

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

JCN: F-1124 (formerly A-9082, M-0396, M-1120 and M-1124)
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 October 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. We also appreciate DOE providing the FY-05 spending plan which we reviewed and have approved. November 23rd, we e-mailed a question to the NMMSS operator about the number of direct labor hours charged to the NRC for October. We look forward to receiving a reply from the NMMSS operator within a few days.
- 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) We note that the NAC International organization was formally acquired by USEC November 18, 2004.

1. Signature - Technical Project Manager (TPM), Brian G. Horn /RA/ Date 11 / 23 / 2004

2. Signature - Section Chief, Vonna Ordaz /RA/ Date 11 / 23 / 2004