

THE CITADEL
The Military College of South Carolina
Required Supplementary Information (Unaudited)
Year 2000 Issues
June 30, 1999

The year 2000 issue arises because most computer software programs allocate two digits to the Year date field on the assumption that the first two digits will always be 19. Without reprogramming, such programs will interpret, for example, the year 2000 as the year 1900. Also, some programs may be unable to recognize that the year 2000 is a leap year.

The year 2000 issue may affect electronic equipment containing computer chips that have date recognition features - such as environmental systems, elevators, and vehicles - as well as computer software programs. In addition, the year 2000 issue affects not only computer applications and equipment under The Citadel's direct control but also the systems of other entities with which The Citadel's direct control but also the systems of other entities with which The Citadel transacts business. Some of The Citadel's systems/equipment affected by the year 2000 issue are critical to the continued and uninterrupted operations of The Citadel.

The computer systems identified as most crucial to The Citadel's operations are: the Financial Records System (FRS), the Student Information System (SIS), and the Human Resources System (HRS). The FRS is The Citadel's accounting system and includes payroll, budgeting, debt, and other accounting transactions. Important, but not mission critical systems, include the Alumni Development System (ADS), most of the personal computers throughout campus, the Library, the facility management systems and other electronic equipment such as telephones and elevators.

Because of the unprecedented nature of the year 2000 issue, its effects and the success of related remediation efforts will not be fully determinable until the year 2000 and thereafter. Management cannot assure that The Citadel is or will be year 2000 ready, The Citadel's remediation efforts will be successful in whole or in part, or that parties with whom The Citadel does business will be year 2000 ready.

The Citadel has purchased and installed upgrades of its mission critical software. These systems have been tested by the software vendor in all critical areas. The costs of these upgrades and their installation costs have been absorbed by The Citadel as part of its routine software systems operating budget.

Work to address the year 2000 issue with respect to each system critical to conducting operations falls predominantly within one of the following stages of work:

1. Awareness stage - Establishing a budget and project plan for dealing with the year 2000 issue.
2. Assessment stage - Identifying the systems and components for which year 2000 work is needed.
3. Remediation stage - Making changes to systems and equipment.