

January 26, 1999

M-99-09

MEMORANDUM FOR THE HEADS OF SELECTED AGENCIES

FROM: Jacob J. Lew

SUBJECT: Revised Reporting Guidance on Year 2000 Efforts

This memorandum revises and replaces OMB Memorandum No. 98-12, "Revised Reporting Guidance on Year 2000 Efforts" (July 22, 1998). This memorandum asks major agencies (Attachment B) to continue to provide quarterly reports on progress in addressing the difficulties relating to year 2000 conversion. The next report is due February 12, 1999. In addition, this memorandum asks selected small and independent agencies (Attachment C) to report on their progress by February 12, 1999.<sup>1</sup> All reports should be submitted by you or your Chief Operating Officer.

This memorandum asks Federal agencies to provide additional information about their progress in Business Continuity and Contingency Planning. Agencies should use the GAO Publication, Year 2000 Computing Crisis: Business Continuity and Contingency Planning (August 1998), as a guide. It also asks Federal agencies to describe their efforts to ensure that Federally-supported, State-run programs will function and requests information about the status of ten selected programs that could have a direct and immediate effect on individuals' health, safety, or well-being (Attachment D).

This memorandum does not preclude OMB from requesting, and agencies from providing, additional information related to year 2000 progress. Such information exchanges are likely to occur as part of the budget or management process.

Currently, the largest agencies report their progress to OMB on a quarterly basis. As the deadline for government wide compliance for Federal systems nears, I would like other selected agencies (See Attachment C) to make a progress report to OMB. For most of these agencies, this report should be a follow-up to OMB M-98-07, "Progress Reports on Fixing Year 2000 Difficulties for Small Agencies," issued on March 9, 1998. In that report, we stated that we would be asking for a later progress report from these smaller entities. Agencies listed in Attachment C should address all of the areas listed in this memorandum to the best of their abilities.

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<sup>1</sup> This represents a change from earlier guidance, which asked small and independent agencies to report again on May 14, 1999.



Status of (Department/Agency's) Year 2000 Efforts:  
Quarterly Progress Report

- I. Overall Progress. Provide a report of the status of agency efforts to address the year 2000 problem, which includes an agency-wide status of the total number of mission-critical systems.

For this table, the four right-hand columns (“Number compliant,” “Number to be Replaced,” “Number to be Repaired,” and “Number to be Retired”) must add up to the left hand column (“Total Number of Mission-Critical Systems”). Over time, as systems are implemented, the “Number to be Repaired” and “Number to be Replaced” will decline, while the “Number Compliant” will increase. Ultimately, the “Total Number of Mission-Critical Systems” will be equal to “Number Compliant.” Similarly, the “Number to be Retired” will also decline as systems are actually retired. As this occurs, the Total Number of Mission-Critical systems will also decline, in order accurately reflect the total number of mission-critical systems left. Although the “Total Number of Mission-Critical Systems” should be fairly stable at this time, you should adjust this number, as well as the number in the relevant column on the right, as necessary, in order to reflect the identity of new systems or determinations that systems are not mission-critical. Any significant changes to the Total Number of Systems should be explained in a footnote.

| Total Number of Mission-Critical Systems | Number Compliant | Number to be Replaced | Number to be Repaired | Number to be Retired |
|--|------------------|-----------------------|-----------------------|----------------------|
|  |                  |                       |                       |                      |

- II. Progress of Systems Under Repair. Provide a report of the status of agency efforts to address the year 2000 problem which includes the status of systems under repair.

- a. In the first row, indicate the dates your agency has set for completing each phase. In each report, restate these dates and indicate if there has been a change.

In the second row, under “Total Number of Systems,” indicate the baseline number of mission critical systems that *have been* or *will be* repaired. Footnote and explain any changes to this number. Also in the second row, present the number of mission-critical systems that have completed each phase of assessment, renovation, validation, and implementation.

|  | Total No. Mission | Assessment | Renovation | Validation | Implementation |
|--|-------------------|------------|------------|------------|----------------|
|  |                   |            |            |            |                |

|                         |                      |  |  |  |  |
|-------------------------|----------------------|--|--|--|--|
|                         | Critical Systems     |  |  |  |  |
| Milestones              | //////////////////// |  |  |  |  |
| Current Number Complete |                      |  |  |  |  |

- b. Provide a description of progress for fixing or replacing mission-critical systems. Please ensure that your report on the completion of phases is consistent with the CIO Council’s best practices guide and GAO’s assessment guide, Year 2000 Computing Crisis: An Assessment Guide.
- c. Provide a description of progress in fixing non-mission critical systems, including measures that demonstrate that progress.
- d. Provide a description of the status of efforts to inventory all data exchanges with outside entities and the method for assuring that those organizations will be or have been contacted, particularly State governments. Provide a description of progress on making data exchanges compliant.
- e. Provide a description of efforts to address the year 2000 problem in other areas, including biomedical and laboratory equipment and any other products or devices using embedded chips.
- f. Provide a description of efforts to address the year 2000 problem for buildings that your agency owns or manages. If your buildings are owned or managed by GSA, you should only report on those systems for which you have direct responsibility. You do not need to report on systems which are the responsibility of GSA. “ Please indicate if you are a member of the Building Systems Working Group of the Year 2000 Subcommittee of the CIO Council.
- g. Provide a description of efforts to address the year 2000 problem in the telecommunications systems that your agency owns or manages. If your systems are owned or managed by GSA, you do not have to report on those systems. Please indicate whether or not you are a member of the Telecommunications Working Group of the Year 2000 Subcommittee of the CIO Council.
- h. Provide a description of the status of the year 2000 readiness of each government-wide system operated by your agency (e.g., GSA will report on FTS 2000).
- i. Please include any additional information that demonstrates your agency’s progress. This could include charts or graphs indicating actual progress against your agency’s schedule, lists of mission critical systems with schedules, success stories, or other information.

- j. Describe efforts to ensure that Federally-supported, State-run programs (including those programs run by Territories and the District of Columbia) will be able to provide services and benefits. In particular, Federal agencies should be sensitive to programs that will have a direct and immediate affect on individuals' health, safety, or well-being. Include a description of efforts to assess the impact of the year 2000 problem and to assure that the program will operate. In addition, provide the following information for those programs listed in Attachment D (if the information is not available, provide dates when it will be available).
  - 1. The date when each State's systems supporting the program will be Y2K compliant.
  - 2. A list of States, if any, for which the Y2K problem is likely to cause significant difficulties in the State's operation of the program. Also provide a list of States which are not likely to encounter significant difficulties.
  - 3. For those States likely to have significant difficulties, a brief description of any action that the Department is taking to assure that the program will operate.

III. Verification Efforts.

- a. Describe the process by which mission critical systems are identified as Y2K compliant for purposes of this report.
- b. Describe how and to what extent internal performance reports, (i.e., compliance of systems repaired and replaced) are independently verified. Provide a brief description of activities to assure independent verification that systems are fixed and to assure that information reported is accurate. Also identify who is providing verification services (for example, Inspectors General or contractors).

IV. Organizational Responsibilities.

- a. Describe how your Department/Agency is organized to track progress in addressing the year 2000 problem. (If you have provided this information in the past, only provide it again where it has changed.) Include in your description the following:
  - 1. Describe the responsible organization(s) for addressing the year 2000 problem within your Department/Agency and provide an organizational chart.











