memorandum

Date: June 10

To: CEO, ABC Inc.

From: Chief Operations Officer

Subject: Business Continuity Plan

# Executive Summary

This contingency plan is primarily designed to protect against the sudden loss of telephone service, computer processing capability, or access to vital facilities. A disaster might be caused by an incident such as accidental fire, arson, contamination by hazardous material, aircraft accident, tornado, windstorm, or earthquake. Experience indicates the probability of such a disaster occurring at given installation is remote. However, owing to present and planned dependency on technology and vital facilities, “what if” business continuity strategies have been developed to protect our people and the critical business functions that will allow us to continue to operate and service our customers until normal processing capability is restored.

It is expected that computer operations will be restored within one or two weeks. In a worst case scenario these business continuity strategies could be in effect longer. Although temporary discontinuance of some systems may result in a loss of efficiency, the objective is to prevent a significant deterioration in cash and/or the ability to service customers during a stabilization period.

# Policy

The contingency plan policy of ABC Inc. is to (1) ensure an organized and effective response to an isolated disaster that would render telephone communications, remote data communication, and/or computer equipment inaccessible or inoperative, or normal work locations inaccessible, and (2) ensure business continuity for business functions dependent on computer technology until normal processing capability is restored….

# Scope

It is the goal of ABC Inc. to be fully productive during normal business hours. Any incident that prevents us from doing so will be addressed and corrected in accordance with this Business Continuity Plan. Since each disaster is unique, this plan will not attempt to address specific disaster scenarios and the detailed steps involved in recovering from them. Rather, the purpose of this document is to provide corrective measures applicable to any situation by preparing for the worst-case scenario. As such, this document contains information concerning our assets and inventory, the names and numbers of business contacts, vendors, customers, insurance companies, and civil authorities whom we may need to contact for assistance.

# Purpose

With this plan, ABC Inc. seeks to fulfill the following objectives:

* Provide a level of security and safety for employees in the event of a disaster.
* Minimize the operational risk and maximize the speed in setting up an alternate location.
* Minimize the spontaneous decisions that need to be made during a disaster.
* Ensure continuation of service to customers.
* Receive positive media coverage as a result of advanced planning.
* Enable timely communication to customers and vendors.
* Insurance claims can be made and received timely.
* Develop a goals approach for periodically testing the BCP plan.
* Create methodologies for effectively communicating the plan to employees.
* Creating a process to periodically revise and update the plan.
* Create a plan that will ensure ABC Inc.’ survival by:  
  - Ensuring Insurance coverage is adequate.  
  - Ensuring everyone knows where to go and what to do in the event of an emergency.  
  - Protecting shareholders/owners’ interests.

# Strategy

The strategy of the ABC, Inc. contingency plan is as follows:

* Ensure that all relevant computer software and databases are duplicated and stored in a secure off-site location for use in recovery.
* Provide alternate processing strategies to support essential business functions and maintain cash flow during a disaster recovery period.
* Publish and maintain this policy memorandum as a plan that can be used as a reference should a disaster actually occur.
* Identify responsibility to restore voice communications in the event of a loss of telephone service.
* Provide for plan maintenance and systems changes.

# Risk Management Program

Risk management programs outline tasks and responsibilities necessary to support ant maintain an effective ongoing disaster recovery and business continuation plan, before a localized disaster occurs.

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| **Responsibility** | **Action** |
| Technologies Manager | Ensure that all relevant files and databases are consistently backed up in accordance with the processing frequency indicated on application data sheets. |
| Senior Operator | Rotate magnetic tapes representing databases and data sets based on existing daily, weekly, and monthly schedules to the off-site location. |
| Operations Manager | Store source programs, compiled programs, operating systems, data communication, and related system software at the off-site location…  *[The Risk Management Program section should include subsections with text or tables that show the results of four worksheets: (a) risk assessment, (b) risk mitigation strategies, (c) business impact assessment, and (d) early warning systems.]* |

# Crisis Response Program

An emergency response plan identifies required tasks and responsibilities that must be addressed at the time a specific disaster occurs or are needed to establish temporary operations and data processing capability at another location. It contains actions assigned to specific individuals as well as to an emergency response team who may work individually or collectively at the discretion of the information systems manager.

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| **Responsibility** | **Action** |
| Manager on Duty | Recognize and declare the emergency and notify proper authorities, such as the police, fire, and utility departments, based on the nature of the disaster, and the Emergency Response Team. |
| Emergency Response Team | Determine whether the business continuation plan is activated and under which scenario. Notify the emergency response team leader …  *[The Crisis Response Program section should include subsections with text or tables that show the results of two worksheets: (e) initial responses, (f) notifications list, (and (g) business continuity strategies (critical functions for recovery).]* |
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| **Appendix A** | Building Evacuation Plan |
| **Appendix B** | Other appendices … |