



**UNITED STATES
NUCLEAR REGULATORY COMMISSION**
WASHINGTON, D.C. 20555-0001

**OFFICE OF THE
INSPECTOR GENERAL**

February 2, 2015

MEMORANDUM TO: Mark A. Satorius
Executive Director for Operations

FROM: Stephen D. Dingbaum */RA/*
Assistant Inspector General for Audits

SUBJECT: AUDIT OF NRC'S MANAGEMENT OF THE BASELINE
SECURITY INSPECTION PROGRAM (OIG-12-A-10)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR SECURITY AND
INCIDENT RESPONSE, MEMORANDUM DATED
JANUARY 27, 2015

Attached is the Office of the Inspector General's (OIG) analysis and status of the recommendations as discussed in the agency's response dated January 27, 2015. Based on this response, recommendations 1, 2, and 3 remain in resolved status. Recommendations 4 and 5 were closed previously. Please provide an updated status of the resolved recommendations by October 30, 2015.

If you have any questions or concerns, please call me at 415-5915 or Beth Serepca, Team Leader, at 415-5911.

Attachment: As stated

cc: M. Galloway, OEDO
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Audit Report

AUDIT OF NRC'S MANAGEMENT OF THE BASELINE SECURITY INSPECTION PROGRAM

OIG-12-A-10

Status of Recommendations

Recommendation 1: Develop and maintain a centralized database of security findings data to be used for evaluating licensee performance trends, and communicating this information to NRC staff, industry, and appropriate public stakeholders.

Agency Response

Dated January 27, 2015: To ensure an adequate database is constructed, the Office of Nuclear Security and Incident Response (NSIR) continues to evaluate the type of data to be collected and the method for sorting the data. This evaluation includes the extensive polling and consideration of end-user insights to ensure the staff appropriately establishes a database that provides a systematic analysis to assess trends across NRC regions and licensee fleets. NSIR has determined it would be prudent to combine its efforts with the Reactor Project System (RPS) Replacement Team (a currently funded project) to develop, establish, and maintain a centralized database of security findings.

NSIR has coordinated with the RPS Replacement Team regarding this database and the collection of the data points to be used for tracking and trending security inspection findings. Consistent with current practice, inspectors will be required to input their data directly into the RPS Replacement System. While the RPS Replacement Project continues to progress, NSIR is using the current RPS and local databases to track and trend the licensee performance trends.

OIG Analysis: The proposed corrective action addresses the intent of OIG's recommendation. OIG will close this recommendation when OIG staff has reviewed documentation of NSIR's data collection and analysis procedures, and has verified that the centralized security database functions as intended in accordance with Recommendation 1.

Status: Resolved.

Audit Report

AUDIT OF NRC'S MANAGEMENT OF THE BASELINE SECURITY INSPECTION PROGRAM

OIG-12-A-10

Status of Recommendations

Recommendation 2: Formalize and implement a process for maintaining current and accurate data within a centralized database.

Agency Response

Dated January 27, 2015: NSIR is developing an office procedure to ensure data from the security inspection reports will be included in a centralized database. NSIR expects to have an initial procedure in place for tracking and assessing security findings in calendar year (CY) 2015. This procedure will be updated following the establishment of the recommended database(s).

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. OIG will close this recommendation after OIG staff has reviewed NSIR's new office procedure for maintaining current and accurate security findings data in a centralized database and has verified implementation of this new guidance.

Status:

Resolved.

Audit Report

AUDIT OF NRC'S MANAGEMENT OF THE BASELINE SECURITY INSPECTION PROGRAM

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Status of Recommendations

Recommendation 3: Formalize and implement a process for ensuring Safeguards Information (SGI) findings data is current and accessible for use in trending security findings issues.

Agency Response
Dated January 27, 2015: The Replacement RPS (RRPS) under development does not currently include the capability to protect and store SGI inspection data. However, in addition to continued evaluation of the viability of integrating SGI inspection data into a single RRPS, NSIR staff engaged the staff of the Office of Information Security (OIS), regarding the Safeguards Local Area Network and Electronic Safe (SLES) to discuss the feasibility of developing an alternate centralized database similar to RPS within the existing SLES framework. The OIS staff is currently conducting a cost analysis regarding the development of this database within SLES and will deliver a cost estimate to NSIR staff during the first quarter of CY 2015. Once a cost estimate has been provided, NSIR staff will work with the Office of Nuclear Reactor Regulation and the Information Technology Board to assess the most cost effective method and obtain prioritization for a solution. As discussed in the "status" of actions with respect to Recommendation 2, NSIR is in the process of developing an office procedure to ensure that both non-SGI and SGI findings are categorized and put into centralized databases consistent with the sensitivity designation of the information.

OIG Analysis: The proposed corrective action addresses the intent of OIG's recommendation. OIG will close this recommendation after OIG staff has verified that the NSIR office procedure referenced under Recommendation 2 contains instructions specific to SGI findings data and has confirmed implementation of this new office procedure in accordance with Recommendation 2.

Status: Resolved.