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Audit Report

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

HOST NATION SUPPORT TO U.S. FORCES IN JAPAN

Report No. 00-028 October 28, 1999

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Acronyms

HNS	Host Nation Support
USFJ	U.S. Forces Japan
Y2K	Year 2000

INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-2884

October 28, 1999

MEMORANDUM FOR COMMANDANT OF THE MARINE CORPS
COMMANDER, U.S. FORCES JAPAN
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF THE AIR FORCE (FINANCIAL MANAGEMENT AND COMPTROLLER)
AUDITOR GENERAL, DEPARTMENT OF THE ARMY
DIRECTOR, DEFENSE INFORMATION SYSTEMS AGENCY

SUBJECT: Audit Report on Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility-Host Nation Support to U.S. Forces in Japan (Report No. 00-028)

We are providing this report for information and use. We considered management comments on a draft of this report in preparing the final report.

Comments on the draft report conformed to the requirements of DoD Directive 7650.3 and left no issues unresolved.

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to [redacted] at (703) 604-[redacted] (DSN 664-[redacted] ([redacted]@dodig.osd.mil) or [redacted] at (703) 604-[redacted] (DSN 664-[redacted] ([redacted]@dodig.osd.mil). See Appendix C for the report distribution. The audit team members are listed inside the back cover.

Robert J. Lieberman
Assistant Inspector General
for Auditing

Special Warning

~~**In accordance with Public Law 105-271, 112 Statute 2386, Section 4(f)(3)(A) (reprinted at 15 USC §1 note), Year 2000 Information and Readiness Disclosure Act, information that has been obtained under the auspices of a special year 2000 data gathering request is exempt from disclosure under subsection (b)(3) of section 552 of title 5, United States Code, commonly known as the "Freedom of Information Act," or FOIA, without the express written consent of the provider of the information.**~~

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Office of the Inspector General, DoD

Report No. 00-028 **October 28, 1999**
(Project No. 8CC-0049.06)

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

Host Nation Support to U.S. Forces in Japan

Executive Summary

Introduction. This report 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 DoD adequately planned for and managed year 2000 risks to avoid disruptions to the U.S. Pacific Command's capability to execute its mission. Specifically, we reviewed efforts taken by U.S. forces in Japan to identify and mitigate year 2000 risks associated with host nation support.

Results. When initially audited in June 1999, actions by both the U.S. Forces Japan and the Services and Defense agencies (Components) to address the impact of the year 2000 problem on host nation support provided to U.S. forces in Japan needed improvement. Efforts to identify and mitigate the impact of year 2000 problems on host nation support could have been more comprehensive. Further, U.S. Forces Japan and the Components had not fully addressed the impact of potential year 2000 problems on host nation support in their contingency planning. U.S. Forces Japan and the Components subsequently took action to address those concerns. For details of the audit results, see the Finding section of the report.

Summary of Recommendations. We recommended that the Commander, U.S. Forces Japan, coordinate and complete the assessment of the impact of year 2000 problems on utilities and facilities support provided to U.S. forces in Japan; formally request the Japanese Defense Agency to assist in gathering information regarding efforts to fix year 2000 problems affecting the telecommunications support provided to U.S. forces in Japan; provide results from the implementation of these recommendations to the Components; identify, prioritize, and forward to the U.S. Pacific Command the areas in which the International Interagency Working Group could best assist in obtaining information on the efforts to fix year 2000 problems affecting the host nation support provided to U.S. forces in Japan; and incorporate additional steps into existing host nation support contingency plans to address the potential impact of the year 2000 problem.

We also recommended that the Commander, U.S. Army, Japan; Commander, U.S. Naval Forces, Japan; Commander, U.S. 5th Air Force; Commanding General, III Marine Expeditionary Force; and Commander, Defense Information Systems Agency, Japan, incorporate additional steps into existing host nation support contingency plans to address the potential impact of the year 2000 problem.

Management Comments. The Commander in Chief, U.S. Forces Japan, concurred with, and implemented, the recommendations made to him. U.S. Forces Japan completed assessment of host nation utilities and facilities support; obtained information regarding telecommunications support; provided information obtained to the Services and Defense agencies within Japan; sought the assistance of the Year 2000 Outreach office; and addressed the year 2000 problem in existing host nation support contingency plans. Also, the Commander in Chief, U.S. Pacific Command, endorsed the efforts of U.S. Forces Japan and provided an update of year 2000 efforts. The Commander, U.S. Army, Japan; Commander, U.S. Naval Forces, Japan; Commander, U.S. 5th Air Force; Commanding General, III Marine Expeditionary Force; and Commander, Defense Information Systems Agency, Japan, concurred with, and implemented, the recommendations made to them. Management stated that they have incorporated the unique nature of the year 2000 problem into their host nation support contingency plans. A discussion of management comments is in the Finding section of the report, and the complete text is in the Management Comments section.

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Background

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

The U.S. military is highly dependent upon information technology-computer chips and software. That information technology may not work if the programming cannot handle the Y2K date rollover. Because military operations depend on an infrastructure driven by information technology, commanders must ensure continuity of their mission capability despite Y2K risks of system or information degradation and failure.

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," 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 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 U.S. Pacific Command 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 the U.S. Pacific Command 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.

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

U.S. Forces Japan. USFJ was established on July 1, 1957, to replace the Far East Command. The Far East Command was deactivated when the United Nations Command was transferred to Seoul, Republic of Korea. The United States and Japan, desiring to strengthen the bonds of friendship, encourage closer economic cooperation between their countries, and promote regional stability, entered into the Treaty of Mutual Cooperation and Security on January 19, 1960. The treaty authorizes U.S. military presence in Japan and commits both countries to assist each other in the case of armed attack against Japan. The treaty further established the USFJ area of responsibility as the land areas of the Japanese archipelago and adjoining sea areas for 12 nautical miles.

The USFJ mission stems directly from the treaty and the resulting presence of U.S. forces in Japan. USFJ is responsible for maintaining combat-ready forces; developing plans for the defense of Japan; and being prepared, should contingencies arise, to assume operational control of assigned and attached forces for the execution of those plans. However, in peacetime, the Service commands report to their higher headquarters within the Pacific theater. USFJ is responsible for representing the Commander in Chief, U.S. Pacific Command, in relations with the U.S. Embassy, the Japanese Ministry of Foreign Affairs, and the Japanese Defense Agency. Within the Japanese Defense Agency, the Defense Facilities Administration Agency is contacted for issues involving facilities.

Defense Facilities Administration Agency. The Defense Facilities Administration Agency is the national government executive agency responsible for the oversight of all Japanese Self-Defense Force facilities. It performs administrative work related to the U.S. defense facilities built by the Japanese, including acquisition, construction, and property management of areas and facilities used by U.S. forces in Japan. The agency is composed of the head office and Defense Facilities Administration Bureaus, which serve as regional branch offices. The bureaus are located in eight major cities across Japan: Fukuoka, Hiroshima, Naha, Osaka, Sapporo, Sendai, Tokyo, and Yokohama. In addition, working groups have been established to resolve facilities issues.

The Facilities Adjustment Panel and the Facilities Improvement and Relocation Panel are working groups consisting of USFJ and Defense Facilities Administration Agency personnel who meet to discuss and resolve utilities and facilities issues that affect USFJ, the Services, and Defense agencies. The Facilities Adjustment Panel addresses issues related to utilities, such as power and water, and the Facilities Improvement and Relocation Panel addresses issues related to facilities, such as new construction and building warranties.

Defense Information Systems Agency, Japan. Defense Information Systems Agency, Japan, a field office of the Defense Information Systems Agency, Pacific, is the proponent and point of contact for all Defense Information Systems Agency-managed systems in the Japanese archipelago. The Defense Information Systems Agency, Japan, is responsible for satisfying the information systems and technical needs of customers in the USFJ area of responsibility.

Objectives

The overall audit objective was to evaluate whether DoD adequately planned for and managed Y2K risks to avoid disruptions to the U.S. Pacific Command's capability to execute its mission. Specifically, in this phase of the audit, we reviewed efforts taken by U.S. forces in Japan to identify and mitigate Y2K risks associated with HNS. See Appendix A for a discussion of the audit scope and methodology and Appendix B for a summary of prior coverage.

Year 2000 Issues on Host Nation Support

When initially audited in June 1999, actions by both USFJ and the Services and Defense agencies (Components) to address the impact of the Y2K problem on HNS provided to U.S. forces in Japan needed improvement. Efforts to obtain information from Japanese government organizations, Japanese commercially operated companies, and Y2K working groups concerning the efforts to fix Y2K problems affecting HNS were not comprehensive. Further, the impact of potential Y2K problems on HNS had not been fully addressed in the contingency planning of USFJ and the Components. Actions taken were incomplete because USFJ and the Components had not adequately coordinated their querying efforts or incorporated steps into their contingency plans to fully address the impact of Y2K problems on HNS. USFJ and the Components subsequently took actions to address those concerns.

Host Nation Support

HNS is vital to the success of U.S. missions in foreign countries. USFJ and the Components depend on Japan to provide various types of support. Such support includes critical infrastructure and telecommunications facilities to provide critical and routine information exchanges; utility services required to operate numerous U.S. military installations; and facilities construction. USFJ and the Components rely on Japanese government (civil and military) organizations and commercially operated companies to provide that HNS. It must be provided during peacetime and wartime.

Host Nation Support Assessment Efforts

When initially audited, USFJ and the Components were in the process of evaluating the implications of Y2K problems on HNS provided to U.S. forces in Japan and were making progress assessing the impact on their operations. However, efforts to obtain information from Japanese government organizations and commercially operated companies concerning their efforts to fix Y2K problems affecting HNS were not comprehensive when initially audited. USFJ and the Components had not adequately coordinated their efforts to ensure that complete and comprehensive information was obtained.

USFJ and the Components queried Japanese civil organizations and commercially operated companies to gain insight into the impact of the Y2K problem on receiving uninterrupted support. However, the information received from those civil organizations and companies was incomplete and of limited value. While some organizations and companies provided detailed

information on their efforts to address Y2K problems, the majority of the responses lacked depth and merely stated they were or would be Y2K compliant in time.

The wide disparity in the information received prompted USFJ to request the Defense Facilities Administration Agency, through the Facilities Adjustment and the Facilities Improvement and Relocation Panels, to assist USFJ and the Components in their efforts to obtain detailed information concerning infrastructure and utilities HNS. Although the USFJ request to the Defense Facilities Administration Agency was a step forward to resolving the information problem, it was not comprehensive. The response received from the Defense Facilities Administration Agency will not include information on efforts to fix Y2K problems affecting the telecommunications support provided to U.S. forces in Japan, because telecommunications support falls outside of the Defense Facilities Administration Agency's purview. USFJ needed to initiate and coordinate a separate assistance request to the Japanese government to determine the Y2K status of telecommunications support provided to U.S. forces in Japan.

Year 2000 Working Groups

USFJ and the Components had not identified and obtained information being compiled by five industry-specific Y2K working groups and the Y2K International Interagency Working Group (International Working Group). Further, when initially audited, the USFJ Y2K querying efforts had not been adequately coordinated with those of the working groups to ensure complete information was obtained. Actions have been taken to address these concerns.

The industry-specific Y2K working groups, composed of industry experts from the United States and Japanese governments, were established as a by-product of the President's Council for Y2K a trip to Japan in late September 1998 to resolve Y2K issues affecting the energy, financial, health care, telecommunications, and transportation industries. A State Department official familiar with the working groups stated the groups did not have a formal structure and did not meet regularly. However, the official believed the amount of information being amassed and exchanged informally among members about the Y2K efforts of their respective industries was significant and could be of value to the USFJ and Component assessment efforts. USFJ needed to obtain and incorporate into their assessment efforts the data being compiled by the industry-specific Y2K working groups.

The Under Secretary of Defense for Policy and the Under Secretary of the Department of State co-chair the International Working Group. The Director, Year 2000 Outreach, Office of the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence), participates in the working group. The International Working Group fashions a coordinated U.S. Government approach with Federal agencies and the Services on national security issues. Additionally, the International Working Group works with countries on an

individual basis to emphasize the importance of Y2K issues and to ensure each is aware of the many areas that must be resolved. The heightened awareness will permit the countries to better understand potential Y2K problems and to work more effectively to resolve the problems. The International Working Group also assists the United States and its allies in gathering information required to more accurately evaluate the true extent of the international Y2K situation.

Under the direction of the Deputy Secretary of Defense, the Joint Staff tasked the unified commands to provide a current assessment of the Y2K reliability of HNS received from countries in their areas of responsibility. In July 1999, the U.S. Pacific Command Y2K task force briefed the Joint Staff on the commander in chief assessment efforts in Japan. In addition, the Year 2000 Outreach office established teams to conduct comprehensive assessments based on multiple information sources that complement the commander in chief assessments. The assessment team responsible for the Pacific region met with Japanese industry representatives in early September 1999 and collected additional information concerning their Y2K efforts. The assessment team plans to continue its Y2K outreach efforts in Japan in October 1999. The composite assessment will provide DoD leaders and the commanders in chief with information on the viability of HNS during the transition period so they can determine the extent of operational and contingency planning required for any anticipated shortfalls.

Contingency Planning

USFJ and the Components had not fully addressed the potential impact of Y2K problems on HNS in their contingency plans. When initially audited, steps needed to be incorporated into contingency plans that would fully address degradation or failure of HNS because of Y2K problems.

USFJ and the Components believed existing natural disaster contingency plans were adequate for overcoming disruptions of HNS caused by Y2K problems. However, unlike natural disasters, where the problems causing support to be interrupted are readily identifiable and solutions can generally be initiated or implemented promptly, disruptions to information systems or telecommunications resulting from Y2K problems may be harder to discern and fix. For example, a Y2K-related disruption may be caused by corrupted data generated internally or received from another system or by a problem embedded in a computer hardware device's operating system, in one of the information systems' software applications, or in a bridge used to allow data to be exchanged between systems. Thus, HNS providers may take longer to identify, fix, and restore support interrupted as a result of a Y2K problem.

Therefore, USFJ and the Components needed to review contingency plans and tailor procedures to address potential Y2K problems. Because of the intangible nature of Y2K problems, additional steps may be needed to ensure sufficient resources are in place to provide support by alternative means for a longer period of time.

Corrective Actions Taken by Management

Following our briefing on audit results, USFJ and the Components initiated actions to correct the deficiencies noted. USFJ established formal contact with the Japan Staff Office concerning Y2K issues. As a result of that contact, USFJ met with the Japan Staff Office and received a briefing on Japan's strategy for meeting the Y2K challenge. USFJ and the Japan Staff Office will continue to meet periodically to exchange more detailed information. USFJ also contacted the U.S. Embassy and has been receiving information being exchanged by the members of the industry-specific Y2K working groups. Further, USFJ directed the Yokota Air Base contracting office to send out new letters to all Japanese commercially operated companies providing telecommunications support to U.S. forces in Japan, requesting that those companies inform USFJ of their Y2K status.

Conclusion

USFJ and the Components have made progress in assessing the impact of the Y2K problem on HNS provided to U.S. forces in Japan. We commend USFJ and the Components for promptly initiating actions to correct the deficiencies noted during the audit. USFJ and the Components needed to mitigate the impact of Y2K-induced HNS disruptions in the limited time remaining before the year 2000. USFJ needed to solicit assistance regarding the Y2K efforts of Japanese telecommunications support providers. In addition, USFJ and the Components needed to incorporate additional steps into existing contingency plans to mitigate the impact of any disruption of HNS as a result of Y2K problems. Further, USFJ needed to identify, prioritize, and forward to the U.S. Pacific Command the areas in which the Year 2000 Outreach office could best assist in obtaining information on the efforts to fix Y2K problems affecting the HNS provided to U.S. forces in Japan. USFJ has taken appropriate actions to meet those needs.

Recommendations, Management Comments, and Audit Response

1. We recommend that the Commander, U.S. Forces Japan:

a. Coordinate and complete the assessment of the impact of year 2000 problems on the ability of Japanese government organizations and commercially operated companies to provide host nation utilities and facilities support to U.S. forces in Japan.

Management Comments. USFJ concurred, stating the Defense Facilities Administration Agency convened a Y2K working group to examine Japanese utilities' Y2K efforts. The effort is ongoing with periodic updates.

b. Formally request the Japanese Defense Agency for assistance in soliciting information regarding the efforts of Japanese government organizations and commercially operated companies to fix year 2000 problems affecting the telecommunications support provided to U.S. forces in Japan.

Management Comments. USFJ concurred, with a modification. USFJ stated the Japan Staff Office was the appropriate office to contact, rather than the Japanese Defense Agency, for assistance in soliciting information regarding the efforts of the Japanese government organizations and commercially operated companies. USFJ initiated actions and established formal Y2K coordination efforts with the Japan Staff Office.

Audit Response. The USFJ comments are responsive. Coordination with the Japan Staff Office meets the intent of the recommendation.

c. Provide the information obtained from implementing Recommendations 1.a. and 1.b. to the Services and Defense agencies.

Management Comments. USFJ concurred, stating that the recommended action was already in place; the Defense Facilities Administration Agency is providing Y2K reports to USFJ and Components.

d. Identify, prioritize, and forward to the U.S. Pacific Command the areas in which the Year 2000 Outreach office could best assist in obtaining information on the efforts to fix year 2000 problems affecting the host nation support provided to U.S. forces in Japan.

Management Comments. USFJ concurred, stating that the assistance of the Year 2000 Outreach office had been requested and a subsequent review of areas critical to the USFJ mission had been completed.

e. Incorporate into existing host nation support contingency plans steps to address the unique nature of the year 2000 problem.

Management Comments. USFJ concurred, stating steps had been incorporated into existing HNS contingency plans.

2. We recommend that the Commander, U.S. Army, Japan; the Commander, U.S. Naval Forces, Japan; the Commander, U.S. 5th Air Force; the Commanding General, III Marine Expeditionary Force; and the Commander, Defense Information Systems Agency, Japan, incorporate into existing host nation support contingency plans additional steps to address the unique nature of the year 2000 problem.

Army Comments. The Army concurred, stating that U.S. Army, Japan, subordinate commands will incorporate appropriate measures into HNS plans to correct or mitigate possible impacts from Y2K-related computer problems. Further, the Army has completed reviews of HNS Y2K contingency plans. Necessary changes will be finalized and the workarounds validated no later than November 15, 1999.

Navy Comments. The Navy concurred, stating that its review of HNS within Japan was completed. The Navy also stated that it had acquired Y2K certifications or had completed inspections of facilities that support all the Navy bases in the area of responsibility.

Audit Response. The Navy comments provided did not address the recommendation. However, in subsequent discussions, the Navy stated that Navy Y2K contingency planning guidance requires the unique nature of the Y2K problem to be addressed. The Navy also stated that since the conclusion of audit fieldwork, U.S. Pacific Fleet organizations finalized, and successfully tested, Y2K contingency plans that fully addressed the unique nature of the Y2K problem. The followup response meets the intent of the recommendation.

Air Force Comments. The Air Force concurred, stating that to address HNS contingency plans, each 5th Air Force wing commander established a Y2K base contingency operating plan, should any system not operate properly. Further, 5th Air Force now receives detailed information pertaining to Y2K issues that covers the actions of the Japanese government, local governments, and the private sector.

Marine Corps Comments. The Marine Corps concurred, stating that it has fully addressed the unique nature of the Y2K problem in preparing its contingency plans. Further, Emergency Response Teams were created and will be activated for the Y2K date rollover.

Defense Information Systems Agency Comments. The Defense Information Systems Agency concurred, stating it has been working collaboratively with the USFJ office on Y2K efforts, including submission of areas requiring assistance for submission to the Year 2000 Outreach office.

Audit Response. We commend management for its actions to address the recommendations. Since the conclusion of audit fieldwork, the various Components implemented actions that addressed the recommendation.

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 actions USFJ and the Components had taken to resolve Y2K issues to avoid mission disruptions. Specifically, we assessed actions taken by U.S. forces in Japan to identify and mitigate Y2K risks associated with HNS. We met with the Y2K focal points for USFJ; U.S. Army, Japan; U.S. Naval Forces, Japan; U.S. 5th Air Force; U.S. Marine Corps Forces, Japan; III Marine Expeditionary Force; and the Defense Information Systems Agency, Japan, to identify actions taken by those organizations to gain insight into the impact of Y2K problems on HNS, identify vulnerabilities, and ensure uninterrupted HNS. We compared the actions taken with those described in the "DoD Year 2000 Management Plan, Version 2.0," December 1998, issued by the Assistant Secretary of Defense (Command, Control, Communications, and Intelligence). Further, we obtained Y2K-related documentation, including the USFJ and Component contingency plans, continuity of operations plans, and letters of inquiry, dated from October 1998 through December 1999, to assess efforts to avoid undue disruption of the USFJ mission. We also obtained information on the Year 2000 Outreach office and the International Working Group.

DoD-Wide Corporate-Level Goals. In response to the Government Performance and Results Act, DoD established 2 DoD-wide corporate-level goals and 7 subordinate performance goals. This report pertains to achievement of the following goal (and subordinate performance goal):

> **Goal 2:** Prepare now for an uncertain future by pursuing a focused modernization effort that maintains U.S. qualitative superiority in key warfighting capabilities. Transform the force by exploiting the Revolution in Military Affairs, and reengineer the Department to achieve 21st century infrastructure. **Performance Goal 2.2:** Transform U.S. military forces for the future. **(00-DoD-2.2)**

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 February through June 1999, and obtained updated information in September 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. We also contacted an official from the Department of State. 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/. Specific 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. 00-001, "Alaskan Command," October 1, 1999.

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. Report Distribution

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  Inspector General, Defense Information Systems Agency
  Chief Information Officer, Defense Information Systems Agency
  United Kingdom Liaison Officer, Defense Information Systems Agency
Director, Defense Intelligence Agency
  Inspector General, Defense Intelligence Agency
Director, Defense Logistics Agency
Director, National Imagery and Mapping Agency
  Inspector General, National Imagery and Mapping Agency
Director, National Security Agency
  Inspector General, National Security Agency

Non-Defense Federal Organizations and Individuals

Department of State
Office of Management and Budget
  Office of Information and Regulatory Affairs

Non-Defense Federal Organizations and Individuals (cont'd)

General Accounting Office
National Security and International Affairs Division
Technical Information Center
Accounting and Information Management Division
Director, Defense Information and Financial Management Systems

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

U.S. Pacific Command Comments

COMMANDER IN CHIEF, U.S. PACIFIC COMMAND
(USCINCPAC)
CAMP H.M. SMITH, HAWAII 96861-4028

J053
7300
Ser 873-99
1 Oct 1999

To: Mr. Robert M. Murrell, Program Director,
Readiness and Logistics Support Directorate
Department of Defense Inspector General,
400 Army Navy Drive, Arlington, VA 22202-2884

Subj: USCINCPAC COMMENTS ON THE DEPARTMENT OF DEFENSE INSPECTOR GENERAL (DODIG) FINAL AUDIT REPORT ON YEAR 2000 (Y2K) ISSUES WITHIN THE U.S. PACIFIC COMMAND'S AREA OF RESPONSIBILITY – HOST NATION SUPPORT (HNS) TO U.S. FORCES IN JAPAN
(PROJECT NO. 8CC-0049.06)

Ref: (a) DODIG ltr of 10 Sep 99

Encl: (1) Office of the Secretary of Defense (OSD) Y2K Outreach Program Trip Report – Japan HNS

1. Reference (a) requested USCINCPAC to provide updated information reflecting the current status of Y2K issues and the most recent subordinate and component command information on the OSD Y2K Outreach Office efforts in Japan.

2. In July 1999, the OSD Y2K Outreach Office briefed USCINCPAC Y2KTF, HQ staff, service components, and U.S. Forces, Japan (USFJ) (via VTC) on their program and solicited requests for assistance. The USCINCPAC Y2KTF received requests for MCB Butler, MCAS Iwakuni, FT Buckner, CFA Yokosuka, NAF Atsugi, and Sasebo. The OSD Y2K Outreach Office is scheduled to visit these locations in October 1999.

3. USFJ has been working with the Defense Facilities Administration Agency, Japan Staff Office, and Japanese telecommunication companies to obtain assurances on Y2K preparations and compliance. Also, service components have contacted utility and telecommunication companies servicing their bases and provided reports to USCINCPAC Y2KTF. USCINCPAC Y2KTF briefed the results of these efforts to the Joint Staff at the HNS Conference in July 1999 and posted them on USCINCPAC Y2K web site (http://www2.hq.pacom.smil.mil/6/Year2000).

4. Additionally, in August 1999, representatives from the OSD Y2K Outreach Office visited Japan to determine the status of commercial ports and airports. Their trip report, enclosure (1), states "The current state of Y2K preparation of Japanese commercial ports and airfields appears to be both solid and appropriate for a smooth Y2K transition."

5. USFJ and their service components have been working diligently to assess HNS and have developed installation contingency plans. USCINCPAC believes that U.S. Forces in Japan are prepared for the Y2K transition.

6. The USCINCPAC Y2K project officer is [redacted], J3 Y2KTF at DSN (315) 477-[redacted]. The USCINCPAC point of contact is [redacted], J053 at DSN (315) 477-[redacted] or classified e-mail [redacted]@hq.pacom.smil.mil).

RANDOLPH W. HOUSE
Lieutenant General, USA
Deputy USCINCPAC/Chief of Staff

Copy to: J3 (Y2KTF)

U.S. Forces Japan Comments

HEADQUARTERS
UNITED STATES FORCES, JAPAN
APO AREA PACIFIC 96328-5068

14 Sep 99

MEMORANDUM FOR Program Director, Department of Defense, Inspector General
400 Army Navy Drive
Arlington, Virginia 22202-2884

FROM: HQ USFJ/J6
Unit 5068
APO AP 96326-5068

SUBJECT: Comments on Inspector General, Department of Defense, Draft Audit Report on Year 2000 Issues within USPACOM's Area of Responsibility Host Nation Support to US Forces in Japan (Your memo, 10 Sep 99)

1. To provide HQ USFJ comments as requested in your memo, 10 Sep 99, on the DODIG Proposed Audit Report, Project No 8CC-0049.06. Previously, HQ USFJ submitted formal comments to USCINCPAC. The comments, memo dated 5 Aug 99, were forwarded to your office by USCINCPAC staff. The components submit their comments to CINCPAC Y2KTF through their service component headquarters.

2. Comments on the findings:

   a. HOST NATION SUPPORT ASSESSMENT EFFORTS – The DODIG TEAM correctly assessed the quality of the information obtained by USFJ and the components on Y2K – limited in value and perhaps incomplete. However, the cultural factor must be taken into consideration. The Japanese people are very reluctant to talk about a perceived problem/challenge; it is against their cultural upbringing to "lose face". Therefore, they will typically provide limited, vague information about problematic issues. However, since the IG visit, the GOJ has officially identified 7 Y2K areas for publicly addressing concerns for official and private company action. Their actions have resulted in increased transparency for Y2K activity. The thrust of Y2K actions in Japan is due diligence and a marked improvement, but it does not necessarily provide assurance of full remediation and does not completely fulfill our information requirements. The OSD Y2K Outreach team has assisted by visiting Japan to meet with industry representatives to obtain additional information. A recent fact-finding visit (30 Aug - 1 Sep 99) was concluded to be a success. The information collected was sufficient to generally corroborate previous optimistic reports regarding Y2K preparation, especially on commercial airports and seaports. The OSD Y2K Outreach team will provide a trip report in the near future. Furthermore, a team

from Telcordia (OSD contracted) will visit three military bases (MCAS Iwakuni, Camp Butler, and Fort Buckner) in late Septemeber to conduct a technical assessment on telecommunications.

b. YEAR 2000 WORKING GROUPS – As stated in the report, the five industry-specific working groups were not yet established in September of 98. Even though USFJ attended the meetings with the President's Council for Y2K during the visit to Japan, no mention of the working groups was made at the time. However, since the DODIG team's visit, USFJ has met with the US Embassy Y2K POC and obtained some pertinent information. The U.S. Department of State is providing a substantial amount of information from sources not readily available to USFJ.

c. CONTINGENCY PLANNING – Critical information systems used by USFJ are independant of Host Nation Support (HNS). Backup electrical power is supported by DOD controlled Uninterrupted Power Supply (UPS) and generators. Furthermore, though multiple commercial telecommunications paths are available, a path for critical telecommunications, which is U.S. owned and operated and separate from commercial paths, is available via microwave relays to a satellite earth station.

3. Comments on the recommendations:

a. 1.a Concur. DFAA is providing USFJ monthly status reports on utilities. Components in Japan heve provided, via their component's HQ in Hawaii, assessments to USCINCPAC. As reported during the IG visit this spring, Defense Facilities Administration Agency (DFAA) convened a Y2K Working Group in 1998 to examine Japanese utilities Y2K preparations/compliance. This effort is ongoing with periodic updates.

b. 1.b Concur with modifications. Official and established coordination procedures are with the Japan Staff Office (JSO) vice Japan Defense Agency (JDA). USFJ has initiated actions to establish formal Y2K coordination efforts with the JSO. As reported during the IG visit this spring, in 1998 under the auspices of the bilateral Facilities Adjustment Panel (FAP), the USFJ Command Engineer, (J40) as the panel's US Chairman, formally asked DFAA to secure information regarding Japanese utilities Y2K preparation/compliance. The J40 provided DFAA's preliminary report to the DODIG during their visit. This effort is ongoing with periodic updates.

c. 1.c Concur. Components attend the FAP meetings in which the DFAA provides copies of the briefings. As reported during the IG visit, under the auspices of the bilateral FAP, DFAA provides Y2K reports to service components and USFJ simultaneously.

d. 1.d Concur.

e. 1.e Concur.

f. Para 2 Concur.

4. Point of contact is (b)(6) at 225 (b)(6)

(b) (6)

Chief of Staff

Department of the Army Comments

DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY, PACIFIC
FORT SHAFTER, HAWAII 96858-5100

REPLY TO ATTENTION OF:

APIR (36-5e) 28 September 1999

MEMORANDUM FOR INSPECTOR GENERAL, Department of Defense, ATTN: OAIG-Audit, 400 Army Navy Drive, Arlington, VA 22202

SUBJECT: Headquarters, U.S. Army, Pacific Comments on Inspector General, Department of Defense Draft Audit Report on Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility – Host Nation Support to U.S. Forces in Japan (Project No. 8CC-0049.06), July 2, 1999

1. Reference memorandum, DODIG, OAIG-AUD-RLS, 10 Sep 99, SAB.

2. In response to your request for the current status and detailed documentation regarding Year 2000 host-nation-support actions taken by U.S. Army, Japan (USARJ) the following information is provided:

- U.S Army, Japan has completed reviews of eight Year 2000 host-nation-support contingency plans. They consist of the electrical power, potable and non-potable water supply, sewage, and telecommunications in Okinawa, and electrical power, potable and non-potable water supply, sewage, and heating to centrally heated buildings and quarters on the Island of Honshu.

- All contingency plans will be finalized and the "workarounds" validated no later than 15 Nov 99.

3. The point of contact for this action is (b) [redacted]
DSN (315) 438-(b)(6) or (808) 438-(b)(6)

FOR THE COMMANDER:

(b) (6) [redacted]
Chief of Staff

DEPARTMENT OF THE ARMY
HEADQUARTERS, UNITED STATES ARMY, PACIFIC
FORT SHAFTER, HAWAII 96858-5100

REPLY TO ATTENTION OF:

13 AUG 1999

APIR (36-5e)

MEMORANDUM FOR INSPECTOR GENERAL, Department of Defense, ATTN: OAIG-Audit, 400 Army Navy Drive, Arlington, VA 22202

SUBJECT: Department of Defense Inspector General (DODIG) Draft Audit Report on Year 2000 (Y2K) Issues Within the U.S. Pacific Command – Host Nation Support to U.S. Forces in Japan

1. Reference draft audit report (Project No. 8CC-0049.06), forwarded by memorandum, USCINCPAC, J053, 27 Jul 99, SAB.

2. The U.S. Army, Pacific confirms the accuracy of the report, and concurs with recommendation 2 stated in the report. As related host nation support plans and agreements come up for review or other formal discussion, the U.S. Army, Japan (USARJ)/9th TAACOM will direct that subordinate commands to incorporate appropriate measures into those plans to correct or mitigate possible impacts from the Year 2000 computer problem. Additionally, USARJ/9th TAACOM disaster contingency plans, specifically typhoon plans, are being used as the basis for USARJ/9th TAACOM planning for emergency maintenance and restoration of utilities (power, water, and sewage), communications, and transportation.

3. The point of contact for this action is (b)(6) [redacted], DSN (315) 438(b)(6) [redacted] or (808) 438(b)(6) [redacted]

FOR THE COMMANDER:

(b) (6) [redacted]
Chief of Staff

Department of the Navy Comments

DEPARTMENT OF THE NAVY
COMMANDER IN CHIEF
UNITED STATES PACIFIC FLEET
250 MAKALAPA DRIVE
PEARL HARBOR, HAWAII 96860-7000

IN REPLY REFER TO:
7500
Ser N00IG/2294
19 Aug 99

FIRST ENDORSEMENT on COMNAVFORJAPAN ltr 5040 Ser N6R(1210)/214
of 23 Jul 99

From: Commander, U.S. Pacific Fleet
To: Department of Defense Inspector General

Subj: DRAFT AUDIT REPORT ON YEAR 2000 ISSUES WITHIN THE U.S. PACIFIC COMMAND'S AREA OF RESPONSIBILITY

1. Readdressed and forwarded, noting the current status of Y2K certifications.

2. The following are also noted:

a. The report does not identify the dates of the audit and the agencies contacted during the audit.

b. The report does not reflect COMNAVFORJAPAN and CINCPACFLT actions underway at the time of the audit.

(b)(6) [redacted]
Deputy Fleet Inspector General

DEPARTMENT OF THE NAVY
COMMANDER U.S. NAVAL FORCES, JAPAN
PSC 473 BOX 12
FPO AP 96349-0051

5040
Ser N6R(1210)/214
23 Jul 99

From: Commander, U.S. Naval Forces, Japan (N4)
To: Inspector General, Department of Defense
Via: Commander in Chief, U.S. Pacific Fleet (N46)

Subj: DRAFT AUDIT REPORT ON YEAR 2000 ISSUES WITHIN THE US PACIFIC COMMAND'S AREA IF RESPONSIBILITY

Ref: (a) Project No. 8CC-0049.06

1. As per the instructions received with the draft proposed audit report entitled, "Year 2000 Issues within the U.S. Pacific Command's Area of Responsibility," an exhaustive review of the document has taken place by this command. We find the report to be essentially accurate. Our only comment would be that the US Navy within the Japan AOR has completed year 2000 investigations of Host Nation Support in the areas of electrical power generation, water supply, waste water treatment, and gas supplies. We have acquired Y2K certifications or have completed inspections of these facilities that support all the Navy bases in the Japan AOR. We have a high degree of confidence in the ability to the host nation to support us in these areas.

2. If you have any questions please contact (b)(6), Y2K Director, at DSN 243-(b)(6) or e-mail: (b)(6)@cnfj.navy.mil.

(b) (6)

Assistant Chief of Staff
for Shore Installation Management
Acting

Department of the Air Force Comments

DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE

28 SEP 1999

MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL FOR AUDITING
OFFICE OF THE INSPECTOR GENERAL
DEPARTMENT OF DEFENSE

FROM: HQ USAF/SC
1250 Air Force Pentagon
Washington DC 20330-1250

SUBJECT: DODIG Draft Report, Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility–Host Nation Support to U.S. Forces in Japan (Project No. 8CC-0049.06)

This is in reply to your memorandum requesting the Assistant Secretary of the Air Force (Financial Management and Comptroller) to provide Air Force comments on subject report. Specific comments are attached.

Our point of contact is (b)(6), AF Y2K Office. He can be reached at 703-602-(b)(6) or DSN 332-(b)(6)

WILLIAM J. DONAHUE, Lt Gen, USAF
Director, Communications and Information

Attachment:
Air Force Comments

Air Force Comments on DoDIG Draft Report 8CC-0049.06

1. Report identified a previous lack of detailed information available to USFJ and 5 AF on Year 2000 (Y2K) readiness of the Japanese government and industry. More recently, Japan began to provide detailed information concerning host nation support to the installations in Japan. In May 1999, the government of Japan provided a utility report, which covers the actions of the Government of Japan, local governments and the private sector to resolve Year 2000 issues. The report discloses the Y2K status of both the administrative and control systems for water, sewage, gas, and electricity for all US military installations in Japan. It clearly indicates the utility systems for the three Air Force bases will be compliant no later than October 1999 with 80% of the systems already compliant.

2. Several companies within the telecommunications industry provided detailed Y2K resolution timelines. Four of the seven telephone companies are now fully compliant, simulation tests were accomplished by 30 June 1999 (IDC, QT Net, JT, OT Net), the other three plan to be fully compliant by 30 September 1999 (TTN, KDD, NTT).

3. 98% of the Japanese financial institutions planned to be fully compliant and finished with their simulation tests in June 1999. In March 1999, 57% of the medical equipment for hospitals and general clinics was compliant or under renovation. The other 43% of medical equipment was still being researched to determine compliance. 64% of the medical information systems were compliant or under renovation while 35% were still being researched to determine compliance.

4. In March 1999, simulation tests were conducted confirming full compliance of the air traffic control systems. Joint simulation testing was successfully conducted between Japan and the United States in October 1998 and with Hong Kong in December 1998. All airlines' control systems became fully compliant in July 1999. By the end of September 1999, all major railroad companies will have finished their simulation tests to be fully compliant.

5. To ensure that existing host nation support contingency plans considered the unique nature of the Year 2000 problem, each 5 AF wing commander in June 1999 signed a Year 2000 contingency operations plan to establish and document procedures the base will follow, should any system not operate properly. The bases expect the best but planned for the worst.

6. In summary, 5 AF is now getting more detailed reports on aspects of Japanese infrastructure most critical to USAF warfighting capability. We will continue to monitor all key systems in Japan.

Marine Corps Comments

UNITED STATES MARINE CORPS
MARINE CORPS BASE
CAMP SMEDLEY D. BUTLER, OKINAWA
UNIT 35001
FPO AP 96373-5001

IN REPLY REFER TO:
4000
AC/S G-6
21 Sept 99

From: Y2K Officer, Marine Corps Bases Japan
To: Program Director, Department of Defense, Inspector General
Via: Y2K Officer, Marine Forces Pacific

Subj: COMMENTS ON INSPECTOR GENERAL, DEPARTMENT OF DEFENSE, DRAFT AUDIT REPORT ON YEAR 2000 ISSUES

Ref: (a) Audit Report on Year 2000 Issues within the U.S. Pacific Command's (USPACCOM's) Area of Responsibility- Host Nation Support to U.S. Forces in Japan (Project No. 9CC-0049.06) dtd 2 July, 1999

Encl: (1) Comments from US Forces Japan (USFJ) regarding Ref (a) dtd 14 Sept. 1999
(2) Summary Matrix of Okinawan Service Providers Y2K Compliance

1. Ref (a) requested comments from Commands within USPACOM's Area of Responsibility. Below listed are those comments from Marine Corps Bases Japan (MCBJ).

2. Comments on the findings:

a. HOST NATION SUPPORT EFFORTS- MCBJ concurs with the comments from USFJ on this subject in Enclosure 1. Furthermore, since the DODIG's inspection in March 1999, a team from the Navy's Pacific Division (PACDIV) came and met face to face with Host Nation providers of facilities services (power, water, and sewer) to camps across Okinawa. Their findings were extremely favorable and indicated no disruption of services due to Y2K problems. A summary matrix of findings is available in Enclosure (2). Although the subject Draft doesn't address telecommunications, it is important to note that a team of inspectors from Telcordia will be arriving on Okinawa to address telecommunications issues later this month.

b. YEAR 2000 WORKGROUPS - MCBJ has had no interaction with the workgroups addressed in either the subject draft or the USFJ comments. USFJ is extraordinarily helpful in sharing information they gather from sources mentioned in Enclosure (1). Interactions on Okinawa have been primarily between concerned parties e.g. Base Facilities Engineers meeting with local power companies or Base Telephone meeting with local commercial telephone companies. MCBJ is currently organizing a meeting to be held the week of 4 October with local Japanese Concerns and Government. This meeting will essentially form a workgroup as described in the subject draft.

c. CONTINGENCY PLANNING – MCBJ concurs with comments by USFJ in Enclosure (1). Furthermore, MCBJ contingency plans fully address the unique nature of the Y2K problem by creating Emergency Reaction Teams (ERTs) of technical experts for Facilities, Electronics, Data, Radio, and Telecommunications in addition to the usual steps taken during a natural disaster. These teams will be activated and in their places of duty 24x7 until such time as MCBJ is reasonably certain that most/all problems have been identified and addressed. The plan calls for continuous operations until such time as the "all clear" is determined.

3. Comments on the recommendations:

a. MCBJ concurs with all the comments on recommendations by USFJ Enclosure (1). Additionally, MCBJ has concluded it's assessment of local providers of essential services (power, water, and sewer) and it is doubtful that any more information can/will be provided.

4. Point of contact is (b) (6) [redacted] at DSN 645-(b)(6) [redacted]

(b) (6) [redacted]

Defense Information Systems Agency Comments

DEFENSE INFORMATION SYSTEMS AGENCY
701 S. COURTHOUSE ROAD
ARLINGTON, VIRGINIA 22204-2199

IN REPLY REFER TO: Inspector General (IG) 21 July 1999

MEMORANDUM FOR INSPECTOR GENERAL, DEPARTMENT OF DEFENSE
(ATTN: READINESS AND LOGISTICS SUPPORT DIRECTORATE)

SUBJECT: Response to DoD IG Draft Report, Year 2000 Issues Within the U.S. Pacific Command's Area of Responsibility (Project 8CC-0049.06)

1. The following is the Agency's response to the subject report:

Recommendation 2: ..Commander, Defense Information Systems Agency, Japan, incorporate into existing host nation support contingency plans additional steps to address the unique nature of the year 2000 problem.

Response: Concur with the conclusion that in the past, reports from Japanese commercial telecommunications companies have lacked detail as to their Y2K status. However, most recent reports are substantially improved, to include strategic plans, schedules and testing methodology.

The DISA PAC Japan Field Office has been working collaboratively with the J6, USFJ on Y2K efforts and will continue to do so, including submission of areas requiring assistance for submission to the Y2K Outreach office.

From a telecommunication standpoint, concur with the need to accomplish additional reviews of Host Nation Support (HNS) in contingency plans. However, the assumptions regarding the approach to resolution of Y2K related problems experienced in a contingency operation, and the difficulty inherent in identifying and correcting problems, and the restoral of support are flawed for the following reasons:

a) In most cases, if basic triage is not quickly effective in restoring service, alternative means are established to provide the requisite support. It is more a case of substitution of media than fixing the one affected. A

Quality Information for a Strong Defense

"thin line" of systems has already been identified and tested to provide reliable, high confidence media. These should be examined for feasibility of inclusion in existing contingency plans as fall-back systems.

b) Fault isolation down to the component level is not a difficult task, and when the candidate flaw is as well announced as Y2K, corrective measures (component replacement) are quickly effected. The primary reason there has not been a wholesale replacement of components in advance is cost. When Y2K induced faults occur, the effort and cost associated with component replacement will no longer be in question - the component will be swapped out.

2. If you have any questions, please call (b)(6) (b)(6), at (703) 607-(b)(6)

RICHARD T. RACE
Inspector General

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.