



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

**OFFICE OF THE
INSPECTOR GENERAL**

February 8, 2013

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 THE
NUCLEAR REGULATORY COMMISSION'S
DECOMMISSIONING PROGRAM (OIG-05-A-17)

REFERENCE: ASSISTANT FOR OPERATIONS MEMORANDUM DATED
JANUARY 17, 2013

Attached is the Office of the Inspector General analysis and status of recommendation 1 as discussed in the agency's response dated January 17, 2013. Based on this response, recommendation 1 remains resolved. Recommendations 2, 3, and 4 were closed previously. Please provide an updated status of the resolved recommendation by August 19, 2013.

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

Attachment: As stated

cc: J. Dyer, OCFO
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Audit Report

AUDIT OF THE NUCLEAR REGULATORY COMMISSION'S DECOMMISSIONING PROGRAM

OIG-05-A-17

Status of Recommendations

Recommendation 1: Clarify and disseminate expectations for generating and maintaining supporting documentation for performance data to staff responsible for preparing and collecting performance data.

Agency Response Dated
January 17, 2013:

As previously indicated, the recommendations are being addressed as part of the revision to Management Directive (MD) and Handbook 4.7, "NRC Long Range Planning, Programming and Budget Formulation." The Office of the Chief Financial Officer (OCFO) decided to modify the approach to the replacement of the MD and Handbook in order to improve policy communication, organization and achieve agency consensus on the policies covered. MD 4.7 will be replaced with three separate MDs: "Strategic Planning Process" (new); "Budget Formulation" (MD 4.7); and, "Performance Management" (new). Recommendation 1 will be addressed in the MD "Performance Management."

Responsibility for performance management and Government Performance and Results Act (GPRA) related activities was transferred to the Office of the Executive Director for Operations (OEDO), as approved by Chairman Jaczko, on March 18, 2011, (ML11080A042). This transfer of duties resulted in the transfer of the development of the MD on "Performance Management" to OEDO. OCFO maintains the responsibility for the development of the MDs for "Strategic Planning Process" and "Budget Formulation" (MD 4.7).

The formal Business Process Improvement project on Performance Management was completed in the 3rd quarter of FY2012. A draft MD for "Performance Management" was developed to help better align our policies with Government Laws and regulations such as the GPRA Modernization Act. This draft also provides criteria for successful measures and a new framework for our measures. Due to continued changes in our internal performance management processes, so that we may be responsive to GPRA requirements, the MD is

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Status of Recommendations

Recommendation 1 (cont.):

scheduled to be completed by December 2013. We anticipate sending an updated draft to offices, including the Office of the Inspector General, for comment by April 2013.

OIG Analysis:

The agency's proposed action meets the intent of this recommendation. OIG notes with concern that this recommendation has been open for 7 years. In November 2005, the agency indicated that a Management Directive responsive to this recommendation would be published in Fiscal Year 2006. Since 2005, the agency has pushed the date of publication out 10 times, with the latest final publication date set for December 2013.

This recommendation was made because NRC could not be sure (1) the decommissioning program achieved intended results and (2) that conclusions drawn about the effectiveness of the decommissioning program were reliable. The need to provide clear expectations for generating and maintaining supporting documentation for performance data to staff responsible for preparing and collecting performance data, is as important today as it was 7 years ago. The current environment of sequestration proposals, flat budgets, and the need for increased vigilance in stewardship of public resources also highlights the importance of implementing this recommendation. This recommendation will be closed when clarified expectations for generating and maintaining supporting documentation for performance data are disseminated to staff responsible for preparing and collecting performance data.

Status:

Resolved.