



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

**OFFICE OF THE
INSPECTOR GENERAL**

October 27, 2016

MEMORANDUM TO: Victor McCree
Executive Director for Operations

FROM: Steven E. Zane */RA/*
Acting Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
PROTECTION OF SAFEGUARDS INFORMATION
(OIG-12-A-12)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR SECURITY AND
INCIDENT RESPONSE, MEMORANDUM DATED
OCTOBER 26, 2016

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated October 26, 2016. Based on this response, recommendation 2 is closed. Recommendations 1, 3, 4, 5, 6, 7, and 8 were closed previously. All recommendations related to this report are now closed.

If you have any questions or concerns, please call me at (301) 415-5915 or Beth Serepca, Team Leader, at (301) 415-5911.

Attachment: As stated

cc: R. Lewis, OEDO
J. Jolicoeur, OEDO
H. Rasouli, OEDO
J. Bowen, OEDO
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Audit Report

AUDIT OF NRC'S PROTECTION OF SAFEGUARDS INFORMATION

OIG-12-A-12

Status of Recommendations

Recommendation 2: Update the affected MDs (3.4, 7.4, 12.1, 12.5, and 12.7) to provide consistent guidance on the new reporting structure outlined in recommendation 1.

Agency Response

Dated October 14, 2015: Agree: The revised MD 12.7 was reviewed by the OIG and determined to meet the requirements of the recommendation (ADAMS Accession No. ML15301A122). Revised MD 12.1, containing OIG recommended guidance, was published September 28, 2016. Revised MD 12.5, containing OIG recommended guidance, was published October 2015. Management Directive 3.4 is currently under revision and the expected publication date is October 30, 2017. The revision of MD 3.4 was delayed so that relevant guidance related to the implementation of Title 32 of the *Code of Federal Regulations* Part 2002, "Controlled Unclassified Information," could be included in the MD. The revision date for MD 7.4 will no longer be tracked by NSIR per telecommunication with Beth Serepca, OIG Team Leader, Security and Information Management Audits. The point of contact for this initiative is Robert Norman.

OIG Analysis: OIG reviewed all the MD's as they were published to verify that all contained consistent guidance on the reporting structure. OIG also spoke with the point of contact to verify that MD 12.7 will be published in October as stated as contained the guidance. OIG determined that this recommendation is therefore considered closed.

Status: Closed.