



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

**OFFICE OF THE  
INSPECTOR GENERAL**

June 26, 2018

**MEMORANDUM TO:** Victor M. McCree  
Executive Director for Operations

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

**SUBJECT:** AUDIT OF THE U.S. NUCLEAR REGULATORY  
COMMISSION'S OVERSIGHT OF SOURCE MATERIAL  
EXPORTS TO FOREIGN COUNTRIES  
(OIG-17-A-08)

**REFERENCE:** DIRECTOR, OFFICE OF INTERNATIONAL PROGRAMS,  
MEMORANDUM DATED MAY 21, 2018

Attached is the Office of the Inspector General's (OIG) analysis and status of recommendation 1 as discussed in the agency's response dated May 21, 2018. Based on this response, recommendation 1 remains resolved. Recommendations 2, 3, 4, and 5 were previously closed. Please provide an updated status of the resolved recommendation by December 31, 2018.

If you have any questions or concerns, please call me at (301) 415-5915, or Sherri Miotla, Team Leader at (301) 415-5914.

Attachment: As stated

cc: R. Lewis, OEDO  
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## Audit Report

# AUDIT OF THE U.S. NUCLEAR REGULATORY COMMISSION'S OVERSIGHT OF SOURCE MATERIAL EXPORTS TO FOREIGN COUNTRIES

OIG-17-A-08

### Status of Recommendations

Recommendation 1: Coordinate among the Office of International Programs (OIP), Office of Nuclear Materials Safety and Safeguards (NMSS), and regional offices, as appropriate, in developing and implementing an export inspection program to include pre-licensing site visits and periodic post-licensing inspections at Part 110 applicant and licensee locations. The pre-licensing visits may only apply to export applicants who do not already possess another NRC license.

Agency Response Dated  
May 21, 2018:

In the Agency's response dated March 8, 2018, the staff communicated that the Commission paper was expected to be submitted no later than March 8, 2018. On April 24, 2018, staff submitted SECY-18-0050, Analysis and Options for Export Inspection Program," in response to OIG-17-A-08. To date, the Commission has not issued a Staff Requirements Memorandum related to the Commission Paper.

Target Completion Date: Completed

Agency Point of Contact:  
Peter Habighorst, OIP/ECNP  
(301) 287-9241

OIG Analysis: OIG has reviewed SECY-18-0050 and acknowledges that NRC has proposed random pre-licensing site visits as one of three options for the Commission to consider. However, the agency recommended the Commission to not change the current pre-licensing inspection policy (or lack thereof). Thus the proposed actions may not meet the intent of the recommendation.

**Status:** Resolved.