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

OFFICE OF THE
INSPECTOR GENERAL

June 26, 2013

The Honorable Darrell Issa, Chairman
The Honorable Elija E. Cummings, Ranking Member
Committee on Oversight and Government Reform
U.S. House of Representatives
2157 Rayburn House Office Building
Washington, DC 20515-6143

Dear Representatives Issa and Cummings:

In response to your June 17, 2013, request for information on open audit recommendations, please find enclosed (1) a table of open audit recommendations at the U.S. Nuclear Regulatory Commission (NRC) and (2) a listing of the three most important open and unimplemented audit recommendations. The table shows that NRC is currently in the process of implementing 137 resolved audit recommendations and is considering actions to address 18 unresolved recommendations. The term resolved indicates that the agency has agreed with the audit recommendation and has proposed a course of action that my staff and I believe addresses the recommendation's intent. These recommendations will remain open until the agency completes its proposed course of action. Unresolved recommendations are those for which a course of action has yet to be agreed upon.

In your June 17, 2013, letter, you also asked about the cumulative estimated cost savings associated with the current number of open and unimplemented recommendations and the cost savings associated with our three most important and unimplemented audit recommendations. Of the total 155 resolved and unresolved recommendations mentioned in the previous paragraph, there are 2 resolved recommendations associated with an estimated cost savings of $357,800. There are no cost savings associated with the three recommendations we have identified as most important.

Thank you for your strong support for the Inspector General mandate to prevent fraud, waste, and abuse. If you have questions, please contact me at 301-415-5930, or Stephen D. Dingbaum, Assistant Inspector General for Audits, at 301-415-5915.

Sincerely,

Hubert T. Bell
Inspector General

Enclosures: As stated

Enclosure 1. NRC/OIG Open Audit Recommendations as of June 19, 2013				
Report # & Title	**Rec #**	**Description**	**Status**	**Estimated $$ Benefit**
OIG-01-A-03 Government Performance and Results Act: Review of the Fiscal Year 1999 Performance Report	1	Develop a Management Directive	Resolved	
OIG-01-A-03 Government Performance and Results Act: Review of the Fiscal Year 1999 Performance Report	3	Include guidance on reporting unmet goals	Resolved	
OIG-03-A-15 Audit of NRC's Regulatory Oversight of Special Nuclear Materials	1	Conduct periodic inspections	Resolved	
OIG-03-A-15 Audit of NRC's Regulatory Oversight of Special Nuclear Materials	3	Document risk informed approach	Resolved	
OIG-05-A-17 Audit of NRC's Decommissioning Program	1	Retain Supporting Documentation	Resolved	
OIG-07-A-06 Audit of NRC's Regulation of Nuclear Fuel Cycle Facilities	1	Fuel Cycle Facility framework	Resolved	
OIG-08-A-16 Audit of NRC's Premium Class Travel	1	Update MD 14.1	Resolved	
OIG-09-A-06 Audit of the Committee to Review Generic Communications	1	Develop agencywide backfit review process	Resolved	
OIG-10-A-11 Social Engineering Assessment Report	3	Publicly Facing Information	Resolved	
OIG-10-A-11 Social Engineering Assessment Report	4	Authentication Controls	Resolved	
OIG-10-A-11 Social Engineering Assessment Report	5	Removeable Storage	Resolved	
OIG-10-A-11 Social Engineering Assessment Report	7	Malicious File Identification	Resolved	
OIG-10-A-13 Audit of NRC's Telework Program	6	Develop a management directive	Resolved	
OIG-10-A-18 Assessment of Wireless devices	11	Revise Management Directive 12.5	Resolved	

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OIG-10-A-18 Assessment of Wireless devices	12	Blackberry Account Management	Resolved	
OIG-10-A-20 Audit of NRC's Vendor Inspection Program	2	Develop a methodology to identify vendors.	Resolved	
OIG-10-A-20 Audit of NRC's Vendor Inspection Program	5	Clarify Commercial-Grade Dedication	Resolved	
OIG-10-A-20 Audit of NRC's Vendor Inspection Program	6	Commercial-Grade Sampling	Resolved	
OIG-10-A-20 Audit of NRC's Vendor Inspection Program	7	Part 21 Compliance Guidance	Resolved	
OIG-10-A-20 Audit of NRC's Vendor Inspection Program	9	Develop Guidance to Approve Accredited Commercial-Grade Calibration Labs	Resolved	
OIG-11-A-02 Audit of NRC's Non-Concurrence Process	3	Finalize MD 10.158	Resolved	
OIG-11-A-02 Audit of NRC's Non-Concurrence Process	4	On-demand non-concurrence process training	Resolved	
OIG-11-A-02 Audit of NRC's Non-Concurrence Process	8	Perform regularly scheduled assessments of NCP	Resolved	
OIG-11-A-08 Audit of NRC's Implementation of 10 CFR Part 21, Reporting of Defects and Noncompliance	1	Revise 10 CFR Part 21	Resolved	
OIG-11-A-08 Audit of NRC's Implementation of 10 CFR Part 21, Reporting of Defects and Noncompliance	2	Expedite publication of interim guidance	Resolved	
OIG-11-A-08 Audit of NRC's Implementation of 10 CFR Part 21, Reporting of Defects and Noncompliance	3	Correct the sections of NUREG-1022, Event Reporting Guidelines	Resolved	
OIG-11-A-08 Audit of NRC's Implementation of 10 CFR Part 21, Reporting of Defects and Noncompliance	4	Review, revise and reissue NUREG-0302 10 CFR Part 21 guidance	Resolved	

Report # & Title	Rec #	Description	Status	Estimated $$ Benefit
OIG-11-A-08 Audit of NRC's Implementation of 10 CFR Part 21, Reporting of Defects and Noncompliance	5	Incorporate IP 36100, Inspection of 10 CFR Parts 21 and 10 CFR 50.55(e) into Baseline Inspection Program	Resolved	
OIG-11-A-14 Audit of NRC's Oversight of Master Materials Licensees	1	Define MML project managers' roles	Resolved	
OIG-11-A-14 Audit of NRC's Oversight of Master Materials Licensees	5	Define MML licensee regulatory oversight responsibilities	Resolved	
OIG-11-A-15 Audit of NRC's Shared S Drive	2	Training to Protect SUNSI on Shared Drives	Resolved	
OIG-11-A-15 Audit of NRC's Shared S Drive	3	CUI Policies for Shared Drives	Resolved	
OIG-11-A-15 Audit of NRC's Shared S Drive	4	IT Coordinator Training	Resolved	
OIG-11-A-17 Audit of NRC's Management of Licensee Commitments	3	Develop Training on use of commitments	Resolved	
OIG-11-A-17 Audit of NRC's Management of Licensee Commitments	5	Track safety significant commitments, if needed.	Resolved	
OIG-12-A-02 Independent Evaluation of NRC's Contract Award Process	1	Develop or update policies and procedures.	Resolved	
OIG-12-A-04 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for FY 2011	1	Risk Management	Resolved	
OIG-12-A-04 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for FY 2011	2	Config Management	Resolved	
OIG-12-A-04 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for FY 2011	3	Perfomance Measures	Resolved	
OIG-12-A-04 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for FY 2011	4	Software compliance Assessments	Resolved	

Report # & Title	Rec #	Description	Status	Estimated $$ Benefit
OIG-12-A-04 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for FY 2011	5	Perfomance Measures Included	Resolved	
OIG-12-A-04 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for FY 2011	6	Include Identified Vulnerabilities	Resolved	
OIG-12-A-09 Audit of NRC's Use of Confirmatory Action Letters	2	Update CAL guidance	Resolved	
OIG-12-A-09 Audit of NRC's Use of Confirmatory Action Letters	3	Conduct CAL audits	Resolved	
OIG-12-A-10 Audit of NRC's Management of the Baseline Security Inspection Report	1	Develop and Maintain a Centralized Security Findings Database	Resolved	
OIG-12-A-10 Audit of NRC's Management of the Baseline Security Inspection Report	2	Formalize and Implement Process for Maintaining Accurate Data	Resolved	
OIG-12-A-10 Audit of NRC's Management of the Baseline Security Inspection Report	3	Formalize and Implement Process for Managing SGI Findings Data	Resolved	
OIG-12-A-10 Audit of NRC's Management of the Baseline Security Inspection Report	4	Formalize and Implement Procedures for Testing Draft SDP Tools	Resolved	
OIG-12-A-10 Audit of NRC's Management of the Baseline Security Inspection Report	5	Formalize and Implement Process for Periodic Review of SDP Tools	Resolved	
OIG-12-A-12 Audit of NRC's Protection of Safeguards Information (SGI)	1	Develop Structured Reporting Process	Resolved	
OIG-12-A-12 Audit of NRC's Protection of Safeguards Information (SGI)	2	Update MDs	Resolved	
OIG-12-A-12 Audit of NRC's Protection of Safeguards Information (SGI)	3	Develop Interim Guidance	Resolved	
OIG-12-A-12 Audit of NRC's Protection of Safeguards Information (SGI)	4	Update Online Training	Resolved	
OIG-12-A-12 Audit of NRC's Protection of Safeguards Information (SGI)	5	Update MD 12.7	Resolved	

Report # & Title	Rec #	Description	Status	Estimated $$ Benefit
OIG-12-A-12 Audit of NRC's Protection of Safeguards Information (SGI)	8	Refresher Training	Resolved	
OIG-12-A-13 Audit of NRC's Management of Import/Export Authorizations	1	Biennial fee review process.	Resolved	$325,000
OIG-12-A-13 Audit of NRC's Management of Import/Export Authorizations	4	Fee Revenue Policies and Procedures	Resolved	
OIG-12-A-13 Audit of NRC's Management of Import/Export Authorizations	5	Verify that revenue was collected and deposited.	Resolved	$32,800
OIG-12-A-14 Audit of NRC's Issuance of General Licenses	2	Visit Existing Licensees	Resolved	
OIG-12-A-14 Audit of NRC's Issuance of General Licenses	3	Visit New Licensees	Resolved	
OIG-12-A-14 Audit of NRC's Issuance of General Licenses	4	Analyze Data & Take Action	Resolved	
OIG-12-A-15 Audit of NRC's Oversight of Industrial Radiography	1	Require licenses to be clear and consistent	Resolved	
OIG-12-A-15 Audit of NRC's Oversight of Industrial Radiography	2	Define licensees' location for inspection	Resolved	
OIG-12-A-15 Audit of NRC's Oversight of Industrial Radiography	3	Selection methodology for field stations	Resolved	
OIG-12-A-15 Audit of NRC's Oversight of Industrial Radiography	4	Arrange temporary job site inspections	Resolved	
OIG-12-A-15 Audit of NRC's Oversight of Industrial Radiography	7	Increase awareness of offshore radiography	Resolved	
OIG-12-A-15 Audit of NRC's Oversight of Industrial Radiography	8	Guidance for NRC inspections in Agreement States	Resolved	
OIG-12-A-16 Audit of NRC's Inspections, Tests, Analyses, and Acceptance Criteria (ITAAC) Process	4	Develop and deliver training for the ITAAC process based on the results of needs assessments.	Resolved	

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OIG-12-A-16 Audit of NRC's Inspections, Tests, Analyses, and Acceptance Criteria (ITAAC) Process	7	Determine which SSCs manufactured/assembled off-site should be inspected prior to arrival at construction sites	Resolved	
OIG-12-A-16 Audit of NRC's Inspections, Tests, Analyses, and Acceptance Criteria (ITAAC) Process	8	Develop coordination strategy for Vendor Inspetions and ITAAC process	Resolved	
OIG-12-A-16 Audit of NRC's Inspections, Tests, Analyses, and Acceptance Criteria (ITAAC) Process	10	Develop and implement change management process for ITAAC	Unresolved	
OIG-12-A-17 Information Security Risk Evaluation of Region II- Atlanta, GA. –	7	Estblish and complete the laptop process	Resolved	
OIG-12-A-17 Information Security Risk Evaluation of Region II- Atlanta, GA. –	8	Update ROI 1250.1/1250.2	Resolved	
OIG-12-A-17 Information Security Risk Evaluation of Region II- Atlanta, GA. –	9	Develop procedures for IT security program	Resolved	
OIG-12-A-18 Memorandum Report: Audit of NRC's Contract Administration of the EPM Contract	1	Update MD 11.1	Resolved	
OIG-12-A-18 Memorandum Report: Audit of NRC's Contract Administration of the EPM Contract	3	Develop/implement agencywide standard for invoice review/approval process	Unresolved	
OIG-12-A-18 Memorandum Report: Audit of NRC's Contract Administration of the EPM Contract	4	Certify the accuracy of invoices for contract NRC-DR-33-10-303	Unresolved	
OIG-12-A-19 Audit of NRC's Use of Orders	1	EDO identify & document order followup requirements	Resolved	
OIG-12-A-19 Audit of NRC's Use of Orders	2	OCFO identify & document order followup requirements.	Resolved	
OIG-12-A-19 Audit of NRC's Use of Orders	3	OIP identify & document order followup requirements.	Resolved	

Report # & Title	Rec #	Description	Status	Estimated $$ Benefit
OIG-12-A-19 Audit of NRC's Use of Orders	4	OIP seek updated delegation of authority to issue orders.	Resolved	
OIG-12-A-19 Audit of NRC's Use of Orders	5	EDO seek updated delegation of authority to issue orders and to re-delegate that authority.	Resolved	
OIG-12-A-21 Audit of NRC·s 10 CFR Part 31 General Licensing Program	1	Licensee Notification	Resolved	
OIG-12-A-21 Audit of NRC·s 10 CFR Part 31 General Licensing Program	2	Licensee Renotification	Resolved	
OIG-13-A-02 Audit of NRC's Process for Calculating License Fees	1	Fee rule validation	Resolved	
OIG-13-A-02 Audit of NRC's Process for Calculating License Fees	2	Desk Procedures	Resolved	
OIG-13-A-02 Audit of NRC's Process for Calculating License Fees	3	QC Checklists	Resolved	
OIG-13-A-02 Audit of NRC's Process for Calculating License Fees	4	Supervisory Review	Resolved	
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	1	New system inventory	Resolved	
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	2	biannual inventory update	Resolved	
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	3	Systems in NSICS	Resolved	

Report # & Title	Rec #	Description	Status	Estimated $$ Benefit
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	4	Regional office consolidated inventory	Resolved	
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	5	Consolidated inventory	Resolved	
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	6	Rack diagram	Resolved	
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	7	POA&M training	Resolved	
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	8	POA&M automated tool	Resolved	
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	9	Short term disruptions	Resolved	
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	10	Remote locations contingency planning	Resolved	

Report # & Title	Rec #	Description	Status	Estimated $$ Benefit
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	11	IT environment contingency plan	Resolved	
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	12	COOPs	Resolved	
OIG-13-A-03 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2012	13	remote site COOP	Resolved	
OIG-13-A-06 Information Security Risk Evaluation of Region I – King of Prussia, PA	1	Update Region I instruction 0710.1	Resolved	
OIG-13-A-06 Information Security Risk Evaluation of Region I – King of Prussia, PA	2	Update Region I Instruction 0730.1	Resolved	
OIG-13-A-06 Information Security Risk Evaluation of Region I – King of Prussia, PA	3	Update Regional Instruction 0180.1	Resolved	
OIG-13-A-07 Information Security Risk Evaluation of Region IV - Arlington, TX	1	Backup procedures are inadequate	Resolved	
OIG-13-A-07 Information Security Risk Evaluation of Region IV - Arlington, TX	2	Develop backup procedures for NRC-servers	Resolved	
OIG-13-A-07 Information Security Risk Evaluation of Region IV - Arlington, TX	3	Send backups offsite	Resolved	
OIG-13-A-07 Information Security Risk Evaluation of Region IV - Arlington, TX	4	Establish general laptop system	Resolved	
OIG-13-A-07 Information Security Risk Evaluation of Region IV - Arlington, TX	5	Update PG 0754.2	Resolved	
OIG-13-A-07 Information Security Risk Evaluation of Region IV - Arlington, TX	6	Update PG 0001.11	Resolved	

Report # & Title	Rec #	Description	Status	Estimated $$ Benefit
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	1	Broaden NRC's definition with nuclear social media	Resolved	
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	2	Develop and Implement a process to monitor user activity on NRC's social media platforms	Resolved	
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	3	Develop a baseline for performance by benchmarking NRC's social media metrics	Resolved	
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	4	Generate content periodically	Resolved	
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	9	Develop and Implement a process for the use of rich media	Resolved	
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	17	Engage in active outreach to bloggers and other social media followers	Resolved	
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	20	Periodically host a blogger's rountable	Resolved	
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	25	Update the agency's information management and security policies to include social media	Resolved	
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	26	Conduct annual security and vulnerability assessments on NRC's social media channels	Resolved	
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	29	Disseminate electronic agencywide Yellow Announcements on a periodic basis regarding social media security	Resolved	
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	30	Revise warning messages for network users	Resolved	
OIG-13-A-08 Independent Evaluation of NRC's Use and Security of Social Media	31	Revise the Problem Report to include a link	Resolved	
OIG-13-A-09 Audit of NRC's Progress in Carrying Out The "25 Point Implementation Plan to Reform Federal Information Technology Management"	1	Review non-major IT investments.	Resolved	

Report # & Title	Rec #	Description	Status	Estimated $$ Benefit
OIG-13-A-09 Audit of NRC's Progress in Carrying Out The "25 Point Implementation Plan to Reform Federal Information Technology Management"	2	Institutionalize Training and Retention Best Practices	Resolved	
OIG-13-A-09 Audit of NRC's Progress in Carrying Out The "25 Point Implementation Plan to Reform Federal Information Technology Management"	3	Include all NRC data center infrastructure in data center consolidation plans and reports.	Resolved	
OIG-13-A-09 Audit of NRC's Progress in Carrying Out The "25 Point Implementation Plan to Reform Federal Information Technology Management"	4	Create short- and long-term plans for the 3WFN data center.	Resolved	
OIG-13-A-11 TTC Security Risk Evaluation of NRC's Technical training Center	1	Current Authority to Operatate	Resolved	
OIG-13-A-14 Audit of NRC's Safety Training and Development for Technical Staff	1	New Assessments	Resolved	
OIG-13-A-14 Audit of NRC's Safety Training and Development for Technical Staff	2	Existing Assessments	Resolved	
OIG-13-A-16 Audit of NRC's Safeguards Information Local Area Network and Electronic Safe	1	Designate SLES Business Champion	Unresolved	
OIG-13-A-16 Audit of NRC's Safeguards Information Local Area Network and Electronic Safe	2	Establish Formal Workflow Process	Unresolved	
OIG-13-A-16 Audit of NRC's Safeguards Information Local Area Network and Electronic Safe	3	Update Current Folder Structure	Unresolved	
OIG-13-A-16 Audit of NRC's Safeguards Information Local Area Network and Electronic Safe	4	Create Folder Guide for SLES	Unresolved	

Report # & Title	Rec #	Description	Status	Estimated $$ Benefit
OIG-13-A-17 Audit of NRC's Travel Charge Card Program	12	Develop and implement procedures to maintain quarterly supporting data.	Resolved	
OIG-13-A-18 Audit of NRC's Budget Execution Process	1	Implement Planning, Budgeting & Performance Management process	Unresolved	
OIG-13-A-18 Audit of NRC's Budget Execution Process	2	Standardize Job Codes	Unresolved	
OIG-13-A-18 Audit of NRC's Budget Execution Process	3	Budget object codes	Unresolved	
OIG-13-A-18 Audit of NRC's Budget Execution Process	4	Define FAIMIS training needs	Unresolved	
OIG-13-A-18 Audit of NRC's Budget Execution Process	5	Provide FAIMIS training	Unresolved	
OIG-13-A-18 Audit of NRC's Budget Execution Process	6	Develop Recordkeeping Procedures	Unresolved	
OIG-13-A-18 Audit of NRC's Budget Execution Process	7	Training Recordkeeping	Unresolved	
OIG-13-A-18 Audit of NRC's Budget Execution Process	8	Clarify Allowance Holder delegations	Unresolved	

Enclosure 2. Three Most Important Open and Unimplemented NRC/OIG Recommendations as of June 19, 2013

Date Issued	Audit Report	Recommendation	Status	Associated Cost Savings
5/26/03	Audit of NRC's Regulatory Oversight of Special Nuclear Materials (OIG-03-A-15)	Conduct periodic inspections to verify that material licensees comply with material control and accountability requirements, including, but not limited to, visual inspections of licensees' special nuclear material inventories and validation of report information.	NRC is making progress toward meeting the intent of this recommendation and anticipates compliance in November 2013.	
5/26/03	Audit of NRC's Regulatory Oversight of Special Nuclear Materials (OIG-03-A-15)	Develop and implement a quality assurance process that ensures that collected enforcement data is accurate and complete.	NRC is making progress toward meeting the intent of this recommendation and anticipates compliance in November 2013.	
6/28/12	Audit of NRC's Oversight of Industrial Radiography (OIG-12-A-15)	Revise NRC inspection guidance to require NRC inspectors to take additional steps to arrange a temporary job site inspection for an NRC licensee that has not had a temporary job site inspection for a defined minimum number of consecutive routine inspections.	NRC is making progress toward meeting the intent of this recommendation and anticipates compliance in January 2015.	