The South Carolina Budget and Control Board

Annual Accountability Report 2006-07

Executive Summary

The fundamental purpose of Budget and Control Board programs is to help state and local governments across South Carolina maximize their ability to serve the public. This goal is embodied in our vision statement: "We Make Government Better." We aim to achieve this goal by continuously improving the quality and efficiency of the support services that we provide.

During the past year, the Board:

- Overhauled the entire system of new employee orientation to ensure that Board employees have the information they need and understand the agency's commitment to customer service.
- Developed a new campaign finance reporting system at no cost to the state through the Division of the Chief Information Officer's SC.gov portal. This project was implemented in conjunction with the South Carolina State Ethics Commission. SC.gov also won Elite Achiever Award from the South Carolina Chapter of the Government Management Information Sciences for the "implementation of creative information technology."
- Developed the South Carolina Enterprise Information System (SCEIS) Agency Advocate program, which offers project-management assistance to agencies preparing to adopt the SCEIS program to overhaul state government's back-office systems. Each

agency will work closely with a certified project manager to help plan and manage its roll-out preparation.

- Implemented MyBenefits, the Employee Insurance Program's new on-line subscriber access program that will allow State Health Plan members to make changes to their insurance coverage via the Internet during the October 2007 enrollment period.
- Elected to participate in pharmacy contractor's "Rx Choices" pilot program in fall 2006, designed to save State Health Plan subscribers and plan money on medication by identifying lower-cost alternatives. During the first six months of participation in this program, there was an 18.5% conversion rate to a lower-cost drug.
- Launched a new Materials Management Office customer comment feature that allows government entities that are using state contracts to report problems or concerns they have with vendors.

Thousands attended the 2007 State Government Career Fair at the State Museum Atrium.

- Provided updated anti-harassment training to all supervisors and managers throughout the Board. Approximately 300 employees participated.
- Developed an automated state government employee recruitment system that will dramatically improve the process by which people apply for state jobs. The system launched September 12, 2007.
- Implemented "below market" rate

On the cover: Left to right, Larry Mallet, Division of the Chief Information Officer; Libby Holder and Ann Macon Flynn, Insurance Reserve Fund; Karen Roberts, General Services Division; Bob Michalski, Facilities Management. Photo by Roger Alan.

increases for the third consecutive year in the State Health Plan. The plan continues to have adequate financial reserves.

- Negotiated through the Real Property Management office a new lease for the Department of Insurance that led to a reduction of floor space needed by the agency, reduced their cost per square foot, saving more than $240,000 per year.
- Sold 17 surplus property parcels with a total value of $1,448,120.
- Hosted the Office of Human Resources' State Government Career Fair, which brought together state agencies and thousands of job candidates.
- Conducted the Confederate Relic Room and Military History Museum's most successful fundraising effort in its history, raising $110,000 to purchase a collection of rare diplomatic papers.
- Worked closely with the Retirement Systems Investment Commission, the State Treasurer's Office and the Bank of New York to establish new procedures to improve financial reporting for new types of investments permitted by recent changes to the state Constitution.

- Continued to help public employees and their families quit tobacco. Last year, the State Health Plan's new smoking cessation program enrolled 2,170 persons, and the first set of outcomes data indicated 89% of program participants attempted to quit tobacco, and 49% of participants reported actually quitting tobacco use.
- Conducted employee satisfaction or recruitment studies for the Department of Agriculture, the Department of Social Services, the Department of Insurance and the CIO. OHR provided additional support to the Senate Finance Committee in the administration of a survey of attorneys in public service agencies.
- Launched a traveling exhibit for the Confederate Relic Room and Military Museum's Write from the Front program, an ongoing effort to collect emails and other artifacts from South Carolinians on active duty in the Middle East. More than 45,000 people viewed the traveling exhibit in 2006-07, which kicked off with a ceremony September 11, 2006.

Dale and Ann Hampton present U.S. Rep. Joe Wilson a uniform that belonged to their daughter Kimberly, the first female pilot to die during combat in the Iraq War. The donation was made during a September 11, 2006 event to launch the Write from the Front traveling exhibit.

The South Carolina Budget and Control Board

Governor Mark Sanford, Chairman

State Treasurer Converse A. Chellis, III, CPA

Note: Grady Patterson served as Treasurer until January 9, 2007. Thomas Ravenel was treasurer from that date until June 19, 2007, when he was replaced by Interim Treasurer Kenneth B. Wingate. Converse Chellis was elected Treasurer by the General Assembly August 3, 2007.

Comptroller General Richard Eckstrom, CPA

Senate Finance Committee Chairman Hugh K. Leatherman, Sr.

House Ways and Means Committee Chairman Daniel T. Cooper

Organizational Profile

The primary purpose of the Budget and Control Board is to help state and local entities serve the citizens of South Carolina. Through leadership, policy direction, data analysis and value-added services, the Board improves the efficiency of government. In most cases, the Board does not provide direct service delivery to the public. Instead, **we make government better** by maximizing the effectiveness and efficiency of those agencies that do.

The agency is led by the five members of the Budget and Control Board. Chaired by Governor Mark Sanford, the Board sets policy under the authority granted to it by the General Assembly. This includes oversight of state finance, purchasing, personnel and real property transactions. The Board, which meets about 10 times annually, also serves as trustee for the South Carolina Retirement Systems. The Board carries out its duties through the Executive Director and various Board programs, which are established and governed by state law and regulations.

Major Products/Services and How They are Provided

Budget and Control Board products and services reach all state and local governments and school districts as well as employees and retirees of these entities. Board customers expect reliable, affordable services and products.

Key products include:

- Health, dental and life insurance for state

and local public sector employees via contracts with third-party providers.
- Retirement and disability benefits for state and local workers directly administered by the South Carolina Retirement Systems.
- Maintenance of state buildings, including the State House and the Governor's Mansion, by the staff of the General Services Division and outside contractors. General Services also directly operates the statewide Agency Mail, Fleet and Surplus Property programs and assists agencies in obtaining leased office space at the best possible price.
- Property, liability and casualty insurance for public workers, vehicles and buildings are provided by the Insurance Reserve Fund by direct underwriting and reinsurance purchased from outside vendors.

- The staff of the Office of Human Resources provides state agencies with consulting, policy development, training, recruitment, grievance and mediation services and oversight of the state pay system to help foster a diverse, high performance workforce.
- The Division of the State Chief Information Officer provides telephone, network, data center operations, applications development, IT procurement and IT management services through direct services and third party contractors.
- The Materials Management Office provides effective and efficient procurement of goods and services for state agencies. MMO's Office of the State Engineer assists and monitors public construction and safety services.
- The Office of State Budget provides assistance to the Governor and General

Assembly in the development and oversight of the annual appropriations act. This includes requests for funds, allocations of funds, and the responsible utilization of funds to achieve the needs of state government.

- The Office of Local Government provides oversight of state and federal grants and loans for water and sewer projects. These projects protect public health and support economic development.
- The State Energy Office works to improve public sector energy efficiency through grants and partnerships. A unit of the office also oversees certain aspects of the Barnwell low-level nuclear waste facility.
- The Office of Research and Statistics gathers, analyzes and publishes data vital to the social, health, and economic well-being of South Carolina. The office includes sections focusing on economic research, demographics, mapping, and health data. It also works with other agencies, non-profits and the private sector in order to ensure quality outcomes and reduce cost through the use of integrated data.
- The Executive Institute provides high-quality executive development training to state agency heads, rising leaders from state and local agencies and the private sector.

Key customers include the General Assembly, the Governor, Board members, other elected officials, all state agencies, local governmental entities, public schools, and state and local employees.

The Board's key suppliers/partners include:

- Vendors who are registered with the Materials Management Office and the IT Management Office, and any other business that desires to seek a state contract.
- Contractors selected to conduct specialized maintenance and repairs on state buildings.
- State agencies, cities, counties and school districts who remit contributions, enroll members and provide verification information to the Retirement Systems.
- Hospitals, dentists, doctors and other medical care providers under contract with the State Health Plan.
- Computer technology and telecommunication firms who contract with the CIO.
- Federal agencies that supply funds for infrastructure development.
- Firms that administer claims and benefits for the State Health Plan and the Insurance Reserve Fund.
- Agencies, private businesses and non-profit groups covering the fields of education, social services, health and criminal justice who partner with the Office of Research and Statistics on collaborative projects.

Budget and Control Board Key Challenges for 2006-07

Find and retain excellent employees.

Secure funding for the deferred maintenance of state buildings and the further development of the SCEIS project.

To continue to reduce the workforce and use technology to maintain or improve the delivery of services.

To continue to find ways to reduce expenditures while improving services.

Guiding Principles of the Budget and Control Board

Vision
We Make Government Better.0
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Mission Statement
The Budget and Control Board provides innovative leadership and a variety of services
to government agencies to foster effective government.

Values
Quality Customer Services and Products
We consistently provide outstanding products and excellent customer services,
as defined by our customers, and we strive for continuous improvement.

Innovation
We are receptive to and flexible with the changing environment and the evolving world of technology.
We welcome challenges, embrace innovation, and encourage creativity.

Leadership
We strive to lead government through strategic and visionary approaches that are proactive, fair, and ethical.

Professionalism
We perform our work with honesty, integrity, and loyalty. We are committed to performance that is credible,
thorough, competent, and worthy of customer confidence.

Employee Well-Being
We respect the individual contributions of each employee and endeavor to empower them with the needed resources for teamwork,

Key External Customers	State Agencies	Governor's Office	General Assembly	Local Government/ Schools	Higher Education	State/ Local Employees
General Services	X	X	X	X	X	
Retirement	X	X	X	X	X	X
Human Resources	X	X	X		X	X
CIO	X	X		X	X	
Insurance and Grants	X	X	X	X	X	X
Research and Statistics	X	X	X	X	X	
Internal Operations		X	X			
Budget Office	X	X	X	X		
Executive Institute	X	X		X	X	X
General Counsel						
Confederate Relic Room				X	X	

The Budget and Control Board Divisions and Programs

General Services
1201 Main St.
1441 Boston Ave.
1942 Laurel St.
921 Main St.
1201 Pendleton St.
140 Stoneridge Dr.
516 Senate St.
1535 Confederate Ave.
1026 Sumter St.

Facilities Management. Provides maintenance services for state-owned buildings.

Fleet. Coordinates purchase, maintenance and rental of state vehicles.

Agency Mail. Operates statewide overnight mail delivery service for state and local agencies.

Surplus Property. Sells surplus state and federal property.

Real Property Services. Assists agencies in obtaining office space.

South Carolina Retirement Systems
202 Arbor Lake Drive

Operates defined contribution and defined benefit retirement plans for state, city, county and school district employees.

Insurance & Grants
1201 Main St.
1122 Lady St.

State Health Plan. Provides heath and dental insurance for state, local and school district employees.

Insurance Reserve Fund. Issues property, casualty and liability insurance for state agencies, local governments and school districts.

Office of Local Government. Provides grants and loans for local water and sewer projects.

State Energy Office. Creates partnerships to improve energy efficiency.

Chief Information Officer
4430 Broad River Road
1026 Sumter St.
171 Moultrie St., Charleston
Wade Hampton Building

Provides voice, data and other information technology services for South Carolina government.

Procurement Services
1201 Main ST.
171 Ashley Blvd., Charleston
800 University Way, Spartanburg

Materials Management Office. Operates the state system for purchasing goods and services.

Office of the State Engineer. Monitors state construction projects.

Budget & Analyses
1201 Main St.
1401 Senate St.
5 Geology Road
1919 Blanding St.
1201 Main St.
1000 Assembly St.
301 Gervais St.

State Budget Office. Supports the legislative and gubernatorial budget process.

Office of Human Resources. Provides consulting, training, recruitment and other personnel services for state agencies.

Office of Research and Statistics. Uses data to improve social, health, criminal justice, education end economic outcomes in South Carolina.

Confederate Relic Room and Military Museum. Operates South Carolina's military history museum.

Board of Economic Advisors. Forecasts state revenues.
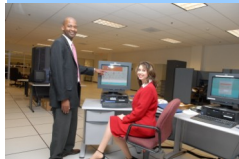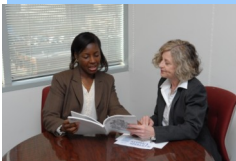
Other Board Units
1201 Main St..

Internal Operations. Provides financial and human resource services to Board offices.

Internal Audit. Conducts financial and performance audits of Board programs.

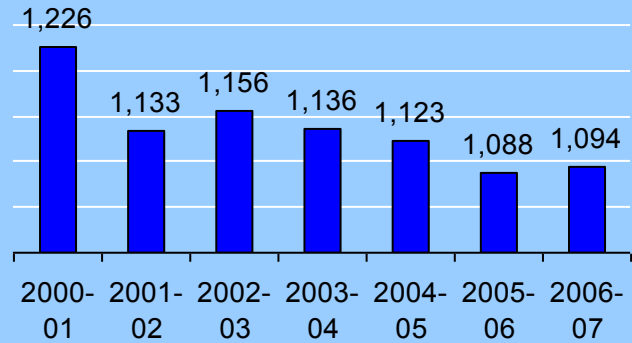**Executive Institute.** Offers leadership training for rising public and private sector leaders.

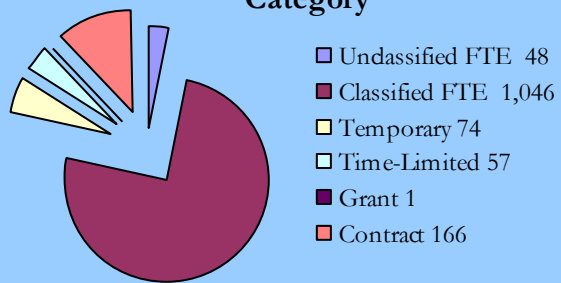**General Counsel..** Provides legal services to Board programs.
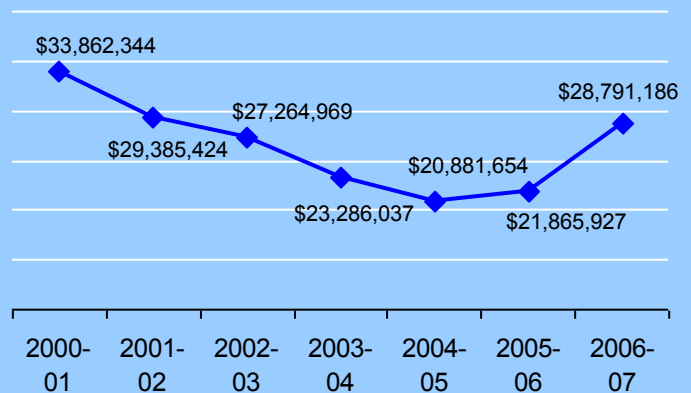
Number of Budget and Control Board Employees

1,226 — 2000-01
1,133 — 2001-02
1,156 — 2002-03
1,136 — 2003-04
1,123 — 2004-05
1,088 — 2005-06
1,094 — 2006-07

Budget and Control Board Employees by Category

- Unclassified FTE 48
- Classified FTE 1,046
- Temporary 74
- Time-Limited 57
- Grant 1
- Contract 166

Budget and Control Board Recurring General Fund Budget

$33,862,344
$29,385,424
$27,264,969
$23,286,037
$20,881,654
$21,865,927
$28,791,186

2000-01 2001-02 2002-03 2003-04 2004-05 2005-06 2006-07

For FY 2008, the Budget and Control Board received a new appropriation of $5,000,000 to assist first responders with user fees for an interoperable statewide 800 MHz communications system. In addition the Board received a $2,435,910 appropriation to maximize the state's 5 to federal 1 match for loans to political subdivisions for water and sewer projects.

Organizational Structure of the Budget and Control Board

The South Carolina Budget and Control Board

Governor Mark Sanford
State Treasurer Converse Chellis, III, CPA
Comptroller General Richard Eckstrom, CPA
Senate Finance Committee Chairman Hugh K. Leatherman, Sr.
House Ways and Means Committee Chairman Daniel T. "Dan" Cooper

State Auditor

Executive Director
*Frank Fusco**

Retirement Systems Investment Commission

Board Secretary
Delbert Singleton

General Counsel
Ed Evans

Internal Audit & Performance Review
Vacant

*Henry White served as Executive Director from January 30-August 3, 2007

Chief of Staff
Eddie Gunn

Office of Internal Operations
Stephen Elliott

Executive Institute
Tina Hatchell

General Services Division *Rich Roberson*	Budget & Analyses Division *Vacant*	Retirement Division *PeggyBoykin*	Insurance & Grants Services Division *Tom Lucht*	Procurement Services Division *Delbert Singleton*	Division of the State CIO *Jim Bryant*

Ed Evans
General Counsel

Tom Lucht
Insurance & Grants

Jim Bryant
Chief Information Officer

Frank Fusco
Executive Director

Eddie Gunn
Chief of Staff

Peggy Boykin
Director
South Carolina
Retirement Systems

Rich Roberson
Director of
General Services

Delbert Singleton
Secretary to the
Board and
Director of
Procurement
Services

Base Budget Expenditures and Appropriations

Major Budget Categories	2005-06 Actual Expenditures		2006-07 Actual Expenditures		2007-08 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Services	$56,422,199	$8,913,422	$57,385,501	$10,230,276	$64,954,720	$11,532,883
Other Operating	$82,032,730	$5,898,691	$97,372,295	$7,683,337	$98,973,045	$7,560,107
Special Items	$12,693,524	$2,314,955	$14,766,989	$2,366,099	$21,393,151	$8,193,151
Permanent Improvements	$2,729,494	0	$2,781,201	0	$2,700,000	0
Debt Services	$327,840	$111,857	$2,001,138	0	$3,661,655	0
Distributions to Subdivisions	$4,391,389	$1,094,090	$6,977,087	$3,718,090	$10,326,144	$6,266,144
Fringe Benefits	$14,787,128	$2,265,882	$15,446,822	$2,620,363	$18,590,086	$3,341,734
Non-recurring	$14,426,938	$528,394	$39,848,465	$1,413,960	0	0
TOTAL	**$187,811,242**	**$21,127,291**	**$236,579,498**	**$28,032,125**	**$220,598,801**	**$36,854,019**

Note: These figures include pass-through funds designated for other agencies.

Other Expenditures

Source of Funds	2005-06 Actual Expenditures	2006-07 Actual Expenditures
Supplemental Bills	$2,511,845	$18,402,876
Capital Reserve Funds	$3,445,484	$9,364,303
Bonds	$1,807	$220,698

Major Program Areas

Program Number and Title	Major Program Area Purpose	FY 05-06 Budget Expenditures	FY 06-07 Budget Expenditures
VIII.B - CIO Operations: Connectivity	To provide network services in the areas of voice, video and data connectivity to state agencies and local governments and to provide local and long distance telephone service, internet access and network connectivity.	State: 6,802 Federal: 1,697,910 Other: 34,739,828 Total: 36,444,540 % of Total Budget: 23%	State: 175,809 Federal: 1,751,397 Other: 43,961,138 Total: 45,888,344 % of Total Budget: 19%
V.B. - Facilities Management	To provide centralized mechanical, maintenance, custodial, energy, environmental, and horticulture services for state-owned buildings and grounds.	State: 2,353,532 Federal: - Other: 26,899,300 Total: 29,252,832 % of Total Budget: 15%	State: 2,353,532 Federal: - Other: 27,223,642 Total: 29,577,174 % of Total Budget: 13%
V.E. - State Fleet Management	To provide motor vehicles through short-term motor pool and long-term leases for state agencies' use in performing official business	State: Federal: Other: 19,244,453 Total: 19,244,453 % of Total Budget: 8%	State: - Federal: - Other: 28,152,485 Total: 28,152,485 % of Total Budget: 12%
VIII.B - CIO Operations: Data Processing	To provide data processing services for state agencies to include applications development, security, disaster recovery, help desk, and output management services.	State: Federal: Other: 18,676,812 Total: 18,676,812 % of Total Budget: 9%	State: - Federal: - Other: 18,685,498 Total: 18,685,498 % of Total Budget: 8%
IX - SC Retirement Systems	To administer a comprehensive program of retirement benefits responsive to the needs of public employees and to perform fiduciary duties as stewards of the contributions and disbursements of the pension trust funds.	State: 50,000 Federal: Other: 16,042,497 Total: 16,074,497 % of Total Budget: 9%	State: 50,000 Federal: Other: 16,802,508 Total: 16,852,508 % of Total Budget: 7%
VII.B - Employee Insurance	To provide cost effective insurance benefits to employees and retirees of public sector employers in South Carolina to include health, dental, life, long-term disability, long-term care and flexible spending accounts.	State: Federal: Other: 8,722,512 Total: 8,722,512 % of Total Budget: 4%	State: - Federal: - Other: 9,095,439 Total: 9,095,439 % of Total Budget: 4%

VIII.C - IT Planning and Management Services: SCEIS	As part of the SCEIS project, to promote cost efficiencies, enable data sharing and promote interoperability among state agencies.	**State:**	2,716,256	**State:**	5,467,744
		Federal:		**Federal:**	
		Other:	4,603,290	**Other:**	3,176,722
		Total:	7,319,546	**Total:**	8,664,446
		% of Total Budget:	3%	**% of Total Budget:**	4%
VII.C - Office of Local Government	To provide grants, loans and technical assistance for water and sewer projects that protect public health and support economic development.	**State:**	1,495,604	**State:**	4,088,963
		Federal:	535,105	**Federal:**	1,455,144
		Other:	2,713,400	**Other:**	2,133,253
		Total:	4,744,109	**Total:**	7,677,360
		% of Total Budget:	2%	**% of Total Budget:**	3%
IV.B. - Office of Research and Statistics	To gather, analyze and publish data vital to the social, health, criminal justice, education and economic well being of South Carolina and to work with other agencies to ensure quality outcomes and reduce costs.	**State:**	2,676,878	**State:**	2,760,845
		Federal:	699,141	**Federal:**	611,607
		Other:	3,159,446	**Other:**	3,772,767
		Total:	6,535,465	**Total:**	7,145,219
		% of Total Budget:	3%	**% of Total Budget:**	3%
IV.D. - Office of Human Resources	To provide central human resources for state government in the areas of consulting, policy development, training, recruitment, grievance, mediation and compensation.	**State:**	2,888,088	**State:**	3,260,073
		Federal:		**Federal:**	
		Other:	1,898,778	**Other:**	1,668,341
		Total:	4,786,866	**Total:**	4,928,414
		% of Total Budget:	3%	**% of Total Budget:**	2%
VII.A - Office of Insurance Reserve Fund	To provide property and liability insurance to qualified governmental entities including the underwriting of policies, reinsurance, rate development and settlement and defense of claims.	**State:**		**State:**	
		Federal:		**Federal:**	
		Other:	4,856,060	**Other:**	4,452,080
		Total:	4,856,060	**Total:**	4,452,080
		% of Total Budget:	3%	**% of Total Budget:**	2%
VI. - Procurement Services	To provide centralized procurement expertise and services to all public procurement officials and provide building code and life safety reviews and expertise.	**State:**	1,929,950	**State:**	2,185,751
		Federal:		**Federal:**	-
		Other:	1,243,722	**Other:**	1,303,046
		Total:	3,173,722	**Total:**	3,488,797
		% of Total Budget:	1%	**% of Total Budget:**	1%
IV.D. - State Budget Office	To support the Governor, General Assembly, and the Budget and Control Board in the development and implementation of the annual state budget and other fiscal matters.	**State:**	2,128,459	**State:**	2,372,420
		Federal:		**Federal:**	
		Other:	4,808	**Other:**	
		Total:	2,133,267	**Total:**	2,372,420
		% of Total Budget:	1%	**% of Total Budget:**	1%
VII.D - Energy Office	To promote energy efficiency and cost savings through financial assistance, energy audits, technical assistance, workshops, training, publications and other activities.	**State:**		**State:**	
		Federal:	1,098,182	**Federal:**	921,004
		Other:	1,193,092	**Other:**	1,184,390
		Total:	2,291,274	**Total:**	2,105,394
		% of Total Budget:	2%	**% of Total Budget:**	1%

Other Program Areas

Executive Director, Internal Operations, Comptroller General/State Treasurer Data Processing Pass Through, Civil Contingent Fund, Base Closure, Brandenburg Coordination Committee, Southern Maritime Collection, Agency Support, Executive Institute, Confederate Relic Room and Military Museum, Board of Advisors, Internal Audit and Performance Review, General Counsel, Gambling Disorders, Intra-Agency Mail, Surplus Property, Parking, Adoption Assistance, Leasing and Property Services, IT Planning & Project Management, IT Procurement, Print Shop, Non-Bonds SPIRS Projects and Increased Enforcement Pass Through accounts of Reimbursement for Graniteville Disaster Relief, Competitive Grants, Central Carolina Allied Health Service Center, Conway Maintenance Shop Renovations, Anderson County Health Depart. Roof Replacement & Magistrate Court Bldg, Edgefield Building Renovations, and Dorchester Interfaith Outreach Ministry Homeless Center & Soup Kitchen.

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State:	4,881,722		State:	5,316,988	
Federal:	278,691		Federal:	3,322,302	
Other:	18,394,874		:	38,874,610	
Total:	23,555,287		Total:	47,513,900	
% of Total Budget:		14%	**% of Total Budget:**		20%

Strategic Planning

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related FY 06-07 Key Agency Action Plan/Initiative(s)	Key Cross References for Performance Meas-
VIII.B - CIO Operations: Connectivity and K-12.	Customer satisfaction. Return on investment.	Migrated the K-12 community to the MPLS network infrastructure, providing a method for educational institutions to prioritize network traffic, reduce communications costs, increase capacity, and take advantage of additional security.	Pages 38, 39.
V.B. - Facilities Management	Customer satisfaction. Return on investment.	Maintained state buildings below public and private sector cost benchmarks.	Page 35.
V.E. State Fleet Management	Return on Investment	Maintained Fleet daily motor pool rates below private sector benchmarks.	Pages 35, 36.
VIII.B - CIO Operations: Data Processing	Customer satisfaction. Return on investment.	The SCEIS SAP infrastructure and secure access strategy were put in place to support agency go-live in Fall 2007. Completed a Disaster Recovery Plan for applications supported. Disaster Recovery Procedures for small server platform. Offsite automated tape library was installed to improve disaster recovery backup and restoration.	Pages 38, 39.
IX - SC Retirement Systems	Customer satisfaction. Return on investment.	Administrative cost per member dropped slightly while median cost for peer systems increased. Modified information systems to accommodate: implementation of Pension Protection Act of 2006 provisions; new asset classes provided by investment restructuring; and reopening of National Guard Retirement System. Organized and provided tours of customer services units for NC Retirement Systems and for CEM's call center best practices research.	Page 37.
VII.B - Employee Insurance	Customer satisfaction. Return on investment.	Employee premiums remained stable for third straight year. Launched new online benefits enrollment system.	Page 40.
VIII.C - IT Planning and Management Services: SCEIS	Customer satisfaction. Return on investment.	The SCEIS project moved from blueprint phase to implementation phase; the hardware and software infrastructure was installed. A "Solution Center" was opened to permit agency hands-on testing of the new system.	Pages 38, 39.

Strategic Planning

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related FY 06-07 Key Agency Action Plan/Initiative(s)	Key Cross References for Performance
VII.C - Office of Local Government	Return on investment.	The office continued to operate in an efficient manner. Prudent loan decisions and portfolio management provided by the Revolving Loan Programs resulted in no late payments or defaults for 2006-07 or any prior year since inception.	Page 42.
IV.B - Research and Statistics	Customer satisfaction. Return on investment.	Continues to develop pioneering health, social service, education, criminal justice and mapping research projects.	Page 45.
IV.D - Office of Human Resources	Customer satisfaction. Employee well-being. Return on investment.	Launched development of online job application system. Led national effort to develop human resources benchmarks.	Page 43.
VII.A - Office of Insurance Reserve Fund	Return on investment.	Program continues to operate efficiently and to offer rates well below what is available from the private sector.	Pages 41,42.
VI - Procurement Services	Return on investment. Customer satisfaction.	Conducted significant training for agencies and vendors. Contracting and negotiation saved the state $48 million.	Pages 44.
IV.D - State Budget Office	Customer satisfaction.	Continued to provide quality customer service.	Page 46..
VII.D Energy Office	Return on investment.	The Energy Office continued to promote energy efficiency and cost savings with energy improvements to public facilities projected to provide significant cost savings. This office also promoted the increase in the usage of alternative energy sources in order to replace petroleum with clean burning fuels.	Page 42.

1.0 Leadership

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

Please note that this report has been developed under the leadership of Executive Director Frank Fusco. Henry White had served as Executive Director from January 30 to August 3, 2007 and some of the activities in this report took place during Mr. White's tenure.

The Executive Director participates in a Baldrige orientation for new Board employees. During these three-hour sessions for all new staff, he explains the agency's deployment of the Baldrige concepts, the Board's three strategic objectives and how the annual accountability report is used within the agency. The Board's Director of Employee Development has updated the Baldrige orientation program to have a greater focus on the goals of listening, learning, improving and measuring results. All Board programs begin with a focus on customers and customer service is the first of the agency's

Board managers discuss strategic issues at the annual leadership retreat in January.

objectives.

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

During the annual senior leadership retreat, the Executive Director presented the group with a chart featuring an ear, an apple and an arrow pointing up. This symbolized the agency's commitment to listening to customers, learning from them and striving to continuously improve. At the retreat, all agency managers shared their key measures and customer-focused

accomplishments with the group. Agency-wide issues were discussed in view of how they will impact the direct delivery of services throughout the year. Any complaints or concerns received by the Executive Director involving customer service are fully analyzed and resolved.

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?

The biggest responsibility of the Board is to be a good steward of public funds, and the agency has in place strong legal and auditing components to ensure that all legal and regulatory standards are met. The Executive Director and senior leadership consistently emphasize to all employees that it is their duty to
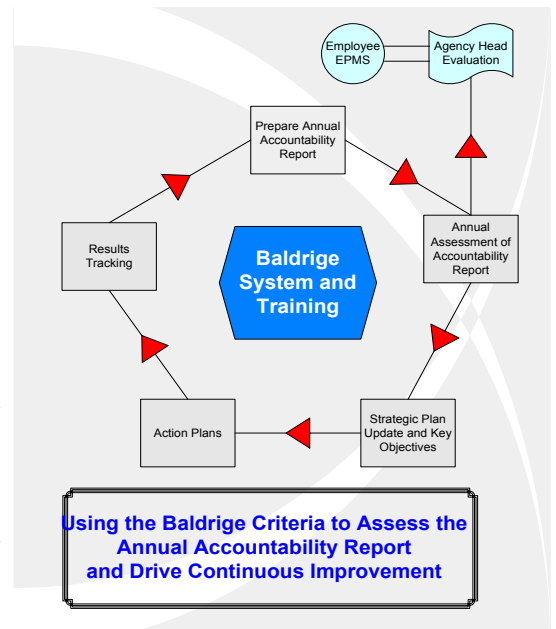
live up to the highest standards of ethical behavior.

4. How do senior leaders maintain fiscal, legal and regulatory accountability?
The Board works with the state's elected leadership to meet long-term fiscal and regulatory requirements. As new issues emerge, staff members ensure that policy makers have the facts to support good decision-making. In 2006-07, Board senior staff assisted a legislative committee in studying and making policy recommendations to fund retiree health insurance costs. To ensure that Board managers are accountable for employee well-being, all senior leaders underwent anti-harassment training in 2006-07.

5. What key performance measures are regularly reviewed by your senior leaders?
Return on investment, customer satisfaction and employee well-being measures are regularly reviewed by senior leaders across the agency. Individual programs have also identified many specific measures that are tailored to their particular needs. The CIO meets regularly with Board human resources officials to review agency hiring decisions and trends in workforce management.

At the office and program level, Board leaders are deeply involved in continuously updating key measures.

Office of Human Resources Director Sam Wilkins chaired the National Association of State Personnel Executives (NASPE) Metrics Taskforce in 2006. Representatives from 14 states prepared a template of strategic measures that a well-run HR program should monitor. The taskforce identified 22 specific HR measures in six broad categories. In addition, the taskforce identified a formula, a data collection approach and suggestions for

implementation for each of the 22 measures. Each state was encouraged to identify the metrics from each category that would be most meaningful to them. OHR selected six metrics and posted them in a special section of the OHR website http://www.ohr.sc.gov/OHR/hrmetrics/hr-metrics.htm for agency reference.

6. How do senior leaders use organization 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?
Each program in the Board is required to use a systematic approach that employs data to continuously review and improve operations. The Executive Director and Chief of Staff regularly review division and office performance metrics and receive reports on initiatives to improve the agency's three key focus areas.

7. How do senior leaders promote and personally participate in succession planning and the development of future organizational leaders?
Succession planning has been spurred by the ongoing commitment to the Leadership

Academy, which is launching another class in 2007-08. Leadership Academy graduates are better positioned for agency-wide leadership roles and a number have found promotional opportunities since the program began. The Executive Director also personally teaches a three-hour introductory course covering the Baldrige process.

The executive leadership team participates regularly in awards ceremonies, receptions and other events that recognize the accomplishments of Board employees. The Executive Director also works to foster a consistency of purpose throughout the agency by emphasizing listening, learning and improving during his interactions with others.

The Statewide Strategic Information Technology Plan included a plan to review the market for IT jobs and to recommend strategies to help state agencies recruit and retain IT employees. As part of this initiative, OHR partnered with the CIO and a team of representatives from higher education, large and small agencies, and agencies with diverse missions to study issues and develop recommendations to enhance agencies' recruitment and retention efforts. The study recommended the state create additional IT job classifications, suggested strategies for developing and implementing structured career paths for IT employees, and gave a clearer indication of the market for IT jobs in the southeastern region.

9. How does senior leadership actively support and strengthen the communities in which your organization operates? Include how senior leaders and employees contribute to improving these communities?
Board employee contributions to the United Way rank in the top 10 percent of agencies. A total of 246 Board employees donated

$21,351.51 via payroll deductions to United Way.

Board employees also support the Community Health charities. 153 Board employees donated $7,762.20 via payroll deductions to these health charities.

2.0 Strategic Planning

1. What is your strategic planning process, including key participants, and how does it account for: a) your organization's strengths, weaknesses, opportunities and threats; b) financial, regulatory, societal and other potential risks; c) shifts in technology or the regulatory environment; d) human resource capabilities and needs; e) the opportunities and barriers you described in the Executive Summary (question 4); f) business continuity in emergencies; g) your ability to execute the strategic plan.
Every year about 40 senior Board division and program managers meet to discuss the agency's strategic situation and plans for the coming year. Each manager posted a list of accomplishments realized by their area during the past year and discussed key initiatives with the group. Further discussions involve the strengths, weaknesses, opportunities and threats that transcend individual operational

units. Discussions include considerations of financial, technology and human resource challenges.

Common issues that are identified during the planning session are tracked throughout the year by the appropriate Board unit with data reports to senior management. Each business unit reports key results as part of the annual accountability report and the data is reviewed by Board executives and office directors during a day-long meeting in August. This serves as an agency-wide review of progress since the management retreat and provides an additional opportunity to evaluate goals.

Using data collected from multiple sources, including the Human Resource Advisory Committee meetings, customer surveys, and environmental scanning, the Office of Human Resources developed a three-year plan in 2005. The plan outlines both strategic and major operational initiatives in all areas of the office. At the annual OHR planning session, the initiatives are discussed, prioritized and assigned timeframes and project leaders. Plan attainment is monitored through progress noted in an internal database by the project leaders, through ongoing project meetings and by OHR leadership in management level meetings. Every six months the plan is formally updated in review sessions as initiatives are completed, new information is gathered, and ongoing project progress is analyzed, essentially

creating a rolling three-year planning document.

2. How do you develop and track action plans that address your strategic objectives? Note: Include how you allocate resources to ensure accomplishment of your action plans.

As described above, senior leaders meet annually to set strategic objectives for the agency. Each Board program area sets specific goals and action plans to meet those broad objectives within their area. Progress is monitored throughout the year by senior leadership and is specifically reported during the accountability reporting process. Senior management allocates resources on an as-needed basis. This is done at the division or major program level.

In July 2006, the CIO published a two-year strategic plan focusing on promoting an enterprise IT vision, ensuring data security, promoting best value services and enhancing employee well-being. Detailed outcomes and measures were drafted for each goal, which are tracked regularly by the CIO's leadership team.

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

Strategic objectives and action plans are discussed and communicated first at the annual senior management retreat that is held each fall. Those program leaders then communicate agency priorities to their key leadership teams and employees. Divisions and offices also create their own action plans. For example, the General Services Division included all areas in the development of its strategic plan. Each functional area within General Services built upon on previous Accountability Report data to develop its part of the plan, and senior management integrated the results into the four

strategic areas identified in the plan. Senior management distributed a draft to all levels of management for comment, revision and approval, and then published the final product. It is to be reviewed and updated annually.

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

Each program area has a detailed list of measures that are used both internally and externally to track progress and highlight opportunities for improvement. Measures include both workload, workflow, output, financial and customer satisfaction. Ideally, each is benchmarked against customer needs and expectations and industry leaders. Measures are also continually reviewed and upgraded in the face of changing customer and stakeholder expectations.

5. How do your strategic objectives address the strategic challenges you identified in your Organizational Profile?

The strategic objectives of return on investment, customer satisfaction and employee well-being are all closely linked to the identified strategic challenges. Recruiting and retaining excellent workers will require ensuring that the Board is a good place to work for all employees. The use of technology and reducing expenditures will allow us to continue to provide excellent customer service while remaining competitively priced as our customers demand. A key component of this effort will be the continued development of the SCEIS system which promises to dramatically improve state government's back-office operations. The Board must also work to secure funding to reduce the growing backlog of deferred maintenance in state facilities.

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

Strategic planning events are regularly revised to meet current issues and needs. The agenda for the annual strategic retreat is different year in both content and meeting structure.

3.0 Customer Focus

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

As a public agency, our customers are largely mandated by statute and regulation. However, many users of Board services are voluntary, such as local governments that purchase coverage through the Insurance Reserve Fund and customers of the Agency Mail Program. Customer requirements are determined through direct interaction by Board employees, correspondence and customer surveys.

Each program is responsible for having listening and learning methods in place to keep up with changing customer needs.

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

The CIO developed a Customer Call Plan where agency representatives go to every customer's location on a semiannual basis and meet with the business stakeholders. Additionally, the CIO's Customer Relations unit conducts on-site meetings with customers to ensure their changing business needs and expectations are met on a continuous basis.

The Division of Insurance and Grants

conducts field visits, quality control measurement reviews, and continuous surveying by mail, telephone, and electronically. It also incorporates technological innovations such as web-based enrollment, improved website accessibility and content, automated loan and billing systems, and integrated imaging workflow systems.

The Materials Management Office launched a number of initiatives to enhance cooperation and feedback with the agencies it serves. This included reinstating the procurement directors conference, a training conference for procurement directors of certified agencies in May. The MMO director also co-chairs a Procurement Procedures Committee of state agency procurement professionals, promoting the use of certified minority businesses and providing training on how to sell to government. MMO also hosted training events for small and minority vendors and conducts one-on-one matchmaking sessions for this target audience.

The State Health Plan holds an annual week-long forum for benefits administrators from state and local agencies every August. Plan staff explain changes to the insurance program for the coming year and receive extensive feedback from customer agencies about their concerns and what they are hearing from consumers.

In 2006-07, the CIO published an annual customer report explaining the division's products, services and priorities to customers. The South Carolina Retirement Systems publishes the Popular Annual Financial Report which outlines key data in a format that is easy for the public to use.

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

Each Board division has a system for collecting actionable customer feedback which helps determine the delivery of services. This involves direct feedback, customer surveys and data tracking. The South Carolina Retirement Systems tracks incoming calls, including the time to answer and the number abandoned, to monitor customer demand and redeploy resources as needed

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

Board programs employ a variety of methods in this area including the use of focus groups, surveys, direct follow-up calls to customers who have received service and customer feedback cards.

Board managers are also leaders in state and national efforts to enhance measurement and benchmarking. The Director of MMO served as president of the National Association of State Purchasing Officers and chaired NASPO's Benchmarking Committee which is developing the first benchmarks ever produced for state procurement organizations. Efficiency benchmarks were developed in 2006 and additional benchmarks for cost savings and cost avoidance will be presented in September 2007.

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

Relationships are strengthened by demonstrating a willingness to listen and take action when appropriate.

The CIO Division developed the South Carolina Enterprise Information System (SCEIS) Agency Advocate program, which offers project-management assistance to

agencies preparing to adopt the SCEIS program. Each agency will work closely with its designated advocate, a certified project manager, to help plan and manage its roll-out preparation.

The Materials Management Officer, as President of NASPO, hosted the National Association of State Procurement Officials' Marketing to State Governments conference to train 350 private sector attendees in selling to state governments.

The South Carolina Retirement and Pre-Retirement Advisory Board advises the director of the South Carolina Retirement Systems and the director of the Office of Human Resources on matters relating to retirement and pre-retirement programs and policies. The Board consists of eight members appointed by the State Budget and Control Board to represent the various segments of the active and retired workforce.

The CIO uses an array of forums to provide input to and oversight of various enterprise technologies for a variety of customer segments, including the Architecture Oversight Committee which provides oversight and direction for the state's enterprise architecture and special bodies that oversee the state's web portal, the statewide radio system, K-12 technology and the South Carolina Enterprise Information System.

4.0 Measurement, Analysis, and Knowledge Management

1. How do you decide which operations, processes and systems to measure for tracking financial and operational performance, including progress relative to

strategic objectives and action plans?
Each program area is required to have measures that focus on the Board's three strategic objectives. Individual units typically have many additional measures that are tailored to their specific needs and business type that are designed for internal tracking purposes.

2. How do you use data/information analysis to provide effective support for decision making throughout your organization?
The measures described previously are benchmarked against leaders in the appropriate line of business to serve as a high standard for which to strive. Areas where the data demonstrates opportunities for improvement become strategic priorities for the program.

3. What are your key measures, how do you review them, and how do you keep them current with business needs and direction?
Key goals are set by researching the needs of all stakeholders (customers, vendors, employees, legislature, etc.). Once goals and objectives have been established, operational plans are developed to include results tracking and feeds for the annual accountability report. Data is regularly evaluated by specific program managers. For example, the Insurance Reserve Fund uses a computer modeling report produced by its outside actuaries to project losses during a hurricane or earthquake. This data allows the fund to determine if it has adequate reinsurance and what financial capacity it needs to met the needs of customers.

4. How do you select and use key comparative data and information to support operational and strategic decision making and innovation?
Throughout the Board, programs track numerous specific measures that are reviewed

regularly. Depending on the nature of the measure, it may be reviewed daily in the case of call center activity, or quarterly in the case of many financial reports. The Board's Internal Audit and Performance Review function regularly audits key measures to ensure they are accurate and appropriately benchmarked. Independent consultants are also used to review financial and performance measures for the Employee Insurance Program and the Division of the State Chief Information Officer.

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

The Board's Internal Audit and Performance Review audited the validity and reliability of the performance measures reported in the 2006 Accountability Report to determine the level of reliance that Board management could place on the reported measures and to provide feedback regarding the degree of development and usefulness of performance measures.

The CIO implemented the Computer Associates Service Desk, a new work order tracking system. This system offers an incident reporting, tracking and automated escalation capability. This incident management system offers CIO customers a tremendous improvement in the delivery of key services.

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

Each program area follows the "listen, learn and improve" process described previously. Measures that lag are used to identify the next best opportunity for improvement.

7. How do you collect, transfer, and maintain organizational and employee

knowledge (your knowledge assets)? How do you identify and share best practices?

The Board employs various knowledge transfer methods to collect, transfer and maintain organizational knowledge. Traditional methods such as on-the-job training, documenting processes, job rotation, and classroom training are used regularly. In addition, the Board has developed a knowledge transfer workshop to provide managers the tools they need to be able to successfully retain institutional knowledge. The Board shared 24 knowledge transfer strategies, developed by another state, with the leadership at its annual retreat and encouraged leadership to adopt those strategies that are most appropriate for the situation.

Board HR developed a knowledge transfer process to assist managers in planning for their workforce transitions using a methodical planning and implementation approach. These knowledge transfer tools are posted on the Board's intranet for use by managers throughout the Board.
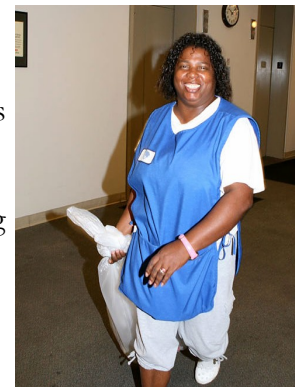
5.0 Workforce Focus

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?

5.1 The Board's leadership encourages managers and supervisors to organize work to meet the strategic objectives and goals set for their part of the organization which ultimately feeds into their division's strategic plan. The

Board's values support an environment of continuous improvement and innovation as well as quality customer services and products, leadership, professionalism, and employee well-being.

To assist managers with their workforce planning efforts, a number of demographic reports were developed to help identify employees leaving through retirement. Based on these retirements, as well as projected workload, new lines of business, and technology, division management identify gaps in skills or knowledge and develops succession plans or hires new employees with the needed skills.

In 2006-07, the entire new employee orientation process was systematically redesigned to ensure that the organization's values and key performance goals are more effectively communicated. Senior agency leadership are in attendance at most of the orientation sessions which occur every two weeks.

The number of retirements and potential retirements within the Board creates the potential for immense loss of institutional knowledge and information. In order to deal with this potential problem, Board Human Resources developed processes for transferring the knowledge, skills, and abilities from our senior employees to others within the workgroup. These processes were piloted with the CIO's customer relations area and received positive response. We will continue to monitor their progress and develop additional tools. The knowledge transfer tools are posted on the Board's intranet for use by managers throughout the Board. We also offer facilitation for divisions and offices that need help with identifying and developing their knowledge transfer plans.

2. How do you evaluate and improve your organization's human resource related processes?

5.2 The Board has employed several methods to evaluate personnel processes. Such methods include surveying our customers following an event such as open enrollment, orientation, and training; soliciting feedback by meeting with key customers, human resource liaisons and division/office directors; analyzing exit interview information to identify systematic areas of concerns; and benchmarking against other organizations. From the evaluations, we improve human resource processes by various methods to include making minor adjustments to processes and communicating the change to our customers, mapping our processes to determine a more effective way of performing a function, and using technology to operate more efficiently.

In 2006-07, Board Human Resources conducted focus groups in several divisions where there were employee morale concerns. HR staff conducted interviews, administered surveys, and studied processes in order to make specific recommendations for addressing employee concerns and worked jointly with supervision and management to implement improvement plans and follow up.

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 encourage the job use of the new knowledge and skills?

5.3 We provided updated anti-harassment training to all supervisors and managers throughout the organization. An initial course on harassment prevention was presented to Board leaders in April by Linda Pearce Edwards, a Columbia attorney specializing in employment law. Subsequently, all Board supervisors and managers received information about harassment prevention.

The primary purpose of the training was to reinforce the agency's commitment to employee well-being by ensuring a productive, harassment-free environment. Secondly, agency leadership wanted to provide managers and supervisors with the knowledge needed to manage fairly and legally in today's changing legal environment. The courts and the EEOC have made it clear that when there is a complaint, the organization is obliged to demonstrate that they have taken proactive steps, including training, to stop harassment before it occurs.

We continued our efforts to develop our supervisors through the 4-day supervisory practices course offered by the state Office of Human Resources. Thirty-three employees attended this program.

Board Human Resources also delivered several new programs, including sessions covering positive disciplinary practices, position description writing, conducting the performance appraisal discussion and an

overview of ethical practices.

We sponsored 16 sessions of professional development training for Board employees through Midlands Technical College. Topics included customer service skills, conflict management, communication skills, project management, and creative problem solving, as well as others. There were a total of 1,176 participants in Board sponsored training during 2006-07. The average investment in development and training was approximately $500 per employee.

Board Human Resources developed an RFP for a Learning Management System to provide employees with an on-line source for training registration, transcript tracking, and delivery of selected courses. The contract was awarded to a South Carolina business in June of 2007 and the system is currently in the implementation phase.

Safety and other job-specific training are mandated for certain positions within the organization. For example, in the Division of General Services, trades workers receive extensive safety training to ensure all OSHA guidelines are followed. The Learning Management System will help document that the Board is complying with required safety training.

Future leaders and selected managers are eligible to participate in the Board's Leadership Academy, which is designed to give employees with outstanding leadership potential a greater understanding of the agency. They may also have the opportunity to participate in OHR's Certified Public Managers Program and the Executive Institute.

To encourage use of knowledge and skills acquired through training, supervisors are asked to evaluate the employee's level of

performance after the training experience. The Board often conducts surveys after the event to ascertain the value of the training for the participant and to inquire whether they have applied the learning.

Board Human Resources developed the Employee Intranet to provide a host of information for employees and managers. This site includes the Budget and Control Board blog, forms, new releases, the employee newsletter, training opportunities, and archival information.

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?

5.4 The Board has a universal review date of January 1st which requires evaluations to be completed for all employees at the same time. This ensures that managers will develop an overall picture of the individual performance and view it in conjunction with the organization's performance. In addition, senior managers have performance information on all employees to use as a barometer to measure employee progress and to determine areas to address as well as performance that deserves recognition. This also facilitates planning employee developmental activities.

The Board continued to ensure our appraisal process is aligned with the agency's strategic plans, key objectives and values. The EPMS is critical to full deployment, alignment and communication as part of the strategic planning process. Each employee should see their evaluation documents linked with the strategic goals of their office or division. During FY 07, the Board offered a number of training sessions to help supervisors understand how to use the EPMS to communicate expectations and achieve better results.

The Board is currently piloting a new form with one of the offices that will help the supervisor better evaluate performance based on the expected results of a job duty. We have changed some terminology and plan to roll-out the modifications to the system at the beginning of the next evaluation cycle in January 2008. In addition, the new system with be automated and feed into a database for easy retrieval of information as well as better monitoring of planning stages and appraisals.

When a TERI employee occupies a critical position, the manager must develop a knowledge transfer plan prior to the employee leaving the agency. The knowledge transfer plan must include what knowledge is to be transferred, the strategy for transferring the knowledge, the timeline for shifting the responsibility for the task or job function associated with the knowledge.

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

Personal learning should result in organizational cross functional learning, building the knowledge assets of the organization, an improved environment for innovation and more satisfied, versatile staff that stays with the organization. The Board offers tuition reimbursement for employees who want to further their education in a way that makes

them more effective workers.

Each Board division conducts an in-house reward and recognition program for their employees. Each program holds a special recognition event during Public Service Recognition Week in May. During this time, employees achieving milestones of 20, 30, and 40 or more years of state service are honored. *Across the Board*, the Board's employee newsletter, regularly features articles on employees and their accomplishments. The Board's new blog provides an immediate means of distributing pertinent information to employees.

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?

During this year, the Board has taken advantage of online surveys to gather information on training events, lunchtime wellness seminars, and customer satisfaction levels with other HR initiatives. Response to the surveys has been helpful in determining offerings and improving processes.

Board Human Resources redesigned the exit interview questionnaire to provide enhanced feedback to organizational units in a more systematic and effective manner. Board HR staff shares this information with office

managers for further action. Options for handling the problem are then generated and a solution implemented.

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

General Services Implemented an employee-led safety committee which invites better employee participation and safety awareness. The new committee spearheaded a change in the uniform requirement that enhanced employee comfort, dramatically improved morale, and saved 50 percent of current expenditures with no reduction in safety benefits.

The Board continues to offer CPR/First Aid training to its employees. The number of accidents in 2006-07 was 37, an increase from the previous year. When accidents occur, managers and supervisors are asked to determine the cause of the accident and make recommendations for any changes to prevent a similar accident. The General Services Safety Team has been used to consult with other divisions on ergonomic issues and other instances such as noise control.

The Board has an emergency preparedness coordinator. During this fiscal year, the emergency preparedness coordinator invited a DHEC official to talk to Board leadership about the possibility of the pandemic influenza. As a result, divisions are making preparations should this event occur.

The Disaster Recovery Program at the CIO is designed to benefit customer agencies who store large amounts of data. The program encourages joint participation between the CIO disaster recovery teams and key disaster recovery personnel with the responsible customer agencies The objective of the

program is to restore and make accessible to its end users vital operating data within 72 hours of a disaster declaration.

To improve disaster recovery backup and restoration, the CIO in 2006-07 installed an automated tape library that will send all backed up data through a dedicated line to an offsite storage facility eliminating the physical transport of storage disks to the facility.

The Retirement Systems has a disaster recovery program for payments and is expanding its programs to include all other aspects of its operations.

The CIO, along with the Emergency Management division and other state, county and city agencies, participated in South Carolina's full scale hurricane exercise in June. The objective was to validate the state's plans for evacuation, response and recovery operations, with specific emphasis on logistics, communications and lessons learned from Hurricane Katrina.

6.0 Process Management

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?

6.1 Throughout the Board's wide range of services, computer-based management programs are used to track work orders, customer contacts, repair histories, and service requests. Generally, this broad pool of data is coupled with customer focus groups, routine customer satisfaction surveys, and up-front solicitation of customer requirements to determine policy changes, budget requests, employee training needs and the provision of new services.

Key systems for designing and delivering services include:

- The Facilities Management Section uses two comprehensive computerized maintenance management systems to manage the 82 state buildings under its care. The Facilities Center system records all scheduled maintenance needs for each mechanical system in a facility and creates reports so that managers know when routine upkeep is needed. All work order requests from tenants for building repair and alteration are also recorded. Maintenance workers record tasks performed at a facility. This allows Facilities Management to track long-term maintenance costs by building and equipment manufacturers. The Facilities Assessment System maintains deferred maintenance costs and anticipated remaining lifespan for all major components of each state building. When combined with the database on actual repair history, Facilities Management can make capital improvement projections and prioritize funding requests and work schedules.

- The South Carolina Retirement Systems tracks all customer requests for information, benefits estimates and other services on a centralized computer system. This system allows Retirement Systems to measure customer service goals such as completing the research on information requests within three business days. The

Electronic Employer Service allows benefits administrators in state and local agencies to access the central Retirement Systems database to conduct benefits estimates and other transactions that otherwise would be performed manually.

- The CIO uses CWOF, an integrated management tool, to provide customers with a single invoice and access to the Customer Care Portal where they can enter requests for telecommunication services, view their billing, track the status of their requests for service and billing and receive an e-mail notification of their work order closure.

- The Fleet Management Section uses the South Carolina Equipment Management Information System which tracks all cost data during the life of a vehicle including depreciation, maintenance and fuel. This system is funded by State Fleet Management and made available to agencies for their use free of charge. This provides superior data to track service and cost history by make, model and type of vehicle, which can govern future purchasing and deployment decisions. Data from this system has also been used to notify vehicle manufacturers of developing service problems.

- State Building and Property Services acts as a conduit for state agencies and the private leasing market. It maintains a central database of existing state leases for private office and other building space and a list of firms interested in leasing to state agencies. State agencies requesting new space discuss their needs with the office, which issues solicitations and presents the agency with finalists that best meet the requirements.

- The Executive Director uses a systematic

approach to track legislative and regulatory changes under consideration by the General Assembly and the executive branch. A designated agency contact monitors developing legislation and informs the affected program area should they be required to provide information or implement new legislation. All information queries by lawmakers to individual Board programs are centrally reported so that consistent, accurate and timely information is provided.

- The Office of State Budget logs all agency fund transfer requests and requests for fiscal impact statements for pending legislation into an Access database. This allows the office to monitor its response time, employee workload and the need for data from other agencies involved in the fiscal impact process.

- The Construction and Planning Unit's project managers monitor the performance of each service provider on a regular basis. Project managers also initiate projects with pre-construction conferences involving customers and service providers and they evaluate the performance of service providers at the end of projects using a process designed by the Office of the State Engineer.

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?***
The Board leadership team has designated
three key performance measures for all service
delivery programs: customer satisfaction,
employee well-being, and return on
investment. These three agency performance
measures are incorporated into the process
management of the various program areas in
the following ways:
1) Planned periodic and ad hoc customer input
and feedback points
2) Annual customer satisfaction surveys
3) Process documentation
4) Employee training designed to ensure
consistent delivery of services
5) Measures for timeliness, accuracy, quality
and cost comparisons
6) Routine monitoring by management and
employee work teams
7) Changes in response to process analysis
8) Follow-up

In early 2006, the State Health Plan launched
its evidence-based medicine initiative through
contractor Active Health Management. This
program uses technology to provide physicians
with patient-specific, evidence-based decision
support information that they can evaluate for
potential incorporation into their patients' care
plans. Active Health aggregates claims data and
creates patient-centric electronic medical
records. A team of board-certified physicians
and pharmacists continually review the latest
peer-reviewed studies, trade journals, and other
clinically valid published findings. Based on
their research, complex rules and algorithms
are developed and entered into the "Care
Engine", the proprietary system that Active
Health uses to operate this program. The rules
compare member data with evidence-based
standards, and trigger "Care Considerations"
when opportunities to optimize care are

discovered. These Care
Considerations are then sent
to the physicians so they can
make an informed decision
about their patient's care plan.
The first year of this program
saw a very high return on
investment.

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

Board programs are constantly seeking new
approaches for streamlining back-office
functions. Board senior management is
provided detailed financial and personnel
information for all agency programs to aid in
timely decision making. This information is
collected into a single "Executive Management
Reports" series that is updated monthly.
Access is granted to management personnel via
a password system on a shared network drive.
Some previous presentations of data did not
sufficiently highlight matters of interest to
management. The new system includes new
reports with a sharper focus.

The Statistical Data Warehouse developed by
the Health and Demographics Section of the
Office of Research and Statistics and the Web
Based Client Information System has been
nationally recognized as a benchmark to other
states. In the last year, the Client Information
System has expanded to include selected
Department of Mental Health Centers and new
features such as Chronic Kidney Disease
Surveillance.

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

The Office of Internal Operations provides
support services to all program areas of the
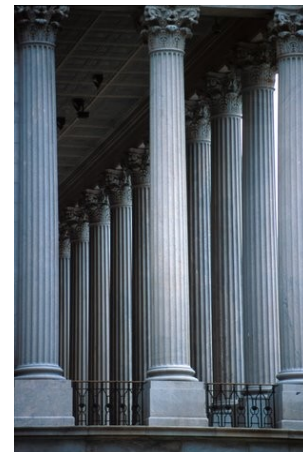
Board, including procurement, accounting, personnel, payroll, budgeting and courier services. The Office of Internal Audit and Performance Review supports and monitors individual program performance and common functions that serve all Board entities.

We use technology to improve processes. The Retirement Systems has consistently updated the systems it uses to serve its 829 employers. In 2006-07, SCRS implemented a new employer supply/forms order fulfillment process whereby requests are filled within 48 hours of receipt. A new Customer Services Field Education's on-line training registration program was also tested and is slated for a FY08 release.

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

Board programs work collaboratively with suppliers and partners to ensure that Board customers receive the best possible service at the best price. Vendor services are regulated by state procurement law that provides guidelines for procuring products and services. Communication with vendors is regulated by the Procurement Code and requires that the agency specify requirements for product and service quality, time frame for delivery, and service period.

Insurance benefits contracts contain requirements that customer satisfaction be measured.

Based upon customer feedback, the Office of Human Resources is implementing a new on-line job application system. Prospective employees can complete and submit their application at any time. They can also check on the status of their application or apply for another job with minimal effort.

The Retirement Systems' Customer Services Field Education Unit holds training sessions for all benefits administrators to explain SCRS procedures and policy changes. It also offers one-on-one training for new benefits administrators and makes mandatory site visits to all entities that join the Retirement Systems.

Contracted vendor services provide claims processing for the employee health benefit services. Continuous monitoring and management of vendor performance is critical to assure customer requirements are met. The Employee Insurance Program communicates with the vendors through regular and ad hoc meetings and evaluates the services provided to customers based on contract

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specifications and pre-established standards, enforcement of compliance through performance guarantees, and follow-up to customer complaints and comments.

The Commercial Vendor Repair Program requires State Fleet Management to be particularly active in partnering with both customers and suppliers. The CVRP uses 400 regular vendors and an additional 200 specialty vendors for services such as towing, transmission and radiator repair. Before arriving at a CVRP shop for repairs, the drivers call one of State Fleet Management's master mechanics toll-free. The mechanic is able to discuss the problem with the driver and analyze he vehicle repair history. The mechanic then discusses the repairs they plan to undertake with the CVRP repair shop. This system avoids unnecessary repairs and also allows the agency to be reimbursed for work on parts that may still be under warranty after having been repaired at a facility elsewhere in the state.

The CIO provides a Service Center to handle customer problems, information, service level agreements, automated escalations and other state-of-the-art IT management. Using this system, trouble ticketing and requests for service are systemized to ensure a more efficient work flow.

The Office of Human Resources has assigned a consultant for each state agency who provides advice and guidance on human resources issues and OHR procedures. OHR also has a Human Resources Advisory Committee made up of agency representatives who advise the office of customer needs and help disseminate information across state government.

The South Carolina Energy Office has the Energy Advisory Committee, made up of representatives from utilities, business, individual consumer interests and environmental groups, who provide guidance on how the Energy Office can best serve the citizens of the state. The committee reviewed and approved the Energy Office's 2005-06 strategic plan.

The Geodetic Survey Section has forged very close partnerships with counties in an effort to move South Carolina local governments from paper to digital mapping for land ownership and taxation purposes. Because many counties lack trained staff for digital mapping, Geodetic Survey provides startup grants for digital mapping and writes specifications for digital mapping requests for proposals. Mapping contractors send their data directly to the section which conducts rigorous quality controls on the product before sending it to the county. Geodetic Survey then conducts on -site training for county personnel on how to use the new digital maps.
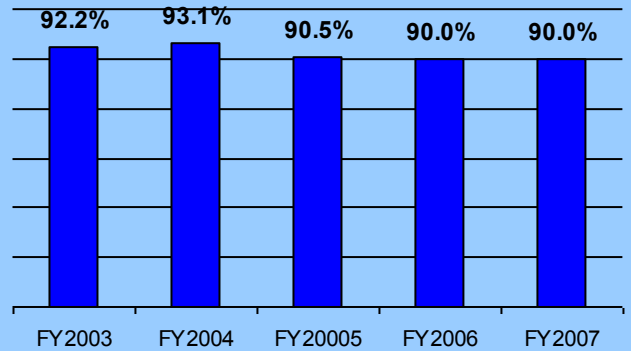
# Budget and Control Board
Business Results

Customer Satisfaction

The General Services Division continues to record customer satisfaction levels at or above 90 percent.

92.2%	93.1%	90.5%	90.0%	90.0%
FY2003	FY2004	FY20005	FY2006	FY2007

Facilities Management Section Cost to Maintain State Buildings in FY 2006-07

Using data from the Building Owners and Managers Association, the Facilities Management Section compares its costs to maintain state buildings to the public and private sectors. FM costs about 75 percent of the cost of all government buildings in the U.S. This data includes maintenance, custodial, utilities and administration.

Note: The private and government benchmark figures are adjusted downward to account for the low cost of living in the Columbia area compared to the national average. However, we lag in having dollars to provide scheduled deferred maintenance.

Facilities Management	Government Sector Nationally	U.S. Private Sector
$5.75	$7.03	$9.71
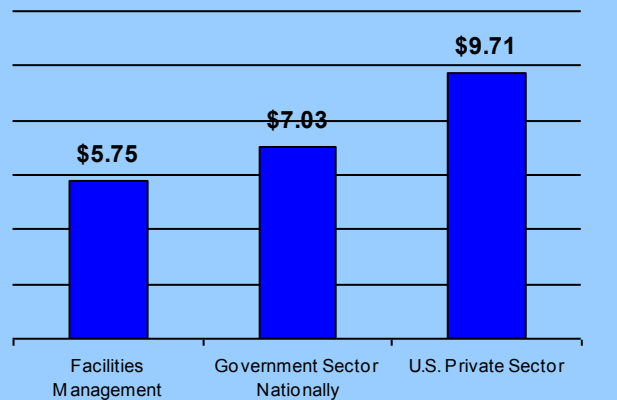
Money Saved for Agencies by Using Agency Mail Instead of U.S.P.S
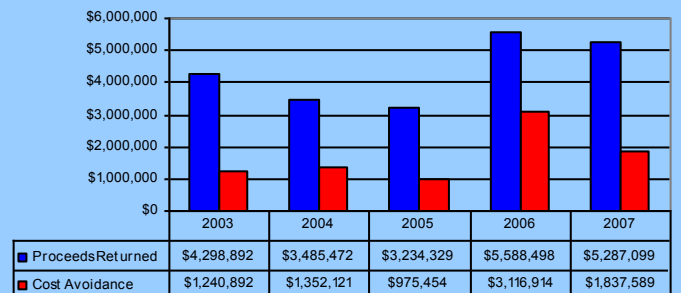
With rates well below the U.S. Postal Service, Agency Mail saves millions of dollars annually for state and local agencies

$ Millions

2002-03	2003-04	2004-05	2005-06	2006-07
$4.10	$4.30	$4.30	$4.25	$4.34
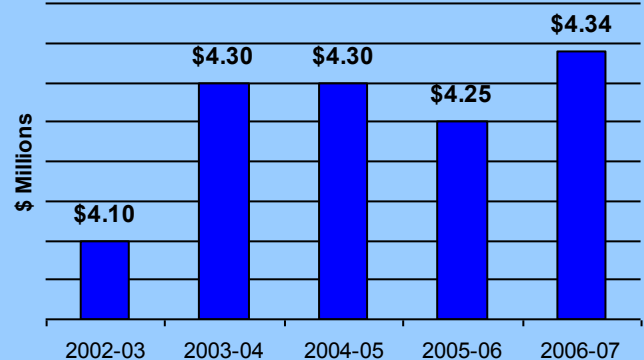
Proceeds to Agencies and Costs Avoided by Use of Surplus Property Program

The Surplus Property Program allows state agencies, political subdivisions and non-profit organizations to receive state and federal surplus property at lower than the cost of buying new.

$5.2 million was returned to the agencies that sold their surplus property. In addition,, the program saved agencies $1.8 million over the cost of buying new property by providing them with used equipment.

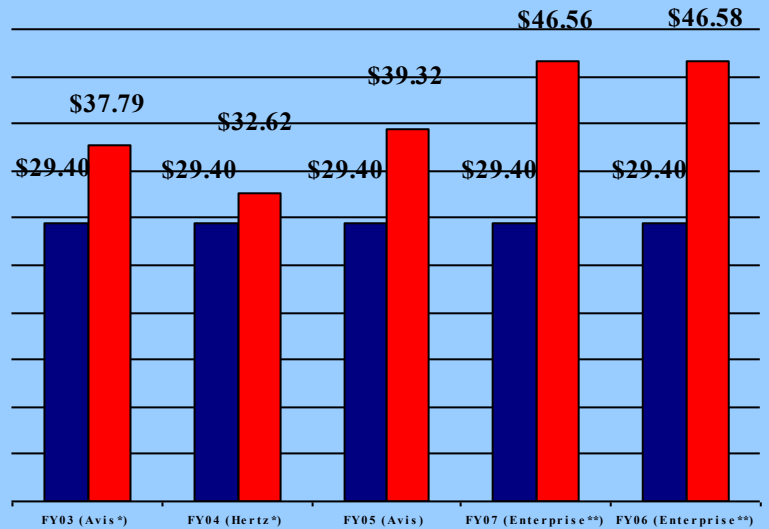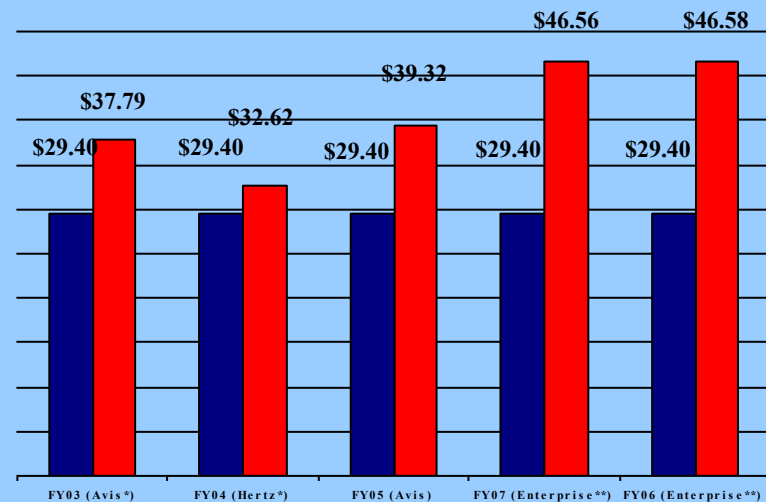|	2003	2004	2005	2006	2007
ProceedsReturned	$4,298,892	$3,485,472	$3,234,329	$5,588,498	$5,287,099
Cost Avoidance	$1,240,892	$1,352,121	$975,454	$3,116,914	$1,837,589

Cost Comparison for 110-mile trip:
Full Size Sedan
SFM Motor Pool vs.
Nearest Competitors

State Fleet Management benchmarks their daily motor pool rates against the private sector's special fleet rates for daily rentals. Commercial rates are adjusted to include taxes and fuel, but not insurance. Comparisons are based on typical motor pool trip mileage.

	FY03 (Avis*)	FY04 (Hertz*)	FY05 (Avis)	FY07 (Enterprise**)	FY06 (Enterprise**)
SFM	$29.40	$29.40	$29.40	$29.40	$29.40
Nearest Competitor	$37.79	$32.62	$39.32	$46.56	$46.58

*This figure does not include fuel or insurance. State Fleet rentals always include both fuel and insurance.
**State contract price.

■ SFM   ■ Nearest Competitor

Cost Comparison for 110-mile trip:
Compact Sedan
SFM Motor Pool vs.
Nearest Competitors

State Fleet Management benchmarks their daily motor pool rates against the private sector's special fleet rates for daily rentals. Commercial rates are adjusted to include taxes and fuel, but not insurance. Comparisons are based on typical motor pool trip mileage.

	FY03 (Avis*)	FY04 (Hertz*)	FY05 (Avis)	FY07 (Enterprise**)	FY06 (Enterprise**)
SFM	$29.40	$29.40	$29.40	$29.40	$29.40
Nearest Competitor	$37.79	$32.62	$39.32	$46.56	$46.58

*This figure does not include fuel or insurance. State Fleet rentals always include both fuel and insurance. **State contract price.

■ SFM   ■ Nearest Competitor

South Carolina Retirement Systems

Administrative Cost Per Member

A benchmarking analysis by Cost Effectiveness Measurement, Inc., found that in 2006, the Retirement Systems operated at the fourth lowest cost per member among the 14 peer pension plans in the analysis. The Retirement Systems' cost trend has remained steady in comparison to continual increases among similar systems. This is indicative of the division's efforts to operate efficiently and effectively.


Retirement Systems — Median Cost for Similar System
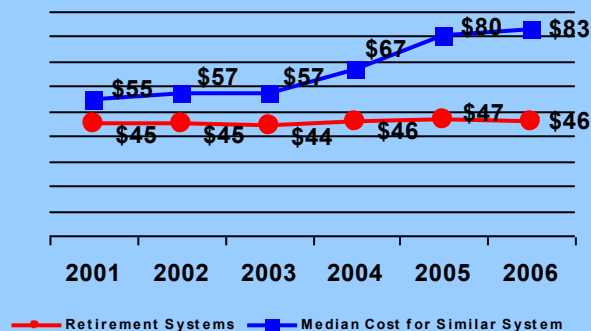
Stakeholder Satisfaction

While stakeholder satisfaction levels remained very high, satisfaction levels declined slightly from the prior fiscal year. The decline in retiree satisfaction was negligible and the 1.64 percent decrease in employer satisfaction most likely was reflective of implementation of employer and employee rate increases and supply chain issues that were resolved through new processes. Next year's data will provide more trend information for a more detailed analysis.
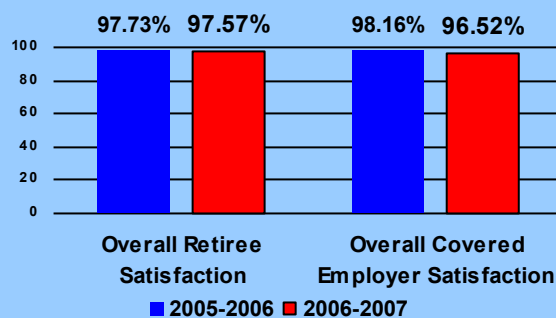

Call Center Wait Time in Minutes

This chart shows the average time it takes for a caller to reach a retirement consultant. The Customer Service Call Center experienced a higher than usual incoming call volume for FY07 (20,833 more calls as compared to FY06), in addition to increased complexity of calls (Layman Lawsuit, PPA) which resulted in a longer wait time.
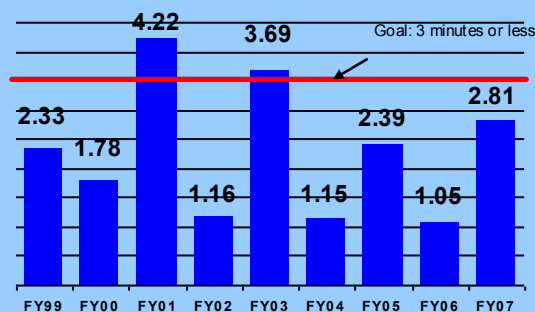
## Customer Intake Center
Wait Times in Minutes

This chart shows the average in-office wait time to meet with a retirement consultant for a 1-on-1 counseling session. The average wait time for FY07 is 8 minutes (with or without an appointment), which is comparable to the FY06 wait time. The number of customers received by the Visitor Center remained constant for FY07.
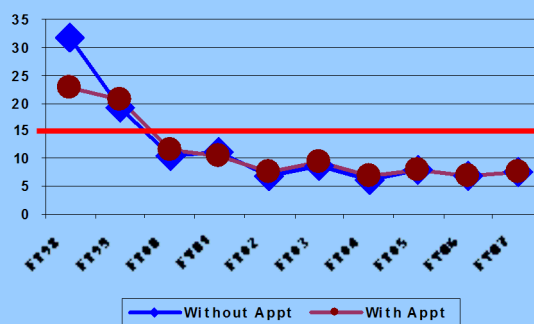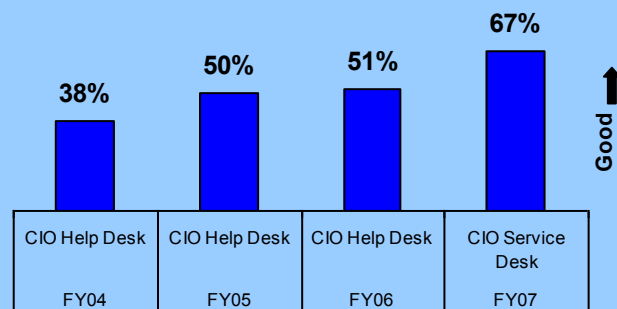
Average Cost Per Minute for CIO-Provided Long Distance Service

The Division of the State Chief Information Officer reduced the cost of long distance services three times during the past six fiscal years.

$0.065 $0.060 $0.053 $0.040 $0.040
$0.040

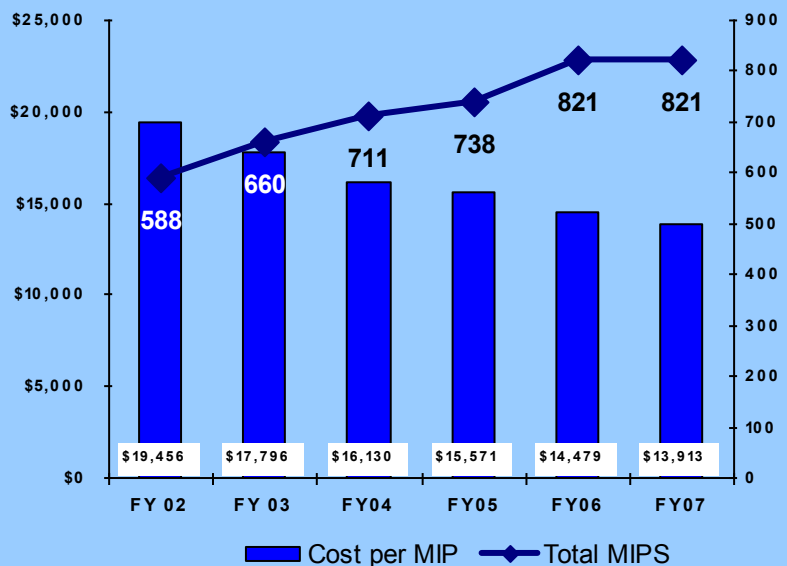Good ↓

FY02   FY03   FY04   FY05   FY06   FY07
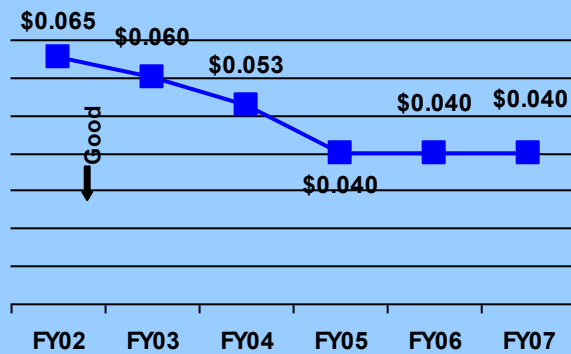
CIO Service Desk First Call Resolution

Call resolution is defined by the Information Technology Infrastructure Library (ITIL) as the "First Time Fix Rate" which is a commonly used metric that measures the proportion of incidents resolved at the first point of contact between a user and a service desk without delay or referral. The CIO Service Center has set an internal goal of 75 percent for first call resolution of trouble tickets by the end of the 2007-08 fiscal year. This will place it in line with the Gartner standards for a Service Center.

67%
38%   50%   51%

| CIO Help Desk | CIO Help Desk | CIO Help Desk | CIO Service Desk |
| FY04 | FY05 | FY06 | FY07 |

Good ↑

State Data Center Mainframe Cost and Capacity

This chart shows that we have steadily increased our Mainframe maximum capacity and utilization (measured in Millions of Instructions Per Second (MIPS)) while Total Cost of Ownership (TCO) has steadily declined."
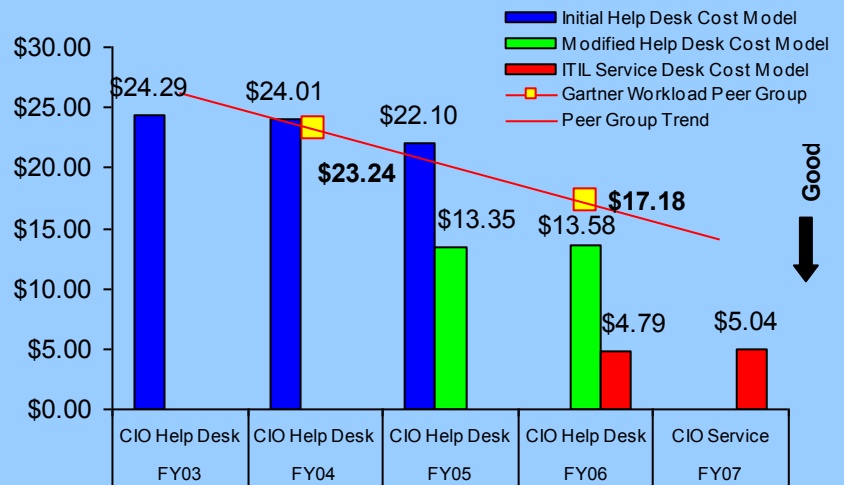

	FY 02	FY 03	FY 04	FY 05	FY 06	FY 07
Total MIPS	588	660	711	738	821	821
Cost per MIP	$19,456	$17,796	$16,130	$15,571	$14,479	$13,913

☐ Cost per MIP   ◆ Total MIPS

CIO Service Desk Cost Per Call

This cost model has been modified to more accurately reflect CIO's conversion from a traditional Help Desk to a Service Center as defined by Information Technology Infrastructure Library best practices

Note: Call volume includes directory assistance, voice, and data customer calls to the CIO Service Center.

Legend:
- Initial Help Desk Cost Model
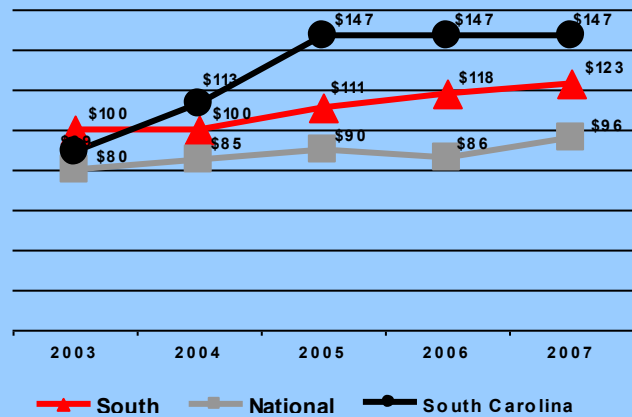- Modified Help Desk Cost Model
- ITIL Service Desk Cost Model
- Gartner Workload Peer Group
- Peer Group Trend

	CIO Help Desk FY03	CIO Help Desk FY04	CIO Help Desk FY05	CIO Help Desk FY06	CIO Service FY07
Initial Help Desk	$24.29	$24.01	$22.10		
Modified Help Desk			$13.35	$13.58	
ITIL Service Desk				$4.79	$5.04
Gartner Workload		$23.24		$17.18	

Good

IT Procurement Return on Investment

For every budget dollar, ITMO returned $27.59 in negotiated savings.

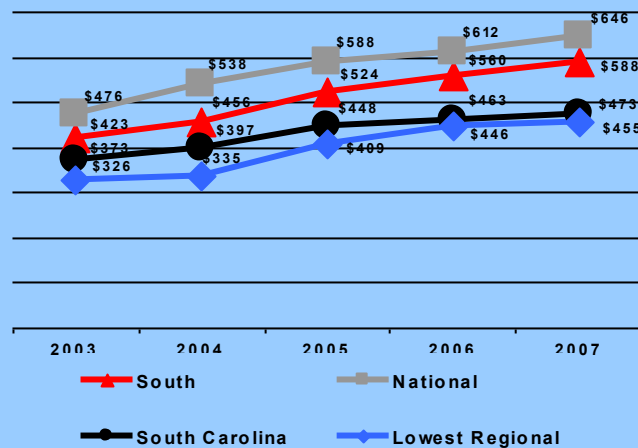| 2002-03	2003-04	2004-05	2005-06	2006-07
$11.43	$10.71	$7.76	$14.97	$27.59
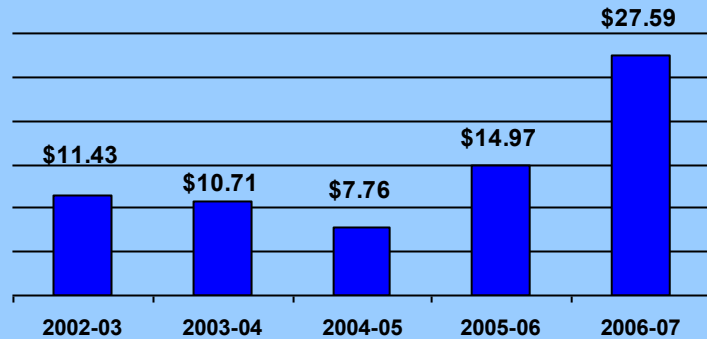
Average Weighted Monthly Employee Premiums Compared to Regional and National Averages Based on January 2007 enrollment

Rate increases pushed average employee health insurance premiums above the regional and national averages. Rates have been stable for the last three years.

|	2003	2004	2005	2006	2007
South	$100	$85	$111	$118	$123
National		$100	$90	$86	$96
South Carolina	$80	$113	$147	$147	$147

Legend: South, National, South Carolina

Combined Employee and Employer Average Weighted Premiums Compared to Regional and National Averages

This chart and the one above demonstrate that while overall insurance premiums are lower in South Carolina than nationally, plan members here pay a larger share of those costs than do public sector workers nationally

	2003	2004	2005	2006	2007
South	$423	$456	$524	$560	$588
National	$476	$538	$588	$612	$646
South Carolina	$373	$397	$448	$463	$473
Lowest Regional	$326	$335	$409	$446	$455

Legend: South, National, South Carolina, Lowest Regional

Generic Drug Share of All State Health Plan Prescriptions

The use of generic drugs, when available, helps save money for both patients and the insurance program. Plan design and educational efforts have helped the SHP consistently increase the use of generic drugs.

Goal: 60%

| 2002	2003	2004	2005	2006
37.1%	39.1%	43.3%	47.1%	50.5%
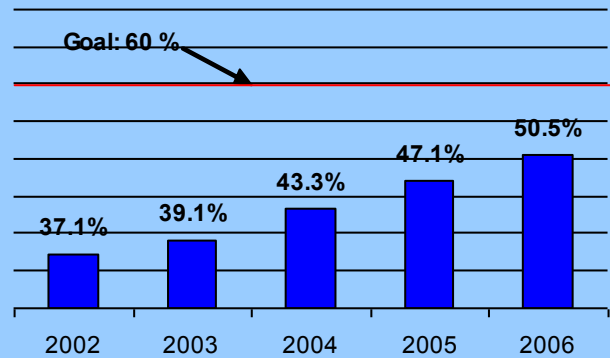
Money Saved by SHP Client Use of Generic Drugs

Increased use of generic drugs has saved a steadily growing amount of money for the State Health Plan.
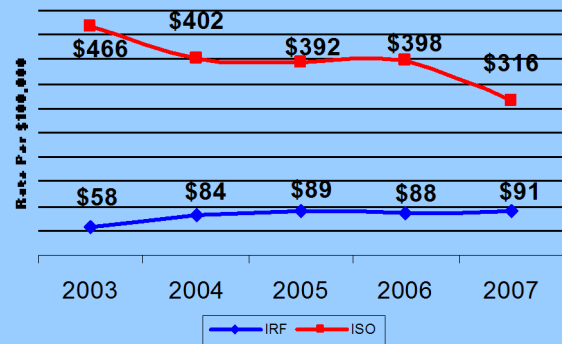

2002	2003	2004	2005	2006
$5,771,622	$6,134,437	$13,720,641	$14,455,430	$15,372,641
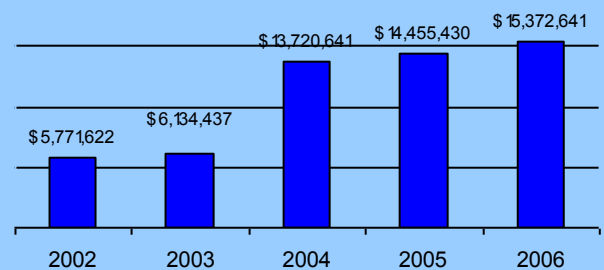
South Carolina Insurance Reserve Fund
Automobile Liability Insurance
Five Year Rate Comparison

The Insurance Reserve Fund regularly compares its premiums to data collected by the Insurance Service Organization, the property and casualty insurance industry's leading supplier of statistical, actuarial, underwriting, and claims data. The IRF's premiums listed in this and the two following charts continue to be well below industry averages.
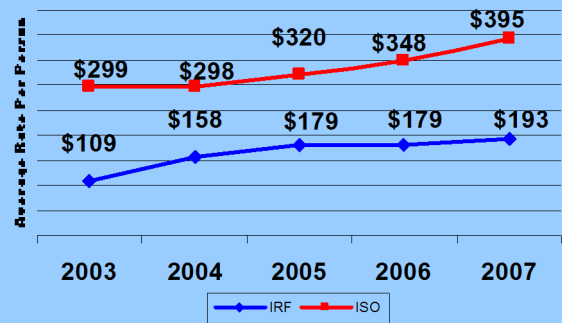
Automobile Liability Insurance — Five Year Rate Comparison

	2003	2004	2005	2006	2007
ISO	$820	$806	$846	$866	$866
IRF	$484	$483	$477	$478	$486
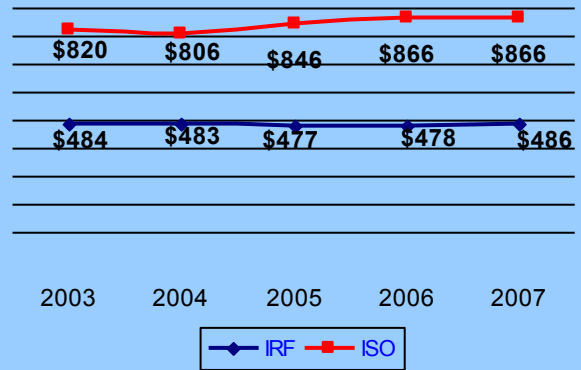
South Carolina Insurance Reserve Fund
Property Insurance
Five Year Rate Comparison

See above.

Property Insurance — Five Year Rate Comparison (Rate Per $100,000)

	2003	2004	2005	2006	2007
ISO	$466	$402	$392	$398	$316
IRF	$58	$84	$89	$88	$91

South Carolina Insurance Reserve Fund
General Tort Liability Insurance
Five Year Rate Comparison

See above.

General Tort Liability Insurance — Five Year Rate Comparison (Average Rate Per Person)

	2003	2004	2005	2006	2007
ISO	$299	$298	$320	$348	$395
IRF	$109	$158	$179	$179	$193

South Carolina Insurance Reserve Fund
Losses and LAE Reserves to
Policyholder Equity

This ratio is used as a primary measure of financial strength. When the range is no higher than 1.5, assets are sufficient to pay all incurred and projected obligations. Recent improvements are due to premium increases and positive claims trends. The ratio is determined by an independent actuary who considered the risk exposure specific to the IRF. The cause of the increase in 2004-05 was the temporary removal of funds that were later repaid.
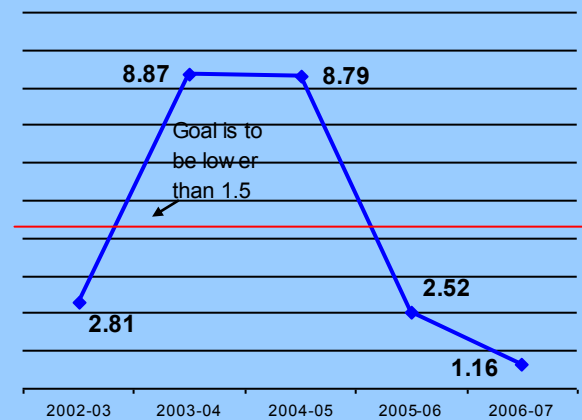
Losses and LAE Reserves to Policyholder Equity

Goal is to be lower than 1.5

| 2002-03	2003-04	2004-05	2005-06	2006-07
2.81	8.87	8.79	2.52	1.16

South Carolina Insurance Reserve Fund Expense Ratio Fiscal Year 2002/03 thru 2006/07

The expense ratio for an insurance operation is calculated by dividing the operation's "operating expenses" by written premium. The Insurance Reserve Fund consistently operates with much lower expense ratios than private property and casualty insurance companies because it does not have marketing or profit expenses.
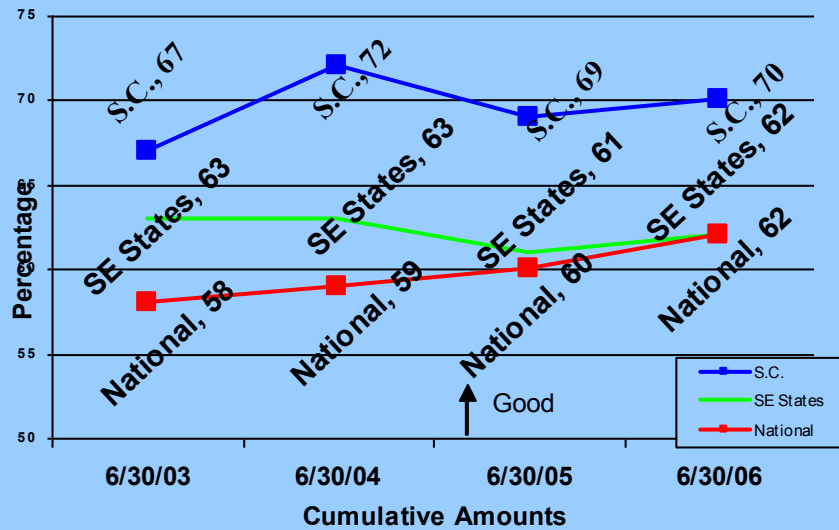

Private Industry range - 29% to 34%

2002/03	2003/04	2004/05	2005/06	2006/07
13.6%	8.0%	7.2%	5.8%	5.4%
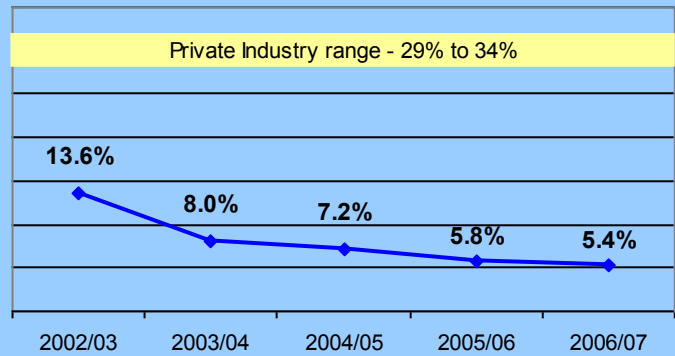
State, School District and Local Government Savings from Energy Office Projects, in Millions

Cost savings to state agencies, school districts and local government through implementing energy saving projects have resulted in cumulative savings of $17 million since FY 2002.

2002-03	2003-04	2004-05	2005-06	2006-07
$2.00	$2.39	$3.39	$4.27	$4.92
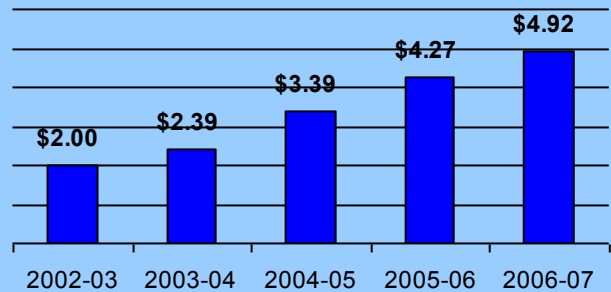
Office of Local Government Completed Projects as Percent of Total Cumulative Funds Available in SRF

South Carolina converts its loan funds into facilities that meet environmental, public health and economic development needs at a faster pace than other states, both nationally and in the Southeast.

S.C., 67 S.C., 72 S.C., 69 S.C., 70
SE States, 63 SE States, 63 SE States, 61 SE States, 62
National, 58 National, 59 National, 60 National, 62

Good

Legend: S.C., SE States, National

X-axis: 6/30/03, 6/30/04, 6/30/05, 6/30/06
Cumulative Amounts

## Percentage of Employee Grievances Resolved Before Going to Grievance Panel

The Office of Human Resources works to resolve employment disputes through mediation rather than formal appeals to the State Grievance Committee. Increasing the use of alternative dispute resolution results in constructive outcomes for South Carolina, its state employees, and the employing agencies by creating a forum where differences can be discussed in a non-adversarial manner.

In 2005-06, a dispute settled in mediation cost $585, compared with $5,111 if these same cases had progressed to the state grievance committee. The state thus saved $162,947 by using alternative dispute resolution.

Benchmark 65% or greater

FY 02-03: 64 | FY 03-04: 63 | FY04-05: 72 | FY05-06: 65 | FY06-07: 76
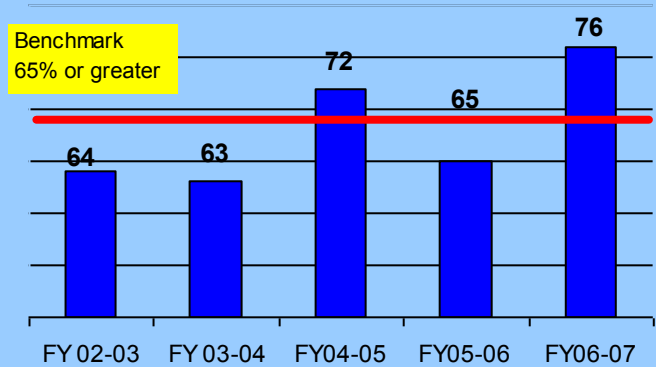
OHR Cost Per State Employee in FTE Positions

This measure demonstrates how much it costs OHR to serve all of state government of state government by spreading its costs over all the FTEs in state agencies.

FY02-03: $58.65 | FY03-04: $52.93 | FY04-05: $55.62 | FY05-06: $54.11 | FY06-07: $54.23
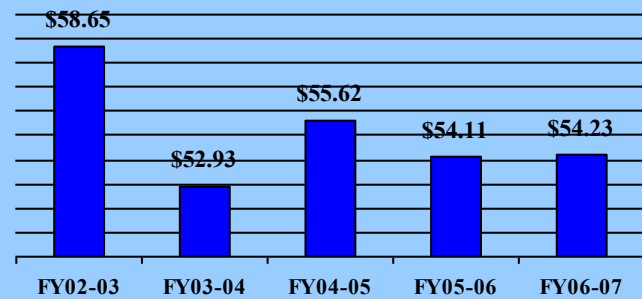
Office of Human Resources Return on Investment

The Office of Human Resources continued to provide a very positive ROI in 2006-07. For every dollar spent on OHR services, the organization returned $1.70 in 2006-07.

2002-2003: $1.82 | 2003-2004: $1.78 | 2004-2005: $1.64 | 2005-2006: $1.58 | 2006-2007: $1.70
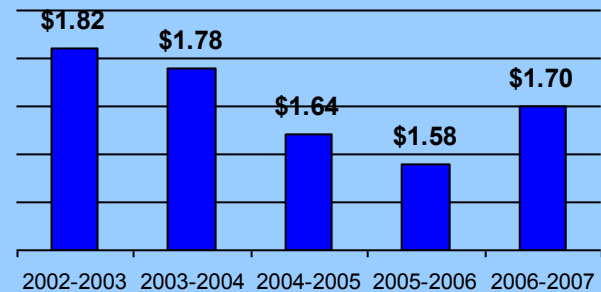
Office of Human Resources Customer Satisfaction

A new data collection process was implemented in January 2003 to collect more pertinent and timely information from OHR customers. A 5 indicates a strong positive response and a 1 indicates a strong negative response.

January-June 2003: 4.52 | 2003-2004: 4.67 | 2004-2005: 4.40 | 2005-2006: 4.26 | 2006-2007: 4.36
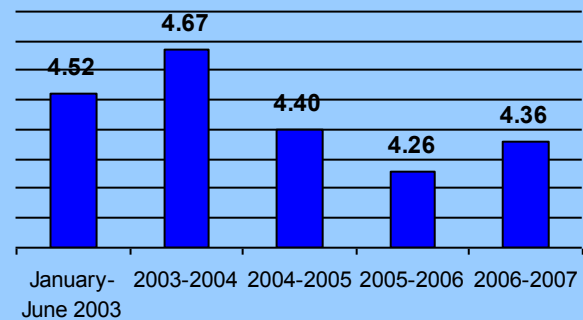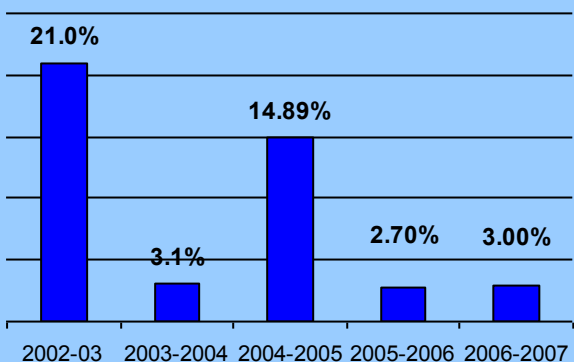
Savings by State Term Contract Process

State term contracts allow businesses to offer their best prices for a good or service to all of state government for a fixed period of time. Agencies use these contracts on an as-needed basis. By pooling the state's buying power, state term contracts save agencies millions of dollars annually.

| 2002-03	2003-04	2004-05	2005-06	2006-07
$26,503,000	$8,502,320	$35,642,546	$14,455,420	$48,088,380
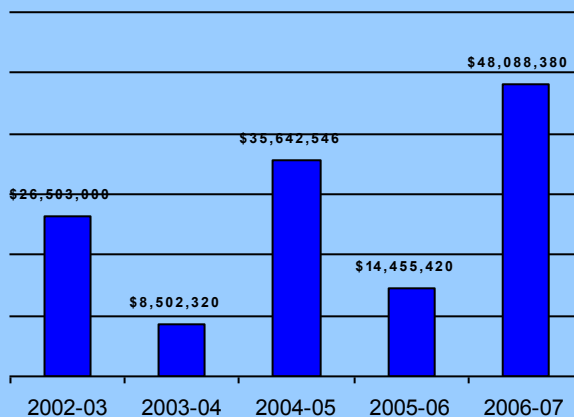
Percent Reduction From Original Bid Achieved Via MMO Cost Negotiations

The Materials Management Office frequently enters into negotiations with firms that have been initially selected as the winning firm in a state procurement. These negotiations save procuring agencies millions of dollars each year. The amount saved fluctuates based on the size of individual contracts and overall state procurement activity.

| 2002-03	2003-2004	2004-2005	2005-2006	2006-2007
21.0%	3.1%	14.89%	2.70%	3.00%

Percentage Savings Via State Term Contract Process

State term contracts allow businesses to offer their best prices for a good or service to all of state government for a fixed period of time. Agencies use these contracts on an as-needed basis. By pooling the state's buying power, state term contracts save agencies millions of dollars annually.

| 2002-03	2003-04	2004-05	2005-06	2006-07
22.00%	20.00%	22.90%	22.00%	29.50%
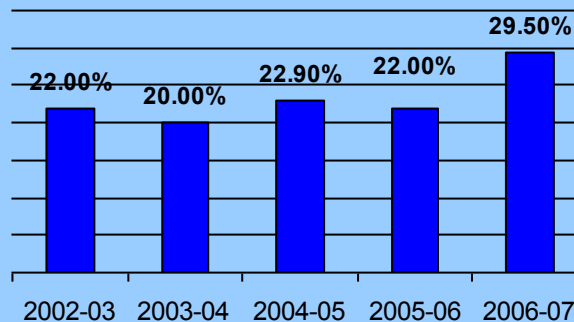
Materials Management Office Customer Satisfaction

Customers are asked a variety of questions about the quality and dependability of MMO services. Answers are given on a 1 to 5 scale with 5 being "strongly agree" with a positive statement about an aspect of service and 1 representing "strongly disagree."

2002-03	2003-04	2004-05	2005-06	2006-07
4.3	4.2	4.1	4.4	4.5
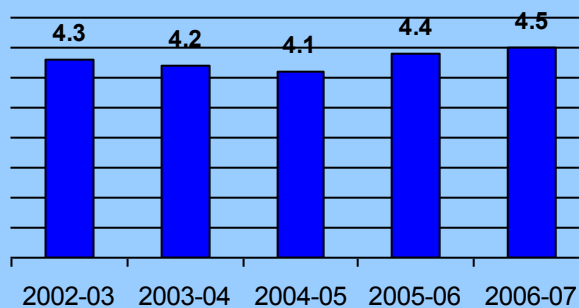
Health and Demographics Contracts, Grants and Partnerships as a Measure of Customer Loyalty

The Health and Demographics Section of the Office of Research and Statistics forges partnerships with agencies and non-profit organizations. This count includes 13 new contracts added during 2006-07. The increase in partnerships reflects the increasing use of information to improve service delivery and consistent customer loyalty. Most contracts are with agencies that have worked with the section previously.
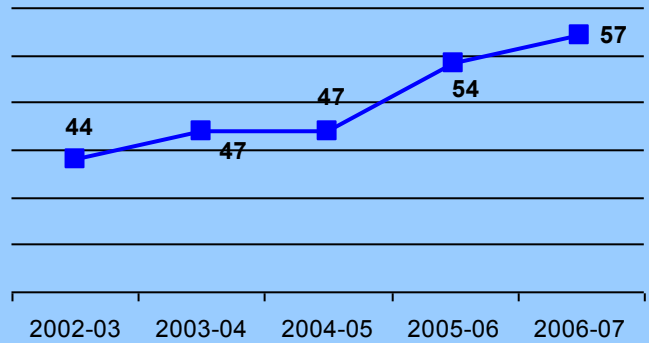

South Carolina Orthophoto Status as of August 2007

The Office of Research and Statistics continues to provide grants and technical support to enable South Carolina counties to create highly accurate digital maps used for property ownership, taxation and planning purposes. All South Carolina counties have now been reached via this effort. Better local maps enhance planning development and public safety.
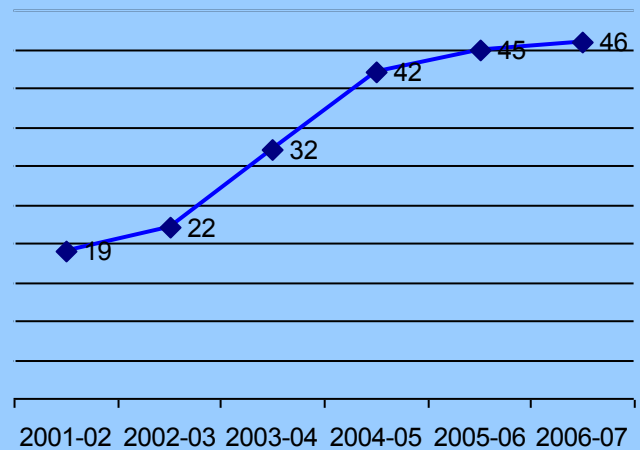
Confederate Relic Room and Military History Museum Attendance

Attendance at the museum has grown every year since it moved to its new facility at 301 Gervais Street. Note that 2002-03 represent 10 months of operation due to museum relocation.
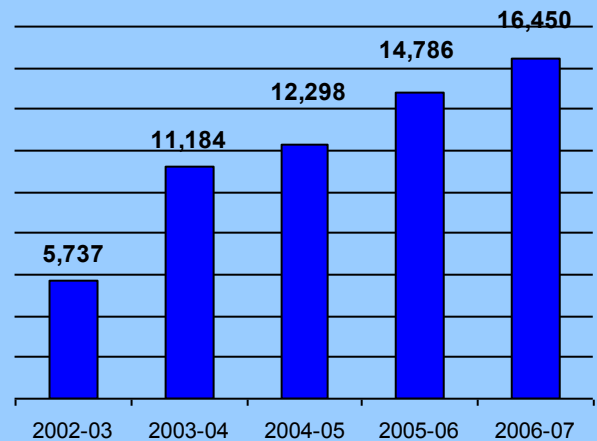
Fiscal Impacts Processed
Within 14 Days or Less

The Office of State Budget's goal is to complete at least 70 percent of all fiscal impact statements within 14 days of the request.

For the year OSB completed 370 fiscal impacts including impacts on major pieces of legislation such as Workers' Compensation Reform, LIFE and Palmetto Fellows scholarship stipends for science and math majors, and health insurance coverage for autism spectrum disorders.

2002-03	2003-04	2004-05	2005-06	2006-07
70%	81%	73%	75%	70%