



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

January 30, 2019

MEMORANDUM TO: Dr. Brett M. Baker  
Assistant Inspector General for Audits  
Office of the Inspector General

FROM: K. Steven West */RA/*  
Deputy Executive Director for Materials, Waste,  
Research, State, Tribal, Compliance, Administration  
and Human Capital Programs  
Office of the Executive Director for Operations

SUBJECT: STAFF RESPONSE TO THE OFFICE OF THE INSPECTOR  
GENERAL'S AUDIT OF U.S. NUCLEAR REGULATORY  
COMMISSION'S PROCESS FOR DEVELOPING AND  
COORDINATING RESEARCH ACTIVITIES (OIG-19-A-06)

The staff has received the Office of the Inspector General's (OIG) "*Audit of NRC's Process for Developing and Coordinating Research Activities*," (OIG-19-A-06) dated December 13, 2018. In this audit report, the OIG makes four recommendations to improve the effectiveness of the U.S. Nuclear Regulatory Commission's coordination and development of research activities through stakeholder engagement, standardization of templates, agencywide tracking, and enhancements to obtaining feedback from the user offices. The enclosure to this memorandum provides the staff's responses to the four audit recommendations including the staff's planned actions and the target dates for completion.

Questions on this response may be directed to me or Raymond Furstenau at (301) 415-1902.

CONTACT: Nicholas J. DiFrancesco, RES  
(301) 415-1115

Enclosure:  
Response to OIG Recommendations  
(OIG-19-A-06)

cc: Chairman Svinicki  
Commissioner Baran  
Commissioner Burns  
Commissioner Caputo  
Commissioner Wright  
SECY

**STAFF RESPONSE TO THE OFFICE OF THE INSPECTOR GENERAL AUDIT OF THE U.S.  
NUCLEAR REGULATORY COMMISSION'S PROCESS FOR DEVELOPING AND  
COORDINATING RESEARCH ACTIVITIES (OIG-19-A-06)**

In OIG-19-A-06, "Audit of NRC's Process for Developing and Coordinating Research Activities," the Office of the Inspector General (OIG) provided four recommendations to the U.S. Nuclear Regulatory Commission's (NRC) staff for improving the agency's coordination and development of research activities. Below are the OIG's recommendations followed by the NRC staff's responses, including target completion dates.

**Recommendation 1:**

Involve the Office of Nuclear Regulatory Research (RES) and requesting office senior managers earlier in the work request development process to ensure work requests are properly understood, resourced, and achievable before they are formally submitted to RES.

Response and Planned Action

The NRC staff agrees with the recommendation. The staff plans to enhance communications with senior office management by conducting program reviews on research activities with the key offices of Nuclear Reactor Regulation, New Reactors, and Nuclear Material Safety and Safeguards. Senior managers will gain awareness of the status of ongoing work and plans for new work requests. This will facilitate alignment between the respective offices on the priority, strategic outcomes, schedule, and proposed budgets for research activities. The initial program reviews will be conducted during calendar year 2019 and then annually thereafter. The potential for and resource implications of new work requests will also be brought to the attention of senior office management during the budget formulation process to ensure that the budget request is commensurate with the workload demand.

Target date for completion: December 31, 2019

Point-of-contact: Nicholas DiFrancesco, RES/FO, (301) 415-1115

**Recommendation 2:**

Implement a standard template for RES staff to use when preparing acceptance memorandum or e-mail responses to all work request types.

Response and Planned Action

The staff agrees with the recommendation. A standardized form is under development that will be common to all work request types and will document key information on the scope of the work request, the schedule, the deliverables, and the estimated resources. This single form will enhance the efficiency of the work request process by consolidating information that had previously been separated in a work request and RES response. As such, the form can be concurred upon by the requesting office and RES in a single package, eliminating the need for separate work request and RES response documentation. RES Office Instruction PRM-001, "Process for Responding to Work Requests: Informal Assistance Requests, Feasibility Study

Enclosure

Requests, Research Assistance Requests, User Need Requests, and Research Plans,” will be updated in accordance with this revised procedure.

Target date for completion: December 31, 2019

Point-of-contact: Sergio Gonzalez, RES/DSA, (301) 415-2438

**Recommendation 3:**

Implement a single agencywide tracking system with the capabilities needed to effectively and efficiently keep the agency aware of research activities.

Response and Planned Action

The NRC staff agrees with the recommendation. The staff plans to enhance the use of the operating plan to track research projects and assess if changes to PRM-001 are needed. The recommendation will be addressed by improving adherence to the requirements, strengthening the culture of operating plan use, and improving the value of the system for managers and staff through performance reporting and monitoring. These changes are intended to improve accuracy and timeliness of reporting and to improve project efficiency, effectiveness, and transparency. Review of operating plan performance will be included as part of standing office management meetings and branch- and division-level counterpart meetings with the requesting offices.

Target date for completion: December 31, 2019

Point-of-contact: Ray Furstenau, RES, (301) 415-1902

**Recommendation 4:**

Develop and implement a process for obtaining and using feedback from requesting offices. The process should include, but not be limited to, guidance on obtaining feedback during interim project milestones, creating access controls, and delineating roles and responsibilities.

Response and Planned Action

The staff agrees with the recommendation and will establish access controls for the survey site and will add supporting information in a desk guide as part of PRM-001 that describes the roles and responsibilities in obtaining and responding to feedback from requesting offices. In addition to surveys, RES benefits from regularly obtaining feedback from program offices, including on interim products, during regularly scheduled user need request status meetings, management meetings, and staff-level counterpart meetings. Staff plans to update PRM-001 to provide guidance on how to sample research products to ensure we receive meaningful feedback of activities across the program throughout the project work cycle.

Target date for completion: December 31, 2019

Point-of-contact: Nicholas DiFrancesco, RES/FO, (301) 415-1115

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AUDIT OF U.S. NUCLEAR REGULATORY COMMISSION'S PROCESS FOR  
DEVELOPING AND COORDINATING RESEARCH (OIG-19-A-06)  
DATE: January 30, 2019

**DISTRIBUTION:**

N. Difrancesco  
R. Furstenau

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