

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



Fiscal Year 2014-15 Agency Budget Plan

FORM A – SUMMARY

RECURRING FUNDS (FORM B DECISION PACKAGES)	My agency is submitting the following recurring decision packages (Form B): 1435 Maintenance of current Bank Examining Program
	For FY 2014-15, my agency is (mark "X"):
	<input type="checkbox"/> Requesting a net increase in recurring General Fund appropriations. <input checked="" type="checkbox"/> Not requesting a net increase in recurring General Fund Appropriations.

CAPITAL & NON-RECURRING FUNDS (FORM C DECISION PACKAGES)	My agency is submitting the following one-time decision packages (Form C):
	For FY 2014-15, my agency is (mark "X"):
	<input type="checkbox"/> Requesting capital and/or non-recurring funds. <input checked="" type="checkbox"/> Not requesting capital and/or non-recurring funds.

PROVISOS	For FY 2014-15, my agency is (mark "X"):
	<input type="checkbox"/> Requesting a new proviso and/or substantive changes to existing provisos. <input type="checkbox"/> Only requesting technical proviso changes (such as date references). <input checked="" type="checkbox"/> Not requesting any proviso changes.

Please identify your agency's preferred contacts for this year's budget process.

	<u>Name</u>	<u>Phone</u>	<u>Email</u>
PRIMARY CONTACT:	Karen Wicker	803-734-9871	Karen.wicker@sto.sc.gov
SECONDARY CONTACT:	Sara Fortson	803-734-2638	Sara.fortson@sto.sc.gov

I have reviewed and approved the enclosed FY 2014-15 Agency Budget Plan, which is complete and accurate to the extent of my knowledge.

AGENCY DIRECTOR (SIGN/DATE):	
AGENCY DIRECTOR (TYPE/PRINT NAME):	Curtis M. Loftis, Jr.

This form must be signed by the department head – not a delegate.

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FORM B – PROGRAM REVISION REQUEST

DECISION PACKAGE	1435
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Provide the decision package number issued by the PBF system ("Governor's Request").

TITLE	Maintenance of current Bank Examining Program
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Provide a brief, descriptive title for this request.

AMOUNT	\$75,222 in Other (Earmarked) Funds. No General Funds are requested.
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What is the net change in requested appropriations for FY 2014-15? This amount should correspond to the decision package's total in PBF across all funding sources.

ENABLING AUTHORITY	The Bank Examining Division was created by Title 34 of the Code of Laws of South Carolina. This decision package is not prompted by the establishment of or a revision to that authority.
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What state or federal statutory, regulatory, and/or administrative authority established this program? Is this decision package prompted by the establishment of or a revision to that authority?

FACTORS ASSOCIATED WITH THE REQUEST	Mark "X" for all that apply:	
	<input checked="" type="checkbox"/>	Change in cost of providing current services to existing program audience.
	<input type="checkbox"/>	Non-mandated change in eligibility / enrollment for existing program.
	<input type="checkbox"/>	Change in case load / enrollment under existing program guidelines.
	<input type="checkbox"/>	Non-mandated program change in service levels or areas.
	<input type="checkbox"/>	Loss of federal or other external financial support for existing program.
	<input type="checkbox"/>	Exhaustion of fund balances previously used to support program.
	<input type="checkbox"/>	Proposed establishment of a new program or initiative.

RECIPIENTS OF FUNDS	The requested increase will primarily be used for increased travel costs and additional training needs and related travel expenses. Employees of the agency will be the recipients of the majority of the funds. Employees will be reimbursed for the cost of travel associated with examining regulated institutions. Funds used for employee training will be received by organizations that provide banking or bank examining training such as the FDIC and Conference of State Bank Supervisors. Funds for training will be allocated based on courses that are available to increase the knowledge of Banking Division employees.
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What individuals or entities would receive these funds (contractors, vendors, grantees, individual beneficiaries, etc.)? How would these funds be allocated – using an existing formula, through a competitive process, based upon predetermined eligibility criteria?

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RELATED REQUEST(S)	No
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Is this decision package associated with other decision packages requested by your agency or other agencies this year? Is it associated with a specific capital or non-recurring request?

MATCHING FUNDS	No
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Would these funds be matched by federal, institutional, philanthropic, or other resources? If so, identify the source and amount.

FUNDING ALTERNATIVES	N/A
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What other possible funding sources were considered? Could this request be met in whole or in part with the use of other resources, including fund balances? If so, please comment on the sustainability of such an approach.

SUMMARY	The decision package request is to maintain the current Bank Examining program. The funds will be used primarily to cover increased costs in travel expenses and training, to hire a new examiner during the year, and to fund employer contributions.
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Provide a summary of the rationale for the decision package. Why has it been requested? How specifically would the requested funds be used?

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METHOD OF CALCULATION	<p>The request was based on projected financial institution examinations and the availability of training opportunities. The number of institutions examined, availability of training opportunities, and employee turnover could cause a deviation in the amount of funds required.</p>
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How was the amount of the request calculated? What factors could cause deviations between the request and the amount that could ultimately be required in order to perform the underlying work?

FUTURE IMPACT	<p>The agency operates on 100% Other Funds, and funds are collected from the regulated financial institutions. The request is a continuing request and will be needed in future budgets. If the request is not honored, the agency will not be able to hire all the employees needed to fulfill its regulatory duties and to provide the necessary training.</p>
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Will the state incur any maintenance-of-effort or other obligations by adopting this decision package? What impact will there be on future capital and/or operating budgets if this request is or is not honored? Has a source of any such funds been identified and/or obtained by your agency?

PRIORITIZATION	<p>If this request is approved, the agency will collect the funds from its regulated financial institutions.</p>
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If no or insufficient new funds are available in order to meet this need, how would the agency prefer to proceed? By using fund balances, generating new revenue, cutting other programs, or deferring action on this request in FY 2014-15?

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INTENDED IMPACT	<p>This decision package is intended to allow the agency to effectively regulate the financial institutions under its jurisdiction. This is a continuing service to the citizens of South Carolina and is expected to continue indefinitely.</p>
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What impact is this decision package intended to have on service delivery and program outcomes, and over what period of time?

PROGRAM EVALUATION	<p>Since this request will be used to maintain the current program, the use of these funds will be evaluated with the current program. The primary outcome will be the timely examination of financial institutions as required by statute.</p>
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How would the use of these funds be evaluated? What specific outcome or performance measures would be used to assess the effectiveness of this program?