

February 10, 2012

MEMORANDUM TO: Stephen D. Dingbaum
Assistant Inspector General for Audits
Office of the Inspector General

FROM: Roy P. Zimmerman, Director
Office of Enforcement **/RA/**

SUBJECT: STATUS OF RECOMMENDATIONS RELATED TO THE AUDIT OF
NRC'S ENFORCEMENT PROGRAM (OIG-08-A-17)

This letter provides an update on the status of recommendations in the September 26, 2008, memorandum transmitting the Office of the Inspector General's Audit Report, "Audit of NRC's Enforcement Program." With respect to each of the recommendations, I submit the following:

Recommendation 1

Develop comprehensive agencywide guidance to establish (1) expectations for inspectors and managers to independently disposition violations and (2) relevant participants needed for enforcement decisionmaking.

Status

Closed (August 30, 2010, ML102420614).

Recommendation 2

Define systematic data collection requirements for non-escalated enforcement actions.

Status

Ongoing. As discussed in the Office of Enforcement's (OE's) June 17, 2010, status memorandum, the remaining action necessary to address this recommendation involves implementation of the web-based licensing system (WBL) currently under development by the Office of Federal and State Materials and Environmental Management Programs (FSME). This system will be used to track non-escalated materials inspection findings, including non-cited violations. The system requirements for WBL have been modified to enable the system to collect inspection results and to allow users to enter information regarding the disposition of enforcement actions associated with each inspection activity (e.g., requirement violated and type of enforcement action taken). The system requirements have also been modified to allow

CONTACT: Susanne Woods, OE
(301) 415-2740

users to search the database and generate reports associated with non-escalated enforcement actions. Previously, the staff agreed to develop procedures for entry of data into the WBL. Presently, the staff is developing guidance to identify the procedures for entry of data into the WBL. Additionally, training on entry of the data is planned to be completed before deployment.

The August 31, 2011, memorandum from Stephen D. Dingbaum, Assistant Inspector General for Audits, to R. William Borchardt, Executive Director for Operations, forwards a Status of Recommendations in response to the OE July 28, 2011, update. The status description for Recommendation 2 identifies that the July update indicates that deployment of the WBL has been delayed from Summer 2012 to Fall 2012 and encourages the staff to provide an interim solution for tracking data until the WBL is complete. FSME confirms that deployment of the WBL will occur by August 31, 2012. The non-escalated enforcement data that results from inspections after deployment can be entered into the WBL. Since the staff views no change or delay in the WBL deployment date, it does not see value in expending the resources to implement an interim tracking solution during this short interval.

Recommendation 3

Develop and implement a quality assurance process that ensures that collected enforcement data is accurate and complete.

Status

Ongoing. A follow-up audit of completed NRC Form 591s was performed the week of May 9, 2011, to identify whether staff training on revisions to Inspection Manual Chapter 2800, "Materials Inspection Program" and the Enforcement Manual was effective in assuring that non-escalated violation data being documented on NRC Form 591s is of high quality. The staff reviewed a population of 25 completed NRC Form 591 inspection records issued during the first calendar quarter of 2011 and found, in general, that the actions taken in response to Recommendation 1 were effective. Specifically, violations were well documented and included clearly stated requirements, as well as information about how the licensee failed to meet the requirements. In addition, when known at the time of the inspection, licensee corrective actions were also documented on the NRC Form 591. However, the audit did identify different versions of NRC Form 591 being used by inspectors in different agency offices. Additionally, in a few cases, the version used did not contain a branch chief signature block as now required by IMC 2800. Further, this issue was coordinated with FSME. Resolution of the implementation planning for OE recommendations was completed on July 28, 2011, as FSME agreed to (1) implement OE recommendations by November 30, 2011, and (2) update NRC Form 591M in Enclosure 5 of the Inspection Manual Chapter 2800 with the next revision of this chapter.

The staff committed to developing the following areas: (1) a quality assurance process to be performed by the originating office; (2) an audit program to ensure that the inspection findings and enforcement actions are entered into the WBL accurately and consistently; and (3) guidance on roles and responsibilities for these reviews and incorporate that guidance in to the Enforcement Manual. The goal will be to complete actions to address Recommendation 3 within 6 months after deployment.

S. Dingbaum

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Again, I appreciate your efforts to review our enforcement program and the opportunity for us to provide an update on the status of our corrective actions.

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RWBorchardt, EDO

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EDO r/f

MBurgess, FSME

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OE r/f

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