



OFFICE OF THE
INSPECTOR GENERAL

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

June 21, 2017

MEMORANDUM TO: Victor M. McCree
Executive Director for Operations

FROM: Dr. Brett M. Baker */RA/*
Assistant Inspector General for Audits

SUBJECT: STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S
OVERSIGHT OF EMPLOYEE PARTICIPATION IN
AMERICAN SOCIETY OF MECHANICAL ENGINEERS
CODE COMMITTEES (OIG-17-A-11)

REFERENCE: DEPUTY EXECUTIVE DIRECTOR FOR MATERIALS,
WASTE, RESEARCH, STATE, TRIBAL, COMPLIANCE,
ADMINISTRATION, AND HUMAN CAPITAL PROGRAMS
MEMORANDUM DATED MAY 25, 2017

Attached is the Office of the Inspector General's analysis and status of recommendations as discussed in the agency's response dated May 25, 2017. Based on this response, recommendation 1 is closed and recommendation 2 is resolved. Please provide a status update on recommendation 2 by October 27, 2017.

If you have questions or concerns, please call me at (301) 415-5915 or Paul Rades, Team Leader, at (301) 415-6228.

Attachment: As stated

cc: R. Lewis, OEDO
H. Rasouli, OEDO
J. Jolicouer, OEDO
J. Bowen, OEDO
EDO_ACS Distribution Resource

Audit Report

Audit of NRC's Oversight of Employee Participation in American Society of Mechanical Engineers Code Committees

OIG-17-A-11

Status of Recommendations

Recommendation 1: Finalize and implement a formal MD 6.5 implementation plan that includes elements such as management authority, office coordination, and milestones.

Agency Response Dated
May 25, 2017:

Regarding the first recommendation, "Finalize and implement a formal MD 6.5 implementation plan that includes elements such as management authority, office coordination, and milestones," the staff has issued and is executing a formal implementation plan for Management Directive (MD) 6.5, "NRC participation in the Development and Use of Consensus Codes and Standards." The staff was developing this implementation plan following the issuance of the MD in October 2016 to implement the new MD and enhance coordination of the staff's Codes and Standards program. Therefore, the staff's actions to implement the MD began during the performance of the audit and address the first recommendation.

CONTACT: Tom Boyce, RES/DE/RGGIB
301-415-7335

OIG Analysis: OIG reviewed the MD 6.5 implementation plan, as well as an accompanying memo notifying cognizant agency managers of the revised MD 6.5. This memo explicitly addresses organizational and procedural changes designed to improve coordination of staff standards development activities and prioritize those activities in accordance with NRC's mission. This recommendation is closed.

Status: Closed.

Audit Report

Audit of NRC's Oversight of Employee Participation in American Society of Mechanical Engineers Code Committees

OIG-17-A-11

Status of Recommendations

Recommendation 2: Finalize and implement controls in the MD 6.5 implementation plan to strengthen ASME code committee representatives' adherence to ethics policies, such as but not limited to, financial disclosure reporting.

Agency Response Dated
May 25, 2017:

In response to the second recommendation, "Finalize and implement controls in the MD 6.5 implementation plan to strengthen ASME code committee representatives' adherence to ethics policies, such as but not limited to, financial disclosure reporting," the staff plans to assess the internal controls that are in place to ensure adherence to ethics policies and will determine whether additional controls are needed for staff participation in activities involving the development of codes and standards.

CONTACT: Tom Boyce, RES/DE/RGGIB
301-415-7335

OIG Analysis: The proposed actions, as detailed in the MD 6.5 implementation plan, Task #15, meet the intent of this recommendation. OIG will close this recommendation upon our review and verification that NRC staff's actions will strengthen ASME code committee representatives' adherence to ethics policies.

Status: Resolved.