August 23, 2011

MEMORANDUM TO: R. William Borchardt
Executive Director for Operations

FROM: Stephen D. Dingbaum **/RA/**
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: INDEPENDENT
EVALUATION OF NRC'S IMPLEMENTATION OF THE
FEDERAL INFORMATION SECURITY MANGEMENT ACT
FOR FISCAL YEAR 2010 (OIG-11-A-03)

REFERENCE: DIRECTOR, COMPUTER SECURITY OFFICE
MEMORANDUM DATED AUGUST 19, 2011

Attached is the Office of the Inspector General's (OIG) analysis and status of
recommendations as discussed in the agency's response dated August 19, 2011.
Based on this response, recommendations 1 and 2 are closed. All recommendations
related to this report are now closed.

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

Attachment: As stated

cc: N. Mamish, OEDO
J. Andersen, OEDO
J. Arildsen, OEDO
C. Jaegers, OEDO

Evaluation Report

**INDEPENDENT EVALUATION OF NRC'S IMPLEMENTATION
OF THE FEDERAL INFORMATION SECURITY MANAGEMENT
ACT FOR FISCAL YEAR 2010**

OIG-11-A-03

Status of Recommendations

Recommendation 1: Implement an automated tool to ensure the agency's POA&M [Plan of Action and Milestones] procedures are consistently implemented.

Agency Response Dated
August 19, 2011: The U.S. Nuclear Regulatory Commission (NRC) has implemented an automated tool (Xacta) to ensure the agency's POA&M procedures are consistently implemented. Additionally, the NRC updated the POA&M process (ML111020360) to reflect the use of the automated tool. CSO recommends that this item be closed.

OIG Analysis: OIG was given a demonstration of the new automated tool to ensure that the POA&M procedures would be consistently implemented. OIG also reviewed the updated POA&M procedures documenting the updated POA&M process. These actions fulfill the recommendation's intent; therefore, this recommendation is considered closed.

Status: Closed.

Evaluation Report

**INDEPENDENT EVALUATION OF NRC'S IMPLEMENTATION
OF THE FEDERAL INFORMATION SECURITY MANAGEMENT
ACT FOR FISCAL YEAR 2010**

OIG-11-A-03

Status of Recommendations

Recommendation 2:

Perform more frequent independent verification and validation of POA&Ms to ensure POA&Ms include all known security weaknesses, including those identified in OIG [Office of Inspector General] audits, contingency plan testing, and annual security control testing, and to ensure POA&Ms are updated in a timely manner.

Agency Response Dated August 19, 2011:

NRC uses an automated tool (Xacta), which enables centralized management of POA&Ms, to ensure POA&Ms include all known security weaknesses, including those identified in OIG audits, contingency plan testing, and annual security control testing, and to ensure POA&Ms are updated in a timely manner. NRC has updated section 3.5 of the POA&M process (ML111020360) to include more frequent independent verification and validation of POA&Ms. CSO recommends that this item be closed.

OIG Analysis:

OIG was given a demonstration of the new automated tool to ensure that the more frequent independent verification and validation of POA&Ms were being performed. OIG also reviewed section 3.5 of the POA&M process to ensure that it was updated to include more frequent independent verification and validation of POA&Ms. These actions fulfill the recommendation's intent; therefore, this recommendation is considered closed.

Status: Closed.