

AGENCY NAME:	PATRIOTS POINT DEVELOPMENT AUTHORITY		
AGENCY CODE:	P-360	SECTION:	052

**Fiscal Year 2015-16
Accountability Report**

SUBMISSION FORM

AGENCY MISSION	The mission of the Patriots Point Development Authority is to establish and develop a National Naval Museum of ships and to develop and improve the Patriots Point area to provide a place of education and recreation to foster among the people pride and patriotism in our nation and its heritage.
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AGENCY VISION	The vision of the Patriots Point Development Authority is to provide an unsurpassed museum experience that educates, entertains, and inspires, while creating a self-sustaining business plan which includes attraction and property management objectives.
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Please state yes or no if the agency has any major or minor (internal or external) recommendations that would allow the agency to operate more effectively and efficiently.

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

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Mac Burdette	843.881.5920	mburdette @patriotspoint.org
SECONDARY CONTACT:	Allison Hunt	843.881.5920	ahunt@patriotspoint.org

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

AGENCY DIRECTOR (SIGN AND DATE):	
(TYPE/PRINT NAME):	Mac Burdette

BOARD/CMSN CHAIR (SIGN AND DATE):	
(TYPE/PRINT NAME):	Ray Chandler

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AGENCY’S DISCUSSION AND ANALYSIS

Patriots Point, located on the Charleston Harbor in Mt. Pleasant, South Carolina, is a major historical site of significance for both South Carolina and the United States. The Patriots Point Naval and Maritime Museum is home to the World War II era USS Yorktown CV-10 aircraft carrier, the USS Laffey destroyer, and the USS Clamagore submarine. The museum also includes the Cold War Memorial and the Vietnam Experience, the only Vietnam Support Base Camp in the US. Patriots Point also serves as the headquarters for the Congressional Medal of Honor Society and the Society’s official Medal of Honor Museum (*Goal 2*).

With 29 aircraft on display from conflicts ranging from World War II to present-day operations, Patriots Point is one of the top sites in the country for naval aviation enthusiasts and is currently South Carolina’s top heritage attraction. It is the fourth largest naval museum in the country and one of only two museums with more than two ships. Patriots Point Naval and Maritime Museum has been awarded the TripAdvisor Certificate of Excellence every year since 2013, which officially recognizes its consistently high visitor ratings. The museum is listed by TripAdvisor as the top attraction in Mt. Pleasant (*Goal 2; Strategy 2.2; Objective 2.2.1*). Patriots Point Naval and Maritime Museum also provides educational programming that serves over 40,000 K-12 South Carolina students with multiple innovative programs and Overnight Camping year round (*Strategy 1.2; Strategy 2.3*).

Patriots Point Naval and Maritime Museum has developed a challenging and robust three year business plan (FY 2016- FY2019) to define Goals, Objectives and Strategies for the following categories: Revenue Production; Property Lease/Property Management; Product Improvement; Promotion of the Patriots Point Brand and Image; Maintenance/Improvement of Ships/Facilities; Improvements and Maintenance of Exhibits and Tour Routes, and Expansion of Artifacts; Education Expansion and Improvements (*Goal 1; Strategy 1.1; Objectives 1.1.1, 1.1.2; Strategy 1.2; Objectives 1.2.1, 1.2.2, 1.2.3; Strategy 1.3; Objective 1.3.1; Goal 2; Strategy 2.1; Strategies 2.2, 2.3; Objective 2.2.1*). Patriots Point Naval and Maritime Museum also has a Museum Master Plan, which identifies specific recommendations to continue to move Patriots Point Naval and Maritime Museum forward as a world class destination, while increasing annual ticket sales (*Goal 1; Strategy 1.2; Objective 1.2.3; Goal 2; Strategies 2.1, 2.3*).

Patriots Point Development Authority is also charged with the mission of managing 400 acres of land bordering the Charleston Harbor as a place of tourism and recreation. To this end, PPDA has entered into lease agreements with a golf course, a hotel and College of Charleston athletic facilities (*Goal 1; Strategy 1.1; Objective 1.1.2*). Although the historic ships are owned by the state of South Carolina, Patriots Point currently receives no state or federal funding for the substantial ship repair and restoration costs associated with their upkeep. To address this issue and ongoing financial viability, PPDA has entered into a 99-year lease agreement for approximately 60 acres of the property in order to create a steady stream of income to provide the necessary funding for all required ship repair and restoration of historical ships, piers, and landside facilities (*Goal 1; Strategy 1.1; Objective 1.1.2*). This revenue stream will prevent the state of South Carolina from having to pay to maintain the ships or engage in the far more costly effort of ship disposal (*Goal 1*).

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I. RISK ASSESSMENT AND MITIGATION STRATEGIES:

The most negative impact on the public as a result of failure by the Patriots Point Development Authority to accomplish its goals and objectives would be that the 99 year land lease agreement does not go through and PPDA is left with no resources to maintain the ships. In that event, the State of South Carolina would be required to take the burdensome financial responsibility (tens of millions of dollars) for maintenance of the three ships at Patriots Point or, at much greater expense, be required to fund ship removal and disposal. The General Assembly has already assisted PPDA in resolving this issue before it becomes a crisis by supporting the 99 year land lease agreement.

II. RESTRUCTURING RECOMMENDATIONS:

The agency has no recommendations for restructuring at this time.

Agency	Patriots Point Development Authority		
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Strategic Planning Template

Type	Item #			Associated Enterprise Objective	Description
	Goal	Strat	Object		
G	1			Public infrastructure and economic development	Ensure Patriots Point Naval and Maritime Museum maintains financial self sufficiency
S		1.1			Maximize the land value managed by PPDA through land leases
O			1.1.1		<i>Identify and assign land lease to partner developer to create a multimillion dollar ongoing revenue source</i>
O			1.1.2		<i>Maintain existing land leases and partnerships</i>
S		1.2			Increase ticket sales to 300,000 per year
O			1.2.1		<i>Develop statewide awareness of Patriots Point and its mission throux various marketing methods</i>
O			1.2.2		<i>Create profitable value added partnerships</i>
O			1.2.3		<i>Improve Naval and Maritime Museum "product" through implementation of new exhibits/upgrades</i>
S		1.3			Ensure that the annual budget will support all approved/authorized operational and capital expenditures, including debt service
O			1.3.1		<i>Continue to produce a balanced budget every year</i>
G	2			Public infrastructure and economic development	Enhance Patriots Point Naval and Maritime Museum status as a world class destination
S		2.1			Implement Museum Master Plan recommendations
S		2.2			Promote Patriots Point Naval and Maritime Museum through a wide range of strategic media promotions/advertising
O			2.2.1		<i>Maximize social and earned media opportunities to promote the museum and programs</i>
S		2.3			Enhance and improve exhibits and programs

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Program Template

Program/Title	Purpose	<u>FY 2015-16 Expenditures (Actual)</u>				<u>FY 2016-17 Expenditures (Projected)</u>				Associated Objective(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL	
Patriots Point Naval and Maritime Museum	Operate a naval and Maritime Museum employing historic ships, exhibits, history programs, overnight camping, group education programs and camps		\$ 11,672,266		\$ 11,672,266		\$ 13,836,012		\$ 13,836,012	1;1.1;1.1.1;1.1.2;1.2.1;1.2.2;1.2.3;1.3;1.3.1;2.1;2.2;2.2.1;2.2.2;2.2.1;2.3
					\$ -				\$ -	
					\$ -				\$ -	

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Legal Standards Template

Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Associated Program(s)
1	51-13-710	State	Statute	To establish and develop a National Naval Museum of ships and to develop and improve the Patriots Point area to provide a place of education and recreation to foster among the people pride and patriotism in our nation and its heritage.	Naval and Maritime Museum
2	43-26-90	State	Statute	Title 43, Chapter 26- Operation of Vending Facilities by Blind Persons, Section 43-26-90 Buildings not subject to Chapter. Patriots Point is exempted from this regulation.	Naval and Maritime Museum
3	60-11-150	State	Statute	Title 60, Chapter 11- Libraries, Archives, Museums and Arts-Archives Act and Civil War Sesquicentennial Advisory Board. Section 150 appoints Executive Director of Patriots Point to serve on the Advisory Board.	Naval and Maritime Museum
4	56-3	State	Statute	PPDA License tag	Naval and Maritime Museum
5	1- 5- 40	State	Statute	Title 1, Chapter 5- Administration of Government, Secretary of State. Section 40 Duty to monitor state boards and commissions, certification of dates of terms of service.	Naval and Maritime Museum
6	P.L. 1028, 84th Congress, 10 USC 7308	Federal	Statute	The Act of Aug. 10, 1956 authorizes the Secretary of the Navy to transfer by gift or otherwise, on terms prescribed by him, any obsolete vessel of the Navy to any State, municipal corporation of the United States. This Law is cited in the contracts for all three ships located at Patriots Point.	Naval and Maritime Museum

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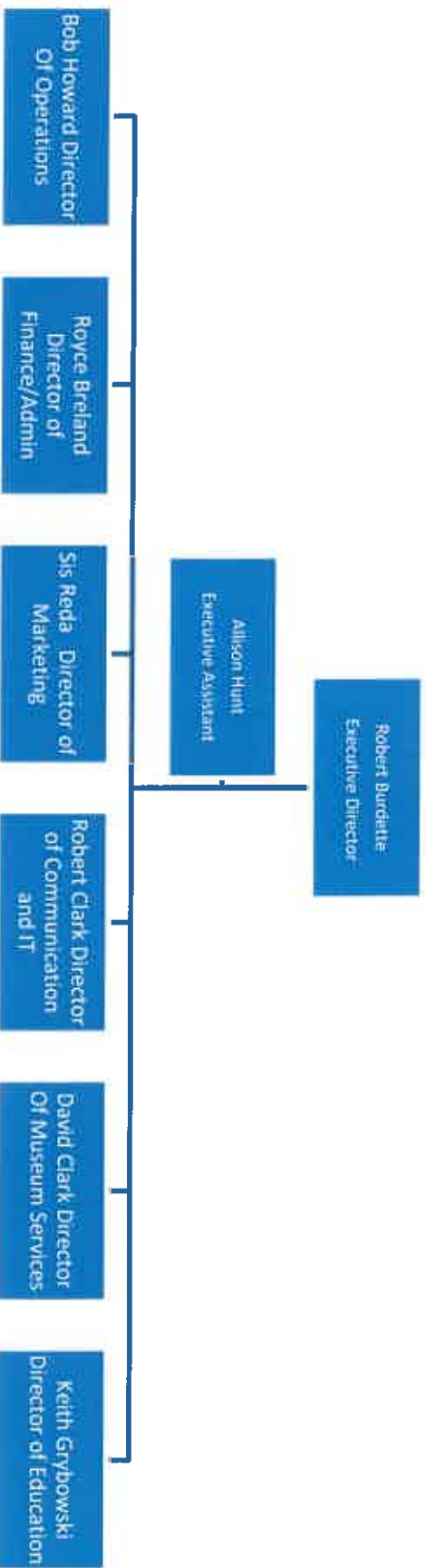
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Report Template

Item	Report Name	Name of Entity Requesting the Report	Type of Entity	Reporting Frequency	Submission Date (MM/DD/YYYY)	Summary of Information Requested in the Report	Method to Access the Report
1	Restructuring Report	SC House Legislative Oversight Committee	State	Annually	June 30, 2017	Agency information in regards to strategic planning, operations and performance	Request from SC House Legislative Oversight Committee
2	Leave Transfer Pool Program Report	Department of Administration	State	Annually	March 1, 2016	Provides an account of the amount of leave that has been moved to the Leave Transfer Pool.	Request from SC Department of Administration
3	Audit and Certification Report to MMO	Department of Administration	State	Quarterly	10/15/2016; 1/15/2016; 4/15/2016; 7/15/2016	Report regarding the agency's use of Sole Source Providers. Report includes information regarding vendors and the amount spent.	Request from SC Department of Administration
4	Report to State Accident Fund	Department of Administration	State	Annually	August 31, 2016	This is a report of Workman's Compensation and other insurance claims that would be covered by the State Accident Fund.	Request from SC Department of Administration
5	Bonuses Spreadsheet Report	Department of Administration	State	Annually	August 31, 2016	This is a report of all bonuses awarded during the fiscal year.	Request from SC Department of Administration
6	Equal Opportunity Employment Report	Commission on Human Affairs	State	Annually	October 15, 2016	Report contains information regarding the agency's efforts to meet goals regarding Equal Opportunity Employment.	Request from SC Department of Administration
7	Agency Debt Collection Report	Department of Administration	State	Annually	#####	Report contains information regarding the agency's outstanding debt as of 12/31, and all methods being used to collect that debt	Request from SC Department of Administration
8	Annual Audit	Department of State Auditor	State	Annually	October 15, 2016	Agency annual financial report	State Auditor's Office
9	US Navy Artifact Loan Program	Naval History and Heritage Command	Federal	Annually	April 30, 2016	Report on condition of US Navy artifacts on loan to museum	Request sent from Naval History and Heritage Command
10	Naval Aircraft Loan Program	National Naval Aviation Museum	Federal	Annually	April 30, 2016	Report on condition of Naval aircraft on loan to museum	Request sent from National Naval Aviation Museum
11	USMC Artifacts Loan Program	United States Marine Corps	Federal	Annually	April 30, 2016	Report on condition of USMC artifacts on loan to museum	Request sent from United States Marine Corp Artifacts Loan Program
12	US Army Loan Program	United States Army- Tanks Automotive and Armaments Command Division (TACOM)	Federal	Annually	April 30, 2016	Report on condition of US Army artifacts on loan to museum	Request sent from US Army Artifacts loan Program
13	Energy Consumption Report	South Carolina Energy Office, to report on progres to the General Assembly	State	Annually	#####	State law passed in 2008 which requires our orgnaization to reduce energy consumption 20% by 2020 and requires the SC Energy Officeto report on progress to the General Assembly annually	iparris@energy.sc.gov
14	Quarterly Agency State Vehicle Accident Summary Report	State Fleet Management	State	Annually	Last day of the month- March, June, Sept., Dec.	Reports the number of vehicles owned/leased, miles driven, in addition to any and all data regarding accidents during the quarter.	alexis.cook@admin.sc.gov
15	SC Solid Waste Management Annual Report	SC Department of Health and Environmental Control, Office of Solid Waste Reduction and Recycling	State	Annually	August 26, 2016	Identifies amount of material that was recycled in fiscal year by product, recycling vendor and weight in tons.	vasinsle@dhec.sc.gov
16	Agency IDC Quarterly Report	State Engineers	State	Quarterly	Last day of the month- March, June, Sept., Dec.	IDC Contracts for Professional Services, identifying project, company name, delivery order #, description of work funds and total paid	Request from State Engineers Office

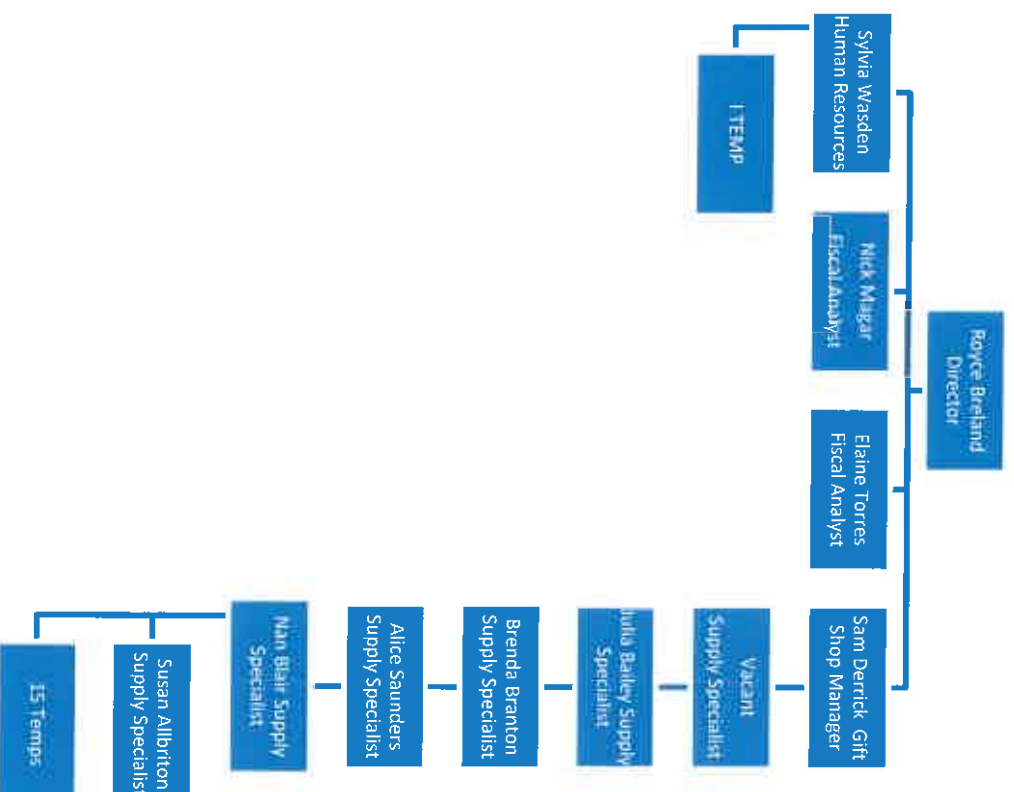
PPDA Exec Director Org Chart

Direct Reports



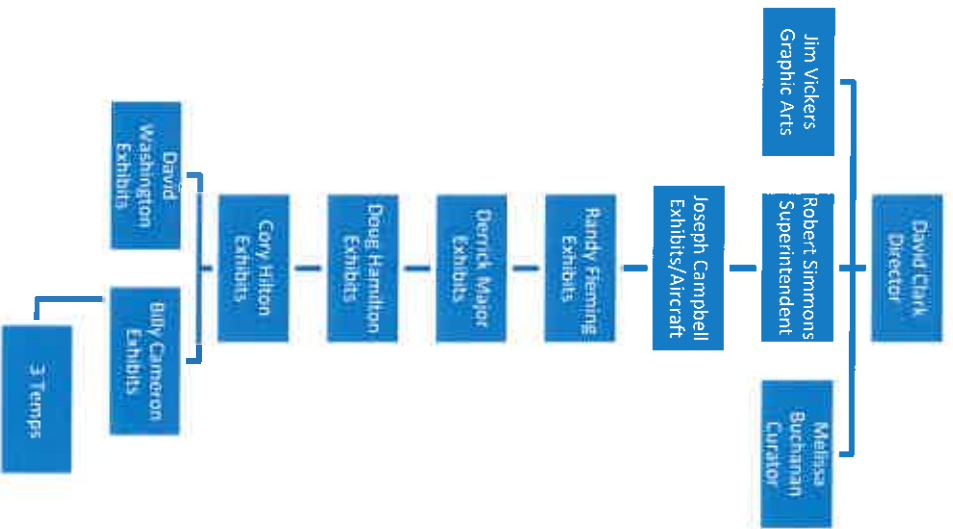
Effective 07/22/2016

PPDA Admin/ Finance Services



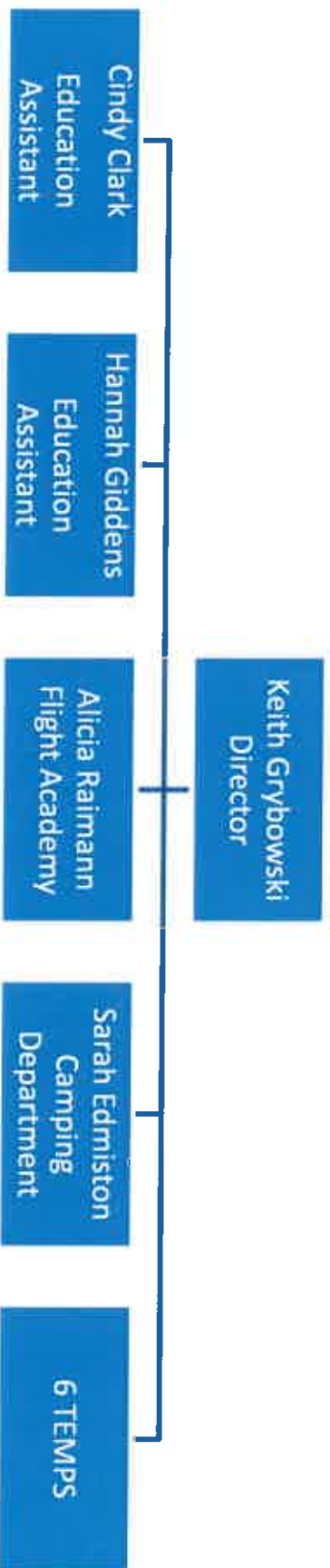
Effective 07/22/2016

PPDA Museum Services



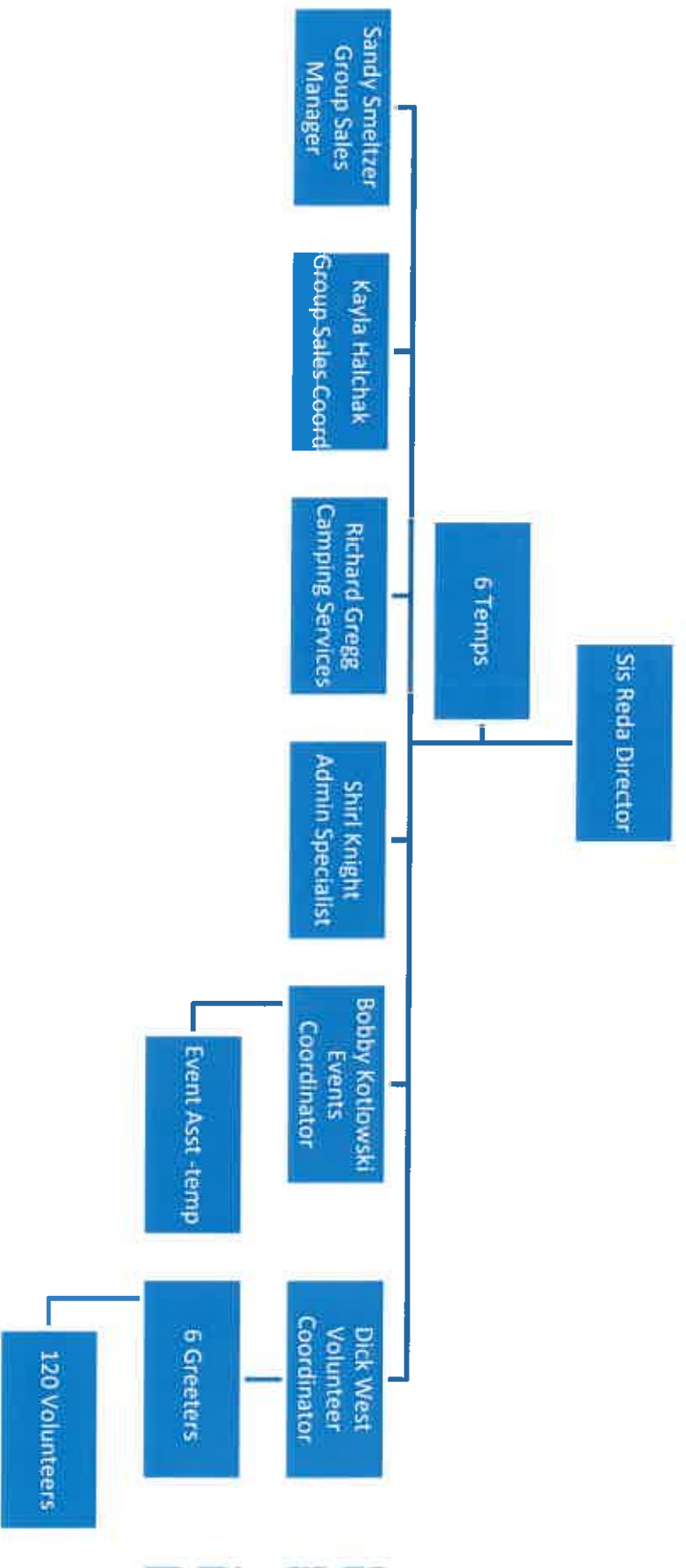
Effective 07/22/2016

PPDA Education Department



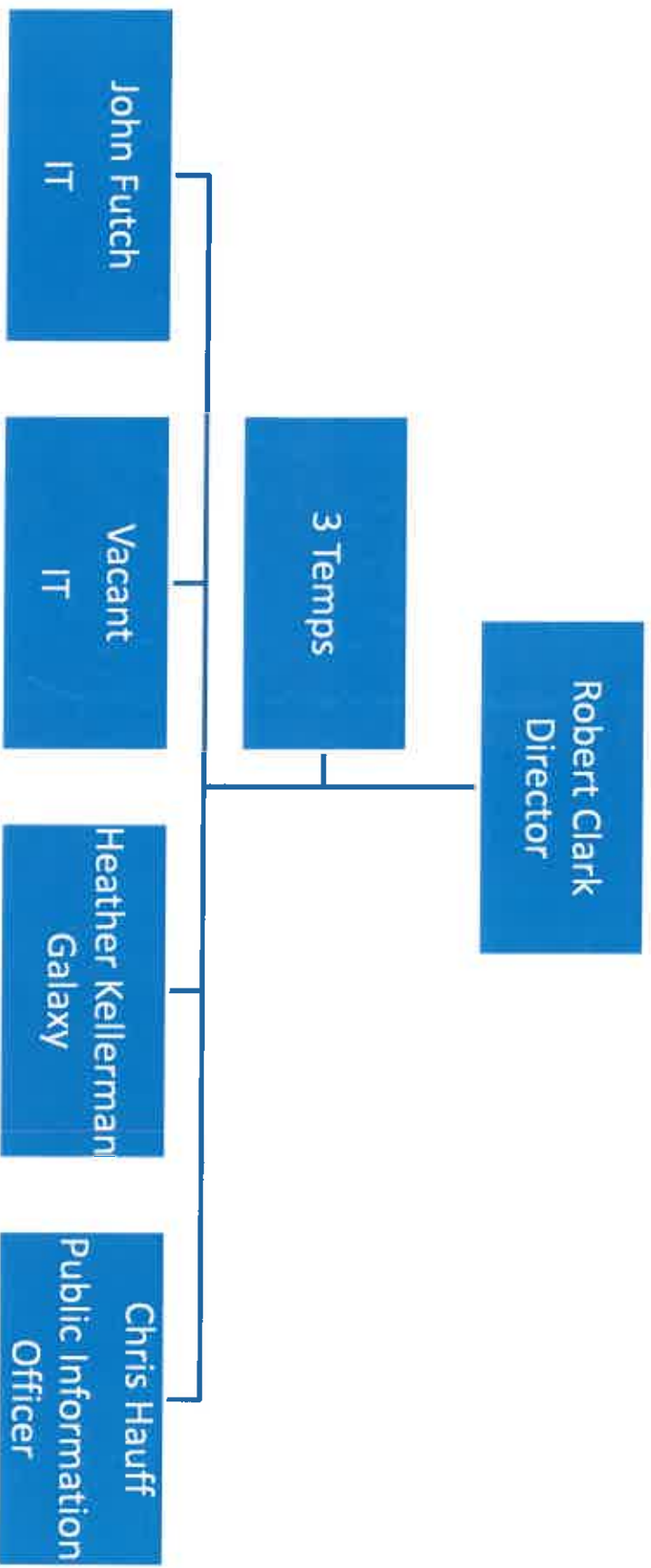
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PPDA Marketing/ Group Sales



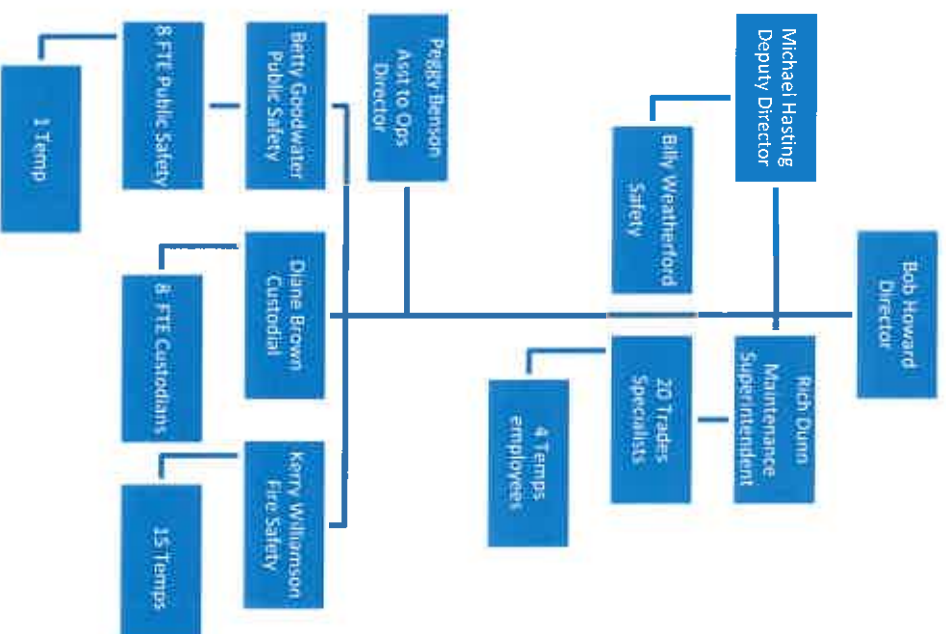
Effective 07/22/2016

PPDA IT/Communications Department



Effective 07/22/2016

PPDA OPS Department



Effective 07/22/2016