Year 2000 Banker Self Assessment

Bank Name: _____

Charter No.: _____

Date: _____

The Office of the Comptroller of the Currency (OCC) is sending you this self-assessment to collect information about the status of national bank efforts to achieve year 2000 readiness. When filling it out, please note that the not applicable (N/A) option should be used infrequently; it is meant to apply primarily to smaller and less complex institutions. You also are asked to answer several general questions about your computer systems. Answering these questions will help the OCC gather data about the feasibility of exchanging electronic information with national banks in a secure manner.

This self-assessment will be a companion to the data sheet currently completed by OCC's examiners. The OCC will combine the results of your self assessment with the examination data sheets to produce information we hope will help you compare your efforts against some industry "best practices."

Your examiner-in-charge or portfolio manager will contact you during the third quarter to discuss the questionnaire with you, answer any questions you may have, and collect the completed form.

Please complete the self assessment by June 30, 1998.

General

1. Does the bank have access to the Internet?   ___ Yes ___ No

2. If so, is the operating system the bank uses to access the
    Internet:
    *   Windows 95?   ___ Yes ___ No
    *   MacOS?   ___ Yes ___ No
    *   Other? (Please specify.)   _____

3. What Web browser and version does the bank use to

access the Internet:

- Internet Explorer 4.0?   ___ Yes ___ No
- Netscape Navigator/Communicator 4.0?   ___ Yes ___ No
- Other?   ___ Yes ___ No ___ N/A

4.   If the bank's browser is an earlier version than Internet Explorer 4.0
       or Netscape Navigator/Communicator 4.0, does the bank plan
       to upgrade to version 4.0 or higher by:

- September 30, 1998?   ___ Yes ___ No
- December 30, 1998?   ___ Yes ___ No
- An undetermined date in the future?   ___ Yes ___ No
- Do not plan to upgrade.   ___ Yes ___ No

5.   If you had access to a secure network (Extranet) operated
       under the auspices of the OCC, would you use that facility
       to exchange nonpublic information with the OCC?   ___ Yes ___ No

Awareness

1.   Has the bank developed a strategy for achieving Year 2000
       readiness?   ___ Yes ___ No

2.   Has the bank's senior management shown its commitment to
       ensuring adequate resources are mobilized to support the Year 2000
       strategy by issuing a:

- Year 2000 policy directive?   ___ Yes ___ No ___ N/A
- Year 2000 program charter?   ___ Yes ___ No ___ N/A

3.   Has the bank conducted a Year 2000 awareness campaign that:

- Informs employees about the potential impact
  failure to address the Year 2000 problem could have
  on the bank?   ___ Yes ___ No
- Provides employees with periodic updates on the
  progress of the Year 2000 project for their review
  and awareness?   ___ Yes ___ No
- Informs employees that a Year 2000 central help desk
  has been established and promotes it use?   ___ Yes ___ No
- Informs the bank's business partners and key
  vendors about the progress of the Year 2000 project

for their review and awareness? ___ Yes ___ No ___ N/A

4.   Has the bank established a Year 2000 program management
     structure to achieve Year 2000 readiness by considering whether:

     •   The risk management processes available for assessing
         Year 2000 progress, including the use of internal and
         external audit resources, are adequate?   ___ Yes ___ No
     •   The financial resources necessary for achieving
         Year 2000 readiness are adequate?   ___ Yes ___ No
     •   The staff resources necessary for achieving
         Year 2000 readiness are adequate?   ___ Yes ___ No

Assessment

1.   Has the bank defined Year 2000 readiness for its:

     •   Internal systems?   ___ Yes ___ No
     •   Business partners?   ___ Yes ___ No
     •   Key vendors?   ___ Yes ___ No ___ N/A

2.   Has the bank's Year 2000 readiness definition included
     the ability of systems to:

     •   Accept, process, calculate, sort, store, display,
         and report dates using the correct century and
         year?   ___ Yes ___ No
     •   Interface automatically with other Year 2000-
         ready systems without date-related
         failures?   ___ Yes ___ No

3.   Has the bank developed a Year 2000 assessment document?
                                                          ___ Yes ___ No

     •   Does the assessment document focus on core
         business areas and processes?   ___ Yes ___ No
     •   Does the assessment document identify the specific
         systems that support core business areas
         and processes?   ___ Yes ___ No

4.   Has the bank assessed the potential impact of Year
     2000-induced failures on bank operations?   ___ Yes ___ No

- Has the assessment considered the potential for internal
  systems failures in core business areas and
  associated processes?   ___ Yes ___ No
- Has the assessment considered the potential for failures
  caused by external business partners or key
  vendors?   ___ Yes ___ No

5.   Has the bank developed a bank-wide inventory of non-Year 2000
     ready information systems currently supporting each
     business unit?   ___ Yes ___ No

- Does the inventory include all bank-wide
  systems?   ___ Yes ___ No
- Does the inventory list system components and
  interfaces for each system?   ___ Yes ___ No
- Does the inventory include a plan to identify and
  eliminate obsolete code?   ___ Yes ___ No ___ N/A

6.   Has the bank used the data from the inventory to develop
     a comprehensive automated inventory system?   ___ Yes ___ No ___ N/A

7.   Does the automated inventory system identify:

- Links to core business areas or processes?   ___ Yes ___ No ___ N/A
- Platforms, languages, and database
  management systems?   ___ Yes ___ No ___ N/A
- Operating system software and utilities?   ___ Yes ___ No ___ N/A
- Telecommunications equipment and interfaces?   ___ Yes ___ No ___ N/A
- Hardware and software owners?   ___ Yes ___ No ___ N/A
- Whether source code or documentation is available
  and adequate?   ___ Yes ___ No ___ N/A
- A schematic layout of the system?   ___ Yes ___ No ___ N/A
- How date-related data flows through systems?   ___ Yes ___ No ___ N/A

8.   Has the bank analyzed its automated inventory system
     to determine:

- Items that cannot be repaired because they
  lack source code or documentation?   ___ Yes ___ No ___ N/A

- Conversion or replacement resources required
  for each platform, application, database
  management system, archive, utility, or

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interface? ___ Yes ___ No ___ N/A

9. Has the bank prioritized the systems and components
to be converted or replaced to become Year 2000
ready? ___ Yes ___ No ___ N/A

- Have they been rank-ordered according to the
impact non-Year 2000 readiness would have on the
business? ___ Yes ___ No ___ N/A
- Have they been rank-ordered according to the
anticipated date a noncompliant system or
component will fail? ___ Yes ___ No ___ N/A
- Have they been rank-ordered to consider the
impact noncompliance would have on the bank's
telecommunications equipment and interfaces? ___ Yes ___ No
- Has the bank identified which applications, databases,
archives, and interfaces cannot be converted
because of resource limits and time constraints? ___ Yes ___ No

10. Has the bank established interdepartmental Year 2000
project teams with access to legal advice for
business areas and major systems? ___ Yes ___ No ___ N/A

11. Has the bank developed a Year 2000 project plan that:

- Sets schedules for all tasks and
phases of the Year 2000 program? ___ Yes ___ No
- Has a master schedule for converting and
replacing systems and their components? ___ Yes ___ No ___ N/A
- Assesses options for outsourcing
work and identifies potential
vendors? ___ Yes ___ No ___ N/A
- Assigns conversion and replacement
projects to project teams? ___ Yes ___ No ___ N/A
- Defines the scope of risk assessments and
identifies staff responsible for conducting
them? ___ Yes ___ No ___ N/A
- Has contingency plans for all mission-
critical systems? ___ Yes ___ No

12. Has the bank developed validation strategies that
include plans for developing test scripts and for
testing all converted or replaced systems and their

components? ___ Yes ___ No

13. Has the bank defined requirements for its Year 2000 test
facility to avoid potential contamination or interference
with its normal operating systems? ___ Yes ___ No

14. Has the bank identified and acquired Year 2000 hardware
and software tools to facilitate testing? ___ Yes ___ No ___ N/A

15. Does the bank have an implementation schedule
that specifies time frames for integration and
acceptance testing to ensure that all converted
or replaced system components perform adequately? ___ Yes ___ No ___ N/A

16. Does the implementation schedule address:

- Where the conversion will take place? ___ Yes ___ No
- The time needed to place converted systems
  into production? ___ Yes ___ No
- The conversion of backup or archived data? ___ Yes ___ No

17. Has the bank addressed system interfaces and
data exchange issues including:

- Analyzing the bank's dependency on data
  provided by other organizations? ___ Yes ___ No
- Contacting all entities with whom it
  exchanges data? ___ Yes ___ No
- Identifying the need for data bridges and filters
  to convert nonconforming data? ___ Yes ___ No
- Developing contingency plans if no data
  currently is received from external sources
  but may be received before Year 2000? ___ Yes ___ No
- Developing a validation process to determine
  that incoming data meets Year 2000 requirements ? ___ Yes ___ No
- Developing contingency plans to handle invalid
  data? ___ Yes ___ No

18. Has the bank identified systems and processes outside the
information management area that may be vulnerable to
Year 2000 problems, including:

- Telecommunications systems, including
  telephone and data networks switching equipment? ___ Yes ___ No
- Building infrastructure systems? ___ Yes ___ No
- Security systems? ___ Yes ___ No

19. Has the bank established a time horizon to failure (THF)
(the time when an application fails to conform to business
requirements because of the Year 2000 problem) for each
mission-critical system after reviewing data with
core business areas, business partners, and/or key
vendors? ___ Yes ___ No ___ N/A

Renovation

1. Has the bank converted selected applications,
databases, archives, and related system components? ___ Yes ___ No

2. Has the bank developed data bridges and filters? ___ Yes ___ No ___ N/A

3. Has the bank replaced selected applications and related
system components? ___ Yes ___ No ___ N/A

4. Has the bank documented code and system
changes? ___ Yes ___ No ___ N/A

5. Has the bank scheduled unit, integration, and system tests
after conversion of individual application and software
modules? ___ Yes ___ No

6. Has the bank retired or replaced applications and related
system components after testing has been completed? ___ Yes ___ No ___ N/A

7. Has the bank tracked conversion and replacement processes
and measured the progress of its remediation efforts to manage
Year 2000 costs and schedules? ___ Yes ___ No ___ N/A

8. Has the bank communicated changes to information
systems to internal and external users? ___ Yes ___ No

9. Has the bank shared information, including "lessons learned"
and best practices information, with other entities
working on Year 2000 projects? ___ Yes ___ No ___ N/A

Validation

1. Has the bank developed and documented test and
    readiness plans and schedules for each converted
    or replaced application or system component?   ___ Yes ___ No

2. Has the bank developed a strategy for managing the
    testing of Year 2000 systems conversions performed by
    outside contractors?   ___ Yes ___ No

3. Has the bank implemented a Year 2000 test facility?   ___ Yes ___ No

4. Has the bank implemented automated software
    test tools and test scripts?   ___ Yes ___ No

5. Has the bank performed unit, integration, and system
    tests to ensure converted or replaced systems and
    components are functionally correct and
    Year 2000 ready?   ___ Yes ___ No

6. Has the testing included:

    • Regression testing?   ___ Yes ___ No
    • Performance testing?   ___ Yes ___ No
    • Stress testing?   ___ Yes ___ No
    • Forward and backward time testing?   ___ Yes ___ No
    • Interface testing?   ___ Yes ___ No

7. Has the bank developed test cases, collected test
    data and results, and used a test methodology to manage
    the testing and validation process?   ___ Yes ___ No

8. Has the bank initiated acceptance testing (involving
    the testing of the renovated Year 2000 system
    with operational data)?   ___ Yes ___ No

9. Does the acceptance testing include:

    • The development of Year 2000 readiness
      sign-off procedures?   ___ Yes ___ No
    • An internal user Year 2000 readiness sign-off
      checklist?   ___ Yes ___ No ___ N/A

- A Year 2000 readiness sign-off letter for customers? ___ Yes ___ No ___ N/A

- A Year 2000 readiness sign-off letter for business users? ___ Yes ___ No ___ N/A

Implementation

1. Has the bank developed an implementation schedule? ___ Yes ___ No

2. Has the bank completed acceptance testing? ___ Yes ___ No

3. Has the bank defined a "transition environment" (the time during which it may have to operate parallel systems and databases before complete Year 2000 readiness is achieved) and established associated procedures? ___ Yes ___ No ___ N/A

4. Has the bank resolved data exchange issues and interbank concerns? ___ Yes ___ No

5. Has the bank dealt with database and archive conversion? ___ Yes ___ No

6. Has the bank implemented, converted, and replaced systems? ___ Yes ___ No

7. Has the bank implemented a contingency plan? ___ Yes ___ No

8. Has the bank developed or updated disaster recovery plans? ___ Yes ___ No

9. Has the bank established a Year 2000 program help desk for all remediation activities for:

- The Year 2000 remediation team? ___ Yes ___ No ___ N/A
- Internal users? ___ Yes ___ No ___ N/A
- External business partners or customers? ___ Yes ___ No ___ N/A
- Vendors? ___ Yes ___ No ___ N/A

10. Has the bank performed a post-Year 2000 audit and
    confirmation process?   ___ Yes ___ No