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SOUTH CAROLINA
STATE BOARD OF FINANCIAL INSTITUTIONS

Budget and Operations Committee

MINUTES

Thursday, April 16, 2020

10:00 A.M.

1200 Senate Street, Wade Hampton Office Building

Treasurer's Conference Room

& via GoToMeeting Teleconference

Columbia, South Carolina

The Budget and Operations Committee of the State Board of Financial Institutions met on April 16, 2020.

Members present (via teleconference): Messrs. Pennington (Chairman), Wright, Conley and Wicker.

Others in attendance: Commissioner Ron Bodvake, Commissioner Rick Green, Deputy Commissioner Kathy Bickham, Deputy General Counsel Shawn Eubanks, Fiscal Analyst Cameron Larkin and Board Administrator Alicia Sharpe.

The April 16, 2020 Agenda was approved by General Consent.

The January 23, 2020 Committee Meeting Minutes were approved by General Consent.

Scott Conley joined the meeting.

There were no member **recusal or conflict of interests** disclosed or identified.

Commissioner Green presented the following to the Committee:

Personnel Changes

- Tyler Horn promoted to Examiner I
- Hiring suspended due to pandemic response

Information Technology Update

- Updated Business Continuity Plan (BCP)
- Including a Pandemic Response Addendum
- Purchased a remote support application
- Evaluating secure file exchange tools for improved off-site exam capabilities

- Installed a connectivity device and ordered furniture for collaboration room
- Early stages of a workstation refresh project
- IT Manager assisting Consumer Finance Division

Covid-19 Pandemic Response Actions

- Business Continuity Team first met on 2/27 in response to emerging risk of pandemic
- Current operating status is Stage 3 (highest)
 - All staff telecommuting except that office operations are maintained by essential employees on a rotational basis
 - Leadership continues to closely monitor developments
 - Regular calls with Federal regulators, other States, trade associations, and SCEMD
- Examination activities continue remotely
 - Offsite through May
 - Communications to Staff
 - Guidelines for Supervising Financial Institutions Affected by Pandemics and Other Emergencies
- Communications to Industry
 - March 9, 2020
 - March 20, 2020
 - March 26, 2020
 - March 30, 2020
 - April 3, 2020

FY 2021 Budget:

- General Assembly did not pass a Continuing Resolution to continue funding at current levels and will not pass until the FY 2021 Appropriations Act is passed

FY 2020 Expenditures Analysis

- Positive variance in Personal Services continues to increase due to resignations of a senior staff member and a mid-level examiner, and delays in filling open positions
- Contractual Services, and Supplies and Materials are higher in the second half of the FY primarily due to timing of the invoice from the STO and the planned computer refresh.
- Projected travel expenditures decreased significantly for the remainder of the FY due to pandemic response actions.

STO Memorandum of Agreement

- Cost: \$110,000 annually
- Formally outlines the services provided by STO

Consumer Finance Division Commissioner Bodvake presented the following to the Committee:
Personnel Changes:

- Sonya Miller promoted to Review Examiner
- Job posting drafted for open positions, not posted

COVID-19 Related

- Interim guidance for mortgage loans originators
- Extended due date for Supervised Annual Report
- CFPB - CARES Act mortgage forbearance video posted to website
- Business continuity plan update
- All staff working remotely
- Licensing and examination programs fully operational

Quarterly Financial

- Personal services, positive variance
- Other operating, positive variance
- Construction and cubicles expenses paid

New Business

BOFI and STO Memorandum of Agreement

The next committee meeting is scheduled for Thursday, July 23, 2020.

There being no further business, the meeting was adjourned by acclamation at **11:09 AM**.