

September 20, 2005

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

FROM: Stephen D. Dingbaum/**RA**/
Assistant Inspector General for Audits

SUBJECT: AUDIT OF NRC'S DRUG TESTING PROGRAM
(OIG-05-A-05)

REFERENCE: DIRECTOR, OFFICE OF ADMINISTRATION,
MEMORANDUM DATED SEPTEMBER 2, 2005

Attached is the Office of the Inspector General (OIG) analysis and status of the recommendations as discussed in the agency's response dated September 2, 2005. Based on this response, one recommendation is closed and 11 recommendations are resolved. Please provide an updated status of the resolved recommendations by January 31, 2006.

If you have questions or concerns, please call me at 415-5915 or Beth Serepca at 415-5911.

Attachment: As stated

cc: W. Dean, OEDO
M. Malloy, OEDO
P. Tressler, OEDO

Audit Report
Audit of NRC's Drug Testing Program
OIG-05-A-05

Status of Recommendations

Recommendation 1: Fully implement existing NRC policy by including all individuals with incident response duties and with annual access to classified information into the random drug testing pool.

Response dated
September 2, 2005:

The Office of Human Resources made appropriate changes to position designations in the Federal Pay and Personnel System, and ADM staff notified employees occupying positions that were either added to or removed from the drug testing pool. These actions were completed by April 1, 2005. Changes to the testing pool will continue as needed.

OIG Analysis:

The attached copy of the current drug testing pool was reviewed. The corrective action has addressed the intent of this recommendation. This recommendation is closed.

Status:

Closed.

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Status of Recommendations

Recommendation 2: Implement a procedure for updating testing-designated positions in the random drug testing pool. This procedure should capture individuals whose job responsibilities shift over time to include or exclude employees meeting the criteria for inclusion in the drug testing pool.

Response dated September 2, 2005: A procedure for updating the testing-designated positions in the random drug testing pool was developed by ADM's Division of Facilities and Security's (DFS) Security Branch (SB) on June 30, 2005. The procedure will be incorporated in Revision 2 of the NRC Drug-Free Workplace Plan pending Health and Human Service's (HHS) review. This procedure will be fully implemented January 13, 2006.

OIG Analysis: The corrective action addresses the intent of this recommendation. This recommendation will be closed when OIG receives notice that HHS has approved the procedure for updating testing-designated positions in the random drug testing pool and verifies NRC's implementation of this procedure.

Status: Resolved.

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Status of Recommendations

Recommendation 3: Periodically conduct a quality assurance review to ensure that all jobs with testable attributes are included in the random drug testing pool.

Response dated
September 2, 2005: A procedure to perform a quality assurance review on a biennial basis to ensure that all jobs with testable attributes are included in the random drug testing pool was developed by ADM/DFS/SB on June 30, 2005. The procedure will be incorporated in Revision 2 of the NRC Drug-Free Workplace Plan pending HHS's review. This procedure will be implemented January 13, 2006.

OIG Analysis: The corrective action addresses the intent of this recommendation. This recommendation will be closed when OIG receives notice that HHS has approved the procedure for periodically conducting a quality assurance review to ensure that all jobs with testable attributes are included in the random drug testing pool and verifies NRC's implementation of this procedure.

Status: Resolved.

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Status of Recommendations

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|--------------------------------------|---|
| <u>Recommendation 4:</u> | Revise the categories of testing-designated positions to include computer system administrators and individuals engaged in law enforcement activities who are authorized to carry weapons. |
| Response dated September 2, 2005: | ADM is in the process of reviewing the categories of testing-designated positions. Changes, including consideration of categories contained in Recommendation 4, will be provided to the Commission by October 14, 2005. Upon approval, the testing-designated position criteria will be revised. |
| OIG Analysis: | The corrective action addresses the intent of this recommendation. This recommendation will be closed when OIG receives verification that the testing designation categories have been revised. |
| Status: | Resolved. |

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Status of Recommendations

Recommendation 5: Re-evaluate categories of testing designated positions and continue to do so biennially.

Response dated
September 2, 2005: ADM is in the process of reviewing the categories of testing-designated positions. Changes, including consideration of categories contained in Recommendation 4, will be provided to the Commission by October 14, 2005. Upon approval, the testing-designated position criteria will be revised.

OIG Analysis: The corrective action addresses the intent of this recommendation. This recommendation will be closed when OIG receives verification that the testing designation categories have been re-evaluated, and the requirement for biennial re-evaluation has been incorporated into NRC's drug-testing policy and procedures.

Status: Resolved.

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Status of Recommendations

Recommendation 6: Develop formal written procedures for staff to follow in implementing the agency's random drug testing selection process.

Response dated
September 2, 2005: A procedure for staff to follow in implementing the agency's random drug testing selection process was developed by ADM/DFS/SB on June 30, 2005. The procedure will be incorporated in Revision 2 of the NRC Drug-Free Workplace Plan pending HHS's review. This procedure will be implemented January 13, 2006.

OIG Analysis: The corrective action addresses the intent of this recommendation. This recommendation will be closed when OIG receives notice that HHS has approved the procedure for staff to follow in implementing the agency's random drug testing selection process.

Status: Resolved.

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Status of Recommendations

Recommendation 7: Include in the process a means to drug test the randomly selected employees who are frequently absent.

Response dated
September 2, 2005: DFS has implemented a change to the drug testing process that requires persons excused from a random test to be subject to an unannounced test in the 60 days following the test period from which they were excused. This change is reflected in Revision 2 of the NRC Drug-Free Workplace Plan which was re-submitted to HHS August 12, 2005.

OIG Analysis: The corrective action addresses the intent of this recommendation. This recommendation will be closed when OIG receives the revised, HHS approved NRC Drug-Free Workplace Plan.

Status: Resolved.

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Status of Recommendations

Recommendation 8: Develop and implement a quality assurance process to periodically verify that employees are randomly selected for drug testing without regard to their name, office, or position.

Response dated
September 2, 2005: A procedure to implement a quality assurance process to periodically verify that employees are randomly selected for drug testing without regard to their name, office, or position was developed by ADM/DFS/SB on June 30, 2005. Comments received as a result of HHS's review of Revision 2 of the NRC Drug-Free Workplace Plan will be incorporated. This procedure will be fully implemented January 13, 2006.

OIG Analysis: The corrective action addresses the intent of this recommendation. This recommendation will be closed when OIG evaluates the agency's quality assurance process to periodically verify that employees are randomly selected for drug testing without regard to their name, office, or position.

Status: Resolved.

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Status of Recommendations

Recommendation 9: Provide and update regularly employee-supervisor lists for drug program staff to facilitate the drug testing notification process.

Response dated
September 2, 2005:

Human Resource provides updated monthly employee-supervisor lists, however updates are not entirely accurate. ADM received clarification from HHS on whether drug program staff could contact the employee directly. In exceptional cases employees may be notified by drug program staff while the supervisor is notified the same day the test is scheduled. This language has been incorporated into Revision 2 of the NRC Drug-Free Workplace Plan, which was re-submitted to HHS August 12, 2005, and is under review.

OIG Analysis:

The corrective action addresses the intent of this recommendation. This recommendation will be closed when OIG verifies that Human Resource provides ADM updated monthly employee-supervisor lists to facilitate the drug testing notification process and notice that HHS has approved the notification process contained in the revised NRC Drug-Free Workplace Plan.

Status: Resolved.

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Status of Recommendations

Recommendation 10: Institute a quality assurance process to verify that notification procedures are implemented in accordance with HHS requirements.

Response dated
September 2, 2005: A procedure to institute a quality assurance process to verify that notification procedures are implemented in accordance with HHS requirements was developed by ADM/DFS/SB on June 30, 2005. Comments received as a result of HHS review of Revision 2 of the NRC Drug-Free Workplace Plan will be incorporated. This procedure will be fully implemented January 13, 2006.

OIG Analysis: The corrective action addresses the intent of this recommendation. This recommendation will be closed when OIG verifies that ADM has implemented a quality assurance process to verify that notification procedures are implemented in accordance with HHS requirements.

Status: Resolved.

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Status of Recommendations

Recommendation 11: Develop and implement policy and procedures to compile all records for compliance with the NRC Drug-Free Workplace Plan.

Response dated
September 2, 2005: A procedure to implement policy and procedures to compile all records for compliance with the NRC Drug-Free Workplace Plan was developed by ADM/DFS/SB on June 30, 2005. The drug testing portion of the Integrated Personnel Security System (IPSS) has been designed to compile all drug testing records for compliance with the NRC Drug-Free Workplace Plan. Comments received as a result of HHS review of Revision 2 of the NRC Drug-Free Workplace Plan will be incorporated. This procedure will be fully implemented January 13, 2006.

OIG Analysis: The corrective action addresses the intent of this recommendation. This recommendation will be closed when OIG verifies that ADM has implemented policy and procedures to compile all records for compliance with the HHS approved NRC Drug-Free Workplace Plan.

Status: Resolved.

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Status of Recommendations

Recommendation 12: Update the Management Directive System to include the drug testing policy and procedures that employees are expected to follow.

Response dated
September 2, 2005: Following Commission approval of drug testing program changes, ADM/DFS will develop a new Management Directive to describe the drug testing policy and provide an overview of the procedures that employees are expected to follow. This effort will be completed by January 31, 2007.

OIG Analysis: The corrective action addresses the intent of this recommendation. This recommendation will be closed when OIG evaluates the revised Management Directive containing the drug testing policy and procedures that employees are expected to follow.

Status: Resolved.