NCUA LETTER TO CREDIT UNIONS

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

DATE: July 2006 LETTER NO.: 06-CU-12

TO: Federally Insured Credit Unions

SUBJ: Disaster Preparedness & Response

Examination Procedures

ENCL: AIRES Disaster Preparedness & Response Questionnaire

Dear Board of Directors:

The purpose of this Letter is to provide all Federally Insured Credit Unions with a copy of the new examination questionnaire developed to give examiners a standard framework for reviewing your Disaster Preparedness & Response (DPR) efforts. The questionnaire incorporates "lessons learned" from last year's hurricane season as well as other relevant guidance.

When using the questionnaire, examiners will consider each of the following elements to determine your efforts to *PREPARE*:

- Planning Ensuring Financial Services to Members
- Resources Allocating Sufficient Equipment, Supplies, and Facilities
- Evaluation Testing of Contingencies for All Critical Systems
- People Maintaining Readiness of Staff and Officials
- Alliances Establishing Relationships with Other Organizations
- Review Updating Internal Plans for Effectiveness
- Experience Incorporating Lessons Learned

You may also find the questionnaire beneficial in performing a self-evaluation of your DPR efforts. The questionnaire is enclosed in Adobe format which includes the comments for each question at the end of the document.

If you have any questions regarding the enclosed questionnaire, please contact your district examiner, regional office, or state supervisory authority.

Sincerely,

/s/

JoAnn M. Johnson Chairman

Enclosure