

December 1, 2005

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: REVIEW OF ADAMS
(OIG-02-A-12)

REFERENCE: DIRECTOR, OFFICE OF INFORMATION
SERVICES, MEMORANDUM DATED NOVEMBER 14, 2005

Attached is the Office of the Inspector General's analysis and status of recommendation 1 as discussed in the agency's response dated November 14, 2005. Based on this response, recommendation 1 remains in resolved status. Please provide an updated status of recommendation 1 by April 21, 2006.

If you have any questions or concerns, please call me at 415-5915.

Attachment: Status of Recommendations

cc: W. Dean, OEDO
M. Malloy, OEDO
P. Tressler, OEDO

**Audit Report
Review of Adams
OIG-02-A-12**

Status of Recommendations

Recommendation 1: Finalize and issue Management Directive 2.5 (Draft), Application Systems Life-Cycle Management and Handbook 2.5 (Draft) System Development and Life-Cycle Management Methodology.

Response Dated
November 14, 2005:

Management Directive 2.5 (Draft) has been incorporated in the Draft Management Directive 2.8, "Project Management Methodology (PMM)." A draft of MD 2.8 PMM, has been completed and is available to NRC staff at <http://www.internal.nrc.gov/OCIO/pmm/>. This web site also provides access to the draft PMM Manual, which replaces the Handbook associated with MD 2.5. The web-based PMM Manual enables faster response to external drivers such as Office of Management and Budget (OMB) guidance. In addition, a set of web-based procedures supplements the directive, detailing the necessary steps to follow the PMM. The PMM supports more effective selection, implementation, management, and evaluation of information technology (IT) investments using a tiered approach that reduces the overall burden associated with smaller IT projects.

Furthermore, MD 2.8 consolidates and replaces Directive and Handbook 2.1, "Information Technology Architecture;" Directive and Handbook 2.2, "Capital Planning and Investment Control;" the draft MD 2.5, "System Development Life-Cycle Management Methodology (SDLCMM);" and the Infrastructure Development Life-Cycle Process Model (IDPM). MD 2.8 is now going through the concurrence process, having been sent out for interoffice comment in July 2005. There is considerable interest in MD 2.8, and the Office of Information Services is now conducting open meetings to provide a forum for NRC staff and management to discuss MD 2.8. As a result of the interest shown, the Director of the Business Process Improvement and Applications Division extended the PMM comment period to early September. All staff work on MD 2.8 is expected to be finalized by November 2005. We expect MD 2.8 to complete the approval process during March 2006.

**Audit Report
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Status of Recommendations

Recommendation 1 continued:

OIG Analysis: These actions address the intent of the recommendation. This recommendation will be closed once OIG receives a copy of the final, revised version of the Management Directive that contains the Application Systems Life-Cycle Management Methodology.

Status: Resolved.