

# Secretary of State **AUDIT REPORT**

Report No. 1999-31 • September 16, 1999

## Department of Administrative Services: Year 2000 Statewide Project Office



Phil Keisling, Secretary of State  
John Lattimer, Director, Audits Division

### Summary

#### PURPOSE

This audit reviewed selected portions of the Year 2000 Statewide Project Office's monitoring and external reporting functions.

#### BACKGROUND

Oregon's efforts to resolve the Year 2000 (Y2K) problem are decentralized. The Year 2000 Statewide Project Office was created in 1996 to coordinate these efforts.

#### RESULTS IN BRIEF

Documentation to evaluate the reliability of the Y2K Project Office's reporting on individual agency Y2K projects was insufficient. Therefore, the accuracy of the Y2K Project Office's external reporting cannot be

determined. The planning for statewide interface testing was still in development.

#### RECOMMENDATIONS

The Year 2000 Statewide Project Office and its contractors should ensure the information sources used to reach conclusions are properly documented, risk assessment instruments are properly completed, supporting documentation is available for public assertions, business continuation plan reviews are consistent, and interface testing plans are communicated to agencies.

#### AGENCY RESPONSE

The Department of Administrative Services generally agrees with the recommendations.

### INTRODUCTION

The Year 2000 (Y2K) problem arises from 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 government 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 decentralized the responsibility for addressing the state's Y2K 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. The Department of Administrative Services (DAS) created the Year 2000 Statewide Project Office (Y2K Project Office) in 1996 to serve as the state's Y2K coordinator.

### SCOPE AND OBJECTIVES

This audit reviewed selected monitoring and reporting functions of the Year 2000 Statewide Project

Office (Y2K Project Office). Specifically, the objectives were:

1. To determine if the monitoring being performed by the Y2K Project Office is adequate to identify core business functions that are in danger of not being corrected and adequately tested in time to initiate corrective action.
2. To evaluate the reliability of the Y2K Project Office's external reporting.

Our work was performed at the Y2K Project Office from March 25, 1999, to June 16, 1999. The scope of our tests included:

1. The completion assurance reviews (CAP) performed by the Y2K Project Office and its contractors, and the resulting reported agency status.
2. The process for making changes in agency status that are not the result of a CAP report.
3. Information disclosed by the Y2K Project Office in legislative hearings, or before legislative committees.
4. The Y2K Project Office's filing, review, and reporting of agency business continuation plans.
5. Statewide testing of automated interfaces.

The methodologies used in our testing are described in each of the following sections.

We conducted this audit according to generally accepted government auditing standards. This audit is not intended to provide assurance that the state's Year 2000 remediation efforts will be completed on time, or

that they will be successful. Our review was limited to the areas specified above.

## AUDIT RESULTS

### Completion Assurance Process (CAP)

The Year 2000 Statewide Project Office (Y2K Project Office) has developed a review called the Completion Assurance Process (CAP) which assesses the progress and readiness of the mission-critical systems for the state of Oregon. Recommendations are then made based on the CAP reviews. During a CAP review, an assessment of the statewide mission-critical system's condition is to be based on time schedules, project controls, quality assurance and documentation. Results of these reviews are reported on the Y2K Project Office's web page. The Y2K Project Office performed CAP reviews for some agencies; contractors hired by the Y2K Project Office performed the reviews of other agencies.

**Related audit objectives** were to determine whether the CAP administered by the Y2K Project Office would:

- Adequately monitor agency activities to identify in time to initiate corrective action those core business functions that are in danger of not being corrected and/or adequately tested.
- Accurately report the current condition of the agencies' Y2K projects.

The procedures used to meet the audit objectives included:

- Reviewing the risk assessment instrument used to conduct the CAP reviews to determine whether it was adequate to identify major problems in an agency's Y2K process.
- Reviewing the CAP contractors' documentation and use of the risk assessment instrument for their reviews of the:
  - Department of Administrative Services,
  - Oregon State Treasury,
  - Department of Revenue, and
  - Department of Human Resources.
- Requesting the Y2K Project Office's documentation of the CAP reviews for the:
  - Department of Consumer and Business Services,
  - Department of Education,
  - Department of Fish and Wildlife,
  - Department of Forestry,
  - Governor's Office, and
  - Department of Environmental Quality.
- Reviewing the CAP contractors' and Y2K Project Office's reports to determine whether the

assessments of agency condition in the reports supported the information presented on the DAS Year 2000 web site. The Y2K Project Office has developed a color scheme to represent each agency's condition. Green is the highest rating, Yellow is the middle rating, and Red is the lowest rating.

### Analysis and Conclusions

We could not verify that the CAP reviews were adequate to accurately report the agencies' conditions or to monitor their progress to detect and report problems in time for corrective action to be taken. The level of documentation provided by the Y2K Project Office and the CAP contractors was not sufficient to reach conclusions for either of these audit objectives.

The risk assessment instrument developed for the Y2K Project Office appears sufficient to identify major problems and ensure proper coverage of key areas. A weighted scoring system is included as part of the instrument, with each area listed being weighted based on its criticality. This weighted scoring system could indicate areas that potentially have problems and identify where reviewer and/or agency resources should be concentrated.

Review of the CAP contractors' work found their process of developing conclusions on an agency's condition to be unclear. The documentation provided by the CAP contractors contained the final and draft reports, handwritten notes, and working copies of the risk assessment instrument. The risk assessment instruments did not appear to be fully or consistently utilized in the decision making process. All of the instruments reviewed were incomplete with sections left blank. Furthermore, the weighted scoring system was not being utilized. Those sections of the instrument that had been used contained no comments or references to any documentation or interviews used to generate the rating. The conclusions in the contractors' final reports did agree with the agency status appearing on the Project Office's web page. However, because the method and evidence used to arrive at these conclusions were not adequately documented, we cannot conclude on the reliability of the information being reported.

The documentation provided for the CAP reviews performed by the Y2K Project Office was similar to the documentation prepared by the CAP contractors. The process and methodology of how conclusions were reached was unclear. The documentation provided by the Y2K Project Office included final and draft CAP reports, working and final copies of risk assessment tools and some notes. The risk assessment instruments

were more complete than those provided by the CAP contractors in that the weighted scoring system was being used to calculate scores for each question. However, there was no indication how the scores were used in deriving the conclusions in the final CAP reports, or how the raw scores were arrived at. The agency status reported on the Y2K Project Office's web page did agree to the final CAP reports. However, due to the lack of supporting detail for the CAP report conclusions, we cannot conclude that the status reports are reliable.

**We recommend** that the Y2K Project Office ensure the sources used to reach conclusions are properly documented. The risk assessment instruments should be filled out completely and referenced to supporting documentation.

**Agency Response:**

*We partially agree with the recommendation. The CAP contractors are working as independent contractors under an agreement with the Year 2000 Statewide Project Office. Accordingly, we do not believe state and federal laws regarding independent contractors allow us to control the manner and means of the contractor's actual performance. For reviews conducted internally, we have edited our review guidelines to improve the level of documentation.*

**Audits Division Comment:**

The contracts specify that the review instrument was to be developed by one contractor and used by both contractors to review the agencies. The state has a responsibility to ensure that the contractor is performing as required by the contract.

**Interim Changes in Reported Condition of Statewide Mission-Critical Systems**

The status of an agency's mission-critical systems can be reassessed between the regular CAP reviews using an interim change procedure developed by the Y2K Project Office. The status of a mission-critical system can be upgraded, downgraded, or remain the same. The Y2K Project Office, CAP contractors, or an agency can initiate requests for the interim change. As mentioned in the "Completion Assurance Process" section, the Y2K Project Office has developed a color scheme to represent the agency's condition (Green, Yellow and Red).

**The audit objective** was to determine if the Y2K Project Office's process for making interim changes in a mission-critical system's condition was adequate to ensure accurate reporting of the status of the agencies' progress.

The procedures used to meet the audit objective included:

- Requesting a listing of those agencies whose status had been changed using the interim process applied by the Y2K Project Office.
- Selecting a sample of the systems showing interim changes, and requesting copies of supporting documentation from the Y2K Project Office.
- Reviewing documentation to determine if the Y2K Project Office followed its policy governing interim changes in reported condition.
- Reviewing documentation to determine if it was adequate to support the change in reported condition.

**Analysis and Conclusions**

We could not verify that the process used by the Y2K Project Office to make interim changes to the "Daily Status Reports of Statewide Mission Critical System Condition" web page was adequate to ensure that this external reporting was accurate.

Our testing indicated that the Y2K Project Office followed their internal policy for making changes to a system's color status. However, the documentation provided by the Y2K Project Office was not adequate to support the nature of these changes. The documentation provided was the Y2K Project Office's conclusion from their review of agency documentation and interviews with agency personnel. There was no indication of the nature or extent of the agency documentation reviewed to reach this conclusion. Without this documentation, we cannot verify that the Project Office's change in the reported status for a system was justified.

**We recommend** that the Y2K Project Office document the source information reviewed and the logic followed in making changes in system status.

**Agency Response:**

*We agree with the recommendation and will continue to use our existing procedures. Our procedures for changing system conditions are documented and were provided to the auditors. The auditors concluded the procedures were followed. In our opinion, our procedures produce adequate documentation to support a change in system condition.*

**Audits Division Comment:**

The procedures used by the Y2K Project Office do not adequately identify the specific documents and interviews relied upon as the basis for the status changes.

## Reports and Testimony to Legislature

As a part of its central coordinating activities, the Y2K Project Office has appeared before various legislative committees during the last year. At these meetings and hearings, the Y2K Project Office has made assertions about the state's Y2K costs and progress.

**The audit objective** was to determine if the public assertions of fact made by the Y2K Project Office are accurate and supported by documentation.

The procedures used to meet the audit objectives included:

- Obtaining and reviewing transcripts and associated recordings of legislative hearings between July 1, 1998 and February 19, 1999 to identify assertions made by the Y2K Project Office at legislative hearings and committee meetings.
- Selecting 19 of these assertions for testing.
- Requesting that the Y2K Project Office supply supporting documentation for each of the 19 items selected, and discussing each item on our list with Y2K Project Office management.
- Evaluating the documentation provided by the Y2K Project Office for each item to verify that it supports the assertion made by the Y2K Project Office, and was not created after the assertion was made.

### Analysis and Conclusions

We cannot provide assurance that the Y2K Project Office's external reporting is reliable. The Y2K Project Office provided insufficient documentation to support most of the assertions we tested.

Of the 19 assertions examined, the Y2K Project Office did not provide adequate documentation to support 14. Therefore, five of the 19 assertions tested were fully supported by documentation contemporaneous with the testimony.

Examples of inadequate supporting documentation were:

- On November 18, 1998, the Y2K Project Office stated that as of that week they had personally visited with 29 agencies with the largest potential exposure, their directors and Y2K staff. They reported the visits would continue on a weekly basis beginning in January until the agencies solve the problem. The Y2K Project Office provided documentation showing that 28 of these meetings had been scheduled to take place prior to the testimony, but 21 of these visits had taken place

prior to the testimony. No documentation of continuing weekly meetings was provided.

- On November 18, 1998, the Y2K Project Office stated that the project at the Department of Human Resources (DHR) is ahead of schedule. The April 16, 1999 documentation provided in support of this assertion, however, does not include planned completion dates. Only actual start and completion dates are shown for those tasks that are completed. The documentation was not contemporaneous and does not support the assertion that as of November 1998, DHR was ahead of its completion schedule.
- On November 18, 1998, the Y2K Project Office testified that the cost for remediation includes \$29 million of state general funds and \$63 million in other funds. As documentation, the Y2K Project Office provided an October 1997 estimate of additional resources required for Y2K. This estimate included \$30.7 million general funds and \$43.6 million in other funds. Therefore, neither amount stated in the November 1998 testimony was supported by the documentation provided by the Y2K Project Office.
- On November 18, 1998, the Y2K Project Office stated that the Completion Assurance Process has the highest return-on-investment of any recent project. The Y2K Project Office provided no documentation supporting this assertion.
- On November 18, 1998, the Y2K Project Office reported that six recommendations to improve Project Office management had been implemented. The supporting documentation provided by the Y2K Project Office indicates that four of the six recommendations had been implemented prior to the testimony.
- On January 13, 1999, the Y2K Project Office stated that most Y2K efforts are ahead of schedule. Documentation provided by the Y2K Project Office did not address the rate of remediation progress, but instead showed that most agencies planned to complete their projects by the statewide milestone dates.
- On January 20, 1999, the Y2K Project Office provided testimony to highlight the potential hazards related to non-compliant microchips embedded in systems such as elevators and cell doors. The Y2K Project Office noted that the activities affecting mission-critical activities are tested regularly. The Y2K Project Office provided no documentation to support this statement.
- On January 20, 1999, the Y2K Project Office testified that that 59 million lines of code must be

rewritten across 126 state agencies, and that 13,000 interfaces within the DHR system must be tested and remediated. The Y2K Project Office provided no documentation supporting these statements.

- On January 20, 1999, the Y2K Project Office stated that resources spent during the 1997-1999 biennium amounted to \$102 million. The documentation provided was an August 1997 estimate of total costs over all biennia.
- On January 20, 1999, the Y2K Project Office stated there were \$22 million in new funding requests, \$9 million for ODOT and \$14 million primarily for DHR. The June 1999 documentation provided included the \$9 million for ODOT, but listed \$16.7 million for DHR and over \$600,000 in requests for other agencies' remediation efforts.
- On February 19, 1999, the Y2K Project Office reported that all of the state's electronic interfaces are being surveyed. The Project Office provided no documentation to support that this activity was occurring for all agencies.
- On February 19, 1999, the Y2K Project Office reported that two consultants are conducting independent surveys to assure a check on the accuracy of the monthly reporting system. The documentation provided by the Project Office did not indicate reviews of agency monthly reporting by the independent CAP contractors.
- On February 19, 1999, the Y2K Project Office reported that an estimated 500 state employees are working full-time on various aspects of the Y2K problem, and that number is supplemented by an additional 300 contracted consultants. The documentation provided by the Y2K Project Office indicates that state employees total 976, contracted staff total 254, and together these convert to 223 full-time equivalents. We also noted that this summary report prepared by the Y2K Project Office did not agree with the individual agency reports it was intended to summarize.
- On February 19, 1999, the Y2K Project Office reported that all state agencies are in the process of completing individual agency plans for the continuation of business (BCP) in the event of a Y2K failure. The documentation provided indicates that most agencies with statewide mission-critical systems are completing a BCP. However, the Y2K Project Office has no assurance that agencies without statewide mission-critical systems are preparing such plans.

These public disclosures are an important part of the state's Y2K project. As policy makers and the public

may rely on these public statements, it is important that they be accurate. The Y2K Project Office, DAS Risk Management Division, and the Department of Justice have all stressed the need to fully document the Y2K project. Therefore, testimony presented to the Legislature, and other public disclosures, should be supported by relevant, available, and contemporaneous documentation. Insufficient documentation may jeopardize the credibility of the Y2K Project Office by calling into question the reliability of information given to the legislative body and the public.

**We recommend** that the Y2K Project Office create a file of supporting documentation for each assertion they will provide to the Legislature or publicly regarding the state's Y2K project. This documentation should be retained in readily retrievable form.

***Agency Response:***

*We disagree with the recommendation. We will continue to use our process for maintaining such documentation. Twelve of the 19 assertions mentioned in the report were fully documented and we provided documentation for those assertions to the auditors. The seven remaining assertions were not documented because they were qualitative statements that reflected the opinion of the speaker based on his or her knowledge of facts at the time.*

**Audits Division Comment:**

The Y2K Project Office provided documentation that fully supported only five of the 19 assertions. They could not provide facts (contemporaneous with the public statements) that would support the 'opinions' being expressed by the speakers.

### Business Continuation Planning

The Department of Administrative Services (DAS) defined the varying levels of disaster recovery, contingency, and business continuation planning in Policy 03-23 issued in August 1998. This policy specified due dates of November 1998 through September 1999 for various phases of business continuation planning and testing. This 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. Copies of the planning documents are to be filed with the Y2K Project Office.

**The audit objectives** were to determine if the Y2K Project Office provided adequate monitoring and evaluation of the Business Continuation Plans (BCP) for state agencies with statewide mission-critical

systems, and to evaluate the reliability of the reporting provided by the Y2K Project Office on these BCP.

The procedures used to meet the audit objectives included:

- Determining if the Y2K Project Office was receiving BCP documents as required by DAS policy.
- Interviewing Y2K Project Office management and DAS Risk Management Division personnel to determine what procedures were developed to evaluate the documentation submitted to the Y2K Project Office, and what conditions constituted non-compliance with the DAS policy.
- Determining if the Y2K Project Office had received and fully documented BCP reviews for four of the agencies with systems identified as being statewide mission-critical: Lottery, the Public Employees Retirement System (PERS), and the Departments of Administrative Services (DAS) and Human Resources (DHR).
- Identifying the procedures used to follow up on agencies that had failed to submit timely BCP.

#### Analysis and Conclusions

We were unable to determine if the Y2K Project Office is providing adequate monitoring of the BCPs for the state's core business functions. Once an agency's BCP has been reviewed and rated, however, the Y2K Project Office reliably reports the rating on the Year 2000 web page.

During our review we noted that the Y2K Project Office and Risk Management Division are not applying the DAS BCP policy to all agencies. The Y2K Project Office has documentation for nearly all agencies with statewide mission-critical systems and partial documentation for ten agencies with systems identified as vital, but not mission-critical. At least thirty-two non-critical agencies have been dropped from the monitoring process, and Risk Management is requiring no additional information from agencies that have submitted incomplete BCP documentation.

The DAS policy indicates that all agencies must submit BCPs if service delivery is likely to be disrupted due to potential internal or external failures. Agencies not preparing BCPs may experience significant delays in recovering from accidental damage or destruction to their computing environment due to problems associated with the Year 2000 or other hazards, and may not be able to recover in a reasonable time to carry on operations in the future.

**We recommend** that the Y2K Project Office and Risk Management follow up on the business continuation planning for all agencies as outlined in their policy. Alternatively, DAS could modify the policy to require that only those agencies with statewide mission-critical systems submit copies of their plans to the Y2K Project Office, but require other agencies to certify that they have prepared plans.

#### Agency Response:

*We agree with the recommendations and will continue to follow our established process. The Office has been following up on the business continuation planning as outlined in policy. The policy states:*

*Each agency of state government which uses technology to fulfil its mission shall develop business continuation plans for any division or enterprise-wide mission critical program if:*

- a) service delivery is likely to be disrupted due to failure of an internal compliance unit (computer hardware, software applications, equipment with embedded technologies, facilities, etc.), or,*
- b) service delivery is likely to be disrupted due to potential failure of operations of an external entity, such as a supplier, another unit of government or an interface partner.*

*With one exception, all state agencies meeting this criteria complied and submitted full business continuation plans by June 1, 1999. We did follow up with that agency and have received a completed business continuation plan.*

#### Audits Division Comment:

The Y2K Project Office is now interpreting 'division or enterprise-wide mission critical program' as being only the **statewide** mission-critical systems. This is not the interpretation used in providing the initial instructions to the agencies, or in other public statements on business continuation planning.

#### Analysis and Conclusions (continued)

In March the Y2K Project Office received the documentation required by the DAS policy for all but one agency with systems identified as statewide mission-critical. The documentation required at the time of our audit consisted of internal and external threat assessments, and a summary of the threats. The Y2K Project Office and Risk Management selected a team to analyze each agency's documentation for compliance with the DAS policy. The criterion identified for compliance was completeness. The

review team, however, did not define what constituted completeness, neither did they develop written procedures to provide for consistency among the different reviewers. It was not clear what criteria would be applied to those agencies that elect to not submit plans because they consider failure of their critical system is not likely. For example, one major agency with statewide mission-critical systems has determined that failure is not likely, so no BCP is planned. This agency has a green BCP status on the Y2K Project Office's web page.

While the documentation contains evidence that an analysis took place, it does not document how the reviewer determined that the BCP was complete. Good management practices include establishing written procedures to clearly define expectations, and provide consistency applicable to all reviews.

**We recommend** that the Y2K Project Office/Risk Management review team develop written procedures, to include a checklist, to facilitate the analysis and reporting of the BCP, and to provide evidence that the review process was completed. Each review/checklist should be initialed and dated by the individual reviewer.

**Agency Response:**

*We agree with the recommendation and will continue to follow our existing process. Written guidelines, including standard checklists, have been consistently used by the BCP review team. Initialed and dated documentation is on file at the Risk Management Division.*

**Audits Division Comment:**

The Y2K project office assured us that these procedures would be used in BCP reviews performed subsequent to the end of our audit.

### Interface Testing

The Y2K Project Office is developing a statewide interface testing plan. There is a potential risk that non-Year 2000 compliant data may be introduced into an agency's environment when information involving dates are transferred. This exchange may occur within an agency, between agencies, and/or between a state agency and an outside entity (federal, county, municipality, private sector, etc.).

**The audit objective** was to determine if the Y2K Project Office's statewide interface testing plan is adequate to identify, test and correct interfaces with internal and external systems.

The procedures used to meet the audit objectives included inquiring Y2K Project Office personnel about their plans for testing and/or monitoring interfaces.

**Analysis and Conclusions**

As of June 15, 1999, the close of fieldwork, the Y2K Project Office's statewide interface testing plan was not adequate to identify, test and correct interfaces with internal and external systems.

According to Y2K Project Office personnel, the concept for how Oregon will test interfaces has been revised several times. Originally, centralized testing of interfaces was planned. However, as of June 15, 1999, there will be no central testing of state interfaces. Instead, the Y2K Project Office has developed a model interface testing plan for use by agencies. The interface testing work will be planned and performed by individual agencies, a review of this testing is planned to be an extension of the regular CAP reviews. The CAP contractors will be performing the reviews, but the scope of their work and their roles had not been finalized.

**We recommend** that the Y2K Project Office ensure that agencies are aware of the need to perform interface testing and of the model plan developed by the Project Office.

**Agency Response:**

*We agree with the recommendation and will continue to stress the importance of addressing interfaces. We have stressed the importance of interface testing since 1997. Interface testing has always been a separate category in monthly reporting. In late 1998, we compiled an interface repository and have been aggressively monitoring the testing of those interfaces.*

*Agencies with statewide mission critical systems have already been made aware of our newest plan to monitor interfaces. The CAP Phase II contract, now underway through the end of 1999, is designed specifically to monitor and report on agencies' efforts to identify, test and correct (as needed) critical interfaces.*

**Audits Division Comment:**

As of June 1999, the Y2K Project Office had a listing of interface information received from state agencies. They did not provide any evidence of how this inventory was determined to be complete, nor did they provide evidence that they were monitoring agencies' testing.



# Oregon

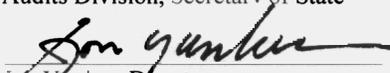
John A. Kitzhaber, M.D., Governor

## Department of Administrative Services

Office of the Director  
155 Cottage Street NE  
Salem, OR 97310-0310  
(503) 378-3104  
FAX (503) 373-7643

**Date:** August 12, 1999

**To:** Sharron E. Walker, Deputy Director  
Audits Division, Secretary of State

**From:**   
Jon Yunker, Director  
Department of Administrative Services

**Subject:** Supplementary Information on the State's Year 2000 Efforts

The State of Oregon embarked on a serious effort to prepare for the Year 2000 more than three years ago; some far-sighted agencies actually began their remediation work a decade ago.

It was in 1996 that the Department of Administrative Services established the Statewide Year 2000 Project Office in the Information Resources Management Division, under the direction of the State Chief Information Officer. The following year, Oregon legislators passed laws guiding the state's efforts. Shortly thereafter, in April 1997, Governor John Kitzhaber issued Executive Order 97-13, which established Y2K as a state priority.

Much has been accomplished since that time, thanks to:

employees of the 89 state agencies, boards and commissions who have dedicated countless hours to this critical task.

- escalation of the Statewide Year 2000 Project Office's efforts in 1998 to accurately monitor and report on state agencies' Y2K programs. It began status reporting of system readiness on a daily basis. It developed a cross-verification process to assure accuracy of agency reports. It implemented a communications plan to ensure that information would be clear, consistent and conveniently available to citizens statewide.
- agency leaders who have cooperated to fulfill our state's Y2K policy directives. An important example of Agency-Project Office collaboration is the Completion Assurance Process (CAP), in which five of the top-affected agencies jointly funded professional independent evaluation services.

All state agencies that manage statewide mission critical systems are successfully completing their Y2K project plans. They have done so with an eye toward minimizing disruptions of the critical business functions that serve the citizens of our state.

I have confidence in the processes and preparations of state agencies as they get ready for the Year 2000.

c: Don Mazziotti, Chief Information Officer



*This report is a public record and is intended for the information of the management of the Department of Administrative Services, the governor of the state of Oregon, the Oregon Legislative Assembly, and all other interested parties. This report is intended to promote the best possible management of public resources. Copies may be obtained by mail at Oregon Audits Division, Public Service Building, Salem, Oregon 97310, by phone at 503-986-2255 and 800-336-8218 (hotline), or internet at [Audits.Hotline@state.or.us](mailto:Audits.Hotline@state.or.us) and <http://www.sos.state.or.us/audits/audithp.htm>.*

---

• AUDIT STAFF: *Mark Winter, CPA, CISA; Nancy Winston, CPA, CISA; Stanley Mar; and Jamie Breyman*

DEPUTY DIRECTOR: *Sharron Walker, CPA, CFE*

*The courtesies and cooperation extended by the officials and staff of the Department of Administrative Services Year 2000 Statewide Project Office were commendable and much appreciated.*

***Auditing to Protect the Public Interest and Improve Oregon Government***

---

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