proactive position in the marketing of SC State Parks – both to residents and to visitors.

The Central Reservation System (CRS) represents the largest technology initiative ever undertaken by the State Park Service. The CRS is up and running and is performing well beyond expectations by increasing park revenue, reducing the administrative burden on staff, and significantly stabilizing cash flow from park operations. Staff has begun reviewing, analyzing, and using customer data made available through the CRS. (See Category 7.2)

Within Tourism Community and Economic Development, the program staff works with developers and communities to provide background information on locations, technical assistance in the form of explaining the incentives and necessary guidance on the state policies, procedures, and laws that affect the project; and prospect assistance with site visits and making the necessary contacts and visits to move the project toward completion. In developing areas, staff offers technical assistance in the development of tourism products to include leading organizational groups in communities to inventory their tourism products and establish priorities for development; advises and guides the process of bringing the product to marketability; and connects the communities with marketing entities as well as assisting with local marketing opportunities.

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

Information is gained through research and marketing processes; environmental information is collected through the legislative process and agency leaders' membership with critical boards and associations. The agency uses information from inquiry conversion and ad awareness studies to improve its media plan from year to year.

The Recreation program uses surveys to keep up to date with customer requirements. Specifically, the program relies on the Recreation Participation and Preference Survey and the USC State survey. During FY 05-06, PRT examined the new Central Reservation System (CRS) to design and optimize the listening and learning methods available through the new automated system. (See Category 7.2)

3.3 How do you use information from customers/stakeholders to keep services or programs relevant and provide for continuous improvement?

Information from customers/stakeholders results in improving services and programs at the agency on a regular basis. PRT's Cooperative Advertising Programs are developed with input from South Carolina's tourism industry partners. Media programs are specifically designed to be extremely affordable and timed to maximize return on investment. (See Category 7.3) The TMPP grant program polls external customers to solicit suggestions on how to better meet customer and business needs, to ascertain guideline modifications, and to strengthen work processes. TMPP was recently reviewed by the agency. The review examined the purpose and scope of the program in order to better serve stakeholders and revisions will be implemented in FY 07-08.

The Recreation program uses the Recreation Participation and Preference Survey and the USC State survey to establish grant selection criteria for managing the grants processes. State Park

Service collects information through feedback email on the State Park website, capturing of data on repeat visitors, visitor satisfaction, and evaluations of current programs.

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

Customer/stakeholder satisfaction is measured in a variety of ways throughout the variety of services offered by PRT. As a result of the performance measures dashboard initiative, the agency will pilot a new customer satisfaction survey during FY 06/07 with one external customer service program and one internal customer service program.

Within the Parks system, customer data is collected through cabin reply cards, direct observation and interaction with Park visitors, and through questions contributed to a citizen survey conducted by the USC Institute of Public Affairs. (See Figure 7.2.1 and 7.2.2) For complaints received within the Park Service, staff makes efforts to answer all complaints in the manner in which they are received: letters, emails, or telephone calls. Concerns come from a variety of sources, and during FY 05-06, staff collected documentation of complaints from emails and letters in order to determine patterns and categories of complaints. During the upcoming fiscal year, staff will work with technology services to create a pilot system for tracking complaints. In the meantime, staff continues to work to address, and if possible, resolve the complaint to the customer's satisfaction in a timely manner.

Inquiry conversion studies are done to measure the effectiveness of advertising placement and customer satisfaction with the fulfillment process. (See Figure 7.2.6) South Carolina's tourism industry partners invest in PRT's cooperative advertising (See Category 7.3) programs, whereby they are able to measure the return on the media investment through qualified inquiry leads.

The State Comprehensive Outdoor Recreation Plan (SCORP) researches public interest in outdoor activities, analyzes demand for facilities, and reviews current issues, trends, and opportunities. Through coordination with other agencies and groups an implementation program is developed to address identified needs and concerns. SCORP is the key basis for the Open Project Selection Process used to award LWCF and RELT grants. (See Categories 6.5 and 7.3)

3.5 How do you build positive relationship with customers and stakeholders?

In order to build positive relationships with customers and stakeholders, PRT balances the diverse needs of different customer segments. In addition, key members of the senior leadership team attend numerous in-state industry meetings throughout the year, proactively providing updates on PRT's marketing activities and bringing back suggestions for continuous improvement.

PRT supports the promotional efforts of important in-state sporting events such as the Family Circle Cup tennis tournament, the Heritage Golf Tournament, and the Canadian PGA Tour. The TMPP marketing grant program builds a positive relationship on the shared goal of tourism promotion through cooperative marketing. This program allows customers/stakeholders to expand marketing reach, better leverage marketing dollars, extend South Carolina's brand image and realize economic benefits (accommodations tax, sustained jobs, admissions tax, etc.) for each area and the state of South Carolina.

The State Park Service continues to build on the positive relationships with "friends" groups while expanding this program into other parks. Results of these meetings continue to impact

program content and operational procedures. The involvement and input of citizens in the management and operation of public lands is essential as parks are managed not only for this generation, but also for future generations.

Category 4 – Measurement, Analysis, and Knowledge Management

4.1. 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?

Senior leaders review key goals of the many action plans (see section 2.4) of the agency to determine what measures they will monitor to determine the successful completion of the action plan goals. The agency has engaged staff and management in assessing their goals and distilling key “dashboard measures” based upon the broad goals of the agency and the objectives of each operational plan. During this past fiscal year, a draft of an agency-wide dashboard of performance measures was created. This agency dashboard is the center piece of an organizational performance review process that was piloted during FY 05-06. During FY 06-07 the Performance Measures Dashboard project will conduct quarterly reviews of performance across the agency. See sections 2.1, 2.4, and 2.6.

One of the critical measurement processes of the agency is the evaluation of the dollars spent on marketing. The Travel & Tourism Satellite Account (TTSA) also provides a mechanism for more completely measuring all aspects of economic activity attributable to travel and tourism. Since the TTSA data system has been made operational, it is used as the foundation for the agency’s strategic goals related to tourism. (See Figures 7.1.1 and 7.1.2) Within the management system for the parks, key measures were identified to track progress toward the strategies, objectives, and goals of the Parks system.

4.2. How do you use data/information analysis to provide effective support for decision-making throughout your organization?

To provide effective support for decision-making, the agency uses various research studies, the TTSA, the budget process, and the Park management system. With recreation services, research from the SCORP provides data needed for decision-making on recreation grant programs. The travel trade area monitors the generation of business leads as a measurement of the agency’s ability to impact specific markets. The TTSA provides an ongoing system of data from which to base tourism-related marketing and policy decisions.

The agency uses a variety of marketing research studies to inform, direct, and improve its marketing strategies including: strategy and perception studies, media usage studies, advertising and inquiry conversion studies, and fulfillment studies. (See Figure 7.2.6) PRT contracts with MarketSearch of Columbia, South Carolina for a full range of marketing research services related to branding and selling the state's tourism products. MarketSearch provides such services as household level surveys, focus groups, and other studies to gather information about consumer perception, familiarity, and interest relative to South Carolina and its competitive set as travel destinations. Their research also explores trip behavior, media usage and recall, and perception of advertising among consumers in markets of interest. This research influences the images, messages, and media choices used in PRT’s advertising strategy. Additionally, it evaluates the ability of PRT’s advertising to generate interest in travel to South Carolina and reinforce brand attributes. PRT negotiated numerous added-value benefits as part of its contract with Reserve America, the vendor that has provided the central reservation system (See Category 7.2) and support for the SC State Park Service. For example, South Carolina parks are regularly featured on the Reserve America website.

The accountability process generated awareness of the opportunities to use information and analysis to improve decision-making and efforts are underway to integrate this process into management systems. The agency recognizes that there is significant benefit to be gained by integrating and monitoring trends in the dashboard measures to guide decision-making. The Performance Measures Dashboard project provides the linkage into management systems for the agency.

4.3. What are your key measures, how do you review them, and how do you keep them current with business needs and direction?

Performance Measures Dashboards tell the story of performance and accountability for the identified project, program, area, or agency as a whole. Our approach to organizational accountability connects the purpose of each area, program or project to the desired results in performance. Dashboards are identified for each area, program or project. See section 2.6 for a discussion of reviewing performance measures. The overall agency dashboard includes the following performance measures:

Capital Investment / Capital Improvements

- Tourism Capital Investment (CED)
- Permanent Improvement Projects (RPE)
- PARD & LWCF grants (RPE)
- Capital projects (Parks)
- Heritage Corridor grants
- Improving historical structures (Parks & Heritage Corridor)

Customer Satisfaction / Engagement

- Welcome Centers
- Parks
- USC Omnibus survey
- Discover Carolina
- RPE
- Research
- Governors Conference
- Technology Services

Economic Benefits & Results

- Revenue generated – Parks, Coop advertising, Welcome Centers, TMPP
- Net income Parks
- Cost savings – Coop advertising, fundraising, operations
- Tourism Satellite Account Visitor Exports
- Advertising

Employee Relations

- Employee engagement survey results
- Use of project management training and system
- PRT Matters outcomes
- Number of employees meeting minimum training requirements
- Gender / race pay equity
- # of employees participating in flexible work hours, employee assistance programs
- Employee participation in career development
- Internal customer service ratings for Finance, HR, and Technology Service

Stewardship

- Parks indicators for resource management
- RELT, LWCF grants (RPE)
- Heritage Corridor indicators

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

The selection is currently limited by the lack of comparative data that correlate to the agency's key services. PRT services uniquely combine marketing/promotion, information services, economic development, technical assistance, Park's visitor services, and stewardship. This diverse combination makes it difficult to compare the whole of the agency's mission to other state or national agencies. Instead the agency continues in the ongoing process of identifying portions of these services that can be appropriately compared and/or benchmarked with similar services in other public sector organizations.

To date, PRT has found comparison data from the National Park Service system, other State Park systems, a few federal government performance initiatives, the TTSA system, and the strategic planning process. PRT is working to encourage other states to adopt the TTSA and accept the standards that PRT has set for its use. Staff members are presenting the system and standards to critical partner groups in other states. In the area of tourism, the agency reviews its position relative to other states in our competitive segment by looking at tourism spending by each state for the current fiscal year. As a result of the new central reservation system, the state parks sales and marketing team knows more than ever about the SC State Park customer. The reservation system captures information on the state park customer in a collective database. This winter a study was done on a random sample of these customers through a telephone survey. PRT now knows the demographics of their overnight customers, including their travel party characteristics, visitor profiles at top revenue generating parks and much more.

PRT developed a new consumer-focused website to serve as the nexus of PRT's marketing program. The goal is to drive South Carolina to the forefront among state tourism offices using technology to attract potential leisure travelers. Working with a leading tourism web development and internet marketing firm – Aristotle -- PRT developed a new consumer-focused website, DiscoverSouthCarolina.com. The site was previewed to the tourism industry at the 2006 Governor's Conference on Tourism and Travel and was officially launched in March 2006. The site's design and functionality were driven by consumer research and direct consumer feed back. Focused on customer wants and needs, additional enhancements are planned, including new pages targeting the retirement and relocation market, and golf. The site will move forward with an online retail component and will begin niche market development in the areas of cuisine, girlfriend getaways, and history/heritage. The site will engage the consumer and begin a relationship by providing free interactive maps, downloadable ring tones, MP3s of self-guided park tours, and a new national brand booking engine.

4.5. How do you ensure data integrity, timeliness, accuracy, security and availability for decision making?

To ensure data quality and reliability, PRT developed and deployed an Enterprise Database. Several years ago, this database combined six stand-alone databases into one central database, reducing duplicate data entry, and allowing for the sharing of information across program areas. The agency fine tuned policies and procedures over the last fiscal year for the collection, input and quality control of all data contained in the Enterprise Database. Training on the use of this database is provided to agency personnel on an ongoing basis.

Monthly, quarterly, and annual reports available on the agencies web portal site for download offer tourism-related tax collections, occupancy information, visitor expenditures, visitor profiles, visitation estimates, and the impact of tourism on jobs and the state economy. Likewise, the TTSA has enhanced the quality, reliability, completeness, and availability of data for the tourism industry and tourism economy. (See Figures 7.1.1 and 7.1.2)

The State Park Service uses a financial reporting system to compare budget to actual revenues and expenses. This system provides quarterly financial reports by park, district, and overall Park Service. The Park regional chiefs will have financial reviews with their park managers to explain any variances between actual and budgeted revenues/expenses. An operational team from the central office in Columbia meets quarterly with the regional chiefs to explain the source of any variances in their district. During this meeting, regional chiefs present a plan as to how they will recover from any budget variances. This system allows the State Park Service to make incremental adjustments during the year in order to achieve annual financial goals.

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

PRT analyzes data and information from the sources previously mentioned in Categories 2, 3, and earlier sections of 4. The agency builds on successes, corrects errors revealed through regular reviews, and uses qualitative and quantitative measures to identify improvement opportunities.

4.7. How do you collect, transfer, and maintain organizational and employee knowledge? How do you identify and share best practices?

Knowledge and best practices are shared through senior management meetings, all staff meetings, and opening key program meetings to staff from across the agency. The leader of each program and service area constantly looks for best practices to bring back to the agency and to share across the agency from function to function. In addition, knowledge sharing is a key part of the project management system and reward and recognition program that were implemented in FY 04-05 and continue to grow in participation. Agency support staff also plays a key role in identifying and sharing knowledge and best practices across the agency through the role they have with technology, human resources, performance development, and finance. During the early part of FY 06-07, the agency will launch a redesigned Intranet site based on Microsoft SharePoint technology. Microsoft Office SharePoint connects people, teams, and knowledge across business processes. It unifies disparate information and facilitates easy collaboration on documents, projects, and other efforts.

Category 5 – Human Resources

5.1. How do you organize and manage work: to enable employees to develop and utilize their full potential, aligned with the organization's objectives, strategies, and action plans; and to promote cooperation, initiative, empowerment, innovation and your desired organizational culture?

See section 2.6, 4.1, 4.3, and 4.7 for information on alignment.

The 2003-2004 agency employee satisfaction survey data identified reward and recognition as an initiative that employees felt had room for improvement that would positively impact employee satisfaction. After benchmarking public sector and private sector reward and recognition programs, agency employees developed a PRT program

based on the best practices available to the agency's employees. The goal of the program is to continue to implement a long lasting formal program that expands the winners circle and recognizes the talents and dedication of PRT's workforce in a way that supports the values of Teamwork, Customer Service, Stewardship, Innovation, and Leadership. This program has gone a long way in supporting cooperation, initiative, empowerment, innovation and the desired organizational culture.

5.2. How do you evaluate and improve your organization's human resources related processes?

PRT has developed a Performance Measures Dashboard that focuses on employee relations. This dashboard evaluates performance on employee engagement survey results, use of project management training and system, PRT Matters program outcomes, number of employees meeting minimum training requirements, employee participation in career development, and internal customer service ratings for human resources (HR) services. Senior leaders also regularly review needs of staff which recently resulted in the development of an e-leave system based on an idea submitted by agency field staff. An HR Advisory Council meets regularly to evaluate and improve human resource practices for the agency. (See Category 7.4)

5.3. How do you identify and address key developmental and training needs, including job skills training, performance excellence training, diversity training, management/leadership development, new employee orientation and safety training? How do you evaluate the effectiveness of this education and training? How do you encourage on the job use of the new knowledge and skills?

Training for new employees begins with an agency overview video, which explains the organizational structure and top lines programs and operations. New and veteran employees also have the opportunity for ongoing learning about agency programs through regular staff meetings at which different programs are highlighted.

A training needs survey identified a broad range of needs across the agency. A training plan exists that identifies a training curriculum for six various categories of employees. For example, managers and supervisors are required to participate in training to enhance supervisory skills, and professional and technical employees are required to have other identified training. To help insure its successful implementation, training requirements were incorporated as an objective into EPMS planning stages. In the area of leadership development, the agency works to develop future leaders by enrolling employees in such programs as Leadership South Carolina; the Associate Public Manager program; the Certified Public Manager (CPM) program; the Excel program; and the Executive Institute. Where continuing education is required for an employee to retain a professional license, PRT pays the tuition for continuing education.

In the Park Service special skills training and certifications are offered in a variety of ways. Some training and skill development is simply offered through in-house personnel most familiar with the information and skills. With other certifications select personnel must obtain a specific instructor certification for that specialty and then facilitate skill development of SPS personnel. And still other certifications and skill development are obtained exclusively through outside sources such as the SC Criminal Justice Academy, the National Association of Search and Rescue, The International Critical Incident Stress Foundation, Inc., US Fish and Wildlife Service, the American Red Cross, the National Safety Council, and many other resources. The Park Service most often uses a special

teams approach to address needs that require specialized training and skills, and more often than not a specific certification, or several certifications are associated with that function.

This past fiscal year marked the pilot year for a new agency leadership program: Strengthening Our Abilities & Resources (SOAR). SOAR provides developmental training to selected members of the agency who wish to strengthen their management skills in current and future positions.

5.4. How does your employee performance management system, including feedback to and from employees, support high performance and contribute to the achievement of your action plans?

The Employee Performance Management System (EPMS) is a tool that helps employees see their roles and responsibilities within the agency and work toward achieving agency goals. High performance is supported through the use of this tool. A universal review date allows employees and supervisors the opportunity to better plan for training opportunities, set goals and measurements for professional development, assist the agency leadership with better annual budget planning, and tie performance objectives to the agency's operational plan. In FY 03-04, a mandatory objective was added to all EPMS planning stages for a teamwork evaluation. This objective helps align project team efforts and allows employees participating on teams to give and receive feedback on the team's performance. For the planning stage of FY 06-07, a mandatory objective was added to upper-level manager EPMS to support the Performance Measures Dashboard review process. (See Category 2.6)

5.5. How do you motivate employees to develop and utilize their full potential?

Among the formal strategies are career path development tracks in the Welcome Centers and State Parks; annual State Park and Visitor Services conferences; agency wide staff meetings; program level meetings and project team meetings; an Employee Appreciation and Employee of the Year program; and Service Awards. Informal incentives include one-on-one recognition; recognition in group meetings; and recognition on the agency's intranet site. Ongoing opportunities for professional development training also provide motivation to employees. The agency offers computer training to all employees and professional certifications -- designed, in part, to motivate the workforce.

The SOAR program serves as a succession planning initiative deemed to enhance the management and leadership skills of a class of 16 of the agency's finest qualified applicants per year. The program consists of a series of team building, low challenge exercises, along with scheduled courses encompassing management topics such as Fundamentals of Management and Theories of Leadership.

5.6. What formal and/or informal assessment methods and measures do you use to determine employee well being, satisfaction, and motivation? How do you use other measures such as employee retention and grievances? How do you determine priorities for improvement?

Since FY 02-03, PRT has administered an annual agency wide Employee Satisfaction Survey program. This survey is distributed to all full time employees and results provide feedback on agency performance and provide direction for initiatives taken to improve employee satisfaction across the agency. To assist every employee with the day-to-day realities of his or her job, the agency continues to evaluate several key employee

engagement factors through the use of an annual employee engagement survey. These factors – derived from decades of research conducted by the Gallup Organization – are used to determine whether people are engaged, not engaged, or actively disengaged at work. (See Category 7.4) The Performance Measures Dashboard that focuses on employee relations evaluates performance on a variety of measures related to employee well being and motivation. Data and information related specifically to retention and grievances are analyzed to determine if an underlying pattern or systemic problem needs addressing and, if so, improvements are planned and implemented.

5.7. How do you maintain a safe, secure, and healthy work environment?

Our agency manages programs of safety and compliance for the workplace for employees as well as for millions of visitors to State Parks. At every field location as well as the central office, a safety officer is responsible for maintaining a safe workplace. Material Safety Data Sheets are kept up-to-date and are readily available. Safety programs include, but are not limited to: CPR, defensive driving, hazard communication, Personal Protective Equipment (PPE), Preventive Disease Transmission, Standard First Aid, Confined Space, and Safe scaffolding construction. Selected employees that may encounter blood-borne pathogens have received hepatitis vaccinations to reduce exposure and prevent infection. Safety is communicated on a routine basis through safety meetings and at major work sites through weekly meetings. (See Category 7.4)

In the event of a hurricane or disaster, the agency has a crisis communication plan in place to:

- Provide for the communication of immediate and accurate assessments of conditions to clients and customers;
- Provide a communications link between the state and its tourism-industry partners; and
- Assist a rapid return to business activity in affected areas through positive communications.

Category 6 – Process Management

6.1. What are your key processes that produce, create, or add value for your customers and your organization? How do you ensure that these processes are used?

See Category 6.2 for a complete description of the integration between key design and delivery processes / services and meeting key performance requirements including use of technology, customer requirements, and mission-related requirements. Reinforcing use of key processes comes through the quarterly review of Performance Measures Dashboards, the annual Park Managers Conference, the annual Visitor Services Conference, and the review of initiatives and measures that support the strategic goals of the agency Director.

6.2. How do you incorporate organizational knowledge, new technology, changing customer and mission-related requirements, cost controls, and other efficiency and effectiveness factors into process design and delivery?

PRT has four major program areas: Tourism Marketing, Tourism-based Community & Economic Development, State Parks, and Recreation. Various operational plans are in place (see section 2.4):

- | | |
|--------------------------|------------------------------|
| Diversity Plan | Nature Based Tourism Plan |
| Marketing Plan | Orientation & Training Plans |
| Technology Services Plan | Emergency Preparedness Plan |

Comprehensive Interpretive Plan
Parks Vision for the 21st Century
National Heritage Corridor Program
of Work

Finance/Budget & Fiscal
Management Plan
Recreation, Planning & Engineering
Operations Plan

PRT develops and implements an annual multi-faceted marketing plan that promotes the state's cultural, natural, and man-made tourism resources for the purpose of attracting visitors to the state. The objectives of this program are achieved through integrated, targeted marketing and sales initiatives, return on investment paid space advertising strategies, and visitor services. Graphic design services save the agency's operating costs by using in-house graphics expertise and technology on projects that would have otherwise been sub-contracted out.

The Tourism Community and Economic Development program focuses on attracting and facilitating new and expanding quality destination tourism developments. The program also works to develop a grassroots initiative that uses natural, cultural, and historic resources to provide economic development through tourism. Based on the unique needs of a company, services provided by PRT include the analysis of project criteria, site location assistance, customized project-related research, demographic and visitor information, tax information and business tax incentives.

The South Carolina National Heritage Corridor consists of fourteen counties that are marketed through a system of visitor's centers, interpretive signage, travel guides and maps, sending tourists out to the various rural tourism destinations in the Heritage Corridor Discovery System. This program recognizes the value of heritage tourism to the economic revitalization of rural communities. The Corridor is the first product in a statewide strategy to promote heritage tourism. In the fourteen county Corridor, 50/50 cash match grants are designed for locations to use funds to develop and market tourism product. (See Figure 7.1.10)

PRT encourages gathering and using ideas amongst the South Carolina tourism industry. This opportunity is made available through the S.C. Governor's Conference on Tourism and Travel. On a consistent yearly basis, industry leaders can assemble to network, discuss common issues, and learn new key processes, which in turn may facilitate a stronger and more productive tourism industry for the state of South Carolina.

Through the complete redesign of the agency website (now three separate but integrated sites: Tourism, State Parks, and PRT's agency site) an opportunity has been created to expand upon the agency's matrix organizational structure, further opening the lines of communication, broadening knowledge, and expanding cooperation across the agency. Through the implementation of a Web Council to oversee the three sites, the agency can maintain a consistent voice and style for the websites and services promoted on the websites. The Web Council also coordinates on-going development of the sites, managing data collection procedures, providing internal and external training, supporting interactive marketing strategies, and aligning web strategies with the direction provided from agency leadership.

The agency's Enterprise Database combines a number of stand-alone applications related to Welcome Centers, grants, tourism industry businesses and products, inquiries generated by advertising, the inquiry fulfillment process, and State Park programs. (See

Figures 7.1.3 and 7.2.6) This allows common information to be shared across programs, eliminates duplicate data entry and provides for more in-depth research and tracking of these programs.

By implementing the CRS, the State Park Service has eliminated manual record-keeping whereby each park was responsible for its own reservations with no automation or centralized system. The system offers vastly improved customer service, powerful management information for park personnel, and a much fairer system for the allocation of high demand park resources. Improved customer service also increases revenue for state parks through easy booking, more consumer information, the ability to cross-sell consumers, and improved yield management.

In addition, the State Park Service runs its thirty retail operations in the same manner it did 25 years ago. In FY 04-05, the agency awarded an RFP to implement a Point of Sale (POS) system to address this issue. Since the implementation of the CRS, the proposed POS system is under a pilot program implementation to plan for the optimal design and implementation of POS in the State Park system.

Archaeological resources are recognized by State Parks as a valuable asset to the people of South Carolina. As stewards of natural and cultural resources, PRT strives to insure that archaeological resources are preserved and protected, as well as interpreted. The purpose of the compliance measurement is to assess the degree to which Resource Management Archaeology is consulted on undertakings that will or may result in ground disturbance.

To help insure excellent customer service, all eligible South Carolina Welcome Center staff is required to be certified through a national travel counselor certification program. Staff is required to participate in extensive training programs and pass a product-knowledge test to attain certification. All Welcome Center supervisors and eligible staff are regularly re-certified.

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

PRT's marketing plan is a key blueprint from which the agency works. PRT uses research, surveys and other marketing tools to determine what mediums (such as newspapers, magazines, radio, television, billboard) to employ and where to place our advertising dollars to maximize return on investment.

PRT maintains a close relationship and an open exchange of information with its research vendors. The vendor that performs inquiry conversion and ad awareness studies has the freedom to contact PRT's advertising agency, marketing office staff or research staff at anytime to get information or materials necessary to the completion of these projects. The research coordinator at PRT makes sure the vendor knows what our specific marketing objectives and goals are, what specific information PRT needs to know in these reports, and changes in informational needs that may occur from year to year. This person serves as a funnel to the vendor for suggestions by members of the marketing office, the research staff, the advertising agency, and others on ways that these reports may be improved.

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

The Domestic Consumer Advertising programs seek to attract new visitors as well as repeat visitors, encouraging extended stays and increased expenditures. Marketing efforts continue to target women who make or influence the leisure travel decisions in the household, with messaging focused on affluent activities. Marketing efforts are also directed at African American travelers with a focus on historical and cultural experiences. Golf is a critical niche market in the state; therefore, a continued effort to position South Carolina as a premium golf destination was recognized.

General Consumer Advertising Program: advertising-related products and services developed with media partners and industry members produced \$2,366,530 in added-value. This significant amount of marketing exposure was gained through destination event programs, new electronic guides and interest-targeted email deployments, various sweepstakes, dedicated sections featuring South Carolina, co-branded interactive efforts with ESPN and Golf Digest, bonus ad units, in-state photo shoot for the North American Hunter catalogues and TV show shoot for North American Fisherman, cross promotions with radio partners and a bonus schedule on the Atlanta CBS affiliate.

Sales and marketing strategies and tactics implemented in targeted international markets (Canada, UK, Ireland, Germany and other German-speaking countries) always incorporate the South Carolina brand. Sales and marketing strategies and tactics implemented in the domestic group tour market also consistently incorporate the state's brand.

General leisure advertising cross platform programs were negotiated with media partners to create customized events to attract additional visitors throughout the state. Destination marketing organizations (Charleston, Hilton Head Island and Georgetown) are partnering with PRT to give consumers more reasons to visit, stay longer and to help increase consumer spending.

In addition to merchandising programs to extend reach, a savings of \$2,395,537 was negotiated off of open rates with media partners through leveraging spending and consolidating efforts with key media partners. Industry participation in these dynamic programs has exceeded projections.

PRT has made numerous improvements to the quality and scope of the research it conducts in FY05-06. PRT's annual survey to test consumer awareness of and reaction to its advertising campaign was expanded this year from eastern states to include the entire United States. Additionally, PRT tested awareness of its golf campaign for the first time. PRT also conducted the first survey of consumers that had made reservations through its State Parks Central Reservation (CRS) System in 2005. CRS Consumers were asked about their travel behavior regarding state parks as well as their satisfaction with their experience. PRT became a partner with other states in a program to purchase syndicated data about trip behavior of domestic travelers. State clients cooperatively make decisions about the type of data collected and how the survey is administered.

The State Park Service has increased the progress of projects during the past year through increased communication and the implementation of practices that encourage

efficiencies and reasonable deadlines for completion of projects. The State Park Service continues to work with private and public organizations on the protection and utilization of such natural and cultural resources as the Battle of Camden Revolutionary War site, and the Blue Ridge Escarpment. PRT is seeking new state park resources for the next 50 years through negotiations with Duke Power and SCE&G in the Hydroelectric Re-licensing Process. Opportunities include new historic, natural, and recreational resources at Great Falls and recreational resources at Lake Wateree, and Rocky Creek area of Lake Murray through cooperative efforts with the many stakeholders in the re-licensing process.

The State Park Service is entering the second year of a contract through Reserve America that provides the state parks with a central reservation system. Along with this reservation system are numerous opportunities to promote and market S.C. State Parks. The state park sales manager coordinates and manages these value-added opportunities that are available at little or no cost to the agency. Marketing opportunities which are national in scope include promotion of state parks through: e-newsletters, Top 100 Campground Awards, editorial in Camping Life magazine, and banner ads and editorial on the Reserve America website.

A sales and marketing manager position for state parks has been created. This position has worked to boost state parks as an economic development asset and to provide the state parks with additional revenue. Many projects have come to fruition this year to promote parks to existing customers and potential new customers. Work has been completed on the initial start of the Point of Sale (POS) System that PRT and Reserve America have developed. Parks will be using POS in 2006. Currently there are four parks in test mode. The value and benefits of the system will continue to develop, as the system will make improvements in inventory management, purchasing strategies and various benefits to the customer. The system will allow parks to track merchandise, and monitor sales and expenses while streamlining many of the reports currently used.

PRT has developed a relationship with the Outdoor Advertising Association of South Carolina. This partnership has brought statewide advertising opportunities to the park service at no cost through a donated billboard campaign. This campaign provided the state parks with 40 billboards that rotate on a space-available basis throughout the state. The Outdoor Advertising Association donated the production of the billboards at \$45,000 and also has donated the space which would amount to approximately \$45,000 per month. These billboards surfaced across the state in November 2005 and continue to appear statewide. The partnership has brought the park service to the forefront for travelers and residents alike along the highways and interstates of South Carolina.

PRT created a proactive public relations effort that extended advertising messages by generated free publicity in targeted markets. It also reached secondary markets by providing professional response to information and photography inquiries and leveraged major events in the industry, such as the groundbreaking ceremony for Hard Rock Theme Park.

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

Technology Services has provided cost-savings by providing select services at no cost to: Governor's Office, South Carolina Administrative Law Court (SCALC, Children's Trust Fund, and Department of Commerce.

PRT developed a new consumer-focused website to serve as the nexus of PRT's marketing program and to drive South Carolina to the forefront among state tourism offices using technology to attract potential leisure travelers.

The strategic objective of the TMPP program is to strengthen and expand South Carolina's tourism industry by partnering with local industry leaders. Providing matching grants to non-profit, tourism-related organizations for their marketing efforts carries this out. Grants are payable only as a reimbursement for approved marketing activities. The purpose of these activities, when combined with the international, national and regional marketing efforts of PRT, is to leverage dollars, extend South Carolina's brand image and encourage cooperative marketing.

The PARD program is a state-funded reimbursement grant program. It is a non-competitive program available to eligible governmental entities within each county area for development of new indoor or outdoor public recreation facilities or enhancements/renovations to existing facilities. Each project must have the endorsement of a majority of the legislative delegation members of that county. (See Category 7.3) The RELT program is a state-funded reimbursement grant program. The funds can only be used for the acquisition of land for the purpose of public recreation. All applicants are graded utilizing established criteria reviewed by a grading team. The LWCF program is a federal grant program under the direction of the National Park Service, US Department of Interior. These funds can be used for either land acquisition or facility development for the purpose of public outdoor recreation. All applications are graded utilizing established criteria reviewed by a grading team. (See Category 7.3)

The Recreational Trails Grant Program (RTP) is a state-administered, federal-aid grant reimbursement program under the direction of the Federal Highway Administration. Qualified non-profit organizations, municipal, county, state or federal government agencies are eligible. All applications are graded utilizing established criteria reviewed by a grading team.

Heritage Corridor Development Grants provide federal grants for planning, product development, and marketing. Local boards, plus a technical review team of other funds in the state, review grants, and the Heritage Corridor Board of Directors has final approval. Processes are improved with feedback from grant recipients and applicants, as well as those involved with the various stages of review. Specifically, the Heritage Corridor board codifies policy changes for the grants program at its regular meetings. (See Figure 7.1.10)

The Park Service expects to achieve the reinvestment strategic goal in the upcoming fiscal year by utilizing practices and initiatives that focus on business components. This accomplishment is made possible through innovative programs and a commitment to improving efficiencies in park operations. This past year the Park Service implemented

a new program targeting five parks into an “enterprise zone.” Those five parks are Hickory Knob State Resort Area, Santee State Park, Cheraw State Recreation Area, Myrtle Beach State Park and Table Rock State Park. This innovative concept allows the Park Service to focus on the five parks and incorporate system wide any lessons learned. Marketing, business analysis, and a change in business rules allowing more flexibility for park managers to make decisions has proved to have a positive impact.

A new emphasis has been placed on implementing new festivals and recreational programs. The marketing of State Park experiences and overnight accommodations has been a significant push for the agency. In the past, many cabins and campsites have remained vacant due to a public misconception that the cabins were always rented. This re-emphasis is expected to have a positive effect in the coming year.

In addition, retail sales have re-emphasized the need to target site specific merchandise for resale. The Park Service has eliminated the warehousing of retail items and drastically reduced the level of retail stock and concentrated on the quick turn around of fast moving retail items. Retail items that had a long shelf life and items that were “dead” stock have been reduced and eliminated. In addition, a refocus on retail to include promotion of site-specific merchandise with a high profit margin has been introduced.

The Director of PRT is one of ten members serving on the South Carolina Coordinating Council for Economic Development and on its Executive Committee. He is an alternate on Council’s Enterprise Committee. The Coordinating Council administers grants including the Highway Set-Aside Fund, Tourism Infrastructure Admissions Tax funds, and the Enterprise Program for qualified new and expanding economic development projects in South Carolina.

Category 7- Results

7.1. *What are your performance levels and trends for the key measures of mission accomplishment and organizational effectiveness?*

Tourism's Economic Impact

Total Travel & Tourism Demand contributed \$10.9 billion to Gross State Product, 9% of the state's \$121 billion total in 2003. (Gross State Product, also referred to as Value-Added, is the main descriptor of economic production in the economy and includes wages/salaries, transaction taxes, profits, depreciation and subsidies.)

Total Travel & Tourism Demand supported 216,000 jobs, 10% of all jobs in the state in 2003. The following graph shows how these jobs were disbursed by industry sector.

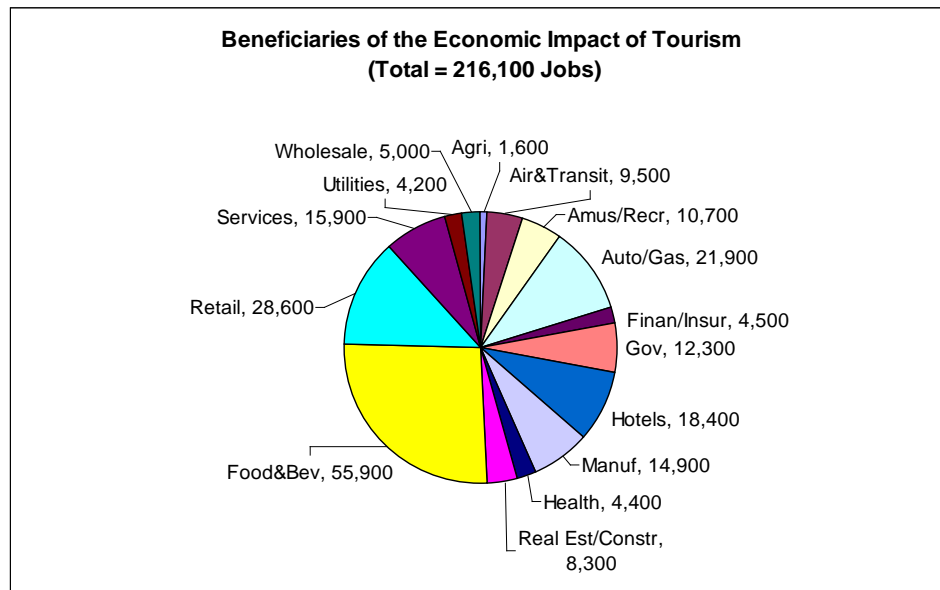


Figure 7.1.1

Gross Tourism Product per visitor measures how much value or wealth each out-of-state visitor contributes to our economy. In 2003, GTP/visitor was \$270, far below the national average. Between 2003 and 2005, PRT working together with its industry partners helped raise South Carolina's GTP/Visitor to \$305, 13% higher than in 2003. (See Figure 7.1.2) The resulting fiscal impact on state and local tax revenues was an additional \$85 million.

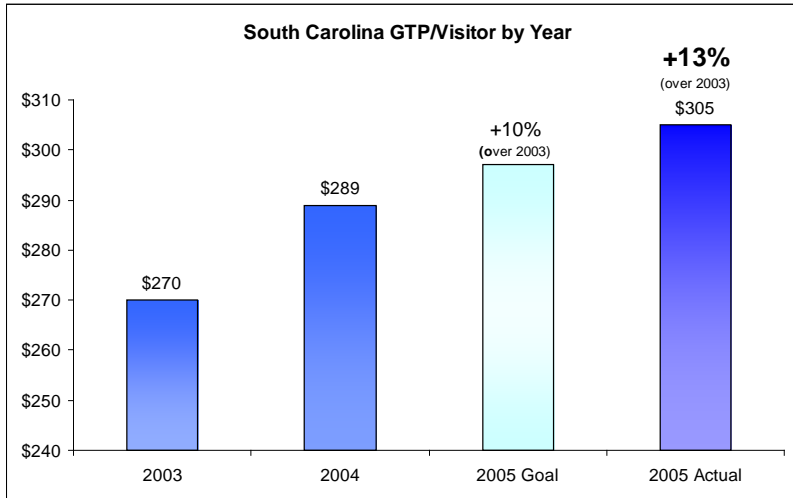


Figure 7.1.2

Marketing

From FY0203 to FY0405, PRT’s annual marketing budget increased 42%, mostly from a reallocation of budget expenditures. This approach has demonstrated PRT’s effectiveness in managing increased marketing dollars. Adding additional state appropriated dollars will continue to increase the effectiveness of PRT in achieving the desired tourism marketing results.

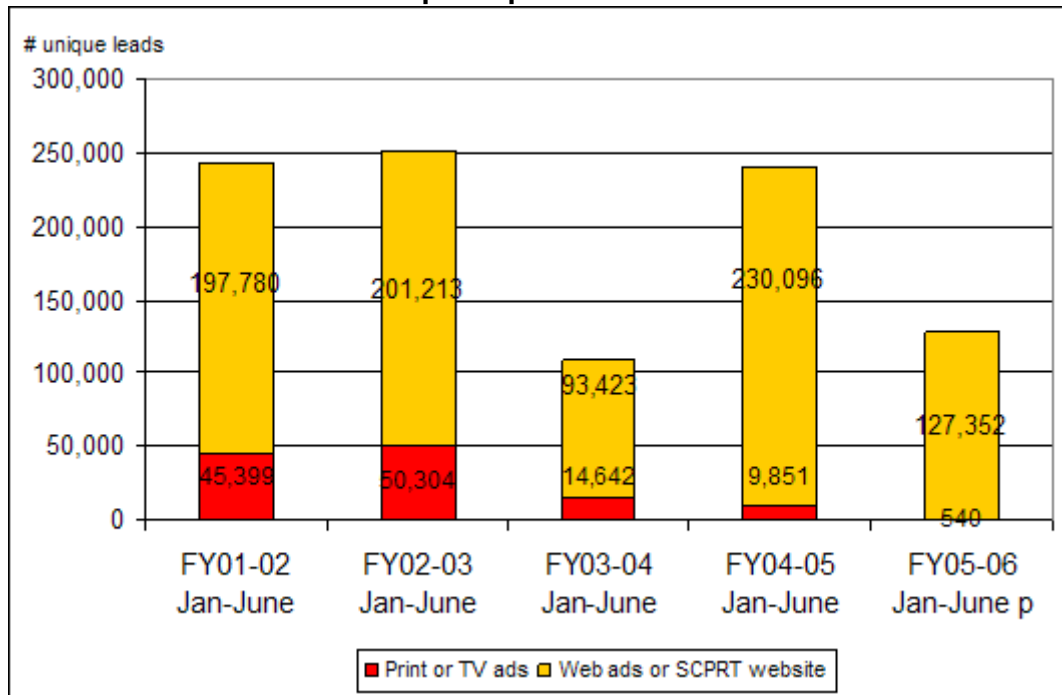
PRT’s 2005 General Domestic Leisure and Golf Marketing Campaign successfully continued efforts to extend South Carolina’s brand to core and developing markets. Twenty-two percent of targeted respondents nationally and 24% of those east of the Mississippi indicate they have seen one or more of the specific PRT ads evaluated in the study. One third of targeted travelers in each key market state of North Carolina and Georgia recall seeing at least one of the ads. Among traveling golfers nationally, 32% recalled seeing one or more of the ads in PRT’s golf print campaign. Twenty-one percent of targeted households nationally and 13% of those east of the Mississippi that traveled to South Carolina for a leisure vacation in 2005 reported seeing at least one of the ads. Additionally, those reporting increased awareness of the PRT print ads. They are significantly more familiar with South Carolina as a vacation destination and have more positive impressions of South Carolina as a vacation destination. Visitors are more likely to have actually visited South Carolina and visit repeatedly. Those who visited the state in 2005 and were aware of PRT ads stayed longer and spent more while here.

The S.C. State Park Service is entering the second year of a contract through Reserve America that provides the state parks with a central reservation system. Along with this reservation system are numerous opportunities to promote and market S.C. State Parks. The state park sales manager coordinates and manages these value-added opportunities that are available at little or no cost to the agency. Marketing opportunities which are national in scope include promotion of state parks through: e-newsletters, Top 100 Campground Awards, editorial in Camping Life magazine, and banner ads and editorial on the Reserve America website.

PRT developed a relationship with the Outdoor Advertising Association of South Carolina. This partnership has brought statewide advertising opportunities to the park service at no cost through a donated billboard campaign. This campaign provided the state parks with 40 billboards that rotate on a space-available basis throughout the state. The Outdoor Advertising Association donated the production of the billboards at \$45,000 and also has donated the space which would amount to approximately \$45,000 per month. These billboards surfaced across the state in November 2005 and continue to appear statewide. The partnership has brought the park service to the forefront for travelers and residents alike along the highways and interstates of South Carolina.

The source of PRT's inquiries is directly related to the strategy or strategies that PRT implements during any given year. The '05 source of inquiry report reflects PRT's investment in two strategies that drive significant inquiries -- a pay per inquiry television advertising program and guaranteed leads on-line programs. The chart also reflects the growing importance of the PRT's website. PRT promotes the DiscoverSouthCarolina URL on all advertising materials, helping drive consumers to the site. Additionally, PRT invests in search engine optimization so that the DiscoverSouthCarolina website shows up in the top positions when a consumer does a search for specific key words.

Number of Unique Inquiries Generated for PRT



Note: 2006 Lead Counts are preliminary and subject to revision.

Figure 7.1.3

Aided Awareness of PRT's 2005 Advertising Campaign

PRT's marketing research program includes an annual evaluation of how aware our targeted audience is of South Carolina's advertising. In order for an ad to drive someone to visit, they must see or hear it. Therefore consumer recall an ad campaign is one of the most important measures of the campaign's influence. Consumer recall of PRT's 2005 campaign was strong.

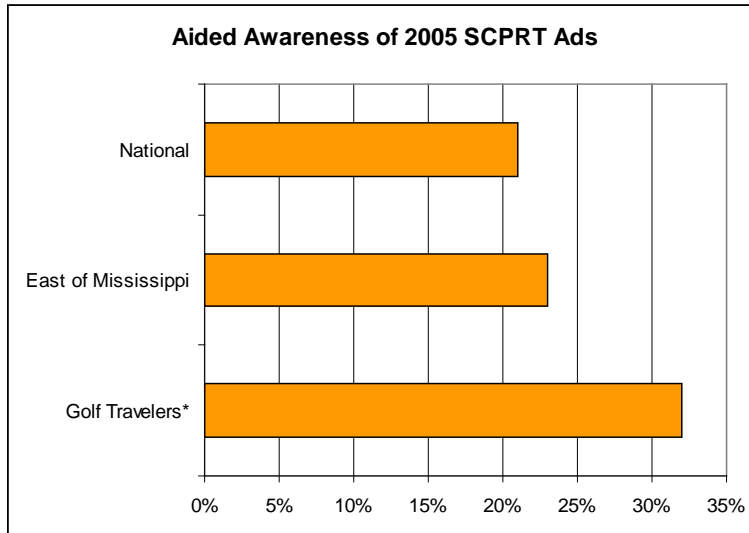


Figure 7.1.4

* Excludes aided awareness of "It's Time" campaign among golf travelers.

- Nationally, 21 percent of consumers recalled seeing one or more of the ads in PRT's 2005 campaign, including print and TV.
- 23 percent of consumers East of the Mississippi recalled seeing one or more of the It's Time campaign ads.
- Meanwhile, among traveling golfers, 32 percent recalled seeing one or of the ads in PRT's Golf print campaign.

(Source: 2005 Advertising Awareness Study, MarketSearch)

Visitation to PRT's website has grown each year due to consumers' increasing use of the internet for travel planning. At the beginning of 2005, PRT made it possible for consumers to book reservations at state parks on its website. Additionally in 2004 PRT implemented Search Engine Optimization (SEO) practices to make the website for more visible to consumers. PRT developed a new consumer-focused website to serve as the nexus of PRT's marketing program. The goal is to drive South Carolina to the forefront among state tourism offices using technology to attract potential leisure travelers by leveraging DiscoverSouthCarolina.com to promote South Carolina as a preferred travel destination and to help generate state and local tourism tax revenue. The other consumer site SouthCarolinaParks.com will be leveraged to promote State Parks as preferred outdoor options to consumers and generate park revenue.

Website Visits, Views & Unique Visitors <i>April, May, June 2006</i>		
	Discover South Carolina	South Carolina Parks
Total Visits	912,687	396,718
Total Page Views	8,476,132	3,979,448
Total Unique Visitors	542,555	214,023
Average Length of Visit	5 minutes, 28 seconds	6 minutes, 12 seconds

Figure 7.1.5

Welcome Centers

South Carolina is one of only several states participating in TIA's (Travel Industry Association of America) national certification program. The certification program entails three years of experience in a SC Welcome Center, participation in ten familiarization-training trips, and scoring 85% or better on the national certification exam. Once certified, travel counselors must continue to update their product knowledge and take the test every four to five years. All eligible travel counselors and managers are nationally certified.

The South Carolina Welcome Center Program accomplishes its training through a partnership with tourism industry businesses and organizations. The following table shows PRT's dollar investment in the product familiarization portion of its training program and the in-kind contribution provided by tourism industry partners.

FY Comparison of In-Kind Contributions to Training Expenses			
Comparisons	FY 03-04	FY 04-05	FY 05-06
Total Value of training	\$21,768	\$25,062	\$29,484
PRT's actual cost	\$2,369	\$3,703	\$5,183
Tourism Industry in-kind contribution	\$9 for every \$1 from PRT	\$7 for every \$1 from PRT	\$6 for every \$1 from PRT

Figure 7.1.6

FY 05-06 In-Kind Contribution to Familiarization Expenses Paid			
Familiarization Tour	In-Kind Contribution	PRT Paid	Total Spent
Low country	\$6,466	\$495	\$6,961
2005 OED W.C. Conference	\$6,677	\$1,290	\$7,966
Old 96	\$1,810	\$746	\$2,556
Thoroughbred	\$2,000	\$636	\$2,636
Capital City/Lake Murray	\$5,204	\$769	\$5,973
Low country W.C. Managers' Meeting	\$2,145	\$1,247	\$3,392
Total	\$24,302	\$5,183	\$29,484

Expenses include Mileage, Meals, and Entrance Tickets from Ethics forms

Figure 7.1.7

Travel counselors in the state's nine Welcome Centers provide travel information; distribute tourism literature; and make accommodation and other reservations for visitors. During the past fiscal year, more than 1.6 million visitors were served by the South Carolina Welcome Centers, and staff made accommodation reservations valued at over \$3 million and attraction reservations of nearly \$74,000. Additionally, on a calendar-year basis, the centers distributed nearly 7 million brochures promoting South Carolina accommodations and attractions.

Welcome Centers conduct a comparison of year-end, program wide results on a number of key indicators: traffic count through the centers using our door counters; number of accommodation reservations made, the economic value of the reservations, the number of attraction reservations made, the total amount of literature distributed. The * on the literature indicates the distribution is for the calendar year. All other figures in the table are for the fiscal year.

Welcome Center Program Results July 1, 2005 – June 30, 2006					
Welcome Center	Door Count	Accommodation Room Nights	Economic Impact	Attraction Reservations	*2005 Calendar Literature
Blacksburg	310,069	1,875	\$152,344	86	456,243
Dillon	457,160	6,887	\$559,569	64	873,099
Fair Play	158,894	889	\$73,044	101	463,941
Fort Mill	433,477	4,067	\$330,444	196	589,028
Hardeeville	511,451	12,049	\$978,981	368	1,399,019
Landrum	173,661	2,678	\$217,588	109	721,022
Little River	132,313	3,113	\$252,931	800	772,531
North Augusta	123,674	2,513	\$204,181	132	656,937
Santee	153,612	1,919	\$155,919	394	487,160
<i>Total FY 04-05</i>	2,536,958	41,231	\$3,210,890	2,167	5,941,328
Total FY 05-06	2,454,311	36,000	\$2,925,001	2,250	6,418,980

Figure 7.1.8

**Welcome Centers
Overall Results**

	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06
Door Count	2,508,331	2,488,067	1,659,511	2,536,958	2,454,311
Accommodation Room Nights	59,858	50,839	42,759	41,231	36,000
Economic Impact	\$4,149,357	\$3,576,524	\$3,057,268	\$3,210,980	\$2,925,001
Attraction Reservations	2,596	2,358	2,526	2,167	2,250
Calendar Year Literature	6,794,546	6,603,964	6,332,391	5,941,328	6,418,980

Figure 7.1.9

SC National Heritage Corridor

The SC National Heritage Corridor was authorized for federal funding following Congressional authorization in 1996. The amount of awareness of the program is important as residents and stakeholders within the 14 counties become knowledgeable about the opportunities for them to participate and to support the Corridor's development. The program is based on grassroots involvement; therefore the number of times individuals participate in Heritage Corridor programs and events is significant, as is the visitation for the Heritage Corridor Discovery System. Grant funds support Corridor projects and indicate product development growth within the Corridor and the opportunity to leverage local funds.

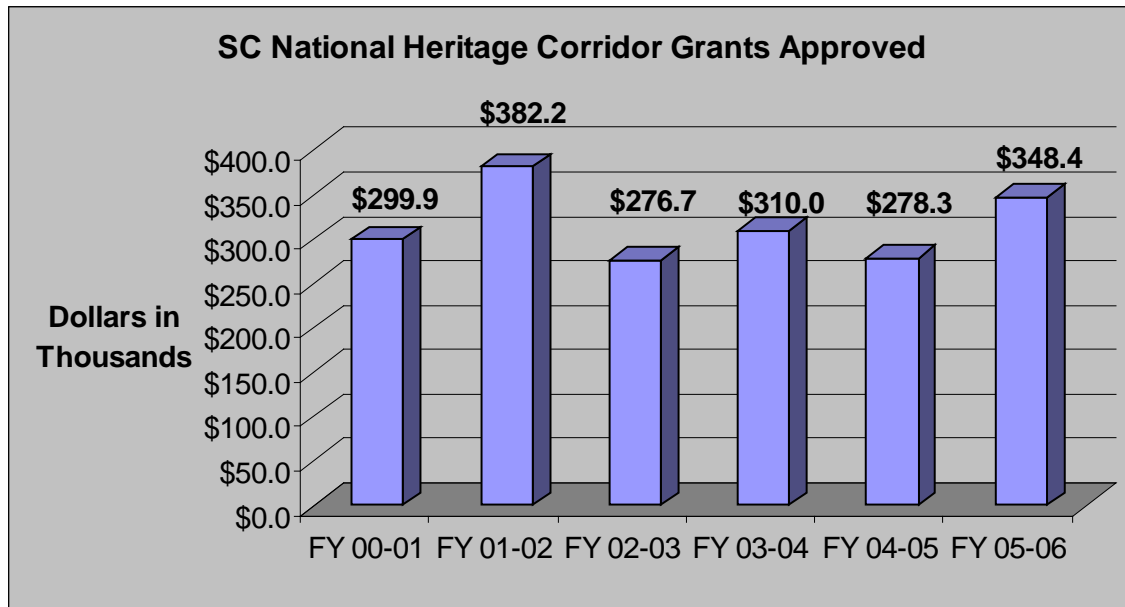


Figure 7.1.10

The SCNHC grants over 35% of its annual, federal moneys to locations in its 14 county service area. The majority of those grants go toward interpretation of rural, heritage locations and the rehabilitation or improvement of historic structures that enhance tourism visitation.

Community & Economic Development

Staff works with developers, consultants, and/or owners of tourism-related economic development projects that generate millions of dollars in capital investment. Services are provided to clients on their individuals needs and may include:

- Site location assistance;
- Customized project-related research;
- SC resident demographics;
- Visitor data;
- Permitting information;
- Explanation of corporate taxes;
- Computation of tax incentives; and
- Financial assistance and resource for infrastructure assistance.

Beginning in the calendar year 2006 the methodology of reporting investments was changed; whereas, the data represents the total “announced” capital investment by a company during a particular quarter. Previously, we captured an estimate of the actual investment in a particular year. As an example, if a company had a three year build out for their project, the investment would have been spread over the three years. Now we are capturing the entire investment in the quarter that it was “announced.”

2006 Announced Capital Investment Report					
1st Quarter (Jan-Mar 2006)					
Company	Project	Venue	Location	Investment	New Jobs
Ripken Baseball, Inc.	The Ripken Experience	Youth Baseball Complex	Horry County	\$23,000,000	45
Ribeau Entertainment, LLC	Inferno Hockey Arena	6,500 Seat Hockey Arena	Lexington County	\$30,000,000	140
2nd Quarter (Apr-Jun 2006)					
HRP Myrtle Beach Operations, LLC	Hard Rock Park	Themed Amusement Park	Horry County	\$400,000,000	3,000
Calendar YTD				\$453,000,000	3,185

Figure 7.1.11

Many capital investment projects require public infrastructure improvements to meet the needs of their developments. The Tourism Infrastructure Admissions Tax Act is an incentive that helps communities and counties offset the cost of public infrastructure that directly or indirectly supports the qualified new or expanding tourism development generating the admissions tax. (See Figure 7.1.12) Community & Economic Development provides oversight and technical support to local governments, packaging applications submitted, including checking for accuracy and completeness and submitting for review and consideration for approval by the administering agencies (SC Dept. of Revenue and SC Coordinating Council).

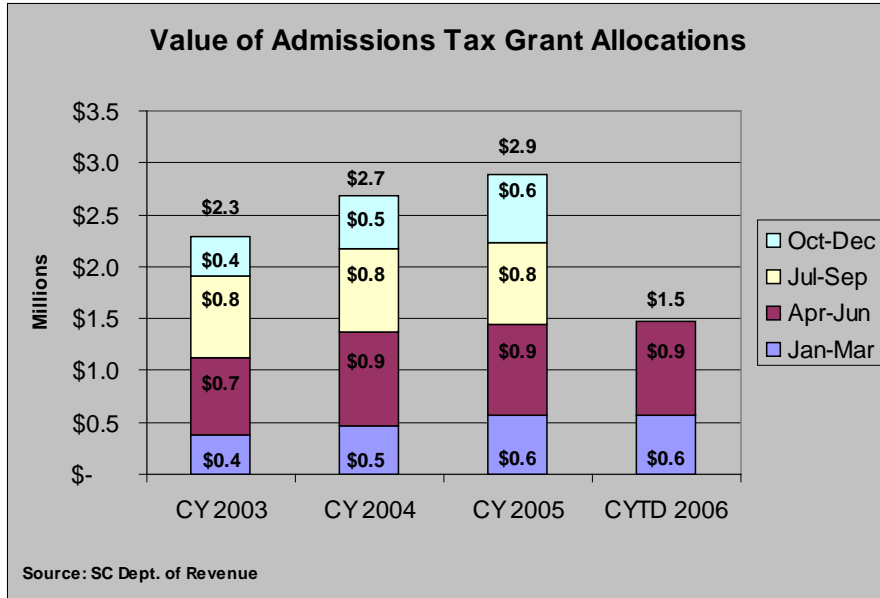


Figure 7.1.12

Recreation, Planning & Engineering

RP&E completed several permanent improvement projects. Over \$7,855,000 worth of construction was completed this fiscal year with over \$5,485,000 under construction and over \$7,625,000 under design. These completed projects included comfort stations at Lake Greenwood, Kings Mountain, and Edisto Beach state parks. Beach nourishment took place at Edisto Beach S.P. and Hunting Island S.P. A restroom was constructed at Sesquicentennial S.P. and paving was done at Santee S.P. and Edisto Beach S.P. Edisto also received work on shell mound protection. Boardwalks were added at Lee S.P. and trail that is ADA (Americans with Disabilities Act) compliant was developed at Charles Towne Landing S.P.

In addition, RP&E is managing over \$5 million worth of permanent improvement projects that were under construction during FY 05-06. These projects include centers for visitors to experience the parks at Charles Towne Landing (CTL), Keowee-Toxaway, Paris Mountain, and Hunting Island state parks. CTL also has work in progress on an historic exhibit, an archeology shed, and parking/entrance/landscaping. An overlook is underway for Landsford Canal S.P.

Also during 2004-2006, RP&E had over \$8 million worth of permanent improvement projects in the design phase. These projects included a kayak dock, barracks, and visitor contact station at Edisto S.P.; community center at CTL; paving at Hamilton Branch S.P.; residence at Old Dorchester S.P.; an ADA ramp at the Table Rock S.P. Lodge and trail bridge at Table Rock S.P.; Hunting Island S.P. beach groins; office at Colleton S.P.; spillway repair at Croft; tournament shelter at Dreher Island S.P.; causeway pipe replacement at Huntington Beach S.P.; boardwalks at Myrtle Beach S.P.; overlook shelter at Caesars Head S.P.; and a courtesy dock at Sadlers Creek S.P.

State Park Service

It is projected that the SC Park Service will reach its three year goal of \$5 million additional revenue for re-investment. During this review period the Park Service projects it will be able to reinvest \$2 million into the core mission of the State Park Service. This accomplishment has been made possible through innovative programs and a commitment to improve efficiencies in the operations of the State's 46 parks. By focusing on its business components, the park service continues to make strides toward these efficiencies. This past year the Park Service implemented a new program targeting five parks in an "enterprise zone." This innovative concept allows the Park Service to focus on improving these five parks only and incorporating across the system any lessons learned in new business approaches. Marketing, business analysis, and a change in business rules to allow more flexibility for park managers to make decisions have all proven to have a positive impact.

Species Management

Endangered, threatened and rare species are fragile resources that require special management and protection. These species are vulnerable to extinction because of several factors including habitat fragmentation, human disturbance, pollution, predation, and in the case of plants, competition with invasive exotics as well as ecological changes such as succession. Endangered, threatened and rare species are critical components of a state park's natural ecosystem. Federal and state laws, including most prominently the Endangered Species Act protect endangered, threatened and rare species.

The South Carolina State Park Service seeks to identify, conserve and perpetuate its populations of endangered, threatened and rare species through an integrated program of public education and management actions aimed at protecting individual species and enhancing critical habitats. All management actions will be coordinated with appropriate regulating authorities, based on sound, scientific principles as prescribed by previously developed management plans and monitored.

Marine Turtle Management Program – Loggerhead turtle nesting totals were up in 2005. At Myrtle Beach State Park, a total of 20 volunteers monitored 3 confirmed nests. An impressive successful hatching rate of 97% was observed in 2005, with 428 out of 440 re-located eggs successfully emerging. Huntington Beach State Park staff and volunteers monitored a total of 6 confirmed nests in 2005, down slightly from 2004. Of the total 494 eggs inventoried, 471 successfully emerged, or a hatching success rate of 95%. The nesting effort at Edisto Beach State Park significantly increased from 2004 with 94 confirmed nests recorded. Of the 11,616 total eggs laid, 8,459 successfully hatched, or a success rate of 72.8%. Edisto Beach continued to provide nesting habitat for a significant number of nesting loggerhead turtles. As in recent years, beach erosion continues to present a major management concern, resulting in the necessity of having to re-locate a greater number of nests.

Hunting Island State Park also suffered significant beach erosion in 2005 dictating the need to re-locate a large percentage of nests. In 2005 however nesting efforts were significantly up with a total of 90 nests being confirmed. An overall hatching success of 78.2% was observed in 2005, this being down somewhat from the 2004 success rate but comparable to the 78.45% observed in 2003. As in recent years, Hunting Island State Park also implemented a highly successful volunteer program in 2005. In addition, the

park staff continued to provide active and high quality public education efforts relating to lights out, night beach walks and hatchery watches.

Red-cockaded Woodpecker Management Program – The following management activities were carried out in 2005-2006 to support the red-cockaded woodpecker management program at Cheraw State Park:

- The state park continued participation in a Memorandum of Understanding (MOU) with the US Fish and Wildlife Service and Nature Conservancy to cooperatively carry out prescribed burning activities on the state park.
- The state park treated 144 acres in prescribed burning for habitat management purposes.
- The state park continued with its pine straw enhancement program with 730 acres under management to improve forest conditions for red-cockaded woodpeckers and other plant and animal species of long leaf pine ecosystems.
- Other habitat enhancement efforts were made including management of nesting cluster sites through bush-hogging and other mechanical means.
- All known woodpecker cluster sites were surveyed and monitored including active nesting sites and 2 fledged young were documented.

Least Tern Restoration Program – Huntington Beach continued repairs and monitored the protective fence around the formerly used least tern nesting area in the hopes of encouraging renewed nesting activity. Edisto Beach continued the second year of a similar least tern nesting program. Observations suggest that in 2005 Edisto Beach harbored an active nesting colony, the first such known nesting colony of least terns on the state park in over 10 years. These areas also provided important breeding habitat for Wilson's plovers and other shorebirds.

Bald Eagle Protection Program – In 2005-2006 two active bald eagle nests were documented on state parks. Young birds successfully fledged at Myrtle Beach State Park and Landsford Canal State Park. The nesting pair at Landsford Canal State Park re-built the nest in the same location after it had fallen out of the tree in 2004.

An important resource management objective of the South Carolina State Park Service is to implement an ongoing program to reliably inventory and monitor its populations of wildlife. This information will enable resource managers to make better informed decisions and better understand wildlife interactions with the resource and people. This methodology was developed through cooperative efforts of Partners in Flight and Southeastern Management working groups consisting of US Forest Service and others.

Bird Population Surveys – Table Rock State Park continued its annual spring and winter bird counts, representing 10 consecutive years of data collecting on the state park. These counts are important in documenting important population changes, trends and occurrences. Table Rock Mountain supports the only known breeding peregrine falcons in the state. Also in 2005-2006 bird counts utilizing park staff and volunteers were conducted at Landsford Canal, Santee State Park and at Caesars Head State Park.

Caesars Head Hawk Watch – The 2005 Caesars Head Hawk Migration Count marked the 18th year of participation with this nation-wide monitoring program. Volunteer support continued to be impressive with a total effort of 321 hours spent covering a total

of 69 days from September 1 through December 1, 2005. Despite the strong volunteer efforts in 2005 the totals were significantly lower with 4,485 migrating raptors being counted.

White-tailed Deer Management Program – The increasing high density of white-tailed deer on state parks causes concern with diminished herd health and impacts to the natural environment. Because of these concerns, state park officials developed a management strategy to deal with this growing concern. In 2005 an integrated deer management program was continued at Croft State Natural area and Santee State Park.

Historic Preservation

Historic preservation is one of the primary ways in which the State Park Service acts as a responsible steward of cultural resources. Preservation is the act or process of applying measures to sustain the existing form, integrity, and material of a historic structure, landscape, or object. Preservation places a high premium on the retention of all historic fabric through conservation, maintenance and repair. It reflects a building's continuum over time, through successive occupancies, and the respectful changes and alterations that are made. There are a variety of levels or intensities of preservation (preservation, restoration and rehabilitation) applied to state park resources. However, all of these levels share an overriding emphasis on effective maintenance.

Desired result of State Park Service preservation efforts: Historic structures listed on the National Register are in “good condition.” “Historic structures on the National Register” defined: The buildings and structures (managed by the SC State Park Service) that were listed on the National Register of Historic Places as of 2002-03. This does not include archaeological sites, individual gravestones/monuments, and trails that are listed on the National Register. “Good condition” defined: Structures and their significant features need only preventative or cyclic maintenance; all known corrective maintenance projects have been completed.

To measure the effectiveness of preservation efforts, national register-listed structures owned or leased by the state park service were identified (see attached list of national register-listed structures). The condition of each was then evaluated. Structures with no maintenance needs beyond “preventative” or “cyclic maintenance” were classified as being in good condition. Structures with one or more “corrective maintenance” needs were classified as being in fair, poor or unstable condition.

As of fiscal year 2002-03, there were a total of 113 national register-listed structures managed by the state park service (note that the additional 63 structures at Oconee State Park that were added to the National Register in June 2004 have not been included in this analysis). Their conditions in 2005-06 (and previous years) were as follows:

Condition	FY 2003-04	FY 2004-05	FY 2005-2006
Good:	45 structures 40%	44 structures 39%	47 structures 41%
Fair:	63 structures 56%	63 structures 56%	61 structures 54%
Unstable:	3 structures 3%	4 structures 4%	3 structures 3%
Unknown:	2 structures 1%	2 structures 1%	2 structures 1%

Figure 7.1.13

As a point of comparison, this is the same measurement that the National Park Service has adopted in its 2000-2005 Strategic Plan. They were aiming for having 50% of their historic structures in good condition by 2005.

The lack of increase in the number of structures in good condition does not reflect the significant amount of progress that was made over the past year. The backlog of projects means that even with the completion of numerous and complicated repairs, there is still a lot to do before certain buildings can be listed in good condition. Also, maintenance is a dynamic process, and as problems are fixed they are sometimes replaced with new problems caused by use, weather, etc.

The Table Rock Lodge is now in good condition as is the Paris Mountain Bathhouse, though interior improvements are still underway at the latter. Hampton Plantation's mansion has moved from unstable to fair condition (with the completion of roof repairs); the stables at Redcliffe Plantation jumped from fair to good condition, as did the mansion at Rose Hill (with the replacement of the roof). It is anticipated that two cabins at Table Rock will be brought to good condition this coming fiscal year, and critical work is also underway at the Redcliffe slave quarters.

The trend is towards improvement, with increases in the number of "good condition" structures between 2002 and 2006 (39% to 41%). The number of unstable structures has also been held to below 4%.

7.2. *What are your performance levels and trends for key measures of customer satisfaction?*
Park Service Customer Satisfaction

A statewide survey of 802 South Carolina adults conducted by the USC Institute for Public Service and Policy Research showed that 97% of South Carolinians who visited a state park in the past year were somewhat to very satisfied with their visit. These results were similar to those from previous surveys in which this question was asked. In 2001, 96% were very satisfied or somewhat satisfied with their visit to a state park, while in 2002 this percentage was 95%, in 2003 it was 94%, and in 2004 it was 98%.

Respondents were asked to evaluate the various roles that the S.C. State Park Service plays in outdoor recreation, conservation, education, protecting historic and cultural resources, protecting natural resources and open space. Results for the 2006 survey included a $\pm 3.5\%$ sampling error at 95% confidence level for questions with 800+ respondents.

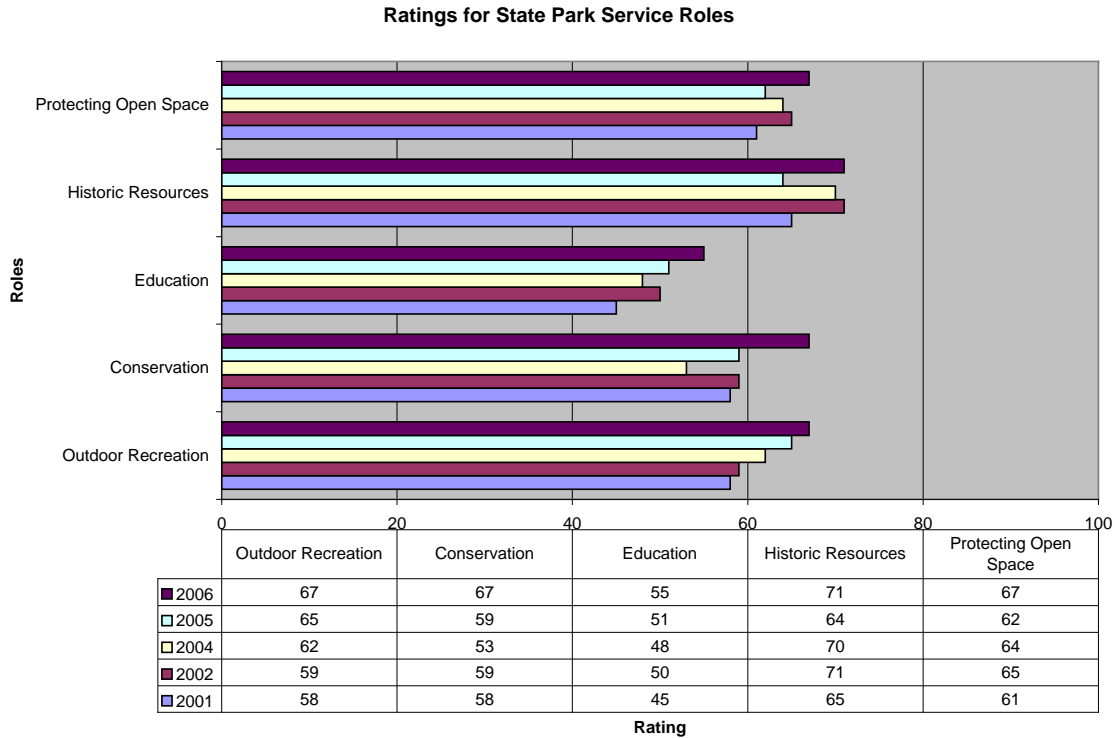


Figure 7.2.1

Ratings for State Park Service roles rose during 2006 and were consistently positive at the “excellent” or “good” level as seen in the chart above. Significantly more respondents reported visiting a SC State Park in the past year than in previous years since 2001. (See Figure 7.2.2)

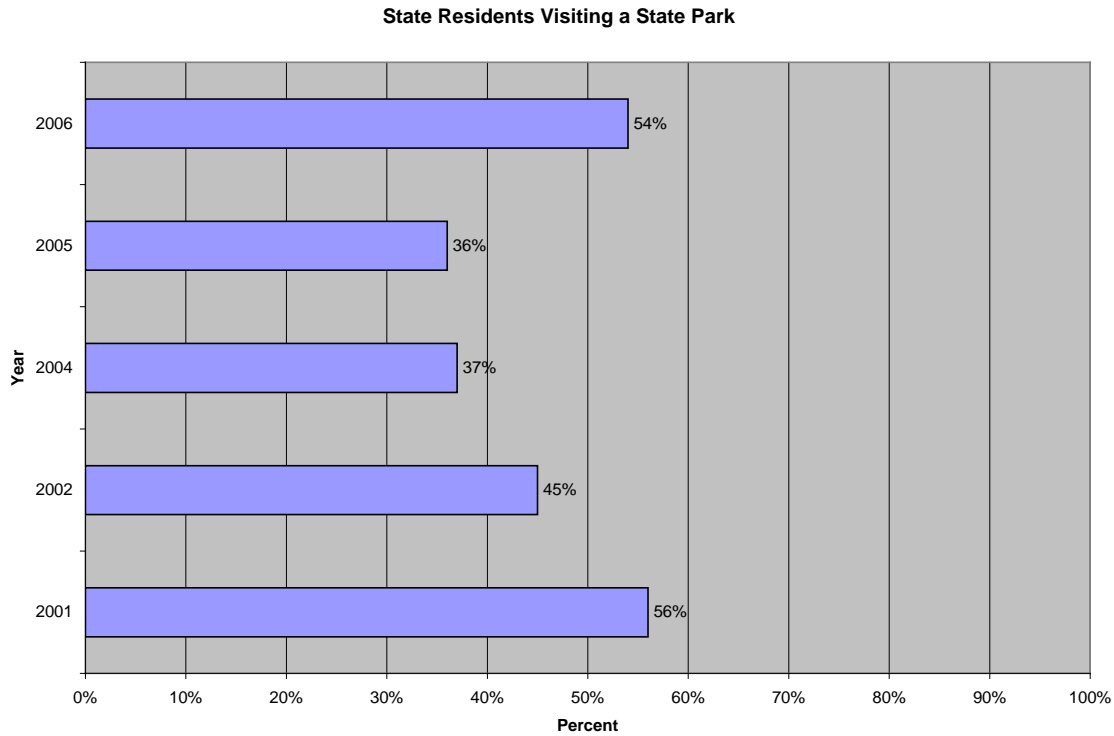


Figure 7.2.2

Possible explanations may be a combination of factors: steep rise in gas prices is leading residents to recreate closer to home; PRT has had an aggressive marketing campaign to promote SC State Parks; and PRT has implemented a central reservation system to improve access to its cabins, campsites, and other rentable facilities.

Of those who had ever stayed overnight, 41% thought campsites and cabins were never available on holidays, and 33% of those who stayed in the past 12 months expressed this view. The fall, winter, or spring is seen as the time when campsites/cabins are most likely to be available. Only 2% of those who ever stayed overnight and 5% of those who stayed in the past 12 months thought that campsites/cabins were never available during falls, winter, or spring. Questions about the Central Reservation System were first asked in 2005. In 2006, 37% had heard of the system, up from 26% in 2005. About 8% had actually used the system, compared to 5% in 2005.

Regarding where state residents get information about SC State Parks, most get their information from friends/relatives (39%), newspapers (34%), the Internet (32%), magazines (24%), or television (19%). (Note: Respondents could provide more than one answer.) Those 65 and older were more likely to cite newspapers and magazines as their source of information. People 30-45 were more likely to cite the Internet as a source of information.

Recreation Participation & Preference Study

The South Carolina Recreation Participation and Preference study conducted during 2005 provided results and analysis of a statewide telephone survey on the recreational activities of state citizens. These results will be useful for updating the SC State

Comprehensive Outdoor Recreation Plan, targeting grant funds, determining needs for state and local park facilities, and answering other questions about state resident's recreational pursuits. Highlights of results derived from the study include:

- Those included in the study they had participated at least once in a recreational activity in the past year;
- Participation in Walking continues with a slight increase (83% participating);
- Activities with upward trends since 1990 include: walking, weights/exercise machines, visit historic sites, motor boating, golf, saltwater fishing, jet skiing, canoeing / kayaking / rafting, and rock climbing / rappelling;
- Activities with downward trends since 1990 include: picnicking, playing baseball / softball, playing volleyball, playing tennis, hunting, and waterskiing.

Discover Carolina Customer Satisfaction

PRT partnered with Clemson University to create a systematic evaluation of the Discover Carolina school field experience program. The approach to the evaluation was to measure the perceptions of teachers and chaperones as to whether desired outcomes were being accomplished through the program. Data were not collected from students due to burdensome regulations governing conducting research "on" children. After receiving high ratings for three consecutive years at five Discover Carolina parks we determined programs developed within the Discover Carolina model do indeed produced high quality programs that meet the needs of the teachers.

SC State Park Family Interpretive Programs

During the summer months, adult audience members were asked to evaluate interpretive programs offered by the South Carolina State Park system. Evaluation forms were distributed at the end of programs and were mailed to Clemson University by 280 program participants. The form asked program participants to rate their overall satisfaction along with their satisfaction with specific attributes of programs. Results were very positive. The overall satisfaction question used a traditional 1-10 scale where 1= "extremely dissatisfied" and 10= "extremely satisfied". The overall mean for this scale was 9.4 indicating high satisfaction.

Questions about specific attributes of the program that should contribute to visitor satisfaction also yielded high mean scores. No mean score was below a value of four on a five-point scale. The top ranked items dealt with characteristics of the interpreters including them being friendly, knowledgeable and making the program interesting. See Figure 7.2.3 on the next page. When visitors were asked in an open-ended format what they disliked about the programs, fifty-three percent wrote down that there was "nothing" that they liked least. Additional comments varied considerably and none were mentioned by more than ten percent of the sample. These comments include the need to upgrade facilities and audiovisual equipment, problems with biting insects, length of program, and other visitors disturbing the program. Using the same open-ended query about what was most liked, audience members most frequently mentioned the information they gained from the presentation. Additional comments dealt with enjoying being in the park setting (historic or cultural), the style of delivery of the interpreters or the program format.

Evaluation of State Park Family Interpretive Programs

<i>Answer each question below by circling one answer¹ to the right of each question</i>	<i>Mean (N=280)</i>
The program leader was friendly	4.88
I will attend state park programs in the future	4.83
The program leader knew a lot.	4.76
The program leader made it interesting for me	4.70
I learned a lot at the program	4.63
The program fascinated me	4.53
The program was the right length	4.49
After the program, I felt a connection to the park	4.48
Children attending the program seemed interested	4.47
I better understand the purpose of SC State Parks	4.22
I want to learn even more about the program topic	4.22

Figure 7.2.3

Central Reservation System Customer Study

As a result of the new central reservation system, the state parks sales and marketing team knows more than ever about the SC State Park customer. The reservation system captures information on the state park customer in a collective database. This winter a study was done on a random sample of these customers through a telephone survey. PRT now knows the demographics of their overnight customers, including their travel party characteristics, visitor profiles at top revenue generating parks and much more. This research will help the sales and marketing manager make more effective marketing decisions and will be a major tool in coordinating sales and marketing efforts.

Here are the highlights from the research:

- Just over half of visitors are South Carolina residents.
- The parks have a loyal visitor base – four in five are repeat visitors.
- Although repeat visitors tend to have a preferred/primary park, most have visited more than one park.
- The top nine parks represent 70% of overnight stays.
- Nearly three-fourths of visits occurred in the six month period between June and November.
- The median travel party size is four (slightly higher than travel parties for domestic consumer leisure parties), and half of travel parties include children.
- Visits tend to be for at least three nights.
- Almost half explore areas outside the park, and out-of-state parties who venture outside the park spend an average of \$319.90 per trip.
- Three-fourths (73%) of those who booked online or through the 800 number rate their experience positively (giving a rating of 7, 8, 9, or 10 on a scale from 1 to 10, where 10 means very positive).
- Nine out of ten visitors rate South Carolina's State Parks very positively for natural beauty (94%), friendliness of staff (92%), and upkeep/friendliness of public areas (92%).

Park Service Lodging Customer Satisfaction

A statewide survey of over 800 South Carolina adults conducted by the USC Institute for Public Service and Policy Research showed that of those who visited a State Park in the past year, in 2006 at least 97% were somewhat to very satisfied with their visit. These results were similar to those from previous surveys in which this question was asked. In 2001, 95.6% were very satisfied or somewhat satisfied with their visit to a state park, while in 2002 this percentage was 94.9% and in 2005 was 94.2%.

Satisfaction levels with State Park lodging have held steady for the past four fiscal years. The averages listed in the following chart come from cabin response cards returned for these state parks:

Table Rock	Hunting Island	Dreher Island
Devils Fork	Givhans Ferry	Keowee-Toxaway
Oconee	Cheraw	Santee
Myrtle Beach	Barnwell	Hickory Knob
Edisto Beach	Poinsett	

The rating scale included 1=Excellent, 2=Good, 3=Fair, and 4=Poor.

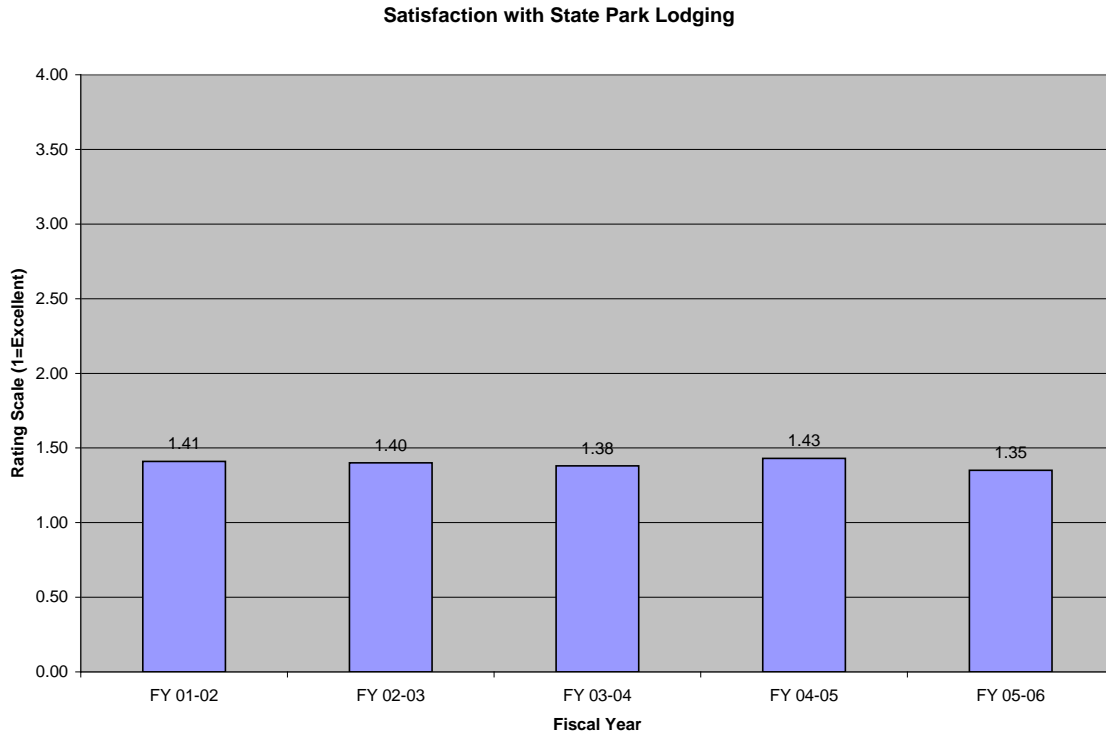


Figure 7.2.4

The tables below reflect the average fiscal year occupancy rates for State Park lodging and average number of golf rounds each fiscal year for State Park golf courses.

Fiscal Year Occupancy Averages & Average of Golf Rounds

	FY 01-02	FY 02-03	FY 03-04	FY 04-05	FY 05-06
Cabins & Villas	55%	53%	53%	50%	51%
Campsites	31%	27%	28%	26%	28%
Golf Rounds	50,321	42,061	42,641	43,620	46,552

Figure 7.2.5

Golf rounds for quarter of FY 05-06 are up 6.72% compared to FY 04-05. The majority of this increase is attributable to increased play at Hickory Knob. The marketing efforts by Tourism, Sales, and Marketing have contributed to this increase.

Marketing

Among consumers that received PRT's fulfillment materials from January through December 2005, 82% said they received the travel guide in time to help them plan a trip. Additionally, they rated its influence moderately in helping them find specific areas and more attractions in South Carolina and in convincing them to stay longer. (See Category 7.3)

Fulfillment Material Ratings from Spring Conversion Studies

Campaign	Timely Delivery	Influenced Longer Stay	Influenced to visit specific Attractions	Influenced to visit specific areas
1999	85%	3.3 out of 5	3.9 out of 5	3.9 out of 5
2000	83%	3.2 out of 5	3.9 out of 5	3.8 out of 5
2002	81%	3.1 out of 5	4.0 out of 5	3.7 out of 5
2003	96%	3.0 out of 5	4.1 out of 5	3.7 out of 5
2004	93%	4.5 out of 10	6.5 out of 10	5.6 out of 10
2005	82%	4.4 out of 10	6.3 out of 10	5.6 out of 10

(Spring 1999 Conversion Study Final Report, SMARI
 Spring 2000 Conversion Study Final Report, SMARI
 Spring 2002 Conversion Study Final Report, SMARI
 Spring 2003 Conversion Study Final Report, SMARI
 Full Year 2004 Inquiry Conversion Study Final Report, MarketSearch
 Full Year 2005 Inquiry Conversion Study Final Report, MarketSearch)

Figure 7.2.6

Research & Policy Development

The Research and Policy Development staff maintains a comprehensive array of reports on the PRT website. Annual research reports updated in FY 2005-06 include the Economic Impact of Domestic Travel Expenditures on South Carolina Counties, Domestic Travel in South Carolina, International Travel in South Carolina, the Economic Impact of Golf in South Carolina and the Expenditures of Annual Accommodations Tax Revenues (by local government). Quarterly business indicators, including accommodations and admissions tax collections, tourism-related gross sales receipts, hotel operational statistics, airport deplanements, and hospitality/leisure employment, are analyzed in the South Carolina Travel Barometers. Monthly statistics are posted for accommodations and admissions tax collections and hotel occupancy statistics. Weekly reports of daily hotel occupancy statistics are also reported. On average, 17.4 unique

visitors per day come to the research home page on the. Additionally, PRT's research staff responds to an average 1.2 requests per day for direct assistance.

Average Daily Count of PRT Research Users in FY05-06

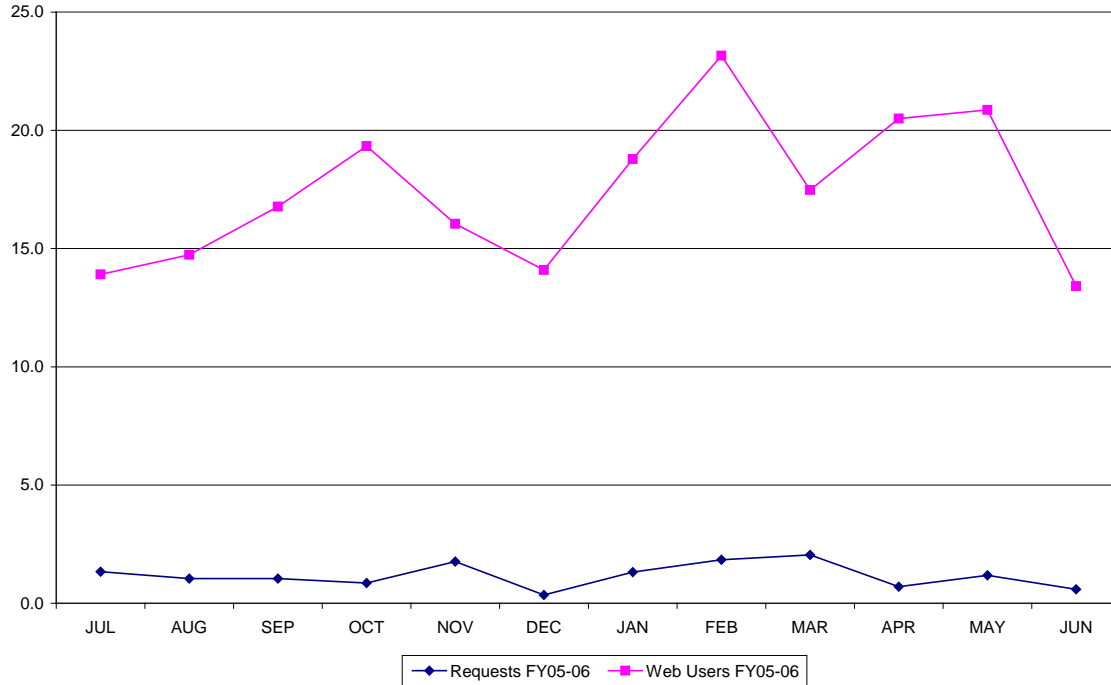


Figure 7.2.7

7.3 What are your performance levels and trends for the key measures of financial performance?

2005-06 Cooperative Advertising Programs

PRT's cooperative marketing initiatives targeted the general consumer market, while also targeting the African American and golf travel markets. The duration of the advertising campaign included the spring, summer and fall travel seasons allowing for partnership advertising opportunities to be expanded. South Carolina tourism industry partners were offered carefully planned cost-effective initiatives across a broad range of media venues which included print, and internet components.

Spring / Summer / Fall Magazine Program

The 2006 media plan focused on women and their dominant role in the travel planning and decision-making process. The Spring/Summer/Fall Magazine Program created a balance between traditional publications like Southern Living, Family Circle and Ladies' Home Journal and more contemporary titles such as Cottage Living, Cooking Light and Country Home magazines. Magazines such as CondeNast Traveler and Gourmet are popular with today's women and target a more affluent readership. Partners received a 1/12 page display ad adjacent to the state's brand message creating a customized two page unit. Revenue Generated: \$ 286,875.48

American Legacy Magazine Program

Covering black history with a focus on culture and society, American Legacy magazine celebrates African-American contributions to business, the arts, education and religion. Partner advertisers were represented in a 1/12 page display ad adjacent to the state's brand message creating a customized two page unit in the May and August issues. Revenue Generated: \$20,689.44

GOLF MAGAZINE Program

GOLF MAGAZINE featured special South Carolina Golf sections in their February and September issues. A custom-regional circulation was created of South Carolina's key golf tourism markets. The special section included partner ads, editorial and advertorial on the wide range of golf experiences South Carolina golf has to offer. Revenue Generated: \$ 31,805.14

North American Fisherman

North American Fisherman is a specialized publication for the avid fisherman who travels extensively for fishing opportunities. Editorial features both freshwater and saltwater species. Partnerships included ad in both the April and October issues of the publication. Partners also received a year-long listing on the www.fishingclub.com website. Revenue Generated: \$ 3,528.50

General Consumer Interactive/Online Programs

Partners participated with PRT in a Co-Registration Program to generate qualified consumer leads to build their electronic databases. Participants received 7,000 guaranteed leads from consumers responding to specific offers. Partners were also offered the opportunity to participate in PRT's eScapes eNewsletters South Carolina's official travel eNewsletter sent to consumers who have opted in to receive travel information and offers from South Carolina. Revenue Generated: \$ 111,438.00

Golf Interactive/Online Programs

Partners participated with PRT in a Co-Registration Program to reach a qualified golf audience through targeted South Carolina Golf eNewsletters to generate leads to build their electronic databases. Partners were also offered the opportunity to participate in PRT's eLinks eNewsletters South Carolina's official golf travel e-newsletter sent to consumers who have opted in to receive South Carolina golf travel information and special golf package offers. Revenue Generated: \$ 154,018.80

DiscoverSouthCarolina.com and SouthCarolinaParks.com Advertising Opportunities

Partners were offered four unique opportunities to advertise on PRT's two new websites. Online advertising options included monthly home page sponsorships, Hot Deals pages and category specific page sponsorships on multiple special interest pages within the website. Revenue Generated: \$ 55,342.80

Convention & Visitor Bureaus Special Culinary Events Opportunity

South Carolina leveraged its media buy and spent advertising dollars collectively with three key media groups; Meredith Corporation, Time, Inc., and CondeNast Publications. In return for the media investment, the publishing companies agreed to host multi-day culinary events. Partnerships were developed with the Charleston Convention and Visitors Bureau, Georgetown County Convention and Visitors Bureau and Hilton Head

Island Visitor and Convention Bureau. The high-profile events generated media exposure and brought business to the respective areas where the events were held.
Revenue Generated: \$ 54,898.56

Official Fulfillment Package/Travel Guide

The 2006 South Carolina Smiles and Places Travel Guide continued its standards as a high quality publication. The guide combines colorful feature stories on the state's people, history and culture with a utility section or "green pages" that give specific information on the state's attractions. This section also includes the calendar of festivals and events, visitor tips, climate, important rules for the road, information for our international visitor, the state's colleges and universities, and more. The guide and the South Carolina highway map comprise the state's official vacation kit, which is distributed in response to inquiries generated from the marketing and advertising campaigns, through the state's welcome centers and through general inquiry from those requesting information by phone or Internet.

Partner participation: 82 Revenue generated: \$469,599.10

PRT continued its partnership with the SC Department of Transportation for the 2005 highway map. The four-color map with nine-panel foldout format features hurricane evacuation routes on the back side. This feature allows SCDOT to use federal dollars to pay for its printing, saving PRT in excess of \$145,000. The map is part of the two-piece official vacation kit, distributed in response to inquiries generated by the marketing and advertising campaigns, the welcome centers and through general inquiry by phone or on the Internet.

Partner Participation: NA

State Park Service

The National State Parks Association ranks states in terms of various performance measures. Two of the comparable sets of data are the self-sufficiency of state park systems and the revenue generation of state park systems. Self-sufficiency is defined as the percentage of the total park system budget derived from park-generated revenue versus percentage of budget derived from state-appropriated funds. The Park Services target was 78% self-sufficiency.

This year the park system maintained its level of self sufficiency at approximately 73%. While this number is less than the targeted 78%, it continued to improve over the last three years. This past year brought with it many uncertainties, including the high gas prices, an active 2005 hurricane season and unprecedented increases in many services necessary to operate parks, including increases in facility insurance and energy costs. When comparing S.C. to other states, particularly in the Southeast, S.C. continues to perform in the top ten of self-sufficient systems in the nation and currently ranks second behind Mississippi in the Southeast. The national average is 42%. (See Figure 7.3.1)

Fiscal Year	Revenue	Expenses	Self-sufficiency
98-99	\$15,538,428	\$22,597,040	68.76%
99-00	\$16,055,434	\$25,799,976	62.23%
00-01	\$15,878,864	\$28,157,056	56.39%
01-02	\$16,363,275	\$24,652,701	66.38%
02-03	\$14,995,105	\$24,117,119	62.18%
03-04	\$16,763,173	\$23,334,689	71.84%
04-05	\$16,892,468	\$23,824,344	70.90%
05-06	\$18,303,666	\$24,913,658	73.47%

Figure 7.3.1

Central Reservation System

The Central Reservation System continues to be an excellent tool for the Park Service. Overnight lodging revenue increased by \$478,781 (13.8%) in Fiscal Year 2005-2006. Lodging reservation nights increased by 1085 (2.6%) Camping revenue increased by \$167,687 (2.8%) for the same period. Camping reservation nights increased by 16,230 (6.1%). These increases can be attributed to the CRS; our customers have the flexibility of making their reservations via the internet, calling the Reserve America call center, or contacting the park directly.

State Park Impact

Each state park is assigned a State Identification Number and this number remits all returns. The first two digits of the number reflect the county in which each park is located. However, accommodations tax that is remitted to DOR for a particular county may not be remitted to that county because of the way the state calculates the funds. For example, Horry County does not receive the full amount of accommodations tax reported to DOR. Therefore, the accommodation can be shown on the state level, but we shouldn't use the information to discuss or reflect any tax generated for a county. The Local Option tax which includes: Local Option Sales Tax, School District Tax and Capital Project Tax, is remitted directly to the county or city via DOR. These taxes do have a direct impact on the county or city in which that state park operates. (See Figure 7.3.2)

	Admissions Tax	Sales Tax	Accommodations Tax	Local Option	Total
July 05	\$27,791.65	\$81,443.00	\$22,984.00	\$7,387.00	\$139,605.65
August 05	\$15,738.44	\$50,761.00	\$14,695.00	\$4,634.00	\$85,828.44
September 05	\$16,148.25	\$60,868.00	\$17,798.00	\$6,294.00	\$101,108.25
October 05	\$9,879.53	\$48,652.00	\$13,483.00	\$5,019.00	\$77,033.53
November 05	\$6,812.55	\$37,307.00	\$11,302.00	\$4,305.00	\$59,726.55
December 05	\$4,493.99	\$27,543.00	\$8,617.00	\$3,171.00	\$43,824.99
January 06	\$4,720.80	\$42,605.00	\$14,213.00	\$4,067.00	\$65,605.80
February 06	\$4,771.50	\$39,862.00	\$13,558.00	\$4,286.00	\$62,477.50
March 06	\$11,521.39	\$63,219.00	\$19,661.00	\$6,415.00	\$100,816.39
April 06	\$22,824.59	\$88,797.00	\$25,865.00	\$9,747.00	\$147,233.59
May 06	\$18,962.27	\$65,469.00	\$18,589.00	\$8,084.00	\$111,104.27
June 06	\$26,076.05	\$82,370.00	\$23,335.00	\$8,438.00	\$140,219.05

Tax Remitted \$169,741.01 \$688,896.00 \$204,100.00 \$71,847.00 \$1,134,584.01

Figure 7.3.2

In FY05-06, over 987,000 tourists (excluding local residents) visited a State Park. About 40 percent used State Park lodging for one or more nights, while 60% were day visitors. Their expenditures on and off the parks totaled over \$84 million, adding over \$5 million to state tax coffers in transaction taxes alone.

Expenditures & Fiscal Impacts of SC State Park Tourists	FY 05-06
# Non-Local Visitors	987,480
# In State Park Lodging	384,653
# Not in State Park Lodging	602,827
Total Expenditures	\$84,451,906
State Taxes on Total Expenditures	\$5,067,114

Figure 7.3.3

Recreation, Planning & Engineering

The Park & Recreation Development Fund (PARD) is a state-funded reimbursement grant program. It is a non-competitive program available to eligible governmental entities within each county area for development of new indoor or outdoor public recreation facilities or enhancements/renovations to existing facilities. During FY 05-06, PARD funded 136 projects totaling \$\$1,359,706. The Land & Water Conservation Fund (LWCF) is a federal grant program under the direction of the National Park Service, US Department of Interior. These funds can be used for either land acquisition or facility development for the purpose of public outdoor recreation. During FY 05-06, LWCF funded 5 projects totaling \$578,562. The Recreation land Trust Fund (RELT) is a state funded reimbursement grant program. The funds can only be used for the acquisition of land for the purpose of public recreation. During FY 05-06, RELT funded 4 projects totaling \$385,500. The Recreation Trails Program (RTP) is a federal grant program for the construction of recreational trails. In FY 05-06, RTP awarded 8 projects totaling \$870,248.

7.4 *What are your performance levels and trends for the key measures of Human Resource Results?*

Employee Learning

PRT offered several training opportunities to the workforce including seven training classes in interview skills and PD/EPMS. Eight training classes in interview skills and two PD/EPMS were held and a total of 141 employees attended. Information was also sent to employees on training opportunities through the State Training Consortium that is offered free of charge. PRT has continued to collaborate with other agencies to offer training to their employees.

PRT has completed the pilot for an employee development program. S.O.A.R (Strengthening Our Abilities and Resources) is a Succession Planning Initiative designed to enhance the management and leadership skills of a class of 16 of the agency's finest qualified applicants per year. The ten-month curriculum consists of four modules developed to enhance interpersonal, management and leadership skills. In conjunction with the required course work, participants will choose two of the seven offered electives. In addition to the curriculum, program participants will be required to work with a team on an agency project. The project enables members to enhance team skills and work to apply what has been learned in the class. The trainers consist of members of the State Government's Training Consortium (free of charge) and six PRT employees. The twelve month program began on September 26, 2005 and the first class had their graduation on September 18, 2006. Group Projects are required for the S.O.A.R. curriculum. The sixteen participants were separated into groups of (4) four for group projects. As of July 2006, each group has completed their project work and presentations. Prior to commencement, the participants presented projects to their sponsors, including upper-management leadership within the agency.

State Park Service

The Park Service continued to conduct on-going, job specific training during FY 04-05. Signs of beginning to rebound from smaller FY 03-04 personnel and training budgets are evidenced in the 04-05 count.

Park Service Training Count Report

	FY 01-02	FY 02-03	FY 03-04	FY 04-05
Number of Attendees	2,099	1,650	996	1,199
Man Hours	12,825	13,346	9,881	12,467
Number of Courses	295	212	174	199

Figure 7.4.1

PRT uses a matrix organizational structure that is a combination of a lateral structure of service or program management and a vertical functional structure. The matrix structure has resulted in more collaboration across the functions of the agency and maximized the use of fewer human resources across agency initiatives. Over 75 employees from four agency-wide projects were involved in this agency project management system during its first fiscal year of implementation.

E-leave and Electronic Time Sheets

A new combined electronic time sheet and leave system, built in-house by a team of Technology Services (TS) and Human Resources Management (HRM) staffers, is set to save the agency thousands of dollars annually in improved efficiency. Acting on a suggestion that came from the state park field staff, the task force began work on the project in September 2005 and went live with the e-Leave system on Feb. 6, 2006, and the Electronic Timesheet on Feb. 17, 2006.

The two new systems replaced paper timesheets and an outdated electronic leave system. They're sophisticated on the back end, and required extensive coordination, cooperation and the combined expertise of the HR and IT staff members to create. Yet they're easy to use on the front end, allowing the agency's 512 full-time employees and 400 to 600 temporary staffers to easily file and keep track of their hours and time off themselves, accessing the homegrown solutions through the agency intranet. Benefits of the new combined system include:

- Savings of approximately \$4,500 a year in fees from no longer having to use S.C. state government's centralized electronic leave system for processing time-off requests and records.
- Time savings of 540 hours per year in payroll processing in our Finance office.
- Time savings of 156 hours per year for processing by HRM staff.
- Improved accuracy from e-Leave automatically moving leave time onto timesheets. That accuracy also makes FLSA compliance easier to ensure.
- Timesheets are now electronically stored, saving on paper and storage space.

Succession & Retention

Over the past year, PRT has filled many critical positions due to a number of employees retiring; the majority of which are positions in the State Park Service. Over the next three years, the agency will experience high turnover due to retirement of over 25 TERI employees. Three quarters of our most senior Park Service leadership has retired within an eighteen month period. Fortunately, this was a very foreseeable situation, and the agency has spent the last three years developing a succession plan to deal with the issues of training and institutional memory that rapid turnover brings about. As a result of the agency's efforts, every vacant senior position has been filled and resulted in over 20 promotions from within the ranks of our middle management. We are now engaged in the replacement of those middle management individuals who were advanced to senior positions. This has resulted in 45 promotions, of which 13 minorities have been promoted.

Diversity

In order to prepare for this change, as well as recruit for the vacant positions this past year, the agency attended eight Career Fairs covering four Minority Colleges and Universities. Presentations were conducted with a group of senior and a group of freshmen Resort, Tourism and Recreation majors attending Coastal Carolina University. These presentations resulted in the hiring of one summer employee. PRT works closely with the higher education institutions from across the state with tourism programs in order to prepare students for careers in tourism. This past year, the agency worked with eight interns in the areas of parks and tourism. In addition to the mandated Vacancy Announcement distribution, announcements are being sent to targeted colleges and universities (including specific minority institutions); Legislative Black Caucus; targeted

media publications; and, minority interns and current employees working the in the agency are also being encouraged to apply. Diverse Interview Teams are being utilized for all positions. In FY 05-06, PRT posted 153 positions, of which 14 were reposted. The total number of applications processed was 1,690. Out of that number, 583 minority applicants met the minimum training and experience and 236 were interviewed. 111 individuals were either hired or promoted due to employee retirements or separations. The number of minorities hired was 32 and 45 were promoted. The Agency EEO numbers for the past five years are:

2000-2001	77.4%	2003-2004	76.9%	2005-2006 not available
2001-2002	78.2%	2004-2005	70.9%	until November 2006
2002-2003	76.9%			

To maintain consistency within both race and gender, job classifications and like positions, state and agency salary averages are monitored prior to increases being awarded.

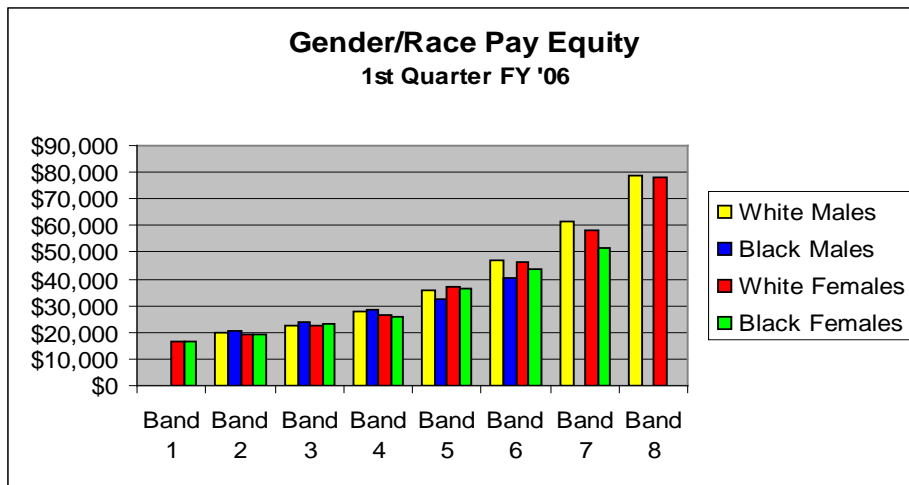


Figure 7.4.2

Employee Reward & Recognition

PRT Matters, the agency's reward and recognition program was also rolled out in the middle of FY 03-04 and reached full implementation during FY 04-05. PRT Matters Employee Appreciation Day identifies the new name and new format for the annual employee appreciation day. Over 200 employees were able to attend PRT Matters Day. Employees are recognized during the day for receiving PRT Pride Pins, Employees of the Year Awards, You Excel and Service Awards.

The PRT Pride Pin award recognizes employees who have given great effort in all five value areas of Customer Service, Innovation, Leadership, Stewardship and Teamwork. To date, 109 employees received their PRT Pride Pin during the first fiscal year of the program. The You Excel award recognizes employees who go above and beyond their normal duties and since the program's beginning over 110 employees have received awards. Service awards were given for employees who had been with the agency five years or more (including temporaries since they are integral to front line service). Employees of the Year awards go to employees in each of the five value areas of the program.

Safety

Last year PRT moved the Safety compliance Manager to the Human Resource Management Office and designated this Manager to cover the safety concerns for the entire Agency. PRT has placed a greater emphasis on safety and injury free days. The Safety Compliance Manager meets regularly with Park's Regional Chiefs, Park Managers, and WC Managers. A safety representative has been designated from each area to be responsible for maintaining the safety records and submitting them to the Safety Compliance Manager each month. In order to assist these managers with tackling safety issues, the coordinator has begun helping the managers look at what impacts the agency's experience. Safety training and management focus have led to a decrease in claims filed as pictured in the following chart.

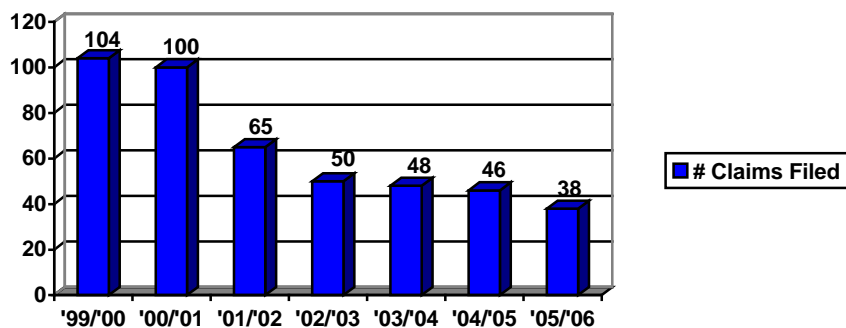


Figure 7.4.3

2006 Employee Engagement Results

To identify employee satisfaction issues, PRT utilizes an agency-wide employee satisfaction survey. The approach of collecting data through an employee satisfaction survey was initially implemented in November 2002. The response rate for the survey continues to be exceptional.

The response rate for the survey dropped in 2005 and rose in 2006. The 2004 response rate represented 68 percent of employees. During 2005, 210 employees responded to the survey, out of 512 FTEs, representing a 41 percent response rate. 2006 responses included 256 employees out of 448 FTEs, representing a 57 percent response rate. The responses proportionally represented major areas of the agency. An analysis of agency-wide responses has indicated several overall strengths for the agency in fostering a workplace that contributes to employee satisfaction including 86 percent selected "Always" or "Usually" when answering the statement, "Overall, I am satisfied working at PRT." A national employee satisfaction survey conducted by the Society for Human Resource Management (SHRM) stated that 80% of respondents surveyed nationally in 2004 indicated that they were usually satisfied working with their organization.

PRT wants to build the most effective organization possible. To assist every employee with the day-to-day realities of his or her job, the agency is evaluating several key satisfaction factors. These are the factors, argue Marcus Buckingham and his

colleagues at the Gallup Organization, that determine whether people are engaged, not engaged, or actively disengaged at work.

The key factors reviewed to determine employee satisfaction at PRT demonstrated an overall satisfaction within each of the following areas.

Communication	Job Conditions	Reward & Recognition
Diversity & Inclusion	Employee Motivation	Training

- Employee Motivation and Job Condition factors remained about the same from 2004 to 2005 to 2006.
- Communication Factors improved from 2004 to 2005 and remained the same from 2005 to 2006.
- Reward and Recognition and Training Factors were better in 2005 than 2004 and remained steady from 2005 to 2006.
- The areas ranked by employees as the top three strengths of PRT are: Customer Care, Coworker Relations, and the employee's Direct Supervisor.
- 76 percent (up from 69 percent in 2004) of respondents said they have enough freedom to take independent action when needed. This response provides an indicator of how empowered employees feel about fulfilling their responsibilities.
- 80 percent (up from 73 percent in 2004) said they have enough freedom in their position to do what is right for the public.

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

The agency recently completed a review of coverage for tort reliability. After analyzing the need of the agency against the policy, the decision was made that the coverage could be lowered, resulting in a savings of \$22,194.

Recreation, Planning & Engineering

At Hunting Island S.P., the SC Department of Health & Environmental Control (DHEC) Office of Coastal Resource Management (OCRM) has set aside \$7.7 million in funding to restore the beach. Nourishment of the beach was completed in June 2006 at a cost of \$4.3 million. Design and permitting of six groins was completed and construction is expected to take place in the Fall/Winter of 2006.

Implementation of the Catawba River Planning framework continues through a partnership between PRT, DNR, and Duke Energy. Protection of islands and view sheds at Great Falls/Stumpy Pond is a priority that is being actively pursued. In April, PRT reached agreement for new state park lands and other recreation resources through negotiations with Duke Power in the hydroelectric re-licensing process for the next 50 years. Opportunities include new historic, natural, and recreational resources at Great Falls and recreational resources at Landsford Canal State Park and on the Catawba River and Lake Wateree, through cooperative efforts with the town of Great Falls, DNR, Catawba Valley Land Trust, and other stakeholders.

RP&E provided design, engineering, and construction management and regulatory compliance services for the agency's permanent improvement projects including state parks, welcome centers, and the Heritage Corridor. Over \$7,855,000 of construction was completed this FY with an additional \$5,485,000 still under construction and over

\$7,625,000 under design. Phase 1 of the \$12 million Charles Towne Landing project was nearing completion at the end of the FY. RP&E technical assistance was also provided to all five of the wastewater treatment systems operated by the agency. The assistance ranged from inspections to troubleshooting problems at the plants.

In order to comply with federal and state regulations, RP&E also provided expertise in statewide planning projects that included the State Survey, FERC hydro re-licensing and shoreline permits, DHEC environmental reviews, and other projects. The SC Participation & Preference Survey was completed as part of the update to the required State Comprehensive Outdoor Recreation Plan (SCORP).

RP&E provided technical assistance to 33 communities/groups that included site assessments, conceptual designs, funding strategies and issues, organizational issues and proposal evaluations.

RP&E staff members participate, cooperate, and network with a variety of organizations, including the SC Wildlife Federation (staff member serving as president); SCDOT Scenic Byway Committee, Highway Enhancement Committee; SC Chapter of the American Planning Association; SC Forestry Commission Recreation Advisory Committee; Palmetto Conservation Foundation; SC Recreation and Parks Association; Great Falls Nature Based Tourism Implementation Committee; and the Walterboro Great Swamp Sanctuary Commission.

RP&E staff maintains and updates the <http://www.SCTRAILS.net> website, providing information and maps on trails throughout the state, as well as links to numerous trail user groups, trail management agencies and organizations, and a variety of trail resources. PRT also coordinated the State Trails Advisory Committee, a group representing a variety of trails-related interests.

State Park Service

Through our State Parks Corporate Sponsorship program, financial resources have been committed for various projects throughout the State Parks system. The agency exceeded the fundraising goal and was able to maximize the use of corporate support on strategic park needs.

The State Park Service continues to work with private and public organizations on the protection and utilization of natural and cultural resources. The State Park Service has increased the progress of projects during the past year through increased communication and the implementation of practices that encourage efficiencies and reasonable deadlines for completion of projects. Projects that enhance natural resources and interpretation include boardwalks and new interpretive trails at Lee and Landsford Canal State Parks. In addition work continues on the redevelopment of the state's birth place at Charles Towne Landing. Also, new trails at Musgrove Mill and Blackstock State Historic Sites offer the visitor a walk through history. Additional projects included the restoration of the historic Table Rock Lodge at Table Rock State Park that highlights the Civilian Conservation Corps era while improving visitor services.

In addition, The Discover Carolina Education program continues to increase the total number of participants during the past year, despite the increase in fuel costs for

schools. The Palmetto Conservation Foundation transferred historic property to the state at both of the Revolutionary War battlefields of Musgrove Mill and Blackstock. Other properties were obtained at Hunting Island State Park as well.

The State Park Service continues to work with private and public organizations on the protection and utilization of such natural and cultural resources as the Battle of Camden Revolutionary War site, and the Blue Ridge Escarpment. PRT is seeking new state park resources for the next 50 years through negotiations with Duke Power and SCE&G in the Hydroelectric Re-licensing Process. Opportunities include new historic, natural, and recreational resources at Great Falls and recreational resources at Lake Wateree, and Rocky Creek area of Lake Murray through cooperative efforts with the many stakeholders in the re-licensing process.

[For more information regarding the](#)

[SC Department of Parks, Recreation & Tourism](#)

[Please call:](#)

[803-734-1700](#)