

H. CARL McCALL
STATE COMPTROLLER



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

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER

June 18, 1999

Mr. Nathan L. Rudgers
Commissioner
Department of Agriculture and Markets
1 Winners Circle
Albany, NY 12205

Re: Report 99-Y-32

Dear Mr. Rudgers:

To assist in your oversight of the Department of Agriculture and Markets' (Department) Year 2000 compliance progress, we reviewed selected steps being taken by the Department, as of May 20, 1999, to make the Licensing/Registration System (LRS) and the Inspection/Testing System (ITS) Year 2000 compliant. These systems have been designated "high priority" by New York State's Office for Technology (OFT), which is responsible for overseeing the State's Year 2000 readiness. LRS is used to administer licenses and registrations for approximately 20 of the Department's programs. The system processes renewals, licensing and registration information, and delinquent licenses. ITS tracks and reports on food safety inspections and the testing of food establishments.

The steps we selected for review pertained to Year 2000 project planning and management, Year 2000 system testing, identification and correction of system data exchanges, and the establishment of contingency plans for continuing important business and service functions in the event of a Year 2000-related failure.

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

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

- Efforts to correct LRS and ITS were covered by a written Year 2000 project plan and schedule and Department management monitored the efforts.
- There were plans for testing LRS and ITS and guidance was available for completing testing.
- All data exchanges with LRS and ITS have been identified and appropriate correction of data exchanges have been made.
- The Department has prepared draft contingency plans to ensure the continuance of business and service functions that are dependent on these systems. We encourage the Department to continue its contingency planning process.

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

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

Very truly yours,

Frank J. Houston
Audit Director




cc: Dolores Dybas
Lawrence Emminger
Gary Davis

**DEPARTMENT OF AGRICULTURE AND MARKETS
YEAR 2000 ASSESSMENT QUESTIONNAIRE
LICENSING/REGISTRATION SYSTEM (LRS)
AND INSPECTION/TESTING SYSTEM (ITS)**

TABLE

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

Legend:

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

Review Findings:










| | YEAR 2000 STEPS | STATUS | COMMENTS |
|---|--|---------------|---|
| | A. PROJECT PLANNING & MANAGEMENT | | |
|  | A1. Is there a written Year 2000 project plan (Plan) and does it include/identify steps needed to correct the systems in question? | Yes | The Department developed a written Plan and schedule that included steps needed to remediate LRS and ITS. |
|  | A2. Does the Plan (or any other available records) define what is meant by "compliance" when describing systems at the agency which are Year 2000 ready? | Yes | The Department uses OFT's definition of compliance. |
|  | A3. Are there written schedules covering the time frame for achieving compliance for the systems in question? | Yes | Detailed schedules for achieving compliance of LRS and ITS are in place. |
|  | A4. Is progress toward completion of the schedules for the systems in question being monitored? | Yes | Project completion was monitored through daily discussions by the project team and monthly meetings with executive management. Progress is reported quarterly to OFT. |

TABLE (Cont'd.)

| | YEAR 2000 STEPS | STATUS | COMMENTS |
|---|--|---------------|---|
|  | A5. Are the systems in question meeting the schedules (no significant slippage being reported)? | Yes | LRS and ITS have been tested and in production since January 1999. No slippage was reported. |
| | B. TEST PLANS | | |
|  | B1. Are there documented test plans and do they include/identify steps needed to ensure that the systems in question will process as expected after they have been corrected to comply with Year 2000? | Yes | The Department developed a test plan which includes methodology and guidance for testing applications. LRS and ITS had their own test plans. |
| | C. DATA EXCHANGES | | |
|  | C1. Have all data exchange partners/interfaces for the systems in question been identified and included on written inventory records? | Yes | All data exchanges and partners have been identified and included in written inventory records. |
|  | C2. Have data exchange interfaces been considered in the overall Plan and the test plans covering the systems in question? | Yes | Data exchanges have been considered in the Department's overall Plan, as well as the test plans for the LRS and ITS. |
| | D. CONTINGENCY PLANS | | |
|  | D1. Are written business contingency plans in place for the systems in question and do the plans specify steps for completing vital business functions if the systems in question are noncompliant or inoperable for Year 2000 purposes? | Yes | The Department has prepared a draft contingency plan in accordance with OFT guidelines that covers LRS and ITS, and is in the process of finalizing the plan. |