



OFFICE OF THE  
CHIEF FINANCIAL  
OFFICER

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

April 8, 2016

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

FROM: Maureen E. Wylie */RA/*  
Chief Financial Officer

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NUCLEAR  
REGULATORY COMMISSION'S PROCESS FOR CALCULATING  
LICENSE FEES (OIG-13-A-02)

This is a status update in response to the Office of the Inspector General's Audit Report, "Audit of NRC's Process for Calculating License Fees" (OIG-13-A-02) dated October 24, 2012.

Recommendation 1

The Office of the Chief Financial Officer (OCFO) should prepare and document an annual Fee Rule validation on the hourly rate (budget vs. cost analysis) and make adjustments as needed to the fee calculation process.

Status

Agree. OCFO plans to execute the validation of the hourly rate by the end of quarter two of Fiscal Year (FY) 2016. The revised key milestones for this recommendation are listed on the next page. OCFO, Division of Planning and Budget (DPB) successfully accomplished the first key milestone of understanding the previous methodology used to validate the hourly rate for the annual fee rule. In addition, OCFO has completed the second milestone, development of the Fees Validation Report (Report). Specifically, DPB performed the following procedures (milestones one and two):

- Conducted interviews and meetings with key agency staff responsible for calculating license fees from FY 2009 to present.
- Performed a detailed review of the procedures and corresponding spreadsheets for FY 2009 budget vs. cost analysis validation.
- Reviewed and analyzed the origin of the cost accounting data in the hourly validation analysis conducted prior to the implementation of the Financial Accounting and Integrated Management Information System (FAIMIS).

CONTACT: Michele D. Kaplan, OCFO/DPB  
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- Collaborated with financial system staff to evaluate data from the previous cost accounting system and developed a Report from FAIMIS.

Activities for the third milestone (to include User Acceptance Test (UAT)), have been delayed due to the reallocation of staff to projects with an immediate deadline. Once the Report has completed UAT, OCFO will perform the analysis. After that, for the fourth and final milestone, OCFO will document the new procedures for long term implementation of this recommendation.

KEY MILESTONESDATE

- |   |                |
|---|----------------|
| 1. Understanding previous methodology                         | January 2015   |
| 2. Coordinating with FAIMIS staff to create necessary reports | September 2015 |
| 3. Create and perform analysis                                | June 2016      |
| 4. Document process for annual validation                     | July 2016      |

cc: S. Zane, OIG  
J. Gordon, OIG  
H. Rasouli, OEDO  
R. Lewis, OEDO  
J. Jolicoeur, OEDO

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