



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

January 24, 2008

OFFICE OF THE
INSPECTOR GENERAL

The Honorable Henry A. Waxman, Chairman
Committee on Oversight and Government Reform
United States House of Representatives
2157 Rayburn Office Building
Washington, D.C. 20515-6143

Dear Mr. Chairman:

This letter is in response to your December 7, 2007, request for a list of recommendations by the Nuclear Regulatory Commission's Office of Inspector General (OIG) from January 1, 2001, to the present that have not been implemented by agency officials or by Congress.

To meet your request, my staff spoke with Alison Cassady of your staff on January 22, 2008. At that time, my staff agreed to provide the information you requested, although in a different order and format. Ms. Cassady was agreeable and stated that should additional information be required, she would so request. My staff will gladly provide any additional information needed.

The attached documents provide the following:

Enclosure 1: The Status of Audit Recommendations – Open Audits (Summary).

This report provides a summary of all open audit reports along with the status of the status of recommendations for each report. Unresolved indicates recommendations for which the agency has not agreed to take corrective action. At present, there are no unresolved recommendations. Resolved indicates that the agency has agreed to take corrective action and closed indicates that the agency has completed corrective action.

Enclosure 2: Status of Recommendations – This report lists each recommendation and its status as contained in each open audit report

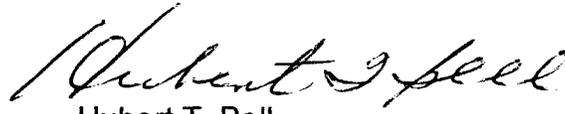
Enclosure 3: URL Links to Open Audit Reports - This listing provides a link to each open audit report on OIG's website. The reports provide a summary of the audit work, objectives, key findings and the OIG report number and issue date.

Enclosure 4: Significant Recommendations Not Implemented – This enclosure lists significant recommendations (January 1, 2001 – present) not completed by the agency. It also contains the agency's expected timeframe for full implementation.

We will also email Ms. Cassady Enclosure 3 to facilitate ease of accessing each of
OIG's open audit reports.

If you require additional information, please contact Anthony Lipuma of my staff at
301-415-5910 or me at 301-415-5930.

Sincerely,

A handwritten signature in cursive script that reads "Hubert T. Bell".

Hubert T. Bell
Inspector General

cc: Vonna Ordaz, OEDO

Enclosures: As stated

Status of Audit Recommendations - Open Audits

Report Number & Title	Unresolved	Resolved	Closed	Total
OIG-01-A-03 Government Performance and Results Act: Review of the Fisca	0	2	0	2
OIG-03-A-01 Review of NRC's Handling and Marking of Sensitive Unclassifie	0	2	0	2
OIG-03-A-15 Audit of NRC's Regulatory Oversight of Special Nuclear Materia	0	3	5	8
OIG-04-A-15 Review of NRC's Drug-Free Workplace Plan	0	1	2	3
OIG-04-A-20 Audit of NRC's Incident Response Program	0	5	12	17
OIG-04-A-21 System Evaluation of the Agencywide Documents Access and M	0	5	1	6
OIG-04-A-22 Independent Evaluation of NRC's Implementation of the Federa	0	4	12	16
OIG-04-A-24 Systems Evaluation of the GeneralLicense Tracking System	0	3	2	5
OIG-05-A-05 Audit of NRC's Drug Testing Program	0	2	10	12
OIG-05-A-08 System Evaluation of the Integrated Personnel Security System	0	7	1	8
OIG-05-A-09 Audit of the Budget Formulation Process	0	3	1	4
OIG-05-A-13 Audit of NRC's Telecommunications Program	0	1	12	13
OIG-05-A-17 Audit of NRC's Decommissioning Program	0	1	3	4
OIG-05-A-18 Security Controls Over Personal Computers and Laptops - FISM	0	6	2	8
OIG-05-A-19 Audit of NRC's Generic Communications Program	0	3	1	4
OIG-06-A-06 Audit of NRC's Integrated Personnel Security System	0	1	16	17
OIG-06-A-09 Audit of NRC's Office of Nuclear Security and Incident Respons	0	2	4	6
OIG-06-A-10 Audit of the Development of the National Source Tracking Syste	0	1	1	2
OIG-06-A-11 Audit of the NRC Byproduct materials License Application and F	0	2	0	2
OIG-06-A-21 Audit of NRC's Baseline Security and Safeguards Inspection Pr	0	4	4	8
OIG-06-A-22 Audit of NRC's Process for Releasing Commission Decision Do	0	1	1	2
OIG-06-A-24 Evaluation of NRC's Use of Probabilistic Risk Assessment In Re	0	2	1	3
OIG-07-A-05 Audit of NRC's Technical Training Center	0	9	2	11
OIG-07-A-06 Audit of NRC's Regulation of Nuclear Fuel Cycle Facilities	0	1	0	1
OIG-07-A-10 Audit of NRC's Badge Access System	0	6	11	17
OIG-07-A-11 Memorandum Report: Audit of NRC's Nuclear Material Events I	0	2	1	3
OIG-07-A-12 Summary Report on Byproduct Material Security and Control	0	1	0	1
OIG-07-A-13 Audit of NRC's Emergency Preparedness Program	0	2	0	2
OIG-07-A-14 Audit of NRC's Non-Capitalized Property	0	12	0	12
OIG-07-A-15 Audit of NRC's License Renewal Program	0	8	0	8
OIG-07-A-16 Audit of NRC's Process for Placing Documents in the ADAMS F	0	8	0	8
OIG-07-A-18 Assessment of Security at NRC Buildings	0	22	5	27
OIG-07-A-19 Independent Evaluation of NRC's Implementation of the Federa	0	12	3	15
OIG-08-A-01 Results of the Audit of the United States Nuclear Regulatory Co	0	2	0	2
OIG-08-A-03 Audit of NRC's Alternative Dispute Resolution Program	0	4	0	4
Grand Total	0	150	113	263

Status of OIG Audit Recommendations

Rec #	Description	Status
	OIG-01-A-03 Government Performance and Results Act: Review of the Fiscal Year 1999 Performance Report (02/23/2001)	
1	Develop a Management Directive	Resolved
3	Include guidance on reporting unmet goals	Resolved
	OIG-03-A-01 Review of NRC's Handling and Marking of Sensitive Unclassified Information (10/16/2002)	
1	Update OOU Guidance	Resolved
2	Mandate defined markings	Resolved
	OIG-03-A-15 Audit of NRC's Regulatory Oversight of Special Nuclear Materials (05/23/2003)	
1	Conduct periodic inspections	Resolved
3	Document risk informed approach	Resolved
4	Require annual inventories	Resolved
	OIG-04-A-15 Review of NRC's Drug-Free Workplace Plan (05/24/2004)	
3	Drug-Testing Plan Revisions Must Receive Approval from HHS	Resolved
	OIG-04-A-20 Audit of NRC's Incident Response Program (09/16/2004)	
4	Conduct Periodic Reviews of Region's IRPs	Resolved
8	Conduct Exercises Involving Multiple Sites	Resolved
11	Revise IRP to Address Incidents Involving Materials/Fuel Cycle Facilities	Resolved
13	Update Response Technical Manual for GDPs	Resolved
	OIG-04-A-21 System Evaluation of the Agencywide Documents Access and Management System (09/30/2004)	
1	Update the ADAMS Risk Assessment Report	Resolved
2	Update the ADAMS Security Plan	Resolved
4	Update the ADAMS Business Continuity Plan	Resolved
5	Consistently define the protection requirements	Resolved
6	Track all actions items resulting from testing of the ADAMS security controls	Resolved
	OIG-04-A-22 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fis	
5	Re-certify and re-accredit the NRC Data Center/Telecommunications System.	Resolved
7	Re-certify and re-accredit the Emergency Response Data System.	Resolved
8	Re-certify and re-accredit the Emergency Telecommunications System	Resolved
10	Update the NRC LAN/WAN Business Continuity Plan.	Resolved
	OIG-04-A-24 Systems Evaluation of the General License Tracking System (09/30/2004)	
1	Update the GLTS Security Plan	Resolved
3	Update the GLTS Business Continuity Plan	Resolved
4	Update the GLTS Security Plan	Resolved
	OIG-05-A-05 Audit of NRC's Drug Testing Program (12/20/2004)	
12	Update the Management Directive System to include drug testing policy	Resolved
	OIG-05-A-08 System Evaluation of the Integrated Personnel Security System (IPSS) (01/14/2005)	
1	Re-certify and re-accredit IPSS	Resolved
2	Update risk assessment risk levels	Resolved
3	Update plan contact info	Resolved
4	Update plan life cycle & IRO capability.	Resolved
5	Update plan control descriptions.	Resolved

Status of OIG Audit Recommendations

Rec #	Description	Status
7	Update contingency plan	Resolved
8	Consistently define plan and assessment protection requirements	Resolved
- OIG-05-A-09 Audit of the Budget Formulation Process (01/31/2005)		
1	EDO, CFO Roles	Resolved
2	PRC Role	Resolved
3	Document Process	Resolved
- OIG-05-A-13 Audit of NRC's Telecommunications Program (06/07/2005)		
3	Revise MD 2.3.	Resolved
- OIG-05-A-17 Audit of NRC's Decommissioning Program (09/21/2005)		
1	Retain Supporting Documentation	Resolved
- OIG-05-A-18 Security Controls Over Personal Computers and Laptops - FISMA (09/22/2005)		
1	Security controls on laptops	Resolved
2	Rules of behavior agreement for security controls	Resolved
3	Verify required security controls	Resolved
4	Provide guidance on Executive Order 13103	Resolved
5	Rules of behavior agreement EO 13103	Resolved
6	Develop procedures for monitoring compliance with Executive Order 13103	Resolved
- OIG-05-A-19 Audit of NRC's Generic Communications Program (09/30/2005)		
1	Security Advisories in GC Program	Resolved
3	Consistent Tracking Methodology	Resolved
4	Effectiveness of GC Program	Resolved
- OIG-06-A-06 Audit of NRC's Integrated Personnel Security System (01/09/2006)		
17	Cost-benefit analysis	Resolved
- OIG-06-A-09 Audit of NRC's Office of Nuclear Security and Incident Response (02/16/2006)		
2	Documenting Emergent Work	Resolved
6	Assessment Follow-Up	Resolved
- OIG-06-A-10 Audit of the Development of the National Source Tracking System (02/23/2006)		
1	1. Conduct Regulatory Analysis	Resolved
- OIG-06-A-11 Audit of the NRC Byproduct materials License Application and Review Process (03/10/2006)		
1	Conduct a materials process vulnerability assessment	Resolved
2	Modify licensing process to address identified risks	Resolved
- OIG-06-A-21 Audit of NRC's Baseline Security and Safeguards Inspection Program (09/08/2006)		
1	Required Training	Resolved
4	Training Program Update	Resolved
6	Sample Size Guidance	Resolved
7	Sample Size Training	Resolved
- OIG-06-A-22 Audit of NRC's Process for Releasing Commission Decision Documents (09/08/2006)		
1	Develop a FOIA 552(a)(2) compliance program	Resolved
- OIG-06-A-24 Evaluation of NRC's Use of Probabilistic Risk Assessment In Regulating the Commercial Nuclear Power Industry (09/29/2006)		
1	Implement process for maintaining PRA models	Resolved

Status of OIG Audit Recommendations

Rec #	Description	Status
3	Full V&V for SAPHIRE and GEM	Resolved
- OIG-07-A-05 Audit of NRC's Technical Training Center (01/09/2007)		
1	Rec. 01 - Revise MD 13.1	Resolved
3	Rec. 03 - Finalize Policies and Procedures	Resolved
4	Rec. 04 Maintenance Policy	Resolved
5	Rec. 05 Policy for Pending Changes	Resolved
6	Rec. 06 Develop Policy - Technical Currency	Resolved
7	Rec. 07 Provide Instructional Methodology Training	Resolved
9	Rec. 09 Periodically rotate cognizant instructors	Resolved
10	Rec. 10 Establish method to track course evaluations	Resolved
11	Rec. 11 Evaluation of Instructor performance	Resolved
- OIG-07-A-06 Audit of NRC's Regulation of Nuclear Fuel Cycle Facilities (01/10/2007)		
1	Fuel Cycle Facility framework	Resolved
- OIG-07-A-10 Audit of NRC's Badge Access System (01/23/2007)		
5	Institute quarterly quality assurance reviews of system data	Resolved
8	Write and implement badge access system operating procedures	Resolved
10	Replace visitor badges with expiring paper badges.	Resolved
14	Documentation to support interim authority to operate.	Resolved
15	Address penetration test report.	Resolved
- OIG-07-A-11 Memorandum Report: Audit of NRC's Nuclear Material Events Database (03/23/2007)		
1	Develop/implement FCNMED procedures	Resolved
3	Conduct QA review of FCNMED	Resolved
- OIG-07-A-12 Summary Report on Byproduct Material Security and Control (03/30/2007)		
1	Independent Panel of Experts	Resolved
- OIG-07-A-13 Audit of NRC's Emergency Preparedness Program (06/25/2007)		
1	Coordination role and responsibilities	Resolved
2	Consistent coordination approach	Resolved
- OIG-07-A-14 Audit of NRC's Non-Capitalized Property (07/12/2007)		
1	Rec. 01 SES Performance Plan	Resolved
2	Rec. 02 Property Custodian Evaluations	Resolved
3	Rec. 03 Performance Measures	Resolved
4	Rec. 04 Property Custodian Training	Resolved
5	Rec. 05 Threshold Increase	Resolved
6	Rec. 06 .Modify Form 395	Resolved
7	Rec. 07 Modify MD 13.1	Resolved
8	Rec. 08 Interim Guidance	Resolved
9	Rec. 09 Reemphasize Physical Security	Resolved
10	Rec. 10 Survey NRC Physical Security Measures	Resolved
11	Rec. 11 Modify MD 13.1 to Notify AIGI	Resolved
12	Rec. 12 Interim Guidance to Notify AIGI	Resolved

Status of OIG Audit Recommendations

Rec #	Description	Status
- OIG-07-A-15 Audit of NRC's License Renewal Program (09/05/2007)		
1	Report-writing Standards	Resolved
2	Revise QA process	Resolved
3	Document Removal Guidance	Resolved
4	Op Exper Reviews	Resolved
5	Complete IP 71003	Resolved
6	Communicate IP 71003 details	Resolved
7	Establish backfit review process	Resolved
8	Commission's SOC	Resolved
- OIG-07-A-16 Audit of NRC's Process for Placing Documents in the ADAMS Public and Non-Public Libraries (09/06/2007)		
1	Update MD 3.4	Resolved
2	Create supplemental guidance document	Resolved
3	Conduct training needs analysis	Resolved
4	Develop Mechanism to indicate public/non-public rationale	Resolved
5	Require offices to use mechanism developed to record public/non-public rationale	Resolved
6	Conduct Periodic Assessments	Resolved
7	Notify office directors of all documents assigned non-public, pending review status fo	Resolved
8	Add a non-public, pending review category to E-RIDS notifications.	Resolved
- OIG-07-A-18 Assessment of Security at NRC Buildings (09/25/2007)		
1	Control of pedestrians	Resolved
2	Add additional cameras	Resolved
3	Consider blank screen technology	Resolved
5	Install vehicle barrier	Resolved
6	Install fencing around gas equipment	Resolved
7	Install lock on electrical transformer gate	Resolved
10	Apply mylar film	Resolved
11	Post signs directing pedestrian traffic	Resolved
12	Place warning sign	Resolved
13	Increase width of painted walkway	Resolved
14	Clearly mark activation buttons and remove obstructions	Resolved
15	Review EOP appendices	Resolved
16	complete apendices A,D, and E for EOP	Resolved
17	Install alarm on emergency egress door	Resolved
18	Conduct a fire alarm audibility test in the HOO area	Resolved
20	Implement more robust back up power system	Resolved
21	Develop guard post orders on contingency plans	Resolved
22	Consider assigning security manager in Las Vegas	Resolved
23	Develop and refine plans for hearings in Las Vegas	Resolved
25	Conduct electrical study of UPS	Resolved
26	Develop implementing procedures too sensitive for EOP	Resolved

Status of OIG Audit Recommendations

Rec #	Description	Status
27	Conduct tabletop exercises	Resolved
- OIG-07-A-19 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2007		
1	Review Security Categorizations	Resolved
2	Categorize all NRC major applications and general support systems	Resolved
3	Conduct annual self-assessments in accordance with guidance	Resolved
4	Include an explanation in self-assessments	Resolved
5	Develop and implement quality assurance procedures for self-assessments.	Resolved
9	Complete the updates to the security categorizations of the general support systems with	Resolved
10	Develop and Implement a methodology for identifying which listed systems reside on	Resolved
11	Develop and implement quality assurance procedures for POA&Ms.	Resolved
12	Follow NIST guidance when issuing IATOs	Resolved
13	Develop and implement quality assurance procedures for certification and accreditation	Resolved
14	Develop and implement procedures to ensure employees/contractors receive proper security	Resolved
15	Develop and implement a plan for completing the remaining e-authentication risk assessments	Resolved
- OIG-08-A-01 Results of the Audit of the United States Nuclear Regulatory Commission's Financial Statements for Fiscal Years 2007 and 2008		
1	System Vulnerabilities	Resolved
2	Fee Billing System Controls	Resolved
- OIG-08-A-03 Audit of NRC's Alternative Dispute Resolution Program (12/14/2007)		
1	Develop interim guidance	Resolved
2	Incorporate guidance in Enforcement Policy	Resolved
3	Develop ADR tracking system	Resolved
4	Create an ADR Management Directive	Resolved

Enclosure 3

URLs For Open Audit Reports

01-A-03	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2001/01a-03.html
03-A-01	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2003/03a-01.pdf
03-A-15	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2003/03-a-15.pdf
04-A-15	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2004/04-a-15.pdf
04-A-20	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2004/04-a-20.pdf
04-A-21	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2004/04-a-21.pdf
04-A-22	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2004/04-a-22.pdf
04-A-24	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2004/04-a-24.pdf
05-A-06	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2005/05-a-06.pdf
05-A-08	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2005/05-a-08.pdf
05-A-09	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2005/05-a-09.pdf
05-A-13	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2005/05-a-13.pdf
05-A-17	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2005/05-a-17.pdf
05-A-18	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2005/05-a-18.pdf
05-A-19	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2005/05-a-19.pdf
06-A-06	http://adamswebsearch.nrc.gov/idmws/ViewDocByAccession.asp?AccessionNumber=ML060240406
06-A-09	http://adamswebsearch.nrc.gov/idmws/ViewDocByAccession.asp?AccessionNumber=ML060470432
06-A-10	http://adamswebsearch.nrc.gov/idmws/ViewDocByAccession.asp?AccessionNumber=ML060540535
06-A-11	http://adamswebsearch.nrc.gov/idmws/ViewDocByAccession.asp?AccessionNumber=ML060740126
06-A-21	http://adamswebsearch.nrc.gov/idmws/ViewDocByAccession.asp?AccessionNumber=ML062510397
06-A-22	http://adamswebsearch.nrc.gov/idmws/ViewDocByAccession.asp?AccessionNumber=ML062560366
06-A-24	http://adamswebsearch.nrc.gov/idmws/ViewDocByAccession.asp?AccessionNumber=ML062720275
07-A-05	http://adamswebsearch.nrc.gov/idmws/ViewDocByAccession.asp?AccessionNumber=ML070100160
07-A-06	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2007/final-report.pdf
07-A-10	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2007/oig-07-a-10.pdf
07-A-11	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2007/oig-07-a-11.pdf
07-A-12	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2007/oig-07-a-12.pdf
07-A-13	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2007/oig-07-a-13.pdf
07-A-14	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2007/oig-07-a-14.pdf
07-A-15	http://adamswebsearch.nrc.gov/idmws/ViewDocByAccession.asp?AccessionNumber=ML072490486
07-A-16	http://adamswebsearch.nrc.gov/idmws/ViewDocByAccession.asp?AccessionNumber=ML072490584
07-A-18	OFFICIAL USE ONLY - PLEASE CONTACT OIG FOR ADDITIONAL INFORMATION
07-A-19	http://adamswebsearch.nrc.gov/idmws/ViewDocByAccession.asp?AccessionNumber=ML072710196
08-A-01	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2008/oig-08-a-01.pdf
08-A-03	http://www.nrc.gov/reading-rm/doc-collections/insp-gen/2008/oig-08-a-03.pdf

Enclosure 4

Significant Recommendations Not Implemented January 1, 2001 – Present

Date	Report Title	Report Number
05/26/03	Audit of NRC's Regulatory Oversight of Special Nuclear Materials	OIG-03-A-15
	<p><i>Recommendation 1:</i> Conduct periodic inspections to verify that material licensees comply with material control and accountability (MC&A) requirements, including, but not limited to, visual inspections of licensees' special nuclear material (SNM) inventories and validation of reported information.</p> <p><i>Implementation Status:</i> The agency is undertaking a rulemaking to implement this recommendation and expects to complete action by December 2010.</p>	
02/23/06	Audit of the Development of the National Source Tracking System	OIG-06-A-10
	<p><i>Recommendation 1:</i> Before the NSTS rulemaking is finalized, conduct a comprehensive regulatory analysis for NSTS that explores other viable options, such as those in the Code of Conduct. The regulatory analysis should include an assessment of expanding materials tracked in NSTS to contain categories 3, 4, and 5; aggregation of sources; and bulk material.</p> <p><i>Implementation Status:</i> The agency is planning to conduct a comprehensive analysis prior to submitting an NSTS rule in March 2008.</p>	

03/16/06	Audit of NRC's Byproduct Materials License Application Review Process	OIG-06-A-11
	<p><i>Recommendation 1:</i> Conduct a complete vulnerability assessment of the materials program, including the license application and review process.</p> <p><i>Recommendation 2:</i> Modify the license application and review process to mitigate the risks identified in the vulnerability assessment.</p> <p><i>Implementation Status:</i> NRC is actively pursuing corrective actions and plans to complete a vulnerability assessment by January 31, 2008.</p>	
09/26/06	Evaluation of NRC's Use of Probabilistic Risk Assessment in Regulating the Commercial Nuclear Power Industry	OIG-06-A-24
	<p><i>Recommendation 1:</i> Develop and implement a formal, written process for maintaining PRA models that are sufficiently representative of the as-built, as-operated plant to support model uses.</p> <p><i>Implementation Status:</i> OIG is currently evaluating final agency action on this recommendation.</p>	
	<p><i>Recommendation 3:</i> Conduct a full verification and validation of SAPHIRE version 7.2 and GEM.</p> <p><i>Implementation Status:</i> The agency plans to complete action by July 2009.</p>	