

3. PERFORMANCE RESULTS SUMMARY

SUMMARY OF 2011 PERFORMANCE RESULTS BY PROGRAM

The FDIC successfully achieved 38 of the 43 annual performance targets established in its 2011 Annual Performance Plan. Five targets were deferred to a future date. There were no instances in which 2011 performance had a material adverse effect on

the successful achievement of the FDIC’s mission or its strategic goals and objectives regarding its major program responsibilities.

Additional key accomplishments are noted below.

Program Area	Performance Results
<p>Insurance</p>	<ul style="list-style-type: none"> ★ Updated the FDIC Board of Directors on loss, income, and reserve ratio projections for the Deposit Insurance Fund at the April and October meetings. ★ Briefed the FDIC Board of Directors in April and October on progress in meeting the goals of the Restoration Plan. Based upon current fund projections, no changes to assessment rate schedules were necessary. ★ Completed reviews of the recent accuracy of the contingent loss reserves. ★ Hosted a risk management symposium, “Don’t Bet the Farm: Assessing the Boom in U.S. Farmland Prices” for agricultural lenders and other experts in agricultural finance to discuss risks associated with the escalating price of U.S. farmland during the past decade. ★ 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 to FDIC leadership in support of the implementation of financial industry regulation, as well as support for testimony and speeches. ★ Published economic and banking information and analyses through the <i>FDIC Quarterly</i>, <i>FDIC Quarterly Banking Profile (QBP)</i>, <i>FDIC State Profiles</i>, and the Center for Financial Research <i>Working Papers</i>.

Program Area	Performance Results
<p>Insurance (continued)</p>	<ul style="list-style-type: none"> ★ Answered 99 percent of written inquiries from consumers and bankers about FDIC deposit insurance coverage within 14 days. ★ Operated the Electronic Deposit Insurance Estimator (EDIE), which had 277,000 user sessions in 2011. ★ Amended FDIC’s deposit insurance resource materials for consumers and bankers to reflect the changes implemented by Section 627 of Dodd-Frank repealing Federal Reserve Regulation Q by updating: <ul style="list-style-type: none"> ▶ FDIC’s EDIE to reflect the Dodd-Frank Act changes and updated the English and Spanish tutorial for EDIE, ▶ FDIC Overview Video on Deposit Insurance Coverage for consumers and new bank employees, and ▶ FDIC’s consumer and banker brochures on deposit insurance coverage. <p>These resources are available on the FDIC’s website with the video also available on the FDIC’s YouTube channel and downloadable for multimedia applications.</p>

Program Area	Performance Results
Supervision and Consumer Protection	<ul style="list-style-type: none"> ★ Conducted 2,734 Bank Secrecy Act examinations, including required follow-up examinations and visitations. ★ Worked with other federal banking regulators and the Basel Committee on Banking Supervision to develop proposals to strengthen capital and liquidity requirements. ★ Published the <i>Supervisory Insights</i> journal to contribute to and promote sound principles and best practices for bank supervision; including a Special Foreclosure Edition that discussed lessons learned from the review of foreclosure practices. ★ Among other releases, issued Financial Institution Letters (FILs) on (1) registering as a municipal advisor under the Securities and Exchange Commission’s new rule. In addition, 23 disaster relief FILs were issued; (2) supervisory guidance on the Advanced Measurement Approach; and (3) proposed guidance on stress testing for banking organizations with more than \$10 billion in total consolidated assets. ★ Issued an Interim Final Rule regarding resolution plans required for IDIs with \$50 billion or more in total assets. ★ Adopted a final rule on resolution plan requirements per section 165 of Dodd-Frank. ★ Began formulating resource plans for resolution of large insured depository institutions in conjunction with the other banking regulatory agencies. ★ Revised the HMDA fair lending screening procedures to provide a broader set of information in support of efforts to identify institutions with significant compliance risks. ★ Developed an award that recognized financial institutions that were instrumental in the development of bank products that provide financial services to low- and moderate-income individuals. ★ Among other releases, issued FILs providing guidance on (1) registration of residential mortgage loan originators; (2) the FDIC’s new address for filing consumer complaints; and (3) retail foreign exchange transactions. ★ Conducted a teleconference call for the industry to review and discuss the FDIC’s 2010 Overdraft Payment Program Supervisory Guidance, and participated in several industry outreach events to discuss the guidance. ★ Completed the transfer of supervisory responsibility for state-chartered thrifts on July 21, 2011. ★ Transferred ninety-five OTS employees to FDIC on July 21, 2011. ★ Issued the revised Circular 1431.1, “Preparing and Issuing Financial Institution Letters”, on March 31, 2011. ★ Completed a review of all recurring questionnaires and information requests to the industry and delivered a written report to the Office of the Chairman on June 30, 2011. Reorganized the external website so that bankers can locate Application, Notices & Filings more easily on the website as well as identify which forms can be completed through <i>FDICconnect</i>. The Notification of Performance of Bank Services form is scheduled to be released on <i>FDICconnect</i> on December 30, 2011.

Program Area	Performance Results
Receivership Management	<ul style="list-style-type: none"> ★ Completed on-site field work for reviews of 100 percent of the loss share and LLC agreements active as of December 31, 2010, to ensure full compliance with the terms and conditions of the agreements. Reviewed the final review reports and implemented an action plan to address the reports' findings and recommendations for 75 percent of the loss-share reviews and 50 percent of the LLC reviews, including all reviews of agreements totaling more than \$1.0 billion (gross book value). ★ Terminated at least 75 percent of new receiverships that are not subject to loss-share agreements, structured sales, or other legal impediments within three years of the date of failure. ★ Made final decisions for 82 percent of all investigated claim areas that were within 18 months of the institution's failure date.

2011 BUDGET AND EXPENDITURES BY PROGRAM

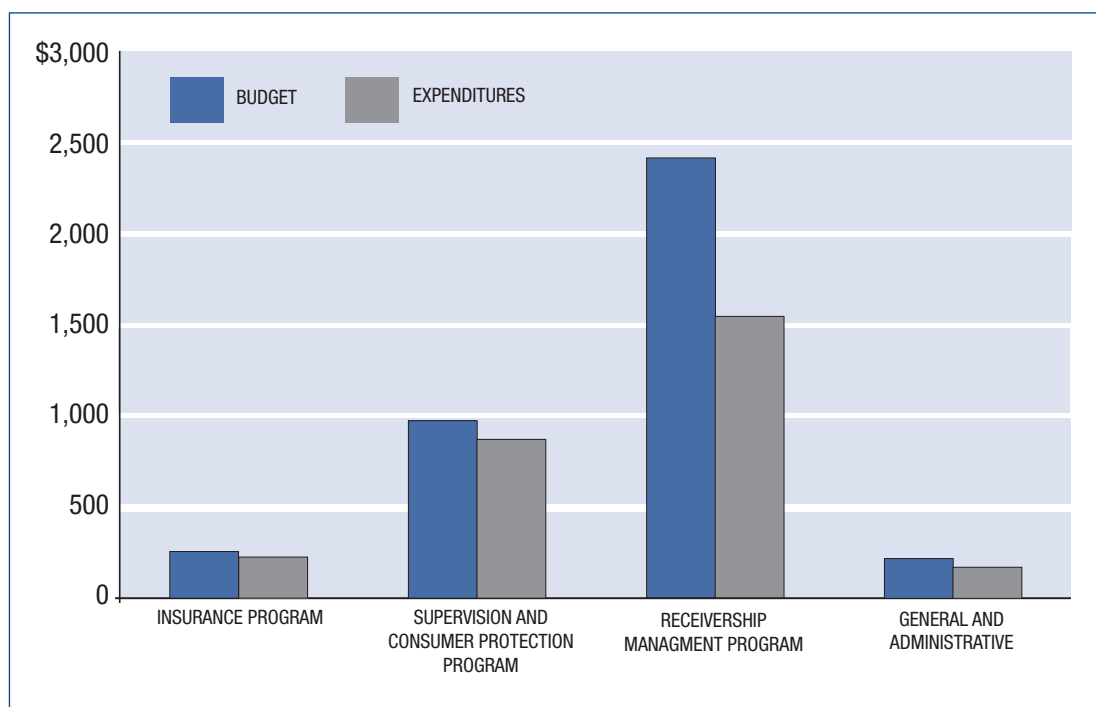
(Excluding Investments)

The FDIC budget for 2011 totaled \$3.88 billion. Excluding \$213 million, or 6 percent, for Corporate General and Administrative expenditures, budget amounts were allocated to corporate programs as follows: \$262 million, or 7 percent, to the Insurance program; \$984 million, or 25 percent, to the Supervision and Consumer Protection program; and \$2.4 billion, or 62 percent, to the Receivership Management program.

Actual expenditures for the year totaled \$2.8 billion. Excluding \$167 million, or 6 percent, for Corporate General and Administrative expenditures, actual expenditures were allocated to programs as follows: \$234 million, or 8 percent, to the Insurance program; \$875 million, or 31 percent, to the Supervision and Consumer Protection program; and \$1.5 billion, or 55 percent, to the Receivership Management program.

2011 Budget and Expenditures (Support Allocated)

Dollars in Millions



PERFORMANCE RESULTS BY PROGRAM AND STRATEGIC GOAL

2011 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.	<p>Number of business days after an institution failure that depositors have access to insured funds either through transfer of deposits to the successor insured depository institution or depositor payout.</p> <p>Insured depositor losses resulting from a financial institution failure.</p>	<p>Depositors have access to insured funds within one business day if the failure occurs on a Friday.</p> <p>Depositors have access to insured funds within two business days if the failure occurs on any other day of the week.</p> <p>There are no depositor losses on insured deposits.</p> <p>No appropriated funds are required to pay insured depositors.</p>	<p>Achieved. See pg. 35.</p> <p>Achieved. See pg. 35.</p> <p>Achieved. See pg. 35.</p> <p>Achieved. See pg. 35.</p>
2	Disseminate data and analyses on issues and risks affecting the financial services industry to bankers, supervisors, the public, and other stakeholders on an ongoing basis.	Scope and timeliness of information dissemination on identified or potential issues and risks.	<p>Disseminate results of research and analyses in a timely manner through regular publications, ad hoc reports, and other means.</p> <p>Undertake industry outreach activities to inform bankers and other stakeholders about current trends, concerns, and other available FDIC resources.</p>	<p>Achieved. See pg. 49.</p> <p>Achieved. See pg. 49.</p>
3	Set assessment rates to restore the insurance fund reserve ratio to the statutory minimum of 1.35 percent of estimated insured deposits by September 30, 2020.	<p>Update assessment projections and recommended changes.</p> <p>Demonstrated progress in achieving the goals of the Restoration Plan.</p>	<p>Provide updated fund projections to the FDIC Board of Directors by June 30, 2011, and December 31, 2011.</p> <p>Recommend changes to deposit insurance assessment rates for the DIF to the FDIC Board as necessary.</p> <p>Provide updates to the FDIC Board by June 30, 2011, and December 31, 2011.</p>	<p>Achieved. See pg. 49.</p> <p>Achieved. See pg. 49.</p> <p>Achieved. See pg. 49.</p>

2011 Insurance Program Results

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

#	ANNUAL PERFORMANCE GOAL	INDICATOR	TARGET	RESULTS
4	Expand and strengthen the FDIC's participation and leadership role in supporting robust international deposit insurance and banking systems.	Scope of information sharing and assistance available to international governmental bank regulatory and deposit insurance entities.	<p>Undertake outreach activities to inform and train foreign bank regulators and deposit insurers.</p> <p>Foster strong relationships with international banking regulators and associations that promote sound banking supervision and regulation, failure resolutions, and deposit insurance practices.</p> <p>Lead the International Association of Deposit Insurers training on the methodology for assessing compliance with implementation of the <i>Core Principles for Effective Deposit Insurance Systems</i>.</p>	<p>Achieved. See pgs. 18-21.</p> <p>Achieved. See pgs. 18-21.</p> <p>Achieved. See pg. 19.</p>
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.	<p>Timeliness of responses to deposit insurance coverage inquiries.</p> <p>Initiatives to increase public awareness of deposit insurance coverage changes.</p>	<p>Respond within two weeks to 95 percent of written inquiries from consumers and bankers about FDIC deposit insurance coverage.</p> <p>Conduct at least 12 telephone or in-person seminars for bankers on deposit insurance coverage.</p>	<p>Achieved. See pg. 33.</p> <p>Achieved. See pg. 33.</p>

2011 Supervision and Consumer Protection Program Results

Strategic Goal: FDIC-insured 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.	Conduct 100 percent of required risk management examinations within the time frames prescribed by statute and FDIC policy.	Achieved. See pg. 21.
2	For all institutions that are assigned a composite Uniform Financial Institutions Rating of 3, 4, or 5, conduct on-site visits within six months after implementation of a corrective program. Ensure during these visits and subsequent examinations that the institution is fulfilling the requirements of the corrective program that has been implemented and that the actions taken are effectively addressing the underlying concerns identified during the examination.	Percentage of follow-up examinations and on-site visits of 3-, 4-, or 5-rated institutions conducted within required time frames.	Conduct 100 percent of required on-site visits within six months after implementation of a corrective program.	Achieved. See pg. 22.

2011 Supervision and Consumer Protection Program Results

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

#	ANNUAL PERFORMANCE GOAL	INDICATOR	TARGET	RESULTS
3	Complete the transfer of personnel and supervisory responsibility for state-chartered thrifts from the Office of Thrift Supervision to the FDIC in accordance with approved plans and statutory requirements.	Transfer of personnel and supervisory responsibility for state-chartered thrifts from OTS to the FDIC.	<p>Complete the transfer of supervisory responsibility for state-chartered thrifts by July 21, 2011.</p> <p>Identify the OTS employees to be transferred and complete the transfer of those employees to the FDIC no later than 90 days after July 21, 2011.</p>	<p>Achieved. See pg. 51.</p> <p>Achieved. See pg. 51.</p>
4	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.	Conduct 100 percent of required Bank Secrecy Act examinations within the time frames prescribed by statute and FDIC policy.	Achieved. See pg. 21.

2011 Supervision and Consumer Protection Program Results

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

#	ANNUAL PERFORMANCE GOAL	INDICATOR	TARGET	RESULTS
5	More closely align regulatory capital with risk and ensure that capital is maintained at prudential levels.	Implementation by the federal banking agencies of capital floors for banking organizations in accordance with the requirements of Section 171 of DFA.	Complete by June 30, 2011, the final rule addressing capital floors for banking organizations.	Achieved. See pg. 25.
		Issuance by the federal banking agencies of proposed rules to implement Basel III regulatory capital enhancements.	Complete by September 30, 2011, the Basel III Notice of Proposed Rulemaking (NPR) for the new definition of capital, the July 2009 enhancements to securitizations risk weights, and securitization disclosures.	Deferred.
			Complete by September 30, 2011, the Basel NPR for the new leverage ratio.	Deferred.
			Complete by September 30, 2011, the Basel NPR for the new liquidity requirements.	Deferred.
			Complete by December 31, 2011, the final rule on the Market Risk Amendment (includes finalizing alternatives to the use of credit ratings in accordance with DFA requirements).	Deferred.
			Complete by September 30, 2011, the NPR for the Standardized Framework.	Deferred.
6	Identify and address risks in financial institutions designated as systemically important.	Establishment of institution monitoring and resolution planning programs for systemically important institutions.	Establish an ongoing FDIC monitoring program for all covered financial institutions.	Achieved. See pgs. 16-17.
			Complete rulemaking to establish (with the Board of Governors of the Federal Reserve System) criteria for resolution plans to be submitted by systemically important institutions.	Achieved. See pg. 17.

2011 Supervision and Consumer Protection Program Results

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

#	ANNUAL PERFORMANCE GOAL	INDICATOR	TARGET	RESULTS
7	Facilitate more effective regulatory compliance so as to reduce regulatory burden on the banking industry, where appropriate, while maintaining the independence and integrity of the FDIC's risk management and consumer compliance supervisory programs.	Issuance of revised corporate directive. Completion of review of recurring questionnaires and information requests.	Issue by March 31, 2011, a revised corporate directive on the issuance of Financial Institution Letters (FILs) that includes a requirement that all FILs contain an informative section as to their applicability to smaller institutions (total assets under \$1 billion). Complete by June 30, 2011, a review of all recurring questionnaires and information requests to the industry and submit a report to FDIC management with recommendations on improving efficiency and ease of use, including a scheduled plan for implementing these revisions. Carry out approved recommendations in accordance with the plan.	Achieved. See pg. 51. Achieved. See pg. 51.

Strategic Goal: Consumers' rights are protected and FDIC-supervised institutions invest in their communities.

8	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 the time frames prescribed by FDIC policy.	Conduct 100 percent of required examinations within the time frames established by FDIC policy.	Achieved. See pgs. 21-22.
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2011 Supervision and Consumer Protection Program Results

Strategic Goal: Consumers' rights are protected and FDIC-supervised institutions invest in their communities.

#	ANNUAL PERFORMANCE GOAL	INDICATOR	TARGET	RESULTS
9	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 on-site visits of 3-, 4-, and 5-rated institutions conducted within required time frames.	For all institutions that are assigned a compliance rating of 3, 4, or 5, conduct follow-up examinations or on-site visits within 12 months to ensure that each institution is fulfilling the requirements of any corrective programs that have been implemented and that the actions taken are effectively addressing the underlying concerns identified during the examination.	Achieved. See pg. 22.
10	Complete the transfer of personnel and supervisory responsibility for compliance examinations of FDIC supervised institutions with more than \$10 billion in assets and their affiliates from the FDIC to the new Consumer Financial Protection Bureau (CFPB) in accordance with statutory requirements.	Transfer from the FDIC to the CFPB of personnel and supervisory responsibility for FDIC-supervised institutions with more than \$10 billion in assets and their affiliates.	Complete by July 21, 2011, the transfer of supervisory responsibility from the FDIC to the CFPB. Identify the FDIC employees to be transferred to the CFPB and transfer them in accordance with established time frames.	Achieved. See pg. 33. Achieved. See pg. 33.
11	Effectively investigate and respond to written consumer complaints and inquiries about FDIC-supervised financial institutions.	Timely responses to written consumer complaints and inquiries.	Respond to 95 percent of written consumer complaints and inquiries within time frames established by policy, with all complaints and inquiries receiving at least an initial acknowledgement within two weeks.	Achieved. See pg. 33.

2011 Supervision and Consumer Protection Program Results

Strategic Goal: Consumers' rights are protected and FDIC-supervised institutions invest in their communities.

#	ANNUAL PERFORMANCE GOAL	INDICATOR	TARGET	RESULTS
12	Establish, in consultation with the FDIC's Advisory Committee on Economic Inclusion and other regulatory agencies, national objectives and methods for reducing the number of unbanked and underbanked individuals.	Completion of initiatives to facilitate progress in improving the engagement of low- and moderate-income individuals with mainstream financial institutions.	Launch the FDIC Model Safe Accounts Pilot, begin data collection on the accounts from banks, and start reporting on results of the pilot.	Achieved. See pg. 28.
			Continue to promote the results of the FDIC Small-Dollar Loan Pilot, and research opportunities for bringing small-dollar lending programs to scale, including exploring a test of employer-based lending using the federal workforce.	Achieved. See pg. 28.
			Engage in efforts to support safe mortgage lending in low- and moderate-income communities.	Achieved. See pg. 28.

2011 Receivership Management Program Results

Strategic Goal: Resolutions are orderly and receiverships are managed effectively.

#	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. 35.
2	Value, manage, and market assets of failed institutions and their subsidiaries in a timely manner to maximize net return.	Percentage of the assets marketed for each failed institution.	For at least 95 percent of insured institution failures, market at least 90 percent of the book value of the institution's marketable assets within 90 days of the failure date (for cash sales) or 120 days of the failure date (for structured sales).	Achieved. See pg. 35.
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 that are not subject to loss share agreements, structured sales, or other legal impediments within three years of the date of failure.	Achieved. See pg. 52.
4	Complete reviews of all loss share and Limited Liability Corporation (LLC) agreements to ensure full compliance with the terms and conditions of the agreements.	Percentage of reviews of loss share and LLC agreements completed and action plans implemented.	<p>Complete on-site field work for reviews of 100 percent of the loss share and LLC agreements active as of December 31, 2010, to ensure full compliance with the terms and conditions of the agreements.</p> <p>Review the final report and implement an action plan to address the report's finding and recommendations for 75 percent of the loss share reviews and 50 percent of the LLC reviews, including all reviews of agreements totaling more than \$1.0 billion (gross book value).</p>	<p>Achieved. See pg. 52.</p> <p>Achieved. See pg. 52.</p>

2011 Receivership Management Program Results

Strategic Goal: Resolutions are orderly and receiverships are managed effectively.

#	ANNUAL PERFORMANCE GOAL	INDICATOR	TARGET	RESULTS
5	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, make a decision to close or pursue professional liability claims within 18 months of the failure of an insured depository institution.	Achieved. See pg. 52.

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	2010	2009	2008
1. Respond promptly to all financial institution closings and related emerging issues.			
Depositors have access to insured funds within one business day if the failure occurs on a Friday.	Achieved.	Achieved.	Achieved.
Depositors have access to insured funds within two business days if the failure occurs on any other day of the week.	Achieved.	Achieved.	Achieved.
Complete rulemaking/review comments received in response to the Advance Notice of Proposed Rulemaking on Large-Bank Deposit Insurance Determination Modernization.			Achieved.
There are no depositor losses on insured deposits.	Achieved.	Achieved.	Achieved.
No appropriated funds are required to pay insured depositors.	Achieved.	Achieved.	Achieved.

2. Identify and address risks to the Deposit Insurance Fund (DIF).

Assess the insurance risks in large (all for 2008-2009) insured depository institutions and adopt appropriate strategies.		Achieved.	Achieved.
Identify and follow up on all material issues raised through off-site review and analysis.		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.

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.
Industry outreach activities are undertaken to inform bankers and other stakeholders about current trends, concerns, and other available FDIC resources.	Achieved.	Achieved.	Achieved.

Insurance Program Results

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

ANNUAL PERFORMANCE GOALS AND TARGETS	2010	2009	2008
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4. Effectively administer temporary financial stability programs.

Provide liquidity to the banking system by guaranteeing noninterest-bearing transaction deposit account and new senior unsecured debt issued by eligible institutions under the TLGP.		Achieved.	
Implement an orderly phase-out of new guarantees under the program when the period for issuance of new debt expires.		Achieved.	
Substantially complete by September 30, 2009, the review of and recommendations to the Department of Treasury on CPP applications from FDIC-supervised institutions.		Achieved.	
Expediently 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.	
Expediently 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.	

5. Set assessment rates to restore the insurance fund reserve ratio to the statutory minimum of at least 1.15% of estimated insured deposits by year-end 2016, in accordance with the Amended Restoration Plan.

Provide updated fund projections to the FDIC Board of Directors by June 30, 2010, and December 31, 2010.	Achieved.		
Recommend deposit insurance assessment rates for the DIF to the FDIC Board as necessary.	Achieved.		
Provide updates to the FDIC Board by June 30, 2010, and December 31, 2010.	Achieved.		

6. Maintain and improve the deposit insurance 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.	
Revise the guidelines and enhance the additional risk measures used to adjust assessment rates for large institutions.		Achieved.	
Review the effectiveness of the new pricing regulations that were adopted to implement the reform legislation.			Achieved.
Enhance the additional risk measures used to adjust assessment rates for large institutions.			Achieved.
Develop a final rule on a permanent dividend system.			Achieved.

Insurance Program Results

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

ANNUAL PERFORMANCE GOALS AND TARGETS	2010	2009	2008
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.
Set assessment rates to maintain the insurance fund reserve ratio between 1.15 and 1.50 percent of estimated insured deposits. Restore to 1.15 percent by year-end 2015.		Achieved.	Not Achieved.
Monitor progress in achieving the restoration plan.		Achieved.	

7. 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.

Conduct at least three sets of Deposit Insurance Seminar/teleconferences (per quarter in 2009) for bankers.		Achieved.	Achieved.
Conduct outreach events and activities to support a deposit insurance education program that features the FDIC 75th anniversary theme.			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.
Respond to 90 percent of inquiries from consumers and bankers about FDIC deposit insurance coverage within time frames established by policy.			Achieved.
Respond to 90 percent of written inquiries from consumers and bankers about FDIC deposit insurance coverage within two weeks.		Achieved.	
Enter into deposit insurance education partnerships with consumer organizations to educate consumers.		Achieved.	
Expand avenues for publicizing deposits insurance rules and resources to consumers through a variety of media.		Achieved.	

8. 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; and in supporting robust international deposit insurance systems.

Undertake outreach activities to inform and train foreign bank regulators and deposit insurers.	Achieved.	Achieved.	Achieved.
Foster strong relationships with international banking regulators and associations that promote sound banking supervision and regulation, failure resolutions and deposit insurance practices.	Achieved.	Achieved.	Achieved.
Develop methodology for assessing compliance with implementation of the <i>Core Principles for Effective Deposit Insurance Systems</i> .	Achieved.		

Supervision and Consumer Protection Program Results

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

ANNUAL PERFORMANCE GOALS AND TARGETS	2010	2009	2008
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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.
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2. Take prompt and effective supervisory action to address unresolved problems 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.

One hundred percent of required on-site visits are conducted within six months of completion of the prior examination to confirm that the institution is fulfilling the requirements of the corrective program.	Achieved.		
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.	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	Achieved.	Achieved.
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4. 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.
Conduct analyses of early results of the performance of new capital rules in light of recent financial turmoil as information becomes available.		Achieved.	Achieved.
Working domestically and internationally, develop improvements to regulatory capital requirements based on the experience of the recent financial market turmoil.		Achieved.	

5. More closely align regulatory capital with risk and ensure that capital is maintained at prudential levels.

Complete by December 31, 2010, the rulemaking for implementing the Standardized Approach for an appropriate subset of U.S. banks.	Deferred.		
Complete by December 31, 2010, the rulemaking for amending the floors for banks that calculate their risk-based capital requirements under the Advanced Approaches Capital rule to ensure capital requirements meet safety-and-soundness objectives.	Not Achieved.		
Complete by December 31, 2010, the rulemaking for implementing revisions to the Market Risk Amendment of 1996.	Deferred.		

Supervision and Consumer Protection Program Results

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

ANNUAL PERFORMANCE GOALS AND TARGETS	2010	2009	2008
Complete by December 31, 2010, the rulemaking for implementing revisions to regulatory capital charges for resecuritizations and asset-backed commercial paper liquidity facilities.	Deferred.		

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.
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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.

Performed 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.
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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.
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Strategic Goal: Consumers’ rights are protected and FDIC-supervised institutions invest in their communities.

ANNUAL PERFORMANCE GOALS AND TARGETS	2010	2009	2008
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1. Conduct on-site CRA and compliance examinations to assess compliance with applicable laws and regulations by FDIC-supervised depository institutions and in accordance with the FDIC’s examination frequency policy.

One hundred percent of required examinations are conducted on schedule.	Achieved.	Achieved.	Achieved.
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2. Take prompt and effective supervisory action to monitor and address problems identified during compliance examinations of FDIC-supervised institutions that received an overall “3”, “4”, or “5” rating for compliance with consumer protection and fair lending laws.

One hundred percent of follow-up examinations or visitations are conducted within 12 months from the date of a formal enforcement action to confirm compliance with the prescribed enforcement action.	Achieved.	Not Achieved.	Achieved.
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Supervision and Consumer Protection Program Results

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

ANNUAL PERFORMANCE GOALS AND TARGETS	2010	2009	2008
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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.
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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.

Proactively identify and respond to harmful or illegal practices associated with evolving consumer products.		Achieved.	Achieved.
Develop and implement new supervisory response programs across all FDIC-supervised institutions to address potential risks posed by new consumer products.			Achieved.

5. Provide effective outreach related to the CRA, fair lending, and community development.

Conduct 50 in 2009 (125 in prior years) technical assistance (examination support) efforts or banker/community outreach activities related to CRA, fair lending, and community development.		Achieved.	Achieved.
Evaluate the <i>Money Smart</i> initiative 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.	
Initiate the longitudinal survey project to measure the effectiveness of the <i>Money Smart for Young Adults</i> curriculum.		Achieved.	
Release a “Young Adult” version of the <i>Money Smart</i> curriculum.			Achieved.
Distribute at least 10,000 copies of the “Young Adult” version of <i>Money Smart</i> .			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.	Achieved.

Supervision and Consumer Protection Program Results

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

ANNUAL PERFORMANCE GOALS AND TARGETS	2010	2009	2008
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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.

Expand the number of AEI coalitions by two.		Achieved.	
Analyze quarterly data submitted by participating institutions to identify early trends and potential best practices.		Achieved.	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. Educate consumers about their rights and responsibilities under consumer protection laws and regulations.

Expand the 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.	
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8. Effectively investigate and respond to written consumer complaints and inquiries about FDIC-supervised financial institutions.

Responses are provided to 95 percent (90 percent for 2008) 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.	Achieved.	Achieved.
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9. Establish, in consultation with the FDIC’s Advisory Committee on Economic Inclusion and other regulatory agencies, national objectives and methods for reducing the number of unbanked and underbanked individuals.

Facilitate completion of final recommendation on the initiatives identified in the Advisory Committee’s strategic plan.	Achieved.		
Implement, or establish plans to implement, Advisory Committee recommendations approved by the FDIC for further action, including new research, demonstration and pilot projects, and new and revised supervisory and public policies.	Achieved.		

Receivership Management Program Results

Strategic Goal: Recovery to creditors of receiverships is achieved.

ANNUAL PERFORMANCE GOALS AND TARGETS	2010	2009	2008
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1. Market failing institutions to all known qualified and interested potential bidders.

Contact all known qualified and interested bidders.	Achieved.	Achieved.	Achieved.
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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.
For at least 95 percent of insured institution failures, market at least 90 percent of the book value of the institution’s marketable assets within 90 days of the failure date (for cash sales) or 120 days of the failure date (for structured sales).	Achieved.		
Implement enhanced reporting capabilities from the Automated Procurement System.	Achieved.		
Ensure that all newly designated oversight managers and technical monitors receive training in advance of performing contract administration responsibilities.	Achieved.		
Optimize the effectiveness of oversight managers and technical monitors by restructuring work assignments, providing enhanced technical support, and improving supervision.	Achieved.		
Identify and implement program improvements to ensure efficient and effective management of the contract resources used to perform receivership management functions.		Achieved.	

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.
Terminate within three years of the date of failure, at least 75 percent of new receiverships that are not subject to loss-share agreements, structured sales, or other legal impediments.	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.	Achieved.	Achieved.
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