

August 23, 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,  
MEMORANDUM DATED JULY 31, 2007

Attached is the Office of the Inspector General (OIG) analysis and status of recommendations as discussed in the agency's response dated July 31, 2007. Based on this response, recommendation 14 is now closed. Recommendations 4, 7, and 17 remain in resolved status. Recommendations 1, 2, 3, 5, 6, 8, 9, 10, 11, 12, 13, 15, and 16 were closed previously. Please provide an updated status of the resolved recommendations by December 31, 2007.

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

Attachment: As stated

cc: V. Ordaz, 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 4: Review and correct the most recent reinvestigation dates within IPSS.

Response Dated  
July 31, 2007:

Due to the increase in personnel security processing activities associated with accelerated hiring for new reactor licensing and implementation of Homeland Security Presidential Directive 12 (HSPD-12) PIV-I requirements, the Office of Administration (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 the Integrated Personnel Security System (IPSS). This effort is still anticipated to be completed by November 30, 2007.

OIG Analysis:

The corrective action described addresses the intent of OIG's recommendation. OIG will close this recommendation when the agency provides evidence that it has completed efforts to review and correct the most recent reinvestigation dates within IPSS. This recommendation remains resolved.

**Status:**

Resolved.

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

**Status of Recommendations**

<u>Recommendation 7:</u>	Perform 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 July 31, 2007:	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, 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 still anticipated to be completed by November 30, 2007. The written guidance was provided with the last update dated February 26, 2007.
OIG Analysis:	The corrective action described addresses the intent of OIG's recommendation. OIG will close this recommendation when the agency provides evidence that it has completed top-to-bottom cleanup of active files. This recommendation remains resolved.
<b>Status:</b>	Resolved.

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

**Status of Recommendations**

<u>Recommendation 14:</u>	Review audit trail reports monthly to ensure appropriate use of IPSS.
Response Dated July 31, 2007:	ADM began reviewing the audit trail reports in April 2007 to ensure appropriate use of IPSS. The requirement to review audit trails monthly is listed in the updated IPSS User Guide.
OIG Analysis:	The corrective actions taken by ADM address the intent of OIG's recommendation. Recommendation 14 is now closed.
<b>Status:</b>	Closed.

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

**Status of Recommendations**

<u>Recommendation 17:</u>	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 July 31, 2007:	ADM will include a task to conduct a cost-benefit analysis as part of a Homeland Security Presidential Directive 12 consulting contract that is scheduled to be awarded in August 2007. This task will compare the option of continuing to modify IPSS with replacing the entire system. ADM expects to have the results of the cost-benefit analysis by December 31, 2007.
OIG Analysis:	The corrective action described addresses the intent of OIG's recommendation. OIG will close this recommendation when the agency provides evidence that it has completed its IPSS cost-benefit analysis. This recommendation remains resolved.
<b>Status:</b>	Resolved.