

H. CARL McCALL
STATE COMPTROLLER



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

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

May 24, 1999

Mr. Louis R. Tomson
Chairman
New York State Thruway Authority
200 Southern Boulevard
Albany, NY 12209

Re: Report 99-Y-22

Dear Mr. Tomson:

To assist in your oversight of the New York State Thruway Authority's Year 2000 compliance progress, we reviewed selected steps being taken by the Thruway Authority, as of April 23, 1999, to make the Computerized Toll Collection System (CTCS) Year 2000 compliant. CTCS has been designated a "high priority" system by New York State's Office for Technology, which is responsible for overseeing the State's Year 2000 readiness.

CTCS is comprised of a number of application systems that provide for the recording and accounting for New York State Thruway toll transactions. The steps we selected for review pertained to Year 2000 project planning and management, Year 2000 systems testing, identification and correction of systems 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 Thruway Authority appears to be taking the necessary steps to address Year 2000 problems related to CTCS. To complete our review, we interviewed Thruway Authority personnel and reviewed Thruway Authority documents. In addition, we obtained and analyzed Thruway Authority 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 Thruway Authority and does not include a review of internal controls. Therefore, we cannot conclude whether CTCS will be Year 2000 compliant in a timely manner.

The results of our review show that the Thruway Authority is taking many of the steps necessary to address Year 2000 problems related to CTCS. For example:

- Efforts to correct CTCS are covered by written Year 2000 project plans, and Thruway Authority management monitors the efforts.

- There are plans for testing CTCS and guidance is available for completing testing.
- Thruway Authority officials have identified all data exchange partners. Data exchanges are considered in the testing plan.
- The Thruway Authority has prepared formal draft contingency plans to ensure the continuance of business and service functions that are dependent on CTCS, and is in the process of finalizing those plans. We encourage the Thruway Authority to continue its contingency planning process.

However, we are concerned that a component of CTCS, the Commercial Account Post-Paid System, is not scheduled to be tested until September 1999. Since testing can consume considerable system development resources, we are concerned that with the test start date so close to the new millennium date, it may not afford the Thruway Authority sufficient time to address unforeseen events. In addition, there is no completed test plan for this component.

Major contributors to this review were Brian Reilly, James Brunt, Deb Spaulding, Jorge Vázquez, and Jerry Steigman.

Your comments to this review are welcomed. We wish to express our appreciation to the management and staff of the Thruway Authority 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: John R. Platt
Michael Rose
Donald Hubicki
Gary Davis

**NEW YORK STATE THRUWAY AUTHORITY
COMPUTERIZED TOLL COLLECTION SYSTEM (CTCS)
YEAR 2000 ASSESSMENT QUESTIONNAIRE
TABLE I**

A colored "traffic light" Legend is included in the table below to assist management in focusing an appropriate level of attention on the issues identified in the Status and Comments sections of the Review Findings.

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.
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Review Findings:

	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	A Year 2000 Project Plan was developed in May 1997. The plan outlines steps for all phases of the project.
	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	The Thruway Authority has a written definition of compliance which includes data exchanges.
	A3. Is there a written schedule covering the time frame for achieving compliance for the system in question?	Yes	A detailed schedule for the remediation of CTCS is in place. The Thruway Authority expects to conduct end-to-end testing and parallel testing by September 1999.
	A4. Is progress toward completion of the schedule for the system in question being monitored?	Yes	Progress is monitored daily in terms of progress toward completion. Progress was reported monthly to executive management and quarterly to New York State's Office for Technology (OFT).

TABLE I (Cont'd.)

	YEAR 2000 STEPS	STATUS	COMMENTS
	A5. Is the system in question meeting the schedule (no significant slippage being reported)?	Yes	The project does not appear to be experiencing significant slippage.
	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	Each of the major applications that make up CTCS has a completed test plan, except for the Commercial Account Post-Paid System (CAPS). In addition, testing of CAPS is not scheduled to start until September 1999. Since testing can consume considerable resources, we are concerned that with the test start date so close to the millennium date, it may not afford the Thruway Authority sufficient time to address unforeseen events.
	C. DATA EXCHANGES		
	C1. Have all data exchange partners/interfaces for the system in question been identified and included on a written inventory record?	Yes	All data exchange partners have been identified and included in a written inventory. Thruway Authority officials found the majority of the data exchanges are with internal systems.
	C2. Have data exchange interfaces been considered in the overall Year 2000 Project Plan and the test plan covering the system in question?	Yes	Data exchanges have been considered in the overall Year 2000 Project Plan and the test plan.
	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?	Yes	The Thruway Authority has long established procedures for maintaining its vital business functions because of the nature of its operations. Additionally, Thruway Authority officials are currently developing Year 2000 contingencies to conform to OFT guidelines.