Accountability Report Transmittal Form

Agency Name: South Carolina Department of Agriculture
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South Carolina Department of Agriculture
Accountability Report
2010-2011

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Section 1. - Executive Summary

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

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

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

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

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

1.2. Major achievements from past year

- In partnership with the Office of State Treasurer, the Department successfully completed its third year of the Consolidated Human Resources Management Office. This unique partnership continues in its role to improve the level of human resources services for the agency while decreasing cost. While procedures continue to be streamlined, the implementation of the SC Enterprise Information System (SCEIS) HR/Payroll system and health and fitness initiatives has resulted in additional cost savings for the agency. The Consolidated Human Resources office is located on the 5th Floor of the Wade Hampton Building.

- Administrative Services continued the effort to improve and deploy new and improved applications to decrease costs without decreasing public programs and services. Simple, yet profound, changes have made a significant difference in meeting the strategic goal of effectively managing agency operations and workforce even in the face of significant budget reductions. By making good business decisions, the Administrative Services Division has been able to save over $372,000 in two budget years without reducing public services. Administration saved $182,000 in FY10 and over $190,000 in FY11, an increase of $8,000 over the previous fiscal year.

- The agency has successfully completed eighteen (18) months on the SCEIS HR/Payroll system. Although the design of the SCEIS HR/Payroll system has added additional responsibility to HR that was normally performed by payroll; since its implementation, there has been a noticeable improvement in data accuracy and coordination between HR and Payroll transactions. Having access to real time data has helped HR improve its level of services to the agency and its employees.

- The SCDA's Farmers Sheds, Laboratory and Consumer Services facility and the Phillips Market Center at the new site in West Columbia are open for business and fully-operational at the new SC State Farmers Market site. Wholesalers at the new market reported large contracts with customers like military foodservice because of their new, updated facilities.

1.3. Key strategic goals for the present and future years
- Effectively manage agency operations and workforce
- Protect producers and consumers
- Promote agriculture and agribusiness expansion and development
- Provide public awareness, promotion, and publicity of South Carolina agricultural products

1.4. Key strategic challenges
- Establishing agricultural marketing opportunities which support the state's economy, particularly in rural communities, during an economic downturn
- Maximizing safety and protection of goods and services offered for sale to the public
- Professional development for staff with limited funding
- Maintaining the integrity of programs and services
- Loss of institutional knowledge and information due to retirement and natural attrition
- Enforcing nearly 40 laws mandated in the SC Code of Laws

1.5. How the accountability report is used to improve organizational performance
The accountability report is used as a yardstick to show that the SCDA measures up to a certain standard of excellence as required by its employer – the people of South Carolina. The accountability report is also used to showcase the programs and services of the Department to those who may not know or understand the role of the SCDA. In addition, the accountability report is a valuable self-assessment tool in determining how well the SCDA focuses on the agency mission. Collaboration in preparing information for each respective area for the accountability report improves communication between senior leaders and staff. In doing so, they work together to document improvements and performance measures, individually and collectively. The report also serves to monitor the SCDA's progress and identify gaps in performance.

Section 2. - Organizational Profile
The South Carolina Department of Agriculture (SCDA) is mandated by 37 separate South Carolina laws related to:

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

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

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

2.1. Main products and services and the primary methods by which these are delivered.
Many of the SCDA's activities are related to commerce - developing, expanding, and protecting the integrity of agricultural commerce in our state and providing the highest quality customer service with regards to food protection and value.

- Broad-based marketing programs increase consumer awareness and product demand for South Carolina agricultural products at local, national, and international levels.

  o SC Certified Roadside Market Program, established in 1972, broadened its scope to include roadside markets previously in the SC Farm Bureau program. There are nearly 200 roadside markets in the program now.

  o The number of community based farmers markets has more than doubled nationwide at 53% in 10 years, from 2000 to 2010. But, South Carolina tops that! The number of farmers markets in South Carolina has increased 64% from 40 to 112 in only 8 years. In addition to the community markets, the SCDA also oversees three state farmers markets which serve their communities.

  o The "Certified SC" marketing and branding program celebrated its 4th anniversary in May 2011. In a little over four years, the program has grown to over 1,100 members. "Fresh on the Menu" which is in its third year under the Certified SC umbrella program encourages diners to look for local products in local restaurants. Over 325 chefs have committed to serve 25% of their menu with SC grown products when in season. In June 2011, the SCDA launched the Lee Brother Your Supper contest in which supper clubs were invited to register for a free Certified SC meal prepared by SC native cooks, Matt and Ted Lee.

  o The SCDA has created a social marketing campaign on Facebook and Twitter for the Certified SC Grown program to support the marketing and branding effort that is underway. Over 7,000 people follow the program on Facebook and Twitter. That's an increase of 2,000 since last fiscal year. This is a quick and less expensive way of getting the Certified SC message out to the masses.

  o Three state farmers markets continue to have a significant impact of hundreds of millions of dollars on the state's economy. The new SC State Farmers Market opened in 2010. Both of these facilities will serve the consumers and producers in the area. The Laboratory and Consumer Services facility has been relocated to the new SC State Farmers Market site as well and the Phillips Market Center is open for meetings, workshops, and other events.

  o The *Market Bulletin*, a valuable resource for farmers and non-farmers, includes millions of dollars in ads each issue. Subscriptions to the 98-year-old publication are available online as well as in print and advertisers may submit their own ads through the SCDA's Web site. This feature has contributed to a significant increase in the number of ads published in each issue of the *Market Bulletin*. Especially in years like this when drought is imminent, the *Market Bulletin* Hay Exchange is helpful to thousands of livestock owners who need to buy hay and to those who have hay for sale.

- The SCDA works cooperatively with the U.S. Department of Agriculture to provide commodity Grading, Inspection, and Market News Services. Though continuing to mail the Market News reports through traditional distribution methods, Market News has reduced the cost of printing and mailing by issuing daily audio recordings on the agency Web site. The Market News and Grading and Inspection offices have moved into the Phillips Market Center on the SC State Farmers Market site in West Columbia.

- Consumer Services inspectors check scales and measuring devices throughout the state for accuracy. They make sure that a pound weighs 16 ounces, that the hamburger sold as 85% fat free is really 85% free of fat, and that a gallon of gas is really a gallon.

- Laboratory technicians through testing and analysis ensure that the ingredients listed on packages are actually the ingredients in the packages. Livestock owners want assurance that the feed bag marked "no animal protein" actually contains no animal protein. Farmers and gardeners want to make sure that their seeds germinate properly. And, consumers want to know that the gasoline they pump into their cars is free of water or any other contaminates.

Currently, the SCDA serves producers who earn their livelihood on approximately 27,000 farms spreading over 4.9 million acres of farmland in the state. The average farm size in FY11 was 181 acres. For the past two years, those numbers have remained the same, showing that agriculture remains one of the most stable segments of the state's economy. The trend is towards smaller farms with greater value per acre. Nationally, South Carolina ranks near the top in the production of several agricultural commodities – 2nd in peaches, 3rd in flue-cured tobacco, 5th in all tobacco, 6th in peanuts and watermelons, 7th in cantaloupes, 8th in cucumbers, 9th in tomatoes, 11th in pecans, squash and snap beans, and 13th in cotton.

The SCDA is a relatively small agency with a $2.9 million general fund budget in FY11, a reduction of $2.1 million from the previous three fiscal years. The SCDA is responsible to both producers and consumers regarding the safety, security, and marketing of agricultural products, both fresh and processed. The 132-year-old agency is dedicated to promoting and heightening the public's awareness of South Carolina's agriculture commodities and the farmers who produce them.

2.2. Key customer groups and their key requirements/expectations
- Consumers - everyone who consumes or uses agricultural products (They expect quality products at reasonable prices.)
- Producers - everyone who grows or produces agricultural commodities (They expect a fair and equitable marketplace for their quality products.)
- Processors/Manufacturers - anyone who prepares, treats, or converts raw agricultural products (They want more support with research and development, marketing, and promotion of their products and less rules and regulations.)
- Wholesalers, Retailers, and Direct Marketers - everyone who sells raw agricultural products or value-added agricultural products (They expect support in finding markets and marketing avenues for their products.)
- Local, state, and federal government officials and representatives (They want their constituents to be well-served.)
- Agriculture Commission of SC members (They require fair representation of the commodity boards they oversee.)
- Commodity Boards and Associations members (They require a fair and equitable marketplace for the commodities they represent.)
- Representatives of existing, expanding, and developing agribusinesses (They require assistance in agribusiness development initiatives.)
- Electronic and print media representatives (They require accurate, up-to-date information.)

2.3. Key stakeholder groups (other than customers)
Everyone who has a direct or indirect stake in the success of the SCDA's mission
- Taxpayers
- Employees
- Legislators
- Vendors and suppliers
- Other local, state, and federal government agencies
- Public and private agricultural partners

2.4. Key suppliers and partners
Suppliers
Vendors who are eligible to bid on state contracts, small suppliers, information technology vendors, Federal government grantor, printing companies, ad and PR agency, Kelly Registration Systems Interactive Design and Development (IDD)

Partners
- SC Advocates for Agriculture
- SC Farm Bureau
- SC Department of Education
- SC Department of Health and Environmental Control
- Palmetto AgriBusiness Council (PABC)
- Palmetto Institute
- Clemson University
- Other State and Federal agencies (ie. USDA, F.D.A., E.P.A., etc.)
- Other private individuals and organizations

2.5. Operating locations
- SCDA Headquarters, *State Capitol Complex, Wade Hampton Bldg., 5th Floor, Columbia*
- South Carolina State Farmers Market, *3843 Charleston Hwy., W. Columbia*
- Phillips Market Center, *3501 Charleston Hwy., W. Columbia*
- Greenville State Farmers Market, *1354 Rutherford Road, Greenville*
- Laboratory and Consumer Services, *123 Ballard Court, W. Columbia*
- Metrology Laboratory, *237 Catawba Street, Columbia*
- Pee Dee State Farmers Market, *2513 Lucas Street, Florence*

SCDA employs graders, inspectors, and market news specialists who are located throughout the state in cooperative programs with the federal government.

2.6. Number of employees, segmented by employee category
At fiscal year end, the total number of authorized Full Time Employees (FTEs) was 137 of which 57.63 were state-funded and 79.37 were other-funded. Of the 137 authorized FTEs, the SCDA was operating with 87% or 118.75 FTE positions filled and 18 positions vacant (13 % vacancy rate). The SCDA also had 22 temporary employees. Out of the 137 FTEs, 136 were classified positions and one was an unclassified position (the Commissioner of Agriculture). **(See Figure 7.2)**

2.7. Regulatory environment under which the agency operates
SCDA operations are authorized by the South Carolina Code of Laws, Title 46 Section 10 to Section 260. The SCDA oversees and enforces about 40 laws for the State of South Carolina. Certain activities of the Department are regulated by the EPA, OSHA, and other federal agencies. The SCDA also holds cooperative agreements to perform work for a number of federal agencies including the USDA and the FDA.

2.8. Performance improvement system(s)
During fiscal year 10-11, SCDA was 95% compliant in administering its Employee Performance Management System program.

2.9. Organizational structure (Chart 2.1)

2.10. Expenditures/Appropriations (Chart 2.2)

2.11. Major Program Areas (Chart 2.3)

Chart 2.1

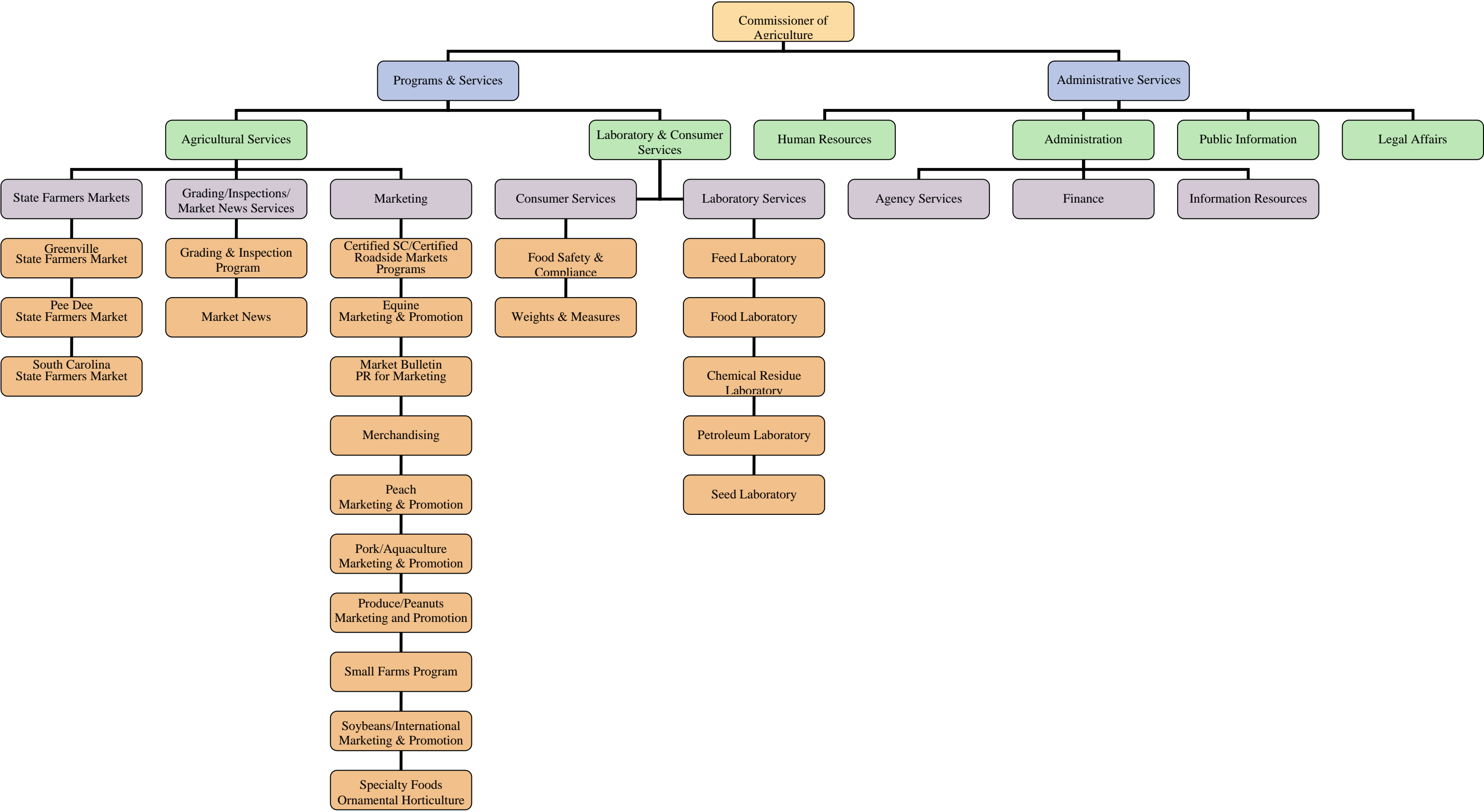## South Carolina Department of Agriculture
Organizational Chart

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                        Commissioner of
                          Agriculture
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Programs & Services — Administrative Services

Programs & Services
- Agricultural Services
- Laboratory & Consumer Services

Administrative Services
- Human Resources
- Administration
- Public Information
- Legal Affairs

Agricultural Services
- State Farmers Markets
  - Greenville State Farmers Market
  - Pee Dee State Farmers Market
  - South Carolina State Farmers Market
- Grading/Inspections/Market News Services
  - Grading & Inspection Program
  - Market News
- Marketing
  - Certified SC/Certified Roadside Markets Programs
  - Equine Marketing & Promotion
  - Market Bulletin PR for Marketing
  - Merchandising
  - Peach Marketing & Promotion
  - Pork/Aquaculture Marketing & Promotion
  - Produce/Peanuts Marketing and Promotion
  - Small Farms Program
  - Soybeans/International Marketing & Promotion
  - Specialty Foods Ornamental Horticulture

Laboratory & Consumer Services
- Consumer Services
  - Food Safety & Compliance
  - Weights & Measures
- Laboratory Services
  - Feed Laboratory
  - Food Laboratory
  - Chemical Residue Laboratory
  - Petroleum Laboratory
  - Seed Laboratory

Administration
- Agency Services
- Finance
- Information Resources

Chart 2.2

Expenditures/ Appropriations Chart

Base Budget Expenditures and Appropriations

Major Budget Categories	FY 09-10 Actual Expenditures		FY 10-11 Actual Expenditures		FY 11-12 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Services	$ 5,172,545	$ 2,253,777	$ 4,959,655	$ 2,094,851	$ 5,275,154	$ 1,897,733
Other Operating	$ 5,624.544	$ 936,998	$ 5,628,191	$ 316,546	$ 4,814,265	$ 316,526
Special Items	$ 819,339		$ 639,114			
Permanent Improvements	$ 13,794,171		$ 3,340,486			
Case Services						
Distributions to Subdivisions						
Fringe Benefits	$ 1,716,320	$ 725,827	$ 1,674,529	$ 693,446	$ 1,812,914	$ 654,275
Non-recurring						
Total	$ 27,126,919	$ 3,916,602	$ 16,241,975	$ 3,111,753	$ 11,902,333	$ 2,868,534

Sources of Funds	FY 09-10 Actual Expenditures	FY 10-11 Actual Expenditures
Supplemental Bills		
Capital Reserve Funds	$13,794,171	$3,340,486
Bonds		

Chart 2.3

Major Program Areas

Program Number and Title	Major Program Area Purpose (Brief)	FY 09-10 Budget Expenditures		FY 10-11 Budget Expenditures		Key Cross References for Financial Results*
Key Area I Administrative Services	Provides executive leadership, support, policy development and review, financial services, information technology, facilities management, and other administrative services	**State:** **Federal:** **Other:** **Total:**	960,155 -0- 223 960,378	**State:** **Federal:** **Other:** **Total:**	810,886 200,000 84,959 1,095,845	Pages 2-37
		% of Total Budget:	3.5%	**% of Total Budget:**	6.7%	
Key Area II Laboratory Services and Consumer Services	**Laboratory Services** Protects consumers from unsafe, ineffective, or fraudulent goods that may be offered for public sale; assures that goods meet acceptable standards of quality; monitors labeling; registers animal and pet foods, frozen desserts, gasoline, and antifreeze; issues licenses for butterfat testers and milk samplers; grants permits to salvage food operations; issues two to three thousand licenses, permits and registrations; provides assistance regarding food safety and security in the event of a natural disaster or an accidental or international emergency related to Homeland Security.	**State:** **Federal:** **Other:** **Total:**	828,205 -0- 788,876 1,617,081	**State:** **Federal:** **Other:** **Total:**	678.351 -0- 674,287 1,352,638	Pages 37-41
		% of Total Budget:	6.0%	**% of Total Budget:**	8.3%	
	Consumer Services Draws samples for analysis in the SCDA's laboratories; protects the people of the state, farmers and non-farmers, from fraud by ensuring the accuracy of weights and measures; inspects food and cosmetic manufacturing and storage facilities; assures farmers that they receive full and prompt payment for the products they produce and that their stored cotton and grain crops are protected in warehouse facilities; inspects gas pumps, grocery store scales, vehicle tank meters, and liquid petroleum gas measuring devices; collects official samples of petroleum, produce, meat and feeds for laboratory analysis; licenses, bonds and audits warehouses and dealers; inspects storage facilities for sanitation compliance.	**State:** **Federal:** **Other:** **Total:**	606,823 -0- 859,756 1,466,579	**State:** **Federal:** **Other:** **Total:**	374,000 -0- 1,094,840 1,468,840	Pages 41-43
		% of Total Budget:	5.4%	**% of Total Budget:**	9.1%	

Major Program Areas (Continued)

Key Area III Agricultural Services	Develops and implements broad-based marketing programs; provides programs and services designed to increase consumer awareness and product demand for quality South Carolina agricultural commodities; strives to improve the economic vitality of business and individuals in the industry of agriculture; encourages expansion and development of existing industries that use South Carolina agricultural commodities, both fresh and processed, to increase the marketability of locally-grown products; provides quality grade standards and up-to-date first-hand market news to the allied industry through a cooperative agreement with the USDA; provides grading and inspecting of poultry products; oversees and operates the three state farmers markets; domestic and international marketing assistance; certifies roadside markets; promotes specialty crops and specialty products; assists small farmer and provides support for organically grown certification; promotes the green industry (nursery, greenhouse, landscape, etc.); authorizes individual farmers and farmers' markets to be able to accept coupons from those who are nutritionally at risk to buy fresh, unprepared produce issued in the WIC and Seniors Farmers Market Nutrition Programs; serves as a liaison to commodity boards, associations, and the state's Ag Commission; publishes the Market Bulletin which is designed as a vehicle for farmers and non-farmers to buy and sell agricultural and agricultural-related items, a resource for economic stability especially in rural areas.	**State:** 795,592 **Federal:** 699,906 **Other:** 6,076,893 **Total:** 7,572,391 **% of Total Budget:** 27.9%	**State:** 548,138 **Federal:** 545,754 **Other:** 6,249,798 **Total:** 7,343,690 **% of Total Budget:** 45.1%	Pages 43-55
Area IV	Employer Contributions	**State:** 725,827 **Federal:** 250 **Other:** 990,243 **Total:** 1,716,320 **% of Total Budget:** 6.3%	**State:** 693,446 **Federal:** 1,444 **Other:** 979,639 **Total:** 1,674,529 **% of Total Budget:** 10.3%	

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

N/A

Remainder of Expenditures: Supplemental Appropriations Permanent Improvements	**State:** -0- **Federal:** -0- **Other:** 13,794,171 **Total:** -0- **% of Total Budget:** 50.9%	**State:** -0- **Federal:** -0- **Other:** 3,340,486 **Total:** **% of Total Budget:** 20.5%

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

Section III. Elements of Malcolm Baldrige Criteria

Category 1 – Senior Leadership, Governance, and Social Responsibility

1.1 How do senior leaders set, deploy, and ensure two-way communication throughout the organization and with customers and stakeholders, as appropriate for: a) short and long term organizational direction and organizational priorities, b) performance expectations, c) organizational values, and d) ethical behavior.

In the past seven years, the Department of Agriculture has made great strides under the leadership of this Commissioner of Agriculture. Through his guidance, the leadership team focuses on the mission of growing the business of agriculture in the state and protecting the buying public from deceptive business practices in the marketplace. This focus has instilled a sense of pride in staff and those served by the South Carolina Department of Agriculture.

a. short and long term organizational direction and organizational priorities,
Regular and frequent communication between senior staff serves as an important part of leadership in the Department of Agriculture. Short-term, Division Directors meet regularly with their staff to keep employees informed of agency issues. Long-term, under the leadership of the Commissioner, current and prospective programs, new initiatives, and new and innovative ideas for future direction continue to be examined and action taken accordingly. The Commissioner and his leadership team value partnerships with customers and stakeholders, fostering a free exchange of ideas that are used in evaluating the agency's programs and services. Employees are committed to enhancing the lives of our taxpaying citizens, providing them a better than satisfactory return on their investment. Over time, an internal system encompassing policies, processes and people has been developed and expanded. Management activities are directed by the Commissioner of Agriculture who has a good business sense, objectivity and integrity. Managers and supervisors are encouraged to make decisions that define expectations, grant power, and verify performance.

b) performance expectations,
The performance of the Commissioner of Agriculture and his senior leaders depends on how well they communicate with others inside and outside of the agency. Seven years ago, the *new* Commissioner invited his staff to provide their ideas and thoughts for improvement within the Department. He was guided to make important decisions from those valuable contributions. Although nearly all of the senior staff from that time period has left the agency through natural attrition, others have stepped up to the plate and have improved their own leadership effectiveness and the effectiveness of management throughout the organization. Senior staff continues to gather periodically to discuss team activities related to everything from promotion and publicity efforts to resolution of external and internal issues and problems. Through face-to-face discussions with managers and other staff, through written guidelines and policies, through EPMS links to program performance standards, and through development of effective modules, managers set clear performance expectations, goals, and objectives for employees.

c) organizational values,
Agency leadership communicates social responsibility and ethical expectations through individual evaluations and discussions, policies and procedures, and employee participation in professional organizations. While senior leaders have an impact on the way employees act and present themselves in public, SCDA employees have their own vested interest in what the agency does and how it is run. Because they perceive that they are a valuable asset, their productivity increases and they willingly take on more responsibilities for the good of the agency. Even though positions are unfilled, other employees take on more job duties to fill those gaps. No other agency in state government can match the work ethic of SCDA employees. They work nights and weekends and, more often than not, they can be found on a Saturday at a fair or festival, in a busy supermarket, or at a trade show promoting the bounty of South Carolina growers and producers. When others are on holiday, SCDA employees are working for the people they serve.

d) ethical behavior,
As a state agency serving the people of South Carolina, the rights and privileges of the citizens are ensured. While the agency complies with the Freedom of Information Act, the Department also maintains the privacy of those served. For instance, the result of official samples that are taken by inspectors for analysis by laboratory technicians is public information. Those samples that are submitted by private parties are considered private information. The Department of Agriculture ensures that rights and privileges are maintained. In addition to maintaining the rights and privileges of citizens, the human rights of employees are also respected. However, irresponsible and unethical behavior that may bring harm to the agency, community, its people, or the environment is not tolerated.

1.2 How do senior leaders establish and promote a focus on customers and other stakeholders?
Every South Carolinian is a customer and a stakeholder of agriculture, including SCDA employees. In reality, they are their own customers. Senior leaders encourage staff to be constantly in touch with the public, assisting with agribusiness development and expansion, product testing and analysis, and providing reasonable assurances to the consumer. Senior leaders set an example. They work right along with their staff. As good leaders do, they ask no more from their staff than they would ask of themselves. Even though the faces of the senior staff have changed significantly from the time this Commissioner came on board, the new faces continue to have a work ethic, bar none, and their focus is continually on their customers and stakeholders – the people they serve.

1.3 How does the organization address the current and potential impact on the public of its programs, services, facilities and operations, including associated risks?
The agency continues to invite feedback on programs and services from the agricultural community, commodity boards and associations, and consumers. The Department in cooperation with other public and private organizations and market research companies are continuing to work to develop formulas that provide the return on investment for the Department's marketing and branding program. A study performed by the U.S.C. Moore School of Business revealed that with reasonable assumptions, the Certified SC program could provide over 10,000 new jobs at a time when the state's job base is shrinking. Also, the research showed that for every dollar of the initial $500,000 grant invested in the program, there would be a return of $5.8. An increase in demand for locally grown translates to an increase in economic growth for the state. This type of research shows that we need to capitalize on the local food economy. In addition to research, surveys are performed at workshops and other events to see how well programs are working. Time and time again, participants tell us that they are pleased with the speakers and topics.

1.4 How do senior leaders maintain fiscal, legal, and regulatory accountability?
Department staff is committed to the concept of fiscal responsibility, but audits are performed to ensure the integrity of the agency's financial system. Many problems cannot be solved by money alone. Leadership provides fresh approaches and creativity in addressing issues in a cost-effective way. Particularly in the realm of regulatory responsibility, staff is instructed to treat customers fairly and with understanding. The federal agencies with which the agency has cooperative agreements monitors our regulatory activities as well. The Department's General Counsel deals with complaints, lawsuits or other legal and regulatory issues to ensure accountability. In addition, the General Counsel serves as the central contact for FOIA requests and, when necessary, requests opinions from the Attorney General.

1.5 What performance measures do senior leaders regularly review to inform them on needed actions? (See Category 7 for actual results.)
- The analysis of research and performance of marketing and promotion efforts
- Tests on feeds, seeds, foods, cosmetics and petroleum products to assure product protection
- Anecdotal results of buying/selling of the state's agricultural commodities both fresh and processed

- Food sanitation inspections at locations under SCDA regulatory authority
- Market and economic research on the effectiveness of the agency's strategic marketing and branding campaign
- Growth and development of the State Farmers Markets
- Efficiency and effectiveness provided by new technology
- Partnerships with stakeholders to promote agriculture in South Carolina

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

Senior leaders use their division sessions, the EPMS and other meetings with staff as a discovery mechanism for employee feedback. These discussions are used to help managers determine if they are adequately directing employees and to help them identify activities that may be barriers to the performance of individual employees and of the agency as a whole. In addition, these discussions often set realistic expectations and allow the managers to modify or change priorities. Senior leaders also serve as the model for the agency's commitment to core values. During the holiday season, employees enjoyed an Employee Recognition luncheon, and during Employee Appreciation Week in May, employees were treated to a hamburger and hotdog lunch at the new Phillips Market Center. Because of the tight budget, items on the menu were donated to the Department, and uninhibited senior staff, wearing aprons and protective gloves, served the rest of the Department staff.

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

Senior leaders know that the success of the agency depends greatly on the availability of competent people. With a significant staff turnover in the last several years due to natural attrition and retirement and the anticipation of a critical shortage of middle and senior leaders within the workforce, succession planning has been a priority. To ensure that there are successors to drive the programs and services, senior leaders are empowered to train managers that may be able to succeed them in a leadership role in the future. In an initiative started last fiscal year to help managers identify critical positions within their respective area where succession planning activities should be developed, the Human Resources office was successful in collecting data from each department on the key figures in each area. Individuals who serve as backup to key positions within each department were identified and this information was made available to employees. This is an ongoing project and will continue to be developed and updated over the coming years. As part of its ongoing workforce development activities, an initiative to have employees create a desk reference manual of their job functions has begun and is still ongoing. Having this information available helps ensure that the day-to-day operations of a department and the agency as a whole will continue to operate smoothly in the event a key employee leaves the agency or is temporarily unable to perform the job functions of their position. This past fiscal year, several key employees retired or left the agency for various reasons and several were on extended leave for illness which made contingency planning even more critical to the effectiveness and efficiency of the Department.

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

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

1.9 How do senior leaders create an environment for organizational and workforce learning?

For senior leaders, it all comes down to transferring knowledge and skills to people who don't necessarily have them. There are experts and there are novices, but knowledge has to be transferred in such a way that the novices get the knowledge and skills they need to perform like an expert.

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

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

1.11 How do senior leaders actively support and strengthen the communities in which your organization operates? Include how senior leaders determine areas of emphasis for organizational involvement and support, and how senior leaders, the workforce, and the organization contribute to improving these communities.

Senior leaders support the efforts of employee involvement in urban and rural communities through individual and collective activities. By working collectively to keep agriculture a viable industry in the state, the agency is also strengthening the economy. On an individual level, senior leadership encourages employees to be involved in community activities that will provide awareness of South Carolina agriculture and of the agency's programs and services. The agency also actively supports and strengthens communities through employee involvement in civic clubs and various other community-oriented groups or committees. Staff is encouraged to be involved in programs that will provide awareness of SC agriculture and of the SCDA's programs and services. Staff worked collaboratively on various projects in FY11 to assist the community. Harvest Hope, blood drives, etc.

Category 2 – Strategic Planning

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

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

a. strengths, weaknesses, opportunities and threats;
The weaknesses of the agency are balanced by its strengths. Every problem presents an opportunity. Salaries are generally lower than in the private sector making it difficult, but not impossible, to retain qualified employees. Staff reductions through natural attrition and retirement increased in the past few years, but with succession planning the agency has been able to blend the experience of veteran employees with the enthusiasm of novice employees.

The SCDA is fortunate to have a good leader at the helm capable of managing a team focused on the agency mission. In addition, the SCDA has a capable professional staff both willing and able to serve the people of South Carolina.

b. financial, regulatory, societal and other potential risks;
Unfortunately, sufficient funding has been a bump in the road, especially this past fiscal year, but with fortitude and finesse', the Department has moved forward with the financial and human resources available. As in any business, there are always obstacles and challenges, but the SCDA has developed public and private partnerships and found other resources to continue to support agriculture, the backbone of our health and economic well-being.

c. shifts in technology and customer preferences;
In an effort to reduce costs and increase visibility of the agency's programs and services, the SCDA has grasped the opportunities that have risen out of new trends in technology. The Department web sites have been a hit with many South Carolinians and others looking for answers to questions. There are about 25 to 50 information requests through the web site each week. In addition, the Department is now using social media to promote South Carolina agricultural commerce. There are now over 7,000 fans and followers on Facebook and Twitter for the Certified SC program. This past fiscal year, the Department developed a Harvest Society in which members receive an email or text message via smart phone about the products and events that are available at the new SC State Farmers Market. The Harvest Society has been so successful that the Department is looking into developing a similar effort for the other two state farmers markets. Bottom line is that the Department's customers now prefer to receive information instantly and conveniently through electronic means.

d. workforce capabilities and needs;
Implementation of the SCEIS HR/Payroll system has consolidated many human resources and payroll activities. Data is more accurate, timely and shared across several different modules and agency's which has greatly decrease the amount of time spent keying HR/Payroll transactions in several different systems. Since SCEIS HR/Payroll is a web based system, HR/Payroll core users have 24/7 access to HR/Payroll information which allows them the flexibility to work in or out of the office when the need arises. Through MySCEmployee, employees have 24/7 access to their personal information in which they can change banking and tax withholdings, update address and emergency contact information and request an employment verification letter. Employees can also record work hours, submit leave requests, check leave balances and view pay statements. Managers can approve work hours and leave request for their employees and manage other data for their employees. There have been several new features added to the HR/Payroll module over the past 18 months we have been live on the system such as the ability to produce various types of HR and payroll reports, on-going SCEIS training and starting on July 11, the availability of employee leave statements via MySCEmployee.

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

f. your ability to execute the strategic plan.
Each division within the SCDA is charged with developing objectives that support our agency mission – promoting and nurturing the growth and development of South Carolina's agriculture industry and its related businesses while assuring the buying public of safety and security. Those strategies are part of the overall effort to execute our strategic plan.

2.2 How do your strategic objectives address the strategic challenges you identified in your Executive Summary? (Section I, Question 4.)

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

In order to provide agricultural marketing opportunities which support the state's economy, particularly in rural communities, the agency continues to work with public and private individuals and organizations to collaborate on strategic goals and objectives for agribusiness. Two years ago, the SCDA and its partners developed the *50 by 20* plan, a concept and strategic theme that set a goal of increasing the economic impact value by $16 billion per year to $50 billion by 2020. We have set out to reach that goal through Agribusiness Economic Development; Increasing Marketing & Export Opportunities; Expansion of Existing Industries; and Exploring New Technologies and New Crops.

Focusing on the *agribusiness economic development*, the SCDA continues to examine new recruiting tools and new incentives that work for agribusiness. The Department is focused on effective agribusiness recruitment, but it must be sufficiently funded and staffed with professionals. The SCDA is also looking at specific industries that make sense for South Carolina, such as biofuels, food processing, other value added industries, and forest products. Agribusiness expansions like Walmart and economic developments like Amy's Kitchen will add jobs and increase revenue for the state. The Department continues to focus on bringing in and building up agribusiness.

In addition, whether domestic or export, it is critical to create additional profitable production opportunities for farmers and forestry producers. Initiated four years ago, the Certified South Carolina marketing and branding program has been highly successful in capitalizing on a very sustainable, consumer-driven local food economy. By continuing this and other marketing efforts, South Carolina gains market share of our own food, fiber, and fuel expenditures in the state.

New jobs and capital investments come most often from the *expansion of existing industries*. The Department continues to focus on the vital components of agribusiness – forest products, poultry, greenhouse/nursery, equine, fruit and vegetable processing, and aquaculture – wild caught and domestic. These industries are quite significant in their areas of the state – often employing thousands of workers. Creating a productive business climate and tool box of attractive incentives focused on agribusiness firms could be a very effective use of our resources. The SCDA is focusing on expansion of existing industries as well as developing new industries in the state.

Investments in technology and research are essential for our producers to remain competitive in a truly global patchwork of production. Breakthroughs in technology can take us down paths we could only imagine just a few years before. Adequate funding for basic and applied research at land-grant and other research institutions is necessary to provide the means for technology to benefit our producers, as well as our environment. Research can determine the viability of new high value crops and can find new uses for traditional crops. For instance, Naturally Advanced Technologies (NAT) of Vancouver, Canada has contracted with a South Carolina agribusiness, Carolina Eastern Precision Ag of Pamplico, to assist in the effort to recruit growers and contractors and provide advice on cultivation related to the production of flax. Flax is a tough, lightweight and biodegradable bast fiber with a multitude of uses – from fabrics to fishing nets and everything between. Flax is a crop that could spin straw into gold for the state's economy. The Department will continue to looks at new crops that can bring value to South Carolina.

Maximizing safety and protection of goods and services offered for sale to the public
To maximize the safety and protection of goods and services offered for sale to the public, the SCDA continues to work closely with public and private partners to establish and formalize working agreements. In addition, the agency continues to build trust and integrity by providing prompt and accurate information to the public and other stakeholders.

Professional development for staff with limited funding
Professional development with limited funding continues to be a challenge. However, even with limited resources, agency employees receive thousands of hours of training and professional development through professional organizations and other training opportunities. That training includes supervisory skills training, technology training, food/feed safety and security training, weights and measures training, analytical sciences workshops among others. Some activities were extremely technical. Some activities involved leadership training. All activities focused on the goal of producing a highly trained professional staff.

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

Loss of institutional knowledge and information due to retirement and natural attrition
Although the agency had nine employee separations this past fiscal year due to retirement and natural attrition, the Department was able to blend the experience of seasoned staff with the enthusiasm of new employees through cross-training, development of desk reference manuals, and workforce planning initiatives.

Enforcing nearly 40 laws mandated in the SC Code of Laws
Enforcing the laws mandated in the SC Code of Laws continues to be simplified with new technology and alternative funding from fees. Also, updating the laws with modern standards assists in enforcement. No regulations were adopted or revised this past fiscal year.

2.3 How do you develop and track action plans that address your key strategic objectives, and how do you allocate resources to ensure the accomplishment of your action plans?
Senior leaders continue to periodically discuss activities with staff, individually and collectively, to track progress in various programs and services. Financial and human resources are allocated according to adherence to the Department's mission. Our goal is to ensure that our programs and services grow agribusiness commerce while assuring the safety and security of the buying public.

2.4 How do you communicate and deploy your strategic objectives, action plans and related performance measures?
The accountability report is used as a self-assessment tool for ensuring that the agency remains in line with its mission. Each division develops goals and objectives based on the overall mission of the agency. The agency's mission is also communicated when planning strategies with partners.

2.5 How do you measure progress on your action plans?
Progress is measured through action plans, after action meetings and reports. Opportunities for improvement are tracked through meetings and discussions with staff, individually and collectively. Measures include workload and workflow as well as customer satisfaction.

2.6 How do you evaluate and improve your strategic planning process?
Evaluating and improving strategic planning is an ongoing process. In fact, the process of developing an accountability report continues to show where progress is being made and where improvements are needed.

2.7 If the agency's strategic plan is available to the public through the agency's internet homepage, please provide a website address for that plan. The agency's Strategic Plan is not currently posted. (**See Strategic Planning Chart 2.7.1)**

Chart 2.7.1		Strategic Planning Chart	
Program Number and Title	**Supported Agency Strategic Planning Goal/Objective**	**Related FY10-11 Key Agency Action Plan/Initiatives**	**Key Cross References Performance Measures**
I Administration	Effectively manage operations and workforce	Effectively manage financial resources to ensure financial well being. Create a work environment that promotes performance and employee satisfaction. Evaluate programs and services to ensure customer needs are met. Evaluate employee performance and provide materials and technological needs to be successful. Use available technology and aggressively seek new technology to improve office operations. Provide progressive leadership with a clear focus that actively guides the agency. Provide recognition to those employees for their effort. Develop a well trained and diverse workforce. Encourage staff to contribute ideas to means and methods of improving the workplace and the operation of the agency.	pgs. 37-41
II Laboratory and Consumer Services	Protect consumers and producers	Enforce all applicable laws regarding proper warehouse receipting, storage and payment for agricultural commodities. Ensure the accuracy of weights and other measurements. Work with public and private organizations to solve issues related to protection and safety. Perform food sanitation inspections at all locations under SCDA regulatory authority. Perform tests on feed, seed, food, and petroleum products to assure acceptable quality. Grant permits to salvage food operations. Inspect and grade appropriate agricultural products for domestic and international markets.	pgs. 41-43
III Agricultural Services	Promote agriculture and agribusiness Provide public awareness, promotion, and publicity of SC agriculture	Expand Certified SC campaign, the agency's comprehensive branding and marketing strategy designed to build brand awareness of SC's agricultural products. Encourage new and existing business which use traditional and non-traditional agricultural products or which service and supply agriculture. Search for new products and look for new value-added ways to use the state's products. Provide assistance to small farmers. Support the growth and development of local farmers markets to encourage those nutritionally at-risk to buy locally grown products. Manage three regional State Farmers Markets in Florence, Greenville, and West Columbia efficiently and effectively. Market local farm products to consumers and assist farmers through the Certified Roadside Market Program.	pgs. 43-55

Category 3 – Customer Focus

3.1 How do you determine who your customers are and what their key requirements are?
Determining our customers is simple. By virtue of our mission, our customers are producers and consumers, virtually everyone in the state. Producers need immediate access to markets and marketing information, and consumers need access to information about buying and using agricultural products. The more accessible and accurate the information, the more satisfied are our customers.

3.2 How do you keep your listening and learning methods current with changing customer/business needs and expectations?
This is not your grandpa's Department of Agriculture. In 1913, the SCDA began publishing the *Market Bulletin*. By the time subscribers received the publication through the mail, it was old news at best. The *Market Bulletin* is still being published and mailed to subscribers, if they so desire, but they can also subscribe for an online version which unlike snail-mail comes directly to the subscribers desktop for instant access.

3.3 What are your key customer access mechanisms, and how do these access mechanisms enable customers to seek information, conduct business, and make complaints?
Today, more than ever, our customers want information instantly. With that in mind, the SCDA is using more tech-savvy ways of communicating. Whether it's a recall notice on a product or a reminder that watermelons are in season, by using social networking systems like Twitter, Facebook, and YouTube, the SCDA is able to quickly communicate with its customer base. This past fiscal year, the SCDA added texting to smart phones and email messaging with information updates about the SC State Farmers Market through the Harvest Society. And, of course, the web sites remain a viable option for our customers. Farmers can now listen to audio Market News reports while writing their daily fertilizer application records. This new technology is not only a quick way to communicate with customers it's also less expensive than some other means of communication, so the Department is able to stretch dollars. The agency also uses information from customers and stakeholders to keep services or programs relevant and provide for continuous improvement by surveying customers and evaluating their feedback. Surveys and evaluations of meetings and events provide valuable information for future planning. In addition, staff frequently visit customers for face-to-face comments.

3.4 How do you measure customer/stakeholder satisfaction and dissatisfaction, and use this information to improve?
Customer complaints receive individual attention and follow-up. The agency web site features a complaint/suggestion area where the agency receives requests for information. In addition, the phone number for Consumer Services is displayed on the approval sticker for every scale and measuring device inspected in the state so that our customers can easily call if a device seems to be inaccurate. Staff participate in a variety of meetings and workshops in which customers and stakeholders talk about the SCDA's value.

3.5 How do you use information and feedback from customers/stakeholders to keep services and programs relevant and provide for continuous improvement?
In addition to general marketing program participant numbers and comments, the SCDA uses a variety of other tools to help evaluate success. The agency uses market research to determine the correct focus for programs and services and uses evaluation research to determine success or failure. For instance, in FY10 the Darla Moore School of Business performed a study to evaluate the return of investment of the Certified SC Grown program. The study revealed that with reasonable assumptions the program would provide over 10,000 new jobs at a time when the state's job base is shrinking. This grassroots marketing campaign has motivated and activated South Carolina consumers to buy South Carolina grown products which, in turn, drives the demand for homegrown products and contributes to the economic development of the state. Further research in the coming years could determine the impact of the program.

3.6 How do you build positive relationships with customers and stakeholders to meet and exceed their expectations? Indicate any key distinctions between different customer and stakeholder groups.

The agency builds and strengthens positive relationships with customers and stakeholders by listening and by responding quickly and appropriately. To meet the needs of our external customers, SCDA staff work closely with public and private partners to develop key strategies that will benefit all constituencies.

Category 4 – Measurement, Analysis, and Knowledge Management

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

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

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

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

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

The agency benchmarks with other state and federal agencies whenever possible. Many programs are subject to audits to ensure financial effectiveness and procedure compliance. For instance, the pesticide test results from the SCDA Chemical Residue Laboratory are comparable to the USDA Pesticide Data Program test results that are performed each year. Data shows that the food supply of the state and nation is safe and farmers are doing a good job in complying with pesticide residue laws. The citizens of South Carolina should expect the best possible economic return on any investment, especially in an era of limited public funds. Research data is imperative to the direction of the agency and the future of agribusiness in South Carolina.

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

- Financial Audits – State auditors perform audits of the agency's financial information to ensure compliance with state rules and regulations.
- Research and Evaluation – SC Agribusiness Study, U.S.C. Darla Moore School of Business Study on Certified SC Grown Program, and other studies and analyses measure impact
- EPMS – measures employee performance
- Laboratory Results – measures quality on a variety of agricultural products
- Consumer Services – measures the accuracy of weighing and measuring devices in the state

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

The decision-making process is based, in part, on data and information collected. However, decision-making is also based on input from stakeholders and customers. For example, the SCDA continues to build on a strategic plan developed with like-minded partners for the future of agribusiness in keeping with the agency's mission. In addition, the SCDA has developed a strategy for agribusiness called *50 by 20*. The plan is to reach a $50 billion impact for agribusiness by 2020. Key data from development and expansion and other areas of agribusiness will provide assistance in decision making for the agency moving forward.

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

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

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

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

Program areas at the SCDA that do not measure up to their intended objectives are identified and evaluated. These reviews are used to identify the next best opportunity for improvement. Those that do measure up to their intended objectives are given priority. With the downturn in the economy and the reduction in budget, reviewing programs and services is more important than ever.

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

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

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

Category 5 – Workforce Focus

5.1 How does management organize and measure work to enable your workforce to:
1) develop to their full potential, aligned with the organization's objectives, strategies, and action plans; and
Managers and supervisors encourage employees to organize their work according to an action plan which follows the agency's goals and objectives. They realize that enabling the workforce to develop to their full potential is essential to effective management. Conventional employment development – isolated events in which employees put in a predetermined amount of seat time – have been revised to become a "process" in which employees meet performance objectives within a certain timeline. Ample time is provided for feedback, reflection and attention to specific areas in which improvements may be made.

2) promote cooperation, initiative, empowerment, teamwork, innovation, and your organizational culture?
To keep employees informed about their benefits, Human Resources (HR) conducts a creative benefits meeting to educate employees of the importance of benefit decisions and address any issues regarding their benefits. Employees are encouraged to meet one-on-one with HR personnel to review their benefits. HR continues to instruct employees on the effective use of web-based tools from Employee Insurance Program and MySCEmployee and how it relates to their benefits. The overall image of the HR office has been elevated in the past few years and its staff continues to work hard to maintain a positive and professional image.

5.2 How do you achieve effective communication and knowledge/skill/best practice sharing across departments, jobs, and locations? Give examples.
Maintaining employee files electronically (SCEIS HR/Payroll) makes information accessible to all HR personnel and creates a more streamlined informational system where information is updated and provided to managers and employees in a timely manner. Having all HR information in one central location helps HR remain consistent in the information it provides. With having the ability to send, receive and store information electronically, we have experienced a decrease in the amount of paper used/needed in personnel and payroll transactions. Although we are not yet completely paperless, we are well on our way.

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

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

Recruiting new employees: Management uses NEOGOV (www.jobs.sc.gov) as its primary recruiting tool. This system allows job posting to be more tailored to the specific requirements of the job and allows applicants to submit applications electronically, eliminating paper applications. Since the system is Internet-driven, it also provides a higher level of qualified applicants from which to choose. NEOGOV provides applicant information which is used to develop the agency's Affirmative Action Plan. This allows for more accurate information to be reported to the State Human Affairs Commission and the General Assembly on goals attained in the agency's Affirmative Action Plan (AA).

Planning for workforce losses and gains: The first step for SCDA leadership in succession planning is workforce assessment. While the state government population continues to age, the average age of an SCDA employee increased to 48 years which means that they will probably be in a workforce environment for about another 16 to 18 years providing a wide field from which to select future leadership. However, about 30% of the Department's employee base will be eligible to retire within the next five years resulting in a younger more energetic workforce. If managed properly, the new workforce will provide a solid base from which to cultivate future leadership growth.

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

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

Retaining future leaders
Having identified the right individuals for leadership roles of the future, senior leadership works to groom those individuals and deepen the bench strength in all the critical areas of the agency. The focus is on the high potential employees and how to develop and retain them, especially with no real financial incentives due to the reduction in the state's budget. The average pay rate at the SCDA is $34,240 which is a decrease for the second consecutive fiscal year. Leadership development at the SCDA is an ongoing, long-term process of investing in the talents of the organization.

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

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

EPMS documents and ongoing communication with employees are several tools used by supervisors to gain valuable insight into employee workload, skill level and training needs. Information gathered is used to assist in determining staffing and training needs. Along with cross-training, desk reference manuals have been a very valuable asset to the agency in maintaining its day-to-day operations after losing leadership and critical needs positions.

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

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

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

a. development of personal leadership attributes;

Potential leaders are encouraged to find a passion, develop that passion by learning and then incorporate that knowledge into everyday activities.

b. development of organizational knowledge;

Management at the SCDA understand that just as people are not all born with the ability to play football like Tim Tebow or the ability to sing and play music like Alison Krauss, all people are not born with the ability to lead. But everyone can develop leadership effectiveness. Management at the SCDA looks at individuals who have the potential for leadership and like the football player and musician, those individuals learn through practice, persistence, and by the example of others.

c. ethical practices;

SCDA policies include the guiding principles for an ethical workplace environment. Ethics violations are not tolerated.

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

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

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

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

5.8 How do you encourage on-the-job use of new knowledge and skills?
Employees are encouraged to share information they've learned. Information learned is incorporated into the employee's daily workflow wherever applicable. Employees are also encouraged to cross-train with others so that the workflow will continue in the event of an absence or vacancy in the area. As part of ongoing workforce development activities, the initiative to have employees create a desk reference manual of their job functions continues. Having this information available helps ensure that the day-to-day operations of a department and the agency as a whole will continue to operate smoothly in the event a key employee leaves the agency or is temporarily unable to perform the job functions of their position. This is an ongoing process.

Employees are encouraged to remain up-to-date on all issues related to their area of work. With budget cuts, supervisors and employees are encouraged to participate in online training and various other training programs that are provided at no cost to the agency. Employees are also encouraged to take advantage of learning opportunities that will add value to their position and their personal growth and development. HR staff continued to participate in and conduct training programs this past fiscal year.

5.9 How does employee training contribute to the achievement of your action plans?
With implementation of SCEIS HR/Payroll, staying abreast of changes with the system is vital for both core users of the system and managers and employees. To be more knowledgeable and better equipped to answer questions regarding the HR/Payroll system, HR personnel continue to work with the system and participate in training opportunities as they become available. Having employees who are educated about HR issues can prepare them to better perform their job duties, provide accurate information and meet customer needs in a timely and professional manner. Again, this is part of HR's open door policy that promotes ongoing communication and knowledge sharing.

5.10 How do you evaluate the effectiveness of your workforce and leader training and development systems?
Internal and external audits are conducted to ensure we are in compliance with rules and regulations and that transactions are being processed correctly. The SCEIS HR/Payroll system has a built in audit trail which is helpful in ensuring the agency is in compliance with state and federal rules and regulations. We also use the aids of reports and employee satisfaction/feedback to assess the effectiveness of training and programs.

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

5.12 What formal and/or informal assessment methods and measures do you use to obtain information on workforce well-being, satisfaction, and motivation? How do you use other measures such as employee retention and grievances?
Informal conversations and meetings, behavioral observations, EPMS reviews, customer satisfaction, position descriptions and open door communication with HR are methods used for assessment at the SCDA.

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

5.14 How do you maintain a safe, secure, and healthy work environment? (Include your workplace preparedness for emergencies and disasters.)
An AED is now available in the Wade Hampton Building and staff from the top down have been trained to use this equipment. In addition, the SCDA has an emergency plan in place for the State Farmers Markets. Working cooperatively with local law enforcement and first responders, the market managers are emergency-prepared for pending intentional or unintentional disasters. Since the SC State Farmers Market has moved to a new location, the emergency plan will need to be revised.

Category 6 – Process Management

6.1 How do you determine and what are your organization's core competencies, and how do they relate to your mission, competitive environment, and action plans?
The SCDA's core competencies include facilitating marketing of agricultural commerce and protecting consumers and producers in the marketplace, key components of our mission. These core competencies are our areas of greatest expertise. They set our agency apart from all others in state government providing benefits to consumers and producers that are unique from any other state agency.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

The Finance Department tracks the financial performance of agency programs and services and coordinates all financial activities within the agency, including the annual budget request process, payroll, fixed assets, revenue tracking and auditing, grants management and procurement services.

The Office of Information Technology provides computing and communications infrastructure and a help desk for coordination for all departments of the SCDA.

Also, communication through Public Information channels between state and federal government and other State Departments of Agriculture is critical especially in product safety and biosecurity.

6.7 How does your organization determine the resources needed to meet current and projected budget and financial obligations?

Leadership at the SCDA determines the resources needed to meet current and projected budget and financial obligations based on a number of systems. They determine what programs and services are necessary in terms of the agency mission, decide on the money and manpower needed for each, determine possible revenue from fees, grants, etc., draft a budget with specific amounts and justifications, and discuss and make adjustments to produce a working budget. The budget then becomes a guide for the fiscal year. However, leaders look at the budget and financial status of the agency throughout the year and make adjustments as necessary. Leaders at the SCDA know that they must be able to understand the agency mission, be specific in planning, and be able to predict the unpredictable, especially in these precarious economic times. The agency reviews personnel and operational needs based on our mission, stakeholder and customer expectations, and desired outcome. Weekly staff meetings as well as budget reviews ensure that the agency's limited resources are being used to meet goals set by agency senior management.

Category 7 – Key Results

The SCDA's business results are similar to those of Departments of Agriculture in other states with comparable programs and services. However, more of South Carolina's farmland is either in production or in conservation plots than that of our sister states. The trend in South Carolina is more smaller-sized farms. That means that the SCDA's role in the expansion and development of agriculture, particularly that of small agribusiness, and in the protection of producers and consumers who are part of the commerce of agriculture are more important than ever to the continued health and well-being of the people of this state and to the agricultural community.

The Key Results Category examines the SCDA's performance in all three key program areas – **Administrative Services**, **Agricultural Services**, and **Laboratory and Consumer Services**. The performance and improvement in each area is measured differently. In some areas, particularly in Administrative Services and Laboratory Services, performance is measured through quantitative numerical data. In Agricultural Services, performance is more subjective in nature and is measured qualitatively focusing on the analysis of research and description of the success of programs and services. With that in mind, the true performance of each program area is shown in the results following these questions and responses. **(See pgs. 32 – 54)**

7.1 What are your performance levels and trends for your key measures of mission accomplishment/product and service performance that are important to your customers? How do your results compare to those of comparable organizations?
The mission of the SCDA supports the agency's mandate to promote and nurture the growth and development of South Carolina's agriculture industry and its related businesses while assuring the buying public of safety and security.

7.2 What are your performance levels and trends for your key measures on customer satisfaction and dissatisfaction (a customer is defined as an actual or potential user of your organization's products or services)? How do your results compare to those of comparable organizations?
The SCDA realizes that providing great customer service takes both understanding of what customers want and finding a way to see that they receive it. And, more importantly, the difference between satisfied customers and very satisfied customers can make a big difference in customer repeat business. Preference for South Carolina products means more dollars in the pockets of producers and more dollars in their respective communities.

The best way to find out how customers feel and what they want is simply to ask them. For example, prior to creating the Certified SC program, surveys were performed to gather input from our customers – the consumers of South Carolina. Since we could not talk to each of the 4+ million people that live in the state individually, we performed customer surveys with standardized questions to collect the same information from every participant. The survey told us that consumers would buy South Carolina agricultural products if they could identify them in the marketplace, so with that in mind, we created a branding program. Now, we hear from consumers everywhere that they are finding SC products because of the Certified SC branding logo. And, because the members of our program are required to meet certain standards, our marketing and branding program has an integrity that similar programs in other states do not have because of our verification process. In addition to surveys, the SCDA also uses focus groups and advisory groups to help understand consumer behavior.

7.3 What are your performance levels for your key measures on financial performance, including measures of cost containment, as appropriate?
The key to managing risk is making good business decisions. Correct decisions depend on accurate information and the right analysis. SCDA leaders conduct regular check-ups on the financial condition of the agency through periodic updates on each program area. Also, the SCDA is frequently audited to ensure compliance with state policy. The idea is to treat causes rather than address only the symptoms of problems.

7.4 What are your performance levels and trends for your key measures of workforce engagement, workforce satisfaction, the development of your workforce, including leaders, workforce retention, workforce climate including workplace health, safety, and security?
SCDA employees are generally more fully involved in and enthusiastic about their work than those in other agencies. They act in a way that furthers the agency's interests – spending

nights, weekends, and holidays working for the people of South Carolina when they could be comfortably at home with their own families. Even during tight budget times when salary increases and promotions are almost non-existent, SCDA employees put their noses to the grindstone and work for the betterment of the community. That doesn't mean that they are satisfied with the status quo. They work hard, but they expect compensation when the time is right. SCDA leaders know that getting the pay right is critical to both keeping the workforce motivated and attracting top employees.

7.5 What are your performance levels and trends for your key measures of organizational effectiveness/operational efficiency, and work system performance (these could include measures related to the following: product, service, and work system innovation rates and improvement results; improvements to cycle time; supplier and partner performance; and results related to emergency drills or exercises)?
Partnering with other state and federal agencies and private individuals and organizations, the SCDA has been able to maintain a high degree of effectiveness for producers and consumers. The level of efficiency is shown in the results pages of this document.

7.6 What are your performance levels and trends for the key measures of regulatory/legal compliance and community support?
The SCDA works with federal partners, FDA, USDA, EPA and others to ensure that goods offered for sale in the state are safe and labeled properly. For instance, the SCDA participates in the Country of Origin Labeling (COOL) program with the FDA through our Consumers Services Food Safety and Compliance Program. Our inspectors ensure that foods are manufactured and marketed under safe and sanitary conditions through routine surveillance inspections and audits. They also ensure that food is pure and wholesome, safe to eat, and properly labeled according to current laws and requirements. The Department is also constantly reviewing outdated laws that protect consumers and producers from fraud in the marketplace.

Administrative Services – Key Area I
Administrative Services includes *Administration*, *Human Resources*, *Legal and Governmental Affairs*, and *Public Information*.

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

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

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

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

Information Technology is still continuing efforts to cut costs by achieving the following:
- Order remanufactured toner cartridges to cut cost by more than half
- Networked all users to laser printers to save on printing costs
- Encourage double sided printing when possible to cut back on paper usage
- Advised reduction in printing unnecessary documents such as emails
- Provide more extensive troubleshooting over the phone to cut down on travel
- Using remote access software for remote locations including the New Farmers Market to cut down on travel costs
- Use replaced PCs in other divisions within the agency to eliminate the need for purchasing
- Increased conference calls to cut back on traveling for meetings by utilizing Go To Meeting software
- Upgraded memory in older machines to eliminate the purchase of newer machines

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

Beginning last fiscal year, IT continued to work on final preparation for the following:
- Laboratory Information Management System (developed by Accelerated Technology Laboratories)
- Market Vendor Rental
- Inventory

IT also replaced 3 desktops and 5 laptops throughout the agency and maintained software and hardware support for the following during FY11:
- 900 COBOL programs involving 370,000 lines of code. There are only a few of those programs that are still being used. The majority of these programs are in the process of being replaced.
- 6 Web sites which include (agriculture.sc.gov, certifiedscgrown.com, freshonthemenu.com, palmettovore.org, phillipsmarketcenter.com, scwatermelons.com)
- 10 licensing programs
- 5 invoicing programs
- 3 registration programs
- 2 stop order programs
- fuel pump and scale inspection software
- 77 users supported for LAN and AS/400 environment
- 20 Users supported on stand-alone PCs
- 20 Users supported for email and Internet access
- 120 Users supported for hardware and software
- 12 Wireless access points
- 4 48-port POE Ethernet switches
- 2 48-port Ethernet switches
- 1 10-base-T 12 port Ethernet hubs
- 2 10-base-T 5 port Ethernet hubs

- 33 network printers
- 12 stand alone printers
- 3 print server boxes

Because the general appropriation budget for FY11 is far lower than previous fiscal years, management has had to make adjustments. But by making good business decisions, the SCDA has been able to continue to provide quality programs and services. **(Figure 7.1)**

Million Dollars
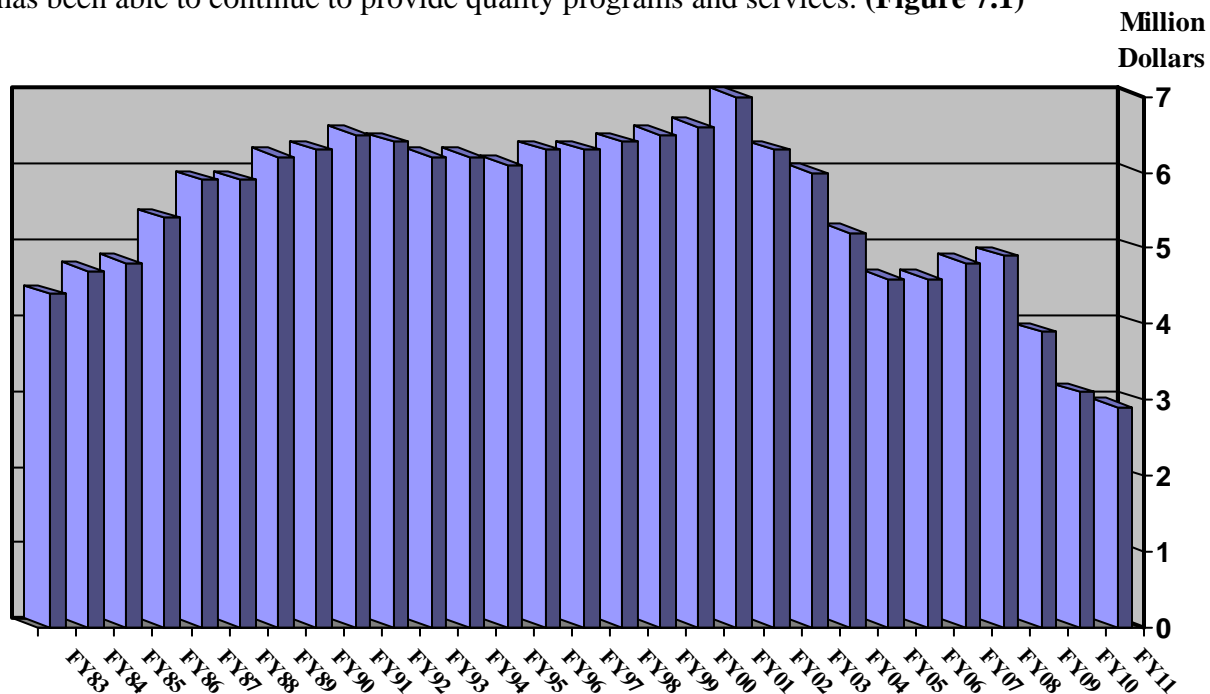
The Administrative Services Division alone has been able to save over $372,000 in two budget years without reducing public services. Administration saved $182,000 in FY10 and over $190,000 in FY11, an increase in savings of $8,000 over the previous fiscal year. **(Figure 7.2)**

Administrative Services accomplished this by

- leasing vehicles for our field inspectors rather than paying travel mileage for use of personal vehicles
- simply switching to a new, cheaper wireless service,
- using a new vendors and reducing the number of calendar orders,
- refilling printer ink cartridges instead of buying new ones
- reducing the volume of individual disbursement requests and increasing financial rebates to the state by maintaining high usage of a Visa Procurement Card.
- investing in a remote processing machine which allows the agency to make significantly large deposits electronically, saving time and travel costs

Administration Savings
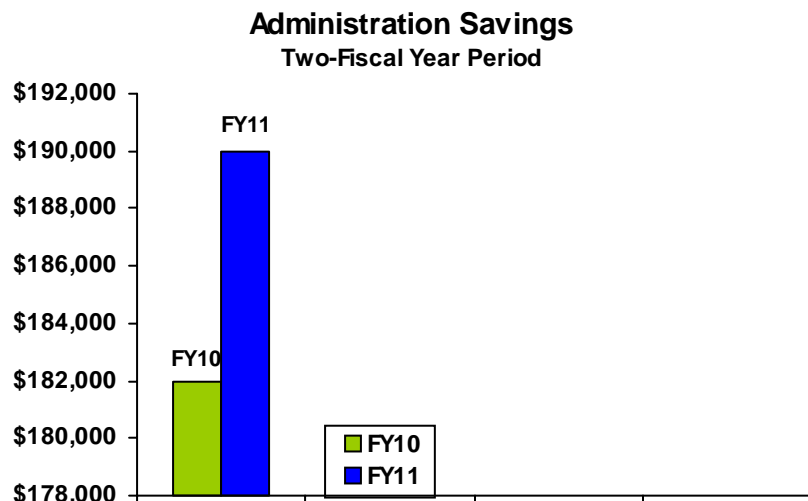**Two-Fiscal Year Period**

Figure 7.2

- using online access banking which allows for immediate bank confirmation.
- investing in equipment that has helped workflow issues, employee time, travel and greater efficiency and accountability within the agency.
- initiating the SC Enterprise Information System (SCEIS) for financial, material, and payroll management functions which is providing a comprehensive platform for managing the state's financial resources
- acquiring voluntary assistance from the Department of Corrections to move inspection offices to the new facilities at the SC State Farmers Market site
- using in-house custodial staff instead of Facilities Management

Human Resources

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

The Consolidated Human Resources office successfully completed its third year in partnership with the SC Office of State Treasurer. In the years since the transition to the Consolidated HR office, HR personnel continue to provide a high level of professional HR services to managers, supervisors and employees. This is demonstrated in the agency's successful management of employee/employer relations issues, workforce planning activities, effective management of HR issues/transactions, effective recruitment activities and the agency's compliance with various federal and state laws, rules, regulations and policies.

The HR (Benefits) Manager has implemented various creative employee orientation programs as well as wellness/benefits programs to enhance employee satisfaction while encouraging team work, physical activity and developing a healthy life style. Examples of programs offered include Health Screening, Blood Drive and Flu Shot Clinic just to name a few.

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

Figure 7.3

At the direction of the Commissioner, HR initiated a program to assist with emergency preparedness activities, succession planning, cross training, and developing desk reference manuals for employee positions. During the fiscal year, succession planning activities included identifying key personnel and employees who serve as back-up to key positions in each area. Employees have been participating in cross-training activities and developing desk reference manuals. Although we have made progress in this area, this continues to be an ongoing process.
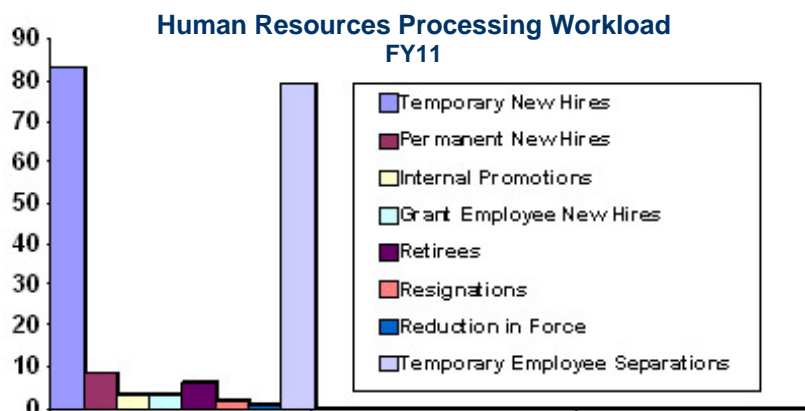
Legal and Governmental Affairs

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

In cooperation with the Office of Governmental Affairs, Legal Affairs is involved in the implementation of any new legislation falling under the authority of the South Carolina Department of Agriculture. New legislation and statutory amendments are also considered for the purpose of increasing the efficiency of the agency. Legislative amendments can also allow for improvements in laboratory analysis techniques, and consumer safety services for the general public, private entities, and other groups.

The attorney works with undergraduate and law school student interns to complete a wide variety of tasks such as monitoring legislative changes, responding to requests for information from citizens and assisting staff members in their programming efforts through the Department.

Public Information

The Public Information Office (PI) is the support arm of the SCDA that plans, develops and directs a comprehensive informational and public awareness program for the agency. This office is essential to the key strategic goal of providing public awareness, promotion, and publicity of South Carolina agriculture and the state agency that oversees agriculture's well-being. PI provides information to the public through print and electronic means, serves as managing editor of the *Market Bulletin*, maintains the agency Web sites, oversees agency-wide media relations, provides publicity for special promotions and projects, provides support for partners and allies in the industry of agriculture, and serves in the Public Information function of the state's emergency preparedness and recovery.

In May of 2008, the SCDA launched a new Web site (www.agriculture.sc.gov) which continues to be quite popular with consumers. PI continues to manage the site's content through a Content Management System. The site has averaged over 17,000 unique visitors a month, over 2,500 more for the last two fiscal years, and about 1,000,000 hits per month. A news alert scans the top of the home page on the SCDA web site to keep consumers abreast of current promotions or, when necessary, late-breaking news regarding consumer recalls and other food safety alerts. The number of visitors on this site is much higher than similar Departments of Agriculture around the nation.

The Certified SC Web site (www.certifiedscgrown.com) was redesigned and redeployed last fiscal year with a new look and feel consistent with the agency's branding and marketing campaign. It includes dynamic pages generated from a database-driven content management system. Secure online editors allow staff to create, edit, and manage the content and navigational menus. A database of farmers markets, roadside markets, Certified SC program members, specialty food producers, Fresh on the Menu restaurants, etc. are available on the site. This site has averaged about 2,400 unique visitors each month which is 200 more per month than last fiscal year. The site is viewed by 1.2 million people per year and serves over 1,100 members in the program.

Many Internet users have expressed how user-friendly and informational the Web sites are. About 4,000 to 5,000 customers and stakeholders communicate directly to staff through information requests and/or consumer complaints through the Web sites each year. In FY10, the goal for the new fiscal year was to develop an employee photo directory. The directory is now deployed and resides on the AgNet area of the SCDA Web site. AgNet is a location for staff only

which offers HR forms and other information valuable to employees.

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

Also, in FY11, PI produced weekly programs for Southern Farm Radio network that is webcast worldwide and broadcast through 20 stations throughout the Carolinas. This program has provided an opportunity for the SCDA to provide valuable information to those living in rural South Carolina.

Laboratory and Consumer Services – Key Area II

The Laboratory Services and Consumer Services Divisions of the SCDA, operating as one division, are directed and managed by an Assistant Commissioner of Agriculture who, in turn, reports to the Commissioner of Agriculture. There is a focused and unified effort by these two groups to fulfill and comply with their legislated charge. Each unit is dependent on the other to complete tasks as required by state regulation. The end of FY11 marked the first year of operation for the new state-of-the-art facility at the SC State Farmers Market site on Highway 321 in Lexington County. (**Figure 7.4**)

Laboratory and Consumer Services Facility
Figure 7.4

Laboratory Services

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

For FY11, Laboratory Services leadership included a Laboratory Director, Chief Seed Analyst, Chemical Lab Coordinator, and Registration Officer plus five Section Supervisors who perform bench work in addition to supervising other scientists and technicians. This cadre of leaders has scientific educational credentials in their respective fields of work as well as years of professional experience that they draw from in carrying out their technical and managerial duties. All division managers and supervisors are active in professional scientific organizations that foster their continued growth in knowledge and expertise in their fields of specialty. Lab scientists and supervisors and technicians are likewise encouraged and supported in outside professional activities that contribute to their growth and professional competence. The workload has increased 60% since FY07, and although the staff is relatively small, a continuing cross-training program is in effect to assure that regulatory responsibilities are met. (**Figure 7.5**)

To ensure consumer protection, the Laboratory receives samples and analyzes products from the public food supply to detect adulteration, confirms conformance to standards of identity and quality, and assures consumers are protected from fraudulent or unsafe food products. The efficiency of the Laboratory division's testing and analytical effort is reflected in the number of analyses tested annually. (**Figure 7.6**)

The objectives of Laboratory Services programs are:
1. To receive samples and analyze products from the public food supply to detect adulteration, confirm conformance to standards of identity and quality, and assure consumers are protected from fraudulent or unsafe food products.

2. To regularly collect samples of commercial animal feed and pet foods from the state's markets for analysis of nutritional and medicinal ingredients for conformance to label guarantees and standards of quality. A Feed Control Officer provides a more complete regulatory function for enforcing the state's Commercial Feed Law. Feed mill inspections are a part of the feed regulatory functions. This capacity is supported partially by a contract with the US Food and Drug Administration for conducting three (3) GMP inspections of medicated feed mills and twenty-one (21) BSE inspections. BSE refers to "bovine spongiform encephalopathy", a disease more commonly known as "mad cow" disease. This disease can be transmitted through feeding tissue from a diseased animal to other animals of the same species making feed regulation a barrier to spreading of the disease and the consequential threat to the entire beef industry.

3. To provide seed analysis services to consumers, certifying agencies, seed companies, seed producers, and in support of regulatory surveillance and enforcement under the state's Seed and Noxious Weed Law.

4. To regularly receive samples of gasoline, diesel fuel, kerosene, and heating fuels from channels of commerce and test them for conformance to quality standards, label representations and safety. State law requires that petroleum products offered for sale meet standards set by the American Society for Testing and Materials (ASTM).

5. To administer product registrations required by law including animal and pet foods, frozen desserts, gasolines, antifreezes, and to issue licenses and permits to certain special services and businesses. Licenses or permits are issued for frozen desserts, butterfat testers, samplers and weighers.

Laboratory Services Workload by Fiscal year					
	FY07	FY08	FY09	FY10	FY11
Food Samples	2,783	2,871	2,293	1,904	2,337
Animal Feed Samples	2,120	1,815	1,838	1,846	1,373
Seed Samples	11,714	10,335	9,065	7,706	8,406
Petroleum Samples	3,019	2,908	3,046	2,516	2,916
Registration Transactions	3,997	14,286	12,679	12,662	10,025

Figure 7.5

A legislative proviso allows for an annually renewable Commercial Feed Registration with a registration fee of $15.00 per product registered. Registrants have the option to register on-line at the SCDA Web site or they may register directly with SCDA Registrations Office.

Approximately 10,025 products are currently registered including 9,675 commercial feeds generating $145,125 in registration revenue. Laboratory Services registered 537 more products including over 400 more commercial feeds generating over $6,000 more in registration revenue in FY11 than the previous fiscal year.

Number of Analyses Performed by Fiscal Year					
	FY07	FY08	FY09	FY10	FY11
Food Analyses	11,775	12,269	11,208	9,540	10,869
Feed Analyses	6,005	4,846	5,193	5,625	2,302
Seed Analyses	16,710	15,459	14,428	12,500	11,729
Petroleum Analyses	19,748	16,464	22,330	18,613	21,080
Total Analyses by FY	54,238	49,038	53,159	46,278	45,980

Figure 7.6

The outcome of the Laboratory's work can be assessed by reviewing compliance records for each of the program areas. **(Figure 7.7)**

Violation Rates by Program over 5 Fiscal-Year Period (Percentage)					
	FY07	FY08	FY09	FY10	FY11
Food	10.6	11.6	9.8	12.5	10.1
Pesticide Residue	1.6	3.2	1.4	1.0	.63
Feed	8.5	11.0	12.5	11.9	14.8
Seed	4.8	5.4	2.0	3.5	22.3 *
Petroleum	4.3	3.1	10.1	7.4	5.2

Figure 7.7

The meat and dairy program's non-compliance rate is 10.1% range. Excess fat in ground meats is the most frequent type of violation.

Feed Laboratory
Figure 7.8

Pesticide residue violations are mostly technical in nature and do not represent a significant food safety threat. It is rare that these technical violations necessitate any enforcement action. The pattern of pesticide residue violations observed in our laboratory mirrors the pattern of violations found nationwide in USDA's "Pesticide Data Program". Pesticide residue tests on fruits and vegetables are performed in compliance with the state and federal food safety laws. One thousand and ninety-seven (1097) official and submitted samples were screened for chemical residues in FY11.

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

Testing is performed at no charge to South Carolina residents. The Pesticide Lab also tests soil and plant tissue submitted by Clemson Extension agents who request herbicide and pesticide screens. A total of 3,627 analyses were performed on the 1080 samples of produce, feed, soil, and miscellaneous animal and plant material.

Animal feed violations occurred at 14.8%. Even though this rate is typical for feed products both in the SCDA's experience and that of other states, it is an increase of nearly 3% in the past fiscal year, demonstrating the need for continued feed monitoring. (**Figure 7.8)**

Seed Laboratory
Figure 7.9

Seed Lab violations (approx. 22.3%) are based upon official samples analyzed and would be consistent with previous years' official sample results. A continued aggressive sampling protocol is being employed to assure a better cross section of establishments offering seed for sale in South Carolina. (**Figure 7.9**)

At 5.2% petroleum violations, while lower than the previous year, continue to reflect the rates observed nationally where petroleum laws are in force. Based on these violation rates, South Carolina consumers can be confident that petroleum products they buy in the state meet ASTM standards and are fairly labeled. (**Figure 7.10**)

Petroleum violations include octane, flashpoint, and sediment or other impurities. Our state's statistics show that South Carolina petroleum marketers work hard to ensure compliance with national standards.

To provide the necessary infrastructure for an early warning system that identifies potentially hazardous foods and enables health officials to assess risks and

Petroleum Laboratory
Figure 7.10

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

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

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

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

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

The laws enforced include:
- Weights and Measures Law – Section 39-9-10
- Gasoline, Lubricating Oils and Other Petroleum Products Law – Section 39-41-5
- Food and Cosmetic Act – Section 39-25-10
- Egg Law – Section 39-39-110
- Public Weighmaster Law – Section 39-11-10
- Dealers and Handlers of Agricultural Products – Section 46-41-10
- Grain Producers Guaranty Fund – Section 46-41-200
- Grain Dealer Guaranty Fund – Section 46-40-10
- State Warehouse System Law – Section 39-22-10
- Food Salvagers Law- Section 39-25-20

Weights and Measures
Consumer Services' inspectors check commercial weighing and measuring devices for accuracy and inspect packaged goods to ensure correct net content statements. The Division's *Metrology Laboratory* maintains the
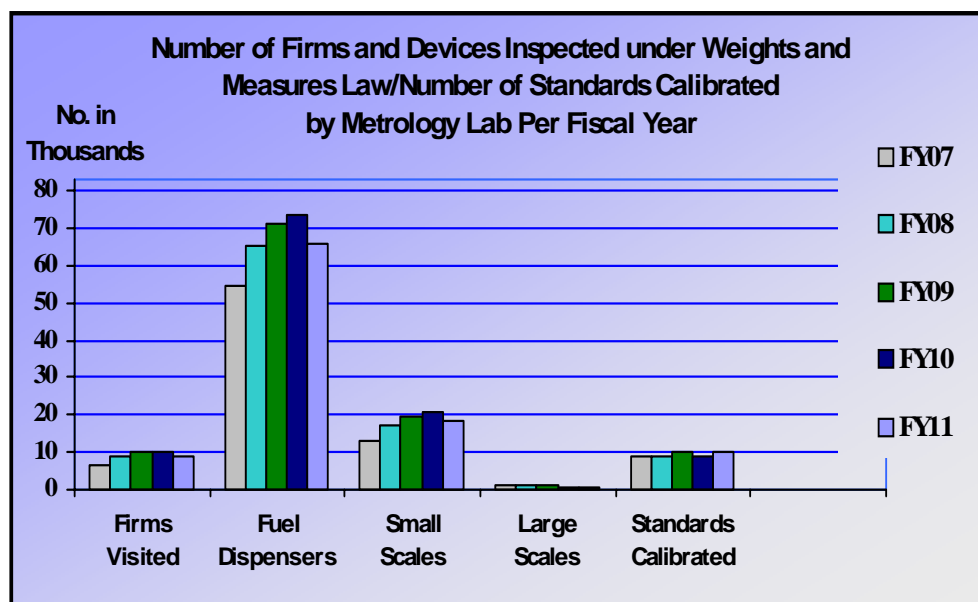

Figure 7.11

state standards for mass, volume, and length providing calibrations that are traceable to the National Institute of Standards and Technology (NIST). Calibration services are available to the public sector and private sector. The laboratory's calibration services support a number of the state's largest employers. **Figure 7.11** shows the number of inspections and calibrations performed by Consumer Services during the past five fiscal years.

The number of firms and devices to be inspected continues to increase and today, the SCDA Consumer Services **Weights and Measures Section** has 22 field inspectors and over 68,400 fuel dispensers to inspect. When weights and measures areas are left

Figure 7.12

unregulated, compliance tends to deteriorate, creating unfair competitive situations and loss of equity in the marketplace. Fortunately, new computer technology has allowed the collection of more data that gives greater detail into inspection results and helps maximize the available human resources. However, most of the inspections procedures cannot be shortened, and the current staff is diligently keeping up with the current growth. **Figure 7.12** shows the percentage of weighing or measuring devices found incorrect.

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

Food Manufacturers and Warehouse/Food Distributor Inspections
The Division's **Food Safety and Compliance Section** inspects food manufacturers and food warehouses to ensure that food products are manufactured, stored, and distributed under safe and sanitary conditions. Some of these inspections (115 inspections FY10-11) are performed under contract with the Federal Food and Drug Administration. The U.S. Department of Agriculture AMS and the SCDA continue a cooperative agreement to review retail grocers for compliance with Country of Origin Labeling

Figure 7.13

(COOL) requirements. Additionally, the SC Food and Cosmetic Act was amended in FY11 to include facility registration, all Good Manufacturing Practices regulations, Specific Federal Food Safety regulations, and Hazard Analysis of Critical Control Points (HACCP) regulations.
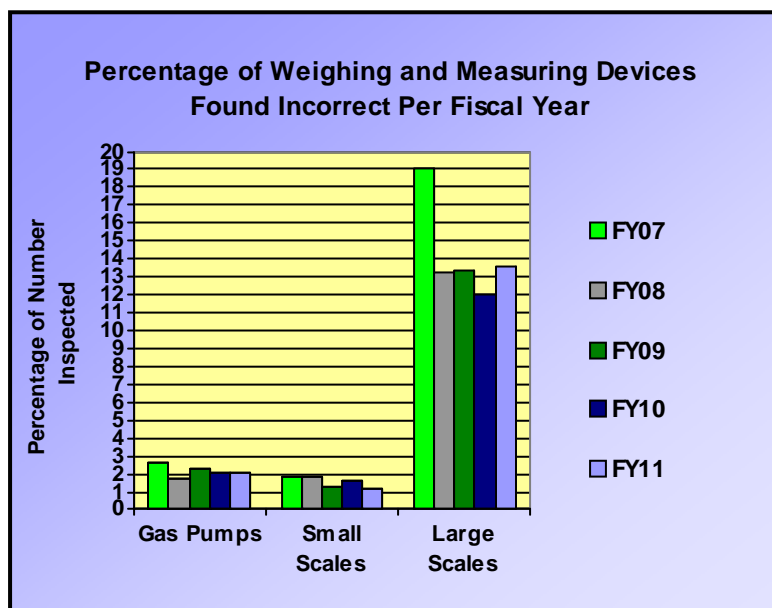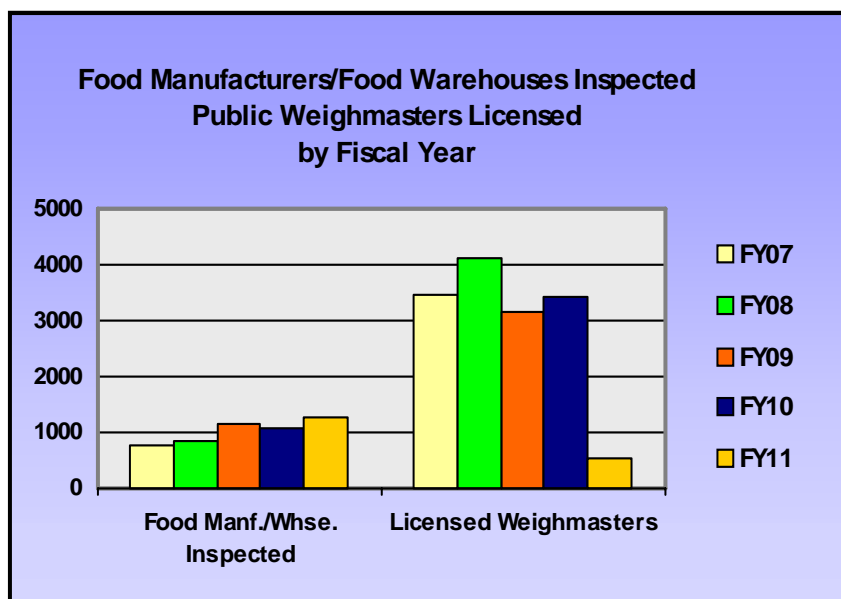
Persons that weigh bulk commodities and issue weight certificates were required to be licensed as Public Weighmasters.

The new Public Weighmaster Law has been implemented as of July 1, 2011. Going forward all company employees will be covered under the registered and approved weighmaster(s) of each company. **Figure 7.13** shows a comparison of the number of food manufacturers and warehouses inspected and the number of licenses issued to public weighmasters during the last five fiscal years.

Licensing, Bonding, and Auditing
Consumer Services **Warehouse Section** also licenses, bonds, and audits dealers and handlers of agricultural products to ensure that the producer receives payment for his crop. Also, warehouses that store cotton or grain and issue warehouse receipts for those commodities are licensed, bonded, and audited. Three guaranty funds are administered by the Division to provide payment to the grain producer, licensed dealer and handler of grain, or the holder of a warehouse receipt should a licensed grain dealer or a licensed warehouse go bankrupt or commit fraud. During the fiscal year, Division personnel performed 145 audits on the 101 licensed Dealers and Handlers and 21 licensed warehouses.

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

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

The Waste Pesticide Recovery Program was established to provide opportunities for farmers and landowners to properly and legally dispose of unwanted and unused pesticides. Funds from the state and from EPA were used to operate the program. The SCDA collected and disposed of over 280,000 pounds of unwanted and unused pesticides. Farmers and landowners were relieved of the risk of maintaining these pesticides. The risk of pesticides entering the environment was lowered by collecting and disposing of them in a proper manner. Unfortunately, this very worthwhile and necessary program is now dormant until additional funding can be found.

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

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

Marketing and Promotion
The Division of Marketing had a very active fiscal year in 2010-2011. The Certified South Carolina branding effort continues to be the centerpiece of marketing efforts for agriculture in South Carolina through the SCDA Marketing Division.

The Certified South Carolina campaign is a comprehensive media effort designed to encourage consumers to buy agricultural

Figure 7.14

products grown and processed in our state. The Department has phased in different commodities over the past four years as we have expanded the marketing and educational strategies. The

Marketing Division now promotes Certified SC Grown and Certified SC Product labels throughout all categories in supermarket. **(Figure 7.14)** This allows us to reach consumers in the produce, meat, grocery, dairy, and deli categories with our Certified SC Grown message.
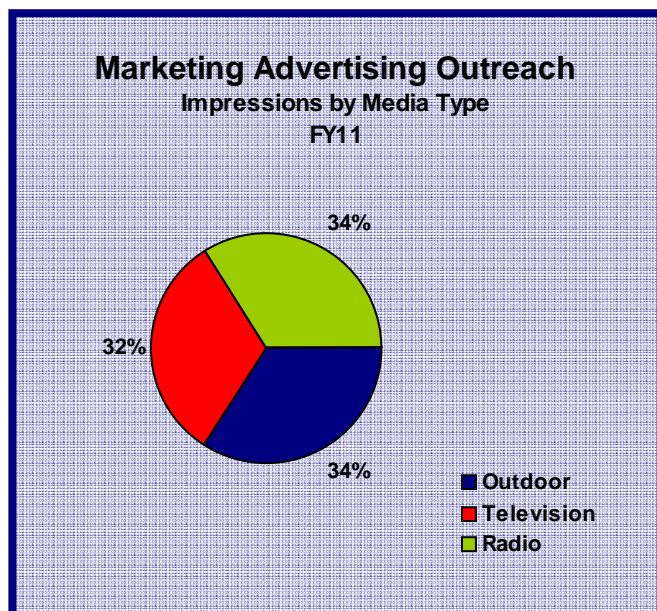

Figure 7.15

In addition, outdoor boards were placed throughout the state for a portion of the budget year making over 33 million impressions with our branding slogan and message. Television was a large component of our marketing effort with media purchases to cover the entire state via network stations and cable. Overall impressions totaled over 31 million for the commercials we created and produced encouraging consumers to support local agriculture. Radio coverage exceeded 33 million impressions via coverage at various sporting events and promotional pieces for plant and flower shows and for other State Farmers Market promotions and branding promotions. Our message was also leveraged in the print and electronic media. **(Figure 7.15)**

While these statistics are quantitative in nature, they are indicative of the SCDA's outreach efforts to consumers. Because of budget constraints, more concentration was placed on television, radio, social networking, earned media, and web-based media than outdoor advertising this past fiscal year. However, the branding campaign continues to significantly increase the visibility of locally produced and processed foods to the people of South Carolina which was the goal of the SCDA's Certified South Carolina initiative. More people buying South Carolina products means more dollars for South Carolina's economy.

Marketing staff continues to work the retail, wholesale, roadside market, and foodservice buying community to support the overall effort and to get our message, logo, and slogan in front of consumers where they shop throughout the state. The Certified SC program had a point-of-purchase presence in over 500 retail food stores in South Carolina this past season. Our effort is designed to provide consumers with the opportunity to make an informed decision to support local production…*and it is working*. There are now over 1,000 producer-members in the Certified SC Grown/Product program and the number is growing. There continues to be a huge opportunity to expand the sales of local agricultural products to a consuming public that is hungry for products grown here at home. Marketing continues to work to capture market share and to create market opportunity which will enhance the rural economies throughout our state.

Major Marketing Efforts of Certified SC and the Marketing Division in general in FY11

- Statewide outdoor media

- Statewide press coverage in print media

- Radio traffic promotions during peak Fall produce season.

- Statewide television campaign in Spring and Fall formats. **(Figures 7.16 and 7.17)**

Spring Television Ad
Figure 7.16

Fall Television Ad
Figure 7.17

- Radio promotion during each USC, Clemson, SC State, and The Citadel football games including a SC Grown Player of the Week for each school and a feature advertisement each week reminding consumers to ask for South Carolina agricultural products where they shop. This coverage also included baseball for The Citadel package.

- Radio coverage for major Plant and Flower show events attended by over 100,000 visitors in Greenville, Florence, and Columbia shows. **(Figure 7.18)**

- Charleston Food and Wine Festival allowed us to feature South Carolina products in an outdoor cooking format. Attendance was up significantly from the previous year. Chefs prepared a variety of South Carolina meat, poultry, and vegetable items for those attending the event to encourage use of local South Carolina products.

1st Fall Plant and Flower Festival
at the new SC State Farmers Market
Figure 7.18

- Southeastern Wildlife Expo was a huge success for our Marketing Division efforts this year. The promotion was expanded to include 24 exhibitors featuring South Carolina Specialty Products to attendees of the three-day event. The number of Chef Demonstrations increased to sixteen. Each included a local dish featuring South Carolina products. The tent and sessions were very well attended by the over 40,000 folks.

State Fair Exhibit
Figure 7.19

- State Fair was attended by roughly a half million visitors this year. Certified South Carolina was the main theme in our exhibit and all of the commodity groups participated

in the huge consumer event and tied the new logo into their marketing efforts. The Department showcased Certified Roadside Market stands, the new SC State Farmers Market, and the new Laboratory and Consumer Services facilities. In addition, the exhibit featured chef cooking demonstrations to promote Certified SC and our Fresh on the menu efforts. **Figure 7.19**

- Bob Redfern's *Outdoor Magazine* is also a new promotional project for Certified SC this year. Bob's television show, an outdoor themed program national in scope, airs 60 times total each week on the Versus Network, Fox Sport South, Fox Sports Net, and several local channels throughout the state. This includes 14 primary spots (new shows) and 46 replays of prior shows each week. This results in a total of 451,000 weekly. Each week a farmer, chef, or dignitary is featured on a *Sportsman's Table* segment which spotlights Certified SC products used in various recipes from appetizers, to soups, to side dishes, to main courses. Web hits verify that the segments are very popular with the viewing audience.

- The Produce Marketing Association Food Show was held in Orlando, FL attended by over 18,000 buyers including all major U.S. food retail corporations, many wholesalers, and all national food service purveyors. South Carolina exhibited to promote products from our state and to develop buyer contacts for sales opportunities by South Carolina producers and companies. In addition, individual shippers and commodity associations joined forces with us to showcase much of what our state has to offer in terms of commercial product. Our space was built on a 20x40 platform and included a tower featuring individual companies and the State Certified SC brand. Also, videos ran continuously on our quality production and harvest systems.

- The Southeast Produce Council Food Show was held in Tampa, FL. Attended by most major Southeastern based retailers, wholesalers, and food service companies, this show is a smaller version of the Produce Marketing Association (PMA). The Southeast Produce Council Food Show provides excellent exposure to our local and regional audience. Over 1,600 attended the event.

- Our 40th Annual Eastern Produce Council event was held in New Jersey and was attended by over 130 buyers representing the greater New York, New Jersey, and Pennsylvania region and over 13 million consumers. This meeting provides South Carolina with the opportunity to showcase fresh market agriculture in South Carolina and the purchasing opportunities that abound in our state. This region consumes a huge amount of the fresh product produced in our state, and it is essential to continue to cultivate relationships and provide opportunities to market products in this important area of the United States. The meeting resulted in several additional direct promotions in the Northeastern region for South Carolina peaches and other produce items.

- The Northeast Produce Expo, held in New York City, is somewhat of an offshoot activity of the Eastern Produce Council designed to encourage local retailers to bring in all of their buyers to a one day produce event. Our agency helped cut the ribbon on this inaugural event which provided an opportunity to showcase our state to a broad group of buyers from the region. Over 1,500 buyers attended.

- Many of our marketing specialists also attended and/or conducted various events promoting South Carolina agriculture throughout the year. Some were consumer events. Some were buying events. All were designed to create marketing opportunities for South Carolina producers. Attendance ranged from 20 people to 20,000 people, but all were equally important in promoting our diverse agricultural community. The SCDA and the Specialty Foods Association appear monthly on the ETV show, *Making It Grow*.

- Roadside Marketing and Community Based Marketing opportunities continue to be promoted by staff throughout our state. With approximately 140 Certified Roadside Markets and nearly 115 Community Based Farmers Markets in communities throughout the state, we have a unique opportunity to tie our branding message at venues that often specialize in local production. Buying local has become a popular way to shop for many South Carolinians. In fact, because of that popularity, the number of farmers markets in South Carolina has increased 65% from 40 to 114 in less than eight years. It is important then that the Department continue to focus on these efforts in the coming years. Department staff continues to be involved in helping to set up and promote both use of food vouchers through the WIC and Seniors Farmers Market Nutrition Program and use of EBT cards to purchase locally grown fruits and vegetables at many markets. **Figure 7.20** This creates opportunities for more nutritionally at-risk consumers to enjoy a healthier lifestyle while supporting South Carolina agriculture. In addition, in 2009 we joined forces with the SC Department of Commerce and SC Department of Corrections to provide Roadside Market facilities for up to 50 qualifying producers and townships in our state's most economically-distressed counties. As of FY11, over 40 roadside sheds had been leased in this popular program.

Certified Roadside Market Program
Figure 7.20

- General stakeholder response is an important part of marketing efforts by staff each year. In FY11, our staff again fielded thousands of calls from consumers and other stakeholders. From questions as simple as "Where can I buy SC Watermelons?" to opportunities as detailed as starting or relocating a company in South Carolina using local agricultural products and labor, our staff works responsively each day to provide assistance to stakeholders in our state and even beyond our borders. We operate as a team in both domestic and international marketing opportunities and staff goes the extra mile to ensure that all calls are handled promptly and effectively. This is an often overlooked part of what we do as a division and agency as we serve as the clearinghouse for many calls concerning general agriculture in our state. Staff spend a great deal of time ensuring that questions are answered effectively.

Fresh on the Menu Logo
Figure 7.21

- Fresh on the Menu was taken statewide two years ago. There are now over 300 participating restaurants located throughout the state. Interest from the food service community continues to grow. Several years ago, the SCDA partnered with South Carolina universities – U.S.C. and Clemson – to begin campus farmers markets. The program is called Fresh on the Campus, an extension of the Fresh on the Menu program. Fresh on the Campus is designed to introduce college students to the benefits of eating fresh fruits and vegetables while also appreciating the local farmers produce and overall agricultural production in South Carolina. After that initial assistance, Healthy Carolina Farmers Market at U.S.C and Clemson Farm-Fresh Farmers Market now operate on their own without any financial support from SCDA. The SCDA is examining opportunities to expand this program in the future to include school foodservice in the new farm-to-school program. **Figure 7.21**

Certified SC Retail Merchandising Figure 7.22

- Through mainstream media efforts, as well as using new communication venues such as the world-wide web formats of Facebook, Twitter, and dedicated web-sites, we continue to expand our marketing efforts to reach consumers of all ages in our state and in other regions. We have been challenged to promote the $34 billion a year business we know as agribusiness, and we believe that we have made great strides in continuing to make a positive economic impact on our rural areas.

- The Department's Merchandising Program was once again taken statewide and introduced in over 500 retail food stores in South Carolina. We provided Certified SC program signage in combination with the private signage of retailers to convey our Certified SC message. Also, we encouraged retail advertisements at key times and expanded categories to include produce, grocery, dairy, meat, and deli in FY11. Signage was also made available to all members, various Certified Roadside Markets, and Community Based Farmers Markets. Certified SC signage and the logo have been heavily displayed in the new State Farmers Market South Carolina farmer sheds. **(Figure 7.22)**

Harvest Society Figure 7.23

- The Marketing Division developed a unique marketing project with our private partners at the State Farmers Market to reach out to interested consumers via text and e-mail messages to provide details on peak season items available at the market. "The Harvest Society" was heavily promoted by local media and we have over 2,800 consumers who are members. We are looking to continue growing this successful venture and in implementing it at the other two State Farmers Markets in the Pee Dee and in the Upstate. **(Figure 7.23)**

- The Marketing Section of the Agricultural Services Division continues to provide effective customer service to all of those who need assistance. Whether it is locating a product, selling a product, facilitating marketing meetings, promoting Certified SC at a food or consumer event or working with established commodity groups and associations to provide educational or

Certified SC Slogan Figure 7.24

promotional opportunities, Marketing continues to serve the state effectively while encouraging folks to *"Buy South Carolina...Nothing's Fresher...Nothing's Finer"*. **(Figure 7.24)**

- **Market Bulletin**
  The 98-year-old *Market Bulletin* is published twice a month for producers and consumers as a resource for buying and selling agricultural items. The *Market Bulletin* also includes information designed to encourage buying and selling of the state's locally grown products through the "Certified South Carolina" Program, news for farmers and gardeners, and hundreds of agricultural events, seminars, and workshops.
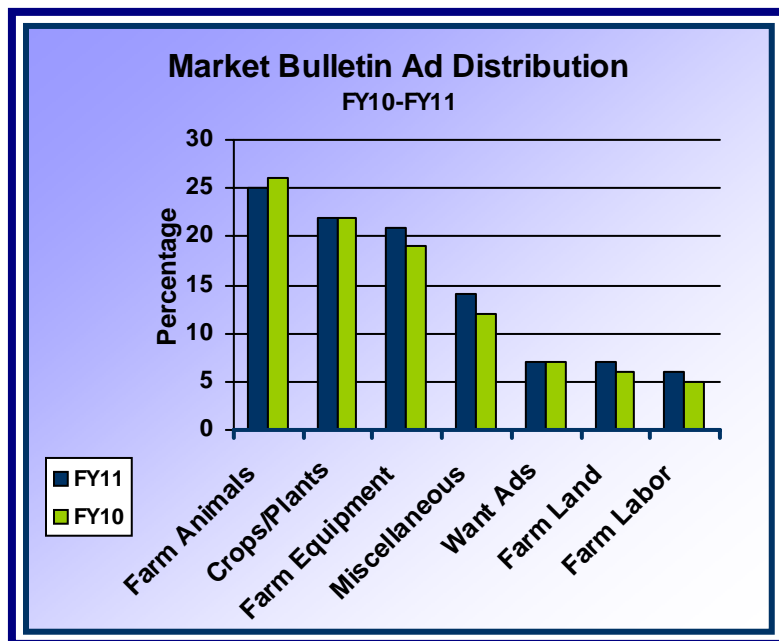

Figure 7.25

Nearly 20,000 subscribe to the *Market Bulletin*. Staff continues to aggressively promote the *Bulletin* through other publications and partnerships with other organizations at no cost to the agency. The increase in subscriptions can be attributed to the inclusion of renewals and subscriptions in the integrated, interactive part of the agency web site. The new process allows subscribers to view the publication online and saves staff time with data entry. Similar to the agricultural publications in Louisiana and Mississippi, the *Market Bulletin* is also published twice a month and the subscription fee is $10 per year for either the print or the electronic version. Advertisers can now enter their own ads through the agency Web site portal and after in-house approval the ad is electronically posted for the next issue. With the implementation of the electronic subscription process, subscribers can now renew or subscribe online with a credit card. About 18,000 ads were published in FY11, about 2,800 less than the previous fiscal year. **(Figure 7.25)**

State Farmers Markets

- **South Carolina State Farmers Market**
  The old Columbia State Farmers Market on Bluff Road in Richland County closed on October 29, 2010. On that date, all operations shifted to the new South Carolina State Farmers Market located on Highway 321 in Lexington County. **(Figures 7.26 and 7.27)** Limited operations at the new market started in early September of 2010. Construction on various phases of the new market continued through the fiscal year.

  The opening of the new market marked a major change in the organization and ownership of the farmers market. The new market is a public private partnership. The SCDA operates facilities for direct sales from South Carolina farmers and growers. Wholesale and retail facilities are privately owned. **(Figures 7.28 and 7.29)**

The South Carolina State Farmers Market is considered to be the second largest farmers market in the Southeast based on volume of produce sold and distributed. Typically, annual sales at the market exceed $250 million.

Bluff Road Market Closed
Figure 7.26

New Farmers Shed
Figure 7.27

The SCDA operates farmer and produce sheds designed to serve the state's farmers. In FY11, over 300 South Carolina farmers used the State Farmers Market. Farmers from all areas of the state bring produce to the market. Watermelons, tomatoes, cantaloupes and peaches constitute the bulk of the produce sold. However, farmers bring a full array of produce grown in the state to the market.

Wholesale Facilities
Figure 7.28

The South Carolina State Farmers Market employs eight people, one of which works part-time. It operates every day of the year with the exception of Christmas and Thanksgiving holidays. At the old Columbia State Farmers Market there were seventeen employees, three of which were part-time. Numerous private sector jobs are supplied at the market, but many of these are seasonal in nature.

In FY11 the T. Ashton Phillips Market Center at the SC State Farmers Market site opened as a place for meetings and other events. The Market Center has a spacious multi-purpose hall that can be divided for smaller events and a fully commercial kitchen with state-of-the art equipment supplied by the Department of Education to train foodservice staff throughout the state. The USDA Grading and Inspection and Market News Service are also housed in the facility. **(Figure 7.30)**

T. Ashton Phillips Market Center
Figure 7.30

Retail Sales
Figure 7.29

Greenville State Farmers Market

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

Greenville State Farmers Market
Figure 7.31

Strategic challenges identified at the Greenville market are: aging facilities and infrastructure; insufficient space; declining ability to meet industry facility standards for food sanitation and safety; along with the need for electronic security measures. Horticultural crops have taken a strong portion of upstate agricultural emphasis and are an extremely important element in the product mix at the Greenville facility. Seasonal promotional events bring thousands of consumers to the market. This market operates 362 days a years. It is closed on Thanksgiving, Christmas and New Year's holidays. A staff of two full-time and two part-time employees operate the facility. **(Figure 7.31)**

Pee Dee State Farmers Market

The Pee Dee State Farmers Market, which is located in Florence, provides space for daily sales by farmers and long-term leases to wholesale and retail operations. It is a major venue for the sale of horticultural products and draws consumers from a broad geographic area. Spring and fall plant and flower festivals are a main draw for the market and help promote year-round business. Operated by a staff of five, only one is part-time. The market is closed on Sundays and at night. The only warehouse building at the market is leased to the Harvest Hope Food Bank which operates a regional distribution center from the facility. Harvest hope serves people in need with surplus food products.

The Leatherman Retail Facility
Figure 7.32

During the spring and summer months, the stall space at the market is fully utilized. A waiting list for space is maintained in case space becomes available. Market revenues are stable, but the lack of additional space limits the possibilities of increasing revenues. In its 3rd year of operation, the new retail building provides a controlled environment for year round retail sales operations. The building is located at the front of the market and provides a new venue to attract customers to the Pee Dee State Farmers Market. **(Figure 7.32)**

Grading and Inspections and Market News Service

The **Grading and Inspection** and **Market News Service** programs provide quality grade standards and up-to-date market news through cooperative agreements with the United States Department of Agriculture (USDA).

Grading and Inspection Service

Fruit, Vegetable, and Peanut Grading and Inspection Services are provided at shipping points, receiving locations, and terminal markets to specify grade, count, weight, and other factors important to quality determination. Official certificates of grade are issued by inspectors to verify grade factors. The SCDA issued 20,488 certificates in this fiscal year.

The Grading and Inspection Service works with producers, brokers, receivers, food processors, and export marketers to inspect and certify quality as products move through normal marketing channels. The SCDA implemented a Food Safety Audit program that provides incentives for 30 firms to receive first-time audits. The Good Agricultural Practices and Good Handling Practices Food Verification Program is a FDA/USDA-developed program taught by SCDA trained personnel.

Another service provided by SCDA is *Grain Inspection*. Grain inspection works with growers of local grain processors and elevators to assure all grain meets the proper requirements in accordance to the U.S. Grain Standard Act and South Carolina Uniform Grain Grading Act. This year our grain grading supplied service to The Scoular Company with exporting soybeans in containers out of the Charleston Port and also wheat shipped in the U.S. An ongoing project at the CSX/Transflo Terminal in North Charleston involves the loading for export of dried distiller's grain from railcars into containers. Both the handling facility and the exporter expect the export volume of the commodity to reach a maximum of 2 million pounds per week from this facility. Also, Grain Inspection performs Official Storage Examination of containers for shippers at the Port of Charleston. (**Figure 7.33**)

North Charleston Transflo Terminal
Figure 7.33

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

The South Carolina Department of Agriculture Poultry and Egg Program includes 25 employees which are licensed by the USDA Agricultural Marketing Service after receiving at least 160 hours of supervised classroom and on-the-job training. Additional training is required for each commodity. Upon completion of training, a licensee will be supervised under the supervision of the Federal and State supervisors in official USDA facilities and other approved fee locations.

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

In fiscal year 2010, there were three shell egg plants, three poultry plants, one MRE plant and one egg products plant with USDA resident grading services provided by SCDA employees. Additionally, numerous fee inspections were performed at USDA approved locations throughout the State of South Carolina. As a result, there were 41,704,950 dozens of shell eggs graded, 46,048,330 pounds of poultry graded, and 5,251,028 pounds of MRE's inspected.

Market News Service

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

Market News reports have become the basis for daily trading in the state. Buyers and sellers have equal access to price and volume information which gives them a starting point for negotiations. This accelerates the trading process as market participants do not have to spend time looking for comparable values and a measure of competing supplies.

The Market News Service in South Carolina releases 72 reports on the USDA network every week. Five reports are mailed each week. Five reports are emailed, faxed, and posted on the Department web site. Fifteen audio reports are also posted on the Department website. These are available for radio broadcast. Finally, a daily report is broadcast on a Bishopville radio station.

Agriculture Outreach

Alliances and partnerships with other public and private organizations continue to be developed and nourished to utilize all available resources in a cooperative effort. These alliances have proven beneficial to providing information to the citizens of the state at a significant cost reduction in taxpayer dollars.

Farm-to-School Partnership

A partnership of the SC Department of Agriculture, SC Department of Health & Environmental Control, the SC Department of Education, and Clemson University obtained grant funding and to carry out the objectives of implementing a statewide **Farm-to-School Pilot Program**. The two-year program funded through a $1.6 million dollar grant from the Center for Disease Control creates 52 Farm-to-School pilot programs across South Carolina. These 52 schools will focus on purchasing and serving local, minimally processed fresh SC produce items to students. This pilot program has two primary objectives: increasing student health through the consumption of fresh, minimally-processed South Carolina produce and supporting local farms and rural communities**. (Figure 7.34)**

Farm to School Program
Figure 7.34

Food Safety Collaborative

Many agencies in South Carolina are involved with the regulation of ensuring safe food in the state. These agencies have come together informally to begin working on a document and/or website that would be user-friendly for citizens looking for information on food safety and food regulation in South Carolina. Currently, the Department of Agriculture took the lead in compiling the information for committee review and comment by working with a law student engaged in *pro bono* work over the summer, researching and compiling all of the food laws and regulations in South Carolina.

Commissioner's School for Agriculture

To ensure the growth and development of the commerce of agriculture, the S.C.D.A. believes that it is important to expose young people to agriculture. The Commissioner's School for Agriculture reaches out to rising high school Juniors and Seniors in a week long, intensive study program designed to showcase career opportunities in agriculture, forestry, natural resources, and life sciences to the next generation. On July 17-23, 2010, thirty-eight students participated in the 7th Commissioner's School for Agriculture summer program held on the Clemson University campus. **(Figure 7.35)** All participants were rising Juniors and Seniors in

Commissioner's School for Agriculture
Figure 7.35

high school with three out of state participants. The following spring, these participants were invited to Reunion Day in Columbia where they visited the General Assembly, Harbison Forest, W.P. Rawl's produce farm, SC Department of Agriculture as well as the State Veterinarian's office.

School Gardens Program

Health and nutrition begins at an early age and the SCDA realizes the need to support efforts at every school level. Encouraging healthy eating as children may help them look for locally grown and produced products as adults. *School Gardens – Eat Smart... it's in the Garden* grants, funded by Eat Smart, Move More SC, have been awarded in the past to approximately 14 different schools. The SCDA continues to support these schools and many more across the state by providing resources such as the *Eat Smart...it's the Garden* Toolkit, an 80+ page resource of information about starting and maintaining a successful school garden program in SC. In addition, the SCDA also maintains a quarterly electronic newsletter that is distributed statewide, as well as a blog site where gardeners and teachers can directly comment and communicate ideas and stories related to school gardens. In

Figure 7.36

the upcoming school year, 52 new or improved school vegetable gardens will be up and growing as part of the Farm to School Pilot Program, which emphasizes healthy eating choices by choosing local, seasonal produce, agriculture appreciation and supporting local farmers. Teaching children where to find locally grown produce and products as well as how to grow their own is part of the Certified SC mantra – *Certified South Carolina. Nothing's fresher. Nothing's finer.* **(Figure 7.36)**

South Carolina Advocates for Agriculture

The agency continues to work with the SC Advocates for Agriculture, a non-profit organization that assists the SCDA in marketing and promoting South Carolina agricultural products and the overall industry of agriculture within in South Carolina. The office has also provided promotion and publicity for the Ag Commission of South Carolina and various commodity boards.

South Carolina Food Policy Council

The South Carolina Food Policy Council meets on a regular basis to network and discuss items of interest such as the Farm-to-School legislation, and other food system issues

occurring or likely to occur in South Carolina. The Council is served by a nine-member volunteer board which schedules guest presenters at meetings and tours of interest on behalf of the membership. This fiscal year the Council hosted its second workshop related to sustainable food systems, *Farm to School... and Beyond*. The workshop was held on April 28, 2011 in Columbia. There were over 50 participants at the workshop and a report of the workshop recommendations was published at the end of June 2011.

Emergency Preparedness

The SCDA served on the state committee for Animal Traceability, a national effort underway to locate and identify livestock in case of an animal disease emergency. Staff also participated in exercises to prepare for potential emergency events such as catastrophic zoonotic disease outbreaks, nuclear disasters, and hurricanes. In addition, the SCDA continued to cooperate with Clemson University Livestock and Poultry Health in the SC Ag Watch program.

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