HB

64

1-GH1052\D
Cramer
2/8/99

CS FOR HOUSE BILL NO. 64(FIN)

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-FIRST LEGISLATURE - FIRST SESSION

BY THE HOUSE FINANCE COMMITTEE

Offered:
Referred:

Funding Information:	**General Fund**	**$ -0-**
	Other Funds	**18,364,553**
		$18,364,553

Sponsor(s): HOUSE RULES COMMITTEE BY REQUEST OF THE GOVERNOR

A BILL

FOR AN ACT ENTITLED

"An Act making and amending appropriations; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska; and providing for an effective date."

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

*** Section 1.** FINDINGS AND PURPOSE. (a) The legislature finds that

(1) the year 2000 date-change problem is already affecting automation systems and the conduct of business worldwide in both the public and private sectors;

(2) the year 2000 date-change problem will increasingly affect automation systems and business operations as December 31, 1999, approaches and will continue to have substantial effects even beyond 2000;

(3) the year 2000 date-change problem is already affecting the systems and operations of state government and, if not corrected, will likely cause substantial disruptions in the provision of public services in Alaska;

(4) the year 2000 date-change problem poses serious potential risks to the life,

health, safety, and the economic well-being of all Alaskans;

(5) it is necessary to avoid these risks and to ensure that essential state government functions and services continue without interruption; and

(6) the executive branch

(A) has identified its mission-critical business functions;

(B) is directing its efforts towards avoiding and remediating potential year 2000-related failures in the automation systems that directly support those functions; and

(C) needs to complete this work to ensure that essential state government functions and the provision of essential state government services to Alaskans are not disrupted.

(b) The appropriations in this Act are made to ensure that essential state government functions and the provision of essential state government services to Alaskans are not disrupted.

* **Sec. 2.** (a) The following appropriations are for year 2000 (Y2K) assessment, compliance, and remediation projects from the fund sources set out in (b) of this section to the following agencies for the purposes expressed:

	ALLOCATIONS	APPROPRIATION ITEMS	OTHER FUNDS
Department of Administration, Y2K project office		$10,647,006	$10,647,006
Department of Administration			
Y2K retirement and benefits software enhancements	$ 400,000		
Y2K retirement and benefits data processing services	250,000		
Y2K mainframe test environment	2,126,300		
Y2K office of public advocacy trust system upgrade	104,000		
Y2K project administration	711,000		
Department of Commerce and Economic			

Development	
Y2K Alaska Public Utilities Commission assessment	75,000
Department of Corrections	
Y2K correctional facilities embedded systems	65,000
Y2K data processing hardware replacement	560,000
Y2K Cook Inlet Pre-Trial Facility central control system replacement	1,000,000
Department of Environmental Conservation	
Y2K statewide equipment, software, and database compliance	458,453
Y2K community wastewater systems assessment	8,500
Department of Health and Social Services	
Y2K McLaughlin Youth Facility heating, ventilation, and air conditioning system upgrade	4,000
Y2K McLaughlin Youth Facility telephone system upgrade	30,000
Y2K public health laboratory server replacement	10,000
Y2K emergency medical services certification database replacement	20,000
Y2K Alaska Psychiatric Institute hospital information system upgrade	100,000
Y2K Medicaid management information systems upgrade	600,000
Department of Transportation and Public Facilities	

Y2K compliance - statewide public facilities	4,000,000		
Y2K compliance - state equipment fleet emissions test equipment replacement	6,770		
Y2K compliance - Alaska marine highway system remediation	42,983	(54.2)	
Department of Environmental Conservation			
Y2K statewide equipment, software, and database compliance		75,000	75,000
Department of Health and Social Services			
Y2K Medicaid management information systems upgrade		1,800,000	1,800,000
Department of Transportation and Public Facilities		501,247	501,247
Y2K compliance - state equipment fleet emissions test equipment replacement	68,230		
Y2K compliance - Alaska marine highway system remediation	433,017	(545.8)	
University of Alaska, Y2K assessment and remediation		4,659,800	~~4,569,800~~ 4,659,800
Alaska Court System, Y2K software upgrades for telephone and security systems		182,500	182,500

(b) The appropriations made by (a) of this section are made from the following fund sources:

Constitutional budget reserve fund	$14,554,553
Public employees' retirement fund	493,500
Teachers' retirement fund	156,500
Federal receipts	~~2,376,247~~ 2,489,030

Alaska Public Utilities Corporation receipts	75,000	
Oil and hazardous substance prevention and response fund	75,000	
General fund program receipts	10,000	114,000
Highway working capital fund	6,770	
Marine highway system fund	42,983	(54.2)

*** Sec. 3.** Section 131, ch. 139, SLA 1998, page 41, lines 4 - 6, is amended to read:

	APPROPRIATION ITEMS	OTHER FUNDS
Procurement and Development of a	**1,074,000**	**1,074,000**
Computerized Management	[500,000]	[500,000]
Information System (ED 99)		

*** Sec. 4.** The appropriations from the constitutional budget reserve fund in sec. 2 of this Act are made under art. IX, sec. 17(c), Constitution of the State of Alaska.

*** Sec. 5.** LAPSE PROVISIONS. The appropriations made by sec. 2 of this Act lapse March 31, 2000.

*** Sec. 6.** This Act takes effect immediately under AS 01.10.070(c).

Y2K Appropriation HB 64

Dept	Request	Gov. Request	House	CBRF	Federal Funds	Other Funds	Other Source
Administration							
	BENECALC System Replacement	400,000	400,000			303,692	Public Employees Retirement Fund
						96,308	Teachers Retirement System Fund
	Retirement System	250,000	250,000			189,808	Public Employees Retirement Fund
						60,192	Teachers Retirement System Fund
	Mainframe Test Environment	2,126,300	2,126,300	2,126,300			
	Public Guardian	104,000	104,000	*104,000*			*maybe Program Reciepts*
	Y2K Project Administration	868,400	711,000	711,000			
Commerce & Economic Development							
	APUC Y2K Assessment	75,000	75,000			75,000	Alaska Public Utilities Commission Receipts
Corrections							
	Correctional facilities embedded systems	65,000	65,000	65,000			
	Replace data processing hardware	560,000	560,000	560,000			
	Cook Inlet Pre-Trial Central Control System	1,000,000	1,000,000	1,000,000			
	Modification of OBSCIS & HOFA systems		574,000		574,000		Fed Bureau of Justice Assistance
Environmental Conservation							
	Statewide equipment, software, and data base compliance	533,453	533,453	*383,453*	75,000	75,000	Oil/Hazardous Prevention & Response Fund
	Community waste water systems Y2K assessment	28,000	8,500	8,500			
Health & Social Services							
	McLaughlan Youth Facility HVAC	4,000	4,000	4,000			
	McLaughlan Youth Facility telephone system	30,000	30,000	30,000			
	Public Health Lab server replacement	10,000	10,000			10,000	GF/PR
	EMS certification data base	20,000	*20,000*	20,000			*maybe ought to buy from Occ Lic*
	API hospital information system upgrade	100,000	100,000	*100,000*			*maybe Mental Health Trust Settlement Income*
	Medicaid management information system	2,400,000	2,400,000	600,000	1,800,000		
Natural Resources							
	Recorders Office	225,000	0				GF/PR
Transportation & Public Facilities							
	Statewide public facilities	4,500,000	4,000,000	4,000,000			
	State equipment fleet emissions test equipment replacement	75,000	75,000		68,230	6,770	Highway Working Capital Fund
	Alaska Marine Highway System remediation	600,000	476,000		433,017	42,983	Marine Highway System Fund
	Y2K Kennicott assessment	110,000					
University of Alaska							
	Y2K assessment & remediation	5,013,900	*4,659,800*	*4,659,800*			
Court System							
	Telephone & security systems	182,500	182,500	182,500			
	Total	**19,280,553**	**18,364,553**	**14,554,553**	**2,950,247**	**859,753**	

2/8/99 12:38 PM

Prepared by Office of
Representative Muldor

Amendment 1 Adopted 2/8/99 n/o

BY: MULDER

Proposed Amendments to CS for HB 64 (FIN):

The Office of Public Advocacy can support the $104,000 form program receipts. Thus the CBR draw should be reduced and General fund program receipts increased.

On page 4 line 28:

Delete:	$14,554,553
Insert:	$14,450,553

Page 5, 3 Insert $114,000 Delete 10,000

The Department of Transportation and Public Facilities wants to assure the legislature that the funds requested are for vessels.

On page 4 line 7 after "system"

Insert: "vessel assessment and"

On page 4 line 20 after "system"

Insert: "vessel assessment and"

HOUSE COMMITTEE REPORT

(11)

Date Referred to Committee: January 25, 1999 **FURTHER REFERRALS:**

Date of Committee Action: 2/8/99

The FINANCE Committee considered: **HB 64**

HOUSE BILL NO. 64 **APPROPRIATIONS FOR Y2K FIX**

"An Act making appropriations for year 2000 assessment, compliance, and remediation projects; making appropriations under art. IX, sec. 17(c), Constitution of the State of Alaska; and providing for an effective date."

recommends it be replaced with the following committee substitute CSHB64(FIN) [ ] the same title [✓] a new title

[ ] additional referral to _____ Committee
[ ] attached amendment(s)

ADOPTS: _____ Letter of Intent

ATTACHES NEW FISCAL NOTE(s): (Dept) APPROVES PREVIOUS: (Dept/Date)

[ ] fiscal note(s) _____ [ ] fiscal note(s) _____

[ ] zero fiscal note(s) _____ [ ] zero fiscal note(s) _____

SIGNING WITH RECOMMENDATIONS	DP	DNP	NR	AM
Gene Therriault Therriault			X	
Eldon Mulder Mulder	✓			
Carl Brunte Brunte			✓	
Pete Kohring Kohring				X
Allan Austerman Austerman			X	
Carl E. Moses Moses	✓			
Bob Davis J. Davis	X			
Hollis French G. Davis	X			
Lyda Green Williams	✓			
Ben Grussendorf Grussendorf			X	

CC CHAIR'S SIGNATURE Gene Therriault Eldon Mulder

STATE OF ALASKA

TONY KNOWLES, GOVERNOR

DEPARTMENT OF HEALTH AND SOCIAL SERVICES

DIVISION OF MEDICAL ASSISTANCE

P.O. BOX 110660
JUNEAU, ALASKA 99811-0660
PHONE: (907) 465-3355
FAX: (907)465-2204

MEMORANDUM

DATE: February 5, 1999

TO: Janet Clarke, Director
Division of Administrative Services

FROM: BL Bob Labbe, Director
Division of Medical Assistance

SUBJECT: Alaska MMIS Y2K Supplemental

Dennis DeWitt of Representative Mulder's staff asked for information bout what other insurance companies are expending to make their claims payment systems year 2000 compliant. We have contacted Blue Cross who has said that it will take some time to develop that information but that they will get some information back to us in the next several weeks. However, they did say that they were going to spend multiple millions to upgrade their system.

We also contacted the Health Care Financing Administration (HCFA) regarding the Medicare Intermediary contractor for Washington and Alaska. That contractor is Blue Cross Washington/Alaska. This contractor pays the Medicare Part A (inpatient and outpatient hospital, and skilled nursing facility) claims for Alaska and Washington. At this point HCFA has contracted to pay $1.4 million to upgrade that system to Y2K compliance. That system made benefit payments totaling more than $162 million in fiscal year 1997 on almost 36,000 enrollees. The Medicare Part B (all other Medicare covered services) claims are paid by another fiscal intermediary contract which is the North Dakota Blue Cross/Blue Shield. That contract services Alaska with 10 other states. HCFA is unable to break out Alaska specific information under this contract.

By way of comparison Alaska' MMIS upgrade cost will be $3.4 million. Alaska's MMIS made $321 million in claims payments for FY98 covering 88,210 eligible clients. Of the $321 million paid $126 million or 40% was for hospital and nursing home services similar to those covered under Medicare Part A. Applying the 40% to Alaska's $3.4 million upgrade cost results in an $1.4 million applicable to the same services portion as that covered by HCFA's Part A processor.

Y2K Project Information
2/4/1999

- Internal Y2K Spending and Reporting Memo
- Departmental listings of mission-critical business functions
- Current Year 2000 Procurement Requirements

State of Alaska

Tony Knowles, Governor

Y2K Project Office
PO Box 110099
Juneau AK 99811-0099
(907) 465-5004, fax 465-5039

TO: Bob Poe, Commissioner
Department of Administration

DATE: February 3, 1999

FROM: Jack Fargnoli
Y2K Project Office

SUBJECT: Internal Y2K Spending and Reporting JF

The question of how, even whether, to attempt to identify past government agency spending on Y2K-related efforts has been the subject of a national intergovernmental discussion throughout 1998. The focus of the discussion has been promulgation by the Government Accounting Standards Board (GASB) of GASB Technical Bulletin No. 98-1 (TB 98-1), "Disclosures About Year 2000 Issues", which establishes Y2K accounting and reporting requirements for state and local governments.

From its initial dissemination as an exposure draft in July 1998 to its final amendment and adoption by GASB in October 1998, the central issue of concern about TB 98-1 has been whether it is possible to quantify or even meaningfully characterize past state and local government Y2K expenditures - - and specifically, whether attempting to do so at this point would be worth the substantial effort and expense required.

The American Institute Of Certified Public Accountants (AICPA) and the National Association Of State Auditors, Comptrollers And Treasurers (NASACT) are the two national professional associations most critical in advising GASB on the establishment of government accounting and financial reporting standards. Both organizations have gone on record in strongly recommending to GASB that the potential benefits of requiring detailed past Y2K cost or expenditure compilations from government agencies are far outweighed by the potential costs and risks to managers, auditors, investors, and the public. Both AICPA and NASACT have emphasized that this is particularly true with respect to compilations of internal agency costs and expenditures - - notably, those arising from the shifting of agency personnel and resources from other efforts to Y2K-related projects.

The key reasons cited by AICPA and NASACT for making this recommendation were:

- While contractual commitments are easily identifiable, and agency tracking and reporting of them is already required, the use of agency personnel to perform Y2K work is not accounted for separately:

- *"The [7/98 exposure draft of TB 98-1] provides no relief for those many entities that have not separately accounted for their use of internal resources to address the Year 2000 issue.... Entities generally do not record payables in separate accounts depending on the nature of the costs..."* (9/24/98 comment letter from NASACT to GASB)

- *"Many governments will not contract their Year 2000 efforts, and others will simply replace noncompliant systems. In either case, no commitment exists as a basis for disclosure, and there is no other basis for disclosure apparent in GASB standards or the [TB 98-1] guide"* (10/8/98 comment letter from AICPA to GASB)

- Agencies are not likely to estimate costs in a consistent fashion:

  - *"Quantifying amounts spent may not be meaningful disclosure...because disclosure amounts for this requirement are likely to be inconsistent."* (10/8/98 comment letter from AICPA to GASB)

  - *"We question [GASB's] attempt to have governments disclose the portion of the costs of replacement systems or equipment that relates to Year 2000 compliance.... There is no logical basis for separating the costs of a system of this type into its component parts [i.e., those necessary to achieve Y2K compliance, vs. those not necessary]."* (9/24/98 comment letter from NASACT to GASB)

- The costs of trying to compile past agency spending amounts outweigh the benefits:

  - *"The costs of the quantitative disclosures that would be required [in the 7/98 exposure draft of TB 98-1] far outweigh the benefits."* (9/24/98 comment letter from NASACT to GASB)

  - *"We recommend that the quantitative disclosures - - except the disclosure related to significant purchase commitments, which is required by current GAAP [generally accepted accounting principles] - - be eliminated." (9/24/98 comment letter from NASACT to GASB)*

These broad concerns are generally endorsed by the state accountant in the Department of Administration's Division of Finance, and are reflected in the State's treatment of Y2K issues in the FY 1998 Comprehensive Annual Financial Financial Report (see Note 10).

The upshot of AICPA's and NASACT's recommendations was that GASB accepted them, and incorporated the changes in the promulgated 11/98 version of TB 98-1. TB 98-1 accordingly requires state and local governments to track, compile and report Y2K-related costs and expenditures only for significant, contractual Y2K expenditures. The entirety of the requirement in TB 98-1 is as follows:

> *"Governments should disclose any significant amount of resources committed - - contracted amounts at the end of the government's reporting period - - to make computer systems and other*

electronic equipment year 2000-compliant." (GASB Technical Bulletin No. 98-1, "Disclosures About Year 2000 Issues", Section 6, p. 2)

Overall, this approach seems reasonable for the State of Alaska to follow as well, in regarding or reporting Y2K-related costs incurred to date; i.e., an approach of focusing on major Y2K contractual costs, and expenditures related to Y2K-specific appropriations. Historical Y2K spending data for other states is too spotty and inconsistent to make much use of, but review of the Y2K cost information for state governments posted on the internet site of the National Association Of Information Resource Executives (which is being used by the U.S. General Services Administration and the Y2K committees of Congress) indicates that other states are following a similar approach.

State of Alaska
Year 2000 Project

MISSION-CRITICAL BUSINESS FUNCTIONS

DEPARTMENTAL LISTINGS

The list below identifies the mission-critical business functions for each executive branch department, as initially identified by each department from its departmental point of view. The list was distributed and discussed at the 6/23/98 Cabinet meeting.

Administration

Administrative Services:

Financial Accounting
Budget Development
Budget Monitoring
Payroll Accounting
Personnel Management
Procurement
Property Control
Leased Facilities
Municipal Grant Administration

AK Commission on Aging/Division of Senior Services:

Nutrition, Transportation, & Support Service Grants
Senior Employment Program
Home & Community Based Grants
Mental Health Trust Authority Grants

AK Longevity Programs:

Alaska Longevity Bonus Program
Alaska Pioneer Homes Pharmacy/ Pharmaceuticals
Alaska Pioneer Homes (general)

AOGCC:

Communication with outside
Budget Monitoring
Procurement
Well Data & Production Information
Inventory of Well Log tapes and Samples
Engineering & geological analysis
Well Compliance
Inter/intra agency communications
Electronic building security

APOC:

Campaign Disclosure /Disclose System
Individual Contributor Form 15-5
Lobbying
Conflict of Interest/ Legislative Financial Disclosure
Administrative, Payroll, Budget & Legislative

Finance:

Payroll
Accounting

ITG:

Computer Services
Network Services
Telephone Services
Telecommunications Services
Alaska Public Communications Services
Agency Support Services
Admin/ Finance/ Procurement

Motor Vehicles:

Vehicle and Driver Licensing

Office of Public Advocacy:

Public Guardian Trust Accounting System
OPA Case Management & Billing System

Division of Personnel:

On-Line Job Recruitment/Applications (Workplace Alaska)
Traditional Job Recruitment
Reporting/Access to Human Resource info
Grievance Tracking

Public Defender Agency:

Case Management
Voice Mail
Desk Top Computers

Retirement and Benefits:

Retiree Payroll
PERS/TRS Member Service Tracking
Health and Supplemental Benefits Enrollment for State Employees
Deferred Compensation
Supplemental Benefits System Annuity Plan
Dependent Care Accounting

Risk Management:

Claims Payment
Zero Balance Bank Account Processing/Reconcili
Budget Prep. Monitoring & I/A receipt collection
Cost of Risk Allocation, Payroll assessment
Annual report to Dept. of Labor
IRS 1099 preparation & issuance
Actuarial projections & annual report

Tax Appeals:

Tax appeal hearings; decisions
Procurement hearings; decisions
Other admin appeals

COMMERCE AND ECONOMIC DEVELOPMENT

AK Energy Authority:

Bradley Lake Hydro
Four Dam Pool Hydro
Larsen Bay Hydro
Alaska Intertie

AK Seafood Marketing Institute:

LAN
Accounting
Payable/
Receivable

Insurance:

All aspects of Licensing Insurance Producers, SLBs, ADJs, MGAs, TPAs, RIMs, and RIBs
Consumer Service Complaint Database

Banking, Securities, & Corporations:

Banking - Supervision of state-chartered financial institutions
Securities - Regulation of securities in Alaska and the securities market's participants
Corporation - act as a filing agency, assist private sector in processing documents, provide information

Other:

Business Licenses
AIDEA Loan Servicing
Loan Servicing
Alaska Railroad

COMMUNITY AND REGIONAL AFFAIRS

Job Training Partnership Office
Power Cost Equalization
State Revenue Sharing
Seniors and Disabled Renters Program

CORRECTIONS

DOC Twelve Correctional Institutions, And Their Security, Central Control Systems, Perimeter Fences, Card Entry/Exit Systems, Monitoring Systems, Health and Life/ Safety Systems

DOC Telecommunications In Correctional Facilities.

EDUCATION

Child Nutrition Database
Food Distribution Database
Federal Draw Macro
DYNIX system Libraries
Archives Database/RBASE/GENCAT
ARGUS Database
CIMS
MEHS Student and School records database
Teacher Certification Database
Post-Secondary Education Commission - Loans

ENVIRONMENTAL CONSERVATION

Division of Spill Prevention and Response:

Collection of Environmental Protection Agency (EPA) Federal Funds
Collection of Department of Defense Federal Funds

Environmental Health/Food Safety Laboratories

Laboratory Analysis of Food Samples
Collection of Department of Defense Federal Funds

Environmental Health/State Chemistry Lab

Certifying commercial Drinking Water Labs
Analysis of environmental samples

FISH & GAME

General:

Licensing fishermen, crew members and vessels for commercial fishing across the state
Sportfish licensing
Process & Track Permits
Enhancement Hatcheries
Anadromous Waters System (GIS)
Process Fish Tickets
salmon-marking stock assessment (NERKA, TAGOTOWEB MARKDB, OTOLITH TMR data entry, OTOLITH TMR database)
salmon-marking stock assessment (freezer building, owner-maintained)
sonar-based escapement estimates
radio or sonic-marking stock assessment

Support Services:

Communications (Field, Remote)
Facilities
Vessels
Aircraft
GPs

Wildlife Conservation

Aircraft
Radios/Loran
GPS
DWC – Drawing and Tier II Permit Application System
Radio Telemetry

CFEC:

Licensing fishermen and their vessels to participate in commercial fishing across the state

Application for a limited entry permit in a fishery undergoing limitation
Development of detailed database on fisheries harvest and effort
Detailed study of fisheries for limitation
Case reporting
Record and report on Bristol Bay fishing district registration

GOVERNOR

Executive Decision Processes
Voter Registration and Election Management
Election Ballot Tabulation
Human Rights Complaint Investigation
State Budget Preparation
Payroll Process

HEALTH AND SOCIAL SERVICES

Family and Youth Services - Youth Detention Facilities
Family and Youth Services - Family Services, Child Protection Services
Alaska Psychiatric Institute
Public Health Nursing
Medical Benefits to Alaskans who qualify
Public Assistance or "Welfare" Programs (ATAP, Food Stamps/EBT, General Relief, Adult Public Assistance and others) for Alaskans who qualify
Vital Statistics System
Public Health Laboratories
Emergency Medical Services

LABOR

Unemployment Insurance
Employment Services
Worker's Compensation
Labor Standards and Safety

LAW

Prosecution of Criminals
Collection of Civil & Criminal Debts to the State - Child Support Enforcement Collections
Investigation, Defense, & Prosecution of State's Oil & Gas Royalty and Taxation Cases
Child Protection Cases

MILITARY AND VETERANS AFFAIRS

Emergency Response Capability - State, Local, Federal Coordination
Disaster Recovery Database - Emergency Response Support

Disaster Recovery DMVA Backbone Wide Area Network
Disaster Recovery Meridian Phone System Switch
Disaster Recovery Antenna Field Communications
Disaster Recovery Access To Internet
DMVA Local Area Network Services to Commissioner and DES Staff
DMVA Emergency Backup Power Systems
DMVA Facilities
DMVA Aircraft
Support of Air Guard Facility

NATURAL RESOURCES

DNR's revenue processing
Property recorder's office system
DNR computing, email, networking, and Geographical Information Systems.
DNR oil patch
DNR Buildings: Frontier and Bank of America.
DNR Land Administration System.
Wildland Fire Suppression Systems
Field Radio and Mobile Repeater Systems

PUBLIC SAFETY

Alaska Public Safety Information Network
911 Emergency Dispatch Centers
Public Safety Message Switch
Vehicles, Vessels, Aircraft

REVENUE

Income & Excise Audit Division's Cash Processing
Process and deliver PFD checks
Process Child Support Payments
Collection of State Revenues
Disbursement of State Funds
In-house investment management of State/ASPIB fixed income
Permanent Fund Corporation - Asset Management

TRANSPORTATION

Alaska Marine Highway System Vessels
Anchorage International Airport Fire Alarm System
Anchorage International Airport Heating, Ventilating, Air Conditioning
Alaska Marine Highway System Shoreside Facilities
Anchorage International Airport Access Control System

Land Highway Traffic Control Devices
State Equipment Fleet Vehicles and Shop Equipment
State Equipment Fleet Equipment Management System
Fairbanks International Airport Access Control System
Fairbanks International Airport Andover Heating, Ventilating, Air Conditioning Control
Fairbanks International Airport Fire Alarm System
Sitka Airport
Telecommunication Infrastructure
Data Communication Infrastructure
Third Party Billing System
Public Facilities, Buildings

2/4/99

CURRENT YEAR 2000 PROCUREMENT REQUIREMENTS

The two attached documents show the Y2K-related contract manual requirements and provisions currently in place for the State of Alaska (Division of General Services, Department of Administration), regarding the procurement of technology-related products and services, including computer hardware, software, and services:

- The document titled Procurement Information Message #37, Year 2000 Contract Language sets out the State's requirements and provisions for vendors and contractors who are direct manufacturers or direct providers of technology-related products and services.

- The document titled State Of Alaska RFP Number 98-0168, Amendment Number One shows the Year 2000 procurement requirement language currently in use by the State of Alaska (DGS/DOA) regarding the handling of year 2000-related compliance issues under contracts where a reseller is providing a product or service which is manufactured or supplied by a third party.

PROCUREMENT INFORMATION MESSAGE

Procurement Information Message #37 November, 1996
Division of General Services *Juneau 465-2250/Anchorage 276-3320*

Procurement Information Message #37
Year 2000 Contract Language

What is the year 2000 problem? In the late 1950s through the 70s, computer memory that was needed to store data and computer programs, and to do the many computations required to support government and business was costly. Programmers looked for ways to use memory efficiently. For example, expressing dates as six-digit combinations (e.g. 01-01-95) was a good way to save considerable computer memory. It also saved time when the date was entered and ultimately saved money.

This was not a problem until businesses, such as insurance companies, needed to express the year 2000. Without an additional digit for the century indicator, Jan. 1, 2000 would be entered in the computer as 01-01-00. The computer program interprets the "00" as 1900, rather than 2000.

Another example is when the computer calculates your age in the current year. If you were born in 1952, the computer takes 96 (the current year), subtracts 52 and the answer is 44. However, the same question in the year 2000 will force the computer to take 00 and subtract 52, which will make you -52 (not born yet).

Will this affect State government? Computer systems that support critical State applications such as revenue collections, taxes, welfare benefits, medical insurance, criminal records, licensing, and many others may not be ready to deal with the year 2000. *Agencies must act now to determine the effect the year 2000 change will have on all applications and take action to correct the problems immediately!*

How long will it take and how much will it cost to fix the problem? Costs will vary depending on the severity of the problem and the number of programs affected. Agencies need to assess the extent of the problem within their programs before "costs" and "time to fix" estimates can be made.

What can we do to ensure that hardware, software, or firmware products purchased by the State accurately process data between the twentieth and twenty-first centuries?

The following clause is designed to protect the state against potential conversion problems associated with high tech purchases during the year 2000. It should be

included in all applicable high tech purchases and development contracts for Year 2000 compliant software, hardware, and systems with the following exceptions:

1. the requirement will not continue to exist after December 31, 1999, or
2. the agency has decided to accept products or items that are not Year 2000 compliant.

YEAR 2000 WARRANTY: The contractor warrants that each hardware, software, or firmware product or item delivered or developed under this contract shall accurately process date data (including, but not limited to calculating, comparing, and sequencing) from, into, during, and between the twentieth and twenty-first centuries, including leap year calculations, when used in accordance with the documentation provided by the contractor.

If the contract requires that specific products or items perform as a system, then this **Year 2000 Warranty** shall also apply to those listed items as a system.

The duration and remedies available to the State for breach of the **Year 2000 Warranty** shall be as defined in, and subject to, the terms and limitations of any general warranty provisions contained in this solicitation. In the absence of any such general warranty provision(s), the remedies available to the State shall include repair or replacement, without any cost to the State, of any listed product or item whose non-compliance is discovered and made known to the contractor in writing within one (1) year after acceptance, or within the time limits of the contractor's warranty, whichever is longer. Nothing in this **Year 2000 Warranty** shall be construed to limit any rights or remedies the State may otherwise have under the Uniform Commercial Code, State or Federal law, or with respect to defects other than Year 2000 performance.

Agencies may consider negotiating modifications to existing contracts for the acquisition of new products using the above clause as a guide. Prior to modifying the contract, the agency must ensure:

1. that performance is possible considering the characteristics of the existing products,
2. cost of performance will not be prohibitive, and
3. the contractor agrees to the bilateral contract modification.

Please contact General Services if you have questions regarding the information contained in this PIM.

****

STATE OF ALASKA RFP NUMBER 98-0168
AMENDMENT NUMBER ONE

RETURN THIS AMENDMENT TO THE ISSUING OFFICE AT:

Department of Administration
Division of General Services
Seventh Floor - State Office Bldg.
333 Willoughby Street
P.O. Box 110210
Juneau, Alaska 99811-0210

THIS IS NOT AN ORDER **DATE AMENDMENT ISSUED: August 31, 1998**

RFP TITLE: THE ESTABLISHMENT OF A CONTRACT TO PROVIDE FOR THE PURCHASE, LICENSING, MAINTENANCE, DOCUMENTATION AND SUPPORT OF SOFTWARE FOR ALL EXECUTIVE BRANCH STATE AGENCIES AND PARTICIPATING POLITICAL SUBDIVISIONS OF THE STATE.

ITB OPENING DATE AND TIME: September 18, 1998

The following changes/additions are required:

1. Section 2.07, Experience and Qualifications, is clarified as follows: The minimum sales requirement under item #2 of this section refers to all sales made by the company, not just software sales and not just sales made to the State of Alaska.

2. Section 5.01, Scope of Work, Item #3, Ordering, is revised as follows:

   The second sentence is deleted and replaced with:
   Within one year of award, the successful reseller will be expected to provide the State with a web site ordering system.

   The following sentence is added to Item #3:
   Upon request, manufacturer's standard price lists, for the State's appropriate volume level, will be provided to the Contracting Officer or requesting State agency.

3. Section 5.01, Scope of Work, Item #9, Warranty, is deleted in its entirety and is replaced with the following:

   9. **YEAR 2000 COMPLIANCE:**

   The State of Alaska has made year 2000 compliance a high priority for all information technology that is to sold to the State. Since the year 2000 is rapidly approaching, it is very important that State agencies are aware when a software publisher's product will not accurately handle year 2000 dates.

   In order for a proposal to be considered responsive, it must meet the following minimum requirements:

   a. Within one month of award, reseller must post on their firm's web site, information regarding Year 2000 complaint software for all of the products covered under all of the established agreements.

Revised (

STATE OF ALASKA RFP NUMBER 98-0168
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Resellers are to indicate what products are compliant and what products are not. Year 2000 product information must be posted for all future agreements within one month from the date the agreement is entered into. State agencies will refer to this information to determine if the products they wish to purchase are Year 2000 compliant.

b. The Year 2000 product information provided in (a.) must indicate whether the product is manufacturer certified as Year 2000 compliant, or certified by an independent agency. If the product is certified by an independent agency, that agency must be identified.

c. Within one year of award, the Year 2000 product information described in (a.) must be tied to the web site ordering system so that when an agency selects a product to order, an indicator will appear denoting that the product is/is not Year 2000 compliant and whether the item is certified by the manufacturer or an identified independent agency.

d. Reseller must update the posted Year 2000 information by the 5th of each month to ensure current information is available.

4. Section 6.01, Proposal Format and Content. Number II. Section C, Project Strategy, Item #9, Warranty, is deleted and replaced with the following:

9. **Year 2000 Compliance:** Proposals are to describe the method the resellers will employ to provide State agencies with the required information regarding Year 2000 compliance for all of the products covered under all of the agreements considered in Request for Proposal #98-0168 and any agreements entered into in the future.

5. Section 7.02, Project Strategy, Item [h] is deleted and replaced with the following:

[h] How well will the offeror's proposed method of providing Year 2000 compliant information meet the needs of the State in determining if a software product is compliant or not?

6. Proposers may request an electronic copy of Request for Proposal #98-0168 via email (request an electronic copy from Tricia_Cunningham-Young@admin.state.ak.us). No alterations of the provisions of the Request for Proposal will be permitted without prior written approval from the Contracting Officer. If conflict arises between the terms or conditions included in a submitted proposal and a term or condition of the RFP, the term or condition of the RFP will prevail. Proposals may not be submitted electronically; five hard copies must be submitted as described in Request for Proposal #98-0168.

In order for your bid to be considered responsive, this amendment, in addition to your original proposal, must be received by the issuing office of the Division of General Services prior to the time set for the proposal opening.

Marie K. Dyon for
Tricia Cunningham-Young, Contracting Officer
PHONE: (907) 465-5677
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Post-it® Fax Note 7671	Date 2/2/99	# of pages ▶ 2
To Dave Thurnell	From Marieka	
Co./Dept.	Co.	
Phone # 5007	Phone # 2687	
Fax # 5034	Fax # 2184	

NAME OF COMPANY

SIGNATURE DATE

PAC

Scope of Services

Intent

The intent of this contract is to document the Year 2000 (Y2K) Compliance Status of vessels within the Alaska Marine Highway Fleet (AMHS); make recommendations as to how to accomplish Y2K compliance of noncomplying vessel equipment, software, and integrated systems; to develop test procedures (if necessary) to assure that critical software and hardware are Y2K compliant; to develop cost estimates for replacement and upgrading of noncomplying equipment, software, or integrated systems; and to implement those hardware, software, and systems upgrades authorized by AMHS in order to assure Y2K compliance of those items. The overall aim of this project is to avoid incidents that may result in loss of life or accident, pollution, collision, loss of vessel, commercial and/or legal penalties, and suspension of or undue restriction of vessel operations by regulatory agencies.

Scope of Work

The contractor shall determine the Y2K status of vessels within the AMHS fleet. Of special interest are the M/V Kennicott, Tustumena, and the Columbia, therefore the determination of the Y2K status of these three vessels will be completed first. Based on the results of the Y2K status of these vessels, AMHS may request that the contractor determine the status of the M/V Malaspina/Taku/Matanuska Class Vessels, the M/V LeConte/Aurora Class Vessels, and the M/V Bartlett. The contractual services shall be authorized in Phases for each vessel within the fleet.

Phase I – Investigation and Report Preparation

1. Prepare an inventory, by vessel, of all onboard vessel equipment that is susceptible to Y2K related failure. Equipment shall be categorized into groups, such as, navigation & communications equipment, computer & office equipment, vehicles, main diesel control systems, ship service generator control systems, emergency generator control systems, steering control systems, propulsion systems, fin stabilizer control systems, galley equipment, sanitation, reverse osmosis desalination equipment, lifeboats, refrigeration and freezers, fire detection & alarm systems, boiler controls, air handling controls, heaters, lighting systems, motor controls, EPIRBS, clocks, onboard multimedia equipment (VCR's, Televisions, etc.), elevator control systems, vehicle elevator and turntable controls, aircraft scanners, and other systems as determined appropriate and necessary. Also investigate existing onboard vessel contingency and emergency plans and incorporate them into the contingency plans, at least by reference, to be developed in Phase III. Items owned by crew shall be excluded from this inventory unless specifically authorized by AMHS.
2. Following completion of the inventory the contractor shall research each component to determine its Y2K compliance status.
3. The contractor shall prepare a separate report for each vessel, indicating the Y2K compliance status of that vessel and its equipment. The report shall include an executive summary, a grouping of equipment by category, an assessment of compliance, shall include certificates of compliance for all Y2K compliant equipment and software, shall develop a list of recommendations (with cost estimate) for additional required testing, upgrading or replacing of all noncompliant equipment and software to that it shall be Y2K compliant upon completion of the work.

Phase II – Upgrades to Vessel Fleet

If the report reveals that there is noncompliant equipment and/or software that requires upgrades and/or replacement to be made compliant, then AMHS will, in conjunction with the contractor, develop a list of those necessary upgrades that will satisfy the Y2K compliance needs of AMHS. It is highly likely that financial constraints will not allow AMHS to authorize all equipment, software, or system upgrades required for total vessel Y2K compliance to be performed. Upon completion of this prioritization, the contractor shall perform those hardware, software, or system upgrades determined by AMHS to be critical to crew and passenger safety, continued operations of the vessel, and as required to satisfy regulatory agency requirements. Upon completion of this phase of the work the contractor shall upgrade the report prepared under Phase I to reflect the conditions of the existing and modified components, including providing additional certificates of Y2K compliance for all modified/corrected/upgraded work items.

Phase III – Contingency Plans

The contractor shall develop a contingency plan to deal with possible incidents arising from date and time related failures, incase equipment failure occurs despite all efforts to detect and remediate noncompliance. Contingency plans will be developed for high and medium risk systems. The contingency plans shall be developed in phases, taking into account crew size and composition, back-up systems, possibility of manual operation of machinery, alternative means of navigation and communication, and regulatory consequences of radio and navigation equipment failure. In addition:

1. The contractor shall develop a contingency plan in conjunction with AMHS vessel operations and engineering staff.
2. Contingencies may include plans requiring manual operations, restrictive operations (stay in port, no operations in restricted channels, etc), shore based technical support on standby to assist with conflicts, conversion of operations to non-electrical back-up systems, shut-down of unnecessary equipment, and others as appropriate.
3. Plans shall include, by reference if necessary, any existing contingency and operational plans currently existing onboard the vessels.

Article 3
Period of Performance

Phase I – Investigation and Report Preparation for the following vessels:

Phase Ia. M/V Kennicott	March 15, 1999
Phase Ib. M/V Tustumena	March 31, 1999
Phase Ic. M/V Columbia	March 31, 1999
Phase Id. M/V Matanuska	April 30, 1999
Phase Ie. M/V Taku	April 30, 1999
Phase If. M/V Malaspina	May 31, 1999
Phase Ig. M/V LeConte	April 30, 1999
Phase Ih. M/V Aurora	April 30, 1999
Phase Ii. M/V Bartlett	May 31, 1999

Phase II – Upgrades to the following vessels:	**Estimated Completion Date**
Phase IIa. M/V Kennicott	June 31, 1999
Phase IIb. M/V Tustumena	June 31, 1999
Phase IIc. M/V Columbia	April 28, 2000
Phase IId. M/V Matanuska	October 31, 1999
Phase IIe. M/V Taku	January 10, 2000
Phase IIf. M/V Malaspina	June 1, 2000
Phase IIg. M/V LeConte	October 31, 1999
Phase IIh. M/V Aurora	October 31, 1999
Phase IIi. M/V Bartlett	April 1, 2000

Phase III – Contingency Plan Preparation:

Phase IIIa. M/V Kennicott	June 31, 1999
Phase IIIb. M/V Tustumena	June 31, 1999
Phase IIIc. M/V Columbia	August 31, 1999
Phase IIId. M/V Matanuska	August 31, 1999
Phase IIIe. M/V Taku	July 30, 1999
Phase IIIf. M/V Malaspina	August 31, 1999
Phase IIIg. M/V LeConte	July 30, 1999
Phase IIIh. M/V Aurora	July 30, 1999
Phase IIIi. M/V Bartlett	August 31, 1999

Article 4
Appendix D, Exhibit D-1
Method of Payment

1. Payments shall be made in accordance with the following tables, and the applicable discussions of Methods of Payment presented below.

Phase I – Investigation and Report Preparation

Method of Payment (Cost plus Per Diem, Not to Exceed)	Estimated Amount
Estimated Price – Kennicott	$34,580
Estimated Price – Tustumena	$32,620
Estimated Price – Columbia	$28,392
Estimated Price – Matanuska	$29,210
Estimated Price – Taku	$29,210
Estimated Price – Malaspina	$29,210
Estimated Price – LeConte	$26,868
Estimated Price – Aurora	$26,868
Estimated Price - Bartlett	$27,118

Phase II – Onboard Y2K Compliance

Method of Payment (Cost plus Per Diem)	Estimated Amount
Estimated Price – Kennicott	Unknown at this Time
Estimated Price – Tustumena	Unknown at this Time
Estimated Price – Columbia	Unknown at this Time
Estimated Price – Matanuska	Unknown at this Time
Estimated Price – Taku	Unknown at this Time
Estimated Price – Malaspina	Unknown at this Time
Estimated Price – LeConte	Unknown at this Time
Estimated Price – Aurora	Unknown at this Time
Estimated Price - Bartlett	Unknown at this Time

Phase III – Vessel Contingency Planning

Method of Payment (Cost plus Per Diem, Not to Exceed)	Estimated Amount
Estimated Price – Kennicott	$7,280
Estimated Price – Tustumena	$2,640
Estimated Price – Columbia	$3,640
Estimated Price – Matanuska	$3,640
Estimated Price – Taku	$3,640
Estimated Price – Malaspina	$3,640
Estimated Price – LeConte	$3,640
Estimated Price – Aurora	$3,640
Estimated Price - Bartlett	$3,640

2. Fixed Price(s): Not Applicable

3. Expenses: As Indicated Below

a. Payments of the Fixed Price will be progress payments not to exceed the Fixed Price(s).

b. Payments for Other Direct Costs (expenses) will be made for actual substantiated costs not to exceed the total specified amount for expenses which are directly chargeable to and necessary for performance of the services assuming they are not recovered through the indirect cost rate.

c. Travel and Per Diem costs will be reimbursed as follows:

1. Airplane Ticket: Coach Class Rate

2. Lodging: Actual lodging cost

3. Meals: Per following meal allowances. (Must be in travel status for three consecutive hours to be eligible for meal allowance.

	Alaska	**Out of State**	
Midnight to 10:00 am		5/16 – 9/15	9/16 – 5/15
Breakfast	$9	$8	$6
10:00 am to 3:00 pm			
Lunch	$11	$9	$7
3:00 pm to Midnight			
Dinner	$22	$19	$15
Maximum Daily Total	$42	$36	$28

d. Additional non-salary expenses must be accompanied by substantiating invoices.

4. Professional Rate Plus Expenses: Not Applicable

5. Cost Plus Fixed Fee: Not Applicable

6. Special Considerations, Phase II: Negotiable, Dependent Upon Scope of Work

Definition of Compliance

"Year 2000 conformity shall mean that neither performance nor functionality is affected by dates prior to, during, and after the year 2000." In particular: no value for current date will cause any interruption in operation; date-based functionality must behave consistently for dates prior to, during and after year 2000; in all interfaces and data storage, the century in any date must be specified either explicitly or by unambiguous algorithms or inferencing rules; year 2000 must be recognized as a leap year.

Projected Y2K Consultant Cost Estimate

Assumed Hourly Rate $91

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Phase I - Investigation and Report Preparation

Kennicott

Item	Engr/Tech	Days	Hours/Day	Cost/Day	Total
Project Management	1	6	8	$728	$4,368
Investigation	2	5	10	$1,001	$10,010
Product Research	1	10	8	$728	$7,280
Report	1	5	8	$728	$3,640
Upgrades & Repairs	1	5	8	$728	$3,640
Travel	2	2	8	$728	$2,912
Travel (Airfare)	2	Est.		$800	$1,600
Per Diem (Days)	2	7		$45	$630
Hotel (Days)	2	2		$125	$500
Per Vessel Cost					$34,580

Columbia

Item		Days	Hours/Day	Cost	Total
Project Management	1	4	8	$728	$2,912
Investigation	2	4	10	$1,001	$8,008
Product Research	1	5	8	$728	$3,640
Report	1	5	8	$728	$3,640
Upgrades & Repairs	1	5	8	$728	$3,640
Travel	2	2	8	$728	$2,912
Travel (Airfare)	2	Est.		$800	$1,600
Per Diem (Days)	2	6		$45	$540
Hotel (Days)	2	6		$125	$1,500
Per Vessel Cost					$28,392

LeConte/Aurora

Item		Days	Hours/Day	Cost	Total
Project Management	1	3	8	$728	$2,184
Investigation	2	3	10	$1,001	$6,006
Product Research	1	5	8	$728	$3,640
Report	1	5	8	$728	$3,640
Upgrades & Repairs	1	5	8	$728	$3,640
Travel	2	3	8	$728	$4,368
Travel (Airfare)	2	Est.		$800	$1,600
Per Diem (Days)	2	6		$45	$540
Hotel (Days)	2	5		$125	$1,250
Per Vessel Cost					$26,860

Tustumena

Item	Engr/Tech	Days	Hours/Day	Cost	Total
Project Management	1	5	8	$728	$3,640
Investigation	2	7	8	$728	$10,192
Product Research	1	5	8	$728	$3,640
Report	1	5	8	$728	$3,640
Upgrades & Repairs	1	5	8	$728	$3,640
Travel	2	3	8	$728	$4,368
Travel (Airfare)	2	Est.		$800	$1,600
Per Diem (Days)	2	10		$45	$900
Hotel (Days)	2	4		$125	$1,000
Per Vessel Cost					$32,620

Taku/Malaspina/Matanuska

Item		Days	Hours/Day	Cost	Total
Project Management	1	3	8	$728	$2,184
Investigation	2	4	10	$1,001	$8,008
Product Research	1	5	8	$728	$3,640
Report	1	5	8	$728	$3,640
Upgrades & Repairs	1	5	8	$728	$3,640
Travel	2	3	8	$728	$4,368
Travel (Airfare)	2	Est.		$800	$1,600
Per Diem (Days)	2	7		$45	$630
Hotel (Days)	2	6		$125	$1,500
Per Vessel Cost					$29,210

Bartlett

Item		Days	Hours/Day	Cost	Total
Project Management	1	3	8	$728	$2,184
Investigation	2	3	10	$1,001	$6,006
Product Research	1	5	8	$728	$3,640
Report	1	5	8	$728	$3,640
Upgrades & Repairs	1	5	8	$728	$3,640
Travel	2	3	8	$728	$4,368
Travel (Airfare)	2	Est.		$800	$1,600
Per Diem (Days)	2	6		$45	$540
Hotel (Days)	2	6		$125	$1,500
Per Vessel Cost					$27,118

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Costs include only assessment, remediation determination and cost estimates, and development of contingency plans. Full cost of actual remediation work including testing is not included.

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Total Fleetwide Projected Consultant Cost

Vessel	Cost/Vessel	Cumulative Total
Kennicott	$34,580	$34,580
Tustumena	$32,620	$67,200
Columbia	$28,392	$95,592
Matanuska	$29,210	$124,802
Taku	$29,210	$154,012
Malaspina	$29,210	$183,222
LeConte	$26,868	$210,090
Aurora	$26,868	$236,958
Bartlett	$27,118	$264,076
Total Fleetwide Cost	$264,076	

Costs include only assessment, remediation determination and cost estimates, and development of contingency plans. Full cost of actual remediation work including testing is not included.

Phase III - Contingency Planning

Vessel	Days	Hours/Day	Cost/Day	Total	Cumulative Total
Kennicott	10	8	$728	$7,280	$7,280
Tustumena	5	8	$728	$3,640	$10,920
Columbia	5	8	$728	$3,640	$14,560
Matanuska	5	8	$728	$3,640	$18,200
Taku	5	8	$728	$3,640	$21,840
Malaspina	5	8	$728	$3,640	$25,480
LeConte	5	8	$728	$3,640	$29,120
Aurora	5	8	$728	$3,640	$32,760
Bartlett	5	8	$728	$3,640	$36,400
Fleetwide Contingency Planning Cost				$36,400	

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Y2K Project Information
2/2/1999

- Mission Critical Business Functions with estimated failure dates.
- Mission Critical Business Functions that meet the economic well-being criteria.
- Project Detail, including ABS backup for projects
- RSA spending to date
- States' Spending Summary on Y2K
- Testing Guidelines, including certification of internally remediated Y2K compliant systems.
- Alaska Railroad Status
- Y2K CIP Review Process

Updated: 1/20/99

State of Alaska - Year 2000 Project
Y2K Project Office

MISSION-CRITICAL BUSINESS FUNCTIONS
(with estimated failure dates)

ENTERPRISE-LEVEL

The list below identifies the "enterprise-level" mission-critical business functions for purposes of the Year 2000 Project, along with estimated failure dates. These business functions and the systems which support them (business systems, automation systems, facilities, supplier and customer relationships, etc.) will be the primary focus of Y2K remediation and compliance efforts.

Administration	Estimated failure date
Procurement	**1/1/2000**
Mental Health Trust Authority Grants	**1/1/2000**
Public Guardian Trust Accounting System	**1/1/2000**
Alaska Longevity Bonus Program	**1/1/2000**
Alaska Pioneer Homes (general)	**1/1/2000**
Payroll	**1/1/2000**
Accounting	**1/1/2000**
Computer Services	**1/1/2000**
Network Services	**1/1/2000**
Telephone Services	**1/1/2000**
Telecommunications Services	**1/1/2000**
Alaska Public Communications Services	**1/1/2000**
Vehicle and Driver Licensing	**1/1/2000**
Retiree Payroll	**1/5/2000**
Supplemental Benefits System Annuity Plan	**1/12/2000**
On-Line Personnel Recruitment	**9/30/1999**
COMMERCE AND ECONOMIC DEVELOPMENT	
Bradley Lake Hydro	**1/1/2000**
Four Dam Pool Hydro	**1/1/2000**
Larsen Bay Hydro	**1/1/2000**
Alaska Intertie	**1/1/2000**
AIDEA Loan Servicing	**1/1/1995**
Investment Loan Servicing	**1/2/2000**
Alaska Railroad	**1/1/2000**
COMMUNITY AND REGIONAL AFFAIRS	
Power Cost Equalization	**7/1/1999**
State Revenue Sharing	**1/1/2000**
Seniors and Disabled Renters Program	**1/1/2000**
Safe Communities (formerly Municipal Assistance)	**1/1/2000**

CORRECTIONS

DOC Twelve Correctional Institutions, And Their Security, Central Control Systems, Perimeter Fences, Card Entry/Exit Systems, Monitoring Systems, Health and Life/ Safety Systems	**1/1/2000**
DOC Telecommunications In Correctional Facilities	**1/1/2000**

EDUCATION

Post-Secondary Education Commission -- Loans	**1/1/2000**

ENVIRONMENTAL CONSERVATION

Laboratory Analysis of Food Samples	**1/1/2000**
Certifying Commercial Drinking Water Labs	**1/1/2000**
Analysis of environmental samples	**1/1/2000**
Communications System for Emergency Response	**1/1/2000**

FISH & GAME

Licensing fishermen, crew members and vessels for commercial fishing across the state	**11/1/1999**
Enhancement Hatcheries	**1/1/2000**
Process Fish Tickets	**2/1/2000**

GOVERNOR

State Budget Preparation	**1/1/2000**
Elections	**1/1/2000**

HEALTH AND SOCIAL SERVICES

Family and Youth Services - Youth Detention Facilities	**1/1/2000**
Family and Youth Services - Family Services, Child Protection Services	**1/1/2000**
Alaska Psychiatric Institute	**1/1/2000**
Public Health Nursing	**1/1/2000**
Medical Benefits to Alaskans who qualify	**1/1/2000**
Public Assistance or "Welfare" Programs (ATAP, Food Stamps/EBT, General Relief, Adult Public Assistance and others) for Alaskans who qualify	**1/1/2000**
Public Health	**1/1/2000**
Emergency Medical Services	**1/1/2000**

LABOR

Unemployment Insurance	**12/31/1999**
Employment Services	**12/31/1999**
Worker's Compensation	**12/31/1999**

LAW

Prosecution of Criminals	**1/1/2000**
Collection of Civil & Criminal Debts to the State - Child Support Enforcement Collections	**1/1/2000**
Investigation, Defense, & Prosecution of State's Oil & Gas Royalty and Taxation Cases	**1/1/2000**
Child Protection Cases	**1/1/2000**

MILITARY AND VETERANS AFFAIRS

Emergency Response Capability - State, Local, Federal Coordination	**1/1/2000**
Disaster Recovery Database - Emergency Response Support	**1/1/2000**

NATURAL RESOURCES

DNR's revenue processing	**1/1/2000**
Property recorder's office system	**1/1/2000**
DNR oil patch	**1/1/2000**
DNR Land Administration System.	**1/1/2000**
Wildland Fire Suppression Systems	**4/1/2000**
Field Radio and Mobile Repeater Systems	**4/1/2000**

PUBLIC SAFETY [1]

Alaska Public Safety Information Network	**1/1/2000**
911 Emergency Dispatch Centers	**1/1/2000**
Public Safety Message Switch	**1/1/2000**
Vehicles, Vessels, Aircraft	**1/1/2000**

REVENUE

Income & Excise Audit Division's Cash Processing	**1/1/2000**
Process and deliver PFD checks	**11/1/1999**
Process Child Support Payments	**1/1/2000**
Collection of State Revenues	**1/1/2000**
Disbursement of State Funds	**12/30/1999**
In-house investment management of State/ASPIB fixed income	**1/1/2000**
Permanent Fund Corporation - Asset Management	**1/1/2000**

TRANSPORTATION

Alaska Marine Highway System Vessels	**12/31/1999**
Anchorage International Airport Fire Alarm System	**12/31/1999**
Anchorage International Airport Heating, Ventilating, Air Conditioning	**12/31/1999**
Alaska Marine Highway System Shoreside Facilities	**1/1/2000**

[1] Two additional MCBF's ("Public Safety Message Switch" and " Vehicles, Vessels, Aircraft"), previously listed separately, were consolidated and included within the two MCBF's shown, effective 11/6/98.)

Updated: 1/20/99

Anchorage International Airport Access Control System	12/31/1999
Land Highway Traffic Control Devices	1/1/2000
State Equipment Fleet Vehicles and Shop Equipment	11/2000
State Equipment Fleet Equipment Management System	1/1/2000
Fairbanks International Airport Access Control System	12/31/1999
Fairbanks International Airport Andover Heating, Ventilating, Air Cond Control	12/31/1999
Fairbanks International Airport Fire Alarm System	12/31/1999
Sitka Airport	1/1/2000
Telecommunication Infrastructure	1/12000
Third Party Billing System	10/1/1999
Public Facilities, Buildings	1/1/2000

Updated: 1/20/99

State of Alaska - Year 2000 Project
Y2K Project Office

MISSION-CRITICAL BUSINESS FUNCTIONS
tied to economic well-being of Alaskans

ENTERPRISE-LEVEL

This list represents the "enterprise-level" mission-critical business functions that are tied to economic well-being of Alaskans.

Administration

Procurement
Accounting
On-Line Personnel Recruitment

COMMERCE AND ECONOMIC DEVELOPMENT

AIDEA Loan Servicing
Investment Loan Servicing

EDUCATION

Post-Secondary Education Commission – Loans

FISH & GAME

Licensing fishermen, crew members and vessels for commercial fishing across the state
Enhancement Hatcheries
Process Fish Tickets

GOVERNOR

Elections

NATURAL RESOURCES

DNR's revenue processing
Property recorder's office system
DNR oil patch
DNR Land Administration System.

REVENUE

Income & Excise Audit Division's Cash Processing
Process and deliver PFD checks
Collection of State Revenues
Disbursement of State Funds

Updated: 1/20/99

In-house investment management of State/ASPIB fixed income
Permanent Fund Corporation - Asset Management

TRANSPORTATION

Third Party Billing System

Department of Administration
Retirement and Benefits software enhancements **$400.0 PERS/TERS**

Purpose is for this project is to:

- fully automate and consolidate functions in a single computer system including:
  - retiree payroll
  - employer contribution reporting
  - member service and contribution record-keeping
  - employment segment, refund and indebtedness record-keeping
  - retiree benefit and adjustment calculations

What specific hardware/software/consulting/etc. will be purchased?

- $150.0 to upgrade existing hardware
- $250.0 for contractual services

Retirement and Benefits data processing services **$250.0 PERS/TERS**

Purpose for this project is to:

- Test and certify in-house systems believed to b e compliant.
- Make systems changes to make non-compliant systems compliant, including remediation or replacement.

What specific hardware/software/consulting/etc. will be purchased?

- Contractual services to perform testing
- purchase contractual services necessary to remediate non-compliance and re-testing.

Information Technology Group mainframe test environment **$2126.0 CBRF**

Purpose of this project is to:

- Provide a separate mainframe hardware and software environment for agencies to test, remediate, and validate legacy applications Y2K functionality and compliance.

What specific hardware/software/consulting /etc. will be purchased?

- Upgrade of mainframe from IBM 9672-R44 Group 60 CUP (172 Mips) to an IBM 9672-R45 Group 70 (209 Mips) and maintenance
- Additional 1 GB of main memory for mainframe
- Duplicate MVS software costs to support non-OS/390 capable applications
- Automated tape library
- Additional 370 GB of disk

Office of Public Advocacy trust system upgrade **$104.0 CBRF**

Purpose for this project is to:

- This is a new system replacement, current system is not Y2K compliant.

What specific hardware/software/consulting/etc. will be purchased?

- Server Equipment
- Desktop Computer
- Desktop Operating System software
- Training on software systems

Y2K Project Administration **$868.4 CBRF**

Purpose of this project is to:

- Manage coordinate all aspects of the State's efforts for Y2K

What specific hardware/software/consulting/etc. will be purchased?

- 18 months personal services time for Y2K administration of projects

Department of Commerce
Alaska Public Utilities Commission assessment **$75.0 CBRF**

Purpose of this project is to:

- Conduct independent validation and verification of approximately 200 to 300 utilities and pipeline carriers to ensure Y2K compliance

What specific hardware/software/consulting/etc. will be purchased?

- Contractor to be hired to travel to locations throughout the state to conduct assessment of Y2K compliance.

Department of Corrections
Correctional facilities embedded systems **$65.0 CBRF**

The purpose of this project is to:

- Audit and review internal telecommunications systems of each institution

What specific hardware/software/consulting/etc. will be purchased?

- $25.0 is needed to audit and review the internal telecommunication systems of each institution to ensure that internal communication is Y2K compliant.
- $40.0 is needed to review the fifteen (15) local Community Jails and the ten (10) CRC's are properly interfaced with the Department of Corrections and program codes are Y2K compliant to allow capturing of necessary prisoner data

Department of Corrections
Data Processing hardware replacement **$560.0 CBRF**

The purpose of this project is to:

- Replace Wide Area Network and Local Area Network infrastructures in 32 sites across the state with Y2K compliant systems.

What specific hardware/software/consulting/etc. will be purchased?

- Replace equipment - 160 PC's @$1.5 each = $240.0
- 32 WAN/LAN sites @$10,000 = $320.0

Cook Inlet Pre-Trial Facility Central control system replacement **$1,000.0 CBRF**

The purpose of this project is to:

- Purchase a new security monitoring system to replace existing system that is not Y2K compliant.

What specific hardware/software/consulting/etc. will be purchased?

- A new stand alone security system incorporating the day to day programs necessary to operate the facility and will be designed for simplified control room operator input.

Department of Environmental Conservation
Statewide equipment, software, and database compliance **$533.5 CBRF**

The purpose of this project is to:

- Replace lab equipment that is not Y2K compliant.

What specific hardware/software/consulting/etc. will be purchased?

- Lab equipment, analyzers transmuter, etc
- For addtional detail, see page 24.

Community wastewater systems assessment **$28.0 CBRF**

The purpose of this project is to:

- Assess wastewater systems that may be embedded with date chips and will be subject to failure.

What specific hardware/software/consulting/etc. will be purchased?

- Gather information as it relates to date-imbedded chips in the various communities
- Identify by facility those systems in Alaska that present a Y2K non-compliance problem

Department of Health and Social Services **$4.0 CBRF**

McLaughlin Youth Facility heating, ventilation, and air conditioning system upgrade

The purpose of this project is to:

- This remediation project would involve replacement of non-Y2K compliant embedded microchip in the HVAC regulator in the MYC school building.

What specific hardware/software/consulting/etc. will be purchased?

- Y2K compliant microchip, associated operational components as required and installation of these units as necessary.

McLaughlin Youth Facility telephone system upgrade **$30.0 CBRF**

The purpose of this project is to:

- This remediation project would involve replacement of the non-Y2K compliant embedded microchips in the telephone system. This system upgrade and remediation would also allow for a system reconfiguration resulting in greater efficiency and operation of the facility telecommunication equipment.

What specific hardware/software/consulting/etc. will be purchased?

- Purchase Y2K compliant micro chip, associated operational components as required and installation of these units as necessary.

Public Health Laboratory server replacement **$10.0 CBRF**

The purpose of the project is to:

- Remain compliant with the legislative mandate to bill for services.

What specific hardware/software/consulting/etc. will be purchased?

- Hardware - Server that will be running Novell 4.1 operating system

Emergency Medical Services certification database replacement **$20.0 CBRF**

The purpose of this project is to:

- Replace the suite of programs which comprise the current data base with an updated system that is Y2K compliant.
- The EMS certification data base is necessary to keep track of who has been appropriately trained and certified as well as those who have been certified in previous years. The total database includes over 20,000 records.

What specific hardware/software/consulting/etc. will be purchased?

- A new windows '98 based PC will be purchased. A contract for programming services will be developed which results in existing suite of programs being completely replaced.

Alaska Psychiatric Institute hospital information system upgrade $100.0 CBRF

The purpose of this project is to:

- This project will bring API's HIS (Hospital Information System) into Y2K compliance.

What specific hardware/software/consulting/etc. will be purchased?

- Software upgrades and consultant/contractor programmer time need to implement the upgrade.

Medicaid management information systems upgrade **$2,400.0 CBRF/ Fed Rcpts**
CBRF $600.0
Fed Rcpts. $1,800.0

The purpose of this project is to:

- Bring all Medicaid Management Information System (MMIS) subsystems into Y2K compliance so that claims can be processed and paid for the estimated 80,000 Alaska Medicaid recipients.

What specific hardware/software/consulting/etc. will be purchased?

- Software for MMIS

Department of Natural Resources **$225.0 CBFR**

The purpose of this project is to:

- This project will eliminate the SNA network used by the Recording Office and replace it with TN3270 emulation on the statewide WAN.

What specific hardware/software/consulting/etc. will be purchased?

- Replace routers, and SNA terminals and printers in Fairbanks, Anchorage, Juneau, and Kenai.

Department of Transportation statewide public facilities **$4,500.0 CBRF**

The purpose of this project is to:

- Assess and correct Y2K problems associated with imbedded chip technology in building systems currently owned and operated by the State and being used in direct support of a mission critical business function.

What specific hardware/software/consulting/etc. will be purchased?

- Any replacement of Y2K non-compliant imbedded systems. Access control, heating and ventilation systems etc.

State Equipment fleet emissions test equipment replacement **$75.0 CBRF / Fed Rcpts**
CBRF $6.8
Fed Rcpts $68.2

The purpose of this project is to:

- Replace four emissions testing units that serve the State's Equipment Fleet. These test units are mandatory to ensure the equipment fleet complies with the standards for carbon monoxide emissions.

What specific hardware/software/consulting/etc. will be purchased?

- Four emissions testing units.

Alaska Marine Highway System re nediation **$600.0 CBRF/ Fed Rec**
CBRF $54.2
Federal Receipts $545.8

The purpose of this project is to:

- Identify all on-board systems that are not Y2K compliant; prioritize systems and replace or upgrade critical systems which cannot be certified as Y2K compliant.

What specific hardware/software/consulting/etc. will be purchased?

- Hire contractor to remediate the ferry fleet,
- Replacing any imbedded systems that are not Y2K compliant

Kennicott assessment **$110.0 CBRF**

The purpose of this project is to:

- Assessment, remediation and Y2K certification of the Kennicott.

What specific hardware/software/consulting/etc. will be purchased?

- Hire contractor to perform the assessment and remediation.

Y2K Project Office

OK

FY1999 Request: **$14,084,153**
Reference No: **7112**

AP/AL: Appropriation with Allocations
Historical Category: Public Support Technology/Serv
Location: Statewide
Election District: Statewide
Estimated Project Dates: 7/1/1998 - 6/30/2003

Project Type: Transitional

Contact: Robert Poe
Contact Phone: (907)465-2200

Brief Project Summary and Statement of Need:
Year 2000 Compliance Projects

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
Ben Sys	$650,000						$650,000
CBR Fund	$11,020,103						$11,020,103
Fed Rcpts	$2,414,050						$2,414,050
Total:	$14,084,153	0	0	0	0	0	$14,084,153

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

DC

Y2K Retirement and Benefits Software Enhancements

FY1999 Request: $400,000
Reference No: 6114

AP/AL: Allocation
Project Type: Information Systems
Historical Category: Public Support Technology/Serv
Location: Statewide
Contact: Sharon Barton
Election District: Statewide
Contact Phone: (907)465-2277
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
This project completes the replacement of the old Retirement and Benefits BENECALC system with the new Y2K compliant Combined Retirement System.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
Ben Sys	$400,000						$400,000
Total:	$400,000	0	0	0	0	0	$400,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

Y2K Retirement and Benefits Software Enhancements Cont.

Questions:
How does this project solve the agency's Y2K problems?

The current mainframe computer system (BENECALC) is not year 2000 compliant. The Combined Retirement System (CRS) currently undergoing testing and implementation is year 2000 compliant. If the CRS is implemented on schedule, the division will have a reliable system which will ensure that service to members and employers is not interrupted.

Is this request on your agency's Y2K work plan?

Yes.

Has this project been previously approved by TIC/TAC?

Yes.

What is the purpose of the project?

To fully automate and consolidate functions in a single computer system including:
- retiree payroll
- employer contribution reporting
- member service and contribution record-keeping
- employment segment, refund, and indebtedness record-keeping
- retiree benefit and adjustment calculations

Project cost past/present/future?

Capital Expenditures for CRS:	
Total Expended FY93-98:	$2,889,714
Expended To date FY99:	89,878
Projected for the Remainder of FY99	270,000
This Request:	400,000
Total	$3,649,592

Is this a new systems development project, upgrade, or enhancement?

$150.0 is requested to upgrade existing hardware. $250.0 is requested for contractual services to upgrade the functionality of CRS and to address deficiencies which have been uncovered during the initial implementation phase.

What specific hardware/software/consulting/etc. will be purchased?

LAN components, desktop microcomputers, printers and other peripherals will be purchased from a variety of vendors. Contract amendments are currently pending award to purchase systems analysis and software development services from Retirement Concepts Group and Powertech Toolworks, Inc.

How will service to the public improve if this project is funded?

Services to members and member employers will be more timely and accurate.

How does project fit into the department's long-range technology plans?

The CRS project was included among the long-range plans identified in the Statewide Information Management Plan published in March 1993 (pp. 35-36).

Y2K Retirement and Benefits Software Enhancements Cont.

How does project fit into the technology goals of the Knowles/Ulmer administration? (They are: Improve public access to information; Maximize service to the public through voice, video and data systems; Optimize government efficiencies; Explore innovative and cost-effective services that meet Alaska's challenges; Stimulate the development of private and public services.)

Government efficiencies are optimized by automating reporting for member employers (political subdivisions).

Does project affect the way in which other public agencies will conduct their business?

Yes. Member employers are able to report mandatory retirement system contributions, indebtedness payments, and adjustments with a computerized data files instead of paper "turn-around" documents. The use of paper forms is also reduced because hire, termination, and other employment status information will be transmitted electronically. The division will be better able to satisfy IRS reporting requirements.

What, if any, impacts are anticipated to ITG services?

As computing capacity for the CRS resides on two IBM AS/400 computer systems, the need for ITG's mainframe computing capacity for the existing BENECALC computer system will be diminished and eventually end. However, many data center services currently purchased from ITG (printing retiree payroll warrants and a variety of reports output by CRS) will continue to be purchased from the ITG. In addition, the division will still be purchasing facility services and logical units (port access and "logons") from the ITG to access the AS/400 system housed in the Juneau Data Center.

What happens if the project is not approved?

Service to members and member employers will be compromised. As it is not possible to modify the existing BENECALC computer system to make it year 2000 compliant within time constraints, data integrity and data security of pension contribution and service records will be compromised if the CRS is not implemented on schedule.

Y2K Mainframe Test Environment

FY1999 Request: $2,126,300
Reference No: 6106

AP/AL: Allocation
Project Type: Information Systems
Historical Category: Public Support Technology/Serv
Location: Statewide
Contact: Sharon Barton
Election District: Statewide
Contact Phone: (907)465-2277
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
This project will provide a separate mainframe environment for agencies to test, remediate, and validate legacy application Y2K functionality and compliance. It will provide upgrades/additional resources for mainframe, memory, disk/tape hardware, and software necessary to provide this environment.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$2,126,300						$2,126,300
Total:	$2,126,300	0	0	0	0	0	$2,126,300

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

Y2K Mainframe Test Environment Cont.

HOW DOES THIS PROJECT SOLVE THE AGENCY'S Y2K PROBLEMS?

Agencies need a totally separate mainframe hardware and software environment with which they can test, remediate, and validate legacy application Y2K functionality and compliance. This project provides upgrades or additional resources for mainframe CPU, memory, disk and tape hardware, and software necessary to provide this separate environment.

IS THIS REQUEST ON YOUR AGENCY'S Y2K WORK PLAN?

Yes

HAS THIS PROJECT BEEN PREVIOUSLY APPROVED BY TIC/TAC?

No

WHAT IS THE PURPOSE OF THE PROJECT?

To provide a separate mainframe hardware and software environment for agencies to test, remediate, and validate legacy application Y2K functionality and compliance.

PROJECT COST PAST/PRESENT/FUTURE?

This CIP request $2,126.3

IS THIS A NEW SYSTEMS DEVELOPMENT PROJECT, UPGRADE, OR ENHANCEMENT?

No, this is to provide a separate Y2K testing environment for the mainframe.

WHAT SPECIFIC HARDWARE/SOFTWARE/CONSULTING/ETC. WILL BE PURCHASED?

- Upgrade of mainframe from IBM 9672-R44 Group 60 CUP (172 Mips) to an IBM 9672-R45 Group 70 (209) Mips) and maintenance
- Upgrade of all IBM and OEM software licenses from Group 60 to Group 70 versions and maintenance
- Additional 1 GB of main memory for mainframe
- Duplicate MVS software costs to support non-OS/390 capable applications
- Automated tape library
- Additional 370 GB of disk

HOW WILL SERVICE TO THE PUBLIC IMPROVE IF THIS PROJECT IS FUNDED?

This project will provide a test environment for agencies to ensure continued uninterrupted delivery of service to the public.

HOW DOES THE PROJECT FIT INTO THE DEPARTMENT'S LONG-RANGE TECHNOLOGY PLANS?

ITG operates with an internal service fund which requires that equipment purchases be depreciated over the useful life of that class of equipment. Due to the extraordinary costs of operating this redundant testing environment, which requires hardware and software costs not built into the rate based services, this request is necessary.

Once Y2K conversion is completed, ITG will be able to reduce this short term redundancy requirements. If equipment is necessary after Y2K conversion is completed this equipment will become part of the ISF equipment replacement plan and will be built into future rate based services.

HOW DOES THE PROJECT FIT INTO THE TECHNOLOGY GOALS OF THE KNOWLES/ULMER ADMINISTRATION? (They are: Improve public access to information; Maximize service to the public through voice, video and data systems; Optimize government efficiencies; Explore innovative and cost-effective services that meet Alaska's

challenges; Stimulate the development of private and public services.)

This project is part of a larger Y2K compliance conversion project which is essential to meeting the Knowles/Ulmer administration goals. Failure of any hardware/software system to operate on day one of the new millennium will be a step backwards for the state and the administration. This project is intended to prevent these potential failures.

DOES THE PROJECT AFFECT THE WAY IN WHICH OTHER PUBLIC AGENCIES WILL CONDUCT THEIR BUSINESS?

Yes. This will be a separate and dedicated environment which provides resources and capabilities that agencies applications currently use in a production environment. This test environment will be scheduled by each agency for its usage and desired testing parameters as needed and requested.

WHAT, IF ANY, IMPACTS ARE ANTICIPATED TO ITG SERVICES?

Significant impacts to ITG are anticipated. ITG will maintain and support the test environment and assist agencies as needed in their testing.

WHAT HAPPENS IF THE PROJECT IS NOT APPROVED?

The century change date will remain the same. Some of the state's mainframe applications and systems will fail.

Y2K Retirement and Benefits Data Processing Services

FY1999 Request: $250,000
Reference No: 6122

AP/AL: Allocation
Project Type: Information Systems
Historical Category: Public Support Technology/Serv
Location: Statewide
Contact: Sharon Barton
Election District: Statewide
Contact Phone: (907)465-2277
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
Funding is requested to ensure all the division's mission-critical systems are year 2000 compliant so that there is no compromise in service to retirees, members, and employers.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
Ben Sys	$250,000						$250,000
Total:	$250,000	0	0	0	0	0	$250,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

Y2K Retirement and Benefits Data Processing Services Cont.

How does this project solve the agency's Y2K problems?

Funding is requested to ensure all the division's mission-critical systems are year 2000 compliant so that there is no compromise in service to retirees, members and employers.

Is this request on your agency's Y2K work plan?

Yes.

Has this project been previously approved by TIC/TAC?

No.

What is the purpose of the project?

1) Requiring the division's contractors to certify that their systems are compliant.
2) Testing and certifying in-house systems believed to be compliant.
3) Making systems changes to make non-compliant systems compliant, including remediation or replacement.

Project cost past/present/future?

This request: $250,000

Is this a new systems development project, upgrade, or enhancement?

This is a new request for contractual services to perform testing and necessary software modification to bring all the division's mission-critical systems into compliance.

What specific hardware/software/consulting/etc. will be purchased?

The division will purchase contractual services to perform some testing. For those systems which are found to be non-compliant, the division will purchase contractual services necessary to modify existing software and re-test modified software to ensure all systems are year 2000 compliant. As testing is completed, the division may also be required to upgrade or replace local-area network (LAN) components, desktop microcomputers, printers and other peripherals.

How will service to the public improve if this project is funded?

Services to members and member employers will not be compromised or interrupted if all systems which are date dependent are made compliant before December 31, 1999.

How does project fit into the department's long-range technology plans?

The project is consistent with department goals to automate services and contain costs.

How does project fit into the technology goals of the Knowles/Ulmer administration? (They are: Improve public access to information; Maximize service to the public through voice, video and data systems; Optimize government efficiencies; Explore innovative and cost-effective services that meet Alaska's challenges; Stimulate the development of private and public services.)

Automated data systems maximize the speed and accuracy with which the division may provide services to members and member employers. If approved, this project will ensure all mission-critical systems which are date dependent are made year 2000 compliant before December 31, 1999.

Does project affect the way in which other public agencies will conduct their business?

Yes. Member employers will be able to continue to report mandatory retirement system contributions, indebtedness payments, and adjustments by transmitting computerized data files instead of paper "turn-around" documents. The use of paper forms will also be reduced because hire, termination, and other employment status information will continue to be transmitted electronically. The division will be able to satisfy IRS reporting deadlines for the production of 1099-R forms in February 2000.

What, if any, impacts are anticipated to ITG services?

The Division will require the ITG to certify that systems hardware and software which provide essential data center services (e.g. printing of retiree payroll warrants and 1099R forms) are year 2000 compliant.

What happens if the project is not approved?

If funding for testing, remediation and/or replacement is not approved, a variety of services critically important to retirees, active members, and employers may be compromised including:

- retiree payroll and direct deposit services
- IRS reporting and 1099-R form production
- processing and payment of health care claims
- processing of health insurance eligibility data
- annuity and periodic payments from defined-contribution plans (Supplemental Benefits System and Deferred Compensation)
- refunds of retirement system contributions and interest
- timely reporting and processing of member service information and member retirement system contributions and indebtedness payments

Y2K Office of Public Advocacy Trust System Upgrade

FY1999 Request: $104,000
Reference No: 6258

AP/AL: Allocation
Project Type: Information Systems
Historical Category: Public Support Technology/Serv
Location: Statewide
Contact: Sharon Barton
Election District: Statewide
Contact Phone: (907)465-2277
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
The Office of Public Advocacy is upgrading the Computrust computer program used by the Public Guardian section to a Windows NT version. The AREV version they are using now is not Y2K compliant.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$104,000						$104,000
Total:	$104,000	0	0	0	0	0	$104,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

Y2K Office of Public Advocacy Trust System Upgrade Cont.

How does this project solve the agency's Y2K problems?
Computrust is not Y2K compatible. The upgrade to a Windows NT platform will fix this problem.

Is this request on your agency's Y2K work plan?
Yes

Has this project been previously approved by TIC/TAC?
Yes

What is the purpose of this project?
To upgrade the Public Guardian's Computrust program so it will work for Y2K.

Project cost past/present/future?
It will cost $104.0 to purchase software and hardware, and to provide training.

Is this a new systems development project, upgrade, or enhancement?
Upgrade

What specific Hardware/Software/Consulting/etc. will be purchased?
SERVER EQUIPMENT
1 Compaq Proliant 1600 Model 6/400
Pentium II 400mhz 512k cache
100mhz ECC RAM, CD-ROM
Dual Integrated Wide SCSI Contr.
Integrated 10/100 NIC
1 Compaq 2nd Processor Option Kit
2 Compaq 256mb RAM Upgrade kit
2 Compaq 9.1 Wide SCSI Drive
1 3COM US Robotics 5k Courier Int.
1 Omega SCSI ZIP drive, internal
1 Compaq V55 15" Color Monitor
1 APC 1400kva Smart UPS
1 Compaq Carbon Copy 32 v5.0 f/95&NT
1 MS Windows NT Server v4.0 w/25-CAL
1 Compaq 12/24 DAT internal Tape Back-up
1 Cheyenne Arcserver f/ NT v6.5
1 Adaptec Ultra SCSI Controller

OTHER EQUIPMENT
10 Cpq.Armada 7400 Pentium 266mhz
512k cache.32mb RAM, $GB HDD,
24x CD-ROM, 13.3" TFT Display
3.5" FDD, Win. 95
8 Cpq. 32mb Ram Upgrade f/ Armada
8 Cpq. Armada Ministation w/ Ethernet
8 Monitor Support Cover f/ Ministation
6 Cpq. Deskpro EN Desktop/ Model 6400/6[illegible]00/CDS
Pentium II 400mhz, 512k Cache, 64mb RAM
6.4gb HDD, 24x CD-Rom, Sound, A TI Rage Turbo
Graphics, Integrated 10/100 NIC, 3.5" FDD.Win95

TRAINING
PWIS Training
Excel Training

Y2K Office of Public Advocacy Trust System Upgrade Cont.

PC Hardware/Operating Systems Training
Microsoft Windows NT 4.0 Administration/Support Training
Crystal Reports Training

ADDITIONAL EXPENSES
Software/Universe Package
Up/Download

How will service to the public improve if this project is funded?
Public Guardian client funds will be more effectively managed because of the extraordinary efficiencies created by this project.

How does this project fit into the department's long-range technology plans?
This upgrade will enable Computrust to work well into the 21st century.

How does project fit into the technology goals of the Knowles/Ulmer administration?
This project will maximize service to the public guardian clients and probate court by optimizing the critical public guardian functions of accounting and court reporting.

Does the project affect the way in which other public agencies will conduct their business?
No.

What, if any, impacts are anticipated to ITG services?
They will help install new software, server, and supply support until the new OPA Computrust administrator is fully trained.

What happens if the project is not approved?
The accounting of public guardian case management functions will fail on January 1, 2000.

Y2K Project Administration

FY1999 Request: **$868,400**
Reference No: **7115**

AP/AL: Allocation
Project Type: Information Systems
Historical Category: Public Support Technology/Serv
Location: Statewide
Contact: Bob Poe
Election District: Statewide
Contact Phone: (907)465-2200
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
Coordination of Y2K assessment, compliance and remediation projects.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$868,400						$868,400
Total:	$868,400	0	0	0	0	0	$868,400

State Match Required	☑ One-Time Project	☐ Phased Project	☐ On-Going Project
0% = Minimum State Match % Required		☐ Amendment	☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

DCED Y2K Alaska Public Utilities Assessment

FY1999 Request: $75,000
Reference No: 7116

AP/AL: Allocation
Historical Category: Public Support Technology/Serv
Location: Statewide
Election District: Statewide
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Project Type: Information Systems

Contact: Tom Lawson
Contact Phone: (904)465-2505

Brief Project Summary and Statement of Need:
Assess Y2K readiness of utilities.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$75,000						$75,000
Total:	$75,000	0	0	0	0	0	$75,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

DOC Y2K Correctional Facilities Embedded Systems

FY1999 Request: $65,000
Reference No: 30768

AP/AL: Allocation
Project Type: Information Systems
Historical Category: Justice
Location: Statewide
Contact: Dwayne Peeples
Election District: Statewide
Contact Phone: (907)465-3339
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
This project funds the Y2K review of institutional internal telecommunication sites, and reviews and interfaces at the 15 community jails and 10 local community residential centers throughout the state.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$65,000						$65,000
Total:	$65,000	0	0	0	0	0	$65,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

DOC Y2K Correctional Facilities Embedded Systems Cont.

To address further Y2K actions, $65,000 is needed to enable the Agency to make final professional assessments and requirements analysis of the issues, problems, and potential areas of exposure to Year 2000 (Y2K) related problems. The DOC has 15 local jails and 10 local community residential centers (half-way houses) which must be reviewed and interfaces made to make them Y2K compliant. In addition, internal institutional telecommunications systems will need to be reviewed and corrections made to address Y2K requirements.

Group #1:	Telecommunications Code Fixes.	@$25,000 Total
Group #2:	Community Residential Centers (10) and Local Community Jails (15) Interface, Reviews	@$40,000 Total

Other efforts, such as reviews and contingency plan development for the embedded systems of the 112 state-owned buildings (over 1.1 million square feet and $324.3 million in replacement value) which the DOC occupies, will be handled by the Department of Transportation and Public Facilities who has the overall responsibility for all state-owned buildings. All DOC leased facilities embedded systems will be the responsibility of Lessors.

DOC Y2K Data Processing Hardware Replacement

FY1999 Request: $560,000
Reference No: 30760

AP/AL: Allocation
Historical Category: Justice
Location: Statewide
Election District: Statewide
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Project Type: Information Systems

Contact: Dwayne Peeples
Contact Phone: (907)465-3339

Brief Project Summary and Statement of Need:
Project funds the replacement of worn out, out-dated LAN/WAN hardware and work stations (personal computers) which are necessary to operate in any of the 32 work sites throughout the agency, and ensure Year 2000 compliance.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$560,000						$560,000
Total:	$560,000	0	0	0	0	0	$560,000

☐ State Match Required ☐ One-Time Project ☐ Phased Project ☑ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

DOC Y2K Data Processing Hardware Replacement Cont.

The Department of Corrections started putting in Wide Area Network (WAN) and Local Area Network (LAN) infrastructures in FY95 at each of their 32 work sites across the State. The first WAN/LAN sites were established with older hardware that will not be compliant with Year 2000 efforts and must be replaced to ensure that none of the work sites are cut off from the rest of the Agency's information system. Each work site ties directly into the agency's Offender Based State Correctional Information System (OBSCIS) and must access prisoner information daily.

The Agency also has approximately 300 personal computers which must be replaced as they are not Y2K compliant and cannot be made so with memory upgrades, etc. These personal computers are needed by Correctional Officers, Probation Officers, Health Care providers, administrative staff, to process operational and administrative functions critical to the operations of a correctional agency.

This project will make all the Agency's WAN/LAN sites Y2K compliant, ensure that all work stations (personal computers) are Y2K compliant. This equipment is on the Agency's Y2K work plan. The project has been previously reviewed and approved by the TIC/TAC committee.

The Agency has spent approximately $3.2 million on WAN/LAN, and PC equipment in the past, expects to spend approximately $100,000 during FY99, and needs this $560,000 to complete all necessary equipment purchases to ensure that all necessary work sites have Y2K compliant WAN/LAN equipment with sufficient work stations (PCs) in place to perform the job necessary to track and support all state prisoner operations.

This project is a continuation of the Agency's effort to maximize services to the public through data systems and improves access to criminal justice information. The Agency's OBSCIS information system must be capable to interface with the Department of Public Safety's APSIN system, Law's PROMISE system, to ensure full and accurate criminal history records are maintained. This automation will ensure that all prisoner information is timely and accurately logged for automated victim services which are being developed across the state.

There should be no additional impact on the State's ITG services as this equipment only replaces older, out-dated information equipment that connects to the ITG central service and the agency already pays a maintenance connection fee to ITG for the older information system hardware and equipment.

If this project is not approved, the Agency will have some work sites not ready for the Year 2000 conversion. A considerable number of personal computers will not be capable of entry into the OBSCIS data programs and prisoner records will have to be kept on paper files. These paper files would have to than be entered from other available work stations the Agency has which could delay critical information transfers. In addition, rolling work on to other workstations will impact the work load of others from prisoner over-populations, etc. Delays in prisoner record keeping could impact the accuracy of prisoner data files used daily by all law enforcement agencies and the court system.

DOC Y2K Cook Inlet Pre-Trial Facility Central Control System Replacement

FY1999 Request: $1,000,000
Reference No: 30766

AP/AL: Allocation
Project Type: Renewal and Replacement
Historical Category: Justice
Location: Anchorage Areawide
Contact: Dwayne Peeples
Election District: Anchorage Areawide
Contact Phone: (907)465-3339
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
This project funds the replacement of the Cook Inlet Pre-Trial Facility's central control room system with a new modern correctional control system and brings it into Year 2000 compliance.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$1,000,000						$1,000,000
Total:	$1,000,000	0	0	0	0	0	$1,000,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

DOC Y2K Cook Inlet Pre-Trial Facility Central Control System Replacement Cont.

The Cook Inlet Central Control room is the oldest control room system in the Department of Corrections. Virtually none of it is Year 2000 compliant and cannot merely have items added to bring it into compliance. All video monitors, entrance and exit controls, HVAC controls, and other electronice equipment needs to be replaced to enable the facility to be fully compliant to Y2K.

The system is on the Agency's Y2K work plan. It was not brought to the TIC/TAC Committee for review and approval as it wasn't categorized as a pure information systems issue. The system is controlled by a computer, however, all attached systems are electronic in nature. However, merely having an computer which is compliant will not make the system Y2K. All attachment systems which inter-relate to each other must be available to ensure the full system capability.

The Agency spends about $70.0 per year maintaining the current Central Control Room functions. The new system will reduce the amount needed to maintain functions due to warranty provisions on the new equipment, however, we expect annual maintenance costs to resume after the warranty period due to intensive usage of the equipment. This project is included in the Agency's long-range technology plans. It will maximize video and data systems for the Cook Inlet Correctional Center and implement cost-effective services for the facility. No impact to ITG services as the systems are fully covered by the Agency through public maintenance contracts.

If this project is not approved, the Cook Inlet Correctional Center will have to implement a manual correctional center environment with considerable more safety and security staffing, and communication devices available for control and safety. With no Central Control Room station, the safety and security of the facility could be compromised.

DEC Y2K Statewide Equipment, Software and Database Compliance

FY1999 Request: $533,453
Reference No: 32345

AP/AL: Allocation
Project Type: Health and Safety
Historical Category: Health/Safety
Location: Statewide
Contact: Barbara Frank
Election District: Statewide
Contact Phone: (907)465-5256
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
This project will bring DEC's equipment for the state drinking water program and related laboratory support; the air monitoring and analysis program; the drinking water, food, environmental samples databases; and water quality/watershed analysis databases into compliance with Y2K.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$533,453						$533,453
Total:	$533,453	0	0	0	0	0	$533,453

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	$533,453	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

DEC Y2K Statewide Equipment, Software and Database Compliance Cont.

Y2K - DEC Critical Mission Analysis

Laboratory Program - The equipment in DEC's laboratory program provides the tools to certify other drinking water laboratories, and to perform analyses of environmental samples. It is also used to develop analytical procedures and methodologies used to identify chemical compounds in environmental samples. Such procedures must be developed and verified by the state's laboratory before other laboratories can use these same techniques. Laboratory equipment is also used to test samples for regulated chemical concentrations, "fingerprint" oil collected from spills, monitor or verify waterbody conditions (Cook Inlet, for example) and to meet standards set by EPA for state labs.

Air Monitoring and Analysis - DEC's air monitoring equipment provides the tools to monitor air quality and identifies when pollutant conditions pose a public health problem. This is particularly prevalent in several of Alaska's cities where extremely cold air conditions create "inversion" layers that trap and keep airborne pollutants near the ground. Other air monitoring equipment determines wind speed and direction at various altitudes, which is information needed by the Alaska Fire Service during forest fires.

Drinking Water, Food, Environmental Samples, and Water Quality/Watershed Analysis Databases - DEC's drinking water and laboratory sampling tracking, and water quality databases provide access to past and existing sampling information. From them, the department can analyze historical information to identify non-compliant systems; review historical contamination information to prioritize sampling activities by-geographic area and organisms causing contamination; and provide support for responding to environmental changes and revisions to regulations. Also, sampling performed by department staff on water bodies where water quality is unknown, or as part of a permit requirement, determines if water meets regulated standards to established background water quality data.

Monitoring and analysis equipment and databases all have associated date information. Date values come from imbedded hardware acting as a clock or as records that have been entered using database software. Older equipment and software were not designed to address date values greater than 2000. In order to assure valid data, equipment and database software must be updated to eliminate the possibility of date values becoming an issue on monitoring and analysis information. In recognition of this, the department has included the remediation of equipment and databases in its Year 2000 workplan and expects remediation costs to be a one-time expenditure. Remediation costs can thus be considered an upgrade since funding replaces older equipment and converts databases into Year 2000 compliant database applications. The department's long range planning includes replacing older equipment and improving access to data as new technologies become available. This project fits these goals by updating equipment and databases, thus allowing the department to continue to improve communication and data transfers between agencies and the public. The department does not anticipate these projects will affect ITG services.

The public depends on the Department of Environmental Conservation's data for a variety of reasons. If analysis equipment and databases are not remediated or replaced, the department would not be able to make food, water, and analysis information available to the public and private industry because of questionable quality. This would significantly compromise the department's ability to meet its statutory requirements. The state has made it a goal to improve data access and maximize public service. To meet this goal the department must have adequate equipment and databases. Correcting date sensitive equipment and databases will improve service to the public by allowing the department to continue to provide accurate information on water, food, and environmental analysis and maintain its ability to act as a certifying entity for other laboratories.

After the Year 2000 numerous pieces of analytical equipment in the department's laboratory, air monitoring, and water quality/watershed analysis programs will not give correct data and sample information. Many equipment manufacturers do not plan to offer updates or patches to allow their equipment to continue to properly function. The department has been put on notice that modifications made to their equipment would in most cases result in warranty cancellations. The potential costs to the state of repairing equipment not covered by warranty are substantially greater than replacement costs. In order to protect human health and the environment, the laboratory, air monitoring, and water quality programs must have Year 2000 compliant equipment.

The drinking water, food, environmental samples, and water quality/watershed analysis databases are not Year 2000 compliant and cannot be upgraded to compliant versions. In order to assure that queries and results from these databases are valid, the department has opted to redevelop these databases with Year 2000 compliant applications.

DEC Y2K Statewide Equipment, Software and Database Compliance Cont.

Specific hardware/software/consulting/etc. acquired with the requested funding are noted as follows:

- Equipment for the laboratory progam: Perkin Elmer FIAS, Perkin Elmer P3300, Perkin Elmer Z5000, Lachat FIAS, Dionex Ion Chromatography system,Hewlett Packard GCMS 5890-5970 Volatiles,Hewlett Packard GCMS 5890- 5970 oil spill id, Hewlett Packard GCMS 5890-5971 semi volatiles and a Hewlett Packard HPLC 1050.

- Equipment for the air monitoring program: ESC Software System for SUMX 405 Data loggers, (5) SUMX SX405 data acquisition systems, MRI 1074-12/896-1/2001 wind/temp sensor transmuter, Aerovironmental Dopplmain v2.x software, Mettler AE240 analytical balance with filter weighing chamber, ETC 6002 data acquisition system, ESC data acquisition system, (3) Anderson FH 62 I-N PM10 beta-attenuation monitors.

-Equipment for the water quality/watershed analysis program:
Hydrolab WQ Datasondes (4), H2O Surveyor (1), Solomat WP803PS WQ Datasondes/Monitors (4).

- Databases for drinking water, food, environmental samples, and water quality/watershed analysis: Consulting services would be sought to convert database into MS Access 97. Additionally, the database application may be moved to the department's SQL server to allow greater access by staff.

Total anticipated project cost is $533,453.

Failure to have Year 2000 compliant equipment and databases capable of giving reliable sampling information could endanger public health and safety by losing its ability to analyze, collect, maintain, and access reliable drinking water, food, environmental sampling data, and watershed information. This could result in unsafe drinking water, additional food poisonings, the inability to analyze oil spill samples to identify potential responsible parties and to monitor changing air quality conditions for public notice and regulatory requirements.

DEC Y2K Community Wastewater Systems Assessment

FY1999 Request: $28,000
Reference No: 7118

AP/AL: Allocation
Historical Category: Health/Safety
Location: Statewide
Election District: Statewide
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Project Type: Information Systems

Contact: Barbara Frank
Contact Phone: (907)465-5256

Brief Project Summary and Statement of Need:
Assess Y2K readiness of wastewater systems.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$28,000						$28,000
Total:	$28,000	0	0	0	0	0	$28,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

HSS Y2K McLaughlin Youth Facility Heating, Ventilation and Air Conditioning System Upgrade

FY1999 Request: $4,000
Reference No: 6150

AP/AL: Allocation
Project Type: Construction
Historical Category: Health/Safety
Location: Anchorage Areawide
Contact: Larry Streuber
Election District: Anchorage Areawide
Contact Phone: (907)465-3015
Estimated Project Dates: 7/1/1998 - 6/30/2003
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
Y2K McLaughlin Youth Facility Heating, Ventilation and Air Conditioning System Upgrade

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$4,000						$4,000
Total:	$4,000	0	0	0	0	0	$4,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

An evaluation of all mechanical, electrical, communication and other automated systems at McLaughlin Youth Center was completed in the fall of 1998. This evaluation revealed the HVAC controller for the MYC cottage school was not Y2K compliant.

Educational development is a critical component of the comprehensive youth corrections treatment regimen provided to the juvenile offenders classified to MYC. To insure the continued delivery of these services in a safe and supportive physical environment, it is necessary to remediate the embedded systems which regulate the HVAC in the facility school building. This capital budget request would provide funds to complete this remediation project.

How does this project solve the agency's Y2K problems?
Remediation of the embedded system would insure continued mechanical operation of the HVAC in the MYC cottage school building. This would guarantee the school area would be heated and properly ventilated as appropriate for the seasons.

Is this request on your agency's Y2K work plan?
Yes. This is one of two specific capital project requests for MYC related to Y2K remediation.

Has this project been previously been approved by TIC/TAC?
No.

What is the purpose of the project?
This remediation project would involve replacement of the non-Y2K compliant embedded micro chip in the HVAC regulator in the MYC school building.

Project cost?
This project is expected to have a one-time cost of approximately $4.0.

Is this a new systems development project, upgrade, or enhancement?
Replacement of the non-Y2K compliant embedded micro chips would be an upgrade to the HVAC system which was originally installed in the school building in 1994.

What specific hardware/software/consulting/etc. will be purchased?
Funds from this capital budget project will pay for both the Y2K compliant micro chip, associated operational components as required and installation of these units as necessary.

How will service to the public improve if this project is funded?
In a global sense, there is an interconnection between academic success and and a lower incidence of criminal and anti-social behavior. By remediating the HVAC system, MYC will be able to continue to offer academic services in a safe and appropriate physical environment to institutionalized delinquent youth. In this supportive environment, the MYC residents are more likely to meet their academic objectives. As they improve their academic development, they become less likely to engage in further delinquent or criminal activity. Lower incidents of reoffense activity means our communities are safer. 0 Working to meet the safety concerns of the public is a fundamental purpose of government, and in this, to objective for improved public service is met.

How does this project fit into the Department's long-range technology plans?
This project is consistent with statutory mandates to meet the health and safety needs of youth committed to the care of the State of Alaska. This project is a one time event and is not part of a long-range technological plan for the Department.

How does this project fit into the technology goals of the Knowles/Ulmer administration?
This project would optimize government efficiencies by providing the means by which educational services can continue to be delivered to the residents of MYC in a safe and supportive environment.

Does this project affect the way in which other public agencies will conduct their business?
No.

What, if any impacts are anticipated to ITG services?
None.

What happens if this project is not approved?
If this project is not approved, it is possible there would be an HVAC system Y2K failure. A system failure would result in no or inadequate heat and ventilation at the MYC school facility and could cause severe damage to the building with frozen pipes, etc. due to a lack of heat. A system failure of this nature would render the school facility as an unsuitable environment in which to provide educational services to facility residents. It is possible to provide limited educational services in other areas of the facility on a short term basis, however, this could not be viewed as a viable, long-term solution should there be an HVAC failure because of Y2K.

Is this a mission critical system?
Yes.

HSS Y2K McLaughlin Youth Facility Telephone System Upgrade

FY1999 Request: $30,000
Reference No: 6151

AP/AL: Allocation
Project Type: Equipment
Historical Category: Health/Safety
Location: Anchorage Areawide
Contact: Larry Streuber
Election District: Anchorage Areawide
Contact Phone: (907)465-3015
Estimated Project Dates: 7/1/1998 - 12/31/1999
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
Y2K McLaughlin Youth Facility Telephone System Upgrade

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$30,000						$30,000
Total:	$30,000	0	0	0	0	0	$30,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

HSS Y2K McLaughlin Youth Facility Telephone System Upgrade Cont.

An evaluation of all mechanical, electrical, communication and other automated systems at McLaughlin Youth Center was completed in the fall of 1998. This evaluation found the current Meridian telephone communications system is not Y2K compliant and must be upgraded to adequately meet the facility communication needs. To meet the health and safety needs of the youth facility residents and staff as well as to provide services which insure the safety of the community, it is necessary to seek funding to address the Y2K and upgrade issue. A number of alternatives were evaluated including a transfer to the statement system, a complete replacement of the current Meridian system, taking no action at all hoping any possible Y2K effect would be within the limits of a "tolerable" dysfunction, or to upgrade the existing system. The last option, a system upgrade, was found to be the most direct and cost effective solution to remediate the Y2K concern and to continue to meet the health and safety needs of the facility and community.

How does this project solve the agency's Y2K problems?
Remediation of the embedded system would insure ongoing, uninterrupted operation of the MYC Meridian telecommunications system. Continued telecommunications capability to, in and out of the youth facility is vital to insure the health and safety of both the facility residents and staff as well as the general community.

Is this request on your agency's Y2K work plan?
Yes. This is one of two specific capital project requests for MYC related to Y2K remediation.

Has this project been previously been approved by TIC/TAC?
No.

What is the purpose of the project?
This remediation project would involve replacement of the non-Y2K compliant embedded micro chips in the telephone system. This system upgrade and remedia 'on would also allow for a system reconfiguration resulting in greater efficiency and operation of the facility telecommunications equipment.

Project cost?
This project is expected to have a one-time cost of approximately $30.0.

Is this a new systems development project, upgrade, or enhancement?
Replacement of the non-Y2K compliant embedded micro chips would be an upgrade to the existing system.

What specific hardware/software/consulting/etc. will be purchased?
Funds from this capital budget project will pay for both the Y2K compliant micro chip, associated operational components as required and installation of these units as necessary. The Division of Information Services indicates this purchase will provide for equipment and installation costs related to a telecommunications upgrade.

How will service to the public improve if this project is funded?
Remediation and upgrade of this system will result in greater telecommunication access to and from the public.

How does this project fit into the Department's long-range technology plans?
This project is consistent with statutory mandates to meet the health and safety needs of youth committed to the care of the State of Alaska. This project is a one time event and is not part of a long-range technological plan for the Department.

How does this project fit into the technology goals of the Knowles/Ulmer administration?
This project would optimize government efficiencies by improving and guaranteeing adequate telecommunications to and from McLaughlin Youth Center.

Does this project affect the way in which other public agencies will conduct their business?
No.

What, if any impacts are anticipated to ITG services?
None.

HSS Y2K McLaughlin Youth Facility Telephone System Upgrade Cont.

What happens if this project is not approved?
If this project is not approved, it is possible there could be a Y2K telecommunications failure at MYC. A system failure would seriously jeopardize the health and safety of the facility residents and staff and could threaten the safety of the community.

Is this a mission critical system?
Yes.

HSS Y2K Public Health Laboratory Server Replacement

FY1999 Request: $10,000
Reference No: 6152

AP/AL: Allocation
Historical Category: Health/Safety
Location: Juneau Areawide
Election District: Juneau Areawide
Estimated Project Dates: 7/1/1998 - 12/31/1999
Appropriation: Y2K Project Office

Project Type: Information Systems

Contact: Larry Streuber
Contact Phone: (907)465-3015

Brief Project Summary and Statement of Need:
The nature of this project is to keep an existing system automated. This proposal is to replace the billing system server which failed year 2000 BIOS test with a new server.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$10,000						$10,000
Total:	$10,000	0	0	0	0	0	$10,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

HSS Y2K Public Health Laboratory Server Replacement Cont.

Justification for additional funding will solve Public Health Lab's Year 2000 computer system problem by keeping existing system operational, and this proposed systematical solution is included in Lab's FY99 work plan. This additional funding request has been presented to the Technology Information Committee/Technology Advisory Committee (TIC/TAC) but has not yet been approved by the TIC/TAC.

The purpose of this project is to keep the existing system operational. This project will upgrade and enhance existing system. The purchase will include a Dell Server and Novell Operating System. This work plan will consolidate into the Department's and Governor's long-range technology plan producing efficient interagency and public services.

The proposed project is the most practical, cost-effective, and efficient approach to rectify any potential Year 2000 computer systematical problem. This proposed project will not impact Information Technology Group's services. If this proposed project funding request is denied, other less cost-effective methods will need to be developed for laboratory billing and specimen data tracking services.

How does this project solve the agency's Y2K problems?
After reviewing our current Billing System, we found that the hardware is not year 2000 compliant. The Billing System is a critical interface between the Laboratory and our Clients. This system handles a large amount of data. This project would solve our problem by moving this system onto year 2000 compliant hardware.

Is this request on your agency's Y2K work plan?
The Billing System is included in our year 2000 plan.

Has this project been previously approved by TIC/TAC?
We have not discussed this project with TIC/TAC.

What is the purpose of the project?
The purpose of this project is to remain compliant with the legislative mandate to bill for services.

Project cost past/present/future?
We estimate the cost of this project to be $10,000

Is this a new systems development project, upgrade, or enhancement?
This would be considered a hardware upgrade. The hardware will be upgraded to year 2000 compatible.

What specific hardware/software/consulting/etc.will be purchased?
Hardware - Dell Poweredge Server that will be running Novell 4.1 operating system.
How will service to the public improve if this project is funded?
This will provide us with an opportunity to keep our Clients records from becoming corrupt. We do not propose to modify the software application, but we do propose to run it on hardware that is year 2000 compliant. The Billing System uses the system date, which is generated from the system BIOS. The Billing application inserts system dates into our medical records. If we did nothing, we would be unable to determine which dates were valid, and which dates were caused by the faulty hardware.

How does project fit into the department's long-range technology plans?
This fits into the department's long range technology plan by keeping our systems operational.

How does project fit into the technology goals of the Knowles/Ulmer administration? (They are: Improve public access to information; Maximize service to the public through voice, video and data systems; Optimize government efficiencies; Explore innovating and cost-effective services that meet Alaska's challenges; Stimulate the development of private and public services.)
This project fits into the Knowles/Ulmer administration technology goals by optimizing Government efficiencies. This will be implemented by consolidating the Billing system and the Anchorage Stars (Specimen tracking system) onto the same server. This will also be cost effective to the State of Alaska, because there will be one less server to maintain.

Does project affect the way in which other public agencies will conduct their business?
Yes. Some of our clients are public agencies. These agencies are billed for services.

What, if any, impacts are anticipated to ITG services?
We can not foresee any impacts to ITG services.

What happens if the project is not approved?
Our Billing system will fail. We will not be able to continue to run this system as is. A manual system would be very labor intensive and prone to errors.

Is this a mission critical system?
Yes.

HSS Y2K Emergency Medical Services Certification Database Replacement

FY1999 Request: $20,000
Reference No: 6153

AP/AL: Allocation
Project Type: Information Systems
Historical Category: Health/Safety
Location: Statewide
Contact: Larry Streuber
Election District: Statewide
Contact Phone: (907)465-3015
Estimated Project Dates: 7/1/1998 - 12/31/1999
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
Y2K Emergency Medical Services Certification Database Replacement

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$20,000						$20,000
Total:	$20,000	0	0	0	0	0	$20,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

HSS Y2K Emergency Medical Services Certification Database Replacement Cont.

What is the purpose of the project?
The Emergency Medical Services Database manages data relating to individuals and training programs, tests, score reporting and certificate and wallet card generation, with links to the interactive voice response system. The existing system has problems with year 2000 dates as well as problems related to age and platform of the database. The purpose of this project is to replace the suite of programs which comprise the current system with an updated system that is Y2K compliant.

The Section of Community Health and EMS certifies EMTs under AS 18.08.082 and 7AAC 26.010 - 7AAC 26.170. This is equivalent to "licensing" health professionals. By being certified, EMTs are granted immunity from liability under AS 18.08.086 and are authorized to perform basic and advanced life support skills as defined by their level of certification. Recertification is required every two years.

The EMS certification database is necessary to keep track of who has been appropriately trained and certified (approximately 4,000 currently certified individuals) as well as those who have been certified in previous years (some of whom may be eligible for recertification). The total database includes over 20,000 records.

If this system fails, we would have serious difficulty keeping track of who is or isn't certified. Without certification, EMTs would be prohibited from performing many critical, life-saving skills, such as I.V. therapy, manual defibrillation, endotracheal intubation or other advanced airway devices, and administration of many life-saving drugs. If EMTs are not certified to perform these skills, many lives would be jeopardized.

Also, occasionally, in malpractice cases, lawyers inquire about whether or not individuals were certified in previous years. Therefore, this data system contains significant medico-legal information.

The EMS certification database system also automatically scores written certification exams, has built in exam validations tests, and provides feedback to students and instructors on which sections of the examinations were passed or failed. Without this system, each examination would have to be scored by hand, which would be extremely time consuming and labor intensive, and probably impossible at current staffing levels.

Project cost past/present/future?
The system was developed by staff in the middle to late '80s. No estimate of development costs is available. We estimate it will cost approximately 20k to replace the existing system. The replacement system will be constructed to facilitate updates. We estimate that updates will be necessary every other year and that each update should cost less than 5K. We are not requesting funds at this time for future updates of the system.

Is this a new systems development project, upgrade, or enhancement?
This is a replacement for an existing suite of programs written in the late 1980s.

How does this project solve the agency's Y2K problems?
Complete replacement of the system will obviate Y2K problems. The system can be written with the specific intention of using four digit dates in data fields and calculations.

Is this request on your agency's Y2K work plan?
Yes

Has this project been previously approved by TIC/TAC?
This project has not been previously approved.

What specific hardware/software/consulting/etc.will be purchased?
A new windows '98 based PC will be purchased. A contract for programming services will be developed which results in the existing suite of programs being completely replaced. Certification requires one computer to run the certification programs. The scantron is used for scoring EMT tests, and then they are corrected with the computer programs. All certification data is entered in the main computer. All certificates, wallet cards, test scores, class data, and EMT lists are run from this computer. The $20.0 will be used to contract with a computer programmer who has the expertise to analyze the suite of programs

developed in DOS since the mid to late 1980s and rewrite them in a state of the art computer language to handle the system for the next several years.

How will service to the public improve if this project is funded?
In addition to several Y2K problems found in date calculation routines, the suite of software on which the current certification system depends is aging. Service to the public will improve because the new system will result in accurate reports, certificates, wallet cards, etc., and, presumably, the new software will be faster and more likely to integrate with other contemporary technologies, such as database deployment over the internet. An efficient EMS certification test scoring and databse system will help ensure that appropriately trained and certified EMS responders are available statewide for medical emergencies.

How does project fit into the technology goals of the department and the Knowles/Ulmer administration?
The replacement system will fit into the technology goals in several ways. First, it will improve the timeliness and accuracy of data sent to clients and to emergency response agencies. Second, the Section of Community Health and EMS has used an interactive voice system for several years to allow clients to access parts of the certification database through touch tone phones. It is anticipated that the replacement system will not only correct the Y2K bugs in the existing voice response system but will enhance the system significantly. Lastly, it has been a goal of the section to make non-confidential certification data available in real time via the internet. We intend to ensure that any replacement system will include or facilitatate the capabilities to do so. Our existing non-real time database on the web allows individuals to check certification statuses, levels of certification, etc., and has met with great success.

Is this a new systems development project, upgrade, or enhancement?
This is a replacement for an existing suite of programs written in the late 1980s.

Is this a mission critical system?
Yes.

HSS Y2K Alaska Psychiatric Institute Hospital Information System Upgrade

FY1999 Request: $100,000
Reference No: 6157

AP/AL: Allocation
Historical Category: Health/Safety
Location: Anchorage Areawide
Election District: Anchorage Areawide
Estimated Project Dates: 7/1/1998 - 12/31/1999
Appropriation: Y2K Project Office

Project Type: Information Systems

Contact: Larry Streuber
Contact Phone: (907)465-3015

Brief Project Summary and Statement of Need:
Y2K Alaska Psychiatric Institute Hospital Information System

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$100,000						$100,000
Total:	$100,000	0	0	0	0	0	$100,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

How does this project solve the agency's Y2K problems?
The last big issue is API's Hospital Information System (HIS). All of the other Y2K issues have or are being dealt with within the normal API budget. This project requires a major software upgrade along with contractor modifications to become Y2K complaint

Is this request on your agency's Y2K work plan?
Yes

Has this project been previously approved by TIC/TAC?
Unknown.

What is the purpose of the project?
This project will bring API's HIS into YK2 compliance.

HIS (Hospital Information System) is a series of tightly coupled programs that allow API to collect, compile and report patient data. Pharmacy records are maintained in this program as well as the billable information. HIS produces a series of reports that go to Joint Commission Accreditation of Health Organizations (JCAHO). API operates with JCAHO's accreditation. API's HIS statistical data is used for planing clinical programs internally, as well as statewide programs for mental health services. API submits data to other State agencies whose goals are to develop a network to identify mental health consumers and optimize services that are provided.

Project cost past/present/future?
API's HIS was free to the State because it was a software system originally written for the Veterans Administration and then made available to other public health facilities

Is this a new systems development project, upgrade, or enhancement?
This is an upgrade to the existing system.

What specific hardware/software/consulting/etc.will be purchased?
There is no new hardware needed, only software upgrades and consultant/contractor time need to implement the upgrade.

How will service to the public improve if this project is funded?
API is not expecting any new code revisions or software purchases to enhance the current system other than to make it Y2K compliant. There would not be any perceived improvement to the public, except that it would allow API to continue to keep its important health information and billing system operational. The issue is what will happen if API doesn't have HIS Y2K compliant. See 'What happens if the project is not approved?' for details

How does project fit into the department's long-range technology plans?
There is no approved request to replace API's HIS with a modern SQL based system. The current HIS will be the program that API uses for the next 3 to 5 years. How does project fit into the technology goals of the Knowles/Ulmer administration? (They are: Improve public access to information; Maximize service to the public through voice, video and data systems; Optimize government efficiencies; Explore innovative and cost-effective services that meet Alaska's challenges; Stimulate the development of private and public services.)
This project will allow the existing access to information, optimized government efficiencies and current use of private services to continue. Without this project, access to information will slow or halt, government efficiencies will drop, and costs will increase. Non-approval of this project would be contrary to the technology goals.

Does project affect the way in which other public agencies will conduct their business?
Yes. By having to resort to a paper based system until changes can be made, it will take a lot of additional staff time to fulfill the paper work requirements that API is mandated to do. This will slow down requests for information to other agencies when a patient is discharged for follow up work. It will also impact patient care as paper records are searched in order to fill prescriptions. Accounts receivables will lag far behind as hand tallies are done to bill responsible parties.

What, if any, impacts are anticipated to ITG services?

None, it's an in-house only problem.

What happens if the project is not approved?
API will have to resort to a paper based system to track its patients, conduct its pharmacy business and tally accounts receivable information for billing. It is currently estimated to take between 2 and 3 FTEs to complete the work being done by the HIS. Unless additional FTEs are authorized for API, it would be regular staff working overtime to keep the paperwork flowing.

HSS Y2K Medicaid Management Information System Upgrade

FY1999 Request: $2,400,000
Reference No: 7113

AP/AL: Allocation
Project Type: Information Systems
Historical Category: Health/Safety
Location: Statewide
Contact: Larry Streuber
Election District: Statewide
Contact Phone: (907)465-3015
Estimated Project Dates: 7/1/1998 - 12/31/1999
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
Project will provide additional funding needed to complete Y2K remediation of Medicaid Management Information System.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$600,000						$600,000
Fed Rcpts	$1,800,000						$1,800,000
Total:	$2,400,000	0	0	0	0	0	$2,400,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

HSS Y2K Medicaid Management Information System Upgrade Cont.

The Department of Health and Social Services, Division of Medical Assistance operates, through a contractual arrangement with First Health Corporation, an automated claims payment system, which is certified by the federal Health Care Financing Administration. The contract with First Health is a comprehensive contract for claims payment and management reporting for the entire Medicaid system. Estimates are that this system through this contractual arrangement will process approximately 1.9 million individual medical claims in FY2000.

The Medicaid Management Information System (MMIS) is a legacy mainframe COBAL system created in the late 1970's. Of the thirteen subsystems, only the recipient and pharmacy point of sale subsystems are Y2K compliant. The Division of Medical Assistance and the contractor have been working for the last few years on the steps and process needed to reach full Y2K compliance by July 1, 1999. The following describes recent events that led to a shortfall.

In January 1998, First Health Services Corp. estimated the cost to upgrade Alaska's MMIS claims payment system to year 2000 compliance at $1,186,087. First Health proposed the use of both bridging and windowing techniques to accomplish the upgrade. The state felt that it was getting a very good deal at that price when compared with the costs that other states were incurring to upgrade comparable MMIS systems. As an example, the state of Mississippi was to spend $4,000,000 with EDS Corp. to upgrade its system. Mississippi's system was migrated from the Alaska system and tailored to fit the Mississippi program.

In September and October, First Health reviewed the status of the project. Based on the amount of time necessary to remediate a program, the number of programs involved, and the staffing level, it was very apparent that they would not meet the schedule. Since early October additional staff sufficient to complete the project in a timely manner were sought and employed/contracted. First Heath has continued to monitor the project closely to ensure that the project stays on schedule, which calls for all of Alaska's MMIS code to be remediated by March 31, 1999 and for system and acceptance testing to be completed by June 30, 1999.

Recently, we have received communications from First Health Services Corp. requesting revision of the upgrade cost to $3,493,495 or an increase of $2,307,408 to more realistically reflect the actual cost to upgrade Alaska's MMIS. First Health indicates that their Chief Information Officer, who recently retired, misunderstood the scope, complexity and degree of difficulty of this effort. First Health has also made a similar request of the state of Virginia for the same reasons. Medicaid will need a supplemental of approximately $600,000 GF and $1.8 million Federal (we get 75% federal match).

Funds will be used to bring all MMIS subsystems into Y2K compliance so that claims can be processed and paid for the estimated 80,000 Alaska Medicaid recipients.

DNR Y2K Network Upgrade for Recorder's Office

FY1999 Request: $225,000
Reference No: 32333

AP/AL: Allocation
Project Type: Information Systems
Historical Category: Development
Location: Statewide
Contact: Nico Bus
Election District: Statewide
Contact Phone: (907)465-2406
Estimated Project Dates: 7/1/1998 - 12/31/1999
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
Purchase of hardware and software for Recorder's Office to replace equipment dedicated to SNA transmission. This is necessary to keep the Recorder's Office Y2K critical system operational, as DOA is dropping dediated SNA support beginning 7/1/99.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$225,000						$225,000
Total:	$225,000	0	0	0	0	0	$225,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

Recorder's Office Year 2000 Network Upgrade

This CIP Project will purchase hardware and network connections needed to run the Recorder's Office System on the statewide WAN using TN3270 emulation. Recorder's Office equipment dedicated to SNA transmission must be replaced. This change is required to keep this Y2K critical system operational.

These purchases are required to keep the Recorder's Office System operational through the year 2000. The Department of Administration is dropping dedicated SNA support beginning July 1, 1999. This policy change by DOA will eliminate redundant systems and eliminates hardware that is not Year 2000 compliant. DNR must replace the SNA hardware and network connections used by the Recorder's Office System. The change will result in a year 2000 compliant network setup for the Recorder's Office System.

If not funded this mission critical Y2K application will not be ready for the year 2000. In addition, proposed rate increases for SNA service may be too expensive to operate in remote offices. This would effectively close those offices.

What is the purpose of the project?

This project will eliminate the SNA network used by the Recording Office and replace it with TN3270 emulation on the statewide WAN.

How does this project solve the agency's Y2K problems?

The Recorder's Office System has been identified as a mission critical system for the Year 2000. The Department of Administration has directed departments to migrate off SNA and begin using TN3270 to improve service (faster response time) and to reduce telecommunication costs by eliminating the dual data circuits required supporting both services. The projected increase in costs to continue using SNA is expected to put the system at risk due to the proposed increased costs for SNA services.

Is this request on your agency's Y2K work plan?

Yes. The task described is rewriting the Recorder's Office System. This is a subtask of that project.

Has this project been previously approved by TIC/TAC?

No.

Project cost past/present/future?

Historically, SNA has only cost the department between $15,000 and $25,000 per year for the Recorder's Office System. Circuit costs for SNA were included in DOA's rate structure for all departments. With SNA usage falling, circuit costs for SNA usage will only be applied to those departments using SNA. DNR will be expected to help pay for circuit costs of $6,000 to $9,000 per month to each remote site in the state using SNA. This will eventually increase DNR's chargeback costs by $10,000 to $30,000 per month unless the conversion to TN3270 is made. Actual costs will be dependent on the number of other departments continuing to use SNA and the cost of each SNA circuit. Under TN3270, the chargeback costs now being incurred will continue.

Is this a new systems development project, upgrade, or enhancement?

It is a system upgrade. The conversion to the wide area network will be coordinated with other state agencies active in the remote office cities.

What specific hardware/software/consulting/etc. will be purchased?

The following costs will be incurred to install network hardware and PCs into seven Recording Offices. Three of the offices

DNR Y2K Network Upgrade for Recorder's Office Cont.

already have access to existing routers, DSUs, and data circuits. The offices being upgraded are Ketchikan, Sitka, Nome, Kodiak, Homer, Palmer and Bethel. This funding request will also replace SNA terminals and printers in Fairbanks, Anchorage, Juneau, and Kenai.

Projected Costs	
Routers (4 @ $3,100)	$12,400
3500 Codex DSUs (4 @ $540)	$2,160
Total Project Data Install Costs	$2,000
Contract to run cable at 7 offices	$7,000
WAN Install Fee (7 * 1,979)	$13,853
IP Address Fee (7 * 100)	$700
Projected Installation Labor - (Step 18J * 50 days)	$13,820
Per Diem	$2,500
Air Fare	$4,000
PCs and Printers (65 total)	$162,500
Total	$220,933

How will service to the public improve if this project is funded?

System response time at public access terminals will improve from 10 to 20 seconds to less than 5 seconds in most offices. Data entry on the new system will be faster because of the WAN's speed. Delays in posting recordings will be reduced or eliminated giving the public access to the most current information nearly immediately.

How does project fit into the department's long-range technology plans?

The department has been working to eliminate SNA usage for three years. Nearly 350 terminals have already been converted. Conversion to TN3270 and WAN usage is a shared technology goal for DNR and DOA. This upgrade is in line with state goals to prepare for the Year 2000 and to connect to the state mainframe using the WAN.

How does this project fit into the technology goals of the Knowles/Ulmer administration? (They are: Improve public access to information; Maximize service to the public through voice, video and data systems; Optimize government efficiencies; Explore innovative and cost-effective services that meet Alaska's challenges; Stimulate the development of private and public services.)

System response time at public access terminals will improve from 10 to 20 seconds to less than 5 seconds in most offices. Data entry on the new system will be faster because of the WAN's speed. Delays in posting recordings will be reduced or eliminated giving the public access to the most current information nearly immediately.

Does this project affect the way in which other public agencies will conduct their business?

State offices that purchase access to Recording Office information will now be able to access the information online from DNR at no cost other than the existing chargeback fees assessed by DOA. This will reduce their costs and give them improved access to the information found in the Recording Office System.

What, if any, impacts are anticipated to ITG services?

This should reduce costs for ITG and the state by allowing SNA circuits to be deactivated eliminating duplicate costs with TN3270 services.

What happens if the project is not approved?

DNR's limited funding availability will delay completion of this project for several years. This will increase telecommunication costs incurred by the state as duplicate services continue to be purchased to support TN3270/WAN services and SNA. Potential closure of remote recording offices if billing rates become exceptionally high.

DOTPF Y2K Compliance - Statewide Public Facilities

FY1999 Request: $4,500,000
Reference No: 6220

AP/AL: Allocation
Historical Category: Public Support Technology/Serv
Location: Statewide
Election District: Statewide
Estimated Project Dates: 7/1/1998 - 12/30/1999
Appropriation: Y2K Project Office

Project Type: Renovation and Remodeling

Contact: Bob Poe
Contact Phone: (907)465-3500

Brief Project Summary and Statement of Need:
Investigation and subsequent correction of Year 2000 problems associated with imbedded chip technology in building systems currently owned and operated by the State of Alaska.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$4,500,000						$4,500,000
Total:	$4,500,000	0	0	0	0	0	$4,500,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

DOT/PF Y2K Compliance - State Equipment Fleet Emissions Test Equipment Replacement

FY1999 Request: $75,000
Reference No: 6372

AP/AL: Allocation
Project Type: Equipment
Historical Category: Transportation
Location: Statewide
Contact: Gene Darling
Election District: Statewide
Contact Phone: (907)269-0787
Estimated Project Dates: 7/1/1998 - 12/31/1999
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
Replace four emissions testing units that serve the State's Equipment Fleet. These test units are manditory to ensure the equipment fleet complies with the standards for carbon monoxide emissions.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$6,770						$6,770
Fed Rcpts	$68,230						$68,230
Total:	$75,000	0	0	0	0	0	$75,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:
This equipment is eligible for federal funding in the Congestion Mitigation and Air Quality program.

DOTPF Y2K Compliance - Alaska Marine Highway System Year 2000 Remediation

FY1999 Request: $600,000
Reference No: 6373

AP/AL: Allocation
Project Type: Renovation and Remodeling
Historical Category: Transportation
Location: Statewide
Contact: Robert Doll
Election District: Statewide
Contact Phone: (907)465-3959
Estimated Project Dates: 7/1/1998 - 12/31/1999
Appropriation: Y2K Project Office

Brief Project Summary and Statement of Need:
Identify all on-board systems which will not operate correctly after the year 2000; prioritize systems which are not Y2K compliant, and replace or upgrade critical systems which cannot be certified as Y2K compliant.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$54,180						$54,180
Fed Rcpts	$545,820						$545,820
Total:	$600,000	0	0	0	0	0	$600,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

DOTPF Y2K Kennicott Assessment

FY1999 Request: **$110,000**
Reference No: **7117**

AP/AL: Allocation
Historical Category: Transportation
Location: Statewide
Election District: Statewide
Estimated Project Dates: 7/1/1998 - 12/31/1999
Appropriation: Y2K Project Office

Project Type: Information Systems

Contact: Nancy Slagle
Contact Phone: (907)465-3911

Brief Project Summary and Statement of Need:
Assessment, remediation and Y2K certification of the Kennicott.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$110,000						$110,000
Total:	$110,000	0	0	0	0	0	$110,000

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

Alaska Court System Y2K Software Upgrades for Telephone and Security Systems

FY1999 Request: $182,500
Reference No: 7111

AP/AL: Appropriation
Project Type: Equipment
Historical Category: Justice
Location: Statewide
Contact: Bob Fisher
Election District: Statewide
Contact Phone: (907)264-8215
Estimated Project Dates: 7/1/1998 - 6/30/2003

Brief Project Summary and Statement of Need:
The Alaska Court System has determined that many of its phone systems and security systems are not Year 2000 compatible. The cost to upgrade and install software for these systems is estimated at $182,500. Telephone systems play a critical part in the judicial process.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$182,500						$182,500
Total:	$182,500	0	0	0	0	0	$182,500

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	0	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:

Alaska Court System Y2K Software Upgrades for Telephone and Security Systems Cont.

A considerable amount of court business is conducted over the phone and many judicial proceedings are telephonic as well. It is imperative that telephone switch software is upgraded prior to the year 2000. The court system has also determined that certain facility access security systems are not year 2000 compliant.

University of Alaska Y2K Assessment and Remediation

FY1999 Request: $5,013,900
Reference No: 6129

AP/AL: Appropriation
Historical Category: University
Location: Statewide
Election District: Statewide
Estimated Project Dates: 7/1/1998 - 6/30/2003

Project Type: Information Systems

Contact: Pat Pitney
Contact Phone: (907)474-5889

Brief Project Summary and Statement of Need:
The attached figures represent an estimated budget for addressing the technical Y2k issues at the University of Alaska, including the campus, metropolitan area and extended campuses.

Funding Request:

	FY1999	FY2000	FY2001	FY2002	FY2003	FY2004	Total
CBR Fund	$5,013,900						$5,013,900
Total:	$5,013,900	0	0	0	0	0	$5,013,900

☐ State Match Required ☑ One-Time Project ☐ Phased Project ☐ On-Going Project
0% = Minimum State Match % Required ☐ Amendment ☐ Mental Health Bill

Operating & Maintenance Costs:

	Amount	Staff
Operating Impact in FY1999:	$7,932,300	0
One-Time Startup Costs:	0	
Additional Estimated Annual O&M:	0	0

Additional Information / Prior Funding History:
Included are estimated costs for the assessment, remediation, testing, and implementation phases of existing digital systems, embedded systems, and supplier dependencies.

Bill Language:
To address Y2K problems.

University of Alaska Y2K Assessment and Remediation Cont.

The requested amount represents an estimated budget for addressing Y2K issues at the University of Alaska, including the main campuses and extended sites. Included are estimated costs for the assessment, remediation, testing and implementation phases of Y2K problems associated with digital systems, embedded systems and supplier dependencies.

Components of these figures include consulting services, temporary technical resources, travel expenses, testing tools, temporary management and record keeping resources, estimated costs for anticipated systems or component replacements, and estimated costs for implementation resources.

There are two parts to this request:

· $2,000,000 to replenish funds borrowed from the university's risk management pool and used for assessment and remediation of year 2000-related computer problems; and
· $3,013,900 to cover additional costs of assessing and remediating Year 2000-related problems.

Total request: $5,013,900

It should be noted that this request has been reduced from last year's Y2K request by approximately $3,000,000. This is the result of several factors, as noted below:

1. First, because no new funds were appropriated by last year's legislature for Y2K, the university's Y2K efforts have been in some cases delayed. This not only has resulted in the university being further behind the curve in identifying and resolving problems, it also has had the perverse effect of reducing costs. That is, in some cases we may be too late to "buy" the fix and may instead have to hope for the best and put our efforts into contingency plans.
2. Similarly, without any new funds for Y2K, all efforts to date have had to be funded from existing resources. Many of these costs have been in the nature of opportunity costs, where resources that might otherwise have been applied to other efforts or programs have instead been diverted to Y2K. While these represent very real costs, they are sometimes hard to measure.
3. Lastly, some of our original cost estimates were simply too pessimistic. That is, as we have progressed in our systems inventories we have determined that some remediation efforts are not as costly as anticipated.

For these reasons, we have reduced our original cost estimates to approximately $5 million. In the short term, some of these costs (up to $2 million) are being funded through a "loan" from the university's risk management pool. However, for the risk management pool to remain viable, those funds must be replaced.

Post-it® Fax Note 7671	Date 2/2/99	# of pages ▶ 8
To Chris	From Yeta	
Co./Dept.	Co.	
Phone # 5020	Phone # 5648	
Fax # 5039	Fax #	

Department of Administration
Y2K Project
AR 01992-99
Component: Y2K PROJECT

Expenditure and Revenue Projection 12/31/98

Expenditures	FY99 Authorized	RP's/Suppl Processed	RP's/Suppl Pending	Restrictions Processed	Restrictions Pending	FY99 Adjusted Authorization	YTD Expenditure	Projected for the Remainder	Total Projected & Actual	Projected Balance or (Deficit)	FY98 Actual	FY97 Actual
100 Personal Services	270.0					270.0	100.6	113.6	214.3	55.7		
200 Travel	50.0					60.0	12.2	18.0	30.2	19.8		
300 Contractual	650.0	1,000.0				1,650.0	28.0	1,910.2	1,938.2	(288.2)		
400 Supplies	10.0					10.0	1.9	2.0	3.9	6.1		
500 Equipment	20.0					20.0	15.4	0.0	15.4	4.6		
700 Grants						0.0	0.0	0.0	0.0	0.0		
Total	1,000.0	1,600.0	0.0	0.0	0.0	2,000.0	165.1	2,043.8	2,208.0	(208.0)	0.0	0.0

Funding Source	FY99 Authorized	RP's/Suppl Processed	RP's/Suppl Pending	Restrictions Processed	Restrictions Pending	FY99 Adjusted Authorization	YTD Revenue	Projected for the Remainder	Total Projected & Actual	Projected Balance or (Deficit)	FY98 Actual	FY97 Actual
Interagency Receipts	1,000.0	0				2,000.0	109.6	1,890.4	2,000.0	0.0		
Program Receipts						0.0	0.0	0.0	0.0	0.0		
Federal Grants						0.0	0.0	0.0	0.0	0.0		
General Fund Match						0.0	0.0	0.0	0.0	0.0		
General Fund						0.0	0.0	0.0	0.0	0.0		
Interfund Transfer						0.0	0.0	0.0	0.0	0.0		
						0.0			0.0	0.0		
						0.0			0.0	0.0		
						0.0			0.0	0.0		
						0.0			0.0	0.0		
Total	1,000.0	1,000.0	0.0	0.0	0.0	2,000.0	109.6	1,890.4	2,000.0	0.0	0.0	0.0

Notes for RPs/Restrictions processed and pending:

1. This entire project is being funded through an RSA with Risk Management. When the Legislature approves the FY99 Y2K request these expenditures will be moved to the new Y2K appropriation and zero out the RSA with Risk Management which will have the effect of returning those funds to Risk Management.

2. Jack Fargnoli is an OMB employee on loan to the Y2K project and his salary is not included in the DOA projection

3. Effective 1/1/99 Robert Poe will be funded from the DOA Commissioner's Office AR.

4. Sheila Good was paid by OMB for several months and is gone as of 2/1/99. Note: we did request 20.2 in 868.4 bill presented to legislature to fund this position for 6 months

Component: Y2K PROJECT

Personal Services Summary

December 31, 1998

	FY99 Adjusted Authorization	* Workers Comp Paid	*YTD Salaries & Benefits	*Total YTD Exp	Projected Exp for the Remainder	Total Exp	Balance or (Deficit)
Regular Wages and Benefits	270,000	0	100,633	100,633	113,650	214,283	55,717
Non-perm Cost					0	0	0
Premium Pay							
Shift Differential					0	0	0
Over Time					0	0	0
Total	270,000	0	100,633	100,633	113,650	214,283	55,717

* Source of this information is AKSAS

Projected Overtime & Premium Pay Cost	Shift Differential	Overtime	Non-perm
Average Monthly Cost	0	0	0
Adjusted Average Monthly Cost			
Sub Total	0	0	0
Number of Months Left in Fiscal Year			
Projected Cost	0	0	0

Premium Pay & Non-perm Monthly Expenditure

	Shift Differential	Overtime	Non-Perm
July	0	0	0
August	0	0	0
September	0	0	0
October	0	0	0
November	0	0	0
December	0	0	0
January	0	0	0
February	0	0	0
March	0	0	0
April	0	0	0
May	0	0	0
June	0	0	0
July	0	0	0
Total	0	0	0
Average Monthly Cost	0	0	0

Name	Job Title	PCN	Meril Anniversary Date	Range& Step	Beginning Pay Period Code	Ending Pay Period Code	Base Pay	YTD Exp.	Projected Exp. for the Remainder	Tota' Exp.	Grand Total
Brenn Berliner	Y2K Project Intern	02T042		5A	6	24	775.50	6,785.65	15,456.77	22,242.42	
			9/1/99	5B				0.00	0.00	0.00	
											22,242.42
Joseph Culp	Y2K Project Coord	02T046		23C	7	24	2,631.50	16,772.34	44,465.86	61,238.20	
			9/15/99	23D				0.00	0.00	0.00	
											61,238.20
Christine Meholic	Y2K Project Coord	02T047		23F	8	24	2,925.00	14,781.72	49,053.24	63,834.96	
			10/16/99	23J				0.00	0.00	0.00	
											63,834.96
Robert Poe	Director	01008X		30B	3	12	3,491.00	39,681.22	4,673.77	44,354.99	
								0.00	0.00	0.00	
											44,354.99
Christine Perce	Accountant V	01011Y		23E	4	9	2,932.15	22,581.56	0.00	22,581.56	
								0.00	0.00	0.00	
											22,581.56
								0.00	0.00	0.00	
								0.00	0.00	0.00	
											0.00
								0.00	0.00	0.00	
								0.00	0.00	0.00	
											0.00
								0.00	0.00	0.00	
								0.00	0.00	0.00	
											0.00
TOTAL								100,602.50	113,649.64		214,252.14
								$0			
								$100,603			
								$100,632			
								($30)	0.0302%		

Component: Y2K PROJECT

Travel Expenditures

December 31, 1998

	FY99 Adjusted Authorization	*YTD Expenditure	Projected Expenditure	Total Expenditures	Balance or Deficit
Total Anticipated Expenditures	30,231	12,231	18,000	30,231	0
Total Unanticipated Expenditures	19,769	0	0	0	19,769
Total	50,000	12,231	18,000	30,231	19,769

Anticipated Expenditures	Encumbrance Number	Total Proj Expenditures	*YTD Expenditure	Balance
Travel Expenditures		12,231	12,231	0
Mgmt Encumbrance: Jan-June 1999 Travel		12,000	0	12,000
Employee Move Costs		6,000	0	6,000
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
Sub-total		30,231	12,231	18,000

Unanticipated Expenditures	Encumbrance Number	Total Expenditures	*YTD Expenditure	Balance
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
Sub-total		0	0	0
Total Expenditures		$30,231	$12,231	$18,000

Component: Y2K PROJECT

Contractual Services

December 31, 1998

	FY99 Adjusted Authorization	*YTD Expenditure	Projected Expenditure	Total Expenditures	Balance or Deficit
Total Anticipated Expenditures	1,939,231	29,022	1,910,208	1,939,231	0
Total Unanticipated Expenditures	(289,231)	0	0	0	(289,231)
Total	1,650,000	29,022	1,910,208	1,939,231	(289,231)

Anticipated Expenditures	Encumbrance Number	Total Proj Expenditures	*YTD Expenditure	Balance
RSA: DMVA Y2K Position	RS0190039	53,900	4,029	49,871
RSA: DOT&PF Y2K Phase 1	RS0190043	400,000	0	400,000
RSA: DOA Leasing	RS0190044	17,567	17,557	10
RSA: DOT&PF Wastewater System	RS0190048	18,100	0	18,100
RSA: DOA Measured Services	EN0194001	5,000	377	4,623
Pitney Bowes-Copier lease payments	EN0195020	2,605	0	2,605
Misc Contractual Expenditures		7,059	7,059	0
RSA: DOA Y2K Project** (11 months)	RS	1,325,000	0	1,325,000
RSA: DOT&PF Marine Hwy-Kennicott	RS	110,000	0	110,000
				0
				0
				0
				0
				0
				0
				0
				0
				0
Sub-total		1,939,231	29,022	1,910,208

Unanticipated Expenditures	Encumbrance Number	Total Expenditures	*YTD Expenditure	Balance
				0
** Will be amended 358.5 upwards to cover the 12th month The RSA is really $984,396 at 12/31/98.				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
Sub-total		0	0	0
Total Expenditures		$1,939,231	$29,022	$1,910,208

* Source of this information is AKSAS

Component: Y2K PROJECT

Commodities (Supplies)

December 31, 1998

	FY99 Adjusted Authorization	*YTD Expenditure	Projected Expenditure	Total Expenditures	Balance or Deficit
Total Anticipated Expenditures	3,856	1,856	2,000	3,856	0
Total Unanticipated Expenditures	6,144	0	0	0	6,144
Total	10,000	1,856	2,000	3,856	6,144

Anticipated Expenditures	Encumbrance Number	Total Proj Expenditures	*YTD Expenditure	Balance
Misc Commodities		1,856	1,856	0
Mgmt Encumb: Jan-June 1999 Misc Supplies		2,000	0	2,000
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
Sub-total		3,856	1,856	2,000

Unanticipated Expenditures	Encumbrance Number	Total Expenditures	*YTD Expenditure	Balance
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
Sub-total		0	0	0
Total Expenditures		$3,856	$1,856	$2,000

* Source of this information is AIGAS

Component: Y2K PROJECT

Equipment

December 31, 1998

	FY99 Adjusted Authorization	*YTD Expenditure	Projected Expenditure	Total Expenditures	Balance or Deficit
Total Anticipated Expenditures	15,380	15,380	0	15,380	0
Total Unanticipated Expenditures	4,620	0	0	0	4,620
Total	20,000	15,380	0	15,380	4,620

Anticipated Expenditures	Encumbrance Number	Total Proj Expenditures	*YTD Expenditure	Balance
Juneau Electronics/Color Printer	EN0195102	1,084	1,084	0
Misc Equipment Purchases		14,296	14,296	0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
Sub-total		15,380	15,380	0

Unanticipated Expenditures	Encumbrance Number	Total Expenditures	*YTD Expenditure	Balance
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
Sub-total		0	0	0
Total Expenditures		$15,380	$15,380	$0

* Source of this information is AKSAS

Component: Y2K PROJECT

Inter Agency Receipts

December 31, 1998

	FY99 Adjusted Authorization	* YTD Revenue Collected	Projected Revenue	Total Revenue	Balance or Deficit
Total Anticipated Revenue	2,000,000	109,565	1,890,435	2,000,000	0
Total	2,000,000	109,565	1,890,435	2,000,000	0

Anticipated Revenue	RSA Number	Total Proj Revenue	*YTD Revenue	Balance
RSA: DOA Risk Management	RS0290219	2,000,000	109,565	1,890,435
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
				0
Total Revenue		$2,000,000	$109,565	$1,890,435

* Source of this information is AKSAS

State Spending on the Year 2000 Problem

Less Than $25 Million

State	Expects to Spend*
Delaware	$6.0
Hawaii	$19.0
Idaho	$18.0
Maine	$17.5
Montana	$5.5
Nebraska	$18.0
Nevada	$6.3
New Mexico	$12.2
Puerto Rico	$12.0
Rhode Island	$13.0
South Dakota	$4.5
Tennessee	$15.5
Wyoming	$12.8
Total: 13	$160.3

$25 - 50 Million

State	Expects to Spend*
Arkansas	$35.0
Colorado	$39.6
Indiana	$31.5
Iowa	$31.0
Kansas	$25.0
Kentucky	$36.0
Mississippi	$31.0
Pennsylvania	$40.2
South Carolina	$31.2
Utah	$50.0
Wisconsin	$35.0
Wyoming	$29.0
Total: 12	$414.5

$50.1 - 75 Million

State	Expects to Spend*
Michigan	$55.6
Minnesota	$50.7
Missouri	$57.0
New Hampshire	$53.8
Ohio	$61.0
Total: 5	$278.1

$75.1 - 100 Million

State	Expects to Spend*
Alabama	$92.5
Florida	$82.5
Maryland	$100.0
Massachusetts	$83.0
Washington	$83.5
Total: 5	$441.5

$100.1 - 150 Million

State	Expects to Spend*
Arizona	$125.0
Connecticut	$147.5
Illinois	$114.4
New Jersey	$120.0
North Carolina	$118.6
Oregon	$102.0
Total: 6	$727.5

More Than $150 Million

State	Expects to Spend*
California	$317.0
Georgia	$387.0
New York	$256.0
Texas	$256.8
Virginia	$170.7
Total: 5	$1,387.5

Totals	
Mean (Average)	**$74.1**
Range	**$4.5 to $387.0**
Total: 46	**$3,409.4**

* Where a range of numbers (estimate) was given their average was used.

12/1/98

State of Alaska
Y2K Project

Y2K Testing Guidelines and Requirements

Purpose

The State of Alaska must ensure that all its services and systems potentially affected by the millennium change are converted, modified, or replaced with Y2K (year 2000) compliant capabilities. Each agency is responsible for ensuring Y2K compliance of their hardware, software and networks, and is also responsible for documenting and reporting successful completion of their Y2K conversion to the Y2K Project Office (YPO).

This document sets out testing guidelines and requirements to ensure that all computer systems and applications supporting Mission Critical Business Functions (MCBF) within departments will be Y2K compliant and fully functional before, during, and after the Year 2000, and before their estimated Y2K-related failure dates.

COMPLIANCE , as defined by the "Year 2000 Compliance Standard" adopted by the State of Alaska is:

An information technology product is considered Year 2000 (Y2K) compliant if:
1. it accurately processes date- and time-related data (including, but not limited to, calculating, comparing, and sequencing) from, into, within, and between the twentieth and twenty-first centuries, including but not limited to processing and calculations for the years 1999 and 2000 and for leap years;

2. when used in combination with other information technology, shall accurately process date/time data if the other information technology properly exchanges date/time data with it."

Overall Guidelines

- Follow GAO guidelines for testing as defined in *Year 2000 Computing Crisis: A Testing Guide* (US General Accounting Office, GAO/AIMD-10.1.21, June 1998) *(these can be found on the State of Alaska Y2K web site)*

- Identify the hardware, software, and application software for mission critical business function supporting computer systems, and install and test Y2K compliant versions for all hardware and software.

- Work with YPO to define timetables for Y2K testing that require coordination with ITG, with other agencies, and appropriate external data exchange parties for functional interfaces.

- Inform YPO of any resources necessary to facilitate remediation and testing to achieve Y2K Compliance and Certification.

- Test in a fully Y2K compliant environment, with each component of the environment having vendor certification and testing completed, before MCBF supporting applications are tested and certified.

- Test according to the *Testing Compliancy Guidelines* set out in this document.

- Submit a completed *TEST CHECKLIST* set out in this document, regardless if the test status previously reported to the YPO is 'completed'.

- Provide the YPO with department test scripts, plans and results when requested or as needed.

- Retain test scripts, plans and results according to guidelines for Y2K record retention. *(Retention guidelines to be published in separate document.)*

- Identify federal requirements for Independent Verification and Validation that may apply to your business function and supporting computer systems.

Testing Compliancy Guidelines

- All federal requirements for Independent Validation and Verification for mission critical business function supporting computer systems must be met by departments.

- Software applications developed 'in house' are required to have a baseline test, unit, integration, system, and user acceptance test. Agencies must complete the *TEST CHECKLIST* for each software application tested and submit copies of them to YPO.

- Vendor software packages must have vendor certification, and be system tested and user-acceptance tested by the departments using them.

- Outsourced programming and support must have vendor certification, and be system tested and user-acceptance tested by the departments relying on these services.

- Outsourced data sites must have vendor certification, and have been user-acceptance tested by the departments relying on these services.

- All new vendor contractual agreements for any services or software must have Year 2000 clauses in the contract language for Y2K compliancy.

- All departmental and ITG WAN equipment must have vendor certification for hardware and software components.

- All LAN devices, including its hardware and software components, must have vendor certification for all components, and each machine should be independently tested.

Levels of Testing

As a minimum, Year 2000 testing must include the following levels of testing.

UNIT	verifies the logic, computations, functionality and error handling of a unit or program; includes desk checking (visual inspection) of all

lines of code, and code walkthroughs of all Year 2000 modifications.

INTEGRATION — verifies the internal integrity of a collection of logically related units (module); verifies the module's external interfaces with other modules, data files, external input and output.

SYSTEM — verifies the full, beginning to end capabilities of the system; verifies that the system is functionally and operationally complete; includes regression testing. System testing must be performed for conditions, test data and a system date in both the 20th and 21st centuries.

BASELINE — an initial test done prior to any modifications of programming code, hardware or system software which will serve as a guideline or basic standard of which to compare results following changes made to any code, hardware, or software.

REGRESSION — verifies that newly added or modified system components (hardware or software) have not compromised system functionality and performance (i.e. not introduced new errors).

USER-ACCEPTANCE — verifies that the system requirements from a business perspective are functionally satisfied, including regression testing. Acceptance testing must be performed for conditions, test data, and a system date in both the 20th and 21st centuries.

END-TO-END — conducted when a major element or group of elements in a related system is modified or replaced. The boundaries on end-to-end tests vary depending on a given business area's system dependencies and criticality to the mission of the organization. To plan for end to end testing, all interrelationships of data must be identified, both with the organization, across the enterprise, and outside the enterprise to the private and larger public sector.

End-to-End Testing Guidelines

Many of the supporting applications for mission critical business functions require testing interfaces from data exchange partners. In general, most of the end-to-end testing involves, but is not limited to, the following mission critical business function supporting applications:

- AKPAY
- AKSAS
- Alaska Student Loans (HELMS)
- APSIN
- Child Support Enforcement
- Permanent Fund Corporation
- Retiree Payroll
- Revenue and Billing
- SBS Annuity
- Treasury
- Welfare
- Medical Payments
- Unemployment Insurance
- Others may be added to this list, as necessary.

Each department is responsible for adhering to the following guidelines for successful end-to-end testing.

- Identify all relevant data exchange partners.
- Identify all file transfers or interfaces.
- Determine if these interfaces or files need to be tested, based on modifications to files for Y2K compliancy.
- Develop test scripts, plans and schedules for test.
- Retain all test scripts, plans and results of the tests.
- Schedule testing with data exchange partners.
- Document and validate results.

Testing Checklist

Please complete this checklist and return to the YPO office for review. For all tests that proved successful, mark "P" (pass) in the appropriate box. For those that do not apply to your business function and computer system, mark "n/a" (not applicable).

Mission Critical Business Function Name _____

Critical supporting system _____

Certifying person _____

Title _____

Phone _____ E-mail _____

	Baseline	Unit	Integration	System	User Acceptance
1. General					
Test on a Y2K-compliant environment					
Have vendor certification for each hardware and software component of system platform					
Develop test scripts for each application					
Retain test scripts with pass/fail checks					
Test manually (M) or used automated tool (A)					
2. Test the following dates or an appropriate subset of these for your application:					
4/9/1999 99th day of year Julian calendar					
7/1/1999 1st day of state fiscal year					
9/9/1999 Sometimes used as end-of-file marker					
10/1/1999 1st day of federal fiscal year, 1st two character month					
12/31/1999 Last day of the year					
1/1/2000 1st day of year 2000					

	Baseline	Unit	Integration	System	User Acceptance
1/3/2000 1st working day of year 2000					
1/10/2000 1st two character day of year 2000 (first five-digit date)					
1/31/2000 End of 1st month					
2/28/2000 Day before leap year					
2/29/2000 Valid leap year					
2/30/2000 Invalid date					
3/1/2000 Day after leap year					
3/31/2000 End of 1st quarter					
4/15/2000 Tax day					
4/30/2000 1st month ending on weekend					
6/1/2000 1st day of state fiscal year					
6/30/2000 End of 2nd quarter, end of state fiscal year 2000					
9/30/2000 End of 3rd quarter, end of federal fiscal year 2000					
10/10/2000 1st full 8-character day					
12/31/2000 Last day of year, 366th day of the year					
1/1/2001 1st day of year 2001					
12/31/2001 Last day of year					
2/29/2001 1st Invalid leap year date					

	Baseline	Unit	Integration	System	User Acceptance
3. Enter any additional dates critical to application, if any:					
4. Other tests:					
Test all calculated fields based on dates					
Test all date comparison results					
Test all dates used for some other meaning than a date.(e.g. end-of-file indicator, unknown date indicator(1/1/11))					
Test day-of-the-week conversions.					
Test all sorts using date fields.					
5. Database Backups and Restores:					
Test database backup and restore procedures crossing centuries. 11/9					

Glossary

COMPLIANCE

A system, including all hardware, software and documentation, is Y2K compliant if it is capable of correctly processing, providing and/or receiving date data within and between the 20th and 21st centuries.

COMPLIANT ENVIRONMENT

A Y2K compliant environment has all hardware, system software, application software, embedded chips and interfaces capable of processing Y2K-related dates.

DEPARTMENT CERTIFICATION

Once all modifications, remediation, and testing has been completed for each MCBF and its supporting applications, each department commissioner must certify compliance to the Y2K Project Office.

INDEPENDENT VERIFICATION AND VALIDATION

The use of an external group (consultants, another agency) with a specified degree of technical, managerial, and financial independence from the department or development organization to review and access Y2K remediation efforts.

REMEDIATION

The conversion, replacement or elimination of selected platforms, applications, databases, programming code or interfaces.

WINDOWING

Using a range of years calculated from current date to decide whether century should be 19 or 20. For example, use 50 to interpret any 2 digit year YY greater than or equal to 50 to be century 19, and any YY less than or equal to 50 to be century 20.

EXPANSION

Redefining any two digit year field to a four digit year field to include the century in the date to be able to correctly process year 2000 dates.

DATA AGING

Adding either set values or calculated values to date fields, to allow testing for various future dates. For example, to age dates to create test data for Jan 1, 2000, use a simple file of test data created for Nov. 9, 1998, add 418 days to the date within the file to make it current for Jan 1, 2000 rather than current for Nov. 9, 1998.

TEST SCRIPTS

Detailed sequential tasks that are written for specific application logic and code that are followed during a test to ensure all areas of logic are tested.

DATES TO TEST

The dates listed in the *Test Checklist* here are a suggested listing of dates to test. Some of these dates may not apply to your application. You may have others that are appropriate for your testing. It is up to the department to determine the business needs of the application and document which dates were tested and which were not tested.

ARR 11/98 Status Report

The Y2K project at the ARRC is moving along with schedule date of completion still projected for February 1999. Efforts this month have mostly focused on developing contingency plans for the year 2000 possible interruptions in services. During weekly status meetings with all business area represented, all key functions and possible business constraints that will be experienced if interruptions from Y2K issues are being identified. A forms is being used for each mission critical business area to help business units plan for the appropriate resources and determine if additional resources are needed. This process is planned to be completed by the end of December 1998. Money has been budgeted in 1999 for any areas that might be identified that will need further attention. The area that will most likely be upgraded to support the contingency plan is General Office Building backup power generator to allow more equipment in dispatcher's office to run of a longer time that current uninterruptible power supply can support. Decision regarding power requirements and upgrade should be completed by end of 1998 with installation by February 1999 if necessary.

Testing is bei ig completed for the financial systems including payroll which has been identified as priority one system. The only issue that has surfaced was a sorting error on a report and on user developed queries. These have been remediated already and don't expect to find any other issues. The Operational Information System that is used to track all rail cars, is currently having a new release installed that has been sent from the vendor to address the last of the year 2000 issues that have been identified. The release installation and testing are scheduled to be completed Dec 31, 1998. The last high priority system to be completed is Real Estate Accounting System which is scheduled for testing completion Dec. 5th, 1998 with training and production by end of December 1998. All other mission critical system testing has been completed including system hardware and operating systems.

For embedded processing, signal systems at road crossings have been tested and no issues were discovered. Event recorders on locomotives have also completed testing and no issues have been reported and have been certified as compliant by mechanical office. All other embedded processors including faxes, telephone switch and radio controllers have been tested and certified.

Vendors and customer letters requesting status are being reviewed with contact being made to key customers and vendors based on negative survey result. Banks have been contacted and interchange information has been tested.

If you have any additional questions regarding status please contact me at 265-2655 or cell 441-9109.

Thanks,
Eileen Reilly

Y2KPO CIP REVIEW CRITERIA

1. Is it a **Mission Critical** system?
2. Is this project necessary to survive Y2K?
3. Is the solution an appropriate response to problem?
4. Is request included in agency Y2K status report?
5. Does request relate to previously ongoing IT projects? If so does it solve Y2K?
6. Will supplemental requests lead to future CIP requests?

11/6/98
YPO

Y2K CIP REQUESTS

Department	Note	Reference#	Project Title	Fund	Fund Source Total	Project Total
Administration	TIC	6125	Y2K APOC Electronic Filing system *Not Y2K*	1004 Gen Fund	200,000	200,000
	Yes	6114	**Y2K Retirement & Benefits Software Enhancements** ***Approved as Y2K Project***	1017 Ben Sys	400,000	400,000
	Yes	6122	**Y2K Retirement & Benefits Data Processing Services** ***Approved as Y2K Project***	1017 Ben Sys	250,000	250,000
	TIC	6117	Y2K Public Defender Criminal Justice Information Integration Project *Not Y2K-Not Mission Critical*	1004 Gen Fund	400,000	400,000
	Yes	6106	**Y2K Mainframe Test Environment** ***Approved as Y2K Project***	1004 Gen Fund	3,500,000	3,500,000
	Yes	6258	**OPA Trust/Computrust Y2K Upgrade** ***Approved as Y2K Project***	1004 Gen Fund	104,000	104,000
Corrections	INFO.	30760	Y2K DOC/LAN/WAN/PC Hardware Replacement *Need more info on if all computers are related to Y2k problems or if just some are.*	1004 Gen Fund	560,000	560,000
	TIC	30762	Y2K DOC Criminal Justice Information System(OBSCIS) replacement *Not Y2K*	1002 Fed Rcpts	1,000,000	1,000,000
	INFO	30768	Y2K DOC Facilities Embedded Systems *Roll into DOT/PF project. Need more info on leased facilities*	1004 Gen Fund	385,000	385,000

Yes- Approved as Y2K Project
No - Recommend not approving project for submission in Governors budget
Info - More information requested
TIC - Refer back to TIC for consideration as IT project

	Yes	30766	**Y2K CIPT Central Control System Replacement** ***Approved as Y2K Project***	**1004 Gen Fund**	**1,000,000**	**1,000,000**
Education	TIC	32380	AVTEC Year 2000 Systems Upgrades *Not Y2K- Not Mission Critical*	1004 Gen Fund	187,100	187,100
Environmental Conservation	Yes	32345	**Y2K-DEC FY2000 Y2K Compliance** ***Approved as Y2K Project*** ***Need Vendor evidence that equipment is not Y2K compatible***	**1018 EVOSS** **1004 Gen Fund**	**32,500** **500,953**	**533,453**
Health & Social Services	Yes	6149	**Various Y2K Projects** ***Approved as Y2K*** ***Roll into DOT/PF Project***	**1004 Gen Fund**	**218,300**	**218,300**
	TIC	32341	Public Health Nursing Wide Area Network/Computer Upgrade *Not Y2K- New System*	1004 Gen Fund	200,000	200,000
	No	5605	Y2K and other Upgrades of Emergency Medical Services Communications Equipment *Not Y2K - Operating Item*	1005 GF/Prgm	250,000	250,000
	Yes	6150	**McLaughlin Youth Facility- HVAC** ***Approved as Y2K Project***		**4,000**	**4,000**
	Yes	6157	**AK Psychiatric Institute** ***Approved as Y2K Project***		**100,000**	**100,000**
	No	6151	McLaughlin Youth FacilityTelephone System *Operating Item*	Gen Fund	30,000	30,000
	No	6152	Public Health Lab - Server *Operating Item*	Gen Fund	10,000	10,000

Yes- Approved as Y2K Project
No - Recommend not approving project for submission in Governors budget
Info - More information requested
TIC - Refer back to TIC for consideration as IT project

	No	6153	EMS Certification - Database replacement *Operating Item*	Gen Fund	20,000	20,000
	No	6154	Public Health Nursing- Patient Mgmt. System *Not Y2K*	Gen Fund	50,000	50,000
Labor	No	6104	Y2K Equipment Replacement *Not Y2K - Operating Item*	1004 Gen Fund 1002 Fed Rcpts	214,400 455,600	670,000
	TIC	32376	UI Tax System Redesign *Not Y2K- New System*	1002 Fed Rcpts	2,600,000	2,600,000
Natural Resources	**Yes**	**32333**	**Y2K network Upgrade for Recorders Office** ***Approved as Y2K***	**1004 Gen Fund**	**225,000**	**225,000**
Public safety	**No**	**6116**	Y2K Evaluation/Remediation/Certification *Not required to make ASPIN Y2K Compliant*	1004 Gen Fund	188,525	188,525
University of Alaska		6134	University of Alaska - Y2K "Tentative requests" *Not Considered*	1004 Gen Fund	7,932,300	7,932,300
DOT/PF	**Yes**		**State Facility Review** ***Approved as Y2K Project***		**6,900,000**	**6,900,000**

Totals	
Approved as Y2K Project	**$13,234,753**
Referred back to TIC	**4,587,100**
Awaiting more information	**945,000**
Not recommended	**1,218,525**
Not Reviewed	**7,932,300**
	$27,917,678

Yes- Approved as Y2K Project
No - Recommend not approving project for submission in Governors budget
Info - More information requested
TIC - Refer back to TIC for consideration as IT project

Attachment #1
2-1-99

STATE OF ALASKA

YEAR 2000 PROJECT

BRIEFING AND

BACKGROUND MATERIALS

- Governor Knowles' Administrative Order No. 177
- State of Alaska Mission-Critical Business Functions
- Departmental Y2K Readiness Reports
- Project Status Reports
- Year 2000 Project Office - - Contact Information

Year 2000 Project Office

http://www.state.ak.us/y2000/

January 22, 1999

TONY KNOWLES
GOVERNOR

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Juneau, Alaska 99811-0001
(907) 465-3500
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STATE OF ALASKA
OFFICE OF THE GOVERNOR
JUNEAU

ADMINISTRATIVE ORDER NO. 177

I, Tony Knowles, Governor of the State of Alaska, under the authority of art. III, secs. 1 and 24 of the Alaska Constitution, establish a Year 2000 (Y2K) project office within the Office of the Governor, to be headed by the Y2K senior project manager.

PURPOSE

The Year 2000 date change problem is already affecting automation systems and the conduct of business worldwide, in both public and private sectors. The Y2K problem will increasingly affect automation systems and business operations as December 31, 1999, approaches, and will continue to have substantial effects even beyond the year 2000. Therefore, the Year 2000 problem poses serious potential risks for the State of Alaska and all Alaskans.

The brief time remaining to obtain compliance with year 2000 standards requires the Administration to act as if under emergency conditions to prevent or minimize the effects of noncompliance which may pose a direct and imminent threat of a disaster of sufficient magnitude and severity to justify state action.

To do the Administration's utmost to ensure essential state government functions continue without interruption, I declare Year 2000 compliance to be a priority of the highest level for the executive branch. In recognition of that priority, the Y2K senior project manager must function at the level of a member of the cabinet.

For the same reason, the Y2K project office, which has worked closely with state agencies in compiling inventories and assessments of their automated systems, must be elevated organizationally to link directly to the Office of the Governor.

DIRECTIVES FOR THE Y2K PROJECT OFFICE

The Y2K project office shall:

1. coordinate all Y2K efforts for the executive branch and focus those efforts on meeting the needs of mission critical systems of state agencies;

2. set Y2K compliance standards consistent with law for all state agencies in the executive branch;

3. monitor the efforts of state agencies in the executive branch to meet compliance standards established under this order;

4. establish a remediation timetable and a risk management and contingency plan for the executive branch for Y2K efforts;

5. establish a Y2K clearinghouse for making Y2K preparedness information available to state agencies, the public, and entities outside of state government; and coordinate technical assistance to other affected entities in Alaska;

6. maintain ongoing contact with Y2K coordinators in state agencies;

7. compile information regarding resource needs of state agencies to address Y2K issues; and analyze, coordinate, and present Y2K requests for appropriations to the Governor and the Legislature;

8. make monthly reports on the Y2K efforts and progress of state agencies to the Governor, Chief of Staff, Cabinet, and Legislature;

DIRECTIVES FOR STATE AGENCIES

Each state agency is responsible for doing its utmost to ensure its mission critical systems are, or can be made, and will remain, Y2K compliant. This includes ensuring, to the extent possible, its mission critical systems will not be interrupted or corrupted as a result of automation interfaces or business relationships with other entities inside or outside of state government.

Each state agency shall:

1. consistent with legal obligations, adhere to all Y2K standards established for the executive branch;

2. with due consideration for mandated Administration and legislative initiatives, defer commencing new technology projects (including purchases or leases of software, system enhancements, and hardware) until mission critical systems are Y2K compliant, unless the state agency can demonstrate that those projects will not impede the agency's ability to achieve Y2K compliance for all of its mission critical systems;

3. identify all mission critical systems for the agency which requires Y2K-related modifications in order to function correctly and reliably, or may require replacement or elimination;

4. develop and implement a Y2K project work plan that is based on the use of existing resources to the extent possible, and is focused on achieving or maintaining the Y2K compliance of mission critical systems of the agency;

5. develop appropriate contingency plans to ensure that mission critical systems of the agency can continue to operate if Y2K-related interruption or corruption of supporting systems occurs;

6. identify additional needs to ensure its mission critical systems are repaired or replaced, tested, and fully addressed by an appropriate contingency plan of the agency; and

7. provide monthly progress reports on efforts conducted under this order to the Y2K senior project manager.

This order takes effect immediately.

Dated at Juneau, Alaska, this 28 day of August 1998.

Tony Knowles
Governor

Updated: 1/20/99

State of Alaska - Year 2000 Project
Y2K Project Office

MISSION-CRITICAL BUSINESS FUNCTIONS

ENTERPRISE-LEVEL

The list below identifies the "enterprise-level" mission-critical business functions for purposes of the Year 2000 Project. These business functions and the systems which support them (business systems, automation systems, facilities, supplier and customer relationships, etc) will be the primary focus of Y2K remediation and compliance efforts.

Administration

Procurement
Mental Health Trust Authority Grants
Public Guardian Trust Accounting System
Alaska Longevity Bonus Program
Alaska Pioneer Homes (general)
Payroll
Accounting
Computer Services
Network Services
Telephone Services
Telecommunications Services
Alaska Public Communications Services
Vehicle and Driver Licensing
Retiree Payroll
Supplemental Benefits System Annuity Plan
On-Line Personnel Recruitment

COMMERCE AND ECONOMIC DEVELOPMENT

Bradley Lake Hydro
Four Dam Pool Hydro
Larsen Bay Hydro
Alaska Intertie
AIDEA Loan Servicing
Investment Loan Servicing
Alaska Railroad

COMMUNITY AND REGIONAL AFFAIRS

Power Cost Equalization
State Revenue Sharing
Seniors and Disabled Renters Program
Safe Communities (formerly Municipal Assistance)

CORRECTIONS

DOC Twelve Correctional Institutions, And Their Security, Central Control Systems, Perimeter Fences, Card Entry/Exit Systems, Monitoring Systems, Health and Life/ Safety Systems

DOC Telecommunications In Correctional Facilities.

EDUCATION

Post-Secondary Education Commission - Loans

ENVIRONMENTAL CONSERVATION

Laboratory Analysis of Food Samples
Certifying Commercial Drinking Water Labs
Analysis of environmental samples
Communications System for Emergency Response

FISH & GAME

Licensing fishermen, crew members and vessels for commercial fishing across the state
Enhancement Hatcheries
Process Fish Tickets

GOVERNOR

State Budget Preparation
Elections

HEALTH AND SOCIAL SERVICES

Family and Youth Services - Youth Detention Facilities
Family and Youth Services - Family Services, Child Protection Services
Alaska Psychiatric Institute
Public Health Nursing
Medical Benefits to Alaskans who qualify
Public Assistance or "Welfare" Programs (ATAP, Food Stamps/EBT, General Relief, Adult Public Assistance and others) for Alaskans who qualify
Public Health Laboratories
Emergency Medical Services

LABOR

Unemployment Insurance
Employment Services
Worker's Compensation

LAW

Prosecution of Criminals
Collection of Civil & Criminal Debts to the State - Child Support Enforcement Collections
Investigation, Defense, & Prosecution of State's Oil & Gas Royalty and Taxation Cases
Child Protection Cases

MILITARY AND VETERANS AFFAIRS

Emergency Response Capability - State, Local, Federal Coordination
Disaster Recovery Database - Emergency Response Support

NATURAL RESOURCES

DNR's revenue processing
Property recorder's office system
DNR oil patch
DNR Land Administration System.
Wildland Fire Suppression Systems
Field Radio and Mobile Repeater Systems

PUBLIC SAFETY [1]

Alaska Public Safety Information Network
911 Emergency Dispatch Centers
Public Safety Message Switch
Vehicles, Vessels, Aircraft

REVENUE

Income & Excise Audit Division's Cash Processing
Process and deliver PFD checks
Process Child Support Payments
Collection of State Revenues
Disbursement of State Funds
In-house investment management of State/ASPIB fixed income
Permanent Fund Corporation - Asset Management

TRANSPORTATION

Alaska Marine Highway System Vessels
Anchorage International Airport Fire Alarm System
Anchorage International Airport Heating, Ventilating, Air Conditioning
Alaska Marine Highway System Shoreside Facilities
Anchorage International Airport Access Control System
Land Highway Traffic Control Devices
State Equipment Fleet Vehicles and Shop Equipment
State Equipment Fleet Equipment Management System
Fairbanks International Airport Access Control System
Fairbanks International Airport Andover Heating, Ventilating, Air Conditioning Contro.
Fairbanks International Airport Fire Alarm System
Sitka Airport
Telecommunication Infrastructure
Third Party Billing System
Public Facilities, Buildings

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[1] Two additional MCBF's ("Public Safety Message Switch" and " Vehicles, Vessels, Aircraft"), previously listed separately, were consolidated and included within the two MCBF's shown, effective 11/6/98.)

YEAR 2000 READINESS STATUS as of DECEMBER 1998

DEPARTMENT OF ADMINISTRATION

Overall Rating: YELLOW[1]

- All systems have been inventoried and assessed
  - Each MCBF[2] is being aggressively worked
  - All systems except Payroll have been remediated and are in testing or awaiting testing
  - Good top management support
  - Appropriate funding requests have been made

Status of each Mission Critical Business Function:

1) **Procurement - YELLOW**
   - Largely a manual process, Y2K problems not anticipated

2) **Mental Health Trust Authority Grants - YELLOW**
   - Uses AKSAS

3) **Alaska Longevity Bonus Program - YELLOW**
   - 100% remediated
   - In testing

4) **Alaska Pioneer Homes – Pharmacy System - YELLOW**
   - System certified by vendor to be Y2K compliant
   - Tested in December 1998. Rating pending results

5) **Payroll - YELLOW**
   - Anticipate Y2K compliant vendor upgrade in March 1999
   - Do not anticipate completing testing until July 1999

Note – if system failure is affected by 6/30/99 changeover, plan could be too tight

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[1] **(red)** Given current status/constraints, it is unlikely this MCBF will be Year 2000 compliant prior to projected failure date.
(yellow) Given current status, this MCBF should be Year 2000 compliant one month prior to its projected failure date.
(green) This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

[2] **MCBF**: Mission Critical Business Function. Selected based on significant impact on life, health safety or economic well-being of Alaskans

6) **Accounting- YELLOW**

- 75% Remediated
- 70% Tested
- 60% Implemented
- AKSAS designed to process four digit dates

7) **Vehicle and Driver Licensing - YELLOW**

- Copy of ASPIN which is expected to be compliant
- Awaiting mainframe testing

8) **Public Guardian Trust Accounting System - YELLOW**

- Pacific Western package certified by vendor to be Y2K compliant
- Needs to be tested on platform it operates on

9) **On-line Personnel Recruitment - YELLOW**

- Not discussed in agency status report
- Comment based on research by Chris Parse
- New system – expected to be Y2K compliant
- Needs to be tested on current platform

10) **Retiree Payroll - YELLOW**

- Expected to be compliant
- 50% tested

11) **Supplemental Benefits System Annuity Plan - YELLOW**

- Expected to be compliant
- 30% tested

Funding Requirement: $1,622,400

- **$104,000 - Convert Public Guardian system to Y2K compliant and more stable platform**
- **$250,000 - funding to assist with required testing of retirement system and potential additional remediation**
- **$400,000 - Complete replacement of BENECALC system with Y2K compliant version**
- **$868,400 - Y2K Project Administration**

YEAR 2000 READINESS STATUS as of DECEMBER 1998

DEPARTMENT OF ADMINISTRATION (ITG ONLY)

Overall Rating: YELLOW[1]

- The mainframe test environment is in place. This is the most critical element for testing and certifying all key systems. Testing is currently scheduled to begin in January.
- All areas are being aggressively worked. The red rating in Telecommunications appears to be caused by a lack of update information. This area is being researched for update information at this time.
- Contingency plans have been submitted for review

Status of each Mission Critical Business Function:

1) **Computer Services - YELLOW**
   - The partitioned environment needed for Y2K testing is in place
   - This rating is tentative, and based on the pending release of a testing schedule, due out in mid January
   - Remediation is ahead of schedule

2) **Network Services - YELLOW**
   - Assessment and planning is complete and Remediation is ahead of schedule
   - An aggressive team is working all levels of statewide network services
   - A comprehensive inventory is available and being used in this effort

3) **Telephone Services - YELLOW**
   - The state's three major PBX systems are run on Y2K compliant hardware and software
   - Testing is possible and scheduled for these systems
   - Local Exchange Carriers (LECs) in the three major urban areas (Anchorage, Fairbanks, Juneau) are addressing Y2K concerns

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[1] **(red)** Given current status/constraints, it is unlikely this MCBF will be Year 2000 compliant prior to projected failure date.
(yellow) Given current status, this MCBF should be Year 2000 compliant one month prior to its projected failure date.
(green) This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

4) **Telecommunications - YELLOW**

- The main ITG leased-line systems and interfaces supporting this function, are estimated at 100% assessed, and 30-50% remediated.

- Assessment and planning of paging equipment and two-way radios is 100% assessed, with a task order under preparation between ITG and the Y2K Project Office for conducting remediation. Completion of remediation is expected by 6/30/99, depending on availability of funding..

5) **Alaska Public Communications Services - YELLOW**

- Earth stations and transmission facilities have redundancy and backup power sources.
- The Satellite Interconnect Program is on schedule and should be completed by March 1999

6) **Desktop LAN/WAN - YELLOW**

- Remediation is ahead of schedule
- Activity is well into the remediation phase

Funding Requirement: $2,126,300

- **$2,126,300 - Mainframe Test Environment**

YEAR 2000 READINESS STATUS - - AS OF DECEMBER 1998

DEPARTMENT OF COMMERCE AND ECONOMIC DEVELOPMENT

OVERALL STATUS: ..... **YELLOW** [1]

- Department is making satisfactory progress and is ahead of the estimated failure dates for the automation systems supporting its MCBF's. No problems expected.
- Department-wide Y2K contingency plan in place.

STATUS OF MISSION-CRITICAL BUSINESS FUNCTION (MCBF):

1. **Investment Loans Servicing** ..... **YELLOW**

   - Mortgage Loans Extended system and Loans Online Information System both 100% completed for Assessment and Planning Stage, and 80% completed with Remediation Stage. Critical suppliers are identified (KeyBank LockBox Services and electrical utilities), and contingency plans for them are in place.

2. **Alaska Railroad** ..... **YELLOW**

   - Assessment and planning for main automation systems are 100% completed. Remediation is functionally 100% completed, with systems having been upgraded or replaced. Testing is 100% completed in four major systems and 90% completed for the fifth. Compliance work on embedded systems (signal systems, events recorders, phone/fax/radio controllers) is 100% completed.

3. **Bradley Lake Hydro** ..... **YELLOW**

   - Assessment and planning for all systems are 100% completed.
   - Remediation is functionally 100% completed. Strategy (per normal operations) calls for replacement or manual override of relays, control

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[1] **RED:** Given current status and constraints, it is unlikely this MCBF will be Year 2000 compliant prior to its estimated failure date.

YELLOW: Given current status and constraints, this MCBF should be Year 2000 compliant one month prior to its estimated failure date.

GREEN: This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

systems and other parts if problems occur. Adequate procedures, on-site personnel, and inventory of replacement parts and equipment are all in place.

- Y2K-compliant verifications already received from most suppliers.

- Pilot-site testing of SCADA and maintenance management systems is scheduled for January 1999, with completion by 6/30/99 and results applied to other hydro sites and Alaska Intertie as needed.

4. **Four-Dam Pool Hydro** ..... **YELLOW**

   - (Same as above.)

5. **Larsen Bay Hydro** ..... **YELLOW**

   - (Same as above.)

6. **Alaska Intertie** ..... **YELLOW**

   - (Same as above.)

7. **AIDEA Loan Servicing** ..... **YELLOW**

   - Assessment and Planning for main automation systems (MLS system and Dynamics interface) are 100% completed, with remediation also 100% completed. Testing and implementation are both 80% completed.

   - Remediation of desktop computers, LAN systems, and WAN links are 50% remediated, with testing and implementation also 50% completed.

8. **Desktop/LANs/WAN** ..... **YELLOW**

   - Assessment and planning for departmental systems supporting mission-critical business functions are 100% completed, with remediation 30% completed.

Y2K FUNDING REQUIREMENT: **$75,000**

- $ 75,000 - Alaska Public Utilities Commission Y2K Assessment

YEAR 2000 READINESS STATUS - - AS OF DECEMBER 1998

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

OVERALL STATUS: ..... **YELLOW** [1]

- Department is making adequate progress and is well ahead of the estimated failure dates for the automation systems supporting its MCBF's. No problems expected.

STATUS OF MISSION-CRITICAL BUSINESS FUNCTION (MCBF):

1. **State Revenue Sharing** ..... **YELLOW**

   - 100% completed for Assessment and Planning Stage, and for Remediation Stage. Testing is 20% done, with completion expected by 5/1/99. Small application, no problems expected.

2. **Safe Communities (Municipal Assistance)** ..... **YELLOW**

   - (Same as above.)

3. **Seniors And Disabled Renters Program** ..... **YELLOW**

   - 100% completed for Assessment and Planning Stage. Remediation is 90% done, with completion expected by 2/28/99. Small application, no problems expected.

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[1] **RED:** Given current status and constraints, it is unlikely this MCBF will be Year 2000 compliant prior to its estimated failure date.

YELLOW: Given current status and constraints, this MCBF should be Year 2000 compliant one month prior to its estimated failure date.

GREEN: This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

4. **Power Cost Equalization** ..... **YELLOW**

- 100% completed for Assessment and Planning Stage, and 90% completed for Remediation Stage. Testing and Implementation are both 85% completed. Small application, no problems expected

5. **Desktop/LANs/WAN** ..... **YELLOW**

- 100% remediated, with 90% of testing currently completed.

Y2K FUNDING REQUIREMENT: **- - NONE - -**

- n/a

YEAR 2000 READINESS STATUS as of DECEMBER 1998

DEPARTMENT OF CORRECTIONS

Overall Rating: YELLOW[1]

- 51% of all systems have been through the remediation phase
- Each MCBF[2] is being aggressively worked
- A funding request has been made to address non-compliant systems
- Strong contingency plans are in place
- Needed resources have been identified and requested

Status of each Mission Critical Business Function:

1) **Twelve Correctional Institutions, and their security, central control systems, perimeter, fences, card entry systems, monitoring systems, health and life/safety systems - YELLOW**
   - Each facility has been walked through and inspected
   - All facilities, to include administrative buildings, are being inspected under DOT's RSA
   - A funding request to address the one correctional facility that cannot be brought into compliance has been submitted

2) **DOC Telecommunications in Correctional Facilities - YELLOW**
   - Key systems are being replaced
   - Digital systems are based on Y2K compliant hardware and software
   - Communications between facilities is under review

3) **Desktop LAN/WAN - YELLOW**
   - Desktop units tied to MCBFs have been tested
   - Funding request for replacements of non-compliant units has been submitted

Funding Requirement: $1,625,000

- **$1,000,000 - Upgrade Cook Inlet Prfe-Trial Facility central control system**
- **$560,000 - Replace desktop units identified as non-compliant**
- **$65,000 - Upgrade non-compliant telecommunications and embedded systems**

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[1] **(red)** Given current status/constraints, it is unlikely this MCBF will be Year 2000 compliant prior to projected failure date.
(yellow) Given current status, this MCBF should be Year 2000 compliant one month prior to its projected failure date.
(green) This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

[2] **MCBF**: Mission Critical Business Function. Selected based on significant impact on life, health safety or economic well-being of Alaskans

YEAR 2000 READINESS STATUS as of DECEMBER 1998

DEPARTMENT OF EDUCATION

Overall Rating: YELLOW[1]

- 83% through remediation
    - Each MCBF[2] is being aggressively worked
    - Top management involved
    - No additional funds required

Status of each Mission Critical Business Function:

1) **Postsecondary Education - YELLOW**
    - Same as above

Funding Requirement: $0

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[1] **(red)** Given current status/constraints, it is unlikely this MCBF will be Year 2000 compliant prior to projected failure date.
(yellow) Given current status, this MCBF should be Year 2000 compliant one month prior to its projected failure date.
(green) This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

[2] **MCBF**: Mission Critical Business Function. Selected based on significant impact on life, health safety or economic well-being of Alaskans

YEAR 2000 READINESS STATUS as of DECEMBER 1998

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Overall Rating: YELLOW[1]

- Completion of remediation is dependent upon funding approval
- Each MCBF[2] is being aggressively worked
- All laboratory equipment has been tested and non-Y2K compliant units identified
- A funding request for compliant units has been made
- A contingency plan has been submitted for review

Status of each Mission Critical Business Function:

1) **Laboratory Analysis and Food Services - YELLOW**
   - Non-compliant units have been identified and replacement funding requested
   - If approved, units can be in place and tested prior to failure dates
   - The monthly status report indicates that two elements can be brought into compliance, while 41 will need to be replaced

2) **Certifying Commercial Drinking Water Labs - YELLOW**
   - Same as above

3) **Analysis of Environmental Samples - YELLOW**
   - Same as above

4) **Communications Systems for Emergency Response - YELLOW**
   - Radios, portable fax units and phones are compliant
   - Repeaters are under review by the Information Technology Group

5) **Desktop LAN/WAN - YELLOW**
   - Certification and replacement activity is currently under way

Funding Requirement: $561,453

- **$ 533,453 - Statewide equipment, software, and database compliance**
- **$ 28,000 - Community wast water systems Y2K assessment**

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[1] **(red)** Given current status/constraints, it is unlikely this MCBF will be Year 2000 compliant prior to projected failure date.
(yellow) Given current status, this MCBF should be Year 2000 compliant one month prior to its projected failure date.
(green) This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

[2] **MCBF**: Mission Critical Business Function. Selected based on significant impact on life, health safety or economic well-being of Alaskans

YEAR 2000 READINESS STATUS - - AS OF DECEMBER 1998

DEPARTMENT OF FISH AND GAME

OVERALL STATUS: ..... **YELLOW**[1]

- Department is making adequate progress and is well ahead of the estimated failure dates for the automation systems supporting its MCBF's. No problems expected.
- Department-wide Y2K contingency plan expected to be completed by 1/15/99.

STATUS OF MISSION-CRITICAL BUSINESS FUNCTION (MCBF):

1. **Fish Ticket Processing** ..... **YELLOW**

   - Assessment and planning for the main Fish Ticket System are 90% completed, and 100% completed on both the Fish Ticket Entry & Reporting interface and the Marianer system interface.
   - Remediation of the Fish Ticket System is 40% completed, with reporting and Marianer interfaces at 40% and 100%, respectively.

2. **Enhancement Hatcheries** ..... **YELLOW**

   - Assessment and planning for the three main systems being tracked (ProScan Monitoring & Alarm System, Automated Process & Control System, and Emergency Power Generation System) is 100% completed.
   - Remediation work on the three main systems, above, is 50% completed.

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GREEN: This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

3. **Sport And Crew License Sales** ..... **YELLOW**

- Assessment and planning of main system is 100% completed, with remediation also 100% done.

- Testing and certification work is 80% completed, with implementation currently 50% completed.

4. **Permit And Vessel Licensing** ..... **YELLOW**

- Assessment and planning for main licensing and revenue accounting system (Commercial Fisheries Entry Commission) are 100% completed, with remediation currently 85% completed.

- Testing and certification work are 85% completed, with the system currently 83% implemented to date.

5. **Desktop/LANs/WAN** ..... **YELLOW**

- Assessment and planning for the department's desktop computer systems, LAN systems and WAN links, are 100% completed, with remediation currently 50% completed.

Y2K FUNDING REQUIREMENT: **- - NONE - -**

- n/a

YEAR 2000 READINESS STATUS - - AS OF DECEMBER 1998

OFFICE OF THE GOVERNOR

OVERALL STATUS: ..... **YELLOW** [1]

- Department is making adequate progress and is well ahead of the estimated failure dates for the automation systems supporting its MCBF's. No problems expected.
- Department-wide Y2K contingency plan is in place.

STATUS OF MISSION-CRITICAL BUSINESS FUNCTION (MCBF):

1. **Election Ballot Tabulation** ..... **YELLOW**

   - Assessment and planning for Accu-Vote system is 100% completed, with remediation also 100% completed. Testing is expected to be completed by 3/1/99.

2. **Voter Registration Process** ..... **YELLOW**

   - Assessment and planning for current Voter Registration and Election Management System (VREMS) is 90% completed, with remediation also approximately 90% completed. Key suppliers are identified (contractor-supplied voter ID cards, voter worker payment warrants from Division of Finance) and supply contingency plans are under development.

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GREEN: This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

3. **State Budget Process**..... **YELLOW**

- Assessment and planning for the Automated Budget System (ABS) is 100% completed, including virtually all of its system interfaces. Remediation for ABS is also 100% completed (the system was designed to be 100% Y2K compliant) are for, and the system is currently in the testing stage.

4. **Desktop/LANs/WAN**..... **YELLOW**

- This MCBF is 100% completed for the Assessment and Planning Stage, and 50% for the Remediation Stage, with testing expected to be completed by 4/1/99.

Y2K FUNDING REQUIREMENT: **- - NONE - -**

- n/a

YEAR 2000 READINESS STATUS as of DECEMBER 1998

DEPARTMENT OF HEALTH AND SOCIAL SERCIVES

Overall Rating: YELLOW[1]

- 84% of all systems have been through the remediation phase
- Each HSS MCBF[2] is being aggressively worked, and the program strongly supported by management
- Funding requests to bring non-compliant systems into compliance have been made
- Strong Contingency Plans have been submitted

Status of each Mission Critical Business Function:

1) **Family and Youth Services - Youth Detention Facilities - YELLOW**

- All facilities are being reviewed under the DOT RSA
- A contingency plan exists for the provider payment system
- Funding requests for replacement of non-compliant systems have been submitted

2) **Family and Youth Services - Family Services, Child Protection Services - YELLOW**

- A contingency plan exists for the provider payment system
- AKSAS, a critical interface, is Y2K compliant
- Key suppliers have been identified

3) **Alaska Psychiatric Institute - YELLOW**

- Non-compliant systems have been identified
- A funding request has been submitted to address non-compliant systems

4) **Public Health Nursing - YELLOW**

- Most services in this area are communications dependent and are being addressed through ITG/APUC channels
- A contingency plan exists for this function
- Concerns over embedded systems have been isolated and are being researched

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[2] **MCBF**: Mission Critical Business Function. Selected based on significant impact on life, health safety or economic well-being of Alaskans

5) **Medical Benefits to Alaskans Who Qualify - YELLOW**

- Testing and Certification of system upgrades and Y2K compliance appears to be on schedule and due to be completed by March 1999

6) **Public Assistance Program - YELLOW**

- This rating is based on the probable availability of a host-based test platform
- Migration from the SNA link to a HSS LAN is in progress and ahead of schedule

7) **Public Health Laboratories - YELLOW**

- All assessment and planning is complete
- Testing and certification activities are on schedule, with a projected completion of April 1999
- Suppliers for critical biomedical equipment have been identified and are currently under review
- A funding request has been submitted to replace non-compliant server

8) **Emergency Medical Services - YELLOW**

- A funding request has been submitted to replace non-compliant database
- The automated system (PRMS) function can be performed manually
- All assessment and planning is complete
- Replacement software for TRAUMA! is on order and should be tested by year end, 1998

9) **Desktop LAN/WAN - YELLOW**

- All assessment and planning has been completed
- Aggressive testing and certification activity is under way

Funding Requirement: $ 2,564,000

- **$4,000 - McLaughlin Youth Facility - HVAC**
- **$100,000 - Alaska Psychiatric Institute information systems upgrade**
- **$30,000 - McLaughlin youth Facility Telephone System Upgrade**
- **$10,000 - Public Health Laboratory Server Replacement**
- **$20,000 - Emergency Medical Services Certification Database Replacement**
- **$2,400,000 - Medicaid Management Information System Y2K Upgrade**

YEAR 2000 READINESS STATUS - - AS OF DECEMBER 1998

DEPARTMENT OF LABOR

OVERALL STATUS: ..... **YELLOW** [1]

- The department is making adequate progress and is well ahead of the estimated failure dates for the automation systems supporting its MCBF's.
- The department also has its own mini-mainframe machine and testing environment for repairing and testing departmental applications, so is particularly well positioned to maintain its current rate of progress.
- Additionally, the department has engaged a contractor to provide independent validation and verification of its remediation and testing work on selected critical application systems.
- A department-wide Y2K contingency plan is in place.

STATUS OF MISSION-CRITICAL BUSINESS FUNCTIONS (MCBF):

1. **Unemployment Insurance** ..... **YELLOW**
   - 100% completed for Assessment and Planning Stage; currently 95% - 100% through the Remediation Stage. Testing expected to be completed by 2/1/99.

2. **Employment Services** ..... **YELLOW**
   - 100% completed for Assessment and Planning Stage; currently 95% - 100% through the Remediation Stage. Testing expected to be completed by 3/1/99.

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GREEN: This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

3. **Workers Compensation**..... **YELLOW**

- Assessment and planning for the new system being developed are 100% completed. Remediation also is 100% completed (the system was designed to be 100% Y2K compliant), with the department awaiting final change requests from end-users currently testing the beta version of the system. Implementation is expected between 3/1/99 and 4/1/99, depending on final end-user comments.

4. **Desktop/LANs/WAN**..... **YELLOW**

- Assessment and planning for this MCBF are virtually 100% completed. Remediation is about 30% completed, with desktop remediation software having been acquired for the department's 600 desktop work stations and contractor engagement currently being finalized.

Y2K FUNDING REQUIREMENT:

- None.

YEAR 2000 READINESS STATUS - - AS OF DECEMBER 1998

DEPARTMENT OF LAW

OVERALL STATUS:..... YELLOW [1]

- Assessment and planning for all major critical systems of the department are 100% completed and 100% remediated.

- Assessment and planning for the single-user database interface) which supports the department's child support enforcement collections is 100% completed. Remediation of the interface (terminal access to the Dept. of Revenue's ENSTAR database) is part of the department's desktop/LAN/WAN remediation work, which currently is 35% completed.

- A department-wide Y2K contingency plan is in place.

STATUS OF MISSION-CRITICAL BUSINESS FUNCTIONS (MCBF):

1. **Prosecution of Criminals ..... YELLOW**

    - 100% completed for Assessment and Planning Stage; also currently 100% completed with remediation. Testing expected to be completed by 4/1/99.

2. **Collection of Civil and Criminal Debts to the State..... YELLOW**

    - 100% completed for Assessment and Planning Stage; currently 95% - 100% through the Remediation Stage. Testing expected to be completed by 3/1/99.

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GREEN: This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

3. **Child Support Enforcement Collections** ..... **YELLOW**

- Assessment and planning for this MCBF are 100% completed, with remediation 35% completed. This business function consists of a single terminal interface used by one attorney to access the Department of Revenue's ENSTAR database (whose Y2K compliance is being worked on by that department).

4. **Investigation, Defense and Prosecution of State's Oil & Gas Royalty and Taxation Cases** ..... **YELLOW**

- Assessment and planning for the department's litigation support imaging system and mainframe document indexing system are 100% completed, with remediation of the systems 95% and 80% completed, respectively.

5. **Child Protection Cases** ..... **YELLOW**

- Assessment and planning for the department's civil case management system, as well as remediation (replacement) of the system, are 100% completed. Testing is expected to be completed by 5/1/99.

6. **Desktop/LANs/WAN** ..... **YELLOW**

- Assessment and planning for the department's desktop computers, LANs, and WAN links are 100% completed, with remediation approximately 35% completed. Testing is expected to be completed by 6/1/99.

Y2K FUNDING REQUIREMENT:

- None.

YEAR 2000 READINESS STATUS as of DECEMBER 1998

DEPARTMENT OF MILITARY AND VETERAN AFFAIRS (DES)

Overall Rating: YELLOW[1]

- Remediation and testing is on schedule
- DES (DMVA's MCBF) is being aggressively managed
- By its nature, DES responds to disruptions, critical systems failures, and disasters that threaten life/safety
- Proactive interaction between DES and communities throughout Alaska is evident

Status of each Mission Critical Business Function:

1) **Emergency response capability - State, Local, Federal Coordination - YELLOW**
   - Power Generators, antennas, communications and controllers are Y2K compliant
   - Backup power systems are portable, and have no Y2K sensitive components
   - The National Guard Bureau will be testing a stand-alone voice/data communications system in May 1999
   - A Tabletop exercise is being scheduled for the February time frame

2) **Disaster Recovery Database - Emergency Response Support - YELLOW**
   - Physical components are included above
   - A strong contingency plan is in place

3) **Desktop LAN/WAN - YELLOW**
   - SNA functionality is under review
   - The DES LAN is stand-alone, and has a back-up power source
   - All connectivity alternatives are being extensively tested

Funding Requirement: $0

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(green) This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

YEAR 2000 READINESS STATUS - - AS OF DECEMBER 1998

DEPARTMENT OF NATURAL RESOURCES

OVERALL STATUS:..... YELLOW[1]

- Department is making adequate progress and is well ahead of the estimated failure dates for the automation systems supporting its MCBF's. No problems are expected.
- All critical systems have been assessed, are expected to be Y2K compliant, and are awaiting testing.
- A department-wide Y2K contingency plan is in place.
- A funding request for compliant units has been made.

STATUS OF MISSION-CRITICAL BUSINESS FUNCTION (MCBF):

1. **Revenue Processing**..... **YELLOW**
   - Assessment and planning for the department's revenue and billing system are 100% completed, with remediation also 100% completed. Testing is 50% completed, and is expected to be finished by 7/1/99.

2. **Property Recorder's Office** ..... **YELLOW**
   - Assessment and planning for the Recorder's Office System are 100% completed, with remediation and testing also nearly completed.

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GREEN: This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

3. **DNR Oil Patch** ..... **YELLOW**

- Y2K readiness concerns in this area pertain to critical supply relationships with oil companies, pipeline service companies, tankers, refineries, etc. (Automation dependencies for this critical business function, including interfaces with banking institutions and payment transfer systems, are covered within MCBF's #1-2, above.) The department is maintaining close coordination with all key oil patch companies and service providers regarding supply dependencies, embedded systems in facilities, and Y2K contingency planning.

4. **DNR Land Administration** ..... **YELLOW**

- Assessment and planning for the land administration system are 100% completed, with remediation also 100% completed. Testing is 50% completed, and is expected to be finished by 7/1/99.

4. **Wildland Fire Suppression** ..... **YELLOW**

- Planning and assessment for the Fire Reporting System and the Fire Warehouse Program system are 100% completed, and more than 30% remediated. Mainframe database software supporting the Fire Reporting System is already Y2K compliant. Upgraded, Y2K-compliant software for the Fire Warehouse Program is currently under procurement and should require only testing.

5. **Field Radio & Mobile Repeater System** ..... **YELLOW**

- Main systems being tracked for this function are embedded systems in communications hardware (field radios, mobile repeater systems). Radios are Y2K compliant because not date-sensitive. Embedded systems in mobile repeater systems are undergoing remediation, with completion expected by 6/30/99.

6. **Desktop/LANs/WAN** ..... **YELLOW**

- Assessment and planning for the department's desktop computer systems and LAN/WAN links, are 90% completed, with remediation currently 50% completed. Implementation is currently 90% completed.

Y2K FUNDING REQUIREMENT: **$225,000**

- $ 225,000 - Upgrade for Recorder's Office.

YEAR 2000 READINESS STATUS as of DECEMBER 1998

DEPARTMENT OF PUBLIC SAFETY

Overall Rating: YELLOW[1]

- All assessment and planning activity is completed.
- Remdiation is largely dependent on mainframe testing
- Considerable redundancy and back-up support systems exist for apprehension and emergency response
- An aggressive program is in place, and fully supported by management

Status of each Mission Critical Business Function:

1) **Alaska Public Safety Information Network - YELLOW**
   - Critical elements (vehicles, radios) have been tested and found Y2K compliant
   - Contingency plans exist for the APSIN system
   - Mainframe testing will be scheduled in early January

2) **911 Emergency Dispatch Centers - YELLOW**
   - Urban areas (E911) use highly redundant systems that will function as long as power is provided
   - Radios, PLBs, ELTs and pagers have been tested and are Y2K compliant

3) **Desktop LAN/WAN - YELLOW**
   - Testing and certification has been started and should be completed by April 1999
   - The monthly status report indicates this MCBF is 40% through the remediation phase

Funding Requirement: $0

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(green) This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

YEAR 2000 READINESS STATUS as of DECEMBER 1998

DEPARTMENT OF REVENUE

Overall Rating: YELLOW[1]

- All systems are believed to be Y2K compliant and are awaiting testing
- Each MCBF[2] is being aggressively worked
- Generally good top management support
- Good contingency plan
- Additional funding not required

Status of each Mission Critical Business Function:

1) **Income and Excise Audit Division's Cash Processing - YELLOW**
   - System is expected to be Y2K compliant, awaiting testing
   - Interface to AKSAS is manual
   - State Street Bank key to overall compliance so will require assurance from bank

2) **Process and Deliver PFD Checks - YELLOW**
   - System is expected to be Y2K compliant, awaiting testing
   - Plan to complete testing by end of December, 1998

3) **Process Child Support Payments - YELLOW**
   - System is expected to by Y2K compliant, in system testing
   - Plan to complete testing by end of December, 1998

4) **Collection of State Revenues - YELLOW**
   - Assessment and planning for automation systems are 100% completed, and remediation is 100% completed.

5) **Disbursement of Funds - YELLOW**
   - Assessment and planning for three main automation systems and interfaces are 100% completed. Remediation for two of them is 100% completed, with the third (communications interface) 35% completed..

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(green) This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

[2] **MCBF**: Mission Critical Business Function. Selected based on significant impact on life, health safety or economic well-being of Alaskans

6) **In-house Investment Management of State/ASPIB Fixed Income- YELLOW**

- New Y2K compliant system expected by January, 1999

7) **Permanent Fund Corporation – Asset Management- YELLOW**

- System expected to be compliant, awaiting testing
- Good plan
- Plan to replace Routers by 7/1/99

Funding Requirement: $0

YEAR 2000 READINESS STATUS as of DECEMBER 1998

DEPARTMENT OF TRANSPORTATION

Overall Rating: YELLOW[1]

- Two MCBFs are nearing a green status rating
- Extremely strong efforts are being taken to insure Y2K compliance at Anchorage and Fairbanks International Airports
- All Mission Critical Business Functions are being aggressively worked and all efforts strongly supported by management

Status of each Mission Critical Business Function:

1) **Alaska Marine Highway System Vessels - YELLOW**
   - Funds have been requested to address compliance for this function

2) **Alaska Marine Highway System Shoreside Facilities - YELLOW**
   - All facilities are currently under review and all activity on schedule

3) **Anchorage International Airport Fire Alarm System - YELLOW**
4) **Anchorage International Airport Access Control System - YELLOW**
5) **Anchorage International Airport Heating, Ventilation, Air Conditioning - YELLOW**
6) **Fairbanks International Airport Fire Alarm System - YELLOW**
7) **Fairbanks International Airport Access Control System - YELLOW**
8) **Fairbanks International Airport Heating, Ventilation, Air Conditioning - YELLOW**
   - All airport systems at Anchorage and Fairbanks Airports are being aggressively worked and tested
   - By their nature, both airports have heavily redundant systems, as well as backup power sources and redundant communications links
   - Remediation activity is on schedule
   - The Fairbanks Fire Alarm System is Y2K compliant

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(yellow) Given current status, this MCBF should be Year 2000 compliant one month prior to its projected failure date.
(green) This MCBF is Year 2000 compliant, and an approved contingency plan is in place.

9) **Land Highway Traffic Control Devices - YELLOW**

- All devices have been tested and are Y2K compliant
- Once an approved contingency plan is in place, this MCBF will be elevated to GREEN

10) **State Equipment Fleet Vehicles and Shop Equipment - YELLOW**

- All vehicles been tested and are Y2K compliant

11) **Sitka Airport - YELLOW**

- The access control system is not Y2K compliant. However, this will not cause disruptions or delays in airport services

12) **Telecommunications Infrastructure - YELLOW**

- Activity on this MCBF is on schedule and under review by ITG

13) **Third Party Billing System - YELLOW**

- The application itself is Y2K compliant
- Testing in the mainframe environment will be scheduled in January

14) **State Equipment Fleet Management System - YELLOW**

- The EMS system is scheduled for migration to a UNIX/AIX platform in 1999
- A RFP is currently in the system
- As long as this project remains on schedule, the system should be completed, tested and in service by September 1999

Funding Requirement: $5,825,000

- **$4,500,000 - State Facility Review**
- **$110,000 - M/V Kennecott Y2K Assessment**
- **$75,000 - State Equipment Fleet emissions test equipment replacement**
- **$600,000 - Alaska Marine Highway system Y2K remediation**

State of Alaska

Status Report on Year 2000

January 4, 1999

This represents the seventh Y2K status report provided to the Legislative Budget and Audit Committee. There remain 361 days until the Year 2000.

December Accomplishments:

1. Draft contingency plans have been received from each agency.

2. Initial agency readiness reports have been reviewed with each respective commissioner. These reports describe each agency's progress toward resolving Y2K problems within its department. This first report was internal. The second of these readiness reports will be available on January 18, 1999 and will be provided to the Legislature as well as posted on our Y2K web site (www.state.ak.us/y2000).

3. The NASIRE site that reports on each state's progress in addressing Y2K has been updated and reflects the current status of Alaska's Y2K progress.

4. Federal interface data has been gathered to assist coordination between state and federal agencies in resolving Y2K issues. This data has been posted on the GSA Y2K site as requested.

5. A statewide emergency management response "table top" exercise is targeted for late February 1999. This effort will factor into the State's emergency response plan those new elements introduced by Y2K. We anticipate considering several regional scenarios. The exercise process will then be taken to each region to continue the "table top" approach.

6. The RSA with DOT/PF to estimate the cost of making state-owned facilities Y2K compliant has been completed. This should add significantly to the accuracy of this budget request. The revised figure has been reduced significantly from the originally estimated amount. State agencies will meet on 1/6/99 to prioritize which facilities should be addressed first.

7. ITG has implemented OS390, the Y2K compliant mainframe operating system, and it is currently available for use in testing mainframe application systems. 65% of Alaska's mission critical systems are currently either in testing or awaiting testing. An RSA from the YPO is paying for this effort.

8. A new and much improved Y2K web site for Alaska has continued to serve us well in communicating to a wide variety of parties interested in Alaska's progress in dealing with Y2K. There have been approximately 3500 hits since the beginning of November.

9. The YPO will be moving from the Governor's Office to the Department of Administration as part of my transition to the Department of Administration, Commissioner's Office.

10. The YPO initiated an RSA with the Department of Transportation to review the MV Kennecott in order to identify any Y2K problems that may be present.

11. The Y2K supplemental budget review process has been completed and a budget bill is currently being drafted. This request will be provided to the Legislature during the first week of the Twenty-First Alaska State Legislature. Timely passage of this bill will be requested.

12. The YPO continues to work with a wide variety of community Y2K organizations that have been forming around the state. Additionally, as part of the Y2K outreach effort, we continue to do a wide range of newspaper, radio and television programs on the subject.

State of Alaska

Year 2000 (Y2K) Project Office

State of Alaska

Status Report on Year 2000

December 4, 1998

This represents the sixth Y2K status report provided to the Legislative Budget and Audit Committee.

November Accomplishments:

1. A new and much improved Y2K web site for Alaska has continued to serve us well in communicating to a wide variety of parties interested in Alaska's progress in dealing with Y2K. There have been over 2000 hits since the beginning of November.

2. System testing guidelines were published by the Y2K Project Office (YPO) and posted on the web site for use by agencies in determining whether their systems are Y2K compliant. This step was crucial in establishing when a system would be considered compliant.

3. Contingency plan guidelines were published by the YPO and posted on the web site. All agency contingency plans are due to the YPO 12/15/98.

4. Agency readiness reports have been presented to the Cabinet. The first iteration of these reports will be internal and thereafter, future reports will be issued for legislative and public review. The first public round of these reports will be available in mid January 1999 and will be posted to the Y2K web site.

5. Plans are underway to conduct a statewide emergency management response "table top" exercise which factors into the State's emergency response plan those new elements introduced by Y2K. We anticipate considering several regional scenarios. The exercise process will then be taken to each region to continue the "table top" approach.

6. The RSA with DOT/PF to estimate the cost to make state-owned facilities Y2K compliant has been expanded to encompass 58 facilities. This should add significantly to the accuracy of this budget request.

7. ITG anticipates having the mainframe operating system Y2K compliant and available for use in testing mainframe applications by mid December 1998. An RSA from the YPO is paying for this effort.

8. During November formal Y2K presentations were made to the Alaska Municipal League conference, the City of Homer and to the Board of the Anchorage Chamber of Commerce.

9. The YPO has been staying in touch with other states' efforts through participation in the monthly national Y2K teleconference which allows state Y2K coordinators to speak with John Koskinen, the Chairman of the Presidents Y2K Council.

10. We have also been working with several other communities in their efforts to form local Y2K task forces including Juneau, Homer, Kenai, Kodiak, and Valdez.

State of Alaska

Year 2000 (Y2K) Project Office

State of Alaska

Status Report on Year 2000

November 17, 1998

This represents the fifth Y2K status report provided to the Legislative Budget and Audit Committee.

October Accomplishments:

1. A new and much improved Y2K web site for Alaska has been brought up. This site will serve as one of the key ways that the Y2K Project Office (YPO) will communicate its progress to the public, other states, interested parties, etc. The URL for the new site is www.state.ak.us/y2000 or it can be accessed under Year 2000 from the State of Alaska's home page.

2. The state agency status reporting system is in its second iteration. Agency response was significantly improved and most bugs have been eliminated. We are currently preparing the summary agency reports. Agency walk-throughs have been completed indicating significant agency progress in addressing Y2K.

3. The review of Y2K-related budget requests is very near completion. Commissioner Mark Boyer and Deputy Commissioner Rick Cross participated in the Y2K project review process.

4. An Reimbursable Services Agreement (RSA) has been executed with the Department of Transportation and Public Facilities (DOT/PF) to pay for the review of all state-owned facilities and to develop a solid budget estimate on the cost of Y2K-related problems. This project has also been expanded, in cooperation with the Department of Environmental Conservation (DEC), to include Village Safe Water projects.

5. An RSA has also been executed with the Information Technology Group (ITG) to pay for a mainframe computer upgrade, software license fees and data storage devices to allow for required Y2K testing of agency mainframe systems. Approximately 65% of agency MCBF's are awaiting testing on the state's mainframe computer. This upgrade is expected to be completed in December of this year.

6. Met with the City Manager and Y2k Coordinator for the City and Borough of Juneau to assist them in getting their Y2K effort off the ground.

7. Assisted Alaska Science and Technology Fund (ASTF) in reviewing Y2K grant proposals that they have been receiving.

8. Facilitated a meeting of the Anchorage and Fairbanks International Airports to discuss and verify their efforts in addressing Y2K problems. This meeting led to a presentation by the international airports to the Airport Operating Committee on their Y2K efforts. This did a lot to satisfy airlines' concerns about the future Y2K readiness of these two airports. Additionally, an invitation has been extended to Alaska Airlines to conduct a tour of selected rural airports to better understand the state of Y2K readiness for these airports.

State of Alaska

Year 2000 (Y2K) Project Office

State of Alaska

Status Report on Year 2000

October 7, 1998

This represents the fourth Y2K status report provided to the Legislative Budget and Audit Committee. The first series of status reports concentrated heavily on defining the Y2K problem and on describing the state's approach to resolving its Y2K problems. In order to make these reports as useful as possible, this and future status reports will now simply report on our progress in completing the work tasks ahead of us.

September Accomplishments:

1. Y2K project team has been approved and hired. Joe Culp and Brenn Berliner are on board and Chris Meholic will begin October 12, 1998. Agency assignments and other work tasks have been assigned as appropriate. There are now 7 members of the Y2K Project Office including the Senior Project Manager and our full time intern.

2. Lt. Governor and TIC Policy Council have been continually briefed on Y2K progress and emerging issues.

3. Agency Y2K Status Reporting System was implemented and tested, bugs are being resolved, and work with individual agencies is ongoing.

4. An RSA was executed with Military and Veterans Affairs to h re Dusty Finley to manage the Y2K effort for the emergency management fun tions.

5. Met with Sam Cotton and Robert Lohr to discuss the APUC's efforts toward assuring that certified and regulated utilities would be Y2K compliant.

6. RSA's are under discussion with DOT/PF the pay for a Y2K review of state facilities and to review the state marine vessels for Y2K compliance. And an RSA with the Information Technology Group to pay for additional mainframe capacity to support agency Y2K testing is under development.

7. Representative Gail Phillips has agreed to participate on statewide Y2K task force as the House member.

8. Testified before LB&A to brief the committee on Y2K, explain how the state was addressing the Y2K challenge, to describe the current use of the Risk Management Fund as our current fund source and to describe our plans to replenish the Risk Management Fund and for submitting Y2K CIP requests for FY00.

9. Public outreach activities this month have included:
   - Appearance on Kay Brown's radio show in Anchorage on Y2K
   - Y2K presentation to Western States Conference in Anchorage
   - Y2k presentation at Southeast Conference
   - Y2K presentation to State Chamber of Commerce convention in Valdez

10. National Y2K reporting system (NASIRE) responsibility was moved from Information Technology Group (ITG) to Y2K Project Office and the survey is now current.

State of Alaska

Year 2000 (Y2K) Project Office

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State of Alaska Status Report on Year 2000

July 30, 1998

This is the second update for the Legislative Budget and Audit Committee, legislators and the public on the State of Alaska's progress toward readiness for the Year 2000 (Y2K). The first update was issued April 25, 1998 in a memo to the House and Senate Finance Committees. From now on, reports will be issued at least quarterly by the Y2K Project Office. This report covers activities in the executive and judicial branches. The University of Alaska is submitting a separate report directly to LB&A.

What is the Y2K problem?

The Y2K problem is a holdover from the early days of computers. Due to the immense cost of computer hardware, every effort was devoted to reducing hardware acquisition and operating costs. Storing only the last two digits of the year saved billions of dollars of data storage space and other computer processing resources nationwide. This worked fine until it became necessary to determine if a year stored as '01', for example, should be interpreted as 1901 or as 2001.

The Y2K problem can appear in an astonishing variety of ways. Common examples include:

- computer system freezes and shutdowns;
- data corruption;
- erroneous instructions to automated security systems. such as in hospitals and prisons;
- incorrect telemetry instructions to railroad switching yards and hydroelectric facilities;
- incorrect operation of security, heating and ventilation systems in buildings;
- failure of microchips in vehicles; and,
- proliferation of these and other errors via the Internet and other network links.

Complications include the fact that applications and systems previously repaired and certified by manufacturers as Year 2000 compliant sometimes turn out not to be compliant after all. Many contingency or back-up systems are at risk as well. For example, disaster recovery and emergency preparedness systems often depend on computer based technology, especially power grids and telecommunications systems.

The overall approach to identifying and solving Y2K problems includes the following phases for all types of systems:

- Inventory
- Assessment
- Remediation
- Testing and Validation
- Implementation
- Contingency Planning

Each state agency is in various stages of this process for each of their specific systems, depending on system priority, resources, and other factors.

Overview of state progress through July 1998

An Alaska Year 2000 Task Force was established last February to ensure that all branches of state government are adequately addressing Y2K issues. The Governor, House Speaker, Senate President, Chief Justice, and University president each appointed a high-level representative to the task force. ARCO and National Bank of Alaska were asked to participate on the task force to provide the benefit of private sector experience as the state responds to this critical issue.

This spring, a Y2K Project Office was established in the Office of Management and Budget to provide statewide coordination of Y2K activities. In April, the state engaged Unisys Corporation, a national firm with expertise in Year 2000 project management and coordination services, to help design the next phase of the state's Y2K effort. This contract extends through September 1998 with funding from a special information technology appropriation in the FY98 budget. As the state moves into the next intensive phase of Y2K activity, the governor has named Bob Poe to be the full-time Y2K Senior Project Manager. Poe, who begins the assignment August 3, will be a member of the cabinet and report directly to the Chief of Staff.

Many state agencies have been working for months to assess and fix Y2K problems by the end of this calendar year. For instance:

- The state accounting and payroll systems will have been fully tested and verified as Year 2000 compliant by the end of this calendar year.
- The Alaska Permanent Fund has already converted two of its major financial systems – portfolio management and accounting. The remaining mission-critical financial system (real estate management) will have new Y2K compliant software installed this fall.

In some cases, Y2K corrections have been made as outdated systems were overhauled primarily for other reasons, e.g. criminal justice information systems and child support enforcement.

Public health and safety requirements are the focus of intensive efforts underway among state agencies and others outside of state government. For instance:

- The Alaska Public Utilities Commission opened a docket on Y2K and is surveying all regulated and certificated utilities to ensure that power, telecommunications and other critical utilities are preparing adequately to remediate and test their systems.

- The Division of Emergency Services met last week with all state, federal and local agencies responsible for emergency preparedness and response. DES is hiring a full-time Y2K coordinator to ensure that communications and other systems will be fully functional.
- Specialized training was provided to facilities managers (especially those operating 24 hour institutions such as adult and youth correctional facilities, Pioneer Homes and state hospitals) on Y2K compliance in security systems, heating/ventilation, fire alarms, elevators, etc.

Other broad areas of Y2K activity include:

- A Y2K coordinating committee with representatives of all executive branch departments, quasi-public corporations, University of Alaska and Alaska Court System has been meeting regularly since the winter to share information and plan major work assignments.
- Agencies have identified their Y2K mission-critical business processes and are completing inventories of all facets of those systems which require assessment and, if necessary, remediation and testing. This includes computer systems, embedded microchips and interfaces with federal and local agencies, contractors, vendors and others in the private sector such as banks.
- Agencies are assessing the need to extend or adjust disaster recovery, business contingency and risk management plans for their mission critical systems.
- Special task groups are working on interdepartmental issue areas such as banking and finance, embedded systems/facilities, emergency communications and disaster recovery planning, and legal/risk management issues.
- The State has been determining and ensuring the Y2K compliance status of key entities in its "supply chain" e.g. vendors, contractors, and other service providers who do business with the State through contracts, leases, grants, etc.;
- An online clearinghouse provides information to agencies on best practices, vendor compliance data, testing and certification approaches, and software tools and methodologies.

Statewide Y2K priorities and responsibilities established

While there are hundreds of important state services, not all have the potential for significant threats to public safety or major impacts on the state economy if Y2K problems are not corrected. Most governments and businesses have recognized that it may not be appropriate or fiscally responsible to correct every single instance where Y2K problems might develop. To determine where the state should focus its efforts, criteria for determining which business processes are mission critical were developed and reviewed by Law and Risk Management. They are:

- Loss or endangerment of life, health, safety.
- Extraordinary financial or revenue loss to the State of Alaska.
- Extraordinary economic loss to the State of Alaska.
- Extraordinary disruptions in utilities, transportation, or communications systems.
- Extraordinary loss or interruptions to persons or businesses.
- Extraordinary environmental damage/loss.

All department business processes have been inventoried and matched against these criteria. A list of the Y2K mission critical functions — those where the state will focus its efforts — is in the final stages of development.

Although there is a statewide Y2K coordinating office, commissioners are responsible for ensuring the assessment, remediation and testing of mission critical processes in their departments. Each department has named a Y2K project team with members drawn from the department's program and technical managers. The Unisys consultant has met with each department's Y2K project team to discuss Y2K issues and responsibilities.

To assure continuity of mission critical functions, business continuity and contingency plans will be required by the end of December 1998. These contingency plans are necessary because even with the best of state efforts, full remediation may not be possible since interfaces with suppliers, federal agencies or others may not work because of problems at their end of the data exchange. Also, external problems such as power or telecommunications failures may make normal processes non-functional.

An overall project plan and the budget for the Project Office will be finalized by Bob Poe within a month. This will give him an opportunity to review the work done to date and incorporate the results of the inventory process now being completed by agencies. In general, the responsibilities of the Y2K Project Office will include:

- monitoring the progress executive branch toward compliance of mission critical systems;
- sharing best practices;
- coordinating interdepartmental task groups in key areas such as emergency preparedness, finance and risk management;
- researching risk management issues (such as liability limits and exclusion language which are beginning to surface in insurance negotiations), legislation; and
- working with local governments and political subdivisions to coordinate management issues and avoid duplication of effort;
- centrally researching commonly used hardware and software and posting bookmarks on the state's website clearinghouse with hot links to manufacturers' compliance information; and
- communicating with local governments, the private sector and the public.

Last week, Bob Poe and Annalee McConnell attended a State Y2K Summit organized by the National Governor's Association in Washington D.C. to learn how other states are addressing the problem and to discuss with federal officials the many complex interrelationships with the federal government. Of the forty-five states that attended, progress ranges from states that have been working on the problem for the last year or so, to states that have not even begun. Alaska is about in the middle with respect to its efforts to address the Y2K problem. It was reassuring to learn that we are actively pursuing all the major issues raised by state and federal officials during the meetings.

Legal and risk management issues

This task group includes OMB, the Chief Procurement Officer, Risk Management Director and an Assistant Attorney General. Activities to date include:

- drafting model vendor compliance letters for agencies to use in contacting suppliers and contractors that provide state services to assess their ability to support government functions without interruption;
- drafting new more consistent and thorough Y2K compliance language for state general services master contracts to replace what has been in place for the past two years;
- additionally, a definitions section, and disclaimer are currently under legal review;
- due diligence practices have been established for contacting outside entities and archiving their responses; and
- legislation such as limitations on liability for information-sharing is being researched (various bills already passed in 3 states and being considered in 12 others)

Telecommunications, electric power and other essential utilities

The Alaska Public Utilities Commission (APUC) is the lead review agency on Y2K compliance in the utility sector, including telephone companies, electric utilities, and water and sewer utilities. The APUC is addressing the Y2K issue on a statewide basis, not just within state government. The APUC has opened a docket on Y2K matters and distributed a survey in June on the status of utility Y2K efforts. This survey was provided to all certificated utilities in Alaska and to all of the cellular phone companies in Alaska, even though these companies are regulated by the FCC, not the APUC (over 400 entities in total).

The survey is the initial phase of the Commission's investigation and is intended to determine whether Alaska's utilities have appropriate plans in place for addressing potential Y2K problems in providing utility services. The survey is also intended to expand awareness of the Y2K issue among the state's utilities and to promote the exchange of Y2K-related information among the utilities.

Responses to the survey were due July 16. A considerable number of the state's utilities have filed their responses. However, the Commission, at the request of several utilities and pipeline carriers, has extended the deadline to August 6, 1998. The Commission is in the process of tabulating the survey results; however, preliminary review of the surveys indicates that most of the respondents have Y2K plans in place or are assessing their systems for Y2K issues.

The Commission will determine the next steps in its Y2K investigation after evaluating the survey results. The Commission recognizes that reliable utility services are extremely important to the state's residents, as well as to public and private sector organizations, and that it is essential for the state's utilities to thoroughly address the Y2K issue.

Emergency management

The Y2K Project Office is working with the Division of Emergency Services (DES) to coordinate Y2K readiness of all parts of state/federal/local emergency preparedness and response. The Project Office made Y2K presentations at the July meetings of the State Emergency Response

Commission (SERC) and the Local Emergency Planning Committee (LEPC). The SERC meeting was attended by 24 Local and State agencies. SERC has formed a committee to provide local perspective to the State's Year 2000 Emergency Management team and written a letter of support and petition for resources to the Governor. The LEPC meeting was attended by 16 local and state agencies. Not surprisingly, there is a wide divergence in Year 2000 readiness among local communities.

DES is in the process of hiring a full-time person assigned to Year 2000 coordination among federal, state, local and private business sectors for the following tasks:

- Coordinate emergency management related Y2K inventory assessment, remediation and testing.
- Develop emergency management contingency plans.
- Support the Project Office with regular progress reports.
- Provide direct planning assistance to local governments.
- Assist state agencies and local governments in identifying resources available for Y2K problem resolution.

Facilities and embedded systems

Y2K related problems can occur in many building systems, including heating and ventilation control systems, boiler and chiller units, fire alarm systems, security systems, elevator controls, lighting systems, and emergency generator systems. Other embedded systems with potential Y2K problems are found in the state ferries, traffic light control systems, medical equipment, laboratory equipment, and vehicles. All of these systems need to be inventoried and assessed for Y2K compliance, and where necessary, remediated and tested.

The responsibility for Y2K compliance for state facilities has been assigned to:

- Department of Transportation and Public Facilities for facilities currently managed or maintained by the department;
- Department of Administration for all state-leased facilities; and
- Each individual department for special facilities they manage, such as correctional institutions, youth facilities, API and Pioneer Homes.

Two workshops on Y2K compliance for facilities and other embedded systems were held on July 15 and 16 in Juneau and Anchorage, with the Juneau workshop videoconferenced to Fairbanks. The workshops were conducted by Scientific Applications International Corporation, a large information technology firm with extensive experience in facilities Y2K compliance. The workshops provided detailed information and checklists on how to assess, remediate and test systems in facilities, with an emphasis on mission-critical 24-hour institutions.

Approximately 50 state facility managers attended the workshops, including representatives from all of the state agencies with facilities responsibilities. They indicated that the workshops were very useful in assisting their Y2K compliance efforts.

The Department of Administration is in the process of sending letters to all lessors requiring a status report on Y2K compliance for each building by the end of September. While it is the lessors' responsibility to address Y2K compliance in their buildings, it is important that the state closely monitor Y2K compliance in leased facilities to minimize any Y2K-related building problems that would impact state government operations.

Clearinghouse

The Project Office currently is evaluating software for maintaining the statewide status of mission-critical and other systems and interfaces. Departments will supply data regularly to the Project Office, which will in turn compile and update status information on the state's Y2K website.

While agencies are ultimately responsible for achieving their own compliance, the Project Office is attempting to reduce the workload by centrally collecting and posting compliance information on commonly used office software and hardware products. Product inventories have been collected from most state agencies and Project Office staff are systematically researching common office products (400 so far) and establishing web site links (58 to date) to vendor/manufacturer compliance information sources, best practices, etc.

Banking, insurance and electronic commerce

The risk management task group is currently evaluating state responsibilities and potential liabilities with special emphasis on activities/industries directly regulated by the state. The group is sorting out exactly where the state's responsibilities begin and end. For example, the Division of Insurance, working through the National Association of Insurance Commissioners, is directly responsible for ensuring that the 10 companies domiciled in Alaska are compliant, particularly with respect to time sensitive payments such as annuities, premiums, etc. The Division of Banking and Securities has a less direct role. The Federal Financial Institution Examination Council has taken the lead for the financial industry by conducting a compliance survey of all financial institutions and providing a plan for achieving compliance by 12/98.

Within state government itself, the DOA-Finance Division is hiring an experienced project coordinator to ensure complete evaluation and testing of all state interfaces with banks, local and federal governments, vendors, etc. This task addresses financial processing such as revenue collection, payroll/vendor payments via checks and electronic deposits, federal drawdowns, electronic benefits transfers, etc.

Oil and gas industry

All regulatory, revenue and environmental protection aspects of state relationships with the oil and gas industry are being evaluated for potential Y2K implications. Agencies involved are:

- DNR – Division of Oil and Gas and Pipeline Coordinator's Office
- Alaska Public Utilities Commission – Common Carrier Pipelines
- DOR – Oil and Gas Audit Division
- DOA – Oil and Gas Conservation Commission

- DEC – Division of Spill Prevention and Response

Local governments and school districts

The Project Office has been coordinating with the Alaska Municipal League (AML) and DCRA to raise awareness and provide information to local governments. An article was published in the June edition of the AML - *Touchstone* newsletter on how local governments should organize themselves to address the problem. AML will also schedule workshops on Y2K issues for municipalities at their annual November conference. On the state government side, DCRA is organizing a strategy for addressing the needs of smaller municipalities. This process will involve Rural Utilities Business Advisors (RUBA), the Division of Energy and local government specialists providing information and support to city managers, administrators, school superintendents and public works directors.

The Department of Education is evaluating a recently-received Y2K school district checklist developed by Prudential Insurance Company. If appropriate, it will be distributed to school districts statewide to help them be sure school facilities and services are Y2K compliant.

Testing methodology

The Project Office is organizing workshops for various types of testing needs – mainframe, client-server, and desktop systems. The content will be based on an analysis of Year 2000 best practices and a survey of agency requirements. A separate mainframe test environment is being established in ITG for inter-agency use. Additional Year 2000 specific testing tools are being researched to support this and other agency testing environments.

Funding of Y2K efforts

TheY2K Task Force recommended that $15.98 million be appropriated initially in the FY 99 capital budget for Y2K activities in the executive, legislative and judicial branches of government and the University of Alaska. The funds would be used for:

- assessment and planning;
- remediation of computer code;
- acquisition of needed manpower, support, hardware, software tools, testing tools, testing services and environments, and certification services;
- assessment of state facilities for embedded systems problems;
- external communications and contingency/disaster recovery planning;
- creation of a State Y2K clearinghouse for product compliance information; and,
- project management, and coordination.

The Task Force emphasized that this was not likely to be the total funding needed for FY99, let alone the total amount needed for dealing with all the state's Y2K problems. Even after January 1, 2000, it is likely a large number of system fixes and changes will be needed to finish the job.

The House version of the FY99 budget appropriated $4 million for executive/judicial Y2K work and $1 million for the University's efforts. However, the measure failed to achieve the three-quarters vote in the Senate necessary to appropriate these amounts from the Constitutional Budget Reserve Fund. (As mentioned above, funds for the current Unisys contract come from the FY98 capital appropriation for information technology. All but $2,700 of this appropriation has been expended or encumbered). The administration is working with legislators on a mechanism for temporary funding to adequately address Y2K problems over the interim.

Senior Project Manager Bob Poe will submit additional cost information and budget recommendations to the Legislative Budget and Audit Committee within two weeks.

Status of Alaska Court System activities

Year 2000 readiness assessments for facilities maintained by the court system are on-target for completion by the end of 1998. The court system is in the process of migrating all of their key computer systems to new systems that will be Y2K compliant. A total of 33 separate systems are being replaced by 29 new systems. The testing of all enterprise software is scheduled for September 1998, with implementation scheduled for October 1998 - March 1999.

The court system is currently addressing other critical dependencies -- interfaces and suppliers -- as well as contingency planning.

State of Alaska

Year 2000 (Y2K) Project Office

State of Alaska Status Report on Year 2000

September 4, 1998

This is the third update for the Legislative Budget and Audit Committee, legislators and the public on the State of Alaska's progress in preparing for the automated system problems and potential resulting impacts on essential state government services caused from the Year 2000 problem (Y2K). Additionally, this report represents the first report since the Y2K office was elevated to an independent special office within the Office of Governor, and the Y2K senior project manager, Bob Poe, was brought on to the project. From this date forward, project status reports will be provided monthly. This report covers activities in the executive and judicial branches.

The Y2K Workplan:

Y2K is unique for a number of reasons. First, this project has literally never been done before, so every Y2K effort must maintain a certain degree of flexibility in how it helps assure Y2K compliance and readiness. Secondly, the Y2K approach is basically the same for every Y2K effort. Thirdly, since virtually every organization using automated systems today is working on this problem at the same time, resources have become very scarce. The basic worksteps are as follows:

- Inventory – all of the business functions should be identified and the underlying automation systems supporting the business function should be inventoried.

- Assessment – each of the mission critical (see **A Question of Limited Resources** below) business functions should be reviewed to determine if they will likely experience difficulty with the date change to the year 2000. Additionally, work requirements, timetables, and resource needs should be preliminarily scoped.

- Remediation – each mission critical business function, and the supporting automation systems it relies on, determined to have

problems dealing with the Y2K date change, must either be reprogrammed to correct the problems, replaced, or temporarily corrected to allow time for a more permanent correction.

- Testing and validation – any mission critical business function that was remediated, must be tested to assure that the corrections solved the Y2K problems and that the corrections did not introduce new problems.

- Implementation – all newly Y2K compliant systems must be implemented so that they will be in place prior to the dates when Y2K problems are expected.

- Contingency planning – whether a system is Y2K compliant or not, it is prudent to make plans which outline how the agency would continue the mission critical business function with little or no automated assistance. Contingency plans are required for each mission critical business function.

This is essentially the workplan that each state agency dealing with the Y2K problem is following. Each status report from here forward will present agency progress in terms of the above workplan by mission critical business function (MCBF).

As described in our July 30, 1998 report, many state agencies have been following this approach for the last two or more years to assure that certain key systems like AKSAS, the Permanent Fund Corporation systems, Child Support Enforcement, etc. were Y2K compliant. However, the larger job for the Y2K Project Office will be to assure that each agency has identified their non-compliant MCBF's, and are taking the appropriate steps to mitigate expected Y2K problems. The Y2K office will have the ongoing responsibility to monitor agency activity, to help make resources available to agencies as they need them, and to pinpoint problem areas where additional focus or resources need to be directed.

Attachment A is Administrative Order 177, which outlines the responsibilities of both the Y2K office and each agency. Further it establishes Y2K as the highest priority for each agency in working with automated systems.

A Question of Limited Resources:

The key resources in any automation project are time, staff, computer capacity and money. All of these are sharply limited at this time. In order to assure that these very limited resources are directed at assuring continuity for the highest priority business functions, we have subjected all agency business functions to a triage screening process. We have defined the systems that made it through the triage as MCBF's. As was outlined in the July 30, 1998 status report, MCBF's

were chosen based on their relative impact on the life, health, safety and economic well being of Alaskans. **Attachment B** represents this list of MCBF's.

However, even with this significant reduction in the number of systems being addressed by the agencies, there will no doubt be state systems that may not be fully Y2K compliant given the time remaining. This fact brings forward three key issues. First, agencies may have to rely on contingency plans to make sure that mission critical system functions are not interrupted. Secondly, agencies will require significant supplemental appropriations to accomplish the Y2K tasks ahead of them. Thirdly, additional Y2K expenditure requests to the Legislature will continue beyond FY2000 both to complete work on MCBF's and to deal with the Y2K-related needs of other less critical systems in the future.

Staffing limitations can often be met temporarily through contractors. However, at the present time. qualified contractors are becoming very difficult to obtain, and competition to obtain available contractor staff is driving the cost up significantly. As agencies move to identify needed corrections to their MCBF's, the Y2K office will act as a clearinghouse for external resources that may be available to assist agencies in solving their Y2K problems. However, each of the resources will cost money, funds that agencies do not presently have in their budgets. As we move closer to the Twenty-First Alaska State Legislature, we expect to have more substantiated numbers on the cost of the Y2K clean up both for FY99 and for FY00 (FY2000).

Finally and critically, additional short-term computer capacity will be required to meet agency Y2K testing needs. The problem is that, as MCBF's are remediated, they will need to be tested. Responsible systems implementation requires that the revised system be tested at the same time as the old system is operating. This process is called parallel testing. The reality is that there will be so many systems being parallel tested at one time that there will be insufficient computer space to accommodate the need.

Agency Status Reporting:

One of the most important functions of the Y2K Office is to monitor agency status in regards to their specific Y2K MCBF's. First, this is necessary in order to provide a meaningful reporting on Alaska's progress in solving its Y2K problems. Secondly, it is a critical tool in identifying problem areas so that resources and other solutions can be used efficiently where help is most needed.

While state agencies have been reporting their progress to the Governor's office for the last few months, they have reported their status using a variety of formats. Due to these varying formats and the disparity of data that has been provided, a comparable state summary of agency status and an overall state summary can not be provided at this time. The Y2K Office has designed an Excel agency status reporting system, which was presented to agency Y2K coordinators on

September 2, 1998. Once each agency's initial status is entered into the system, agencies will be asked to update their status report by the third week of each month. Allowing for one month of system debugging, we anticipate having clean, comparable agency status reports and an overall executive branch summary report by the beginning of December. At that time we should be able to provide the Legislature with a clear picture of Alaska's Y2K situation.

Compliance Standards:

How do you know when a system is Y2K compliant? That is the question that compliance standards answer. These standards were released in draft to the agency Y2K coordinators at our 8/14/98 meeting and were released in final at our 9/2/98 meeting of the Y2K coordinators. The compliance standards outline the approach that each agency should take in resolving their Y2K problems on MCBF's, describe the elements to consider in each work step including testing and contingency planning, and outline monthly reporting that is required from each agency.

Compliance standards have been included as **Attachment C**.

Testing Standards:

Testing is perhaps the most critical, and certainly the most costly, step in solving an agency's Y2K problems. Without an adequate testing plan, it will not be known whether the remediated MCBF can withstand the wide variety of date changes that will arise during 1999, 2000 and 2001. For instance, not only does a system have to accommodate the date change from 12/31/99 to 1/1/00, but it also has to accommodate other dates including 7/1/99, 9/9/99, 10/1/99, 2/15/00, 4/30/00, 2/29/01, etc. There are actually several date changes that can, depending on the purpose of the system in question, cause a variety of problems.

Alaska will be adopting the testing approach suggested by the GAO in GAO/AIMD-10.1.21 Year 2000 testing. This document, along with appropriate attachments was provided to both the Y2K coordinators at our 9/2/98 meeting and is being distributed to the Technical Advisory Committee (TAC) of the Telecommunications Information Council (TIC). See **Attachment D**.

Testing will represent a large portion of the work to be completed by agencies in addressing their Y2K issues. Systems must be tested at least twice, once to determine under what situations the existing system will fail and a second time to determine if the remediated system can withstand the full range of dates that it will have to process successfully. The Y2K Office expects to bring on a full time testing staff member no later than 12/16/98 to assist agencies with their testing responsibilities.

Additionally, Y2K coordinators have been asked to advise the Y2K Office as to their testing training needs. These comments are expected by 9/9/98. Based on agencies' needs, the Y2K Office will be issuing an RFP (request for proposals) to obtain an agency testing training program(s) to be given as soon as possible.

Contingency Plans:

Contingency plans are required for all MCBF's regardless of whether the system has been proven to be Y2K compliant or not. Contingency plans will generally be developed by each agency for their MCBF's prior to remediating any systems expected not to be Y2K compliant. Since an MCBF could be negatively impacted by an interface with another system, which may not be Y2K compliant, contingency plans are critical to assure that each agency knows how they will maintain the continuity of the MCBF even if their Y2K compliant automated system fails. Contingency plans will also be critical in enabling agencies to maintain MCBF continuity even if they will not be able to fully remediate the automated systems, which support the MCBF, by the time date problems are encountered.

We will be adopting the contingency planning methodology suggested by the GAO in the GAO/AIMD-10.1.19 reference. **Attachment E** illustrates the contingency planning process and includes the GAO reference.

Other Accomplishments to Date:

The Y2K Project Office has been established using surplus furniture and equipment to the extent possible. The project team has been formed and will be fully staffed by December.

Communication between the Y2K Project Office and state agencies has been formally established through the Y2K coordinators group. All Y2K coordinators are either Deputy Commissioners or Administrative Services Directors. All technical communication is accomplished through the Technical Advisory Committee to the Telecommunication Information Council.

An RSA has been established between the Risk Management Office and the Y2K Project Office within the Office of the Governor to temporarily fund Alaska's Y2K effort. The RSA is initially for $1.0 million with an understanding the future increments under the RSA of $1.0 million will be allowed based on future requests from the Y2K Project Office. As discussed in earlier correspondence to the Legislative Budget and Audit Committee, our intention will be to submit a supplemental budget request to the Legislature at the start of the 21st Alaska Legislature when it begins in January 1999 to reimburse the Risk Management Fund and to fund the FY99 Y2K effort.

State of Alaska

Tony Knowles, Governor

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TO: House and Senate Finance Committees

DATE: April 25, 1998

FROM: Year 2000 Project Office

SUBJECT: Year 2000 Problem Funding Requirements

An Alaska Year 2000 (Y2K) Task Force was established in February of 1998 to ensure that all branches of State government are adequately addressing the State of Alaska's Y2K issues. The Governor, House Speaker, Senate President, Chief Justice, and University president each appointed a high-level representative to the task force. ARCO and National Bank of Alaska were also asked to participate on the task force to ensure that private's sector knowledge, experience, and advice was incorporated into the State's response.

This memorandum explains what the Y2K problem is, how other organizations have responded, how the State has responded so far, a status of the State's current situation, and an explanation of FY 99 funding needs. It addresses aspects of the problem affecting all three branches of state government. The draft was circulated to task force members from all branches of state government and the private sector and this final memorandum incorporates all of the comments received. Several members noted that they could not "speak for" the other branches, although they felt the summary was a realistic assessment of the state's Y2K situation as they know it.

What is the Y2K Problem?

The Y2K problem is a holdover from the early days of computers when standard computer programming techniques emphasized maximum efficiency in the use of technology, particularly data storage mediums. Due to the immense cost of computer hardware, every effort was devoted to reducing hardware acquisition and operating costs. Storing only the last two digits of the year instead of all four digits was a way of saving data storage space and other computer processing resources. This system worked fine until dates in the next millennium exposed that the programs are unable to determine if a year stored as a '10', for example, should be interpreted as 1910 or as 2010.

As the millennium approaches, the risk of technology failures is enormous. One of the more frustrating aspects of the Y2K problem is that it often manifests itself in a number of seemingly unrelated ways. More common examples include:

- computer system freezes and shutdowns;

- data corruption;
- erroneous instructions to automated security systems, such as those common in hospitals and correctional facilities;
- incorrect transmission of remote telemetry instructions to railroad switching yards and hydroelectric facilities;
- incorrect operation of heating, and ventilation systems in buildings;
- failure of microchips in trucks and other vehicles on which could endanger health and safety;
- denial of authorizations for credit cards that expire in the new millennium; and,
- proliferation of these and other errors via the Internet and other network links.

To further compound the problem, many of the contingency systems related to the above list are at risk as well. For example, many disaster recovery and emergency preparedness systems depend on computer based technology, especially power grids and telecommunications systems. Also, many critical state government functions and services rely on suppliers and vendors with their own Y2K problems to solve. Lastly, many businesses, local governments, and nonprofit organizations heavily lean on the availability, reliability, and safety of services provide by the State government.

How Have Other Organizations Responded?

Governments and businesses are directing considerable funding and resources toward their Y2K problems. For example, Georgia plans to spend $160 million in FY 99 alone, New York expects to spend $400 million, and Wyoming approximately $13 million. *The Washington Times* reported on April 2, 1998, that fewer than half of all federal agencies will be ready by the Year 2000. The latest cost estimate for dealing with federal Year 2000 problems, announced in April, is $50 billion, more than ten times greater than the federal Office of Management and Budget's previous estimate. A private sector example is the Bank of New York which set aside $500 million in next year's budget for its Year 2000 remediation effort.

Most organizations turn to contractors and consultants to help solve the problem. Unfortunately, firms and contractors capable of providing enterprise level Year 2000 services are already in short supply. They are increasingly demanding, and obtaining, higher prices and "master" contracts in which they provide all the resources needed to meet the client's Year 2000 needs. Some are even demanding, and reportedly obtaining, long term strategic partnerships with clients to provide other automation services in addition to the work required to remediate the Year 2000 problems.

Many organizations are realizing they do not have enough time to fix their Year 2000 problems and are opting to concentrate instead on contingency planning. For example, in March 1998, the chair of the President's Council on the Year 2000 Conversion told Congress he met with the Federal Emergency Management Agency and asked them to initiate talks with state and local disaster relief agencies about the preparation of contingency plans.

In March, the Society For Information Management announced that its study of 200 corporations with annual revenues exceeding $4 billion each found that fewer than half of their Year 2000 projects are beyond the planning stage. The project managers estimated that on average 70% of the project effort occurs *after* the plans are completed.

In a step backwards, many applications and systems previously repaired and certified as Year 2000 compliant are turning out not to be compliant after all. For example, Microsoft announced in April 1998, that it has backed off its earlier announcement that its major business applications would be Year 2000 compliant before the millennium.

What Has the State of Alaska Done About the Y2K Problem?

There is some good news. Many state agencies have been working for months to assess and fix Y2K problems. Several key computer systems have already been fixed, or are scheduled for remediation in the near future. In some cases, the corrections were made when outdated systems were overhauled primarily for other reasons (e.g., the State's criminal justice, child support enforcement, and budget systems).

One of the biggest steps taken to date to help assure the State's readiness is the recent engagement of a private sector Y2K project manager. Ms. Karen Perkins, a senior consultant with Unisys Corporation with expertise in Year 2000 project management and coordination services, has been retained to help lead the state's Y2K effort. This includes assessing and documenting the State's readiness for potential Y2K problems, providing overall statewide coordination and management, and assisting state agencies in identifying and resolving specific Y2K issues and problems at the agency level.

Ms. Perkins was recommended and obtained through a contract with a consortium of Alaskan vendors that conducted a national search for Year 2000 expertise on behalf of the State. Unisys Corporation is a nationally respected firm doing both public and private Y2K work and has been selected as one of the Gartner Group's "Premier" Y2K vendors. Funding of this contract through September 1998 was provided from the information technology appropriation made last session.

Other specific Y2K actions include:

- the State has formed a Y2K coordinating committee with representation from all executive branch departments, agencies, and quasi-public corporations;
- the State has identified its mission-critical application systems as well as the core state government services which depend on them;
- the State has begun an assessment of mission-critical systems to determine the type and criticality of Y2K related problems, as well as the resource and time requirements for fixing the problems and testing the solutions; and assessing the need to extend or adjust disaster recovery and risk management plans;
- the State has established this Year 2000 Task Force which has executive level representatives from all three branches of state government as well as the private sector;
- special working groups focused on key issue areas have been formed. These groups are addressing issues that cross department boundaries including key business partner relationships. So far, working groups have been formed for: banking and finance, criminal justice, embedded systems/facilities, emergency communications and disaster recovery planning, federal government relations, legal and risk management issues, and telecommunications;

- the State has begun initial development of an enterprise wide process for determining and ensuring the Y2K compliance status of all entities in its "supply chain" e.g. vendors, contractors, and other service providers who do business with the State through contracts, leases, grants, etc.;
- the State has conducted initial Y2K compliance interviews with key agencies and programs such as the Alaska Data Center, Department of Corrections, and telecommunications and emergency services; and,
- the State has begun the initial development of an online clearinghouse to coordinate and share Y2K related information such as best practices, vendor compliance data, testing and certification approaches, and software tools and methodologies.

These activities are being coordinated through the Office of Management and Budget.

What is the State's Current Status?

Some of the State's major mainframe financial application systems such as payroll (AKPAY) and accounting (AKSAS) are expected be completed, tested, and in production by 12/31/98. Assessment of Y2K related problems for department level application systems, networks, and desktop systems is under way, but progress varies greatly by department.

A major issue is the considerable uncertainty about the compliance status of vendors' hardware and software products. Vendors are becoming reluctant to warrant and certify their products as being Y2K compliant due to potentially huge liability issues.

The State's greatest uncertainty about potential exposure to Y2K problems arises in the areas of telecommunications and embedded systems (such as elevators, health monitoring equipment, etc.). The State is also concerned about the potential for Y2K related disruptions to spread from one system or organization to another via networks and the supply chain.

Unfortunately, much of the assessment phase of dealing with the Y2K problem, plus the largest part of the necessary remediation, testing, certification, reimplementation, and contingency planning and disaster recovery phases, still lie ahead.

All of these phases will pose challenges and significant resource requirements. The testing phase above all, however, is expected to pose the greatest demands. Discussions with outside firms as well as the experience of our own private sector business partners on the Year 2000 Task Force indicate strongly that we should not underestimate our needs for hardware, software, and personnel during this phase. Typically, testing costs run about 50%-70% of total Y2K expenditures, and even higher for widely dispersed operations like the State's which are not as amenable to centralized testing approaches. Our private sector members caution that since testing requires the direct involvement of key personnel who know the business thoroughly, backfilling those key business positions can generate substantial costs, or else important business functions will go undone.

FY 99 Funding Needs

It is difficult, if not impossible, to estimate with any reliability the total amount of funding needed to deal with all the State's Y2K problems. The full extent of the problem cannot be

determined until more analysis of the State's systems is completed and more is known about Y2K compliance among vendors, the federal government, and others with whom state government interacts. Already, however, it is clear that work needs to continue at an even greater level than at present.

As funding for these activities is discussed, two considerations are crucial:

1) Funding is needed immediately. As mentioned earlier, with the January 2000 deadline approaching so quickly, the State of Alaska will increasingly be seeking to engage Y2K resources in a national "escalating dollar per hour environment". Also, with global Y2K activities plus the present Euro-Dollar conversion in Europe siphoning off already-scarce technical resources, the window for engaging Y2K contract assistance at any price is rapidly closing.
2) Without prompt action, the Y2K technical resources the State needs will simply be unobtainable. Funding authority must be provided so contracts can be negotiated and signed before available talent pools are depleted, even though the cash flow requirement may not be immediately tapped; and,
3) Funds appropriated in the FY 99 capital budget for the Y2K effort must be sufficient to allow work to proceed through at least February of 1999 and to secure major contracts to begin detailed assessment and remediation. By then, the State will have much better information about what is possible (and not possible) to achieve before the December 31, 1999, "event horizon". A detailed Y2K project plan and proposal for further funding will be developed and presented to policy makers and legislators for discussion in the next legislative session.

With these considerations in mind, the Task Force recommends that $15.98 million be appropriated now in the FY 99 capital budget for Y2K activities. This funding authorization level is needed immediately to negotiate for and begin purchasing the resources needed for the State's overall Y2K effort in the following areas:

- assessment and planning;
- remediation of computer code;
- acquisition of needed manpower, support, hardware, software tools, testing tools, testing services and environments, and certification services;
- assessment of state facilities for embedded systems problems;
- external communications and contingency/disaster recovery planning;
- creation of a State Y2K clearing-house for product compliance information; and,
- project management, and coordination.

The requested level of funding should be allocated (or separately appropriated) as follows:

Executive Branch	$	10,000,000 [/a]
University	$	4,000,000 [/b]
Court System	$	90,000 [/c]
Legislature	$	1,890,000 [/d]

[a/] Excludes the University of Alaska. Recommend an appropriation to OMB for disbursement to other agencies according to need.

b/ Current University estimate of full Year 2000 funding need for FY99 is approx. $8.6 million.

c/ Already included in the Court System's overall FY99 capital budget request for computer technology.

d/ The Legislative Affairs Agency has independently made a capital project request to eliminate its mainframe software systems. Replacing the systems includes acquiring and implementing Y2K-compliant elements.

This amount may not be the total funding needed for FY99. Additional funds are likely to be requested next session when more detailed and reliable cost estimates have been developed. The Task Force also emphasizes that these estimates **do not** indicate the total amount of funding that will be needed for dealing with the State's entire Y2K problem. Even after January 1, 2000, it is likely a large number of system fixes and changes will be needed in order to finish the job.

Although the requested amount is large, it is smaller than what many other similarly sized organizations plan to spend. For example, the Gartner Group says 20-25% of an organization's annual information technology budget is a general rule of thumb for estimating annual Y2K related funding needs through at least calendar year 2000. In Alaska's case, this would equate to approximately $25 million per year for FY99, FY00, and perhaps also FY01.

Sample appropriation language is attached. It could be used either as a separate Year 2000 appropriation bill or as part of the FY99 capital budget.

Year 2000 Project

DRAFT APPROPRIATION LANGUAGE

Section 1. Purpose

Public sector and private sector organizations around the world, including businesses, governments, nonprofit organizations and others, are racing to prevent and mitigate problems which may result from the effects of the so-called "Year 2000 Problem". These problems include the potential failure or erroneous performance of automation systems, and the resulting disruptions in essential programs and activities supported by those systems. A significant concern of the State of Alaska is to avoid or mitigate significant Year 2000-related disruptions from State of Alaska systems. The appropriations in Section 2 are to fund the prevention or mitigation of problems caused by the State's Year 2000 problem.

Section 2. Appropriations

The following amounts are appropriated from the general fund separately to each entity below to support all aspects of assessment, remediation, testing, certification and contingency planning activities aimed at solving or mitigating the Year 2000-related problems of the State of Alaska. The appropriation made to the Office of Management and Budget is to be distributed to agencies within the executive branch as needed for their Year 2000 efforts.

Office of Management and Budget	$10,000,000
University of Alaska	$4,000,000
Court System	$90,000
Legislature	$1,[illegible],000

Year 2000 Project Office Contact Information

Physical Address	Mailing Address	Fax	Phone
410 Willoughby Ave. Suite 103 Juneau, AK 99801	**PO Box 110099 Juneau, AK 99811-0099**	465-5039	456-5004

Name	Responsibilities	Phone	Email Address
Bob Poe	**Senior Project Manager**	465-2200	Bob_Poe@admin.state.ak.us
Christine Meholic	**Y2K Assistant Manager**	465-5034	Christine_Meholic@admin.state.ak.us
	Agency Analyst:		
	Education		
	ITG: Operations		
Joe Culp	**Agency Analyst:**	465-5008	Joe_Culp@admin.state.ak.us
	Administration		
	Corrections		
	Environmental Conservation		
	Health & Social Services		
	ITG: Telecommunications		
	Military & Veterans' Affairs		
	Public Safety		
	Revenue		
	Transportation/Public Facilities		
Jack Fargnoli	**Agency Analyst:**	465-5007	Jack_Fargnoli@admin.state.ak.us
	Commerce & Economic Development		
	Community & Regional Affairs		
	Fish & Game		
	Labor		
	Law		
	Natural Resources		
Brenn Berliner	**Webmaster**	465-5033	Brenn_Berliner@admin.state.ak.us

State of Alaska Year 2000 Website: http://www.state.ak.us/y2000

Attachment #2
2/1/99

Year 2000 Project Status Report

University of Alaska

January 15, 1999

Six Major Phases

- Year 2000 Awareness
- Inventory & Assessment
- Remediation
- Testing & Validation
- Implementation

•Contingency

(Overlaps Other Phases)

Year 2000 Awareness

- Gartner Group Presentations
- Open Letter to UA Community
- Y2K Web Page & Listserv
- Ongoing Communication
- Establishment of Y2K Project Office

Inventory & Assessment: Review Business Functions in Key Areas

- Financial & Information Systems
- Facilities
- Safety & Security
- Communications
- Instructional Programs
- Research Programs
- Student Services
- Transportation

Inventory & Assessment: Evaluate Potential Y2K Impacts

- Life Threatening/Mission-Critical: Failure could result in death or injury, or be disastrous to university operations
- Priority: Failure could have substantial impact on university operations
- Non-Priority: Failure could result in trivial costs or inconvenience

Life Threatening/Mission Critical Business Functions

Financial & Information Systems:
- Banner (Finance, Human Resources, Student Financial Aid)
- Desktop Systems
- Finance (Cash Management, Accounts Payable, Accounts Receivable, etc.)
- Personnel & Payroll
- Electronic Funds Transfer
- Credit Card Systems

Facilities:
- Building Security & Environment (Main & Extended Sites)
- ADA
- UAF Power Plant

Instructional Programs:
- Library Systems
- Student & Departmental Labs
- UAA Aviation Program
- Classroom & Departmental Equipment

Research Programs:
- UAF: GI, SFOS, IAB, AFES, ARSC
- UAA: ISER, ARC, ICHS

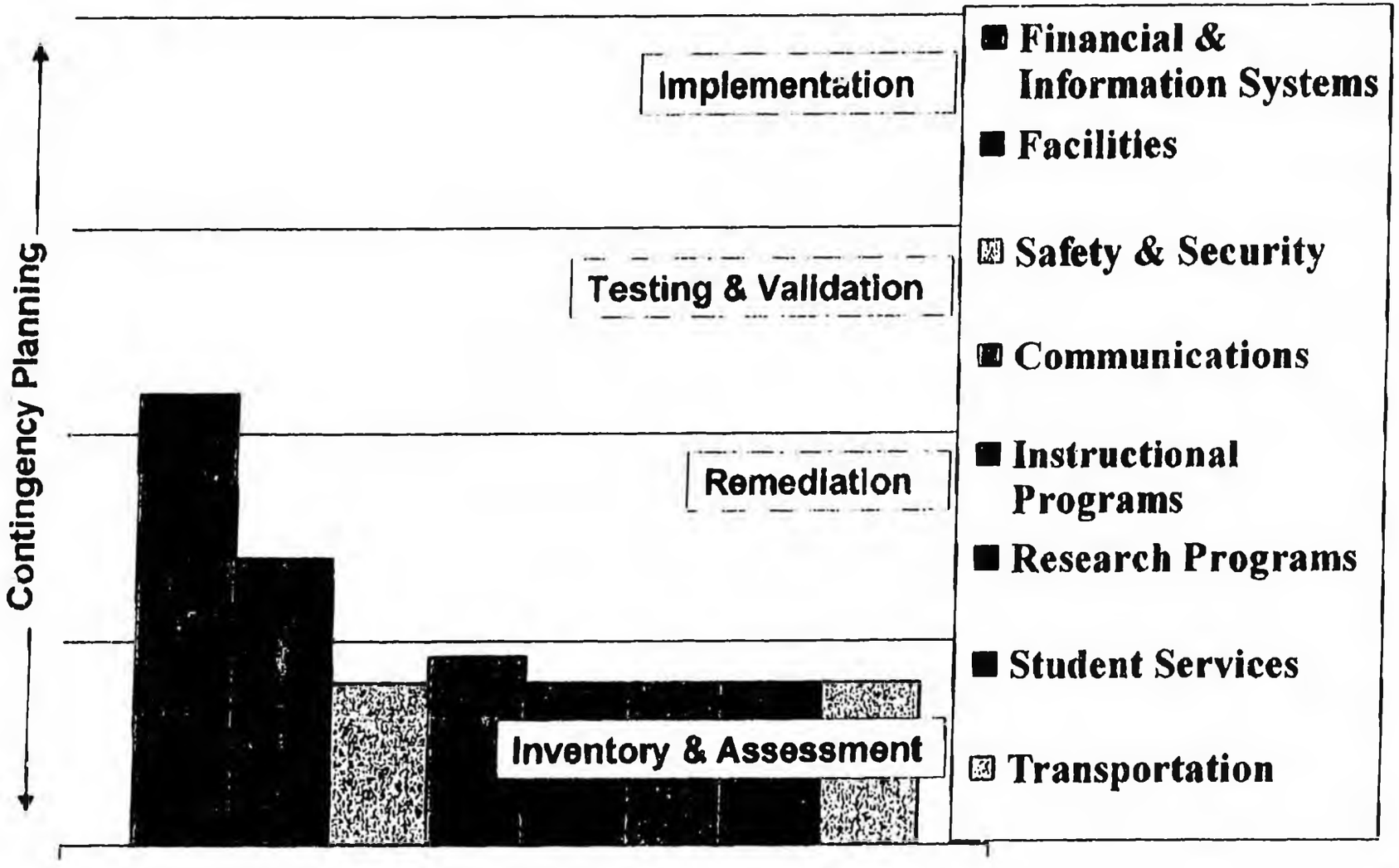
Communications:
- WAN/LAN
- Public Safety APSIN/Dispatch Radio
- Distributed Learning (Audio/Video Conferencing, Etc.)
- Campus Radio/TV
- Network Management
- Telephone Systems

Safety & Security:
- Exterior Lighting
- 911 Emergency
- ID/Access Cards
- Hazardous Substance Control

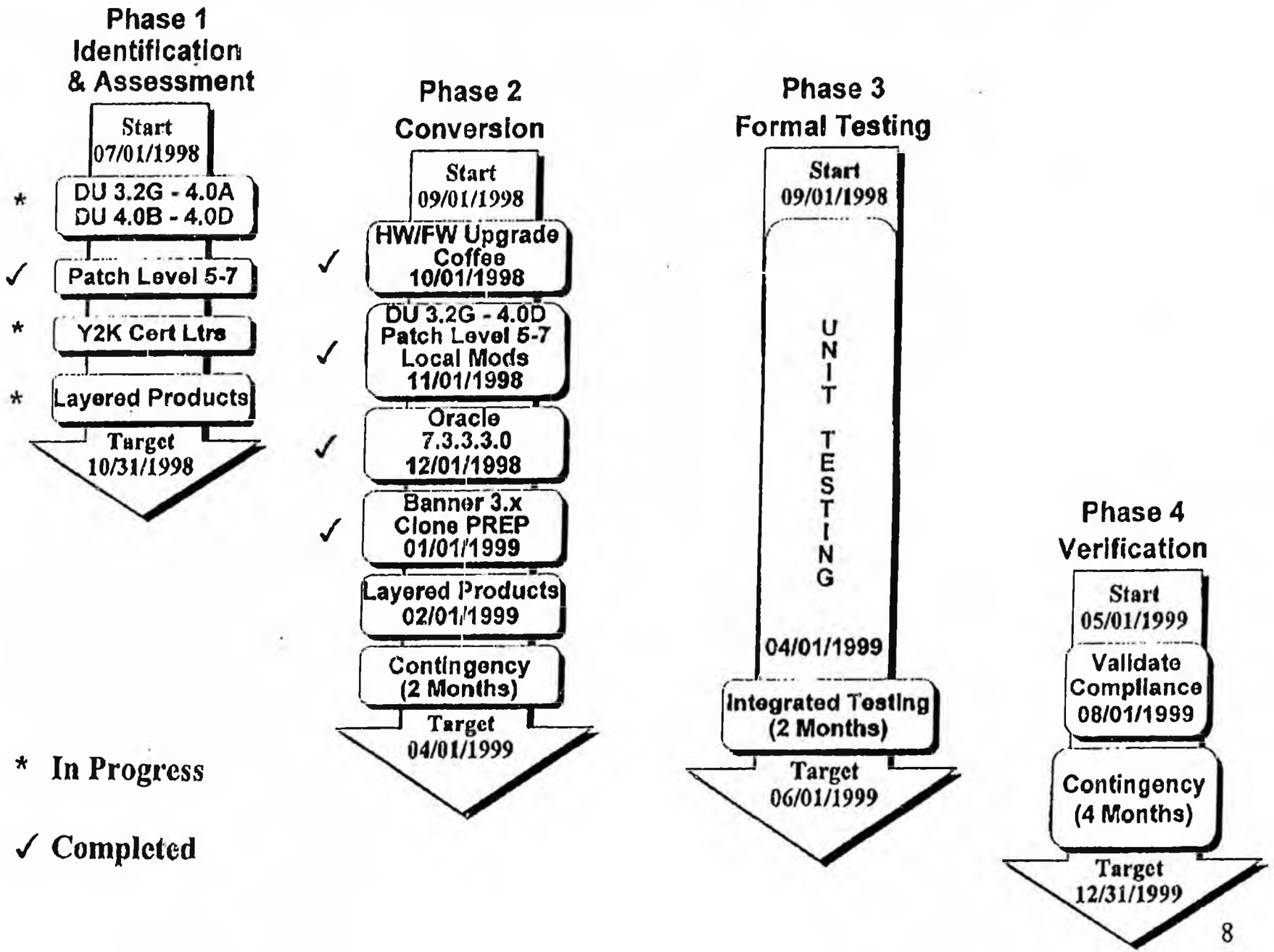
Student Services:
- Financial Aid
- Bookstores
- Food Service Operations
- Records & Registration
- Student Activities

Transportation:
- Campus Vehicles
- Campus Roads

Status of Major Functions, January 1999:



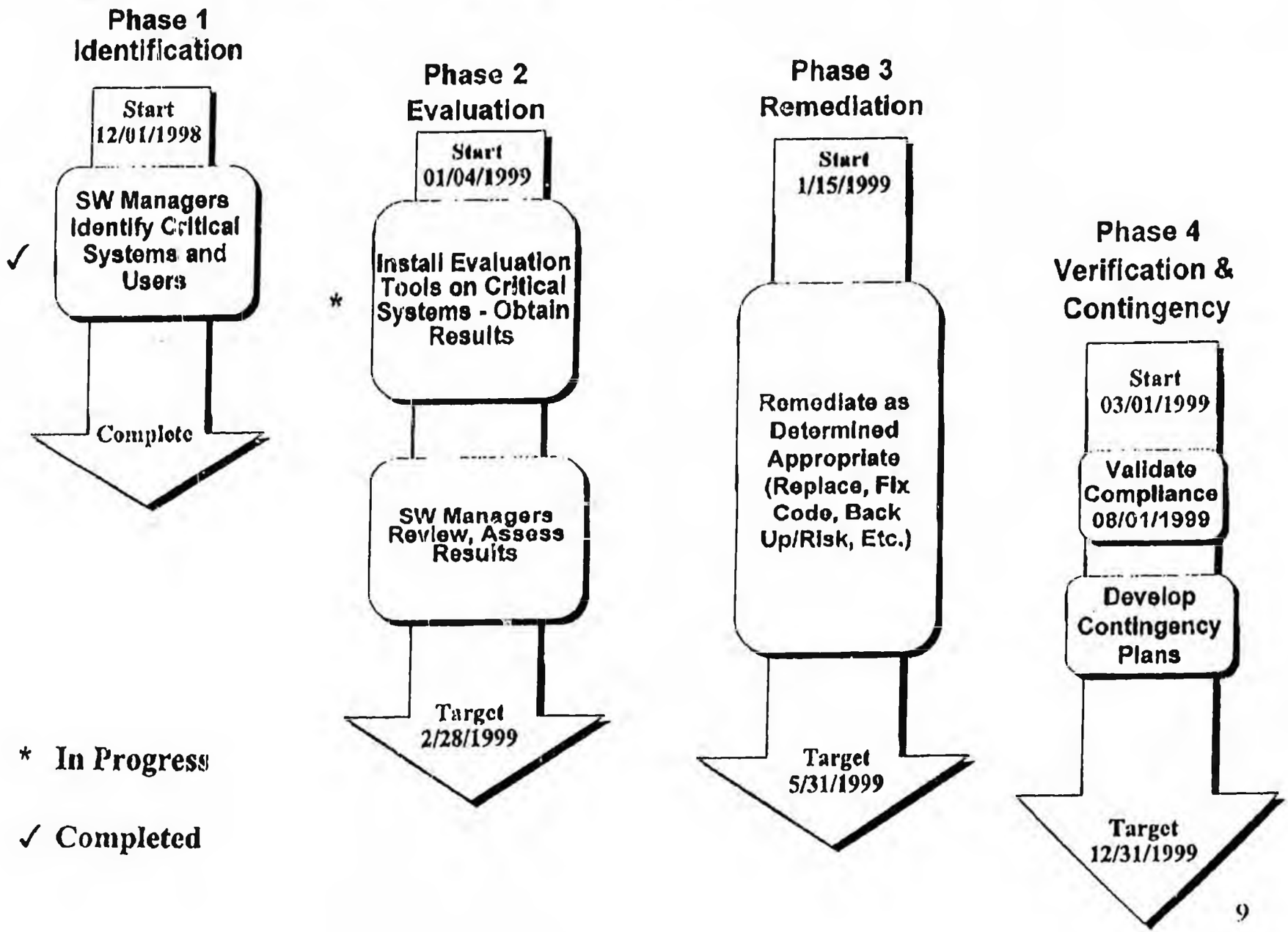
Banner Y2K Compliance Milestones



* In Progress

✓ Completed

Statewide Desktop Systems Work Plan, January 1999



✓

*

* In Progress

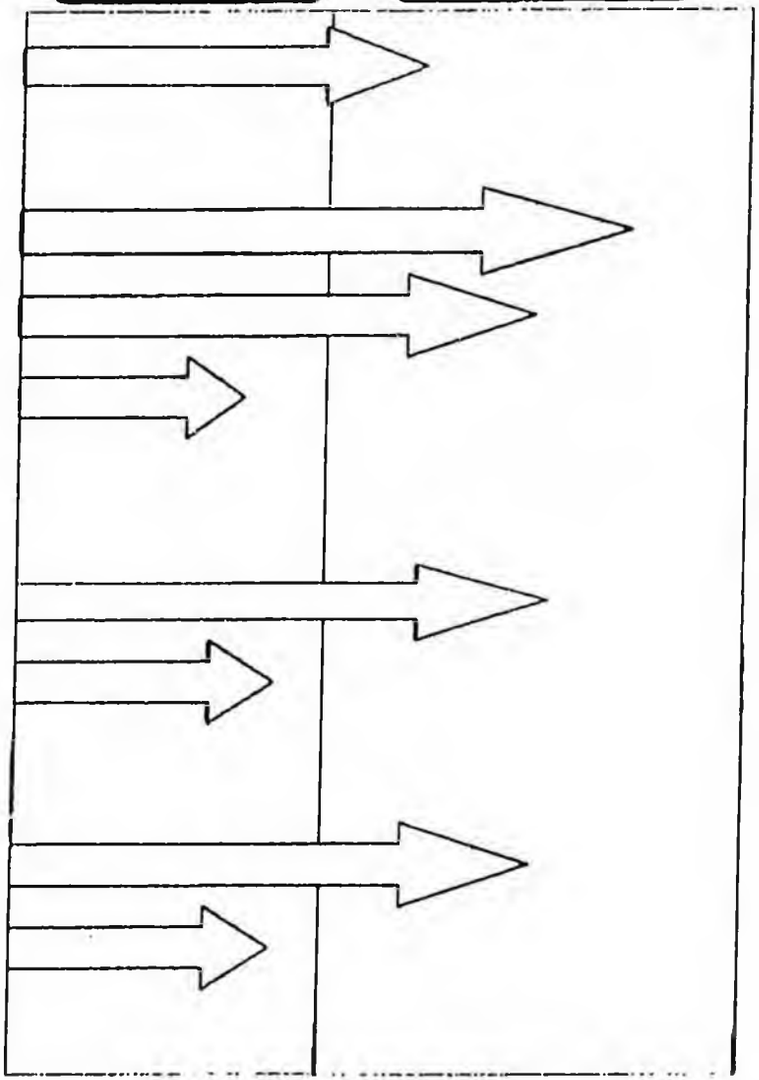
✓ Completed

ARSC Y2K Status, January 1999:

Goal is to be essentially Y2K compliant by the end of January 1999

- Computing Hardware/Operating Systems: Certified as Y2K compliant by manufacturer
- Application Software: Y2K compliance certified by vendors and/or replaced as necessary
- Ongoing Review and Trouble-Shooting: Work with vendors and customers to identify and resolve unforeseen problems

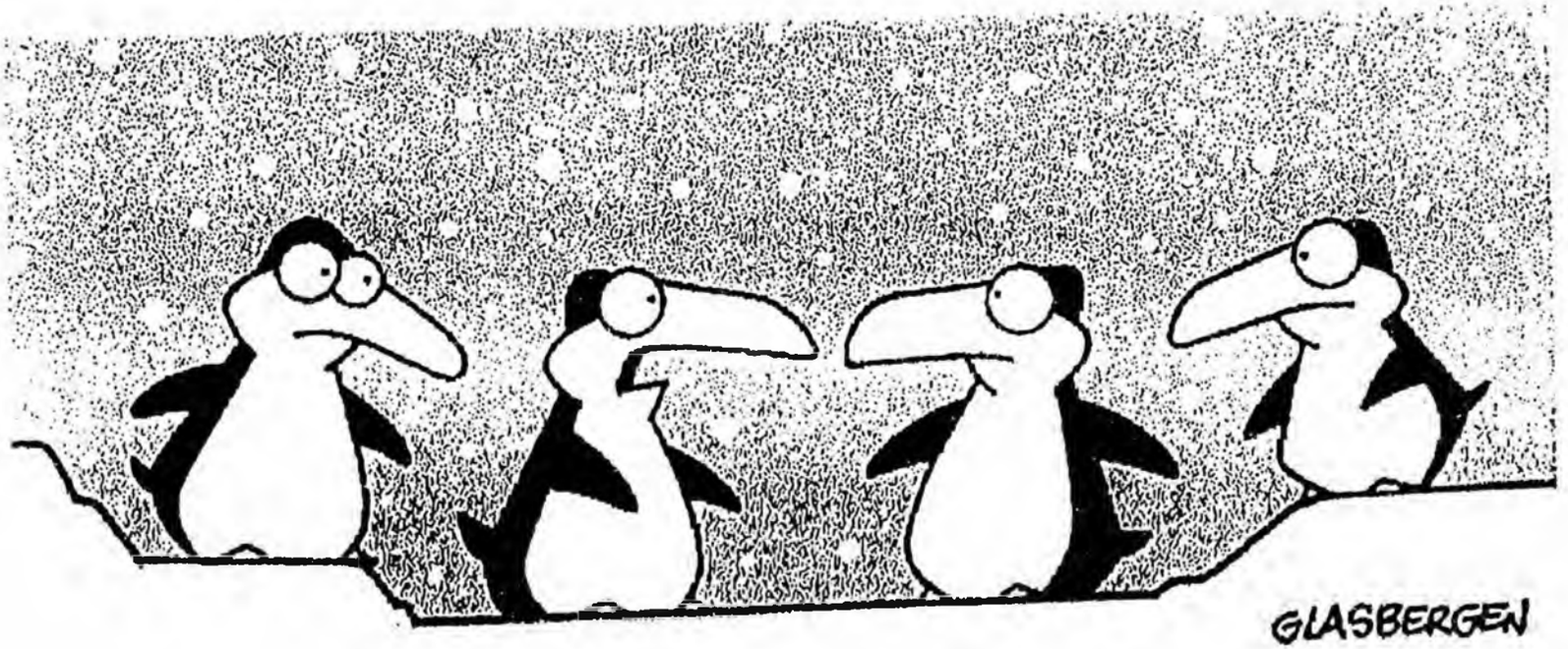
Facilities Y2K Status, January 1999:



	Inventory & Assessment	Remediation/ Implementation	Target Date	Contingency Plan?
SW:			6/30/1999	In progress
UAF:				
Power Plant			3/31/1999	In progress
Fairbanks			6/30/1999	In progress
Extended			6/30/1999	In progress
UAA:				
Anchorage			6/30/1999	In progress
Extended			6/30/1999	In progress
UAS:				
Juneau			6/30/1999	In progress
Extended			6/30/1999	In progress

Y2K Budget/Cost Update

- $7.9 million initial cost estimate; subsequently revised to $5 million
- $2 million "borrowed" from UA Risk Management fund pool to cover current costs pending legislative action
- $5 million included in Governor's Y2K bill.



"If all the computers fail on January 1, 2000 how will they make the sun come up in the morning? How will they keep the gravity turned on? How will they keep the stars from crashing into each other?"

University of Alaska
Year 2000 Frequently Asked Questions
January, 1999

- **In general, what is the university doing to address Y2K issues?**
  - Organizationally, the university is approaching Y2K on two fronts:
    1. Each Chancellor has appointed a Y2K Task Force leader that is responsible for coordinating Y2K activities at the MAU level.
    2. In addition, a Y2K Project Office has been established in Statewide to coordinate and monitor systemwide Y2K efforts and reporting, and to provide liaison with state and legislative Y2K activities.
  - Strategically, the university is approaching Y2K as follows:
    1. First, inventory and assess major business functions for Y2K vulnerability;
    2. Second, evaluate those functions to determine which are most critical to the uninterrupted operations of the university;
    3. Third, apply triage to prioritize remediation efforts;
    4. Fourth, remediate, test & validate as necessary or resources allow;
    5. And fifth, develop contingency plans for unanticipated failures.
  - In general, the university is fairly well along in its efforts to evaluate and remediate its major computer systems, including Banner and the Supercomputer Center. It is also fairly well along in its review and remediation of facilities, though this varies from campus to campus. In most other areas, however, the university is still in the process of inventorying its systems and has yet to begin remediation.

- **What's our biggest exposure?**
  - Our biggest internal exposure is the Banner system, which we depend on for payroll, student registration, financial aid, purchasing, etc. Fortunately, this is also the system we are most in control and on top of.
  - Our biggest external exposure is electrical power. Other external exposures include communications (telephones, telecommunications), external suppliers (food services, textbooks, etc.), and business links (banks, investment firms, etc.).

University of Alaska
Year 2000 Frequently Asked Questions
January, 1999

❖ **<u>What are we doing to make sure that Banner doesn't crash</u>?**

- To begin with, we are somewhat ahead of the game just by the fact that we moved to Banner when we did. Many of the Y2K problems that we would have faced with the old FAS system have been minimized or eliminated.
- Having said that, there are still Y2K problems that have been and continue to be identified with Banner. Remediation of known problems is expected to be complete by the end of February, followed by testing and implementation to be complete by the end of July. We also are working closely with vendors to deal with any new problems as they show up.
- There really is no good contingency plan for Banner other than to "fix it", but we <u>will</u> take the precaution of shutting down the system before midnight on Dec. 31 and then bringing it back up slowly over the next 24-36 hours. Certain key functions – e.g., student registration – will also be set back until at least the second week of January in case unanticipated problems arise.

❖ **<u>What are we doing to ensure that the products we buy are Y2K compliant or that power and other external services will continue uninterrupted</u>?**

- First, we have developed Y2K standards and warranties to be included in all purchase orders effective January 1, 1999.
- Second, we are contacting key vendors and/or reviewing their Y2K product information to determine if products are Y2K compliant.
- Third, we are contacting all major service providers (such as utility companies and banks) to determine what they are doing to ensure that their services will continue uninterrupted. The state is also working closely with the utility companies on Y2K issues.
- In reality, however, there is little we can do to ensure that key services will continue. What we <u>can</u> do is develop contingency plans to minimize potential problems. Contingency plans may range from something as basic as laying in extra supplies to purchasing and/or installing emergency backup systems. In either case it is important

that the contingency plans be well thought out and planned before the fact rather than exist only as a general concept in someone's head.

- **What's the status of the Supercomputer Center?**
  - The Supercomputer Center takes Y2K very seriously. While most of the work done on their systems is not date-sensitive; the Center is funded almost entirely with federal funds and continuation of that funding is conditional on achieving Y2K compliance.
  - For this and other reasons, ARSC is well along in the Y2K process and expects to be essentially Y2K compliant by the end of January.

- **How will Y2K affect the university's research and instructional programs?**
  - At this point, we do not know much about how, or if, Y2K will affect the university's research programs. While individuals are almost certainly examining this issue relative to their particular processes and applications, in general there appears to be a good deal of skepticism about Y2K in the university's research community.
  - What we do know is that federal funding agencies, as a result of pressure applied by their own administrative or legislative leaders, are "passing the buck" down – i.e., they are seeking assurances from their grantees that programs funded with federal dollars will be unaffected by Y2K. With some $40 million or so received in federal research funds each year, this is not a trivial issue to the university and should not be taken lightly.
  - Similarly, we do not know much about the effects of Y2K on the university's instructional programs. It is likely, however, that most problems will either have to do with Banner or network issues that are being dealt with centrally by Statewide or MAU computer offices, or with desktop systems that aren't mission critical. This does not mean that we should ignore instructional programs – only that other, more vulnerable functions should be focused on first.

University of Alaska
Year 2000 Frequently Asked Questions
January, 1999

❖ **What are we doing about desktop systems?**

- There are various tools available to help evaluate desktop hardware and software Y2K compliance, and the university has purchased some of these products. However, not only is the cost of applying these tools to all university computers prohibitive, there is simply not enough time to complete the task.
- Fortunately, not all desktop systems are equal. An administrator's desktop computer, for example, may not be as mission critical as that of a payroll clerk. Each MAU will evaluate its desktop systems to determine which are most critical, and then will prioritize resources accordingly.

❖ **What are we doing to ensure that electronic funds transfers and investment activities will not be adversely affected?**

- There are certain internal systems that can (and will) be tested and verified, but for the most part we must rely on the Y2K efforts of the banks and investment firms that we do business with. We have been in contact with all of our major business partners and have been assured that they are either are or are well on the road to becoming Y2K compliant. While there is really no way to determine the accuracy of this self-evaluation, the general opinion of Y2K pundits is that U.S. banks and investment firms are further along the Y2K path than most industries, and *probably* will be OK.

❖ **What are embedded systems? What problems have we found and how are we dealing with them?**

- Embedded systems are devices that have a microprocessor or computer system that functions as an integral component. The university has many embedded systems which are used every day, such as: Alarms; building environmental controls; door locks; security systems; elevators; telephones; vehicles; and research equipment.
- Facilities staff at the main campuses have been working for over a year to identify and assess potential Y2K problems. Y2K problems were found in several embedded systems, including fire alarm panels, building control systems, and electronic card access systems. All problems found to date have either already been remediated or a fix has been identified and a plan for remediation is in place.

University of Alaska
Year 2000 Frequently Asked Questions
January, 1999

❖ **What's being done to assure Y2K compliance at extended sites?**

- In general, potential Y2K issues specific to extended sites fall into categories: Facilities Issues (including power, security, etc.) and desktop systems. Responsibility for facility maintenance and other computer systems at extended sites varies from MAU to MAU, as does the amount of Y2K review that has been done. Generally speaking, however, Y2K review at extended sites lags behind that at the main campuses.
- Some of the review done at the main campuses, however, overlaps to the extended sites, particularly for facilities. To the extent that facilities at both sites share the same systems, then any work done at the main campus will also apply to the extended site.

❖ **How much is Y2K going to cost us and where will we get the money?**

- Our initial estimate was that achieving Y2K compliance was going to cost the university about $8 million. When this estimate was developed, only the main computer systems (i.e., Banner) had really been assessed. Cost estimates for resolving other Y2K issues were really very rough.
- Since then, MAUs have progressed in identifying and assessing mission critical business functions. While good cost estimates are still not available for all functions or systems, several things are now apparent.

1. First, because no new funds were appropriated by last year's legislature for Y2K, the university's Y2K efforts have been in some cases delayed. This not only has resulted in the university being further behind the curve in identifying and resolving problems, it also has had the perverse effect of reducing costs. That is, in some cases we may be too late to "buy" the fix and may instead have to hope for the best and put our efforts into contingency plans.
2. Similarly, without any new funds for Y2K, all efforts to date have had to be funded from existing resources. Many of these costs have been in the nature of opportunity costs, where resources that might otherwise have been applied to other efforts or programs have instead been diverted to Y2K. While these represent very real costs, they are sometimes hard to measure. And while we will try to identify these costs, we may not be able to recover them.

3. Lastly, some of our original cost estimates were simply too pessimistic. That is, as we have progressed in our systems inventories we have determined that some remediation efforts are not as costly as anticipated.

- For these reasons, we have reduced our original cost estimates to approximately $5 million. In the short term, some of these costs (up to $2 million) are being funded through a "loan" from the university's risk management pool. However, for the risk management pool to remain viable, those funds must be replaced.
- The Governor included the university's projected Y2K costs in his Y2K bill, which was introduced the first week of the session. This bill includes $5 million for the university, $2 million of which will become available upon approval by the legislature and used to replenish the funds borrowed from the risk management pool, with the balance to be available for continuing Y2K capital projects.

University of Alaska
Y2K Budget Projection - Revised January, 1999

Mission Critical Business Functions	Estimated Costs
Project Coordination (FY99-FY2000):	**512.5**
Financial & Information Systems:	**1,644.1**
Banner Systems (Finance, Human Resources, Student, Financial Aid)	
Unix Host/Oracle Database Systems	
Forms Servers/Software	
Desktop Systems (Servers, Software)	
Electronic Funds Transfer	
Student Description Instruction System (UAA)	
Kiosk Systems	
Credit Card Systems	
General Computing Services	
Administrative Offices (Personnel, Grants & Contracts, Purchasing, Etc.)	
Facilities:	**340.7**
Building Security & Environment	
Power Plant (UAF)	
Water & Sewer Systems	
Headbolt Heaters	
Safety & Security:	**77.5**
Safety & Security Functions (Police, Fire, etc.)	
Hazardous Substance Control	
ID Card Systems	
Exterior Lighting Systems	
Communications:	**673.9**
Distributed Learning (Audio-Video Conferencing, Etc.)	
WAN/LAN	
Network Management	
Public Safety Netw.../Dispatch	
Telephone Systems	
Radio/TV Facilities	
Instructional Programs:	**875.4**
Academic Systems & Equipment	
Library Services	

University of Alaska
Y2K Budget Projection - Revised January, 1999

Mission Critical Business Functions	Estimated Costs
Research Programs:	**540.0**
Geophysical Institute (20 units)	
Fisheries & Marine Science (7 units)	
ARSC (non-GF)	
Institute of Northern Engineering	
Institute of Artic Biology	
Student Services:	**265.5**
Food Service	
Bookstores	
Financial Aid Program	
Service Offices (Registration, Financial Aid, etc.)	
Other Student Services/Student Activities	
Transportation:	**84.3**
Campus Vehicles	
Other Transportation Systems	
Total Estimated Costs	**$5,013.9**

Committee Action on Legislation

HOUSE RECORDS - COMMITTEE SECRETARY: Shav Smith
HOUSE Finance COMMITTEE

DATE: 2/1/99
PAGE: (1)

SHORT TITLE

HB64

ACTION TAKEN ON LEGISLATION

_____ Moved _____(____)Out of Committee
__X__ Heard and Held
_____ Bill Postponed to _____
_____ Scheduled but not Heard
_____ Failed to Move Out of Committee
_____ Waived Out of Committee

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Court Location	Lessor	Phone Systems	Access Security Systems	Total
Anchorage	Court System	$35,000	$40,000	$75,000
Barrow	Arctic Slope Regional Corp	500		500
Bethel	City of Bethel	600		600
Cordova	John Wilson	500		500
Craig	Paul Thibodeau	500		500
Delta Junction	State-owned	500		500
Dillingham	Chagglung Limited	500		500
Fairbanks	State-owned	20,000	5,000	25,000
Galena	Gana-a' Yoo Ltd.	500		500
Glennallen	Ahtna Inc	500		500
Haines	Lynn Canal Corp.	500		500
Healy	Tri-Valley Vol. Fire Dept.	500		500
Homer	John & Mary Ellen Tramontin	500		500
Juneau	State-owned	15,000	5,000	20,000
Kenai	State-owned	15,000	5,000	20,000
Ketchikan	State-owned	11,000		11,000
Kodiak	State-owned	500		500
Kotzebue	State-owned	500		500
Nome	GSA	500		500
Palmer	State-owned	15,000	5,000	20,000
Petersburg	White Construction	500		500
Seward	City of Seward	500		500
Sitka	City & Borough of Sitka	500		500
Skagway	City of Skagway	500		500
Tok	Wilson Enterprises	500		500
Unalaska	Ounalashka Corp	500		500
Valdez	ASHA	500		500
Wrangell	City of Wrangell	500		500
Yakutat	City of Yakutat	500		500
	TOTALS	$122,500	$60,000	$182,500

CP1 Capital Projects Descriptions (continued)

Agency Alaska Court System

FY 2000

Project Title:	Year 2000 Software Upgrades for Phone and Security Systems					Location:	Statewide
Category:	Justice	Project Priority:	1			Election District:	99
Project Type:	Equipment	Agency Priority:	1	AP/AL:	AP	Completion Date (mmyr):	062000

Funding	FY 2000 Capital Request	Annual State Operating/ Maintenance	FY 2000 New State PFT	Capital Requests FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	Total Request FY 2000 - FY 2005
1002 Federal Receipts									
1003 General Fund Match									
1004 General Fund	182.5								182.5
1005 GF Program Receipt									
1037 GF Mental Health									
TOTAL	182.5								182.5

BRIEF PROJECT SUMMARY:

Software upgrades to eliminate year 2000 date problems in telephone and facility access security systems

PROJECT DESCRIPTION AND JUSTIFICATION:

The Alaska Court System has determined that many of its phone systems and security systems are not year 2000 date compatible. The cost to upgrade and install software for these systems is estimated at $182,500. Telephone systems play a critical part in the judicial process. A considerable amount of court business is conducted over the phone and many judicial proceedings are telephonic as well. It is imperative that telephone switch software is upgraded prior to the year 2000. The court system has also determined that certain facility access security systems are not year 2000 compliant. The software of these systems utilizes a two digit year code, which will cause the systems to fail at the end of the century.

The court system has participated in the Alaska State Facility Administrators committee. The remediation of the court system's other year 2000 facility problems will be addressed in the budget submission of this committee.

Does Capital Project:	Yes	No
1) Meet state constitutional or statutory responsibility?		X
2) Address life, health or safety issues?		X
3) Reduce state operating costs?		X
4) Leverage private sector or local funds?		X
5) Create ongoing private sector jobs?		X
6) Facilitate transfer of responsibility to local or private sector?		X

CP1 Capital Projects Descriptions

FY 2000

Agency Alaska Court System