DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
RESEARCH, DEVELOPMENT AND ACQUISITION
1000 NAVY PENTAGON
WASHINGTON DC 20350-1000

SEP 14 1998

MEMORANDUM FOR DISTRIBUTION

SUBJECT: Year 2000 Compliance

Ref: (a) Department of Navy Chief Information Officer memo 14 Jan 98

Encl: (1) Secretary of Defense memo 7 Aug 98
(2) Status of ACAT System
(3) Non-Compliant ACAT System

In enclosure (1), the Secretary of Defense directs a number of Y2K actions. The Y2K problem is a "critical national defense issue." The Department of the Navy's ability to perform both its peacetime and wartime missions effectively, both within the Department and in conjunction with Joint and Combined forces, depends on our solving the Y2K issue expeditiously. In order to meet the requirements in the enclosed OSD memorandum, the following actions must be accomplished:

a. ACAT (Acquisition Category) System Y2K Status. Program Managers and PEOs or System Command Commanders shall report the Y2K compliance status of all active and reserve Navy, Marine Corps ACAT I, IA, and II systems under their purview, using the formats at enclosures 2 and 3. Reports shall be submitted electronically, in an MS-Excel spreadsheet. In addition, signature copies of the report shall be cosigned by the respective PM and PEO or System Command Commander and faxed. Reports shall be submitted by 24 September 1998 to DON CIO, attn: CAPT Cliff Szafran, phone 703-602-6882, Fax 703-601-0348, e-mail: szafran.cliff@hq.navy.mil.

b. System Interface Agreements. The Department of the Navy Chief Information Officer (DON CIO) Y2K database shows that many of the system interfaces have no supporting interface agreements in place. All interface agreements for mission critical systems must be completed and entered into the Naval Y2K Tracking System (NY2KTS) prior to the 1 October 1998 deadline in order to allow the obligation of funds as outlined in enclosure (1). All system owners are required to ensure all mission critical system interfaces are identified, interface MOAs are signed, and recorded in the NY2KTS by 28 September 1998.

c. Y2K Database Scrub. All Navy, Marine Corps, and Navy and Marine Corps Reserve activities shall ensure that all their active systems are entered in the Naval Y2K Tracking System (NY2KTS). System owners shall review all systems under their purview in the NY2KTS to validate the classification as "mission critical" or "mission support," and input any appropriate classification changes no later than 28 September 1998. After 1 October 1998, any further classification changes in the database will require written explanation and reporting to OSD via the DON CIO. DON CIO POC is LCDR Eric Elser, phone 703-602-6759, Fax 703-601-0348, e-mail: elser.eric@hq.navy.mil.

d. Y2K FAR Contract Requirements. Funds shall not be obligated to acquire any IT, including IT acquired for use in national security systems (NSS), unless the IT is "Year 2000 Compliant" as defined at FAR Part 39.002; and the contract or other acquisition vehicle contains language specifically requiring the IT to be Y2K compliant. Reference (a) remains in effect. DON CIO POC is Penny Rabinkoff, e-mail: rabinkoff.penny@hq.navy.mil, phone 703-602-2105.

e. Defense Information Systems Agency (DISA) Megacenter Test Agreements. Each DON user of a DISA megacenter domain must sign a test agreement by 1 October 1998 to prevent the withholding of funds as outlined in enclosure (1). By prior agreement, all DON domain users are required to submit their signed MOAs to the DON CIO Office by 15 September 1998. DON CIO POC is CDR Lynne Gaudreau, phone 703-602-6202, or 703-607-5581, Fax 703-601-0348, e-mail: gaudreau.lynne@hq.navy.mil.

Any waivers of the funding prohibitions that may be necessary, must be approved by the Senior Civilian Official (SCO) of the OASD(C3I). Accordingly, Program Managers or the Head of the requiring activity for IT or NSS with critical funding needs may request such a waiver by submitting it electronically through its chain of command, to the office of the DON CIO, attn: CAPT Cliff Szafran, phone 703-602-6882, Fax 703-601-0348, e-mail: szafran.cliff@hq.navy.mil.

Subject: Y2000 Compliance

We have been working the Y2K issue for some time and have made considerable progress. Your personal and priority attention is required to ensure our success.

Dr. Ann Miller
DON CIO

J. A. Lockard
VADM, USN
Special Assistant to ASN(RD&A)

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THE SECRETARY OF DEFENSE
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7 AUG 1998

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
CHAIRMAN OF THE JOINT CHIEFS OF STAFF
UNDER SECRETARIES OF DEFENSE
DIRECTOR, DEFENSE RESEARCH AND ENGINEERING
ASSISTANT SECRETARIES OF DEFENSE
GENERAL COUNSEL OF THE DEPARTMENT OF DEFENSE
INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE
DIRECTOR, OPERATIONAL TEST AND EVALUATION
COMMANDERS OF THE COMBATANT COMMANDS
ASSISTANTS TO THE SECRETARY OF DEFENSE
DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF THE DEFENSE AGENCIES

SUBJECT: Year 2000 Compliance

The Department of Defense (DoD) is making insufficient progress in its efforts to solve its Y2K computer problem. To improve the accountability for corrective actions, I am directing the following activities in addition to those already underway in this area.

I have asked the Chairman of the Joint Chiefs of Staff to develop a Joint Y2K operational evaluation program and he will give me his plans by October 1, 1998. Starting with their next quarterly reports to me, each of the Unified Commanders-in-Chief will review the status of Y2K implementation within his command and the command of subordinate components. Additionally, starting with the September 1998 Senior Readiness Oversight Council (SROC), the SROC will report on the readiness implications of Y2K.

By September 15, 1998, the Commander-in-Chief of the U.S. Strategic Command, the Senior Civilian Official (SCO) of the Office of the Assistant Secretary of Defense (Command, Control, Communications and Intelligence) (OASD(C3I)), and the Joint Staff Director of Operations (J-3) will provide to me a detailed report on the Y2K compliance of the nuclear command and control system. This report will be briefed to the DoD Y2K Steering Committee in September.

By October 1, 1998, the Services and Defense Agencies will each report to me on every Acquisition Category (ACAT) I, ACAT IA, and ACAT II system within their purview. Each report will address Y2K compliance or areas of noncompliance of each respective system, to include all related logistics and support systems. Each report will be co-signed by each respective program manager and Program Executive Officer or system command

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commander. This includes the Reserve and National Guard components. Reports will include corrective action plans for Y2K compliance.

The Military Departments, CINCs, and Defense Agencies will be responsible for ensuring that effective October 1, 1998:

(1) The list of mission-critical systems under his or her respective purview is accurately reported in the DoD Y2K database, with each change in mission-critical designation reported and explained within one month of the change to the OASD(C3I).

(2) Funds are not obligated for any mission-critical system that is listed in the Y2K database that lacks a complete set of formal interface agreements for Y2K compliance.

(3) Funds are not obligated for any contract that is for information technology (IT) or national security system (NSS) that processes date-related information and that does not contain Y2K requirements specified in Section 39.106 of the Federal Acquisition Regulation.

(4) Funds are not obligated for any domain user in a Defense Information Systems Agency (DISA) megacenter if that domain user has failed to sign all associated explicit test agreements with DISA.

DISA will provide a report to the OASD(C3I) by October 15, 1998, listing all megacenter domain users who have failed to sign explicit test agreements with DISA by October 1, 1998. Based on OASD(C3I) recommendations, OUSD(Comptroller) (OUSD(C)) will place domain user funds on withhold.

The OUSD(C) will issue guidance to the Military Departments and Defense Agencies on the funding prohibitions described above before October 1, 1998. Program managers for IT or NSS with critical funding needs may seek a waiver from these funding prohibitions. The SCO of the OASD(C3I) may grant waivers to allow funding on a case-by-case basis.

We will take a hard look at progress in November and December. If we are still lagging behind, all further modification to software, except those needed for Y2K remediation, will be prohibited after January 1, 1999.

I ask for your personal, priority involvement as we address this critical national defense issue.

William S. Cohen

Status of ACAT System (include all related logistics and support systems)					
ACAT Name –			ACAT Category -		
Program Manager/DRPM –			PEO/SEO or SYSCOM Commander –		
System Name (& Acronym)	Y2K Compliant by Oct 1, 1998? (Y/N)	Current Y2K Phase	Planned Completion Date	Actual Completion Date	Contingency Plan (Y, when signed / N, when projected)

Program Manager/DRPM _____ Date _____

Program Executive Officer /SEO
Systems Command Commander _____ Date _____

Per Far 39.002 – "Year 2000 compliant," as used in this part, means, with respect to information technology, that the information technology accurately processes date/time data (including, but not limited to, calculating, comparing, and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000 and leap year calculations, to the extent that other information technology, used in combination with the information technology being acquired, properly exchanges date/time data with it.

Non-Compliant ACAT System For each ACAT System which is not Y2K compliant by 1 October, 1998 (include all related logistics and support systems)	
ACAT Name –	ACAT Category -
Program Manager/DRPM –	PEO/SEO or SYSCOM Commander –
Corrective Action Plans – a narrative explaining actions being taken to accelerate Y2K compliance of the system(s); responsible offices; when the system will be compliant; additional problems, circumstances or issues.	

Program Manager/DRPM	Date	Program Executive Officer /SEO Systems Command Commander	Date

*Systems are to be certified as Y2K compliant by the end of the validation phase, which is due 1 October, 1998, per the DOD Management Plan and the DON Action Plan.