



MISSISSIPPI DEPARTMENT OF BANKING AND CONSUMER FINANCE

5 – YEAR STRATEGIC PLAN

FOR THE FISCAL YEARS 2026 - 2030

Mississippi Department of Banking and Consumer Finance

1. Comprehensive Mission Statement:

The Department of Banking and Consumer Finance's (DBCF) primary mission is to regulate, supervise, and safeguard financial institutions chartered and licensed in Mississippi.

2. Philosophy

The DBCF is committed to providing quality supervision and regulation to those institutions, persons, firms, corporations, and associations furnishing financial services, as authorized by statute, to the people of Mississippi.

DBCF is charged with the primary examination and regulatory supervision of all state chartered commercial banks, state chartered thrift institutions, state chartered credit unions, independent trust companies, mortgage lenders, small loans (consumer finance companies), insurance premium finance companies, motor vehicle sales finance companies, pawn brokers, title pledge lenders, consumer loan brokers, check cashers, money transmitters, credit availability lenders, and debt management service providers. The agency also provides cooperative assistance to any individual, institution, industry, or other regulatory agency within the scope of our responsibilities.

The philosophy of the agency is to promote public confidence in the stability of our regulated entities through ensuring timely, fair, and effective supervision and regulation of the financial institutions and licensees under our jurisdiction. DBCF strongly believes in the importance of the dual banking system (system where both the state and the federal governments independently issue charters and supervise banks) and local licensing/examination of consumer financial services. This system enables the state legislature to dictate banking and consumer finance statutes, the industry and its impact on Mississippi's economy. The dual system is an efficient and competitive regulatory system that leads to innovation in both financial services and supervisory practices.

3. Relevant Statewide Goals and Benchmarks

Statewide Goal #1: Public Safety and Order

Ensure that a Mississippi State-charter is the "charter of choice" for banks domiciled in Mississippi (as opposed to a Federal charter under the Dual Banking System). State charters are essential because they allow Mississippi to maintain its voice in the banking system and provide local supervision with direct access to regulators familiar with State economic conditions. This active role maintains public confidence in the integrity of the banking system.

Relevant Benchmark #1:

- Number of State-chartered banks to National Banks in Assets

Statewide Goal #2: Economic Development

Promote economic development by ensuring prudent regulatory principles that enable the Mississippi banking industry to be competitive and provide the Mississippi economy with the benefit of a readily available and healthy financial system. A viable and profitable state banking system is good for all Mississippians. Well-capitalized and well-managed institutions are positioned to have funds available to expand credit opportunities for businesses and consumers, thus stimulating economic growth.

Relevant Benchmark #2:

- Number of watchlist banks
- Migration analysis

Statewide Goal #3: Education

Promote Financial Literacy among Mississippi consumers.

Relevant Benchmark #3:

- Number of programs in which the agency participates
- Partner/Promote financial responsibility in high schools

4. Overview of the Agency 5-Year Strategic Plan:

The DBCF must ensure the hiring and retention of adequate professional staffing to provide continuous examinations and effectively provide oversight of the financial industry. The agency must ensure the public has safe and sound institutions that operate within the confines of law and provide for economic expansion within the state of Mississippi. Identifying, training, and retaining highly qualified examiners is vital to staying abreast of ever-evolving Federal standards and guidelines.

In the same vein, ensuring that an intact management succession plan is embedded in the agency career ladder is vital to the sustainability of the agency's success. Experienced examiners migrate into leadership positions within the agency, and as such retaining this management component with this invaluable knowledge is equally as important as retention of the examination staff.

The agency has incorporated several noteworthy priorities in the Five-Year Strategic Plan in response to changes in Federal and State Laws governing regulated industries. The Plan will also capture our efforts to reflect the increasing complexity of industry activities and substantial growth in the banking industry in Mississippi in examination scopes and supervisory oversight. These priorities are derivatives of our statutory authority, responsibility and our commitment to Mississippi citizens, as well as our regulated institutions. Many of these adopted goals, objectives, and outputs revolve around evaluating systems/programs/procedures, effectively utilizing staff/technology resources, improving efficiencies, and retaining employees. Over the course of our Five-Year Strategic Plan cycle, we will incorporate more automated measures and reports to support agency stated goals and ensure that objectives are met.

5. Agency's External/Internal Assessment

- 1) Significant changes in the banking system or consumer finance industry brought on by actions of the Federal Government would impact this agency, ie. Non-regulated entities such as Crypto-currency or Bitcoin
- 2) Over-reliance on three large banks funding DBCF's budget. A conversion to a National charter or a merger with an out-of-state institution would greatly impact the agency's revenue stream and examination needs.
- 3) The agency must ensure proper succession planning to effectively manage potential retirements of key personnel currently qualified for or approaching qualification for retirement.
- 4) The agency's career ladder should serve as a source of continuity in ensuring effective management succession of the supervisory function. Salary compression has resulted in salary inequities that threaten the integrity of the career ladder and the sustainability of experienced upper management. We will continue to monitor compression as well as industry salaries to remain competitive.

Budgetary needs are considered when new or expanded projects are authorized by law and the use of experienced personnel has resulted in making the agency more efficient and responsive.

The agency is accredited by the Conference of State Bank Supervisors. Initial accreditation was first awarded in 1996, after meeting stringent accreditation standards. As a part of this program, the Department is reviewed off-site annually and subjected to an on-site reaccreditation every five years. DBCF was most reaccredited in 2021 and is preparing for a review in 2026. The results of the previous accreditation review ranked our banking and mortgage department in the top percentile of all accredited departments.

6. Agency's Goals, Objectives, Strategies and Measures by Program for FY2026 through FY2030

GOAL A: DBCF will retain examination and non-examination staff.

OBJECTIVE A: Effectively attract and retain knowledgeable staff by offering flexible work schedules or teleworking.

Outcome: Retain regulatory experience and expand scope of regulatory reviews.

A.1 STRATEGY: Review Federal agency and other states' off-site examination procedures.

A.2 STRATEGY: Increase focus on a regionalized supervisory structure.

A.1 – A.2:

**Output:* Reduced staff turnover ratio

**Output:* Maintain equitable ratio for examiner hours vs. FDIC examiner hours

**Output:* Improved average tenure of examination staff

Efficiency: Cost of training for examiners and non-examiners

GOAL B: DBCF will ensure we make the best use of technology.

OBJECTIVE B: Effectively use technological resources available to the agency.

Outcome: Improve security of agency database

B.1 STRATEGY: Fully implement and evaluate new software for monitoring banking and non-banking revenues and examinations.

Output: Amount of administrative time saved using effective system

B.2 STRATEGY: Maintain DBCF infrastructure, network, computer systems and security.

Output: Improved IT management of system

Efficiency: IT staff and contract staff time saved

B.3 STRATEGY: Activate and control external access to servers.

Output: Improved file access for essential personnel

Efficiency: Administrative time saved locating and emailing information.

GOAL C: DBCF will increase public exposure of the agency and work to provide Financial Literacy/Education throughout the state.

OBJECTIVE C: To improve public awareness of financial products offered in the state.

Outcome: Citizens who make better informed financial decisions

C.1 STRATEGY: Partner with MCEE on Financial Literacy.

Output: Number of speaking engagements DBCF involved in

Output: Number of high school students reached in this process

C.2 STRATEGY: Continue to conduct outreach with college professors to market DBCF.

Output: Improved awareness at college level of what an examiner does

Efficiency: Examiners hired over time as a result of this contact.

C.3 STRATEGY: Update the agency website regularly to provide consumer resources for online financial literacy training and budgeting tools, as well as consumer advocacy, education and protection programs.

Output: Improved ability and understanding at all age levels on how to obtain and properly apply financial management skills.

C.4 STRATEGY: Issue Consumer Alerts to educate consumers on how to recognize and protect themselves from trending scams.

Output: Citizens who are less likely to become a victim of a scam.

Efficiency: Monitor and manage public awareness events by our Public Relations Specialist with hours and events types documented, tracked, and retained by administration.

GOAL D: DBCF will review and evaluate legislative needs.

OBJECTIVE D: Obtain statutory authority where needed and revise outdated/ineffective statutes.

Outcome: Improved statutory authority over regulated industries and improved agency administration.

D.1 STRATEGY: Conduct study of bank assessment structure including interpretation of current assessment statute. Additionally, review the assessment methodologies of Federal agencies and other states banking departments contiguous to Mississippi including Texas.

Output: Better understanding of Mississippi Assessment authority as well as surrounding states that are potential options for a charter change.

D.2 STRATEGY: Evaluate Parity list and periodically poll staff for possible code changes needed. Consider recodification.

Output: More effective statutes.

Efficiency: Less time spent managing outdated statutes; less conflicts among statutes.

D.3 STRATEGY: Continue to implement a procedure for reviewing current statutes by polling staff for bill proposals to ensure that statutes remain up to date and sufficient to meet the needs and obligations of the agency.

Output: More effective and relative statutes.

Output: Improved statutory authority over regulated industries and improved agency administration.

Efficiency: Less time spent enforcing outdated or ineffective statutes; less conflicts among statutes.

Bank Maintenance Division**GOAL E: Administration - Supervise and regulate banks, trust companies, and credit unions chartered by the State of Mississippi.**

OBJECTIVE E: Maintain adequate administrative support to the examination staff and State-chartered institutions.

Outcome: An efficient and effective staff capable of providing a high level of administrative support.

E.1 STRATEGY: Retain key administrative support staff.

Output: Ongoing supervision, support, and maintenance

Output: Effective and timely communication with Federal agencies, regulated entities, and the public

Efficiency: Improve turnaround time on applications and adequate document retention.

E.2 STRATEGY: Retain key examination review staff.

Output: Comprehensive examination findings appropriately identify risks and provide adequate recommendation for correction.

E.3 STRATEGY: Enhance training coordinator role

Output: Training coordinator develops training programs and monitors examiners' training progress.

Efficiency: A Training Coordinator improves examiner abilities and speed of experience is faster, which reduces training expenses and yields better examiner productivity.

GOAL F: Examination - Examine banks, trust companies, and credit unions chartered by the State of Mississippi.

OBJECTIVE F: Conduct examinations to assess safety and soundness and ensure compliance with applicable laws of financial institutions.

Outcome: Timely, fair, and effective examinations of all state-chartered institutions.

F.1 STRATEGY: Retain and develop current staff.

Output: Exams performed within statutory time limits

Output: Improved ratio for FDIC vs DBCF hours

Efficiency: Hours spent on exams

F.2 STRATEGY: Increase staffing and expand training at large banks.

Output: Staff the three largest banks with at least two dedicated examiners. A better trained and larger examination staff allows the DBCF to provide more examiners to individual target reviews.

Output: Enroll dedicated large bank examiners in appropriate training and expose younger examiners to the large bank exam process.

Consumer Finance Division:

GOAL G - Administration: Supervise, regulate and license money transmitters, motor vehicle sales finance companies, small loan companies, consumer loan brokers, insurance premium finance companies, pawnbrokers, title pledge lenders, credit availability lenders, check cashers, and debt management service providers.

OBJECTIVE G: To process and issue licenses to qualified lenders, provide support for examiners, and communicate with consumer industries.

Outcome: An efficient and effective staff capable of providing a high level of administrative support for licensure.

G.1 STRATEGY: Retain key administrative support.

Output: Issue and renew licenses in timely manner

Output: Provide effective back-up for one another during absences

Efficiency: Cost of training expense, ie. Travel, registration, time, etc

GOAL H. - Examination: Examine licensees within statutory timeframes for compliance with all factors prescribed by law.

OBJECTIVE H: To ensure effective supervision of regulated industries.

Outcome: Professional examination program ensuring a fair and lawful consumer finance industry.

H.1 STRATEGY: Retain trained and competent examination staff.

Output: Examination staff capable of performing exams on the ten industries

Output: Flexibility in making assignments with fully trained staff

Efficiency: Examiners able to perform exams independently

Mortgage Division:

GOAL I. - Administration: Supervise, regulate and license the mortgage industry.

OBJECTIVE I: To process and issue licenses to qualified mortgage companies, branches of mortgage companies and mortgage loan originators, provide support for examiners, and communicate with mortgage industry professionals.

Outcome: An efficient and effective staff capable of providing a high level of administrative support for licensure.

I.1 STRATEGY: Retain key administrative support.

Output: Issue and renew licenses in timely manner

Output: Provide effective back-up for one another during absences

Efficiency: Cost of training expense, ie. Travel, registration, time, etc

GOAL J. - Examination: Examine licensees within statutory timeframes for all factors prescribed by law for the mortgage industry.

OBJECTIVE J: To perform examinations that will ensure the mortgage consumers' accounts are being handled in accordance with the provisions of the statutes and regulations.

Outcome: Professional examination program ensuring a fair and lawful mortgage industry.

J.1 STRATEGY: Retain trained and competent examination staff.

Output: Examination staff capable of performing complex examinations

Efficiency: Cost of training expense, ie. Travel, registration, time, etc