

March 30, 2010

MEMORANDUM TO: Stephen D. Dingbaum  
Assistant Inspector General for Audits

FROM: James B. Schaeffer, Acting Director */RA/ Sharon Stewart for*  
Office of Administration

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF THE NUCLEAR  
REGULATORY COMMISSION'S GRANT MANAGEMENT  
PROGRAM (OIG-09-A-16)

The following provides a status of planned actions in response to Recommendations 1, 3, and 8 as contained in the subject audit report.

Recommendation 1:

Resolve outstanding Lean Six Sigma [LSS] issues, including definition of the competitive grant process, roles and responsibilities, development of a shared electronic grant database, and scope of SBCR [Office of Small Business and Civil Rights] reviews.

Status:

Draft Management Directive (MD) 11.6, "Financial Assistance Program," will resolve outstanding LSS issues to include addressing the definition of the competitive grant process, roles and responsibilities, and the scope of SBCR reviews. The Office of Administration (ADM) will obtain the concurrence of the Office of Human Resources (HR), Office of Nuclear Regulatory Research (RES), Office of the General Counsel (OGC), and SBCR prior to issuance of MD 11.6, due to be completed June 30, 2011.

ADM currently stores documents, e.g., financial assistance applications, in an electronic, shared, financial assistance folder that is accessible to program office personnel involved in the financial assistance process. As stated in ADM's response to recommendation 6, ADM plans to develop a SharePoint site for grants management as an interim solution that will include a document/reference library by December 31, 2010. In addition, ADM will continue to review available electronic grants systems and coordinate with the Office of the Chief Financial Officer as it develops potential functionality and capabilities within the NRC's Financial Accounting and Integrated Management System (FAIMIS). This outstanding issue will be resolved under recommendation 6.

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Recommendation 3:

Issue interim guidance to accomplish the intent of recommendation 2, pending revision of Management Directive 11.6.

Status:

Draft MD 11.6, was issued for comment to HR, RES, OGC, and SBCR on March 4, 2010. To date, comments have been received from all offices, except OGC, and are under review by ADM.

Targeted Completion Date: May 7, 2010.

Recommendation 8:

Develop a quality assurance process for ensuring official grant files are complete.

Status:

Contract number NRC-10-08-373, an 8(a) contract that provides independent file reviews of commercial contracts, Department of Energy Laboratory Agreements, and other interagency agreements, expires on June 30, 2010. ADM will add annual grant file reviews to the Statement of Work for the new contract.

In support of the new file reviews, the contractor will develop a checklist to ensure the accuracy and adequacy of the grant file, to determine if all appropriate procedures were followed, and to provide a list of missing documents. The contractor will also provide a list of specific findings and recommendations for improving the overall management of NRC grants.

Targeted Completion Date: July 1, 2010.

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