

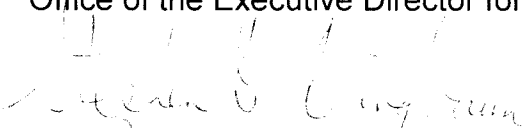


**UNITED STATES  
NUCLEAR REGULATORY COMMISSION**  
WASHINGTON, D.C. 20555-0001

OFFICE OF THE  
INSPECTOR GENERAL

September 3, 2008

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

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

SUBJECT: STATUS OF OPEN AUDIT RECOMMENDATIONS –  
AUGUST 2008

Attached is the OIG up-to-date status of all open audit recommendations as of the end of August 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 # & Name	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-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	5	3	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	1	5	6
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	1	2	3
OIG-07-A-05 Audit of NRC's Technical Training Center	0	5	6	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	3	9	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	7	20	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	3	1	4
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-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	0	2	0	2
OIG-08-A-11 Audit of NRC's Accounting and Control Over Time and Labor Reporting	0	6	0	6

## Status of Audit Recommendations - Open Audits

Report # & Name	Unresolved	Resolved	Closed	Total
OIG-08-A-12 Audit of NRC's USAID-Funded Activities	0	4	1	5
OIG-08-A-13 Evaluation of NRC's Training and Development Program	17	0	0	17
OIG-08-A-14 Audit of NRC's Controls Over the Process for Eliminating Management Directives	2	0	0	2
<b>Grand Total</b>	<b>27</b>	<b>112</b>	<b>138</b>	<b>277</b>

## Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	Status
<b>- OIG-01-A-03 Government Performance and Results Act: Review of the Fiscal Year 1999 Performance Report (02/23/2001)</b>						
1	Develop a Management Directive	OCFO			06/16/2008	Resolved
3	Include guidance on reporting unmet goals	OCFO			06/16/2008	Resolved
<b>- OIG-03-A-01 Review of NRC's Handling and Marking of Sensitive Unclassified Information (10/16/2002)</b>						
1	Update ODO Guidance	EDO	12/26/2006	12/31/2008		Resolved
2	Mandate defined markings	EDO	12/26/2006	12/31/2008		Resolved
<b>- OIG-03-A-15 Audit of NRC's Regulatory Oversight of Special Nuclear Materials (05/23/2003)</b>						
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
<b>- OIG-04-A-20 Audit of NRC's Incident Response Program (09/16/2004)</b>						
3	Update NUREG 0845	NSIR			08/11/2008	Resolved
4	Conduct Periodic Reviews of Region's IRPs	NSIR			08/11/2008	Resolved
11	Revise IRP to Address Incidents Involving Materials/Fuel Cycle Facilities	NSIR			08/11/2008	Resolved
<b>- 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)</b>						
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
<b>- OIG-04-A-24 Systems Evaluation of the General License Tracking System (09/30/2004)</b>						
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
<b>- OIG-05-A-05 Audit of NRC's Drug Testing Program (12/20/2004)</b>						
12	Update the Management Directive System to include drug testing policy	ADM	04/15/2008	09/22/2008		Resolved
<b>- OIG-05-A-08 System Evaluation of the Integrated Personnel Security System (IPSS) (01/14/2005)</b>						
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
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
<b>- OIG-05-A-09 Audit of the Budget Formulation Process (01/31/2005)</b>						
1	EDO, CFO Roles	OCFO	04/18/2008	12/31/2008		Resolved

## Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	Status
2	PRC Role	OCFO	04/18/2008	12/31/2008		Resolved
3	Document Process	OCFO	04/18/2008	12/31/2008		Resolved
<b>- OIG-05-A-13 Audit of NRC's Telecommunications Program (06/07/2005)</b>						
3	Revise MD 2.3.	EDO,OCIO	08/13/2008	03/29/2009		Resolved
<b>- OIG-05-A-17 Audit of NRC's Decommissioning Program (09/21/2005)</b>						
1	Retain Supporting Documentation	EDO,NMSS,OCFO	07/09/2008	01/15/2009		Resolved
<b>- OIG-05-A-18 Security Controls Over Personal Computers and Laptops - FISMA (09/22/2005)</b>						
2	Rules of behavior agreement for security controls	CSO,EDO,OIS	08/13/2008	12/29/2008		Resolved
3	Verify required security controls	CSO,EDO,OIS	08/13/2008	12/29/2008		Resolved
4	Provide guidance on Executive Order 13103	CSO,EDO,OIS	08/13/2008	12/29/2008		Resolved
5	Rules of behavior agreement EO 13103	CSO,EDO,OIS	08/13/2008	12/29/2008		Resolved
6	Develop procedures for monitoring compliance with Executive Order 13103	CSO,EDO,OIS	08/13/2008	12/29/2008		Resolved
<b>- OIG-05-A-19 Audit of NRC's Generic Communications Program (09/30/2005)</b>						
1	Security Advisories in GC Program	NRR,NSIR			06/24/2008	Resolved
3	Consistent Tracking Methodology	NRR,NSIR			06/24/2008	Resolved
4	Effectiveness of GC Program	NRR			06/24/2008	Resolved
<b>- OIG-06-A-09 Audit of NRC's Office of Nuclear Security and Incident Response (02/16/2006)</b>						
2	Documenting Emergent Work	EDO,NSIR	07/07/2008	09/26/2008		Resolved
<b>- OIG-06-A-11 Audit of the NRC Byproduct materials License Application and Review Process (03/10/2006)</b>						
1	Conduct a materials process vulnerability assessment	EDO,FSME,NMSS	05/01/2008	10/30/2008		Resolved
2	Modify licensing process to address identified risks	EDO,FSME,NMSS	05/01/2008	10/30/2008		Resolved
<b>- OIG-06-A-21 Audit of NRC's Baseline Security and Safeguards Inspection Program (09/08/2006)</b>						
1	Required Training	NSIR	08/13/2008	12/30/2008		Resolved
4	Training Program Update	NSIR	08/13/2008	12/30/2008		Resolved
6	Sample Size Guidance	NSIR	08/13/2008	12/30/2008		Resolved
7	Sample Size Training	NSIR	08/13/2008	12/30/2008		Resolved
<b>- OIG-06-A-22 Audit of NRC's Process for Releasing Commission Decision Documents (09/08/2006)</b>						
1	Develop a FOIA 552(a)(2) compliance program	EDO,OGC,OIS,SECY	07/28/2008	09/30/2008		Resolved
<b>- OIG-06-A-24 Evaluation of NRC's Use of Probabilistic Risk Assessment In Regulating the Commercial Nuclear Power Industry (09/29/2006)</b>						
3	Full V&V for SAPHIRE and GEM	EDO,NRR,RES	07/07/2008	12/31/2008		Resolved
<b>- OIG-07-A-05 Audit of NRC's Technical Training Center (01/09/2007)</b>						
1	Rec. 01 - Revise MD 13.1	EDO,HR	08/25/2008	03/02/2009		Resolved

## Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	Status
3	Rec. 03 - Finalize Policies and Procedures	HR	08/28/2008	03/02/2009		Resolved
9	Rec. 09 Periodically rotate cognizant instructors	EDO,HR	08/25/2008	03/02/2009		Resolved
10	Rec. 10 Establish method to track course evaluations	HR	08/28/2008	03/02/2009		Resolved
11	Rec. 11 Evaluation of Instructor performance	HR	08/21/2008	03/02/2009		Resolved
<b>- OIG-07-A-06 Audit of NRC's Regulation of Nuclear Fuel Cycle Facilities (01/10/2007)</b>						
1	Fuel Cycle Facility framework	EDO,NMSS	07/07/2008	01/30/2009		Resolved
<b>- OIG-07-A-10 Audit of NRC's Badge Access System (01/23/2007)</b>						
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
<b>- OIG-07-A-11 Memorandum Report: Audit of NRC's Nuclear Material Events Database (03/23/2007)</b>						
1	Develop/implement FCNMED procedures	EDO,NMSS			07/29/2008	Resolved
3	Conduct QA review of FCNMED	EDO,NMSS			07/29/2008	Resolved
<b>- OIG-07-A-12 Summary Report on Byproduct Material Security and Control (03/30/2007)</b>						
1	Independent Panel of Experts	EDO,FSME	05/01/2008	10/30/2008		Resolved
<b>- OIG-07-A-14 Audit of NRC's Non-Capitalized Property (07/12/2007)</b>						
2	Rec. 02 Property Custodian Evaluations	ADM,EDO	08/29/2008	03/31/2009		Resolved
7	Rec. 07 Modify MD 13.1	ADM,EDO	08/29/2008	03/31/2009		Resolved
11	Rec. 11 Modify MD 13.1 to Notify AIGI	ADM,EDO	08/29/2008	03/31/2009		Resolved
<b>- OIG-07-A-15 Audit of NRC's License Renewal Program (09/05/2007)</b>						
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 back fit review process	EDO,NRR			06/26/2008	Resolved
8	Commission's SOC	EDO,NRR,OC			06/26/2008	Resolved
<b>- OIG-07-A-16 Audit of NRC's Process for Placing Documents in the ADAMS Public and Non-Public Libraries (09/06/2007)</b>						
1	Update MD 3.4	EDO,OIS	08/13/2008	10/27/2008		Resolved
2	Create supplemental guidance document	EDO,OIS	08/13/2008	10/27/2008		Resolved
3	Conduct training needs analysis	EDO,OIS	08/13/2008	10/27/2008		Resolved
4	Develop Mechanism to indicate public/non-public rationale	EDO,OIS	08/13/2008	10/27/2008		Resolved
5	Require offices to use mechanism developed to record public/non-public rationale	EDO,OIS	08/13/2008	10/27/2008		Resolved

## Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	Status
6	Conduct Periodic Assessments	EDO.OIS	08/13/2008	10/27/2008		Resolved
8	Add a non-public, pending review category to E-RIDS notifications.	EDO.OIS	08/13/2008	10/27/2008		Resolved
<b>- OIG-07-A-18 Assessment of Security at NRC Buildings (09/25/2007)</b>						
10	Apply mylar film	ADM.EDO	06/30/2008	09/30/2008		Resolved
11	Post signs directing pedestrian traffic	ADM.EDO	06/30/2008	09/30/2008		Resolved
13	Increase width of painted walkway	ADM.EDO	06/30/2008	09/30/2008		Resolved
21	Develop guard post orders on contingency plans	ADM.EDO	06/30/2008	09/30/2008		Resolved
23	Develop and refine plans for hearings in Las Vegas	ADM.EDO	06/30/2008	09/30/2008		Resolved
26	Develop implementing procedures too sensitive for EOP	ADM.EDO	06/30/2008	09/30/2008		Resolved
27	Conduct tabletop exercises	ADM.EDO	06/30/2008	09/30/2008		Resolved
<b>- 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)</b>						
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
<b>- 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)</b>						
1	System Vulnerabilities	OCFO	12/18/2007	11/28/2008		Resolved
2	Fee Billing System Controls	OCFO	12/18/2007	11/28/2008		Resolved
<b>- OIG-08-A-03 Audit of NRC's Alternative Dispute Resolution Program (12/14/2007)</b>						
2	Incorporate guidance in Enforcement Policy	EDO.OE	06/30/2008	01/16/2009		Resolved
3	Develop ADR tracking system	EDO.OE	06/30/2008	01/16/2009		Resolved
4	Create an ADR Management Directive	EDO.OE	06/30/2008	01/16/2009		Resolved
<b>- OIG-08-A-06 Memorandum Report: NRC's Planned Cybersecurity Program (03/18/2008)</b>						
1	Develop and implement plans for a cybersecurity oversight program	EDO.NSIR	05/06/2008	12/30/2008		Resolved
<b>- OIG-08-A-07 Audit of NRC's Oversight of Licensees Nuclear Security Officers (03/18/2008)</b>						
1	Revise regulations governing licensee behavioral observation programs.	EDO.NSIR			08/21/2008	Resolved
2	Integrate behavioral observation program regulations	EDO.NSIR			08/21/2008	Resolved
3	Incorporate short-notice, limited scope inspections	EDO.NRR.NSI			08/21/2008	Resolved
<b>- OIG-08-A-09 Audit of NRC's Power Uprate Program (03/28/2008)</b>						

## Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	Status
1	Revise IP 71004	EDO.NRR			04/24/2008	Unresolved
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
<b>- OIG-08-A-10 MEMORANDUM REPORT: AUDIT OF NRC'S CONTINUITY OF OPERATIONS PLAN (05/21/2008)</b>						
1	Physical Security Survey Guidance	ADM,EDO.NSI R	07/22/2008	12/31/2008		Resolved
2	Conduct Physical Security Surveys	ADM,EDO.NSI R	07/22/2008	12/31/2008		Resolved
<b>- OIG-08-A-11 Audit of NRC's Accounting and Control Over Time and Labor Reporting (06/17/2008)</b>						
1	High Level TACs	OCFO	08/22/2008	12/19/2008		Resolved
2	Recordation vehicles	OCFO	08/22/2008	12/19/2008		Resolved
3	Detailed System analysis	OCFO	08/22/2008	12/19/2008		Resolved
4	Electronic Signatures	OCFO	08/22/2008	12/19/2008		Resolved
5	Retention Requirements	OCFO	08/22/2008	12/19/2008		Resolved
6	Report on open work assignments	OCFO	08/22/2008	12/19/2008		Resolved
<b>- OIG-08-A-12 Audit of NRC's USAID-Funded Activities (07/15/2008)</b>						
1	Modify Contract	OIP	07/29/2008	09/30/2008		Resolved
2	Correct Accounting Records	OIP	07/29/2008	09/30/2008		Resolved
3	Develop Procedures	OIP	07/29/2008	09/30/2008		Resolved
4	Internal Controls	OIP	07/29/2008	09/30/2008		Resolved
<b>- OIG-08-A-13 Evaluation of NRC's Training and Development Program (07/16/2008)</b>						
1	Review course files	HR	07/16/2008	08/15/2008		Unresolved
2	Develop a plan	HR	07/15/2008	08/15/2008		Unresolved
3	Complete OP 404	HR	07/16/2008	08/15/2008		Unresolved
4	Centralize course materials	HR	07/16/2008	08/15/2008		Unresolved
5	Lifecycle maintenance procedure	HR	07/15/2008	08/15/2008		Unresolved
6	Form working group	HR	07/16/2008	08/15/2008		Unresolved
7	Schedule courses	HR	07/16/2008	08/15/2008		Unresolved
8	Impact on employees	HR	07/16/2008	08/15/2008		Unresolved
9	New performance metrics	HR	07/16/2008	08/15/2008		Unresolved
10	Leverage LMS capabilities	HR	07/16/2008	08/15/2008		Unresolved



## Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	Last OIG Correspondence	Agency Response Due	Agency Response Received	Status
11	Develop cost tracking	HR	07/16/2008	08/15/2008		Unresolved
12	Finalize OP 410	HR	07/16/2008	08/15/2008		Unresolved
13	Develop evaluation strategy	HR	07/16/2008	08/15/2008		Unresolved
14	Evaluate collecting data	HR	07/16/2008	08/15/2008		Unresolved
15	Develop e-learning strategy	HR	07/16/2008	08/15/2008		Unresolved
16	Implementation plan	HR	07/16/2008	08/15/2008		Unresolved
17	Develop a process	HR	07/16/2008	08/15/2008		Unresolved
<b>- OIG-08-A-14 Audit of NRC's Controls Over the Process for Eliminating Management Directives (07/18/2008)</b>						
1	Add specificity to MD 1.1	ADM,EDO			08/18/2008	Unresolved
2	Publish hierarchy of guidance	EDO			08/18/2008	Unresolved