

NOTE 21 Year 2000 Project

Organizations that depend on computerized systems could be susceptible to system failures or processing errors in the year 2000. The problem exists because many existing computer programs use only the last two digits to refer to a year. Consequently, these computer programs do not properly recognize a year that begins with "20" instead of the familiar "19." The same problem could also affect equipment that depends on microprocessors to govern their operations.

Organizations dependent on computerized systems and other electronic equipment for reporting their financial affairs and managing critical areas of their operations must implement conversions so the difference between "99" and "00" is recognized as one year instead of negative 99 years. Organizations that achieve a validated conversion are considered to be year 2000 compliant.

Typically, the conversion progresses through the following four stages:

- The organization becomes aware of the need to convert its systems, and establishes a project plan and budget for dealing with its year 2000 issues.
- The organization *assesses* the actual work to be done by identifying (all of its mission-critical ) systems and their individual components as well as systems and equipment critical to conducting operations.
- The organization actually makes changes to its systems and equipment during the *remediation* stage.
- The organization *tests and validates* changes made during the remediation stage.

The County has initiated a program to prepare both its critical computer systems and other electronic equipment critical to its operations for the year 2000. At June 30, 1998, based on information provided by the Board of Supervisors' Year 2000 staff, 42 of those systems and equipment were generally in the assessment stage, 34 were in the remediation stage, 1 was in the awareness stage, and 3 have completed the testing and validation stage. County management expects all of the County's systems and equipment to be compliant prior to January 1, 2000. As of June 30, 1998, \$ 116,000 was contractually committed to complete the project, with a significant amount of the work being completed by in-house staff.