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**DATE:** March 12, 2020

**TO:** Idaho State-Chartered Banks and Credit Unions

**FROM:** Salvador Cruz, Supervising Examiner (Banks)  
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**RE:** Regulatory Guidance Regarding Coronavirus/COVID-19 Concerns

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Due to the Coronavirus/COVID-19 pandemic, the Idaho Department of Finance (Department) is offering the following guidance for banks and credit unions to remind financial institutions that business continuity plans should address the threat of a pandemic outbreak and its potential impact on the delivery of critical financial services.

Further, this guidance is intended to offer depository institutions the ability to take precautions deemed necessary to avoid the risk of exposure or to comply with voluntary or mandated quarantines and is effective through June 30, 2020, unless otherwise modified or withdrawn.

As stated in Financial Institution Letter FIL-14-2020/Letters to Credit Unions 08-CU-01 referencing the FFIEC Interagency Statement on Pandemic Planning, the potential effects that a pandemic could have on an institution justify establishing plans for how each institution will manage in that operational environment. Recent events highlight the importance of institutions being ready to execute these plans should conditions necessitate. Institutions should review business continuity plans and execute prudent initial actions, such as:

- Promoting employee awareness by communicating the risks of pandemic outbreak and discussing the steps employees can take to reduce the likelihood of contracting an illness;
- Identifying and prioritizing essential functions, employees, and resources within the institution and across other business sectors for operational continuity purposes and;
- Testing roles and responsibilities of management, employees, key suppliers and customers; key pandemic planning assumptions; increased reliance on online banking, telephone banking, and call center services; and remote access and telecommuting capabilities.

The Department encourages financial institutions to meet the financial needs of customers and members affected by the Coronavirus. The Department recognizes the potential impact of the

Coronavirus on the customers, members, and operations of financial institutions and will provide regulatory assistance to affected institutions subject to our supervision.

The Department encourages financial institutions to work constructively with borrowers and other customers in affected communities. Prudent efforts that are consistent with safe and sound practices will not be subject to examiner criticism.

The Department understands that financial institutions may face staffing and other challenges. In cases in which operational challenges persist, the Department will expedite, as appropriate, any request to provide more convenient availability of services in affected communities. The Department will also work with affected financial institutions in scheduling examinations or inspections to minimize disruption and burden.

The Department is cognizant that certain statutory requirements related to annual meetings of the membership or shareholders may not be advisable during the current environment of social distancing. If held during the referenced guidance period, the Department suggests that annual meetings are either postponed or completed through a telephonic and/or digital format whenever possible. The Department will take a no-action stance on meetings delayed or held during the guidance period where a good faith effort was made but did not fully meet statutory requirements. Additionally, depository institutions should review their by-laws and articles of incorporation to evaluate if changes need to be made to allow for annual meetings through a non-in-person format or elongated period between meetings. If by-laws and articles need to be revised, the Department will work to provide an expedited response to any requested changes.

Should pandemic planning or circumstances necessitate temporary branch or office closures or restrict availability of services, please notify the Department and the Federal Deposit Insurance Corporation/National Credit Union Administration/American Share Insurance Corporation. We also recommend that customers be given as much notice as possible, including posting the notice on the impacted branches. For your consideration, included is the Interagency Statement on Pandemic Planning and other resources that may be useful.

### **Industry/Regulatory**

- [FFIEC Interagency Statement on Pandemic Planning](#) (March 2020)
- [FFIEC IT Examination Handbook - Business Continuity Management Booklet](#) (2019)
  - [FFIEC IT Examination Handbook – Business Continuity Planning Booklet, Appendix D: Pandemic Planning](#)
- [Major Disasters: Interagency Examiner Guidance for Institutions Affected by Major Disasters](#) (Dec. 2017)

- [Responding to a Declaration of a Legal Holiday or a Natural Disaster: Supervisory Guidance on Natural Disasters and Other Emergency Conditions](#) (Sept. 2012)

### **Situational and Case Updates**

- [Centers for Disease Control and Prevention 2019 Novel Coronavirus Situation Summary](#)
- [Coronavirus COVID-19 Global Cases by Johns Hopkins CSSE](#)

### **Guides and Recommendations**

- [Interim Guidance for Businesses and Employers to Plan and Respond to 2019 Novel Coronavirus \(2019-nCoV\)](#) (Feb. 2020)
- [Business Pandemic Influenza Planning Checklist](#)
- [CDC Travel Guidance](#)
- [CDC Communication Resources](#) (free videos, fact sheets and posters)
- [Coronavirus disease \(COVID-19\) advice for the public: Myth busters](#)
- [Credit Union Annual Meetings](#)

### **Cybersecurity and Fraud**

- [CISA Insights: Risk Management for Novel Coronavirus](#) (COVID-19) (March 6)
- [Defending Against COVID-19 Cyber Scams](#) (March 6)

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