

Pandemic Planning for State Banks, Credit Unions, and Public Trust Companies

To: Chief Executive Officers of State Banks, Credit Unions, and Public Trust Companies

From: Commissioner Greg Gonzales

Date: March 16, 2020

Subject: Pandemic Planning

As Tennessee continues to respond to COVID-19, the Department is providing general guidance and highlighting resources in an effort to help financial institutions minimize potential disruptions of services to consumers, businesses, and communities.

To meet Governor Lee's goals to maintain Department operations while taking measures to stem the spread of the disease, the Department is suspending onsite examinations and examiners will be engaged in exams or other supervisory activity offsite until the end of March when we will reassess the situation.

The FFIEC has updated interagency guidance related to Pandemic Planning to remind institutions that business continuity plans (BCPs) should address the threat of pandemic outbreak and the potential impact on the delivery of critical financial services. Unlike business continuity planning, Pandemic Planning is much more difficult to determine because of the anticipated difference in scale and duration. The most significant challenge from a severe pandemic event will likely be staffing shortages due to absenteeism. Additionally, open communication with third parties, especially critical service providers, is an important aspect of Pandemic Planning. Management must have action plans for triggering events, communicate to employees, mitigate risks, and ensure sufficient internal and external capacity is available where needed. Preparation is key in a pandemic event so the need for periodically updating and exercising your plan is crucial for success. See the related links below for the complete guidance.

Additionally, the Department's Bulletin FI-18-01, "Emergency Preparedness Guide," is another resource for state-chartered institutions. It contains answers to frequently asked questions regarding disaster/pandemic events such as temporary closings/relocations, and contact information for Department personnel. It has been attached for your convenience.

The Department is working with Governor Lee and other state agencies to best address this ongoing situation. Externally, the Department continues to work with our partners at the Conference of State Bank Supervisors, National Association of State Credit Union Supervisors, Tennessee Bankers Association, Federal Deposit Insurance Corporation, the Federal Reserve System, National Credit

Union Administration, and Tennessee Credit Union League to implement appropriate actions to ensure the safety of the Tennessee financial institution community and all stakeholders.

If you have any questions or concerns, please contact the Department and we would be happy to schedule a call with you.

Related Links

FFIEC Pandemic Guidance

<https://www.ffiec.gov/press/PDF/FFIEC%20Statement%20on%20Pandemic%20Planning.pdf>

CISA COVID-19

https://www.cisa.gov/sites/default/files/publications/20_0306_cisa_insights_risk_management_for_novel_coronavirus_0.pdf

CDC COVID-19

<https://www.cdc.gov/coronavirus/2019-ncov/index.html>

Tennessee Department of Health

<https://www.tn.gov/health/cedep/ncov.html>