Secretary of State

State of Oregon

DEPARTMENT OF ADMINISTRATIVE SERVICES

Year 2000 Statewide Project Office Review

Audits Division

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Audits Division

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Attached is our report "Department of Administrative Services Year 2000 Statewide Project Office Review." The report includes our evaluation of the state's efforts in addressing the year 2000 issue. During our audit we reviewed the centralized monitoring of agencies, including year 2000 project planning and progress reporting. We also reviewed the status of related recommendations contained in our previous fiscal year 1997 statewide audit.

This report includes recommendations to improve centralized monitoring of the year 2000 issue. The Department of Administrative Services Year 2000 Statewide Project Office generally agrees with the recommendations.

OREGON AUDITS DIVISION

John N. Lattimer
Director

Fieldwork Completion Date:
October 13, 1998

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EXECUTIVE SUMMARY

PURPOSE

This audit reviews the status of Year 2000-related audit recommendations contained in our fiscal year 1997 statewide internal control report. The review was performed during the period of May through October 13, 1998.

BACKGROUND

The year 2000 problem has the potential to disrupt business operations throughout government and private industry. Oregon has a decentralized effort to correct this problem. The Department of Administrative Services (DAS) is responsible for coordinating the state's efforts.

RESULTS IN BRIEF

DAS can improve its centralized statewide coordination of the Year 2000 project. We noted the following conditions:

- The state had not yet determined which systems support the state's mission critical functions.
- The documented Year 2000 correction plans at some agencies are less complete than appears prudent.
- We could not always verify that the progress reported by the agencies to the Year 2000 Statewide Project Office agreed to supporting documentation.
- Agencies had very little business continuation planning documented. DAS issued guidance and established a planning timetable in August 1998.

RECENT IMPROVEMENTS

As part of its completion assurance process, the Year 2000 Statewide Project Office hired contractors to provide periodic risk analysis on selected agencies.

RECOMMENDATIONS

The Year 2000 Statewide Project Office needs to develop procedures for monitoring and evaluating the progress of the projects for statewide mission-critical systems. It needs to increase its reviews of agency documentation, project scope, and progress. In addition, it needs to develop procedures for evaluating agency business continuation plans.

This information is provided as a Year 2000 Readiness Disclosure pursuant to the Year 2000 Information & Readiness Disclosure Act, PUB.L. NO 105-271 (1998).

INTRODUCTION

The Year 2000 (Y2K) problem arises from many information systems being programmed to use two-digit year codes for processing data. With a two-digit representation, the year 2000 is indistinguishable from 1900, 2001 from 1901, and so on. Consequently, information systems and computer chips in other equipment can fail when the dates they process are ambiguous. A number of state of Oregon information systems are vulnerable to this problem, as are many computer systems throughout other governments and private enterprises. If the state does not correct its Y2K problems for systems supporting statewide mission-critical operations, failures or malfunctions could occur.

OREGON'S YEAR 2000 EFFORTS

Oregon decentralized the responsibility for addressing the state's Year 2000 issues. Each state agency is responsible for identifying its own risks associated with Year 2000, correcting the problem in its systems, and developing and testing business continuation plans as needed. State policy encourages all state agencies to have Y2K plans implemented by June 1999.

The Department of Administrative Services (DAS) created theYear 2000 Statewide Project Office in 1996 to serve as the state's Y2K coordinator. The office has identified its current responsibilities for Y2K as:

- setting and maintaining the state's policy and compliance standards,
- identifying best practices,
- developing and managing the Statewide Assessment,
- providing assistance in contracting,
- providing guidelines for Phase Development, Testing, and Business Continuation Planning,
- conducting awareness briefings,
- facilitating the monthly statewide interest group,
- tracking the progress of agencies,
- providing the Oregon Legislature with updates,
- maintaining the state's web site,
- coordinating statewide funding issues, and
- consulting on issues with federal, state, and local agencies.

The office also provides periodic reports to the Governor's Office.

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The Year 2000 Statewide Project Office has employed between two and six staff to carry out its duties. On June 26, 1998, the office contracted with two independent firms to act as Completion Assurance Process contractors.

AUDIT SCOPE AND OBJECTIVES

In May 1998, we structured our work to determine the impact of Year 2000-related issues on the state's 1998 Comprehensive Annual Financial Report (CAFR). That planned level of work included reviewing the status of the recommendations included in our prior audit.

In October 1998 the Governmental Accounting Standards Board issued Technical Bulletin No. 98-1. This bulletin is effective for the state's fiscal year 1998 CAFR. This bulletin set new disclosure requirements that did not correspond with our planned work; therefore, we reduced the scope of this report to exclude the disclosure requirements.

The remaining portion of our work was reviewing the status of our recommendations included in the 1997 statewide federal compliance and internal control report. These recommendations addressed the functions of the Year 2000 Statewide Project Office.

To meet this objective, we designed our work to determine the level of monitoring performed by the project office, including whether this monitoring would identify those core business functions at risk of not being corrected timely and adequately tested. In addition, we determined if this identification would occur in time for the state to initiate corrective action. To gather evidence for this objective, we set the following detail objectives:

1. To determine if selected agencies have written plans in place to complete the correction and testing of the systems supporting their core business functions before June 30, 1999.

2. To determine if selected agencies are making satisfactory progress towards the completion of the plans for their core business functions.

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3. To determine if the progress reports supplied to the Statewide Y2K Project Office by selected agencies are reasonably accurate.

4. To determine whether selected agencies have developed business continuation plans addressing potential Y2K problems for their core business functions.

5. For selected applications or systems, to determine if the system's correction plan is scheduled for completion by June 30, 1999. This was chosen as a critical date for the following reasons:

   (a) The state's fiscal year 2000 begins the next day: July 1, 1999.
   (b) Completion by June 30, 1999 allows six months of operation to detect and correct any unpredicted complications before the start of calendar year 2000.
   (c) The DAS policy 03-20, on year 2000 compliance and reporting standards, indicates that agencies should make efforts to be compliant by June 1999.

We performed our review from May to October 1998. Appendix A lists the 13 agencies we reviewed, along with the specific audit objectives we reviewed for each agency. It also lists the 14 systems or applications at these agencies that we reviewed in more detail.

We selected 12 agencies because of their impact on the state's financial statements. The thirteenth agency was important because of its impact on public safety. Our selection was not based on an assessment of their Y2K risk.

We reviewed current literature on the Year 2000 issue, including guidance issued by the United States General Accounting Office, the American Institute of Certified Public Accountants, and the United States Securities and Exchange Commission. We used these, along with the state of Oregon's policies, to develop our criteria.

To satisfy our audit objectives, we reviewed documentation on file with the Year 2000 Statewide Project Office and at the agencies. We also interviewed personnel at the agencies and the Year 2000 Statewide Project Office.

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We conducted this audit according to generally accepted government auditing standards. We limited our review to the areas specified above.

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AUDIT RESULTS

Our review during the period of May through October 13, 1998, indicated that the Year 2000 Statewide Project Office could improve its monitoring of agency projects. During this period, its monitoring did not appear adequate to identify those core business functions at risk, in time to provide policymakers an opportunity to initiate corrective action. Functions that would be deemed at risk are those in danger of not being corrected and fully tested by the agencies before the deadline.

The Year 2000 Statewide Project Office responsibility to track the progress of agencies and report to the Governor and Legislature give it the obligation to monitor the state's Y2K project. However, each state agency is responsible for identifying its Y2K risks, correcting its Y2K problems, and developing its Y2K business continuation plans. Thus, a central monitoring process is important to ensure consistency of reporting to policy makers, to ensure that state critical systems are being worked on, and to coordinate efforts between agencies.

By the end of fiscal year 1998, DAS had not determined which systems support statewide mission-critical functions. Additionally, the Year 2000 Statewide Project Office had not yet redesigned its agency reporting to track project plan progress and completion dates for individual systems. Therefore, it had not identified those critical systems that were not scheduled for completion, or were in danger of not being completed by June 30, 1999.

Through fiscal year 1998 DAS did not verify the agencies' reported progress. In addition, DAS did not issue guidance on business continuation planning until August 1998, nor did it require that agencies submit these plans to the project office for review until June 1999.

STATEWIDE MISSION CRITICAL SYSTEMS

As of the end of November 1998, the Year 2000 Statewide Project Office had not provided to us a final list of applications and systems that are mission-critical from a statewide perspective. In general, individual agencies identified which systems were critical to their missions, but there was no statewide ranking of these systems.

As of this time, DAS was identifying which agency mission-critical systems are also mission-critical systems from a statewide perspective. The Statewide Year 2000 Project Office was involved in this effort. The state, however, has not yet developed a procedure for shifting resources from non-critical to critical systems if this should prove necessary.

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We recommend that the DAS Year 2000 Statewide Project Office, in order to improve its monitoring of agency Y2K projects:

- establish a method to shift resources from non-critical efforts to the statewide mission-critical systems, so that the method is in place and understood should resource reallocation prove necessary.

AGENCY'S RESPONSE:

We disagree with the auditor's finding that the Office had not identified statewide mission critical systems. The list was not provided for external review until November 1998. However, prior to June 30, 1998, the Office had created a draft list of systems that support statewide mission critical systems. The list was further refined and on October 29, 1998 provided to the agencies. Although the list is considered complete, it will be revised in the future if new information indicates the need for revision.

We disagree with the auditor's recommendation to establish a method for shifting resources from non-critical efforts to the statewide mission-critical systems. There is no authority allowing us to reallocate resources among agencies. Governor's Executive Order 97-13 makes agencies responsible for the remediation of their systems. It follows that resource reallocation should occur at the agency level, unless an emergency is declared. In that case, we believe the Governor would redirect resources. However, current and anticipated conditions do not justify the establishment of a method for shifting resources.

PROGRESS REPORTING FORMAT

The progress reporting form developed by the Year 2000 Statewide Project Office, and used by the agencies during our review, did not include individual system completion dates. Instead, it required agencies to report general progress for each category of system within project phase. The final section of the report showed general progress on agency-selected systems. (See Appendix B for an example of this external report.)

Once the listing of statewide mission-critical systems is finalized, the Year 2000 Statewide Project Office plans to modify the reporting format to concentrate on statewide mission-critical systems. Effective for the October 1998 monthly report, agencies are using the transitional reporting format shown in Appendix C. This format requires agencies to report percentages of completion and milestone dates for the

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project in general and the agency defined mission-critical systems.

We recommend that the DAS Year 2000 Statewide Project Office, in order to improve its monitoring of agency Y2K projects:

- modify the form used by the agencies for reporting to focus on statewide mission critical systems and to improve consistency and comparability of reporting.

AGENCY'S RESPONSE:

We agree with the auditor's recommendation. The Office issued a new reporting format on October 14, 1998. The new reporting format is identical to the format presented in Appendix C in your report. It provides the Office the information necessary to monitor the project at a high level. This format is working well and will continue to be used.

AGENCY PLANS, COMPLETION DATES, AND PROJECT SCOPE

Written plans are necessary to document project management. They also serve to document "due diligence" (that the state agency's personnel acted with the prudence exercised by a reasonable person under similar circumstances). The Year 2000 Statewide Project Office requires state agencies to submit written plans to the Year 2000 Statewide Project Office.

Several agency plans contained indications of higher project risk; however, we did not find evidence that the plan reviews performed by the Year 2000 Statewide Project Office resulted in identifying and taking action on these areas of heightened risk.

Some agency plans appear incomplete; others show scheduled completion of their projects after the June 30, 1999 target. Agencies planning completion dates after June 30, 1999, have little room for failure to meet planned milestones. They also face a higher risk of unanticipated problems occurring without sufficient time to take corrective action.

We reviewed the Y2K planning documentation for nine agencies. At two agencies, the planned activities did not appear adequate to identify the full scope of their potential Y2K

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problems. Three agencies had not documented the completeness of their efforts to correct the potential Y2K problems they had identified. Three of the nine agencies were not planning to have the identified work on agency mission-critical systems completed by June 30, 1999. The latest date specified for completion was December 1, 1999. Another two agencies did not specify a planned completion date.

The amount of planned or documented testing for several major applications/systems at these nine agencies was less than Y2K literature recommends. Reduced test coverage increases the risk of unanticipated failures.

We recommend that the DAS Year 2000 Statewide Project Office, in order to improve its monitoring of agency Y2K projects:

- work with the Department of Justice to provide guidance to the agencies on documentation and project coverage;
- ensure that the agencies' current Y2K project plans are filed with the project office, and review these plans to verify that they provide a reasonable level of documentation and project coverage;
- review agency Y2K plans and reported progress to identify agencies with inadequate testing plans or insufficient actual testing; and
- closely monitor the progress of those agencies that are not planning to complete the agency's mission-critical systems before June 30, 1999.

AGENCY'S RESPONSE:

While we agree with the auditor's recommendation to review agency Y2K plans and reporting progress, the Office had such reviews underway before the end of the audit period. It began using the Completion Assurance Process contractors in August 1998 to review agency Y2K plans and reported progress.

We agree with the auditor's recommendation to review agencies' current Y2K project plans to verify that they provide a reasonable level of documentation and project coverage. The recommendation was implemented during the audit period. In August 1998, the Completion Assurance Process contractors began an in-depth review of agencies' Y2K project plans, including documentation and project coverage.

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We agree with the auditor's recommendation that we continue our work with the Department of Justice to provide guidance to the agencies on documentation and project coverage. We have consistently recognized the Attorney General's role in the Year 2000 and will continue to do so. An example of our continuing commitment in this area is the Department of Justice's presentation at the January 13, 1999 Statewide Interest Group relating to disclosure, contracting and regulatory issues.

We agree with the auditor's recommendation to monitor the progress of agencies not planning to complete their mission-critical systems before June 30, 1999. On November 28, 1998, the Office implemented real time reporting on the status of major state systems and activities. Monitoring progress on statewide mission critical systems, including those planned for completion before and after June 30, 1999, is included within the scope of real time reporting. Since the Office made the results of real time reporting available on its web site, many agencies have improved in areas of documentation, project controls, and achieving milestones. The number of systems with red condition codes has dropped from 12 to 5.

ACCURACY OF AGENCY PROGRESS REPORTING

Agency internal documentation indicates that, in general, the agencies we reviewed are working towards the completion of their Y2K plans for core business functions. Most of the applications or systems we reviewed were scheduled to have the planned work completed by June 30, 1999.

For several agencies, however, we could not find general agreement between agency documentation and the progress reports supplied to the Year 2000 Statewide Project Office. It is critical for agencies to provide the Year 2000 Statewide Project Office with accurate progress reports. Statewide decision-makers at DAS, the Governor's Office, and the Legislature use the compilation of these reports prepared by the Year 2000 Statewide Project Office for monitoring the state's progress. This information is also available to the state's taxpayers on the web site of the Year 2000 Statewide Project Office.

The statewide data collection and reporting process is more challenging because of the decentralized nature of the state's Y2K project. Each individual agency's project is structured differently and the method each agency uses to monitor progress also varies; therefore, a direct correlation often does not exist between agencies' internal progress reporting and the information they submit to the Year 2000 Statewide Project Office.

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For twelve agencies, we compared internal progress reports to the reports submitted to the Year 2000 Statewide Project Office, looking for reasonable agreement of the data. We did not review program coding or otherwise verify the accuracy of the agencies' internal progress reports.

The documentation at three agencies was not adequate to support the progress reported to the Year 2000 Statewide Project Office. This does not mean that the reports to the project office were incorrect, only that the documentation provided for our review did not clearly relate to the reports filed with the Year 2000 Statewide Project Office.

Agency documentation indicated that six agencies have already fallen behind their project schedules as of September 1998. If current trends continue, one of these agencies may have difficulty achieving completion of its current remediation plans by the planned date.

Of the fourteen major systems we reviewed, four were scheduled for completion based upon their current plans, or were likely to be completed, after June 30, 1999. One of these four systems, however, had primarily non-critical reporting applications scheduled for late completion. The agency indicated that this system's mission-critical functions could be performed without these applications.

We recommend that the DAS Year 2000 Statewide Project Office, in order to improve its monitoring of agency Y2K projects:

- use the completion assurance contractors to verify that agencies' reported progress is accurate.

AGENCY'S RESPONSE:

We agree with the auditor's recommendation to use the Completion Assurance Process to verify that the agencies' reported progress is accurate. This was implemented before the end of the audit. The Office began using the Completion Assurance Process contractors to verify agency progress in August 1998.

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BUSINESS CONTINUATION PLANNING

Eleven of the twelve agencies we reviewed had not yet developed business continuation plans addressing potential Y2K problems for their core business functions.

The Department of Administrative Services (DAS) recently defined the varying levels of disaster recovery, contingency, and business continuation planning in policy 03-23. This policy, issued in August 1998, specified due dates of November 1998 through September 1999 for various phases of business continuation planning and testing. DAS policy requires each state agency that uses technology in fulfilling its mission to develop business continuation plans if disruption of service delivery is likely because of internal or external Y2K failures.

Because DAS did not issue its policy until August 1998, most agencies were not creating formal business continuation plans before that date. Although the policy does not require it, some level of Y2K business continuation planning is also prudent for highly critical systems or functions even when the perceived potential for failure is low.

Eleven of the 12 agencies had not started developing business continuation plans, at least in part because DAS had not required it. We reviewed the twelfth agency after the issuance of the DAS policy; this agency had started preparing its business continuation plan.

We recommend that the DAS Year 2000 Statewide Project Office, in order to improve its monitoring of agency Y2K projects:

- review agencies' business continuation plans for adequacy given the risks to the state. For example, if the agency's Y2K remediation plan shows minimal testing of a mission-critical system, the agency should have more extensive business continuation plans for that system; and

- verify that the agencies have tested the business continuation plans for the statewide mission-critical systems.

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AGENCY'S RESPONSE:

We disagree with the auditor's finding that the cause of most agency delays in creating formal business continuation plans was that DAS did not issue its policy until August 1998. Each agency is responsible for remediation of their Year 2000 problems. Remediation activities include formal business continuation planning. Oregon is recognized as one of the few states that do have a business continuation policy. In our opinion, the policy's June 30, 1999 date for submission of business continuation plans to the Office is adequate. An earlier submission date would not be practical.

We agree with the recommendation that the Office review agencies' business continuation plans for adequacy. DAS Risk Management Division and the Office started reviewing external and internal threat assessments and business continuation plan summaries in December. Formal feedback on the plans was given in January 1999. We will review the full plans and provide feedback after they are submitted by agencies.

We agree with the spirit of the auditor's recommendation to verify that agencies have tested the business continuation plans for the statewide mission-critical systems. However, the Office does not plan to perform any actual verification. We will require agencies to report the results of their tests to the Office. We do not have the resources to verify business continuation plans have been tested for all mission critical systems. Agencies remain responsible for testing their plans in accordance with Executive Order 97-13. This requirement has been made clear to agencies through Statewide Year 2000 Policy 03-23 and through communication efforts by the Office, such as at Statewide Interest Group meetings.

Through the efforts of Oregon agencies and the Office, state critical systems are scheduled to be Year 2000 ready by the century date change. We thank you for your time over the past few months to clarify the state's progress in the past year.

AREAS OF IMPROVEMENT NOTED

The Year 2000 Statewide Project Office contracted with two independent firms to provide completion assurance services. In August 1998, these contractors started a process risk analysis of agencies selected by DAS. The contractors will repeat the analyses four times for each agency, with each analysis spaced eight to twelve weeks apart. The contractors will apprise the Year 2000 Statewide Project Office of the risks associated with the selected agencies. DAS may choose to substitute another agency for any selected agency between review cycles.

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COMMENDATION

The courtesies and cooperation extended by the officials and staff of the Year 2000 Statewide Project Office, Department of Administrative Services, Department of Human Resources, Department of Revenue, Department of Transportation, Department of Veterans' Affairs, Employment Department, Oregon Department of Education, Oregon Housing and Community Services, Oregon Public Employees Retirement System, Oregon State Lottery, Oregon State Police, and Oregon State Treasury were commendable and much appreciated.

AUDIT TEAM

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AGENCIES INCLUDED IN OUR REVIEW

Agency	Y2K Plan	Contingency Planning	Progress and Reporting	Individual Systems Reviewed
Department of Administrative Services	X	X	X	SFMS, PPDB, OSPS, Telecom
Department of Education		X	X	State School Support
Department of Human Resources	X	X	X	MMIS, CMS, FS
Department of Revenue		X	X	ITA
Department of Transportation	X	X	X	TEAMS, embedded systems
Department of Veterans' Affairs	X	X	X	
Employment Department		X	X	
Oregon Housing and Community Services	X	X	X	
Oregon Public Employees Retirement System	X	X	X	
Oregon State Lottery	X	X	X	
Oregon State Police		X	X	LEDS
Oregon State Treasury	X	X	X	CAMRA, Banking
Oregon University System	X			

"X" indicates that we reviewed the agency's documentation related to this objective. For those not marked "X", we did not request documentation.

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State Oregon
Agency Year 2000 Reporting Form

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Agency: Secretary of State **Contact:** Ann Teeny **Phone:** 986-2245

Project Phase	Not Applicable	Not Started		1/2 Done		Completed	Estimated Phase Start Date	Estimated Phase End Date	Actual Phase Start Date	Actual Phase End Date
Year 2000 Plan developed	n/a	1	2	3	4	5	10-1-1996	12-31-1997	10/1/1996	12/31/1997
Cost Estimates	n/a	1	2	3	4	5	10-1-1996	12-31-1997	10/1/1996	12/31/1997
Total Estimated Cost	$ 24,579									
1997-1999 Budget	$									
Expended to Date	$									
Evaluation/Analysis Phase							10/1/96	3/31/98	10/1/96	
Mainframe										
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Mid-range										
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Desktop										
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Interfaces										
Incoming - application	n/a	1	2	3	4	5				
Incoming - data	n/a	1	2	3	4	5				
Outgoing - application	n/a	1	2	3	4	5				
Outgoing - data	n/a	1	2	3	4	5				

State of Oregon
Agency Year 2000 Reporting Form

Project Phase	Not Applicable	Not Started		1/2 Done		Completed	Estimated Phase Start Date	Estimated Phase End Date	Actual Phase Start Date	Actual Phase End Date
Telecommunications Systems	n/a	1	2	3	4	5				
Correction Phase							10/1/97	12/31/98	10/1/97	
Mainframe										
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Mid-range										
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Desktop										
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Interfaces										
Incoming - application	n/a	1	2	3	4	5				
Incoming - data	n/a	1	2	3	4	5				
Outgoing - application	n/a	1	2	3	4	5				
Outgoing - data	n/a	1	2	3	4	5				
Telecommunications Systems	n/a	1	2	3	4	5				
Testing Phase							7/1/98	12/31/98	6/1/98	
Mainframe										
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Mid-range										

Stat)regon
Agency Year 2000 Reporting Form

Project Phase	Not Applicable	Not Started		1/2 Done		Completed	Estimated Phase Start Date	Estimated Phase End Date	Actual Phase Start Date	Actual Phase End Date
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Desktop										
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Interfaces										
Incoming - application	n/a	1	2	3	4	5				
Incoming - data	n/a	1	2	3	4	5				
Outgoing - application	n/a	1	2	3	4	5				
Outgoing - data	n/a	1	2	3	4	5				
Telecommunications Systems	n/a	1	2	3	4	5				
Implementation Phase										
Mainframe										
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Mid-range										
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Desktop										
Hardware	n/a	1	2	3	4	5				
Operating systems/software	n/a	1	2	3	4	5				
Applications	n/a	1	2	3	4	5				
Data	n/a	1	2	3	4	5				
Interfaces										

State of Oregon
Agency Year 2000 Reporting Form

Project Phase	Not Applicable	Not Started		1/2 Done		Completed	Estimated Phase Start Date	Estimated Phase End Date	Actual Phase Start Date	Actual Phase End Date
Incoming - application	n/a	1	2	3	4	5	[redacted]			
Incoming - data	n/a	1	2	3	4	5				
Outgoing - application	n/a	1	2	3	4	5				
Outgoing - data	n/a	1	2	3	4	5				
Telecommunications Systems	n/a	1	2	3	4	5				

Agency Certification Letter no yes

Top Five Key Applications	Evaluation/ Analysis	Correction	Testing	Implementation	Completed	Comments
BEEI	1	2	3	4	5	
UCC	1	2	3	4	5	
DIS	1	2	3	4	5	
NOTARY	1	2	3	4	5	
ELECTIONS	1	2	3	4	5	
Official Documents			3			

Comments:

YEAR 2000

State of Oregon
Agency Year 2000 Monthly Report/ Renovation Summary

For the Month/Year of ___NOVEMBER__

Agency: _Secretary of State_____ 1997-1999 Estimated Cost: _$_ 173,820_____
Contact: _Ann Terry_____ 1999-2001 Estimated Cost: _$__ 36,486_____
Phone: ___986-22245_____ Total Estimated Cost: _____$_ 210,305_____
Fax: _____378-4991_____ Actual Cost Expended to Date: $ 108,596_____

Place a number from 0 to 100 in each cell to indicate a percent complete for each phase, or **N/A** if not applicable

Platform		**Eval. Phase (%)**	Est. Dates	Act. Dates	**Corr. Phase (%)**	Est. Dates	Act Dates	**Test Phase (%)**	Est. Dates	Act Dates	**Imp Phase (%)**	Est. Dates	Act Dates
Mainframe, Midrange, Client-Server	Hardware, Operating System, Compilers, DBMS	100%	Start: 10/1/96 Comp: 3/31/98	Start: 10/1/96 Comp: 9/1/97	50%	Start: 10/1/97 Comp: 12/31/98	Start: 9/1/97 Comp:	50%	Start: 7/1/98 Comp: 12/31/98	Start: 2/15/98 Comp:	50%	Start: 10/1/99 Comp: 9/30/99	Start: 2/15/98 Comp:
	Custom Applications, Data, Files	98%	Start: 10/1/96 Comp: 3/31/98	Start: 10/1/96 Comp:	93%	Start: 10/1/97 Comp: 12/31/98	Start: Comp:	90%	Start: 7/1/98 Comp: 12/31/98	Start: Comp:	86%	Start: 10/1/99 Comp: 2/1/2000	Start: Comp:
Desktop	Hardware, Operating Systems, LAN, **COTS**	90%	Start: 10/1/96 Comp: 12/31/98	Start: 10/1/96 Comp:	70%	Start: 10197 Comp: 7/1/99	Start: Comp:	0%	Start: 7/1/98 Comp: 12/31/98	Start: Comp:	0%	Start: 10/1/99 Comp: 2/1/2000	Start: Comp:
	User-developed Applications and Data	80%	Start: 10/1/96 Comp: 12/31/98	Start: 10/1/96 Comp:	10%	Start: 10/1/97 Comp: 2/1/98	Start: 9/1/98 Comp:	0%	Start: 7/1/98 Comp: 12/31/98	Start: Comp:	0%	Start: 10/1/99 Comp: 2/1/2000	Start: Comp:
Interfaces Incoming and Outgoing		100%	Start: 10/1/96 Comp: 3/31/98	Start: 10/1/96 Comp:	100%	Start: 10/1/97 Comp: 12/31/98	Start: 10/15/98 Comp: 10/15/98	95%	Start: 7/1/98 Comp: 12/31/98	Start: 10/22/98 Comp:	0%	Start: 10/1/99 Comp: 2/1/2000	Start: Comp:
Telecommunications Telephone, Voice-Mail, PBX, WAN		100%	Start: 10/1/96 Comp: 10/28/98	Start: 10/1/96 Comp: 10/7/98	30%	Start: 10/1/97 Comp: 12/31/98	Start: 11/11/98 Comp:	0%	Start: 7/1/98 Comp: 12/31/98	Start: Comp:	30%	Start: 10/1/99 Comp: 2/1/2000	Start: Comp:

10/9/1998 – SW Y2K Project Office: NEWAGYRP4.DOC

Platform	**Eval. Phase (%)**	Est. Dates	Act. Dates	**Corr. Phase (%)**	Est. Dates	Act Dates	**Test Phase (%)**	Est. Dates	Act Dates	**Imp Phase (%)**	Est. Dates	Act Dates
Overall Agency-Wide Status	96%			60%			36%			37%		

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Embedded Chips (Circle Yes or No) Microchip-Controlled Equipment (if any)	Work begun? Inventory Complete? Vendors contacted?	YES YES YES	**NO** **NO** **NO**	N/A N/A N/A

Business Continuation Assessment (Internal, External, Summary of Threats, Full Plan, Table Top) Dates:

0 1 Internal	__11/1/1998___	2 2 External	___/___/____	3Summary	___/___/____
Due: (11/1/1998)	Submitted:	Due: (12/1/1998)	Submitted:	Due: (1/1/1999)	Submitted:

4 5Full Plan	___/___/____	6 7Table Top	___/___/____
Due: (6/1/1999)*	Submitted:	Due: (9/1/1999)*	Submitted:

* Refer to BCP Policy Statement *

Comments: (Briefly describe progress for the month. Explain any changes in Total Estimated Cost.)

Custom Applications, Data, and Files: OSMP (UCC and DIS) Project: On October 16, Y2K repairs were moved into the production environment. After a 30 day testing period, which ended November 17, SOS accepted the application from the vendor as complete.
Custom Applications, Data, and Files: Elite Time and Billing is included in this category. Based on personnel resources required to implement a new or upgraded system, this work is weighted as 5% of the total for the category. The business process analysis is 50% completed.
Custom Applications, Data, and Files: UCC/Internet Search has been added to the Critical Systems List. This program, which was developed by an outside contractor, has not been evaluated to our satisfaction. Therefore, we are adding it as a separate item to the list for further analysis to determine if there are unidentified date processing issues. The addition of this item has caused this category to go down one percentage point in the evaluation phase. After evaluation is completed, we will have estimates for correction, testing and implementation, if Y2K problems are identified. Based on the personnel resources required to oversee the potential fix, UCC Search has been weighted at 5% of the total for the category.
Interfaces: Testing the interface with SFMS is 95% complete. We will move the files into the production environment, sometime during the first two weeks of December.
Telecommunications: The Archives Building Norstar telephone system has been upgraded. GTE has issued a letter of compliance for this system. SOS is not able to test GTE software, so we have not completed the testing section. The Public Service Building upgrade is scheduled for December 7, 1998.
Estimated Total Expenditure: $39,250 was added to this total to reflect the cost of the correction phase of the Elite Time & Billing System. $5,353 was added to reflect the cost of SFMS interface costs. Total estimated expenditures in October was $165,704. With these additions, the total is estimated is $210,305.
November Actual Expenditures: $3,575 was spent on the BERI project in November. $4,403.32 was spent on SFMS interface testing in November. Total expenditures in November: **$7,978.32**

We will continue to adjust the estimated total as we add the cost of replacing our network file servers

Agency Year 2000 Monthly Report/ Agency Critical Systems

Agency: _165__Secretary of State_____ For the month/year of: __November/1998

- List all Mission-Critical systems (applications/subsystems).
- Enter the estimated lines of code for the pre-correction version of the system (the number your agency provided to CTA for the 1997 Statewide High-Level Assessment is fine.).
- Enter the platform and compliance strategy (use codes shown below)
- Enter the percent complete for each phase: (**Eval**)uation/Analysis, (**Corr**)ection/procurement, (**Test**)ing, (**Impl**)ementation.
- Indicated the estimated failure date for each system (assuming no correction to the system).
- Enter the estimated or actual completion date – the date that the corrected/compliant system will be (or was) back in regular production use.

Mission-critical Systems (Applications/Subsystems) ID and Name	Est Lines Code (Thous)	Plat form	Strat egy	Eval % Comp	Est. Dates	Act. Dates	Corr % Comp	Est. Dates	Act. Dates	Test % Comp	Est. Dates	Act. Dates	Impl % Comp	Est. Dates	Act. Dates	Est Fail Date	Est/ Act Comp Date
BERI		M	M	100%	Start: 10/96 Comp: 12/97	Start: Comp:	100%	Start: 10/97 Comp: 12/98	Start: 10/97 Com: 10/98	100%	Start: 7/98 Comp: 12/98	Start: 7/98 Comp: 10/98	75%	Start: 10/98 Comp: 11/98	Start: Comp:	Jan. 1. 2000	12/31 /98
UCC		C	M	100%	Start: 10/96 Comp: 12/97	Start: 10/96 Comp: 12/97	100%	Start: 10/97 Comp: 12/98	Start: 5/98 Comp: 10/98	100%	Start: 7/98 Comp: 12/98	Start: 6/98 Comp: 11/98	100%	Start: 10/98 Comp: 11/98	Start: Comp:	Jan. 1. 2000	11/98
DIS		C	M	100%	Start: 10/96 Comp: 12/97	Start: 10/96 Comp: 12/97	100%	Start: 10/97 Comp: 12/98	Start: 5/98 Comp: 10/98	100%	Start: 7/98 Comp: 12/98	Start: 6/98 Comp: 11/98	100%	Start: 10/98 Comp: 11/98	Start: Comp:	Jan. 1, 2000	11/98
NOTARY		C	C	100%	Start: 10/96 Comp: 12/97	Start: 10/96 Comp: 12/97	100%	Start: 7/97 Comp: 3/98	Start: 7/97 Comp: 3/98	100%	Start: 7/97 Comp: 3/98	Start: 7/97 Comp: 3/98	100%	Start: 7/97 Comp: 3/98	Start: 7/97 Comp: 3/98	N/A	3/98
ELECTIONS		C	C	100%	Start: 10/96 Comp: 12/97	Start: 10/96 Comp: 12/97	100%	Start: 7/97 Comp: 3/98	Start: 7/97 Comp: 3/98	100%	Start: 7/97 Comp: 3/98	Start: 7/97 Comp: 3/98	100%	Start: 7/97 Comp: 3/98	Start: 7/97 Comp: 3/98	N/A	3/98
OFFICIAL DOCUMENTS		C	C	100%	Start: 10/96 Comp: 12/97	Start: Comp:	100%	Start: Comp:	Start: Comp:	100%	Start: Comp:	Start: Comp:	100%	Start: Comp:	Start: Comp:	N/A	3/98
ELITE TIME & BILLING		D	R	100%	Start: 10/96 Comp: 12/97	Start: 10/96 Comp: 12/97	50%	Start: 9/98 Comp: 3/1/99	Start: 9/98 Comp:	0%	Start: 3/1/99 Comp: 7/1/99	Start: Comp:	0%	Start: 7/1/99 Comp: 7/1/99	Start: Comp:		3/98

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UCC INTERNET SEARCH		D	M	50%	Start: 11/98 Comp: 12/98	Start: 11/98 Comp:	0%	Start: Comp:	Start: Comp:	0%	Start: Comp:	Start: Comp:	0%	Start: Comp:	Start: Comp:		3/98

Platform Codes:	**Strategy Codes:**
C: Client Server	C: Compliant by design
D: Desktop, Network	E: Eliminate, retire, scrap
E: Embedded microchips	M: Modify existing code
M: Mainframe, Midrange	R: Replace, migrate
T: Telecommunications	U: Upgrade existing platform

**N/A: These applications are Y2K compliant by design. In the case of Official Documents, the system is currently processing dates for the 19th, 20th and 21st centuries.

FACTS ABOUT THE SECRETARY OF STATE AUDITS DIVISION

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Director	John N. Lattimer
Deputy Director	Catherine E. Pollino, CGFM
Deputy Director	Sharron E. Walker, CPA, CFE

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