



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

**OFFICE OF THE
INSPECTOR GENERAL**

August 15, 2011

MEMORANDUM TO: R. William Borchardt
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
AGREEMENT STATE PROGRAM (OIG-09-A-08)

REFERENCE: ACTING DIRECTOR, OFFICE OF FEDERAL AND STATE
MATERIALS AND ENVIRONMENTAL MANAGEMENT
PROGRAMS, MEMORANDUM DATED JULY 28, 2011

Attached is the Office of the Inspector General's analysis and status of recommendations as discussed in the agency's response dated July 28, 2011. Based on this response, recommendation 1 is now closed and recommendation 4 remains resolved. Recommendations 2, 3 and 5 were previously closed. Please provide an update for the resolved recommendation by February 1, 2012.

If you have questions or concerns, please call me at 415-5915 or Sherri Miotla, Team Leader, at 415-5914.

Attachment: As stated

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

Audit Report

AUDIT OF NRC'S AGREEMENT STATE PROGRAM

OIG-09-A-08

Status of Recommendations

Recommendation 1: Develop a mechanism for conducting self-assessments and capturing lessons learned for IMPEP on a regular basis.

Agency Response Dated
July 28, 2011:

The first self-assessment of the IMPEP was completed and a report was issued to Robert J. Lewis, Director, Division of Materials Safety and State Agreements, Office of Federal and State Materials and Environmental Management Programs (FSME) on July 22, 2010 (ML102030209). To establish the self-assessment process, staff drafted FSME State Agreements (SA) Procedure SA-123, "Conducting Self-Assessment of the Integrated Materials Performance Evaluation Program." The document was distributed for comment both internally within U.S. Nuclear Regulatory Commission (NRC) and externally to stakeholders on January 21, 2011 (ML103630011). Comments were received and resolved (ML111580542). The final procedure was approved on June 24, 2011 (ML111580392). With completion of the Office of the Inspector General's (OIG's) review of this procedure, we consider this recommendation to be closed. SA-123, "Conducting Self-Assessment of the Integrated Materials Performance Evaluation Program," has been enclosed for reference.

OIG Analysis: OIG auditors reviewed FSME Procedure SA-123, *Conducting Self-Assessments of the Integrated Materials Performance Evaluation Program (IMPEP)*, and determined that the procedure includes detailed guidance for conducting self-assessments and capturing lessons learned for IMPEP on a regular basis. OIG concludes that the agency's actions satisfy the intent of this recommendation. Therefore, recommendation 1 is now closed.

Status: Closed.

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Status of Recommendations

Recommendation 4: Develop a standardized data collection process that can be used as the basis of an information sharing tool on a national level.

Agency Response Dated
July 28, 2011:

On April 16, 2010, staff issued a questionnaire to the Agreement States in order to obtain their input on their willingness to share certain information, estimates of the annual burden to share the information, and the legality of sharing the information from the State perspective (RCPD-10-006, ML100750102). NRC staff analyzed the data. Based on the responses received from the Agreement States, NRC staff concluded that a voluntary, password protected database on the FSME public website that includes data involving bans, revocations, suspensions, and denials is the most suitable option due to several States' laws. NRC staff is currently working towards the development of a National Enforcement database to host the information. As previously mentioned, NRC cannot require Agreement States to provide this information; however, NRC will strongly encourage all Agreement States to contribute to this effort and share valuable information that could assist fellow regulators in making informed decisions. On June 16, 2011, RCPD-11-009 letter (ML111380479), "Collection of Agreement State Data on Bans, Revocations, Suspensions and Denials," was distributed to the Agreement States. The letter requests the Agreement States to voluntarily provide data involving bans, revocations, suspensions and denials in order to build the National Enforcement database. With receipt of the Agreement State data, staff will proceed with building the data base.

OIG Analysis: The agency's ongoing effort to request Agreement States to voluntarily provide data involving bans, revocations, suspensions and denials to develop a data collection process that can be used as the basis of an

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Status of Recommendations

Recommendation 4 (continued):

information sharing tool on a national level meets the intent of the recommendation. The recommendation will be closed when the agency develops a standardized data collection process that can be used as the basis of an information sharing tool on a national level.

Status: Resolved.