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STATE OF NEW YORK
**OFFICE OF THE STATE
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March 29, 1999

Mr. Thomas A. Maul
Commissioner
Office of Mental Retardation
and Developmental Disabilities
44 Holland Avenue
Albany, NY 12229

Re: Report 99-Y-8

Dear Mr. Maul:

To assist in your oversight of the Office of Mental Retardation and Developmental Disabilities (OMRDD) Year 2000 compliance progress, we reviewed selected steps being taken by OMRDD, as of February 24, 1999, to make the Tracking and Billing System (TABS) and the Business Office System (BOS) Year 2000 compliant. These systems have been designated "mission critical" and "high priority" systems, respectively, by New York State's Office For Technology (OFT), which is responsible for overseeing the State's Year 2000 readiness. The TABS provides a repository of data for information regarding individuals in need of, or receiving services from OMRDD providers and is used as a system to generate revenues. The BOS manages all aspects of OMRDD's other than personal services budget. The steps we selected for review pertained to Year 2000 project planning and management, Year 2000 system testing, identification and correction of 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 OMRDD appears to be taking the necessary steps to address Year 2000 problems related to the TABS and BOS systems. To complete our review we interviewed OMRDD personnel and we reviewed OMRDD documents. In addition, we obtained and analyzed OMRDD 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 OMRDD, and does not include a review of internal controls. Therefore, we cannot conclude whether the TABS and BOS will be Year 2000 compliant in a timely manner.

The results of our review show that OMRDD officials are taking many of the steps necessary to address Year 2000 problems related to the TABS and BOS. For example:

- Efforts to correct the systems are covered by a written Year 2000 project plan and schedule and OMRDD management monitored the efforts.
- There were plans for testing the systems and guidance was available for completing testing.
- All data exchanges with the systems have been identified and appropriate correction of data exchanges has been made.

However, OMRDD officials have not yet taken the necessary steps to prepare contingency plans to ensure the continuance of business and service functions, which are dependent upon the systems. Therefore, should either TABS or BOS experience a Year 2000-related failure, OMRDD may not be prepared to provide for such functions. We encourage OMRDD officials to expedite their contingency planning process.

Major contributors to this review were Brian Reilly, Jim Brunt, Jerry Steigman and Jorge R. Vázquez.

Your comments to this review are welcomed. We wish to express our appreciation to the management and staff of the Office of Mental Retardation and Developmental Disabilities 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,

Kevin M. McClune
Audit Director

cc: Gail Croteau, OMRDD
Gary Davis, OFT

**OFFICE OF MENTAL RETARDATION AND DEVELOPMENTAL DISABILITIES
YEAR 2000 ASSESSMENT QUESTIONNAIRE
TRACKING AND BILLING SYSTEM
BUSINESS OFFICE SYSTEM**

TABLE

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. This table covers our review of the Tracking and Billing System and the Business Office System except where otherwise noted.

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 systems in question?	Yes	A Year 2000 Management Plan was developed in early 1996 and presented and approved by executive management. 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 OMRDD which are Year 2000 ready?	Yes	OMRDD's detailed definition of compliant includes, but is not limited to, manipulation of dates in the Year 2000 and beyond, and considers the remediation and testing of all external data exchanges.
	A3. Is there a written schedule covering the time frame for achieving compliance for the systems in question?	Yes	Detailed schedules for remediation of TABS and BOS are in place. The TABS was returned to production in August 1998; BOS was returned to production in December 1998.
	A4. Is progress toward completion of the schedule for the systems in question being monitored?	Yes	All mission critical applications were monitored daily in terms of progress toward completion. Progress was noted at the weekly Year 2000 team meetings. Progress was reported monthly to executive staff and quarterly to OFT.

TABLE 1 (Cont'd.)

	YEAR 2000 STEPS	STATUS	COMMENTS
	A5. Are the systems in question meeting the schedule (no significant slippage being reported)?	Yes	OMRDD officials stated that no significant slippage occurred.
	B. TEST PLANS		
	B1. Is there a documented test plan and does it include/identify steps needed to ensure that the systems in question will process as expected after they have been corrected to comply with Year 2000?	Yes	OMRDD has an overall testing methodology and process in place for all systems and specific test plans were developed for TABS and BOS. Separate Year 2000 platforms were used to test these systems. Every date field and fiscal year was tested using dates in 1999, 2000, 2001. All sorts were validated.
	C. DATA EXCHANGES		
	C1. Have all data exchange partners/interfaces for the systems in question been identified and included on a written inventory record?	Yes	All data exchanges and partners were identified and included in an inventory. The exchanges were remediated and tested with their corresponding systems.
	C2. Have data exchange interfaces been considered in the overall Year 2000 Project Plan and the test plan covering the systems in question?	Yes	The test plans for TABS and BOS considered data exchange interfaces.
	D. CONTINGENCY PLANS		
	D1. Is there a written business contingency plan in place for the systems in question and does the plan specify steps for completing vital business functions if the systems in question are noncompliant or inoperable for Year 2000 purposes?	No	OMRDD officials are in the initial stages of drafting contingency plans for their critical systems to conform with OFT guidelines.