

Agency Operations Plan 2015-17

Agency:

Department of Financial Institutions

Line of Business: (optional)

The Department of Financial Institutions is a self-funded regulatory agency responsible for the oversight of state banks, trust companies, mutual investment corporations, banking institutions, credit unions and other financial corporations doing business under the laws of the State of North Dakota. The Department conducts examinations to determine the soundness of the financial institutions and monitor compliance with applicable rules and regulations.

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Technology Strategy:

<p>The Department of Financial Institutions (DFI) operates three divisions out of Bismarck, with field offices for bank examiners in Grand Forks and Fargo. All locations have telephone, fax, email system, fiber optic lines, or cable internet access. The Department replaced all desktop (2) and laptop (24) computers in the 2011-2013 biennium. The Department plans to replace all computers in the 2015 - 2017 biennium. IT activity includes monthly telephone expenses, local and long distance charges, and monthly fiber optic line for the Fargo Field Office, Metro Area Network Access (Fiber), cable internet access for the Grand Forks field office location, and long distance charges which are incurred when crews are away from a major city with local access. When traveling, field examiners are able to access the internet and the state network using MiFi/Jetpacks wireless internet devices.</p> <p>The Department provides cell phones for the Commissioner, Assistant Commissioner, Chief Examiners (2) and Supervising Examiners (3). We plan to replace cell phones every two years. The Department will continue to access the State Enterprise System. Daily backup of all files is conducted by ITD, with data stored at the State Capital as well as offsite. The Department is connected to the ITD servers and will continue to operate a network system in order to provide access to Department information by multiple users. The hardware and software plans will be monitored to ensure upgrades to software and replacement hardware are obtained according to the replacement schedule.</p>

Technology Infrastructure:

Banking Division

Examiners for the Banking Division operate out of offices in Bismarck, Fargo, and Grand Forks. The Banking Division uses 17 HP Elitebook laptops, which are configured with Windows 7 Professional (64-bit), Microsoft Office 2010, and numerous specialty programs provided by the FDIC and other federal regulatory entities. Specific programs include GENESYS, ETS-ALERT, iBEAT, and ED. These programs are critical to the bank examination process and provide tools that facilitate the entire examination process, from loan scoping through report preparation. One desktop computer also runs GENESYS in order to process completed examination reports.

All but four laptops have self-encrypting hard drives (SED). Four laptops previously used Symantec Endpoint Encryption (SEE) for hard drive encryption, but this product was removed when ITD discontinued support in late 2013. All portable media, including thumb drives and DVDs, continue to be automatically encrypted using SEE.

Considerations for software updates are based on the needs of the Department, compatibility with GENESYS and ETS-ALERT, and the desire to operate consistent versions throughout the Department to avoid compatibility issues. The Department standards are based on the compatibility of software with the FDIC and Federal Reserve - issued software used in the examination process

Credit Union Division

Examiners for the Credit Union Division operate out of the main office in Bismarck. The Credit Union division uses four computers leased from the National Credit Union Association (NCUA). NCUA provides the hardware and software to the Department at no cost. These units are used to access the NCUA network and upload examination information to NCUA. The computers also have access to the state's network and the Department has administrative privileges to install any software necessary to support the credit union examiners.

The NCUA-leased machines are configured with Windows 7 Enterprise (32-bit), Microsoft Office 2010, the FDIC's ETS-ALERT, and an NCUA proprietary program called AIRES. These programs are critical to the credit union examination process and provide tools that facilitate the entire examination process, from loan scoping through report preparation. These laptops utilize Microsoft Bitlocker for hard drive encryption and SEE for portable media encryption. One desktop computer also runs AIRES in order to process completed examination reports.

Considerations for software updates are based on the needs of the Department, compatibility with AIRES and ETS-ALERT, and the desire to operate consistent versions throughout the Department to avoid compatibility issues. The Department standards are based on the compatibility of software with the NCUA and FDIC - issued software used in the examination process.

Consumer Division

Examiners for the Consumer Division operate out of the main office in Bismarck. The Consumer Division examiners use four HP Elitebook laptops which are configured with Windows 7 Professional (64-bit), Microsoft Office 2010, and access to the Records Management system. Each of these laptops has self-encrypting hard drives.

The Department utilizes the Nationwide Multistate Licensing System (NMLS), which is provided by The Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators. We currently use NMLS to license and track all consumer division licenses. NMLS is a Web-based system that allows state-licensed person/entities to apply for, amend, update or renew a license online for all participating state agencies using a single set of uniform applications.

Department-wide Applications and Technical Support

The Department of Financial Institutions does not have an IT Department, nor are there any full-time equivalent employees dedicated solely to information technology. The Department uses ITD for contract work and services, reviewing and updating hardware and software, implementing a network within the Department that is connected to the statewide network, troubleshooting, upgrading, and training of staff. The Department has been able to meet the information technology needs through the use of Department personnel and ITD staff.

Internally, the Department utilizes EDMS (FileNet) and a SharePoint site for document storage and organization. The Department goals and objectives are to continue developing EDMS that will automate all Department records by completing an imaging process to provide accessibility to records by field staff, eliminate storage space within the Department, and disaster recovery of original records. The conversion of existing data into an electronic format has provided Department staff immediate access to information such as financial institutions examinations, applications, and any correspondence received regarding a financial institution or licensee. This has provided and maintained public confidence in North Dakota financial institutions by ensuring the financial industry operates in a safe and sound manner while complying with applicable rules and laws.

Externally, the Department maintains a public web page. The Department will continue to enhance the Department web page and upgrade the Department records management program. The Department has ongoing cost for programming to the records management program. Placing the Department web page on the state website, the Department is joining in the cooperative effort to develop a shared infrastructure. The Department is continually placing additional information on its website, accessible at the fingertips of North Dakota and U.S citizens.

Currently, there is no technology equipment other than computers, printers, and the MiFi/Jetpacks that are critical to this agency. The Department plans to replace all of the laptops and desktop computers every other biennium. This would allow the Department to maintain consistency throughout the office concerning the types and versions of software used. Replacement is included in the 2015–2017 budget process. Monitors and portable printers will be replaced as needed.

Planned Activities:

The Department has no planned major activities for the 2015 – 2017 biennium. The Department may have some minor enhancements to the records management program, the Department web page and FileNet programs.

Technologies being considered or investigated:

The Department has no plans at this time for consideration or investigations of any major activities or technology for the 2015 – 2017 biennium.