

April 4, 2006

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

Jesse L. Funches
Chief Financial Officer

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF THE
NUCLEAR REGULATORY COMMISSION'S
DECOMMISSIONING PROGRAM (OIG-05-A-17)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR MATERIAL SAFETY
AND SAFEGUARDS MEMORANDUM DATED
MARCH 16, 2006

Attached is the Office of the Inspector General (OIG) analysis and status of the recommendations as discussed in the agency's response dated March 16, 2006. Based on this response, recommendations 3 and 4 are now closed. Recommendation 2 was previously closed. Recommendation 1 remains resolved, pending the revision of Management Directive 4.7 by the Office of the Chief Financial Officer (OCFO). We ask that the OCFO please provide an updated status of the resolved recommendation by October 31, 2006.

If you have questions or concerns, please call me at 415-5915 or Tony Lipuma at 415-5910.

Attachment: As stated

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

Audit Report

Audit of the Nuclear Regulatory Commission's Decommissioning Program OIG-05-A-17

Status of Recommendations

Recommendation 1: Clarify and disseminate expectations for generating and maintaining supporting documentation for performance data to staff responsible for preparing and collecting performance data.

Agency

Response Dated

March 16, 2006:

On December 28, 2005, the Office of the Chief Financial Officer (OCFO) provided the OIG with the status for responding to Recommendation 1 by developing a revised Management Directive 4.7. We understand from the OCFO that the status of this activity has not changed. Any further OIG inquiries concerning Recommendation 1 should be directed to the OCFO.

Note: This response refers to an OCFO response to OIG audit 05-A-09. In this response the OCFO states that Management Directive 4.7, "Planning, Budgeting, and Performance Management", is expected to be issued for comment in March 2006 and finalized in September 2006.

OIG Analysis:

The agency's proposed actions meet the intent of this recommendation. This recommendation will be closed when the final revised Management Directive 4.7, "Planning, Budgeting, and Performance Management (PBPM)" is published that includes clarifications of expectations for generating and maintaining supporting documentation for performance data.

Status:

Resolved.

Audit Report

Audit of the Nuclear Regulatory Commission's Decommissioning Program OIG-05-A-17

Status of Recommendations

Recommendation 3: Bring closure to the following outstanding Program Evaluation recommendation—"Coordinate and review information from Headquarters and Regions for existing decommissioning sites to monitor progress, consistency, and efficiency of resolving common policy and technical issues."

Agency
Response Dated
March 16, 2006:

The December 23, 2005, Office of the Inspector General (OIG) analysis concluded that reissuing the Decommissioning Board Charter, to include the new coordination and review activities identified in Recommendations 3 and 4, would resolve these two Recommendations, and that the OIG would close these recommendations when the U.S. Nuclear Regulatory Commission incorporated the procedures into the Operations Manual. On February 27, 2006, the Division of Waste Management and Environmental Protection Instructions/Procedures, Revision 0 (also referred to as the Operations Manual), was issued to the staff (Implementation memo in ML060580040 and Instructions/Procedures in ML060600118). Procedure 2.5 in the Instructions/Procedures provides the revised Charter of the Decommissioning Board, which includes the new coordination and review activities identified in OIG Recommendations 3 and 4.

OIG Analysis: The Division of Waste Management and Environmental Protection Instructions/Procedures, Revision 0, were reviewed and found to include the above recommended revision to the Decommissioning Board Charter. This action brings closure to the outstanding Program Evaluation recommendation and therefore addresses the intent of OIG's recommendation. This recommendation is therefore closed.

Status: Closed.

Audit Report

Audit of the Nuclear Regulatory Commission's Decommissioning Program OIG-05-A-17

Status of Recommendations

Recommendation 4: Bring closure to the following outstanding Program Evaluation recommendation—"Coordinate and review information with currently operating licensed sites to identify and resolve conditions or events that could complicate future decommissioning."

Agency
Response Dated
March 16, 2006:

The December 23, 2005, Office of the Inspector General (OIG) analysis concluded that reissuing the Decommissioning Board Charter, to include the new coordination and review activities identified in Recommendations 3 and 4, would resolve these two Recommendations, and that the OIG would close these recommendations when the U.S. Nuclear Regulatory Commission incorporated the procedures into the Operations Manual. On February 27, 2006, the Division of Waste Management and Environmental Protection Instructions/Procedures, Revision 0 (also referred to as the Operations Manual), was issued to the staff (Implementation memo in ML060580040 and Instructions/Procedures in ML060600118). Procedure 2.5 in the Instructions/Procedures provides the revised Charter of the Decommissioning Board, which includes the new coordination and review activities identified in OIG Recommendations 3 and 4.

OIG Analysis: The Division of Waste Management and Environmental Protection Instructions/Procedures, Revision 0, were reviewed and found to include the above recommended revision to the Decommissioning Board Charter. This action brings closure to the outstanding Program Evaluation recommendation and therefore addresses the intent of OIG's recommendation. This recommendation is therefore closed.

Status: Closed.