



CHIEF FINANCIAL
OFFICER

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

May 1, 2018

MEMORANDUM TO: Brett M. Baker
Assistant Inspector General for Audits

FROM: Maureen E. Wylie */RA/*
Chief Financial Officer

SUBJECT: STAFF RESPONSE TO THE OFFICE OF INSPECTOR GENERAL'S
AUDIT OF NUCLEAR REGULATORY COMMISSION'S FISCAL
YEAR 2016 COMPLIANCE WITH IMPROPER PAYMENTS LAWS
(OIG-17-A-13)

This is a status update to the Office of the Inspector General's (OIG) report for Audit OIG-17-A-13, "Audit of NRC's Fiscal Year (FY) 2016 Compliance with Improper Payment Laws," dated May 11, 2017.

Recommendation 1:

Evaluate the questioned costs to be recovered under the Nuclear Regulatory Commission (NRC) contracts NRC-08-09-306 and NRC-HQ-11-C-08-0057 to determine (1) how the questioned costs affect the agency's improper payment calculation, (2) if these questioned costs should be specifically mentioned in the improper payments section of NRC's FY 2017 Agency Financial Report, and (3) provide OIG with supporting documentation justifying the agency's conclusions.

Status:

NRC has evaluated the questioned costs and determined that a portion of these costs should be considered improper payments. The portion of costs that are considered improper by NRC will be included in the FY 2018 Agency Financial Report.

cc: Chairman Svinicki
Commissioner Baran
Commissioner Burns
SECY

CONTACT: Erikka LeGrand, OCFO/DOC/PPB
(301) 415-7748

SUBJECT: STAFF RESPONSE TO THE OFFICE OF INSPECTOR GENERAL'S AUDIT OF NUCLEAR REGULATORY COMMISSION'S FISCAL YEAR 2016 COMPLIANCE WITH IMPROPER PAYMENTS LAWS (OIG-17-A-13), DATED: May 1, 2018

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