DEPARTMENT OF THE TREASURY
INTERNAL REVENUE SERVICE
WASHINGTON, D.C. 20224

COMMISSIONER

April 12, 2000

RECEIVED
APR 18 2000
2:00 p.m.

MEMORANDUM FOR TREASURY INSPECTOR GENERAL
FOR TAX ADMINISTRATION

FROM: Charles O. Rossotti
Commissioner of Internal Revenue

SUBJECT: Response to Draft Audit Report -- The Internal Revenue Service Needs to Assure That All Mission Critical Systems Are Subject to a Full Year 2000 End-to-End Systems Integration Test

Thank you for the opportunity to review and comment on your draft report, dated February 28, 2000, relating to the Internal Revenue Service's (IRS) need to assure that all mission critical systems are subject to a full year 2000 End-to-End (E2E) Systems Integration Test.

Information Systems successfully completed the third E2E Systems Integration Test for Year 2000 (Y2K), on December 18, 1999, on schedule, meeting all its stated objectives. The scope of the Y2K E2E Systems Integration Test was significantly greater than any test previously attempted by the IRS. The success of the test contributed directly to the smooth start-up of filing season processing in January 2000. The attached response contains additional information relating to your recommendations.

If you have any questions, please call Paul Cosgrave, Chief Information Officer, at (202) 622-6800. Members of your staff may call David Junkins, Director, Office of Information Resources Management, at (202) 283-4060, or Barry Herrmann, Chief, Office of IS Program Oversight and Management Controls, at (202) 283-7698.

Attachment

cc: Associate Inspector General for Audit (Information Systems Programs)
Director, Legislative Affairs

Attachment

Management Response to Draft Audit Report – The Internal Revenue Service Needs to Assure That All Mission Critical Systems Are Subject to A Full Year 2000 End-to-End Systems Integration Test (Audit Number 19990072)

Recommendation #1

The CIO needs to assess whether all the identified risk factors have been adequately addressed.

Assessment of Cause

As of November 1, 1999, there were a number of tasks remaining before the End-to-End (E2E) Systems Integration Test could be considered complete.

Corrective Action #1

Identify and complete all E2E Systems Integration Test tasks.

Implementation of Corrective Action #1

Completed:	December 18, 1999 Product Assurance successfully completed the third E2E Systems Integration Test and addressed all risk factors.	Proposed:

Responsible Official for Corrective Action #1

Chief Information Officer IS
Deputy Chief Information Officer (Systems) IS
Director, Product Assurance IS:PA

Corrective Action #1 Monitoring Plan

Not applicable.

Attachment

Management Response to Draft Audit Report – The Internal Revenue Service Needs to Assure That All Mission Critical Systems Are Subject to A Full Year 2000 End-to-End Systems Integration Test (Audit Number 19990072)

Recommendation #2

The CIO should assure that the strategy for dealing with Y2K issues after January 1, 2000, includes any End-to-End (E2E) Systems Integration Test issues that could not be adequately addressed before December 31, 1999.

Assessment of Cause

Unexpected problems and time devoted to their resolution increased the risk of IRS's ability to conduct a timely, full E2E Systems Integration Test.

Corrective Action #2

Develop a strategy to address Y2K E2E Systems Integration Test issues that are not satisfied by December 31, 1999.

Implementation of Corrective Action #2

Completed: December 18, 1999
Product Assurance successfully completed the third E2E Systems Integration Test.

Proposed:

Responsible Official for Corrective Action #2

Chief Information Officer IS
Deputy Chief Information Officer (Systems) IS
Director, Product Assurance IS:PA

Corrective Action #2 Monitoring Plan

Not applicable.