

2001-03 Performance Progress Report

For Quarter Ending 6/30/2003

Agency 102

Department of Financial Institutions

Mission

We regulate our State's financial services industry to promote economic vitality and protect consumers.

Goal Promote a stable and competitive financial system that enhances access to capital.

Performance Measure By survey, percentage of banks agreeing or strongly agreeing that the bank's examination report prepared by the Division of Banks was objective, reflected material issues, and was useful for remaining in compliance with regulations.

Outcome	Fiscal Year 2002				Fiscal Year 2003			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Estimate	95%	95%	95%	95%	95%	95%	95%	95%
Actual	100%	100%	100%	100%	100%	100	100%	100%
Date Measured								

Performance Measure Division of Banks - Percentage of depository institutions with unsatisfactory examination ratings that receive the appropriate written supervisory action.

Output	Fiscal Year 2002				Fiscal Year 2003			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Estimate				100%				100%
Actual				100%			100%	100%
Date Measured								

Performance Measure The percentage of surveyed credit unions agreeing that the credit union's examination report prepared by the Division of Credit Unions was objective, reflected material issues, and was useful for remaining in compliance with credit unions laws.

Outcome	Fiscal Year 2002				Fiscal Year 2003			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Estimate	85%	85%	85%	85%	85%	85%	85%	85%
Actual	90%	96%	100%	89%	89%	100%	100%	100%
Date Measured								

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Performance Measure Percentage of credit unions with a satisfactory examination rating.

Outcome	Fiscal Year 2002				Fiscal Year 2003			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Estimate	80%	80%	80%	80%	80%	80%	80%	80%
Actual	86%	86%	78%	76%	78%	75%	80%	87%

Date Measured

Quarter 3 Comment Performance measure 532 did not meet its goal for the following reasons: the current recession has impacted credit union earnings; the Division is grading credit unions harder because of Prompt Corrective Action concerns; and we would be at 85% if the Seattle Credit Union Center's six credit unions were ranked as one instead of individually. The Center is under one management system.

Quarter 4 Comment The current recession has impacted credit union earnings; the Division is grading credit unions harder because of Prompt Corrective Action concerns; and we would be at 85% if the Seattle Credit Union Center's six credit unions were ranked as one instead of individually. The Center is under on management system.

Quarter 5 Comment The current recession has impacted credit union savings. The Division is grading credit unions harder because of Prompt Corrective Action (PCA) concerns. The rating would be 85% if the Seattle Credit Union Center's six credit unions were ranked as one instead of individually. The center is under one management system.

Quarter 6 Comment The current recession has impacted credit union savings. The Division is grading credit unions harder because of Prompt Corrective Action (PCA) concerns. The rating would be 85% if the Seattle Credit Union Center's six credit unions were ranked as one instead of individually. The center is under one management system.

Performance Measure By survey, percentage of broker dealers and investment advisers, not subject to enforcement action, rating the overall performance of their examination by the Division of Securities as Good to Excellent.

Outcome	Fiscal Year 2002				Fiscal Year 2003			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Estimate				90%				90%
Actual								98%

Date Measured

Performance Measure Number of enforcement actions taken - Division of Securities

Output	Fiscal Year 2002				Fiscal Year 2003			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Estimate				90				90
Actual								111

Date Measured

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Performance Measure Average examination cycle in years for targeted broker-dealer offices.

	Fiscal Year 2002				Fiscal Year 2003			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Output								
Estimate				10				9
Actual								3.6
Date Measured								

Performance Measure Average response time, in business days, for examinations of broker-dealer offices based on customer complaints.

	Fiscal Year 2002				Fiscal Year 2003			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Outcome								
Estimate				15				15
Actual								4.2
Date Measured								

Performance Measure By survey, percentage of license applicants giving a Good to Excellent rating on the overall quality of service received from the Consumer Services Unit during the application process.

	Fiscal Year 2002				Fiscal Year 2003			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Outcome								
Estimate				80%				80%
Actual				87%				
Date Measured								

Goal Advance a relevant state role in the regulation of financial services.

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Performance Measure Percentage of examination reports processed by the Division of Banks within 30 days from the time the exam is received in the Division to the time the final report is mailed to the institution.

Outcome	Fiscal Year 2002				Fiscal Year 2003			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Estimate	95%	95%	95%	95%	95%	95%	95%	95%
Actual	60%	67%	100%	100%	85%	100%	100%	100%

Date Measured

Quarter 1 Comment Division of Banks' actuals for first quarter FY 2002 were below target due to ongoing training of new examiners.

Quarter 2 Comment Division of Bank's (DOB) actuals for performance measure 621 during the second quarter of FY 2002 were below our target due to ongoing training of our new examiners. DOB conducted nine examinations during the quarter with an average completion time of 28 days.

Quarter 5 Comment The Division of Banks complete 13 examinations during the quarter: 11 examinations were completed within 30 days; one examination was completed in 34 days; one examination was completed in 37 days.

Quarter 7 Comment Average turn-around time was 23 days for seven examinations.

Performance Measure Percent of survey respondents responding good to excellent on quality of customer service received during consumer complaint process.

Outcome	Fiscal Year 2002				Fiscal Year 2003			
	<u>Quarter 1</u>	<u>Quarter 2</u>	<u>Quarter 3</u>	<u>Quarter 4</u>	<u>Quarter 5</u>	<u>Quarter 6</u>	<u>Quarter 7</u>	<u>Quarter 8</u>
Estimate				78%				78%
Actual				50%				67%

Date Measured

Quarter 4 Comment The Department received two survey cards in the month of June. None in April or May. Of those two cards, one rated the quality of customer service good to excellent and the other one rated it very poor.