



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

OFFICE OF THE
INSPECTOR GENERAL

March 9, 2010

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
FEBRUARY 26, 2010

Attached is the Office of the Inspector General's analysis and status of recommendations as discussed in the agency's response dated February 26, 2010. Based on this response, recommendations 1-3 remain resolved. Recommendation 4 was previously closed. Please provide an updated status of the resolved recommendations by September 30, 2010.

If you have any questions or concerns, please contact me at 415-5915 or Steven Zane, Deputy Assistant Inspector General for Audits, 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
February 26, 2010:

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 development.

The Chairman has provided new direction to the staff for the FY 2012 budget development process. Based on the Chairman's direction, the Management Directive is expected to be published in August 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
February 26, 2010:

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 development.

The Chairman has provided new direction to the staff for the FY 2012 budget development process. Based on the Chairman's direction, the Management Directive is expected to be published in August 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
February 26, 2010:

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 development.

The Chairman has provided new direction to the staff for the FY 2012 budget development process. Based on the Chairman's direction, the Management Directive is expected to be published in August 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.