



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

**OFFICE OF THE
INSPECTOR GENERAL**

February 7, 2018

MEMORANDUM TO: Victor M. McCree
Executive Director for Operations

FROM: Dr. Brett M. Baker */RA/*
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
IMPLEMENTATION OF FEDERAL CLASSIFIED
INFORMATION LAWS AND POLICIES (OIG-16-A-17)

REFERENCE: ACTING DIRECTOR, OFFICE OF NUCLEAR SECURITY
AND INCIDENT RESPONSE, MEMORANDUM DATED
JANUARY 4, 2018

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated January 4, 2018. Based on this response, recommendations 1(b) and 1(c) remain resolved. Recommendations 1(a), 1(d), 1(e), 1(f), 2 and 3 were closed previously. Please provide an updated status of the resolved recommendations by June 4, 2018.

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
H. Rasouli, OEDO
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Audit Report

AUDIT OF NRC'S IMPLEMENTATION OF FEDERAL CLASSIFIED INFORMATION LAWS AND POLICIES

OIG-16-A-17

Status of Recommendations

Recommendation 1 (b): Complete the current inventories of classified information in safes and secure storage areas.

Agency Response

Dated January 4, 2018:

The Office of Administration (ADM) and the Office of Nuclear Security and Incident Response (NSIR), in collaboration with the Office of the Chief Information Officer (OCIO), issued "Requirement for Offices and Regions to Implement [General Services Administration] GSA-Approved Container Security Plans" (Agencywide Documents Access and Management System, dated April 8, 2016). The memorandum required that all classified record holders develop a generic security plan for GSA-approved containers, to include compiling and subsequently verifying a local catalog of a container's classified contents on an annual basis, no later than August 1, 2016. Progress has been made on the staff's activities directed by the OCIO memorandum. Specifically, ADM and NSIR continue to monitor implementation of this requirement for the approximately 20 GSA-approved security containers with extension requests approved until June 1, 2018. Additionally, in accordance with the security plan for GSA-approved security containers, NSIR and ADM will ensure that the security container owners conduct a periodic review of the contents of the container and compile or verify a local catalog of all the classified contents of the container at least once per calendar year. On September 28, 2016, Management Directive 12.1, "NRC Facility Security Program," was revised to require, in part, that all GSA-approved containers have an approved security plan. Independent of the GSA-Approved Container Security Plans, existing security plans for approved open storage areas will be revised to require room custodians to compile and subsequently verify a local catalog of their rooms' contents on an annual basis. This action was scheduled for completion by December 31, 2017. ADM and the room custodians need additional time to complete this action due to resource constraints and are now scheduled to complete it by June 1, 2018.

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AUDIT OF NRC'S IMPLEMENTATION OF FEDERAL CLASSIFIED INFORMATION LAWS AND POLICIES

OIG-16-A-17

Status of Recommendations

Recommendation 1 (b) cont.

Target Completion Date: Staff will revise the existing security plans for approved open storage areas to include a local catalog by June 1, 2018.

OIG Analysis:

The proposed actions meet the intent of the recommendation. OIG will close this recommendation when OIG receives verification that the inventories for classified information in safes and secure areas have been completed.

Status:

Resolved.

Audit Report

AUDIT OF NRC'S IMPLEMENTATION OF FEDERAL CLASSIFIED INFORMATION LAWS AND POLICIES

OIG-16-A-17

Status of Recommendations

Recommendation 1 (c) Develop declassification training to prepare and authorize declassifiers.

Agency Response Dated
January 4, 2018:

NSIR, in coordination with the Office of the Chief Human Capital Officer, is currently developing Web-based declassification training to prepare and authorize declassifiers at the agency, to include a new iLearn course identification number to administer and document declassifier training. Documentation will include training certifications upon successful completion of the required courses and notifications of suspended declassification authority upon failure to satisfactorily complete the requisite training. In March 2017, NSIR hosted an internal pilot offering of the declassification training to solicit staff feedback on the content of the training. Additionally, in September 2017, NSIR staff attended the Declassification Training Program hosted by the National Archives and Records Administration (NARA), National Declassification Center. The presentations by various Federal agencies regarding their classified equities and approved exemptions from automatic declassification at the NARA training will inform the NRC's declassification training. This action was scheduled to be completed by June 30, 2017. Given the NRC's resource constraints and the time needed to incorporate the insights obtained from these activities into the agency's declassification program, NSIR staff requires additional time to complete this action and has extended the target completion date from June 30, 2017, to April 30, 2018.

Target Completion Date: Staff will complete this action by April 30, 2018.

Audit Report

AUDIT OF NRC'S IMPLEMENTATION OF FEDERAL CLASSIFIED INFORMATION LAWS AND POLICIES

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Status of Recommendations

Recommendation 1 (c) cont.

OIG Analysis: The proposed actions meet the intent of the recommendation. This recommendation will be closed when OIG receives confirmation that training was developed to prepare and authorize declassifiers.

Status: Resolved.