

**NRC/NSIR March 2004 Monthly Review and Approval of
DOE/Commercial Work Prior to Payment**

JCN: M-1124 (formerly A-9082, M-0396 and M-1120)
TITLE: NMMSS (Nuclear Materials Management and Safeguards System)
TASK ORDER NO./TITLE:

IF YOU ANSWER "NO" TO ANY OF QUESTIONS 1 THROUGH 5, OR "YES" TO 6, PROVIDE EXPLANATION IN THE COMMENTS SECTION OR ON A SEPARATE ATTACHMENT

QUESTIONS	YES	NO	N/A
1. Did contractor submit required deliverables and meet scheduled milestones during the billing period?	X		
2. Are the labor hours, travel, subcontract, equipment, and other direct costs reasonable and commensurate for the type and nature of work completed during the billing period?	X		
3. Is the contractor using personnel with required skills to ensure efficient and effective performance? (Not applicable to fixed price contracts.)	x		
4. Is the quality of the deliverables and/or service acceptable and in compliance with the terms of the contract?	X		
5. Has the NRC met its contractual obligations during the billing period including provision of government furnished property and timely review and comment on reports/deliverables?	X		
6. Are you aware of any present or future problems that may adversely affect contractor performance and/or costs?	X		

Comments:

1) The March 2004 technical Monthly Letter Status Report (MLSR) and associated fiscal MLSR was provided in a timely manner.

6) At a March 16th meeting between the NRC, DOE and NMMSS sub-contractor, the NRC was verbally informed by the sub-contractor that they expects that the Task-8 efforts will not be completed with the appropriated funds. The subcontractor also noted that they forecast that all Task-8 funding will be spent in July. NRC's technical project manager suggested to the sub-contractor that they should ensure that the DOE contracting officer is aware of the sub-contractors views. The NRC representative also noted that DOE will formally notify the NRC if the Task-8 work can not be completed within the established budget and time-frame.

During an April 14th meeting, the NMMSS sub-contractor again noted that they foresee a funding shortage for both NMMSS routine operations and Task-8 as well as needing approximately three months of additional time to complete the Task-8 activities. DOE directed the sub-contractor to document, in writing, the fiscal and delivery issues it voiced as well as document what can be accomplished with the remainder of funds.

DOE should immediately notify us, in writing, if DOE determines that there are fiscal or delivery problems involving Task-8 work or need for additional funds for routine NMMSS operations. Otherwise, we expect that DOE will perform the contracted work within the specified time-frame.

1. Signature - Technical Project Manager (TPM), Brian G. Horn /RA/ Date 04/ 22 /2004

2. Signature - Section Chief, Vonna Ordaz /RA/ Date 04/ 23 / 2004