



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

**OFFICE OF THE
INSPECTOR GENERAL**

January 29, 2014

MEMORANDUM TO: Mark A. Satorius
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
PROTECTION OF SAFEGUARDS INFORMATION
(OIG-12-A-12)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR SECURITY AND
INCIDENT RESPONSE, MEMORANDUM DATED
JANUARY 7, 2014

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated January 7, 2014. Based on this response, recommendations 3 and 4 are closed and recommendations 1, 2, 5, and 8 remain in resolved status. Recommendations 6 and 7 were previously closed. Please provide an updated status of the resolved recommendations by June 30, 2014.

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: R. Mitchell, OEDO
K. Brock, OEDO
J. Arildsen, OEDO
C. Jaegers, OEDO

Audit Report

AUDIT OF NRC'S PROTECTION OF SAFEGUARDS INFORMATION

OIG-12-A-12

Status of Recommendations

<u>Recommendation 1:</u>	<p>Develop a structured reporting process that includes:</p> <ul style="list-style-type: none">• One point of contact to receive reports of all SGI 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.
Agency Response Dated January 7, 2014:	<p>Agree. The target completion date is May 30, 2014. The point of contact (POC) for this initiative is Robert Norman.</p>
OIG Analysis:	<p>The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG reviews the structured reporting process and determines that it contains the elements listed in the recommendation.</p>
Status:	<p>Resolved.</p>

Audit Report

AUDIT OF NRC'S PROTECTION OF SAFEGUARDS INFORMATION

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Status of Recommendations

<u>Recommendation 2:</u>	Update the affected MDs (3.4, 7.4, 12.1, 12.5, and 12.7) to provide consistent guidance on the new reporting structure outlined in recommendation 1.
Agency Response Dated January 7, 2014:	Agree. The target completion date for revision of MD 12.7 is May 30, 2014. The POC for this initiative is Robert Norman.
OIG Analysis:	The proposed corrective actions address the intent of OIG's recommendation. This recommendation will be closed when OIG reviews all the listed MDs for consistent communication of the reporting structure outlined in recommendation 1.
Status:	Resolved.

Audit Report

AUDIT OF NRC'S PROTECTION OF SAFEGUARDS INFORMATION

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Status of Recommendations

Recommendation 3: Develop and implement interim guidance to communicate the structured reporting process to NRC staff.

Agency Response
Dated January 7, 2014: Agree. The interim policy has been published through Yellow Announcement 2013-014 (ADAMS ML 12257A306). The task needed to sufficiently address this recommendation has been met; this item should be considered closed.

OIG Analysis: OIG reviewed the interim policy and determined that communicates the reporting process to NRC staff. This recommendation is therefore considered closed.

Status: Closed.

Audit Report

AUDIT OF NRC'S PROTECTION OF SAFEGUARDS INFORMATION

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Status of Recommendations

Recommendation 4: Update the annual online security information training to reflect the reporting requirements for SGI releases.

Agency Response
Dated January 7, 2014:

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.

OIG Analysis:

OIG reviewed the information security awareness course, and determined that it reflects the reporting requirements for SGI releases. This recommendation is therefore considered closed.

Status:

Closed.

Audit Report

AUDIT OF NRC'S PROTECTION OF SAFEGUARDS INFORMATION

OIG-12-A-12

Status of Recommendations

Recommendation 5: Update MD 12.7 to include detailed guidance on granting "outsiders" access to SGI.

Agency Response
Dated January 7, 2014: Agree. The target completion date for revision of MD 12.7 is May 30, 2014. The POC for this initiative is Robert Norman.

OIG Analysis: The proposed corrective action addresses the intent of OIG's recommendation. OIG will close this recommendation after OIG staff have reviewed the MD and determined that it includes detailed guidance on granting "outsiders" access to SGI.

Status: Resolved.

Audit Report

AUDIT OF NRC'S PROTECTION OF SAFEGUARDS INFORMATION

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Status of Recommendations

Recommendation 8: Develop and require annual refresher training for the SGI Designator role.

Agency Response
Dated January 7, 2014: 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.

OIG Analysis: The proposed corrective action addresses the intent of OIG's recommendation. OIG will close this recommendation after OIG staff have determined that refresher training was developed and is required training for individuals assigned to the SGI Designator role.

Status: Resolved.