

March 15, 2007

MEMORANDUM TO: Jesse L. Funches
Chief Financial Officer

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF THE
NUCLEAR REGULATORY COMMISSION'S FY 2006
FINANCIAL STATEMENTS (OIG-07-A-02)

REFERENCE: OFFICE OF THE CHIEF FINANCIAL OFFICER
MEMORANDUM DATED FEBRUARY 6, 2007

Attached is the Office of the Inspector General's analysis and status of recommendation 5 as discussed in the agency response dated February 6, 2007. Based on this response, recommendation 5 remains resolved. A determination of the status of this resolved recommendation will be made following receipt and evaluation of the FY 2007 final fee rule.

If you have any questions or concerns, please call me on 415-5915.

Attachment: As stated

cc: Michael Johnson, OEDO
Melinda Malloy, OEDO
Patty Tressler, OEDO

Audit Report
Audit of the Nuclear Regulatory Commission's
FY 2006 Financial Statements
(OIG-07-A-02)
Status of Recommendations

Recommendation 5: The CFO should implement the results of their assessment strategy. After the changes have been reflected in the FY 2007 fee rule, we will assess, in coordination with the Office of the Inspector General (OIG), actions implemented to address this condition.

Response dated
February 6, 2007:

Enclosed is a copy of the FY 2007 proposed fee rule, which was published in the *Federal Register* on February 2, 2007. I am providing you this rule in accordance with the November 9, 2006, memo from Jesse L. Funches, Chief Financial Officer, to you, regarding the audit of the FY 2006 financial statements. As indicated in that memo, the hourly rate in the FY 2007 fee rule is based on FY 2007 budget data, which has been informed by cost data. I will provide you a copy of the FY 2007 final fee rule once it is issued.

OIG Analysis:

OIG, in coordination with R. Navarro & Associates, will make a determination on the status of this recommendation following receipt and evaluation of the final FY 2007 fee rule.

Status:

Resolved.