

**NRC/NSIR June 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 June 2004 technical Monthly Letter Status Report (MLSR) and associated fiscal MLSR was provided in a timely manner.
- 3) During my review of the MLSR I identified four questions that I put into an e-mail and sent to DOE and the NMMSS operator (NMMSS Operations and Contract Administrator) for response. The NMMSS operator's reply did not address the four questions. Resolution of outstanding issues have been hampered by the NMMSS Operations and Contract Administrator being out of the office. We ask DOE to encourage the NMMSS operator to better respond to NRC's questions on the MLSR.
- 3) Several times this fiscal year DOE and NRC jointly requested NMMSS monitor licensees reporting that result in "NEW" negative inventories occurring in the NMMSS database. On July 22, NMMSS provided an e-mail that sought to fulfill the sponsor need. However, the report provided did not address the NRC need which has been stated a number of times. The NMMSS operator response was not responsive. We ask DOE to encourage the NMMSS operator to do a better job in monitoring and responding to us on the negative inventory issue.
- 6) In meetings with the NMMSS operator and DOE staff this calendar year, the NRC has continued to remind the parties that the draft Fiscal Year 2005 spending plan is an important document that is needed by the NRC. The earlier the plan is received, reviewed, and approved by the NRC, the earlier that the NRC can work to ensure adequate funding is budgeted and committed to DOE for the NMMSS contract. In June, the NMMSS contractor stated that they would have a draft spending plan distributed by late June. In early July, the contractor again promised to have the plan out within several working days. As of July 28th, a draft plan has still not been provided. However, the NRC had to start planning our funding for the first quarter of FY-05. The NRC had to guess the financial need due to the lack of the FY-05 spending plan. We ask that DOE strive to obtain and provide the NRC a draft FY-05 spending plan as soon as possible.

1. Signature - Technical Project Manager (TPM), Brian G. Horn	/RA/	Date 07/28 /2004
2. Signature - Section Chief, Vonna Ordaz	/RA/	Date 07/ 28 / 2004