NCUA LETTER TO CREDIT UNIONS

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

DATE: December 2007 LETTER NO.: 08-CU-01

TO: Federally Insured Credit Unions

SUBJ: Guidance on Pandemic Planning

ENCL: Interagency Statement on Pandemic Planning

Dear Board of Directors:

Pandemic planning presents unique challenges to credit unions unlike most natural or technical disasters and malicious acts. The impact of a pandemic is much more difficult to determine because of the difference in the scale and duration of a pandemic event. As a result of these differences, credit unions need to plan for the potential adverse effects of a pandemic event. Experts believe the most significant challenge may be the severe staffing shortage likely to result from a pandemic outbreak.

To assist credit unions' pandemic planning efforts, the NCUA and other Federal Financial Institutions Examination Council (FFIEC) member agencies¹ have developed the enclosed Pandemic Planning guidance which will also be incorporated into the FFIEC Information Technology Booklet – Business Continuity Planning. The guidance addresses the need for credit unions to establish plans to manage a pandemic event. The business continuity plan should include:

- A preventative program to reduce the likelihood the operations will be significantly affected by a pandemic event;
- A documented strategy which provides for scaling pandemic efforts;
- A comprehensive framework of facilities, systems, or procedures to continue critical operations if a large number of staff are unavailable for prolonged periods;
- A testing program to ensure the pandemic planning practices and capabilities are effective; and

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.

• An oversight program to ensure ongoing review and updates are made to the pandemic plan.

Credit unions should review and revise their continuity plans in a timely manner to properly address the management of a pandemic event.

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

Sincerely,

JoAnn M. Johnson Chairman

Enclosure