

Uniform Rating System for Information Technology

FIL-76-98 July 8, 1998

TO: CHIEF EXECUTIVE OFFICER

SUBJECT: FFIEC Seeks Comment on Proposed Uniform Rating System for Information

Technology

The Federal Financial Institutions Examination Council's (FFIEC) Task Force on Supervision has proposed the attached revisions to the Uniform Interagency Rating System for Data Processing Operations, including changing the name to Uniform Rating System for Information Technology (URSIT). The FFIEC is seeking comments on the proposal, which are due by August 10, 1998.

The FFIEC has proposed changing the name of the rating system to reflect changes in the data processing services industry, and in supervisory policies and procedures since the rating system was first adopted in 1978. The proposal also revises the numerical ratings to:

- Conform to the language and tone of the rating definitions of the Uniform Financial Institution Rating System (UFIRS), commonly referred to as the CAMELS rating system (see FIL-105-96);
- Reformat and clarify the component rating descriptions;
- Emphasize the quality of risk management processes in each of the rating components;
- Add two new component categories, Development and Acquisition, and Support and Delivery, as replacements for Systems Development and Programming, and Operations; and
- Explicitly identify the risk types that are considered in assigning component ratings.

Comments on the proposed revisions should be mailed to Keith J. Todd, Acting Executive Secretary, FFIEC, 2100 Pennsylvania Avenue, NW, Suite 200, Washington, DC 20037, or faxed to (202) 634-6556.

For further information, please contact Stephen A. White, Review Examiner (Information Systems) in the Division of Supervision, at (202) 898-6923.

Nicholas J. Ketcha Jr. Director

Attachment: June 9 Federal Register, pages 31468-31475.

Distribution: FDIC-Supervised Banks (Commercial and Savings)

NOTE: Paper copies of FDIC financial institution letters may be obtained through the FDIC's Public Information Center, 801 17th Street, NW, Room 100, Washington, DC 20434 (800-276-6003 or (703) 562-2200).