

Accountability Report Transmittal Form

Agency Name: Board of Financial Institutions

Date of Submission: September 15, 2005

Agency Director: Louie A. Jacobs, Commissioner C. Dean Bratton, Commissioner
Examining Division Consumer Finance Division

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**STATE BOARD OF
FINANCIAL INSTITUTIONS**

ANNUAL ACCOUNTABILITY REPORT

FY 2004-2005

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EXECUTIVE SUMMARY

The State Board of Financial Institutions supervises financial institutions under its jurisdiction. This supervision is handled through its two divisions - the Bank Examining Division and the Consumer Finance Division. The oversight includes the promulgation of regulations and instructions relating to the supervision of financial institutions, as well as the consideration of applications for new banks, trust companies, savings and loan associations, savings banks, credit unions, consumer finance licenses, deferred presentment licenses, regular check cashing licenses, and pre-need funeral contract licenses, and the consideration of applications for branches of banks, savings and loan associations, savings banks, credit unions, and trust companies.

Mission Statement and Values:

The mission of the Board of Financial Institutions is to serve the citizens of the State of South Carolina by preserving a sound State chartered financial community and protecting the borrowing public by ensuring that the state banking and consumer finance laws and regulations are followed. To this end, the State Board of Financial Institutions is responsible for the supervision, licensing and examination of all State chartered banks, savings and loan associations, savings banks, credit unions, trust companies, development corporations, funeral homes selling preneed funeral contracts, consumer finance companies, deferred presentment companies, and regular check cashing companies.

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Major Accomplishments:

Bank Examining Division

In addition to meeting the statutory requirements for the establishment and supervision of state-chartered banks, savings and loan associations, savings banks, and credit unions and the licensing of funeral homes to sell pre-need funeral contracts, the Examining Division has identified several significant accomplishments in FY 2004. A review of capital adequacy, earnings, and past due and nonaccrual loans was performed quarterly on all banks, and the reviews were utilized to determine supervisory strategies. All examinations of financial institutions were completed within the timeframes required by law. The examinations of preneed funeral contract licensees were completed within the timeframes of the program objectives. In addition to on the job training in the field, several examiners were sent to Federal Deposit Insurance Corporation sponsored schools. Training was also given to all examiners at meetings in the office. The Division continuously reviewed and solicited ideas through staff meetings on ways to improve operations without compromising the mission of the agency.

Consumer Finance Division

The key goal of the Consumer Finance Division is to proficiently supervise the licensing and examining of all consumer finance companies, deferred presentment services and check cashing services licensed under Title 34 and Title 37.

The division continued to meet and exceed its obligations by law. All examinations were conducted within prescribed timeframes and within available resources. The division issued 578 new licenses (increasing our total licensees by 8.00%), examined 2,941 licensed locations and investigated and resolved 286 written consumer complaints.

Expected Results	Output Measures
<ul style="list-style-type: none"> • Process completed applications within 30 days from receipt 90 % 	<ul style="list-style-type: none"> • Applications processed within 30 days from receipt 100% • Number of licenses issued 578
<ul style="list-style-type: none"> • Perform examinations within timeframe required by law 100 % 	<ul style="list-style-type: none"> • Examinations performed within timeframe required by law 100 %
<ul style="list-style-type: none"> • Investigate and resolve complaints within 30 days from receipt 80 % 	<ul style="list-style-type: none"> • Complaints received and completed within 30 days 90 %

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Key Strategic Goals:

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 the key 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.

Opportunities and Barriers:

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. Major barriers consist of reduction in funding sources and competition from other employers for experienced workers. In addition, the increasing complexity of financial products requires more training and more detailed review. The directors continually evaluate the opportunities and barriers the agency faces and alter the agency's plans accordingly.

Use of Accountability Report:

The accountability report is used as a self-assessment tool that allows management to identify its strengths and the opportunities for improvement. Management is able to focus on the goals of the agency, develop an action plan for meeting the goals, communicate these goals to the staff, and implement strategies for meeting the goals. This process leads to an overall improvement in organizational performance.

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BUSINESS OVERVIEW

The State Board of Financial Institutions consists of a ten member board that meets monthly. The State Treasurer is the Chairman and ex officio member. The Governor appoints the other nine members with the advice and consent of the Senate. The Board has 42 full-time positions. Offices of the Board are located in Columbia, but employees travel throughout the state examining institutions under the Board's jurisdiction.

The following table presents the agency's expenditures for Fiscal Years 03-04 and 04-05 and the appropriations for Fiscal Year 05-06. The agency's operations are funded by fees received from institutions under its supervision.

Major Budget Categories	03-04 Actual Expenditures		04-05 Actual Expenditures		05-06 Appropriations Act	
	Total Funds	General Funds	Total Funds	General Funds	Total Funds	General Funds
Personal Service	1,586,133	0	1,681,544	0	1,956,472	0
Other Operating	470,041	0	510,940	0	620,049	0
Special Items	0	0	0	0	0	0
Permanent Improvements	0	0	0	0	0	0
Case Services	0	0	0	0	0	0
Distributions to Subdivisions	0	0	0	0	0	0
Fringe Benefits	417,246	0	431,228	0	527,317	0
Non-recurring		0		0		0
Total	2,473,420	0	2,623,712	0	3,103,838	0

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Major Program Areas

Program Number and Title	Major Program Area Purpose (Brief)	FY 03-04 Budget Expenditures	FY 04-05 Budget Expenditures	Key Cross References for Performance Measures
05000000 Bank Examining	The division examines and supervises State chartered banks, trust companies, savings and loan associations, savings banks, credit unions, and development corporations. The division also issues licenses to funeral home directors to sell preneed funeral contracts.	State: Federal: Other: \$1,509,202 Total: \$1,509,202 % of Total Budget: 61	State: Federal: Other: \$1,585,947 Total: \$1,585,947 % of Total Budget: 60	Figure 7.3-1
10000000 Consumer Finance	The division supervises the licensing and examining of all consumer finance companies, deferred presentment services and check cashing services licensed under Title 34 and Title 37.	State: Federal: Other: \$950,714 Total: \$950,714 % of Total Budget: 38	State: Federal: Other: \$1,021,469 Total: \$1,021,469 % of Total Budget: 39	Figure 7.3-2

Below: List any programs not included above and show the remainder of expenditures by source of funds:

Administration

Remainder of Expenditures:	State: Federal: Other: \$13,504 Total: \$13,504 % of Total Budget: 1	State: Federal: Other: \$16,296 Total: \$16,296 % of Total Budget: 1
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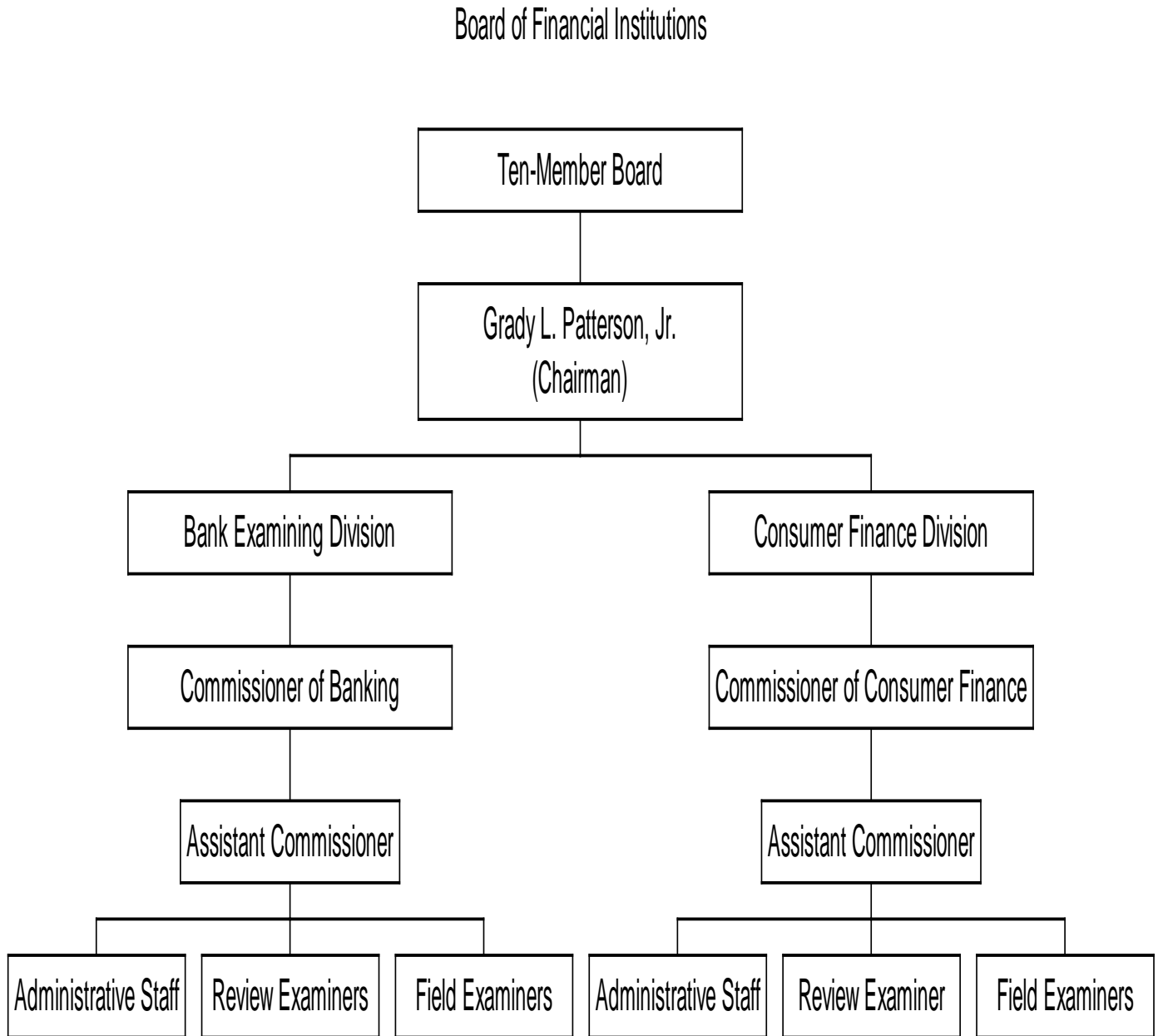
The citizens of South Carolina, the Legislature, and the Governor are the key customers of the Board of Financial Institutions. Regulated institutions are secondary customers of the Board. Since the agency is a regulatory agency that provides services to its customers, the employees of the Board are the key suppliers. Major products offered by the Board are licenses/charters to operate banks, savings and loan associations, savings banks, credit unions, trust companies, consumer finance companies, and check cashing companies, and licenses to funeral homes to sell preneed funeral contracts. In addition to the licenses, examination reports are produced to evaluate and monitor the condition of the institutions. The major service offered is the regulation of these various entities to ensure the safety of deposits and to protect the borrowing public by ensuring that the state banking and consumer finance laws and regulations are followed.

The Commissioner of Banking heads the Examining Division, which has 25 full-time positions. The division examines and supervises State chartered banks, trust companies, savings and loan associations, savings banks, credit unions, and development corporations. Also, the division issues licenses to funeral home directors to sell preneed funeral contracts. The Examining Division processes applications for new financial institution charters, for branches of existing State institutions, and for holding company acquisitions. These applications are then presented to the Board for approval.

The Consumer Finance Commissioner heads the Consumer Finance Division, which has 17 full-time positions. The division examines and supervises consumer finance companies, deferred presentment companies, and check cashing companies. Also, the division processes applications for consumer finance companies, deferred presentment companies and check cashing companies. These applications are then presented to the Board for approval.

The objective of these divisions is to have a safe and effective financial network for the benefit of the citizens of South Carolina.

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LEADERSHIP

Through monthly meetings, the State Board of Financial Institutions establishes policy, reviews applications and considers other matters coming before the Board which require action. The Chairman supervises the Board's Division Directors by providing counsel, guidance and direction through daily communication. The long term direction of the agency is set by the Board at its monthly meetings. The Division Directors are responsible for the daily management of their divisions within statutory guidelines and for implementation of the Board's policies and regulations. Short term direction, performance expectations, and organizational values for the agency are set by the Division Directors with input from senior staff members. The direction of the agency, performance expectations, and organizational values are communicated to the employees through periodic meetings. Within the guidelines of the agency, employees may use discretion in the performance of their jobs in order to give the employees a feeling of empowerment and to encourage innovation within the agency. New employees receive on-the-job training and attend courses to enhance their knowledge of the job. Input from employees concerning areas where additional training or learning is needed is obtained from individual and group interaction through meetings and discussions. As a result of this input, additional in-house training classes are given and employees attend training sessions offered by the Federal Deposit Insurance Corporation or similar organizations. Ethical behavior, especially as it relates to the State Ethics Act, is stressed by senior staff members when employees are hired and at periodic meetings. Senior leaders maintain fiscal, legal, and regulatory accountability through oversight by the agency's Board and through annual audits by the State Auditor's Office.

The emphasis concerning customer focus is on regulating the institutions supervised in order to provide the Board's customers (the citizens of the State of South Carolina) with a sound financial community. While our primary mission is to serve the citizens of the State of South Carolina in an efficient and effective manner, we provide the same level of efficiency to the institutions under our supervision. The Board has consistently supported an open door policy that encourages effective communication between the agency and the officials of the supervised industries. The Consumer Finance Division continues to offer compliance seminars in an effort to stimulate open communication between the division and the officials of all its licensees.

Senior officials regularly review the number of examinations completed during the year and the turnaround time of the reports. The number of applications processed and timeframes for processing these applications are also monitored. Officials monitor the growth of bank assets, loans, and deposits. Complaint logs, application logs, and examiner productivity logs are monitored weekly and corrective action is taken when needed.

Management periodically reviews and evaluates performance measures and utilizes employee feedback to assess the effectiveness and progress of the agency in meeting established goals and objectives. Meetings solicit examiner input for innovative ideas designed to streamline the examination process, while increasing productivity. In addition, meetings are used to solicit agency objectives and to set objective measures. Exit interviews are held when employees leave the agency,

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and suggestions are received from these employees concerning the improvements that could be made in the agency. Senior officials use the information gathered to make changes in the agency. By constantly evaluating their performance and the way they lead the agency, senior officials hope to improve their leadership effectiveness.

The agency addresses the current and potential impact on the public of its products and services by thoroughly studying applications before they are acted on by the Board and by periodically examining the institutions under its jurisdiction. Investigations of those applying for licenses are conducted through SLED background and credit checks. The impact on the community of new banks and bank branches is also studied. Examinations of depository institutions under the agency's jurisdiction are conducted periodically to assess the safety and soundness of the institutions. This is done to ensure that citizens of the state have a safe and stable financial environment in which to conduct business and to ensure that laws and regulations are being followed.

In order to set organizational priorities for improvement, senior leadership evaluates performance measures, employee feedback, customer feedback, and input from regulated institutions. Once the priorities for improvement have been set, senior leadership communicates the priorities to staff members through meetings, individual discussions, and memorandums.

The agency supports and strengthens the community by helping to ensure a safe and sound financial community. The State Treasurer attends many functions throughout the state, talking to the citizens, and supporting the communities. He attends annual meetings of the financial industry to solicit input from member institutions and to stay abreast of industry trends and changes. In addition, employee support of the community is encouraged. Employees may make payroll deductions to support agencies such as the United Way and the Good Health Appeal.

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STRATEGIC PLANNING

Strategies and plans for the Board are developed with an emphasis on the Mission of the agency. The two division directors and senior staff members are the key participants in the planning process. Complaints and comments from the citizens of South Carolina, comments from regulated institutions, and input from financial institution associations are considered to determine customer needs and expectations. Programs and procedures are periodically reviewed, and measures are implemented to address changes in the financial industry and the economic environment and the risks associated with those changes. Human resource capabilities are also reviewed periodically, and areas where additional training is needed are determined. Cross-training needs are evaluated so that the department will be prepared when employees are promoted or leave the agency. Operational capabilities and needs are reviewed on an ongoing basis. The number of examinations conducted and timeframes for the processing of reports are reviewed to determine if the goals of the agency are being met. Within the guidelines of the laws governing the agency, the directors and senior management evaluate operational goals to determine areas which should be modified in order to better meet the needs of the citizens of South Carolina.

Once the strategic goals have been determined by the directors, time is allocated for senior staff members to develop plans to achieve the goals. Staff members track and report the action plans to the directors. Resources are allocated according to the number and condition of institutions and through an analysis of trends. Strategic objectives, action plans, and performance measures are communicated to staff members through meetings and individual discussions.

As stated in the Board's Strategic Plan, the following are the agency's key strategic objectives:

- Monitor the safety and soundness of financial institutions under the Board's jurisdiction.
- Ensure that statutory responsibilities are met.
- Protect the interests of the citizens of South Carolina.
- Maintain a competent and well-trained staff.

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Strategic Planning

Program Number and Title	Supported Agency Strategic Planning Goal/Objective	Related FY 04-05 Key Agency Action Plan/Initiative(s)	Key Cross References for Performance Measures
05000000 Bank Examining 10000000 Consumer Finance	Monitor the safety and soundness of financial institutions under the Board's jurisdiction.	Examine State chartered financial institutions and other licensees.	Figures 7.2-1 7.2-4 7.2-5
05000000 Bank Examining 10000000 Consumer Finance	Ensure that statutory responsibilities are met.	Perform examinations within timeframes required by law. Review and evaluate applications coming before the Board.	Figures 7.2-1 7.2-2 7.2-3 7.2-4 7.2-5
05000000 Bank Examining 10000000 Consumer Finance	Protect the interests of the citizens of South Carolina.	Examine State chartered financial institutions and other licensees. Respond to consumer complaints.	Figures 7.2-1 7.2-4 7.2-5 7.2-7
05000000 Bank Examining 10000000 Consumer Finance	Maintain a competent and well-trained staff.	Hire and retain highly qualified, diverse employees, and provide adequate training.	Figure 7.4-1

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CUSTOMER FOCUS

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. As a regulatory body, the agency strives to maintain the proper balance of performing its statutory responsibilities without imposing an undue burden on the institutions under its jurisdiction. The agency determines the needs of its customers by listening to and evaluating comments from its customers. The agency strives to keep its listening and learning methods current with changing customer/business needs by continually evaluating customer input. The State Treasurer receives feedback from citizens through his public appearances, the office Web Site, and his personal E-mail access as well as from the usual correspondence and telephone. The Board of Financial Institutions has consistently supported an open door policy that encourages effective communication between the divisions and the officials of the industries it licenses. The divisions continue to offer their services and expertise in areas of compliance in an effort to stimulate open communication between the divisions and officials of institutions under the Board's jurisdiction. Various financial institutions and associations provide valuable input and feedback on Board policies and regulations and on any issues related to their industry which might require action by the Board. Information from customers is used in the planning process to assist in determining goals for the agency. In an effort to measure customer satisfaction, the Board of Financial Institutions continuously monitors and updates its key indicators (consumer complaints and industry complaints). In addition to logging the number of complaints received, the division also monitors the nature of the complaint to detect problem areas. The agency tries to build positive relationships with the citizens of South Carolina by taking seriously all inquiries/complaints and by providing prompt responses.

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MEASUREMENT, ANALYSIS, AND KNOWLEDGE MANAGEMENT

The directors and senior leaders evaluate the operations, processes, and systems of the agency in order to determine what should be measured. Areas being measured relate to our program objectives and to our mission statement. The directors ensure data integrity and accuracy by having the data carefully checked by staff members. The directors ensure data timeliness and availability by allocating sufficient personnel to collect and analyze the data.

The divisions carefully schedule examinations of financial institutions under the Board's jurisdiction in order to accomplish the objective of examining all financial institutions within the timeframes required by law. In addition, off-site analysis is performed on all financial institutions in order to determine supervisory strategies. The off-site analysis enables the divisions to determine which financial institutions are in greatest need of examination and which institutions require extra consultation and direction. Periodic meetings are held with staff members in order to collect and transfer accumulated employee knowledge and to identify and share best practices. Training sessions are held in order to maintain and update employee knowledge. This enables the divisions to reach the ultimate goal of preserving a sound State chartered financial community.

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HUMAN RESOURCES

The directors and supervisors encourage and motivate employees to develop and utilize their full potential by giving them positive feedback concerning the performance of their jobs. The directors and supervisors also emphasize the importance of the mission of the agency in order to give employees a feeling of the value of their jobs to the citizens of South Carolina. Steps have been taken to place examiners where their skills will be developed and utilized to their full potential. Areas include project management, communication skills, and design planning and implementation.

Training is provided by individual instruction and through the utilization of schools, which specialize in the training of financial institution examiners. Comprehensive evaluations are a structured part of all courses. Formal job developmental plans include mentoring, on-the-job training, and cross training. In an effort to maintain employee satisfaction, we offer flexibility and diversity in the workplace. Periodic meetings are held with all examiners to review the examination process and to consider methods to implement a more efficient and effective examination process. Employees are encouraged to share ideas concerning the examination process with each other and with management. At the meetings, employees are encouraged to identify areas where additional training is needed. These meetings help to ensure effective communication, cooperation, and knowledge sharing among the employees.

Employees receive periodic evaluations, and promotional opportunities are available to those who are qualified. At the beginning of each evaluation period, a planning stage document is given to the employees. At that time and throughout the evaluation period, supervisors discuss with the employees ways in which they can improve their performance and work to their fullest potential.

Most assessments to determine employee well being, satisfaction, and motivation are informal. In order to assess employee well being and satisfaction, the directors and supervisors talk with employees on an informal basis to try to determine the employees' attitudes. When employees leave the agency, an exit interview is conducted to determine how those employees feel about the agency and what areas they believe could be improved.

A safe and healthy work environment is maintained by conducting periodic checks of the office space to ensure that it is safe. If employees notice areas that they believe are unsafe or unhealthy, they are encouraged to bring it to the attention of management. In case an evacuation of the building were necessary, an Emergency Action Plan is in place. Employees have been notified of the procedures for evacuation, and an Accountability Monitor has been assigned. Periodic building evacuation drills are held.

All employees are encouraged to become involved in the community through volunteer work. Employees may also make payroll deductions to support agencies such as the United Way and the Good Health Appeal. Good health is stressed by management and is supported and promoted through the dissemination of the monthly "Insight" Newsletter.

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PROCESS MANAGEMENT

Since the Board of Financial Institutions is a regulatory agency, its primary aim is to provide a service to the citizens of South Carolina. The service offered is the protection of the citizens by preserving a sound State chartered financial community and protecting the borrowing public by ensuring that the state banking, consumer finance, and preneed laws and regulations are followed.

All key design processes correlate with the department's mission statement. These processes are constantly reviewed to ensure that they are producing results designed to support the mission statement and strategic goals and to meet changing customer needs. The department also reviews and researches the systems of other related government agencies for processes to enhance the delivery of its services. As organizational knowledge grows and technology changes, key processes are revised to make them more efficient and effective.

The primary product of the agency is the examination report that is produced when financial institutions are examined. After the reports are produced by examiners, they are reviewed by office staff to ensure that they are accurate and of high quality. The reports are produced using computers and specialized computer software. Information technology needs are periodically evaluated to ensure that employees have the necessary tools and training to effectively and efficiently perform their jobs.

In order to improve future reports, examiners are informed when errors are found or changes are made. Management tracks the turnaround time of the reports in an effort to send the reports to the financial institutions and other regulators in a timely fashion. Management also keeps abreast of changes in the financial industry and relays these changes to examiners through memos and meetings. Reports and other monitoring methods provide information that is critical to the supervision of institutions under the jurisdiction of the Board. This information allows the Board to act in a timely manner to ensure the safety of depositors and a stable financial environment for the citizens of the state.

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RESULTS

Financial institutions reporting to the Examining Division maintain their records on a calendar year basis. The Consumer Finance Division is required by statute to collect information by calendar year. For these reasons, results are reported on a calendar year basis.

Since 1999, total assets of State chartered banks have increased 70% and now total over \$28 billion. In 2004, the consumer finance industry made more than \$2.4 billion in loans to South Carolina consumers. The deferred presentment industry made an additional \$1.2 billion in short-term loans.

Applications for 3 new banks, 19 bank branches, 1 credit union branch, 3 holding company acquisitions, and 2 bank mergers were processed. In addition, 28 banks, 17 credit unions, 1 trust company, 2 development corporations, and 191 preneed burial contract licensees were examined. The Consumer Finance Division issued 578 new licenses (increasing total licenses by 8.00%), examined 2,941 licensed locations and investigated and resolved 286 written consumer complaints.

Examinations, as required by law, were conducted and corrective action was taken when necessary. In-house compliance seminars and round table discussions were utilized to disseminate information regarding law changes. The Board continued to promote good health and encourage all employees to become involved with donating time and financial support to non-profit charitable organizations.

Performance data is presented in the following tables and charts.

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Performance Measures:

	<u>2002</u>	<u>2003</u>	<u>2004</u>
<u>Bank Examining Division</u>			
Banks examined	35	25	28
Savings and loan associations examined	1	2	0
Credit unions examined	19	17	17
Trust companies examined	3	2	1
Development corporations examined	2	2	2
Preneed burial contract licensees examined	231	238	191
Preneed burial contract licenses issued	23	26	28
Applications for new banks processed	0	1	3
Applications for bank branches processed	20	13	19
Application for credit union branches processed	1	3	1
Applications for holding company acquisitions processed	5	5	3
Applications for bank mergers processed	0	5	2
Application for credit union mergers processed	0	2	0
<u>Consumer Finance Division</u>			
Restricted Licensees examined	62	50	44
Supervised Licensees examined	1,621	1,773	1,895
Deferred Presentment & Check Cashing companies examined	840	886	1,002
Applications for a Restricted License processed	1	1	0
Applications for a Supervised License processed	274	296	339
Applications for a Check Cashing License processed	181	242	228
Written complaints received, investigated and brought to a successful conclusion	259	273	286
Death Claims verified and proper refunds given to the Beneficiary	1,321	751	828

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Growth of Assets and Loans for State Banks

	12/31/99	12/31/04	Percent Change
Total Assets	16,615,304	28,292,155	70%
# of banks	56	50	-11%
Average Total Assets	296,702	565,843	91%
Total Loans	11,543,055	18,746,485	62%
# of banks	56	50	-11%
Average Total Loans	206,126	374,930	82%
Total Deposits	12,990,526	19,980,152	54%
# of banks	56	50	-11%
Average Total Deposits	231,974	399,603	72%
(Assets and Loans in thousands)			

Figure 7.1-1

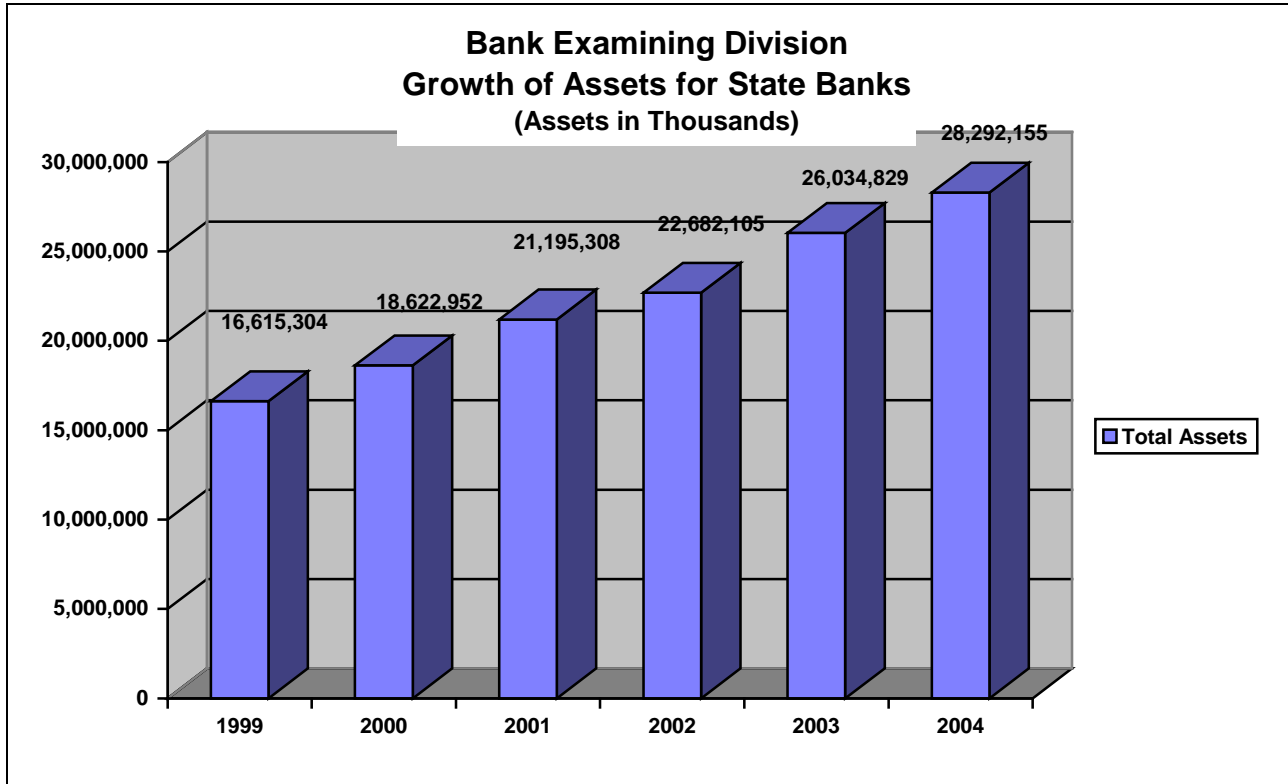


Figure 7.1-2

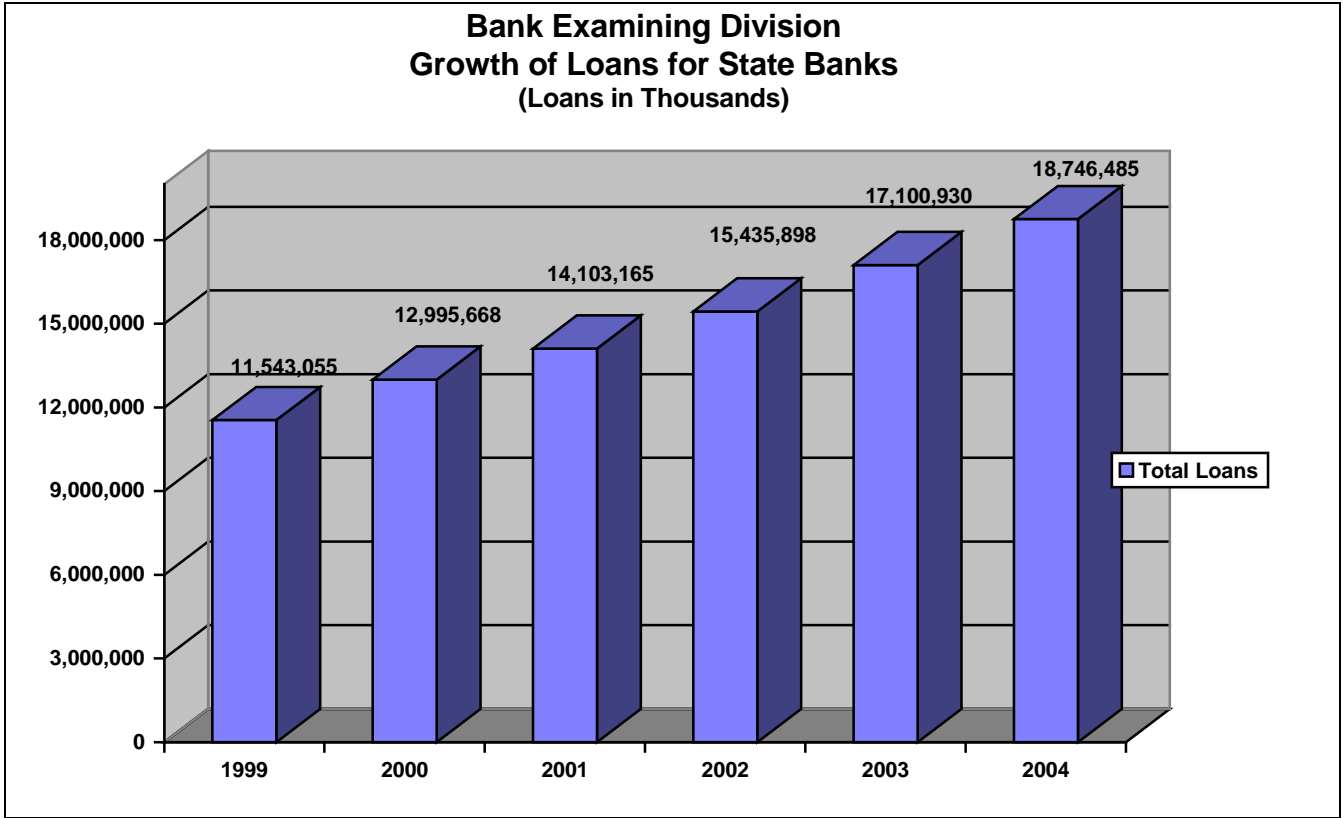


Figure 7.1-3

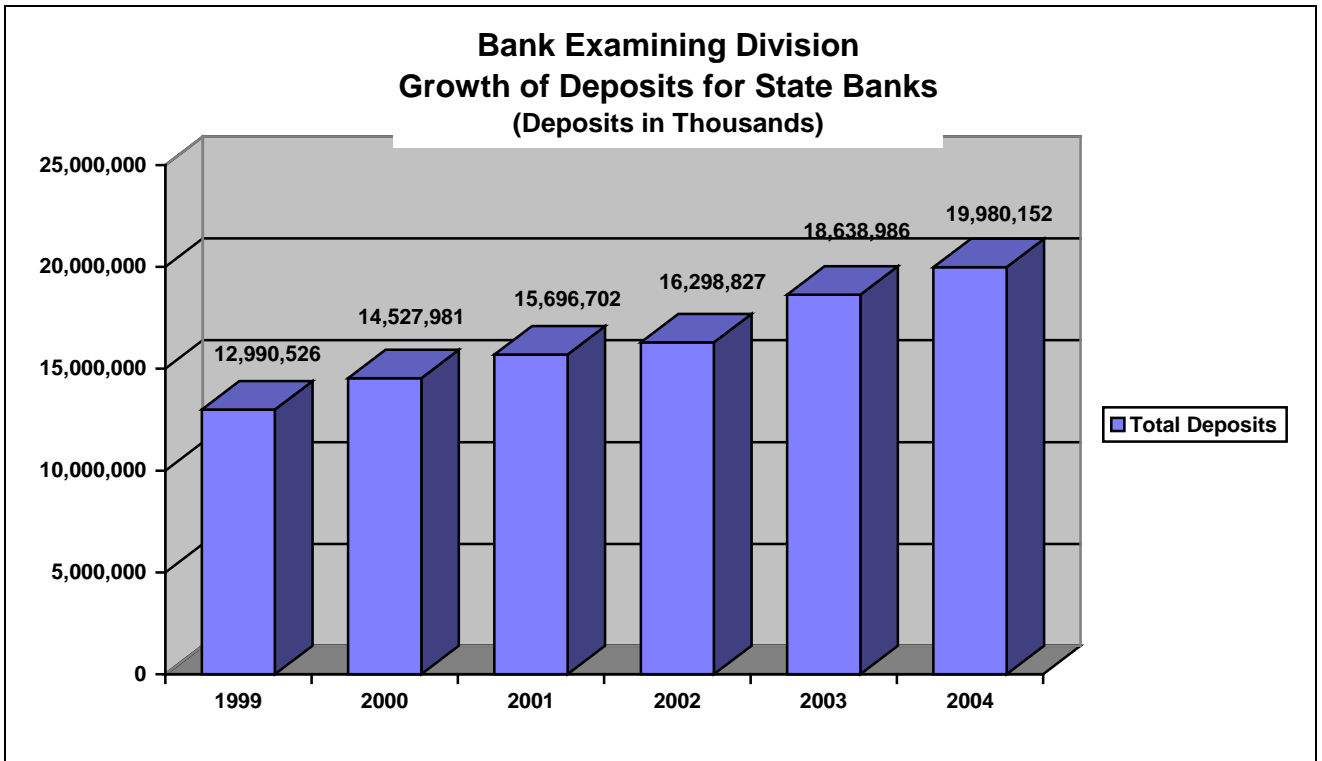


Figure 7.1-4

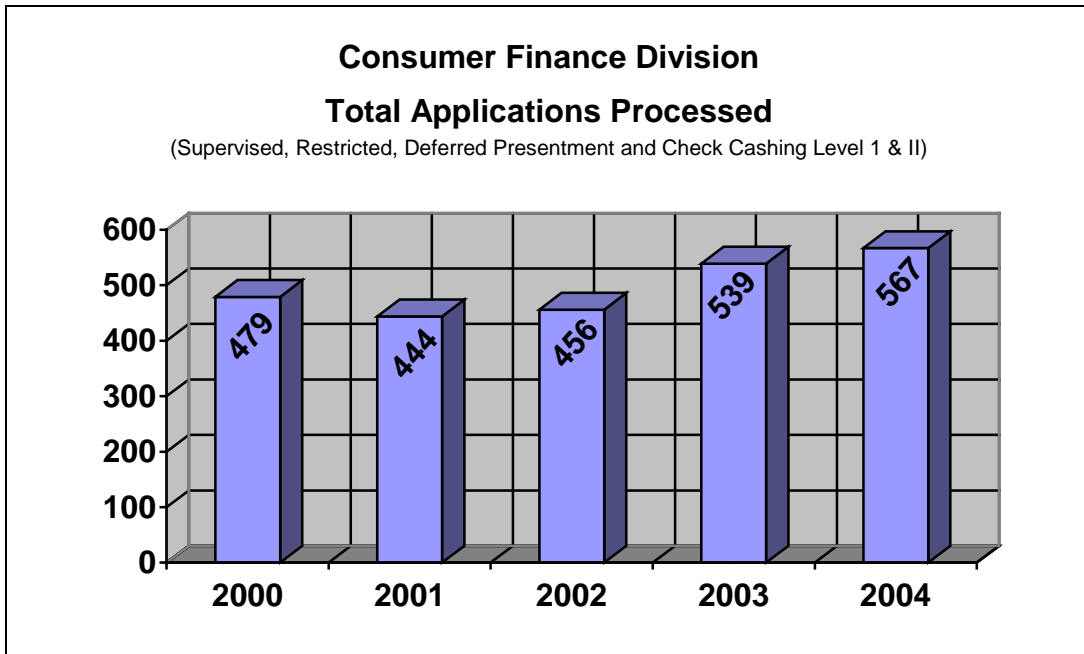


Figure 7.1-5

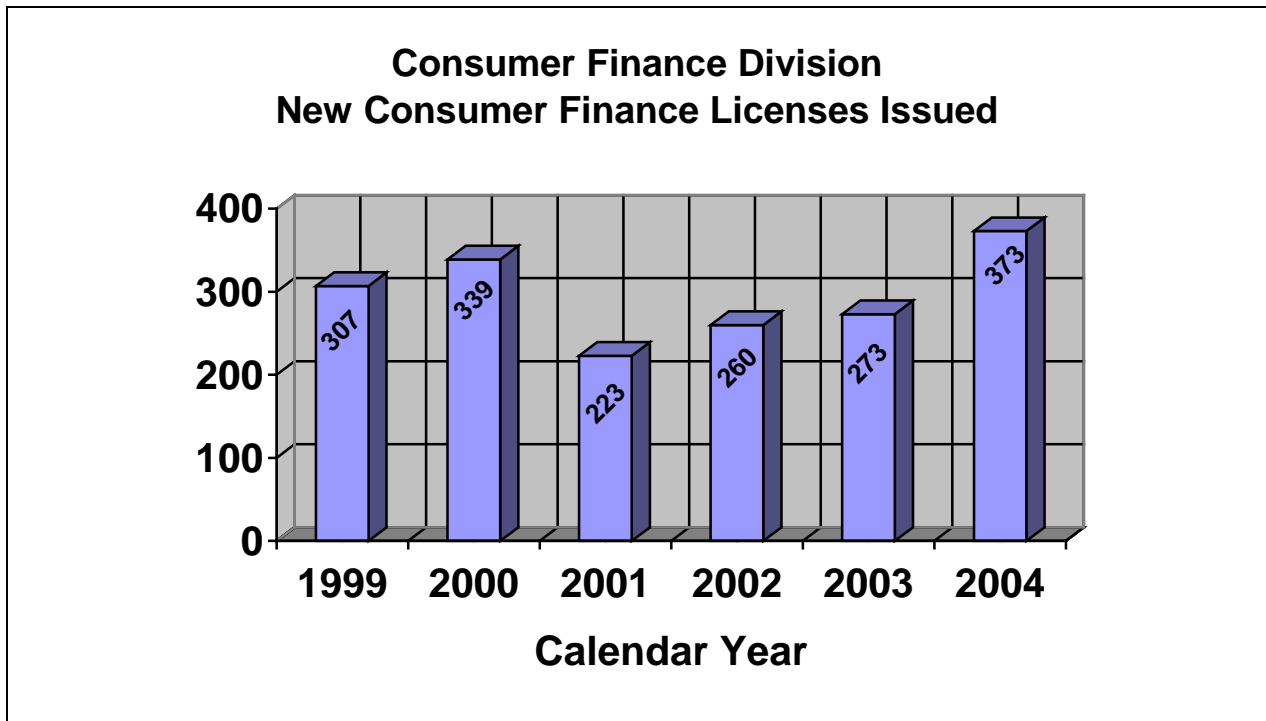


Figure 7.1-6

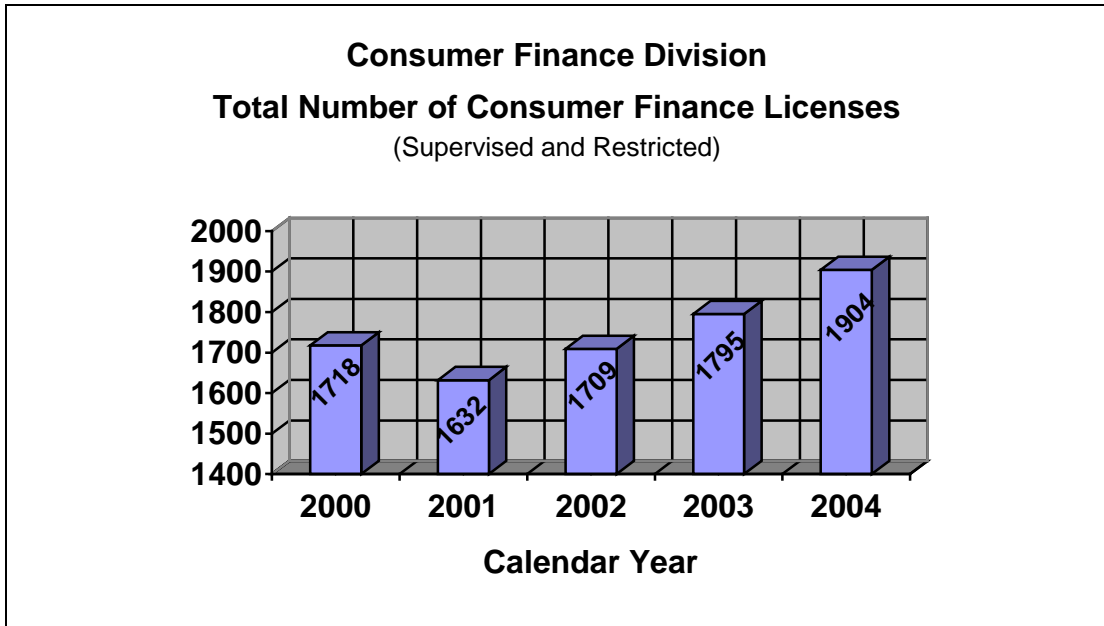


Figure 7.1-7

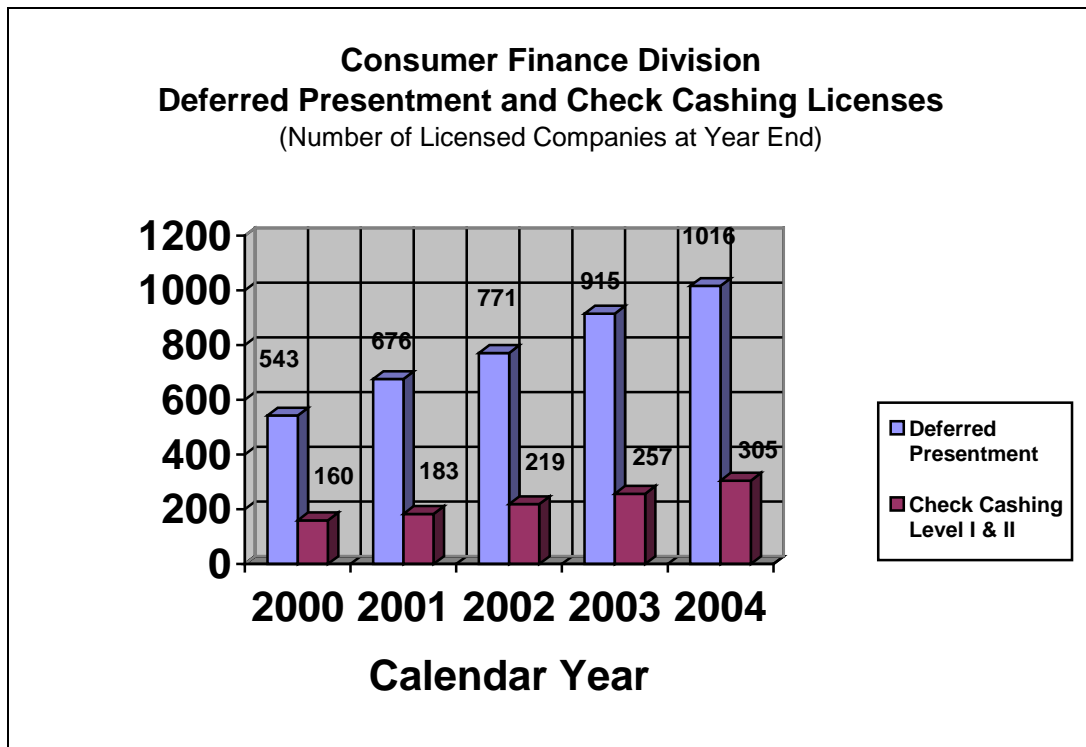


Figure 7.1-8

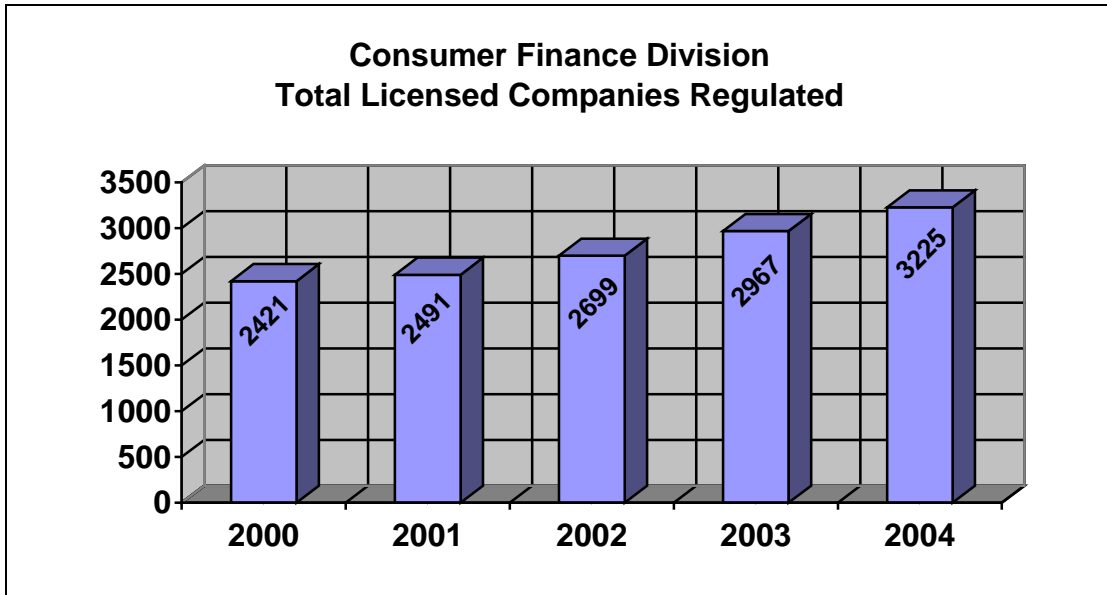


Figure 7.1-9

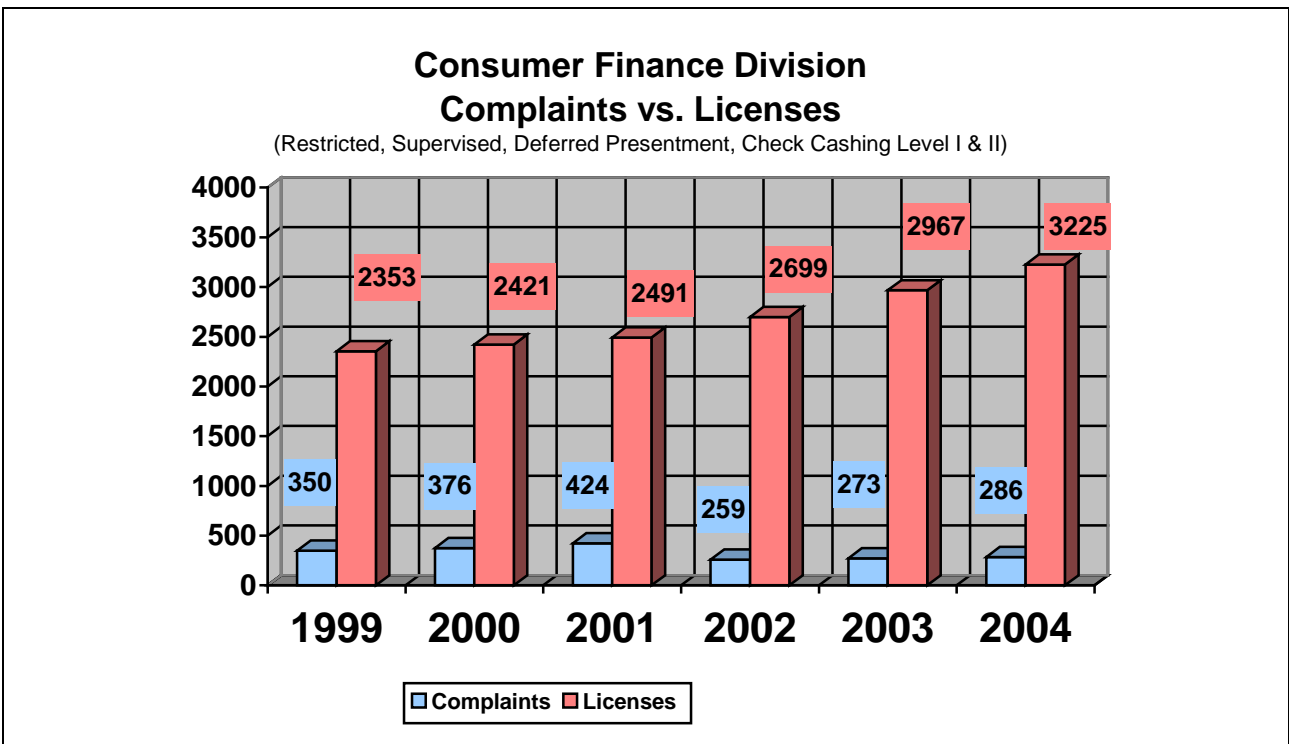


Figure 7.1-10

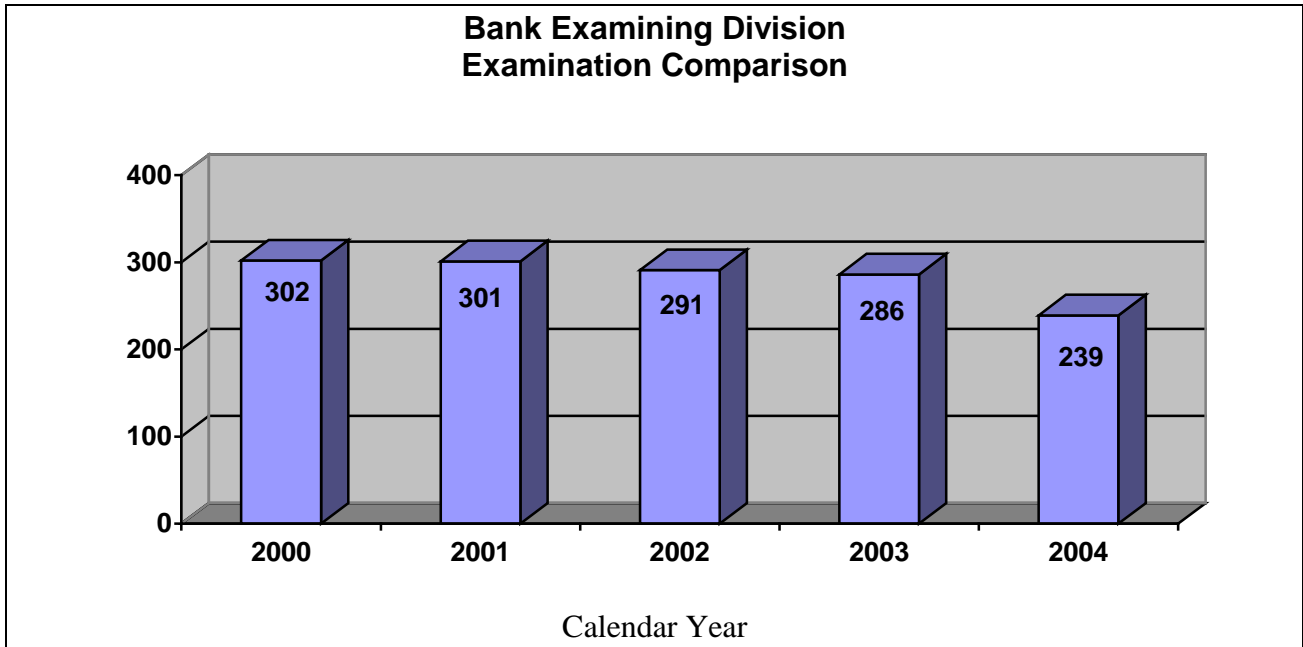


Figure 7.2-1

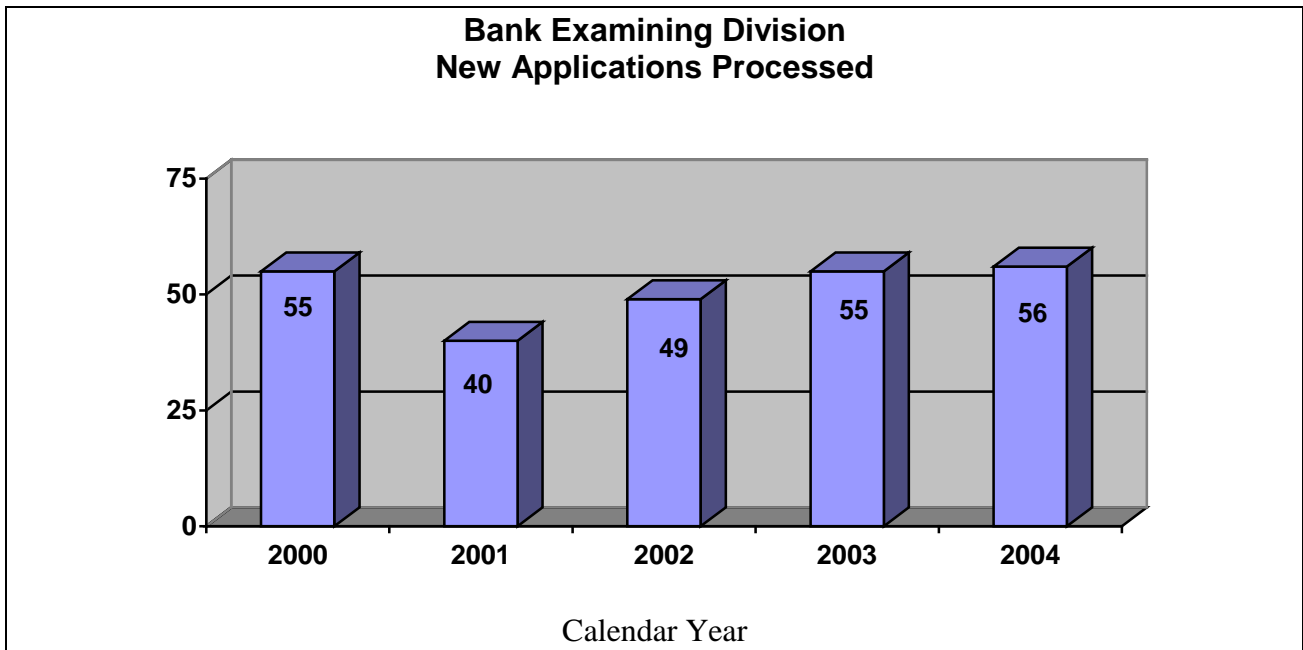


Figure 7.2-2

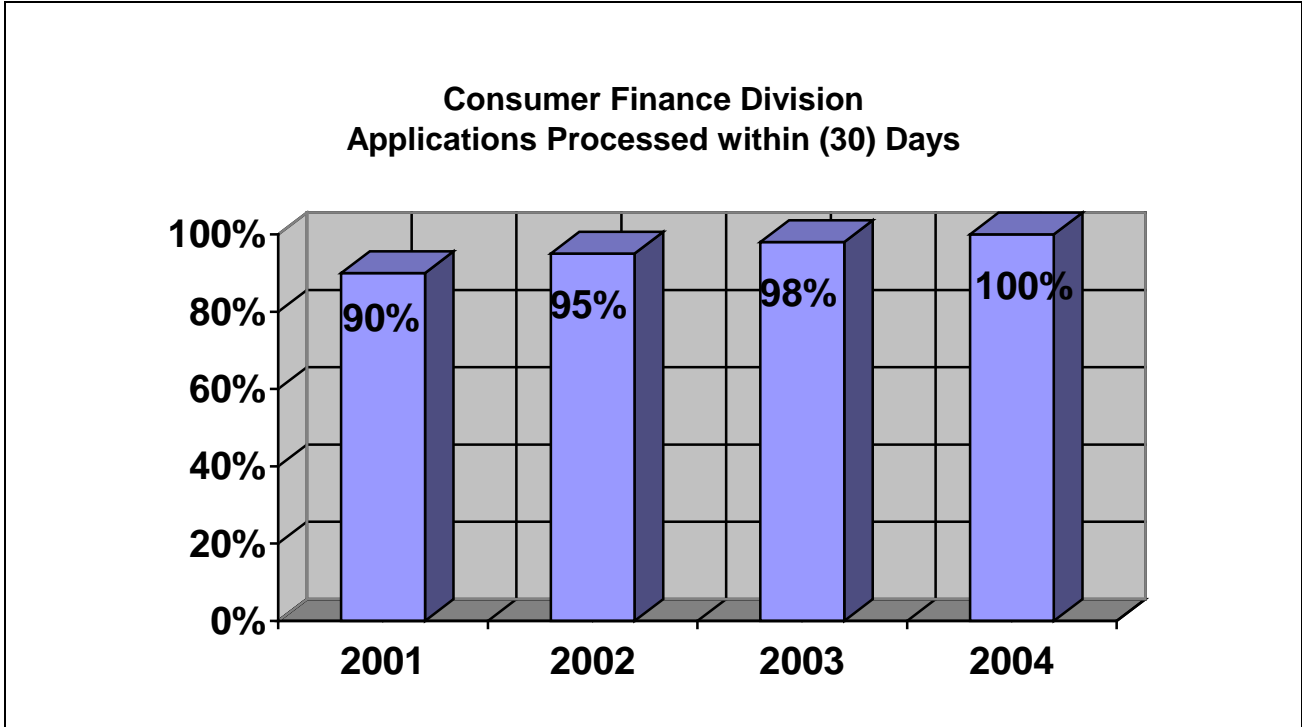


Figure 7.2-3

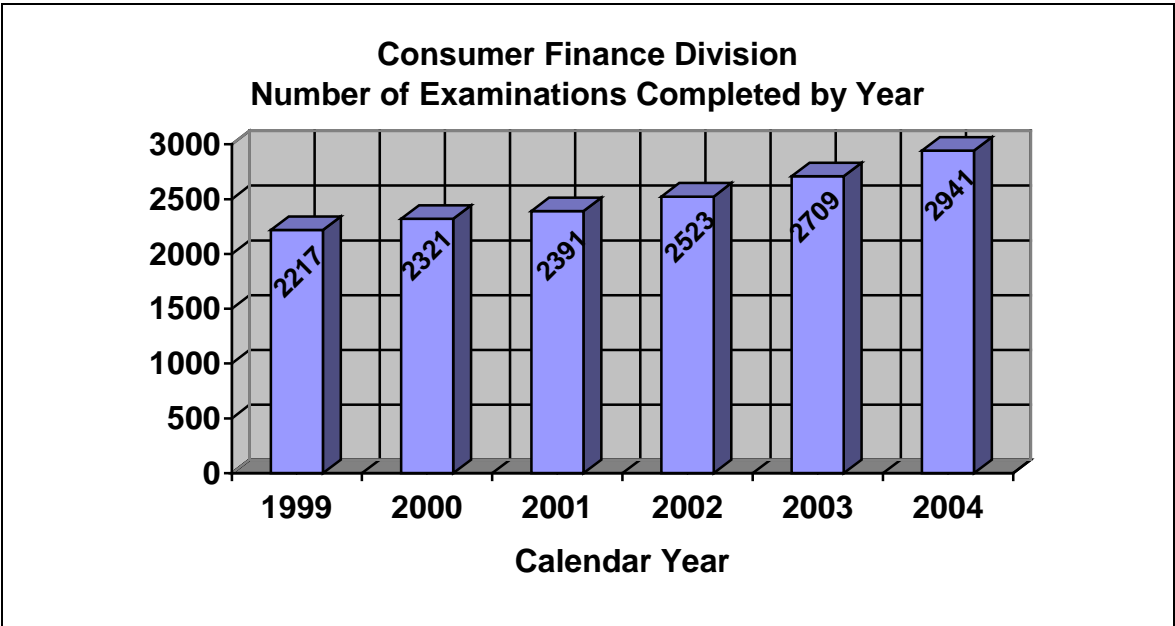


Figure 7.2-4

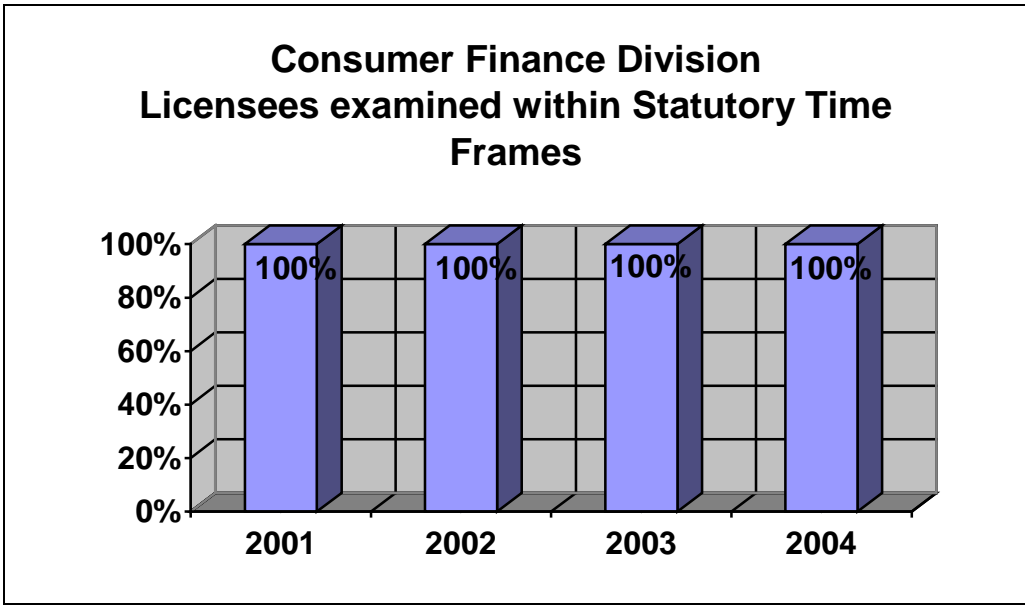


Figure 7.2-5

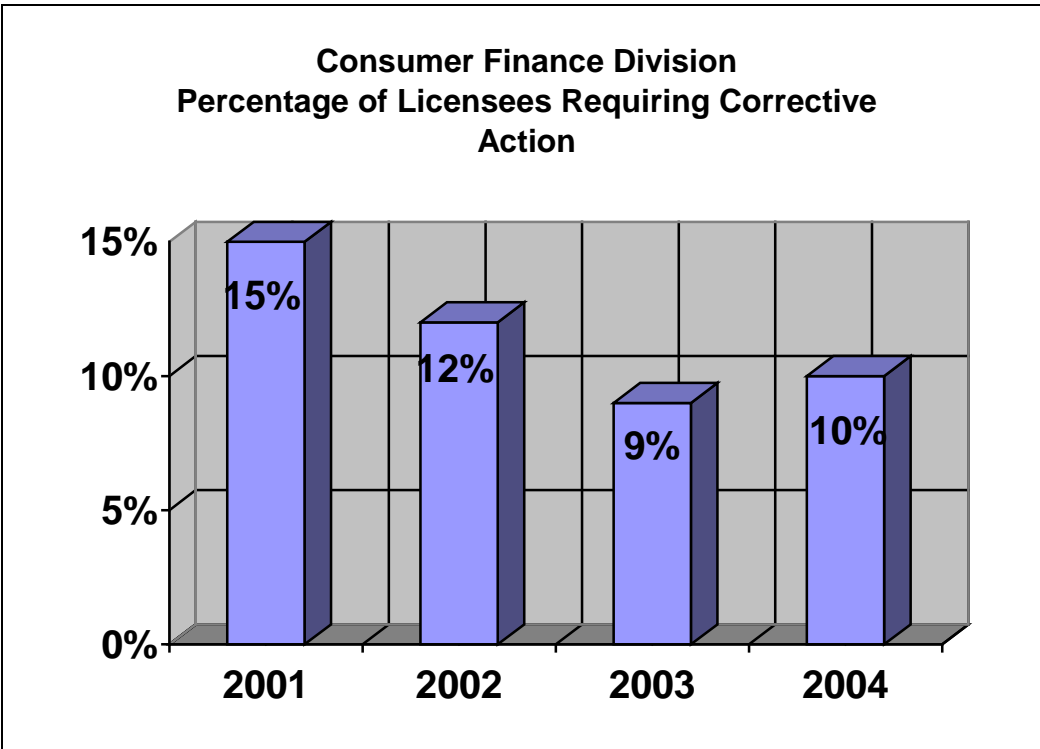


Figure 7.2-6

**Consumer Finance Division
Consumer Complaints Investigated & Completed
within (30) Days**

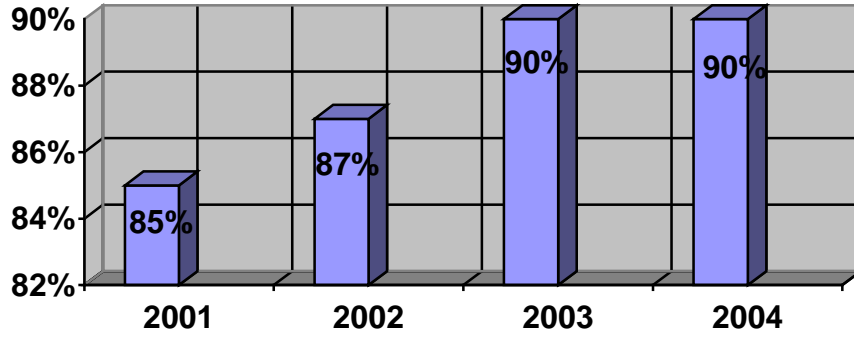


Figure 7.2-7

**Bank Examining Division
Average Cost per Bank**

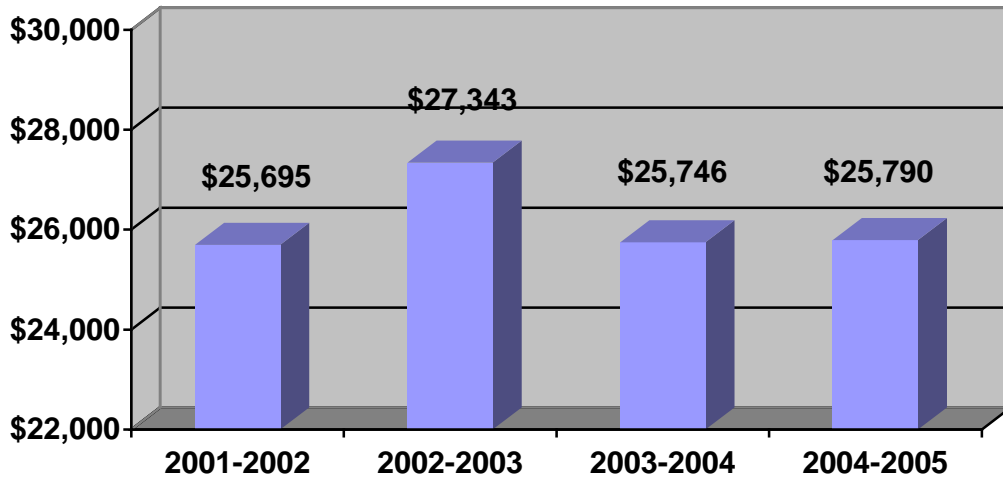


Figure 7.3-1

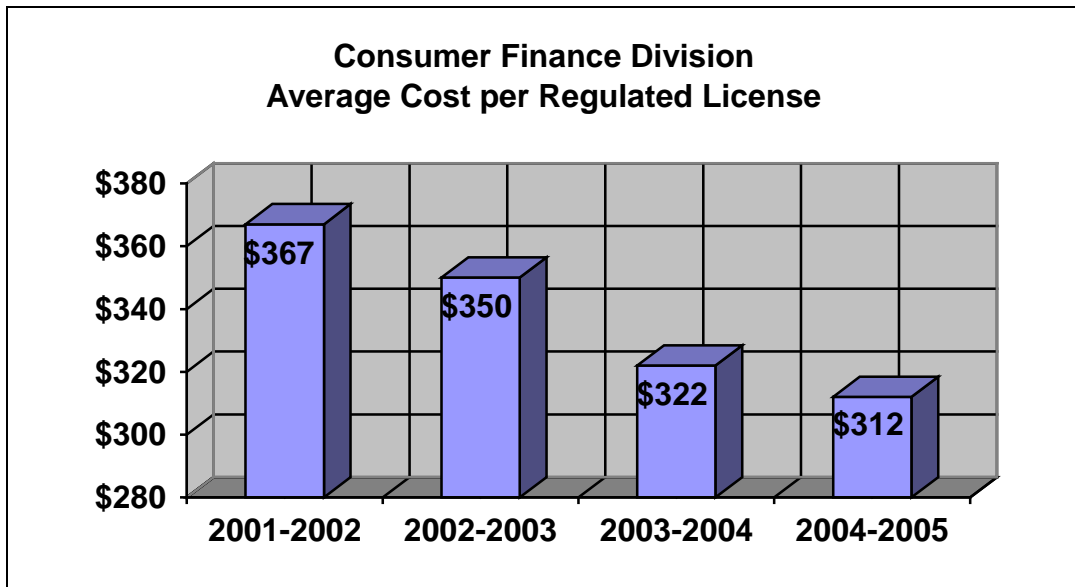


Figure 7.3-2

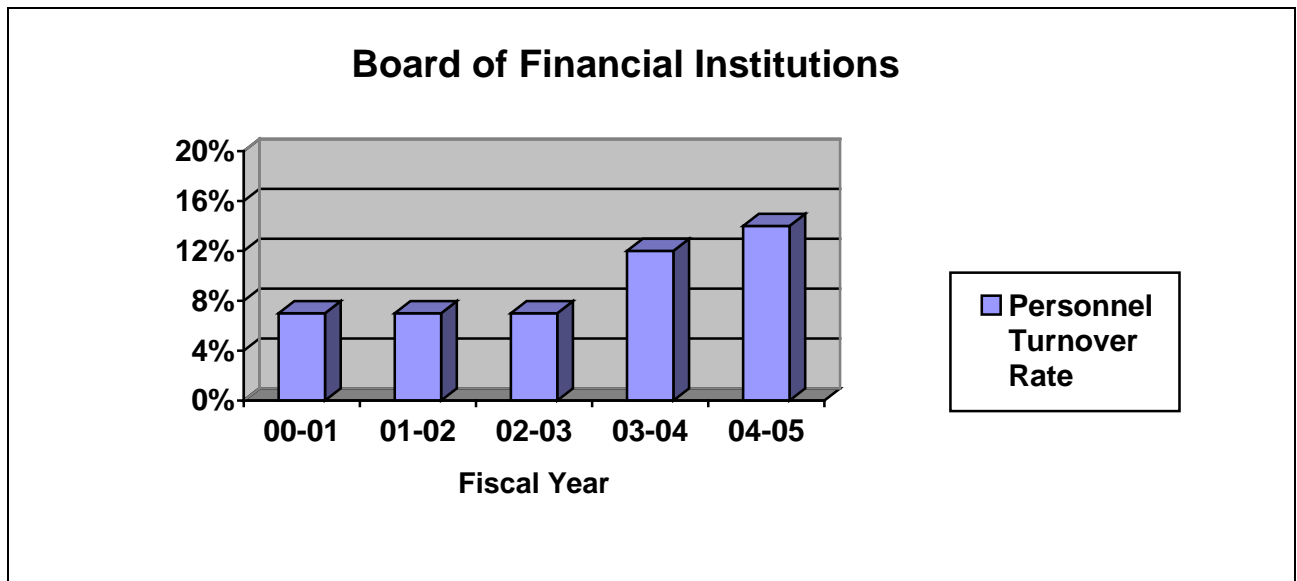


Figure 7.4-1

**Consumer Finance Division
Community Health Charities Fund Drive**
(Percentage of Employees Contributing)

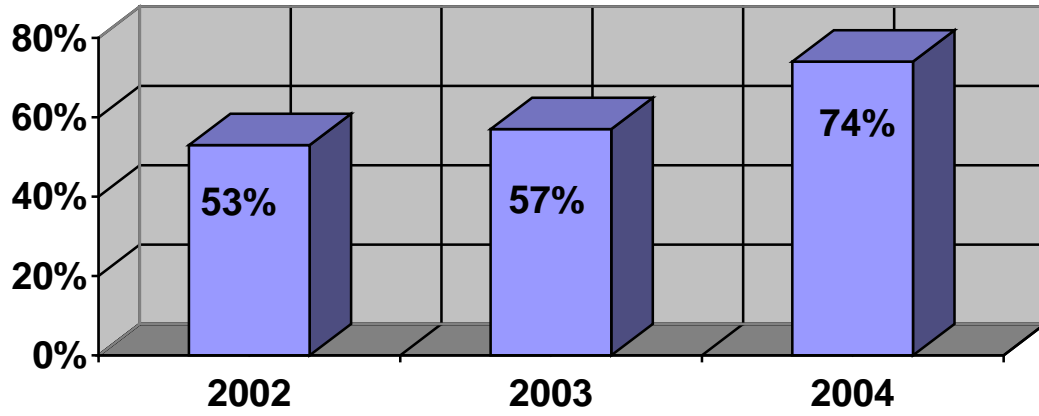


Figure 7.5-1