



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

**OFFICE OF THE
INSPECTOR GENERAL**

August 27, 2013

MEMORANDUM TO: Mark A. Satorius
Executive Director for Operations

FROM: Stephen D. Dingbaum */RA/*
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
USE OF CONFIRMATORY ACTION LETTERS
(OIG-12-A-09)

REFERENCE: DIRECTOR, OFFICE OF ENFORCEMENT,
MEMORANDUM DATED AUGUST 6, 2013

Attached is the Office of the Inspector General's (OIG) analysis and status of the recommendations as discussed in the agency's response dated August 6, 2013. Based on this response, recommendation 3 is closed and recommendation 2 remains in resolved status. Recommendations 1 and 4 were previously closed. Please provide an updated status on these recommendations by April 30, 2014.

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: R. Mitchell, OEDO
K. Brock, OEDO
J. Arildsen, OEDO
C. Jaegers, OEDO

Audit Report

AUDIT OF NRC'S USE OF CONFIRMATORY ACTION LETTERS

OIG-12-A-09

Status of Recommendations

Recommendation 2: Assess and update the *NRC Enforcement Policy*, the *NRC Enforcement Manual*, and other associated guidance to ensure that NRC's approach for utilizing CALs is consistent, effective, and efficient.

Agency Response
Dated August 6, 2013:

Per your memorandum dated March 4, 2013, most of recommendation 2 has been reviewed and verified. However, as stated in your analysis section, you requested reasons for the summer 2014 Enforcement Policy (Policy) revision date.

A revision to the Policy requires a Commission Notation Vote paper in which each Commissioner must vote on and approve. This approval process necessitates a conglomerate of staff and consumes a significant amount of resources. For this reason, Office of Enforcement (OE) prefers to track minor proposed revisions, such as this CAL revision, until such a time that there is an accumulation of these minor revisions, and then package them together into one revision for approval. These revisions are generally tracked in OE's Enforcement Guidance Document Feedback Process and are typically incorporated in upcoming Policy revisions. The CAL revision to the manual is item #109 under the "Policy" section (<http://fusion.nrc.gov/oe/team/enforcement/Lists/OE%20Guidance%20Document%20Feedback/AllItems.aspx>). The next scheduled revision to the Policy is summer of 2014, when OE addresses an action addressed in SECY-12-0161 "Status Update: Tasks Related to Alternative Dispute Resolution in the Allegation and Enforcement Programs."

OIG Analysis:

OIG reviewed OE's Enforcement Guidance Document Feedback Process for documentation indicating that the CAL revision will be incorporated in upcoming Policy revisions. Initially, the documentation was not contained at the link provided above. The OE point of contact clarified

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Status of Recommendations

Recommendation 2 (cont.):

that SharePoint software migration caused data misplacement, which has subsequently been corrected. OIG notes that the CAL revision to the Enforcement Policy (not the manual as stated in the agency response) is item #92 under the "Policy" section of OE's Enforcement Guidance Document Feedback Process.

The proposed corrective action to update the policy will address the intent of the recommendation. This recommendation will be closed when OIG reviews and verifies that the Policy has been revised for consistent effective and efficient use of CALs.

Status: Resolved.

Audit Report

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Status of Recommendations

Recommendation 3: Conduct periodic CAL audits that verify compliance with CAL policies and procedures.

Agency Response

Dated August 6, 2013:

OE developed Office Instruction OE-EB-114 "Audit of Confirmatory Action Letters (CALs)." This instruction can be found at the following link

<http://portal.nrc.gov/edo/oe/Office%20Instructions/Forms/AllItems.aspx>.

The staff recently completed a CAL audit (ML13192A131) by utilizing OE-EB-114 as its guidance. However, the audit only consisted of one CAL, because it was the only CAL issued since the procedure was updated on December 20, 2012. As such, OE has scheduled a subsequent audit approximately 1 year from now. Once completed OE will revert to the procedure guidance and perform an audit periodically, approximately every 2 years.

[OIG notes that the Office of Enforcement also requested closure of recommendation 3 in its August 6, 2013, transmittal memorandum.]

OIG Analysis:

OIG has reviewed the Office Instruction OE-EB-114 that describes the CAL auditing practice and has verified implementation of this policy and procedure through the review of the CAL audit results that OE conducted using the policy and procedure. The corrective action addresses the intent of OIG's recommendation. This recommendation is therefore closed.

Status:

Closed.