




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

August 17, 2007

OFFICE OF THE  
INSPECTOR GENERAL

MEMORANDUM FOR: Vonna L. Ordaz  
Assistant for Operations  
Office of the Executive Director for Operations

FROM:   
Stephen D. Dingbaum  
Assistant Inspector General for Audits  
Office of the Inspector General

SUBJECT: STATUS OF OPEN AUDIT RECOMMENDATIONS –  
JULY 2007

Attached is the OIG up-to-date status of all open audit recommendations as of the end of July 2007. Should you have any questions please feel free to contact Tony Lipuma at 301-415-5910.

Attachment: As stated

cc: M. Malloy, OEDO  
P. Tressler, OEDO

## Status of Audit Recommendations - Open Audits

Report Number & Title	Unresolved	Resolved	Closed	Total
OIG-00-E-09 Special Evaluation of the Role and Structure of NRC's Executive	0	2	0	2
OIG-01-A-03 Government Performance and Results Act: Review of the Fiscal	0	2	0	2
OIG-02-A-12 Review of ADAMS	0	1	0	1
OIG-03-A-01 Review of NRC's Handling and Marking of Sensitive Unclassified	0	2	0	2
OIG-03-A-11 Use of E-Mail at NRC	0	1	0	1
OIG-03-A-15 Audit of NRC's Regulatory Oversight of Special Nuclear Materials	0	3	5	8
OIG-04-A-11 Review of NRC's Personnel Security Program	0	1	11	12
OIG-04-A-15 Review of NRC's Drug-Free Workplace Plan	0	3	0	3
OIG-04-A-20 Audit of NRC's Incident Response Program	0	5	12	17
OIG-04-A-21 System Evaluation of the Agencywide Documents Access and Management	0	5	1	6
OIG-04-A-22 Independent Evaluation of NRC's Implementation of the Federal	0	5	11	16
OIG-04-A-24 Systems Evaluation of the General License Tracking System	0	3	2	5
OIG-05-A-05 Audit of NRC's Drug Testing Program	0	3	9	12
OIG-05-A-08 System Evaluation of the Integrated Personnel Security System (IPSS)	0	7	1	8
OIG-05-A-09 Audit of the Budget Formulation Process	0	3	1	4
OIG-05-A-13 Audit of NRC's Telecommunications Program	0	4	9	13
OIG-05-A-14 System Evaluation of Listed Systems that Process Safeguards and	0	3	7	10
OIG-05-A-17 Audit of NRC's Decommissioning Program	0	1	3	4
OIG-05-A-18 Security Controls Over Personal Computers and Laptops - FISMA	0	8	0	8
OIG-05-A-19 Audit of NRC's Generic Communications Program	0	3	1	4
OIG-05-A-20 Evaluation of NRC's Certification and Accreditation Efforts	0	1	1	2
OIG-05-A-21 Independent Evaluation of NRC's Implementation of the Federal	0	9	1	10
OIG-06-A-06 Audit of NRC's Integrated Personnel Security System	0	4	13	17
OIG-06-A-09 Audit of NRC's Office of Nuclear Security and Incident Response	0	4	2	6
OIG-06-A-10 Audit of the Development of the National Source Tracking System	0	1	1	2
OIG-06-A-11 Audit of the NRC Byproduct materials License Application and	2	0	0	2
OIG-06-A-14 Evaluation of personal Privacy Information Found on NRC Network	0	1	3	4
OIG-06-A-20 Audit of NRC's Implementation of Homeland Security President	0	1	5	6
OIG-06-A-21 Audit of NRC's Baseline Security and Safeguards Inspection Process	0	5	3	8
OIG-06-A-22 Audit of NRC's Process for Releasing Commission Decision Documents	1	1	0	2
OIG-06-A-24 Evaluation of NRC's Use of Probabilistic Risk Assessment In Risk	0	2	1	3
OIG-06-A-26 Independent Evaluation of NRC's Implementation of FISMA for	0	1	2	3
OIG-07-A-02 Audit of NRC's FY 2006 Financial Statements	0	4	1	5
OIG-07-A-05 Audit of NRC's Technical Training Center	0	9	2	11
OIG-07-A-06 Audit of NRC's Regulation of Nuclear Fuel Cycle Facilities	0	1	0	1
OIG-07-A-10 Audit of NRC's Badge Access System	0	15	2	17
OIG-07-A-11 Memorandum Report: Audit of NRC's Nuclear Material Events	0	3	0	3
OIG-07-A-12 Summary Report on Byproduct Material Security and Control	1	0	0	1
OIG-07-A-13 Audit of NRC's Emergency Preparedness Program	2	0	0	2
OIG-07-A-14 Audit of NRC's Non-Capitalized Property	12	0	0	12
<b>Grand Total</b>	<b>18</b>	<b>127</b>	<b>110</b>	<b>255</b>

## Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	OIG Correspondence	Agency Response Due	Agency Response Received	Status
14	Documentation to support interim authority to operate.	ADM	06/11/2007	09/04/2007		Resolved
15	Address penetration test report.	ADM	06/11/2007	09/04/2007		Resolved
17	Limit key distribution	ADM	06/11/2007	09/04/2007		Resolved
<b>[-] OIG-07-A-11 Memorandum Report: Audit of NRC's Nuclear Material Events Database (03/23/2007)</b>						
1	Develop/implement FCNMED procedures	NMSS	04/25/2007	11/30/2007		Resolved
2	Appoint FCNMED coordinator	NMSS	04/25/2007	11/30/2007		Resolved
3	Conduct QA review of FCNMED	NMSS	04/25/2007	11/30/2007		Resolved
<b>[-] OIG-07-A-13 Audit of NRC's Emergency Preparedness Program (06/25/2007)</b>						
1	Coordination role and responsibilities	NSIR			08/09/2007	Unresolved
2	Consistent coordination approach	NSIR			08/09/2007	Unresolved

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Rec #	Description	Responsible Office	OIG Correspondence	Agency Response Due	Agency Response Received	Status
<input checked="" type="checkbox"/>	<b>OIG-00-E-09 Special Evaluation of the Role and Structure of NRC's Executive Council (08/31/2000)</b>					
1	Update NRC's Management Directives	EDO			08/08/2007	Resolved
2	Communication - CIO and CFO	EDO			08/08/2007	Resolved
<input checked="" type="checkbox"/>	<b>OIG-01-A-03 Government Performance and Results Act: Review of the Fiscal Year 1999 Performance Report (02/23/2001)</b>					
1	Develop a Management Directive	OCFO	07/11/2007	10/31/2007		Resolved
3	Include guidance on reporting unmet goals	OCFO	07/11/2007	10/31/2007		Resolved
<input checked="" type="checkbox"/>	<b>OIG-02-A-12 Review of ADAMS (06/12/2002)</b>					
1	Finalize and issue MD 2.5	EDO, OIS	06/26/2007	10/05/2007		Resolved
<input checked="" type="checkbox"/>	<b>OIG-03-A-01 Review of NRC's Handling and Marking of Sensitive Unclassified Information (10/16/2002)</b>					
1	Update OUO Guidance	EDO	12/26/2006	12/31/2008		Resolved
2	Mandate defined markings	EDO	12/26/2006	12/31/2008		Resolved
<input checked="" type="checkbox"/>	<b>OIG-03-A-11 Use of E-Mail at NRC (03/21/2003)</b>					
1	Revise MD 3.53	EDO, OIS	04/20/2006	10/13/2006		Resolved
<input checked="" type="checkbox"/>	<b>OIG-03-A-15 Audit of NRC's Regulatory Oversight of Special Nuclear Materials (05/23/2003)</b>					
1	Conduct periodic inspections	EDO, NMSS	11/20/2006	12/31/2007		Resolved
3	Document risk informed approach	EDO, NMSS	11/20/2006	12/31/2007		Resolved
4	Require annual inventories	EDO, NMSS	11/20/2006	12/31/2007		Resolved
<input checked="" type="checkbox"/>	<b>OIG-04-A-11 Review of NRC's Personnel Security Program (03/25/2004)</b>					
12	Cancel OPM investigations when intern terminates.	ADM			12/27/2006	Resolved
<input checked="" type="checkbox"/>	<b>OIG-04-A-15 Review of NRC's Drug-Free Workplace Plan (05/24/2004)</b>					
1	Revise Plan to Include Deferral of Testing Clause	ADM, HR	07/19/2007	08/25/2007		Resolved
2	Obtain HHS Approval of Drug-Free Workplace Plan Prior to Implementation	ADM, HR	07/19/2007	10/25/2007		Resolved
3	Drug-Testing Plan Revisions Must Receive Approval from HHS	ADM, HR	07/19/2007	10/25/2007		Resolved
<input checked="" type="checkbox"/>	<b>OIG-04-A-20 Audit of NRC's Incident Response Program (09/16/2004)</b>					
3	Update NUREG 0845	NSIR			06/27/2007	Resolved
4	Conduct Periodic Reviews of Region's IRPs	NSIR	06/27/2007	01/11/2008		Resolved
8	Conduct Exercises Involving Multiple Sites	NSIR	07/26/2007	01/11/2008		Resolved
11	Revise IRP to Address Incidents Involving Materials/Fuel Cycle Facilities	NSIR			06/27/2007	Resolved
11	Revise IRP to Address Incidents Involving Materials/Fuel Cycle Facilities	NSIR	07/26/2007	01/11/2008		Resolved
13	Update Response Technical Manual for GDPs	NSIR	07/26/2007	01/11/2008		Resolved
<input checked="" type="checkbox"/>	<b>OIG-04-A-21 System Evaluation of the Agencywide Documents Access and Management System (09/30/2004)</b>					
1	Update the ADAMS Risk Assessment Report	OCIO	11/20/2006	06/29/2007		Resolved
2	Update the ADAMS Security Plan	OCIO			06/28/2007	Resolved
4	Update the ADAMS Business Continuity Plan	OCIO			06/28/2007	Resolved
5	Consistently define the protection requirements	OCIO			06/28/2007	Resolved
6	Track all actions items resulting from testing of the ADAMS security controls	OCIO			06/28/2007	Resolved
<input checked="" type="checkbox"/>	<b>OIG-04-A-22 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2004 (09/30/2004)</b>					
5	Re-certify and re-accredit the NRC Data Center/Telecommunications System.	OCIO	05/14/2007	10/11/2007		Resolved
6	Re-certify and re-accredit the NRC Local Area Network/Wide Area Network	OCIO	05/14/2007	10/11/2007		Resolved
7	Re-certify and re-accredit the Emergency Response Data System.	OCIO	05/14/2007	10/11/2007		Resolved

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8	Re-certify and re-accredit the Emergency Telecommunications System	OCIO	05/14/2007	10/11/2007		Resolved
10	Update the NRC LAN/WAN Business Continuity Plan.	OCIO	05/14/2007	10/11/2007		Resolved
<b>OIG-04-A-24 Systems Evaluation of the General License Tracking System (09/30/2004)</b>						
1	Update the GLTS Security Plan	NMSS,OCIO	05/16/2007	11/30/2007		Resolved
3	Update the GLTS Business Continuity Plan	NMSS,OCIO	05/16/2007	11/30/2007		Resolved
4	Update the GLTS Security Plan	NMSS,OCIO	05/16/2007	11/30/2007		Resolved
<b>OIG-05-A-05 Audit of NRC's Drug Testing Program (12/20/2004)</b>						
4	Revise categories of testing designated positions	ADM	07/25/2007	10/25/2007		Resolved
5	Re-evaluate categories of testing designated positions	ADM	07/11/2007	10/25/2007		Resolved
12	Update the Management Directive System to include drug testing policy	ADM	07/11/2007	10/25/2007		Resolved
<b>OIG-05-A-08 System Evaluation of the Integrated Personnel Security System (IPSS) (01/14/2005)</b>						
1	Re-certify and re-accredit IPSS	ADM	07/20/2007	01/22/2008		Resolved
2	Update risk assessment risk levels	ADM	07/20/2007	01/22/2008		Resolved
3	Update plan contact info	ADM	07/20/2007	01/22/2008		Resolved
4	Update plan life cycle & IRO capability.	ADM	07/20/2007	01/22/2008		Resolved
5	Update plan control descriptions.	ADM	07/20/2007	01/22/2008		Resolved
7	Update contingency plan	ADM	07/20/2007	01/22/2008		Resolved
8	Consistently define plan and assessment protection requirements	ADM	07/20/2007	01/22/2008		Resolved
<b>OIG-05-A-09 Audit of the Budget Formulation Process (01/31/2005)</b>						
1	EDO, CFO Roles	OCFO	07/02/2007	10/31/2007		Resolved
2	PRC Role	OCFO	07/02/2007	10/31/2007		Resolved
3	Document Process	OCFO	07/02/2007	10/31/2007		Resolved
<b>OIG-05-A-13 Audit of NRC's Telecommunications Program (06/07/2005)</b>						
1	Purchase and implement billing review software.	OCIO			08/01/2007	Resolved
2	Establish benchmarks.	OCIO			07/30/2007	Resolved
3	Revise MD 2.3.	OCIO	04/11/2007	08/31/2007		Resolved
4	Establish telephone line and circuit inventory requirements.	OCIO			08/01/2007	Resolved
<b>OIG-05-A-14 System Evaluation of Listed Systems that Process Safeguards and/or Classified Information (08/11/2005)</b>						
2	Validate the inventory	NSIR,OIS			07/27/2007	Resolved
6	Develop procedures for owners respond to OIS requests	NSIR,OIS			07/27/2007	Resolved
7	Develop procedures for verifying all required security controls	NSIR,OIS			07/27/2007	Resolved
<b>OIG-05-A-17 Audit of NRC's Decommissioning Program (09/21/2005)</b>						
1	Retain Supporting Documentation	NMSS,OCFO	07/02/2007	10/19/2007		Resolved
<b>OIG-05-A-18 Security Controls Over Personal Computers and Laptops - FISMA (09/22/2005)</b>						
1	Security controls on laptops	OIS	06/04/2007	09/28/2007		Resolved
2	Rules of behavior agreement for security controls	OIS	06/04/2007	09/28/2007		Resolved
3	Verify required security controls	OIS	06/04/2007	09/28/2007		Resolved
4	Provide guidance on Executive Order 13103	OIS	06/04/2007	09/28/2007		Resolved
5	Rules of behavior agreement EO 13103	OIS	11/14/2006	09/28/2007		Resolved
6	Develop procedures for monitoring compliance with Executive Order 13103	OIS	06/04/2007	09/28/2007		Resolved

### Status of OIG Audit Recommendations

Rec #	Description	Responsible Office	OIG Correspondence	Agency Response Due	Agency Response Received	Status
7	Develop procedures in the Management Directives for disposal of equipment	OIS	06/04/2007	09/28/2007		Resolved
8	Include procedures for disposal of equipment in security plan.	OIS	06/04/2007	09/28/2007		Resolved
<b>OIG-05-A-19 Audit of NRC's Generic Communications Program (09/30/2005)</b>						
1	Security Advisories in GC Program	NRR, NSIR			07/29/2007	Resolved
3	Consistent Tracking Methodology	NRR, NSIR			07/29/2007	Resolved
4	Effectiveness of GC Program	NRR			07/19/2007	Resolved
<b>OIG-05-A-20 Evaluation of NRC's Certification and Accreditation Efforts (09/30/2005)</b>						
1	Develop and implement procedures for monitoring C&As	OIS	04/25/2007	08/30/2007		Resolved
<b>OIG-05-A-21 Independent Evaluation of NRC's Implementation of the Federal Information Security Management Act (FISMA) for Fiscal Year 2005 (09/30/2005)</b>						
1	Categorize all NRC information systems	OIS	12/26/2006	07/31/2007		Resolved
3	Contingency Plan Test Procedures	OIS	12/26/2006	07/31/2007		Resolved
4	Maintain other agency C&As.	OIS	07/17/2007	09/28/2007		Resolved
5	Maintain other agency's self-assessments.	OIS			07/20/2007	Resolved
6	Maintain annual contingency plan test results other agencies.	OIS			07/20/2007	Resolved
7	Procedures for contractor oversight	OIS			07/27/2007	Resolved
8	Review and update the six completed e-authentication risk assessments.	OIS	07/02/2007	09/28/2007		Resolved
9	Develop and implement plan for completing e-authentication risk assessments.	OIS	12/26/2006	07/31/2007		Resolved
10	Develop and implement procedures for security awareness and training.	OIS	12/26/2006	07/31/2007		Resolved
<b>OIG-06-A-06 Audit of NRC's Integrated Personnel Security System (01/09/2006)</b>						
4	IPSS reinvestigation data clean-up	ADM			07/31/2007	Resolved
7	Top-to-bottom cleanup of IPSS data	ADM			07/31/2007	Resolved
14	IPSS audit trail reports	ADM			07/31/2007	Resolved
17	Cost-benefit analysis	ADM			07/31/2007	Resolved
<b>OIG-06-A-09 Audit of NRC's Office of Nuclear Security and Incident Response (02/16/2006)</b>						
1	Prioritizing Assignments	EDO, NSIR	06/29/2007	11/28/2007		Resolved
2	Documenting Emergent Work	EDO, NSIR	06/29/2007	11/28/2007		Resolved
6	Assessment Follow-Up	EDO, NSIR	06/29/2007	11/28/2007		Resolved
<b>OIG-06-A-10 Audit of the Development of the National Source Tracking System (02/23/2006)</b>						
1	1. Conduct Regulatory Analysis	NMSS	04/25/2007	09/03/2007		Resolved
<b>OIG-06-A-11 Audit of the NRC Byproduct materials License Application and Review Process (03/10/2006)</b>						
1	Conduct a materials process vulnerability assessment	EDO, NMSS			12/08/2006	Unresolved
2	Modify licensing process to address identified risks	EDO, NMSS			12/08/2006	Unresolved
<b>OIG-06-A-14 Evaluation of personal Privacy Information Found on NRC Network Drives (06/30/2006)</b>						
3	3. Develop policies reviewing drives	OIS	05/17/2007	09/04/2007		Resolved
<b>OIG-06-A-20 Audit of NRC's Implementation of Homeland Security Presidential Directive -12 (08/01/2006)</b>						
6	Develop an HSPD-12 charter.	ADM	07/20/2007	09/14/2007		Resolved
<b>OIG-06-A-21 Audit of NRC's Baseline Security and Safeguards Inspection Program (09/08/2006)</b>						
1	Required Training	NSIR	05/16/2007	11/30/2007		Resolved
4	Training Program Update	NSIR	05/16/2007	11/30/2007		Resolved
6	Sample Size Guidance	NSIR	05/16/2007	11/30/2007		Resolved

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Rec #	Description	Responsible Office	OIG Correspondence	Agency Response Due	Agency Response Received	Status
7	Sample Size Training	NSIR	05/16/2007	11/30/2007		Resolved
8	Security Findings Database	NSIR	05/16/2007	11/30/2007		Resolved
<b>OIG-06-A-22 Audit of NRC's Process for Releasing Commission Decision Documents (09/08/2006)</b>						
1	Develop a FOIA 552(a)(2) compliance program	EDO,OGC,SECY			03/15/2007	Resolved
2	Review unpublished SECY papers and SRMs for disclosure	EDO,OGC,SECY			03/15/2007	Unresolved
<b>OIG-06-A-24 Evaluation of NRC's Use of Probabilistic Risk Assessment In Regulating the Commercial Nuclear Power Industry (09/29/2006)</b>						
1	Implement process for maintaining PRA models	NRR,RES	05/04/2007	09/14/2007		Resolved
3	Full V&V for SAPHIRE and GEM	NRR,RES	05/04/2007	09/14/2007		Resolved
<b>OIG-06-A-26 Independent Evaluation of NRC's Implementation of FISMA for FY 2006 (09/29/2006)</b>						
2	2. Re-categorize Network Continuity of Operations System	OIS	07/11/2007	10/01/2007		Resolved
<b>OIG-07-A-02 Audit of NRC's FY 2006 Financial Statements (11/09/2006)</b>						
1	Rec. 01 - Assessment of Fee Billing System	OCFO	12/06/2006	11/15/2007		Resolved
2	Rec. 02 - Implement Compensating Controls	OCFO	12/06/2006	11/15/2007		Resolved
3	Rec. 03 - Coordinate and Collaborate with EDO	OCFO	12/06/2006	11/15/2007		Resolved
4	Rec. 04 - Coordinate with OIS and EDO	OCFO	12/06/2006	11/15/2007		Resolved
<b>OIG-07-A-05 Audit of NRC's Technical Training Center (01/09/2007)</b>						
1	Rec. 01 - Revise MD 13.1	HR			07/27/2007	Resolved
3	Rec. 03 - Finalize Policies and Procedures	HR			07/16/2007	Resolved
4	Rec. 04 Maintenance Policy	HR			07/16/2007	Resolved
5	Rec. 05 Policy for Pending Changes	HR			07/16/2007	Resolved
6	Rec. 06 Develop Policy - Technical Currency	HR			07/16/2007	Resolved
7	Rec. 07 Provide Instructional Methodology Training	HR			07/16/2007	Resolved
9	Rec. 09 Periodically rotate cognizant instructors	HR			07/16/2007	Resolved
10	Rec. 10 Establish method to track course evaluations	HR			07/16/2007	Resolved
11	Rec. 11 Evaluation of Instructor performance	HR			07/16/2007	Resolved
<b>OIG-07-A-06 Audit of NRC's Regulation of Nuclear Fuel Cycle Facilities (01/10/2007)</b>						
1	Fuel Cycle Facility framework	NMSS	06/29/2007	12/21/2007		Resolved
<b>OIG-07-A-10 Audit of NRC's Badge Access System (01/23/2007)</b>						
1	Perform an annual assessment of the user list	ADM	07/20/2007	10/29/2007		Resolved
2	Require separate user IDs	ADM	06/11/2007	09/04/2007		Resolved
4	Define and document user roles and associated rights.	ADM	06/11/2007	09/04/2007		Resolved
5	Institute quarterly quality assurance reviews of system data	ADM	06/11/2007	09/04/2007		Resolved
6	Conduct quarterly reviews of super user lists	ADM	06/11/2007	09/04/2007		Resolved
7	Provide official agency list of departures to all field office	ADM	06/11/2007	09/04/2007		Resolved
8	Write and implement badge access system operating procedures	ADM	06/11/2007	09/04/2007		Resolved
9	Conduct daily reconciliations	ADM	06/11/2007	09/04/2007		Resolved
10	Replace visitor badges with expiring paper badges.	ADM	06/11/2007	09/04/2007		Resolved
11	Financial penalty clause.	ADM	06/11/2007	09/04/2007		Resolved
12	Notify DFS when a contractor no longer needs access.	ADM	06/11/2007	09/04/2007		Resolved
13	Security plan and Information System Security Officer.	ADM	06/11/2007	09/04/2007		Resolved