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PRESS RELEASE  
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**FFIEC Urges Financial Institutions  
Not to Forget Lessons Learned from Year 2000 Project**

WASHINGTON, D.C. -- Bank, thrift, and credit union regulators issued today a document discussing lessons learned from the preparation for the Year 2000 date change, and urged financial institutions to incorporate the knowledge gained from that experience into future project and technology risk management.

Through the Federal Financial Institutions Examination Council (FFIEC), the federal regulators of these institutions today issued "Lessons Learned from the Year 2000 Project." In releasing the document, the FFIEC urged financial institutions to conduct their own review of lessons from the Y2K effort and incorporate them in future project management processes and technology risk management. The FFIEC believes that the best-prepared institutions possessed most or all of 10 characteristics:

- Senior management and director involvement to ensure that the project plans were clearly defined, supported and monitored;
- Consolidation, elimination or integration of technology on an enterprise-wide basis by developing current inventories of information technology systems and applications;
- Improved oversight of service providers, software vendors and consultants;

- More formalized and effective strategies and standards for testing information technology systems;
- Detailed contingency plans that analyzed the effect of potential system failures on core business processes (e.g., deposit taking, lending, fiduciary services, etc.);
- Better safeguards to detect fraudulent, malicious, and negligent acts from both internal and external sources;
- Review of testing and contingency planning processes by internal auditors;
- Open information sharing for developing strategies and to respond to media reports or perceptions that could reduce public confidence in the financial services industry;
- Improved public relations with customers; and
- Thorough legal review to assist in vendor management, documentation retention, and legal defense.

The FFIEC is sending the lessons document to directors and chief executive officers of all federally supervised financial institutions, service providers, software vendors, federal branches and agencies, senior management of each FFIEC agency, and all examining personnel.

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