

AGENCY NAME:	State Board of Financial Institutions		
AGENCY CODE:	R23	SECTION:	79

**Fiscal Year 2019–2020
Accountability Report**

SUBMISSION FORM

AGENCY MISSION	The mission of the Board of Financial Institutions is to protect the citizens of South Carolina by preserving a sound financial industry through effective and efficient regulatory oversight of financial institutions in order to strengthen consumer confidence, assure reliable access to financial services, and encourage economic growth.
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AGENCY VISION	The Board of Financial Institutions will create an environment that promotes a thriving, competitive, safe and sound financial community to serve the citizens of South Carolina.
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Does the agency have any major or minor recommendations (internal or external) that would allow the agency to operate more effectively and efficiently?

	Yes	No
RESTRUCTURING RECOMMENDATIONS:	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Is the agency in compliance with S.C. Code Ann. § 2-1-230, which requires submission of certain reports to the Legislative Services Agency for publication online and to the State Library? See also S.C. Code Ann. § 60-2-30.

	Yes	No
REPORT SUBMISSION COMPLIANCE:	<input checked="" type="checkbox"/>	<input type="checkbox"/>

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Is the agency in compliance with various requirements to transfer its records, including electronic ones, to the Department of Archives and History? See the Public Records Act (S.C. Code Ann. § 30-1-10 through 30-1-180) and the South Carolina Uniform Electronic Transactions Act (S.C. Code Ann. § 26-6-10 through 26-10-210).

	Yes	No
RECORDS MANAGEMENT COMPLIANCE:	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Is the agency in compliance with S.C. Code Ann. § 1-23-120(J), which requires an agency to conduct a formal review of its regulations every five years?

	Yes	No
REGULATION REVIEW:	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Please identify your agency’s preferred contacts for this year’s accountability report.

	<u><i>Name</i></u>	<u><i>Phone</i></u>	<u><i>Email</i></u>
PRIMARY CONTACT:	Richards H. Green	803-734-2001	Rick.Green@banking.sc.gov
SECONDARY CONTACT:	Ronald R. Bodvake	806-734-2020	Ron.Bodvake@bofi.sc.gov

I have reviewed and approved the enclosed FY 2019–2020 Accountability Report, which is complete and accurate to the extent of my knowledge.

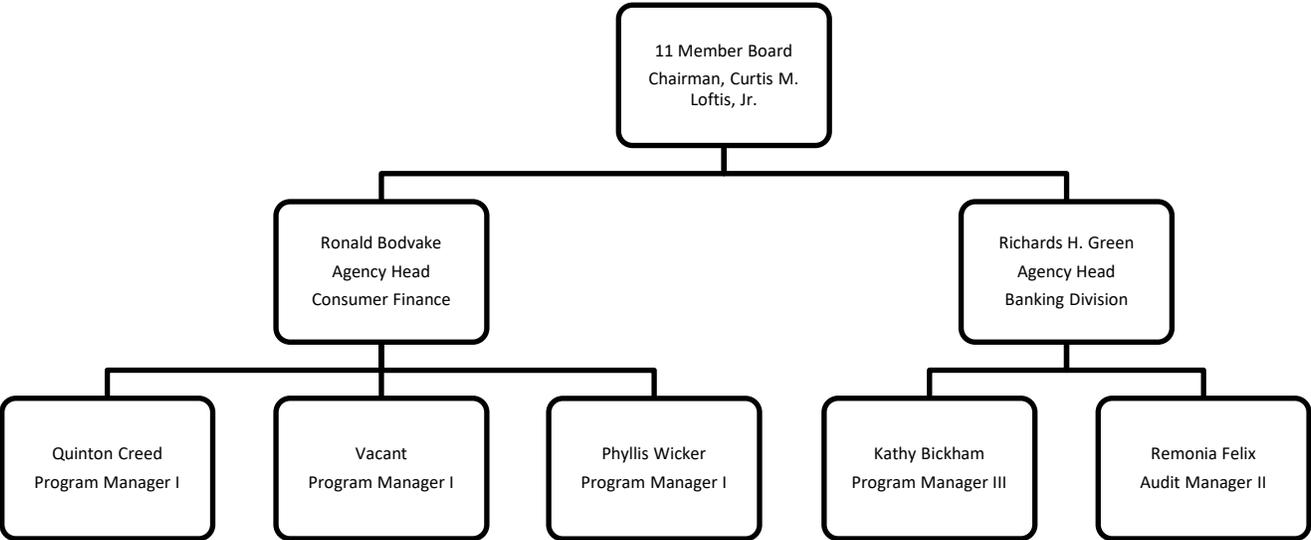
AGENCY DIRECTOR (SIGN AND DATE):	
(TYPE/PRINT NAME):	

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

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AGENCY’S DISCUSSION AND ANALYSIS

The State Board of Financial Institutions is composed of eleven members, one of whom is the State Treasurer as an ex officio member and as the chairman. The remaining ten members must be appointed by the Governor with the advice and consent of the Senate. The Board’s supervision is handled through its two divisions – the Banking Division and the Consumer Finance Division. The Board appoints a Commissioner of Banking who examines and supervises State chartered banks, trust companies, savings and loan associations, savings banks, credit unions, and development corporations. The Board is also authorized to designate or appoint a Commissioner of Consumer Finance who examines and supervises non-depository mortgage lenders/servicers and their branches, loan originators, consumer finance companies, deferred presentment service companies, and check cashing service companies. The first three levels of the agency’s organizational chart are exhibited in Figure 1 below. The Board’s oversight includes the promulgation of regulations and instructions relating to the supervision of financial institutions; the consideration of applications for new banks, trust companies, savings and loan associations, savings banks, credit unions, non-depository mortgage lenders/servicers and their branches, loan originators, consumer lenders, deferred presentment providers, and check cashing service providers; and the consideration of applications for branches of banks, savings and loan associations, savings banks, credit unions, and trust companies.



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The key goals of the agency are to ensure that procedures are in place to adequately monitor the safety and soundness of financial institutions under the Board’s jurisdiction, to ensure that statutory responsibilities are met, and to ensure that the interests of the citizens of the State are protected. The agency strives to keep abreast of changes in financial products and services in order to conduct thorough and comprehensive examinations. The Chairman, Board members, and the directors of the two divisions are participants in the planning process. Programs and procedures are periodically reviewed, and measures are implemented to address changes in the financial industry and the economic environment.

The directors of the agency strive to take advantage of all opportunities available to achieve success in fulfilling the agency’s mission and achieving its strategic goals. Since having a competent and effective staff is crucial to fulfilling the mission of the agency, the directors seek new opportunities for staff development, effective recruitment procedures, and diversity in the workforce. Because of the travel required for the agency’s examiners, attracting and retaining competent employees is a major challenge. Major barriers include competition from other employers for experienced workers and the increasing complexity of financial products, which requires more training and more detailed review. The directors continually evaluate the strategic challenges the agency faces and alter the agency’s plans accordingly.

The agency’s main service is to preserve a sound State chartered financial community and protect the borrowing public. Major products offered by the Board are licenses/charters to operate banks, savings and loan associations, savings banks, credit unions, trust companies, mortgage lenders/servicers and their branches, loan originators, consumer finance companies, deferred presentment service companies, and check cashing service companies. In addition to the licenses, the agency evaluates and monitors the condition of the institutions and determines compliance with applicable statutes and regulations. The citizens of South Carolina, the Legislature, and the Governor are the key customers of the Board of Financial Institutions. Regulated institutions are secondary customers of the Board. The Board’s customers expect the Board to ensure the safety of deposits and protect the borrowing public by ensuring that the state banking and consumer finance laws and regulations are followed. The Board’s key stakeholders are the taxpayers of South Carolina.

Since the Board of Financial Institutions is a regulatory agency, the employees of the Board are the key suppliers. Offices of the Board are located in Columbia, but employees travel throughout the state examining institutions under the Board’s jurisdiction. The Board has two unclassified and 54 classified full-time positions. Other regulatory agencies such as the Federal Deposit Insurance Corporation, the Federal Reserve Bank, the Consumer Financial Protection Bureau, and the South Carolina Department of Consumer Affairs are the agency’s partners in ensuring safe and sound State chartered financial institutions and protecting the borrowing public.

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I. Banking Division

The primary responsibility of the Banking Division is to charter and supervise State chartered banks, savings and loan associations, savings banks, trust companies, and credit unions. In addition to meeting the statutory requirements to carry out these responsibilities, the Banking Division has identified several significant accomplishments in FY 2020 which helped the agency fulfill its mission more effectively and efficiently. These accomplishments are briefly described below.

Fiscal Year 2020 Accomplishments

During FY 2020, all examinations of financial institutions were completed in the timeframes required by law. In response to the COVID-19 Pandemic, the Banking Division purchased software that enhanced the examiners’ ability to conduct examinations off-site. Examiners were able to continue examinations in a timely manner while working from home. Senior staff collaborated with other State and Federal regulators to determine best practices for off-site examinations. During the pandemic, the Banking Division remained open at all times by rotating a small staff in order to limit contact among staff members.

A review of capital adequacy, earnings, liquidity, and past due and nonaccrual loans was performed quarterly on all banks. The reviews were used to monitor changes in individual institutions as well as to identify trends in the financial performance of South Carolina State chartered banks as a whole. During FY 2020, the division formed a Risk Identification Committee. The purpose of this team is to identify current risk levels, trends, and emerging risks; identify data needs and sources; develop supervisory strategies for ensuring safe and sound State chartered institutions, and develop communications to staff and industry.

In addition to on-the-job training in the field and computer based training in the office, examiners attended seven Federal Deposit Insurance Corporation (FDIC) sponsored schools, five Federal Financial Institutions Examination Council sponsored schools, and one Conference of State Bank Supervisors (CSBS) sponsored school. Examiners also attended training conferences sponsored by the FDIC and CSBS. These schools and conferences covered a wide variety of topics including asset/liability management analysis, loan analysis, examination of trust departments, capital markets, Current Expected Credit Losses (CECL) implementation, commercial real estate appraisal evaluation, cybertechnology and risk management, and financial crimes. The agency continued to develop its training program specifically to help new employees gain the knowledge necessary to effectively and efficiently perform their job duties and to allow new examiners to practice examination procedures in the office.

The division actively participates in CSBS and the National Association of State Credit Union Supervisors (NASCUS), which have missions of enhancing financial institution supervision. In addition to attending conferences sponsored by these organizations, employees of the division participate in CSBS committees such as the State Examiner Review Team, the IT Advisory Team, the Technology Committee,

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the Risk ID Team, and the COVID-19 Steering Group. The Commissioner of Banking is the Vice-Chair of the CSBS State Supervisory Review Processes Committee.

During FY 2020, the division continued its participation with five other state credit union regulators and the National Credit Union Administration (NCUA) in the Alternating Examination Pilot Program to test options for alternating examinations of well-run, federally insured, state-chartered credit unions. The program is running for approximately three years, and a goal of the pilot program is to explore ways to improve supervisory efficiencies and reduce regulatory burden. The division also continued to cross-train its bank examiners in the examination of credit unions, with the goal that ultimately all examiners will be able to examine both banks and credit unions.

The Banking Division continues to make enhancements to the information technology/information security program. During FY 2020, all employees completed information security training to enhance awareness of potential threats. All examiners have access to FDICConnect, which allows them to securely and efficiently exchange examination documents with both bankers and FDIC examiners, and all examiner laptops use two-factor authentication for accessing email and network files. In addition, key card access was added to all Banking Division suite doors during FY 2020 to enhance security by restricting access and to create a log of personnel who access the suites.

II. Consumer Finance Division

The COVID-19 pandemic presented challenges to conducting business in a traditional onsite office environment. The challenges provided the Division with an opportunity to implement its Business Continuity Plan (BCP). The BCP provided tools and processes to modify workflow required to operate with minimal disruption. The Division successfully continued operations, conducted scheduled examinations, investigated consumer complaints, and processed license applications.

The consumer finance compliance team completed on-site and remote examinations. The mortgage compliance team participated in remote and multi-state examinations of mortgage lenders and servicers facilitated by Conference of State Bank Supervisors (CSBS), American Association of Residential Mortgage Regulators (AARMR) and the Multi-state Mortgage Committee (MMC). Highlights from the fiscal year are as follows:

- 1442 examinations
- \$1,420,723 refunds from examinations
- 168 complaints investigated
- \$12,985 refunds from complaints

The Board has taken steps to modernize the consumer and mortgage licensing process in South Carolina by voting to add consumer finance licensing to the Nationwide Multistate Licensing System (NMLS) used

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by mortgage licensing. The transition of consumer licensing to NMLS system streamlines the process by allowing credit checks to be pulled through NMLS, online renewal and online fee payment. The implementation of NMLS for all license types has enabled the Division to continue the licensing of new and transitional applications through the COVID-19 pandemic.

The Division implemented a long-term Information Technology (IT) plan. The goals included a dedicated IT manager tasked with managing all IT processes, assets and plans. An updated information security policy and procedures encompassing both divisions. Performing a full risk assessment of all business processes and assets to bolster the information security posture. Lastly, streamlining business processes, modernization of data classification and an information technology asset inventory database.

Enterprise and workflow technologies such as OnBase, Sharebase, and Segra Unify are used to facilitate the examination and licensing processes. Sharebase permits lenders to submit files for examination electronically. OnBase is a secure information platform designed to centralize and store all confidential licensee and examination data. Segra Unify allows secure real-time voice communication services through a remote secure network. These software-based tools and equipment encrypted with two-factor authentication are a part of the Division’s BCP providing compliance and licensing team members remote access required to maintain daily operations during COVID-19.

The Commissioner and representatives from the Division attended annual conventions and meetings with the Independent Financial Services Association, SC Financial Services Association, American Conference of Uniform Consumer Credit Code States, and the Mortgage Bankers Association. The meetings allow for discussions of current topics, concerns, and opportunities facing both mortgage and consumer finance industries. Information gained through these resources is shared via the Division’s website and digital newsletter.

The Division is dedicated to fostering a well-informed and highly skilled workforce environment. The mortgage compliance and licensing team members completed certification programs offered by Conference of State Bank Supervisors (CSBS). Team members maintained Certified Application Specialist, Certified Senior Mortgage Examiner, and Certified Mortgage Examiner credentials by completing required continuing education courses. In addition, consumer compliance team members participated and completed annual training schools offered by the National Association of Consumer Credit Administrators (NACCA). These training opportunities provide information regarding federal and state regulatory requirements pertaining to: Know Before You Owe Mortgage Disclosure, Equal Credit Opportunity Act (ECOA), pay-day lending, small and large scale consumer lending, installment lending and automotive finance lending.

We are proud to have five employees who have completed the Certified Public Manager (CPM) program. Two additional employees have been accepted into the CPM program and are expected to graduate in 2021. The program is offered by the South Carolina Department of Administration and is a nationally accredited professional development program for supervisors and managers in state government. The program consists of 300 hours of coursework within an 18-month period, a

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cornerstone project and a final examination. The Division currently has one manager and four members of the executive management team who have the distinction of being Certified Public Managers.

III. Risk Assessment and Mitigation Strategies

The potential most negative impact on the public that would result from the agency’s failure to accomplish its goals and objectives would be that customer protections could be compromised. For the Banking Division, outside help is required if financial institutions cannot be examined within the timeframes required by law. If the number of institutions examined were to fall to this level, the division could request help from Federal regulatory agencies to complete examinations. For the Consumer Finance Division, outside help is required if the division fails to meet statutory responsibilities; however, no outside help is available to mitigate the negative impact. The General Assembly could help resolve the issue by amending statutory requirements, increasing authorization for Other Funds, or increasing salaries and travel reimbursement regulations to make agency positions more attractive.

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Strategic Planning and Performance Measurement Template

Statewide Enterprise Strategic Objective	Type	Item #			Description	2019-20			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
Public Infrastructure and Economic Development	G	1			Preserve a sound State Chartered financial community.							
	S	1.1			Monitor the safety and soundness of financial institutions and licensees							
	M			1.1.1	Examine State chartered financial institutions within the timeframes required	27	25	23	January 1 - December 31, 2019	Excel spreadsheet	Totals from all data sources calculated on last day of calendar year	Tracking the number of examinations completed ensures compliance with the agency's mission of examining and supervising State chartered financial institutions.
	M			1.1.1	Average Cost per Bank	\$57,758	\$63,534	\$64,792	July 1 - June 30	Excel spreadsheet	Total bank expenditures divided by number of banks	Tracking the cost of examinations promotes sound fiscal stewardship.
	M			1.1.2	Examine consumer finance licensees within the timeframes required by law.	1,401	1425	1265	July 1 - June 30	Internal database & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of examinations completed ensures compliance with the agency's mission of examining and supervising State licensed consumer finance institutions.
	M			1.1.2	Examine mortgage licensees within the timeframes required by law.	171	144	177	July 1 - June 30	Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of examinations completed ensures compliance with the agency's mission of examining and supervising State licensed non-depository mortgage lenders and servicers.
	M			1.1.2	Refunds to Consumers from Examination Findings	\$3,232,085	\$0	\$1,420,723	July 1 - June 30	Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking refunds to consumers assists the agency in monitoring the effectiveness of its examination process.
	M			1.1.2	Death Claims	880	900	1529	July 1 - June 30	Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking death claims processed by licensees assists the agency in determining the effectiveness of its examination process.
	S	1.2			Ensure that statutory requirements are met.							
	M			1.2.1	Review and evaluate applications for new financial institutions and branches and for financial institution holding company acquisitions.	25	25	25	July 1 - June 30	Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of applications processed ensures compliance with the agency's statutory requirement to act on applications brought before the Board.

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		Goal	Strategy	Measure		Base	Target	Actual				
	M			1.2.2	Consumer Finance Applications Analyzed and Reviewed	215	180	159	July 1 - June 30	Internal database & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of applications ensures compliance with the agency's statutory requirement to act on applications brought before the Board.
	M			1.2.2	Consumer Finance Applications Analyzed and Reviewed within 30 days	100%	100%	100%	July 1 - June 30	Internal database & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the processing time of applications assists the agency in monitoring the efficiency of its application process.
	M			1.2.2	Consumer Finance Amendments Processed	483	400	437	July 1 - June 30	Internal database & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of amendments processed assists the agency in monitoring the efficiency of its amendment process.
	M			1.2.2	Mortgage Applications Processed	3588	3000	4917	July 1 - June 30	NMLS & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of applications ensures compliance with the agency's statutory requirement to act on applications submitted to the Commissioner.
	M			1.2.2	Mortgage Applications Processed within 20 days	100%	100%	100%	July 1 - June 30	NMLS & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the processing time of applications assists the agency in monitoring the efficiency of its application process.
	M			1.2.2	Mortgage Amendments Processed	35,567	30,000	41,083	July 1 - June 30	NMLS & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of amendments processed assists the agency in monitoring the efficiency of its amendment process.
Maintaining Safety, Integrity and Security	G	2			Protect the interests of the citizens of South Carolina.							
	S	2.1			Monitor the concerns of the depositing and borrowing public.							
	M			2.1.1	Consumer Finance Complaints Investigated within 30 days	100%	100%	100%	July 1 - June 30	SC DCA & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the processing time of consumer complaints assists the agency in monitoring the efficiency of its complaint process.
	M			2.1.1	Mortgage Complaints Investigated within 30 days	100%	100%	100%	July 1 - June 30	SC DCA & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the processing time of mortgage complaints assists the agency in monitoring the efficiency of its complaint process.
	M			2.1.1	Refunds from Complaints	\$18,160	\$0	\$12,985	July 1 - June 30	Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking refunds to consumers assists the agency in monitoring the effectiveness of its consumer complaint investigations.
Government and Citizens	G	3			Maintain competent and well trained staff.							
	S	3.1			Hire and retain qualified, diverse employees.							
	M			3.1.1	Employee Turnover Ratio	12%	10%	18%	July 1 - June 30	SCEIS & Excel spreadsheet	Number of employees who leave the agency divided by total FTEs	A low turnover ratio increases productivity and reduces costs.

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		Goal	Strategy	Measure		Base	Target	Actual				
	M			3.1.2	Staff Diversity (Minority and Women)	64%	50%	69%	30-Jun	SCEIS & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Workplace diversity can increase employee morale and bring about increased productivity.
	S			3.2	Provide training opportunities for employees.							
	M			3.2.1	Ensure compliance with CJIS education and certification requirements.	100%	100%	100%	July 1 - June 30	Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking CJIS certification ensures the agency's compliance with federal statutes pertaining to criminal record information.
	M			3.2.2	Average Training Hours	91	50	99	July 1 - June 30	Excel spreadsheet	Total training hours divided by number of employees	Training increases employee knowledge and job satisfaction.
	M			3.2.3	Pass Rate of FDIC Core Schools Attended	100%	100%	100%	July 1 - June 30	Excel spreadsheet	Total core schools passed divided by total schools attended.	A high pass rate Increases the effectiveness of financial institution examinations.

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		Goal	Strategy	Measure		Base	Target	Actual				
Public Infrastructure and Economic Development	G	1			Preserve a sound State Chartered financial community.							
	S	1.1			Monitor the safety and soundness of financial institutions and licensees							
	M			1.1.1	Examine State chartered financial institutions within the timeframes required by law.	23	Examine at least 15 institutions during the year		January 1 - December 31, 2020	Excel spreadsheet	Totals from all data sources calculated on last day of calendar year	Tracking the number of examinations completed ensures compliance with the agency's mission of examining and supervising State chartered financial institutions.
	M			1.1.1	Average Cost per Bank	\$64,792	No more than a 10% increase over the prior year		July 1 - June 30	Excel spreadsheet	Total bank expenditures divided by number of banks	Tracking the cost of examinations promotes sound fiscal stewardship.
	M			1.1.2	Examine consumer finance licensees within the timeframes required by law.	1,265	1,300		July 1 - June 30	Internal database & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of examinations completed ensures compliance with the agency's mission of examining and supervising State licensed consumer finance institutions.
	M			1.1.2	Examine mortgage licensees within the timeframes required by law.	177	150		July 1 - June 30	Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of examinations completed ensures compliance with the agency's mission of examining and supervising State licensed non-depository mortgage lenders and servicers.
	M			1.1.2	Refunds to Consumers from Examination Findings	\$1,420,723	\$0		July 1 - June 30	Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking refunds to consumers assists the agency in monitoring the effectiveness of its examination process.
	M			1.1.2	Death Claims	1,529	950		July 1 - June 30	Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking death claims processed by licensees assists the agency in determining the effectiveness of its examination process.
	S	1.2			Ensure that statutory requirements are met.							
	M			1.2.1	Review and evaluate applications for new financial institutions and branches and for financial institution holding company acquisitions.	25	20		July 1 - June 30	Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of applications processed ensures compliance with the agency's statutory requirement to act on applications brought before the Board.

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Statewide Enterprise Strategic Objective	Type	Item #			Description	2020-21			Time Applicable	Data Source and Availability	Calculation Method	Meaningful Use of Measure
		Goal	Strategy	Measure		Base	Target	Actual				
	M			1.2.2	Consumer Finance Applications Analyzed and Reviewed	159	100		July 1 - June 30	Internal database & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of applications ensures compliance with the agency's statutory requirement to act on applications brought before the Board.
	M			1.2.2	Consumer Finance Applications Analyzed and Reviewed within 30 days	100%	100%		July 1 - June 30	Internal database & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the processing time of applications assists the agency in monitoring the efficiency of its application process.
	M			1.2.2	Consumer Finance Amendments Processed	437	375		July 1 - June 30	Internal database & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of amendments processed assists the agency in monitoring the efficiency of its amendment process.
	M			1.2.2	Mortgage Applications Processed	4917	3500		July 1 - June 30	NMLS & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of applications ensures compliance with the agency's statutory requirement to act on applications submitted to the Commissioner.
	M			1.2.2	Mortgage Applications Processed within 20 days	100%	100%		July 1 - June 30	NMLS & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the processing time of applications assists the agency in monitoring the efficiency of its application process.
	M			1.2.2	Mortgage Amendments Processed	41,083	35,000		July 1 - June 30	NMLS & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the number of amendments processed assists the agency in monitoring the efficiency of its amendment process.
Maintaining Safety, Integrity and Security	G	2			Protect the interests of the citizens of South Carolina.							
	S	2.1			Monitor the concerns of the depositing and borrowing public.							
	M			2.1.1	Consumer Finance Complaints Investigated within 30 days	100%	100%		July 1 - June 30	SC DCA & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the processing time of consumer complaints assists the agency in monitoring the efficiency of its complaint process.
	M			2.1.1	Mortgage Complaints Investigated within 30 days	100%	100%		July 1 - June 30	SC DCA & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking the processing time of mortgage complaints assists the agency in monitoring the efficiency of its complaint process.
	M			2.1.1	Refunds from Complaints	\$12,985	\$0		July 1 - June 30	Excel spreadsheet	Totals from all data sources calculated on last day of FY	Tracking refunds to consumers assists the agency in monitoring the effectiveness of its consumer complaint investigations.
Government and Citizens	G	3			Maintain competent and well trained staff.							
	S	3.1			Hire and retain qualified, diverse employees.							
	M			3.1.1	Employee Turnover Ratio	18%	10%		July 1 - June 30	SCEIS & Excel spreadsheet	Number of employees who leave the agency divided by total FTEs	A low turnover ratio increases productivity and reduces costs.

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		Goal	Strategy	Measure		Base	Target	Actual				
	M			3.1.2	Staff Diversity (Minority and Women)	69%	Have a staff that is at least 50% minority and women		30-Jun	SCEIS & Excel spreadsheet	Totals from all data sources calculated on last day of FY	Workplace diversity can increase employee morale and bring about increased productivity.
S		3.2			Provide training opportunities for employees.							
	M			3.2.1	Average Training Hours	99	50		July 1 - June 30	Excel spreadsheet	Total training hours divided by number of employees	Training increases employee knowledge and job satisfaction.
	M			3.2.2	Pass Rate of FDIC Core Schools Attended	100%	100%		July 1 - June 30	Excel spreadsheet	Total core schools passed divided by total schools attended.	A high pass rate Increases the effectiveness of financial institution examinations.

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Program Template

Program/Title	Purpose	FY 2019-20 Expenditures (Actual)				FY 2020-21 Expenditures (Projected)				Associated Measure(s)
		General	Other	Federal	TOTAL	General	Other	Federal	TOTAL	
Banking Examiners	The Bank Examining Program regulates and supervises State chartered Banks, savings and loan associations, savings banks, credit unions, trust companies, and development corporations.		\$ 2,363,794		\$ 2,363,794		\$ 2,864,188		\$ 2,864,188	1.1.1; 1.2.1; 3.1.1; 3.1.2; 3.2.2; 3.2.3
Consumer Finance Examiners	The Consumer Finance Examining Program regulates and supervises State licensed non-depository mortgage lenders and servicers, supervised lenders, deferred presentment service providers, and check cashing service providers		\$ 2,719,149		\$ 2,719,149		\$ 3,096,993		\$ 3,096,993	1.1.2; 1.2.2; 2.1.1; 3.1.1; 3.1.2; 3.2.1; 3.2.2
					\$ -				\$ -	
					\$ -				\$ -	

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Legal Standards Template

Item #	Law Number	Jurisdiction	Type of Law	Statutory Requirement and/or Authority Granted	Does this law specify who your agency must or may serve? (Y/N)	Does the law specify a product or service your agency must or may provide?	If yes, what type of service or product?	If other service or product, please specify what service or product.
1	34-1-20	State	Statute	Establishes the Board of Financial Institutions (Board) and the appointment of its members.	Yes	Yes	Other service or product our agency must/may provide	A Board to oversee the agency
2	34-1-60	State	Statute	Establishes the Board's authority to supervise banks and building and loan associations.	Yes	Yes	Other service or product our agency must/may provide	Supervision of banks and savings and loans
3	34-1-70	State	Statute	Establishes the Board's authority to approve charters and branches of banks, building and loan associations, savings and loan associations, and savings banks.	Yes	Yes	Other service or product our agency must/may provide	Bank, building and loan association, savings and loan association, and savings bank charters and branch authority
4	34-1-80	State	Statute	Establishes the Examining Department, the appointment of the Commissioner of Banking by the Board, and the hiring by the Commissioner of assistants. Allows the Board to examine the Business Development Corporation of South Carolina.	Yes	Yes	Other service or product our agency must/may provide	Examination of Business Development Corporation of South Carolina
5	34-30-120	State	Statute	Establishes the Board's authority to approve charters of savings banks.	Yes	Yes	Other service or product our agency must/may provide	Savings bank charters
6	34-26-200	State	Statute	Establishes the Board's authority to supervise credit unions.	Yes	Yes	Other service or product our agency must/may provide	Supervision of credit unions
7	34-26-310	State	Statute	Establishes the Board's authority to approve charters of credit unions.	Yes	Yes	Other service or product our agency must/may provide	Credit union charters
8	34-21-10	State	Statute	Establishes that the Board's approval is necessary to conduct trust business.	Yes	Yes	Other service or product our agency must/may provide	Trust powers
9	34-9-10	State	Statute	Gives authority to the Board to set capital requirements for new banks.	Yes	No - But relates to manner in which one or more agency deliverables is provided		
10	34-25-30	State	Statute	Establishes that the Board's approval is necessary to acquire a South Carolina holding company or a South Carolina State bank.	Yes	Yes	Other service or product our agency must/may provide	Authority to acquire a holding company or bank
11	34-28-310	State	Statute	Establishes that the Board's approval is necessary to acquire a South Carolina savings and loan association or savings and loan holding company.	Yes	Yes	Other service or product our agency must/may provide	Authority to acquire a savings and loan holding company or savings and loan association
12	34-28-100	State	Statute	Establishes the Board's authority to approve charters of savings and loan associations.	Yes	Yes	Other service or product our agency must/may provide	Savings and loan association charter
13	34-29-200	State	Statute	Establishes the Board's authority to designate the Chief Administrative Officer/Commissioner of Consumer Finance Division.	Yes	No		
14	37-22-110(11)	State	Statute	Defines "Commissioner" as the designee of the State Board of Financial Institutions for purposes of licensing and regulation of mortgage lenders and mortgage loan originators pursuant to this chapter.	Yes	No - But relates to manner in which one or more agency deliverables is provided		
15	37-22-140	State	Statute	Establishes application qualifications and regulatory compliance for Non-depository Mortgage Lenders and Servicers.	Yes	Yes	Other service or product our agency must/may provide	License to conduct Mortgage lending activity in South Carolina
16	37-22-200	State	Statute	Establishes the powers of commissioner relating to denial, suspension, revocation or refusal to renew license; surrender; investigations and subpoena of documents.	Yes	Yes	Other service or product our agency must/may provide	Supervision of Mortgage lenders
17	37-3-501	State	Statute	Establishes application qualifications and regulatory compliance for Supervised Lenders and Servicers.	Yes	Yes	Other service or product our agency must/may provide	License to conduct Supervised lending activity in South Carolina
18	37-3-502	State	Statute	Establishes a license requirement to make supervised loans.	Yes	Yes	Other service or product our agency must/may provide	License to conduct Supervised lending activity in South Carolina
19	37-3-503	State	Statute	Establishes the Board's authority to issue licenses to make supervised loans.	Yes	Yes	Other service or product our agency must/may provide	License to conduct Supervised lending activity in South Carolina
20	37-3-506	State	Statute	Established the Board's authority to perform examinations on Supervised Lenders	Yes	Yes	Other service or product our agency must/may provide	Supervision of Supervised Lenders

21	34-29-20	State	Statute	Establishes application qualifications and regulatory compliance for Restricted Lenders.	Yes	Yes	Other service or product our agency must/may provide	License to conduct Restricted lending activity in South Carolina
22	34-29-30	State	Statute	Establishes the Board's authority to issue licenses to make Restricted loans.	Yes	Yes	Other service or product our agency must/may provide	License to conduct Restricted lending activity in South Carolina
23	34-29-40	State	Statute	Establishes the Board's authority to issue or deny a license	Yes	Yes	Other service or product our agency must/may provide	License to conduct Restricted lending activity in South Carolina
24	34-29-90	State	Statute	Established the Board's authority to perform examinations on Restricted Lenders	Yes	Yes	Other service or product our agency must/may provide	Supervision of Restricted Lenders
25	34-39-130	State	Statute	Establishes application qualifications and regulatory compliance for Deferred Presentment Service Providers.	Yes	Yes	Other service or product our agency must/may provide	License to provide Deferred Presentment services in South Carolina
26	34-39-190	State	Statute	Established the Board's authority to perform examinations on Deferred Presentment Service Providers	Yes	Yes	Other service or product our agency must/may provide	Supervision of Deferred Presentment Service Providers
27	34-41-40	State	Statute	Establishes application qualifications and regulatory compliance for Check Cashing Service Providers.	Yes	Yes	Other service or product our agency must/may provide	License to provide Check Cashing services in South Carolina
28	34-41-70	State	Statute	Established the Board's authority to perform examinations on Check Cashing Service Providers	Yes	Yes	Other service or product our agency must/may provide	Supervision of Check Cashing Service Providers

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Customer Template

Service/Product Provided to Customers	Customer Segments	<i>Specify only for the following Segments: (1) Industry; Name; (2) Professional Organization; Name; (3) Public; Demographics.</i>	Divisions or Major Programs	Description
Preserve a safe and sound State chartered financial community by examining State chartered financial institutions	General Public	<u>Age:</u> All <u>Gender:</u> All <u>Economic Condition:</u> All Incomes <u>Other Required Conditions:</u> Maintains a relationship with a State Chartered financial institution.	Banking Division	The Banking Division is responsible for chartering and supervising State banks, savings and loan associations, savings banks, trust companies, and credit unions
Process applications for new financial institutions and new branches	Industry	Banking Industry	Banking Division	The Banking Division is responsible for chartering and supervising State banks, savings and loan associations, savings banks, trust companies, and credit unions
Regulatory Compliance Examinations	Industry	Consumer Finance Industry	Consumer Finance Examining Program	The Consumer Finance Examining program regulates and supervises State licensed non-depository mortgage lenders and servicers, supervised lenders, deferred presentment service providers and check cashing service providers.
Licensing Investigations	Industry	Consumer Finance Industry	Consumer Finance Licensing Program	The Consumer Finance Licensing program regulates and supervises State licensed non-depository mortgage lenders and servicers, supervised lenders, deferred presentment service providers and check cashing service providers.

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Partner Template

Name of Partner Entity	Type of Partner Entity	Description of Partnership	Associated Goal(s)
Federal Deposit Insurance Corporation	Federal Government	Partners to assist agency in completing examinations in required timeframes by either alternating examinations or completing examinations jointly. Also provides examiner training and hosts conferences on industry-related topics.	1.1.1; 3.2.2
National Credit Union Administration	Federal Government	Partners to assist agency in completing examinations in required timeframes by either alternating examinations or completing examinations jointly. Also provides examiner training and hosts conferences on industry-related topics.	1.1.1; 3.2.2
Federal Reserve Bank	Federal Government	Completes examinations of bank holding companies to ensure safety and soundness. Also provides examiner training and hosts conferences on industry-related topics.	1.1.1; 3.2.2
SC Department of Consumer Affairs	State Government	Legal interpretation of statute and enforcement for Title 37	1.1.2, 1.2.2, 2.1.1.
SC Secretary of State	State Government	Legal authority for companies to conduct business in SC	1.1.2, 1.2.2
SC Department of Insurance	State Government	Licensing of insurance companies and agents	1.1.2, 1.2.2
SC Attorney General	State Government	Legal enforcement of Title 34 - Deferred Presentment	1.1.2, 1.2.2
Consumer Finance Protection Bureau	Federal Government	Federal regulatory authority	1.1.2, 1.2.2
Conference of State Bank Supervisors	Non-Governmental Organization	Database provider for mortgage licensing and regulation; Provides examiner training and hosts conferences on industry-related topics.	1.1.2, 1.2.2, 3.2.2

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Report and External Review Template

Item	Is this a Report, Review, or both?	Report or Review Name	Name of Entity Requesting the Report or Conducting Review	Type of Entity	Reporting Frequency	Current Fiscal Year: Submission Date or Review Timeline (MM/DD/YYYY)	Summary of Information Requested in the Report or Reviewed	Method to Access the Report or Information from the Review
1	Internal Review and Report	Accountability Report	Executive Budget Office	State	Annually	September 15, 2019	Agency's mission, objectives to accomplish the mission, and performance measures that show the degree to which objectives are being met	https://www.admin.sc.gov/budget/agency-accountability-reports
2	External Review and Report	Deferred Presentment Annual Report	House Labor, Commerce, and Industry Committee; Senate Banking and Insurance Committee	State	Annually	May 19, 2018	Monitor the deferred presentment industry	Veritec (database provider)
3	External Review and Report	Capital Reserve Position of Financial Institutions	General Assembly	State	Annually	April 15, 2020	Capital position of all financial institutions supervised by the agency	Contact Banking Division
4	External Review and Report	Financial Audit	SC State Auditor's Office	State	Annually	July 1 - June 30	Financial audit	http://osa.sc.gov/Reports