

U.S. NUCLEAR REGULATORY COMMISSION MANAGEMENT DIRECTIVE (MD)

<b>MD 4.6</b>	<b>LICENSE FEE MANAGEMENT PROGRAM</b>	<b>DT-17-126</b>
<i>Volume 4:</i>	Financial Management	
<i>Approved By:</i>	Maureen E. Wylie Chief Financial Officer	
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<i>Issuing Office:</i>	Office of the Chief Financial Officer	
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<b>EXECUTIVE SUMMARY</b>		
<p>Management Directive 4.6, "License Fee Management Program," is revised to reflect the change in organization structure within the Office of the Chief Financial Officer, to clarify the office directors' and regional administrators' organizational responsibilities, and to update records retention requirements in accordance with the revisions to the General Records Schedule.</p>		

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For updates or revisions to policies contained in this MD that were issued after the MD was signed, please see the Yellow Announcement to Management Directive index ([YA-to-MD index](#)).

## **I. POLICY**

It is the policy of the U.S. Nuclear Regulatory Commission to assess fees as required by Title V of the Independent Offices Appropriations Act of 1952 (IOAA) and the Omnibus Budget Reconciliation Act of 1990 (OBRA-90), as amended, and to perform a biennial review of fees assessed as required by the Chief Financial Officers Act of 1990 (CFO Act).

## **II. OBJECTIVES**

- Establish regulations and develop procedures by which the NRC meets the statutory requirements to assess fees.
- Capture and produce financial information to support the assessment of fees and address questions raised concerning these fees.
- Ensure that the fees assessed are current and the information used as the basis for the fees is complete, accurate, and verifiable.
- Ensure adherence to appropriate internal control over fee-billable costs.

## **III. ORGANIZATIONAL RESPONSIBILITIES AND DELEGATIONS OF AUTHORITY**

### **A. The Commission**

Approves substantive changes in policy and regulations for the assessment of fees.

### **B. Chief Financial Officer (CFO)**

1. Establishes, maintains, and oversees the implementation and interpretation of license fee policies and regulations.
2. Recommends to the Commission substantive fee policy changes, including amendments to Title 10 of the *Code of Federal Regulations* (CFR) Parts 170 and 171.
3. Approves fee policy changes, other than substantive policy changes, including amendments to 10 CFR Parts 170 and 171 in accordance with Management Directive (MD) 6.3, "The Rulemaking Process."
4. Grants or denies requests for exemptions from the annual fees as imposed pursuant to OBRA-90 and as implemented through 10 CFR Part 171.
5. Grants or denies requests for exemptions from the fees imposed pursuant to the IOAA and as implemented through 10 CFR Part 170.
6. Issues orders suspending or revoking licenses for nonpayment of assessed fees.

7. Biennially reviews fees assessed pursuant to 10 CFR Part 170 to ensure that the fees reflect the costs incurred in providing the services as required by the CFO Act and in support of the CFO's responsibility to review all agency fees set forth in MD 4.1, "Accounting Policy and Practices," Section (031)(c).

### **C. Chief Information Officer (CIO)**

Develops and implements an agencywide framework that includes policies, processes, and procedures for information technology (IT) capital investments, enterprise architecture, information management, and IT security as specified in MD 2.8, "Integrated Information Technology/Information Management (IT/IM) Governance Framework," and MD 12.5, "NRC Cybersecurity Program."

### **D. Office Directors and Regional Administrators**

1. Ensure that staff-hours are entered into and approved in the appropriate agency system in accordance with MD 10.43, "Time and Labor Reporting," to support the assessment of fees under 10 CFR Part 170.
2. Ensure that fee-recoverable contract costs are reviewed and approved in accordance with MD 11.1, "NRC Acquisition of Supplies and Services," to support the assessment of fees under 10 CFR Part 170.
3. Ensure that systems data supporting fee billing are complete and accurate and provide a quarterly certification statement of staff hours and contract cost data expended, if applicable, on application reviews and inspections to the Chief of Accounts Receivable Branch, Division of the Controller (DOC), Office of the Chief Financial Officer (OCFO). This responsibility may not be redelegated below the level of division director, unless otherwise approved by the Chief of Accounts Receivable Branch, DOC, OCFO.
4. Ensure that appropriate internal control over fee-billable costs are established and consistently adhered to as specified in MD 4.4, "Internal Control."
5. Submit verified staff-hour data on a biennial basis to the CFO to support the determination of "flat" fees used for the assessment of materials license fees under the IOAA and 10 CFR Part 170.
6. Provide copies of applications that are subject to fees under 10 CFR Part 170 and the resulting licensing actions to DOC.
7. Provide support for evaluating 10 CFR Part 170 fee waiver requests.
8. Provide support for identifying and eliminating the causes of errors in the assessment of fees.

**E. Director, Division of Planning and Budget (DPB), OCFO**

1. Oversees the calculation of fees for the NRC.
2. Drafts user fee rules, including the fee schedules for 10 CFR Parts 170 and 171.
3. Recommends fee policy changes to the CFO.
4. Provides the CFO with recommendations on (1) requests for exemptions from the annual fees assessed under 10 CFR Part 171 and (2) requests for waivers under 10 CFR Part 170.
5. Provides project management leadership and oversight to ensure the biennial reviews of fees are performed in accordance with Section 902 of the CFO Act.

**F. Director, Division of the Controller (DOC), OCFO**

1. Administers the collection of fees for the NRC.
2. Administers the fiscal and accounting functions needed to support the assessment and collection of fees (see MD 4.1, Section (031)(a)).
3. Provides oversight, monitoring, and testing of financial management internal control for fee billing.
4. Ensures that financial systems provide complete, reliable, consistent, timely, and useful information and adhere to applicable NRC policy and Federal regulations, as specified in MD 4.3, "Financial Management Systems."
5. Periodically processes license fee collection transfer transactions with the U.S. Treasury to offset the NRC fiscal year appropriation accounts in accordance with the current-year appropriation public law.

**IV. GENERAL INFORMATION**

Pursuant to the IOAA, the NRC assesses license and inspection fees to recover the costs of providing individually identifiable services to specific applicants and holders of licenses and approvals. OBRA-90, as amended, directs the NRC to recover approximately 90 percent of the Commission's budget authority, not including amounts appropriated for Waste Incidental to Reprocessing (WIR), the Nuclear Waste Fund (NWF), generic homeland security activities, and Inspector General (IG) services for the Defense Nuclear Facilities Safety Board (DNFSB) in the current fiscal year. The CFO Act requires the NRC to perform a biennial review of license fees and other charges imposed for services and things of value and to revise those fees and charges to reflect the costs incurred in providing those services and things of value. This review is mandated by MD 4.1.

## V. RECORDS SUPPORTING FEES ASSESSED

- A.** The provisions of this directive apply to data that are used as a basis to determine the fees assessed under 10 CFR Parts 170 and 171.
- B.** The CFO retains—
1. Billing data for 6 years in accordance with General Records Schedule (GRS) 1.1, item 010.
  2. Electronic records from the license fee billing module in the agency's core financial accounting system until the data are no longer needed in accordance with the NRC Comprehensive Records Disposition Schedule (NRCS) 2-10.3 (NUREG-0910).
- C.** Program offices and regions retain—
1. Any certified hard copy cost data used to determine fees for 6 years in accordance with GRS 1.1, item 010.
  2. Input/source records used to update staffing reporting systems until the information has been converted to an electronic medium and verified in accordance with GRS 4.3, item 010.
  3. Hardcopy contract data to support fees for 6 years after final contract/agreement closeout and payment in accordance with GRS 1.1 item 010.

## VI. APPLICABILITY

The policy and guidance in this directive apply to all NRC employees.

## VII. REFERENCES

### *Code of Federal Regulations*

10 CFR Part 170, "Fees for Facilities, Materials, Import and Export Licenses, and Other Regulatory Services Under the Atomic Energy Act of 1954, as Amended."

10 CFR Part 171, "Annual Fees for Reactor Licenses and Fuel Cycle Licenses and Materials Licenses, Including Holders of Certificates of Compliance, Registrations, and Quality Assurance Program Approvals and Government Agencies Licensed by the NRC."

General Records Schedule (GRS) 1.1, item 010.

General Records Schedule (GRS) 4.3, item 010.

***Nuclear Regulatory Commission Documents***

## Management Directives—

- 2.8, “Integrated Information Technology/Information Management (IT/IM) Governance Framework.”
- 4.1, “Accounting Policy and Practices.”
- 4.3, “Financial Management Systems.”
- 4.4, “Internal Control.”
- 6.3, “The Rulemaking Process.”
- 10.43, “Time and Labor Reporting.”
- 11.1, “NRC Acquisition of Supplies and Services.”
- 12.5, “NRC Cybersecurity Program.”

NUREG-0910, “NRC Comprehensive Records Disposition Schedule.”

Office of Management and Budget Circular A-25, “Transmittal Memorandum No. 1, User Charges,” July 8, 1993.

***United States Code***

- Chief Financial Officers Act of 1990 (31 U.S.C. 501-506, 901-904).
- Independent Offices Appropriations Act of 1952, Title V (31 U.S.C. 9701).
- The Omnibus Budget Reconciliation Act of 1990, as amended (42 U.S.C. 2214).