

March 25, 2004

Laura L.S. Kimberly
Associate Director for Policy
Information Security Oversight Office
National Archives and Records Administration
700 Pennsylvania Avenue, NW
Washington, DC 20408

Dear Ms. Kimberly:

In response to your February 2, 2004, request, enclosed is the U.S. Nuclear Regulatory Commission input for the Report on Cost Estimates for Security Classification Activities.

If you have any questions, please contact A. Lynn Silvius at 301-415-2211.

Sincerely,

/RA/

William F. Kane
Deputy Executive Director for
Homeland Protection and Preparedness

Enclosure:
As stated

A/6

2005 Security Classification Cost Estimates Display

U.S. Nuclear Regulatory Commission
All figures are in thousands of dollars.

Reporting Categories	FY 2003* (Est. in 000s)	FY 2004* (Est. in 000s)	FY 2005 (Est. in 000s)
1. Personnel Security	1,604	1,578	1,711
2. Physical Security	1,766	2,275	2,353
3. Information Security (Sum of a, b, c and d)	1,128	2,233	2,514
a. Classification Management	371	384	400
b. Declassification	159	164	172
c. Information Systems Security	584	1,670	1,925
d. Miscellaneous (OPSEC and TSCM) **	14	15	17
4. Professional Education, Training and Awareness	125	40	60
5. Security Management, Oversight and Planning	468	484	504
6. Unique Items	-0-	-0-	-0-
Totals: Fiscal Year Estimates	5,091	6,610	7,142
Totals: Full-Time Equivalentents (FTE)	18	20.5	21

* Updated to reflect actual budget.

** NRC has no OPSEC program. The costs associated with TSCM are budgeted under physical security. In accordance with these instructions, however, TSCM is being reported under the heading of Information Security.

Point of contact: Wayne G. Burnside, Division of Nuclear Security (301) 415-2211

Enclosure

Narrative:

- 1) Personnel Security - Personnel Security costs for FY-03 and FY-04 are based on FTE*** and actual budgets. Cost estimates for FY-05 are based on FTE and budget projections. It is estimated that 87% of personnel security costs (i.e., FTE plus personnel security investigations) are dedicated to classified activities. The personnel security cost projections for FY-05 are higher due to the reinvestigation cycle, the inclusion of a clearance program for reactor licensees, and OPM's projected price increase for all investigations.
- 2) Physical Security - Physical Security costs for FY-03 and FY-04 are based on FTE and actual budgets. Cost estimates for FY-05 are based on FTE and budget projections. It is estimated that 60% of physical security costs (i.e., FTE plus physical security components such as guards, intrusion detection systems, and access control systems) are dedicated to classified activities. The physical security costs for FY-05 are projected to be slightly higher due to increased costs for security guard services and the cost of FTE.
- 3) Information Security - Information Security costs for FY-03 and FY-04 are based on FTE and actual budgets. Costs for FY-05 are based on FTE and budget projections. The FY-05 cost increase is primarily due to an increase in secure communications equipment, systems, and networks (e.g., secure cellular service and secure video teleconferencing).
- 4) Professional Education Training and Awareness - NRC has a small training and awareness program with no FTE assigned to it. However, contract dollars are being expended on the development of web-based training initiatives. As the web-based training initiative nears completion, fewer dollars will be required to maintain the program.
- 5) Security Management, Oversight, and Planning - Costs associated with Security Management, Oversight, and Planning are related solely to FTE.
- 6) Unique Items - NRC has not allocated funds for unique items for 2003-2005.

*** FY-03 unit FTE cost = \$117,000
FY-04 unit FTE cost = \$121,000
FY-05 unit FTE cost = \$126,000