III. Performance Results Summary

Summary of 2009 Performance Results by Program

The FDIC successfully achieved 45 of the 46 annual performance targets established in its 2009 Annual Performance Plan. The one goal that was not achieved involved the inadvertent inclusion of "3-rated" institutions in the requirement for follow-up within 12 months. There were no instances in which 2009 performance had a material adverse effect on successful achievement of the FDIC's mission or its strategic goals and objectives regarding its major program responsibilities.

Key accomplishments by program are highlighted in the table below.

Program Area	Performance Results
Insurance	• Uniformly raised deposit insurance assessment rates effective January 1, 2009, by 7 basis points. • In February 2009, extended the Restoration Plan to 7 years due to the extraordinary circumstances facing the banking industry. In May, Congress revised the law to require the reserve ratio to be restored to 1.15 percent within 8 years absent extraordinary circumstances. In September, the Board amended the amended Plan to extend the restoration period to 8 years. • Finalized improvements to the risk-based pricing system, including adding various financial ratios to the large bank method used to determine premium rates for large institutions and adjusting all institutions' premium rates for unsecured debt and for significant reliance on brokered deposits or secured liabilities. Also widened the range of rates paid by institutions in each risk category. • Imposed a special assessment of 5 basis points on each institution's assets less Tier I capital effective June 30, 2009. • Extended period to issue guaranteed debt through the TLGP to October 31, 2009, extended term of guarantee from June 30, 2012, to December 31, 2012, and imposed surcharges on any debt issued April 1, 2009, or later. • Issued a final rule extending the Transaction Account Guarantee Program component of the TLGP from December 31, 2009, to December 31, 2010, and gave participating institutions a one-time opportunity to opt out. Raised fees and made them risk-based depending upon an institution's deposit insurance risk category. • Conducted semiannual reviews of the Contingent Loss Reserve (CLR) methodology through an analysis of the variance between projected and actual losses. As a result, substantive changes were made during late 2008 and into 2009 to improve the accuracy of the CLR calculation. • Established a Designated Reserve Ratio of 1.25 percent for 2010, in accordance with the provisions of the deposit insurance reform legislation. • Researched and analyzed emerging risks and trends in the banking sector, financial markets, and the overall economy to identify issues affecting the banking industry and the Deposit Insurance Fund. • Provided policy research and analysis in support of legislative efforts to reform financial industry regulation, as well as support for testimony and speeches. • Published economic and banking information and analyses, through the *FDIC Quarterly, FDIC Quarterly Banking Profile (QBP), FDIC State Profiles,* and the Center for Financial Research *Working Papers.* • Conducted numerous outreach activities to bankers, trade groups, community groups, other regulators, and foreign visitors addressing economic and banking risk analysis. • Completed risk assessments and LIDI Scorecards for all large insured depository institutions and followed up on all identified concerns through off-site review and analysis. • Increased on-site presence at large complex institutions to assess risk, monitor liquidity, and participate in targeted reviews with the primary federal regulators. • Continued to develop the Legacy Loans Program to be prepared to offer this program to support the credit needs of the economy. • Answered 99 percent of inquiries from consumers and bankers about FDIC deposit insurance coverage within 14 days.

Program Area	Performance Results
Insurance (continued)	• Continued and expanded the FDIC's public education campaign to increase awareness of FDIC deposit insurance coverage. • Conducted 25 deposit insurance seminars for bankers, including 6 national teleconferences, on FDIC deposit insurance coverage. These seminars reached more than 35,000 bankers. • Worked with several national consumer organizations to secure commitments to feature FDIC deposit insurance information on their websites and in newsletters, and to disseminate such information at their conferences and events. • Electronic Deposit Insurance Estimator user sessions for 2009 totaled 699,277. • Expanded avenues for publicizing deposit insurance rules and resources by: o Enhancing the FDIC's Electronic Deposit Insurance Estimator (EDIE) to incorporate new functionality that allows users to (1) confirm whether their bank is FDIC-insured while within the EDIE application, and (2) calculate insurance coverage for deposits held by revocable trusts with more than five beneficiaries/over $1.25 million at one institution. o Producing updated versions of two videos on deposit insurance coverage: (1) a 30-minute video for consumers and new bank employees and (2) a 95-minute seminar for bankers who answer coverage questions for depositors. o Producing two consumer brochures on deposit insurance coverage. These resources are available in multiple languages. The videos are available on the FDIC's web site and YouTube channel, and are downloadable for multi-media applications.
Supervision and Consumer Protection	• Conducted 2,604 risk management (safety and soundness) examinations, including required follow-up examinations of problem institutions, within prescribed time frames. • Conducted 1,981 compliance and Community Reinvestment Act examinations, including required follow-up examinations of problem institutions, within prescribed time frames. • Conducted 2,698 Bank Secrecy Act examinations, including required follow-up examinations and visitations. • Conducted 2,780 IT examinations of financial institutions and technology service providers. • Worked with other federal banking regulators and the Basel Committee on Banking Supervision to develop proposals to strengthen capital and liquidity requirements. • Published a final rule amending the annual audit, audit committee, and related reporting requirements applicable to insured depository institutions with $500 million or more in total assets. • Published Notice of Proposed Rulemaking for the Secure and Fair Enforcement for Mortgage Licensing Act of 2008 and posted the draft final guidance to the FDIC web site to implement provisions applicable to mortgage loan originators employed by insured depositories. Staff continued rule writing and other preparatory activities related to implementing these new regulations. • Published the *Supervisory Insights* journal to contribute to and promote sound principles and best practices for bank supervision. • Among other releases, issued Financial Institution Letters (FILs) providing guidance on: (1) managing commercial real estate concentrations; (2) liquidity risk management; (3) the use of volatile funding sources by financial institutions in weakened condition; (4) enhanced supervisory procedures for newly insured FDIC-supervised depository institutions; and (5) reminding institutions that if, for risk management purposes, they decide to reduce or suspend home equity lines of credit, they must comply with certain legal requirements. In addition, six disaster-related FILs were issued. • Issued industry notification of two interagency releases regarding conducting Cross-Border Funds Transfers and Examination Procedures for compliance with the Unlawful Internet Gambling Enforcement Act. • Issued updated interagency guidance on the Community Reinvestment Act (CRA), and requested comment on new proposed guidance. Issued an interagency proposal to amend the CRA regulation to implement statutory requirements relating to student loans and activities in cooperation with minority- and women-owned financial institutions and low-income credit unions.

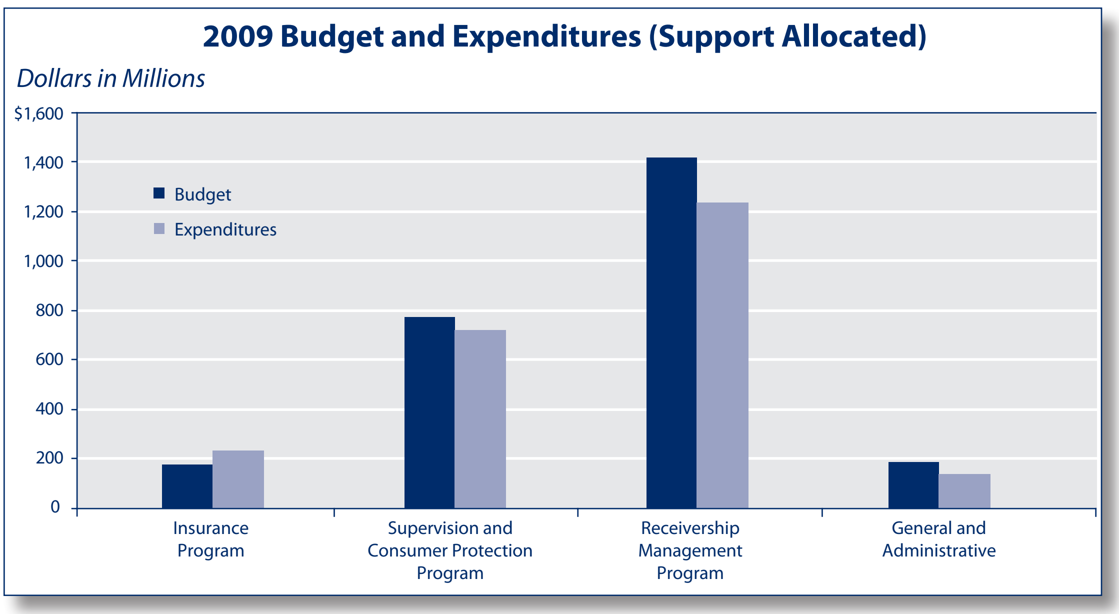
Program Area	Performance Results
Supervision and Consumer Protection (continued)	• Released interagency guidance on the 2009 Identity Theft Red Flags regulations; issued updated guidance on flood insurance mandatory purchase requirements and requested comment on additional proposed guidance; joined seven other federal agencies in releasing a model privacy notice form based on extensive consumer testing; requested comment on supervisory guidance on reverse mortgages. • Consumer research function supported supervision activities on fair lending, enforcement actions, the unbanked and underbanked survey, and supported efforts of the Advisory Committee on Economic Inclusion (ComE-In) policy initiatives of the Corporation. • Alerted banks to new statutory requirements to protect tenants occupying foreclosed properties; issued three FILs notifying institutions of significant changes to the Truth in Lending Act and the Federal Reserve Board's Regulation Z (which implements that Act); and reminded institutions of the dramatically revised Real Estate Settlement Procedures Act regulation issued by the Department of Housing and Urban Development. • Expanded the AEI initiative to two additional markets, bringing the total number of active AEI markets to 14. Additionally, FDIC worked closely during 2009 to provide technical assistance and support to several communities in forming coalitions patterned after the AEI. • Hosted or co-hosted over 104 events to help consumers and the banking industry avoid unnecessary foreclosures and stop foreclosure "rescue" scams that promise false hope to consumers at risk of losing their homes. • Conducted over 200 outreach and technical assistance events for bankers and community groups to promote awareness of community investment opportunities, access to capital, knowledge-sharing between the public and private sectors, and wealth-building opportunities for families. • Continued to disseminate the award-winning *Money Smart* financial education curriculum in seven languages, including releasing a Hmong language version and the *Money Smart Podcast Network*, a portable audio version of *Money Smart* suitable for use with virtually all MP3 players. Over 200 financial education-related outreach activities were conducted in 2009 and 50 new *Money Smart Alliance* added. Financial education best practices were shared through four published editions of *Money Smart News,* which reached over 40,000 subscribers. • In 2007, the FDIC released findings from a longitudinal evaluation of the *Money Smart* curriculum on adults. The FDIC initiated in the fourth quarter of 2009, a multi-year project that is designed to measure the effectiveness of the *Money Smart for Young Adults* curriculum. This survey project is intended to provide research data that will be useful for educators and others involved in youth financial education, as well as inform the FDIC's curriculum development efforts. Progress during 2009 included background research and outreach to external stakeholders who we hope will participate. • Responded to 96 percent of consumer complaints about FDIC-supervised banks within time frames required by policy, and acknowledged 100 percent of all consumer complaints and inquiries within 14 days. • Implemented an initiative to make the award-winning *FDIC Consumer News* available to the public in an audio format on FDIC.gov and YouTube. Also converted the FDIC's consumer video on identity theft, *Don't Be An On-line Victim*, to a YouTube-compatible format and placed the video on the FDIC's YouTube channel. All video and audio files are available for download to multimedia applications in various formats including MP3, WAV, and MP4.
Receivership Management	• Successfully closed 140 failed institutions and ensured customers had access to insured deposits within one business day. • Adopted a final rule requiring the largest insured depository institutions to adopt mechanisms that would, in the event of the institution's failure: (1) provide the FDIC with standard deposit account and other customer information; and (2) allow the placement and release of holds on liability accounts, including deposits. • Achieved a primary goal of the Investigations Unit to make a decision to either close or to pursue professional liability claims on 80 percent of all investigative claim areas within 18 months of an institution's failure date. • Identified and implemented program improvements to ensure efficient and effective management of the contract resources used to perform receivership management functions. • Marketed at least 90 percent of the book value of a failed institution's marketable assets within 90 days of the institution's failure. • Terminated at least 75 percent of new receiverships within three years of the date of failure.

2009 Budget and Expenditures by Program

(Excluding Investments)

The FDIC budget for 2009 totaled $2.56 billion. Excluding $185 million, or 7 percent, for Corporate General and Administrative expenditures, budget amounts were allocated to corporate programs as follows: $178 million, or 7 percent, to the Insurance program; $776 million, or 30 percent, to the Supervision and Consumer Protection program; and $1.42 billion, or 56 percent, to the Receivership Management program.

Actual expenditures for the year totaled $2.33 billion. Excluding $140 million, or 6 percent, for Corporate General and Administrative expenditures, actual expenditures were allocated to programs as follows: $233 million, or 10 percent, to the Insurance program; $723 million, or 31 percent, to the Supervision and Consumer Protection program; and $1.24 billion, or 53 percent, to the Receivership Management program.



Performance Results by Program and Strategic Goal

2009 Insurance Program Results

Strategic Goal: Insured depositors are protected from loss without recourse to taxpayer funding.

#	Annual Performance Goal	Indicator	Target	Results
1	Respond promptly to all financial institution closings and related emerging issues.	Number of business days after institution failure that depositors have access to insured funds either through transfer of deposits to the successor insured depository institution or depositor payout.	Depositors have access to insured funds within one business day if the failure occurs on a Friday.	Achieved. See pgs. 45, 58.
			Depositors have access to insured funds within two business days if the failure occurs on any other day of the week.	Achieved. See pg. 45.
		Insured depositor losses resulting from a financial institution failure.	There are no depositor losses on insured deposits.	Achieved. See pg. 45.
			No appropriated funds are required to pay insured depositors.	Achieved. See pg. 45.
2	Identify and address risks to the DIF.	Insurance risks posed by insured depository institutions.	Assess the insurance risks in large insured depository institutions and adopt appropriate strategies.	Achieved. See pg. 24.
		Concerns referred for examination or other action.	Identify and follow up on all material issues raised through off-site review and analysis.	Achieved. See pg. 24.
		Emerging risks to the DIF.	Identify and analyze existing and emerging areas of risk.	Achieved. See pgs. 24, 56.
3	Disseminate data and analyses on issues and risks affecting the financial services industry to bankers, supervisors, the public, and other stakeholders.	Scope and timeliness of information dissemination on identified or potential issues and risks.	Results of research and analyses are disseminated in a timely manner through regular publications, ad hoc reports, and other means.	Achieved. See pg. 56.
			Industry outreach activities are undertaken to inform bankers and other stakeholders about current trends, concerns, and other available FDIC resources.	Achieved. See pg. 56.

#	Annual Performance Goal	Indicator	Target	Results
4	Effectively administer temporary financial stability programs.	Administration of the Temporary Liquidity Guarantee Program (TLGP).	Provide liquidity to the banking system by guaranteeing noninterest-bearing transaction deposit accounts and new senior unsecured debt issued by eligible institutions under the TLGP.	Achieved. See pgs. 14-17.
			Implement an orderly phase-out of new guarantees under the program when the period for issuance of new debt expires.	Achieved. See pg. 17.
		Administration of the Capital Purchase Program (CPP).	Substantially complete by September 30, 2009, the review of and recommendations to the Department of the Treasury on CPP applications from FDIC-supervised institutions.	Achieved. See pg. 27.
		Implementation of the Legacy Loans Program (LLP).	Expeditiously implement procedures for the LLP, including the guarantee to be provided for debt issued by Public Private Investment Funds, and provide information to financial institutions and private investors potentially interested in participating.	Achieved. See pg. 56.
		Oversight of the use of financial stability resources by FDIC-supervised institutions.	Expeditiously implement procedures to review the use of CPP funds, TLGP guarantees, and other resources made available under financial stability programs during examinations of participating FDIC-supervised institutions.	Achieved. See pg. 27.
5	Maintain and improve the deposit insurance system.	Enhance the risk-based pricing system.	Adopt and implement revisions to the pricing regulations that provide for greater risk differentiation among insured depository institutions reflecting both the probability of default and loss in the event of default.	Achieved. See pg. 18.
			Revise the guidelines and enhance the additional risk measures used to adjust assessment rates for large institutions.	Achieved. See pg. 56.
		Loss reserves.	Enhance the effectiveness of the reserving methodology by applying sophisticated analytical techniques to review variances between projected losses and actual losses, and by adjusting the methodology accordingly.	Achieved. See pg. 56.
		Fund adequacy.	Set assessment rates to restore the insurance fund reserve ratio to at least 1.15 percent of estimated insured deposits by year-end 2015.	Achieved. See pgs. 18-19.
			Monitor progress in achieving the restoration plan.	Achieved. See pg. 19.

#	Annual Performance Goal	Indicator	Target	Results
6	Provide educational information to insured depository institutions and their customers to help them understand the rules for determining the amount of insurance coverage on deposit accounts.	Timeliness of responses to insurance coverage inquiries.	Respond to 90 percent of written inquiries from consumers and bankers about FDIC deposit insurance coverage within two weeks.	Achieved. See pg. 40.
		Public education campaign to increase awareness of deposit insurance changes and expected 2010 changes.	Conduct at least three sets of Deposit Insurance Seminars/teleconferences per quarter for bankers.	Achieved. See pg. 57.
			Enter into deposit insurance educational partnerships with consumer organizations to educate consumers.	Achieved. See pg. 57.
			Expand avenues for publicizing deposit insurance rules and resources to consumers through a variety of media.	Achieved. See pg. 57.
7	Expand and strengthen the FDIC's leadership role in providing technical guidance, training, consulting services and information to international governmental banking and deposit insurance organizations.	Scope of information sharing and assistance available to international governmental bank regulatory and deposit insurance entities.	Undertake outreach activities to inform and train foreign bank regulators and deposit insurers.	Achieved. See pg. 21.
			Foster strong relationships with international banking regulators and associations that promote sound banking supervision and regulation, failure resolution, and deposit insurance practices.	Achieved. See pgs. 21-24.

2009 Supervision and Consumer Protection Program Results

Strategic Goal: FDIC-supervised institutions are safe and sound.

#	Annual Performance Goal	Indicator	Target	Results
1	Conduct on-site risk management examinations to assess the overall financial condition, management practices and policies, and compliance with applicable laws and regulations of FDIC-supervised depository institutions.	Percentage of required examinations conducted in accordance with statutory requirements and FDIC policy.	One hundred percent of required risk management examinations are conducted on schedule.	Achieved. See pg. 26.
2	Take prompt and effective supervisory action to address issues identified during the FDIC examination of FDIC-supervised institutions that receive a composite Uniform Financial Institutions Rating of "3", "4", or "5" (problem institution). Monitor FDIC-supervised insured depository institutions' compliance with formal and informal enforcement actions.	Percentage of follow-up examinations of 3-, 4-, and 5-rated institutions conducted within required time frames.	One hundred percent of follow-up examinations are conducted within 12 months of completion of the prior examination to confirm that identified problems have been corrected.	Achieved. See pg. 26.
3	Assist in protecting the infrastructure of the U.S. banking system against terrorist financing, money laundering, and other financial crimes.	Percentage of required examinations conducted in accordance with statutory requirements and FDIC policy.	One hundred percent of required Bank Secrecy Act examinations are conducted on schedule.	Achieved. See pg. 26.

#	Annual Performance Goal	Indicator	Target	Results
4	More closely align regulatory capital with risk and ensure that capital is maintained at prudential levels.	Preliminary results of new capital requirements.	Conduct analyses of early results of the performance of new capital rules in light of recent financial turmoil as information becomes available.	Achieved. See pgs. 29-31.
		Improvements to capital requirements.	Working domestically and internationally, develop improvements to regulatory capital requirements based on the experience of the recent financial market turmoil.	Achieved. See pgs. 29-31.
	Strategic Goal: Consumers' rights are protected and FDIC-supervised institutions invest in their communities.			
5	Conduct on-site CRA and compliance examinations to assess compliance with applicable laws and regulations by FDIC-supervised depository institutions.	Percentage of examinations conducted in accordance with statutory requirements and FDIC policy.	One hundred percent of required examinations are conducted on schedule.	Achieved. See pg. 26.
6	Take prompt and effective supervisory action to monitor and address problems identified during compliance examinations of FDIC-supervised institutions that receive an overall "3", "4", or "5" rating for compliance with consumer protection and fair lending laws.	Percentage of follow-up examinations or visitations of 3-, 4-, and 5-rated institutions conducted within required time frames.	One hundred percent of follow-up examinations or visitations are conducted within 12 months from the date of an enforcement action to confirm compliance with the prescribed enforcement action.	Not Achieved. See pg. 26.
7	Scrutinize evolving consumer products, analyze their current or potential impact on consumers and identify potentially harmful or illegal practices. Promptly institute a supervisory response program across FDIC-supervised institutions when such practices are identified.	Establishment of supervisory response programs to address potential risks posed by new consumer products.	Proactively identify and respond to harmful or illegal practices associated with evolving consumer products.	Achieved. See pg. 34.
8	Educate consumers about their rights and responsibilities under consumer protection laws and regulations.	Communications tools used to educate consumers.	Expand use of media, such as the Internet, videos, and MP3 downloads, to disseminate information to the public on their rights and responsibilities as consumers.	Achieved. See pgs. 42-43.
9	Effectively investigate and respond to consumer complaints about FDIC-supervised financial institutions.	Timely responses to written complaints and inquiries.	Responses are provided to 95 percent of written complaints and inquiries within time frames established by policy, with all complaints and inquiries receiving at least an initial acknowledgment within two weeks.	Achieved. See pg. 40.

#	Annual Performance Goal	Indicator	Target	Results
10	Provide effective outreach related to CRA, fair lending, and community development.	Number of outreach activities conducted, including technical assistance activities.	Conduct 50 technical assistance (examination support) efforts or banker/community outreach activities related to CRA, fair lending, and community development.	Achieved. See pg. 43.
		Expanded access to high quality financial education through the *Money Smart* curriculum.	Evaluate the *Money Smart* initiatives and curricula for necessary updates and enhancements, such as games for young people, information on elder financial abuse, and additional language versions, if needed.	Achieved. See pgs. 42-43.
			Initiate a longitudinal survey project to measure the effectiveness of the *Money Smart for Young Adults* curriculum.	Achieved. See pg. 58.
		Support for expanded foreclosure prevention efforts for consumers at risk of foreclosure (in partnership with NeighborWorks® America and other organizations).	Provide technical assistance, support, and consumer outreach activities in all six FDIC regions to at least eight local NeighborWorks® America affiliates or local coalitions that are providing foreclosure mitigation counseling in high need areas.	Achieved. See pgs. 41-42.
11	Continue to expand the FDIC's national leadership role in developing and implementing programs and strategies to encourage and promote broader economic inclusion within the nation's banking system.	Degree of success achieved in bringing the unbanked/underserved into the financial mainstream through the Alliance for Economic Inclusion (AEI).	Expand the number of AEI coalitions by two.	Achieved. See pg. 36.
		Results of pilot small-dollar lending program conducted by participating financial institutions.	Analyze quarterly data submitted by participating institutions to identify trends and best practices.	Achieved. See pgs. 37-38.

2009 Receivership Management Program Results

Strategic Goal: Recovery to creditors of receiverships is achieved.

#	Annual Performance Goal	Indicator	Target	Results
1	Market failing institutions to all known qualified and interested potential bidders.	Scope of qualified and interested bidders solicited.	Contact all known qualified and interested bidders.	Achieved. See pg. 45.
2	Value, manage, and market assets of failed institutions and their subsidiaries in a timely manner to maximize net return.	Percentage of failed institution's assets marketed.	Ninety percent of the book value of a failed institution's marketable assets is marketed within 90 days of failure.	Achieved. See pgs. 45, 58.
		Enhancements to contract management program.	Identify and implement program improvements to ensure efficient and effective management of the contract resources used to perform receivership management functions.	Achieved. See pg. 58.
3	Manage the receivership estate and its subsidiaries toward an orderly termination.	Timely termination of new receiverships.	Terminate at least 75 percent of new receiverships within three years of the date of failure.	Achieved. See pg. 58.
4	Conduct investigations into all potential professional liability claim areas for all failed insured depository institutions, and decide as promptly as possible to close or pursue each claim, considering the size and complexity of the institution.	Percentage of investigated claim areas for which a decision has been made to close or pursue the claim.	For 80 percent of all claim areas, a decision is made to close or pursue claims within 18 months of the failure date.	Achieved. See pg. 58.

Prior Years' Performance Results

Refer to the respective full Annual Report of prior years for more information on performance results for those years. Minor wording changes may have been made to reflect current goals and targets. (Shaded areas indicate no such target existed for that respective year.)

Insurance Program Results

Strategic Goal: Insured depositors are protected from loss without recourse to taxpayer funding.

Annual Performance Goals and Targets	2008	2007	2006
1. Respond promptly to all financial institution closings and emerging issues.			
• Depositors have access to insured funds within one business day if the failure occurs on a Friday.	Achieved.	Achieved.	Not Applicable. No Failures.
• Depositors have access to insured funds within two business days if the failure occurs on any other day of the week.	Achieved.	Achieved.	Not Applicable. No Failures.
• Complete rulemaking/review comments received in response to the Advance Notice of Proposed Rulemaking on Large-Bank Deposit Insurance Determination Modernization.	Achieved.	Achieved.	Achieved.
• There are no depositor losses on insured deposits.	Achieved.		
• No appropriated funds are required to pay insured depositors.	Achieved.		
2. Identify and address risks to the Deposit Insurance Fund (DIF).			
• Assess the insurance risks in all insured depository institutions and adopt appropriate strategies.	Achieved.	Achieved.	Achieved.
• Identify and follow up on all material issues raised through off-site review and analysis.	Achieved.	Achieved.	Achieved.
• Identify and analyze existing and emerging areas of risk, including non-traditional and subprime mortgage lending, declines in housing market values, mortgage-related derivatives/collateralized debt obligations (CDOs), hedge fund ownership of insured institutions, commercial real estate lending, international risk, and other financial innovations.	Achieved.	Achieved.	
• Address potential risks from cross-border banking instability through coordinated review of critical issues and, where appropriate, negotiate agreements with key authorities.	Achieved.	Achieved.	
3. Disseminate data and analyses on issues and risks affecting the financial services industry to bankers, supervisors, the public and other stakeholders.			
• Disseminate results of research and analyses in a timely manner through regular publications, ad hoc reports and other means.	Achieved.	Achieved.	Achieved.
• Undertake industry outreach activities to inform bankers and other stakeholders about current trends, concerns and other available FDIC resources.	Achieved.	Achieved.	Achieved.

Annual Performance Goals and Targets	2008	2007	2006
4. Maintain and improve the deposit insurance system.			
• Implement the new deposit insurance pricing system.		Achieved.	
• Review the effectiveness of the new pricing regulations that were adopted to implement the reform legislation.	Achieved.		
• Complete and issue guidance on the pricing of deposit insurance for large banks.		Achieved.	
• Enhance the additional risk measures used to adjust assessment rates for large institutions.	Achieved.		
• Publish an ANPR seeking comment on a permanent dividend system.		Achieved.	
• Develop and implement an assessment credit and dividends system and a new deposit insurance pricing system.			Achieved.
• Develop a final rule on a permanent dividend system.	Achieved.		
• Implement deposit insurance reform legislation in accordance with statutorily prescribed time frames.			Achieved.
• Ensure/enhance the effectiveness of the reserving methodology by applying sophisticated analytical techniques to review variances between projected losses and actual losses, and by adjusting the methodology accordingly.	Achieved.	Achieved.	Achieved.
• Set assessment rates to maintain the insurance fund reserve ratio between 1.15 and 1.50 percent of estimated insured deposits.	Not Achieved.	Achieved.	Achieved.
5. Provide educational information to insured depository institutions and their customers to help them understand the rules for determining the amount of insurance coverage on deposit accounts.			
• Publish a comprehensive and authoritative resource guide for bankers, attorneys, financial advisors and similar professionals on the FDIC's rules and requirements for deposit insurance coverage of revocable and irrevocable trust accounts.		Achieved.	
• Conduct at least three sets of Deposit Insurance Seminar Series for bankers.	Achieved.		
• Conduct a series of national teleconferences for insured financial institutions to address current questions and issues relating to FDIC insurance coverage of deposit accounts.		Achieved.	
• Conduct outreach events and activities to support a deposit insurance education program that features FDIC 75th anniversary theme.	Achieved.		
• Update *Insuring Your Deposits* (basic deposit insurance brochure for consumers), *Your Insured Deposit* (comprehensive deposit insurance brochure), and EDIE (Electronic Deposit Insurance Estimator) on the FDIC's web site to reflect changes resulting from enactment of deposit insurance legislation.			Achieved.
• Assess the feasibility of (and if feasible, define the requirements for) a consolidated Electronic Deposit Insurance Estimator (EDIE) application for bankers and consumers (to be developed in 2009).	Achieved.		
• Develop and make available to the public an updated Spanish language version of EDIE reflecting deposit insurance reform.			Achieved.
• Develop and make available to the public a Spanish language version of the FDIC's 30-minute video on deposit insurance coverage.			Achieved.
• Respond to 90 percent of inquiries from consumers and bankers about FDIC deposit insurance coverage within time frames established by policy.	Achieved.	Achieved.	Achieved.
• Respond to 90 percent of written inquiries within time frames established by policy.			Achieved.

Annual Performance Goals and Targets	2008	2007	2006
6. Expand and strengthen the FDIC's participation and leadership role in providing technical guidance, training, consulting services and information to international governmental banking and deposit insurance organizations.			
• Undertake outreach activities to inform and train foreign bank regulators and deposit insurers.	Achieved.	Achieved.	
• Foster strong relationships with international banking regulators and associations that promote sound banking supervision and regulations, failure resolution and deposit insurance practices.	Achieved.	Achieved.	

Supervision and Consumer Protection Program Results

Strategic Goal: FDIC-supervised institutions are safe and sound.

Annual Performance Goals and Targets	2008	2007	2006
1. Conduct on-site risk management examinations to assess the overall financial condition, management practices and policies, and compliance with applicable laws and regulations of FDIC-supervised depository institutions.			
• One hundred percent of required risk management examinations are conducted on schedule.	Achieved.	Achieved.	Achieved.
2. Take prompt and effective supervisory action to address problems identified during the FDIC examination of FDIC-supervised institutions that receive a composite Uniform Financial Institutions Rating of "4" or "5" (problem institution). Monitor FDIC-supervised insured depository institutions' compliance with formal and informal enforcement actions.			
• One hundred percent of follow-up examinations are conducted within 12 months of completion of the prior examination.	Achieved.	Achieved.	Achieved.
3. Assist in protecting the infrastructure of the U.S. banking system against terrorist financing, money laundering and other financial crimes.			
• One hundred percent of required Bank Secrecy Act (BSA) examinations are conducted on schedule.	Achieved.		
4. Increase regulatory knowledge to keep abreast of current issues related to money laundering and terrorist financing.			
• An additional 10 percent (at least 10 percent for year 2006) of BSA/AML subject-matter experts nationwide are certified under the Association of Certified Anti-Money Laundering Specialists certification program.		Achieved.	Achieved.

Annual Performance Goals and Targets	2008	2007	2006
5. More closely align regulatory capital with risk in large or multinational banks while maintaining capital at prudential levels.			
• Develop options for refining Basel II that are responsive to lessons learned from the 2007-2008 market turmoil.	Achieved.		
• Further develop the Basel II framework to ensure that it does not result in a substantial reduction in risk-based capital requirements or significant competitive inequities among different classes of banks. Consider alternative approaches for implementing the Basel Capital Accord.		Achieved.	
• Conduct analysis of early results of the new capital regime as information becomes available.	Achieved.		
• Promote international cooperation on the adoption of supplemental capital measures in countries that will be operating under Basel II.		Achieved.	
• Publish a Notice of Proposed Rulemaking.			Achieved.
• Participate in the continuing analysis of the projected results of the new capital regime.		Achieved.	Achieved.
6. More closely align regulatory capital with risk in banks not subject to Basel II capital rules while maintaining capital at prudential levels.			
• Finalize a regulatory capital framework based on the Basel II "Standardized Approach" as an option for U.S. banks not required to use the new advanced approaches.	Achieved.		
• Complete rulemaking on Basel IA.		Not Applicable.	
• Develop a Notice of Proposed Rulemaking for public issuance.			Achieved.
7. Ensure that FDIC-supervised institutions that plan to operate under the new Basel II Capital Accord are well-positioned to respond to the new capital requirements.			
• Perform on-site examinations or off-site analyses of all FDIC-supervised banks that have indicated a possible intention to operate under Basel II to ensure that they are effectively working toward meeting required qualification standards.	Not Applicable.	Achieved.	Achieved.
8. Reduce regulatory burden on the banking industry while maintaining appropriate consumer protection and safety and soundness safeguards.			
• Complete and evaluate options for refining the current risk-focused approach used in the conduct of BSA/AML examinations to reduce the burden they impose on FDIC-supervised institutions.	Achieved.		
• Applicable provisions of the Financial Services Regulatory Relief Act of 2006 (FSRRA) are implemented in accordance with statutory requirements.		Partially Achieved.	
• Support is provided to the Government Accountability Office (GAO), as requested, for studies required under FSRRA.		Achieved.	
• State AML assessments of Money Service Businesses (MSB) are incorporated into FDIC risk management examinations in states where MSB AML regulatory programs are consistent with FDIC risk management standards.		Partially Achieved.	

Annual Performance Goals and Targets	2008	2007	2006
Strategic Goal: Consumers' rights are protected and FDIC-supervised institutions invest in their communities.			
1. Conduct CRA and compliance examinations in accordance with the FDIC's examination frequency policy.			
• One hundred percent of required examinations are conducted within time frames established by FDIC policy.	Achieved.	Achieved.	Achieved.
2. Take prompt and effective supervisory action to monitor and address problems identified during compliance examinations of FDIC-supervised institutions that received a "4" or "5" rating for compliance with consumer protection and fair lending laws.			
• One hundred percent of follow-up examinations or related activities are conducted within 12 months from the date of a formal enforcement action to confirm that the institution is in compliance with the enforcement action.	Achieved.	Achieved.	Achieved.
3. Determine the need for changes in current FDIC practices for following up on significant violations of consumer compliance laws and regulations identified during examinations of banks for compliance with consumer protection and fair lending laws.			
• Complete a review of the effectiveness of the 2007 instructions issued on the handling of repeat instances of significant violations identified during compliance examinations.	Achieved.		
• An analysis is completed for all institutions on the prevalence and scope of repeat instances of significant violations from the previous compliance examination.		Achieved.	
• A determination is made regarding the need for changes to current FDIC and FFIEC guidance on follow-up supervisory action on significant violations identified during compliance examinations based on the substance and level of risk posed to consumers by these repeat violations.		Achieved.	
4. Scrutinize evolving consumer products, analyze their current or potential impact on consumers and identify potentially harmful or illegal practices. Promptly institute a supervisory response program across FDIC-supervised institutions when such practices are identified.			
• Revise the FDIC's system for identifying, reviewing, and addressing potentially harmful or illegal practices associated with evolving consumer products.	Achieved.		
• Develop and implement new supervisory response programs across all FDIC-supervised institutions to address potential risks posed by new consumer products.	Achieved.		

Annual Performance Goals and Targets	2008	2007	2006
5. Provide effective outreach related to the CRA, fair lending, and community development.			
• Conduct 125 technical assistance (examination support) efforts or banker/community outreach activities related to the CRA, fair lending, and community development.	Achieved.	Achieved.	Achieved.
• Release a "Young Adult" version of the *Money Smart* curriculum.	Achieved.		
• Distribute at least 10,000 copies of the "Young Adult" version of *Money Smart*.	Achieved.		
• Analysis of survey results is disseminated within six months of completion of the survey through regular publications, ad hoc reports and other means.	Achieved.		
• Provide technical assistance, support and consumer outreach activities in all six FDIC regions to at least eight local NeighborWorks® America affiliates or local coalitions that are providing foreclosure mitigation counseling in high need areas.	Achieved.		
• 200,000 additional individuals are taught using the *Money Smart* curriculum.		Achieved.	Achieved.
• 120 school systems and government entities are contacted to make them aware of the availability of *Money Smart* as a tool to teach financial education to high school students.		Achieved.	
• A review of existing risk management and compliance/CRA examination guidelines and practices is completed to ensure that they encourage and support the efforts of insured financial institutions to foster economic inclusion, consistent with safe and sound banking practices.		Achieved.	
• A pilot project is conducted with banks near military installations to provide small-dollar loan alternatives to high-cost payday lending.		Not Achieved.	
• Strategies are developed and implemented to encourage FDIC-supervised institutions to offer small-denomination loan programs.		Achieved.	
• Research is conducted and findings disseminated on programs and strategies to encourage and promote broader economic inclusion within the nation's banking system.		Achieved.	
6. Continue to expand the FDIC's national leadership role in development and implementation of programs and strategies to encourage and promote broader economic inclusion within the nation's banking system.			
• Analyze quarterly data submitted by participating institutions to identify early trends and potential best practices.	Achieved.		
• Open 27,000 new bank accounts.	Achieved.		
• Initiate new small-dollar loan products in 32 financial institutions.	Achieved.		
• Initiate remittance products in 32 financial institutions.	Achieved.		
• Reach 18,000 consumers through financial education initiatives.	Achieved.		
7. Effectively investigate and respond to consumer complaints about FDIC-supervised financial institutions.			
• Responses are provided to 90 percent of written complaints and inquiries within time frames established by policy.	Achieved.	Achieved.	Achieved.

Receivership Management Program Results

Strategic Goal: Recovery to creditors of receivership is achieved.

Annual Performance Goals and Targets	2008	2007	2006
1. Market failing institutions to all known qualified and interested potential bidders.			
• Contact all known qualified and interested bidders.	Achieved.	Achieved.	Not Applicable. No Failures.
2. Value, manage, and market assets of failed institutions and their subsidiaries in a timely manner to maximize net return.			
• Ninety percent of the book value of a failed institution's marketable assets is marketed within 90 days of failure.	Achieved.	Achieved.	Not Applicable. No Failures.
3. Manage the receivership estate and its subsidiaries toward an orderly termination.			
• Terminate all receiverships within 90 days of the resolution of all impediments.	Achieved.	Achieved.	Achieved.
4. Conduct investigations into all potential professional liability claim areas for all failed insured depository institutions and decide as promptly as possible to close or pursue each claim, considering the size and complexity of the institution.			
• For 80 percent of all claim areas, a decision is made to close or pursue claims within 18 months of the failure date.	Achieved.	Not Applicable. No claims within the 18-month period.	Not Applicable. No Failures.

Program Evaluation

Program evaluations are designed to improve the operational effectiveness of the FDIC's programs and ensure that objectives are met. These evaluations are often led by the Office of Enterprise Risk Management and are generally interdivisional, collaborative efforts involving management and staff from the affected program(s).

The Corporation's 2009 Annual Performance Plan contained several objectives aimed at ensuring that the FDIC would continue to address key corporate issues, including continuing work on the Temporary Liquidity Guarantee Program, issues relating to contract oversight management, anticipated increases in bank failures and continuous improvements to the FDIC's core business functions.

During 2009, in direct response to challenges associated with the financial crisis, the FDIC created six internal organizations and working groups to address areas of increased risk to ensure that both the FDIC's core businesses and new responsibilities were being managed as effectively as possible. The six initiatives were tied to: 1) Legacy Loans; 2) Systemic Resolution Authority; 3) Temporary Liquidity Guarantee Program; 4) Loss Sharing Agreements; 5) Contract Management Oversight; and 6) Resource Management. Each team identified key issues and risks associated with their area of challenge, developed action plans and performance metrics as necessary, and briefed the Chairman on at least a monthly basis. In many cases, enhancements to operating procedures and automated systems of support were made as a direct result of this heightened management attention. Significantly, all identified program needs have been coordinated with those persons responsible for planning, budgeting, staffing and ensuring the adequacy of infrastructure support.

These and other actions were taken in addition to evaluations that are part of the Corporation's ongoing efforts to seek continuous improvements in its programs and operations. Some of these 2009 initiatives included: reviews of financial management and controls governing receiverships; scrutiny of our increased volume of procurement card and convenience check activity; coordination with the FDIC's OIG on Material Loss Reviews to identify any needed improvements in the Corporation's bank examination programs; improved monitoring of the performance and availability of the FDIC's critical automated systems; and the identification of operations where backlogs could present problems if not properly monitored.

It is anticipated that program evaluation energies in 2010 will again focus on progress in the above six initiatives, as well as on controls associated with financial reporting throughout the Corporation, systems development efforts, and key operations supporting the Corporate response to the financial crisis.