

RECOMMENDATIONS REGARDING YEAR 2000 COMPLIANCE ACTIVITIES

This memorandum identifies the recommendations contained in the *Y2K Agency Assessment* presented by Wolfe & Associates. On request of the committee at its September 8, 1998, meeting, this memorandum was prepared to place the recommendations in a form the committee could approve as its recommendations. The following is a description of the assessment, a listing of the recommendations, actions taken, and a proposed recommendation of the committee to take care of financial contingencies:

The assessment began on July 20, 1998, and was completed on September 4, 1998. During and after the assessment process, many of the recommendations were implemented. In those instances, that action is described following the recommendation. The *Y2K Agency Assessment* contained these recommendations:

- Appoint a state Y2K director to provide leadership to ensure involvement by senior management in agencies. In September 1998 the Governor designated the chief information officer (the director of the Information Services Division) as the state government year 2000 coordinator.
- Appoint agency Y2K directors to ensure accountability or responsibility for Y2K efforts is assigned to a senior management individual in each agency. In September 1998 the Governor sent a memorandum to all state agency directors pointing out that while the Information Services Division has a contact within each agency for Y2K compliance efforts, each agency should designate a senior management level individual to be responsible for Y2K compliance.
- Assess Y2K readiness across departments to ensure there are no surprises. The Information Services Division has assigned this responsibility to two staff members.
- Agencies should formalize their project management, testing, and contingency plans for their Y2K issues. The Information Services Division's web page contains a Y2K plan guideline <http://www.state.nd.us/isd/y2k/> to assist agencies with the planning process. The division also participates in meetings with state agencies and institutions regarding Y2K compliance efforts. The Governor's memorandum also set out the need for agencies to create a project plan consisting of assessment, inventory, remediation, and testing of potential Y2K issues as well as contingency plans for key business applications that support critical services; provided an

agency Y2K reporting form, which is to be completed monthly and sent to the Information Services Division; and provided for certification of agencies completing their Y2K compliance projects.

- Continue to develop material available on the state Y2K web site to avoid duplication of effort and achieve the highest quality processes. The web site has a Y2K project plan and additional information, and plans are to post additional information as appropriate, e.g., state agency Y2K compliance status.
- Establish public affairs programs to increase public confidence in the state's ability to mitigate Y2K issues. The Governor announced appointment of the state government Y2K coordinator by press release, and plans are to provide continuing updates on Y2K compliance efforts to keep the issue before the public.
- Educate and motivate the private sector to take steps to prepare for the year 2000.
- Require all vendors providing goods and services, including service contract renewals and equipment or facility leases, to provide written assurances that they comply with Y2K requirements. As of October 1, 1998, State Purchasing started including a Y2K compliance statement on all purchase orders and requests for bids. Vendors and bidders accept the Y2K compliance responsibility when signing the orders or submitting the bids.
- Review contracts to determine which party is responsible for Y2K compliance and include specific assignment of responsibility in contracts renewed before January 1, 2000. The Attorney General reviews many of the state's contracts and now requires a Y2K compliance responsibility provision.
- Establish financial contingencies at the state and agency level, based on each agency's assessment and the overall risk of failure, and appropriate funds to the Emergency Commission to distribute as unforeseen emergencies arise due to Y2K complications.
- Ensure that legislators are cognizant of the potential impact of 1999 legislation on an agency's Y2K remediation efforts.

PROPOSED RECOMMENDATIONS

Proposed recommendations of the committee could be by motions passed by the committee, which

would be included in the final report submitted for approval by the Legislative Council, as follows:

1. The committee recommends that the executive budget include an appropriation subject to the approval of the Emergency Commission for distribution as unforeseen emergencies arise due to failure of state agencies to become Y2K compliant.
2. The committee recommends that state agencies and institutions monitor legislative actions that could affect their ability to complete Y2K compliance efforts, and notify relevant legislators and legislative committees of those impacts.