



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

October 25, 2016

MEMORANDUM TO: Steven E. Zane
Acting Assistant Inspector General for Audits
Office of the Inspector General

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

Victor M. McCree */RA by Michael R. Johnson for/*
Executive Director for Operations

SUBJECT: STATUS OF RECOMMENDATION: AUDIT OF THE NUCLEAR
REGULATORY COMMISSION'S SEQUESTRATION PROCESS
(OIG-14-A-20)

In response to the Office of the Inspector General's (OIG) memorandum dated July 14, 2015, provided below is the status of Recommendation 1 in the Audit of the Nuclear Regulatory Commission's (NRC) Sequestration Process (OIG-14-A-20).

Recommendation 1:

OIG recommends that the Executive Director for Operations and the Chief Financial Officer collaboratively establish agencywide guidance for future sequestration planning activities and reductions.

Response:

Agree. The Office of the Chief Financial Officer and the Office of the Executive Director for Operations have developed three levels of agencywide guidance for future sequestration planning activities and reductions, including the process for determining how the sequester reduction will be applied across NRC programs and how the sequester funding plan will be developed.

The first two levels, the Sequestration Planning Guidance (Agencywide Document Access and Management System (ADAMS) Accession No. ML16285A004) and the Fiscal Year 2016 Sequestration and Implementation Planning Office Instructions (ADAMS Accession No. ML16285A005), were provided to you previously in our May 22, 2016, response (ADAMS Accession No. ML16127A186).

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S. Zane

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The third level, Management Directive (MD) 4.8 for Budget Execution, was issued on August 18, 2016 (enclosed). This MD provides high level guidance related to sequestration planning activities.

Enclosure:

As stated

cc: R. Lewis, OEDO
R. Boyer, OEDO
P. Rades, OIG

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