

BOARD ACTION MEMORANDUM

TO: NCUA Board

DATE: January 8, 2013

FROM: Office of the Executive Director

SUBJ: NCUA 2013 Annual
Performance Plan

ACTION REQUESTED: Board approval of the 2013 NCUA Annual Performance Plan

DATE ACTION REQUESTED: January 10, 2013

OTHER OFFICES CONSULTED: All Central and Regional Offices

VIEWS OF OTHER OFFICES CONSULTED: Concur

BUDGET IMPACT, IF ANY: None

SUBMITTED TO INSPECTOR GENERAL FOR REVIEW: Yes

RESPONSIBLE STAFF MEMBERS: Deputy Executive Director John Kutchey, FFIEC Senior Advisor Joy Lee, and Director of Division of Strategic and Continuity Planning TaB Patrick

SUMMARY: The 2013 Annual Performance Plan (Plan) reflects NCUA's strategic goals and objectives. These goals and objectives continue to support our mission *"to provide, through regulation and supervision, a safe and sound credit union system which promotes confidence in the national system of cooperative credit."*

The Office of Management and Budget's Circular A-11 issued in 2012 requires several new Plan parts including an executive summary, discussion of NCUA's organizational structure, cross agency initiatives, and other administrative matters related to the Plan development and tracking. Our Plan reflects these required additions.

Like the 2012 Plan, the proposed Plan maintains the same four strategic goals which include:

- Ensuring a safe, sound and healthy credit union system;
- Promoting credit union access to all eligible persons;
- Developing further a regulatory environment that is transparent and effective, with clearly articulated and easily understood regulations; and
- Cultivating an environment that fosters a diverse, well-trained and motivated staff.

We also identify two agency priority goals (APG) in 2013 which include:

- Monitoring and controlling risk in consumer credit unions as measured by net worth growth, the long term assets ratio, and reducing losses to the National Credit Union Share Insurance Fund; and
- Dedicating appropriate resources to staff and train the new Office of National Examination and Supervision to assume responsibility for the largest consumer credit unions in 2014.

The first APG is consistent with 2012. The second APG is new in 2013 and reflects a key focus area for NCUA over the next two years. The following two were APGs in 2012, but are removed for 2013 given the improvements in the corporate credit union system:

- Continue to stabilize the corporate credit union system, as measured by the corporate credit union system capital ratio requirements; and
- Ensure consumer credit unions that are members of bridge corporate credit unions transition from the bridge corporate entities without disruption of member services, as measured by the percent of credit unions that successfully transition.

Working closely with the stakeholders in our various offices, several performance indicators for the strategic objectives are updated to reflect available measurable data.

RECOMMENDED ACTION: The NCUA Board approve the 2013 Annual Performance Plan.

ATTACHMENT: NCUA 2013 Annual Performance Plan