

July 2, 2007

MEMORANDUM TO: Luis A. Reyes
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF
AGREEMENT STATES' LICENSING ACTIONS
(OIG-06-A-12)

REFERENCE: DIRECTOR, OFFICE OF FEDERAL AND STATE
MATERIALS AND ENVIRONMENTAL MANAGEMENT
PROGRAMS, MEMORANDUM DATED JUNE 12, 2007

Attached is the Office of the Inspector General's analysis and status of recommendation 2 as discussed in the agency's response dated June 12, 2007. Based on this response, recommendation 2 is closed. This report is now closed.

If you have questions or concerns, please call me at 415-5915 or Sherri Miotla at 415-5914.

Attachment: As stated

cc: V. Ordaz, OEDO
M. Malloy, OEDO
P. Tressler, OEDO

Audit Report
Audit of Agreement States' Licensing Actions
OIG-06-A-12

Status of Recommendations

Recommendation 2: Document the rationale and basis for the sampling methodology for selecting licensing actions contained in IMPEP guidance for evaluating Common Performance Indicator 4, *Technical Quality of Licensing Actions*.

Agency
Response Dated
June 12, 2007:

On May 14, 2007, FSME completed its revision of FSME Procedure SA-104, *Reviewing the Common Performance Indicator, Technical Quality of Licensing Actions*. The revision incorporated current practices, reflected the NRC's new organization, and documented the rationale and basis for our sampling methods used to select casework for evaluation during IMPEP reviews. As indicated in previous correspondence regarding this subject, IMPEP review teams will continue using a risk-informed, performance based approach to selecting and evaluating licensing casework during IMPEP reviews. The use of risk-informed sampling, rather than random sampling, maximizes the effectiveness of the review of casework. The revised procedure was shared with the NRC Regions and Agreement States for a 30-day comment period prior to finalization. Revisions to Management Directive 5.6, *Integrated Materials Performance Evaluation Program (IMPEP)*, to incorporate the rationale and basis for sampling methods for affected performance indicators will be completed during its next routine revision.

OIG Analysis: The proposed corrective action addresses the intent of OIG's recommendation. The recommendation is closed.

Status: Closed.