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

OFFICE OF THE
INSPECTOR GENERAL

May 4, 2016

MEMORANDUM TO: Victor M. McCree
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S PERSONAL IDENTITY VERIFICATION CARD ACCESS SYSTEM (OIG-16-A-10)

REFERENCE: DEPUTY EXECUTIVE DIRECTOR FOR MATERIALS, RESEARCH, STATE, TRIBAL, COMPLIANCE, ADMINISTRATION, AND HUMAN CAPITAL PROGRAMS, MEMORANDUM DATED APRIL 7, 2016

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated April 7, 2016. Based on this response, recommendation 4 is closed and recommendations 1, 2 3, 5, 6, and 7 are resolved. Please provide an updated status of the resolved recommendations by June 30, 2016.

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

Attachment: As stated

cc: G. Tracy, OEDO
H. Rasouli, OEDO
R. Lewis, OEDO
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Audit Report

AUDIT OF NRC'S PERSONAL IDENTITY VERIFICATION CARD ACCESS SYSTEM

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Status of Recommendations

Recommendation 1:	Require return of contractor PIV cards as part of the contract deliverables.
Agency Response Dated April 7, 2016:	The staff agrees with the recommendation. Staff will develop language for all future acquisitions that requires contractors who are issued NRC PIV cards to return the card as soon as the contractor is no longer on the contract or no longer needs physical or logical access as a part of the contract's deliverable. The staff will ensure that this language is included in all Statement of Work templates for Contracting Officer Representatives (CORs) to include in the contract deliverables section. For existing contracts that include badged contractor personnel, the PIV card return deliverable will be added to the contract when the contract undergoes a modification. Target date for completion: December 31, 2017
OIG Analysis:	The proposed action meets the intent of the recommendation. This recommendation will be closed when OIG receives verification that NRC included language in the Statement of Work template requiring contractors who are issued NRC PIV cards to return the card as soon as the contractor is no longer on a contract or no longer needs physical or logical access as part of the contract deliverables.
Status:	Resolved.

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Status of Recommendations

Recommendation 2:	Provide mandatory formal training to all CORs on the process for contractor termination and PIV card retrieval.
Agency Response Dated April 7, 2016:	The staff agrees with the recommendation. Staff will develop a module within the current COR training on the process for contractor termination and PIV card retrieval and will require all current and future CORs to take the training. Target date for completion: December 31, 2016
OIG Analysis:	The proposed actions meet the intent of the recommendation. OIG will close this recommendation when OIG receives verification that CORS have received the mandatory training.
Status:	Resolved.

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Status of Recommendations

Recommendation 3: Develop and implement a PIV card retrieval process, including steps to be taken to retrieve a PIV card from a terminated employee and designating a responsible official to complete those steps.

Agency Response Dated April 7, 2016: The staff agrees with the recommendation.

Staff will develop and implement a plan that includes close coordination with the Office of the Chief Human Capital Officer (OCHCO) and the Office of Administration (ADM) for the collection of NRC-issued PIV badges from employees who are leaving the agency. This process will include the retrieval of the PIV and the issuance of a temporary access card (non-PIV badge) by ADM security staff. The temporary access card will allow the employee to move freely through the facility for the remainder of that day. The staff will program the temporary access card to expire at the end of the day. The employee will be instructed to return the temporary access card to the security desk or guard booth upon exiting the facility.

Target date for completion: May 31, 2016

OIG Analysis: The proposed actions meet the intent of the recommendation. This recommendation will be closed when OIG receives the plan which includes the retrieval process, and a designating official to accept responsibility for completing the steps outlined in the plan.

Status: Resolved.

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Status of Recommendations

Recommendation 4:	Revise the exit process and checklist for terminated employees so that the last office they are in contact with before physically leaving the NRC is ADM.
Agency Response Dated April 7, 2016:	The staff agrees in part with the recommendation. Staff will ensure that ADM collects the employee PIV card as outlined in Recommendation 3. The process in Recommendation 3 does not require a change to the out-processing checklist. Target date for completion: May 31, 2016
OIG Analysis:	OIG determined that ensuring that ADM will collect the PIV cards for terminated employees meets the intent of the recommendation. This recommendation is therefore considered closed and we will continue to monitor the status of recommendation 3.
Status:	Closed.

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Status of Recommendations

Recommendation 5:	Require the Office of Administration to physically obtain employee PIV cards.
Agency Response Dated April 7, 2016:	The staff agrees in part with the recommendation. Staff will ensure that ADM collects the employee PIV card as outlined in Recommendation 3. Target date for completion: May 31, 2016
OIG Analysis:	The proposed actions meet the intent of the recommendation. OIG will close this recommendation after verifying that the plan includes the retrieval process, and a designating official to accept responsibility for completing the steps outlined in the plan.
Status:	Resolved.

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Status of Recommendations

Recommendation 6:	Revise Management Directive (MD) 12.1 to include standards for offices to appoint room owners and notify ADM of changes to access rights for limited access areas.
Agency Response Dated April 7, 2016:	The staff agrees with the recommendation. In the next revision to MD 12.1, "NRC's Facilities Security Program," staff will require that offices appoint room owners and notify ADM of changes to access rights for limited-access areas. Target date for completion: October 14, 2016
OIG Analysis:	The proposed actions meet the intent of the recommendation. OIG will close the recommendation when we receive the revised MD 12.1 and verify that it includes standards for offices to appoint room owners and to notify ADM of changes to access rights for limited access areas.
Status:	Resolved.

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Status of Recommendations

Recommendation 7:	Reissue the "Revised Process for Managing Access to Limited and Security Controlled Areas" memorandum to all relevant offices, including the regional offices, to include language which requires the offices to notify ADM of a change to the appointed room owner.
Agency Response Dated April 7, 2016:	The staff agrees with the recommendation. Staff will reissue the memorandum described above and ticket the relevant offices, including the regions, for action and response. Target date for completion: May 31, 2016
OIG Analysis:	The proposed actions meet the intent of the recommendation. OIG will close the recommendation after verifying that the memorandum was reissued with language requiring offices to notify ADM of a change to the appointed room owners.
Status:	Resolved.