



OFFICE OF THE
INSPECTOR GENERAL

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

May 14, 2018

MEMORANDUM TO: Maureen E. Wylie
Chief Financial Officer

Victor M. McCree
Executive Director for Operations

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

SUBJECT: STATUS OF RECOMMENDATION: AUDIT OF NRC'S
FISCAL YEAR (FY) 2016 COMPLIANCE WITH IMPROPER
PAYMENT LAWS (OIG-17-A-13)

REFERENCE: CHIEF FINANCIAL OFFICER'S MEMORANDUM DATED
MAY 1, 2018

Attached is the Office of the Inspector General's (OIG) analysis and status of the recommendation as discussed in the agency's response dated May 1, 2018. Based on this response, recommendation 1 continues to be resolved. Please provide a status update on the resolved recommendation by October 31, 2018.

If you have questions or concerns, please call me at (301) 415-5915 or Eric Rivera, Team Leader, at (301) 415-7032.

Attachments: As stated

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Audit Report

AUDIT OF NRC'S FISCAL YEAR (FY) 2016 COMPLIANCE WITH IMPROPER PAYMENT LAWS

OIG-17-A-13

Status of Recommendations

Recommendation 1: Evaluate the questioned costs to be recovered under 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.

Agency Response Dated
May 1, 2018:

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.

OIG Analysis:

The proposed corrective action addresses the intent of OIG's recommendation. OIG will close this recommendation after reviewing supporting documentation, and other information as needed, to verify that the Office of the Chief Financial Officer has reported the identified improper payments in the FY 2018 Agency Financial Report.

Status:

Resolved.