

AGENCY NAME:	SC Department of Commerce		
AGENCY CODE:	P320	SECTION:	050

Fiscal Year 2015-16 Accountability Report

SUBMISSION FORM

AGENCY MISSION	<p>Working together to create opportunities for South Carolinians by promoting:</p> <ul style="list-style-type: none"> • Job creation • Economic growth • Improved living standards for South Carolinians
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AGENCY VISION	<p>It is our vision that South Carolina's economy will become more competitive in a global economy, providing South Carolinians of all ages and skill levels an opportunity to maximize their talents and abilities.</p>
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Please state yes or no if the agency has any major or minor (internal or external) recommendations that would allow the agency to operate more effectively and efficiently.

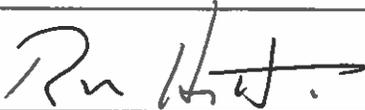
RESTRUCTURING RECOMMENDATIONS:	None
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Please identify your agency's preferred contacts for this year's accountability report.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Chris Huffman	803-737-0462	chuffman@sccommerce.com
SECONDARY CONTACT:	Michael McInerney	803-737-3949	mmcinerney@sccommerce.com

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I have reviewed and approved the enclosed FY 2015-16 Accountability Report, which is complete and accurate to the extent of my knowledge.

AGENCY DIRECTOR
(SIGN AND DATE): 

(TYPE/PRINT NAME): Robert M. Hitt III

BOARD/CMSN CHAIR
(SIGN AND DATE):

(TYPE/PRINT NAME):

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AGENCY’S DISCUSSION AND ANALYSIS

South Carolina Attracts Substantial Jobs & Investments

South Carolina posted another solid business recruitment year in 2015, with capital investment recruited to the state topping \$4 billion. From January to December 2015, the state won 150 economic development projects, totaling \$4.2 billion in capital investment and 17,280 jobs by new and expanding businesses.

Reflecting South Carolina’s position as a manufacturing stronghold, the manufacturing sector comprised 56 percent of new jobs, with 9,680 manufacturing jobs recruited in 2015. Additionally, the sector accounted for \$3.6 billion in capital investment recruited, representing 86 percent of the annual total.

While maintaining its position as a leader in manufacturing, South Carolina also continued to diversify its economy. Service-sector projects, including warehouse and distribution operations, comprised 44 percent of jobs recruited last year. Illustrating this diversity, projects by service-related firms Red Ventures, Movement Mortgage, LLC, Amazon, Inc., Dollar Tree and Money Penny accounted for five of the top 10 announcements of 2015, when ranked by number of jobs. The state also successfully recruited projects in the processing and research and development categories.

South Carolina earned several accolades by economic development publications in 2015, including a Gold Shovel award by *Area Development* magazine. The same publication also named South Carolina the number three state on its annual Top States for Doing Business survey. Additionally, for the third time in four years, IBM-Plant Location International ranked South Carolina first in attracting jobs through foreign investment, per capita.

SC Department of Commerce 2015 Top Accomplishments

1. **Recruitment posted another great year** – In 2015, business recruitment in South Carolina surpassed the \$4-billion mark. Companies deciding to locate to or expand in the state in 2015 are contributing more than \$4.2 billion in investment over the next year, while creating 17,280 new jobs.
2. **Record export success** – For the sixth consecutive year, S.C. set a record for total export sales of \$30.9 billion, an increase of more than four percent over the 2014 total.
3. **Leading the Southeast in manufacturing job growth** – Long considered a manufacturing powerhouse, South Carolina continues to lead the Southeast region in manufacturing job growth. From January 2011 through December 2015, manufacturing employment in the state grew 14 percent, a little less than double that of competing states in the Southeast region.
4. **Premiere automotive OEMs** – After two announcements in 2015, S.C. is now home to three automotive original equipment manufacturers (OEMs), including Volvo, Mercedes-Benz and BMW, that all speak to the strength of the South Carolina’s automotive industry as well as the unbelievable momentum we’re experiencing as a state.
5. **Helping existing businesses grow**– Expansions of existing companies traditionally outpace new locations, and 2015 followed that same trend as expansions comprised more than half of investment and new jobs committed

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to SC. Helping existing businesses to grow are key to wealth creation—and a testament to—South Carolina’s economy.

6. Strategies build successes – Commerce established a new division, International Strategy and Trade. While S.C.’s exports continue to grow faster than any other state in the Southeast, Commerce is looking to do more for our small and existing businesses, understanding that more than 70 percent of the world’s purchasing power is located outside of the U.S.

7. Innovating the economy – After establishing the state’s Office of Innovation in late 2013, Commerce began its work to bolster South Carolina’s innovation infrastructure. In two years, Commerce’s SC Innovation Challenge grant program has awarded \$5M to 30+ projects across South Carolina – primarily innovation centers to support startup businesses, plus technology talent initiatives such as engineering and coding schools and camps.

8. International investment repeats gains—As an important part of the state’s business recruitment—with 56 percent of capital investment recruited last year and 37 percent of new jobs tied to companies headquartered in foreign countries—foreign direct investment continues to rise. Firms based in Germany, Sweden, Switzerland, United Kingdom and Japan represented the top contributors to foreign direct investment in South Carolina in 2015.

9. Focus on rural communities – In an effort to bring economic development to communities of all sizes, the state’s rural areas remained a priority. In 2015, the state recruited 5,038 jobs to counties with Tier III or IV designations, comprising 29 percent of jobs being added to South Carolina’s economy.

10. Boosting statewide workforce programs – The state’s 12 Regional Workforce Advisors, have continued to work to connect educators, students and their parents to the job opportunities and training required for the in-demand careers in their own backyards. Additionally, Commerce continued its support of the Work Ready Communities program. After launching in 2013 as one of only four pilot states, all of SC’s counties are certified.

11. The Military Base Task Force - Continued to lead efforts to make the state even more military-friendly. During this year’s legislative session, Governor Nikki Haley signed into law a bill that will begin the phase-in of partial state income tax relief for retired veterans living in or moving into South Carolina.

Opportunities and Barriers

National Economy – In 2015, foreign direct investment (FDI) flows showed signs of recovery. UNCTAD estimated Global FDI increased 38% in 2015 to \$1.76 trillion as Global FDI reached its highest level since 2008. When broken down by major economic groupings, developed countries nearly doubled inward FDI flows resulting in 55% of global FDI, up from 41% in 2014. According to the 2016 United Nations World Investment Report, FDI to the United States increased dramatically from \$92 billion in 2014 and \$231 billion in 2013 to \$308 billion in 2015, pushing ahead of Hong King (\$175 billion) and China (\$136 billion) to make the US the top host economy for the year.

Real GDP growth slowed in the United States gaining 1.88 percent in 2015 compared to a 2.4 percent increase in 2014, and a 2.2 percent increase in 2013. Durable goods manufacturing gained 5.47 percent while nondurables increased 2.25 percent. Other sectors showing significant year over year GDP increases were Data Processing (9.5 percent) Construction (8.5 percent) and Health care and social assistance (5.8 percent). Four sectors

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declined in economic output in 2015: Mining (-9.6 percent), Utilities (-5.6 percent), Wholesale Trade (-0.6 percent), and Federal Government (-0.1 percent).

The total value of exports from all 50 states declined to \$1.5 trillion in 2015, falling for the first time since the recession. Nationally, jobs supported by exports declined to 11.5 million in 2015, down slightly from 11.6 million in 2014.

On the employment front, the U.S. economy gained 2.79 million jobs in 2015; however, the labor force participation rate continued to drop to its lowest level in more than 30 years, reaching 62.5 percent. The gain in the number of employed persons and the drop in labor force participation both contributed to pushing the annual average unemployment rate down to 5.0 percent in 2015, an improvement from 6.2 percent in 2014.

Between 2013 and 2014, the goods-producing industries gained 1.0 percent in total employment while the service-providing sectors gained 2.1 percent. Manufacturing in the United States gained 29,000 jobs in 2015, or 0.24 percent, following a gain of 1.3 percent in 2014. Current projections by the Federal Reserve Board’s Open Market Committee (FOMC) continue to forecast improvement in the US economy. The FOMC projects the national unemployment rate to fall to between 4.6 and 4.8 percent in 2016 and between 4.5 and 4.7 percent in 2017.

State Economy – In South Carolina, Real (inflation adjusted) GDP grew 1.8 percent, on par with the national GDP growth rate. Manufacturing is the state’s largest industry, with durable goods manufacturing accounting for 10.2 percent of total economic output and non-durable goods accounting for 6.5 percent.

South Carolina exports showed another increase in 2015, gaining 4.2 percent over 2014 to reach a record level of \$30.9 billion. With a 7.8 percent increase over 2014, vehicles accounted for \$9.8 billion in export sales, giving the Palmetto State nearly 18 percent of the total U.S. market share.

The South Carolina employment situation continued to recover in 2015. The Palmetto State’s seasonally adjusted average unemployment rate dropped from 6.6 percent in 2014 to 5.5 percent in 2015, with both years bettering 2012’s rate of 9.0 percent. Total employment increased from 2.09 million in 2014 to 2.14 million in 2015, while the total labor force increased by approximately 20,000. The state’s Trade, Transportation and Utilities sector gained 12,700 jobs in the period, Professional and Business Services gained 10,300, and Leisure and Hospitality gained 8,800.

South Carolina Opportunities - Commerce has the opportunity to expand its mission by using the strength of its partners – Team SC – comprised of government and non-government entities. By creating strategic partnerships with these groups, Commerce is able to leverage expertise, develop a broader reach and increase economic development opportunities for South Carolina.

A cooperative agreement with the South Carolina Manufacturing Extension Partnership allows Commerce to call on more existing industries and, in some cases, offer turnkey solutions for existing industries. SCMEP’s seven regional vice presidents assist Commerce in expanding its reach to the more than 5,000 manufacturers in our state.

Partnerships with sister agencies such as the Forestry Commission and SC Department of Agriculture allow our teams to better target beneficial industry to the state that may lead to a transition to planting higher yield crops and/or more acres of agriculture products grown in South Carolina.

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The Council on Competitiveness has assisted Commerce by creating industry groups that assist with expertise and provide understanding how South Carolina can be more competitive in those industry sectors. The public, private, academic and nonprofit sectors supporting the aerospace industry have joined a collaborative effort led by the South Carolina Council on Competitiveness to advance and market South Carolina’s aerospace industry on the global stage. The Council is also convening a partnership to advance the logistics industry cluster. Logistics is critical to the success of other important industries in South Carolina, from agribusiness to automotive.

The Dept. of Commerce’s partnership with the Small Business Development Centers (SBDCs) is essential as these centers provide “boots on the ground” counseling and training that makes a real difference for our small business community. Small businesses are a critical part of our state’s economic development infrastructure, making up 97 percent of all firms and employing half of all South Carolinians, further accentuating the need for Commerce’s close working relationship.

A big part of Team South Carolina are the eight regional economic development alliances who participate in much of the State’s proactive marketing activities. Through resource sharing – financial and staff – South Carolina is able to reach many more companies throughout the world.

Commerce will continue to utilize our Regional Workforce Advisors and the Renaissance Manufacturing Initiative to bridge the gap between our education system and our workforce needs. With the creation of the Coordinating Council for Workforce Development, Commerce will begin the development of an ongoing inventory of existing workforce programs and develop and implement procedures for sharing information and coordinating efforts among stakeholders.

The development of a wider selection of industrial sites and buildings is another challenge facing the Department of Commerce. Many rural, outlying counties lack industrial buildings suitable for attracting new prospective businesses to their region. Closer to the larger metropolitan areas, unavailability of large tracts of suitable industrial real estate, with the necessary due diligence completed, impedes the state’s ability to recruit larger manufacturing operations that require the labor force of a more populous region. Commerce continues to allocate funding to assist counties in developing sites, speculative buildings and making improvements to industrial parks as part of its product development efforts.

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Strategic Planning Template

Type	Goal	Item # Strat	Object	Associated Enterprise Objective	Description
G	1				Attract capital investment and job creation throughout South Carolina
S		1.1			Implement a targeted marketing strategy to promote new investment and job creation
O			1.1.1	Public Infrastructure and Economic Development	Take a "Team South Carolina" approach to attract capital investment and job creation throughout South Carolina.
O			1.1.2	Public Infrastructure and Economic Development	Have South Carolina be considered one of the most business-friendly states in the U.S.
O			1.1.3	Public Infrastructure and Economic Development	Be ranked in the top five state for Foreign Direct Investment
S		1.2			Increase Emphasis on recruiting jobs to rural communities of SC
O			1.2.1	Public Infrastructure and Economic Development	Meet or Exceed goal established by agency for jobs recruited in rural areas of SC.
O			1.2.2	Public Infrastructure and Economic Development	Meet or Exceed % of jobs recruited in rural areas of SC as compared to % of labor pool residing in rural counties.
G	2				Build on the strengths of the state's existing, small, and emerging industries
S		2.1			Build on the strengths of the state's existing industries
O			2.1.1	Public Infrastructure and Economic Development	Communicate with existing industries to understand their opportunities and barriers to success.
O			2.1.2	Public Infrastructure and Economic Development	Inform existing businesses on trade opportunities.
O			2.1.3	Public Infrastructure and Economic Development	Inform existing businesses on recycling initiatives and opportunities.
S		2.2			Build on the strengths of the state's small businesses
O			2.2.1	Public Infrastructure and Economic Development	Provides tools designed to increase corporate awareness of small businesses and their capabilities.
O			2.2.2	Public Infrastructure and Economic Development	Match commercial demand with local supply and to create cohesive and mutually beneficial business relationships within South Carolina.
S		2.3			Build on the strengths of the state's innovative and emerging industries
O			2.3.1	Public Infrastructure and Economic Development	Develop a innovation program toward achieving the objectives of the State Innovation Plan.
G	3				Increase the knowledge and available infrastructure in South Carolina through workforce and community development
S		3.1			Work with local leaders to develop economic development "product," such as speculative buildings, industrial sites and parks to ensure that communities have available properties for investors and job creators

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Strategic Planning Template

Type	Goal	Item # Strat	Object	Associated Enterprise Objective	Description
O			3.1.1	Public Infrastructure and Economic Development	Maintain inventory of existing speculative buildings, industrial sites and parks
O			3.1.2	Public Infrastructure and Economic Development	Provide leadership, direction and guidance to communities and counties regarding developmental structure, strategic planning and community outreach.
S		3.2		Improve infrastructure of South Carolina Lower-Moderate Income (LMI) communities by making a suitable living environment more widely available.	
O			3.2.1	Public Infrastructure and Economic Development	Provide funding and training for new or improved infrastructure, facilities and services.
O			3.2.2	Public Infrastructure and Economic Development	Provide funding for flood recovery to eligible citizens and victims of the October 2015 flood.
S		3.3		Provide timely, relevant, and up-to-date economic development training for local leadership and practitioners.	
O			3.3.1	Public Infrastructure and Economic Development	Have active participation among ally and local entities in agency sponsored economic development training opportunities.
O			3.3.2	Public Infrastructure and Economic Development	Provide timely, relevant, and up-to-date economic development training.
G	4			Serve as the connection for the business and education communities in order to prepare the workforce to meet industry demands	
S		4.1		Facilitate the delivery of information, resources, and services to students and their parents, educators, employers in our local communities.	
O			4.1.1	Public Infrastructure and Economic Development	Inform students and educators with information, resources, and services related to jobs in their regions.
O			4.1.2	Public Infrastructure and Economic Development	Increase and maintain the number of School Districts and existing industries actively engaged in the Renaissance Manufacturing Initiative.
G	5			Manage agency assets to achieve agency goals and objectives	
S		5.1		Operate agency in an efficient and effective manner	
O			5.1.1	Public Infrastructure and Economic Development	Allocate resources to achieve agency goals and objectives
O			5.1.2	Public Infrastructure and Economic Development	Encourage activities and a workplace that promote wellness in the workplace

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Performance Measurement Template

Item	Performance Measure	Target Value	Actual Value	Future Target Value	Time Applicable	Data Source and Availability	Calculation Method	Associated Objective(s)
1	Meet or Exceed capital investment goal established by agency	\$4.6 Billion	\$4.2 Billion	\$4.3 Billion	Jan 2015 - Dec 2015	Customer Relation Management System	Calculated from commitment letters from companies	1.1.1
2	Meet or Exceed jobs recruited goal established by agency	16,000	17,280	16,500	Jan 2015 - Dec 2015	Customer Relation Management System	Calculated from commitment letters from companies	1.1.1
3	South Carolina's ranking of the most business-friendly states in the U.S.	10th	2nd	10th	Jan 2015 - Dec 2015	Area Development's	Area Development's	1.1.2
4	South Carolina's ranking among the states of the number of estimated jobs created by Foreign Direct and Interstate Investment per million inhabitants	10th	4th	10th	Jan 2015 - Dec 2015	IBM Global Business Services	IBM Global Business Services	1.1.3
5	Meet or Exceed goal established by agency for jobs recruited in Tier III and Tier IV counties	3,500	5,038	4,000	Jan 2015 - Dec 2015	Customer Relation Management System	Counties designated as Tier III or Tier IV for Jobs Tax Credit purposes	1.2.1
6	% of jobs recruited by agency in rural counties as compared to the percentage of labor force in rural counties	20%	29%	20%	Jan 2015 - Dec 2015	Customer Relation Management System	Rural counties are identified as counties located outside Metropolitan Statistical Areas, as defined by the US Office of Management and Budget based on the 2010 Census.	1.2.2
7	Hold seminars with partners to increase existing businesses understanding of exporting and trade resources	220	243	190	July 2015 - June 2016	Attendance records of training	Actual attendees	2.1.2
8	South Carolina's ranking of states in exports per capita	7th	6th	10th	Jan 2015 - Dec 2015	US Department of Commerce	Statistic provided by US Department of Commerce	2.1.2
9	Number of companies visited as a result of the agency Existing Industry Visitation Program	300	306	350	July 2016 - June 2017	Customer Relation Management System	Number of visits	2.1.1
10	Calls addressed by agency concerning small business inquiries	790	625	700	July 2016 - June 2017	Customer Relation Management System	Number of inquiries	2.2.1
11	Increase number of companies included in BuySC database	550	530	600	July 2016 - June 2017	Customer Relation Management System	Actual number of companies included in database	2.2.2
12	Hold stakeholder events for carpet, compost and plastics recycling market development	250	263	250	July 2016 - June 2017	Attendance records of training	Actual attendees	2.1.3
13	Calls addressed by agency concerning recycling industry inquiries	200	234	250	July 2016 - June 2017	Customer Relation Management System	Number of inquiries	2.1.3
14	Active innovative programs during the period that address the State Innovation Plan	24	21	5	July 2016 - June 2017	Customer Relation Management System	Actual grantees	2.3.1
15	Add quality sites to revised building and sites database (LocateSC)	500	579	525	July 2016 - June 2017	LocateSC	Number of actual sites on LocateSC	3.1.1, 3.1.2
16	Add quality buildings to revised building and sites database (LocateSC)	250	210	220	July 2016 - June 2017	LocateSC	Number of industrial buildings on LocateSC	3.1.1, 3.1.2
17	Number of predominantly LMI communities who received CDBG funding for new or improved infrastructure, facilities or services	20	32	20	April 1, 2015 – March 31, 2016	Grantees	Actual grantees	3.2.1

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Performance Measurement Template

Item	Performance Measure	Target Value	Actual Value	Future Target Value	Time Applicable	Data Source and Availability	Calculation Method	Associated Objective(s)
18	Number of predominantly LMI communities who received CDBG funding for community and regional planning and coordination initiatives	40	44	40	April 1, 2015 – March 31, 2016	Grantees	Actual grantees	3.2.1
19	Number of predominantly LMI communities who received CDBG funding to preserve neighborhoods through revitalization, development or elimination of blight	5	3	3	April 1, 2015 – March 31, 2016	Grantees	Actual grantees	3.2.1
20	Number of LMI households who benefitted from CDBG funding by making existing affordable housing more sustainable by connecting units to public infrastructure	50	158	50	April 1, 2015 – March 31, 2016	Figures provided by grantees	Actual households	3.2.1
21	Meet or exceed the goal established by agency for number of attendees participating in agency sponsored training opportunities	450	458	460	July 2016 - June 2017	Attendance records of training	Actual attendees	3.3.1
22	Economic development training provided by agency meeting the needs of attendees	4.5	4.7	4.5	July 2016 - June 2017	Evaluations completed by attendees of training	Current value, based on 5 point scale with 5 being the highest score. Average score per training class added together then divided by numbers of classes offered by agency.	3.3.2
23	Number of educators receiving information, resources, and services at sponsored events	500	12,163	6,000	July 2016 - June 2017	Regional Workforce Advisors	Actual attendees	4.1.1
24	Number of students receiving information, resources, and services at sponsored events	5,000	44,388	30,000	July 2016 - June 2017	Regional Workforce Advisors	Actual attendees	4.1.1
25	Number of high schools participating in the Renaissance Manufacturing Initiative during the current period	10	28	100	July 2016 - June 2017	STEM Premier	Number participating	4.1.2
26	Number of existing industries participating in the Renaissance Manufacturing Initiative during the current period	120	31	120	July 2016 - June 2017	STEM Premier	Number participating	4.1.2

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Program Template

Program/Title	Purpose	FY 2015-16 Expenditures (Actual)				FY 2016-17 Expenditures (Projected)				Associated Objective(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL	
I. Administration & Support	To support the agency with legal, finance, budget, information technology and human resources services.	\$ 1,300,803	\$ 201,298	\$ -	\$ 1,502,101	\$ 1,520,579	\$ 182,500		\$ 1,703,079	1.1.1, 5.1.1, 5.1.2
II.A. Global Business Development	To recruit new and existing expansions and locations; to increase the capital investment and number of jobs in South Carolina.	\$ 4,587,416	\$ 451,695	\$ -	\$ 5,039,111	\$ 12,607,022	\$ 150,000		\$ 12,757,022	1.1.1, 1.1.2, 1.1.3, 1.2.1, 1.2.2
II.B. Small Business and Existing Industry	To help South Carolina companies both large and small achieve peak performance by bringing together professionals who offer a wealth of experience in key areas to offer a dynamic approach that helps businesses and communities prosper.	\$ 1,184,666	\$ 262,723	\$ 270,267	\$ 1,717,656	\$ 1,230,731	\$ 330,000	\$ 400,000	\$ 1,960,731	2.1.1, 2.1.2, 2.1.3, 2.2.1, 2.2.2
II.C. Community & Rural Development	To assist local leaders in achieving success for their communities through product development, asset development and leadership and community investment.	\$ -	\$ 602,434	\$ -	\$ 602,434		\$ 683,000		\$ 683,000	3.1.1, 3.1.2, 3.3.1, 3.3.2
II.D Marketing, Communications and Research	To develop marketing strategies utilizing the State's brand in recruiting industry and attracting investments to the State. To provide real-time, accurate data, information, and research to support the mission of the agency in recruiting industry and attracting investments to the State.	\$ 1,439,536	\$ 8,195	\$ -	\$ 1,447,731	\$ 2,014,252			\$ 2,014,252	1.1.1, 1.1.2, 1.1.3, 1.2.1, 1.2.2
II.E.1 Grant Programs - Coordinating Council for Economic Development	To assist with economic development projects that will represent new jobs and capital investment in the state, either as a result of new business locations or existing business retention and expansion.	\$ 75,125,586	\$ 68,926,316	\$ -	\$ 144,051,902	\$ 49,720,453	\$ 86,144,000		\$ 135,864,453	1.1.1, 5.1.1
II.E.2 Grant Programs - Community Development Block Grant	To assist communities with grants for infrastructure, housing, economic development and planning.	\$ 354,025	\$ -	\$ 15,211,840	\$ 15,565,865	\$ 403,000		\$ 19,112,200	\$ 19,515,200	3.2.1
II.E.3 Grant Programs - Community Development Block Grant - Disaster Recovery	To assist eligible citizens and communities affected by the October 2015 floods by administering and deploying the CDBG- Disaster Recovery funds available to the state.	\$ -	\$ 20,684	\$ -	\$ 20,684		\$ 50,000	\$ 9,950,000	\$ 10,000,000	3.2.2
II.F Regional Education Centers	To work with business community and educational system to bridge the gap between our education system and our workforce needs.	\$ 476,755	\$ 1,611,347	\$ -	\$ 2,088,102	\$ 504,916	\$ 2,052,000		\$ 2,556,916	4.1.1,4.1.2
II.G Innovation/Emerging Industries	To support the growth of the state's high-tech and high-growth industry under the goals of the SC Innovation Plan.	\$ 2,003,731	\$ -	\$ 65,073	\$ 2,068,804	\$ 534,000	\$ 425,000	\$ 23,000	\$ 982,000	2.3.1
All Other Items	Regional Economic Development Organizations, SC Manufacturing Extension Partnership, Research/Applied Research Centers, Military Base Task Force, Community Development Corporations, IT-ology, Shared Resources, Columbia Minority Business Development Agency, Council on Competitiveness, Marion County, Richland County Economic Development, Hartsville Downtown Revitalization - Center Theater and 340 Industrial Park.	\$ 9,397,620	\$ 222,809	\$ -	\$ 9,620,429	\$ 13,072,049	\$ 2,250,000		\$ 15,322,049	1.1.1, 2.1.1, 2.3.1
		\$ 95,870,138	\$ 72,307,501	\$ 15,547,180	\$ 183,724,819	\$ 81,607,002	\$ 92,266,500	\$ 29,485,200	\$ 203,358,702	

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							Legal Standards Template
Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted		Associated Program(s)	
1	13-1-10	State	Statute	Establishes DOC as an agency to be comprised of various divisions, such divisions to have the functions and powers as provided for by law.		All	
2	13-1-20	State	Statute	Establishes purpose of DOC to conduct statewide program to stimulate economic activity, manage business affairs of Savannah Valley Development Division, develop, public railways system, and enhance economic growth via strategic planning and coordination.		All	
3	13-1-25	State	Statute	Clarifies that all funds use by DOC regardless of source are public monies for all purposes; establishes reporting requirements each fund during previous calendar year; provides exemption for expenditures for ongoing negotiations with industry or business until next calendar year.		All	
4	13-1-30	State	Statute	Establishes Secretary to be appointed by Governor and confirmed by Senate and who shall have authority to appoint an executive director and directors of each division of agency, all to serve the pleasure of the secretary.		All	
5	13-1-40	State	Statute	Establishes the Secretary's authority to appoint advisory councils.		All	
6	13-1-45	State	Statute	Establishes SC Water and Wastewater Infrastructure Fund and criteria for funds implementation. Program funded from Tobacco Settlement Proceeds and has been completed.		All	
7	13-150	State	Statute	Establishes annual audit of DOC.		All	
8	13-1-310 through 13-10-360	State	Statute	Establishes Division of Development from former State Development Board; provides for powers and duties, among other things. (This Division encompasses the primary economic development mission of DOC.)		All	
9	13-1-380	State	Statute	Establishes the Recycling Development Advisory Council and its functions.		II.B. Small Business and Existing Industry	
10	13-1-610 through 13-1-810	State	Statute	Establishes the Division of Savannah Valley Development and all of its powers, functions, and duties. NOTE: All assets of the Savannah Valley Division were transferred to DNR and other local entities after approval by the Budget and Control Board. Division remains in existence because it is the legal obligor on a note with the STO regarding Savannah Lakes Village, which is being paid from homeowner fees/taxes. This Note was paid off in January of 2016.		I. Administration & Support	
11	13-1-1310 through 13-1-1480	State	Statute	Establishes the Division of Public Railways as a lump sum agency of DOC and all of its powers, functions and duties, including the power to issue revenue bonds and extend rail operations subject to approval of the SFAA.		I. Administration & Support	
12	13-1-1710	State	Statute	Creates the Coordinating Council for Economic Development with the Secretary of Commerce as Chair and the heads of ten other agencies as members.		II.E.1 Grant Programs - Coordinating Council for Economic Development	
13	13-1-1720	State	Statute	Establishes the purposes and duties of the Council.		II.E.1 Grant Programs - Coordinating Council for Economic Development	

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							Legal Standards Template
Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted		Associated Program(s)	
14	13-1-1730	State	Statute	Establishes annual reporting requirement.		II.E.1 Grant Programs - Coordinating Council for Economic Development	
15	13-1-1740	State	Statute	Council to make recommendations to Governor, General Assembly, and Budget & Control Board as to economic development programs, policies, and appropriations.		II.E.1 Grant Programs - Coordinating Council for Economic Development	
16	13-1-1750	State	Statute	Council to be funded by members agencies (proviso allows Council administration to be funded from programmatic funds); Council make establish technical advisory committees and shall use data available from DOT, universities, and other agencies relevant to economic development and growth in SC.		II.E.1 Grant Programs - Coordinating Council for Economic Development	
17	13-1-1760	State	Statute	Council shall not infringe on authority of members agencies.		II.E.1 Grant Programs - Coordinating Council for Economic Development	
18	13-1-1810	State	Statute	Transfers the powers and duties of Regional Education Centers to DOC.		II.F Regional Education Centers	
19	13-1-1820	State	Statute	Establishes that DOC will provide oversight to RECs; provides primary responsibilities of RECs; requires each REC to have a career development facilitator; requires provision of data and reports as requested by DOC; provides that RECs must conform to requirements of Local Workforce Investment Areas as established by SC Workforce Investment Act and have a board with meeting statutory requirements. RECs shall include one-stop shops, workforce investment boards, tech prep consortia, and regional technology centers.		II.F Regional Education Centers	
20	13-1-1840	State	Statute	Requires SCDEW, and State Tech, and Department of Education to assist DOC in planning and promoting career information and employment options and preparation programs and in the establishment of RECs.		II.F Regional Education Centers	
21	13-1-2030	State	Statute	Create the "Coordinating Council For Workforce Development" to meet certain current and future workforce needs, to provide for the members of the coordinating council, and to establish the duties of the council.		II.F Regional Education Centers	
22	Housing & Community Development Act of 1974 and associated regulations found in Title 24, Housing & Urban Development, Part 570, Community Development Block Grants.	Federal	Statute	Establishes programmatic framework for Community Development Block Grant Program administered by DOC.		II.E.2 Grant Programs - Community Development Block Grant	
23	Proviso 50.1	State	Proviso	Any proceeds from the sale of publications may be retained in the agency.		II.D Marketing, Communications and Research	

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Legal Standards Template

Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Associated Program(s)
24	Proviso 50.2	State	Proviso	This proviso allows the Coordinating Council for Economic Development the ability to utilize up to ten percent of the Set Aside Fund for administrative program costs and business recruitment and retention and \$60,000 of the Set Aside Fund to be used for GIS related expenditures and any remaining balance at the end of this fiscal year to be carried forward to next year.	II.E.1 Grant Programs - Coordinating Council for Economic Development
25	Proviso 50.3	State	Proviso	This proviso allows the Coordinating Council for Economic Development the authority to transfer economic development funds at its disposal to the Closing Fund.	II.E.1 Grant Programs - Coordinating Council for Economic Development
26	Proviso 50.4	State	Proviso	Allows the carry forward of funds collected from SC companies for trade shows.	II.B. Small Business and Existing Industry
27	Proviso 50.5	State	Proviso	Requires the establishment of a Special Events Advisory Committee and expenditure and reporting guidelines.	II.D Marketing, Communications and Research
28	Proviso 50.6	State	Proviso	Revenue received from the sublease on non-state owned office space may be retained and expended to offset the cost of the department's leased office space.	I. Administration & Support
29	Proviso 50.7	State	Proviso	The department may charge a fee for ad sales in department authorized publications and may use these fees to offset the cost of printing and production of the publications. Any revenue generated above the actual cost shall be remitted to the General Fund.	II.D Marketing, Communications and Research
30	Proviso 50.8	State	Proviso	The Secretary of Commerce shall be authorized to appoint the staff of the department's foreign offices on a contractual basis on such terms as the Secretary deems appropriate, subject to review by the Office of Human Resources of the Budget and Control Board.	II.A. Global Business Development
31	Proviso 50.9	State	Proviso	Requires the transfer of \$500,000 shall be made available for the routing, planning and construction of I-73.	I. Administration & Support
32	Proviso 50.10	State	Proviso	In order to encourage and facilitate economic development, funds appropriated for the Closing Fund for competitive recruitment purposes shall be used as approved by the Coordinating Council for Economic Development. Any unexpended at the end of the prior fiscal year may be carried forward and expended in the current fiscal year by the Department of Commerce for the same purposes	II.E.1 Grant Programs - Coordinating Council for Economic Development
33	Proviso 50.11	State	Proviso	Application fees received by the department must be deposited within five business days from the Coordinating Council application approval date.	II.E.1 Grant Programs - Coordinating Council for Economic Development
34	Proviso 50.12	State	Proviso	The Recycling Market Development Advisory Council must submit an annual report outlining recycling activities to the Governor and members of the General Assembly by March fifteenth each year.	II.B. Small Business and Existing Industry

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						Legal Standards Template
Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Associated Program(s)	
35	Proviso 50.13	State	Proviso	Establishes the guidelines for the disbursement of funds related to the Regional Economic Development Organizations.	I. Administration & Support	
36	Proviso 50.14	State	Proviso	Establishes the guidelines for funds authorized to the SC Mfg Extension Partnership.	II.B. Small Business and Existing Industry	
37	Proviso 50.15	State	Proviso	Establishes the guidelines for the disbursement of funds related to the Business Incubator/Innovation Program.	II.G Innovation/Emerging Industries	
38	Proviso 50.16	State	Proviso	Establishes the guidelines for the disbursement of funds related to the Council on Competitiveness.	II.B. Small Business and Existing Industry	
39	Proviso 50.17	State	Proviso	This proviso allows certain grant programs to be carried forward from the current fiscal year for the same purpose.	I. Administration & Support	
40	Proviso 50.19	State	Proviso	This proviso allows the Division of Public Railways to close any street or road on or in the vicinity of the former Charleston Navy Base to the extent necessary to implement the Navy Base Intermodal Facility. This closure shall not deny access to any property owners abutting the closed section of the street or road, or in the event access is denied, alternate access shall be provided.	I. Administration & Support	
41	Proviso 50.20	State	Proviso	This proviso redirects a prior year appropriation from the Hartsville Downtown Revitalization - Center Theater (Requires 2:1 Match) in Act 91 of 2015 by proviso 118.14(B)(42)(i) to the Town of Lamar for the Water System Corrective Action Plan.	I. Administration & Support	

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Customer Template

Divisions or Major Programs	Description	Service/Product Provided to Customers	Customer Segments	<i>Specify only for the following Segments: (1) Industry; Name; (2) Professional Organization: Name; (3) Public; Demographics.</i>
II.B. Small Business and Existing Industry	Existing and emerging industries within the state	To provide a business environment and climate that promotes economic development within our state.	Industry	Various
II.G Innovation/Emerging Industries	Existing and emerging industries within the state	To provide a business environment and climate that promotes economic development within our state.	Industry	Various
II.B. Small Business and Existing Industry	Small business community	To provide a business environment and climate that promotes economic development within our state.	Industry	Various
II.G Innovation/Emerging Industries	Small business community	To provide a business environment and climate that promotes economic development within our state.	Industry	Various
II.A. Global Business Development	National and international businesses making a location decision	To provide a business environment and climate that promotes economic development within our state.	Industry	Various
II.D Marketing, Communications and Research	National and international businesses making a location decision	To provide a business environment and climate that promotes economic development within our state.	Industry	Various
II.E.1 Grant Programs - Coordinating Council for Economic Development	National and international businesses making a location decision	To provide a business environment and climate that promotes economic development within our state.	Industry	Various
II.A. Global Business Development	Site selection consultants	To provide a business environment and climate that promotes economic development within our state.	Industry	Various
II.D Marketing, Communications and Research	Site selection consultants	To provide a business environment and climate that promotes economic development within our state.	Industry	Various
II.E.1 Grant Programs - Coordinating Council for Economic Development	Site selection consultants	To provide a business environment and climate that promotes economic development within our state.	Industry	Various
II.C. Community & Rural Development	Communities seeking jobs and investment	To provide a business environment and climate that promotes economic development within our state.	Local Govts.	Various
II.E.1 Grant Programs - Coordinating Council for Economic Development	Communities seeking jobs and investment	To provide a business environment and climate that promotes economic development within our state.	Local Govts.	Various
II.E.2 Grant Programs - Community Development Block Grant	Communities seeking jobs and investment	To provide a business environment and climate that promotes economic development within our state.	Local Govts.	Various
II.F Regional Education Centers	Communities seeking jobs and investment	To provide a business environment and climate that promotes economic development within our state.	Local Govts.	Various

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Customer Template

Divisions or Major Programs	Description	Service/Product Provided to Customers	Customer Segments	<i>Specify only for the following Segments: (1) Industry: Name; (2) Professional Organization: Name; (3) Public: Demographics.</i>
II.C. Community & Rural Development	Communities seeking funding for economic development and/or infrastructure needs	To provide technical assistance and grants to improve the inventory and infrastructure available for economic development.	Local Govts.	Various
II.E.1 Grant Programs - Coordinating Council for Economic Development	Communities seeking funding for economic development and/or infrastructure needs	To provide technical assistance and grants to improve the inventory and infrastructure available for economic development.	Local Govts.	Various
II.E.2 Grant Programs - Community Development Block Grant	Communities seeking funding for economic development and/or infrastructure needs	To provide technical assistance and grants to improve the inventory and infrastructure available for economic development.	Local Govts.	Various

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Partner Template

Name of Partner Entity	Type of Partner Entity	Description of Partnership	Associated Objective(s)
Regional Economic Development Organizations	Non-Governmental Organization	Business Development	1.1.1
Local Government Economic Development Offices	Local Government	Business Development	1.1.1
South Carolina Rural Infrastructure Authority	State Government	Product Development and Administrative Collaboration	1.1.1, 3.1.1, 3.1.2, 3.2.1, 5.1.1
South Carolina Parks, Recreation and Tourism	State Government	Marketing the State with Palmetto Partners/Just Right	1.1.1
South Carolina Ports Authority	State Government	Exporting/Business Development	1.1.1, 2.1.2
Forestry Commission	State Government	Agribusiness Project Management	1.1.1, 1.1.2, 2.1.1
SC Department of Agriculture	State Government	Agribusiness Project Management	1.1.1, 1.1.2, 2.1.1
	State Government	Workforce	1.1.1, 1.1.2
Department of Employment and Workforce			
Department of Transportation	State Government	Infrastructure	1.1.1, 1.1.2
Department of Health and Environmental Control	State Government	Permitting and Recycling	1.1.1, 2.1.3, 3.1.1, 3.1.2, 3.2.1
Jobs Economic Development Alliance	State Government	Shared Resources Agreement	1.1.1, 5.1.1
The Governor's Office	State Government	Leadership/Business Development	1.1.1, 1.1.2
South Carolina Manufacturing Extension	Non-Governmental Organization	Existing Industries	1.1.1, 2.1.1
	Non-Governmental Organization	Development of the Aerospace and TDL (Transportation, Distribution, and Logistics) Sectors	1.1.1, 2.1.1
Council on Competitiveness			
Small Business Development Centers	Non-Governmental Organization	Assistance to Small Businesses	1.1.1, 2.2.1
South Carolina Research Authority	State Government	Research/Applied Research Center/Innovation	1.1.1, 2.3.1, 4.1.2
South Carolina Technical College System	State Government	ReadySC/Workforce	1.1.1, 1.1.2
South Carolina Association of Community & Economic Development	Non-Governmental Organization	Small Business and Community Development	1.1.1, 2.2.1
South Carolina Automotive Council	Non-Governmental Organization	Assistance with Automotive Manufacturing Sector	1.1.1, 2.1.1
State Historic Preservation Office	State Government	Permitting and Development	1.1.1, 1.1.2
South Carolina General Assembly	State Government	Leadership/Business Development	1.1.1, 1.1.2
South Carolina Association of Counties	Non-Governmental Organization	Community Development	1.1.1, 3.1.2
Municipal Association of South Carolina	Non-Governmental Organization	Community Development	1.1.1, 3.1.2
South Carolina Chamber of Commerce	Non-Governmental Organization	Small Business and Existing Industries	1.1.1, 2.1.1, 2.2.1
South Carolina Manufacturers Alliance	Non-Governmental Organization	Small Business and Existing Industries	1.1.1, 2.1.1, 2.2.1
US Army Corp of Engineers	Federal Government	Permitting	3.1.1, 3.1.2, 3.2.1
	State Government	Audit of Job Development Tax Credits and Administrative Collaboration	1.1.1, 1.1.2
South Carolina Department of Revenue			
SCBIO	Non-Governmental Organization	Assistance with the Life Science Industry Sector	1.1.1, 2.1.1, 2.2.1
IT-ology	Non-Governmental Organization	Innovation	1.1.1, 2.3.1

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Report Template

Item	Report Name	Name of Entity Requesting the Report	Type of Entity	Reporting Frequency	Submission Date (MM/DD/YYYY)	Summary of Information Requested in the Report	Method to Access the Report
1	Accountability Report	Executive Budget Office	State	Annually	September 15, 2016	The reports "must contain the agency's or department's mission, objectives to accomplish the mission, and performance measures that show the degree to which objectives are being met." Agencies must "identify key program area descriptions and expenditures and link these to key financial and performance results measures."	Executive Budget Office, SC Legislature and Agency or Email info@scommerce.com for a copy of a report
2	Annual Report - CCED Fund Activity	Executive Budget Office	State	Annually	March 11, 2016	Outlining of CCED activities during the previous calendar year.	SC Legislature and Agency or Email info@scommerce.com for a copy of a report
3	Annual Report - Enterprise Program	SC Legislature	State	Annually	May 15, 2016	The report must list each revitalization agreement concluded during the previous calendar year, the results of each cost/benefits analysis, and receipts and expenditures of application fees.	Email info@scommerce.com for a copy of a report
4	Recycling Market Development Advisory Council	The Governor and SC Legislature	State	Annually	March 15, 2016	Outlining of recycling activities during the calendar year.	Email info@scommerce.com for a copy of a report
5	Annual Report - Palmetto Partners	The Governor, the Speaker of the House, the President of Pro Tempore of the Senate, the Chairman of the House Ways and Means Committee, and Chairman of the Senate Finance Committee.	State	Annually	February 3, 2016	Annual activities of the Palmetto Partners.	Executive Budget Office, SC Legislature and Agency or info@scommerce.com for a copy of a report
6	Fines and Fee Report	The Chairman of the Senate Finance Committee and the Chairman of the House Ways and Means Committee	State	Annually	August 1, 2016	Fines and Fees collected by agency during the year.	Agency Website
7	Bank Account Transparency	The State Fiscal Accountability Authority	State	Annually	September 30, 2015	Activity related to agency back accounts.	Agency Website
8	Outstanding Debt Report	Executive Budget Office	State	Annually	February of 2016	Outstanding Debt Report for agency.	Email info@scommerce.com for a copy of a report
9	Restructuring Report and Cost Savings Plan - Senate	Office of Senate Oversight	State	Annually	January 12, 2015	Implement cost savings and increased efficiencies.	SC General Assembly
10	Restructuring & Seven-Year Plan - House	House Legislative Oversight Committee	State	Annually	January 12, 2016	Implement cost savings and increased efficiencies.	SC General Assembly
11	Community Economic Development Act	The General Assembly	State	Annually	May of 2015	Activities related to the Community Development Act.	Email info@scommerce.com for a copy of a report
12	SC Manufacturing Extension Partnership	To create awareness of the activities performed to decision makers of the state	State	Annually	November 10, 2015	Activities related to the SC Manufacturing Extension Partnership.	Email info@scommerce.com for a copy of a report

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Oversight Review Template

Item	Name of Entity Conducted Oversight Review	Type of Entity	Oversight Review Timeline (MM/DD/YYYY to MM/DD/YYYY)	Method to Access the Oversight Review Report
Agreed Upon Procedures - Department of Commerce	Brown CPA, LLC	Outside Organization	7/1/2014-6/30/2015	http://osa.sc.gov/Reports/stateengagements/commerce/Documents/FiscalYear2016/P3215.pdf
Agreed Upon Procedures - Department of Commerce Palmetto Partners	Brown CPA, LLC	Outside Organization	1/1/2015-12/31/2015	http://osa.sc.gov/Reports/stateengagements/commerce/Documents/FiscalYear2016/P3215%20(Palmetto%20Partners).pdf
Single Audit	CliftonLarsonAllen, LLP	Outside Organization	7/1/2014-6/30/2015	http://osa.sc.gov/Reports/stateengagements/stateofsc/Documents/FiscalYear2016/2015%20Single%20Audit.pdf
CDBG Program Review	State Auditor's Office US Department of Housing and Urban Development	Federal	Program Year 2013	Email info@scommerce.com for a copy of a report
STEP Program Review	US Department of Commerce	Federal	Program Year 2014	Review still ongoing once finalized email info@scommerce.com for a copy of a report
Independent Audit - Division of Public Railways	Greene Finney & Horton	Outside Organization	1/1/2015-12-31-2015	http://osa.sc.gov/Reports/stateengagements/commerce/Documents/FiscalYear2016/P3215%20(Palmetto%20Railways).pdf