



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

**OFFICE OF THE
INSPECTOR GENERAL**

August 12, 2016

MEMORANDUM TO: Victor M. McCree
Executive Director for Operations

Stephen D. Dingbaum

FROM: Stephen D. Dingbaum
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
JULY 14, 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 July 14, 2016, memorandum, recommendations 1 and 5 are closed. Recommendations 2, 3, and 4 were previously closed. All recommendations related to this report are now closed.

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: R. Lewis, OEDO
H. Rasouli, OEDO
J. Jolicoeur, OEDO
J. Bowen, OEDO
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Audit Report

AUDIT OF NRC'S OVERSIGHT OF MASTER MATERIALS LICENSEES

OIG-11-A-14

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
July 14, 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 is also described in the revision of NUREG-1556, Volume 10, "Consolidated Guidance about Materials Licensees: Program-Specific Guidance about Master Materials Licenses," which was published on June 30, 2016 (ML16181A111).

CONTACT: Shirley Xu, NMSS/MSTR
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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 NUREG 1556, Volume 10 and IMC 2810. OIG reviewed the final revisions of the documents and determined that it 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: Closed.

Audit Report

AUDIT OF NRC'S OVERSIGHT OF MASTER MATERIALS LICENSEES

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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
July 14, 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 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 LOU containing similar language is included in the revised NUREG-1556, Volume 10, which was published on June 30, 2016.

The LOU for the Air Force and the Department of Veterans Affairs was updated on September 14, 2014. The updated LOU clearly defined MML licensee staff and master radiation safety committee regulatory oversight responsibilities (e.g., requirements and roles, and accountabilities) in the NRC regulations. We are in the process of updating the Navy's LOU to clearly define such responsibilities. In summary, the staff considers its responses to all received recommendations to be complete.

Audit Report

AUDIT OF NRC'S OVERSIGHT OF MASTER MATERIALS LICENSEES

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Status of Recommendations

Recommendation 5 (cont.):

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

Status: Closed.