Audit Report

YEAR 2000 ISSUES WITHIN THE U.S. PACIFIC COMMAND'S AREA OF RESPONSIBILITY

ALASKAN COMMAND

Report No. 00-001 October 1, 1999

Office of the Inspector General
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Acronyms

ALCOM	Alaskan Command
DISA	Defense Information Systems Agency
LTACFIRE	Lightweight Tactical Fire Direction System
OMB	Office of Management and Budget
OPORD	Operation Order
USARAK	U.S. Army Alaska
USARPAC	U.S. Army Pacific
USPACOM	U.S. Pacific Command
Y2K	Year 2000

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October 1, 1999

MEMORANDUM FOR COMMANDER, ALASKAN COMMAND
COMMANDER, U.S. ARMY ALASKA

SUBJECT: Audit Report on Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility-Alaskan Command (Report No. 00-001)

This report is the eighth in a series resulting from our audit of "Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility." This report discusses year 2000 issues for the Alaskan Command.

We are providing this report for review and comment. We considered management comments on a draft of this report in preparing the final report. DoD Directive 7650.3 requires that all audit recommendations be resolved promptly, and there is special urgency regarding year 2000 conversion issues. Alaskan Command comments were generally responsive. As a result of management comments, we revised Recommendation A.1. No further response from Alaskan Command is necessary. U.S. Army Alaska has misinterpreted Recommendations B.1. and B.3. and comments on Recommendation B.2. were partially responsive. Therefore, we request that U.S. Army Alaska provide additional comments on Recommendations B.1., B.2., and B.3. by October 29, 1999.

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to Mr. Robert M. Murrell at (703) 604-9210 (DSN 664-9210) (rmurrell@dodig.osd.mil) or Mr. Young J. Jin at (703) 604-9272 (DSN 664-9272) (yjin@dodig.osd.mil). See Appendix D for the report distribution. The audit team members are listed inside the back cover.

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Report No. 00-001 **October 1, 1999**
(Project No. 8CC-0049.08)

Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility

Alaskan Command

Executive Summary

Introduction. This is one in a series of reports being issued by the Inspector General, DoD, in accordance with an informal partnership with the Chief Information Officer, DoD, to monitor DoD efforts to address the year 2000 computing challenge. For a list of audit projects addressing the issue, see the year 2000 web pages on the IGnet at http://www.ignet.gov.

Objectives. The overall audit objective was to evaluate whether the U.S. Pacific Command adequately planned for and managed year 2000 risks to avoid disruptions to its mission. Specifically, we evaluated the overall year 2000 program management and the management of contingency plans by the Alaskan Command.

Results. The Alaskan Command had taken actions to ensure mission capability through the year 2000 transition period and had begun year 2000 outreach coordination with civil authorities and other Federal agencies in Alaska. In addition, the Alaskan Command had completed year 2000 assessments of its 29 mission-critical systems. As of June 4, 1999, 24 of the 29 mission-critical systems were year 2000 compliant and the last system should be compliant by October 30, 1999. The Alaskan Command also had prepared year 2000 contingency plans for all of its mission-critical systems and had exercised the plans. However, the Alaskan Command needed to prioritize workarounds to ensure critical mission accomplishment if resources prove inadequate. The Alaskan Command also needed to improve the coordination of workarounds outlined in its various year 2000 contingency plans to ensure sufficient resources are in place if simultaneous workaround measures are implemented (finding A).

In contrast, U.S. Army Alaska started its year 2000 conversion effort late. As of September 27, 1999, 57 of 62 required contingency plans had been prepared. Once prepared, U.S. Army Alaska will need to exercise the contingency plans, prioritize workarounds to ensure critical mission accomplishment if resources prove inadequate, and coordinate workarounds outlined in its year 2000 contingency plans to ensure sufficient resources are in place if simultaneous workaround measures are implemented (finding B).

Summary of Recommendations. We recommend that the Commander, Alaskan Command, continue to track and monitor the renovation of the noncompliant system and finalize the prioritization and coordination of workarounds outlined in its contingency plans to ensure mission accomplishment if workarounds are needed

simultaneously. We recommend that the Commander, U.S. Army Alaska, immediately implement vigorous year 2000 efforts, including assessment verification, contingency planning, and workaround prioritization and coordination efforts, to ensure the accomplishment of U.S. Army Alaska critical missions.

Management Comments. The Commander, Alaskan Command, concurred with the recommendations to track and monitor the renovation of the noncompliant system and finalize the prioritization and coordination of workarounds outlined in its contingency plans. He stated corrective actions had been taken based on preliminary recommendations. U.S. Army Alaska concurred, partially concurred, and nonconcurred with elements of the finding by stating that the report did not accurately indicate U.S. Army Alaska year 2000 responsibilities and readiness. Management comments on the finding are discussed in Appendix C. U.S. Army Alaska concurred with the recommendations, stating that it would increase monitoring efforts in regard to risk assessment, continue efforts in regard to continuity of operations plans, and develop specific year 2000 operational contingency plans. A discussion of management comments on the recommendations is in the Finding section of the report, and the complete text of the comments is in the Management Comments section.

Audit Response. Commander, Alaskan Command, comments were generally responsive. As a result of management comments, we revised one recommendation slightly. No further response is required. U.S. Army Alaska has misinterpreted the recommendation to verify the accuracy of year 2000 assessments of mission-critical systems. Monitoring risk assessments does not meet the intent of the recommendation. U.S. Army Alaska comments were partially responsive to the recommendation to develop and exercise year 2000 contingency plans for mission-critical systems. The monitoring efforts described by U.S. Army Alaska need to include operational contingency plans, which U.S. Army Alaska will also need to develop, when necessary, and exercise. U.S. Army Alaska has misinterpreted the recommendation to perform the prioritization and coordination of workarounds outlined in the contingency plans. We request that U.S. Army Alaska provide additional comments in response to the final report by October 29, 1999.

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Background

This report is the eighth in a series resulting from our audit of "Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility." This report discusses year 2000 (Y2K) issues for the Alaskan Command (ALCOM). Other reports in the series that have been issued as final reports are identified in Appendix B.

DoD Y2K Management Strategy. In his role as the DoD Chief Information Officer, the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) is coordinating the overall DoD Y2K conversion effort. The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) issued various iterations of a Y2K management plan to provide direction and make the DoD Components responsible for implementing the five-phase Y2K management process. The "DoD Year 2000 Management Plan, Version 2.0" (DoD Management Plan), December 1998, is the most current iteration.

The Joint Chiefs of Staff. The Chairman of the Joint Chiefs of Staff is the principal military adviser to the President, the Secretary of Defense, and the National Security Council. The Secretaries of the Military Departments assign all forces under their jurisdiction to the unified commands to perform missions assigned to those commands. The Joint Staff assists the Chairman of the Joint Chiefs of Staff with unified strategic direction of the combatant forces; unified operation of the combatant commands; and integration into an efficient team of air, land, and sea forces.

U.S. Pacific Command. The U.S. Pacific Command (USPACOM) is the largest of the nine unified commands of the Department of Defense. It was established as a unified command on January 1, 1947, as an outgrowth of the command structure used during World War II. The USPACOM area of responsibility includes 50 percent of the earth's surface and two-thirds of the world's population. It encompasses more than 100 million square miles, stretching from the west coast of North and South America to the east coast of Africa and from the Arctic in the north to the Antarctic in the south. It also includes Alaska, Hawaii, and eight U.S. territories. The overall mission of USPACOM is to promote peace, deter aggression, respond to crises, and, if necessary, fight and win to advance security and stability throughout the Asian-Pacific region.

USPACOM, located at Camp H.M. Smith, Hawaii, is supported by Component commands from each Service: U.S. Army Pacific (USARPAC), U.S. Pacific Fleet, U.S. Pacific Air Forces, and Marine Forces Pacific. In addition, USPACOM exercises combatant command over four sub-unified commands within the region. The sub-unified commands are U.S. Forces Japan, U.S. Forces Korea, ALCOM, and Special Operations Command Pacific.

Alaskan Command. ALCOM is responsible for maintaining air sovereignty, deploying forces worldwide for contingencies, providing support to Federal and State authorities during civil emergencies, and conducting joint training for rapid deployment of combat forces. ALCOM combined forces include about 24,000 Service personnel assigned to U.S. Army Alaska (USARAK), U.S. Naval Forces Alaska, and the 11th Air Force. USARAK, U.S. Naval Forces Alaska, and the 11th Air Force report directly to USARPAC, U.S. Pacific Fleet, and U.S. Pacific Air Forces, respectively, on Service and Component issues and to ALCOM on Alaska-specific matters and joint responsibilities. The Commander, ALCOM, also serves as Commander, Alaskan North American Aerospace Defense Command Region, and Commander, 11th Air Force.

U.S. Army Alaska. The USARAK mission is to deploy rapidly in the Pacific theater and elsewhere as directed in support of contingency operations and USPACOM objectives.

U.S. Naval Forces Alaska. The U.S. Naval Forces Alaska mission is maritime safety, search and rescue, law enforcement of territorial waters, and maintenance of navigational maritime aids. The Commander of the 17th U.S. Coast Guard District also serves as the Commander, U.S. Naval Forces Alaska.

11th Air Force. The 11th Air Force mission is to maintain air superiority in Alaska and support Alaska-based ground forces and combat-ready air forces for employment by unified commanders.

State of Alaska Year 2000 Program. An Alaska Y2K Task Force was established in February 1998 to ensure that all branches of State government were adequately addressing the State of Alaska's Y2K issues. In August 1998, the Office of the Governor, State of Alaska, established the Y2K Project Office to coordinate Y2K efforts and to assist State and local government agencies in meeting the challenge of the Y2K problem. For more information on Alaska's Y2K status, visit the State of Alaska Y2K web site at http://www.state.ak.us/y2000.

Objectives

The overall audit objective was to evaluate whether USPACOM adequately planned for and managed Y2K risks to avoid disruptions to its mission. Specifically, we evaluated the overall Y2K program management and the management of contingency plans by ALCOM. See Appendix A for a discussion of the audit scope and methodology and Appendix B for a summary of prior coverage.

A. Status of the Alaskan Command Year 2000 Program

ALCOM had taken actions to ensure mission capability through the Y2K transition period and had begun Y2K outreach coordination with civil authorities and other Federal agencies in Alaska. In addition, ALCOM had completed Y2K assessments of its 29 mission-critical systems. As of June 4, 1999, 24 of the 29 mission-critical systems were Y2K compliant and the last system should be compliant by October 30, 1999. ALCOM also had prepared Y2K contingency plans for all of its mission-critical systems and had exercised the plans. However, ALCOM needed to prioritize workarounds to ensure critical mission accomplishment if resources prove inadequate. ALCOM also needed to improve the coordination of workarounds outlined in its various Y2K contingency plans to ensure sufficient resources are in place if simultaneous workaround measures are implemented. As a result, ALCOM needed to keep working through the time remaining in 1999 to minimize Y2K risk.

Year 2000 Program Actions

The ALCOM leadership had taken actions to ensure mission capability through the Y2K transition period. The actions included:

- establishing a Y2K Executive Steering Group and
- publishing ALCOM Y2K Operation Order (OPORD).

Y2K Executive Steering Group. The Commander, ALCOM, chairs the Y2K Executive Steering Group, which was established in November 1998 to ensure that military Y2K efforts throughout Alaska are integrated and comprehensive. Membership includes leaders from the Services as well as National Guard and Reserves who are stationed in Alaska. Military organizations in Alaska had briefed the Commander with Y2K updates monthly since November 1998. However, starting March 31, 1999, the Commander required the military organizations to brief him with Y2K updates every 2 weeks.

Y2K OPORD. The Commander, ALCOM, issued a Y2K policy memorandum, "Year 2000 Plan for Alaskan-Based DoD Military Forces," on March 16, 1999, to organize ALCOM Y2K work in the format of an OPORD. On April 30, 1999, the Commander issued OPORD 5220-99, "Operation Millennium Challenge," to provide guidance and tasking to all DoD military forces in the ALCOM area of responsibility to prepare for the Y2K critical crossover dates, respond to Y2K-related failures in mission-critical systems, and conduct a thorough after-action review. ALCOM plans to conduct the Operation Millennium Challenge in three phases: prior to September 1, 1999; September 1, 1999, through March 31, 2000; and after March 31, 2000.

Year 2000 Outreach Actions

ALCOM had begun Y2K outreach coordination with civil authorities and other Federal agencies in Alaska in accordance with established Federal and DoD Y2K outreach guidance.

Executive Order. Executive Order 13073, "Year 2000 Conversion," February 4, 1998, directed agency heads to assist and cooperate with State, local, and tribal governments to address the Y2K problem where those governments depend on Federal information or information technology or the Federal Government is dependent on those governments to perform critical missions.

Deputy Secretary of Defense Policy Memorandum. "DoD Year 2000 Support to Civil Authorities," February 22, 1999, was the first in a series of policy memorandums designed to provide guidance to ensure that DoD would be able to effectively respond to the many and varied demands that may be placed upon it during the Y2K transition period. The memorandum stated that DoD is taking prudent actions to ensure its ability to meet its national security responsibilities and, consistent with those responsibilities, to respond to requests for assistance from both domestic and overseas civil authorities throughout the Y2K transition period.

Some of the outreach actions ALCOM took to ensure Y2K coordination were:

- hosting a Statewide Y2K Workshop and
- coordinating Y2K issues with the State of Alaska.

Y2K Workshop. On February 12, 1999, ALCOM hosted a Y2K workshop at ALCOM headquarters, Elmendorf Air Force Base, Alaska. The workshop was attended by representatives from ALCOM, USARAK, the 11th Air Force, Reserves, the Federal Aviation Administration, the Federal Emergency Management Agency, the Department of Interior, State of Alaska organizations, the Alaska Department of Emergency Services, National Guard and State militia, Alaska Public Utilities Commission, and local governments. The purpose of the workshop was to compare Y2K efforts among the Alaskan military organizations and their partners in the community at the local, State, and Federal level.

Y2K Coordination With the State of Alaska. On February 18, 1999, the Commander, ALCOM, sent a letter to the lieutenant governor of Alaska discussing the sense of cooperation and the mutual efforts that had been initiated to solve the Y2K problem. ALCOM also invited the Alaska National Guard and the Alaska Department of Emergency Services to become full members of the ALCOM Y2K Executive Steering Group to discuss mutual Y2K efforts.

Year 2000 Assessment

ALCOM had identified 29 mission-critical systems and had determined as of June 4, 1999, that 24 systems were Y2K compliant. The five remaining automated systems were for heat, power generation, sewage, telecommunications, and water. Actions were ongoing to ensure compliance of those systems. In its management comments, ALCOM stated that it still needed to ensure Y2K compliance of the telecommunications and water systems.

The telecommunications system is a command and control network backbone system that belongs to the 11th Air Force. The system supports the command and control function at Elmendorf Air Force Base, and is not being reported to the DoD Y2K Reporting Database. The water system is a potable water distribution system that belongs to USARAK. The system supports potable water at both Elmendorf Air Force Base and Fort Richardson, and is not being reported to the DoD Y2K Reporting Database. By August 30, 1999, the water system was determined to be compliant. ALCOM expects the telecommunications system to be compliant by October 30, 1999.

Year 2000 Contingency Plans

ALCOM had prepared Y2K contingency plans for all of its mission-critical systems and by June 1999 had exercised workarounds outlined in contingency plans. For example, in order to assess the viability of contingency plans developed for 22 mission-critical communications and information systems, ALCOM conducted a Y2K exercise on June 3, 1999. The exercise participants were:

- ALCOM,
- USARAK,
- U.S. Naval Forces Alaska,
- 11th Air Force,
- Alaska Department of Emergency Services,
- Alaska National Guard, and
- Alaskan North American Aerospace Defense Command Region.

Furthermore, ALCOM participated in North American Aerospace Defense Command and USPACOM operational evaluations conducted in February and April 1999, respectively.

Prioritization and Coordination of the Year 2000 Contingency Plans

ALCOM had not yet fully identified and assessed the resources required to implement workarounds for the Y2K contingency plans of all ALCOM functional elements or DoD organizations and, as a result, had not initiated plans to prioritize and coordinate those resource requirements should resources prove inadequate.

For example, ALCOM contingency plans identified six communications systems for use in workarounds in case one or more of the 22 mission-critical ALCOM communications and information exchange systems failed because of the Y2K problem. The six systems were:

- Automatic Digital Network,
- Commercial Telephone Line With Secured Telephone Line Unit and Fax,
- Defense Switched Network With Secured Telephone Line Unit and Fax,
- High Frequency Telephone Line,
- Secret Internet Protocol Router Network, and
- Unclassified but Sensitive Internet Protocol Router Network.

The following table shows how many of the 22 ALCOM contingency plans designate those systems for either primary or secondary use in workarounds.

Communications Systems Designated as Workarounds in ALCOM Contingency Plans

Systems	Primary Workaround	Secondary Workaround
Automatic Digital Network	5	0
Commercial Telephone Line With Secured Telephone Line Unit and Fax	2	7
Defense Switched Network With Secured Telephone Line Unit and Fax	7	12
High Frequency Telephone Line	0	1
Secret Internet Protocol Router Network	9	1
Unclassified but Sensitive Internet Protocol Router Network	0	1

Global communications systems may experience widespread infrastructure problems as a result of Y2K problems, within not only Alaska but throughout DoD, and may cause many commands to simultaneously implement workaround measures using the same systems. Therefore, ALCOM should not presume that all six communications systems would be available for use as workarounds for the period immediately following January 1, 2000. ALCOM should prioritize workaround requirements identified in Y2K contingency plans to ensure limited resources are allocated to its most critical missions, functions, and processes. Once prioritization of workaround requirements has been accomplished, coordination must be performed to reallocate available resources.

ALCOM also needed to assess the viability of all of its Y2K contingency plans and coordinate requirements for other information-technology systems and non-information-technology systems for DoD organizations in Alaska. Specifically, ALCOM needed to fully coordinate and assess for simultaneous availability contingency plan workarounds. Some missions may be impaired if workarounds prove inadequate. The simultaneous execution of workarounds may cause multiple missions to be impaired, should there be insufficient resources to meet ALCOM critical mission requirements.

Corrective Actions Taken by Management

Following our interim briefings on the audit progress on June 4, 1999, to the ALCOM Y2K officer, ALCOM requested the Defense Information Systems Agency (DISA)-Alaska to verify that sufficient communications resources are in place for the ALCOM area of responsibility. Subsequently, on June 7, 1999, DISA-Alaska provided assurances that ALCOM had enough resources to support its Y2K communications contingency plans. In addition, ALCOM was in the process of establishing procedures to prioritize communications using a model concept known as "minimize." Minimize will be in place to control communications in all available media for any future contingencies, including possible Y2K events. In addition, during our briefings on initial audit results on June 8, 1999, to the ALCOM Chief of Staff, the Chief of Staff agreed to verify sufficient resources are in place and to establish priorities to provide for the accomplishment of critical ALCOM missions in other functional areas if workaround measures are needed simultaneously.

Recommendations, Management Comments, and Audit Response

Revised Recommendation. We initially recommended that ALCOM track and monitor the renovation of the noncompliant mission-critical system for water. As a result of management comments, we revised Recommendation A.1. to reflect the Y2K compliance status of systems as of August 30, 1999, and updated the report accordingly.

A. We recommend that the Commander, Alaskan Command:

1. Continue to track and monitor the renovation of the noncompliant mission-critical system for telecommunications.

2. Finalize the prioritization and coordination of the workarounds outlined in its contingency plans to ensure that sufficient resources are in place for the accomplishment of Alaskan Command critical missions in other functional areas if workarounds are needed simultaneously.

Management Comments. The Commander, ALCOM, concurred, stating he will continue to track and monitor the renovation of noncompliant mission-critical systems. He also stated that corrective actions had been taken to ensure that the Alaskan Command has sufficient communications resources to support Y2K contingency plans. He also noted that workaround system restoration priorities had been outlined.

Audit Response. The Alaskan Command comments were sufficiently responsive.

B. Status of the U.S. Army Alaska Year 2000 Program

USARAK started its Y2K conversion effort late. As of September 27, 1999, 57 of 62 required contingency plans had been prepared. Once prepared, USARAK will need to exercise the contingency plans. Further, USARAK needed to prioritize workarounds to ensure critical mission accomplishment if resources prove inadequate and coordinate workarounds outlined in its Y2K contingency plans to ensure sufficient resources are in place if simultaneous workaround measures are implemented. USARAK was significantly behind in its Y2K contingency planning, testing, prioritization, and coordination efforts because USARAK had not established a vigorous Y2K management program. As a result, the risk of Y2K-related disruption to the USARAK mission had not yet been sufficiently minimized.

U.S. Army Alaska Year 2000 Assessment

USARAK was significantly behind in its Y2K assessment efforts; it had not officially initiated formal Y2K efforts until March 1999. USARAK did not meet the established Y2K assessment deadline and the accuracy of its mission-critical system assessments was questionable.

Y2K Assessment Guidance. DoD uses the Federal Government-wide five-phase Y2K management process stipulated by the Office of Management and Budget (OMB). Target completion date of the second phase, assessment phase, was June 30, 1997. At the conclusion of the assessment phase, OMB required identification of mission-critical systems and assessment of each system for Y2K compliance.

Mission-Critical System Identification. USARAK completed its identification of 72 mission-critical systems on March 31, 1999. Subsequently, as of September 27, 1999, USARAK showed only 62 mission-critical systems. Ten of the 62 mission-critical systems are unique to USARAK, as opposed to global Army or DoD-wide systems. The 10 USARAK-unique mission-critical systems are reported to the USPACOM Y2K Reporting Database; while the 52 global systems, which are also part of the USARAK identified mission-critical systems, are reported by the program managers or system owners of those global systems to the DoD Y2K Reporting Database.

Mission-Critical System Reporting to the DoD Y2K Database. The Assistant Secretary of Defense (Command, Control, Communications, and Intelligence) memorandum, "Year 2000 (Y2K) Compliance-FY 1999 Reporting Requirements," September 23, 1998, states that the Military Departments, the Commanders-in-Chief, and the Defense Agencies are responsible for consistent, accurate and timely submission of Y2K information to the DoD Y2K Reporting

Database. Those organizations are to input information concerning their mission-critical systems directly into the DoD Y2K Reporting Database.

USPACOM developed its own Y2K database of theater mission-critical systems, since data fields do not exist on the DoD Y2K Reporting Database to identify users of systems. USPACOM required its headquarters, sub-unified, and Component commands to report their unique mission-critical systems to the USPACOM Y2K database. Using that information, USPACOM determined which theater-unique mission-critical systems would be reported to the DoD Y2K Reporting Database as mission-critical for the Pacific theater. Currently, USPACOM reports 10 mission-critical systems to the DoD Y2K Reporting Database, although USPACOM has over 900 mission-critical systems shown in its own database. However, USPACOM did not report any USARAK-unique mission-critical systems as theater mission-critical systems.

Accuracy of the Y2K Assessment. The accuracy of USARAK assessments may be questionable. USARAK reported, as of March 31, 1999, that of 72 systems, 52 were Y2K compliant and 20 were not. However, the accuracy of the individual system assessments was questionable. For example, USARAK assessed the Departmental Local Area Network communications system as mission-critical and Y2K compliant. The system is owned by USARPAC and comprises Government off-the-shelf and commercial off-the-shelf equipment and software. However, USARAK did not know the Y2K status of that equipment and software. USARAK should have obtained Y2K information on the system's components in order to verify its assessment.

Compliance of Mission-Critical Systems. USARAK reports show progress in the renovation of mission-critical systems. One mission-critical system, the truck radio system for Fort Richardson, was still reported as non-compliant as of September 27, 1999.

U.S. Army Alaska Year 2000 Contingency Plans

USARAK was significantly behind in its Y2K contingency planning efforts. It had not met the established DoD contingency planning deadlines and may not be able to adequately complete and exercise its Y2K contingency planning efforts by January 1, 2000, unless more vigorous Y2K efforts are implemented.

Y2K Contingency Plan. The DoD Management Plan states that two types of contingency plans are required as part of the risk management program to mitigate the impact of Y2K problems: system contingency plans and operational contingency plans (also referred to as continuity of operations plans). Contingency plans are required for all systems, regardless of whether a system is Y2K compliant or not. Further, the DoD Management Plan required that DoD Components:

- complete mission-critical system contingency plans no later than December 30, 1998;

- complete operational contingency plans by March 31, 1999; and

- exercise all plans by June 30, 1999. (The Army Chief Information Officer established a target date of September 30, 1999, for all plans to be exercised. In addition, the Army directed its components to provide unclassified mission-critical contingency plans to the Army Y2K project office by April 30, 1999.)

System Contingency Plans. System contingency plans detail the procedures necessary to restore a system in the face of all anticipated and unanticipated Y2K disruptions. System contingency planning is a chief information officer responsibility.

Operational Contingency Plans. Operational contingency plans detail the procedures by which the mission or function supported by the system(s) will be continued during any prolonged disruption of that support. Operational contingency planning is a chief executive officer responsibility. Operational contingency planning also encompasses different levels of planning: system-level planning and organizational-level planning.

- System-level planning contains the planning necessary to continue operations when the support from a single system or group of closely related systems is disrupted. Such planning would generally include highly detailed procedures for effecting any workarounds, including lists of resources, training, and other necessary items.

- Organizational-level planning contains the planning necessary to continue the primary mission or function of the organization when any of the supporting mission-critical systems are disrupted. Organizational-level planning is performed by both operational and support commands.

Programmatic Contingency Plans. Another type of contingency planning plays a key role in the DoD Y2K risk management program. Systems under renovation or under development as replacement systems are required to have programmatic contingency planning documented in the risk management program or as a stand-alone document. Such planning would generally include the alternative actions that should be followed in the event that the implementation of the renovated or replacement system is not completed before January 1, 2000.

Y2K Contingency Plan Validation. In order to assess contingency plans, they must be validated (exercised) to ensure alternatives are realistic and executable. In addition, contingency plans should be reviewed regularly and modified, if required. Conditions change, and contingency planning documents should be dynamic to meet current threats.

Contingency plans are verified primarily through exercises. These are not pass/fail exercises, but rather a structured process to validate the information and procedures contained in the plan.

Types of Contingency Plan Exercises. Three types of exercises are available to verify the viability of contingency plans: tabletop exercises, procedure verification exercises, and actual operations exercises. Requirements for exercising contingency plans vary.

Tabletop Exercises. A tabletop exercise is a structured and facilitated discussion of all actions to be taken in response to an exercise scenario. Tabletop exercises may be used to select the procedures adopted by the contingency plan. The exercises normally involve selecting a wide range of participants so that all users, support staff, and administrators are represented. Tabletop exercises provide the big picture, with discussions encompassing the entire group. Tabletop exercises cause no interruption to an operating system and may be conducted at relatively low costs.

Procedure Verification Exercises. A procedure verification exercise includes a review of the operations in the contingency plan to verify that they support the recovery strategy. Procedure verification exercises offer the benefit of conducting the exercise in a continuous fashion, using multiple teams if desired. The exercises provide minimal interruption to a system and may be performed at relatively low costs.

Actual Operations Exercises. An actual operations exercise examines the full range of procedures followed when selected systems are disrupted. Actual operations exercises offer the greatest opportunity to conduct training and raise the level of confidence in a contingency plan. They provide the greatest degree of assurance that the contingent actions will work when required.

USARAK Contingency Plans. USARAK had not prepared all required contingency plans by the established DoD deadlines. As of June 4, 1999, USARAK had prepared contingency plans for only 38 of its then 72 (now 62)* mission-critical systems.

In addition, some of the contingency plans did not include operational contingency plans. We selected 10 of the 38 contingency plans for our review. However, USARAK could only provide 5 of the 10 contingency plans. Three of those plans did not include USARAK-specific operational contingency plans. Furthermore, for one mission-critical system, the Lightweight Tactical Fire Direction System (LTACFIRE), USARAK officials stated that a contingency plan was not being developed because the system was Y2K compliant. The LTACFIRE is a legacy system that is scheduled to be replaced in March 2000 by the Lightweight Computer Unit system. During a 2-month period (from

*On September 27, 1999, USARAK reduced its mission-critical systems by 10 and reported only 62 mission-critical systems.

January 2000 to March 2000), LTACFIRE would still be used until the new system comes on line. USARAK needs to develop a contingency plan as required by the DoD Management Plan.

The USARAK Y2K coordinator informed us on June 1, 1999, that USARAK would prepare the remaining contingency plans and exercise them through an actual operations exercise by the established DoD deadline of June 30, 1999. As of September 27, 1999, USARAK had prepared 57 contingency plans. USARAK may not be able to adequately prepare and exercise the 62 contingency plans by January 1, 2000, unless vigorous Y2K efforts are implemented.

Prioritization and Coordination of the Year 2000 Contingency Plans

USARAK Y2K program management had not developed plans to prioritize and coordinate Y2K workarounds. As discussed in finding A for ALCOM, USARAK needed to prioritize workarounds to ensure critical mission accomplishment if resources prove inadequate and coordinate workarounds outlined in its Y2K contingency plans to ensure sufficient resources are in place if simultaneous workaround measures are implemented.

U.S. Army Alaska Year 2000 Efforts

USARAK was significantly behind in its Y2K contingency planning, testing, prioritization, and coordination efforts because USARAK had not established a vigorous Y2K management program.

USARAK, according to USARAK Y2K officials, was behind in its Y2K efforts because it had not received formal Y2K program guidance or instructions from USARPAC, operational higher headquarters of USARAK. In response to Inspector General, DoD, Report No. 99-126, "Strategic Communications Organizations," April 6, 1999, USARPAC stated it had closely monitored and assisted its subordinate commands' Y2K efforts. In addition, USARPAC stated it had developed and disseminated a Y2K planning guidance document on January 16, 1998. Furthermore, guidance was provided by messages, letters, and email.

In addition, according to USARAK Y2K officials, USARAK had not officially initiated formal Y2K efforts until March 1999. Efforts were initiated at that time in response to a March 16, 1999, Commander, ALCOM, memorandum that tasked USARAK to publish a Y2K OPORD to supplement the ALCOM OPORD.

As a result of the delayed Y2K efforts undertaken by USARAK, the risk of Y2K-related disruption to the USARAK mission had not yet been effectively addressed and minimized.

Management Comments on Finding B and Audit Response

Summaries of management comments on the finding and our audit response are in Appendix C.

Recommendations, Management Comments, and Audit Response

B. We recommend that the Commander, U.S. Army Alaska, immediately implement vigorous efforts to:

1. Verify the accuracy of year 2000 assessments of mission-critical systems.

Management Comments. USARAK concurred, stating that it will increase its monitoring of risk assessments as provided by the individual Program Management Offices, which are responsible for risk assessments, not USARAK.

Audit Response. USARAK has misinterpreted our recommendation. We did not discuss in this report the monitoring of risk assessments. We stated that USARAK should verify the accuracy of its Y2K assessments of mission-critical systems. This includes verifying the Y2K compliance of:

- the commercial-off-the-shelf and/or government-off-the-shelf systems by contacting the vendors and
- USARAK owned unique systems and software.

We request that USARAK provide additional comments in response to the final report.

2. Develop and exercise year 2000 contingency plans for mission-critical systems.

Management Comments. USARAK concurred, stating that it assumed this recommendation addressed system contingency plans and that USARAK would increase its monitoring of system contingency plans as provided by the functional manager.

Audit Response. The USARAK comments were partially responsive. As discussed in page 10 of this report, the DoD Management Plan requires two types of contingency plans to mitigate the impact of Y2K problems: system contingency plans and operational contingency plans. USARAK should develop and exercise both system and operational contingency plans for its unique mission-critical systems. In addition to monitoring system contingency plans provided by functional managers, USARAK should also develop and exercise operational contingency plans for those mission-critical systems that are owned by functional managers but used by USARAK. We request that USARAK provide additional comments in response to the final report.

3. Prioritize and coordinate workarounds outlined in its year 2000 contingency plans to ensure that sufficient resources are in place for the accomplishment of U.S. Army Alaska critical missions should workarounds be employed simultaneously.

Management Comments. USARAK concurred, stating that it will continue to research and identify continuity of operations plans to see if the plans meet the Y2K operational contingency requirements. USARAK also stated it would develop specific Y2K operational contingency plans.

Audit Response. We considered USARAK comments to be applicable to Recommendation B.2. Apparently, USARAK has misinterpreted Recommendation B.3. USARAK needs to first develop Y2K operational contingency plans. Subsequently, USARAK needs to prioritize and coordinate resource requirements of workarounds outlined in its Y2K contingency plans (both system and operational). We hope that this clarification is useful and we request that USARAK provide additional comments in response to the final report.

Appendix A. Audit Process

This is one in a series of reports being issued by the Inspector General, DoD, in accordance with an informal partnership with the Chief Information Officer, DoD, to monitor DoD efforts to address the Y2K computing challenge. For a list of audit projects addressing the issue, see the Y2K web pages on the IGnet at http://www.ignet.gov/.

Scope and Methodology

We reviewed and evaluated the steps ALCOM and Component commands had taken to resolve their Y2K issues to avoid mission disruptions. Specifically, we evaluated ALCOM Y2K program management, the coordination of Y2K contingency plans by ALCOM for mission-critical systems, and ALCOM Y2K outreach coordination with civil authorities and other Federal agencies in Alaska. In addition, we obtained background information concerning Y2K coordination for forces deploying out of ALCOM for a future audit. We met with the Y2K focal points for ALCOM, USARAK, the 11th Air Force, and the State of Alaska to obtain and assess the status of Y2K efforts and coordination with local officials. We compared those Y2K efforts against criteria described in the DoD Management Plan.

DoD-Wide Corporate-Level Goals. In response to the Government Performance and Results Act, DoD established 6 DoD-wide corporate-level performance objectives and 14 goals for meeting the objectives. This report pertains to achievement of the following objective and goal.

> **Objective:** Prepare now for an uncertain future.
> **Goal:** Pursue a focused modernization effort that maintains U.S. qualitative superiority in key war fighting capabilities. **(DoD-3)**

DoD Functional Area Reform Goals. Most major DoD functional areas have also established performance improvement reform objectives and goals. This report pertains to achievement of the following objectives and goals in the Information Technology Management Functional Area.

- **Objective:** Become a mission partner.
  Goal: Serve mission information users as customers. **(ITM-1.2)**

- **Objective:** Provide services that satisfy customer information needs.
  Goal: Modernize and integrate DoD information infrastructure. **(ITM-2.2)**

- **Objective:** Provide services that satisfy customer information needs.
  Goal: Upgrade technology base. **(ITM-2.3)**

High-Risk Area. In its identification of risk areas, the General Accounting Office has specifically designated risk in resolution of the Y2K problem as high. This report provides coverage of that problem and of the overall Information Management and Technology high-risk area.

Audit Type, Dates, and Standards. We performed this program audit from May through July 1999 in accordance with auditing standards issued by the Comptroller General of the United States, as implemented by the Inspector General, DoD. We did not use computer-processed data for this audit.

Contacts During the Audit. We visited or contacted individuals and organizations within DoD and the State government of Alaska. Further details are available on request.

Management Control Program. We did not review the management control program related to the overall audit objective because DoD recognized the Y2K issue as a material management control weakness area in the FY 1998 Annual Statement of Assurance.

Appendix B. Summary of Prior Coverage

The General Accounting Office and the Inspector General, DoD, have conducted multiple reviews related to Y2K issues. General Accounting Office reports can be accessed over the Internet at http://www.gao.gov/. Inspector General, DoD, reports can be accessed over the Internet at http://www.dodig.osd.mil/. Final reports related to our audit of "Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility" are listed below.

Inspector General, DoD

Inspector General, DoD, Report No. 99-254, "Operational Evaluation Planning by U.S. Forces Korea," September 16, 1999.

Inspector General, DoD, Report No. 99-245, "Operational Evaluation Planning at U.S. Pacific Command Headquarters," September 2, 1999.

Inspector General, DoD, Report No. 99-163, "Host Nation Support to U.S. Forces Korea," May 17, 1999.

Inspector General, DoD, Report No. 99-126, "Strategic Communications Organizations," April 6, 1999.

Inspector General, DoD, Report No. 99-125, "U.S. Forces Korea," April 7, 1999.

Inspector General, DoD, Report No. 99-086, "III Marine Expeditionary Force," February 22, 1999.

Inspector General, DoD, Report No. 99-085, "Hawaii Information Transfer System," February 22, 1999.

Appendix C. Management Comments on Finding B and Audit Response

USARAK concurred, partially concurred, and nonconcurred with elements of finding B, "Status of the U.S. Army Alaska Year 2000 Program," stating that the report did not accurately indicate USARAK Y2K responsibilities and readiness. We examined the explanation for the USARAK position and concluded that it lacks merit.

Management Comments on the Risk Assessment Responsibility. USARAK stated that the risk assessments for the critical systems are the responsibility of the Program Management Office. USARAK also stated that the report had made USARAK responsible for risk assessments when, in fact, it is not.

Audit Response. We did not discuss in this report either the risk assessments or the responsibility for the risk assessment. We discussed the Y2K assessment phase that requires identifying and assessing each mission-critical system for Y2K compliance. USARAK should be responsible for the identification and assessment of its mission-critical systems for Y2K compliance regardless of system ownership. For example, USARAK should first identify the systems it considers mission-critical. Then USARAK should contact:

- functional managers to assess the Y2K compliance of the systems owned by the individual program management office and
- vendors to assess the Y2K compliance of the commercial-off-the-shelf and/or government-off-the-shelf systems.

In addition, USARAK should assess the Y2K compliance of its unique systems and software.

Management Comments on the System Contingency Plan Responsibility. USARAK stated that development of system contingency plans is the responsibility of the functional managers. USARAK is only responsible for operational contingency plans, which are essentially continuity of operations plans.

Audit Response. We concur that functional managers are responsible for development of system contingency plans for those systems owned by the individual program management office. However, as discussed on page 10 of this report, the DoD Management Plan requires two types of contingency plans to mitigate the impact of Y2K problems: system contingency plans and operational contingency plans. In addition to system contingency plans developed by functional managers, USARAK should develop operational contingency plans for those mission-critical systems that are owned by the

individual program management office. Furthermore, USARAK should be responsible for developing both system and operational contingency plans for its unique mission-critical systems.

Management Comments on the Operational Contingency Plan Responsibility. USARAK stated that the development of operational contingency plans is the responsibility of the using operational command. It stated that the Inspector General, DoD, should have confined its inspection to operational contingency plans and should have accepted, where applicable, existing continuity of operations plans as meeting the criteria for Y2K operational contingency plans.

Audit Response. As discussed on pages 10 and 11 of this report, the DoD Management Plan requires two types of operational contingency planning: system-level contingency planning and organizational-level contingency planning. The existing USARAK continuity of operations plans may meet some of the DoD Management Plan requirements. However, the existing plans should be revised to include reducing the effect of Y2K-induced failures.

Management Comments on the Y2K Assessment. USARAK nonconcurred with the finding that the accuracy of its mission-critical systems identifications and assessments was questionable. It stated that fluctuations in the number of mission-critical systems were a result of changes in system prioritization and were not indicators of an accuracy problem. Since the audit, the Departmental Local Area Network had successfully completed two operational evaluations that confirmed its readiness.

Audit Response. We agree that mission-critical systems should be prioritized for criticality within the universe of USARAK mission-critical systems and the decrease from 72 to 62 does not reflect an accuracy problem. The finding addresses the accuracy of the assessment. As discussed on page 10 of this report, USARAK assessed the Departmental Local Area Network communications system as Y2K compliant. However, it did not know the Y2K status of the system's components. Therefore, USARAK inaccurately assessed the system's Y2K compliance. We did not state whether the system's components would successfully complete the operational evaluations or not. We stated USARAK should have obtained Y2K information on the system's components in order to verify the accuracy of its assessment.

Management Comments on the Y2K Contingency Plans. USARAK nonconcurred with our conclusion that USARAK will not be able to adequately complete and exercise its Y2K contingency plans by January 1, 2000, stating that USARAK had already taken steps to ensure contingency planning is completed and exercises are conducted well before January 1, 2000.

Audit Response. We consider our conclusion on the Y2K contingency plans to be valid. As of June 4, USARAK had prepared 38 contingency plans. During the period from June 4 through September 27, 1999, USARAK prepared 19 additional contingency plans: an average of 5 plans per month. At that rate,

USARAK may have time to complete all 62 contingency plans but may not have time to exercise them by the end of December 1999, unless more vigorous Y2K efforts are implemented.

Management Comments on the Prioritization and Coordination of the Y2K Workarounds. USARAK nonconcurred with the finding that USARAK had not developed plans to prioritize and coordinate Y2K workarounds, stating that USARAK had clearly stated and coordinated its workarounds within the contingency planning documents and the USARAK OPORD.

Audit Response. We consider the finding on the prioritization and coordination of the Y2K workarounds to be valid because USARAK had not prepared all required contingency plans. USARAK cannot prioritize or coordinate the workarounds until it completes all required contingency plans.

Management Comments on Y2K Efforts. USARAK nonconcurred with the report's statement that USARAK was significantly behind in its Y2K contingency planning, testing, prioritization, and coordination because USARAK had not established an aggressive and vigorous Y2K implementation program. USARAK stated that this statement does not accurately reflect the USARAK Y2K efforts. USARAK stated that the initial Y2K efforts focused on Information Technology Y2K hardware and software compliance and on infrastructure (non-Information Technology), such as power and water. In February 1999, the Y2K effort changed its focus to operational contingency plans and the USARPAC sent out formal tasking and guidance. In those instances where continuity of operations plans cannot address the Y2K operational contingency, USARAK will write specific Y2K contingency plans.

Audit Response. We consider the statement to be valid because USARAK was significantly behind in its Y2K contingency planning, testing, prioritization, and coordination efforts. The DoD Management Plan required the completion of operational contingency plans by March 31, 1999, and exercise of all plans by June 30, 1999. USARAK has not completed the operational contingency plans. Accordingly, we concluded that USARAK had not established a vigorous Y2K management program.

Appendix D. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense for Acquisition and Technology
  Director, Defense Logistics Studies Information Exchange
Under Secretary of Defense (Comptroller)
  Deputy Chief Financial Officer
  Deputy Comptroller (Program/Budget)
Under Secretary of Defense for Personnel and Readiness
Under Secretary of Defense for Policy
Assistant Secretary of Defense (Command, Control, Communications, and Intelligence)
  Deputy Assistant Secretary of Defense (Command, Control, Communications, Intelligence, Surveillance, Reconnaissance, and Space Systems)
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Commander in Chief, U.S. Pacific Command
  Commander in Chief, U.S. Forces Korea
  Commander, Alaskan Command
Commander in Chief, U.S. Atlantic Command
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  Chief Information Officer, Defense Information Systems Agency
  United Kingdom Liaison Officer, Defense Information Systems Agency
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  Inspector General, National Imagery and Mapping Agency
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  Inspector General, National Security Agency

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Non-Defense U.S. Government Individual

Lieutenant Governor, State of Alaska

Congressional Committees and Subcommittees, Chairman and Ranking Minority Member

Senate Committee on Appropriations
Senate Subcommittee on Defense, Committee on Appropriations
Senate Committee on Armed Services
Senate Subcommittee on Acquisition and Technology, Committee on Armed Services
Senate Committee on Governmental Affairs
Senate Special Committee on the Year 2000 Technology Problem
House Committee on Appropriations
House Subcommittee on Defense, Committee on Appropriations
House Committee on Armed Services
House Committee on Government Reform
House Subcommittee on Government Management, Information, and Technology, Committee on Government Reform
House Subcommittee on National Security, Veterans Affairs, and International Relations, Committee on Government Reform
House Subcommittee on Technology, Committee on Science

Alaskan Command Comments

HEADQUARTERS
ALASKAN COMMAND (ALCOM)
ELMENDORF AIR FORCE BASE, ALASKA 99506

AUG 9 1999

MEMORANDUM FOR DOD INSPECTOR GENERAL

FROM: COMALCOM
9480 Pease Avenue, Suite 101
Elmendorf AFB AK 99506-2100

SUBJ: Audit Report on Year 2000 issues within the US Pacific Command's Area of Responsibility - Alaskan Command (Project No 8CC-0049.08)

1 I appreciate the constructive critique of Alaskan Command's Y2K management program recently completed by the DoD Inspector General Anytime expert eyes evaluate one of our programs we stand to benefit greatly. I concur with both recommendations as outlined in the draft report.

2. As recommended, I will continue to track and monitor the renovation of non-compliant mission critical systems ALCOM has only two non-compliant mission critical systems remaining: Fort Richardson's water production plant, and Elmendorf's command and control network backbone. I previously took action to ensure renovation and fully expect certification by 30 Aug 99 and 30 Oct 99 respectively.

3 Based on a preliminary recommendation and as noted in the report, I took corrective action to ensure ALCOM has sufficient communication resources within its area of responsibility to support Y2K contingency plans.

4. I concur with the recommendation to prioritize workarounds to offset negative impact of possible simultaneous workaround failures. I previously took action on this recommendation by outlining workaround system restoration priority as depicted in the attached extract of ALCOM's OPORD 5220-99 dated 30 Apr 99

5. ALCOM remains committed to a first-class Y2K preparation effort and is ready to provide any additional information or assistance. Please feel free contact my Y2K project officer, Lt Col Bill Turner, commercial (907) 552-2607, DSN 317-552-2607 or e-mail turner.william@elmendorf.af.mil as needed.

Thomas R. Case
THOMAS R. CASE
Lieutenant General, USAF
Commander

Atch
ALCOM OPORD 5220-99 (30 Apr 99) extract

Guardian of the North

U.S. Army Alaska Comments

DEPARTMENT OF THE ARMY
HEADQUARTERS, U.S. ARMY ALASKA
[illegible] RICHARDSON DRIVE [illegible]
FORT RICHARDSON, ALASKA [illegible]

APVR-RIR (36-5C)

MEMORANDUM THRU United States Army, Pacific, ATTN: APCS (COL Tucker), Fort Shafter, Hawaii 96858-5100

FOR Inspector General, Department of Defense, ATTN: Shelton R. Young, Director, Readiness and Logistics Support Directorate, 400 Army Navy Drive, Arlington, Virginia 22202

SUBJECT: USARAK Command Comments on the draft report on Audit of Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility - Alaskan Command (Project No. 8CC-0049.08).

1. Reference Memorandum, Office of the Inspector General, Department of Defense, 28 July 99, subject: draft report on Audit of Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility - Alaskan Command (Project No. 8CC-0049.08).

2. The USARAK comments are addressed to DOD IG's draft audit finding B. Before responding to these issues, there are some areas pertaining to command relationships and Y2K responsibilities that should be addressed.

a. USARAK is the ground component command (GCC) to the sub-unified command ALCOM and is under the operational control (OPCON) of ALCOM. USARAK is also a major subordinate command (MSC) to USARPAC and is under the Administrative Command/Control (ADCOM/ADCON) of USARPAC. Therefore, USARAK has dual reporting and functional responsibilities. USARPAC, having ADCOM, has Title X responsibilities to USARAK, that is to man, train and equip the force. By extension the Y2K issue meets this Title X criteria.

b. Risk assessments for the critical systems are the responsibility of the Program Management Office (PMO), e.g., SINCGARS risk assessments are to be done by CECOM, the PMO.

c. System contingency plans development are the responsibility of the functional proponent, e.g., SINCGARS systems contingency plans are to done by DSCOPS, the functional proponent.

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SUBJECT: USARAK Command Comments on the draft report on Audit of Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility - Alaskan Command (Project No. 8CC-0049.08).

d. Operational contingency plans development are the responsibility of the using operational command, e.g., if SINCGARS fails how will USARAK continue to operate. This is essentially a continuity of operation (COOP) issue of which Y2K is a subset.

The DoDIG report has made USARAK responsible for risk assessments when, in fact, it is not, because it is the PMO's responsibility and USARAK is not the PMO. The report also makes USARAK responsible for contingency plans, when, in fact, USARAK is only responsible for operations contingency plans, which are essentially COOP plans. The functional proponent, which USARAK is not, is responsible for the other half of contingency planning, i.e., systems contingency plans. In both the risk assessment and systems contingency plans USARAK has no control. USARAK can only control the area of operational contingency plans and in many cases these are procedural in nature. Therefore, the DoDIG should have confined its inspection to operational contingency plans and should have accepted, where it was applicable, existing continuity of operations plans as meeting the criteria for Y2K operations contingency plans.

3. **Finding B: Status of the United States Army Alaska (USARAK) Year 2000 Program.**

USARAK Comments: USARAK **Partial-Concurrence** with comment that the DoD IG Team findings are not an accurate indicator of USARAK's Readiness. There was a change in the Office of Primary Responsibility (OPR) from DOIM to DCSOPS in late April 1999. The process in which Y2K actions were handled within USARAK, both while under DOIM responsibility and subsequently under DCSOPS, could have been managed more effectively. However, the actions taken by the USARAK Y2K Team, staff, and system administrators to prepare for the Y2K transition have been well coordinated and executed.

U.S. Army Alaska Year 2000 Assessment.

DoD IG Status: "USARAK was months behind in its Y2K assessment efforts. USARAK did not meet the established Y2K assessment deadline and the accuracy of its mission-critical system identifications and assessments was questionable."

USARAK Comments: USARAK **concurs** that they are months behind in its Y2K assessment efforts and did not meet established Y2K assessment deadlines. USARAK did not meet the established Y2K Assessment Phase completion date of June 30, 1997. However USARAK **nonconcurs** with DoD IG's finding that the accuracy of its mission-critical system identifications and assessments are questionable.

Deleted "identifications and"

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SUBJECT: USARAK Command Comments on the draft report on Audit of Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility - Alaskan Command (Project No. 8CC-0049.08).

The fluctuations in the number of Mission Critical Systems are a result of changes in system prioritization and are not indicators of an accuracy problem. The DoD IG finding was based on the USARAK Departmental Local Area Network (DLAN). The DLAN has since successfully completed two OPEVALS that confirmed its readiness.

U.S. Army Year 2000 Contingency Plans.

DoD IG States: "USARAK was also significantly behind in its Y2K contingency planning efforts. It has not met the established DoD contingency planning deadlines and will not be able to adequately complete and exercise its Y2K contingency planning efforts by January 1, 2000, unless aggressive and vigorous Y2K efforts are implemented."

USARAK Comments: USARAK concurs with comment that they are behind the DoD Timeline for developing Contingency Plans. The USARAK Operations Order (OPORD) 5220, published in July 1999, tasked all the subordinate elements to prepare and test system and operational contingency plans (workaround plans) for Mission Critical Systems. USARAK is making good progress toward completing these requirement IAW ALCOM guidelines.

USARAK nonconcurs with the comment they will not be able to adequately complete and exercise its Y2K contingency planning efforts by January 1, 2000. USARAK has already taken steps to ensure contingency planning and exercises are conducted well before January 1, 2000. USARAK published its own Y2K Operations Order in July 1999 and is making satisfactory progress in meeting all of ALCOM's Y2K Goals. All subordinate units are producing contingency plans on their mission-critical ystems. USARAK validated some of these contingency plans in the 3 June 1999 ALCOM Y2K CPX. The rest of these plans will be validated in exercises conducted in late summer and autumn.

Coordination and Prioritization of the Year 2000 Workarounds.

DoD IG States: "USARAK Y2K program management had not developed plans to coordinate and prioritize Y2K Workaround . . ."

USARAK Comments: USARAK nonconcurs with DoD IG statement that USARAK had not developed plans to coordinate and prioritize Y2K Workarounds. It is not clear as to the justification the DOD IG Team used to base this finding. USARAK has clearly stated and coordinated its workarounds within contingency planning documents and the USARAK OPORD 5220-99.

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SUBJECT: USARAK Command Comments on the draft report on Audit of Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility - Alaskan Command (Project No. 8CC-0049.08).

U.S. Army Alaska Year 2000 Efforts.

DoD IG States: "USARAK was significantly behind in its Y2K contingency planning, testing, coordination, and prioritization efforts because USARAK had not established an aggressive and vigorous Y2K management program."

USARAK Comments: USARAK nonconcurs with comment on DoD IG statement. USARAK does not agree with the DoDIG statement because it does not accurately reflect the USARAK Y2K effort. The initial Y2K effort focused on Y2K hardware and software compliancy on the Information Technology (IT) portion. This was carried out on a DOIM to DOIM level. The other portion of this initial effort addressed the non-IT or infrastructure, e.g., power, water, etc., and addressed by the installation commanders. These two baseline efforts reached maturity in February 1999 and are nearly complete. In February of 1999, the Y2K effort changed its focus to operations contingency plans and the USARPAC DCSOPS sent out formal tasking and guidance. USARAK is currently reviewing its continuity of operations (COOP) plans to see if it is applicable to Y2K. In those instances where COOP cannot address the Y2K operational contingency, USARAK will write specific Y2K contingency plans. Within this context, USARAK does not foresee any problems in completing all required Y2K actions well before 1 January 2000 deadline.

4. **Recommendations.**

DoD IG States: "We recommend that the Commander, U.S. Army Alaska, immediately implement aggressive and vigorous efforts to:

1. Verify the accuracy of year 2000 assessments of mission-critical systems.

2. Develop and exercise year 2000 contingency plans for mission-critical systems.

3. Perform the coordination of workarounds outlined in contingency plans to verify that sufficient resources are in place and to establish priorities to provide for the accomplishment of U.S. Army Alaska critical missions."

USARAK Comments: B-1 through B-3 Recommendations: CONCUR

Recommendation B-1. USARAK will increase its monitoring of risk assessments as provided by the Program Management Office. Rationale: The Program Management Office is responsible for risk assessments not USARAK.

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APVR-RIR [36-5C]
SUBJECT: USARAK Command Comments on the draft report on Audit of Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility - Alaskan Command (Project No. 8CC-0049.05).

Recommendation B-2. USARAK is uncertain as to the difference between this recommendation and the third recommendation. However USARAK assumes that this recommendation addresses systems contingency plans. If this assumption is correct, then USARAK will increase its monitoring of systems contingency plans as provided by the functional manager. Rationale: Systems contingency plans are the responsibility of the functional manager and USARAK is not the functional manager.

Recommendation B-3. USARAK will continue to research and identify its continuity of operations plans to see if they meet the Y2K operations contingency requirements. As required, USARAK will develop specific Y2K operations contingency plans. USARPAC is ready to provide assistance upon our request. Rationale: Operations contingency plans are the end users responsibility and USARAK is the end user.

5. USARAK is confident that it will meet all of the critical Y2K time lines and will continue to work closely with ALCOM and USARPAC to ensure its combat readiness.

6. Point of contact for this action is Mr. Nayer M. Mahmoud, DSN (317) 384-7364, Commercial (907) 384-7364.

FOR THE COMMANDER:

ANTHONY M. COROALLES
COL, IN
Acting Chief of Staff

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Audit Team Members

The Readiness and Logistics Support Directorate, Office of the Assistant Inspector General for Auditing, DoD, prepared this report. Personnel of the Office of the Inspector General, DoD, who contributed to this report are listed below.

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