

# Louisiana Senate Finance Committee



## FY25 Executive Budget

### 01 – Executive Department 255 – Office of Financial Institutions

March 2024

*Senator Cameron Henry, President  
Senator Glen Womack, Chairman*





# FY25 Executive Budget

## Schedule 01 — Executive Department Agencies

### Executive Department

Management and  
Regulatory Agencies  
Supporting the  
Executive Branch of  
State Government

	Tab No.
Executive Department Overview	Overview
Executive Office	01-100 EXEC
Office of Indian Affairs	01-101 OIA
State Inspector General	01-102 SIG
Mental Health Advocacy Service	01-103 MHAS
Louisiana Tax Commission	01-106 LTC
Division of Administration	01-107 DOA
Coastal Protection and Restoration Authority	01-109 CPRA
Governor's Office of Homeland Security and Emergency Preparedness	01-111 GOHSEP
Military Affairs	01-112 MILI
La. Public Defender Board	01-116 LPDB
La. Stadium and Exposition District	01-124 LSED
La. Commission on Law Enforcement	01-129 LCLE
Office of Elderly Affairs	01-133 OEA
La. State Racing Commission	01-254 LSRC
Office of Financial Institutions	01-255 OFI



# 01-255 Office of Financial Institutions

## Agency Overview

The Office of Financial Institutions' mission is to license and supervise various entities that provide financial services to Louisiana citizens. The Office is divided into the following divisions: Depository Division, Non-Depository Division, and Securities Division.

### **Depository** Chartering, Supervision and Regulation of Federally-insured, State- chartered Institutions

- Banks
- Savings Banks
- Savings and Loans
- Holding Companies
- Credit Unions
- Trust Companies
- Business & Industrial Development Corporations (BIDCOs)
- Certified La. Capital Companies (CAPCOs)

### **Non-Depository** Licensing, Supervision, and Regulation

- Sale of Checks/Money Transmitters
- Bond for Deed
- Check Cashers
- Licensed Lenders (finance companies)
- Notification Filers
- Pawnbrokers
- Payday Lenders
- Repossession Agents
- Residential Mortgage Lenders/Brokers
- Virtual Currency Businesses

### **Securities** Registration, Licensing and Investigation

- Securities Offerings
- Broker-Dealers
- Agents
- Investment Advisors



# 01-255 Office of Financial Institutions

## Changes in Funding since FY17

Change from FY17 to FY25 is 46.9%.  
*(Actual to Recommended)*  
 Change from FY17 to FY23 is 9.8%.  
*(Actual to Actual)*

**Total Budget by Fiscal Year and Means of Finance  
 (in \$ millions)**





# 01-255 Office of Financial Institutions

## FY25 Recommended Budget Adjustments

State General Fund (Direct)	Interagency Transfers	Fees and Self-generated Revenues	Statutory Dedications	Federal Funds	Total	T.O.	Adjustment
\$0	\$0	\$15,991,888	\$0	\$0	\$15,991,888	106	FY24 Existing Operating Budget as of 12/1/23
\$0	\$0	\$126,000	\$0	\$0	\$126,000	0	Acquisitions & Major Repairs
\$0	\$0	(\$362,829)	\$0	\$0	(\$362,829)	0	Attrition Adjustment
\$0	\$0	(\$2,444)	\$0	\$0	(\$2,444)	0	Civil Service Fees
\$0	\$0	\$54,859	\$0	\$0	\$54,859	0	Civil Service Training Series
\$0	\$0	\$31,703	\$0	\$0	\$31,703	0	Group Insurance Rate Adjustment for Active Employees
\$0	\$0	\$34,877	\$0	\$0	\$34,877	0	Group Insurance Rate Adjustment for Retirees
\$0	\$0	\$417	\$0	\$0	\$417	0	Legislative Auditor Fees
\$0	\$0	\$251,862	\$0	\$0	\$251,862	0	Market Rate Classified
\$0	\$0	(\$210,000)	\$0	\$0	(\$210,000)	0	Non-Recurring Acquisitions & Major Repairs
\$0	\$0	(\$305)	\$0	\$0	(\$305)	0	Office of State Procurement
\$0	\$0	(\$288,715)	\$0	\$0	(\$288,715)	0	Office of Technology Services (OTS)
\$0	\$0	\$269,484	\$0	\$0	\$269,484	0	Related Benefits Base Adjustment
\$0	\$0	\$2,636	\$0	\$0	\$2,636	0	Rent in State-Owned Buildings
\$0	\$0	(\$476,680)	\$0	\$0	(\$476,680)	0	Retirement Rate Adjustment
\$0	\$0	\$17,848	\$0	\$0	\$17,848	0	Risk Management
\$0	\$0	\$509,766	\$0	\$0	\$509,766	0	Salary Base Adjustment
\$0	\$0	\$57	\$0	\$0	\$57	0	UPS Fees
\$0	\$0	(\$41,464)	\$0	\$0	(\$41,464)	0	Total Statewide Adjustments
\$0	\$0	(\$19,600)	\$0	\$0	(\$19,600)	0	Total Non-Recurring Other Adjustments
\$0	\$0	\$118,255	\$0	\$0	\$118,255	0	Total Other Adjustments
\$0	\$0	\$16,049,079	\$0	\$0	\$16,049,079	106	TOTAL FY25 RECOMMENDED BUDGET
\$0	\$0	(\$61,064)	\$0	\$0	(\$61,064)	0	Total Adjustments (Statewide and Agency-specific)

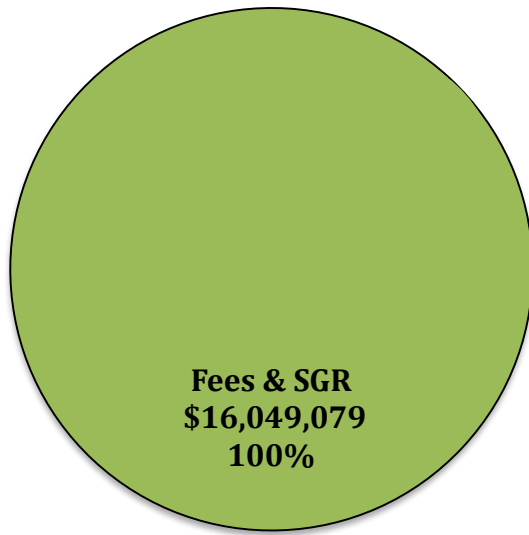


# 01-255 Office of Financial Institutions

## Agency Level Budget Overview

Total Funding	FY 23 Actual	FY24 Enacted	FY24 EOB as of 12-1-23	FY25 Recommended	Difference FY24 EOB to FY25 Recommended
Fees and SGR	\$12,000,258	\$15,911,888	\$15,991,888	\$16,049,079	\$57,191
<b>OFI TOTAL</b>	<b>\$12,000,258</b>	<b>\$15,911,888</b>	<b>\$15,991,888</b>	<b>\$16,049,079</b>	<b>\$57,191</b>
Total Positions	106	106	106	106	0
OC Positions	0	0	0	0	0

### FY25 Recommended Total Means of Finance



### Budget Adjustments:

- Significant adjustments were standard statewide changes, including **(-\$476,680)** in retirement rate decreases and **(-\$362,829)** for account for projected vacancies.

### Sources of Funding:

- The OFI is funded with fees from the entities that it regulates.
- Most fees are generated through the collections of fees in securities, followed by bank fees.
- OFI routinely reverts its fund balance to the General Fund – \$15.5M in FY23, and a projected \$13.8M and \$14.9M in Fiscal Years 2024 and 25, respectively\*.



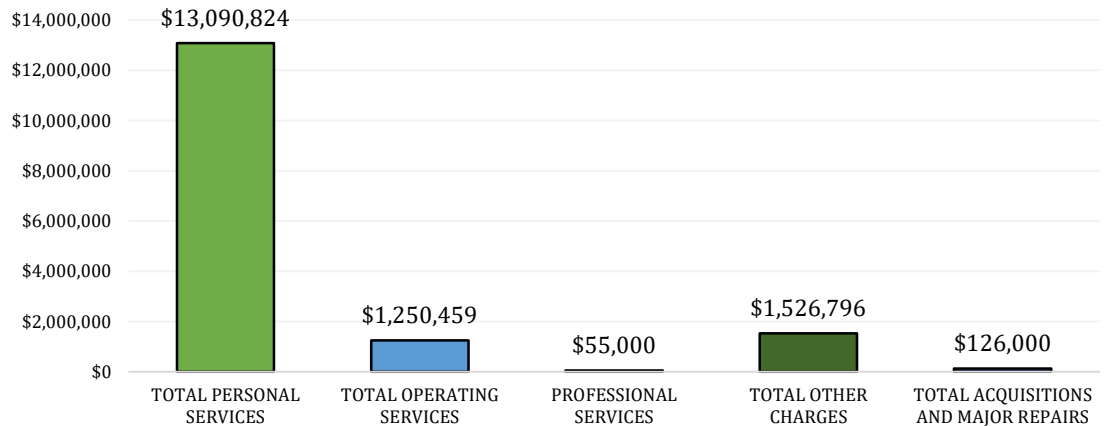


# 01-255 Office of Financial Institutions Categorical Expenditures at FY25 Recommended

The largest expenditure category in OFI is Personal Services, which comprises 82 percent of the agency's budget. Within this category, Salaries make up 64 percent of expenditures, while Related Benefits contributes 36 percent.

Total Other Charges make up the second largest portion of the agency's budget at 10 percent. This is where payments are made to other state agencies for standard services, such as risk management fees, technology services costs, and rent payments to Office of Facilities Corporation.

## FY25 Recommended Expenditures



Categorical Expenditures	FY23 Actual	FY24 Enacted	FY24 EOB as of 12/01/23	FY25 Recommended	Difference FY24 EOB vs. FY25 REC
Salaries	\$6,316,014	\$7,821,585	\$7,821,585	\$8,312,082	\$490,497
Other Compensation	\$32,879	\$57,328	\$57,328	\$57,328	\$0
Related Benefits	\$3,605,843	\$4,898,869	\$4,898,869	\$4,721,414	(\$177,455)
<b>TOTAL PERSONAL SERVICES</b>	<b>\$9,954,736</b>	<b>\$12,777,782</b>	<b>\$12,777,782</b>	<b>\$13,090,824</b>	<b>\$313,042</b>
Travel	\$144,792	\$361,424	\$361,424	\$361,424	\$0
Operating Services	\$776,403	\$777,475	\$777,475	\$777,475	\$0
Supplies	\$62,090	\$111,560	\$111,560	\$111,560	\$0
<b>TOTAL OPERATING EXPENSES</b>	<b>\$983,285</b>	<b>\$1,250,459</b>	<b>\$1,250,459</b>	<b>\$1,250,459</b>	<b>\$0</b>
<b>PROFESSIONAL SERVICES</b>	<b>\$2,538</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$55,000</b>	<b>\$0</b>
Other Charges	\$0	\$0	\$0	\$0	\$0
Debt Service	\$0	\$0	\$0	\$0	\$0
Interagency Transfers	\$961,559	\$1,698,647	\$1,698,647	\$1,526,796	(\$171,851)
<b>TOTAL OTHER CHARGES</b>	<b>\$961,559</b>	<b>\$1,698,647</b>	<b>\$1,698,647</b>	<b>\$1,526,796</b>	<b>(\$171,851)</b>
Acquisitions	\$98,140	\$210,000	\$210,000	\$126,000	(\$84,000)
Major Repairs	\$0	\$0	\$0	\$0	\$0
<b>TOTAL ACQ. &amp; MAJOR REPAIRS</b>	<b>\$98,140</b>	<b>\$210,000</b>	<b>\$210,000</b>	<b>\$126,000</b>	<b>(\$84,000)</b>
<b>TOTAL EXPENDITURES</b>	<b>\$12,000,258</b>	<b>\$15,991,888</b>	<b>\$15,991,888</b>	<b>\$16,049,079</b>	<b>\$57,191</b>



# 01-255 Office of Financial Institutions Categorical Expenditures at FY25 Recommended

## Professional Services

Amount	Description
\$50,000	Miscellaneous legal and professional services utilized on an as needed basis.
<b>\$50,000</b>	<b>Total Professional Services</b>

## Other Charges

Amount	Description
\$0	This agency does not have funding for Other Charges.
<b>\$0</b>	<b>Total Other Charges</b>

## Interagency Transfers Expenses

Amount	Description
\$969,005	Office of State Procurement (OSP)
\$125,431	Office of Risk Management (ORM) Fees
\$118,255	IT Acquisitions - Office of Technology Service
\$107,476	Office of State Mail - Postage
\$85,685	Phone and Internet Services- Division of Administration
\$43,705	Uniform Payroll System (UPS) Fees
\$33,035	Legislative Auditor Fees
\$13,600	State Printing
\$8,970	Office of State Police - Investigator fees for the background checks for licensed lenders, pawnbrokers, collection agencies, and bank board members
\$8,900	Office of Technology Service ( OTS ) Fees
\$5,583	Civil Service Fees
\$5,000	Office of the State Register - Advertising, dues, and subscriptions
\$1,161	Office of Facilities Corporation - Rent
\$990	Uniform Payroll System (UPS) Fees
<b>\$1,526,796</b>	<b>Total IAT Expenses</b>

## Acquisitions & Major Repairs

Amount	Description
\$126,000	Three replacement vehicles
<b>\$126,000</b>	<b>Total Acquisitions &amp; Major Repairs</b>



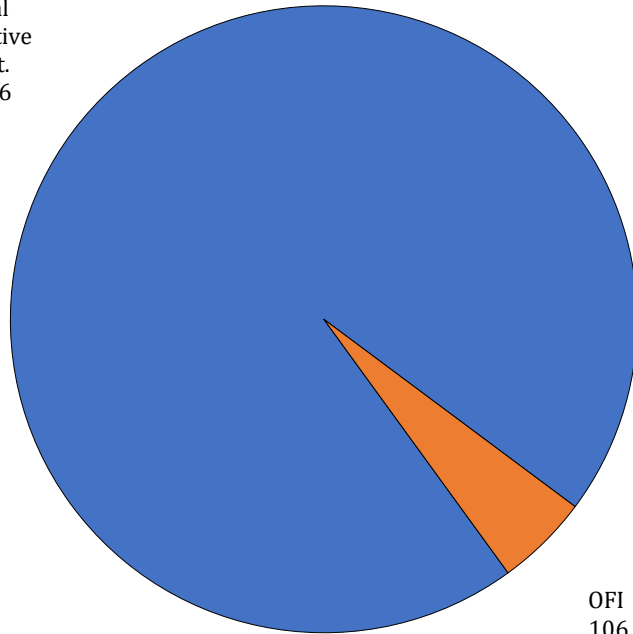


# 01-255 Office of Financial Institutions

FTEs, Authorized T.O., and Other Charges Positions

**FY25 Agency Employees  
as a portion of  
FY25 Total Department Employees**

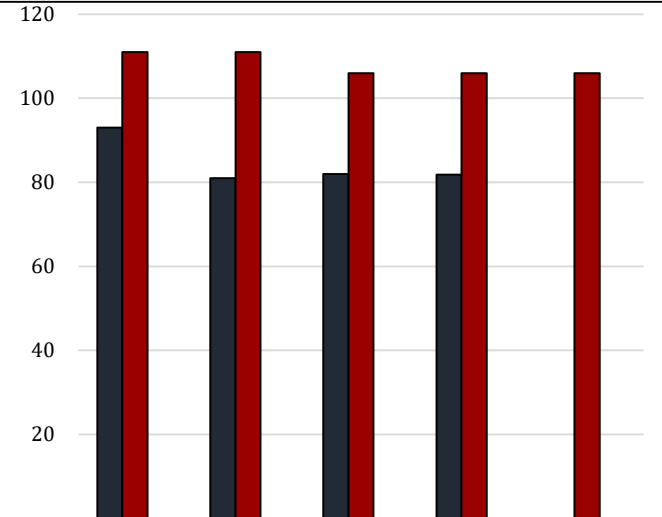
Total  
Executive  
Dept.  
2,206



OFI  
106  
5%

FY24 number of funded, but not filled,  
positions as of January 29 = 26

**Number  
and  
Types  
of  
Positions**



	2021	2022	2023	2024	2025 REC
■ Total FTEs (1st July Report)	93	81	82	82	-
■ Authorized T.O. Positions	111	111	106	106	106
■ Other Charges Positions	-	-	-	-	-

The full-time equivalent or **FTE** definition refers to the number of hours considered full-time. For example, if an agency considers 40 hours full time, and there are two employees working 20 hours per week, those two employees would be 1.0 FTE.

**Authorized Positions** are those referred to in the Table of Organization (or T.O.) for each department. This count includes only those positions paid for from the Salaries expenditure category for the organization units and agencies included in each department's appropriation. This excludes positions paid for from other expenditure categories, such as wages or per diem.

**Other Charges** positions are authorized under R.S. 39:2(5)(b):

(5)(b) "Authorized other charges positions" means the number of positions in an appropriation bill to be funded by the other charges continuing category of the accounting system for the state. The number may be adjusted during a fiscal year in accordance with law.

- [Act 377 of 2013 by Rep. Burrell]
- Positions coded in the Other Charges expenditure category
- These positions are usually associated with federal grants



# 01-255 Office of Financial Institutions

## Related Employment Information

Salaries and Related Benefits for the 106 Authorized Positions are listed below in Chart 1.  
In Chart 2, benefits are broken out to show the portion paid for active versus retired employees.  
This is where payments for the Unfunded Accrued Liability (UAL) can be found.

1.

Personal Services	2022 Actual	2023 Actual	2024 Enacted	2025 Recommended
Salaries	\$5,795,290	\$6,316,014	\$7,821,585	\$8,312,082
Other Compensation	\$57,788	\$32,879	\$57,328	\$57,328
Related Benefits	\$3,388,161	\$3,605,843	\$4,898,869	\$4,721,414
<b>Total Personal Services</b>	<b>\$9,241,239</b>	<b>\$9,954,736</b>	<b>\$12,777,782</b>	<b>\$13,090,824</b>

Average T.O Salary = \$76,040

*Examples of Other Compensation include pay for WAE employees, part-time employees, student workers, etc.*

2.

Related Benefits FY25 Recommended	Total Funding	%
Total Related Benefits	\$4,721,414	
UAL payments	\$2,044,403	43%
Retiree Health Benefits	\$1,083,802	
Remaining Benefits*	\$1,593,209	
Means of Finance	General Fund = 0%	Other = 100%

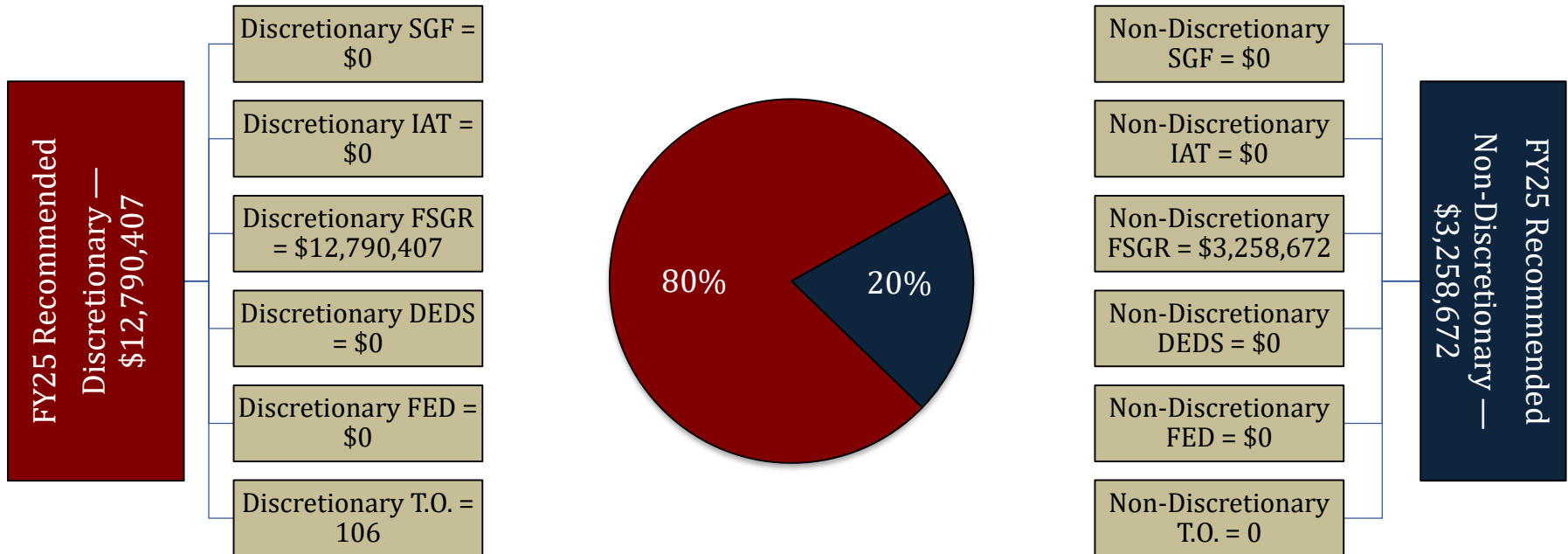
Department Demographics	Total	%
<b>Gender</b>		
Female	46	57
Male	34	43
<b>Race/Ethnicity</b>		
White	60	75
Black	16	20
Asian	2	1
Indian	1	1
Hawaiian/Pacific	0	0
Declined to State	1	1
<b>Currently in DROP or Eligible to Retire</b>	<b>18</b>	<b>23</b>

\* Remaining Benefits include employer contribution to authorized positions' retirement, health, Medicare, FICA, Emoluments etc. The authorized positions include authorized T.O. positions and authorized other charges positions, both filled and vacant.

Other Charges Benefits  
\$0



# 01-255 Office of Financial Institutions FY25 Discretionary/Non-Discretionary Comparison



Total Discretionary Funding by Office		
Executive Office	\$20,602,942	0.43%
Office of Indian Affairs	\$0	0.00%
Office of Inspector General	\$1,866,453	0.04%
Mental Health Advocacy Service	\$0	0.00%
LA Tax Commission	\$4,322,351	0.09%
Division of Administration	\$980,820,356	20.70%
Coastal Protection and Restoration Authority	\$197,569,088	4.17%
GOHSEP	\$3,126,385,146	65.98%
Department of Military Affairs	\$113,454,239	2.39%
Louisiana Public Defender Board	\$47,628,367	1.01%
Louisiana Stadium and Exposition District	\$94,128,573	1.99%
Louisiana Commission on Law Enforcement	\$49,391,407	1.04%
Governor's Office of Elderly Affairs	\$70,783,478	1.49%
Louisiana State Racing Commission	\$18,351,879	0.39%
Office of Financial Institutions	\$12,790,407	0.27%
<b>Total Discretionary</b>	<b>\$4,738,094,686</b>	<b>100.00%</b>

Total Non-Discretionary Funding by Type		
UAL Obligation	\$ 2,044,403	63%
Rent in State-owned Buildings	\$ 97,432	3%
Legislative Auditor Fees	\$ 33,035	1%
Retirees Group Insurance	\$ 1,083,802	33%
<b>Total Non-Discretionary</b>	<b>\$ 3,258,672</b>	<b>100%</b>

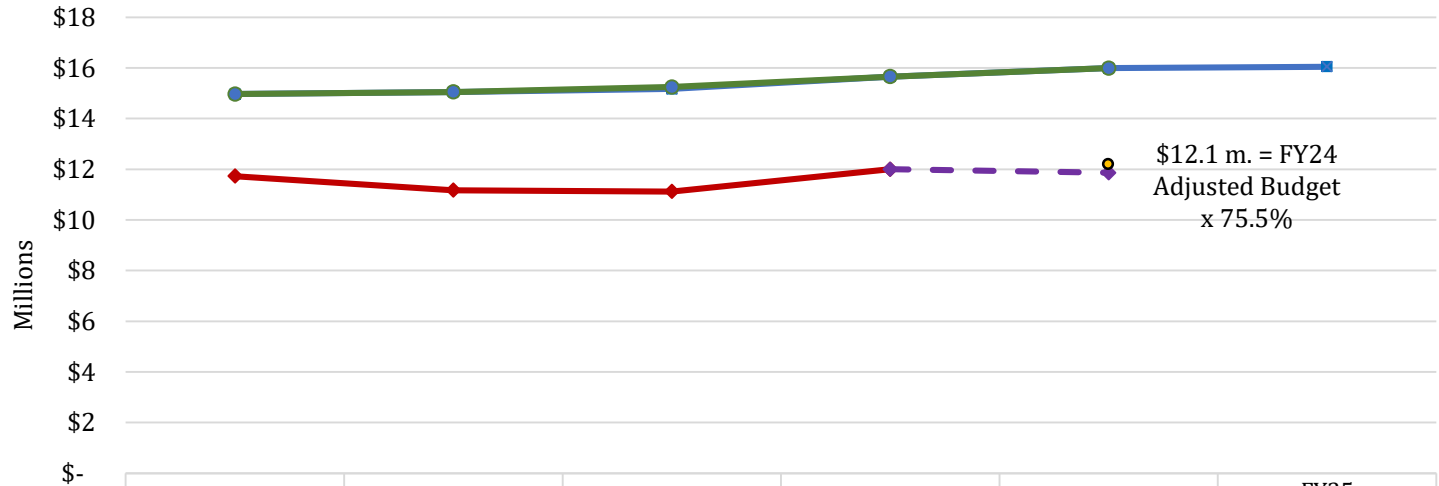


# 01-255 Office of Financial Institutions Enacted & FYE Budget vs. Actual Expenditures

**FYE Budget = "Fiscal Year End" Budget** includes all in-house and regular BA-7s through June 30 of the fiscal year. For FY24, it is as of January.

**FY24 Known  
Supplemental Needs:  
\$0**

**FY23 General Fund  
Reversions:  
\$15,502,978**



\$12.1 m. = FY24  
Adjusted Budget  
x 75.5%

	FY20	FY21	FY22	FY23	FY24 EOB	FY25 Recommended
Enacted Budget	\$14,968,731	\$15,052,291	\$15,173,414	\$15,654,424	\$15,991,888	\$16,049,079
FYE Budget	\$14,968,731	\$15,052,291	\$15,248,252	\$15,654,424	\$15,991,888	
Actual Expenditures	\$11,727,256	\$11,172,375	\$11,123,215	\$12,000,258		
FY24 Expenditure Trend				\$12,000,258	\$11,858,815	

Monthly Budget Activity				
	FY24 Adjusted Budget	FY24 Aggregate Expenditures	Remaining Budget Authority	Percent Expended To Date
Jul-23	\$ 15,991,888	\$ 1,010,331	\$ 14,981,557	6.3%
Aug-23	\$ 15,991,888	\$ 1,841,400	\$ 14,150,488	11.5%
Sep-23	\$ 15,991,888	\$ 2,964,657	\$ 13,027,231	18.5%
Oct-23	\$ 15,991,888	\$ 3,769,551	\$ 12,222,337	23.6%
Nov-23	\$ 15,991,888	\$ 4,898,913	\$ 11,092,975	30.6%
Dec-23	\$ 15,991,888	\$ 5,967,459	\$ 10,024,430	37.3%
Jan-24	\$ 15,991,888	\$ 6,917,642	\$ 9,074,246	43.3%

Monthly Budget Activity				
	FY24 Adjusted Budget	FY24 Aggregate Expenditures	Remaining Budget Authority	Percent Expended To Date
<i>(Trend based on average monthly expenditures to date)</i>				
Feb-24	\$ 15,991,888	\$ 7,905,877	\$ 8,086,011	49.4%
Mar-24	\$ 15,991,888	\$ 8,894,111	\$ 7,097,777	55.6%
Apr-24	\$ 15,991,888	\$ 9,882,346	\$ 6,109,542	61.8%
May-24	\$ 15,991,888	\$ 10,870,581	\$ 5,121,307	68.0%
Jun-24	\$ 15,991,888	\$ 11,858,815	\$ 4,133,073	74.2%
Historical Year End Average				75.5%