Department of Banking & Securities (DoBS) Portal

Modernizing and Transforming the Regulation of Financial Services Providers in Pennsylvania

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State: Pennsylvania
Agency: Department of Banking and Securities
Award Category: Government to Business
Project Title: PA Department of Banking & Securities (DoBS) Portal
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Executive Summary

The Department of Banking and Securities (DoBS) was created in 2012 through merger of the Department of Banking and the Pennsylvania Securities Commission. The combined agency is responsible for regulating 170 state-chartered banks, credit unions and trusts (depository institutions); over 30,000 non-bank (non-depository) institutions (mortgage brokers, originators, lenders and servicers; auto sales finance companies; debt management and debt settlement companies; check cashers; small loan companies; credit services loan brokers; pawnbrokers and money transmitters); and over 245,000 securities broker dealers and investment advisers. Additionally, the department reviews over 5,000 securities offerings in Pennsylvania per year. This diverse portfolio of financial services providers, a dynamic and ever-evolving regulatory landscape and the previously mentioned merger resulted in the existence of five internal systems and one external system to support case management and other operations.

The DoBS Portal consolidates and modernizes these six systems to better support its staff and better serve the businesses it regulates, which in turn promotes the safety and soundness of financial institutions and compliance with statutory requirements that provide protections to consumers. The unified platform provides additional functionality through the creation of a secure web-portal that allows regulated entities to collaborate with DoBS staff. The need for a centralized document management system was discussed and procured. DoBS also used the project as an opportunity to streamline its workflows and business processes to optimize the user experience and staff efficiency. These improvements informed the design of the DoBS portal, which went live in June of 2021 and has resulted in the following benefits:

- Workflow management – All applications and payments are now submitted electronically and automatically routed to the appropriate DoBS staff for review and processing.
- Document management – Entities can "drag and drop" attachments into their applications on the DoBS portal, rather than sending by mail. Supporting documentation always remains associated to the appropriate application.
- Identity management – The portal uses Keystone Login, the commonwealth's single sign-on solution for secure access to digital services.
- External web-portal – Entities can submit applications and supporting documents electronically through the DoBS portal, as well as view the status of their applications and any requests for follow-up from DoBS staff.
- Acceptance of ACH and credit card payments – Previously, payments were processed almost entirely via paper checks sent in the mail and had to be manually correlated to a specific application or filing.
- Third party integration with PA Department of Revenue and Nationwide Mortgage Licensing System (NMLS))– When an entity submits a new or renewal license application, information is electronically sent to the PA Department of Revenue. If taxes are owed, a hold is placed on the application until the matter is resolved. The DoBS Portal syncs nightly to NMLS, eliminating the need for mortgage brokers/dealers to submit their information to both systems.
- Examiner time tracking – Can be logged and charged to the entity being examined through the portal
- Ad-hoc and canned report generation – Previously, generating reports often required multiple developers to pull and combine data from disparate systems.
- Reduced amendment and licensing processing times – DoBS staff can submit requests to entities for additional documentation and other common issues through the portal, rather than communicating by phone or email and sending or resending documents via U.S. mail.
- Elimination of paper applications – The portal streamlines the department's records management and eliminates staff time sorting mail and trying to decipher handwritten responses.

Idea

In 2012, the Department of Banking and the Pennsylvania Securities Commission merged to create the Department of Banking and Securities (DoBS). The three main program areas of Depository, Non-Depository and Securities each have unique laws and statutes they must follow when regulating the institutions and individuals they oversee. Each area had its own IT resources, infrastructure and applications to support its work. These legacy systems used a variety of programming languages and had only three developers to support them. This resulted in instances of only one developer with knowledge of the programming language underpinning a specific system, creating risk to the organization in the event this individual was unavailable or were to leave the department.
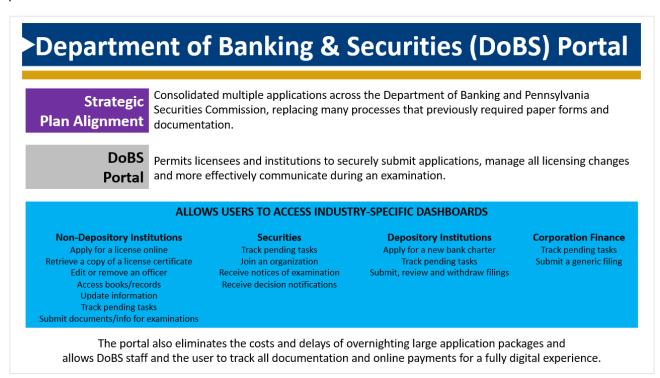
DoBS Legacy Systems Consolidated into the DoBS Portal

Name	Purpose	Primary Technology
Pennsylvania Securities Commission (PSC) System	To track all Securities offerings that are being offered for sale within Pennsylvania.	Cold Fusion
Banking and Securities System (BASS)	To track information, exams and violations for all investment advisors, broker dealers, broker-dealer agents, investment advisor representatives, and notice filers regulated by Securities.	Microsoft Dynamics/CRM
Banking Online Application	Gave non-depository licensees the ability to submit a license renewal.	Visual Basic, ASP and .Net
BankWeb	To track all non-depository and depository institutions doing business in Pennsylvania. Manage all licenses, amendments and examinations being processed by DoBS.	Microsoft Visual Basic, Microsoft .Net and ASP
Non-Depository Time Tracking	Keep track of the time examiners spent on each examination for non-depository entities.	Microsoft Access
Depository Time Tracking	Keep track of the time examiners spent on each examination for depository entities.	Microsoft Access

Additionally, the businesses processes of DoBS were still heavily reliant on paper, fax and U.S. mail. If an application contained an error, a new one had to be completed and sent by the applicant. If additional documentation was requested by the department, the applicant had to send it and then DoBS staff had to correlate it to a pending application in a specific business area. Additionally, paper checks were required for all payments except for license renewals. Once an application was dropped in the mail, the applicant had no visibility into whether it reached DoBS or its processing status.

The DoBS Portal was developed to consolidate the three case management systems and three other systems onto a unified platform. Along with mitigating the risk posed by these legacy applications, DoBS wanted to offer an externally facing self-service portal that would eliminate paper applications, handle secure communication, allow file transfers, accept online payments and provide a single point of reference

for the DoBS executive team to analyze their information and provide the data needed to make decisions for the future of the department.

DoBS used the project as an opportunity to evaluate its workflows and business processes to optimize the user experience and staff efficiency. These improvements were then used to inform the design of the DoBS portal.

Implementation

The department solicited an outside vendor to assist with the development of the DoBS Portal. The vendor worked in conjunction with commonwealth IT resources to develop the application with the intention that the commonwealth IT resources would take over any future management and development efforts after the initial go live.

The project team consisted of:

Resource	Commonwealth	Vendor
Project Managers	1	2
Developers	3	7
System Architects	3	1
Business Analysts	1	1
Executives	6	N/A
Business Subject Matter Experts	20	N/A

The project team chose a low code development environment and workflow processing engine for the development of this application. This project was the department's first attempt using the Agile project

management approach to application development. Using the Agile approach required a large commitment from the business to provide subject matter experts (SME) and executives to work with members of the application development team. The SMEs and executives worked countless hours providing requirements, reviewing workflow diagrams and user interface wireframes, performing user acceptance testing, data validation and final signoff prior to going live. The executive's commitment to the project was one of the key factors to its success.

The DoBS Portal utilizes Keystone Login, the commonwealth's modern, secure single sign-on solution for users to access online services across multiple state agencies. Many of the businesses that DoBS oversees already had Keystone Login accounts through their interactions with other state agencies, making its adoption an added convenience for many users.

The project took a major turn in March of 2020 when the pandemic forced the department's staff to begin working remotely full-time in response to public health orders. Workflow processes had to change since in person examinations and reviews were not possible. The technology team had to develop additional tasks to allow for the work that used to be done in person to now be done through the DoBS Portal. The Agile approach to development, along with the low code development environment, provided the flexibility needed to make the changes to their processes in response to uncertain and changing operating conditions. The additional work to make the necessary changes added eight months to the length of the project. If a traditional approach to application development had been used, the project team would not have been able to pivot as quickly based on the unforeseen circumstances of the pandemic. The result of this approach and the additional effort was a more flexible and robust system for the department.

Impact

The DoBS Portal went live in June of 2021 and has resulted in the following benefits:

- Workflow management – All applications and payments are now submitted electronically and automatically routed to the appropriate DoBS staff for review and processing.
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DoBS has eliminated all paper applications through the implementation of the DoBS Portal and reduced the amount of time needed to process and review license renewals from weeks to days or even hours. By implementing an online payment system, DoBS can now issue a license without having to wait for a check to be processed and cleared.

Multiple officers within a company can access an application within the DoBS portal, facilitating online collaboration to complete and submit. The reduction in time to review and process a new/renewal license application allows the department to focus more of its resources on performing examinations to protect consumers in the financial services marketplace. Being able to examine and review the business processes and practices of more entities during a particular calendar year helps to ensure that Pennsylvania consumers are doing business with a reputable and safe institution.

The depository, non-depository and securities businesses regulated by DoBS have remarked about the ease of use of the DoBS portal and really like the task-based approach to how the applications, exams and billing process are being handled within the new system. The businesses appreciate the ability to go into the system and get real-time status updates on where in the process a particular task may be. Previously, they would have to call into the department and find the representative handling their account to get those updates, costing both the business and the DoBS staff a substantial amount of time and effort to locate and review the task in question.

The DoBS Portal also provides agency executives with dashboards and reports to obtain the information they need from a single source, instead of the multiple systems that were previously in place.

The department has continued to refine and streamline its processes after the initial go-live date and has therefore decided to continue to work with the vendor and commonwealth IT staff to manage and enhance the system moving forward. Future enhancements, such as examiner resource management, have been identified and have been added to the road map for future releases. The department is also looking to modernize several other applications using the same low code and workflow engine over the next few years.