MEMORANDUM FOR:  CHIEF EXECUTIVE OFFICERS
FROM:  Scott M. Albinson
SUBJECT:  Information Technology Examination Handbook  
          Supervision of Technology Service Providers Booklet and  
          Business Continuity Planning Booklet

The Office of Thrift Supervision has joined the other federal banking agencies in issuing updated  
guidance in two new booklets entitled Supervision of Technology Service Providers and Business  
Continuity Planning. The booklets are issued through the Federal Financial Institutions  
Examination Council (FFIEC) and are the second and third in a series that will completely  
update and replace the 1996 FFIEC Information Systems Examination Handbook.

The Supervision of Technology Service Providers Booklet provides procedures to assist  
examiners in reviewing the risk management processes employed by you and your service  
providers and it summarizes the OTS’s risk-based approach to supervision, the examination  
process, and the methodology for assigning examination ratings. This guidance reemphasizes  
the fact that a thrift’s management and board of directors have the ultimate responsibility for  
ensuring that outsourced activities are conducted in a safe and sound manner and that such  
activities are conducted in compliance with applicable laws and regulations. With the issuance  
of the Supervision of Technology Service Providers Booklet, the OTS rescinded Chapters 2  
through 7 of the 1996 FFIEC Information Systems Examination Handbook.

Since financial institutions play a crucial role in the nation’s economy, it is important that thrifts  
are capable of restoring information systems, operations, and services quickly after an adverse  
event. Effective business continuity planning can ensure that you are prepared to respond to  
events such as natural disasters, human error, and terrorist activities. The Business Continuity  
Planning Booklet provides guidance, procedures, and other resources to assist our examiners in  
reviewing and evaluating the business continuity planning processes of thrifts and their  
technology service providers. The results of these reviews will assist you in ensuring the  
continuing availability of critical financial systems and services. With the issuance of the  
Business Continuity Planning Booklet, the Office of Thrift Supervision rescinded Chapter 10,  
Corporate Contingency Planning, of the 1996 FFIEC Information Systems Examination  
Handbook, and Supervisory Policy 5, Interagency Policy On Contingency Planning For  
Financial Institutions.
The new booklets are being distributed electronically by the FFIEC agencies and may be downloaded at http://www.ffiec.gov/guides/htm. This site provides on-line and printable versions of all of the booklets in the series that have been published to date, as well as audio presentations related to the IT Examination Handbook update process, the booklets, and other resources.

Questions regarding these booklets should be directed to your regional OTS office or to Robert E. Engebreth, Director, Technology Risk Management, (202) 906-5631.