



OFFICE OF THE  
INSPECTOR GENERAL

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

January 27, 2020

MEMORANDUM TO: Margaret M. Doane  
Executive Director for Operations

FROM: Dr. Brett M. Baker */RA/*  
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: THE OFFICE OF  
THE INSPECTOR GENERAL'S AUDIT OF THE NUCLEAR  
REGULATORY COMMISSION'S GRANTS  
ADMINISTRATION AND CLOSEOUT (OIG-19-A-21)

REFERENCE: DEPUTY EXECUTIVE DIRECTOR FOR MATERIALS,  
WASTE, RESEARCH, STATE, TRIBAL, COMPLIANCE,  
ADMINISTRATION AND HUMAN CAPITAL PROGRAMS,  
MEMORANDUM DATED OCTOBER 28, 2019

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's response dated October 28, 2019. Based on this response, recommendation 2 from this report is closed and recommendations 1 and 3 through 9 are open and resolved. Please provide a status update for the resolved recommendations by May 29, 2020.

If you have questions or concerns, please call me at (301) 415-5915, or Vicki Foster, Team Leader, at (301) 415-5909.

Attachment: As stated

Cc: C. Haney, OEDO  
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## Audit Report

### AUDIT OF NRC'S GRANTS ADMINISTRATION AND CLOSEOUT

OIG-19-A-21

#### Status of Recommendations

Recommendation 1: Update the Nuclear Regulatory Commission (NRC) Grants Management Certification and Training Program guidance to include: (1) instructions for recording completed training, (2) management's responsibility for monitoring training, and (3) the addition of ASAP training as a core course for grant management professionals.

Agency Response Dated  
October 28, 2019:

Agree. The Office of Administration (ADM) will update the Grants Management Certification and Training program guidance to include: (1) instructions for recording completed training in FAITAS, (2) management's responsibility for monitoring training, and (3) the addition of role-appropriate ASAP training as a core course for grant management professionals.

Target Completion Date: March 2, 2020

OIG Analysis:

The proposed actions meet the intent of this recommendation. This recommendation will be closed when OIG reviews the updated guidance to determine that the guidance includes (1) instructions for recording completed training, (2) management's responsibility for monitoring training, and (3) the addition of ASAP training as a core course for grant management professionals.

**Status:**

Open: Resolved.

## Audit Report

### AUDIT OF NRC'S GRANTS ADMINISTRATION AND CLOSEOUT

OIG-19-A-21

#### Status of Recommendations

Recommendation 2: Develop and implement a formal process for monitoring student service agreement requirements and associated awarded funds, from FY 2015 forward. The process should include, but not be limited to: (1) how to process grants funds that are recaptured or returned to NRC because of withdrawal from school, GPA lower than required, non-nuclear employment, or other unmet requirements; and (2) a timeframe by which students are required to obtain employment in a nuclear field after graduation.

Agency Response Dated  
October 28, 2019:

Agree. The Office of Nuclear Regulatory Research (RES) created a process, in coordination with the Office of the Chief Financial Officer (OCFO) and the Office of the General Counsel (OGC), for a repayment plan for students that have not fulfilled their service agreement requirements. The plan was finalized during FY2019, and is now in place. The plan includes a procedure for processing grants funds that are recaptured or returned to NRC because of withdrawal from school, GPA lower than required, non-nuclear employment, or other unmet requirements. In addition, the FY2019 Funding Opportunity Announcement (FOA) included this language: "Students have up to 6 months after graduation to secure nuclear related employment." This statement will be included in future FOAs.

Completed: September 30, 2019

OIG Analysis:

OIG verified there is a procedure for processing recaptured grant funds in the plan and verified there is language about finding employment within 6 months in the 2019 FOA. Therefore, this recommendation is now closed.

**Status:**

Closed

## Audit Report

### AUDIT OF NRC'S GRANTS ADMINISTRATION AND CLOSEOUT

OIG-19-A-21

#### Status of Recommendations

Recommendation 3: Continue and finalize the transition to electronic files implementing a checklist for completeness.

Agency Response Dated  
October 28, 2019:

Agree. FY2019 grant awards and associated documentation are completely electronic, and a checklist for completeness is included in each electronic file. Documentation from grant files that were previously partially paper and partially electronic have been scanned and uploaded to STAQS.

Completed: May 2019

OIG Analysis: OIG reviewed a sample of grant files and not all grant files, including some FY2019 grant files, were up to date. This recommendation will be closed when OIG verifies the transition to electronic files has been finalized.

**Status:** Open: Resolved.

## Audit Report

### AUDIT OF NRC'S GRANTS ADMINISTRATION AND CLOSEOUT

OIG-19-A-21

#### Status of Recommendations

Recommendation 4: Implement knowledge management procedures such as maintaining an accurate succession planning document and desk procedures for grant functions.

Agency Response Dated  
October 28, 2019: Agree. ADM and RES will develop succession planning documents and prepare desk procedures for grant functions.

Target Completion Date: June 30, 2020

OIG Analysis: The proposed actions meet the intent of this recommendation. This recommendation will be closed when OIG verifies knowledge management procedures for grants administration have been implemented.

**Status:** Open: Resolved.

## **Audit Report**

### **AUDIT OF NRC'S GRANTS ADMINISTRATION AND CLOSEOUT**

**OIG-19-A-21**

#### **Status of Recommendations**

Recommendation 5: Coordinate the review of performance progress reports and Federal financial reports.

Agency Response Dated  
October 28, 2019:

Partially Agree. Under the current process, NRC staff reviews all reports in a timely manner. Each staff member conducts their review of the appropriate report and coordinates if issues are found. Beginning with the FY18 grant awards, the performance progress reports and federal finance report are submitted through fed connect and automatically filed under the applicable grant award in STAQS, allowing grant staff from ADM, RES, and SBCR access to all reports, so that comparisons can be made as needed.

Completed: September 30, 2018

OIG Analysis:

OIG reviewed a sample of grant files and not all grant files, including some FY2018 grant files, have Federal finance reports. This recommendation will be closed when OIG verifies the grant files contain up-to-date reports.

**Status:**

Open: Resolved.

## **Audit Report**

### **AUDIT OF NRC'S GRANTS ADMINISTRATION AND CLOSEOUT**

**OIG-19-A-21**

#### **Status of Recommendations**

Recommendation 6: Increase accountability for grant functions by adding grant duties to performance elements and standards.

Agency Response Dated  
October 28, 2019:

Agree. In FY2019, grant duties were added to performance elements and standards for ADM employees, and RES will add grant duties to performance elements and standards for FY2020.

Target Completion Date: November 19, 2019

OIG Analysis:

OIG reviewed FY2020 performance elements and standards for RES and ADM employees and found that the RES employee's grant duties are included. However, the ADM employee's elements and standards do not specifically mention grant work. This recommendation will be closed when the elements and standards of ADM employees with grant duties have been updated accordingly.

**Status:**

Open: Resolved.

## Audit Report

### AUDIT OF NRC'S GRANTS ADMINISTRATION AND CLOSEOUT

OIG-19-A-21

#### Status of Recommendations

Recommendation 7: Train all employees who perform grant duties on closeout processes in the computer grants management systems, including proper completion of the grant closeout checklist, management monitoring of checklist use, and evaluation of results.

Agency Response Dated  
October 28, 2019:

Agree. All employees who perform grant closeouts have been trained, but they will receive refresher training on the use of STAQS to close out grant awards, to include proper completion of the grant closeout checklist. Management will receive training on monitoring use of the checklist during the grant closeout process.

Target Completion Date: December 31, 2019

OIG Analysis:

The proposed actions meet the intent of this recommendation. This recommendation will be closed when OIG verifies that a refresher training for staff and management has been implemented.

**Status:**

Open: Resolved.



## **Audit Report**

### **AUDIT OF NRC'S GRANTS ADMINISTRATION AND CLOSEOUT**

**OIG-19-A-21**

#### **Status of Recommendations**

Recommendation 8: Develop interim guidance to eliminate existing guidance in MD 11.6 concerning issuance of modifications in lieu of new grants.

Agency Response Dated  
October 28, 2019: Agree. ADM will develop interim guidance to eliminate existing guidance in MD 11.6 concerning issuance of modifications in lieu of new grants.

Target Completion Date: December 31, 2019

OIG Analysis: The proposed actions meet the intent of this recommendation. This recommendation will be closed when OIG reviews the interim guidance that would eliminate existing guidance concerning issuance of modifications in lieu of new grants.

**Status:** Open: Resolved.

## Audit Report

### AUDIT OF NRC'S GRANTS ADMINISTRATION AND CLOSEOUT

OIG-19-A-21

#### Status of Recommendations

Recommendation 9: Develop and implement a grants closeout plan to include:

- a. Measurable metrics for deobligation of funds.
- b. Procedures for identifying and closing expired grants.
- c. Method(s) to address closing grants with modifications that have period of performance end dates that are different from the original grant.

Agency Response Dated  
October 28, 2019:

Agree. ADM will develop and implement a grants closeout plan that includes measurable metrics for deobligation of funds, procedures for identifying and closing expired grants, and method(s) to address closing grants with modifications that have period of performance end dates that are different from the original grant.

Target Completion Date: March 31, 2020

OIG Analysis:

The proposed actions meet the intent of this recommendation. This recommendation will be closed when OIG verifies that the finalized grants closeout plan includes measurable metrics for deobligating funds, procedures for identifying and closing expired grants, and method(s) to address closing grants with modifications that have period of performance end dates that are different from the original grant.

**Status:**

Open: Resolved.