



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

**OFFICE OF THE
INSPECTOR GENERAL**

February 6, 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
NON-CONCURRENCE PROCESS (OIG-11-A-02)

REFERENCE: DIRECTOR, OFFICE OF ENFORCEMENT, MEMORANDUM
DATED JANUARY 13, 2014

Attached is the Office of the Inspector General's analysis and status of recommendations 3, 4, and 8 as discussed in the agency's response dated January 13, 2014. Based on this response, recommendations 3, 4, and 8 remain in resolved status. Recommendations 1, 2, 5, 6, and 7 were closed previously. Please provide an updated status of the resolved recommendations by March 14, 2014.

If you have any questions or concerns, please call me at 415-5915 or Sherri Miotla, Team Leader, at 415-5914.

Attachment: As stated

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

Audit Report

AUDIT OF NRC'S NON-CONCURRENCE PROCESS

OIG-11-A-02

Status of Recommendations

Recommendation 3: Finalize MD 10.158 by the end of 2011.

Agency Response

Dated January 13, 2014:

On July 19, 2013, ADM completed its commitment in Phase 5 of the MD finalization process (i.e., ADM Director reviews NRC Form 522 package and signs NRC Form 522) and forwarded the signature package to the Office of General Counsel (OGC). During OGC's review process, OE met with representatives from OGC and collaboratively resolved several issues. As a result, OGC approved the signature package and on August 12, 2013, forwarded it to the Office of the Executive Director for Operations (OEDO). On September 18, 2013, the OEDO informed OE that due to strategic considerations being addressed within senior management, their target date for completion will be extended to the end of calendar year 2013.

On January 13, 2014, OEDO informed OE that organizational responsibilities that relate to the Internal Safety Culture Program and directly impact this MD remain under review by the OEDO. This MD is on hold until these decisions are made.

Completion date for publication of MD 10.158: TBD

POC: Renée Pedersen, OE

OIG Analysis:

The proposed actions meet the intent of the recommendation. OIG will close this recommendation when it receives and reviews the updated MD 10.158, which reflects the proposed revisions the agency described in its December 19, 2012, response concerning recommendation 2 (to revise MD 10.158), which is now closed.

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Status of Recommendations

Recommendation 3 (cont.):

OIG recognizes that throughout the multi-phased Management Directive revision process, the responsible office is required to coordinate with multiple other offices. Specifically, as the owner of MD 10.158, OE has worked closely with other offices, including the Office of the Executive Director for Operations, the Office of Administration, the Office of the General Counsel, and the Office of the Chief Human Capital Officer. This requires a sustained, high-level of coordination and communication among all involved offices.

OIG understands that the completion of Phase 5 of the MD finalization process may be impacted by the "strategic considerations being addressed within senior management" as noted by the OEDO. The previous target date established by OEDO for finalization of MD 10.158 was "end of calendar year 2013." The recommendation deadline has now been missed for the fourth time and the agency is currently in "to be determined status." Given the failure to meet any of the prior due dates and the current absence of an anticipated timeframe for completion, OIG is expecting to note the significance of the agency's prolonged actions regarding this recommendation in the next Semiannual Report to Congress.

As noted in previous followup memoranda, OE has ultimate responsibility for ensuring that the MD completes the remaining phases of the revision process regardless of other offices' involvement in the process. In the interim, Recommendation 3 will remain in resolved status.

Status:

Resolved.

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Status of Recommendations

Recommendation 4:

Make non-concurrence process training available in an on-demand format to all staff and managers.

Agency Response

Dated January 13, 2014:

OE intends to collaborate with the Office of the Chief Human Capital Officer (OCHCO) and develop on-line, on-demand training for all staff and managers. OE has prepared draft updates to the NCP Web site which include an enhanced NCP overview, FAQ's, a process flow chart and releasability review guidelines. To further highlight and raise awareness of the NCP for all employees, OE plans to acknowledge new NCP cases on the Web site as "pending" along with the closed cases already on the Web site.

In addition, OE has developed a draft, revised NCP Form which includes step-by-step instructions and implementation guidance for inclusion on the NCP Web site. These tools will further promote successful implementation of the program.

Completion date: Commensurate with available support from OCHCO, OE will develop on-line; on-demand training available for all staff and managers approximately six months after the guidance in MD 10.158 is announced to the staff (i.e., end of Phase 8).

POC: Renée Pedersen, OE in coordination with OCHCO

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Status of Recommendations

Recommendation 4 (cont.):

OIG Analysis:

The proposed action meets the intent of OIG's recommendation. OIG has identified on-demand training as an effective and efficient means by which to provide timely training on the NCP to all agency staff. OIG will close this recommendation when it reviews the on-line, on-demand, NCP-related training developed and instituted by the Office of Enforcement 6 months after MD 10.158 is finalized and published. Given the most recent agency estimate for finalizing MD 10.158 is "to be determined," OIG is expecting to note the significance of the agency's prolonged actions regarding this recommendation in the next Semiannual Report to Congress.

Status:

Resolved.

Audit Report

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Status of Recommendations

Recommendation 8:

Perform regularly scheduled comprehensive assessments of the non-concurrence process.

Agency Response

Dated January 13, 2014:

A requirement was added to MD 10.158 (Section III.D.2) for the Director, Office of Enforcement to ensure that periodic assessments of the NCP are performed.

OE is working diligently to finalize a comprehensive assessment of the NCP. OE is committed to providing a quality product that will be responsive to the recommendation from the OIG and support finalization of the NCP MD. Multiple data sources are being used to assess the NCP including: (1) formative evaluation from employee feedback, (2) the audit conducted by the OIG, (3) the NRC's periodic Safety Culture and Climate Survey, (4) an external benchmarking study, (5) a targeted survey of NCP users, (6) feedback on revised NCP guidance, (7) NCP record reviews, and (8) additional agency guidance on differing views. Due to the volume of data sources to analyze coupled with scheduling commitments, the Government Shutdown and heavy NCP and DPO case work, the projected completion date of January 9, 2014 will need to be extended to February 11, 2014. This additional time will allow for a thorough and quality assessment.

Completion date: 2/11/2014

POC: Renée Pedersen, OE

OIG Analysis:

OIG will close this recommendation when it is able to (1) verify that the agency has a reliable process in place that ensures the NCP is routinely assessed and (2) review documentation supporting the completion of the initial program assessment.

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Status of Recommendations

Recommendation 8 (cont.):

Should OIG not receive the agency's formalized plan to perform regularly scheduled, comprehensive assessments of the non-concurrence process by March 14, 2014, OIG is expecting to note the significance of the agency's prolonged actions regarding this recommendation in the next Semiannual Report to Congress.

Status:

Resolved.