



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

**OFFICE OF THE
INSPECTOR GENERAL**

April 30, 2012

MEMORANDUM TO: R. W. Borchardt
Executive Director for Operations

FROM: Stephen D. Dingbaum */RA/*
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
USE OF CONFIRMATORY ACTION LETTERS
(OIG-12-A-09)

REFERENCE: DEPUTY EXECUTIVE DIRECTOR MATERIALS, WASTE,
RESEARCH, STATE, TRIBAL, AND COMPLIANCE
PROGRAMS, MEMORANDUM DATED
MARCH 12, 2012

Attached is the Office of the Inspector General's (OIG) analysis and status of the recommendations as discussed in the agency's response dated March 12, 2012. Based on this response, recommendations 1, 2, 3, and 4 are in resolved status. Please provide an updated status on these recommendations by January 15, 2013.

If you have any questions or concerns, please call me at 415-5915 or RK Wild, Team Leader, at 415-5948.

Attachment: As stated

cc: N. Mamish, OEDO
K. Brock, OEDO
J. Arildsen, OEDO
C. Jaegers, OEDO

Audit Report

AUDIT OF NRC'S USE OF CONFIRMATORY ACTION LETTERS

OIG-12-A-09

Status of Recommendations

Recommendation 1: Designate a centralized control point to oversee and implement an effective agencywide CAL process.

Agency Response

Dated March 12, 2012:

Agree. The Office of Enforcement (OE) will be designated as the centralized control point to oversee and implement the CAL process. This designation will be incorporated via revisions to guidance documents as appropriate, which could include the NRC Enforcement Policy (Policy), the NRC Enforcement Manual (Manual), and applicable office procedures. The Policy (Agencywide Documents Access and Management System (ADAMS) Accession No. ML093480037) sets forth the general principles governing the NRC's enforcement program. The Policy is the document that provides NRC offices authority to issue a CAL and the Manual is the NRC guidance document that outlines the CAL process from inception to close-out. Some offices and regions have developed Office Instructions and Inspection Guidance procedures describing the CAL process.

Target Completion Date

December 31, 2012, for updating the Manual and any related office documents. A revision to the Policy will require Commission approval and may require an extension to the December 31, 2012 date.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and reviews the final documentation that contains OE's designation as the centralized control point to oversee and implement an effective agencywide CAL process.

Status:

Resolved.

Audit Report

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Status of Recommendations

Recommendation 2: Assess and update the *NRC Enforcement Policy*, the *NRC Enforcement Manual*, and other associated guidance to ensure that NRC's approach for utilizing CALs is consistent, effective, and efficient.

Agency Response

Dated March 12, 2012:

Agree. Many NRC offices have incorporated the CAL guidance from the Manual into Office Instructions and Inspection Guidance procedures. The audit identified several inconsistencies between these documents, the Manual, and the Policy. A discussion will be held during the spring of 2012 with all program offices and regions to discuss a plan to identify and correct the inconsistencies in the current applicable documents.

Target Completion Date

December 31, 2012, for the Manual and any related office documents. A revision to the Policy, if necessary, will require Commission approval and may require an extension to the December 31, 2012 date.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and reviews the final updated *NRC Enforcement Policy*, the *NRC Enforcement Manual*, and other associated guidance that will sufficiently verify that CAL guidance has been revised for consistent, effective, and efficient use of CALs.

Status:

Resolved.

Audit Report

AUDIT OF NRC'S USE OF CONFIRMATORY ACTION LETTERS

OIG-12-A-09

Status of Recommendations

Recommendation 3: Conduct periodic CAL audits that verify compliance with CAL policies and procedures.

Agency Response

Dated March 12, 2012:

Agree. The Manual contains a section describing CAL Tracking Responsibilities (Section 3.5.6); however, the section does not provide audit procedures. OE will seek input from the other offices and regions, update the Manual to include audit procedures, and coordinate audits in accordance with the new audit procedure.

Target Completion Date

August 31, 2013, for completion of first audit.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG reviews the agency's procedures for and verifies that the agency is implementing the process for conducting periodic CAL audits that verify compliance with CAL policies and procedures.

Status:

Resolved.

Audit Report

AUDIT OF NRC'S USE OF CONFIRMATORY ACTION LETTERS

OIG-12-A-09

Status of Recommendations

Recommendation 4: Implement a comprehensive, agencywide CAL tracking system.

Agency Response

Dated March 12, 2012:

Agree. Although the Manual specifically states the criteria necessary to track issued CALs, it does not explain the method to do so. The audit revealed that there were inconsistencies between the offices and regions on the method used for tracking CALs and the numbering convention. OE will collaborate with the other offices and regions to develop and refine a consolidated system to best track CALs in a consistent manner.

Target Completion Date

December 31, 2012, for updating the Manual and any related office documents.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and reviews the final updated comprehensive, agencywide CAL tracking system that has the capability to track CALs in a consistent manner.

Status:

Resolved.