

November 7, 2011

MEMORANDUM TO: R. W. Borchardt
Executive Director for Operations

FROM: Kathryn O. Greene, Director **/RA/**
Office of Administration

SUBJECT: AGENCY-SPONSORED MEETING AND CONFERENCE
SPENDING

Office of Management and Budget (OMB) memorandum M-11-35, "Eliminating Excess Conference Spending and Promoting Government Efficiency," dated September 21, 2011, required departments and agencies to take the following steps:

- (1) Conduct a thorough review of policies and controls associated with conference-related activities and expenses.
- (2) Mitigate the risk of inappropriate spending practices with regard to conferences until the Deputy Secretary (or equivalent) can certify that appropriate policies and controls are in place. Clear approval of conference-related activities and expenses through the Deputy Secretary (or equivalent).
- (3) Certify that appropriate controls are in place.
- (4) Report to OMB on the results of the review of conference-related activities and expenses by November 1, 2011.

The U.S. Nuclear Regulatory Commission (NRC) Office of Administration (ADM), Office of the General Counsel (OGC), and Office of the Chief Financial Officer (OCFO) conducted a review of the existing policies, procedures, and controls contained in the purchase card handbook (available on the NRC Intranet); on the ADM Web page (under Meetings and Conferences); in Management Directive (MD) 7.3, "Participation in Professional Organizations," dated September 29, 2009; and in MD 14.1, "Official Temporary Duty Travel," dated June 7, 2005. As discussed with you on November 1, 2011, these policies and procedures were found to be adequate, although the NRC staff did not always adhere to them.

CONTACT: Sandra I. Schoenmann, ADM/DAS
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To reinforce and strengthen these policies, procedures, and controls, a memorandum to Office Directors (ODs) and Regional Administrators (RAs) is enclosed for your signature. This memorandum identifies the existing policies and procedures and institutes an additional control for leasing offsite conference and meeting space. This memorandum also outlines existing controls that require ODs and RAs to review and approve offsite conferences and meetings that involve the procurement of food, refreshments, or overnight lodging with appropriated funds. To date, the Division of Contracts has not awarded any purchase orders or contracts for offsite meeting space that include the purchase of food, refreshments, or overnight lodging since the receipt of OMB M-11-35. ADM reviewed a sample of conference-related activities and expenses in fiscal year (FY) 2011 and did not identify any inappropriate spending practices.

To augment this review, the Meetings and Conference Portfolio Council will conduct an in-depth review of FY 2008–2010 expenditure data on conference-related activities. This review may result in a recommendation from ADM, OGC, and OCFO that additional controls would be prudent. The staff expects to have the results of this spending review and a conclusion as to whether additional controls are recommended for implementation in the second quarter of FY 2012.

The Chief Financial Officer (CFO) signed the enclosed NRC response to OMB on the agency's review of conference-related activities and expenses. The response was coordinated with the Deputy Executive Director for Corporate Management prior to the CFO's signature on November 1, 2011.

Enclosures:

1. Memorandum to Those on the Attached List
from R. W. Borchardt Re: Agency-Sponsored Meeting
and Conference Spending
2. Chief Financial Officer Response to the Office of
Management and Budget, dated November 1, 2011

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