

AGENCY NAME:	State Board of Financial Institutions		
AGENCY CODE:	R230	SECTION:	79

**2022
Accountability Report**

SUBMISSION FORM

I have reviewed and approved the data submitted by the agency in the following templates:

- Data Template
 - Reorganization and Compliance
 - FY2022 Strategic Plan Results
 - FY2023 Strategic Plan Development
 - Legal
 - Services
 - Partnerships
 - Report or Review
 - Budget
- Discussion Template
- Organizational Template

I have reviewed and approved the financial report summarizing the agency’s budget and actual expenditures, as entered by the agency into the South Carolina Enterprise Information System.

The information submitted is complete and accurate to the extent of my knowledge.

AGENCY DIRECTOR <i>(SIGN AND DATE):</i>	SIGNATURE ON FILE	Signature Received: 9/12/2022 18:04
<i>(TYPE/PRINT NAME):</i>	Kathy L. Bickham; Ronald Bodvake	

BOARD/CMSN CHAIR <i>(SIGN AND DATE):</i>	SIGNATURE ON FILE	Signature Received: 9/12/22 18:04
<i>(TYPE/PRINT NAME):</i>	Curtis M. Loftis, Jr.	

AGENCY NAME:	State Board of Financial Institutions		
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AGENCY'S DISCUSSION AND ANALYSIS

The State Board of Financial Institutions (the Board) 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 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.

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 Commissioners 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 Commissioners 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 Commissioners 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 Commissioners 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 National Credit Union Administration (NCUA), Federal Deposit Insurance Corporation (FDIC), the Federal Reserve Bank, the Consumer Financial Protection Bureau (CFPB), and the South

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Carolina Department of Consumer Affairs are the Agency’s partners in ensuring safe and sound State chartered financial institutions and protecting the borrowing public.

The continual focus on information and cybersecurity remained a high priority focus for the Agency throughout the year. The Agency contracted a third-party security assessment firm to perform an assessment on physical and environmental security for the Agency. The report concluded that the Agency has a relatively security-conscious staff, and ongoing training efforts for security best practices has created a work environment where staff members are sensitive and responsive to potential threats. Additionally, the Agency remediated items found at previous assessments including third-party risk management, disaster recovery and security awareness training policies.

The Agency has identified the potential most negative impact on the public that would result from the Agency’s failure to accomplish its goals and objectives. This potential impact on the public is that customer protections could be compromised. For the Banking Division, outside help is required if the number of financial institutions examined in a calendar year is less than ten. 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. If either Division fails to meet statutory responsibilities, the General Assembly will be informed.

For this potential 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.

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 2022 which helped the Agency fulfill its mission more effectively and efficiently. These accomplishments are briefly described below.

Fiscal Year 2022 Accomplishments

During FY 2022, all examinations of financial institutions were completed in the timeframes required by law. Due to the COVID-19 Pandemic, the Banking Division continued performing most examinations completely off-site; however, towards the end of the year, the Division began performing hybrid examinations in which examiners performed some examination procedures onsite in the institutions. Examiners were able to continue examinations in a timely manner while working from home, from the office and/or from the institutions. Senior staff collaborated with other State and Federal regulators to determine best practices for off-site examinations and for transitioning to the hybrid examinations.

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 2022, the division’s Risk Identification Committee identified current risk levels, trends, and emerging risks; identified data needs and sources; developed supervisory strategies for ensuring safe and sound State chartered institutions; and developed communications to staff and industry.

In addition to on-the-job training and computer-based training, examiners virtually attended one FDIC sponsored school, one Federal Financial Institutions Examination Council (FFIEC) sponsored school, and one Conference of

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State Bank Supervisors (CSBS) sponsored school, and one examiner completed a state-sponsored training on supervisory practices. Examiners also attended several training conferences sponsored by the FDIC, FFIEC, and CSBS. These schools and conferences covered a wide variety of topics including asset/liability management in the current environment and strategies for managing interest rate risk sensitivity, trends and outlook for mortgage banking, US Supervision of Climate Risk, Banking and Economic outlook for returning toward normal, Commercial Real Estate analysis, Cybersecurity Developments, and preparation for implementation of the Current Expected Credit Losses (CECL) methodology. Additionally, examiners participated in training sponsored by the NCUA for transitioning to a new platform, Modern Examination & Risk Identification Tool (MERIT), for completing credit union examinations.

The Agency continued to develop its training program specifically to help new employees gain the knowledge necessary to perform their job duties effectively and efficiently and to allow new examiners to practice examination procedures in the office. During FY 2022, the Agency designated one of its Senior Examiners to serve as the Training Coordinator to further enhance the Agency’s training program.

The Division actively engages with the 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, the Risk ID Team, and the Data Analytic Task Force.

During FY 2022, the Division continued its participation with five other state credit union regulators and the NCUA in the Alternating Examination Pilot Program to test options for alternating examinations of well-run, federally insured, state-chartered credit unions. This three-year program ended during Fiscal Year 2022. A goal of the pilot program was 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 to have all examiners capable of examining both banks and credit unions.

The Division continued its partnership with the South Carolina Emergency Management Division (EMD) through participation in EMD’s Emergency Support Function-24. The Division has continued to maintain an Emergency Preparedness Plan and Playbook to establish a framework to provide assistance and coordinate preparedness, response, recovery, and mitigation activities with the supervised industries during emergencies (including cyber events).

II. Consumer Finance Division

The primary responsibility of the Consumer Finance Division is to efficiently supervise the licensing and examination of all non-depository mortgage lenders/servicers, their branches and loan originators, consumer finance, deferred presentment, and check cashing companies. In addition to meeting statutory requirements for the licensing and examination of these companies, the Consumer Finance Division would like to highlight several significant accomplishments for Fiscal Year 2022.

Fiscal Year 2022 Accomplishments

The Consumer Finance Division attained standards outlined in the Accountability Report for Fiscal Year 2022. The Division completed a detailed review of business operations to identify and streamline processes which provided several recommendations. The successful adoption of the proposed changes and implementation of a new examination database enabled the Division to modernize procedures; thus, increasing the productivity of Licensing and Examination teams.

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The establishment of an Investigation Department to examine unlicensed activity resulted in a new policy statement providing record-keeping guidance for the check-cashing industry. The new record-keeping policy statement assists check cashing service providers by giving detailed information regarding the regulatory requirement for maintaining books, accounts, and records. In addition to the guidance, the Division provided in-person visits to answer questions and prepare check-cashing service providers for future examinations.

The In-State Consumer Compliance team converted from paper examinations to a digital examination program. This reduced labor hours spent scanning documents and created substantial cost savings through reduced use of paper, toner, and postage. The change also allowed for an increase in on-site examinations and participation in the investigation process. The Out-of-State Consumer and Mortgage Compliance teams participated in multi-state examinations facilitated by the CSBS, National Association of Consumer Credit Administrators (NACCA), CFPB, American Association of Residential Mortgage Regulators (AARMR), and the Multi-state Mortgage Committee (MMC).

Highlights from the fiscal year are as follows:

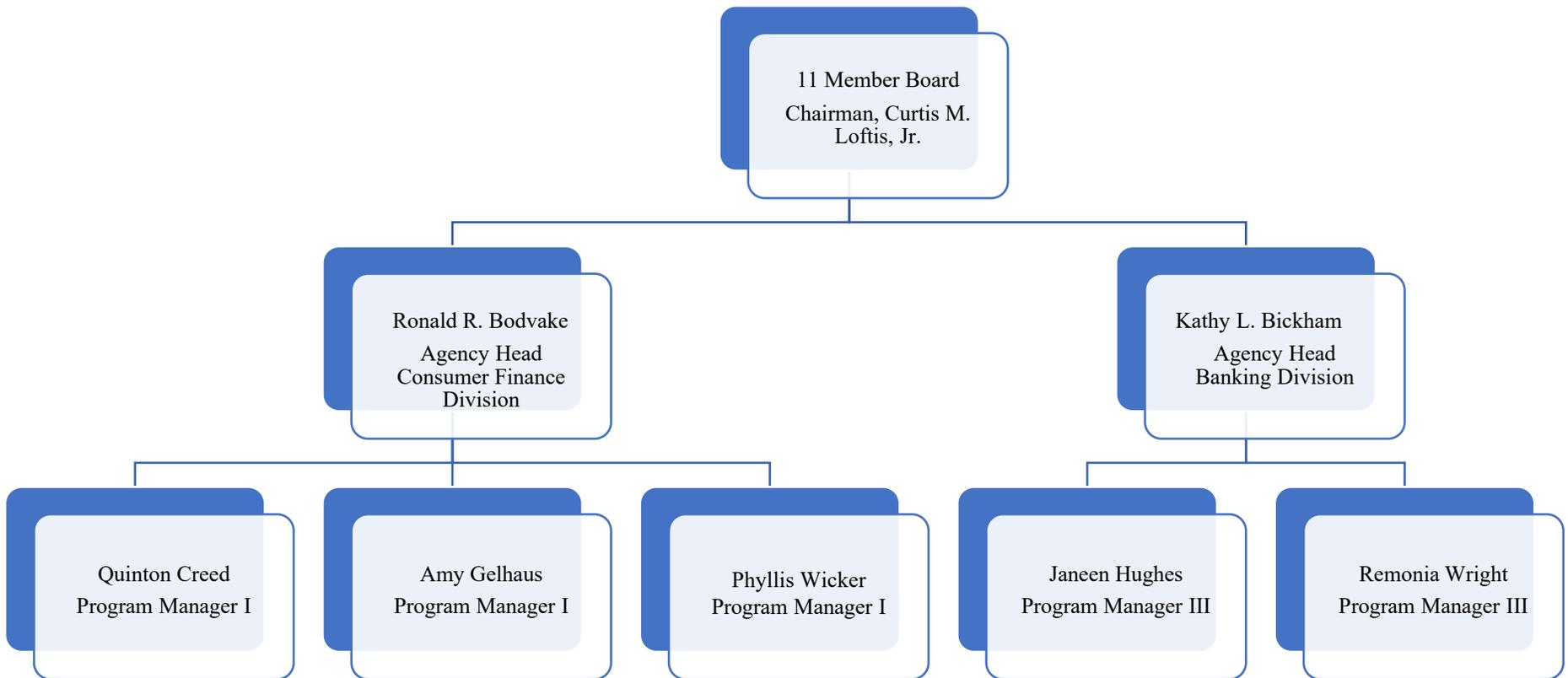
- 1,737 examinations
- \$1,693,372 in refunds from examinations
- 149 complaints investigated
- \$14,844 in refunds from complaints

The Division processed a record number of mortgage license applications utilizing the Nationwide Multistate Licensing System (NMLS), implemented technological updates, and streamlined processes. The increase in licensee applications mirrored the trend in the mortgage industry. In the calendar year 2021, the total amount of mortgage loans originated in South Carolina was over \$38.7 billion. The total number of loans originated was 161,041. The number of mortgage loans serviced in the calendar year 2021 was 2,403,395.

The Division is dedicated to fostering a well-informed and highly skilled workforce environment. Team members participated in annual training schools offered by NACCA and AARMR and webinars offered by CSBS and CFPB. These training opportunities provided information regarding consumer industry trends, examination findings, and updates regarding federal and state regulatory requirements.

Training programs for the Division’s employees are continuously enhanced to keep up with the consumer finance and mortgage industries’ dynamic and ever-changing environment. As a part of the process, the Commissioner and representatives from the Division attended annual conventions with executives from the Independent Financial Services Association, South Carolina Financial Services Association, and Mortgage Bankers Association to discuss current topics, concerns, and opportunities. The information gained assists the Division’s systematic approach to organizing change and helps team members adapt.

Professional growth is also encouraged for public administrators. The South Carolina Department of Administration provides a nationally accredited professional development program for supervisors and managers in State government. The program consists of 300 hours of coursework within 18 months, a cornerstone project, and a final examination. Successful program completion earns a participant the distinction of a Public Manager credential. The Division is proud to have seven South Carolina Certified Public Managers.



2022 Agency Accountability Report

Reorganization and Compliance

as submitted for the 2022 Accountability Report by:

R230 - STATE BOARD OF FINANCIAL INSTITUTIONS

Primary Contact

First Name	Last Name	Role/Title	Email Address	Phone
Janeen	Hughes	Deputy Commissioner of Banking	Janeen.Hughes@banking.sc.gov	803-734-2001

Secondary Contact

First Name	Last Name	Role/Title	Email Address	Phone
Amy	Gelhaus	Deputy Commissioner of Consumer Finance	Amy.Gelhaus@bofi.sc.gov	803-734-2020

Agency Mission

Adopted in:

2020

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.

Agency Vision

Adopted in:

2016

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.

Recommendations for reorganization requiring legislative change:

No

Agency intentions for other major reorganization to divisions, departments, or programs to allow the agency to operate more effectively and efficiently in FY2023:

No

Significant events related to the agency that occurred in FY2022

Description of Event	Start	End	Agency Measures Impacted	Other Impacts
N/A				

Is the agency in compliance with S.C. Code Ann. § 2-1-220, which requires submission of certain reports to the Legislative Services Agency for publication online and the State Library? (See also S.C. Code Ann. § 60-2-20).

Yes

Reason agency is out of compliance: (if applicable)

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. § 20-1-10 through 20-1-180) and the South Carolina Uniform Electronic Transactions Act (S.C. Code Ann. § 26-6-10 through 26-10-210).

Yes

Does the law allow the agency to promulgate regulations?

Yes

Law number(s) which gives the agency the authority to promulgate regulations:

34-1-60; 34-1-110; 34-3-520; 34-21-20; 34-26-210; 34-29-110; 34-39-260; 34-41-130; 37-22-260

Has the agency promulgated any regulations?

Yes

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

(End of Reorganization and Compliance Section)

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FY2022 Strategic Plan Results

as submitted for the 2022 Accountability Report by:

R230 - STATE BOARD OF FINANCIAL INSTITUTIONS

Goal 1 Preserve a sound State Chartered financial community.

Goal 2 Protect the interests of the citizens of South Carolina.

Goal 3 Maintain competent and well trained staff.

Goal 4 #N/A

Goal 5 #N/A

Goal 6 #N/A

Perf. Measure Number	Description	Base	Target	Actual	Value Type	Desired Outcome	Time Applicable	Calculation Method	Data Source	Data Location	Primary Stakeholder	Stakeholder Need Satisfied	State Funded Program Number Responsible	Notes
1.1 Monitor the safety and soundness of financial institutions and licensees under the Board's jurisdiction.											State Objective: Public Infrastructure and Economic Development			
1.1.1	Examine State chartered financial institutions within the timeframes required by law	15	15	19	Count	equal to or greater than	Calendar Year (January 1 - December 31)	Totals from all data sources calculated on last day of calendar year	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	0504.000000.000	
1.1.2	The average cost per bank should not increase by more than 10%	\$56,551	\$62,206	\$53,744	Dollar Amount	equal to or less than	State Fiscal Year (July 1 - June 30).	Total bank expenditures divided by number of banks	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Efficient use of budgeted funds	0504.000000.000	
1.1.3	Examine consumer finance licensees within the timeframes required by law	1,711	1,310	1,541	Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Internal database & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000	
1.1.4	Examine mortgage licensees within the timeframes required by law	164	168	196	Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000	
1.1.5	Refunds to consumers from examination findings	\$489,435	\$0	\$1,693,372	Dollar Amount	Maintain	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000	
1.1.6	Tracking death claims processed by licensees assists the agency in determining the effectiveness of its examination process	2,939	950	2,094	Count	Maintain	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000	
1.2 Ensure that statutory requirements are met.											State Objective: Public Infrastructure and Economic Development			
1.2.1	Review and evaluate applications for new financial institutions and branches and for financial institution holding company acquisitions	23	20	26	Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Applicants, Citizens of South Carolina, the Legislature, and Governor	Applications processed in a timely manner	0504.000000.000	
1.2.2	Consumer finance applications analyzed and reviewed within 30 days	180	100	260	Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Internal database & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Applicants, Citizens of South Carolina, the Legislature, and Governor	Applications processed in a timely manner	1003.000000.000	
1.2.3	Consumer finance applications analyzed and reviewed within 30 days	100%	100%	100%	Percent	Maintain	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Internal database & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Applicants, Citizens of South Carolina, the Legislature, and Governor	Applications processed in a timely manner	1003.000000.000	
1.2.4	Consumer finance amendments processed	2,431	375	3,081	Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Internal database & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Licensees, Citizens of South Carolina, the Legislature, and Governor	Amendments processed in a timely manner	1003.000000.000	
1.2.5	Mortgage applications processed within 20 days	8,479	3,500	9,108	Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	NMLS & Excel spreadsheet	NMLS and SC Office of Technology Servicer	Applicants, Citizens of South Carolina, the Legislature, and Governor	Applications processed in a timely manner	1003.000000.000	

Perf. Measure Number	Description	Base	Target	Actual	Value Type	Desired Outcome	Time Applicable	Calculation Method	Data Source	Data Location	Primary Stakeholder	Stakeholder Need Satisfied	State Funded Program Number Responsible	Notes
1.2.6	Mortgage applications processed within 20 days	100%	100%	100%	Percent	Maintain	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	NMLS & Excel spreadsheet	NMLS and SC Office of Technology Servicer	Applicants, Citizens of South Carolina, the Legislature, and Governor	Applications processed in a timely manner	1003.000000.000	
1.2.7	Mortgage amendments processed	46,666	35,000	47,202	Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	NMLS & Excel spreadsheet	NMLS and SC Office of Technology Servicer	Licenses, Citizens of South Carolina, the Legislature, and Governor	Amendments processed in a timely manner	1003.000000.000	
2.1 Monitor the concerns of the depositing and borrowing public.											State Objective: Maintaining Safety, Integrity and Security			
2.1.1	Consumer finance complaints investigated within 30 days	100%	100%	100%	Percent	Maintain	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	SC DCA & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000	
2.1.2	Mortgage complaints investigated within 30 days	100%	100%	100%	Percent	Maintain	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	SC DCA & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000	
2.1.3	Refunds from complaints	\$2,858	\$0	\$14,844	Dollar Amount	Maintain	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000	
3.1 Hire and retain qualified, diverse employees.											State Objective: Government and Citizens			
3.1.1	Employee turnover ratio	5%	10%	21%	Percent	equal to or less than	State Fiscal Year (July 1 - June 30).	Number of employees who leave the agency divided by total FTEs	SCEIS & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Competent and Experienced Workforce	0504.000000.000, 1003.000000.000	Employees left the agency for positions that required less travel and offered higher pay
3.1.2	Staff diversity (minority and women)	66%	50%	70%	Percent	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	SCEIS & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Workforce representative of the citizens of South Carolina	0504.000000.000, 1003.000000.000	
3.2 Provide training opportunities for employees.											State Objective: Government and Citizens			
3.2.1	Average training hours	72	50	66	Ratio	equal to or greater than	State Fiscal Year (July 1 - June 30).	Total training hours divided by number of employees	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Applicants, Citizens of South Carolina, the Legislature, and Governor	Competent and Skilled Workforce	0504.000000.000, 1003.000000.000	
3.2.2	Pass rate of FDIC core schools attended	100%	100%	100%	Percent	Maintain	State Fiscal Year (July 1 - June 30).	Total core schools passed divided by total schools attended.	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Applicants, Citizens of South Carolina, the Legislature, and Governor	Competent and Skilled Workforce	0504.000000.000	

**2022 Agency
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FY2023 Strategic Plan Development

as submitted for the 2022 Accountability Report by:

R230 - STATE BOARD OF FINANCIAL INSTITUTIONS

Goal 1 Preserve a sound State Chartered financial community.

Goal 2 Protect the interests of the citizens of South Carolina.

Goal 3 Maintain competent and well trained staff.

Goal 4 #N/A

Goal 5 #N/A

Goal 6 #N/A

Perf. Measure Number	Description	Base	Target	Actual	Value Type	Desired Outcome	Time Applicable	Calculation Method	Data Source	Data Location	Primary Stakeholder	Stakeholder Need Satisfied	State Funded Program Number Responsible	Notes
1.1 Monitor the safety and soundness of financial institutions and licensees under the Board's jurisdiction.											State Objective: Public Infrastructure and Economic Development			
1.1.1	Examine State chartered financial institutions within the timeframes required by law	19	15		Count	equal to or greater than	Calendar Year (January 1 - December 31)	Totals from all data sources calculated on last day of calendar year	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	0504.000000.000	
1.1.2	Examine consumer finance licensees within the timeframes required by law	1,541	1,320		Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Internal database & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000	
1.1.3	Examine mortgage licensees within the timeframes required by law	196	168		Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000	
1.1.4	Refunds to consumers from examination findings	\$1,693,372	\$0		Dollar Amount	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000	
1.1.5	Tracking death claims processed by licensees assists the agency in determining the effectiveness of its examination process	2,094	950		Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000	
1.2 Ensure that statutory requirements are met.											State Objective: Public Infrastructure and Economic Development			
1.2.1	Review and evaluate applications for new financial institutions and branches and for financial institution holding company acquisitions	26	20		Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Applicants, Citizens of South Carolina, the Legislature, and Governor	Applications processed in a timely manner	0504.000000.000	
1.2.2	Consumer finance applications analyzed and reviewed within 30 days	260	100		Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Internal database & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Applicants, Citizens of South Carolina, the Legislature, and Governor	Applications processed in a timely manner	1003.000000.000	
1.2.3	Consumer finance applications analyzed and reviewed within 30 days	100%	100%		Percent	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Internal database & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Applicants, Citizens of South Carolina, the Legislature, and Governor	Applications processed in a timely manner	1003.000000.000	
1.2.4	Consumer finance amendments processed	3,081	1,000		Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Internal database & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Licensees, Citizens of South Carolina, the Legislature, and Governor	Amendments processed in a timely manner	1003.000000.000	

Perf. Measure Number	Description	Base	Target	Actual	Value Type	Desired Outcome	Time Applicable	Calculation Method	Data Source	Data Location	Primary Stakeholder	Stakeholder Need Satisfied	State Funded Program Number	Responsible	Notes
1.2.5	Mortgage applications processed within 30 days	9,108	3,500		Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	NMLS & Excel spreadsheet	NMLS and SC Office of Technology Services	Applicants, Citizens of South Carolina, the Legislature, and Governor	Applications processed in a timely manner	1003.000000.000		
1.2.6	Mortgage applications processed within 30 days	100%	100%		Percent	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	NMLS & Excel spreadsheet	NMLS and SC Office of Technology Services	Applicants, Citizens of South Carolina, the Legislature, and Governor	Applications processed in a timely manner	1003.000000.000		
1.2.7	Mortgage amendments processed	47,202	35,000		Count	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	NMLS & Excel spreadsheet	NMLS and SC Office of Technology Services	Licenseses, Citizens of South Carolina, the Legislature, and Governor	Amendments processed in a timely manner	1003.000000.000		
2.1	Monitor the concerns of the depositing and borrowing public.										State Objective: Public Infrastructure and Economic Development				
2.1.1	Consumer finance complaints investigated within 30 days	100%	100%		Percent	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	SC DCA & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000		
2.1.2	Mortgage complaints investigated within 30 days	100%	100%		Percent	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	SC DCA & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000		
2.1.3	Refunds from complaints	\$14,844	\$0		Dollar Amount	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Consumer Protection	1003.000000.000		
3.1	Hire and retain qualified, diverse employees.										State Objective: Government and Citizens				
3.1.1	Staff diversity (minority and women)	70%	50%		Percent	equal to or greater than	State Fiscal Year (July 1 - June 30).	Totals from all data sources calculated on last day of FY	SCEIS & Excel spreadsheet	SC Office of Technology and Information Services Data Center	Citizens of South Carolina, the Legislature, and Governor	Workforce representative of the citizens of South Carolina	0504.000000.000, 1003.000000.000		
3.2	Provide training opportunities for employees.										State Objective: Government and Citizens				
3.2.1	Average training hours	66	50		Ratio	equal to or greater than	State Fiscal Year (July 1 - June 30).	Total training hours divided by number of employees	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Applicants, Citizens of South Carolina, the Legislature, and Governor	Competent and Skilled Workforce	0504.000000.000, 1003.000000.000		
3.2.2	Pass rate of FDIC core schools attended	100%	100%		Percent	equal to or greater than	State Fiscal Year (July 1 - June 30).	Total core schools passed divided by total schools attended.	Excel spreadsheet	SC Office of Technology and Information Services Data Center	Applicants, Citizens of South Carolina, the Legislature, and Governor	Competent and Skilled Workforce	0504.000000.000		

2022 Agency Accountability Report

Budget Data

as submitted for the 2022 Accountability Report by:

R230 - STATE BOARD OF FINANCIAL INSTITUTIONS

State Funded Program No.	State Funded Program Title	Description of State Funded Program	(Actual) General	(Actual) Other	(Actual) Federal	(Actual) Total	(Projected) General2	(Projected) Other3	(Projected) Federal4	(Projected) Total
0100.000000.000	Administration	Provides for expenses of members of the Board, which oversees the Banking and Consumer Finance divisions of the Board of Financial Institutions	\$0	\$53,257	\$0	\$53,257	\$0	\$50,500	\$0	\$54,000
0504.000000.000	Banking Examiners	The Banking Division regulates and supervises State chartered banks, savings and loan associations, savings banks, credit unions, and trust companies.	\$0	\$1,593,309	\$0	\$1,593,309	\$0	\$2,238,000	\$0	\$2,238,000
1003.000000.000	Consumer Finance	The Consumer Finance Examining Program regulates and supervises State licensed non-depository mortgage lenders servicers, supervised lenders, deferred presentment service providers and check cashing service providers.	\$0	\$2,115,759	\$0	\$2,115,759	\$0	\$2,494,804	\$0	\$2,494,804
9500.050000.000	State Employer Contributions	Provides for benefits for employees of the Board of Financial Institutions	\$0	\$1,161,872	\$0	\$1,161,872	\$0	\$1,585,000	\$0	\$1,585,000

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Legal Data

as submitted for the 2022 Accountability Report by:

R230 - STATE BOARD OF FINANCIAL INSTITUTIONS

Law number	Jurisdiction	Type	Description	Purpose the law serves:	Notes:	Changes made during FY2022
34-1-150 through 34-1-200	State	Statute	Clarifies requirements for the chartering of a new bank	Requires a service		No Change
34-1-20	State	Statute	Establishes the Board of Financial Institutions (Board) and the appointment of its members	Requires a service	A Board to oversee the agency	No Change
34-1-210	State	Statute	Provides that a remote service unit is not considered a branch of a bank	Not related to agency deliverable		No Change
34-1-220	State	Statute	Allows certain delegations to the Commissioner of Banking	Requires a service		No Change
34-1-60	State	Statute	Establishes the Board's authority to supervise banks and building and loan associations	Requires a service	Supervision of banks and savings and loans	No Change
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	Requires a service	Bank, building and loan association, savings and loan association, and savings bank charters and branch authority	No Change
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	Requires a service	Examination of Business Development Corporation of South Carolina	No Change
34-21-10	State	Statute	Establishes that the Board's approval is necessary to conduct trust business	Requires a service	Authority to conduct trust business	No Change
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	Requires a service	Authority to acquire a holding company or bank	No Change
34-26-200	State	Statute	Establishes the Board's authority to supervise credit unions	Requires a service	Supervision of credit unions	No Change
34-26-310	State	Statute	Establishes the Board's authority to approve charters of credit unions	Requires a service	Credit union charters	No Change
34-28-100	State	Statute	Establishes the Board's authority to approve charters of savings and loan associations	Requires a service	Savings and loan association charter	No Change
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	Requires a service	Authority to acquire a savings and loan holding company or savings and loan association	No Change
34-29-20	State	Statute	Establishes application qualifications and regulatory compliance for Restricted Lenders	Requires a service	License to conduct Restricted lending activity in South Carolina	No Change
34-29-200	State	Statute	Establishes the Board's authority to designate the Chief Administrative Officer/Commissioner of Consumer Finance Division	Requires a service		No Change
34-29-30	State	Statute	Establishes the Board's authority to issue licenses to make Restricted loans	Requires a service	License to conduct Restricted lending activity in South Carolina	No Change
34-29-40	State	Statute	Establishes the Board's authority to issue or deny a license	Requires a service	License to conduct Restricted lending activity in South Carolina	No Change

Law number	Jurisdiction	Type	Description	Purpose the law serves:	Notes:	Changes made during FY2022
34-29-90	State	Statute	Establishes the Board's authority to perform examinations on Restricted Lenders	Requires a service	Supervision of Restricted Lenders	No Change
34-30-120	State	Statute	Establishes the Board's authority to approve charters of savings banks	Requires a service	Savings bank charters	No Change
34-39-130	State	Statute	Establishes application qualifications and regulatory compliance for Deferred Presentment Service Providers	Requires a service	License to provide Deferred Presentment services in South Carolina	No Change
34-39-190	State	Statute	Established the Board's authority to perform examinations on Deferred Presentment Service Providers	Requires a service	Supervision of Deferred Presentment Service Providers	No Change
34-41-40	State	Statute	Establishes application qualifications and regulatory compliance for Check Cashing Service Providers	Requires a service	License to provide Check Cashing services in South Carolina	No Change
34-41-70	State	Statute	Established the Board's authority to perform examinations on Check Cashing Service Providers	Requires a service	Supervision of Check Cashing Service Providers	No Change
34-9-10	State	Statute	Gives authority to the Board to set capital requirements for new banks	Requires a manner of delivery		No Change
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	Requires a manner of delivery		No Change
37-22-140	State	Statute	Establishes application qualifications and regulatory compliance for Non-depository Mortgage Lenders and Servicers	Requires a service	License to conduct Mortgage lending activity in South Carolina	No Change
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	Requires a service	Supervision of Mortgage lenders	No Change
37-3-501	State	Statute	Establishes application qualifications and regulatory compliance for Supervised Lenders and Servicers	Requires a service	License to conduct Supervised lending activity in South Carolina	No Change
37-3-502	State	Statute	Establishes a license requirement to make supervised loans	Requires a service	License to conduct Supervised lending activity in South Carolina	No Change
37-3-503	State	Statute	Establishes the Board's authority to issue licenses to make supervised loans	Requires a service	License to conduct Supervised lending activity in South Carolina	No Change
37-3-506	State	Statute	Established the Board's authority to perform examinations on Supervised Lenders	Requires a service	Supervision of Supervised Lenders	No Change

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Services Data

as submitted for the 2022 Accountability Report by:

R230 - STATE BOARD OF FINANCIAL INSTITUTIONS

Description of Service	Description of Direct Customer	Customer Name	Others Impacted by Service	Division or major organizational unit providing the service.	Description of division or major organizational unit providing the service.	Primary negative impact if service not provided.	Changes made to services during FY2022	Summary of changes to services
Preserve a safe and sound State chartered financial community by examining State chartered financial institutions	Age: All Gender: All Economic Condition: All Incomes Other Required Conditions: Maintains a relationship with a State Chartered financial institution.	Citizens of South Carolina, the Legislature, and Governor	Regulated Institutions	The Banking Division is responsible for chartering and supervising State banks, savings and loan associations, savings banks, trust companies, and credit unions	The Banking Division is responsible for chartering and supervising State banks, savings and loan associations, savings banks, trust companies, and credit unions	Consumer protections could be compromised	No Change	
Process applications for new financial institutions and new branches	Banking Industry	Citizens of South Carolina, the Legislature, and Governor	Regulated Institutions	The Banking Division is responsible for chartering and supervising State banks, savings and loan associations, savings banks, trust companies, and credit unions	The Banking Division is responsible for chartering and supervising State banks, savings and loan associations, savings banks, trust companies, and credit unions	Consumer protections could be compromised	No Change	
Regulatory Compliance Examinations	Consumer Finance Industry	Regulated Institutions	Citizens of South Carolina, the Legislature, and Governor	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.	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.	Consumer protections could be compromised	No Change	
Licensing Investigations	Consumer Finance Industry	Regulated Institutions	Citizens of South Carolina, the Legislature, and Governor	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.	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.	Consumer protections could be compromised	No Change	

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Partnerships Data

as submitted for the 2022 Accountability Report by:

R230 - STATE BOARD OF FINANCIAL INSTITUTIONS

Type of Partner Entity	Name of Partner Entity	Description of Partnership	Change to the partnership during FY2022
Non-Governmental Organization	Conference of State Bank Supervisors	Database provider for mortgage licensing and regulation; Provides examiner training and hosts conferences on industry-related topics	No Change
Federal Government	Consumer Finance Protection Bureau	Federal regulatory authority	No Change
Federal Government	Federal Deposit Insurance Corporation	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.	No Change
Federal Government	Federal Reserve Bank	Completes examinations of bank holding companies to ensure safety and soundness. Also provides examiner training and hosts conferences on industry-related topics	No Change
Federal Government	National Credit Union Administration	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.	No Change
State Government	SC Attorney General	Legal enforcement of Title 34 - Deferred Presentment	No Change
State Government	SC Department of Consumer Affairs	Legal interpretation of statute and enforcement for Title 37	No Change
State Government	SC Department of Insurance	Licensing of insurance companies and agents	No Change
State Government	SC Secretary of State	Legal authority for companies to conduct business in SC	No Change
State Government	SC State Treasurer	State Treasurer serves as Chairman of the Board of Financial Institutions and the Office of the State Treasurer provides operational services for the Board of Financial Institutions	No Change
Non-Government Organization	National Association of State Credit Union Supervisors	Provides examiner training and hosts conferences on industry-related topics	No Change

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Reports Data

as submitted for the 2022 Accountability Report by:

R230 - STATE BOARD OF FINANCIAL INSTITUTIONS

Report Name	Law Number (if applicable)	Summary of information requested in the report	Date of most recent submission DURING FY2022.	Reporting Frequency	Type of entity/entities	Method to access the report	Direct access hyperlink or agency contact (if not provided to LSA for posting online)	Changes to this report during the past fiscal year	Explanation why a report wasn't submitted
Agency Accountability Report	§1-1-810	Agency report of operations to the State legislature	September of 2021	Annually	Governor or Lt. Governor AND Legislative entity or entities	Provided to LSA for posting online	contact@banking.sc.gov	No Change	
Capital Reserve Position of Financial Institutions	§34-1-130	Capital position of all financial institutions supervised by the agency	March of 2022	Annually	Legislative entity or entities	Electronic copy available upon request	contact@banking.sc.gov	No Change	
Deferred Presentment Annual Report	§34-39-290	Monitor the deferred presentment industry	April of 2022	Annually	Legislative entity or entities	Hard copy available upon request	Veritec Database provider	No Change	
Financial Audit	0	Financial audit	October of 2021	Annually	South Carolina state agency or agencies	Available on another website	contact@banking.sc.gov	No Change	