



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

**OFFICE OF THE
INSPECTOR GENERAL**

January 29, 2014

MEMORANDUM TO: Mark A. Satorius
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
INFORMATION TECHNOLOGY GOVERNANCE
(OIG-14-A-04)

REFERENCE: DEPUTY EXECUTIVE DIRECTOR FOR CORPORATE
MANAGEMENT MEMORANDUM DATED
JANUARY 8, 2014

Attached is the Office of the Inspector General's analysis and status of recommendations 1, 2, 3, and 4 as discussed in the agency's response dated January 8, 2014. Based on this response, recommendations 1-4 are in resolved status. Please provide an updated status of the resolved recommendations by June 30, 2014.

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

Attachment: As stated

cc: R. Mitchell, OEDO
K. Brock, OEDO
J. Arildsen, OEDO
C. Jaegers, OEDO

AUDIT REPORT

AUDIT OF NRC'S INFORMATION TECHNOLOGY GOVERNANCE AUTHORIZATION

OIG-14-A-04

Status of Recommendations

Recommendation 1: Revise the IPEC and ITB charters to more clearly define:

- Roles and responsibilities.
- The evaluation, approval, and decision followup process.

Agency Response

Dated January 8, 2014:

Agreed. The U.S. Nuclear Regulatory Commission (NRC) is committed to continually improving the governance of the agency's information technology and information management (IT/IM) investments, and has developed a plan to further enhance the processes used to formulate, prioritize, and execute the budget for the agency's IT/IM portfolio.

Toward that end, the Office of Information Services (OIS) is working in collaboration with the IPEC, ITB, and Architecture Councils (AC) to update their respective charters to ensure that they contain specific details on IT/IM governance roles, responsibilities, and processes.

Target Completion Date: March 31, 2014

OIG Analysis:

The proposed action meets the intent of the recommendation. This recommendation will be closed when OIG receives revised IPEC and ITB charters that clearly define the roles and responsibilities as well as the evaluation, approval and decision followup process.

Status:

Resolved.

AUDIT REPORT

AUDIT OF NRC'S INFORMATION TECHNOLOGY GOVERNANCE AUTHORIZATION

OIG-14-A-04

Status of Recommendations

Recommendation 2:

Revise NRC Management Directive 2.8 to include:

- Current IT governance stakeholder requirements.
- A definition of IT governance, structure, and processes.

Agency Response

Dated January 8, 2014:

Agreed. OIS is currently developing a new Management Directive (MD) 2.X, entitled "Integrated IT/IM Governance Framework," which will replace and expand upon MD 2.8, "Project Management Methodology (PMM)." MD 2.X will establish a single integrated framework to ensure efficient and effective governance of the NRC's IT/IM investments. Toward that end, the directive and its four Web based handbooks will set forth the policy, processes, methodologies, and guidance for governance activities and disciplines spanning the full life cycle of IT/IM investments, including Strategic Planning and Enterprise Architecture, Capital Planning and Investment Control (CPIC), Project Management, and Performance Management. The directive will also graphically illustrate the flow of information, activities, and responsibilities for cradle to grave governance of the NRC's IT/IM investments. In addition, MD 2.X will reference related processes such as security and records management, as applicable.

Target Completion Date: February 2016

OIG Analysis:

The proposed action meets the intent of the recommendation. This recommendation will be closed when OIG receives Management Directive (MD) 2.X, the replacement for MD 2.8, "Integrated IT/IM Governance Framework," and verifies that it contains current IT governance stakeholder requirements and a definition of IT governance, structure, and processes.

Status:

Resolved.

AUDIT REPORT

AUDIT OF NRC'S INFORMATION TECHNOLOGY GOVERNANCE AUTHORIZATION

OIG-14-A-04

Status of Recommendations

Recommendation 3: Update and finalize the CONOPS to be consistent with current practice, including a schedule for full implementation.

Agency Response

Dated January 8, 2014:

Agreed. OIS is already working on this activity via the Business Modeling Language (BML) project, which when delivered in May 2014, will be comprised of all of the components that will be the new Concept of Operations (CONOPS) guidance.

Target Completion Date: The finalized document will be completed by the fourth quarter (Q4), 2014

OIG Analysis:

The proposed action meets the intent of the recommendation. This recommendation will be closed when OIG receives a finalized CONOPS that includes a schedule for full implementation.

Status:

Resolved.

AUDIT REPORT

AUDIT OF NRC'S INFORMATION TECHNOLOGY GOVERNANCE AUTHORIZATION

OIG-14-A-04

Status of Recommendations

Recommendation 4:

Develop and implement a comprehensive IT governance communication strategy that:

- Promotes buy in from regional and program office stakeholders by requesting feedback.
- Clearly explains the policies and procedures of the IPEC and ITB charters, as well as the CONOPS, to all stakeholders.
- Provides easily retrievable access to the updated charters and CONOPS.

Agency Response

Dated January 8, 2014:

Agreed. OIS will develop and implement a comprehensive IT governance communication strategy that will include the following:

- Communication plan to continuously communicate IT/IM governance activities with stakeholders.
- Updated and approved ITB Charter to reflect roles and responsibility changes.
- Proposal to program offices and regions to provide updated ITB representatives to better promote collaboration and buy-in from regional and program offices.
- Posting all approved charters and policies on the agency's Governance SharePoint site and communicate its location to stakeholders.
- Posting the current OIS CONOPS on the OIS Web site.

Target Completion Date: April 2014

OIG Analysis:

The proposed action meets the intent of the recommendation. This recommendation will be closed when OIG receives the comprehensive IT Governance communication strategy that includes each of the elements described in recommendation 4.

Status:

Resolved.