NCUA LETTER TO CREDIT UNIONS

NATIONAL CREDIT UNION ADMINISTRATION 1775 Duke Street, Alexandria, VA 22314

DATE: April 2008 LETTER NO.: 08-CU-07

TO: Federally Insured Credit Unions

SUBJ: FFIEC Release of Updated Business Continuity

Planning Examination Handbook

Dear Board of Directors:

The purpose of this letter is to inform you the Federal Financial Institution Examination Council (FFIEC)¹ issued updated guidance for examiners, credit unions, and technology service providers to identify business continuity risks, evaluate controls, and implement risk management practices for effective business continuity planning. The guidance is an update to the original "Business Continuity Planning Booklet" which was issued in March 2003.

The revised booklet includes enhancements to the business impact analysis, testing, and emerging threats sections and includes lessons learned in recent years. The booklet also stresses the responsibility of each credit union's board of directors and management to address business continuity planning with an enterprise-wide perspective by considering technology, business operations, communication, and testing strategies for the entire credit union.

The revised booklet also contains an appendix addressing pandemic planning. A pandemic outbreak would present unique business continuity challenges and all credit unions should have plans that address how they would manage during a pandemic.

To access an electronic version of the Business Continuity Planning Booklet, visit the IS&T Examination Resources section of NCUA's website at http://www.ncua.gov/IST/ExaminationResources.htm or the FFIEC's website at http://www.ffiec.gov/ffiecinfobase/html pages/it 01.html.

¹ Federal Financial Institutions Examination Council member agencies include Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, National Credit Union Administration, Office of the Comptroller of the Currency, Office of Thrift Supervision, and the State Liaison Committee.

If you have any questions or concerns, please contact your NCUA Regional Office or State Supervisory Authority.

Sincerely,

/s/

JoAnn M. Johnson Chairman