



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

**OFFICE OF THE
INSPECTOR GENERAL**

October 28, 2016

MEMORANDUM TO: Victor M. McCree
Executive Director for Operations

Maureen E. Wylie
Chief Financial Officer

FROM: Steven E. Zane **\RA**
Acting Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATION: AUDIT OF NRC'S
SEQUESTRATION PROCESS (OIG-14-A-20)

REFERENCE: EXECUTIVE DIRECTOR FOR OPERATIONS AND CHIEF
FINANCIAL OFFICER MEMORANDUM DATED
OCTOBER 25, 2016

Attached is the Office of the Inspector General's (OIG) analysis and status of the recommendation as discussed in the agency's response dated October 25, 2016. Based on this response, Recommendation 1 is closed.

If you have questions or concerns, please call me at 415-5915, or Paul Rades, Team Leader, at 415-6228.

Attachment: As stated

cc: R.Lewis
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Audit Report

AUDIT OF NRC'S SEQUESTRATION PROCESS

OIG-14-A-20

Status of Recommendations

<u>Recommendation 1:</u>	OIG recommends that the Executive Director for Operations and the Chief Financial Officer collaboratively establish agencywide guidance for future sequestration planning activities and reductions.
Agency Response Dated October 25, 2016:	<p>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.</p> <p>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).</p> <p>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.</p>
OIG Analysis:	OIG reviewed Management Directive 4.8, Budget Execution, and confirmed that it includes agencywide guidance for future sequestration planning activities and resource reductions. Recommendation 1 is now closed.
Status:	Closed.