



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

**OFFICE OF THE  
INSPECTOR GENERAL**

December 4, 2012

**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  
USE OF ORDERS (OIG-12-A-19)

**REFERENCE:** DEPUTY EXECUTIVE DIRECTOR MATERIALS,  
WASTE, RESEARCH, STATE, TRIBAL, AND  
COMPLIANCE PROGRAMS MEMORANDUM DATED  
OCTOBER 31, 2012

Attached is the Office of the Inspector General's (OIG) analysis and status of the recommendations as discussed in the agency's response dated October 31, 2012. Based on this response, recommendations 1, 2, 3, 4, and 5 are in resolved status. Please provide an updated status on these recommendations by March 18, 2013.

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

Attachment: As stated

cc: N. Mamish, OEDO  
K. Brock, OEDO  
J. Arildsen, OEDO  
C. Jaegers, OEDO

## Audit Report

### AUDIT OF NRC'S USE OF ORDERS

OIG-12-A-19

#### Status of Recommendations

Recommendation 1: Identify and document order followup requirements and/or revise the *NRC Enforcement Policy*, as appropriate, and *Manual* to include, for each type of order, descriptions of the order type, definitions, and expectations for order followup, tracking, and closure.

#### Agency Response

Dated October 31, 2012: Agree. The Office of Enforcement (OE) will revise the *NRC Enforcement Policy*, as appropriate, and the *Manual* to include, for each type of order, descriptions of the order type, definitions, and expectations for order follow-up, tracking, and closure. References to applicable office procedures that address specific order processes for that office will be provided.

#### Target Completion Date

September 30, 2012, for updating the *Manual* to include, for each type of order, descriptions of the order type, definitions, and expectations for order follow-up, tracking, and closure. January 31, 2014, for updating the *Manual* referencing any related office documents that have a completion date of September 30, 2013. July 30, 2014, for revision to the Policy, if appropriate, which will require Commission approval and likely be included with other proposed changes to the Policy at the same time.

OIG Analysis: The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and reviews the final updated *Enforcement Policy* and *Enforcement Manual*, and other associated guidance, and determines the documents provide, for each order type, the elements specified in recommendation 1.

**Status:** Resolved.

## Audit Report

### AUDIT OF NRC'S USE OF ORDERS

OIG-12-A-19

#### Status of Recommendations

Recommendation 2:

Identify and document order followup requirements for the Chief Financial Officer issued orders and/or coordinate with Office of Enforcement staff to revise the *NRC Enforcement Policy*, as appropriate, and *Manual* to include definitions and expectations for order followup, tracking, and closure.

Agency Response

Dated October 31, 2012: Agree. OCFO will update orders procedures to include followup requirements and coordinate a reference to the procedures with OE to be included in the *NRC Enforcement Policy*, as appropriate, and the *Manual*.

Target Completion Date

September 30, 2013, for update to OCFO procedures

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and reviews the final updated *NRC Enforcement Policy* and *Enforcement Manual*, and other associated guidance, and determines the OCFO order followup requirements have been documented as specified in recommendation 2.

**Status:**

Resolved.

## Audit Report

### AUDIT OF NRC'S USE OF ORDERS

OIG-12-A-19

#### Status of Recommendations

Recommendation 3: Identify and document order followup requirements for Office of International Programs issued orders and/or coordinate with Office of Enforcement staff to revise the *NRC Enforcement Policy*, as appropriate, and *Manual* to include definitions, and expectations for order followup, tracking, and closure.

#### Agency Response

Dated October 31, 2012: Agree. OIP will develop an office procedure for signing, issuing, tracking, and closure of the orders that OIP issues. OIP will coordinate with OE staff to revise the *NRC Enforcement Policy*, as appropriate, and *Manual* to include definitions, and expectations for order followup, tracking, and closure.

#### Target Completion Date

Target Completion Date: September 30, 2013, for developing an office procedure for signing, issuing, tracking, and closure of the orders that OIP issues.

#### OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and reviews the final updated *NRC Enforcement Policy* and *NRC Enforcement Manual*, and other associated guidance, and determines the OIP order followup requirements have been documented as specified in recommendation 3.

#### Status:

Resolved.

## Audit Report

### AUDIT OF NRC'S USE OF ORDERS

OIG-12-A-19

#### Status of Recommendations

Recommendation 4: Seek an updated, documented delegation of authority to issue orders from the Chairman and/or Commission.

Agency Response

Dated October 31, 2012: Agree. Although OIP has the authority to issue orders in the area of international programs, the documentation of that authority could be made clearer. OIP will seek an updated delegation of authority to issue orders from the Chairman and/or Commission, as appropriate.

Target Completion Date

Target Completion Date: September 30, 2013, for updating a delegation of authority to issue orders from the Chairman and/or Commission to OIP.

OIG Analysis: The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and reviews the final documented delegation of authority for the OIP Director to issue orders from the Chairman and/or Commission.

**Status:** Resolved.

## Audit Report

### AUDIT OF NRC'S USE OF ORDERS

OIG-12-A-19

#### Status of Recommendations

Recommendation 5: Seek an updated, documented delegation of authority to issue orders and to re-delegate that authority from the Chairman and/or Commission.

Agency Response

Dated October 31, 2012: Agree. Although the EDO has the authority to implement the Nuclear Regulatory Commission's enforcement program, including the authority to issue orders, the documentation of that authority could be made clearer. The EDO will seek an updated delegation of authority to issue orders from the Chairman and/or Commission, as appropriate.

Target Completion Date

September 30, 2013, for obtaining an updated delegation of authority from the Chairman and/or Commission, as appropriate, that authorizes the EDO to issue orders.

OIG Analysis: The proposed corrective action addresses the intent of OIG's recommendation. This recommendation will be closed when OIG receives and reviews the final documented delegation of authority for the Executive Director for Operations to issue orders from the Chairman and/or Commission.

**Status:** Resolved.