

September 17, 2007

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
TELECOMMUNICATIONS PROGRAM (OIG-05-A-13)

REFERENCE: DIRECTOR, OFFICE OF INFORMATION SERVICES,
MEMORANDA DATED JULY 30, 2007, AUGUST 1, 2007,
AND AUGUST 29, 2007

Attached is the Office of the Inspector General's analysis and status of recommendations 1, 2, 3, and 4, as discussed in an agency response dated July 30, 2007, two responses dated August 1, 2007, and one response dated August 29, 2007. Based on these responses, recommendations 1, 2, and 4 are now closed and recommendation 3 remains in a resolved status. Recommendations 5 through 13 were closed previously. Please provide an update on the status of recommendation 3 by February 15, 2008.

If you have any questions or concerns, please call me at 415-5915.

Attachment: Status of Recommendations

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

Audit Report
Audit of NRC's Telecommunications Program
OIG-05-A-13

Status of Recommendations

Recommendation 1: Purchase and implement billing review software to assist in implementing a cost-effective, comprehensive telecommunications billing review process.

Responses Dated
July 30, 2007, and
August 1, 2007:

In response to OIG's April 11, 2007, memorandum to the EDO, OIS provided OIG with a copy of evidentiary material demonstrating that the Standard Operating Procedures developed for the telecommunications billing review process were implemented. In addition, OIS determined that purchase of a telecommunications expense management tool is warranted and is proceeding to procure such a tool to assist in managing telecommunication costs

OIG Analysis: These actions address the intent of the recommendation. Recommendation 1 is therefore closed.

Status: Closed.

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Status of Recommendations

Recommendation 2: Establish benchmarks for determining if telecommunications charges are accurate and appropriate.

Response Dated

July 30, 2007:

In response to OIG's April 11, 2007, memorandum to the EDO, OIS provided an analysis demonstrating use of the benchmarks. This analysis demonstrated variance between the established benchmarks and actual carrier billing, which required the submission of a billing dispute, and warrants the procurement of a telecommunications expense management tool. OIS is proceeding to procure such a tool to assist in managing telecommunication costs.

OIG Analysis:

The corrective action addresses the intent of the recommendation. Recommendation 2 is therefore closed.

Status:

Closed.

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Status of Recommendations

Recommendation 3: Revise MD and Handbook 2.3 to include effective management controls over headquarters staff use of agency telecommunications services.

Response Dated
August 29, 2007:

Although progress has been made to submit Management Directive and Handbook 2.3 for final review, concurrence, and issuance, higher priority work has impacted completion of this effort. OIS expects to submit the Management Directive and its associated handbook to the Office of Administration by October 1, 2007. Final concurrence and publication is anticipated to occur by January 31, 2008.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and evaluates the revised MD and Handbook 2.3.

Status:

Resolved.

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Status of Recommendations

Recommendation 4: Establish requirements for routinely conducting inventories of telephone lines and circuits for which the agency pays monthly recurring charges, assessing usage of these telephone lines and circuits, and making adjustments to account for unneeded telephone lines and circuits.

Response Dated
August 1, 2007:

In response to OIG's April 11, 2007, memorandum to the EDO, OIS provided OIG with a copy of the telecommunications inventory performed as part of the billing review for the month of May 2007.

OIG Analysis:

This corrective action addresses the intent of the recommendation. Recommendation 4 is therefore closed.

Status:

Closed.