

April 11, 2007

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
INTEGRATED PERSONNEL SECURITY SYSTEM
(OIG-06-A-06)

REFERENCE: DIRECTOR, OFFICE OF ADMINISTRATION,
MEMORANDA DATED JANUARY 25, 2007, AND
FEBRUARY 26, 2007

Attached is the Office of the Inspector General (OIG) analysis and status of recommendations as discussed in the agency's responses dated January 25, 2007, and February 26, 2007. Based on these responses, recommendations 2, 3, 5, 6, 9, 10, 13, 15, and 16 are now closed. Recommendations 4, 7, 14, and 17 remain in resolved status. Recommendations 1, 8, 11, 12, and 16 were closed previously. Please provide an updated status of the resolved recommendations by August 1, 2007.

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

Attachment: As stated

cc: M. Johnson, OEDO
M. Malloy, OEDO
P. Tressler, OEDO

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 2: Correct the reinvestigations notification report so that all overdue cases are identified and submitted for reinvestigation.

Response Dated
February 26, 2007:

The modification to IPSS was completed and put into production February 22, 2007.

OIG Analysis:

The corrective action described addresses the intent of OIG's recommendation. This recommendation is therefore closed.

Status:

Closed.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 3: Develop and implement a consolidated data entry guide for IPSS users and update it every 6 months or as needed.

Response Dated
February 26, 2007:

The IPSS Data Input Guide for IPSS users was updated and approved for implementation February 21, 2007.

OIG Analysis:

OIG reviewed the guide and determined that it provides step-by-step instructions on how to enter information into IPSS and allows for revisions, as needed, in the future. This recommendation is therefore closed.

Status:

Closed.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 4: Review and correct the most recent reinvestigation dates within IPSS.

Response Dated
February 26, 2007:

ADM modified the contract for personnel security processing in August 2006, to obtain additional support to assist staff in the top-to-bottom cleanup effort of every active file to ensure the most recent reinvestigation dates are in IPSS. Due to the increase in personnel security processing activities associated with accelerated hiring for new reactor licensing and implementation of HSPD-12 PIV-I requirements, this effort is now anticipated to be completed by November 30, 2007.

OIG Analysis:

The proposed corrective actions address the intent of OIG's recommendation. Recommendation 4 will be closed once OIG has received evidence that the reinvestigation dates have been corrected.

Status:

Resolved.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 5: Change IPSS to eliminate the requirement to duplicate clearance data within the system.

Response Dated
February 26, 2007:

This modification to IPSS was completed and put into production February 22, 2007.

OIG Analysis:

The corrective action describes addresses the intent of OIG's recommendation. This recommendation is therefore closed.

Status:

Closed.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 6: Eliminate data that was purposely duplicated as a workaround in IPSS records for individuals with a clearance.

Response Dated
February 26, 2007:

The modification to IPSS was completed and put in production February 22, 2007. ADM will ensure duplicated data is eliminated by March 30, 2007.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation is therefore closed.

Status:

Closed.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 7: Perform a top-to-bottom cleanup effort of every active file; support this effort with clear written guidance as to what data goes in what field.

Response Dated
February 26, 2007:

ADM modified the contract for personnel security processing in August 2006, to obtain additional support to assist staff in the top-to-bottom cleanup effort of every active file. This effort is being conducted in accordance with the approved updated IPSS data entry guide (enclosed). Due to the increase in personnel security processing activities associated with accelerated hiring for new reactor licensing and implementation of HSPD-12 PIV-I requirements, this effort is now anticipated to be completed by November 30, 2007.

OIG Analysis:

The proposed corrective actions address the intent of OIG's recommendation. Recommendation 7 will be closed once OIG has received evidence that top-to-bottom review has been performed.

Status:

Resolved.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 9: Fix the planned controls to prevent incorrect badge issuance and incorrect clearance assignment.

Response Dated
February 26, 2007:

The modification to IPSS was completed and put in production February 22, 2007.

OIG Analysis:

The corrective action described addresses the intent of OIG's recommendation. This recommendation is therefore closed.

Status:

Closed.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 10: Add date logic controls to ensure that OPM investigation dates follow in logical chronological order.

Response Dated
February 27, 2007: The modification to IPSS was completed and put in production February 22, 2007.

OIG Analysis: The corrective action described above addresses the intent of OIG's recommendation. This recommendation is therefore closed.

Status: Closed.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 13: Add audit trail capabilities to IPSS.

Response Dated
February 26, 2007: The modification to IPSS was completed and put in
production February 22, 2007.

OIG Analysis: The corrective action described addresses the intent of
OIG's recommendation. This recommendation is therefore
closed.

Status: Closed.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 14: Review audit trail reports monthly to ensure appropriate use of IPSS.

Responses Dated
January 25, 2007, and
February 26, 2007:

The IPSS users guide was updated and approved February 21, 2007, to include a monthly review of audit trails. Review of the first audit trail report will be completed March 30, 2007.

OIG Analysis:

The corrective actions planned address the intent of OIG's recommendation. Recommendation 14 will be closed once DFS provides (1) evidence that review of audit trail reports has been implemented and (2) a copy of the IPSS users guide, which includes the monthly review requirement.

Status:

Resolved.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 15: Require future IPSS users to sign an integrity statement before being granted access to the system. Also require existing users to sign an integrity statement.

Response Dated
February 26, 2007: The IPSS users guide was updated and approved February 21, 2007, to include the requirement for new users to sign an integrity statement.

OIG Analysis: OIG reviewed the signed integrity statements for existing and new users and determined they meet the intent of this recommendation. This recommendation is therefore closed.

Status: Closed.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 16: Develop a records disposition schedule for IPSS and incorporate it into DFS procedures and the IPSS users manual.

Response Dated
February 26, 2007: The electronic records disposition schedule for IPSS, which follows the personnel security paper records, was completed as part of the IPSS security categorization process. This change has been incorporated in the updated and approved IPSS Data Input Guide.

OIG Analysis: The corrective actions described above address the intent of OIG's recommendation. This recommendation is therefore closed.

Status: Closed.

Audit Report
Audit of NRC's Integrated Personnel Security System
OIG-06-A-06

Status of Recommendations

Recommendation 17: Conduct a cost-benefit analysis to determine whether the agency should continue to develop IPSS versus replacing the system. As part of the cost-benefit analysis consider current Federal personnel security requirements.

Response Dated
February 26, 2007: [OIG Note: No status update was provided in 2/26/07 response.]

OIG Analysis: In a prior audit followup memo, dated September 15, 2006, ADM conveyed that a cost-benefit analysis to modify IPSS, or a business case for replacing IPSS, will be developed by June 20, 2007, as part of the HSPD-12 implementation plan.

That proposed corrective action addresses the intent of OIG's recommendation. Recommendation 17 will be closed once OIG has received evidence that a cost-benefit analysis has been performed.

Status: Resolved.