

H. CARL McCALL
STATE COMPTROLLER



A.E. SMITH STATE OFFICE BUILDING
ALBANY, NEW YORK 12236

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

March 5, 1999

Mr. George C. Sinnott
Commissioner
Department of Civil Service
State Campus, Building #1
Albany, NY 12239

Re: Report 99-Y-4

Dear Mr. Sinnott:

To assist in your oversight of the Department of Civil Service's (Department) Year 2000 compliance progress, we reviewed selected steps being taken by the Department, as of January 13, 1999, to make the New York State Electronic Personnel (NYSTEP) system Year 2000 compliant. The NYSTEP system has been designated a "mission critical" system by New York State's Office for Technology (OFT), which is responsible for overseeing the State's Year 2000 readiness. The NYSTEP system provides State agencies the on-line capability for real-time processing of personnel transactions and classification actions, and on-line help files. The steps we selected for review pertained to Year 2000 project planning and management, Year 2000 NYSTEP system testing, identification and correction of NYSTEP system data exchanges, and the establishment of contingency plans for continuing important business and service functions in the event of a Year 2000-related failure.

The objective of our review was to assess whether the Department appears to be taking the necessary steps to address Year 2000 problems related to the NYSTEP system. To complete our review we interviewed Department personnel and reviewed Department documents. In addition, we obtained and analyzed Department responses to a Year 2000 assessment questionnaire that we designed (see the attached Table). Unlike an audit, a review does not include testing or verification of information and records provided by the Department and does not include a review of internal controls. Therefore, we cannot conclude whether the NYSTEP system will be Year 2000 compliant in a timely manner.

The results of our review show that the Department is taking many of the steps necessary to address Year 2000 problems related to the NYSTEP system. For example:

- While there was no overall written Year 2000 plan, efforts to correct the NYSTEP system are covered by an appropriate plan and schedule, and Department management monitors the schedule.
- The Department has completed all testing of the NYSTEP system, except for the final phase. The final phase testing, where the system clock will be moved ahead past the year 2000, will take place during the Summer of 1999 when the remainder of Department's systems will have been remediated and returned to production. According to Department officials, the NYSTEP system has already correctly processed dates past 2000.

However, the Department has not developed an inventory of the other systems that exchange data with the NYSTEP system. The Department also has internal systems that have not yet been remediated. These systems, which provide information to the NYSTEP system, are scheduled to be Year 2000 compliant by the Summer of 1999. Also, the Department has not prepared a contingency plan to ensure the continuance of business and service functions, that are dependent on the NYSTEP system. The Department believed that the implementation of the NYSTEP system far in advance of the Year 2000, lessened the need to prepare a formal Year 2000 contingency plan; however, it now intends to prepare a formal plan.

Major contributors to this review were Brian Reilly, James Brunt, and Michael Farrar.

Your comments to this review are welcomed. We wish to express our appreciation to the management and staff of the Department of Civil Service for the courtesies and cooperation extended to our auditors during this review, and hope that it is helpful to your Year 2000 monitoring and oversight responsibilities.

Very truly yours,

Frank J. Houston
Audit Director

cc: Mike Hopko, Department of Civil Service
Gary Davis, OFT

**DEPARTMENT OF CIVIL SERVICE
NEW YORK STATE ELECTRONIC PERSONNEL SYSTEM
YEAR 2000 ASSESSMENT QUESTIONNAIRE**

TABLE

	YEAR 2000 STEPS	STATUS	COMMENTS
	A. PROJECT PLANNING & MANAGEMENT		
	A1. Is there a written Year 2000 Project Plan and does it include/identify steps needed to correct the System in question?	Yes	An appropriate project plan has been developed and is being followed.
	A2. Does the Plan (or any other available record) define what is meant by "compliance" when describing systems at the agency which are Year 2000 ready?	Yes	Although the Department has not established a formal definition of compliance, it has worked under the OFT definition for "compliance," which does not consider compliance of data exchanges.
	A3. Is there a written schedule covering the time frame for achieving compliance for the System in question?	Yes	Schedules are in place.
	A4. Is progress toward completion of the schedule for the System in question being monitored?	Yes	Progress is being measured through biweekly managers' meetings; monthly reports to managers and the Commissioner; and quarterly reports to the Legislature and OFT.
	A5. Is the System in question meeting the schedule (no significant slippage being reported)?	Yes	The NYSTEP system has met its schedule and was completed in July 1998. The NYSTEP system is in production, and no Year 2000 problems have been identified.

TABLE (Cont'd)

	YEAR 2000 STEPS	STATUS	COMMENTS
	B. TEST PLANS		
	B1. Is there a documented test plan and does it include/identify steps needed to ensure that the System in question will process as expected after it has been corrected to comply with Year 2000?	Yes	The Department has developed and documented the testing methodology used for the NYSTEP system. The Department has developed a structured testing methodology, and a mechanism for tracking and resolving errors and defects. The Department tested the NYSTEP system for some application-specific dates, including future dates, as recommended by OFT. Department officials stated that the NYSTEP system has been in production since July 1998, has had to process dates past 2000, and has done so correctly. However, the Department has not tested the application in a simulated future environment by moving the system clock forward past the year 2000.
	C. DATA EXCHANGES		
	C1. Have all data exchange partners/interfaces for the System in question been identified and included on a written inventory record?	No	There has been no inventory, but all agencies have access to terminals that allow them to enter Year 2000-compliant information on-line to the NYSTEP system. In those instances where the Department receives information in batch format, they have tested the interfaces with their data exchange partners.
	C2. Have data exchange interfaces been considered in the overall Year 2000 Project Plan and the test plan covering the System in question?	No	There are some internal systems that interface with the NYSTEP system that will not be remediated until the summer of 1999. The Department plans to test all systems together when these other systems are remediated and returned to production.

TABLE (Cont'd)

	YEAR 2000 STEPS	STATUS	COMMENTS
	D. CONTINGENCY PLANS		
	D1. Is there a written business contingency plan in place for the System in question and does the plan specify steps for completing vital business functions if the System in question is noncompliant or inoperable for Year 2000 purposes?	No	The Department did not have a contingency plan at the time of our review. It does have various disaster recovery mechanisms in place for their systems independent of the Year 2000.

Color Legend:

	Status/Comments contain matters which may be of immediate concern to management.
	Status/Comments contain matters which management may wish to consider.
	Status/Comments do not contain issues which require immediate management consideration.