

Boyer, Rachel

From: Greene, Kathryn *ADM*
Sent: Thursday, September 29, 2011 6:26 PM
To: Ash, Darren; Corley, Cherrie
Cc: Stewart, Sharon
Subject: items for Monday Chairman meeting

Darren,

At the 9:15 corporate office director meeting with the Chairman on Monday, I plan to cover these items: 1) a high-level summary of year end close activity, committed carryover amount recommendation to CFO, affects of TWB outage, and data comparison to previous years; 2) express appreciation for the Chairman's visit to TWB on Friday evening to visit with DC staff; 3) 3WFN tour date and attendees; and 4) Chairman, EDO and DEDCM are guest speakers at ADM all hands meeting on Tuesday Oct 11.

Here are items we recommend you cover with the Chairman at 10:00 a.m.:

1. Controlling conference-related activities and expenses

This was ADM's thinking based on our internal meeting yesterday 9/28. This was before I spoke to Jim Dyer today, and may be moot if OMB establishes government-wide controls and review thresholds. The information highlighted below provides some background on the state of affairs within NRC today.

OMB has requested that agencies review conference-related activities and expenses and report the results of that review to OMB by November 1. We could use the data from the FY 08 – FY 10 spending analysis as the basis for our response to OMB. NRC paid a total of \$5.2M over those 3 fiscal years on space requirements in support of agency meetings and conferences. This total spending represents less than one percent of total agency spending over these 3 fiscal years. 88 percent of total funding (\$4.6M) was spent by large HQ offices, with the RIC being the largest expense.

In addition, ADM would also prepare a memo to offices and regions for EDO signature informing them of the OMB memo and expectations, and NRC's plan to address the issues contained in the memo, including approval procedures for offsite meetings and conferences.

Currently, NRC has written controls over these types of expenses in the Purchase Card Handbook and has some guidance on the centralized meeting and conference services ADM provides on ADM's Web page under Conferences and Meetings. NRC also has pockets of staff expertise in allowable meeting expenses throughout the agency. In the short term, we would plan to work with OGC and OCFO to identify areas where the current guidance can be strengthened, for instance, by including examples of allowable costs; FAR- or FTR-required meeting space terms, conditions, and limitations; and avoidable or inappropriate costs or contract terms, and will provide this information to appropriate staff in HQ and regions as well as update the Handbook.

Using the spending analysis data, ADM, OGC, and OCFO would determine if additional internal control reviews of conference and meeting expenses is warranted or advisable, and if so, develop "trigger" criteria for additional levels of review. We would plan to take a balanced and measured approach which will focus controls on the more significant, discretionary expenses to ensure careful consideration of costs. For example, regions acquiring meeting space in a school, library, or other such facility near NPPs for a local public meeting would not appear to warrant additional review than currently performed.

2. Earthquake Lessons Learned

We now have 3 operable PA units in the WFC capable of broadcasting to all HQ locations (2 in OWFN (2nd floor and 17th floor) and 1 in TWFN (3rd floor)). ADM has added a PA system console in DEDCM's office, and

moved the PA system console from the AV studio to DFS Director's office, in response to earthquake lessons learned. We will be scheduling training for OEDO and DFS management on the use of these PA consoles ASAP. The fourth unit is expected to be repaired or replaced by mid October, and installed in TWFN 6th floor AV studio.

3. First Floor OWFN Renovations

The total cost estimate of the Hearing Room, Ante Room, and Press Room renovations is \$100 - \$125K, and ADM has obligated \$150K in FY 11 on our space construction contract to cover this, and we will use the balance to cover other HQ space renovation needs. We are proceeding to work with OPA and SECY to schedule the work the Chairman has previously approved to minimize disruption to the Commission calendar. Included in this cost estimate is \$8K - \$9K to refinish the Commission Hearing Room conference table and other wood furniture in the room (e.g., court reporter table and podium), so all wood finishes match. It will require approximately 3+ weeks to disassemble, remove, refinish, and reinstall the hearing table. If the Chairman agrees with this last bit of work, we will work with SECY to schedule it with the other items.

In addition, ADM has issued the task order to the contractor for the next 7 floors of elevator lobby and bathroom renovations, including renovation of the first floor women's and men's rooms. As an aside, by competing the task order for elevator lobby and restroom renovations among our blanket purchase agreement vendors, we saved \$50K per floor, or \$350K total, from our previous contractor's per floor costs.

4. Direct Hire Authority for Contract Specialist positions??

I don't know if you want to mention this to the Chairman, but as a reminder, at the HEPAC dinner, Commissioner Magwood's EA inquired if NRC had direct hire authority for contract specialists, and Phyllis responded that we did not, and explained that seeking this Congressional authority had been explored by ADM but not approved to go forward to Congress. Patty asked Phyllis for the NRC history of the issue. During this exchange, the Commissioner indicated an interest in supporting such legislative authority. As you may be aware, the Commission has recently completed action (issued the SRM) on its legislative proposals for the current Congress. Darren, should ADM respond to this informal request for information, or let sleeping dogs lie? I am inclined to do the latter; however, to be responsive to Patty, we could reach out to Trip Rothschild to accompany Phyllis to a meeting with her to provide the background (Trip would know what happened when the previous two ADM proposals were considered and rejected. Phyllis and I don't recall whether the second time ADM submitted the language, it made its way to the Commission for re-review or was rejected by OGC and not submitted). Since the information request is from a Commissioner EA (staff person) and not a Commissioner, we would not provide a written summary of the meeting for distribution to the other Commission offices. Since you were present during this exchange, please weigh in on how we should handle this.

I am out of the office on Friday 9/30; Sharon is acting if you have questions before we return to the office on Monday morning.

Kathryn