



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

**OFFICE OF THE
INSPECTOR GENERAL**

January 31, 2011

MEMORANDUM TO: R. William Borchardt
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS RELATED TO THE
AUDIT OF NRC'S ENFORCEMENT PROGRAM
(OIG-08-A-17)

REFERENCE: DIRECTOR, OFFICE OF ENFORCEMENT,
MEMORANDUM DATED DECEMBER 17, 2010

Attached is the Office of the Inspector General's analysis and status of recommendations 2 and 3 as discussed in the agency's response dated December 17, 2010. Based on this response, recommendations 2 and 3 remain in resolved status. Recommendation 1 was previously closed. Please provide an updated status of the resolved recommendations by July 29, 2011.

If you have any questions or concerns, please call me at 415-5915 or R.K. Wild, Team Leader, at 415-5948.

Attachment: As stated

cc: M. Muessle, OEDO
J. Andersen, OEDO
J. Arildsen, OEDO
C. Jaegers, OEDO

Audit Report

AUDIT OF NRC'S ENFORCEMENT PROGRAM

OIG-08-A-17

Status of Recommendations

Recommendation 2: Define systematic data collection requirements for non-escalated enforcement actions.

Agency Response Dated
December 17, 2010:

Ongoing. As discussed in OE's June 17, 2010, status memo, the remaining action necessary to address this recommendation involves implementation of the web-based licensing system (WBL) currently under development by the Office of Federal and State Materials and Environmental Management Programs. This system will be used to track non-escalated materials inspection findings. The system requirements for WBL have been modified to enable the system to collect inspection results and to allow users to enter information regarding the disposition of enforcement actions associated with each inspection activity. The system requirements will also allow users to search the database and generate reports associated with non-escalated enforcement actions.

As an update to the timeline provided in OE's June 17, 2010, status memo, the capability to track non-escalated enforcement actions with WBL will not be available until summer 2012 due to unrelated expansion in scope and unanticipated contractual delays of the WBL project. As such, action to address Recommendation 2 will now be completed in summer 2012.

OIG Analysis:

OIG acknowledges the agency's plans to adapt the WBL system to collect and track non-reactor, non-escalated inspection findings with a projected implementation date of summer 2012. However, OIG is concerned that the deployment of this system has been delayed. OIG encourages the agency to provide an interim solution for tracking this data until the implementation of WBL is complete. This recommendation will be closed when all of the cited activities are completed and reviewed by OIG to ensure that the recommendation has been adequately addressed.

Status:

Resolved.

Audit Report

AUDIT OF NRC'S ENFORCEMENT PROGRAM

OIG-08-A-17

Status of Recommendations

Recommendation 3: Develop and implement a quality assurance process that ensures that collected enforcement data is accurate and complete.

Agency Response Dated
December 17, 2010:

Ongoing. As discussed in OE's June 17, 2010, status memo, the remaining actions necessary to address this recommendation involve development of procedures describing the data entry requirements for WBL, periodic review of the data entered into WBL, and a follow-up audit of completed NRC Form 591s to assess the effectiveness of corrective actions taken in response to Recommendation 1.

As discussed in OE's January 17, 2010, status memo, actions associated with development of procedures for data entry and auditing of WBL will not be completed until the actions to address Recommendation 2 are complete. As discussed in this update, action to address Recommendation 2 will be completed in summer 2012.

As discussed in OE's June 17, 2010, status memo, OE planned to complete a follow-up audit of NRC Form 591s following a revision of Inspection Manual Chapter (IMC) 2800, "Materials Inspection Program" which was expected to be completed by the end of June 2010. Based on this, OE planned to complete this audit before the end of 2010. However, the revision was approved on July 27, 2010, and was made effective on November 15, 2010. As a result, OE plans to complete the follow-up audit of Form 591s in spring 2011. This will allow sufficient time under the revised guidance to ensure adequate populations of Form 591s are available for the audit.

OIG Analysis:

The agency continues to make progress in evaluating and developing additional guidance and controls to ensure the quality of collected enforcement data. This recommendation will be closed when OIG receives and reviews the revised guidance and proposed controls to ensure that the agency's actions fully satisfy the intent of the recommendation.

Status:

Resolved.