



June 4, 2001

Federal Deposit Insurance Corporation

## Bank Technology Bulletin

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TO: Chief Executive Officers of All FDIC-Supervised Banks

SUBJECT: Technology Outsourcing Information Documents

On November 29, 2000, the FDIC, along with the Federal Reserve Board, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, and the National Credit Union Administration, issued guidance on risk management of technology outsourcing (Financial Institution Letter 81-2000, Risk Management of Technology Outsourcing). The guidance focused on four key areas: risk assessment, service provider selection, contract terms, and oversight of outsourcing arrangements. Because community banks may face particular challenges in engaging and supervising their technology providers, the FDIC has talked with bankers and other experts to identify areas where assistance might be useful. Three informational documents were produced as a result of those discussions:

- [Effective Practices for Selecting a Service Provider](#) ([PDF Version](#) 303 KB File - [PDF Help](#) or [Hard Copy](#))
- [Tools to Manage Technology Providers' Performance Risk: Service Level Agreements](#) ([PDF Version](#) (303 KB File - [PDF Help](#) or [Hard Copy](#))
- [Techniques for Managing Multiple Service Providers](#) ([PDF Version](#) 101 KB File - [PDF Help](#) or [Hard Copy](#))

The documents are being offered as a resource of practical information to community banks on how to select service providers, draft contract terms, and oversee multiple service providers when outsourcing for technology products and services. They have been prepared not as examination procedures or official guidance but as informational tools for community bankers. The documents help answer questions bankers might have about identifying and selecting the best service provider for a task, ensuring that the bank receives the desired level of service, and overseeing outsourced operations that are distributed among multiple service providers.

An additional Bank Technology Bulletin--*Protecting Internet Domain Names*--is posted on the FDIC's Web site at <http://www.fdic.gov/news/news/financial/2000/fil0077a.html>

Printed copies of the documents, which are in the form of brochures, can also be obtained after June 11, 2001, by contacting the FDIC's Public Information Center. Faxed requests are preferred.

Write to: FDIC Public Information Center 801 17th Street, NW, Room 100, Washington, DC 20434

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