



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

**OFFICE OF THE
INSPECTOR GENERAL**

September 26, 2012

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 SEPTEMBER 6, 2012

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 September 6, 2012. Based on this response and additional information provided by the Office of Enforcement, recommendation 2 is closed and recommendation 3 remains in resolved status. Recommendation 1 was previously closed. Please provide an updated status of the resolved recommendations by March 15, 2013.

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: N. Mamish, OEDO
K. Brock, OEDO
J. Arlidsen, 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
September 6, 2012:

Closed. The web-based licensing system (WBL) Version 1.0 was deployed in August 2012. WBL Version 1.0 has the capability to track non-escalated materials inspection findings, including non-cited violations.

The system deployed in August 2012 provides for the following: collecting inspection results; including entry of information regarding the disposition of enforcement actions associated with each inspection activity (e.g., requirement violated and type of enforcement action taken); selecting search parameters; and generating reports associated with non-escalated enforcement actions.

Deployment of the system included release of procedures for entry of data into the WBL, and training in each region regarding use of the system.

OIG Analysis:

OIG has noted the agency's progress in developing the web-based licensing system (WBL), which has the capability to collect and track non-reactor, non-escalated inspection findings including non-cited violations. OIG further acknowledges the successful deployment of WBL in August 2012. On September 17, 2012, the Office of Federal and State Materials and Environmental Management Programs (FSME) and OE staff provided OIG with a demonstration of WBL's capabilities to collect, organize, summarize, and monitor the status of non-escalated enforcement actions. OIG concludes that the agency actions meet the intent of the recommendation and this recommendation is therefore closed.

Status:

Closed.

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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
September 6, 2012:

Ongoing. A follow-up audit of completed NRC Form 591s was performed the week of May 9, 2011, to identify whether staff training on revisions to Inspection Manual Chapter 2800 (IMC 2800), "Materials Inspection Program" and the Enforcement Manual was effective in assuring that non-escalated violation data being documented on NRC Form 591s is of high quality. The staff reviewed a population of 25 completed NRC Form 591 inspection records issued during the first calendar quarter of 2011 and found, in general, that the actions taken in response to Recommendation 1 were effective. Specifically, violations were well documented and included clearly stated requirements, as well as information about how the licensee failed to meet the requirements. In addition, when known at the time of the inspection, licensee corrective actions were also documented on the NRC Form 591. However, the audit did identify different versions of NRC Form 591 being used by inspectors in different agency offices. Additionally, in a few cases, the version used did not contain a branch chief signature block as now required by IMC 2800. Further, this issue was coordinated with FSME. Resolution of the implementation planning for OE recommendations was completed on July 28, 2011, as FSME agreed to (1) implement OE recommendations and (2) update NRC Form 591M in Enclosure 5 of the Inspection Manual Chapter 2800 with the next revision of this chapter.

The staff commitment to develop quality assurance of the data is now complete. Specifically, FSME revised NRC Forms 591 and 591M in October 2011 to include a Branch Chief signature as a quality and consistency check. In a December 2, 2011 memo, FSME notified the regions of the availability of the revised NRC Forms 591 and 591M, as well as the expectation for the NRC to begin using the forms. Further, the IMC 2800 will be revised at the next normal revision cycle, which is expected to be completed by December 31, 2013.

Audit Report

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Status of Recommendations

Recommendation 3 (continued):

The WBL system Version 1.0, as deployed in August 2012, includes the capability to track non-escalated materials inspection findings, including non-cited violations. Design and deployment of the system included aspects to ensure quality data is captured in the system, including release of procedures for entry of data into the WBL and training in each region regarding use of the system. In addition, the regions have internal processes for ensuring the accuracy of licensing, inspection, enforcement actions, and specific documentation.

During the next six months (by approximately March 7, 2013), the staff will be working to complete remaining action to address Recommendation 3 by developing guidance for placement in the NRC Enforcement Manual that addresses audits of non-escalated enforcement actions, including the roles and responsibilities for audits.

OIG Analysis:

The agency's proposed actions to develop guidance that addresses audits of non-escalated enforcement action data continues to meet the intent of the recommendation. This recommendation will be closed when OIG receives and reviews the revised guidance to ensure that the agency's actions fully satisfy the recommendation.

Status:

Resolved.