

Press Releases

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OTS 04-45 - Federal Financial Institution Regulatory Agencies Issue Guidance on Free and Open Source Software

Office of Thrift Supervision

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For further information

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Federal Financial Institution Regulatory Agencies Issue Guidance on Free and Open Source Software

The Federal Financial Institutions Examination Council (FFIEC) today published guidance for examiners, financial institutions and technology service providers on the acquisition and use of free and open source software (FOSS). FOSS refers to software that users are allowed to run, study, modify and redistribute without paying a licensing fee. Some of the most well-known examples of FOSS are the Linux operating system, Apache web server, and MySQL database. The use of FOSS is increasing within the mainstream information technology and financial services industries.

The agencies are of the opinion that the use of FOSS does not pose risks that are fundamentally different from risks presented by proprietary or self-developed software. However, the acquisition and use of FOSS necessitates implementation of unique risk management practices.

This guidance supplements the FFIEC IT Examination Handbook, "Development and Acquisition Booklet" by addressing strategic, operational, and legal risk considerations in acquiring and using FOSS.

Risk Management of Free and Open Source Software -
<http://www.fdic.gov/news/news/financial/2004/FIL11404a.html>

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The Office of Thrift Supervision, an office of the Department of the Treasury, regulates and supervises the nation's thrift industry. OTS's mission is to ensure the safety and soundness of, and compliance with consumer protection laws by, thrift institutions, and to support their role as home mortgage lenders and providers of other community credit and financial services. OTS also oversees the activities and operations of thrift holding companies that own or control thrift institutions. Copies of OTS news releases and other documents are available at the OTS web page at www.ots.treas.gov.