



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

GENERAL COUNSEL

September 8, 2022

MEMORANDUM TO: Eric Rivera  
Assistant Inspector General for Audits  
Office of the Inspector General

FROM: Marian L. Zabler  
General Counsel  
Office of the General Counsel

SUBJECT: STATUS OF RECOMMENDATIONS: OFFICE OF THE  
INSPECTOR GENERAL'S AUDIT OF THE NRC'S PROHIBITED  
SECURITY OWNERSHIP PROCESS (OIG-21-A-17)

Enclosed is the U.S. Nuclear Regulatory Commission's (NRC's) status of the remaining open recommendations from the Office of the Inspector General's (OIG) "Audit of the NRC's Prohibited Security Ownership Process," dated September 30, 2021. As OIG noted in its June 16, 2022, memorandum, recommendations 1 through 3 and 5 are closed.

Recommendation 4 is on track to be complete by the end of the fiscal year and recommendation 6 is complete.

Enclosure:  
Status of Recommendations: Audit of the NRC's  
Prohibited Security Ownership Process

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**STATUS OF RECOMMENDATIONS:  
OFFICE OF THE INSPECTOR GENERAL'S AUDIT OF  
THE U.S. NUCLEAR REGULATORY COMMISSION'S  
PROHIBITED SECURITY OWNERSHIP PROCESS (OIG-21-A-17)**

**Recommendation 4:**

Revise MD 7.7, *Security Ownership*, to include roles and responsibilities clarifications, and remove inconsistencies and outdated information.

Response: OGC drafted an update to MD 7.7 to include clarifications to roles and responsibilities and to remove inconsistencies and outdated information. OGC shared the revised MD with partner offices for review and comment. OGC has reviewed and addressed the comments received during the interoffice comment period. The MD is currently in the fourth and final phase of the publication process with the Office of Administration.

Status: On schedule for completion by September 30, 2022.

Points of Contact:

Tison Campbell, Meghan Creedon

**Recommendation 6:**

Require all NRC employees to complete annual training on the prohibited securities process, including waiver and extension requests, and require covered employees to sign annual security ownership certification forms.

Response: OGC has developed an annual training module for all NRC employees on the Prohibited Securities Rule (including waivers and extension). This new training module explains what the NRC's Prohibited Securities Rule is and includes additional information such as (1) who is subject to the NRC's Prohibited Securities Rule, (2) what entities are on the NRC's Prohibited Securities list, (3) where to find the current Prohibited Securities list and the list of positions subject to the Prohibited Securities Rule, and (4) what to do if you obtain a prohibited security. The training module includes 5 questions, with the first question being an attestation that the employee understands that in their current position, they are either covered or not covered under the Prohibited Securities Rule, and that if they are covered, they understand their obligations under the Prohibited Securities Rule, including the obligation to review annual updates issued by the NRC. The training further requires employees to open documents containing the Prohibited Securities list and the list of positions subject to the Prohibited Securities Rule.

The Prohibited Securities training was approved by the Human Capital Council (HCC) and assigned to NRC employees on August 16, 2022. All employees are required to complete the training by December 16, 2022.

Status: Complete

Points of Contact:

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