



**Defense Nuclear Facilities  
Safety Board**

Washington, DC 20004-2901

**Office of the  
Inspector General**

July 28, 2015

MEMORANDUM TO: Mark T. Welch  
General Manager

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

SUBJECT: STATUS OF RECOMMENDATIONS: RESULTS OF THE AUDIT  
OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD'S  
FINANCIAL STATEMENTS FOR FISCAL YEARS 2014 AND  
2013 (DNFSB-15-A-03)

REFERENCE: GENERAL MANAGER, DEFENSE NUCLEAR FACILITY  
SAFETY BOARD, CORRESPONDENCE DATED  
JUNE 29, 2015

Attached is the Office of the Inspector General's analysis and status of recommendations as discussed in the Board's response dated June 29, 2015. Based on this response, Recommendation 1 is closed and Recommendation 2 remains resolved. Please provide an updated status of the resolved recommendation by September 15, 2015.

If you have any questions or concerns, please call me at 301-415-5915 or Eric Rivera, Team Leader, at 301-415-7032.

Attachment: As stated

cc: R. Howard, OGM

## **Audit Report**

### **RESULTS OF THE AUDIT OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD'S FINANCIAL STATEMENTS FOR FISCAL YEARS 2014 AND 2013**

**DNFSB-15-A-03**

#### **Status of Recommendations**

Recommendation 1: Design and implement procedures that include the review and evaluation of obligations for validity on a regular basis and the deobligation of inactive obligations after a reasonable period of inactivity.

Agency Response Dated  
June 29, 2015:

Agree. Procedures for the Undelivered Order Review were developed, implemented and approved on April 10, 2015. Procedures were documented as a Work Practice and include the review and evaluation of obligations for validity and de-obligating inactive obligations on a monthly basis by Division of Acquisition and Finance (DAF) staff. The General Manager will be briefed quarterly by the Director of DAF. (The first briefing was conducted in April 2015.)

OIG Analysis:

OIG reviewed the new Guidance for Division of Acquisition and Finance (DAF) Staff on De-Obligating Excess Funds dated April 10, 2015, and determined that the guidance included in the document meets the intent of the recommendation. Therefore, Recommendation 1 is now closed.

**Status:**

Closed.

## **Audit Report**

### **RESULTS OF THE AUDIT OF THE DEFENSE NUCLEAR FACILITIES SAFETY BOARD'S FINANCIAL STATEMENTS FOR FISCAL YEARS 2014 AND 2013**

**DNFSB-15-A-03**

#### **Status of Recommendations**

Recommendation 2: Design and implement a more robust internal control assessment process and related procedures.

Agency Response Dated  
June 29, 2015:

Agree. Completion of an independent review of the Transportation Fringe Benefits Program is expected by July 31, 2015. This review is intended to serve as a pilot for future activities. The findings from this review will be assessed as part of the development of the Board's plan to develop and implement more robust internal controls over its financial reporting.

OIG Analysis:

The proposed action meets the intent of the recommendation. This recommendation will be closed when OIG receives information on the revised internal control assessment process and related procedures and determines that it is a more robust control assessment process with related procedures.

**Status:**

Resolved.