

July 18, 2014

The Honorable Thomas R. Carper
Chairman, Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510

Dear Mr. Chairman:

On behalf of the U.S. Nuclear Regulatory Commission (NRC), I am pleased to provide a statement of the actions planned by the NRC in response to recommendations contained in the United States Government Accountability Office (GAO) report, "Federal Software Licenses: Better Management Needed to Achieve Significant Savings Government-Wide."

Sincerely,

/RA/

Allison M. Macfarlane

Enclosure:
[Summary of NRC Actions](#)

cc: Senator Tom Coburn

Identical letter sent to:

The Honorable Thomas R. Carper
Chairman, Committee on Homeland Security
and Governmental Affairs
United States Senate
Washington, DC 20510
cc: Senator Tom Coburn

The Honorable Darrell Issa
Chairman, Committee on Oversight
and Government Reform
United States House of Representatives
Washington, DC 20515
cc: Representative Elijah Cummings

Carol R. Cha, Director
Information Technology
U.S. Government Accountability Office
441 G St, NW
Washington, DC 20548
cc: Eric D. Winter

U.S. NUCLEAR REGULATORY COMMISSION RESPONSE TO U.S. GOVERNMENT
ACCOUNTABILITY OFFICE REPORT ON FEDERAL SOFTWARE LICENSES

In May 2014, the U.S. Government Accountability Office (GAO) issued a report on Federal Software Licenses “Better Management Needed to Achieve Significant Savings Government-Wide” (GAO-14-413). In the report, GAO made six recommendations to all Federal Government agencies to improve the policies and practices associated with the management of software and software licenses.

The six recommendations are as follows:

- 1) Develop an agencywide comprehensive policy for the management of software licenses that address the weaknesses identified by GAO.
- 2) Employ a centralized software license management approach that is coordinated and integrated with key personnel for the majority of agency software license spending and/or enterprise-wide licenses.
- 3) Establish a comprehensive inventory of software licenses using automated tools for the majority of agency software license spending and/or enterprise-wide licenses.
- 4) Regularly track and maintain a comprehensive inventory of software licenses using automated tools and metrics.
- 5) Analyze agencywide software license data, such as costs, benefits, usage, and trending data, to identify opportunities to reduce costs and better inform investment decision making.
- 6) Provide software license management training to appropriate agency personnel addressing contract terms and conditions, negotiations, laws and regulations, acquisition, security planning, and configuration management.

To accomplish these objectives, the Nuclear Regulatory Commission (NRC) will establish an Integrated Project Team comprising key personnel possessing competencies in information technology and acquisitions to develop a comprehensive agency-wide policy and procedures to implement the GAO recommendations.

At a high level, the implementation strategy will focus on the following areas:

- *Readiness Assessment* - analyze software segments and usage, coordinate software inventory collection using automated tools, and align software usage with the agency IT/Information Management investment portfolio. Determine contract terms and conditions, acquisition, security planning, and configuration management and the desired to-be state.
- *Business Process Changes* – implement standard functional software, and identify standardization, migration, and modernization opportunities. Use automated tools to manage the agency’s software license program, including oversight of purchases and spending.
- *Administrative Process Changes* - integrate business requirements into the budget planning process. Establish enterprise-wide contracts and align software licensing purchases on an annual basis. Develop training curriculum and provide training.
- *Full Implementation* –institutionalize all process changes and retire/dispose of all legacy/unused software.

Enclosure