



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

**OFFICE OF THE
INSPECTOR GENERAL**

April 9, 2014

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
NON-CONCURRENCE PROCESS (OIG-11-A-02)

REFERENCE: DIRECTOR, OFFICE OF ENFORCEMENT, MEMORANDUM
DATED MARCH 14, 2014

Attached is the Office of the Inspector General's analysis and status of recommendations 3, 4, and 8 as discussed in the agency's response dated March 14, 2014. Based on this response, recommendation 4 remains in resolved status while recommendations 3 and 8 are now closed. Recommendations 1, 2, 5, 6, and 7 were closed previously. Please provide an updated status of the resolved recommendation by September 30, 2014.

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

Attachment: As stated

cc: M. Galloway, OEDO
K. Brock, OEDO
J. Arildsen, OEDO
C. Jaegers, OEDO
RidsEdoMailCenter
R. Zimmerman, OE

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Status of Recommendations

Recommendation 3: Finalize MD 10.158 by the end of 2011.

Agency Response

Dated March 14, 2014:

On July 19, 2013, ADM completed its commitment in Phase 5 of the MD finalization process (i.e., ADM Director reviews NRC Form 522 package and signs NRC Form 522) and forwarded the signature package to the Office of General Counsel (OGC). During OGC's review process, OE met with representatives from OGC and collaboratively resolved several issues. As a result, OGC approved the signature package and on August 12, 2013, forwarded it to the Office of the Executive Director for Operations (OEDO). On September 18, 2013, the OEDO informed OE that due to strategic considerations being addressed within senior management, their target date for completion will be extended to the end of calendar year 2013.

On January 13, 2014, OEDO informed OE that organizational responsibilities that relate to the Safety Culture Program and directly impact this MD remained under review by the OEDO. This MD was on hold until these decisions were made.

On January 27, 2014, the EDO issued a memorandum to OE, the Office of Chief Human Capital (OCHCO) and the Office of Small Business and Civil Rights (SBCR) clarifying roles and responsibilities for NRC's Organization Culture, which includes the program area of the Non-Concurrence Process (NCP). The EDO established OE as the lead office responsible for the NCP with OCHCO and SBCR supporting this function in a partnership capacity.

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Status of Recommendations

Recommendation 3 (cont.):

Consistent with the EDO's expectations as outlined in his January 27, 2014 memorandum, OE collaborated with OCHCO and SBCR in a review of the proposed final MD. OE also incorporated comments on the MD from the OEDO and coordinated revisions with the Office of Administration (ADM). On February 19, 2014, the MD was forwarded to the OEDO for final review. The OEDO provided additional comments on March 10, 2014, and OE addressed the comments, coordinated the revisions with ADM, and returned the MD for final review and signature by the EDO on March 11, 2014.

Completion date for publication of MD 10.158: Pending

POC: Renée Pedersen, OE in coordination with OCHCO and SBCR

OIG Analysis:

OIG has verified that MD 10.158 has been finalized and has been made available to staff on the NRC internal Web site and declared as an official agency record in the Agencywide Document Access Management System (ADAMS). Additionally, the Office of Administration issued a Yellow Announcement on March 14, 2014, informing staff of the finalization of the revised Management Directive. Therefore, this recommendation is considered closed.

Status:

Closed.

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Status of Recommendations

Recommendation 4:

Make non-concurrence process training available in an on-demand format to all staff and managers.

Agency Response

Dated March 14, 2014:

OE has begun to collaborate with the OCHCO and SBCR to develop NCP on-line, on-demand training for all staff and managers.

OE has also developed a revised [NCP Web site](#) with greater visibility which includes an enhanced NCP overview, FAQ's, a process flow chart and releasability review guidelines. To further highlight and raise awareness of the NCP for all employees, OE plans to acknowledge new NCP cases on the Web site as "pending" along with the closed cases already on the Web site.

In addition, OE has developed a draft, revised NCP Form which includes step-by-step instructions and implementation guidance for inclusion on the NCP Web site. These tools will further promote successful implementation of the program.

Finally, after the MD is published, OE intends to conduct voluntary outreach sessions to improve awareness and understanding.

Completion date: Commensurate with available support from OCHCO and SBCR, OE will develop on-line; on-demand training available for all staff and managers by approximately six months after the guidance in MD 10.158 is announced to the staff (i.e., end of Phase 8).

POC: Renée Pedersen, OE in coordination with OCHCO and SBCR

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Status of Recommendations

Recommendation 4 (cont.):

OIG Analysis:

The proposed action meets the intent of OIG's recommendation. OIG will close this recommendation when it reviews the on-line, on-demand, NCP-related training developed and instituted by the Office of Enforcement 6 months after MD 10.158 is finalized and published. Given that MD 10.158 has been finalized as of March 14, 2014, OIG expects the on-line, on-demand training to be instituted no later than September 30, 2014.

Status:

Resolved.

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Status of Recommendations

Recommendation 8:

Perform regularly scheduled comprehensive assessments of the non-concurrence process.

Agency Response

Dated March 14, 2014:

A requirement was added to MD 10.158 (Section III.D.2) for the Director, Office of Enforcement to ensure that periodic assessments of the NCP are performed.

On February 26, 2014, OE issued the 2014 Non-Concurrence Process (NCP) Assessment to the EDO (ML13350A152). The NCP Assessment is consistent with the EDO's direction to consider implementation experience and employee feedback before finalizing the NCP MD. In addition, the Assessment is responsive to the recommendation from the OIG to perform periodic assessments of the NCP and supports finalization of the NCP MD. Multiple data sources were used to assess the NCP including: (1) formative evaluation from employee feedback, (2) the audit conducted by the OIG, (3) the NRC's periodic Safety Culture and Climate Survey, (4) an external benchmarking study, (5) a targeted survey of NCP users, (6) feedback on revised NCP guidance, (7) NCP record reviews, and (8) additional agency guidance on differing views.

The collected data showed that the NCP is a valuable tool that allows employees to be heard, understood, and responded to on concerns associated with draft documents in concurrence. The data showed that the vast majority of employees are aware of the NCP, support it and would be willing to use it to raise alternative views to support the agency's decisionmaking process. While the data validated that the process is generally sound, there are opportunities for improvement associated with implementation including employee behaviors and

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Status of Recommendations

Recommendation 8 (cont.):

attitudes. Staff identified four high-level themes as areas where the agency should continue to further increase its focus. Based on results and insights collected, OE partnered with OCHCO and developed planned actions for strengthening the NRC's NCP, some of which are already underway. The planned actions are consistent with the recommendations included in the OIG audit and are as follows:

1. Demonstrate leadership commitment.
2. Issue improved guidance and dedicate centralized process support.
3. Increase understanding (including roles and responsibilities) through training and communication.
4. Address concerns of potential negative consequences.

As stated in the EDO's January 27, 2014, memorandum, "Clarification of Roles and Responsibilities for NRC's Organizational Culture," OE will work interdependently and collaboratively with OCHCO and SBCR to implement the planned actions and to evaluate opportunities for continuous improvement of the NCP.

Completion date: 2/26/2014

POC: Renée Pedersen, OE in coordination with OCHCO and SBCR

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Status of Recommendations

Recommendation 8 (cont.):

OIG Analysis:

OIG has reviewed the agency's 2014 Non-Concurrence Process Assessment, which details the process by which the comprehensive assessment was performed as well as the results of the assessment. OIG also reviewed the now finalized Management Directive 10.158 which details roles and responsibilities of specific agency offices and senior management to ensure that comprehensive assessments of the non-concurrence process are periodically performed. OIG understands that the frequency of the process assessments will depend, in part, on the number of non-concurrences filed since the previous assessment. Although OIG now considers this recommendation to be closed, we will continue to monitor the agency's commitment to performing regularly schedule process assessments in the foreseeable future.

Status:

Closed.