**Section 185.270 Strategic Plan**

a) Alternative election. The Secretary will assess a credit union's record of helping to meet the credit needs of its assessment field considering all of the applicable assessment factors in Section 185.200 under a strategic plan if:

1) the credit union has submitted the plan to the Secretary as provided for in this Section;

2) the Secretary has approved the plan;

3) the plan is in effect; and

4) the credit union has been operating under an approved plan for at least one year.

b) Data reporting. The Secretary's approval of a plan does not affect the credit union's obligation, if any, to report data as required by Section 185.410.

c) Plans in general.

1) Term. A plan may have a term of no more than five years, and any multi-year plan must include annual interim measurable goals under which the Secretary will evaluate the credit union's performance.

2) Treatment of affiliates. Affiliated credit unions may prepare a joint plan if the plan provides measurable goals for each credit union. Activities may be allocated among credit unions at the credit union's option, provided that the same activities are not considered for more than one credit union.

d) Public participation in plan development. Before submitting a plan to the Secretary for approval, a credit union shall:

1) informally seek suggestions from members of the public in its assessment field covered by the plan while developing the plan;

2) once the credit union has developed a plan, formally solicit public comment on the plan for at least 30 days by publishing notice in at least one newspaper of general circulation in each assessment field covered by the plan and on the internet; and

3) during the period of formal public comment, make copies of the plan available for review by the public at no cost at all offices of the credit union in any assessment field covered by the plan and provide copies of the plan upon request for a reasonable fee to cover copying and mailing, if applicable.

e) Submission of plan. The credit union shall submit its plan to the Secretary at least six months prior to the proposed effective date of the plan. The credit union shall also submit with its plan a description of its informal efforts to seek suggestions from members of the public, any written public comment received, and, if the plan was revised in light of the comment received, the initial plan as released for public comment.

f) Plan content.

1) Measurable goals.

A) A credit union shall specify in its plan measurable goals for helping to meet the credit needs of each assessment field covered by the plan, particularly the needs of low- and moderate-income geographies and low- and moderate-income individuals, through lending, investment, and services, as appropriate and considering all of the applicable assessment factors in Section 185.200.

B) A credit union shall address in its plan all applicable performance categories and, unless the credit union has been designated as a wholesale or limited purpose credit union, shall emphasize lending and lending-related activities. Nevertheless, a different emphasis, including a focus on one or more performance categories, may be appropriate if responsive to the characteristics and credit needs of its assessment field, considering public comment and the credit union's capacity and constraints, product offerings, and business strategy.

2) Confidential information. A credit union may submit additional information to the Secretary on a confidential basis which shall not be deemed a public record as defined in 5 ILCS 140/2 or be subject to the public disclosure provisions of 5 ILCS 140/1, but the goals stated in the plan must be sufficiently specific to enable the public and the Secretary to judge the merits of the plan.

3) Satisfactory and outstanding goals. A credit union shall specify in its plan measurable goals that constitute "satisfactory" performance. A plan may specify measurable goals that constitute "outstanding" performance. If a credit union submits, and the Secretary approves, both "satisfactory" and "outstanding" performance goals, the Secretary will consider the credit union eligible for an "outstanding" performance rating.

4) Election if satisfactory goals not substantially met. A credit union may elect in its plan that, if the credit union fails to meet substantially its plan goals for a satisfactory rating, the Secretary will evaluate the credit union's performance under the lending, investment, and service tests, the community development test, or the small credit union performance standards, as appropriate.

g) Plan approval.

1) Timing. The Secretary will act upon a plan within 90 calendar days after the Secretary receives the complete plan and other material required under subsections (e) and (f). If the Secretary fails to act within this time period, the plan shall be deemed approved unless the Secretary extends the review period in writing.

2) Public participation. In evaluating the plan's goals, the Secretary considers the public's involvement in formulating the plan, written public comment on the plan, and any response by the credit union to public comment on the plan.

3) Criteria for evaluating plan. The Secretary considers all of the applicable assessment factors in Section 185.200 and evaluates a plan's measurable goals using the following criteria, as appropriate and applicable:

A) the extent and breadth of lending or lending-related activities, including, as appropriate, the distribution of loans among different geographies, businesses and farms of different sizes, and individuals of different income levels, the extent of community development lending, and the use of innovative or flexible lending practices to address credit needs;

B) the amount and innovativeness, complexity, and responsiveness of the credit union's qualified investments; and

C) the availability and effectiveness of the credit union's systems for delivering retail banking services and the extent and innovativeness of the credit union's community development services.

h) Plan amendment. During the term of a plan, a credit union may request the Secretary to approve an amendment to the plan on grounds that there has been a material change in circumstances. The credit union shall develop an amendment to a previously approved plan in accordance with the public participation requirements of subsection (d).

i) Plan assessment. The Secretary approves the goals and assesses performance under a plan as provided for in 185.APPENDIX A (Ratings).