



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

**OFFICE OF THE
INSPECTOR GENERAL**

February 22, 2016

MEMORANDUM TO: Victor M. McCree
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
OVERSIGHT OF MASTER MATERIALS LICENSEES
(OIG-11-A-14)

REFERENCE: ACTING DIRECTOR, OFFICE OF NUCLEAR MATERIAL
SAFETY AND SAFEGUARDS, MEMORANDUM DATED
FEBRUARY 8, 2016

Attached is the Office of the Inspector General's analysis and status of recommendations 1 and 5 of the subject audit report. Based on the agency's February 8, 2016 memorandum, recommendations 1 and 5 remain resolved. Recommendations 2, 3, and 4 were previously closed. Please provide an updated status of the resolved recommendations by June 6, 2016.

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: J. Jolicouer, OEDO
F. Brown, OEDO
B. Pham, OEDO
S. Moore, NMSS
EDO_ACS Distribution Resource

Audit Report

AUDIT OF NRC'S OVERSIGHT OF MASTER MATERIALS LICENSEES

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Status of Recommendations

Recommendation 1: Define regional and headquarters MML project managers' roles in responding to requests for guidance and assistance from MML licensee staff.

Agency Response Dated
February 8, 2016:

The Office of Nuclear Material Safety and Safeguards (NMSS) revised Inspection Manual Chapter 2810 (IMC 2810) to define and incorporate descriptions of the integrated roles and responsibilities for regional and headquarters MML project managers. These changes include expectations for processing requests for guidance and assistance from MML licensee staff. The completed revision was published in October 2012. This process will also be described in the revision of NUREG-1556, Volume 10, "Consolidated Guidance about Materials Licensees: Program-Specific Guidance about Master Materials Licenses." The final revision of NUREG-1556, Volume 10, is tentatively scheduled to be issued by May 2016.

OIG Analysis:

The agency's proposed actions to revise NUREG 1556, Volume 10, and to modify IMC 2810 meet the intent of the recommendation. The agency has completed the revisions of IMC 2810. This recommendation will be closed when OIG reviews the final revision of NUREG 1556, Volume 10, and determines that it also includes clear guidance for NRC regional and headquarters MML project managers' roles in responding to requests for guidance and assistance from MML licensee staff.

Status:

Resolved.

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Status of Recommendations

Recommendation 5: Clearly define all MML licensee staff and master radiation safety committee regulatory oversight responsibilities (e.g., requirements and roles and accountabilities) in NRC regulations, the MMLs, the LOUs, or some combination thereof.

Agency Response Dated
February 8, 2016:

NMSS incorporated descriptions of the integrated roles and responsibilities for an MML Radiation Safety Committee, into the revised IMC 2810 (Section 03.08 and 03.09) as well as in the NUREG-1556 series. The draft revision of NUREG-1556, Volume 10, "Consolidated Guidance About Materials Licensees: Program-Specific Guidance About Master Materials Licenses," Section 5.7 defines the regulatory oversight responsibilities of the MML licensee staff, senior management, and Master Radiation Safety Committee. These include MML senior management's role in overseeing the MML program, Master Radiation Safety Committee's role and authority to control and direct the centralized Radiation Control Program (RCP), the duties of RCP Director and the qualifications and responsibilities of RCP professional staff.

Additionally, a template Letter of Understanding containing similar language will be included in the revised NUREG-1556, Volume 10.

Currently, the volume is in the concurrence process preceding publication.

The final revision of NUREG-1556, Volume 10 is tentatively scheduled to be issued by May 2016.

Recommendations 1 and 5 have follow-on documents to be updated (NUREG-1556). However, the necessary guidance has been promulgated through changes to the Inspection Manual Chapter. In summary, the staff considers its responses to all recommendations to be complete.

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Status of Recommendations

Recommendation 5 (cont.):

OIG Analysis: The agency's proposed actions meet the intent of the recommendation. This recommendation will be closed when OIG reviews the final revision of NUREG-1556, Volume 10, and the MML tie-down documents and determines they clearly define all MML licensee staff and master radiation safety committee regulatory oversight responsibilities.

Status: Resolved.