



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

OFFICE OF THE
INSPECTOR GENERAL

July 7, 2008

MEMORANDUM FOR: Vonna L. Ordaz
Assistant for Operations
Office of the Executive Director for Operations

FROM:

Stephen D. Dingbaum for
Stephen D. Dingbaum
Assistant Inspector General for Audits
Office of the Inspector General

SUBJECT: STATUS OF OPEN AUDIT RECOMMENDATIONS –
JUNE 2008

Attached is the OIG up-to-date status of all open audit recommendations as of the end of June 2008. Should you have any questions please feel free to contact Tony Lipuma at 301-415-5910.

Attachment: As stated

cc: J. Arildsen, OEDO
P. Shea, OEDO

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 Fiscal Year 1999 Performance Report	0	2	0	2
OIG-03-A-01 Review of NRC's Handling and Marking of Sensitive Unclassified Information	0	2	0	2
OIG-03-A-15 Audit of NRC's Regulatory Oversight of Special Nuclear Materials	0	2	6	8
OIG-04-A-20 Audit of NRC's Incident Response Program	0	3	14	17
OIG-04-A-21 System Evaluation of the Agencywide Documents Access and Management System	0	5	1	6
OIG-04-A-22 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2004	0	3	13	16
OIG-04-A-24 Systems Evaluation of the General License Tracking System	0	3	2	5
OIG-05-A-05 Audit of NRC's Drug Testing Program	0	1	11	12
OIG-05-A-08 System Evaluation of the Integrated Personnel Security System (IPSS)	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 - FISMA	0	6	2	8
OIG-05-A-19 Audit of NRC's Generic Communications Program	0	3	1	4
OIG-06-A-09 Audit of NRC's Office of Nuclear Security and Incident Response	0	2	4	6
OIG-06-A-10 Audit of the Development of the National Source Tracking System	0	1	1	2
OIG-06-A-11 Audit of the NRC Byproduct materials License Application and Review Process	0	2	0	2
OIG-06-A-21 Audit of NRC's Baseline Security and Safeguards Inspection Program	0	4	4	8
OIG-06-A-22 Audit of NRC's Process for Releasing Commission Decision Documents	0	1	1	2
OIG-06-A-24 Evaluation of NRC's Use of Probabilistic Risk Assessment In Regulating the Commercial Nuclear Power Industry	0	2	1	3
OIG-07-A-05 Audit of NRC's Technical Training Center	0	7	4	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	4	13	17
OIG-07-A-11 Memorandum Report: Audit of NRC's Nuclear Material Events Database	0	2	1	3
OIG-07-A-12 Summary Report on Byproduct Material Security and Control	0	1	0	1
OIG-07-A-14 Audit of NRC's Non-Capitalized Property	0	4	8	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 Public and Non-Public Libraries	0	7	1	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 Federal Information Security Management Act (FISMA) for Fiscal Year 2007	0	8	7	15
OIG-08-A-01 Results of the Audit of the United States Nuclear Regulatory Commission's Financial Statements for Fiscal Years 2007 and 2006	0	2	0	2
OIG-08-A-03 Audit of NRC's Alternative Dispute Resolution Program	0	4	0	4

Status of Audit Recommendations - Open Audits

Report Number & Title	Unresolved	Resolved	Closed	Total
OIG-08-A-06 Memorandum Report: NRC's Planned Cybersecurity Program	0	1	0	1
OIG-08-A-07 Audit of NRC's Oversight of Licensees Nuclear Security Officers	0	3	0	3
OIG-08-A-08 Audit of NRC's Contract for Alternative Dispute Resolution Services	3	0	0	3
OIG-08-A-09 Audit of NRC's Power Uprate Program	8	0	0	8
OIG-08-A-10 MEMORANDUM REPORT: AUDIT OF NRC'S CONTINUITY OF OPERATIONS PLAN	2	0	0	2
Grand Total	13	128	117	258

Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	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	OCFO			06/16/2008	Resolved
3	Include guidance on reporting unmet goals	OCFO			06/16/2008	Resolved
[-] OIG-03-A-01 Review of NRC's Handling and Marking of Sensitive Unclassified Information (10/16/2002)						
1	Update OOU Guidance	EDO	12/26/2006	12/31/2008		Resolved
2	Mandate defined markings	EDO	12/26/2006	12/31/2008		Resolved
[-] OIG-03-A-15 Audit of NRC's Regulatory Oversight of Special Nuclear Materials (05/23/2003)						
1	Conduct periodic inspections	EDO,NMSS	04/22/2008	09/30/2008		Resolved
3	Document risk informed approach	EDO,NMSS	04/22/2008	09/30/2008		Resolved
[-] OIG-04-A-20 Audit of NRC's Incident Response Program (09/16/2004)						
3	Update NUREG 0845	NSIR	04/09/2008	08/15/2008		Resolved
4	Conduct Periodic Reviews of Region's IRPs	NSIR	04/09/2008	08/15/2008		Resolved
11	Revise IRP to Address Incidents Involving Materials/Fuel Cycle Facilities	NSIR	04/09/2008	08/15/2008		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	OCIO			05/30/2008	Resolved
2	Update the ADAMS Security Plan	OCIO			05/30/2008	Resolved
4	Update the ADAMS Business Continuity Plan	OCIO			05/30/2008	Resolved
5	Consistently define the protection requirements	OCIO			05/30/2008	Resolved
6	Track all actions items resulting from testing of the ADAMS security controls	OCIO			05/30/2008	Resolved
[-] OIG-04-A-22 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2004 (09/30/2004)						
5	Re-certify and re-accredit the NRC Data Center/Telecommunications System.	OCIO	06/04/2008	12/08/2008		Resolved
8	Re-certify and re-accredit the Emergency Telecommunications System	OCIO	06/04/2008	12/08/2008		Resolved
10	Update the NRC LAN/WAN Business Continuity Plan.	OCIO	06/04/2008	12/08/2008		Resolved
[-] OIG-04-A-24 Systems Evaluation of the General License Tracking System (09/30/2004)						
1	Update the GLTS Security Plan	EDO,FSME,NM SS,OCIO	05/23/2008	10/27/2008		Resolved
3	Update the GLTS Business Continuity Plan	EDO,FSME,NM SS,OCIO	05/23/2008	10/27/2008		Resolved
4	Update the GLTS Security Plan	EDO,FSME,NM SS,OCIO	05/23/2008	10/27/2008		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	ADM	04/15/2008	09/22/2008		Resolved
[-] OIG-05-A-08 System Evaluation of the Integrated Personnel Security System (IPSS) (01/14/2005)						
1	Re-certify and re-accredit IPSS	ADM	01/30/2008	09/15/2008		Resolved
2	Update risk assessment risk levels	ADM	01/30/2008	09/15/2008		Resolved
3	Update plan contact info	ADM	01/30/2008	09/15/2008		Resolved

Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	Status
4	Update plan life cycle & IRO capability.	ADM	01/30/2008	09/15/2008		Resolved
5	Update plan control descriptions.	ADM	01/30/2008	09/15/2008		Resolved
7	Update contingency plan	ADM	01/30/2008	09/15/2008		Resolved
8	Consistently define plan and assessment protection requirements	ADM	01/30/2008	09/15/2008		Resolved
[-] OIG-05-A-09 Audit of the Budget Formulation Process (01/31/2005)						
1	EDO, CFO Roles	OCFO			06/16/2008	Resolved
2	PRC Role	OCFO			06/16/2008	Resolved
3	Document Process	OCFO			06/16/2008	Resolved
[-] OIG-05-A-13 Audit of NRC's Telecommunications Program (06/07/2005)						
3	Revise MD 2.3.	OCIO	02/28/2008	08/01/2008		Resolved
[-] OIG-05-A-17 Audit of NRC's Decommissioning Program (09/21/2005)						
1	Retain Supporting Documentation	NMSS,OCFO			06/16/2008	Resolved
[-] OIG-05-A-18 Security Controls Over Personal Computers and Laptops - FISMA (09/22/2005)						
1	Security controls on laptops	CSO,EDO,OIS	05/28/2008	07/28/2008		Resolved
2	Rules of behavior agreement for security controls	CSO,EDO,OIS	05/28/2008	07/28/2008		Resolved
3	Verify required security controls	CSO,EDO,OIS	05/28/2008	07/28/2008		Resolved
4	Provide guidance on Executive Order 13103	CSO,EDO,OIS	05/28/2008	07/28/2008		Resolved
5	Rules of behavior agreement EO 13103	CSO,EDO,OIS	05/28/2008	07/28/2008		Resolved
6	Develop procedures for monitoring compliance with Executive Order 13103	CSO,EDO,OIS	05/28/2008	07/28/2008		Resolved
[-] OIG-05-A-19 Audit of NRC's Generic Communications Program (09/30/2005)						
1	Security Advisories in GC Program	NRR,NSIR	04/04/2008	06/30/2008		Resolved
3	Consistent Tracking Methodology	NRR,NSIR	04/04/2008	06/30/2008		Resolved
4	Effectiveness of GC Program	NRR	04/04/2008	06/30/2008		Resolved
[-] OIG-06-A-09 Audit of NRC's Office of Nuclear Security and Incident Response (02/16/2006)						
2	Documenting Emergent Work	EDO,NSIR			06/24/2008	Resolved
6	Assessment Follow-Up	EDO,NSIR			06/24/2008	Resolved
[-] OIG-06-A-10 Audit of the Development of the National Source Tracking System (02/23/2006)						
1	1. Conduct Regulatory Analysis	EDO,FSME,NM SS			04/29/2008	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	EDO,FSME,NM SS	05/01/2008	10/30/2008		Resolved
2	Modify licensing process to address identified risks	EDO,FSME,NM SS	05/01/2008	10/30/2008		Resolved
[-] OIG-06-A-21 Audit of NRC's Baseline Security and Safeguards Inspection Program (09/08/2006)						
1	Required Training	NSIR	03/25/2008	08/04/2008		Resolved

Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	Status
4	Training Program Update	NSIR	03/25/2008	08/04/2008		Resolved
6	Sample Size Guidance	NSIR	03/25/2008	08/04/2008		Resolved
7	Sample Size Training	NSIR	03/25/2008	08/04/2008		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	EDO,OGC,OIS, SECY			05/22/2008	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	NRR,RES			01/17/2008	Resolved
3	Full V&V for SAPHIRE and GEM	NRR,RES			01/17/2008	Resolved
[-] OIG-07-A-05 Audit of NRC's Technical Training Center (01/09/2007)						
1	Rec. 01 - Revise MD 13.1	EDO,HR	03/28/2008	07/15/2008		Resolved
3	Rec. 03 - Finalize Policies and Procedures	HR	01/22/2008	07/15/2008		Resolved
4	Rec. 04 Maintenance Policy	HR	01/22/2008	07/15/2008		Resolved
5	Rec. 05 Policy for Pending Changes	HR	01/22/2008	07/15/2008		Resolved
9	Rec. 09 Periodically rotate cognizant instructors	HR	01/22/2008	07/15/2008		Resolved
10	Rec. 10 Establish method to track course evaluations	HR	01/22/2008	07/15/2008		Resolved
11	Rec. 11 Evaluation of Instructor performance	HR	01/22/2008	07/15/2008		Resolved
[-] OIG-07-A-06 Audit of NRC's Regulation of Nuclear Fuel Cycle Facilities (01/10/2007)						
1	Fuel Cycle Facility framework	NMSS	03/03/2008	09/30/2009		Resolved
[-] OIG-07-A-10 Audit of NRC's Badge Access System (01/23/2007)						
8	Write and implement badge access system operating procedures	ADM,EDO	05/06/2008	12/29/2008		Resolved
10	Replace visitor badges with expiring paper badges.	ADM,EDO	05/06/2008	12/29/2008		Resolved
13	Security plan and Information System Security Officer.	ADM,EDO	05/06/2008	12/29/2008		Resolved
15	Address penetration test report.	ADM,EDO	05/06/2008	12/29/2008		Resolved
[-] OIG-07-A-11 Memorandum Report: Audit of NRC's Nuclear Material Events Database (03/23/2007)						
1	Develop/implement FCNMED procedures	NMSS	01/07/2008	07/11/2008		Resolved
3	Conduct QA review of FCNMED	NMSS	01/07/2008	07/11/2008		Resolved
[-] OIG-07-A-12 Summary Report on Byproduct Material Security and Control (03/30/2007)						
1	Independent Panel of Experts	EDO,FSME	05/01/2008	10/30/2008		Resolved
[-] OIG-07-A-14 Audit of NRC's Non-Capitalized Property (07/12/2007)						
2	Rec. 02 Property Custodian Evaluations	ADM,EDO	05/01/2008	07/31/2008		Resolved
3	Rec. 03 Performance Measures	ADM,EDO	05/01/2008	07/31/2008		Resolved
7	Rec. 07 Modify MD 13.1	ADM,EDO	05/01/2008	07/31/2008		Resolved
11	Rec. 11 Modify MD 13.1 to Notify AIGI	ADM,EDO	05/01/2008	07/31/2008		Resolved
[-] OIG-07-A-15 Audit of NRC's License Renewal Program (09/05/2007)						

Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	Status
1	Report-writing Standards	EDO,NRR			06/26/2008	Resolved
2	Revise QA process	EDO,NRR			06/26/2008	Resolved
3	Document Removal Guidance	EDO,NRR			06/26/2008	Resolved
4	Op Exper Reviews	EDO,NRR			06/26/2008	Resolved
5	Complete IP 71003	EDO,NRR			06/26/2008	Resolved
6	Communicate IP 71003 details	EDO,NRR			06/26/2008	Resolved
7	Establish backfit review process	EDO,NRR			06/26/2008	Resolved
8	Commission's SOC	EDO,NRR,OC			06/26/2008	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	EDO,OIS	04/03/2008	07/11/2008		Resolved
2	Create supplemental guidance document	EDO,OIS	04/03/2008	07/11/2008		Resolved
3	Conduct training needs analysis	EDO,OIS	04/03/2008	07/11/2008		Resolved
4	Develop Mechanism to indicate public/non-public rationale	EDO,OIS	04/03/2008	07/11/2008		Resolved
5	Require offices to use mechanism developed to record public/non-public rationale	EDO,OIS	04/03/2008	07/11/2008		Resolved
6	Conduct Periodic Assessments	EDO,OIS	04/03/2008	07/11/2008		Resolved
8	Add a non-public, pending review category to E-RIDS notifications.	EDO,OIS	04/03/2008	07/11/2008		Resolved
[-] OIG-07-A-18 Assessment of Security at NRC Buildings (09/25/2007)						
1	Control of pedestrians	ADM			04/28/2008	Resolved
2	Add additional cameras	ADM			04/28/2008	Resolved
3	Consider blank screen technology	ADM			04/28/2008	Resolved
5	Install vehicle barrier	ADM			04/28/2008	Resolved
6	Install fencing around gas equipment	ADM			04/28/2008	Resolved
7	Install lock on electrical transformer gate	ADM			04/28/2008	Resolved
10	Apply mylar film	ADM			04/28/2008	Resolved
11	Post signs directing pedestrian traffic	ADM			04/28/2008	Resolved
12	Place warning sign	ADM			04/28/2008	Resolved
13	Increase width of painted walkway	ADM			04/28/2008	Resolved
14	Clearly mark activation buttons and remove obstructions	ADM			04/28/2008	Resolved
15	Review EOP appendices	ADM			04/28/2008	Resolved
16	complete apendices A,D, and E for EOP	ADM			04/28/2008	Resolved
17	Install alarm on emergency egress door	ADM			04/28/2008	Resolved
18	Conduct a fire alarm audibility test in the HOO area	ADM			04/28/2008	Resolved
20	Implement more robust back up power system	ADM			04/28/2008	Resolved
21	Develop guard post orders on contingency plans	ADM			04/28/2008	Resolved
22	Consider assigning security manager in Las Vegas	ADM			04/28/2008	Resolved

Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	Status
23	Develop and refine plans for hearings in Las Vegas	ADM			04/28/2008	Resolved
25	Conduct electrical study of UPS	ADM			04/28/2008	Resolved
26	Develop implementing procedures too sensitive for EOP	ADM			04/28/2008	Resolved
27	Conduct tabletop exercises	ADM			04/28/2008	Resolved
[-] OIG-07-A-19 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2007 (09/28/2007)						
1	Review Security Categorizations	EDO,OIS	05/06/2008	09/26/2008		Resolved
2	Categorize all NRC major applications and general support systems	EDO,OIS	05/06/2008	09/26/2008		Resolved
3	Conduct annual self-assessments in accordance with guidance	EDO,OIS	05/06/2008	09/26/2008		Resolved
10	Develop and Implement a methodology for identifying which listed systems reside on the NRC network	EDO,OIS	05/06/2008	09/26/2008		Resolved
11	Develop and implement quality assurance procedures for POA&Ms.	EDO,OIS	05/06/2008	09/26/2008		Resolved
12	Follow NIST guidance when issuing IATOs	EDO,OIS	05/06/2008	09/26/2008		Resolved
13	Develop and implement quality assurance procedures for certification and accreditation documentation	EDO,OIS	05/06/2008	09/26/2008		Resolved
14	Develop and implement procedures to ensure employees/contractors receive proper security training.	EDO,OIS	05/06/2008	09/26/2008		Resolved
[-] OIG-08-A-01 Results of the Audit of the United States Nuclear Regulatory Commission's Financial Statements for Fiscal Years 2007 and 2006 (11/09/2007)						
1	System Vulnerabilities	OCFO	12/18/2007	11/28/2008		Resolved
2	Fee Billing System Controls	OCFO	12/18/2007	11/28/2008		Resolved
[-] OIG-08-A-03 Audit of NRC's Alternative Dispute Resolution Program (12/14/2007)						
1	Develop interim guidance	EDO,OE			05/29/2008	Resolved
2	Incorporate guidance in Enforcement Policy	EDO,OE			05/29/2008	Resolved
3	Develop ADR tracking system	EDO,OE			05/29/2008	Resolved
4	Create an ADR Management Directive	EDO,OE			05/29/2008	Resolved
[-] OIG-08-A-06 Memorandum Report: NRC's Planned Cybersecurity Program (03/18/2008)						
1	Develop and implement plans for a cybersecurity oversight program	EDO,NSIR	05/06/2008	12/30/2008		Resolved
[-] OIG-08-A-07 Audit of NRC's Oversight of Licensees Nuclear Security Officers (03/18/2008)						
1	Revise regulations governing licensee behavioral observation programs.	EDO,NSIR	05/06/2008	08/18/2008		Resolved
2	Integrate behavioral observation program regulations	EDO,NSIR	05/06/2008	08/18/2008		Resolved
3	Incorporate short-notice, limited scope inspections	EDO,NRR,NSI	05/06/2008	08/18/2008		Resolved
[-] OIG-08-A-08 Audit of NRC's Contract for Alternative Dispute Resolution Services (03/26/2008)						
1	Modify or renegotiate the contract	ADM,EDO,OE			04/25/2008	Unresolved
2	Project Officer certification	EDO,OE			04/25/2008	Unresolved
3	Preclude PO from being faculty	EDO,OE			04/25/2008	Unresolved
[-] OIG-08-A-09 Audit of NRC's Power Uprate Program (03/28/2008)						
1	Revise IP 71004	EDO,NRR			04/24/2008	Unresolved

Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	Status
2	Provide Cross-References to IP 71004	EDO,NRR			04/24/2008	Unresolved
3	Document IP 71004 Activities in a Centralized Location	EDO,NRR			04/24/2008	Unresolved
4	Develop Safety Evaluation Writing Training for NRR Staff	EDO,NRR			04/24/2008	Unresolved
5	Implement Internal Controls to Communicate the Safety Evaluation	EDO,NRR			04/24/2008	Unresolved
6	Strengthen or Assign a Power Uprate Coordinating Authority	EDO,NRR			04/24/2008	Unresolved
7	Identify Power Uprate Program Roles & Responsibilities	EDO,NRR			04/24/2008	Unresolved
8	Develop an Information Sharing Tool for Project Managers	EDO,NRR			04/24/2008	Unresolved
OIG-08-A-10 MEMORANDUM REPORT: AUDIT OF NRC'S CONTINUITY OF OPERATIONS PLAN (05/21/2008)						
1	Physical Security Survey Guidance	ADM,EDO,NSI R			06/18/2008	Unresolved
2	Conduct Physical Security Surveys	ADM,EDO,NSI R			06/18/2008	Unresolved