



UNITED STATES
NUCLEAR REGULATORY COMMISSION
WASHINGTON, D.C. 20555-0001

OFFICE OF THE
INSPECTOR GENERAL

October 9, 2008

MEMORANDUM TO: R. William Borchardt
Executive Director for Operations

Margaret M. Doane
Director, Office of International Programs

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF THE
NUCLEAR REGULATORY COMMISSION'S
USAID-FUNDED ACTIVITIES (OIG-08-A-12)

REFERENCE: DIRECTOR, OFFICE OF INTERNATIONAL PROGRAMS,
MEMORANDUM DATED SEPTEMBER 30, 2008

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's status of recommendations memorandum dated September 30, 2008. Based on the response and information provided, Recommendations 2, 3, and 4 are resolved. Recommendation 1 is now closed, while recommendation 5 was previously closed. Please provide an update on the three resolved recommendations by January 15, 2009.

If you have questions or concerns, please call me at 415-5915 or Steven Zane, Team Leader, at 415-5912.

Attachment: Status of Recommendations

cc: V. Ordaz, OEDO
J. Arildsen, OEDO
P. Shea, OEDO

Audit Report
Audit of the Nuclear Regulatory Commission's USAID-Funded Activities
OIG-08-A-12

Status of Recommendations

Recommendation 1: Modify the Advanced Systems Technology and Management, Inc., contract to require invoices to identify contract costs by country.

Agency Response Dated September 30, 2008: Modification 6 to contract 08-07-418 with Advanced Systems Technology and Management, Inc, (AdSTM) was issued effective August 15, 2008. This modification changed the monthly reporting requirements to include a country-specific breakdown of costs for activities conducted under contract 08-07-418 that involve Freedom Support Act funds (Armenia, Georgia and Kazakhstan).
Completion: August 15, 2008.

OIG Analysis: OIG reviewed the contract modification and found that the modification changed the monthly reporting requirements to include a country-specific breakdown of costs for activities conducted under contract 08-07-418 that involve Freedom Support Act funds. The modification addresses the intent of OIG's recommendation. Therefore, the recommendation is closed.

Status: Closed.

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Status of Recommendations

Recommendation 2: Correct accounting records applicable to the Advanced Systems Technology and Management, Inc., contract.

Agency Response Dated
September 30, 2008:

OIP continues to monitor payments associated with contract 08-07-418 with AdSTM, and has worked with the Office of the Chief Financial Officer to ensure such entries are correct. Specific documentation related to this effort will be available, and provided to the OIG, upon completion of FY2008 accounting closeout activities (approximately mid-October).
Completion: Complete.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and reviews documentation showing that applicable accounting records have been corrected.

Status:

Resolved.

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Status of Recommendations

Recommendation 3: Develop and implement written office procedures for the U.S. Agency for International Development funded program to include guidance on contract payments and associated quality controls involving supervisory review.

Agency Response Dated
September 30, 2008

Such written office procedures are under development and are expected to be completed by the assigned date.
Completion: January 1, 2009.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and reviews the written office procedures to verify that the recommendation's specific points have been adequately addressed.

Status:

Resolved.

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Status of Recommendations

Recommendation 4: Develop and implement quality controls to require periodic supervisory review of the timeliness of Intragovernmental Payment and Collection transaction processing.

Agency Response Dated September 30, 2008: Such quality controls are being implemented. Written office procedures, currently under development, will address the quality controls. Completion: January 1, 2009.

OIG Analysis: The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives evidence to verify that OIP has developed and implemented quality controls to require periodic supervisory review of the timeliness of Intragovernmental Payment and Collection transaction processing.

Status: Resolved.