

U.S. NUCLEAR REGULATORY COMMISSION MANAGEMENT DIRECTIVE (MD)

<b>MD 9.2</b>	<b>ORGANIZATION AND FUNCTIONS, OFFICE OF THE INSPECTOR GENERAL</b>	<b>DT-13-20</b>
<i>Volume 9</i>	NRC Organization and Functions	
<i>Approved By:</i>	Allison M. MacFarlane Chairman	
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<i>Issuing Office:</i>	Office of the Inspector General	
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<b>EXECUTIVE SUMMARY</b>		
Directive and Handbook 9.2 have been revised to reflect updates to organizational functions of the Office of the Inspector General.		

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## **I. SUPERVISION**

The Office of the Inspector General (OIG) is under the supervision of the Inspector General (IG). The IG reports to and is under the general supervision of the U.S. Nuclear Regulatory Commission Chairman but operates with independent personnel, contracting, and budget authority.

## **II. FUNCTIONS**

The NRC's OIG was established by the Inspector General Act (IG Act) of 1978, as amended (5 U.S.C. App. 3), to create independent and objective units to (1) conduct and supervise audits and investigations relating to agency programs and operations; (2) provide leadership and coordination and recommend policies for activities designed to promote economy, efficiency, and effectiveness in the administration of, and to prevent and detect fraud, waste, and abuse in such agency programs and operations; and (3) keep the Chairman and Congress fully and currently informed about agency problems and deficiencies. OIG also recommends corrective actions and monitors progress in implementing those actions.

## **III. AUTHORITY OF THE INSPECTOR GENERAL**

**A.** The IG, in carrying out provisions of the IG Act, is authorized to—

1. Access all records, reports, audits, reviews, documents, papers, electronic media, recommendations, or other material available to NRC that relate to programs and operations.
2. Receive and investigate complaints or information concerning the existence of an activity constituting a violation of law, rules, regulations, or mismanagement, gross waste of funds, abuse of authority, or a substantial and specific danger to the public health and safety.
3. Request information or assistance as necessary from Federal, State, or local government agencies to carry out the duties of OIG.
4. Require by subpoena the production of all information, documents, reports, answers, records, accounts, papers, and other data and documentary evidence necessary to perform duties under the IG Act.
5. Administer to or take from any person an oath, affirmation, or affidavit when necessary to perform the functions of OIG.
6. Select, appoint, and employ officers and employees as necessary to carry out the functions, powers, and duties of OIG, including 1811-series criminal investigators who are authorized to carry a firearm, make an arrest without a warrant, and seek and execute warrants for arrest, search, or seizure of evidence.

7. Enter into contracts and other arrangements for audits, evaluations, studies, analyses, and other services with public agencies and with private persons or corporations, and to make payments as necessary to carry out the duties of the IG Act.

**B. Specifically, OIG—**

1. Conducts financial audits, including the financial statement audit required by the Chief Financial Officers Act of 1990 (Public Law 101-576). These audits attest to the reasonableness of NRC's financial statements and report on financial programs.
2. Conducts performance audits that focus on NRC administrative and program operations and evaluates the effectiveness and efficiency with which managerial responsibilities are carried out, including whether the programs achieve intended results.
3. Conducts contract audits to evaluate the costs of goods and services procured by NRC from commercial enterprises.
4. Prepares evaluation reports that present OIG perspectives or information on a specific topic.
5. Keeps the NRC Chairman and Congress fully and currently informed about problems and deficiencies relating to the administration of these programs and operations, makes recommendations for corrective actions, and monitors NRC's progress in carrying out these actions.
6. Prepares an annual plan that provides the audit and investigative strategies and associated summaries of the specific work planned for the coming fiscal year.
7. Assigns staff as issue area monitors to maintain current knowledge about the agency's mission and the programs and activities used to carry out that mission as part of its audit planning activities.
8. Maintains an audit followup system that monitors NRC progress in carrying out corrective actions recommended in audit and evaluation reports.
9. Investigates matters relating to NRC programs and operations, including allegations of fraud, waste, and abuse.
10. Investigates alleged misconduct by NRC employees, management, and contractors.
11. Investigates violations of law, rules or regulations, mismanagement, or a substantial and specific danger to the public health and safety.
12. Conducts event inquiries that examine events or agency regulatory actions and identifies staff actions that may have contributed to the occurrence of an event.

13. Prepares Management Implication Reports to provide "root cause" analyses as to how particular problems developed.
14. Administers a Hotline Program on 1-800-233-3497, TDD 1-800-270-2787, or online at <http://www.nrc.gov/insp-gen/oighotline.html>, to report suspicious activity concerning fraud, waste, abuse; contractor, employee, or management misconduct; mismanagement of agency programs; or danger to public health and safety.
15. Refers evidence of suspected criminal violations resulting from OIG investigations to the Department of Justice (DOJ). Assists DOJ in criminal prosecutions resulting from OIG investigations.
16. Reviews existing and proposed legislation, regulations, directives, and policy issues for their impact on the economy, efficiency and effectiveness, or the prevention and detection of fraud, waste, and abuse in the administration of NRC programs and operations.
17. Maintains liaison with other IG organizations, law enforcement agencies, NRC offices, other Federal and local officials, and the public on all matters relating to the promotion of the economy, efficiency, and effectiveness, and the detection of fraud, waste, and abuse in NRC programs and operations.
18. Performs other functions under the IG Act of 1978, as amended.

#### **IV. REDELEGATION OF AUTHORITY TO THE DEPUTY INSPECTOR GENERAL**

The Deputy Inspector General serves as Acting Inspector General in the absence of the IG.

#### **V. REDELEGATION OF AUTHORITY TO THE ASSISTANT INSPECTORS GENERAL**

Upon notification, in the absence of the Deputy Inspector General, the Assistant Inspectors General are authorized and directed by the IG to act in his or her stead.

#### **VI. ORGANIZATIONAL STRUCTURE AND FUNCTIONS AND INTERNAL ASSIGNMENTS**

OIG includes the IG, the Deputy Inspector General, the General Counsel, the Assistant Inspector General for Audits, the Assistant Inspector General for Investigations, and the Director of Resource Management and Operations Support.

#### **VII. REFERENCES**

##### ***Code of Federal Regulations***

5 CFR Part 2635, "Standards of Ethical Conduct for Employees of the Executive Branch."

10 CFR Part 1.12, "Office of the Inspector General."

10 CFR Part 9, "Public Records."

10 CFR Part 13, "Program Fraud Civil Remedies."

### ***Executive Orders***

Executive Order 12301, "Integrity and Efficiency in Federal Programs," March 26, 1981, at [http://en.wikisource.org/wiki/Executive\\_Order\\_12301](http://en.wikisource.org/wiki/Executive_Order_12301).

Executive Order 12731, "Principles of Ethical Conduct for Government Officers and Employees," October 17, 1990, at [http://oge.gov/Laws-and-Regulations/Executive-Orders/Executive-Order-12731-\(Oct--17,-1990\)---Principles-of-Ethical-Conduct-for-Government-Officers-and-Employees](http://oge.gov/Laws-and-Regulations/Executive-Orders/Executive-Order-12731-(Oct--17,-1990)---Principles-of-Ethical-Conduct-for-Government-Officers-and-Employees).

### ***Government Accountability Office***

Government Auditing Standards (GAO-12-331G), December 2011, at <http://gao.gov/assets/590/587281.pdf>.

### ***Nuclear Regulatory Commission Documents***

Inspector General (IG) Hotline, at <http://www.nrc.gov/insp-gen/oighotline.html>.

### ***Other Documents***

Council of the Inspectors General on Integrity and Efficiency, "Quality Standards for Investigations," November 15, 2011, at <http://www.ignet.gov/pande/standards/invstds2011.pdf>.

Office of Management and Budget Circular No. A-50 Revised, "Audit Followup," September 29, 1982, at [http://www.whitehouse.gov/omb/circulars\\_a050/](http://www.whitehouse.gov/omb/circulars_a050/).

"Quality Standards for Federal Offices of Inspector General," August 2012, at <http://www.ignet.gov/pande/standards/Silver%20Book%20Revision%20-%208-20-12r.pdf>.

"Quality Standards for Inspection and Evaluation," January 2012, at <http://www.ignet.gov/pande/standards/iestds12.pdf>.

### ***United States Code***

Chief Financial Officers Act of 1990 (Pub. L. 101-576).

Ethics in Government Act of 1978, as amended (5 U.S.C. App. 4).

Freedom of Information Act (5 U.S.C. 552b).

Inspector General Act of 1978, as amended (5 U.S.C. App. 3).

Privacy Act of 1974 (5 U.S.C. 552a).

Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801-12 et seq.).

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## **I. DESCRIPTIONS OF FUNCTIONS**

### **A. Inspector General**

The Inspector General (IG) provides leadership and policy direction in conducting audits and investigations designed to promote economy, efficiency, and effectiveness within NRC and to prevent and detect fraud, waste, abuse, and mismanagement in agency programs and operations. The IG recommends corrective actions to be taken, reports on progress made in implementing those actions, and reports criminal matters to the Department of Justice. The IG analyzes and comments on the impact of existing and proposed legislation and regulations on the economy, efficiency, and effectiveness of U.S. Nuclear Regulatory Commission programs and operations, and the prevention and detection of fraud, waste, abuse, and mismanagement. The IG keeps the Chairman and Congress currently informed of serious issues and concerns related to NRC programs and operations.

### **B. Deputy Inspector General**

1. Assists the IG in all assigned responsibilities and serves as Acting Inspector General in the absence of the IG.
2. Oversees direction of management activities related to the mission of the Office of the Inspector General (OIG).
3. Manages the conduct of day-to-day operations.

### **C. Assistant Inspector General for Audits**

1. Directs audits and evaluations to assess the management and conduct of programs and operations administered or financed by NRC. Makes recommendations for improvement in those programs.
2. Monitors NRC's implementation of audit recommendations.
3. Follows U.S. Government Accountability Office (GAO) standards for conducting audits.
4. Develops policies and procedures governing OIG audit activities.
5. Advises and assists the IG on all audits and evaluations conducted by OIG.

### **D. Deputy Assistant Inspector General for Audit Operations**

1. Assists the Assistant Inspector General for Audits (AIGA) in all assigned responsibilities and serves as Acting AIGA in his or her absence.
2. Oversees OIG audit operations to ensure compliance with the Government Auditing Standards established by the Comptroller General of the United States.

3. Manages OIG audit resolution activities to ensure the completion of committed actions by NRC management in response to findings and recommendations identified in OIG audit and evaluation reports.
4. Develops the audit portion of the OIG Annual Plan, which includes the coordination of audit input (specific audit proposals and the associated scheduling timeline).
5. Oversees the coordination, development, and completion of audit staff Individual Training Plans to ensure that annual required continuing professional education credits are earned.

**E. Assistant Inspector General for Investigations**

1. Responsible for investigative activities relating to NRC programs and operations, including fraud, waste, and abuse. Conducts and reports on investigations involving violation of law, rules or regulations, mismanagement, or a substantial and specific danger to the public health and safety.
2. Conducts investigative Event Inquiries that examine events or agency regulatory actions and identify staff actions that may have contributed to the occurrences of an event.
3. Maintains liaison with law enforcement agencies and other investigative organizations in criminal and investigative matters.
4. Advises and assists the IG on all investigations and inquiries conducted by OIG.
5. Exercises authority to release or withhold OIG documents requested under the Freedom of Information Act (5 U.S.C. Section 552b) and the Privacy Act (5 U.S.C. Section 552a).

**F. Senior Level Assistant for Investigative Operations**

1. Assists the Assistant Inspector General for Investigations (AIGI) in all assigned responsibilities and serves as Acting AIGI in his or her absence.
2. Responsible for the evaluation and appropriate disposition of allegations.
3. Responsible for the conduct and coordination of quality assurance activities for all investigative work products.
4. Coordinates the situational referral of allegations to NRC operating divisions, regional offices, or external agencies.
5. Coordinates with the Office of Administration, Office of the General Counsel, and Office of the Chief Human Capital Officer in cases of alleged employee and contractor misconduct.
6. Serves as the media coordinator for investigative matters.

**G. Director, Resource Management and Operations Support**

1. Provides overall administrative and operational support for OIG programs, including formulating and executing the OIG budget, administering an independent personnel

program, coordinating strategic planning activities, providing information technology services, and providing procurement support.

2. Advises the IG on policy and procedural matters relating to OIG operations.
3. Prepares the OIG Semiannual Report for Congress.

#### **H. General Counsel to the Inspector General**

1. Provides independent legal counsel and representation for the IG and OIG.
2. Advises and assists the IG on legal issues and serves as legal advisor to the OIG staff.
3. Coordinates with cognizant OIG staff to conduct analyses and drafting of commentaries about reviews of existing and proposed regulations, legislation, and implementing agency directives.