

January 7, 2014

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

FROM: James T. Wiggins, Director */RA by Brian J. McDermott for/*
Office of Nuclear Security and Incident Response

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF THE U.S.
NUCLEAR REGULATORY COMMISSION'S PROTECTION OF
SAFEGUARDS INFORMATION (OIG-12-A-12)

In a memorandum to the Assistant Inspector General for Audits, dated May 9, 2012, (ML121220088), my office responded to the Office of the Inspector General (OIG) memorandum dated April 16, 2012 (ML12108A069). In that memorandum, the recommendations made by the OIG were agreed to and target completion dates were identified for each of the recommendations.

The purpose of this memorandum is to provide the OIG a status update to the recommendations made within the subject line audit. It is also intended to inform you that the Office of Administration (ADM) in coordination with the Office of Nuclear Security and Incident response (NSIR), has completed the task needed to sufficiently address recommendation numbers 3 and 4 of the subject line referenced OIG Audit. OIG Recommendations 6 and 7 have been acknowledged as closed with no further action required.

ADM has developed and published a structured reporting process through Yellow Announcement Numbers 2012-163 and 2013-014 (ADAMS (ML12286A309) and (ML12257A306) respectively). With the assistance of the Computer Security Office, that guidance was implemented and made to be effective immediately with the publication of Yellow Announcement 2013-014.

Additionally, NSIR has revised the Information Security Awareness Training, Course 972, to capture the guidance stated in Yellow Announcement number 2013-014. The structured reporting process will be incorporated into Management Directive 12.7, "NRC Safeguards Information Security Program," when it is revised. With respect to your specific recommendations, I submit the following:

CONTACT: Robert Norman, NSIR
(301) 415-2278

Recommendation 1 (Resolved)

Develop a structured reporting process that includes:

- One point of contact to receive reports of all SGI [Safeguards Information] releases.
- A numbering system to track the number of releases reported in a consistent manner.
- A system to report information on releases from the central point of contact to the responsible program offices.
- A system to trend releases and to make any needed programmatic changes.

Response/Status Update

Agree. The target completion date is May 30, 2014. The point of contact (POC) for this initiative is Robert Norman.

Recommendation 2 (Resolved)

Update the affected MDs [Management Directives] (3.4, 7.4, 12.1, 12.5, and 12.7) to provide consistent guidance on the new reporting structure outlined in recommendation 1.

Response/Status Update

Agree. The target completion date for revision of MD 12.7 is May 30, 2014. The POC for this initiative is Robert Norman.

Recommendation 3 (Resolved)

Develop and implement interim guidance to communicate the structured reporting process to NRC [U.S. Nuclear Regulatory Commission] staff.

Response/Status Update

Agree. The interim policy has been published through Yellow Announcement 2013-014 (ADAMS ML12257A306). The task needed to sufficiently address this recommendation has been met; this item should be considered closed.

Recommendation 4 (Resolved)

Update the annual online security information training [Information Security Awareness training (iLearn 972)] to reflect the reporting requirements for SGI releases.

Response/Status Update

Agree. The Information Security Awareness course (iLearn 972) has been updated to include the guidance that was published in Yellow Announcement 2013-014. The task needed to sufficiently address this recommendation has been met; this item should be considered closed.

Recommendation 5 (Resolved)

Update MD 12.7 to include detailed guidance on granting “outsiders” access to SGI.

Response/Status Update

Agree. The target completion date for revision of MD 12.7 is May 30, 2014. The POC for this initiative is Robert Norman

Recommendation 8 (Resolved)

Develop and require annual refresher training for the SGI Designator role.

Response/Status Update

Agree. Refresher training has been developed and the requirement for personnel to complete the training will be placed in the revised MD. The target completion date for revision of MD 12.7 is May 30, 2014. The POC for this initiative is Robert Norman.

Response/Status Update

Agree. The Information Security Awareness course (iLearn 972) has been updated to include the guidance that was published in Yellow Announcement 2013-014. The task needed to sufficiently address this recommendation has been met; this item should be considered closed.

Recommendation 5 (Resolved)

Update MD 12.7 to include detailed guidance on granting "outsiders" access to SGI.

Response/Status Update

Agree. The target completion date for revision of MD 12.7 is May 30, 2014. The POC for this initiative is Robert Norman

Recommendation 8 (Resolved)

Develop and require annual refresher training for the SGI Designator role.

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ADAMS Accession No: ML13360A158 (NSIR Response) ML13364A246 (Package)

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DATE	12/26/2013	12/26/13	12 /12 /2013	12/31/13 by CJohnson	1/7/14 by BMcDermott

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