



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

**OFFICE OF THE
INSPECTOR GENERAL**

July 6, 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
WEB-BASED LICENSING SYSTEM (OIG-15-A-17)

REFERENCE: DIRECTOR, OFFICE OF NUCLEAR MATERIAL SAFETY
AND SAFEGUARDS, MEMORANDUM DATED JUNE 20,
2017.

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendations as discussed in the agency's memorandum dated June 20, 2017. Based on this memorandum, recommendation 1 is closed and recommendations 2 and 3 remain resolved. Recommendation 4 was closed previously. Please provide an updated status of recommendations 2 and 3 by October 31, 2017.

If you have any questions or concerns, please call me at (301) 415-5915 or Beth Serepca, Team Leader, at (301) 415-5911.

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 WEB-BASED LICENSING SYSTEM

OIG-15-A-17

Status of Recommendations

Recommendation 1: Develop and implement agencywide standardized business processes for WBL use, and develop appropriate guidance.

Agency Response Dated
June 20, 2017:

In the summer of 2015, staff and Branch Chiefs from the Office of Nuclear Material Safety and Safeguards (NMSS) and Regions I, III, and IV began meeting to standardize the materials licensing process. Over the course of several months, standard license template specifications were documented and submitted to the WBL contractor for development and integration into WBL.

Standard business processes have been developed for WBL and have been documented in the WBL User Guide, the WBL Data Entry Guide, and in WBL Training Modules. These processes are currently under review and will be refined over the next few months. These guidance documents will continue to evolve over the life of this project, as process improvements are identified, and the system matures. A new WBL User Portal has been developed in Share Point to serve as a resource repository for these reference documents for WBL users.

As a result of our efforts in standardizing the materials licensing processes for WBL, NMSS and Regions I, III, and IV were able to begin generating materials licenses from WBL in December 2015. In addition to standardizing license templates, NMSS and the Regional branch chiefs standardized the language for authorized use of licensed materials, license conditions, chemical and physical forms of license materials, and the list of radioactive materials. These standardized elements of the license have been entered into the WBL data tables for use by the staff, which

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Status of Recommendations

Recommendation 1 (cont.):

should ensure consistency on the license when it is generated from WBL.

After completion of required WBL training (see Recommendation 2), on July 1, 2016, staff began generating materials licenses from WBL in a phased approach by license modality. As of December 2016, all materials licenses are generated from WBL by licensing staff, using the agencywide standard business processes for WBL.

With the implementation of the standard license templates for all license modalities and the completion of the accompanying guidance documents, NMSS considers this task closed.

Completion Date: December 31, 2016

OIG Analysis:

OIG reviewed the WBL User Portal and determined that it contains agency wide standardized business processes for WBL use, and also contains appropriate guidance. This recommendation is therefore considered closed.

Status:

Closed.

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Status of Recommendations

Recommendation 2: Revise WBL roles to require license reviewers and materials inspectors to process their work directly in WBL.

Agency Response Dated
June 20, 2017:

In spring 2016, the WBL user roles were amended in the system for licensing staff in Headquarters and the Regions to allow completion of licensing actions directly in WBL.

To support the transition for licensing staff to use WBL directly, licensing staff are currently completing WBL training modules to learn how to use the system to create and close out licensing actions. Eight training modules cover the functions in WBL including Background; Searching Information in WBL; Creating a new License; Creating an Amendment; Other Actions such as Notifications, Financial Assurance Actions, and Environmental Assessments; Creating a Renewal, Creating a Termination, and Updating Existing License Information in WBL. The WBL training modules include practical exercises that users can complete. Licensing staff will complete the WBL training by June 30, 2016, and will be processing their work directly in WBL on July 1, 2016.

Inspection staff will begin directly using WBL at a later date. Improvements to the inspection module need to be implemented in WBL through system changes before all inspection staff are permitted to use WBL directly. Vulnerabilities with inspection data integrity exist that will be problematic for the inspection program if not addressed before inspectors enter their work directly into WBL. The project management staff have initial plans to begin this work in FY 2018.

Completion Date: December 31, 2019

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Status of Recommendations

Recommendation 2 (cont.):

OIG Analysis: The proposed corrective actions meet the intent of the recommendation. OIG will close this recommendation when NRC demonstrates that WBL roles have been revised to require license reviewers and materials inspectors to process their work directly in WBL.

Status: Resolved.

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Status of Recommendations

Recommendation 3: Develop and implement quality assurance mechanisms for confirmation of data changes in WBL.

Agency Response Dated
June 20, 2017:

The development of quality assurance and control mechanisms will continue to evolve as process changes are phased into the WBL standard processes. From the summer of 2015 through May 2016, staff and branch chiefs from NMSS, RI, RIII, and RIV standardized numerous areas related to materials licensing to assure data integrity. Standard processes were developed for WBL data entry and were made available to the staff. These processes will ensure that data elements entered into WBL are accurate and consistent across all materials licensing actions recorded within WBL.

Additionally, in May, 2016, NMSS and Regional staff began a data quality review in support of an agencywide initiative to address issues with fee billing for licensees. The quality review is being conducted in two phases, based on the complexity of the licenses. In FY 2017, Phase one will be completed, which is comprised of the complex licenses (i.e., the licenses that have a higher likelihood of errors that would impact the licensee's annual fees). Licenses with the following docket types will be reviewed: byproduct material, source material, special nuclear material, and Independent Spent Fuel Storage Facilities. Phase two, planned for completion in FY 2018, will include the less complex licenses in the same docket type categories.

NMSS will finalize the quality assurance and control mechanisms following the FY 2017 data quality review. This will allow NMSS to develop controls in the form of WBL system changes or office procedures based on the findings of the data quality review.

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Status of Recommendations

Recommendation 3 (con't.):

Changes for the WBL standard business process and practices will be implemented using established change control procedures.

Completion Date: September 30, 2018

OIG Analysis:

The proposed corrective actions meet the intent of the recommendation. OIG will close this recommendation when NRC demonstrates that it has developed and implemented quality assurance mechanisms for confirmation of data changes in WBL.

Status:

Resolved.