



SOUTH CAROLINA
STATE BOARD OF FINANCIAL INSTITUTIONS

Budget and Operations Committee
MINUTES

Thursday, October 17, 2019
10:00 A.M.
1200 Senate Street, Wade Hampton Office Building
Treasurer's Conference Room
Columbia, South Carolina

The Budget and Operations Committee of the State Board of Financial Institutions met on October 17, 2019.

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

Others in attendance: Commissioner Ron Bodvake, Commissioner Rick Green, Deputy Commissioner Kathy Bickham, Deputy Commissioner Carl Jeffcoat, Deputy Commissioner Phyllis Wicker, Chief of Staff Clarissa Adams, Deputy General Counsel Bill Condon, Fiscal Analyst Cameron Larkin and Board Administrator Alicia Sharpe.

The October 17, 2019 Agenda was approved by General Consent.

The **July 25, 2019 Committee Meeting Minutes** were revised by staff, adding "presentment" to the wording of one of the motions:

On motion of Mr. Wright, duly seconded by Mr. Conley and unanimously carried, the Committee recommended to the full Board approval of an increase in the Deferred Presentment Examination Fees as presented by Commissioner Bodvake.

The minutes, as revised, were approved by General Consent.

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

Commissioner Green presented the following to the Committee:

- IT Update:
 - BOFI's Master Service Agreement, which began several years ago, has been successfully completed and signed. We've worked with the Treasurer's office

- and DTO. Language was incorporated in the agreement that provides the divisions confidence that DTO will manage and protect our data to their own standards. Our IT policy and procedures review are nearly complete to include our Business Continuity Plan.
- The division has recently purchased laptops for emergency preparedness and business continuity planning, installed a card access system to improve physical security and we are one device away from completing a full migration to Windows 10.
- Quarterly Expenditure Analysis:
- There is a projected \$20,000 favorable variance in the budget due to personnel changes. Travel is our best estimate through Q1 as its difficult to project.

Commissioner Bodvake presented the following to the Committee:

- Quarterly Expenditure update:
 - There have been office space renovation construction delays and unexpected costs (abatement, wiring, HVAC, et al). In this competitive construction market, the projected new costs are approximately \$84,000.
- FY18 Audit Results:
 - The State Auditor's Office conducted a FY18 Audit for both divisions that resulted in a small finding: all purchase card receipts were not maintained with the charge statements. This has been rectified and new policies are in place. We are also working with STO staff on creating a MOA.

On motion, duly seconded and unanimously carried, the Committee entered executive session.

Deputy General Counsel Bill Condon stated that the Board would enter Executive Session to discuss personnel matters related to staff salaries and staff retirement.

On motion, duly seconded and unanimously carried, the Committee returned to open session.

No other votes were taken in Executive Session.

Actions following Executive Session

On motion of Mr. Wright, duly seconded by Mr. Wicker and unanimously carried, the Committee approved the 2020 Committee Meeting schedule. The schedule includes meetings to correspond with financial reporting events and additional meetings can be added.

January 23rd

April 16th

July 23rd

August 20th

October 22nd

The next committee meeting is scheduled for Thursday, November 14, 2019.

There being no further business, the meeting was adjourned by acclamation at 10:45 AM.