

## Accountability Report Transmittal Form

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|-----------------------------------|--|
| Agency Name                       | South Carolina Department of Education     |
| Date of Submission                | September 17, 2012                         |
| Agency Director                   | Dr. Mick Zais                              |
| Agency Contact Person             | Jay W. Ragley                              |
| Agency Contact Person's Title     | Director of Legislative and Public Affairs |
| Agency Contact Person's E-mail    | JRagley@ed.sc.gov                          |
| Agency Contact's Telephone Number | 803-734-8043                               |

**South Carolina Department of Education  
Annual Accountability Report  
Fiscal Year 2011-12**

The South Carolina Department of Education's annual accountability report for FY 2011-12 presents the performance of the Department and a concurrent review of the state's public education system, which relies on the agency for leadership and support. This accountability report addresses both agency and system: the South Carolina Department of Education in terms of its mission-driven, values-centered strategic focus, and the public education system in terms of data that demonstrate how the state's schools are responding to our leadership.

## **Section I - Executive Summary**

### **1. Organization's Stated Purpose, Mission, Vision, and Values**

#### **Purpose**

The purpose of the SCDE is to use the funding that is available to enable every student in SC to acquire an education that provides the knowledge, skills, and attitudes to succeed in careers or college as contributing members of society.

#### **Mission**

The mission of the South Carolina Department of Education (SCDE) is to provide leadership and services to ensure a system of public education through which all students may become educated, responsible, and contributing citizens.

#### **Vision**

Dr. Zais' vision for education is to cultivate a system of education that puts the interest of parents and students first by providing every parent and child the opportunity to choose a school with the environment and curriculum that best fits the needs, abilities, and aspirations of the student, where every school is led by effective principals with effective teachers.

#### **Values**

The SCDE subscribes to five organizational values.

- Flexibility and adaptability in programming—We will not choose convenience over innovation. Every child can learn and achieve their potential. Every child is special, yet different. Educational services need to be personalized to account for these differences.
- Quick response to client concerns—Education is a service. A successful system of education relies on effective principals leading our schools and effective teachers instructing our students. SCDE will focus on providing high-quality, highly-effective, and timely service delivery to ensure that principals and teachers can focus on student learning.
- Stewardship—Educational funding is a finite resource. Those in a position to make decisions need to be prudent stewards over the investment taxpayers are making into the education system.
- Teamwork among co-workers—We prioritize fulfilling the duty of the agency to serve customers well over individual self-preservation.
- Discipline—No discipline seems pleasant at the time. However, over time, the return on effective employee training reaps the reward that is beneficial to the client, the organization, and the individual. SCDE is committed to a level of excellent professionalism in all that we do.

### **2. Major Achievements from Fiscal Year 2010-11**

SCDE serves students, parents, and taxpayers by supporting teachers, schools, and districts. We measure our success by the effectiveness of this support. There were several organizational achievements between July 1, 2011 and June 30, 2012.

- Successfully administered assessments: the End-of-Course Examination Program (EOCEP), English Language Development Assessment (ELDA), High School Assessment Program (HSAP), National

Assessment of Educational Progress (NAEP), Palmetto Assessment of State Standards (PASS), Project Star (for identifying students for participation in gifted and talented programs), and South Carolina Alternate Assessment (SC-Alt).

- The State Board of Education adopted assessments aligned to the Common Core State Standards to be administered beginning in 2014-15. The assessments adopted are the ones being developed by the Smarter Balanced Assessment Consortium.
- Peer Review submissions mandated by the Elementary and Secondary Education Act (ESEA) were completed for the Palmetto Assessment of State Standards (PASS) science tests, End-of-Course Examination Program (EOCEP) Biology test, and the South Carolina Alternate Assessment (SC-Alt) tests in English language arts, mathematics, and science. All questions and requests for information by the peer reviewers have been answered and completed. The next step is for the USDOE to review the Peer Review notes and approve or not approve the assessments.
  - The SC-Alt is an alternate assessment for students with significant cognitive disabilities who are assessed against alternate achievement standards as they are unable to participate in the general assessment program even with accommodations. The results are included for state and federal accountability.
- Of the 3,169 teachers who were formally evaluated during the 2011–12 school year, 2,635 (83%) were successful in meeting the ADEPT standards for teaching performance and effectiveness.
- The SCDE is undertaking a major redesign of the statewide educator evaluation system that includes student growth as a significant outcome measure. As part of the validation process, the redesigned educator evaluation system is scheduled to be beta-tested in 22 volunteer School Improvement Grant (SIG) schools during the 2012–13 school year and to be pilot tested in volunteer school districts during the 2013–14 school year
- Efficient and timely disbursement of over \$3.6 billion in education funds to districts.
- Continued successful implementation of the South Carolina Enterprise Information System adopted by the State.
- Transitioned a net total of 5 schools out of the Palmetto Priority Schools program of support for low-performing schools. The State Board of Education approved the addition of 15 schools to the program and the transition of 20 schools out of the program as a result of changes in the schools' performance.
- Protected Special Needs students from a potential \$75 million permanent reduction in federal funding for the implementation of the mandated Individuals with Disabilities Education Act.
- The SC Virtual School Program (SCVSP) set new records for course requests and enrolled students. In Fiscal Year 2011-2012, SCVSP received 19,296 courses requests and enrolled 17,187 students. SCVSP's completion rate is 90.5%, indicating that those students completed course with a grade of 70 or above. The development of SCVSP Content Recovery courses were aligned to State Academic Standards and US History courses were redeveloped as a result of the State's social studies standards receiving the top ranking in the nation by the Thomas B. Fordham Institute.
- Looping Advances Teacher Teaming and Innovation in Schools (LATTIS) has been recognized by the Riley Institute at Furman University for "WhatWorksSC" and is in the running for the Award of Excellence which was announced in October 2011. Based on NWEA's MAP median RIT grade equivalencies for mathematics and reading, the percentage of looping students in grades 3-5 who scored at or above grade level was significantly higher than students in the same school who did not loop. With regard to closing the achievement gap, early data shows that African American student gains were

higher than Caucasian student gains for reading and mathematics except in the 4<sup>th</sup> to 5<sup>th</sup> grade looping programs for reading.

### **3. Key Strategic Goals for the Present and Future Years**

- Goal 1—Personalize Learning
  - Objective 1—Strengthen the Education Accountability Act
  - Objective 2—Increase student participation on blended learning options
  - Objective 3—Eliminate regulations that value the system over the student
- Goal 2—Reward Effective Teachers and Principals
  - Objective 1—Develop a Pay for Performance plan for teachers and principals
  - Objective 2—Improve the teacher and principal evaluation system
  - Objective 3—Assist the General Assembly in creating Pay for Performance legislation
- Goal 3—Improve Agency Service Delivery and Staff Professionalism
  - Objective 1—Reduce the service and response turnaround time
  - Objective 2—Increase accuracy of the data that the agency disseminates
  - Objective 3—Eliminate communication barriers between the SCDE and clients and across offices, teams, and divisions within the agency.

### **4. Your Key Strategic Challenges**

#### **Challenge 1- Commitment to Preserving the Status Quo Traditional System of Education and Organizational Processes**

The organizational structure that the current administration inherited was inefficient. We changed the SCDE structure and processes to more effectively serve customers and stakeholders. The cultural change that comes along with reorganization provides a worthwhile challenge for SCDE leadership.

#### **Challenge 2- Assembling the Right Team**

By reorganizing the SCDE, senior leadership embraces the opportunity to provide current staff with better functionality. There are also vacancies that have resulted from attrition or newly created roles. Serving students well necessitates that leadership identify committed individuals to fill the vacancies that currently exist. While the current economic outlook has many high quality individuals seeking work, the fact remains that identifying the best fit for position vacancies requires prudence and patience.

#### **Challenge 3- Federal Intrusion into State-provided public education**

There are many instances in which the opposites of the uncertainty in direction and imposing directives out of Washington, DC combine to impede success in the efforts of SCDE to support districts and schools and the effectiveness of educators. The reauthorization of the federal Elementary and Secondary Education Act (No Child Left Behind) is a specific example. NCLB is highly-prescriptive, imposing on the state a federal accountability system that is well-intended but has significant flaws that impede local control and innovation. At the same time, the failure of Congress to complete the reauthorization of ESEA has created a level of

uncertainty across the state as educators hesitate to implement new initiatives for fear of later punishment for non-compliance.

In response to Congress failing to reauthorize ESEA, the U.S. Department of Education offered states the opportunity to waive the all or nothing accountability of NCLB and replace the accountability system with one designed by states to meet their needs while maintaining rigorous state standards and accountability for all students. The SC Department of Education accepted the challenge, worked with stakeholders, and submitted the SC ESEA Flexibility Waiver in February of 2012. The waiver was approved in July of 2012 and the new accountability system which provided letter grades for districts and schools was implemented for 2012-13 based on the 2011-12 accountability data.

#### **Challenge 4- Personalizing Learning**

Decisions made in Columbia have a tremendous impact on shaping policy and setting priorities for education in the state. For decades SC has tried to micromanage reforms through statute and regulation. The result is an overregulated system that is not flexible to meeting the needs of students and that focuses on treating everyone the same—students and teachers alike—regardless of outcomes. The system of education needs to include opportunities to create more personalized learning, paying teachers based on their performance, and reduce unnecessary or conflicting regulations on school districts.

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

The Accountability Report provided an opportunity for Senior Leadership to reflect on the way the organization was managed in Fiscal Year 2010-11, what progress was made in Fiscal Year 2011-2012, and setting a course that the agency will follow over the next few years. While this process happens organically, the Accountability Report inspired a level of discussion that is more substantive and organized than might have otherwise been the case.

## Section II – Organizational Profile

### 1. Your organization's main products and services and the primary methods by which these are delivered

The public education system's end product is an educated, responsible, and contributing citizenry. Our core business is education—bringing students, teachers, and information together to instill knowledge and to encourage the proper application of that knowledge. The SCDE's products are leadership and services delivered to school districts and their staff members who assist in the development of teaching and learning programs.

#### Internal Services

Internal services within the agency include human resource services, finance and accounting services, research and statistical reports, policy planning, auditing services, information technology services, legal counsel services, and government relations.

#### External Services

Following are key external services provided by SCDE.

#### *Local Education Agencies (LEA)*

The majority of the services SCDE provides are direct to the LEAs. These services include: curriculum and assessment, professional development, school quality resources, educator guidance and resources, school leadership, grant support, food services, facility planning, transportation, and technology services.

The agency's primary delivery methods are based on the needs of its customers. In some cases, state law or other mandates determine the delivery method. Our delivery methods include revising and developing standards and guidelines; providing resources and materials; providing training and technical assistance; funding programs and initiatives; evaluating programs and staff; developing and administering assessments; collaborating with partners and stakeholders; providing timely and accurate information; responding to customer inquiries; promoting and recognizing educational achievements; and monitoring and recommending changes to policies, laws, and regulations.

#### *Schools*

SCDE provides several services directly to schools. As part of the statewide system of support to low-performing schools the agency provides technical assistance services to schools. We also assist educators with professional development as well as standards-supporting documents. Further, the agency serves schools with program evaluations and grant award opportunities, both to include technical assistance that improve the capacity of schools to improve the outcomes of their educational services.

#### *Educators*

The SCDE oversees:

- educator preparation, recruitment, and certification
- online courses and services delivered via the Moodle Learning Management System,
- professional development for classroom teachers, school leaders, and district personnel,

- development of standards and evaluation models for assessing the performance and effectiveness of educators and their impact on student learning,
- implementation of TAP's Elements of Success: Multiple Career Paths, Ongoing Applied Professional Growth, Instructionally Focused Accountability, and Performance-Based Compensation,
- charter schools, school choice, focused curriculum, tools to help administrators and teachers meet state guidelines when implementing Montessori.

These methods are delivered with assistance from employees who work specifically with each stakeholder on their needs to develop goals then monitor progress towards meeting these goals.

### **Students**

SCDE provides are some direct services to students. The main service SCDE provides directly to students is through the South Carolina Virtual School Program. This program provides online courses for participating students. SCDE also provides direct services to students participating in the Adult Education program, through which SCDE provides course completion, transcript, and certificate verification services.

## **2. Your key customer-groups and their key requirements/expectations**

Our key customers are students, parents, educators, and taxpayers. Students and parents expect that the educational services provided through the education system prepare students for life after high school. Educators expect the SCDE to assist in providing the support that they need to deliver front line educational services. Taxpayers expect the SCDE to steward over the investment they are making in education by providing the highest quality product with funds that are available.

## **3. Your key stakeholder groups (other than customers)**

Stakeholders include individuals and organizations that have an investment or interest in the success or actions taken by an organization. According to the Malcolm Baldrige National Quality Award criteria, stakeholders include “customers, managers and employees, competitors, unions, stockholders, business partners, suppliers, legislators, the community, the nation, the media and so on”. Below is a list of key SCDE stakeholders other than customers:

- Competitors—the private schools of the state;
- Elected Officials—the South Carolina General Assembly and the Office of the Governor;
- Appointed Officials—State Board of Education;
- Community—citizens, and business and industry; and
- United States Education Department—USED is the conduit for the federal funds that flow to SC.

## **4. Your key suppliers and partners**

SCDE suppliers and partners include: educational organizations that partner with SCDE to complete projects; higher education as a training system for educators; bus manufacturers supply buses; textbook publishers supply textbooks and instructional materials; software providers design the systems for SCDE use internally as a means of production SC testing companies supply and score assessment instruments.



## 5. Your operating locations

The SCDE's primary operations are conducted in the Rutledge Building in Columbia, in the schools, and in the district offices. Additionally, SCDE operates in leased space located in the Landmark II Office Building and 1401 Senate Street in Columbia. School bus maintenance operations are conducted in shops and maintenance facilities strategically located to serve all public schools throughout the state.

## 6. The number of employees you have, segmented by employee category

The following table illustrates employees, segmented by category.

| <b>SCDE Employees Segmented by Category Fiscal Year 2011-12</b> |      |
|---|------|
| Employee Category   | SCDE |
| Classified  | 773  |
| Unclassified  | 20   |
| Temporary Grant   | 30   |
| Temporary Classified  | 118  |
| Temporary Unclassified  | 23   |
| Temporary Grant Unclassified                                    | 3    |
| Total   | 967  |
|   |      |

## 7. The regulatory environment under which your organization operates

SCDE functions are governed by state and federal code of laws, each of which requires that the agency maintain fiscal, legal, and regulatory accountability. The State Code of Laws, Title 59- Education, largely encompasses the statutes and resulting regulations that define the regulatory environment under which SCDE operates. Additionally, the Appropriations Act passed each year determines the funding level for the activities the SCDE is charged to conduct. The State Fire Marshall, the Budget & Control Board, State Board of Education regulations as well as the State Auditor's Office and the Equal Opportunity/Affirmative Action Employer affect SCDE's operating environment.

The U.S. Department of Education issues requirements and provides guidance that the SCDE must also follow such as the Elementary and Secondary Education Act (NCLB) including the Title I, II, III, IV, V, VI- RLIS and the IDEA requirements plus other USED programs. Other Federal requirements are provided by the FCC, OSHA and the USDA.

Lastly, the Generally Accepted Governmental Accounting Standards guide the accounting practices at SCDE.

## 8. Your performance improvement system

SCDE uses both internal and external performance assessments. Key strategic performance evaluations are conducted to determine if the agency is making steady progress toward accomplishing its vision. Senior leadership regularly reviews performance data from various sources. Internally, senior leadership uses organizational performance review findings and employee feedback to evaluate the agency's performance. In addition, the EPMS (Employee Performance Management System) serve as an effective tool for assessing the individual employee and the organization as a whole.

## 9. Your organizational structure

SCDE is led by the State Superintendent of Education, who is a constitutional officer of the state. The Superintendent also serves as secretary to the State Board of Education. In Fiscal Year 2011-12, three deputy superintendents and seven executive office directors administratively carried out the mission of the agency. The chart located in the Appendix I graphically displays the organizational structure of the agency.

## 10. Your Expenditures/Appropriations Chart

The following tables provide expenditures and appropriations for the years listed for the SCDE, the Governor's School for Science and Mathematics, the Governor's School for the Arts and Humanities, and First Steps.

### Base Budget Expenditures and Appropriations

(Note: Nonrecurring expenditures are reflected in major budget categories.)

|                               | 2010-11 Actual Expenditures |                        | 2011-12 Actual Expenditures |                        | 2012-13 State Appropriation Act |                        |
|-------------------------------|-----------------------------|------------------------|-----------------------------|------------------------|---------------------------------|------------------------|
| Major Budget Categories       | Total Funds                 | General Funds          | Total Funds                 | General Funds          | Total Funds                     | General Funds          |
| Personal Service              | \$42,551,024                | \$22,840,390           | \$39,520,864                | \$23,049,955           | \$44,408,239                    | \$24,357,885           |
| Other Operating               | \$133,452,797               | \$50,937,855           | \$149,129,224               | \$67,140,766           | \$165,317,081                   | \$36,629,091           |
| Special Items                 | \$0                         | \$0                    | \$0                         | \$0                    | \$0                             | \$0                    |
| Permanent Improvements        | \$0                         | \$0                    | \$0                         | \$0                    | \$0                             | \$0                    |
| Case Services                 | \$0                         | \$0                    | \$0                         | \$0                    | \$0                             | \$0                    |
| Distributions to Subdivisions | \$3,449,304,819             | \$1,778,425,074        | \$3,366,749,981             | \$1,939,369,821        | \$3,446,176,783                 | \$2,049,831,350        |
| Fringe Benefits               | \$14,455,520                | \$8,427,870            | \$13,461,572                | \$8,130,631            | \$14,540,257                    | \$8,263,219            |
| Non-recurring                 | \$0                         | \$0                    | \$0                         | \$0                    | \$0                             | \$0                    |
| <b>TOTAL</b>                  | <b>\$3,639,764,161</b>      | <b>\$1,860,631,190</b> | <b>\$3,568,861,641</b>      | <b>\$2,037,691,173</b> | <b>\$3,670,442,360</b>          | <b>\$2,119,081,545</b> |

### Other Expenditures

(The below expenditures are reflected in the above totals.)

| Sources of Funds      | 2009-10 Actual Expenditures | 2010-11 Actual Expenditures |
|-----------------------|-----------------------------|-----------------------------|
| Supplemental Bills    | \$0                         | \$0                         |
| Capital Reserve Funds | \$0                         | \$0                         |
| Bonds                 | \$0                         | \$0                         |

### Interim Budget Reductions

| Total 2010-11 Interim Budget Reduction | Total 2011-12 Interim Budget Reduction |
|--|--|
| \$0                                    | \$0                                    |

## 11. Your Major Program Areas Chart

| Major Program Areas   |   |   |   |  |
|---|---|---|---|--|
| Program Number and Title  | Major Program Area Purpose  | FY 10-11 Budget Expenditures<br>\$3,639,764,161   | FY 11-12 Budget Expenditures<br>\$3,639,764,161   | Key Cross References for Financial Results |
| XIII; Aid to School Districts, Special Items; Aid to Subdivisions | Provide direct aid to school districts to include basic foundation defined program funding for students in 85 school districts, two special districts, one special school, other entities and agencies.   | <b>State:</b> 1,686,460,264.59<br><b>Federal:</b> 1,077,536,478.67<br><b>Other:</b> 2,989,743.16<br><b>Total:</b> 2,766,986,486.42<br><b>% of Total Budget:</b> 76%   | <b>State:</b> 1,854,742,438.40<br><b>Federal:</b> 890,188,607.65<br><b>Other:</b> 20,986,113.38<br><b>Total:</b> 2,765,917,159.43<br><b>% of Total Budget:</b> 78%  | 7.3.1; 7.3.2; 7.3.4                        |
| XI; Education Improvement Act                                     | Provide additional funds above the basic foundation program for education improvement and enhancement. Provide salary funding to achieve and/or exceed the projected southeast average teacher salary for over 47,000 teachers; provide funds for various improvements. | <b>State:</b> 0.00<br><b>Federal:</b> 0.00<br><b>Other:</b> 554,244,948.94<br><b>Total:</b> 554,244,948.94<br><b>% of Total Budget:</b> 15%                           | <b>State:</b> 0.00<br><b>Federal:</b> 0.00<br><b>Other:</b> 542,848,017.67<br><b>Total:</b> 542,848,017.67<br><b>% of Total Budget:</b> 15%                         | 7.3.1; 7.3.2; 7.3.4                        |
| IX; Division of Innovation & Support                              | Provide funds and support operations to the education system to include the school transportation system, school based health, school building, and school food service.  | <b>State:</b> 90,241,137.53<br><b>Federal:</b> 4,255,218.72<br><b>Other:</b> 29,214,424.25<br><b>Total:</b> 123,710,780.50<br><b>% of Total Budget:</b> 3%            | <b>State:</b> 86,625,266.94<br><b>Federal:</b> 2,993,984.55<br><b>Other:</b> 32,299,965.71<br><b>Total:</b> 121,919,217.20<br><b>% of Total Budget:</b> 3%          | 7.3.1; 7.3.2; 7.3.3; 7.3.4                 |
| VII; Division of Finance and Operations                           | Provide funds and support financial operations to the education system to include the state textbook system and the transportation fleet.   | <b>State:</b> 24,698,302.87<br><b>Federal:</b> 166,947.34<br><b>Other:</b> 586,226.99<br><b>Total:</b> 25,451,477.20<br><b>% of Total Budget:</b> 1%                  | <b>State:</b> 26,606,070.28<br><b>Federal:</b> 167,974.80<br><b>Other:</b> 1,066,464.68<br><b>Total:</b> 27,840,509.76<br><b>% of Total Budget:</b> 1%              | 7.3.1; 7.3.2; 7.3.3; 7.3.4                 |
| TOTAL   | TOTAL   | <b>State:</b> 1,801,399,704.99<br><b>Federal:</b> 1,081,958,644.73<br><b>Other:</b> 587,035,343.34<br><b>Total:</b> 3,470,393,693.06<br><b>% of Total Budget:</b> 95% | <b>State:</b> 1,967,973,775.62<br><b>Federal:</b> 893,350,567.00<br><b>Other:</b> 597,200,561.44<br><b>Total:</b> 3,458,524,904.06<br><b>% of Total Budget:</b> 97% |  |

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

I. Superintendent of Education; II. Board of Education; III. Division of Accountability and Assessment; IV. Division of Standards & Learning; VI. Division of Educator Quality & Leadership; XII. Governor's School for Science and Math; XIV. Governor's School for Arts and Humanities; XVI. First Steps.

|                                   |                           |                |                 |                |
|-----------------------------------|---------------------------|----------------|-----------------|----------------|
| <b>Remainder of Expenditures:</b> | <b>State:</b>             | 59,231,484.53  | <b>State:</b>   | 69,700,065.72  |
|                                   | <b>Federal:</b>           | 37,421,253.64  | <b>Federal:</b> | 21,196,045.65  |
|                                   | <b>Other:</b>             | 72,717,729.35  | <b>Other:</b>   | 18,350,529.19  |
|                                   | <b>Total:</b>             | 169,370,467.52 | <b>Total:</b>   | 109,246,640.56 |
|                                   | <b>% of Total Budget:</b> | 5%             |                 | 3%             |

## **Section III – Elements of Malcolm Baldrige Criteria**

### **Category 1 – Senior Leadership, Governance, and Social Responsibility**

**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.**

#### ***a) Short and long term organizational direction***

SCDE senior leadership sets short- and long-term direction and organizational priorities through established meeting schedules at all management and team levels. This includes weekly Senior staff meetings, divisional leadership meetings, and office/team organizational meetings. SCDE senior leadership works with the executive and legislative branches of state government to communicate priorities for education system. SCDE communicates the needs of students, parents, educators, and taxpayers as they relate to the public education system. SCDE also receives and responds to communication provided by the executive and legislative branches. SCDE interacts with customers, stakeholders, and partners to maintain two-way communication.

The Office of Internal Audit (OIA) was created during the current fiscal year and is in the beginning stages of communicating the audit direction and expectations throughout the organization. The Internal Audit Charter was developed and provided to management to communicate OIA's authority and responsibility. A risk based audit plan will be prepared each fiscal year that will include input from management and directors.

#### ***b) Performance expectations***

Performance expectations are set each year during annual evaluations of each staff member. Programmatic expectations are set by middle management with input for senior leadership. Effectiveness is evaluated based on the state's EPMS. In addition, goals planning sessions are held with staff members to ensure collaboration between employees and management.

#### ***c) Organizational values***

Senior leadership is responsible for communicating the organizational values to SCDE staff. This begins with modeling the organizational values each day. Senior leadership relies on an approach that insists on excellence in the implementation of SCDE organizational values while committing to assist SCDE staff in demonstrating organizational values in the duties they perform. Senior Management communicates organizational values through both written and oral-based activities. Reviews and updates of agency organizational guidelines and policies contribute to an agency-wide understanding of organizational values expected to be adopted by all staff. OIA emphasizes the organizational values of stewardship by conducting reviews and audits to ensure funds are spent as intended and in accordance with applicable regulations. OIA will strive to ensure that all audit findings and recommendations are communicated in a timely fashion.

#### ***d) Ethical behavior***

Senior leadership keeps SCDE staff informed of SCDE's expectation that all staff demonstrate ethical behavior. Leadership demonstrates this behavior, offers guidance to staff that are not in compliance with ethical standards for conduct, document instances of noncompliance, and hold staff accountable when it is necessary to enforce behavior modification within the agency. OIA demonstrates ethical behavior and assists in investigations of

actions that are not in compliance with ethical standards. In addition, OIA must comply with professional audit standards which require ethical conduct.

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

Senior leadership seeks to maintain effective and constant contact with customers and other stakeholders. Leadership emphasizes the importance of timely and accurate communication with customers and stakeholders. Senior leadership encourages SCDE staff to maintain open lines of communication through identified points of contact throughout the agency. The agency relies on customer feedback to guide process improvement.

SCDE relies heavily on constantly evolving communications technology to accomplish this end. SCDE establishes and promotes a focus on customers by maintaining open lines of communication which include: direct (telephone), asynchronous (email) online communication mediums, engaging in modeling of responses and interactions to address stakeholder and customer concerns, reviewing input from customers and those charged with facilitating programs, being customer-focused, responsive, and courteous, and by providing on-going, differentiated support to constituents.

The SCDE hosts many customer and stakeholder email-based special interest discussion listservs through its Information Technology services. The agency implemented an enterprise survey tool that further allows the gathering of customer and stakeholder feedback in a timely and relevant manner.

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

Senior leadership relies heavily on the cost-benefit analysis process to evaluate the impact on the public of its programs, services, facilities, and operations. SCDE staff provide data for qualitative and quantitative analysis that will allow senior leadership to individually offer recommendations and collectively determine the best course of action. Data collection includes meta-analysis of any existing research; engaging partners to conduct focus groups, surveys, and questionnaires; piloting program implementation in key targeted communities when appropriate; and seeking customer or stakeholder input prior to program implementation.

While OIA's function does not have a direct impact on the public, they provide an essential role in ensuring financial and operational compliance and effectiveness. Regulatory non-compliance or inefficient use of finances by the department may negatively impact the public.

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

The Offices of General Counsel, Administration, Internal Auditing and Finance provide oversight and monitoring services conducted by the responsible offices throughout the agency. Results are reported to the leadership team. The Office of Legislative and Public Affairs ensures that reporting requirements met.

In addition to legal and legislative/policy oversight, the CIO reviews and offers guidance on all technology-related purchases. This results in fiscally accountable procurements while insuring best practice performance of resources.

## **5. What performance measures do senior leaders regularly review to inform them on needed actions?**

The following are the key strategic performance measures used by SCDE to determine progress toward accomplishing of our mission:

- Budgeted versus actual expenditures;
- Multiple measures of student achievement;
- High school graduation rates;
- Teacher quality statistics; and
- Multiple measures for school and district performance.

## **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 leadership maintains open door policies that encourage communication within and across offices. Additionally, senior leadership and middle management review SCDE staff feedback on the EPMS to ensure that formal communication between leadership, management and staff is two-way. Combined, the open door policies and EPMS create an environment that balances the importance of agency discipline with the need for open communication. Those in leadership positions consider and discuss feedback to determine the best way to act on the input received in order to improve agency outcomes.

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

Senior leadership mentors and trains staff to ensure that middle management and other SCDE staff develop the skills and competencies necessary to fill leadership and other vacancies for which time permits planning. Senior leadership provides for internal and external training opportunities to improve the quality of SCDE staff. Further, leadership is regularly updated by SCDE staff on the work that they are conducting. In so doing, leadership and middle management can monitor workflow and be prepared should non-management vacancies emerge. Formally, middle management and senior leadership rely on the agency EPMS process to discuss, clarify, measure, and change job tasks to meet our mission statement.

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

Senior leadership creates the environment for performance improvement by providing feedback, articulating clear and high expectations, using effective practice based on data and student performance, project analysis and an annual review process, examining performance and gathering data to provide individualized professional development, statewide training, and design of future planning and goal setting.

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

Senior leadership and middle management assess the professional needs of SCDE staff and develop personalized plans to improve staff performance. This includes allowing for training opportunities, professional learning experiences, mentoring, and goal setting.

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

Senior leadership engages the staff by giving them opportunities to take responsibility for the organization's success. In doing so the management team ensures buy-in and staff contributions to the success of the organization. Senior leadership also monitors staff performance and provides feedback and maintains two-way communication that allows leadership to assess staff morale and respond accordingly.

**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?**

Our employees are involved in a number of civic, social, charitable, and faith-based organizations that support local communities. Employees voluntarily give their time, effort, and money to a variety of worthwhile organizations that benefit the community as well as the nation: the Red Cross; the National Guard and Army Reserve; the Boy Scouts, Girl Scouts, and Explorer Scouts; Junior Achievement and local churches and temples. In addition, they contribute to the United Way and March of Dimes campaigns as well as walks for cancer and diabetes research.



## Category 2 – Strategic Planning

### 1. Describe your organization's Strategic Planning process, including key participants, and how does it address each of the following areas.

#### a. Your organization's strengths, weaknesses, opportunities and threats

Our strategic planning process is guided by input from SCDE customers and stakeholders. Customers and stakeholders help senior leadership identify, document, and articulate SCDE strengths, weaknesses, opportunities and threats. Senior leadership collects the feedback collected through the frequent interactions SCDE staff maintain with stakeholders and customers to inform the agency's strategic planning process and course corrections throughout the year.

#### b. Financial, regulatory, societal and other potential risks

SCDE senior leadership has set internal threshold controls that protect the agency against regulatory, financial, societal, and other potential risks. Senior leadership identifies areas that are potential risks, establishes measures that will indicate the risk level for the agency for any given issue, and regularly monitors the agency's status as compared to levels of acceptable risk and performance. For any potential risk, senior staff discuss instances when the agency status approaches an unacceptable level or reflects a change in trajectory that should be cause for concern.

#### c. Shifts in technology and customer preferences

The Chief Information Office monitors trends and shifts in best practice technology through staff professional development, state and national peer networking, and customer/staff/vendor input. Customer preferences are monitored through the agency's constant contact and interaction with customers in proactive and reactive support engagements. Changes in customer preferences are incorporated in our strategic planning on an ongoing basis, as evident in the many technology-related improvements during this reporting period. During the year, the Chief Information Office facilitated an external assessment of its technology operations, organization, and strategic direction. This resulted in a multi-year agency Technology Strategic Plan and recommendations for restructuring and improving IT operations.

#### d. Workforce capabilities and needs

Senior leadership communicates with customers and stakeholders to ensure that the performance of staff matches the mission of the agency and fulfills the needs of the customer. Where there is successful alignment, senior staff seeks ways to identify and replicate the successes and help staff understand the connection between agency success and their respective job performance. Where alignment does not exist, senior leadership uses the EPMS to give the affected staff an opportunity to improve their skillset or senior leadership reallocates human resources, updates job duties, and, when necessary, turns to the labor market to find individuals with the work capabilities necessary to serve customers and fulfill the agency mission.

Senior leadership encourages and gives employees opportunities to identify areas where their individual work capabilities do not match the needs of customers. Senior leadership, in these instances, works with staff to provide them an opportunity to retool.

#### **e. Organizational continuity in emergencies**

The SCDE has developed and maintains a detailed emergency action plan to be activated when necessary by a team of SCDE safety officers. The plan, which was created by the SCDE in conjunction with the Budget and Control Board's General Services Division and the South Carolina Emergency Management Division, addresses security, emergency action and prevention, and facilities startup and business resumption in the aftermath of a crisis. The plan is updated annually. This year, the CIO replaced the network disaster recovery and archive backup solution to a more robust, updated, enterprise solution.

#### **f. Your ability to execute the strategic plan**

Senior leadership regularly assesses the agency's ability to accomplish its mission by monitoring its resources, evaluating performance, evaluating customer and stakeholder feedback, and making adjustments as needed.

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

The SCDE's strategic objectives incorporate work processes addressing policy development, funding proposals, communication, and achievement reporting, all of which help the agency to deal effectively with its strategic challenges.

### **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?**

Action plans that support strategic goals and objectives are developed at the operational level. The leadership team monitors the development of these. Middle management and senior leadership meet regularly to review the status of operational action plans. Senior leadership meets regularly to review the progress of operational action plans that address key strategic goals and objectives.

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

Strategic objectives, action plans, and performance measures are communicated and deployed by the leadership team through meetings and training sessions for all SCDE personnel.

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

Progress is regularly reviewed by staff members within the office responsible for the action plan and by the senior leadership. The measures of progress used by the SCDE include student performance and academic progress indicators, rates and statistics, external education system ratings, and survey results.

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

The SCDE's leadership team evaluates our strategic planning process through regular review of progress toward goals. Goals, strategies, and work plans are revised based on after-action review, with input from all agency offices.

### **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.**

N/A

## Category 3 – Customer Focus

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

SCDE customers are set by the South Carolina Code of Laws.

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

SCDE relies on constant communication and a continuous flow of information from our customers and stakeholders in order to seek out new information on how we can improve our services and goods. Offices within the SCDE perform internal reviews and examinations of their customer services on an ongoing basis. Offices meet with customers and key stakeholders in order to determine their level of satisfaction in the services and goods the SCDE produces. Additionally, the Superintendent of Education regularly conducts school visits, meets with parents, educators, administrators, business leaders, and civic leaders across the State. As June 30, 2012, State Superintendent Zais had visited 114 schools since assuming office.

As OIA conducts on-site audits of other organizations, we gain valuable feedback that we will use to improve our process. OIA also will receive at least 40 hours of continuing professional development per year to improve and strengthen our abilities in specific areas.

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

The SCDE's key access mechanisms are our website (<http://ed.sc.gov>), Educator Certification's call center, an Ombudsman, the agency's switchboard, and the Office of Legislative and Public Affairs.

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

SCDE uses several measures to determine customer satisfaction with our services. Offices use pre- and post-cohort surveys; questionnaires of students, parents, and taxpayers to determine program needs, strengths, and weaknesses; use data to measure the frequency and length of time customers access products or services; aggregation and summarization of feedback received on communications issued, services provided, or products delivered.

An example of the use of educator evaluation data to guide decision making is evidenced by the planned evaluation of the redesigned evaluation system during the beta- and pilot test years. These studies will examine the educator evaluation system in terms of its perceived strengths and weaknesses, the ability of the component weightings to accurately differentiate educator effectiveness, and the overall cost—and the cost effectiveness—of implementation in terms of time and money. An additional study is planned that will address the question of whether or not teacher knowledge of student performance data results in increased teacher effectiveness.

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

SCDE analyzes customer satisfaction metrics and allows the data so that action plans can be updated, appropriate training services can be designed, specific technical assistance can be provided, and new products and procedures can be developed to improve learning and educational opportunities.

Any feedback and information received from the management of external organizations will be evaluated and used to improve our process. For internal customers, feedback from the exit conference and management's responses will be used to improve our processes.

**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.**

SCDE thrives on building positive relationships. We build positive relationships with our customers and key stakeholders by proactively reaching out to engage their input on their satisfaction level with our goods and services. SCDE also provides timely responses to help customers understand how we are responding to their needs and the feedback they provide.

SCDE has put increased emphasis on customer service by making it the subject of training sessions that have been conducted for all current employees and are required for all new employees.

Educator resources, reporting tools, contact information, and program support need to be available to customers at any time of the day. The agency's website (<http://ed.sc.gov>), which was re-designed to provide a greater level of customer service during FY 2011-12, is therefore a key tool in the SCDE's effort to build positive relationships and serve customer needs. SCDE has also launched podcasts as another means of communication. *Speaking of Schools* is a radio program supported by the SCDE and broadcast on Monday evenings over ETV radio stations in Greenville/Spartanburg (90.1), Columbia, (91.3), and Charleston (89.3). The agency's "In Our Schools" television series for parents, educators, and community partners is produced by the South Carolina Instructional Television Office with SC ETV. The SCDE also uses Twitter and Facebook to communicate everything from breaking news to the State Superintendent's travel schedule.

## **Category 4 – Measurement, Analysis, and Knowledge Management**

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

SCDE periodically identifies key operations and processes that have strategic implications for mission accomplishment for measurement. We then collect the information that supports the measures and gives indication of progress toward goal and objective achievement. Additionally, State and federal codes of law determine many of the SCDE operations and processes that are measured.

### **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?**

SCDE collects data from various sources: student information systems, assessment results, food service systems, special education databases, health management systems, educator certification and staff development applications, federal datasets, and many other sources. SCDE uses the student performance data collected through the student information systems to hold district and school leadership accountable for the outcomes they are getting by keeping the public informed of results. SCDE analyzes student performance to differentiate effective and ineffective programs and to adjust SCDE operations for areas of concern.

SCDE uses the data provided on the output and the outcomes of SCDE support services to ensure that the services and goods we provide to support schools are deployed in a way that effectively serves customers. Senior leadership allocates resources based on meeting the needs of customers.

An example of the use of data/information analysis to provide support for decision making centers is In\$ite™ data. In\$ite is an expenditure (cost) accounting system that permits analysis of expenditure data/information at the school, district, and state levels. Expenditure analysis is available in a user-friendly display by five major functions, fifteen subfunctions, and thirty-three detail function categories. This tool permits analysis of financial resources and their application.

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

SCDE's key measures are: high school graduation rate; average ACT and SAT scores; state Report Card Ratings; student's performance on statewide assessments (PASS, HSAP, EOCEP, SC-Alt); transportation collisions statistics; and evaluations by teachers, students and parents. We review them annually or monthly, based on what is appropriate for the nature of the measure. SCDE senior leadership reviews key measures and monitors agency performance on measures to ensure that performance trends align with accomplishing the agency mission.

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

We analyze comparative data and information to assess how SCDE's service delivery and how the overall performance of the public education system compare to states in our region, states across the nation, and internationally. Comparative analysis helps agency leaders identify areas where SCDE or the system at large is

performing well or failing. These determinations are incorporated into operational and strategic decision making.

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

SCDE ensures data integrity, reliability, timeliness, accuracy, security, and availability by setting clear expectations when data collection is initiated, monitoring the data collection process as it is underway, and adhering to quality controls that confirm data before analysis are conducted or ensuing decisions made. Expectations are set when senior leadership interact with service suppliers or customers when SCDE initiates the data collection process. Protocols and quality standards are set early in the process. Staff monitor the collection process to ensure the fidelity of the implementation of any data collection process. Quality control measures during the final stages of data collection use sample testing to identify potential shortcomings in the quality of the data SCDE collects.

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

A review of performance measures, both formal and informal, is always linked to goals outlined in the strategic plan. The review process is ongoing. The SCDE performs its own reviews; external agencies, organizations, and research groups conduct reviews of the agency as well. Priorities are then established by senior leadership with feedback from the key participants in the process identified as needing improvement.

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

The SCDE manages organizational knowledge to accomplish the collection, transfer, and maintenance of accumulated workforce knowledge by integrating the staff development, retention, hiring, and recruiting functions into a holistic and systematic process. The agency uses several tools to manage organizational knowledge including: agency manuals to detail tasks or functions; creating Elluminate (online, recorded teaching) sessions that allow on demand professional development; shared directories for access by essential staff; regular meetings with SCDE staff to transfer organizational knowledge.

## **Category 5 – Workforce Focus**

### **1. How does management organize and measure work to enable your workforce to: 1) develop to their full potential, aligned with the organization’s objectives, strategies, and action plans; and 2) promote cooperation, initiative, empowerment, teamwork, innovation, and your organizational culture?**

SCDE organizes its workload by specific program areas and the individual managing the program has the ability to build it within the scope of their level. Senior leadership measure workflow based on time and sets work-plans and deadlines accordingly. The EPMS offers the opportunity to discuss and assess program potential and direction so it can be aligned with the agency’s mission and action plans.

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

Senior leadership meets regularly with the middle management under their charge to ensure effective communication across offices and teams. Collaboration, shared time, professional development and best practices- sharing is done within the offices and teams. Modeling and cross-training in different program areas to become familiar with the duties and methods used by other colleagues has also been effective.

The Grants Program staff collaborates with middle management to train program managers on effective skills and best practices to ensure that knowledge access acquired in one team, office, or division is transferred to the grant management processes in place throughout SCDE. General Counsel provides training to staff member charged with writing or updated regulations to go before the State Board of Education.

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

The primary method for recruiting and hiring new employees is through advertising of positions with the state Office of Human Resources and the e-recruitment systems at [www.jobs.sc.gov](http://www.jobs.sc.gov). This site provides state, national, and international exposure of positions available at the SCDE. The state recruitment system is an electronic system that allows job candidates to submit their applications online. Additionally, offices have the option of advertising vacant positions in newspapers and/or professional publications.

The hiring and placement of new employees is coordinated at the office level through screening of eligible applicants, selecting persons for interviews, conducting interviews, and making a recommendation of a candidate to fill the vacancy.

Employee orientation and office-level orientation help ensure retention of new employees. These processes welcome the employee into the agency and equip them with necessary information to assist in a successful employment experience. SCDE supports existing employees with professional development and job-specific training opportunities that are catered to the individual employee’s needs. Frequently, the SCDE’s ability to offer an attractive and competitive salary is a barrier to successful recruitment, hiring, placement, and retention. The SCDE has incorporated an outlined onboarding process at the office level to enhance its orientation efforts towards new employees.

Recruiting and retaining highly qualified technical (IT) employees can be a challenge because of competition with government entities, school district systems, and private sector also seeking and maintaining skilled technology professionals. Competitive salary has often been a factor for recruiting and retaining these positions.



#### **4. How do you assess your workforce capability and capacity needs, including skills, competencies, and staffing levels?**

Workforce capability and competency is assessed on the basis of workload requirements and through the exercise of performing “skills gap analysis” through the agency’s Total Quality Management’s Workflow Health Check efforts. Workload is largely driven by actions taken by the General Assembly through statute, law, or legislative request. Federal action through legislation as well as USED regulatory decisions or guidance also set workload. Once workload is determined, senior leadership determines the capability of SCDE staff to meet the demands of the workload requirements.

Workforce skills and competencies are assessed through the annual EPMS evaluation required of all permanent employees. This system requires supervisors to evaluate their employees on the basis of job requirements and/or objectives. Employees are rated as exceeding requirements, meeting requirements, or below requirements, as well as on a variety of performance characteristics. Employee performance is rated as exceptional performance, successful performance, or unsuccessful performance, as well as on a variety of performance characteristics.

#### **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?**

Components of job duties, objectives, and performance characteristics included in the EPMS are directly aligned with the agency strategic plan and the action plans established by the individual offices. Evaluations of individual employees are centered on criteria that were developed in their EPMS planning stage.

If employees are to attain high levels of performance, they first must understand the expectations of their supervisors and the requirements detailed in their respective position descriptions. The EPMS provides the means for these expectations and requirements to be communicated. In the planning stage, the employee and supervisor first review the employee’s position description for accuracy and understanding; at this time, the position description can be updated or modified to ensure these two factors. The employee can now ask for the supervisor’s expectations and can express their own expectations.

Also during the planning stage, the supervisor or the employee can recommend a performance objective that the employee can accomplish over the course of the rating period. By this means, the employee can demonstrate performance that even exceeds the supervisor’s expectations. In addition, the employee and the supervisor can meet to discuss progress at any time during the rating period. This process of active communication between supervisor and employee supports high performance.

#### **6. How does your development and learning system for leaders address the following: development of personal leadership attributes; development of organizational knowledge; ethical practices; and your core competencies, strategic challenges, and accomplishment of action plans?**

The development of personal leadership attributes for leaders is addressed through regular meetings of the senior leadership and middle management. Middle management is empowered to act, but within the senior leadership’s intent. Knowledge is shared across positions. Senior leadership provides opportunities for staff members to serve as mentors. Development of organizational knowledge and ethical practices is done through mentorships and by encouraging employees to learn more about other program areas. Core competencies and strategic challenges are addressed through professional development.



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

The objective section of the EPMS is used by supervisors and employees to identify methods and opportunities for individual employees to acquire increased job-related skills and knowledge. SCDE Office of Human Resources plans and coordinates many of the agency's efforts to address diversity, new employee orientation, and skill training. Additionally, SCDE staff members can determine their own personal goals and middle management ensures these goals are specific and applicable to the organization. Once these plans are in place progress is monitored regularly.

Through the exercise of performing "Skills Gap Analysis" of technical staff, the CIO has been able to identify areas of most need for additional developmental and skills training to meet the IT needs of the agency and its customers.

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

Office directors participate in training opportunities, and use of new knowledge and skills is monitored through regular division and office meetings. The primary means of measuring use of new knowledge and skills is through evaluation of the outcome of projects and initiatives requiring their use.

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

Through training, SCDE staff is made aware of the agency's priorities and the focus on customer service. They are also provided the information and complete simulations to strengthen the skills required to accomplish the portion of the action plan they are assigned.

Professional auditing standards require at least 40 hours of professional development to be obtained annually. This professional development provides OIA staff with the skills to effectively perform the audits listed on OIA's audit plan.

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

SCDE evaluates the effectiveness of training and development systems by assessing the outcomes of action plans and responses to strategic challenges. Successful outcomes in these areas serve as an indicator that core competencies are being utilized.

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

Through the EPMS, senior leadership and middle management communicate job expectations for employees to maximize their knowledge and skills. This formal process also requires a review of each employee's job description to ensure accuracy. SCDE senior leadership and middle management provide positive feedback to encourage SCDE staff. We believe that it's important to share praise and positive reviews from wherever it comes. Employees need to know when they do things well. We encourage and motivate their employees to develop and utilize their full potential by valuing them, offering opportunities for professional development, and leading by example. The SCDE Division of School Effectiveness has a culture of openness and cooperation so employee buy-in is high. As a result, employees support and correct each other in support of the organization's mission.

**12. What formal 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?**

The EPMS requires feedback between management and the employee. The SCDE Office of Human Resources has an open-door policy whereby any employee with a concern can communicate that concern without reprisal. Human Resources will communicate the concern to the appropriate authority only with the employee's approval. SCDE leadership seeks and encourages feedback from employees at all levels within the organization at all times.

Information from exit interviews and employee grievances is used in supervisory training in the form of case studies and examples. Priorities for improvement are determined by the particular SCDE office or through updated action plans.

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

Career progression of the entire workforce is generally managed through the EPMS system to identify employees who have potential for promotion based on their performance rating. The EPMS serves as a tool to assess and document future potential performance capabilities.

Succession planning efforts are coordinated by the Office of Human Resources by providing offices with information regarding employee status such as employees who are eligible to retire, employees eligible to retire in five years, and employees on the TERI program. This information allows offices to plan for changes in advance. Also, the Office of Human Resources provides guidance on succession planning and knowledge/information transfer techniques for offices requesting assistance.

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

Our facilities comply with Occupational Health and Safety Administration standards and are reviewed on a regular basis for compliance. Both the air quality and the water quality in the building are tested. In addition, the Budget and Control Board has tested for asbestos. Each floor of the Rutledge Building has a safety officer and two assistant safety officers. Preparation for workplace emergencies and disasters include controlled access to the building and monitoring by security personnel. The building has a fire plan, a bomb threat plan, and a Clean Indoor Air Act policy. Safety training is conducted yearly for safety-sensitive positions. Fire drills are held routinely. Employees notify the Office of Human Resources if they identify any unsafe condition within their work environment.

## **Category 6 – Process Management**

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

The strategically important capabilities that provide SCDE an advantage in our market and service environment are:

- an information distribution network to keep customers up-to-date on key strategic initiatives;
- training systems that SCDE uses to support schools in their service delivery;
- budgeting, accounting, and financial auditing processes that ensure that SCDE allocates and accounts for the resources in its purview;
- testing item development and administration security system to ensure the validity and reliability of the state accountability system;
- textbook inventory system to ensure SCDE meets its obligation to plan for student instructional materials needs; and
- transportation monitoring system that ensures proper school bus fleet management.
- 

### **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?**

The most important system process in education is the learning process, the success of which is determined by multiple measures of student academic achievement. SCDE's processes range from providing leadership and technical assistance to schools and districts to providing public education services such as support for teachers and teacher certification, transportation, school facilities plan and building approval, food service support, human resources, purchasing, and finance. Factors affecting our process utilization are the nature and the type of the products and services demanded by customers, the technology requirements and limitations placed on the agency, customer and supplier relationships and involvement, and product and service customization.

OIA will provide recommendations in the form of an audit report to management to create or improve processes and controls. Management will respond to recommendations with a corrective action plan and timetable for implementation. In addition to assurance services, OIA will also provide consulting services as needed to assist in the improvement of departmental operations.

### **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?**

Senior leadership regularly collaborates on upper level decision making to ensure that organizational knowledge crosses offices and divisions so that communication failure does not allow silos to form and hinder one agency process from benefiting from potential improvements it could garner from another team, office, or division. SCDE uses the Socratic method to bring individuals together to improve strategically significant processes. With the start of each new process cycle, Senior leadership encourages SCDE staff to research and consider new approaches to existing tasks so that with each cycle the opportunity to make improvements is realized and optimized. SCDE has placed increased focus on identifying the metrics that indicate success and tracking results so that senior leadership can quantify the effectiveness of each process. Senior leadership is charged with monitoring processes to reduce turnaround time and costs to levels that best meet customer needs.

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

The leadership team establishes key performance expectations and requirements and then communicates them to the cross-functional teams, work groups, and individual employees. We ensure that the day to day operation of SCDE process meet key performance requirements by setting internal milestones that lead to reaching service and goods delivery processes.

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

SCDE systematically evaluates and improves our processes through a XX step process. Before any process is conducted procedures are established and verified by team leaders, middle management, or senior leadership to ensure a high likelihood of effective service delivery. Expectations are established and the process is monitored during service delivery to attain fidelity of implementation. Once a product is delivered or a service rendered, SCDE gathers and responds to customer feedback on ways to improve products and service with each delivery.

OIA will audit departmental processes for effectiveness and compliance. Management will develop corrective action plans with timetables for implementation of recommendations. OIA will evaluate its internal process by assessing the audit at the end of each engagement. OIA will solicit input from management during exit conferences and periodically throughout each year. OIA will also use knowledge gained from professional development to improve services.

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

Key support processes include the following:

- finance and accounting services;
- district and internal auditing service,;
- information technology services;
- legal counsel services;
- government relations services;
- learning and assessment services; and
- professional development and school improvement services,

#### **7. How does your organization determine the resources needed to meet current and projected budget and financial obligations?**

SCDE senior leadership, with input from subordinate program managers, identify the explicit and implied current and projected mission requirements related to all obligations. Related resource requirements (financial, human capital, equipment, etc.,) needed to execute the mission and task requirements are also identified. All current and new requirements are compared to available resources and required resources, and adjustments are identified. When required resources and obligations exceed available resources and obligations, a request for additional resources is submitted to the General Assembly. If sufficient/additional resources are not received from the General Assembly to meet required obligations, task requirements are prioritized based on the organization's vision, mission, and legislative directives.

## Category 7 – Results

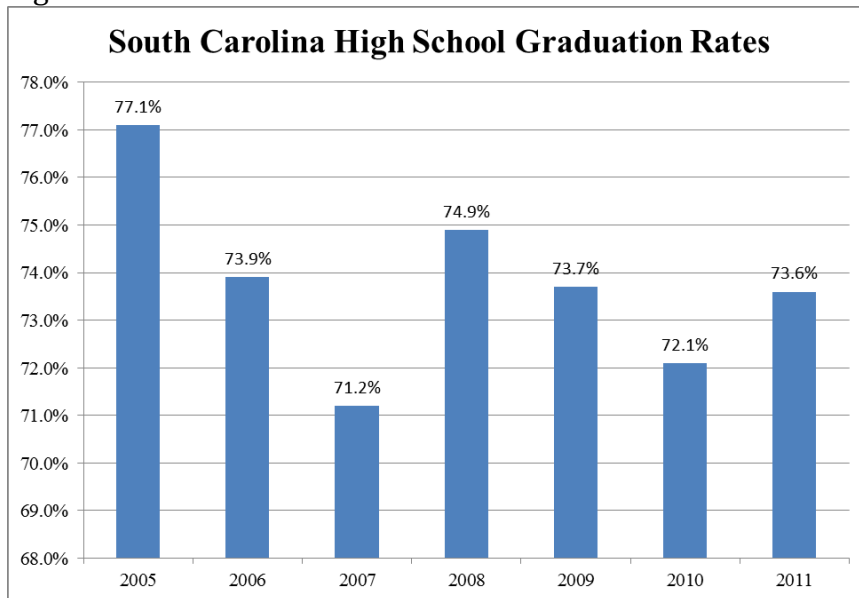
### 7.1 What are your performance levels and trends for your key measures of mission accomplishment/product and service performance that are important to your customers? How do your results compare to those of comparable organizations?

There are multiple measures that speak to the performance of the public school system. Key measures that are important to customers provided indications for:

- Student success in completing their public education;
- The effectiveness of the system at preparing students for life after high school;
- The overall performance of the schools that students attend; and
- The performance of students at key points in their educational careers.

#### *Student Success in Completing Their Public Education*

Figure 7.1-1



**Source: Four-year adjusted cohort graduation rate calculation – (AYP)**

Figure 7.1-2

#### **HIGH SCHOOL DIPLOMAS ISSUED THROUGH ADULT EDUCATION 2007-08 THROUGH 2011-12**

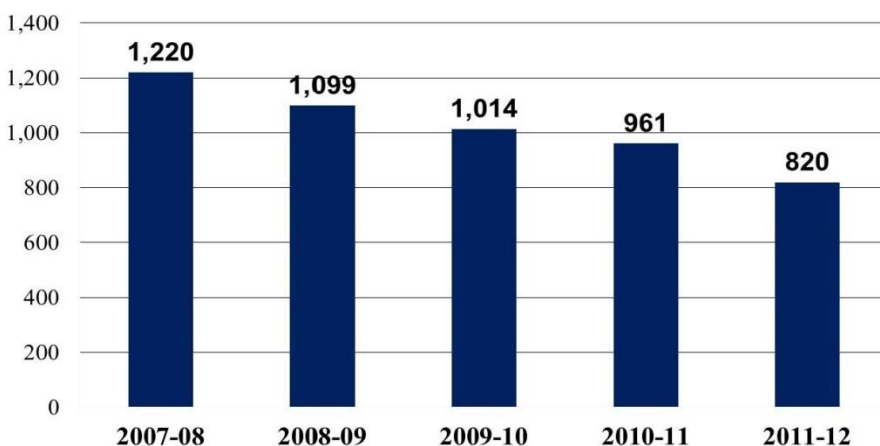


Figure 7.1-3

### GED PASSING RATES 2004 THROUGH 2011

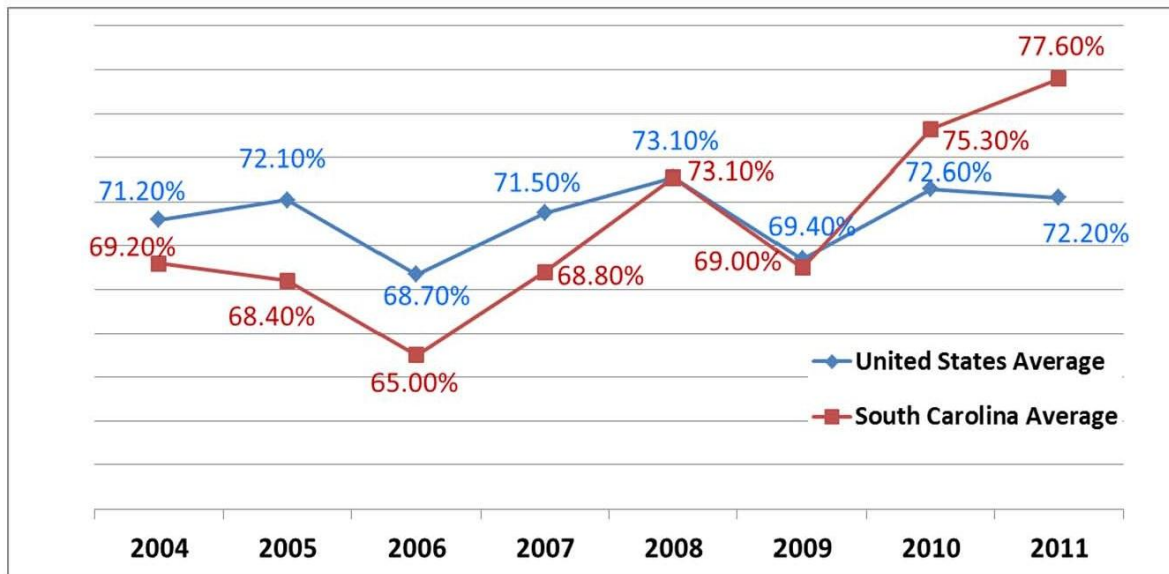
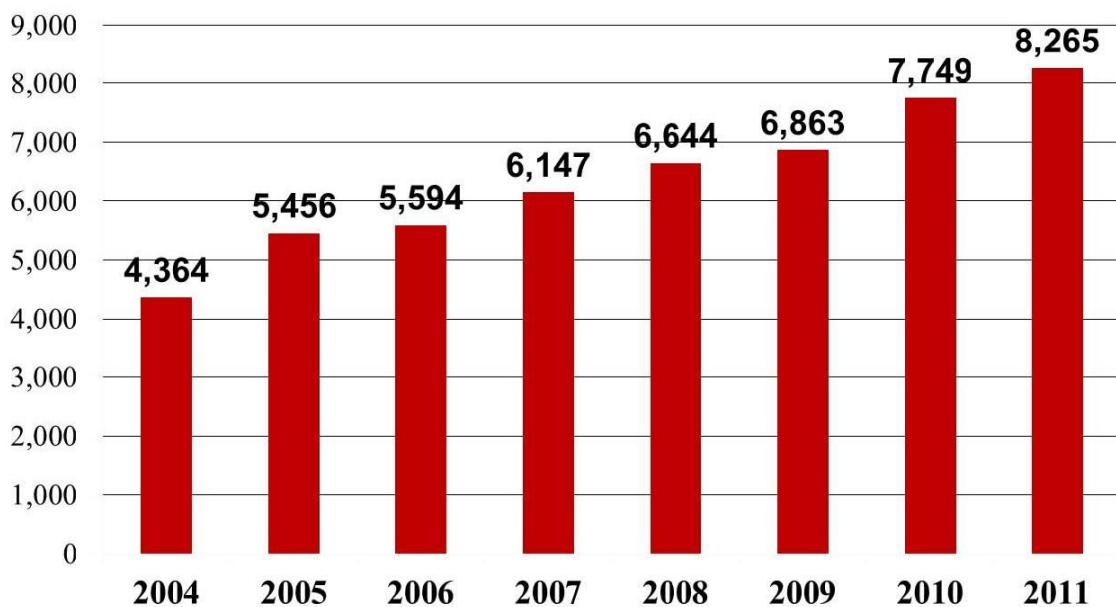


Figure 7.1-4

### HIGH SCHOOL EQUIVALENCY DIPLOMAS ISSUED BASED ON GED EXAM 2004 - 2011



### *The effectiveness of the system at preparing students for life after high school*

The public education system is charged with preparing students for life after high school. Student preparedness can be measured by college readiness or career readiness. There are several measures that show trend data as well as comparative data.

Figure 7.1-5

#### **CAREER READINESS CERTIFICATES ISSUED THROUGH ADULT EDUCATION 2006-07 TO 2011-12**

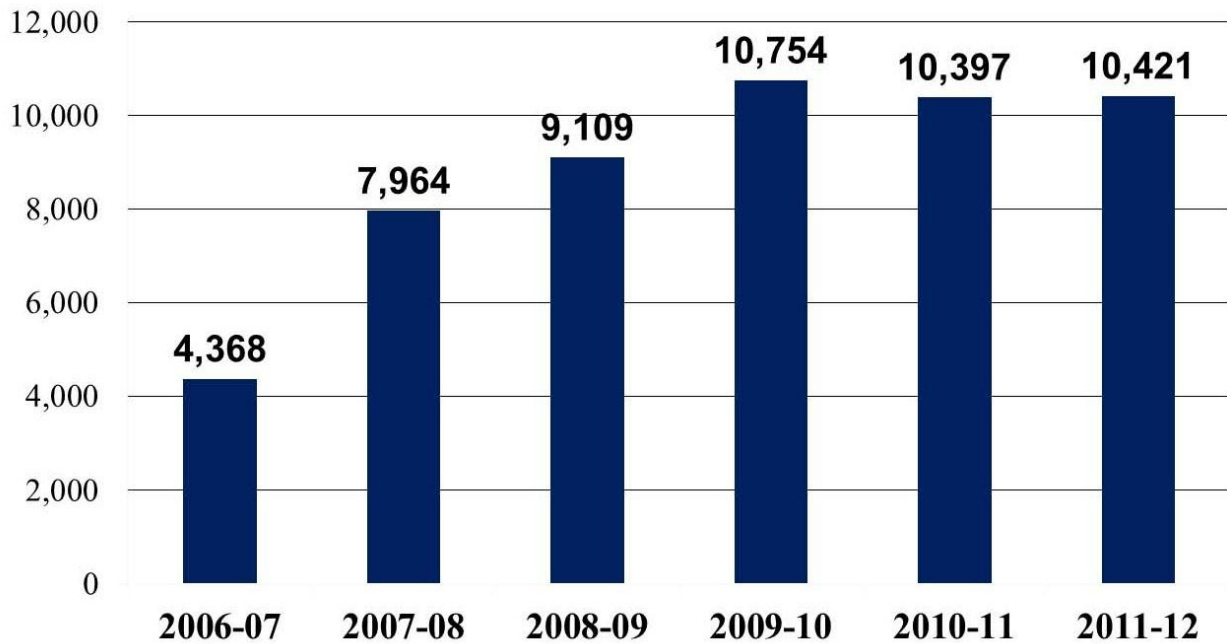
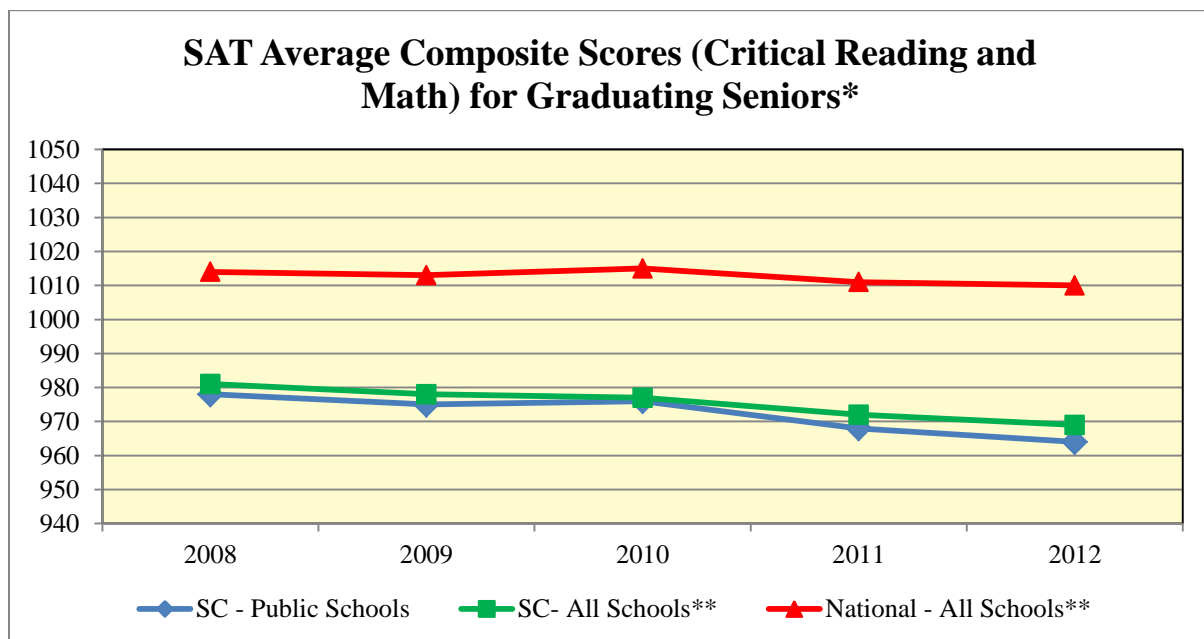


Figure 7.1-6

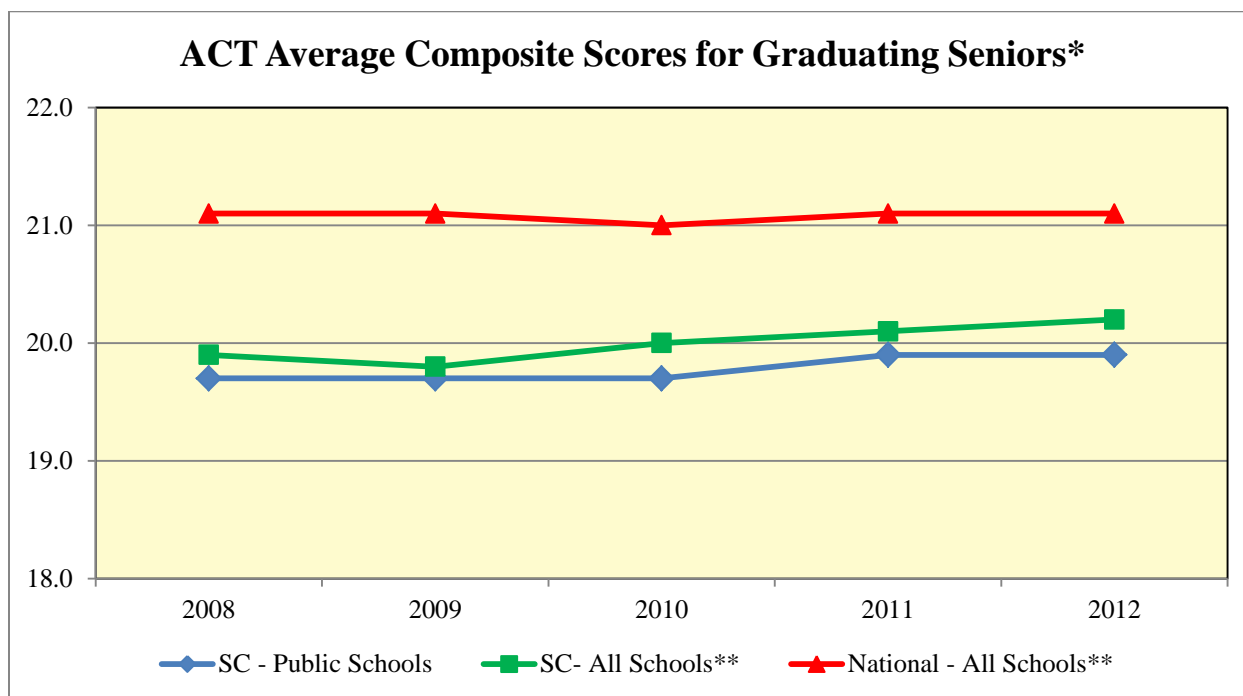


Prior to 2011, The College Board provided the South Carolina Department of Education (SCDE) with the most recent scores available for graduating seniors through the March SAT administration of their graduating year. In 2011, The College Board implemented a change in parameters and began providing results from SAT administrations through June of the graduating year. Information reflecting results prior to 2011 and appearing in this report has been adjusted by The College Board to be comparable to the 2011 and future information. Any SAT results published by the SCDE prior to September 16, 2011, do not reflect this adjustment.

\* Graduating senior information is based on self-reported data.

\*\* All schools include public, private, homeschooled and all other non-public schools.

Figure 7.1-7



\* Graduating senior information is based on self-reported data.

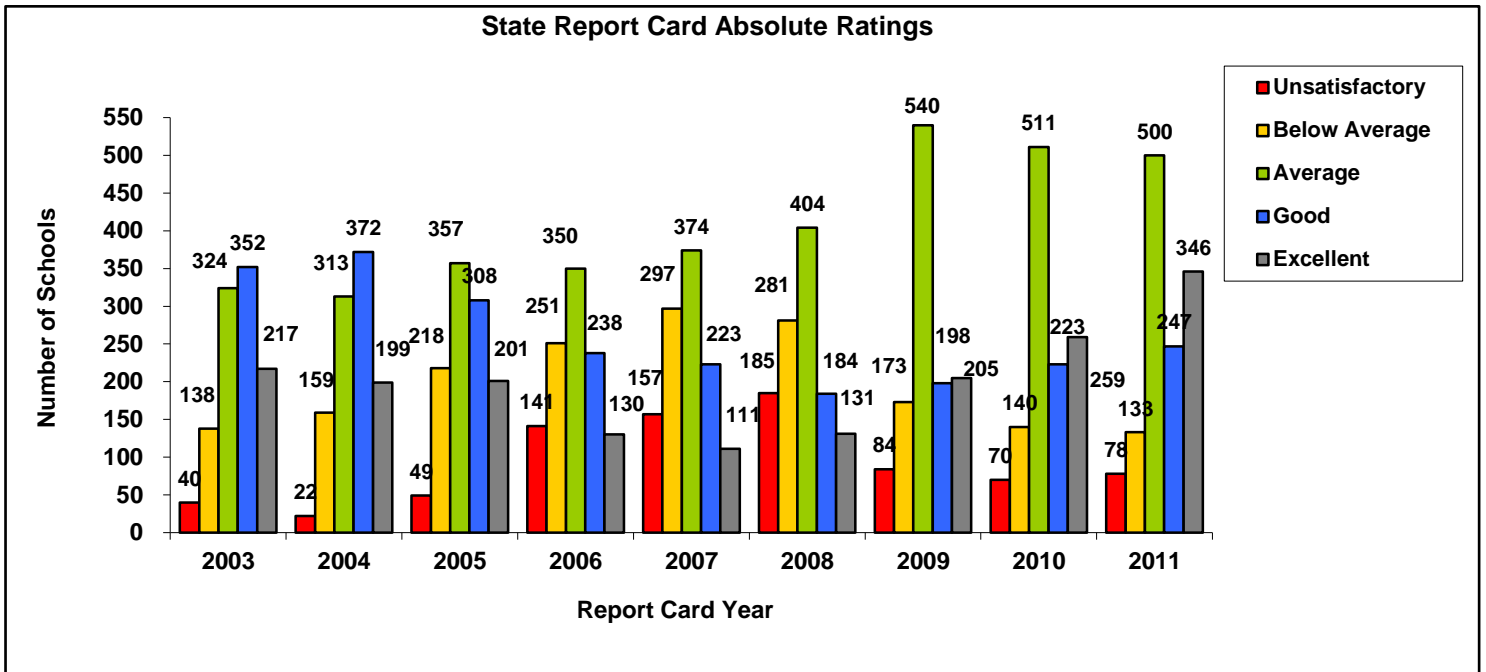
\*\* All schools include public, private, homeschooled and all other non-public schools



### *The Overall Performance of the Schools Students Attend*

School report card results are based on Education Accountability Act standards, criteria, and measures of performance as established by the Education Oversight Committee.

Figure 7.1-8



Source: Annual Report Card Ratings and Indices File. (Report Card)

### *The performance of students at key points in their educational careers*

Figure 7.1-9

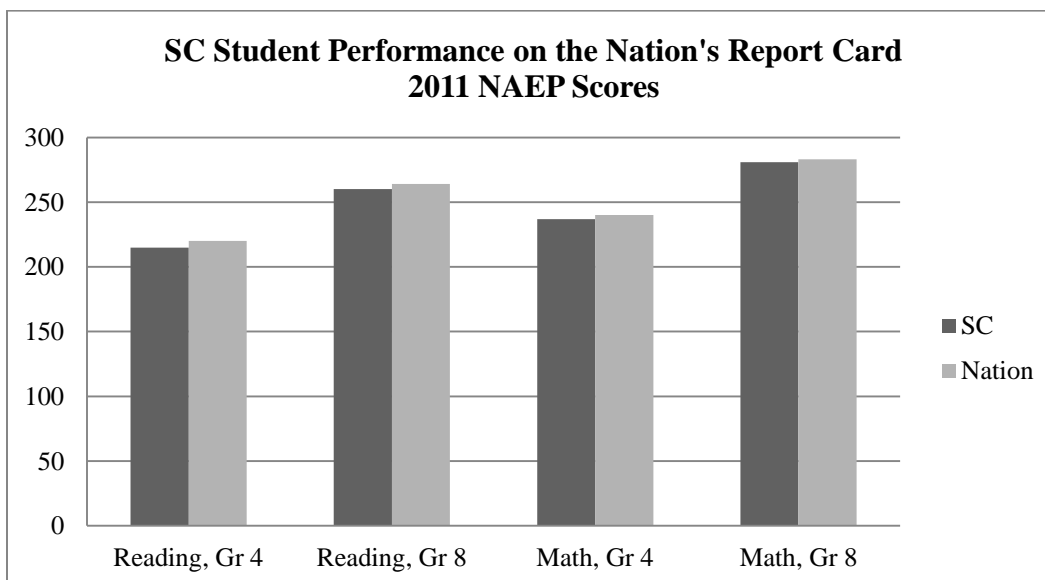


Figure 7.1-10

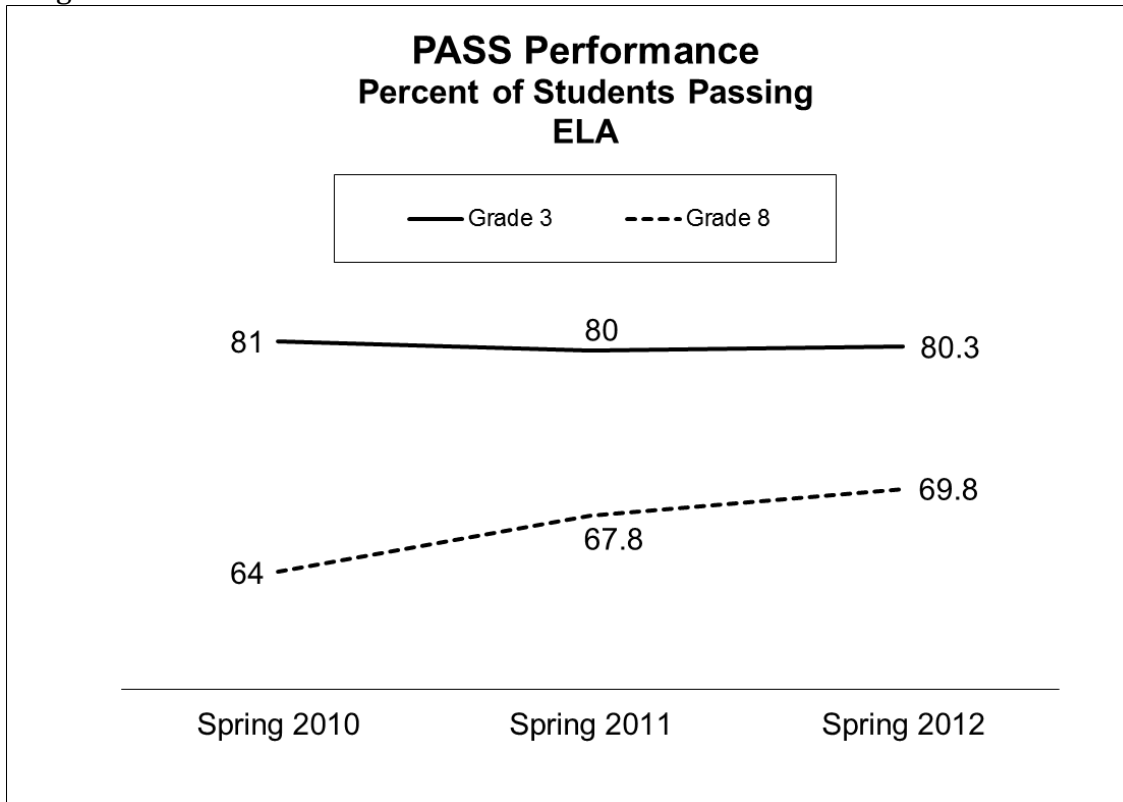
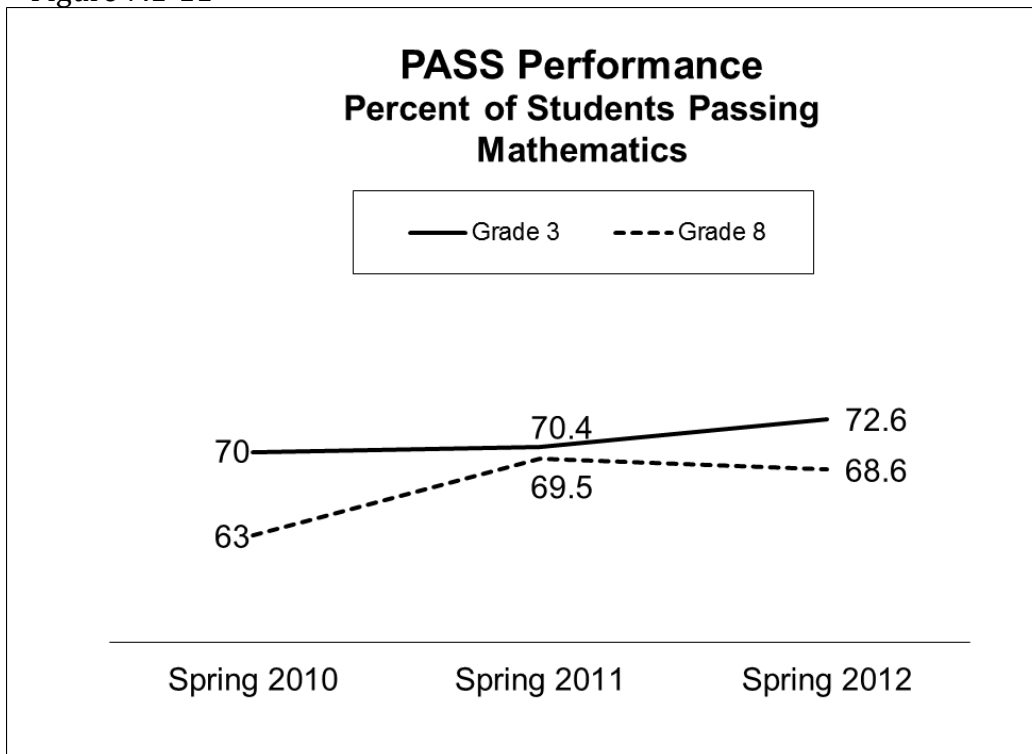


Figure 7.1-11



**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?**

Figure 7.2-1

| Evaluations by Teachers, Students, and Parents |                |                |                |                |                |                |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Response                                       | 2005-06 Survey | 2006-07 Survey | 2007-08 Survey | 2008-09 Survey | 2009-10 Survey | 2010-11 Survey |
| <b>Teachers</b>                                |                |                |                |                |                |                |
| Satisfied with learning environment            | 88.8%          | 89.2%          | 89.4%          | 90.8%          | 89.7%          | 89.3%          |
| Satisfied with social and physical environment | 90.3%          | 90.9%          | 91.8%          | 93.4%          | 92.9%          | 92.8%          |
| Satisfied with home-school relations           | 77.8%          | 78.4%          | 79.3%          | 81.6%          | 81.3%          | 81.2%          |
| <b>Students</b>                                |                |                |                |                |                |                |
| Satisfied with learning environment            | 77.2%          | 77.5%          | 78.3%          | 79.0%          | 79.7%          | 79.4%          |
| Satisfied with social and physical environment | 78.6%          | 79.2%          | 79.8%          | 80.5%          | 81.5%          | 81.6%          |
| Satisfied with home-school relations           | 84.3%          | 84.4%          | 85.0%          | 85.4%          | 85.6%          | 85.5%          |
| <b>Parents</b>                                 |                |                |                |                |                |                |
| Satisfied with learning environment            | 83.1%          | 82.8%          | 84.1%          | 85.5%          | 86.3%          | 86.7%          |
| Satisfied with social and physical environment | 79.1%          | 79.2%          | 80.3%          | 82.7%          | 83.3%          | 84.2%          |
| Satisfied with home-school relations           | 78.6%          | 78.5%          | 79.8%          | 81.4%          | 82.1%          | 82.2%          |

Figure 7.2-2

*Assisting, Developing, and Evaluating Professional Teaching* evaluation results indicate that South Carolina teachers meet required standards.

| ADEPT RESULTS                |         |         |         |         |         |
|------------------------------|---------|---------|---------|---------|---------|
|                              | 2007-08 | 2008-09 | 2009-10 | 2010-11 | 2011-12 |
| Number of teachers evaluated | 52,227  | 53,217  | 54,577  | 52,507  | 52,638  |
| Number meeting standards     | 50,719  | 51,949  | 52,171  | 50,465  | 50,452  |
| Percentage meeting standards | 97%     | 97%     | 96%     | 96%     | 96%     |

Figure 7.2-3

| Teacher Certification   |       |       |       |       |       |       |
|-------------------------|-------|-------|-------|-------|-------|-------|
| Activity                | 2006  | 2007  | 2008  | 2009  | 2010  | 2011  |
| New certificates issued | 5,955 | 4,794 | 7,876 | 5,424 | 4,033 | 4,528 |

**7.3 What are your performance levels for your key measures on financial performance, including measures of cost containment, as appropriate?**

Figure 7.3-1

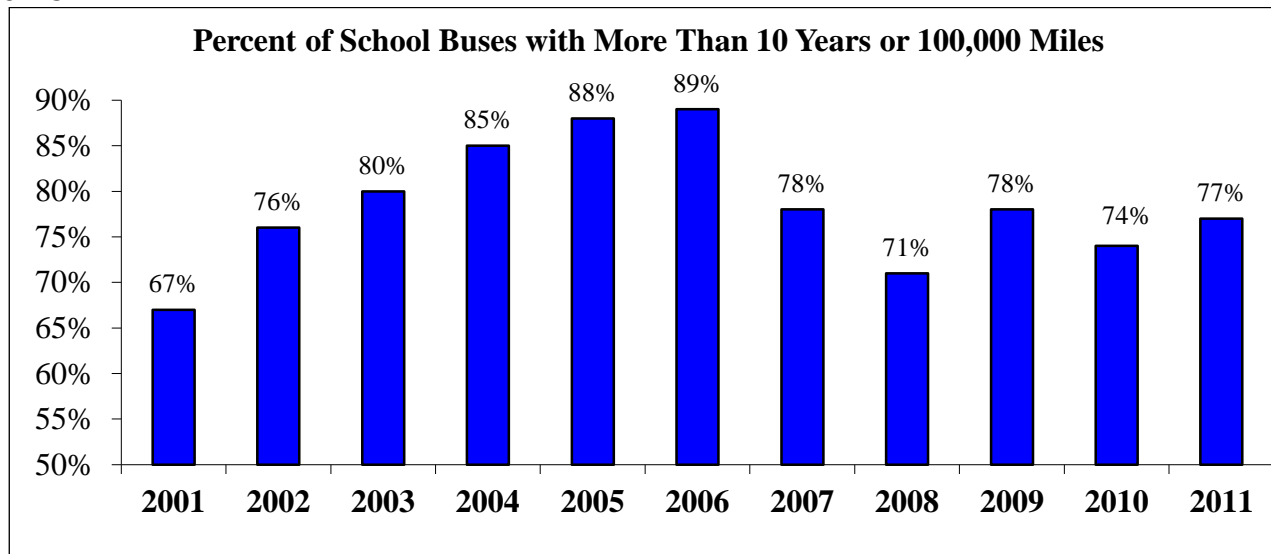


Figure 7.3-2

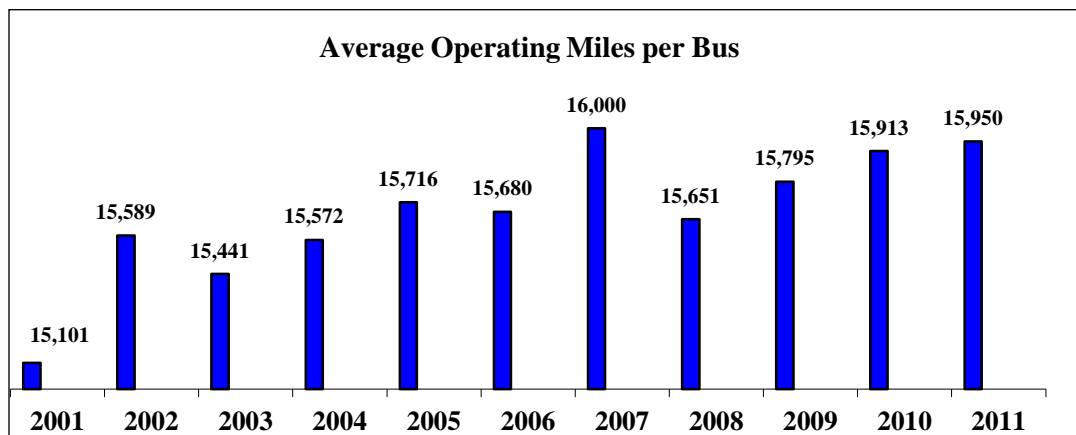


Figure 7.3-3

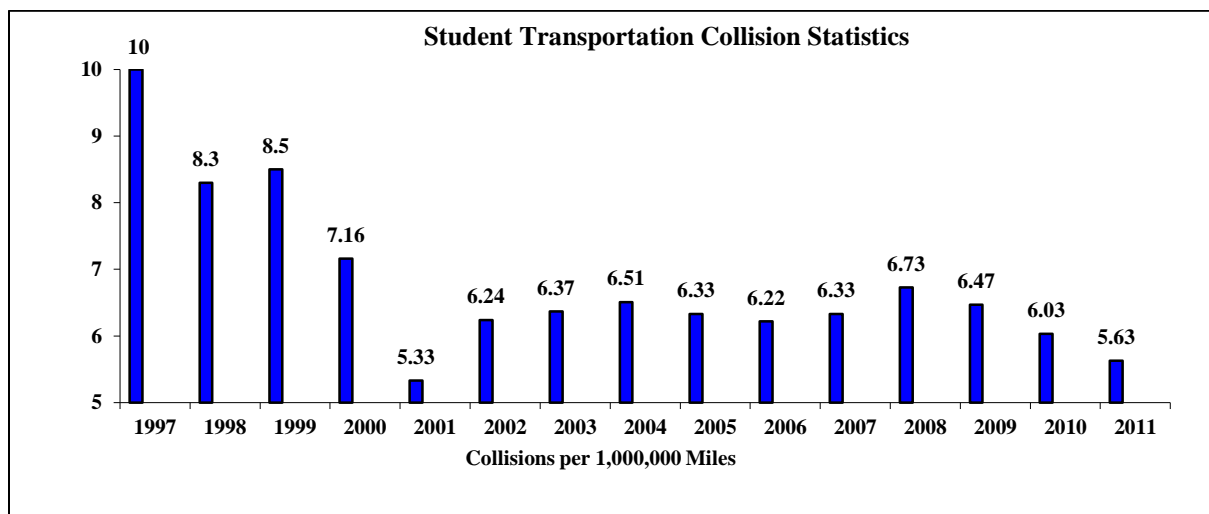


Figure 7.3-4

| SCDE Expenditures by Major Budget Categories |                             |                           |                             |                        |                              |                        |
|--|-----------------------------|---------------------------|-----------------------------|------------------------|------------------------------|------------------------|
|  | 2010-11 Actual Expenditures |                           | 2011-12 Actual Expenditures |                        | 2012-13 State Appropriations |                        |
| Major Budget Category                        | Total Funds                 | General Funds             | Total Funds                 | General Funds          | Total Funds                  | General Funds          |
| Personal Service Agency Leadership           | \$26,800,508.66             | \$11,418,820.21           | \$23,901,542                | \$11,511,536           | \$28,010,410                 | \$13,347,578           |
| Personal Service Transportation              | \$15,750,515.07             | \$11,421,569.84           | \$15,619,321                | \$11,538,419           | \$16,397,829                 | \$11,010,307           |
| Other Operating Agency Leadership            | \$42,243,109.57             | \$4,234,448.41            | \$29,623,684                | \$3,761,205            | \$44,872,325                 | \$3,312,898            |
| Other Operating Testing and Assessment       | \$23,817,358.87             | \$3,972,906.96            | \$22,907,815                | \$5,303,668            | \$24,761,400                 | \$7,108,776            |
| Other Operating Textbooks                    | \$12,423,479.67             | \$4,783,723.60            | \$30,601,632                | \$20,621,769           | \$35,987,008                 | \$20,888,583           |
| Other Operating Transportation               | \$54,968,849.38             | \$37,946,776.15           | \$65,996,093                | \$37,454,124           | \$59,696,348                 | \$33,316,193           |
| Distributions to Subdivisions and Entities   | \$3,449,304,818.98          | \$1,778,425,074.31        | \$3,366,749,981             | \$1,939,369,821        | \$3,446,176,783              | \$2,049,831,350        |
| Fringe Benefits Agency Leadership            | \$8,869,877.43              | \$4,213,935.02            | \$8,260,771                 | \$4,088,877            | \$7,897,878                  | \$4,131,610            |
| Fringe Benefits Transportation               | \$5,585,642.95              | \$4,213,935.02            | \$5,200,801                 | \$4,041,754            | \$6,642,379                  | \$4,131,609            |
| <b>TOTAL</b>                                 | <b>\$3,639,764,160.58</b>   | <b>\$1,860,631,189.52</b> | <b>\$3,568,861,641</b>      | <b>\$2,037,691,173</b> | <b>\$3,670,442,360</b>       | <b>\$2,119,081,545</b> |

Figure 7.3-5

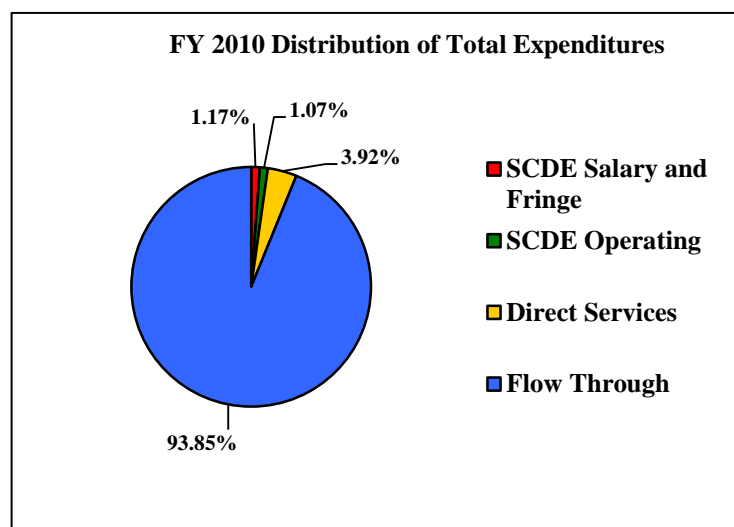


Figure 7.3-6

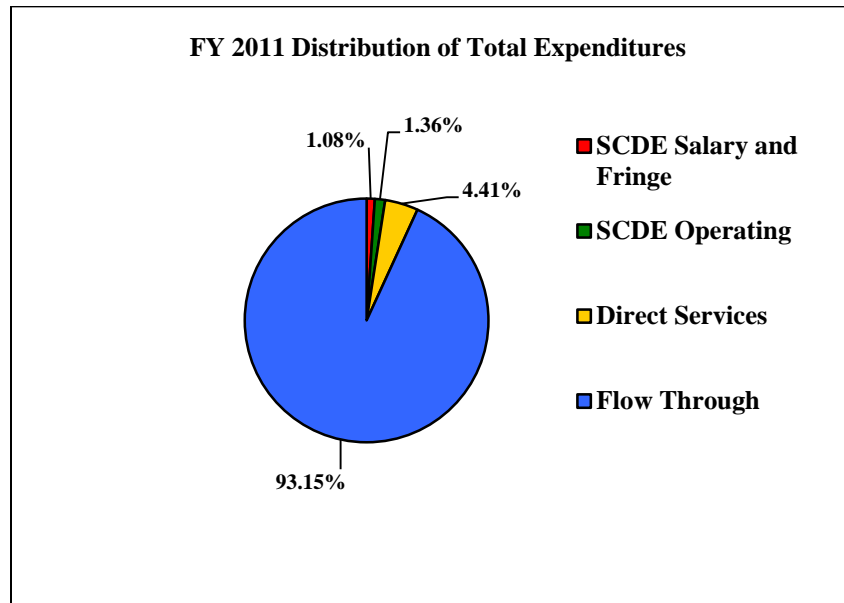
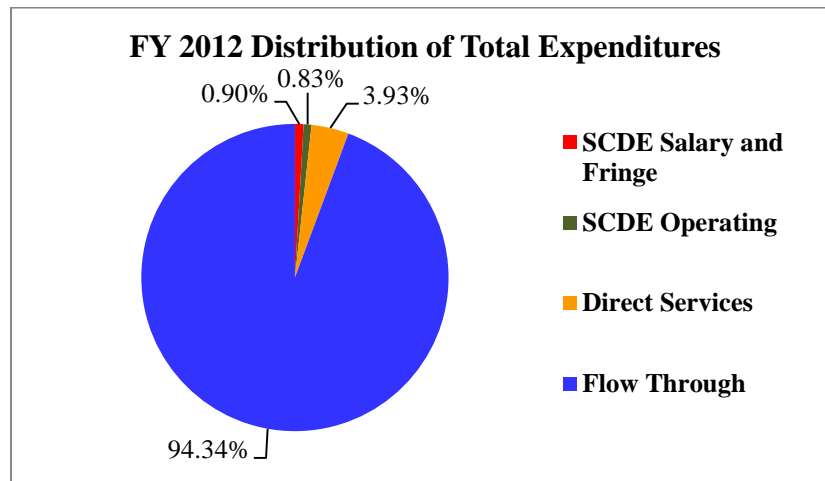


Figure 7.3-7



**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?**

Figure 7.4-1

| Number of Grievances |   |
|----------------------|---|
| 2001                 | 2 |
| 2002                 | 4 |
| 0223                 | 2 |
| 2004                 | 2 |
| 2005                 | 0 |
| 2006                 | 1 |
| 2007                 | 3 |
| 2008                 | 2 |
| 2009                 | 1 |
| 2010                 | 2 |
| 2011                 | 1 |
| 2012                 | 7 |

Figure 7.4-2

| Number of Disciplinary Actions |    |
|--------------------------------|----|
| 2001                           | 27 |
| 2002                           | 41 |
| 2003                           | 28 |
| 2004                           | 12 |
| 2005                           | 7  |
| 2006                           | 25 |
| 2007                           | 20 |
| 2008                           | 11 |
| 2009                           | 9  |
| 2010                           | 5  |
| 2011                           | 12 |
| 2012                           | 24 |

Figure 7.4-3

| Reasons Given for Position Turnover          |      |      |      |      |      |      |      |
|--|------|------|------|------|------|------|------|
|  | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 |
| Different position in the SCDE               | 55   | 15   | 22   | 38   | 13   | 30   | 21   |
| Different position in different state agency | 16   | 22   | 15   | 3    | 6    | 3    | 12   |
| Retirement                                   | 83   | 20   | 31   | 36   | 46   | 15   | 29   |
| Better pay/opportunity private/public        | 16   | 24   | 30   | 4    | 3    | 1    | 2    |
| School district employment                   | 5    | 0    | 0    | 9    | 8    | 1    | 10   |
| Personal                                     | 22   | 29   | 34   | 33   | 28   | 21   | 54   |
| Other  | 46   | 36   | 23   | 20   | 34   | 13   | 44   |

Figure 7.4-4

| Position Turnover Rates                   |       |       |       |       |       |        |       |
|---|-------|-------|-------|-------|-------|--------|-------|
|   | 2006  | 2007  | 2008  | 2009  | 2010  | 2011   | 2012  |
| Total number of SCDE employees            | 880   | 946   | 935   | 934   | 883   | 833    | 793   |
| Total number of SCDE position turnovers   | 243   | 146   | 155   | 143   | 138   | 134    | 172   |
| Percentage of total position turnovers    | 27.6% | 15.4% | 16.5% | 15.3% | 15.6% | 16.08% | 21.7% |
| Number of employees who left the SCDE     | 188   | 131   | 133   | 105   | 125   | 102    | 151   |
| Percentage of employees who left the SCDE | 21.3% | 13.8% | 14.2% | 11.2% | 14.2% | 12.24% | 19.0% |

**7.5 What are your performance levels and trends for your key measures of organizational effectiveness or 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)?**

SCDE current performance levels and trends reflect mixed results. Student achievement indicates areas where the public education system is improving. The rate of improvement will need to increase in order to fulfill customer demands.

Beginning with the start of the 2011-12 fiscal year, the agency underwent restructuring meant to maximize the scarce taxpayer resources while providing excellent customer service. The agency realized a 15 percent



reduction in other operating funds and combined staff responsibilities where appropriate. Expectations were set with staff in regards to turnaround time in correspondence with constituents. The agency also discovered decades of files the agency had retained that were not in line with the South Carolina Department of Archives and History guidelines and began the work needed to come into compliance.

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

OIA was established during this fiscal year to conduct examinations of the SCDE's fiscal operations, program management, and program support activities and report its findings and recommendations to management and the Superintendent of Education. OIA conducts and assists in investigations and will provide technical assistance to departments. In addition, OIA follows up on audits conducted by external parties to ensure corrective actions have been adequately implemented.

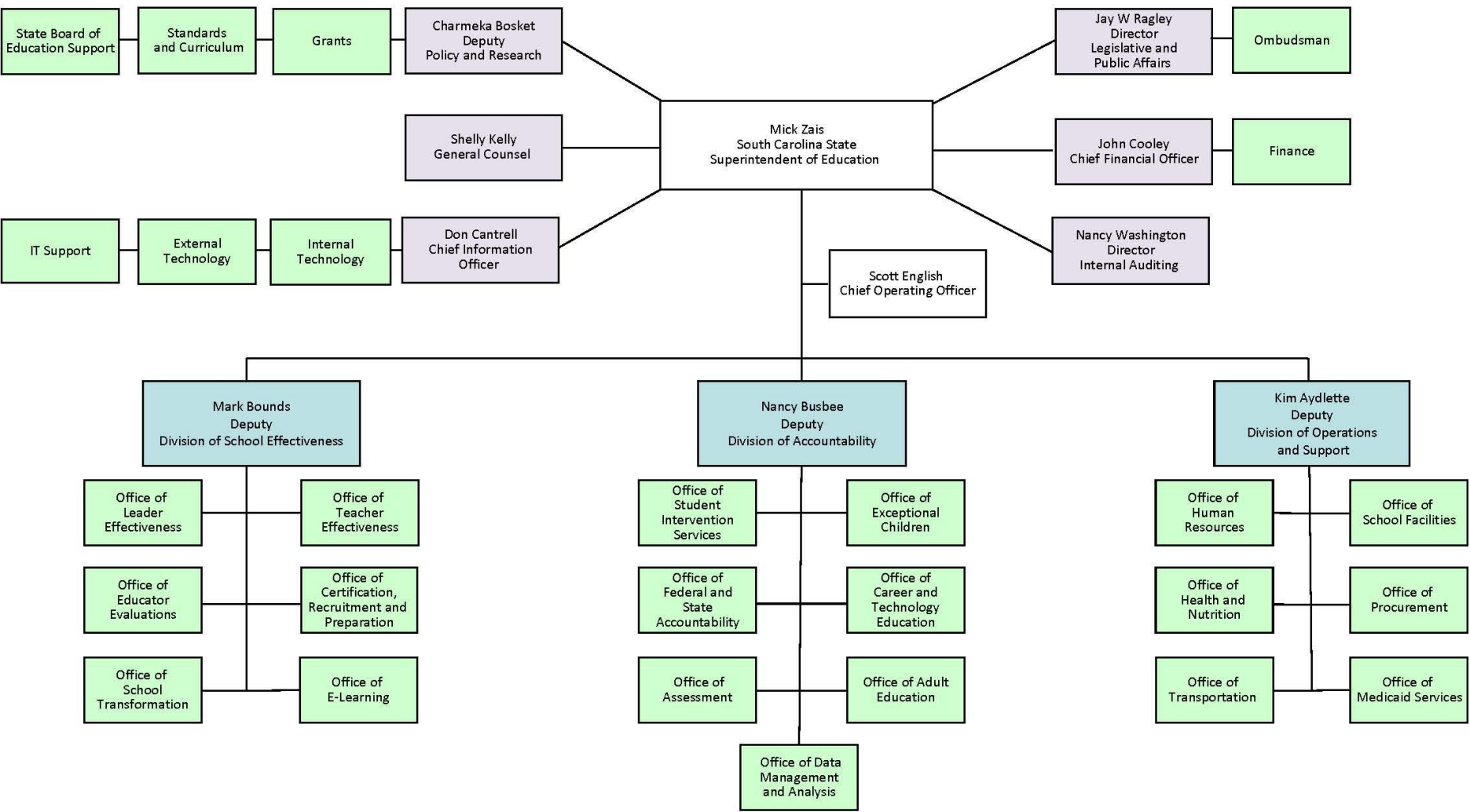
Figure 7.6-1

*\*Material weaknesses are included in total reportable conditions.*

| <b>Regulatory/Legal Compliance</b><br><i>SCDE results on the statewide single audit conducted by the State Auditor's Office</i> |             |             |             |             |             |
|---|-------------|-------------|-------------|-------------|-------------|
| <i>Single Audit Category</i>  | <b>2007</b> | <b>2008</b> | <b>2009</b> | <b>2010</b> | <b>2011</b> |
| Material weakness   | 0           | 0           | 2           | 1           | 1           |
| Reportable conditions   | 4           | 0           | 4           | 13          | 6           |

Appendices

Appendix 1 Fiscal Year 2011-12 Organizational Chart



## Appendix 2 Strategic Planning Fiscal Year 2011-12

| Strategic Planning<br>FY 2011-12*   |  |   |  |
|---|--|---|--|
| Program Number and Title  | Supported Agency Strategic Planning Goal/Objective | Related Key Agency Action Plan/Initiatives  | Key Cross References for Performance Measures*   |
| XI. EIA;<br>XIII.A;<br>Aid to School Districts  | High Student Achievement                           | Students are held to rigorous and relevant academic standards. Students demonstrate essential knowledge and skills as described in the curriculum standards. Students graduate from high school ready for college or a career. Students use technology to reach higher levels of learning. The state educational system components are accountable and aligned so that all students reach a high level of academic achievement. | 7.1-1<br>7.1-2<br>7.1-3<br>7.1-4<br>7.1-5<br>7.1-6<br>7.1-7<br>7.1-9<br>7.1-10<br>7.1-11 |
| XI.C. EIA Teacher Quality;<br>XIII.A;<br>Aid to School Districts  | Teacher Quality                                    | Teacher recruitment and retention programs are successful. Teacher preparation programs produce highly qualified teachers. Teachers are qualified, competent, ethical, and caring. Teacher professional development programs are effective.   | 7.1-2  |
| XI.B. EIA Early Childhood;<br>XIII.A;<br>Aid to School Districts  | Early Childhood Education                          | Children enter first grade ready to learn and succeed. Children have access to quality early childhood programs. Children and their families have access to quality family literacy programs.   | 7.1-9<br>7.1-10<br>7.1-11  |
| V. Division of District and Community Services;<br>XI.B. EIA Early Childhood;<br>XIII.A;<br>Aid to School Districts | Parental and Community Partnerships                | Parents are active partners in their child's learning. Communities are active partners in student learning. Businesses are active partners in student learning.   | 7.2-1  |
| V;<br>Division of District and Community Services;  | Safe and Healthy Schools                           | Schools are safe, healthy places with environments that are conducive for learning. School facilities are safe, functional, and adequate. The public school transportation system is safe and   | 7.2-1<br>7.3-1<br>7.3-2  |

**Strategic Planning  
FY 2011-12\***

| <b>Program Number and Title</b> | <b>Supported Agency Strategic Planning Goal/Objective</b> | <b>Related Key Agency Action Plan/Initiatives</b>   | <b>Key Cross References for Performance Measures*</b> |
|---------------------------------|---|---|---|
| XIII.A; Aid to School Districts |   | efficient. Schools form community and state alliances that promote the health, safety, and well-being of students.  | 7.3-3<br>7.3-4  |
| XV. Education Account Act       | Education Leadership                                      | School leaders are highly qualified, caring, and supportive. State education leadership is aligned. Education leadership is accountable. Professional development programs support education leaders. | 7.2-1   |

*\* The Key Action Plan/Initiative(s) column in the Strategic Planning 2011-12 chart includes initiatives, plans, and timelines to accomplish the goals/objectives for FY 11-12. The Key Cross References column links the listed programs to charts/graphs in Section III Category 7 by chart or graph number.*