

DEPARTMENT OF BUSINESS OVERSIGHT

STRATEGIC PLAN 2016-2019 SUMMARY

Jan Lynn Owen
Commissioner





2016 - 2019 Strategic Plan Summary
California Department of Business Oversight
Additional information available at www.dbo.ca.gov
January 2016

Table of Contents

Message from the Commissioner 1

About the DBO 3

Department Overview 5

Strategic Planning Process 9

DBO Vision, Mission, Values, and Goals 11

Message from the Commissioner



DBO Colleagues:

I am extremely pleased, and proud, to present to all of you the Strategic Plan for the Department of Business Oversight (DBO).

For California's consumers, businesses and families, the DBO is one of the most important government agencies in the state. Our Strategic Plan will serve as the blueprint we use to become our best and make DBO the name that always comes to mind when people think about strong consumer protection and effective regulation of financial service providers.

In July 2015, the DBO celebrated its 2nd birthday. The venerable institutions that merged to form the DBO – the Department of Corporations and Department of Financial Institutions – served California with distinction for more than 100 years. We will always honor their contributions to the state.

Message from the Commissioner

All of us have worked hard to make the merger work. As a team, we have faced, and overcome, a lot of challenges. As a team, we have achieved success. The DBO now stands on its own, moving forward and focused on the future.

That's what the Strategic Plan is all about. It declares our vision, mission, values, and goals. And it shows the way for fulfilling our mission, reaching our goals, and making sure our vision and values are reflected in the work we do every day.

The Strategic Plan is not a commandment from on high. It's the product of a collective effort driven by staff at all levels of our organization. That's crucial because it broadens the buy-in and strengthens the knowledge that we're all pulling together to achieve a common goal with shared values.



Jan Lynn Owen, Commissioner

About the DBO

The DBO serves as the state's primary regulator of financial service providers. At the end of 2014, the DBO licensed and supervised more than 360,000 individuals and businesses. Its regulatory purview extends over banks, credit unions, payday lenders, mortgage lenders and servicers, escrow companies, broker-dealers, financial advisers and money transmitters (Western Union, PayPal and others). And that's just a partial list.

The DBO has two primary regulatory responsibilities: to protect consumers and to protect the health of financial service markets. In carrying out its duties, the DBO often must perform a balancing act – ensure the marketplace remains fair for consumers, but not wield such a heavy hand that consumers suffer reduced access to lending and other financial services.

The statutes that govern the DBO's regulatory authority and its licensees are found in the Financial Code and Corporations Code. DBO's FY 2015-16 budget totaled \$89.6 million and authorized 618 positions. The DBO is funded entirely with special funds derived mainly from fees paid by licensees.

About the DBO

The DBO was formed July 1, 2013, from the merger of the Department of Corporations (DOC) and Department of Financial Institutions (DFI). The DOC and DFI each had existed for more than 100 years.



DBO employees meet in Sacramento for all-staff training

Department Overview

Administration Division

This division provides DBO with administrative support services, including accounting, budgets, contract management, facilities management, human resources, and purchasing.

Banking Program

The Banking Program licenses and regulates trust companies and commercial, industrial, and foreign (other nation and other state) banks.

Broker-Dealer/Investment Adviser Program

This program licenses and regulates broker-dealers, broker-dealer agents, investment advisers, investment adviser representatives, exempt reporting advisers, capital access companies, and SEC investment adviser notice-filers.

Credit Union Program

The Credit Union Program licenses and regulates state-chartered credit unions.

Department Overview

Enforcement Division

The Enforcement Division, on behalf of the Commissioner of the Department of Business Oversight, enforces the laws administered by the DBO.

Financial Services Program

This program is responsible for the licensure and regulation of payday lenders, finance lenders and brokers, escrow companies and check sellers, bill payers and proraters.

Information Technology Division

This division is responsible for IT support, including software/hardware acquisition, network and user services, and the development and support of applications.

Legal Division

This division serves as in-house legal counsel for all of the department's programs and also regulates the offer and sale of securities and franchises.

Legislation Division

The Legislation Division monitors and tracks bills related to the DBO and provides guidance on legislative issues.

Department Overview



Alex Calero poses with Deputy Commissioner Mary Ann Smith after being awarded Enforcement's Golden Egg Award

Department Overview

Money Transmitter Program

The Money Transmitter Program licenses and regulates money transmitters, issuers of payment instruments (money orders), traveler's checks, and stored value cards.

Mortgage Lending Program

This program is responsible for the licensure and regulation of residential mortgage lenders and mortgage loan originators.

Public Affairs Division

This division develops and executes public affairs strategies to support the goals and objectives of the Department and provides information to the Department's various stakeholders, consumers, and the general public.

Strategic Support Division

The Strategic Support Division provides licensing support for programs under the Division of Financial Institutions and oversees the Local Agency Security Program and Premium Finance Companies.

Strategic Planning Process

The Department of Business Oversight's strategic planning approach incorporated an employee led, bottom-up focus that engaged all DBO staff in the process to identify a common purpose. This approach was coordinated by CSU Sacramento consultant services, the Strategic Planning Program Team (SPPT), and a SMART Objectives Team. The teams were comprised of program staff, managerial and non-managerial, designated by the executive team. The goal of this approach was to improve communication and participation at all levels, while maintaining a framework for building a strategic plan and monitoring its achievements.

In December 2014, a group of executives and managers called the Executive and Senior Management Leadership Team (ESMLT) attended a strategic plan kickoff meeting. It was at this meeting that the SPPT was chosen. The SPPT is comprised of 11 rank-and-file employees and two managers. The SPPT was tasked with completing a "strengths, weaknesses, opportunities, threats" (SWOT) analysis; drafting the DBO's vision, mission, values, and goal statements; and editing and finalizing internal and external stakeholder surveys.

Strategic Planning Process

Once these tasks were completed by the SPPT, additional staff were chosen to create the larger SMART Objectives Team to complete the Business Implementation Plan for the Department, which includes the SMART Objectives, Measures, and Action Plans for the Department.



Patrick Carroll presents his breakout group's ideas to the SMART Objectives Team

DBO Mission, Vision, Values, and Goals

MISSION

Serve Californians by effectively overseeing financial service providers, enforcing laws and regulations, promoting fair and honest business practices, enhancing consumer awareness, and protecting consumers by preventing potential marketplace risks, fraud, and abuse.

VISION

Be the leader of financial services oversight and consumer protection.

DBO Mission, Vision, Values, and Goals



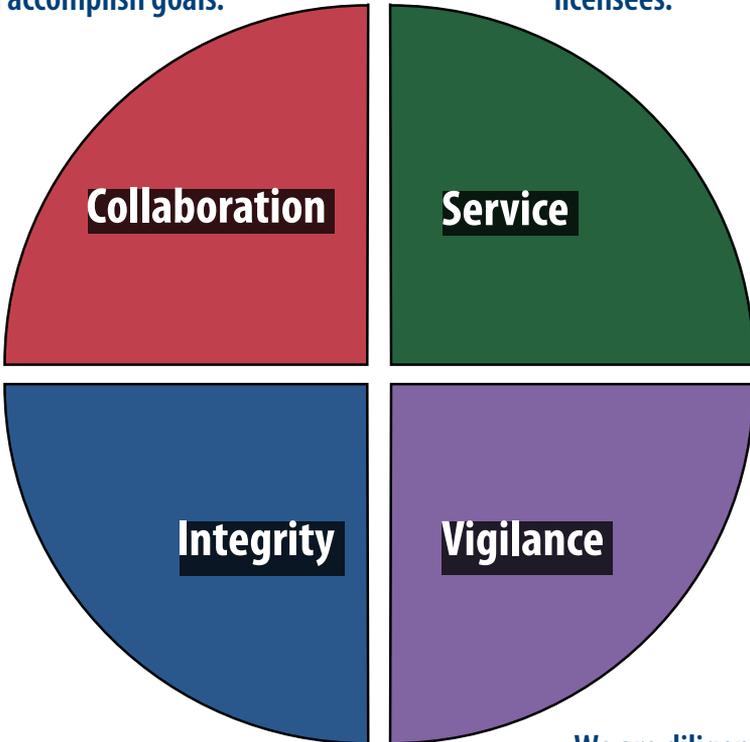
Luis Esparza and Katie Carruesco represented DBO at the Financial Week at the Mexican Consulate

DBO Mission, Vision, Values, and Goals

VALUES

We work as a team to foster a culture of learning, respect, and open communication to effectively solve problems and accomplish goals.

We are dedicated to providing exceptional support to the public and licensees.



We are fair, honest, and accountable.

We are diligent in executing our responsibilities.

DBO Mission, Vision, Values, and Goals

GOALS

Goal 1:

Be a leading financial services regulator for protecting consumers and supporting financial security.

Goal 2:

Manage resources effectively and efficiently in support of the Department's mission.

Goal 3:

Build an exceptional organization with outstanding leadership and a highly engaged, collaborative workforce.

Goal 4:

Increase efficiency and effectiveness through innovative use of technology and education.



Edmund G. Brown Jr.

Governor

Alexis Podesta

Acting Secretary, Business, Consumer Services and Housing Agency

Jan Lynn Owen

Commissioner, California Department of Business Oversight