State of South Carolina

Department of Agriculture

Accountability Report

2012-2013

Accountability Report Transmittal Form

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Date of Submission: September 9, 2013
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South Carolina Department of Agriculture Accountability Report 2012-2013

Section 1. – Executive Summary

1.1 South Carolina Department of Agriculture Purpose, Mission, Values

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

Mission - Our mission is to promote and nurture the growth and development of South Carolina's agriculture industry and its related businesses while assuring the safety and security of the buying public.
Vision - Our shared vision is for the state's economy to grow and prosper providing everyone, producers and consumers, opportunities to enjoy the benefits of agriculture.
Values - Our core values include a commitment to integrity, diversity, fairness, excellence, accessibility, protection, accountability, and growth.

1.2 Major achievements from past year

- The Commissioner's Office and Human Resources worked to fill several key positions in order to build a stronger and more efficient senior leadership team. The goal was to construct a team that included a broader skillset and the ability to manage multiple complex department projects. The Assistant Commissioner for Agency Operations, Human Resources Director, and Public Information Director were all hired from outside SCDA. Two key promotions included the Executive Assistant to Commissioner and State Farmers Market Manager.

- In preparation of more stringent food safety federal legislation, SCDA began planning for anticipated responsibilities associated with new federal laws. A key employee was promoted to Program Coordinator for Food Safety and Compliance. Grant funding made it possible to hire a full-time employee to help farmers meet current food safety requirements so that they can expand market opportunities through Good Agricultural Practices certification. Since January 2012, SCDA has seen a 40% increase in the number of farmers who have achieved GAP certification.

- The 2013 Waste Pesticide Recovery Program helped removed 85,000 pounds of unwanted pesticides from farmers, nurseryman, and foresters from across the state. Seven drop-off sites were offered, and disposal was provided at no cost to participants.

- The Certified SC Grown (CSC) marketing effort experienced continued growth. The program began with 60 members in 2007 and expanded to more than 1,400 during the last fiscal year. A 2013 survey found that a majority of South Carolinians can easily identify locally grown agricultural products with the CSC logo, when they shop in retail locations across the state. A survey of CSC members indicated 53% experienced an increase in sales attributed to participation in the CSC program.

- The restaurant phase of the marketing campaign, Fresh on the Menu (FOTM), went mobile with the Fresh on the Menu app. The free app allows consumers to find

restaurants that serve at least 25 percent Certified SC Grown, when in season. The app also features a roots section that connects users to the SC farmers and produce companies sourcing to FOTM restaurants. Download the web-based app at freshonthemenuapp.com. To date, there are more than 6,000 unique users.

- The State Farmers Market in West Columbia provided South Carolinians with several events designed to either help them connect to agriculture or to expose them to the market and its vendors. In October, the first ever BooNANZA at the Market offered a free trunk-or-treat. More than 2,500 people attended. The Midlands Spring Plant and Flower Festival experienced a record year for attendance and sales. Fifty-four thousand people attended the four-day event that generated more than $1.25 million.

1.3 Key strategic goals for the present and future years

- Manage agency operations and workforce with targeted effectiveness
- Protect producers and consumers
- Promote and market SC agriculture and work to expand SC's agribusiness industry
- Educate public about significance of SC's agriculture industry
- Evaluate annual events and marketing efforts to determine which ones most effectively accomplish SCDA's mission.

1.4 Key strategic challenges

- Achieving targeted effectiveness within various understaffed agency departments
- Maximizing safety and protection of goods and services offered for sale to the public
- Educating South Carolinians regarding the importance of agriculture to overcome a lack of public understanding about agriculture and what it takes to provide food to the state, the nation, and the world

1.5 How the accountability report is used to improve organizational performance

The accountability report is prepared by both senior leaders and key support staff. Each department at SCDA provides updates on process management and progress toward key operational goals. The report is distributed to agency leadership and program managers and staff, and is used as both an internal and external resource to highlight agency performance.

Section 2. – Organizational Profile

Originally created by an act of the General Assembly on December 23, 1879, the South Carolina Department of Agriculture (SCDA) continues to provide programs that affect all South Carolinians. SCDA's role is vital to promoting and developing the industry of agriculture and protecting consumers. Agriculture is part of the state's leading industry sector, agribusiness, which has a $34 billion economic impact and accounts for nearly 200,000 jobs. Cash receipts for agriculture crops and livestock total $2.5 billion, but the indirect impact goes well beyond the farm gate, generating revenue, taxes and jobs in rural communities.

SCDA has statutory responsibilities under approximately 40 different state laws related to:

- Fostering agribusiness through marketing and promotion
- Protecting South Carolina's citizens by ensuring proper weights and measures; grading and inspection of the state's agricultural products; laboratory analysis of food, feed, seeds, pesticides, and petroleum products; and food safety and compliance

2.1. Main Products and services and the primary methods by which these are delivered

- Certified South Carolina marketing program has more than 1,400 members. There are currently more than 550 retail locations across the state using the CSC logo and branding tools.
- Fresh on the Menu (FOTM), the restaurant phase of CSC, consists of more than 300 restaurants across the state using at least 25 percent CSC Grown. Consumers can find FOTM restaurants with the new, free Fresh on the Menu app.
- Social media is used to promote activities at the State Farmers Markets, where to find CSC Grown Produce and Products, and to share information relevant for producers across the state.
- The Market Bulletin remains a valuable resource for farmers and non-farmers. The periodical experienced a nearly 20 percent increase in subscribers from the previous fiscal year (14,508 in FY12 to 17,323 in FY13).
- SCDA operates three State Farmers Markets (Greenville, West Columbia and Florence) that each impact local economies
- SC Roadside Market Program continues to operate with 199 markets across SC. There are also 120 Community Based Farmers Markets that create additional market opportunities.
- SCDA works with the U.S. Department of Agriculture to provide commodity Grading, Inspection, and Market News Services. More than 70 reports are distributed weekly through various mediums.

- Consumer services inspectors check scales and measuring devices throughout the state; this includes grocery store scales and gas pumps. SCDA's 20 inspectors, check the state's nearly 72,000 pumps on a yearly basis.

- Laboratory technicians in some of SCDA's labs test and analyze ingredients listed on packages to make sure those ingredients are in the packages.

2.2. Key customer groups and their key requirements/expectations

- Consumers – all South Carolinians consume food – they expect quality products that are safe and affordable.
- Processors/Manufacturers – anyone who converts raw agricultural products for consumption or use – they need support and promotion of their locally made products and as little regulation as necessary.
- Wholesalers, Retailers, and Direct Marketers – everyone who sells raw agricultural or value-added products – they expect help with expanding market opportunities and with marketing.
- Commodity Boards and Associations – They expect a fair and equal marketplace for the commodities they represent.
- Local, state and federal government officials – They want their constituents to be well served.
- Existing, expanding or developing agribusinesses – They require assistance in agribusiness development.
- Members of the Media – They expect and require accurate, thorough and up-to-date information.

2.3. Key stakeholders groups (other than customers)

- Taxpayers
- Employees
- Vendors and suppliers
- Public and private agricultural partners

2.4. Key suppliers and partners

Suppliers:

- Vendors eligible to bid on state contracts
- Federal government grantor
- Printing companies
- PR & ad agency
- Kelly Registration Systems Interactive Design and Development

Partners:

- U.S.D.A. and other federal partners
- SC Department of Commerce
- Clemson University
- SC Dept. of Education & SC Dept. of Health and Environmental Control
- SC Advocates for Agriculture
- SC Farm Bureau
- Palmetto AgriBusiness Council & other private individuals and organizations

2.5. Operating locations

- SCDA Main Office, *State Capitol Complex, Wade Hampton Building, 5th Floor*
- Metrology Lab, *237 Catawba St., Columbia*
- Laboratory and Consumer Services, 123 Ballard Ct., West Columbia
- SC State Farmers Market, *3843 Charleston Hwy, West Columbia*
- Phillips Market Center, 3*501 Charleston Hwy, West Columbia*
- Greenville State Farmers Market, *1354 Rutherford Road, Greenville*
- Pee Dee State Farmers Market, *2513 W. Lucas St., Florence*
- SCDA Grain Office - North Charleston Port Building, *1000 Remount Rd, North Charleston*
- Mobile SCDA Grain Office -Wando Port, *Mount Pleasant*

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

2.6. Number of employees, segmented by employee category

- Total authorized Full Time Employees (FTEs) at end of FY13 was 136
- Of the 136 FTEs, 51.46 were state funded & 84.54 were other funded
- Of the 136 FTEs, 115 were filled & 21 were vacant
- SCDA FTEs include 1 unclassified position (Commissioner of Agriculture) & 135 classified positions
- SCDA had 23 temporary employees at end of FY13

2.7. Regulatory environment under which the agency operates

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

2.8. Performance improvement system(s)

SCDA was 100% compliant in administering the Employee Performance Management System program for FY 12-13. (Note: FY 10 – 97%, FY11 – 95%, FY 12 – 98%)

2.9. Organizational structure

2.10. Expenditures/Appropriations

2.11. Major Program Areas

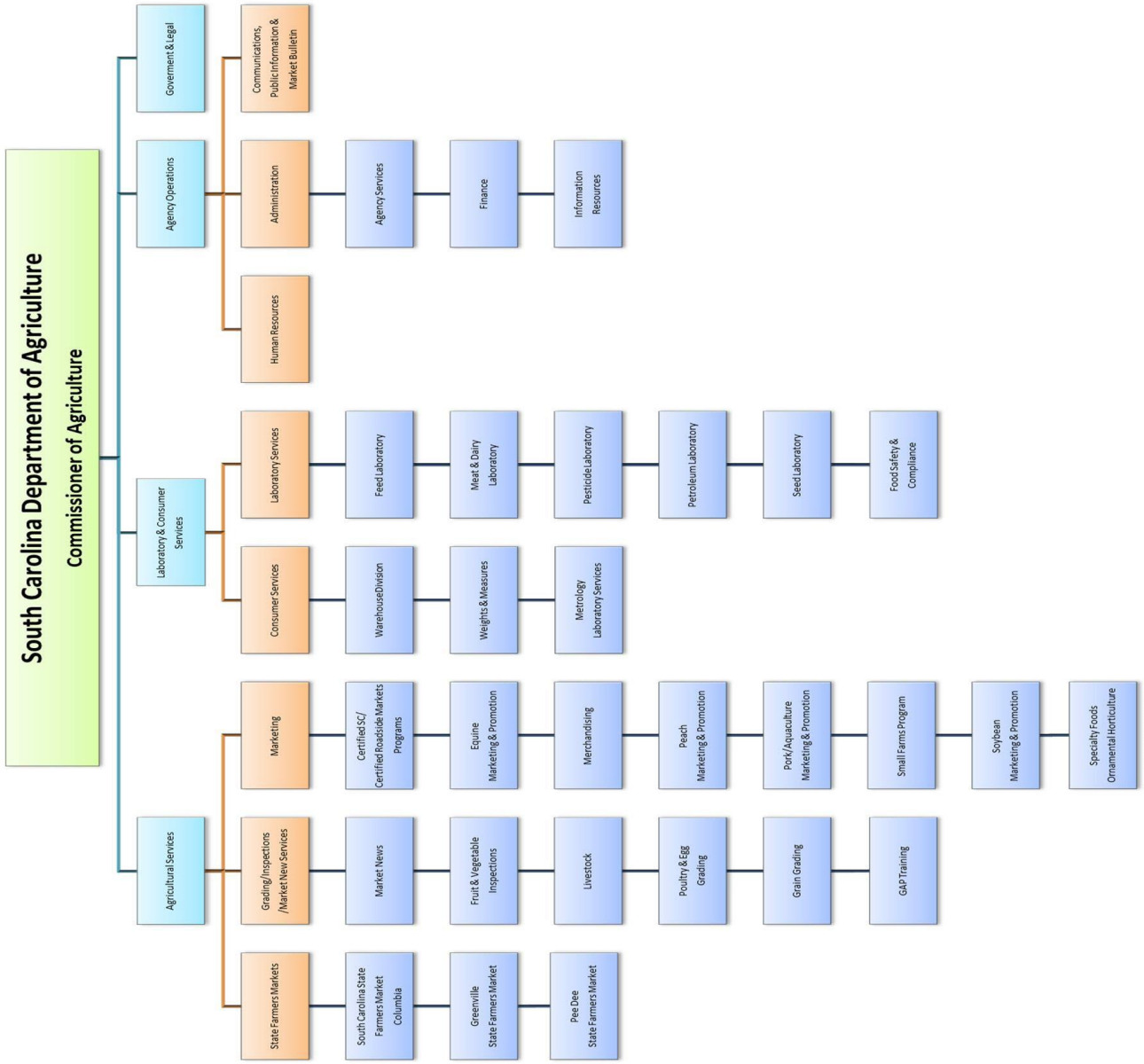

South Carolina Department of Agriculture
Commissioner of Agriculture
Agricultural Services
Laboratory & Consumer Services
Agency Operations
Goverment & Legal
State Farmers Markets
Grading/Inspections /Market New Services
Marketing
Consumer Services
Laboratory Services
Human Resources
Administration
Communications, Public Information & Market Bulletin
South Carolina State Farmers Market Columbia
Market News
Certified SC/ Certified Roadside Markets Programs
Warehouse Division
Feed Laboratory
Agency Services
Greenville State Farmers Market
Fruit & Vegetable Inspections
Equine Marketing & Promotion
Weights & Measures
Meat & Dairy Laboratory
Finance
Pee Dee State Farmers Market
Livestock
Merchandising
Metrology Laboratory Services
Pesticide Laboratory
Information Resources
Poultry & Egg Grading
Peach Marketing & Promotion
Petroleum Laboratory
Grain Grading
Pork/Aquaculture Marketing & Promotion
Seed Laboratory
GAP Training
Small Farms Program
Food Safety & Compliance
Soybean Marketing & Promotion
Specialty Foods Ornamental Horticulture

Chart 2.9

Chart 2.10

Accountability Report Appropriations/Expenditures

Base Budget Expenditures and Appropriations

	FY 11-12 Actual Expenditures		FY 12-13 Actual Expenditures		FY 13-14 Appropriations Act	
Major Budget Categories	**Total Funds**	**General Funds**	**Total Funds**	**General Funds**	**Total Funds**	**General Funds**
Personal Services	$ 4,840,439	$ 1,907,038	$ 4,953,617	$ 2,020,752	$ 4,852,305	$ 2,164,256
Other Operating	$ 5,292,998	$ 316,526	$ 6,242,336	$ 2,066,526	$ 7,450,357	$ 2,661,526
Special Items	$ 542,181		$ 268,712	$ 250,000	$ 600,000	$ 250,000
Permanent Improvements	$ 451,898		$ 46,580			
Case Services						
Distributions to Subdivisions						
Fringe Benefits	$ 1,751,003	$ 676,586	$ 1,717,441	$ 667,040	$ 1,719,486	$ 733,536
Non-recurring			$ 68,281		$ 2,000,000	
Total	$ 12,878,519	$ 2,900,150	$ 13,296,967	$ 5,014,318	$ 16,622,148	$ 5,809,318

Sources of Funds	FY 11-12 Actual Expenditures	FY 12-13 Actual Expenditures
Supplemental Bills		
Capital Reserve Funds	$451,898	$46,580
Bonds		

Chart 2.11

Major Program Areas

Program Number and Title	Major Program Area Purpose (Brief)	FY 11-12 Budget Expenditures	FY 12-13 Budget Expenditures	Key Cross References for Financial Results*
I Agency Operations	Provides executive leadership, support, policy development and review, financial services, information technology, facilities management, and other administrative services.	**State: 776,817** **Federal: -0-** **Other: 44,905** **Total: 821,722** **% of Total Budget: 6.4%**	**State: 867,566** **Federal: -0-** **Other: 123,746** **Total: 991,312** **% of Total Budget: 7.45%**	**pgs. 34-39**
II Laboratory	Protects consumers from unsafe, ineffective, or fraudulent goods that may be offered for public sale; assures that goods meet acceptable standards of quality; monitors labeling; registers animal and pet foods, frozen desserts, gasoline, and antifreeze; issues licenses for butterfat testers and milk samplers; grants permits to salvage food operations; issues two to three thousand licenses, permits and registrations; provides assistance regarding food safety and security in the event of a natural disaster or an accidental or international emergency related to Homeland Security.	**State: 656,598** **Federal: 10,967** **Other: 338,829** **Total: 1,006,394** **% of Total Budget: 7.8%**	**State: 907,022** **Federal: 3,165** **Other: 327,531** **Total: 1,237,718** **% of Total Budget: 9.31%**	**pgs. 39-42**
III Consumer Services	Draws samples for analysis in the SCDA's laboratories; protects the people of the state, farmers and non-farmers, from fraud by ensuring the accuracy of weights and measures; inspects food and cosmetic manufacturing and storage facilities; assures farmers that they receive full and prompt payment for the products they produce and that their stored cotton and grain crops are protected in warehouse facilities; inspects gas pumps, grocery store scales, vehicle tank meters, and liquid petroleum gas measuring devices; collects official samples of petroleum, produce, meat and feeds for laboratory analysis; licenses, bonds and audits warehouses and dealers; inspects storage facilities for sanitation compliance.	**State: 342,820** **Federal: -0-** **Other: 1,121,915** **Total: 1,464,735** **% of Total Budget:11.4%**	**State: 366,861** **Federal: -0-** **Other: 942,313** **Total: 1,309,174** **% of Total Budget: 9.85%**	**pgs. 42-45**

IV Marketing & Promotions	Develops and implements broad-based marketing programs; provides programs and services designed to increase consumer awareness and product demand for quality SC agricultural commodities; strives to improve the economic vitality of business and individuals in the industry of agriculture; encourages expansion and development of existing industries that use South Carolina agricultural commodities, both fresh and processed, to increase the marketability of locally-grown products; provides quality grade standards and up-to-date first-hand market news to the allied industry through a cooperative agreement with the USDA; provides grading and inspecting of poultry products; oversees and operates the three state farmers markets; domestic and international marketing assistance; certifies roadside markets; promotes specialty crops and specialty products; assists small farmer and provides support for organically grown certification; promotes the green industry (nursery, greenhouse, landscape, etc.); authorizes individual farmers and farmers' markets to be able to accept coupons from those who are nutritionally at risk to buy fresh, unprepared produce issued in the WIC and Seniors Farmers Market Nutrition Programs; serves as a liaison to commodity boards, associations, and the state's Ag Commission.	**State: 447,329** **Federal: 776,650** **Other: 6,158,788** **Total: 7,382,767** **% of Total Budget: 57.3%**	**State: 2,195,829** **Federal: 713,271** **Other: 5,085,643** **Total: 7,994,743** **% of Total Budget: 60.12%**	**pgs. 45-50**
V	Employer Contributions	**State: 676,586** **Federal: 56,149** **Other: 1,018,268** **Total: 1,751,003** **% of Total Budget: 13.6%**	**State: 677,040** **Federal: 41,592** **Other: 998,809** **Total: 1,717,441** **% of Total Budget: 12.92%**	

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

Remainder of Expenditures: Supplemental Appropriations Permanent Improvements	**State: -0-** **Federal: -0-** **Other: 451,898** **Total:** **% of Total Budget: 3 5%**	**State: -0-** **Federal: -0-** **Other: 46,580** **Total:** **% of Total Budget: 0.35%**

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

Section 3. – Elements of Malcolm Bridge Criteria

Category I – Senior Leadership, Governance and Social Responsibility

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

a. short and long term organizational direction and organization priorities,
Senior staff work closely together and communicate on a regular basis, to ensure various departments operate with current information and tools necessary to avoid duplication of efforts. In the short-term, Division Directors have constant interaction with their direct reports and conduct regular meetings so that each staff member can execute given tasks with all necessary information. Long-term efforts include open dialogue with staff members to facilitate new, creative and cost-effective ideas for accomplishing SCDA's mission. Staff members are encouraged to give input and feedback after major department events. Employees are committed to excellence not only for SCDA, but for also citizens. To that end, SCDA continuously evaluates programs and services.

b. performance expectations
SCDA's senior leadership team is at its highest quality ever. Through attrition, SCDA has been able to add and develop new leaders. While the criteria for this report define senior leadership as the Commissioner and his direct reports, several other SCDA staff members are part of the senior leadership team. This newly created team works across areas to accomplish given tasks with efficiency and the high standards expected by the citizens of South Carolina. Senior staff meets on a regular basis and remains in constant contact to help SCDA perform at high levels. EPMS and coaching are also used to define employee expectations.

c. organizational values,
A strong work ethic and commitment to excellence clearly defines the SCDA senior leadership and staff. Agency leadership communicates social responsibility and ethical expectations through individual evaluations and discussions, policies and procedures, and employee participation in professional organizations. Senior leadership also communicates the importance of giving taxpayers the very best and most for their tax dollars, and staff members eagerly work to this end.

d. ethical behavior,
SCDA senior leadership and staff work to protect the rights and privileges of all South Carolinians. SCDA responds promptly to Freedom of Information Act requests and maintains agency transparency on all items considered public information. Within the agency, the rights of employees are respected, but unethical behavior is not tolerated.

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

Senior leaders understand the value of relationships with SCDA's customers and stakeholders and will engage those groups at every opportunity. All South Carolinians are connected to agriculture and senior leadership leads the way in helping citizens make that connection. Senior

leaders and staff members work side-by-side in promoting agribusiness opportunities, helping farmers achieve certifications and membership in Certified SC Grown, and in helping consumers. The best way to describe SCDA's focus on customers and stakeholders is at top-down team approach, with great coaching, support and a winning attitude.

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

The agency conducts various surveys for consumers, vendors at SCDA events, and agricultural producers participating in SCDA branding efforts. Those surveys are used to determine the effectiveness of programs/events and the economic impact of those activities. For example, a January 2013 survey of Certified South Carolina members found that 53 percent experienced an increase in sales from the previous year that they attribute to the program; of those surveyed, 29 percent experienced between a 10 and 50 percent increase in sales from the previous year. The survey also showed that a third had developed new markets as a result of being a member of the CSC program.

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

Senior leadership is committed to fiscal responsibility and communicates the importance of using appropriated funds in an efficient and effective manner. Regular audits are performed to ensure the integrity of the agency's financial system. SCDA's General Counsel deals with legal and regulatory issues pertaining to SCDA and its stakeholders. When necessary, the GC requests opinions from the Attorney General. Regulatory accountability is done in conjunction with federal agencies that SCDA has cooperative agreements with.

1.5 What performance measures do senior leaders regularly review to inform them on needed actions? (Actual results are to be reported in Category 7.)

- The analysis of research and performance of marketing and promotion efforts
- Tests on feeds, seeds, foods, cosmetics, and petroleum products to assure product protection
- Anecdotal results of buying/selling of the state's fresh and agricultural commodities
- Food sanitation inspections at locations under SCDA regulatory authority
- Marketing and economic research on effectiveness of agency's strategic marketing and branding campaign
- Growth and development of the State Farmers Market
- Efficiency and effectiveness provided by new technology
- Partnerships with stakeholders to promote SC agriculture

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

Senior leaders use regular division meetings, daily involvement with staff, and both planning and evaluation of EMPS to receive employee feedback. All of these are used to help managers identify possible obstacles for employee and agency performance. The Commissioner and division directors encourage open dialogue with staff members, and encourage them to

communicate potential problems or issues involved in executing a task. Senior leaders remain willing to adapt leadership styles based on the strengths and weaknesses of individual staff members, in order to further develop them. The Commissioner and senior leadership also recognize exceptional employees during two employee appreciation lunch events each year.

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

The agency previously partnered with *eSource*, an HR consulting firm, to assist in the development of a workforce development plan called the People Plan. The implementation of many aspects of the People Plan is still ongoing as we seek to have the right people in the right place within the Agency to maximize their skills and knowledge. Managers are encouraged to have informal conversations with their employees to assess training needs, develop training plans and document job duties.

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

Each employee and his or her supervisor focus on the Planning Stage of EPMS, which outlines job duties and explains the success criteria to succeed in that position. Whenever possible, the success criterion for each job duty contains measurable goals. The Planning Stage outlines the expectations of performance to the employee and allows supervisors to adequately and fairly measure employee performance. The Planning Stages are updates as needed to encourage employee growth, increase productivity and realign if necessary with and changing agency objectives/programs.

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

Members of senior leadership are committed to helping staff reach their full potential. An open-door policy encourages staff to ask questions and seek guidance. Senior staff members look for opportunities to further educate staff through in-house training, sharing knowledge related to the matter at hand, and professional development opportunities outside of the agency.

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

Senior leaders have established trust with employees and allow them to make decisions that affect their own work. Senior leaders also help employees recognize the value they contribute to various SCDA events or initiatives. Senior leaders strongly encourage employee motivation and recognize employees when a task is successfully completed. Recognition is given in a number of ways including verbal, written/email form, publicly during SCDA staff luncheons, and through bonuses.

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

Senior leadership encourages staff to take part in programs that provide awareness about SC agriculture. During FY13, SCDA staff donated time and financial resources to various community projects, including sponsoring a Red Cross Blood Drive, hosting health screenings, donations for Harvest Hope Food Bank, United Way and Community Health Charities.

Category 2 – Strategic Planning

2.1 What is your Strategic Planning process, including key participants, and how does it address: SCDA continues to evaluate its strategic planning process, considering both consumer needs and the design of agency programs and services. Senior Leadership had a strategic thinking meeting in the Spring of FY13 to take a renewed look at SCDA programs, events and services to determine which prove most effective and beneficial to the citizens we serve.

a. your organizations' strengths, weaknesses, opportunities and threats:
SCDA's greatest strength is its highly capable and engaged staff. While the agency has faced the loss of employees through attrition, the Commissioner and senior leadership have used the opportunity to attract very qualified new employees that bring a renewed passion to SCDA. However, due to attrition and budget cuts in previous years, the agency still has a much smaller staff than it once had. Despite that limitation, the existing staff accomplishes more with less, all while advancing SC agriculture and providing valuable consumer protection. When comparing SCDA to the private sector, salaries are usually lower and that does present a threat, in that employees could seek other employment opportunities that allow for financial growth.

b. financial, regulatory, societal and other potential risks;
For several years, SCDA has faced the issue of sufficient funding. That impacts the hiring and the reach of the agency; however, the current staff has met the challenge and accomplished major tasks that have helped grow SC agriculture. SCDA continues to work with public and private partnerships to accomplish goals important to the agricultural industry. In regards to societal risks, SCDA faces the challenge of helping all South Carolinians understand the value of agriculture. So few people have a direct connection to a farm, but the issue is helping them realize they are connected to agriculture, because they all eat, have a home, and wear clothes.

c. shifts in technology and customer preferences:
All SCDA strategic planning considers the value of modern technology. In order to serve the agricultural community and general public, SCDA continues to use the department website and social media to connect with consumers and producers. Social media is a relevant and inexpensive way to communicate programs, services and events. SCDA's three Facebook pages combined have more than 17,000 followers. SCDA also took advantage of smartphone technology and created the Fresh on the Menu app for consumers to find SC

restaurants serving 25 percent CSC on their menus. The free app can be downloaded at freshonthemenuapp.com. Considering customer preference, the Market Bulletin is available in both paper and online subscriptions. However, the majority of the 17,323 subscribers still prefer to receive a paper copy.

d. workforce capabilities and needs;

As we move further along in the timeline of our utilization of SCEIS, the need for maintaining mountains of paper documentation is decreasing. Over the past FY, HR has provided one-on-one training to staff members on the utilization of the electronic timesheets on MySCEmployee. The IT staff has ensured that most employees are provided with an agency email address resulting in better informed employees and a more inclusive level of communication. HR ensured compliance with federal and state regulations related to employment, insurance, retirement, workers' comp, etc. Various health and wellness programs have been offered to employees.

e. Organizational continuity in emergencies:

Organization continuity in an emergency is vital to SCDA. SCDA senior leadership is kept informed of major projects and events for each division so that assistance or guidance can be given in the loss of leadership in a given area. Emergency systems are in place for SCDA laboratories, farmers markets, and main headquarters.

f. Your ability to execute the strategic plan.

Each SCDA division is charged with developing objectives in order to meet the agency's mission – promoting and encouraging the growth of SC's agricultural industry and allied industries, while assuring the buying public of safety. Each division is responsible with making sure its effort accomplish SCDA's mission and strategy.

2.2 How do your strategic objectives address the strategic challenges you identified in your Executive Summary?

<u>Achieving targeted effectiveness within various understaffed agency departments</u>

SCDA works very hard to accomplish a number of projects and execute agency programs with a relatively small staff of 136 full-time positions. During FY13 SCDA averaged 116 FTE's due to funding constraints.

One of SCDA's strategic objectives is to continually look for opportunities to partner with both private and public organizations to best serve the agricultural industry and to accomplish agency objectives. A great example of this effort is SCDA's partnership with The SC Department of Commerce. In 2011, both agencies worked to create a joint agribusiness recruitment position. Since that time, there have been 36 agribusiness companies that have decided to expand or establish operations in SC. Combined, those companies plan to create 2,630 jobs and a $781,506,398 economic investment. There are also a number of agribusiness projects currently underway.

Another example of a joint effort is SCDA's work with DHEC and the Department of Education to execute the Farm to School program. The program operated in 52 schools. Schools taking part in the program, among other things, were required to serve at least two Certified SC Grown items a month in their cafeterias and to start a school garden. The program helped create more market opportunities for SC growers, and work is underway to expand this program.

SCDA continues working with the public and private sector to carry out the strategic 50x20 plan. This plan was developed by the agency and its partners, as a tool to help increase the economic impact of agribusiness (agriculture, forestry and their allied industries) in the state. The goal is to increase the economic impact by $16 billion to $50 billion annually by 2020. In the spring of FY13, SCDA updated a 2008 study and found that the agriculture side of agribusiness experienced a billion dollar increase during the recession. Since the original study, the direct and indirect impact of South Carolina's agriculture industry, increased from $16.7 billion to $17.893 billion. That is almost a 7 percent increase in the worst economic climate in many years.

In regards to retirement, the agency had nine employee separations this past fiscal year due to retirement and attrition. Through the development of desk reference manuals, cross-training and the development of our workforce planning initiatives, the agency was able to blend the experience of seasoned staff with the enthusiasm of new employees.

Maximizing safety and protection of goods and services offered for sale to the public

SCDA continues to work closely with public and private partners to establish and formalize working agreements. The agency also continues to build trust and integrity by providing prompt and accurate information to the public and other stakeholders. Part of building trust is the ongoing effort to ensure the safety of goods for sale to the public. The Food Safety Modernization Act of 2011 will greatly change requirements for food safety in the coming years. How the federal legislation will be enforced has not been determined. In anticipation of increased SCDA efforts, the agency has established a Program Coordinator for Food Safety and Compliance. SCDA has increased efforts to help farmers achieve necessary food safety certifications.

Educating South Carolinians regarding the importance of agriculture to overcome a lack of public understanding about agriculture and what it takes to provide food to the state, the nation, and the world

Agriculture impacts every South Carolinian. The most obvious connection should be the food people eat, but most consumers are not thinking about how that food was produced. Growth in the Certified SC Grown program and the farm to table movement has helped, but there is still much work needed to help citizens understand the value of SC agriculture. Most people do not have a direct connection to a farm these days, and many think of agriculture as the old farmer riding a tractor. The industry is so much more than that as the economic impact data alone suggests. SCDA continues efforts to educate the public regarding agriculture. Social media is a great tool for building understanding and interest in the state's agricultural industry. During FY13, SCDA also began more proactively engaging the media to help

communicate the story of agriculture. Moving forward, SCDA is considering various ways to get the message of agriculture out to a broader audience within the state.

2.3 How do you develop and track action plans that address your key strategic objections, and how do you allocate resources to ensure the accomplishment of your action plans?

To manage agency operations and workforce with targeted effectiveness: In October 2012, an Assistant Commissioner for Agency Operations was hired to oversee Public Information, Administration (which includes finance, procurement, IT and budget), and Human Resources. This position has proven essential in managing the day-to-day operations of the agency, ensuring we are operating within budgetary guidelines and in guiding these areas to be more productive with greater use of technology and available resources.

Agency wide strategic objectives are communicated with each new project or event. Following the completion of a project or event, participating senior leadership and staff members evaluate the process and outcome to determine whether strategic objectives were met and whether the project or event is effective enough to continue or occur in the next year.

To protect producers and consumers: SCDA's six labs continue to protect consumers from unsafe food, feed and fuel products. (See Key Results 7 – Laboratory and Consumer Services)

To promote and market SC agriculture and work to expand SC's agribusiness industry: The Marketing Division uses a number of marketing tools – trade shows, events, media, etc. (See Key Results 7 – Agriculture Services)

To educate public about significance of SC's agriculture industry: SCDA began an aggressive effort to tell the story of agriculture through an increase in earned media coverage across the state. The agency also increased social media efforts on Facebook and Twitter, in order to reach a broader audience. In the spring of FY13, SCDA released the first of three free annual magazines designed to explain the impact of SC agriculture. The publication was given to the General Assembly and distributed through various agriculture groups and non-agriculture groups. (See Key Results 7 – Public Information)

To evaluate annual events and marketing efforts to determine which ones most effectively accomplish SCDA's mission: SCDA conducts periodic surveys of marketing efforts and agency events designed to promote agriculture and agribusiness. Those surveys are used to determine the effectiveness of a given program. Surveys conducted during FY13 indicated Certified SC members experienced sales growth and an increase in market opportunities, record sales at the Midlands Spring Plant and Flower Festival, and preferred Market Bulletin delivery options.

2.4 How do you communicate and deploy your strategic objectives, action plans and related performance measures?

The accountability report is used as a self-assessment tool for ensuring that the agency remains focused on its mission. Each division develops goals and objectives based on the

overall mission of the agency. The agency's mission is communicated when planning strategies with partners.

2.5 How do you measure progress on your action plans?

Progress is measured through continuous review of action plans, after action meetings and reports. Opportunities for improvement are tracked through meetings and discussions with staff. Measures include workload, workflow, impact of programs or events and customer satisfaction.

2.6 How do you evaluate and improve your strategic planning process?

The accountability report allows the opportunity to evaluate strategic planning. Senior leadership also meets to assess current programs and events to evaluate their effectiveness in meeting SCDA's strategic objectives and mission.

2.7 If the agency's strategic plan is available to the public through the agency's internet homepage, please provide a website address for the plan.

The agency's Strategic Plan is currently posted in the Annual Accountability Report, which can be found at http://agriculture.sc.gov/administration. (See also Strategic Planning Chart 2.7.1)

Chart 2.7.1

Strategic Planning Chart

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related FY 12-13 Key Agency Action Plan/Initiatives	Key Cross References Performance Measures
I Administration	To manage agency operations and workforce with targeted effectiveness	Effectively manage financial resources Create a work environment that promotes performance & employee satisfaction Evaluate employee performance & provide tools necessary for success Further develop workforce through training & other opportunities Aggressively seek new technology to improve office operations Provide progressive leadership Encourage staff to contribute ideas for improving workplace	pgs. 34-37
II Laboratory and Consumer Services	To protect producers and consumers	Enforce all applicable laws regarding warehouse receipting, storage & payment for agricultural commodities Ensure accuracy of weights & measures Perform food sanitation inspections at locations under SCDA regulatory authority Perform tests on feed, seed, food & petroleum products to assure acceptable quality Inspect & grade appropriate agricultural products for domestic & international markets	pgs. 39-45
III Agricultural Services	To promote and market SC agriculture and work to expand SC's agribusiness industry To evaluate annual events and marketing efforts to determine which ones most effectively accomplish SCDA's mission To Educate public about significance of SC's agriculture industry	Further expand Certified SC Grown branding effort Encourage new & existing agribusiness development in SC Provide assistance to small famers Establish & execute system to grade/review events & marketing efforts Support the growth & development of local farmers markets to encourage purchasing of locally grown products Manage three State Farmers Markets effectively Create opportunities to educate & inform citizens of SC's agriculture industry & its impact on individual lives & the economy	pgs. 45-50

Category 3 – Customer Focus

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

Our mission dictates who are customers are and what they require. Our customers are producers and consumers – basically all South Carolina citizens. Producers need immediate access to markets and marketing information, and consumers need information about buying and using agricultural products.

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

SCDA's website offers an email submission form for public information requests. Public information receives around 25 information requests weekly and responds in a timely manner to questions or complaints. Social media allows SCDA to have immediate interaction with our customers on topics ranging from agriculture related issues to department events. Staff members field numerous calls each week and provide needed information or refer customers to the appropriate agency. Surveys are also used as listening tools to see what our customers need as they partner with SCDA.

3.3 What are you key customer access mechanisms, and how do these access mechanisms enable customers to see information, conduct business and make complaints?

Social media allows customers to have instant access to SCDA. The department also uses the Harvest Society Text system that allows customers to receive information about produce available at the State Farmers Market. The website is an invaluable tool for consumers to find information about growing and consuming agricultural products. Another key access for customers is the gas pump inspection stickers. The phone number for Consumer Services is listed on the sticker, so consumers can call to register a complaint.

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

Customer complaints always receive individual attention and follow-up. Complaints can be received via the department website's public information request form, social media, U.S. Mail, phone calls and direct contact with staff at SCDA events and venues. In addition, the phone number for Consumer Services is displayed on an approval stickers for every scale and measuring device in the state, so that customers can call an immediately report any issues with a device.

3.5 How do you use information and feedback from customers/stakeholders to keep services and programs relevant and provide continuous improvement?

Before any program is established, appropriate needs assessment is conducted to determine the need for and reception of a given effort. Research was conducted before the start of the Certified South Carolina marketing/branding effort. Additional market research is obtained as department programs progress. Since the start of the CSC program, producer members have been surveyed

to determine how the program is impacting their businesses. A recent survey indicated that many experienced at 10 to 50 percent increase in sales that they credit to membership in the program. Another study showed that for every $1 of state investment in Certified SC Grown, approximately $10 is coming back in state tax revenues.

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

SCDA builds positive relationships and establishes and maintains trust with customers through timely and appropriate responses. The agency works closely with private and public partners to develop key strategies that benefit all constituencies. SCDA also continues to build positive and impactful relationships with other state agencies in supported shared missions and objectives. Examples of this would be the Farm to School program and involvement with DHEC's initiative to address the state's obesity problem.

Category 4 – Measurement, Analysis, and Knowledge Management

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

The effectiveness of the agency's marketing efforts is measured through surveys and feedback from both consumers and producers. These tools allow SCDA to determine economic impact and level of brand recognition by consumers.

Internally, HR plays a key role in making sure SCDA workforce can perform effectively. HR programs are measured by both internal and external audits of employee records and personnel transactions. HR staff maintains an open door policy and keeps employees up-to-date on information that that impacts their work and benefits. Employee satisfaction is strongly considered in the decision process concerning program improvements or delivery of service.

Customer feedback and length of time to perform services are the measures used by the Laboratory and Consumer Services Division. Customer satisfaction is important given the necessity for quick turnaround times for customers/producers awaiting results from feed and seed testing.

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

Whenever possible, SCDA benchmarks with other state and federal agencies. For example, SCDA's Pesticide Laboratory test results are comparable to the USDA Pesticide Data Program test results performed annually. Also, many agency programs are subject to audits to ensure financial effectiveness and procedure compliance.

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

- Financial Audits – State auditors perform audits of the agency's financial information to ensure compliance with state rules and regulations
- Research and Evaluation – measures impact of branding and marketing program
- EPMS – measures employee performance
- Laboratory Results – measures quality on a variety of agricultural products
- Consumer Services – measures accuracy of weighing and measuring devices in SC

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

Both feedback gathered from stakeholders and benchmark data are considered in the decision making process. Comparisons with other states and stakeholder feedback continue to help SCDA in its efforts to achieve the 50x20 plan to expand the economic impact of SC agribusiness to $50 billion annually by 2020.

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

Comparative data is selected on benchmarks relevant to the agency's mission. National organizations such as the National Association of State Departments of Agriculture and Southern Associations of State Departments of Agriculture also provide data for comparison purposes.

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

Both effort and results are considered when determining the effectiveness of a given program and how it can be improved upon. The CSC program is in its seventh year and continues to experience growth. Membership has increased from 60 to 1,465, and members report increased sales as a result of CSC branding. The demand for locally grown is increasing, because of the branding efforts. The program also operates primarily with one FTE, so the effort put forth is well worth the results.

SCDA programs that do not measure up to intended objectives are evaluated to determine needed improvements. Programs that meet intended objectives are given priority.

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

The agency website and social media allow the agency to share agriculture related knowledge and information to consumers and producers. In regards to sharing best practices, program and event surveys are shared during after-action meetings used to identify improvements needed moving forward.

HR has been instrumental in working with program areas to conduct Process Mapping. This enables managers and employees to visualize the step-by-step process of work performed. Process Mapping assists in identifying areas of strengths and weaknesses in procedures, work performed and in the development of best practices. It also assists in the creation of desk manuals, cross-training and knowledge transfer within departments.

Category 5 – Workforce Focus

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

Through the effective utilization of employee Planning Stages, employees are informed of their job duties and the success criteria for each job duty. Managers are encouraged to have quarterly coaching sessions with their employees. These sessions provide an opportunity for managers to give feedback to the employees outside of the annual EPMS, but also for the employees to talk with their managers about questions or concerns. Employees are encouraged to submit suggestions for process improvement and cost-saving measures. Employees are recognized for their dedication and length of service during our annual Christmas luncheon in December. The Employee Appreciation event in May allows managers to recognize employees for outstanding service and any awards received.

5.2 How do you achieve effective communication and knowledge/skill/best practice sharing across departments, and locations? Give examples.

In June 2013, our HR department launched *The Resource*, an electronic newsletter for our employees. It highlights upcoming benefit changes, new employees to the agency, recent retirements, tips or short articles geared toward improving employee engagement or productivity and activities of program areas in our agency. During senior leadership meetings, each division shares newly found best practices or information for areas that impact other divisions. That information is then shared through departmental and smaller informal meetings.

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

In FY13, SCDA had 22 full-time and 36 temporary job postings. The Agency utilizes NEOGOV (www.jobs.sc.gov) as the primary recruiting tool. Job postings on NEOGOV can be tailored to the specific requirements of the position. Since job postings are online, the visibility of available positions is increased and a wider application pool is achieved. NEOGOV provides applicant information which is used to develop the agency's Affirmative Action Plan. This allows for more accurate information to be reported to the State Human Affairs Commission and the General Assembly on goals attained in the agency's Affirmative Action Plan (AA). All agency hires are performed within the guidelines provided by the Human Resources Division of

the SC Budget and Control Board. SCDA seeks to hire the best qualified candidate for each job by seeking a diverse applicant pool, conducting interview panels and verifying references of potential new hires.

Finding fully-trained, qualified applicants for program specific positions can be challenging. Part of this is due the recent economic downturn, as tenured employees are hesitant to seek other opportunities.

The Agency is committed to our employees and their career paths. Part of this commitment includes providing additional training to employees and seeking opportunities to let the employees know that they are a valuable member of SCDA. The main barrier for higher employee salaries, proper equipment, and training remains to be budgetary concerns. This also contributes to the retention of high performing employees.

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

Direct supervisors are responsible for assessing their staff's capability and capacity. HR is available to assist supervisors through desk audits, process mapping and the development of planning stages for each employee. Cross-training within sections is highly encouraged.

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

Our agency utilized the Employee Performance Management System (EPMS) to conduct formal annual reviews on each employee. At the beginning of the plan year, each employee is provided with a planning stage which outlines their job duties and success criteria. Supervisors are encouraged to have quarterly or semi-annual coaching sessions with the employee to assess how the employee is performing. From these sessions, planning stages are updated as necessary. At the end of the plan year, supervisors meet with the employee to discuss the employee's performance as well as employee and agency goals for the coming year.

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

a. **development of personal leadership attributes;**
   HR staff and managers provide guidance to help leaders identify their strengths and weaknesses, and use planning stages to determine a given leader's effectiveness. Leaders are encouraged to explore new ways and opportunities to become better leaders through training and brainstorming sessions.
b. **development of organizational knowledge;**
   SCDA allows staff time to tour and learn about various divisions and practices within the agency. Press releases are all emailed to all staff to share information about agency happenings.

c. **ethical practices;**
   SCDA policies include the guiding principles for an ethical workplace environment. Ethics violations are not tolerated.
d. **your core competencies, strategic challenges, and accomplishment of action plans?**
   Commissioner and HR have been working to build a senior leadership team with the right skill set, experience and passion. Many of these positions were filled during FY13. Moving forward, open positions will continue to be filled with employees showing leadership potential. However, one strategic challenge remains finding employees that possess agricultural knowledge, high-level customer service skills, and a strong ability to multi-task.

5.7 How do you identify and address key developmental training needs for your workforce, including job skills training, performance excellence training, diversity training, management/leadership development, new employee orientation, and safety training? Many of our positions require state and/or federal certifications to perform the essential functions of the position. Supervisors are charged with identifying the required certifications for the position and ensuring that their staff obtain and maintain such certifications. HR is in the process of identifying training opportunities for staff with regards to performance, diversity, leadership, and safety training in FY14. Formal training was not conducted in FY13 due to budgetary constraints and staffing changes in our human resources department. New employee orientation is conducted one-on-one to ensure each employee fully understands the benefits available to them and the agency's policies.

5.8 How do you encourage on-the-job use of new knowledge and skills?

SCDA encourages all employees to take advantage of training classes/opportunities to acquire new skills and apply those skills on-the-job. With new employees filling positions left vacant by retirements, it is becoming easier to incorporate new ideas and practices.

5.9 How does employee training contribute to the achievement of your action plans?

Employee training is essential to maintaining and enhancing employee knowledge and the skills necessary to perform their job duties. For example, in our food safety positions, employees are educated on new and changing laws and the application of those laws when conducting food safety inspections. Likewise, as human resource laws and regulations change, our HR staff is constantly gaining new skills to remain current in the field.

5.10 How do you evaluate the effectiveness of your workforce and leader training and development systems?

Evaluation of the effectiveness of our workforce is performed in many ways. By conducting internal and external audits of our records and processes, we ensure that we are in compliance with rules and regulations. Annual performance appraisals (EPMS) are performed on each employee to identify job functionality and assess training needs. Quarterly senior staff meetings allow division leaders to share information and observations of agency culture, potential leaders and goals.

5.11 How do you motivate your workforce to develop and utilize their full potential?

Our agency allows employees time away from work to attend relevant training that is offered at no charge. When a position requires specific certifications or licenses, such as our grain inspectors, the agency covers the costs associated with any outside training and testing. Whenever budgetary conditions allow, the agency pays for outside training to develop employees.

5.12 What formal and/or informal assessment methods and measures do you use to obtain information on workforce well-being, satisfaction, and motivation? How do you use other measures such as employee retention and grievances?

The agency achieved 100% completion in EPMS reviews in FY 13. This valuable tool, along with informal conversations, employee meetings, behavioral observations, customer feedback and planning stages with measureable goals and success criteria allow our agency to measure not only performance, but employee satisfaction and motivation. Our HR department is able to provide managers with various tools and data to enable them to provide coaching to employees and create value in the employee with bonus programs, training and employee development.

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

Utilizing the reports available from PEBA Retirement, our agency is able to monitor when employees will be eligible to retire. Based on this information and conversations with employees themselves, our agency is continuing to develop succession plans for key positions. For example, in preparation of the retirement of the manager of the State Farmers Market in Columbia as of June 30, 2013, we transitioned an employee to shadow that manager for six (6) months to ensure a smooth transition.

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

Employees are encouraged to think of safety first in the workplace and when driving. Injuries that do occur are reported immediately to our WC carrier, the State Accident Fund, for prompt medical attention. Employee health is encouraged through our agency sponsored flu shot clinics, worksite screenings and walk at lunch days. The secure handling of information is a top priority. Last year, our agency had a 100% completion rate for cyber security training. In addition, all files related to employees are secured daily in locked offices and/or filing cabinets. Emergency plans are in place at the three State Farmers Markets. Our agency works cooperatively with local law enforcement and first responders to be prepared for pending or unintentional disasters.

Category 6 – Process Management

6.1 How do you determine and what are your organizations core competencies, and how do they relate to your mission, competitive environment, and action plans?

SCDA's mission clearly defines the agency's core competencies, facilitating marketing of agricultural commerce and protecting consumers and producers in the marketplace. SCDA uniquely facilitates the transfer of agricultural products and services to the buying public - both producers and consumers. Those two groups are equally served through SCDA's work to make sure agricultural products and services are safe and effective, by ensuring those products are labeled properly for accuracy of label contents or ingredients. SCDA's execution of these two core competencies both nurture and promote the growth of the state's agriculture industry.

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

The two core competencies provide a framework for SCDA's work processes that add value for customers and the organization.

Agricultural Services develops and promotes a positive statewide image for SC agribusiness, by creating and implementing effective marketing strategies to increase the economic impact of agribusiness. Brand effectiveness is determined by research on public perception and knowledge of agribusiness and analysis of the state's economic performance in agribusiness activities.

SCDA's regulatory arm, Laboratory and Consumer Services, provides sampling, testing, and analytical services that assure customers they are getting quality products. Therefore, the work processes in this area protect customers from unsafe, ineffective, or fraudulent goods.

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

Organizational knowledge and other improvements for efficiency and effectiveness are incorporated into the strategy planning process. Senior leadership works with staff members to incorporate information gathered from employees and research groups in order to create and implement new and efficient best practices. Because of budget constraints, the costs and benefits of work processes are closely examined.

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

For producers, SCDA provides daily information through marketing and Market News, and grading and inspection services, and for consumers, the State Farmers Market system for purchasing agricultural products. Operations in all of the above areas are continually functioning. Work processes for the agency's safety aspect include: bonding dealers, handlers, and storage

facilities; taking samples for testing food, seed, pesticides and petroleum products; and inspecting scales and measuring devices for accuracy.

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

Results from each program and service are compared with those from previous years to determine areas of growth or decline. Conclusions from those comparisons, and feedback from stakeholders, customers and employees are all used to determine the effectiveness of a given program or service and how the work processes should be adjusted.

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

Agency Operations functions as the agency's support arm. Key support processes include administration, information technology, human resources, procurement, finance, budget, legal and governmental affairs, and public information. Technology is vital to achieving better performance the above areas – making each area more efficient.

The Human Resources Office (HR) works to maintain compliance with all established state and federal laws and guidelines regarding employment, working times, insurance, retirement, etc. HR serves the agency by recruiting talented employees, conducting new employee orientation, coordinating training opportunities, and managing the EPMS program, along with handling any employee relation issues that arise.

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

Information Technology provides agency-wide computing and communications infrastructure and a help desk for technology related issues. The goal is to help the agency maintain a constant and productive workflow. Also, Public Information communicates between state and federal government and other State Departments of Agriculture on issues related to product safety and biosecurity.

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

SCDA leadership determines the resources needed to meet current and projected budget and financial obligations, by first determining what programs and services are necessary based on the agency's mission. The next steps include deciding on the amount of money and manpower needed, determining possible revenue from fees or grants, drafting a budget, discussing the budget draft, and making adjustments to produce a working budget. The budget then becomes a guide for the fiscal year. In regards to staffing resources, the agency reviews personnel and operational needs based on SCDA's mission, stakeholder and customer expectations, and desired outcome.

Category 7 – Key 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?

The Key Results Category examines SCDA's performance in all three key program areas – **Agency Operations, Agricultural Services, and Laboratory and Consumer Services.** Performance and improvements in each area is measured differently. The true performance of each program area is shown in the results following these questions and responses. **(See pgs. 31-49)**

7.2 What are you 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?

In marketing efforts like Certified SC (CSC), surveys are used prior to the launch and during the execution of the program to track and measure customer recognition, satisfaction and loyalty. The CSC program has experienced significant growth in both membership and customers purchasing products with the CSC logo. Several other State Departments of Agriculture incorporate similar branding into marketing efforts. Like SCDA's counterparts, the integrity of the branding campaign is the verification process. In fact, many CSC members appreciate the value of the program and notify SCDA if they observe any unauthorized use of the branding.

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

SCDA leaders regularly review the financial condition of the agency through periodic updates on each program area. Also, SCDA is frequently audited to ensure compliance with state policy.

7.4 What are your performance levels and trends for your key measures of workforce engagement, workforce satisfaction, the development of your workforce, including leaders, workforce retention, workforce climate including workplace health, safety, and security?

SCDA's workforce is highly engaged in the execution of the agency's mission. Regardless of whether employees have an agricultural background or not, nearly all employees participate in the many SCDA events that happen at night or on the weekend. A great example of this would be SCDA's involvement with the SC State Fair and events like the various Plant and Flower Festivals. While budget constraints have limited the agency's ability to give raises, bonuses are awarded periodically. The agency also supports staff in efforts for professional development and when possible pays for seminars and workshops. HR promotes healthy living through its e-newsletter and classes.

7.5 What are your performance levels and trends for your key measures of organizational effectiveness, operational efficiency, and work system performance (these could include measures related to the following: product, service, and work system innovation rates and improvement results; improvements to cycle time; supplier and partner performance; and results related to emergency drills or exercises)?

Partnering with other state and federal agencies and private organizations, allows the agency to maintain a high degree of effectiveness for producers and consumers. The level of efficiency is shown in the results pages of this document.

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

SCDA works with federal partners, FDA, USD, EPA and others to ensure that goods offered for sale in SC are safe and properly labeled. The agency participates in the Country of Origin Labeling (COOL) program with the FDA through SCDA's Laboratory Services Food Safety and Compliance Program. SCDA inspectors ensure foods are manufactured and marketed under safe and sanitary conditions through routine surveillance inspections and audits. They also make sure food is labeled according to current laws and requirements. SCDA constantly reviews and updates laws and regulations that protect consumers and producers from marketplace fraud. The monitoring process includes comparison to trends in other states related to consumer protection and regulatory practices.

Agency Operations – Key Area I

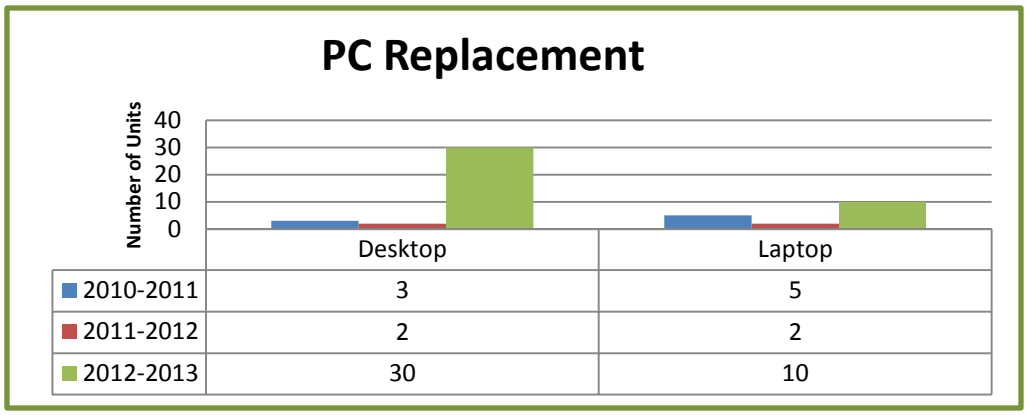
Agency Operations includes *Administration*, *Human Resources*, *Legal and Governmental Affairs*, and *Public Information*.

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

Agency Services has the sole responsibility for administering the requirements of the South Carolina Procurement Code in the acquisition of goods, services, telecommunications, and information technology through purchase orders. Agency Services overseas the management of all SCDA resources.

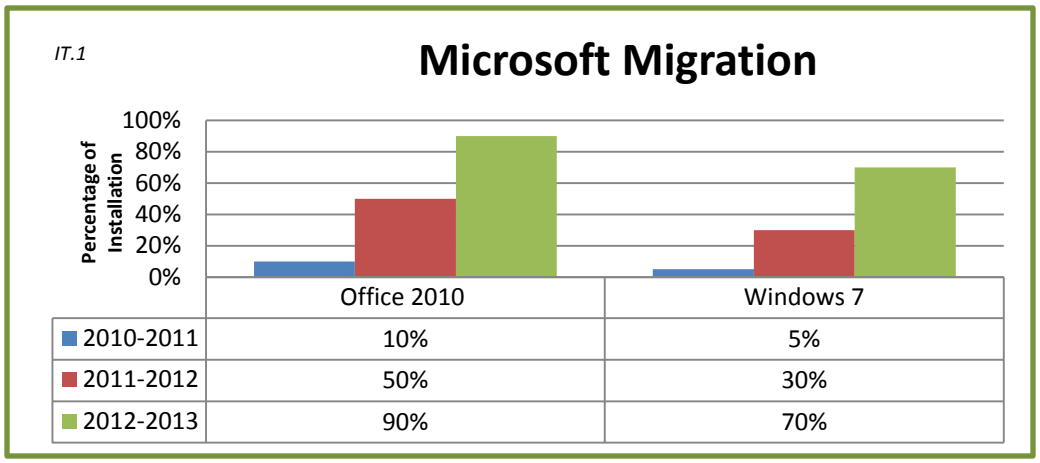
Finance Services includes payroll, auditing, and budgeting and is required to promptly process all receipts of revenue and expenditures of the agency and maintain proper records of these transactions consistent with state laws, regulations, and objectives of SCDA and generally accepted accounting principles.

Information Technology keeps SCDA technology resources on a track to meet or surpass current trends of other state agencies and the global industry. The current computer network includes 84 PCs and an AS/400.



	Desktop	Laptop
2010-2011	3	5
2011-2012	2	2
2012-2013	30	10

IT services include the developing and maintaining of custom software for in-house use, procurement of pre-packaged software and hardware, user training, service request reports and maintenance agreements. **(Figure *IT.1* shows Microsoft Migration for Office 2010 & Windows 7.)**



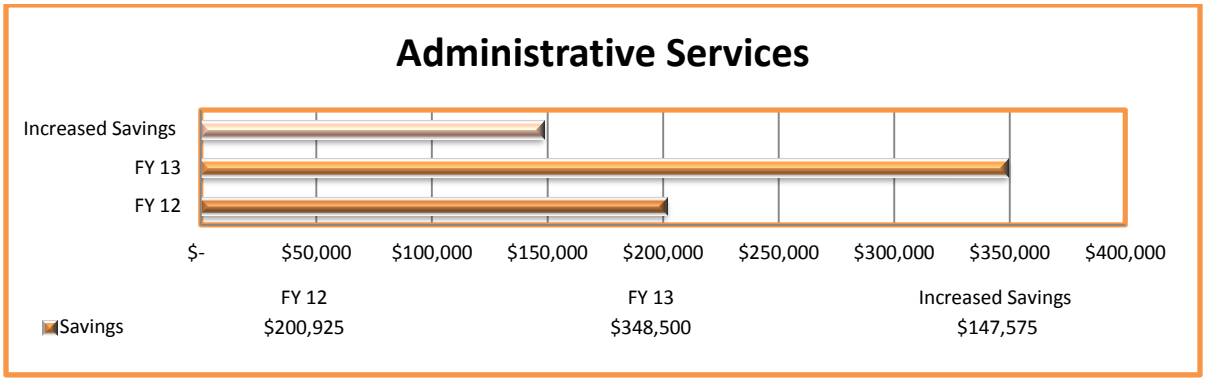
	Office 2010	Windows 7
2010-2011	10%	5%
2011-2012	50%	30%
2012-2013	90%	70%

IT continues to work on the following:

- Websites which include (agriculture.sc.gov, certifiedscgrown.com, freshonthemenu.com, palmettovore.org, phillipsmarketcenter.com, scwatermelons.com)
- 10 licensing programs & 5 invoicing programs
- 3 registration programs & 2 stop order programs
- Fuel pump and scale inspection software
- 12 Wireless access points
- 4 48-port POE Ethernet switches & 2 48-port Ethernet switches

IT also worked to make sure SCDA achieved 100% completion on Information Security Training, and continues to advise employees on best practices related to computer passwords and other information security issues.

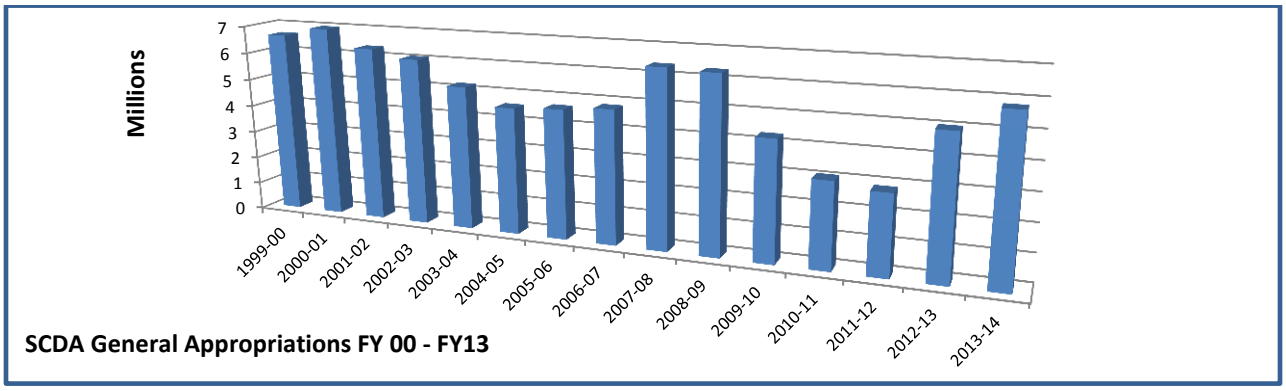
Administrative Services has been able to save over $549,425 in two budget years without reducing public services. Administration saved $200,925 in FY12 and $348,500 in FY13, an increase of $147,575 over the previous fiscal year.



The increase in savings was accomplished through:

- Leasing vehicles for our field inspectors rather than paying travel mileage for use of personal vehicles
- Simply switching to a new, cheaper wireless service,
- Using a new vendor and reducing the number of calendar orders,
- Refilling printer ink cartridges instead of buying new ones
- Reducing the volume of individual disbursement requests and increasing financial rebates to the state by maintaining high usage of a Visa Procurement Card.
- Investing in a remote processing machine which allows the agency to make significantly large deposits electronically, saving time and travel costs
- Changed vendors for greater savings in Certified promotion products

SCDA General Appropriations did experience an increase in FY13. After several years of dealing with a smaller budget, SCDA is working hard to maximize appropriated monies for the greatest benefit to the agency's customers.



Human Resources

The office of Human Resources (HR) is responsible for managing a comprehensive human resources program including functional areas such as employment and recruitment, classification and compensation, employee and employer relations, benefits administration, policy development and compliance, time and attendance, and Affirmative Action. HR is also responsible for ensuring that all SCDA personnel practices are in compliance with state and federal regulations. The HR team provides a high level of professional HR services to managers, supervisors and employees. This is demonstrated in the agency's successful management of the EPMS program, employee/employer relations issues, workforce planning activities, HR issues/transactions, recruitment activities and compliance with various federal and state laws, rules, regulations and policies.

Legal and Governmental Affairs

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

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

Regular requests for educational presentations at meetings and conferences also are met by the Legal Affairs office, ranging from understanding the SC Freedom of Information Act and the SC Administrative Procedures Act, to general presentations on better understanding legal risks and obligations that come along with, agritourism, farming and/or manufacturing and selling food products.

Public Information

The **Public Information Office** (PI) plays a vital role in communicating both SCDA's mission and the importance of agriculture and agribusiness in South Carolina. PI uses traditional and social media, various websites and the Market Bulletin to communicate necessary agriculture and food safety related information to the public. PI oversees agency-wide media relations and

secures coverage for agriculture related issues and special promotions designed to increase market opportunities for South Carolina farmers and producers.

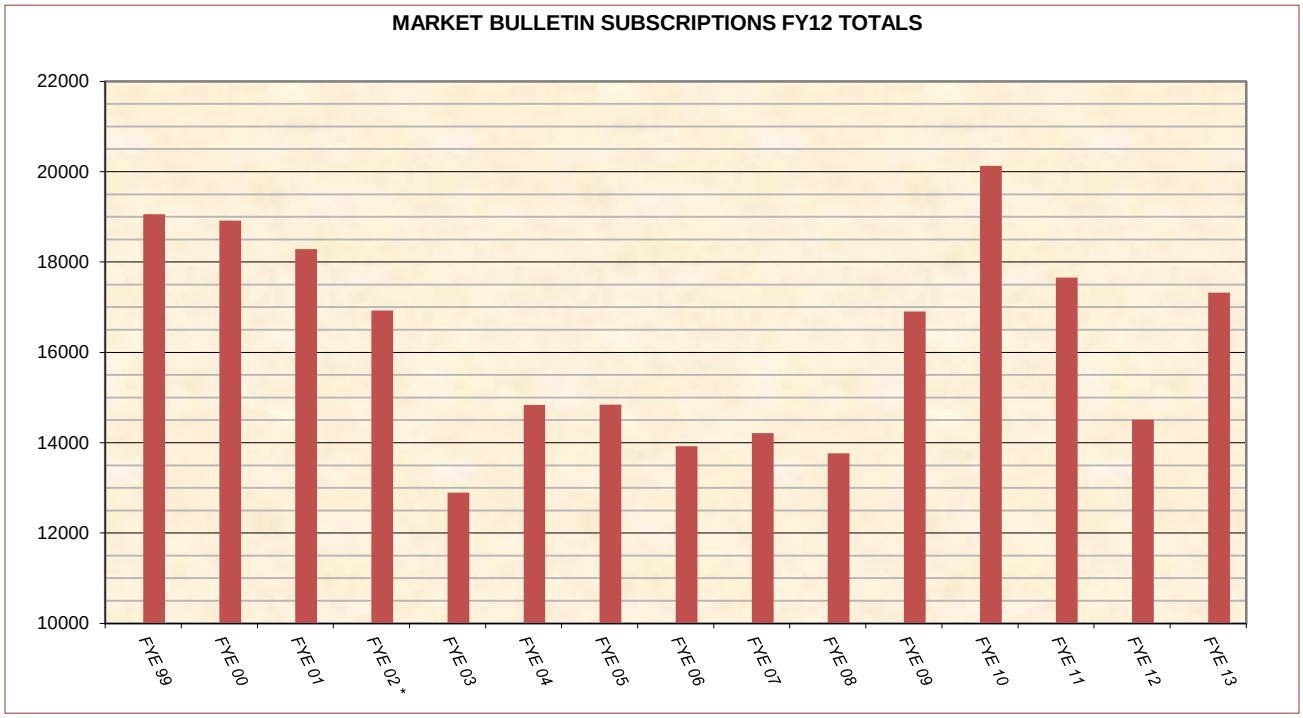
During FY 2013, PI increased media exposure to South Carolina agriculture. Previously, earned media coverage was minimal and not included in this report. Through a proactive approach, PI pitched agriculture related stories to TV, radio, web and print outlets, and sent out 77 news releases.

Media Coverage FY 2013	
TV Stories & Live Interviews	24
Radio Interviews	11
Newspaper & Web Articles	55

PI also continued to populate the department website, http://www.agriculture.sc.gov, with information vital to the agricultural community and SC consumers. PI worked to increase frequency of posts and followers on the Certified SC Grown Twitter and Facebook pages, the State Farmers Market Facebook page, and created a Facebook page for SCDA.

Social Media FY 13	
Certified South Carolina Facebook	6,900+ followers
South Carolina Farmers Market Facebook	10,000+ followers
Certified SC Grown Twitter	5,700+ followers
South Carolina Department of Agriculture Facebook	340+ followers

FY12 marked the 99th year for the *Market Bulletin*, which is published twice monthly and offers a place for readers to post agricultural items for sale. PI conducted a survey of *Market Bulletin* readers to look for ways to further increase readership in order to offset publications costs. Currently subscriptions are $10 per year. The majority of readers surveyed were 45 years or older. At the end of FY13, less than 1,500 of the more than 17,000 subscribers received an online subscription; the rest received paper subscriptions. Therefore, moving to an online only version is not viable at this time. While the number of subscribers increased from 14, 508 at the end of FY12 to 17, 323 or 2, 815 additional subscribers in FY13, the staff is analyzing survey results to see what items are most relevant to readers, in order to further increase readership.



SCDA also worked with Journal Communications for the creation of *South Carolina, Our Amazing Agriculture.* The magazine's first edition was released in May. No state dollars were used to publish the magazine; it was funded strictly through advertisers. The magazine's intended audience includes the General Assembly and the citizens of South Carolina. The purpose is to increase awareness about agriculture's impact on the state economy. The online version can be found at: http://farmflavor.com/us-ag/south-carolina/

Laboratory and Consumer Services – Key Area II

The Laboratory Services Division (LSD) is compromised of the Laboratory Services and Consumer Services Divisions (CSD) of SCDA. There is a unified effort by these two groups to fulfill and comply with their legislated charge. Each unit is dependent on the other to complete tasks as required by state regulation.

LSD is comprised of the Feed Lab, Food Lab, Pesticide Residue Lab, Seed Lab and Food Safety & Compliance Section which support certain regulatory functions assigned to the Commissioner of Agriculture by State Law. LSD is structured to provide inspections, chemical, and physical analytical capabilities necessary to administer and enforce laws and regulations governing the production, storage, handling, safety and sale of food for human consumption, animal feed, and seed sold for agriculture and gardening, and petroleum products sold for heating or automotive uses.

The objectives of Laboratory Services programs are:

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

2. To regularly collect samples of commercial animal feed and pet foods from the state's markets for analysis of nutritional and medicinal ingredients for conformance to label guarantees and standards of quality. A Feed Control Officer provides a more complete regulatory function for enforcing the state's Commercial Feed Law. Feed mill inspections are a part of the feed regulatory functions. This capacity is supported partially by a contract with the U.S. Food and Drug Administration for conducting three (3) GMP inspections of medicated feed mills and twenty-one (21) BSE inspections. BSE refers to "bovine spongiform encephalopathy", a disease more commonly known as "mad cow" disease. This disease can be transmitted through feeding tissue from a diseased animal to other animals of the same species, making feed regulation a barrier to spreading the disease and the consequential threat to the entire beef industry.
3. To provide seed analysis services to consumers, certifying agencies, seed companies, seed producers, and in support of regulatory surveillance and enforcement under the state's Seed and Noxious Weed Law.
4. To regularly receive samples of gasoline, diesel fuel, kerosene, and heating fuels from channels of commerce and test them for conformance to quality standards, label representations and safety. State law requires that petroleum products offered for sale meet standards set by the American Society for Testing and Materials (ASTM).
5. To administer product registrations required by law including animal and pet foods, frozen desserts, gasolines, antifreezes, and to issue licenses and permits to certain special services and businesses. Licenses or permits are issued for frozen desserts, butterfat testers, samplers and weighers.

The efficiency of the Laboratory Division's testing and analytical effort is reflected in the number of analyses tested annually.

Laboratory Services by Fiscal Year

	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13
Food Samples	2,871	2,293	1,904	2,337	3,463	3,216
Animal Feed Samples	1,815	1,838	1,846	1,373	1,504	1,319
Seed Samples	10,335	9,065	7,706	8,406	8,063	8,058
Petroleum Samples	2908	3046	2516	2916	3121	2985
Registration Transactions	14,286	12,679	12,662	10,025	10,019	10,365

A legislative proviso allows for an annually renewable Commercial Feed Registration with a registration fee of $15.00 per product registered. Registrants have the option to register on-line at the SCDA website or they may register directly with SCDA Registrations Office. Approximately 10,509 products are currently registered including 10,275 commercial feeds generating $154,125 in registration revenue. Laboratory Services registered 536 more commercial feeds generating $8,040 more in registration revenue in FY13 than the previous fiscal year.

Number of Analysis performed by Fiscal Year						
	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13
Food Analysis	12,269	11,208	9,540	10,869	15,440	14,030
Feed Analysis	4,846	5,193	5,625	2,302	4,827	5,019
Seed Analysis	15,459	14,428	12,500	11,729	11,552	10,624
Petroleum Analysis	16,464	22,330	18,613	21,080	22,750	22,381
Total Analysis by FY	49,038	53,159	46,278	45,980	54,569	52,054

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

Violation Rates by Program over 5 Fiscal-Year Period (percentage)						
	FY 08	FY 09	FY 10	FY 11	FY 12	FY 13
Food	11.6	9.8	12.5	10.1	14.0	15.33
Pesticide Residue	3.2	1.4	1.0	0.63	0.48	1.04
Feed	11.0	12.5	11.9	14.8	14.0	14.92
Seed	5.4	2.0	3.5	22.3*	24.0	2.35
Petroleum	3.1	10.1	7.4	5.2	6.2	5.74

The meat and dairy program's non-compliance rate is 15.33% range. Excess fat in ground meats is the most frequent type of violation.

Pesticide residue violations are mostly technical in nature and usually represent an insignificant food safety threat. It is rare that these technical violations necessitate any enforcement action. The pattern of pesticide residue violations observed in our laboratory mirrors the pattern of violations found nationwide in USDA's "Pesticide Data Program". Pesticide residue tests on fruits and vegetables are performed in compliance with the state and federal food safety laws. One thousand one hundred eighty two (1,182) official and submitted samples were screened for chemical residues in FY13. The official samples were randomly drawn from supermarkets and farmers markets throughout the state as part of a "Market Basket Survey" to comply with the state's Food Safety Laws. The Department Laboratory tests showed that our growers are doing a good job. Testing is performed at no charge to SC residents. The Pesticide Lab also tests soil and plant tissue submitted by Clemson Extension agents who request herbicide and pesticide screens. A total of 4,078 analyses were performed on the 1,182 samples of produce, feed, soil, and miscellaneous animal and plant material.

Animal feed violations occurred at 14.92%. This rate is typical for feed products both in SCDA's experience and that of other states, and is very consistent with 2012 results.

Seed Lab violations (approx. 2.35%) are based upon official samples analyzed and are consistent with previous years' official sample results. A continued aggressive sampling protocol is being employed to assure a better cross section of establishments offering seed for sale in SC.

At 5.74% petroleum violations, while slightly lower than the previous year, continue to reflect the rates observed nationally. Based on these violation rates, consumers can be confident that petroleum products meet ASTM standards and are fairly labeled. Petroleum violations include octane, flashpoint, and sediment or other impurities. Our state's statistics show that SC petroleum marketers work hard to ensure compliance with national standards.

To provide the necessary infrastructure for an early warning system that identifies potentially hazardous foods and enables health officials to assess risks and analyze trends, the Electronic Laboratory Exchange Network (eLEXNET) continues to be applied in Laboratory Services. eLEXNET is a seamless, integrated, web-based information network that allows health officials at multiple government agencies engaged in food safety activities to compare, share and coordinate laboratory analysis findings. eLEXNET is the data capture and communication system for the Food Emergency Response Network (FERN).

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

Consumer Services

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

The laws enforced include:

- Weights and Measures Law – Section 39-9-10
- Gasoline, Lubricating Oils and Other Petroleum Products Law – Section 39-41-5
- Public Weighmaster Law – Section 39-11-10
- Dealers and Handlers of Agricultural Products – Section 46-41-10
- Grain Producers Guaranty Fund – Section 46-41-200
- Grain Dealer Guaranty Fund – Section 46-40-10
- State Warehouse System Law – Section 39-22-10

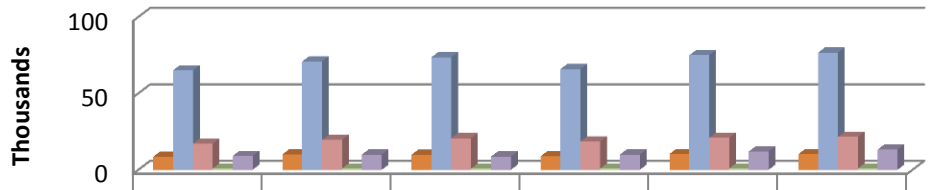
Weights and Measures

Consumer Services inspectors check commercial weighing and measuring devices for accuracy and inspect packaged goods to ensure correct net content statements. **Figure *WM.1*** shows the number of inspections and calibrations performed by Consumer Services during the past five fiscal years.

The number of firms and devices inspected continues to increase. Today, the SCDA Consumer Services Weights and Measures Section has 22 field inspectors and more than 72,000 fuel dispensers to inspect. New computer technology has allowed the collection of more data that gives greater detail into inspection results and helps maximize the available human resources. However, most of the inspections procedures cannot be shortened, and the current staff is diligently keeping up with the current growth.

WM.1

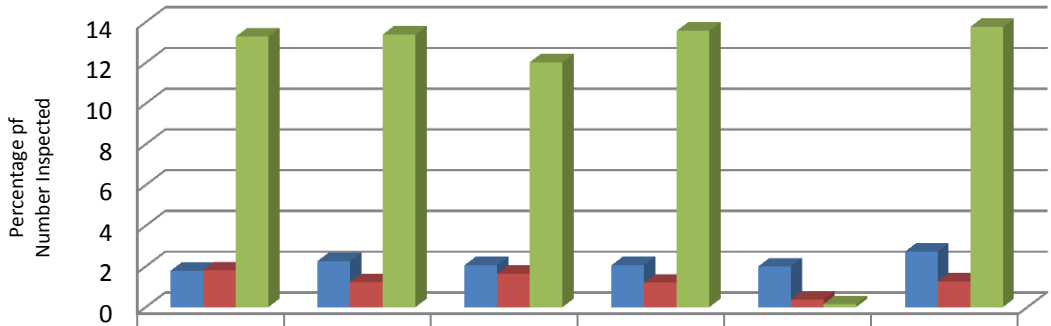
Number of firms and Devices Inspected under Weights and Measures Law/Number of Standards Calibrated by Metrology Lab per Fiscal Year



	FY08	FY09	FY10	FY11	FY12	FY13
Firms Visited	8.6	10.1	9.9	8.9	10.4	10.3
Fuel Dispensers	65.1	70.9	73.6	65.9	75	76.7
Small Scales	17.1	19.6	20.7	18.6	20.9	21.6
Large Scales	0.9	0.9	0.82	0.825	0.854	0.923
Standards Calibrated	9.1	10	8.7	10	12	13.3

WM.2

Percentage of Weighing and Measuring Devices Found Incorrect Per Fiscal Year



	FY08	FY09	FY10	FY11	FY12	FY13
Gas Pumps	1.78	2.26	2.06	2.06	2	2.73
Small Scales	1.81	1.24	1.64	1.2	0.385	1.26
Large Scales	13.28	13.39	12.03	13.57	0.156	13.76

Figure *WM.2* shows the percentage of weighing or measuring devices found incorrect.

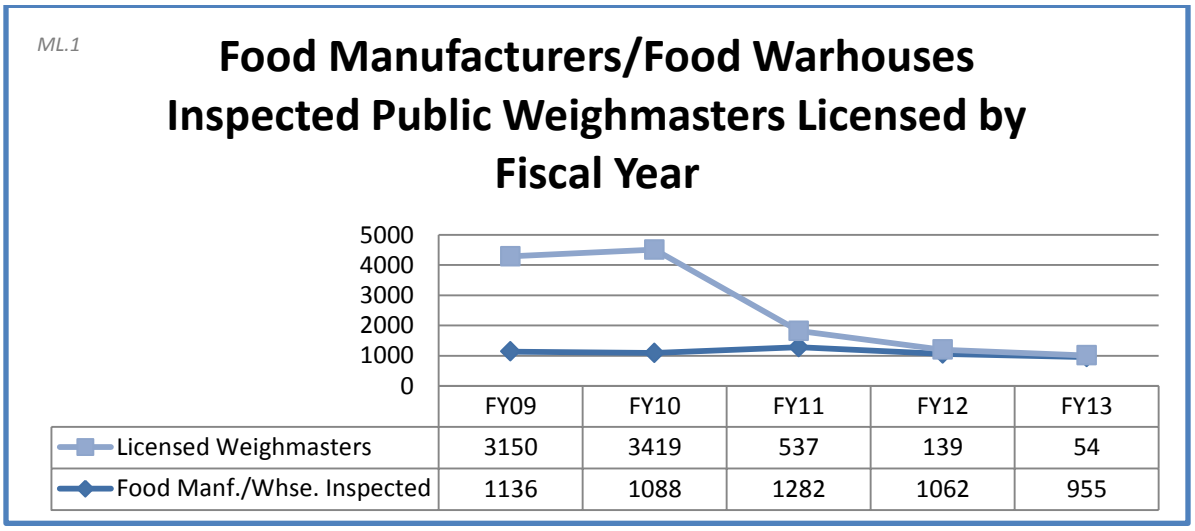
When inspecting firms that have weighing or measuring devices, inspectors also randomly draw samples of gasoline (quantity and quality), diesel, kerosene, animal feeds, seeds, produce, and ground meats for analysis by SCDA's Chemical Laboratory for the enforcement of other laws.

Metrology Laboratory

The Division's Metrology Laboratory maintains the states standards for mass and volume providing calibration services that are traceable to the National Institute of Standards and Technology (NIST). The metrology laboratory maintains the accuracy of equipment used by the department's field inspectors and for measuring device service companies ensuring measurement equity in the market place. Calibration services are available to the public and private sector. The laboratory supports local governments and businesses in all parts of the state including a number of the state's largest employers. For FY13 the laboratory calibrated 13,324 scales for 455 firms. The metrology laboratory also directs the testing of moisture meters, used to determine the moisture content of grains and soybeans that are offered for sale.

Food Manufacturers and Warehouse/Food Distributor Inspections

The Division's **Food Safety and Compliance Section** inspects food manufacturers and food warehouses to ensure that food products are manufactured, stored, and distributed under safe and sanitary conditions. Some of these inspections (955 inspections FY13) are performed under contract with the FDA. USDA AMS and SCDA continue a cooperative agreement to review retail grocers for compliance with Country of Origin Labeling (COOL) requirements. Additionally, the SC Food and Cosmetic Act was amended in FY11 to include facility registration, all Good Manufacturing Practices regulations, Specific Federal Food Safety regulations, and Hazard Analysis of Critical Control Points (HACCP) regulations.



	FY09	FY10	FY11	FY12	FY13
Licensed Weighmasters	3150	3419	537	139	54
Food Manf./Whse. Inspected	1136	1088	1282	1062	955

Figure ML.1 shows a comparison of the number of food manufacturers and warehouses inspected and the number of licenses issued to public weighmasters during the last five fiscal years. The law regarding weighmasters changed in 2011. The decrease in licensed weighmasters in FY13 is a direct result of that changed law.

Licensing, Bonding, and Auditing

Consumer Services Warehouse Section licenses, bonds, and audits dealers and handlers of agricultural products to ensure that the producer receives payment for his crop. Also, warehouses that store cotton or grain and issue warehouse receipts for those commodities are licensed, bonded, and audited. Three guaranty funds are administered by the Division to provide payment to the grain producer, licensed dealer and handler of grain, or the holder of a warehouse receipt should a licensed grain dealer or a licensed warehouse go bankrupt or commit fraud. During the fiscal year, Division personnel performed 150 audits on the 133 licensed Dealers and Handlers and 18 licensed warehouses. Consumer Services also administers the public weigh master law. Any person who weighs commodities in bulk and issues a certified weight ticket that can be used for buying and selling the commodity is considered a public weigh master and must be licensed.

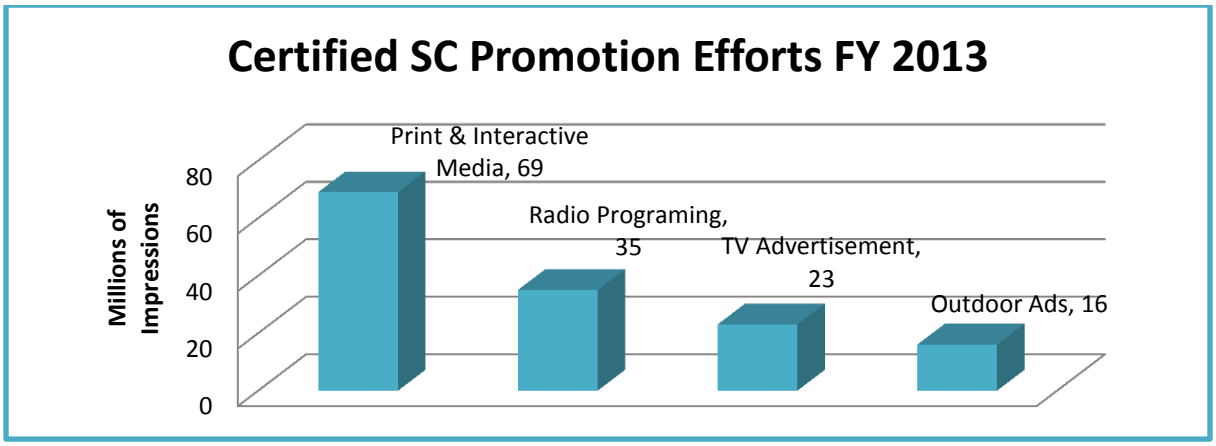
Pesticide Recovery Program- SCDA CSD, through the General Assembly and Clemson University, has initiated a pesticide recovery program throughout the state to collect unwanted and unused pesticides from private, commercial, and non- commercial pesticide applicators. Approximately 85,000lbs were collected.

Agricultural Services – Key Area III

The **Agricultural Services Division** includes those services the SCDA renders to the agricultural community. Ag Services includes: **Marketing, State Farmers Markets,** and **Grading and Inspections/Market News Service.**

Agricultural Services had a very productive year. Marketing continued expanding the successful Certified South Carolina (CSC) branding campaign. The State Farmers Market complex in West Columbia marked its third year with several record attendance events. SCDA's Inspection and Market News teams provided outstanding resources for the farm and consumer community with timely information regarding markets and through inspection services for producers, shippers, retailers, wholesalers, peanut stations, and export and other services.

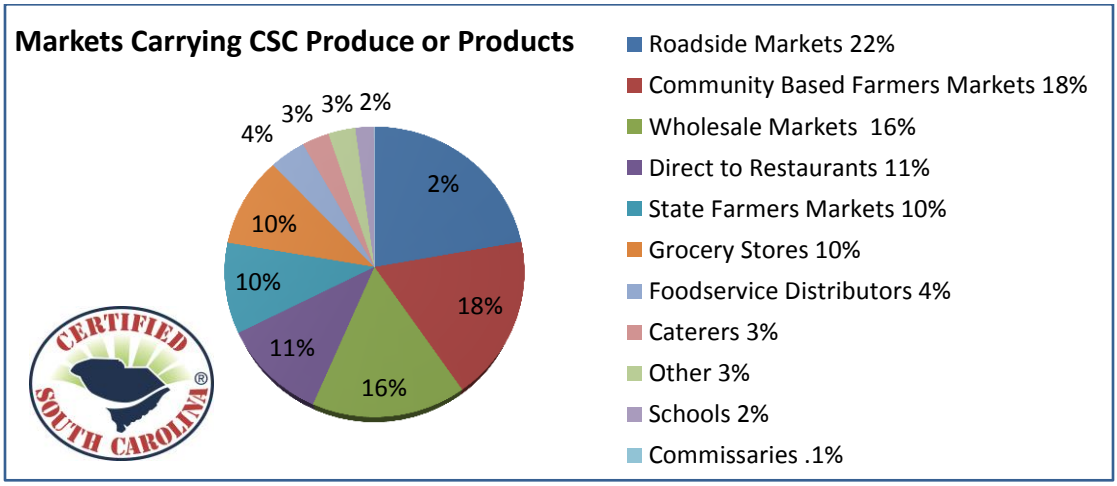
The Certified South Carolina program continues to grow and the state brands are now widely recognized by SC consumers and those in other states. SCDA is actively engaged in media campaigns, marketing activities, and consumer events to grow the SC agricultural economy and to meet consumer demand for local products. In FY13 concentration was placed on television, radio, social networking, web-based media, and outdoor advertising.



The branding campaign continues to significantly increase the visibility of locally produced and processed foods to South Carolinians, which was the goal of the SCDA's CSC initiative. More people buying SC products equates to more dollars for the state's economy. In a January 2013 survey of CSC members, more than half surveyed said they've experienced an increase in sales that they attribute to the CSC program.

CSC Statistics:

- 1,465 members in CSC Program
- CSC logo signage in 576 retail food stores across SC - 10% increase from previous year
- Signage placed in produce, deli, meat, grocery and dairy aisles
- Seasonal promotions resulted in sales spike for produce category despite record rainfall
- 3 State Farmers Markets using CSC logo
- 199 Roadside Markets using CSC logo - up 59 markets from previous year



Major Marketing Efforts for FY13:

• Statewide press coverage in print media and TV news outlets

• Statewide outdoor media in key high traffic locations for 3 State Farmers Markets

• Radio promotion during each USC, Clemson, SC State, Furman, and The Citadel football games including a SC Grown Player of the Week for each school and a feature advertisement each week reminding consumers to buy Certified SC Grown.

• Television campaigns in Midlands promoting State Farmers Market activities and events

• Radio coverage for major Plant and Flower show events attended by more than 175,000 visitors in Greenville, Florence, and Columbia shows.

• Special SC Feature Days at the State Farmers Market highlighted SC commodities - Peach Day, BLT Day, Peanut Day, Beef Day, and Watermelon Day.

• Held the Second Annual Commissioner's Cup BBQ State Championship at the State Farmers Market in March.

• The Harvest Society recorded its third successful season of highlighting product availability and market activities via text messaging.

• Roadside Marketing and Community-based marketing opportunities continue to be promoted throughout the state. South Carolina's 199 Certified Roadside Markets and 122 community-based markets provide a unique opportunity tying in our branding message at venues specializing in local production. SCDA Staff continues helping to set up and promote both use of Food Vouchers through the Women Infants Children (WIC) program and use of EBT cards for SNAP recipients to purchase locally grown produce. This creates opportunities for more consumers to enjoy a healthier lifestyle while supporting South Carolina Agriculture.

• Fresh on the Menu expanded in FY13, with more than 360 participating restaurants across state. The new Fresh on the Menu web-based application was created to help consumers locate SC restaurants that support local producers and products. Since the June 2013 launch, more than 6,500 consumers have downloaded the app to a smartphone or mobile device.

FREE FRESH ON THE MENU WEB-BASED APP –
Download it by visiting: Freeshonthemenuapp.com

• SCDA marketing staff attended 12 distributor shows in the foodservice sector highlighting Fresh on the Menu and increasing visibility of local products to local restaurants. The 3rd NE Produce Expo held in New York City, provided an opportunity to showcase SC produce to more than 1,800 buyers.

• Developed new seafood brand under Certified SC and with the Seafood Alliance and foodservice to get more local shrimp, fish, and other shellfish into supermarkets and foodservice facilities. This also initiates a platform to discuss future processing plants for seafood in SC. SCDA further developed the logo and a new CSC Category and Brand that is growing in interest and use heading into FY14.

• Retailer farm visits conducted for several major retailers.

Grading and Inspections and Market News Service

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

Grading and Inspection Service

Fruit, Vegetable, and Peanut Grading and Inspection Services are provided at shipping points, receiving locations, and terminal markets to specify grade, count, weight, and other factors important to quality determination. Official certificates of grade are issued by inspectors to verify grade factors. The SCDA issued 10,588 certificates during FY13, bolstered by the largest farmer stock peanut crop in South Carolina history with 167,137 tons graded.

The Grading and Inspection Service works with producers, brokers, receivers, food processors, and export marketers to inspect and certify quality as products move through normal marketing channels. SCDA implemented a Food Safety Audit program that provides incentives for 40 firms to receive audits. The Good Agricultural Practices and Good Handling Practices Food Verification Program is a FDA/USDA-developed program implemented by SCDA-trained personnel. Because of the ever-expanding need for and future requirements of agricultural food safety, the SCDA created a new position, Food Safety Coordinator, within the agency. This coordinator provides one-on-one training and assistance to any producer, statewide, interested in good food safety practices and/or certification. The coordinator also provides group trainings on food safety basics, GAP/GHP certification requirements and farm food safety plan creation and implementation. The addition of the new coordinator this year has helped the number of farms receiving their first USDA GAP/GHP audit increase dramatically.

Food Safety Training & Audit Stats:

- 1 new farm audited every month in SC – a pace unmatched nationwide
- 55 farmers receiving personalized help in achieving USDA food safety certification
- 70 farmers took part in regionally-offered food safety trainings

Members of the SCDA F&V Inspection Office have become commissioned officials of the U.S. Food and Drug Administration, allowing for a stronger partnership between the two agencies in regards to agricultural food safety and public health.

Another SCDA service is **Grain Inspection**. Grain inspection works with growers of local grain processors and elevators to assure all grain meets the proper requirements in accordance to the U.S. Grain Standard Act and South Carolina Uniform Grain Grading Act. Grain Inspection Services is licensed under USDA/Federal Grain Inspection Service to perform official grading and weighing certification for domestic and export grains and commodities. During the past year, the Port of Charleston has supported the export of grains and commodities for The Scoular Company, Lansing Trade Group LLC, Gavilon Grain LLC, Fornazor International Inc., and Agridient Inc. Since November of 2012, SC/SPA at Wando and Veteran's Terminals has seen the loading of over 70 million pounds of locally-grown Yellow Soybeans into containers for export overseas. Loading and inspection facilities at Wando Terminal are currently being enhanced to significantly increase volume and to facilitate the expedient flow of product from local farms to shipping containers.

Distiller's Dried Grains (DDG), is one area that has seen a tremendous increase in export volume since May of this year. DDG is a food-grade byproduct of the distillation process for ethanol used to augment animal feed nutrient levels. Loading has been going on at a rapid pace by Lansing Trade Group at a commercial site in North Charleston, and also by Frontier Logistics at the Port of North Charleston. Interest is high for this commodity, as several other companies are projecting new starts for loading at logistic sites in the area. To date, more than 40 million pounds of DDGs have been loaded and exported and future projections are significant. In order to support this volume of inspection service, Grain Inspections is now comprised of three full-time employees, and three temporary employees, with more temporary hires planned soon.

Poultry and Egg Grading and Inspection Grading for poultry, shell eggs and Meals Ready to Eat (MRE) are provided at shipping points, packing houses and processing facilities by the SCDA Poultry and Egg Programs throughout the state. This grading is done on request by individual firms and government agencies.

SCDA's Poultry and Egg Program includes19 employees licensed by the USDA, Agricultural Marketing Services after receiving at least 160 hours of supervised classroom and on the job training. Additional training is required for each commodity. Licensees are supervised by the Federal and State supervisors in official USDA facilities and other approved fee locations.

Certification is made to assure graded products meet the requirements to be shipped throughout the United States and exported to foreign countries. SCDA graders and inspectors strictly follow specifications for the military, USDA school lunch programs, chain stores, and other institutional and government agencies. In addition to this, four child nutrition audits and three UEP audits are performed each year.

FY13 Poultry and Egg Stats:

- 3 shell egg plants, 3 poultry plants & 1 MRE plant with USDA resident grading services provided by SCDA employees.
- 46,942,265 dozens of shell eggs graded
- 32,564,439 pounds of poultry graded
- 5,098,976 pounds of MRE's inspected.

The **Market News Service** collects, analyzes and distributes price, volume and other market information from shippers, wholesalers, brokers, dealers, and market vendors to all segments of the grain, produce, and livestock industries. The information is distributed through printed reports, telephone recordings, daily radio programs, newspapers and the Internet. Market News reports have become the basis for daily trading in the state. Buyers and sellers have equal access to price and volume information which gives them a starting point for negotiations. This accelerates the trading process considerably.

Market News releases more than 70 reports on the USDA network every week. Among those releases are 3 new reports that were either started or taken over this past year; including a bi-monthly Crop Production report. Three reports are mailed each week, with the weekly

newsletter emailed to approximately 650 people and mailed to 500. Twenty eight reports are posted on the Department web site each week. Fifteen audio reports are also posted on the Department website. These are available for radio broadcast. Finally, a daily report is broadcast on a Bishopville radio station.

State Farmers Markets

The SCDA manages three state farmers markets located in Florence, Greenville and West Columbia. These state farmers markets provide a venue for agricultural commerce to individuals, producers, and local fruit and vegetable wholesalers. The markets are open year round and host a variety of activities throughout the year to increase visibility and encourage consumers to buy Certified SC Grown.

State Farmers Market is in its third year at the West Columbia location. The farmer sheds are used for special events to help promote agricultural products and services as well as housing South Carolina grown F&V. A great example of special events is the Midlands Spring Plant and Flower Festival. The four day event had a record attendance of 54,000 generated more than $1.25 million in sales. The West Columbia Market is a wholesale terminal market with private wholesalers, small wholesalers, and out-of-state products sold in separate areas of the market. These wholesale firms provide a source of fresh produce throughout the year. They help insure that the citizens of South Carolina can enjoy fresh, wholesome produce during all seasons.

The South Carolina Farmers Sheds provide a sales area to approximately 350 of our state's farmers. Consumers and wholesale buyers can be assured that the products they are purchasing are locally grown and direct from the farm.

Pee Dee State Farmers Market, located in Florence, currently attracts more than 700,000 visitors which is a 20% increase over previous years. Part of this record number can be attributed to the Spring and Fall Plant & Flower Festivals. The attendance for both festivals, combined with the Classic Car Show event, usually exceed 70,000 people. The remaining visitors come to the market year round to purchase wholesale and retail produce, as well as a variety of other agriculture and horticulture products. The market averages 20-25 permanent year round vendors in addition to many seasonal vendors who utilize the market only during the produce months. The newest vendor on the market is a seafood store and café featuring freshly caught shrimp and fish from South Carolina waters.

The Pee Dee Market has recently become a part of the Eastern South Carolina Heritage Region. Major market improvements include the upcoming installation of modern, energy efficient upgraded lighting (in cooperation with Duke and Lime Energy) which is projected to result in significant long-term cost savings for the entire market facility.

Greenville State Farmers Market continued its efforts in promotion via Plant and Flower Shows, and added new advertising with digital billboards to announce various special events. Also, retail sales throughout the season continued to go well under the retail shed. The market provides an attractive spot for consumers and draws a strong crowd on Saturdays when numerous local farmers come to the site to sell. During FY13 horticulture sales expanded in the greenhouse added the previous year.

Agricultural Outreach

Promoting South Carolina agriculture can only be accomplished when everyone works together. The SCDA works with a number of partners to accomplish its goals in a cooperative effort.

Farm to School

In addition, by working closely with the Farm to School grant Pilot Program, the Agricultural Services Division has seen an increase of 40 percent in new Good Agricultural Practices (GAP) certifications since January 2012. This was accomplished with the hiring of a new staff member who oversees GAP audits. GAP certifications are important because schools are required to source their food products from approved sources. If purchasing directly from the farmer, the farmer must be GAP certified and carry a certain level of liability insurance to be considered an "approved" source for the purposes of meeting the Department of Education requirements.

The main components of the program, which includes 52 schools across the state, are:

- Schools must pledge to purchase and serve at least 2 Certified SC Grown fruits or vegetables per month in their school food service program;
- School cafeterias must display and use the Certified SC logo in the cafeteria and the lunch line to help students identify which food products are grown in SC
- Schools must incorporate and use the agriculture and nutrition lesson materials developed and available on the SC Farm to School website
- Schools must grow a vegetable garden.

The success of the Farm to School program has also inspired the passage of the Fresh on the Campus legislation, S. 191 which went into effect June 7, 2013 and provides for SCDA to encourage schools and other institutions to purchase and serve Certified SC produce and agricultural products in their meal programs.

School Gardens Program

Health and nutrition begins at an early age and SCDA realizes the need to support efforts at every school level. Encouraging healthy eating for children may help them look for locally grown and produced products as adults. School Gardens – Eat Smart... it's in the Garden grants, funded by Eat Smart, Move More SC, have been awarded in the past to approximately 14 different schools. SCDA continues to supports these schools and many more by providing resources such as the Eat Smart...it's the Garden Toolkit, an 80-page resource of information about starting and maintaining a successful school garden program. In addition, SCDA maintains a quarterly electronic newsletter that is distributed statewide, as well as a blog site where gardeners and teachers can directly comment and communicate ideas and stories related to school gardens. www.scschoolgardens.blogspot.com A statewide school garden workshop was held June 12, 2013 offering teachers the opportunity to learn more about seeding vegetables, irrigating and transplanting vegetables, composting, identifying and treating common school garden pests and diseases, as well as using various School Garden resources. The demand for the workshop was so great, that a second workshop was held August 7, 2013, and 55 people attended.

South Carolina Advocates for Agriculture
The SCDA continues to work with the Advocates for Agriculture, a not-for-profit organization charged with assisting in the marketing and promotion of South Carolina agricultural products and the industry as a whole.

South Carolina Food Policy Council
The South Carolina Food Policy Council is an informal group that meets on a regular basis to network and discuss items of interest such as the Farm-to-School legislation, and other food system issues occurring or likely to occur in South Carolina. The Council is served by a nine-member volunteer board which schedules guest presenters at meetings and tours of interest, as well as broad based workshop initiatives looking at current issues of interest. For example, On Sept. 25, 2012 the Council hosted a workshop focused on addressing concerns about food deserts in South Carolina. Food deserts are areas that have a high population concentration, but that do not have a source of fresh produce within a reasonable walking distance. More than 200 people attended and follow up efforts from this workshop include the formation of a Food Access Task Force.

Commissioner's School for Agriculture
The role of the South Carolina Commissioner's School for Agriculture (SCCSA) is to introduce juniors and seniors to the fields of agriculture, forestry and the life sciences. The students explore the academic environment at Clemson University and careers available. In July 2012, 40 students attended the school; since its inception, nearly 350 high school aged students have attended the week-long academic course held each summer. The program is run completely by donations and sponsorships.

Agritourism Directional Signage Program
Regulations regarding the implementation of highway directional signs became final in June 2013. This program is a partnership between SC DOT, SC PRT and SCDA. The program will help consumers and travelers to locate agritourist and rural tourist attractions sites. Individual farms and business must pay for and apply for the program. The regulations provide for an oversight committee that meets twice a year to review the applications for approval. The first rounds of signs are scheduled go up in spring 2014. Applications will be accepted in the fall of 2013.

Emergency Preparedness
During statewide emergencies SCDA staff supports the SC Emergency Management Division (SC EMD). Laboratory and Consumer Services staff work in ESF 11 (Food and Water) to identify, secure and arrange the transport of food and water assistance to affected areas in cooperation with the USDA Food and Nutrition Services. Public Information staff work in ESF 15 (Public Information) coordinating emergency public warning and information systems. SCDA's equine specialist works in ESF 17 (Animal Protection) coordinating all animal response and relief activities. She provides emergency equine stabling sites within the state. In addition, SCDA staff is also deeply involved in emergency recovery.