



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

OFFICE OF THE  
INSPECTOR GENERAL

October 30, 2009

MEMORANDUM TO: J.E. Dyer  
Chief Financial Officer

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF THE  
BUDGET FORMULATION PROCESS (OIG-05-A-09)

REFERENCE: CHIEF FINANCIAL OFFICER MEMORANDUM DATED  
SEPTEMBER 30, 2009

Attached is the Office of the Inspector General's analysis and status of recommendations as discussed in the agency's response dated September 30, 2009. Based on this response, recommendations 1-3 remain resolved. Recommendation 4 was previously closed. Please provide an updated status of the resolved recommendations by February 28, 2010.

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

Attachments: As stated

cc: N. Mamish, OEDO  
J. Andersen, OEDO  
J. Arildsen, OEDO  
C. Jaegers, OEDO

## Audit Report

### AUDIT OF THE BUDGET FORMULATION PROCESS

OIG-05-A-09

#### Status of Recommendations

Recommendation 1: Clarify, in coordination with the Executive Director for Operations, the roles and responsibilities of the Chief Financial Officer and Executive Director for Operations in the budget formulation process.

Agency Response Dated September 30, 2009: This recommendation is being addressed as part of a revised Management Directive and Handbook 4.7, Budget Formulation (originally Planning, Budgeting, and Performance Management). The agency's strategic planning process and performance assessment are being addressed in separate management directives currently under review. Management Directive 4.7, Budget Formulation, is scheduled to be published in January 2010.

OIG Analysis: The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives a copy of the final MD 4.7, and determines that it clarifies the roles and responsibilities of the Chief Financial Officer and Executive Director for Operations in the budget formulation process.

**Status:** Resolved.

## Audit Report

### AUDIT OF THE BUDGET FORMULATION PROCESS

OIG-05-A-09

#### Status of Recommendations

Recommendation 2: Document the decision-making process and roles and responsibilities of the Program Review Committee.

Agency Response Dated September 30, 2009: This recommendation is being addressed as part of a revised Management Directive and Handbook 4.7, Budget Formulation (originally Planning, Budgeting, and Performance Management). The agency's strategic planning process and performance assessment are being addressed in separate management directives currently under review. Management Directive 4.7, Budget Formulation, is scheduled to be published in January 2010.

OIG Analysis: The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives a copy of the final MD 4.7, and determines that it documents the decision-making process and roles and responsibilities of the Program Review Committee.

**Status:** Resolved.

## Audit Report

### AUDIT OF THE BUDGET FORMULATION PROCESS

OIG-05-A-09

#### Status of Recommendations

Recommendation 3: Document the budget formulation process to ensure a logical, comprehensive sequencing of events that provides for obtaining early Commission direction and approval.

Agency Response Dated  
September 30, 2009:

This recommendation is being addressed as part of a revised Management Directive and Handbook 4.7, Budget Formulation (originally Planning, Budgeting, and Performance Management). The agency's strategic planning process and performance assessment are being addressed in separate management directives currently under review. Management Directive 4.7, Budget Formulation, is scheduled to be published in January 2010.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives a copy of the final MD 4.7, and determines that it documents the budget formulation process to ensure a logical, comprehensive sequencing of events that provides for obtaining early Commission direction and approval.

**Status:**

Resolved.