

December 19, 1997

MEMORANDUM TO: L. Joseph Callan  
Executive Director for Operations

Jesse L. Funches  
Chief Financial Officer

FROM: John C. Hoyle, Secretary /s/

SUBJECT: STAFF REQUIREMENTS - SECY-97-207 - STRATEGIC  
ASSESSMENT DIRECTION SETTING ISSUE: FEES (DSI-  
21)/COMSECY-96-065 REIMBURSABLE BUSINESS-LIKE FTE

The Commission has approved the staff's proposal to request "business-like" FTE in addition to and separate from the OMB-authorized ceiling for mission-related activities, subject to the comments provided below.

Since the NRC received an FY 1998 General Fund appropriation (i.e., outside the fee base) for a pilot program to simulate the external regulation of DOE facilities, the 5 business-like FTE associated with external regulation of DOE should be deleted from the request for business-like FTE. As a result, the budget request to OMB should be amended to request 8 business-like FTE in FY 1998 and 5 business-like FTE in FY 1999. Because of the FY 1998 General Fund appropriation for external regulation of DOE facilities, the staff should also amend its request to OMB to increase NRC's authorized FY 1998 FTE ceiling by a total of 6 FTE (i.e., from 2971 FTE to 2977 FTE), taking into account the 1 additional FTE needed for DOE external regulation as discussed in Peter Rabideau's October 29, 1997 memorandum. The request to OMB should indicate that the reimbursable FTEs are separate from, and in addition to, the FTEs that the agency has been authorized for mission-related activities. In formulating future budgets, the staff should continue to identify FTE associated with reimbursable work as "business-like" FTE.

(CFO)

(SECY Suspense: 12/31/97)

The staff should promptly take appropriate actions to reopen negotiations to obtain reimbursable agreements for full recovery of NRC costs with the Agency for International Development (AID) and the Defense Special Weapons Agency (DSWA) for the 18 FTE providing nuclear safety assistance to countries of the Former Soviet Union (FSU) and Central and Eastern Europe (CEE). If successful, the salary and benefit costs and 18 FTE associated with assistance to the FSU and CEE countries should be removed from the NRC's

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SECY NOTE: This SRM, SECY-97-207, and the Commission Voting Record containing the vote sheets of all Commissioners will be made publicly available 5 working days from the date of this SRM.

FY 1999 request and authorized FTE ceiling, and the 18 FTE should be moved into the reimbursable business-like FTE category for FY 1999. If unsuccessful, the Commission will

need to address this matter in future deliberations on NRC's budget and fee legislation. The Commission should be informed of the results of these efforts.

(EDO/CFO)

(SECY Suspense: 2/27/98)

cc: Chairman Jackson  
Commissioner Dicus  
Commissioner Diaz  
Commissioner McGaffigan  
OGC  
CIO  
CFO  
OCA  
OIG  
Office Directors, Regions, ACRS, ACNW, ASLBP (via E-Mail)  
PDR  
DCS

