

July 14, 2006

MEMORANDUM TO: Luis A. Reyes  
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S  
TELECOMMUNICATIONS PROGRAM (OIG-05-A-13)

REFERENCE: DIRECTOR, OFFICE OF INFORMATION SERVICES,  
MEMORANDUM DATED JUNE 22, 2006

Attached is the Office of the Inspector General's analysis and status of recommendations 1, 2, 3, 4, and 5, as discussed in the agency's response dated June 22, 2006. Based on this response, these recommendations remain in resolved status. Recommendations 6 and 8 through 13 were closed previously.

Please provide an update on the status of all resolved recommendations by October 16, 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**  
**Audit of NRC's Telecommunications Program**  
**OIG-05-A-13**

**Status of Recommendations**

Recommendation 1: Purchase and implement billing review software to assist in implementing a cost-effective, comprehensive telecommunications billing review process.

Response Dated  
June 22, 2006:

The Office of Information Services, Infrastructure and Computer Operations Division, Computer Operations and Telecommunications Branch (OIS/ICOD/COTB), performed a market analysis of 10 vendors. A task order has been issued to obtain contractor assistance in completing a business case analysis. The contractor will begin work once their security clearance is approved. The projected date for completion of the business case analysis is July 21, 2006.

OIG Analysis:

The proposed corrective actions address the intent of OIG's recommendation. Provided that the business case determines that implementation of this solution is cost-effective, this recommendation will be closed after NRC implements the billing review software and provides either a system demonstration to OIG or other evidence that the software is being used in the billing review process.

**Status:** Resolved.

**Audit Report**  
**Audit of NRC's Telecommunications Program**  
**OIG-05-A-13**

**Status of Recommendations**

Recommendation 2: Establish benchmarks for determining if telecommunications charges are accurate and appropriate.

Response Dated  
June 22, 2006:

OIS/ICOD/COTB is developing the process and procedure to be used for the quarterly review of telecommunication charges. This process will be incorporated into a standard operating procedure (SOP) for the Telecommunications Team Project officers. OIS is on track to meet the September 30, 2006, completion date.

OIG Analysis:

The proposed corrective actions address the intent of OIG's recommendation. This recommendation will be closed when OIG receives (1) a copy of the SOP which reflects that these reviews will be conducted on a routine quarterly basis and (2) a copy of a quarterly review analysis comparing actual charges against the benchmarks.

**Status:** Resolved.

**Audit Report**  
**Audit of NRC's Telecommunications Program**  
**OIG-05-A-13**

**Status of Recommendations**

Recommendation 3: Revise MD and Handbook 2.3 to include effective management controls over headquarters staff use of agency telecommunications services.

Response Dated

June 22, 2006:

OIS has obtained contractor assistance in reviewing the Management Directive and Handbook 2.3 (MD and Handbook 2.3) to address inconsistencies between headquarters and regional use of telecommunications services. OIS is on track to meet the September 30, 2006, date to revise MD and Handbook 2.3 and submit to the Office of Administration for final concurrence for publishing.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and evaluates the revised MD and Handbook 2.3.

**Status:**

Resolved.

**Audit Report**  
**Audit of NRC's Telecommunications Program**  
**OIG-05-A-13**

**Status of Recommendations**

Recommendation 4: Establish requirements for routinely conducting inventories of telephone lines and circuits for which the agency pays monthly recurring charges, assessing usage of these telephone lines and circuits, and making adjustments to account for unneeded telephone lines and circuits.

Response Dated  
June 22, 2006:

OIS/ICOD/COTB will aggregate the current wired and wireless inventories to establish a baseline and for input into the telecommunications asset management system. If implemented, outputs from the telecommunications asset management system will be used to conduct inventory reviews on a routine basis against the established baseline and make the appropriate adjustments. If the asset management system is not implemented, OIS/ICOD/COTB will develop the process and procedure to be used for conducting these reviews on a manual basis. This process will be incorporated into an SOP for the Telecommunications Team. OIS is on track to meet the September 30, 2006, completion date.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives (1) a copy of the SOP indicating that these inventories will be conducted on a routine basis and (2) a copy or summary of the first such inventory.

**Status:** Resolved.

**Audit Report**  
**Audit of NRC's Telecommunications Program**  
**OIG-05-A-13**

**Status of Recommendations**

Recommendation 5: Define and enforce appropriate use of agency toll-free numbers.

Response Dated  
June 22, 2006:

Interim guidance on the use of toll-free numbers has been posted to the NRC intranet under the OIS homepage. This guidance will be incorporated into MD and Handbook 2.3. The completion date for the revised MD and Handbook 2.3 is September 30, 2006.

OIG Analysis:

The interim guidance and proposed update to MD and Handbook 2.3 address the intent of OIG's recommendation. This recommendation will be closed when OIG receives and evaluates the revised MD and Handbook 2.3.

**Status:**

Resolved.