

M-99-16, Business Continuity and Contingency Planning for the Year 2000

May 13, 1999

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MEMORANDUM FOR THE HEADS OF SELECTED AGENCIES

FROM: Jacob J. Lew
Director

SUBJECT: Business Continuity and Contingency Planning for the Year 2000

As we complete the work of fixing the Year 2000 computer problem in Federal systems, we must turn our attention to assuring that our organizations will function smoothly through the Year 2000 transition. That involves both work we continue to do to prevent Year 2000 problems from occurring as well making preparations in advance for problems that could affect our organizations. On March 26, I asked that you work with other Federal agencies, State and Local governments, and others to assure that high impact programs will operate smoothly through the Year 2000. I now ask that we work together to prepare and share our business continuity and contingency plans (BCCPs) for addressing problems that may occur.

Many of you already have such planning well underway. Others may be in the early stages of planning. If your agency is identified in the attachment, please provide a copy of your high-level plan to OMB no later than June 15, 1999. The plan should be written from headquarter's perspective and should describe the agency's overall strategy and process for ensuring readiness of key programs and functions across the agency, rather than provide information on specific systems. This high level plan, like your agency-wide BCCP, should follow the guidance contained in the GAO publication, "Year 2000 Computing Crisis: Business Continuity and Contingency Planning" (August 1998).

I am requesting this information to facilitate the coordination of these activities across agencies, to help ensure that we are all addressing the many risks presented by the Year 2000 problem and, where appropriate, using comparable assumptions in developing our plans. While I am asking for plans as of June 15, I anticipate that development and testing of these plans will be an on-going process for the remainder of the year as more information is known about what is likely to occur in January and as we learn from testing the plans.

Consistent with information about the likely impact of Year 2000 released earlier this month by the President's Council on Year 2000 Conversion, we identified a number of risk areas for which agencies should make common assumptions. We expect that agencies will assume for purposes of preparing their business continuity and contingency plans that electric power, natural gas, water service, waste treatment, financial services, transportation, public voice and data communications, the Internet, mail service, and the mass media will be available domestically, although it is possible that there will be localized disruptions in some areas. Each regional and field office should work closely with their local providers to assure that these assumptions are true for their local planning. Internationally, the State Department, in cooperation with other agencies, is gathering information on a country-specific basis. The State Department has designated the Head of Mission in each country to be the U.S. lead on Y2K issues there, and agencies with interests overseas should work with the State Department to understand the risks to their operations and to develop appropriate assumptions.

In addition, a number of other risks to Federal organizations have been identified that should be addressed in individual agency plans. These risks include possible problems in internal systems, the potential problems in commercial products, readiness of suppliers, readiness of those with whom data is exchanged, and the level of awareness of and reaction by an agency's constituency. We expect that each agency's BCCP will address these risks and will follow GAO's guidance in managing against them.

Please send three copies of your headquarters' level BCCP, along with a diskette containing the plan in WordPerfect format, to:

OMB Docket Library
New Executive Office Building
725 - 17th Street, NW, Suite 10102
Washington, DC 20503
Attn: Ms. Pamela Beverly

Any questions about the submission of the report should be directed to Ms. Pam Beverly at 202-395-6881. Any questions about this guidance should be directed to Ms. Virginia Huth at 202-395-6929.

In order to minimize any Year 2000 problems, and come as close as possible to "business as usual," we need to share information, plan ahead, and work together. I appreciate your continued efforts to ensure that Federal programs will not fail.

cc: Agency Chief Information Officers

Attachment A – Selected Agencies

Department of Agriculture
Department of Commerce
Department of Defense
Department of Education
Department of Energy
Department of Health and Human Services
Department of Housing and Urban Development
Department of the Interior
Department of Justice
Department of Labor
Department of Transportation
Department of the Treasury
Department of Veterans Affairs
Environmental Protection Agency
National Aeronautics and Space Administration
Social Security Administration
Agency for International Development
Central Intelligence Agency
Federal Emergency Management Agency
General Services Administration
National Science Foundation
Nuclear Regulatory Commission
Office of Personnel Management
Small Business Administration
Federal Communications Commission
Federal Housing Finance Board
National Archives and Records Administration
National Labor Relations Board
Office of Administration, EOP
Peace Corps
Tennessee Valley Authority
U.S. Postal Service
U.S. Trade Representative, EOP
Architectural and Transportation Compliance Board
African Development Foundation

Commodities Futures Trading Commission
Consumer Product Safety Commission
Corporation for National and Community Services
Defense Nuclear Facilities Safety Board
District of Columbia Courts
Equal Employment Opportunity Commission
Export/Import Bank of the United States
Farm Credit Administration
Federal Deposit Insurance Corporation
Federal Energy Regulatory Commission
Federal Labor Relations Authority
Federal Reserve System
Federal Retirement Thrift Investment Board
Federal Trade Commission
John F. Kennedy Center for the Performing Arts
Legal Services Corporation
Marine Mammal Commission
Merit Systems Protection Board
National Credit Union Administration
National Gallery of Art
National Capital Planning Commission
National Mediation Board
National Transportation Safety Board
Neighborhood Reinvestment Corporation Office of the Special Counsel
Office of the U.S. Trade Representative
Overseas Private Investment Corporation
Pension Benefit Guaranty Corporation
Railroad Retirement Board
Securities and Exchange Commission
Selective Service System
Smithsonian Institution
U.S. Arms Control and Disarmament Agency
U.S. Holocaust Memorial Council
U.S. Information Agency
U.S. International Trade Commission
U.S. Soldier's and Airmen's Home