



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

**OFFICE OF THE  
INSPECTOR GENERAL**

October 24, 2019

**MEMORANDUM TO:** Margaret M. Doane  
Executive Director for Operations

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

**SUBJECT:** STATUS OF RECOMMENDATION: AUDIT OF NRC'S  
PROCESS FOR REIMBURSING AGREEMENT STATE  
PERSONNEL TRAINING EXPENSES (OIG-18-A-18)

**REFERENCE:** DIRECTOR, OFFICE OF NUCLEAR MATERIAL SAFETY  
AND SAFEGUARDS, MEMORANDUM DATED  
SEPTEMBER 30, 2019

Attached is the Office of the Inspector General's (OIG) analysis and status of the recommendation as discussed in the agency's response dated September 30, 2019. Based on this response, recommendation 1 is now closed and no further action is needed. All recommendations associated with this audit are now closed and no further action is needed.

If you have questions or concerns, please call me at (301) 415-5915, or Mike Blair, Team Leader, at (301) 415-8399.

Attachment: As stated

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## Audit Report

### AUDIT OF NRC'S PROCESS FOR REIMBURSING AGREEMENT STATE PERSONNEL TRAINING EXPENSES

OIG-18-A-18

#### Status of Recommendation

Recommendation 1: Conduct a cost-benefit analysis to evaluate alternative Agreement State reimbursement options, such as establishment of contracts with individual Agreement States to facilitate reimbursement at the State per diem rate not to exceed the Federal per diem rate.

Agency Response Dated  
September 30, 2019:

The staff has completed the survey of the Agreement States on their per diem rate(s) and whether they have a policy that prohibits their staff from receiving travel reimbursement at any rate other than the prescribed State per diem rate, and a cost-benefit analysis of establishing travel expense reimbursement contracts with Agreement States.

The survey results indicate that six states have policies that prohibit their staff from receiving travel reimbursements other than the prescribed state per diem rate. The results of the cost-benefit analysis indicate that it is not cost effective to establish travel expense reimbursement contracts with Agreement States. Therefore, the NRC does not plan to make any changes to its reimbursement program.

OIG Analysis:

The NRC staff conducted a cost-benefit analysis and documented their analysis in the "Cost-Benefit Analysis – Agreement State Travel Reimbursement Contracts," which was reviewed by OIG. The NRC staff concludes that developing travel reimbursement contracts for all 38 Agreement States and Vermont, or for the six Agreement States that have travel reimbursement policies that require their employees to only receive the State per diem rate on official work-related travel (6-State model), is not cost effective and would result in a net-loss of funds over the 30-year period that was analyzed. The "Cost-Benefit Analysis – Agreement State Travel Reimbursement Contracts" meets the intent of Recommendation 1. This recommendation is therefore considered closed.

**Status:**

Closed.