



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

**OFFICE OF THE
INSPECTOR GENERAL**

August 10, 2017

MEMORANDUM TO: Victor M. McCree
Executive Director for Operations

FROM: Dr. Brett M. Baker */RA/*
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: THE OFFICE OF
THE INSPECTOR GENERAL'S AUDIT REPORT OF THE
NUCLEAR REGULATORY COMMISSION'S ADOPTION OF
CLOUD COMPUTING (OIG-17-A-16)

REFERENCE: DEPUTY EXECUTIVE DIRECTOR FOR MATERIALS,
WASTE, RESEARCH, STATE, TRIBAL, COMPLIANCE,
ADMINISTRATION, AND HUMAN CAPITAL PROGRAMS,
MEMORANDUM DATED July 20, 2017

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated July 20, 2017. Based on this response, recommendations 1 and 2 are resolved. Please provide an updated status of the resolved recommendations by January 31, 2018.

If you have any questions or concerns, please call me at (301) 415-5915, or Beth Serepca, Team Leader at (301) 415-5911.

Attachment: As stated

cc: R. Lewis, OEDO
H. Rasouli, OEDO
J. Jolicoeur, OEDO
J. Bowen, OEDO
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Audit Report

THE OFFICE OF THE INSPECTOR GENERAL'S AUDIT REPORT OF THE NUCLEAR REGULATORY COMMISSION'S ADOPTION OF CLOUD COMPUTING

OIG-17-A-16

Status of Recommendations

Recommendation 1: Develop guidelines for new IT cloud service contracts to include the following:

- a. use of thorough project planning to include cost estimates and budgeting,
- b. monitoring cost to sustain delivery of services,
- c. access to active and archived data, and
- d. exit strategies.

Agency Response

Dated July 20, 2017: Since 2016 the Office of the Chief Information Officer (OCIO), in conjunction with the Acquisition Management Division of the Office of Administration, has developed planning guidelines for new information technology (IT) cloud service contracts that include project planning, service alternative analysis, and service cost analysis. The guidelines also include contract requirements on well defined service levels, exit strategies, and data ownership. Additionally, OCIO included requirements for service delivery cost and service utilization monitoring in the Systems, Network, and Related Cross-Cutting Services blanket purchase agreement (SPA) call order Statement of Work of the Global Infrastructure and Development Acquisition SPA.

OCIO plans to review and enhance the current guidelines by the end of fiscal year (FY) 2017 to address access to active and archived data.

Target Completion Date: FY 2017 Quarter (Q) 4

OIG Analysis: The proposed action meets the intent of the recommendation. This recommendation will be closed when OIG reviews the updated guidelines for new IT cloud service contracts to address project planning, cost estimates and budgeting; cost monitoring; access to active and archived data; and contract exit strategies.

Status: Resolved.

Audit Report

THE OFFICE OF THE INSPECTOR GENERAL'S AUDIT REPORT OF THE NUCLEAR REGULATORY COMMISSION'S ADOPTION OF CLOUD COMPUTING

OIG-17-A-16

Status of Recommendations

Recommendation 2: Train NRC contracting and IT staff for new models of IT services

Agency Response

Dated July 20, 2017: OCIO has provided IT training on the cloud service delivery models to the OCIO office management team and staff on March 20, 2017. OCIO will continue to expand our training to contracting and IT staff who support enterprise-wide cloud service contracts.

Target Completion Date: FY 2018 Q1.

OIG Analysis: The proposed action meets the intent of the recommendation. This recommendation will be closed when OCIO demonstrates expanded training to contracting and IT staff who support enterprise-wide cloud service contracts.

Status: Resolved.