

**NRC/NSIR September 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 September 2004 technical Monthly Letter Status Report (MLSR) and associated fiscal MLSR were provided in a timely manner.

2) The NRC notes that the final FY-04 costs came in within budget estimate. We appreciate DOE's efforts to maintain costs within budget.

6) During an August 30, telephone discussion, NRC and DOE legal staff further discussed a potential conflict of interest issue with the DOE contracting officials. This issue is still being worked by both organizations. We look forward to resolution of this issue that satisfies DOE and NRC.

6) As mentioned in the past several MLSR review, we ask that DOE strive to provide the NRC a draft FY-05 spending plan as soon as possible for the NMMSS contract. FY-05 operations have started and we have not received a DOE spending plan to approve and use as a basis for providing our FY-05 funding. We appreciate the "draft-preliminary" information DOE has provided us to date concerning this issue over the past several weeks.

1. Signature - Technical Project Manager (TPM), Brian G. Horn /RA/ Date 10 / 15 / 2004

2. Signature - Section Chief, Vonna Ordaz /RA/ Date 10 / 15 / 2004