

IOWA CREDIT UNION DIVISION 2008 Strategic Plan

MISSION: To safeguard the interests of credit union depositors and stakeholders through the effective administration and execution of the laws relating to credit unions.

ASSESSMENT: The Credit Union Division performs regulatory and supervisory functions for 143 state-chartered credit unions whose principle place of business is located in this state.

The financial stability of Iowa's credit unions remains strong and demonstrates that credit unions are favorably positioned to serve the financial needs of the citizens of this state. A survey was distributed to all Iowa state-chartered credit unions to determine the extent of subprime, non-traditional mortgages and related investment products in Iowa. The results indicated a very limited number of credit unions reporting these products. We are looking at examination lending and investment review procedures for enhancements in these areas to assess risk management.

Net worth significantly increased in Iowa's credit unions to over \$689 million or a 16% net worth to assets ratio. This ratio is an important indicator of the credit unions preparedness to meet and withstand the financial challenges of today and the foreseeable future.

Credit Unions have responded well in meeting the borrowing needs of their members. Despite an economic downturn, the loan-to-share ratio continues at above 86%, indicating Iowa's credit unions are contributing to the well being of their members and improving the economy of the communities they serve.

It remains the policy of the Credit Union Division to perform its regulatory and supervisory responsibilities in a diligent manner, while maintaining a responsive attitude to the needs of Iowa's credit unions and the citizens of this state.

CORE FUNCTIONS: Regulation and Compliance, Resource Management

VISION: Providing risk-focused regulation of Iowa credit unions through open communication, cooperation and advanced technology; ensuring the credit unions operate in a safe, sound and prosperous manner to meet the individual financial service needs of the credit unions and their members.

GUIDING OPERATING PRINCIPLES: Customer focus, results orientation, long-range thinking, data-based decision, continuous improvement, collaborative leadership, and employee participation

REGULATION & COMPLIANCE GOALS and MEASURES:

Identify, measure, monitor and control unacceptable levels of risk through our risk-focused supervision and examination program. The desired outcome is to fully apply the risk-focused philosophy through risk focused examinations, subject matter specialists, and a red flag system.

- Number of LUA's and code 4 & 5 credit unions;
- Number of mergers;
- Percent of time spent in at-risk credit unions
- Percent of red flag system developed to monitor the 7 risk areas.

Increase industry-related knowledge for division staff and credit union management. The desired outcome is both external and internal education for Division staff and employees of credit unions through training opportunities.

- Number of NASCUS on-line classes completed by examiners quarterly;
- Number of staff training sessions held annually;
- Number of training sessions held over ICN;
- Percent of credit unions participating in information sessions.

RESOURCE MANAGEMENT GOALS and MEASURES:

Improve communication and accessibility to information with a desired outcome of enhanced external and internal communication in areas of administration and legislation.

- Percent of division compliance with segregation of duties and payroll;
- Percent of division pre-audit expenditure compliance with state laws and regulation;
- Percent of division compliance in accordance with DOM standards on monetary resource management;
- Percent of travel miles reduced;
- Percent of website redesigned;
- Number of applications processed on-line;
- Percent of requested database reports and projects created;
- Percent of active complaints resolved within 30 days of receipt.