

NUCLEAR REGULATORY COMMISSION
OFFICE OF THE INSPECTOR GENERAL



**SEMIANNUAL
REPORT**

**OCTOBER 1, 1991
MARCH 31, 1992**

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PDR NUREG
1415 R PDR

NUCLEAR REGULATORY COMMISSION
OFFICE OF THE INSPECTOR GENERAL

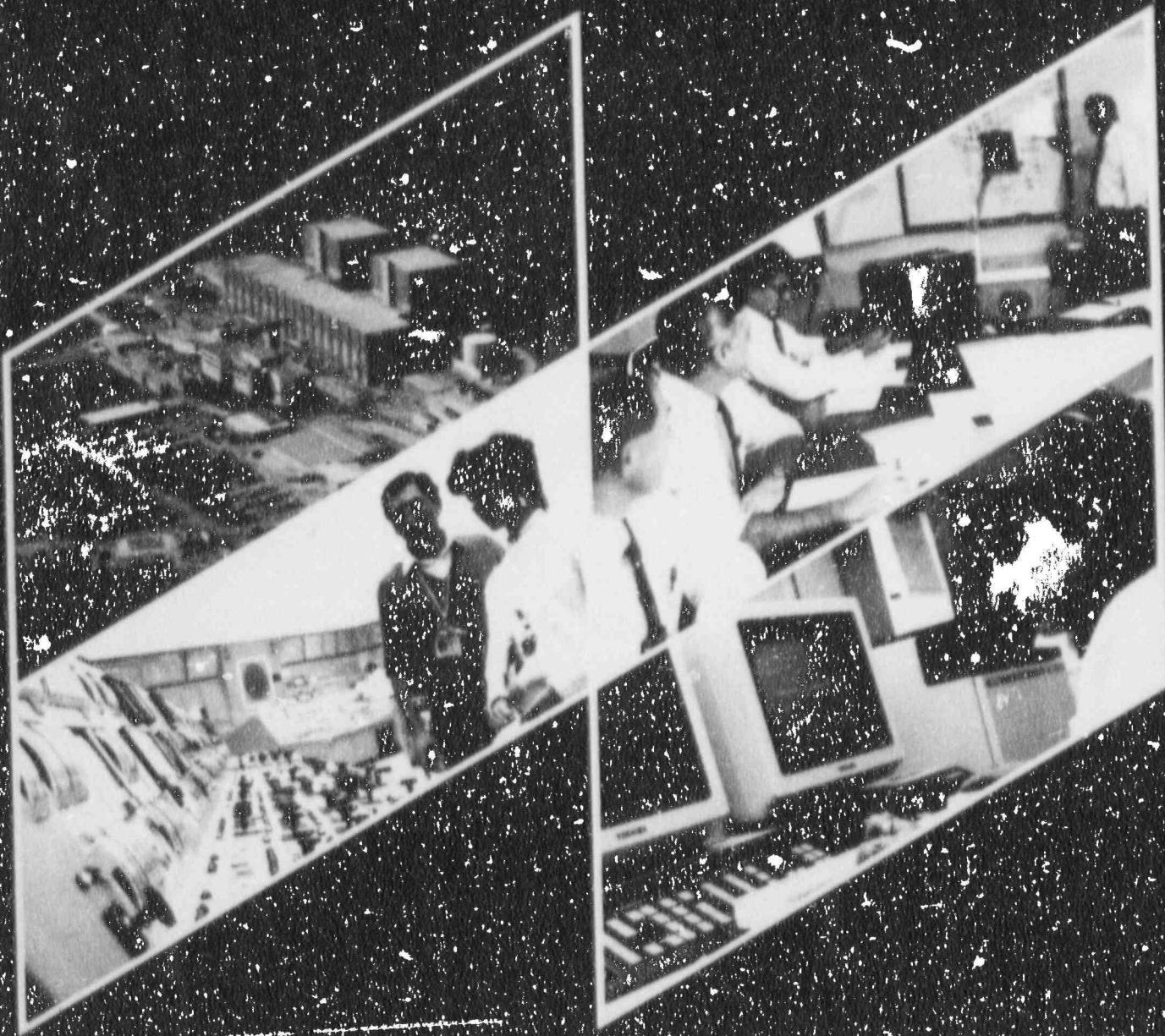


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MEMORANDUM TO THE CHAIRMAN

I am pleased to submit to you this semiannual report on the activities of the Office of the Inspector General covering the period October 1, 1991, through March 31, 1992. This report is submitted to you in accordance with Section 5 of the Inspector General Act of 1978, as amended.

The accomplishments described in this report represent the combined efforts of the OIG staff and the U.S. Nuclear Regulatory Commission (NRC) management. We sincerely appreciate the agency's full cooperation and support. We look forward to continuing this relationship in striving to achieve the highest levels of integrity and efficiency in the programs and operations of the NRC.

Sincerely,

David C. Williams

David C. Williams
Inspector General

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EXECUTIVE SUMMARY

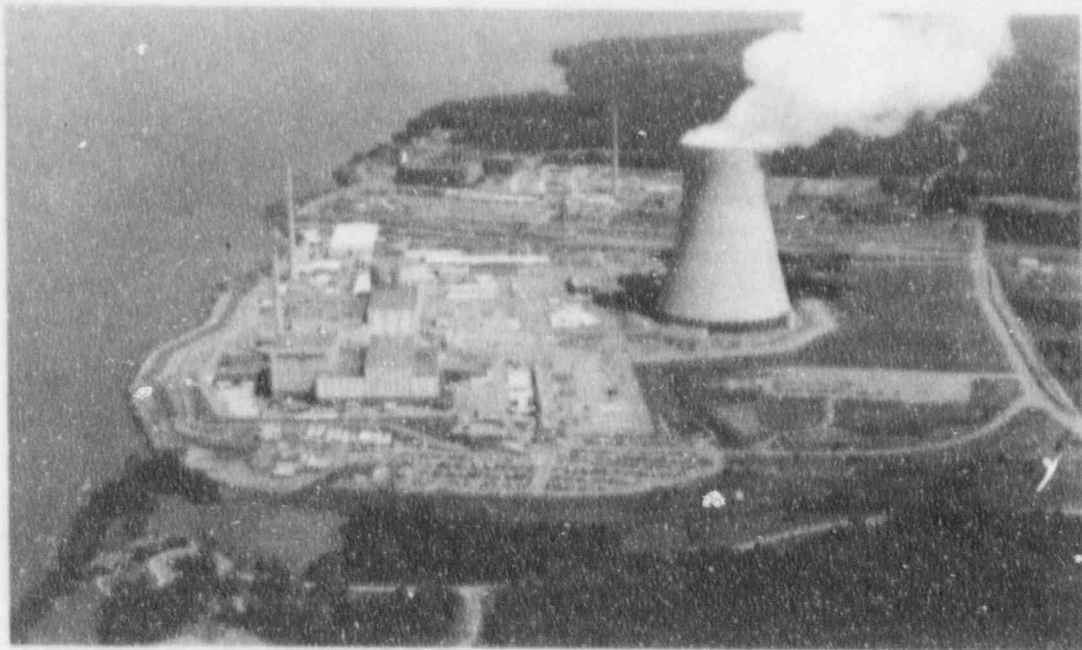
AUDITS

During the past 6 months, the Office of the Inspector General (OIG) issued 7 reports addressing the NRC's programmatic and administrative functions and reviewed 49 contract audit reports issued by the Defense Contract Audit Agency. This work resulted in five recommendations to improve the efficiency and effectiveness of NRC operations and the identification of over \$88 thousand as funds that could be put to better use. An additional \$42.4 thousand was identified as questioned costs. Below is a summary of selected findings.

■ The OIG reviewed NRC's oversight of the new commercial facilities management contract for NRC's One White Flint North building. The OIG concluded that, in general, NRC has adequate contract management controls in place but that insufficient attention has been given to two areas: quality assurance inspections of contractor performance and the implementation of the Emergency Protection Plan.

■ The OIG conducted a review to determine whether NRC had improperly withheld employee health benefit payments from HealthPlus of Maryland. The OIG determined that the NRC's procedures for withholding both employee and Government portions of health premiums in this case were inadequate and not in total compliance with Office of Personnel Management (OPM) regulations.

Nine Mile Point Nuclear Station in Scriba, New York.



■ The OIG reviewed NRC's reporting of contracted consulting services as required by Office of Management and Budget (OMB) Circular A-120. The OIG

determined that NRC did not report all consulting service contract actions to the Federal Procurement Data System as required. Ambiguous language in OMB's guidance documents appeared to be a factor in NRC's reporting practices.

■ The OIG assessed the NRC's Safety Issues Management System (SIMS) to determine whether the system's database was complete, current, and accurate. The OIG found that the SIMS database was generally complete and accurate. However, additional quality assurance features are required to maintain the system's reliability.

■ The OIG reviewed NRC's process for licensing the use of nuclear materials in capsules at a commercial irradiation facility. The OIG determined that in approving the use of these capsules, the NRC may have depended too heavily on the Department of Energy (DOE) in carrying out its regulatory review activities, especially in its reliance on DOE's testing program.

■ The OIG assessed NRC's compliance with the provisions of Public Law 101-121 (the Anti-Lobbying Act). The act requires that contract actions for amounts over \$100,000 contain specific certifications and contract clauses. The audit revealed that NRC was not in full compliance with the act because required contract clauses were not included in all contracts.

■ The OIG assessed NRC's compliance with the Federal Managers' Financial Integrity Act to determine whether NRC has established a program of continuous evaluation, improvement, and reporting for internal control and accounting systems. The OIG found that the NRC generally complied with the requirements of the act.

INVESTIGATIONS

From October 1, 1991, through March 31, 1992, the OIG initiated 40 new investigations and closed 43 cases. As of March 31, 1992, 45 investigations were in progress. OIG investigations led to 10 referrals to the Department of Justice and 51 referrals to NRC management for corrective action. Brief summaries of selected investigations are provided below.

■ The OIG received an allegation that an NRC employee had improperly claimed excessive amounts of overtime. The OIG's investigation substantiated the allegation and uncovered additional false claims made by the employee. The employee was later indicted.

■ The OIG received information that an NRC contractor employee had fraudulently used an NRC employee's name and social security number to obtain credit cards. The OIG investigation substantiated the allegation and

revealed other fraudulent actions by the employee. This employee was subsequently convicted.

■ The OIG investigated an allegation that an NRC inspector ignored possible security violations because of a friendship with a plant executive. Furthermore, this information was allegedly brought to the attention of an NRC manager who not only failed to take action, but who also disclosed the alleged's identity to the NRC inspector. The OIG's investigation did not substantiate the allegations concerning the manager. OIG did not conclusively determine whether security violations were overlooked.

■ The OIG investigated the circumstances surrounding the July 1991 emergency evacuation of NRC's office building in Rockville, Maryland. The presence of strong fumes led to the evacuation. The fumes were attributed to a concrete curing compound used by a construction subcontractor. OIG determined that the subcontractor was improperly supervised and that the NRC contracting team did not adhere to contract provisions concerning the use of hazardous materials.

■ The OIG investigated the accuracy and intent of written responses supplied to Congress by the NRC regarding the welding and radiography program at the Seabrook nuclear power plant. The OIG determined that although there was no evidence of a deliberate attempt by the NRC to provide false or inaccurate information to Congress, the NRC responses were flawed and contained information that had little factual support.

■ The OIG referred three matters to the NRC's Deputy General Counsel for Licensing and Regulation for consideration under the Program Fraud Civil Remedies Act. The first referral concerned a false statement made to the NRC by a materials licensee during a licensing action. The second referral concerned the investigation of a senior resident inspector accused of making a substantial number of long distance personal telephone calls at the Government's expense. The third referral concerned an OIG investigation into an allegation that an NRC employee filed false claims for overtime and reimbursable items.

THE U.S. NUCLEAR REGULATORY COMMISSION

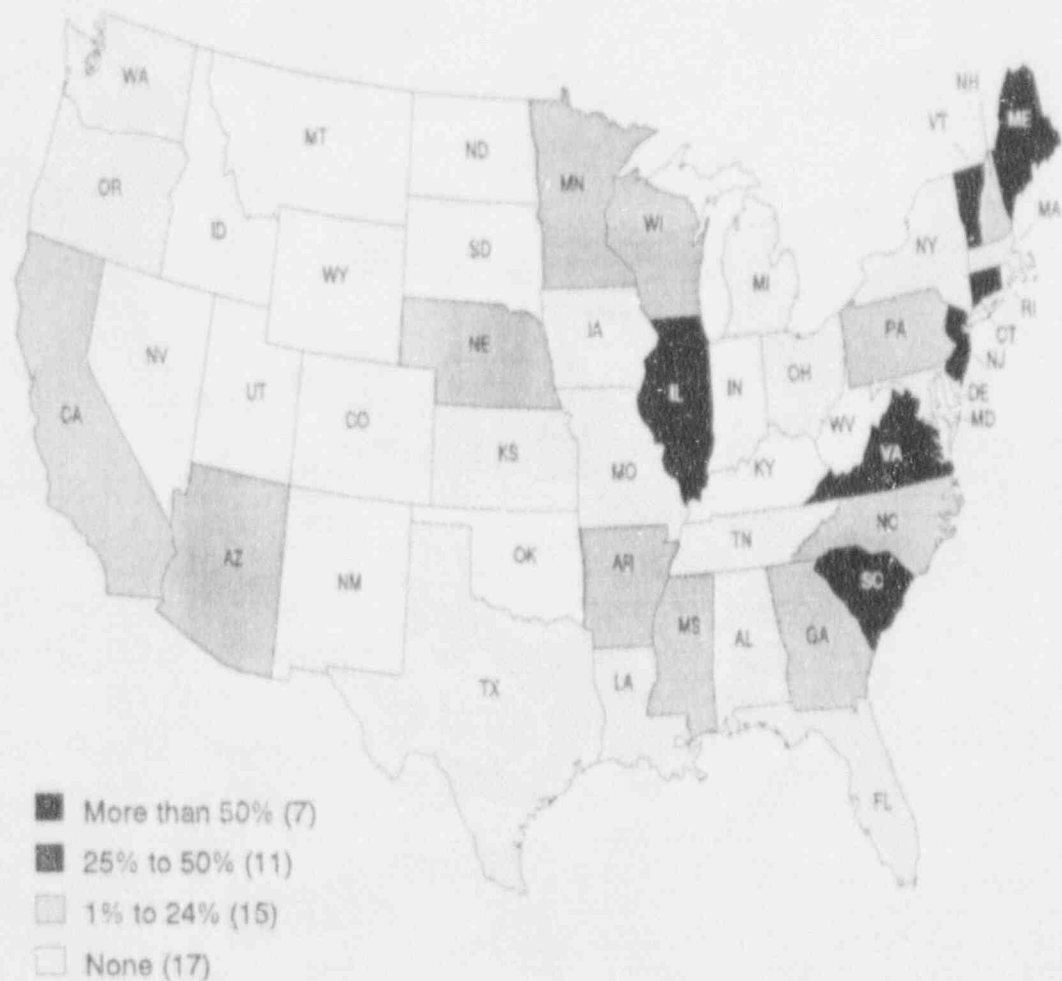
The NRC was created as an independent agency by the Energy Reorganization Act of 1974, which abolished the Atomic Energy Commission (AEC) and transferred the AEC's regulatory function to the NRC. This act, along with the Atomic Energy Act of 1954, as amended, provides the foundation for the regulation of the Nation's commercial nuclear power industry.



*The NRC headquarters
office in Rockville,
Maryland.*

The NRC's scope of responsibility includes the regulation of commercial nuclear power reactors; research, test, and training reactors; fuel cycle facilities; medical, academic, and industrial uses of nuclear materials; and the transport, storage, and disposal of nuclear materials and waste. The NRC carries out its mission by setting standards and requirements that licensees must meet to design, construct, and operate safe facilities. NRC's standards and requirements are specified in rules, license conditions, and regulatory guidance. The NRC inspects facilities and takes enforcement action, as necessary, to ensure that these standards are followed. NRC also conducts research to support, confirm, or refine judgments used in regulatory decisions.

1990 Net Electricity Generated in Each State by Nuclear Power



Notes: Percentages are rounded to the nearest whole number.
There are no commercial reactors in Alaska or Hawaii.

Source: Nuclear Regulatory Commission, "Information Digest," NUREG-1350

To carry out its mission, the NRC is headed by five Commissioners who are appointed by the President and confirmed by the Senate for 5-year terms. One Commissioner is designated Chairman by the President and serves as the official spokesperson for the Commission. The NRC staff, headed by the Executive Director for Operations, carries out the policies and decisions made by the Commission. The NRC has approximately 3,300 full-time employees in the Washington, D.C., commuting area and the five regional offices located near Philadelphia, Atlanta, Chicago, Dallas, and San Francisco. For fiscal year (FY) 1992, the agency's estimated budget is \$512.5 million.¹

¹U.S. Nuclear Regulatory Commission, NUREG-1190, Vol. 8, "Budget Estimates for Fiscal Year 1993."

THE OFFICE OF THE INSPECTOR GENERAL

The NRC's Office of the Inspector General was established as a statutory entity on April 15, 1989, in accordance with the Inspector General Act of 1978, as amended in 1988. It is one of 26 such entities within the Executive Branch. The Inspector General is appointed by the President of the United States with the advice and consent of the Senate. To ensure the independence of the office, the Inspector General may only be removed by the President, with the reasons communicated to both the House and the Senate. NRC's Inspector General reports to and is under the general supervision of the NRC Chairman but operates with independent budget authority.



OIG auditors Elmo Allen, Ren Kelly, and Judy Leonhardt discuss program issues with NRC Regional Administrator Stewart Ebner in Atlanta, Georgia.

One of the primary goals of the OIG is to assist the NRC in operating more effectively and efficiently by identifying ways to improve the NRC's programs. To accomplish this objective, the OIG conducts agency audits, inspections, and investigations and makes recommendations to NRC management as appropriate. The Inspector General has oversight responsibilities for the efficient and effective operation of agency programs and for the conduct of NRC employees and contractor personnel. The OIG generally does not have oversight responsibilities for the conduct of NRC licensees and applicants, or their vendors or contractors. The NRC administers this program through its Office of Investigations.

The NRC Office of the Inspector General was authorized 37 positions during FY 1992 with an estimated budget of approximately \$3.7 million. For FY 1993, the OIG has requested a budget appropriation of approximately \$4.6 million and 41 full-time equivalent positions.

THE FEDERAL MANAGERS' FINANCIAL INTEGRITY ACT

The Federal Managers' Financial Integrity Act (FMFIA) was enacted in 1982 in response to continuing disclosures of waste, loss, unauthorized use, and misappropriation of funds or assets associated with weak internal control and accounting systems. Congress believed such abuses hampered the effectiveness and accountability of the Federal Government and eroded the public's confidence. The FMFIA requires Federal managers to establish a continuous process for evaluating, improving, and reporting on the internal control and accounting systems for which they are responsible.

The FMFIA contains separate requirements for evaluating Federal agency internal control systems and financial management systems. The results of the OIG review indicated that NRC has generally complied in a reasonable and prudent manner with the requirements of the FMFIA.

Nuclear power plant employees monitor plant operations.



In the area of internal control reviews (ICRs), OMB Circular A-123 requires agencies to develop a management control plan (MCP) or a set of plans that would be updated annually. The MCP describes the agency's risk assessments, planned actions, and internal control evaluations that are to be carried out to provide assurance that the FMFIA is being implemented. In 1991, NRC reviewed 16 of a possible 18 assessable "units" scheduled for review. The OIG reviewed all of the reports issued for these internal control reviews. OIG also

assessed the available supporting documentation for five of the ICRs and discussed the reviews with the individuals who performed them. Based on the results of these reviews and discussions, OIG believes the reviews were performed satisfactorily.

In the area of financial systems reviews, OMB guidance sets out a review program that includes a combination of three elements: (1) application of existing knowledge of the overall system, (2) a limited review of system components, and (3) a detailed review of the individual systems. NRC performed one detailed review and five limited reviews in 1991. The detailed review was performed on the payroll management system. Limited reviews were performed on the accounts receivable system and on all three modules of NRC's integrated financial management information system: travel, Government/commercial, and budget execution. A limited review was also performed on the payroll management system; this limited review served as a followup for the earlier detailed review. OIG assessed the findings for all of the reviews conducted by NRC and discussed the review procedures with the individuals who conducted the reviews. Based on the results of these discussions and the assessments of the supporting documentation, OIG believes that the NRC financial system reviews were performed satisfactorily.

The OIG also examined NRC actions in response to recommendations contained in previous OIG FMFIA audit reports. In its 1990 FMFIA audit report, OIG recommended that NRC's license fee billing system be completed in a timely manner. The system is scheduled to be implemented in FY 1993. The 1990 OIG report also made four recommendations regarding NRC's financial systems review process. The OIG noted a number of weaknesses with NRC's A-127 reviews, particularly concerning personnel training, quality control, and scheduling. NRC took corrective actions in 1991 to address these weaknesses. Preliminary findings of an ongoing audit concerning contract closeouts, however, suggest that agency corrective action is necessary in one other area. The OIG noted a large backlog of completed contracts without the required closeout reviews mandated by the Federal Acquisition Regulation. After the audit is completed, the OIG will present its findings and associated recommendations to the appropriate agency officials.

***T**HE AUDIT PROGRAM*

In a previous reporting period, the OIG made several recommendations to NRC management to deter the unauthorized use of the Federal Telecommunications System. The NRC is reviewing the cost-effectiveness of the OIG recommendations and is expected to complete its study in June 1992. In addition, the OIG previously recommended that the NRC develop an automated license fee billing system. NRC is in the final stages of developing the system, with complete implementation expected in early FY 1993.

During this reporting period, the OIG completed 7 audits addressing the NRC's administrative and programmatic functions and reviewed 49 contract audit reports issued by the Defense Contract Audit Agency. These audits resulted in five recommendations to NRC management and the identification of \$88,458 as funds that could be put to better use. An additional \$42,422 was identified as questioned costs. Summaries of the internal audit reports are provided below.

AUDIT SUMMARIES

Review of Commercial Facilities Management for One White Flint North

The NRC uses contractual services for the management of its headquarters offices at the One White Flint North (OWFN) building in Rockville, Maryland. The OIG reviewed the adequacy of NRC's controls over its management of OWFN with regard to (1) the approval process for requesting management services, (2) the evaluation of contractor performance, (3) the acceptance of work performed, and (4) assessment of the reasonableness of selected contractor charges. The OIG found that the NRC generally has adequate controls in place over these four performance areas. However, the OIG found two areas that needed attention from NRC management: quality assurance inspections of contractor performance and execution of the Emergency Protection Plan for OWFN. The responsible program managers have initiated corrective actions in response to the deficiencies noted during the audit.

NRC Improperly Withheld Employee Health Benefit Payments From HealthPlus of Maryland

HealthPlus of Maryland, a participant in the Federal Employees' Health Benefits Program (FEHBP), submitted a claim to OPM alleging that the Federal Government owed \$2.4 million in unpaid premiums for the period January 1, 1988, through December 31, 1990. The NRC's share of the alleged \$2.4 million was \$1,550. At the request of OPM, the OIG reviewed the HealthPlus claim to determine the validity of the claim insofar as NRC is concerned and to identify the causes of any nonpayment.

OIG's review substantiated approximately \$1,200 of the \$1,550 that HealthPlus claimed was underpaid by the NRC. In its review, OIG found that two factors contributed to NRC's failure to properly submit health insurance premiums to OPM. First, when an NRC employee enters a nonpay status, NRC stops forwarding the Government's share of the employee's health insurance premium to OPM until the employee returns to work. This action is not in compliance with OPM regulations, which require agencies to continue forwarding the Government's share of an employee's premium to OPM during periods of nonpay status. The OIG also found that the NRC did not follow sound accounting procedures in that the NRC has no provision for an account receivable to handle the accrual of an employee's share of health insurance premiums due.

To ensure NRC's compliance with OPM regulations, OIG recommended changes in the NRC procedures for collecting and forwarding employee health insurance premiums to OPM when employees are in a nonpay status. OIG also recommended that the NRC ensure that employees remit their share of premiums incurred while in a nonduty status and that NRC promptly forward the Government share of premiums to OPM.

Review of Contracting for Consulting Services

Public Law 97-258 requires that the OIG report annually to Congress regarding NRC's use of consulting services. Office of Management and Budget (OMB) Circular No. A-120 sets out policy, responsibilities, and practical guidance that specifically require agencies to (1) accurately and completely report information on consulting services to the Federal Procurement Data System (FPDS) and (2) establish effective management controls relating to the procurement and administration of consulting services. OIG's review assessed whether the NRC was in compliance with the provisions of OMB Circular A-120.

The OIG found that NRC had not reported to the FPDS all consulting service contract actions that occurred during the first 6 months of FY 1991. Specifically, OIG identified five contract actions that met the consulting definition and that should have been reported to the FPDS. However, only one of the five actions was reported. NRC officials explained that these discrepancies resulted from differences in the interpretation of ambiguous OMB guidance. OMB has recognized this problem and has proposed a change in policy to correct it.

OIG also found that guidance for seven of nine management controls required by OMB Circular A-120 had been developed and implemented. The NRC is developing guidance to implement the two remaining controls for work placed with the Department of Energy's (DOE's) national laboratories.

OIG recommended that the review and approval responsibility for all project management guidance and procedures developed by program offices regarding consulting services be assigned to NRC's contracting function. This centralization of review should strengthen NRC oversight. It will also provide consistency in the procurement process and in the administration of work orders placed with DOE national laboratories.

Review of NRC's Safety Issues Management System

The NRC's Safety Issues Management System (SIMS) tracks the status of safety-related corrective actions at commercial nuclear power plants. SIMS is used by the Office of Nuclear Reactor Regulation (NRR) as a management information system to ensure the timely resolution of both safety and regulatory concerns. SIMS provides NRC management with a single source of validated information on the status of generic safety issues. It contains information concerning generic safety issues being reviewed by the NRC that, when resolved, may result in the imposition of requirements or actions on licensees of nuclear power plants. The system also contains records of specific plant licensing actions. NRC has completed a \$500,000 SIMS "Get Well Plan" to correct errors in the SIMS database.

OIG conducted a review to determine whether the SIMS database was complete, current, and accurate. Although the OIG found that the data in the SIMS database was generally complete and accurate, the SIMS "Get Well Plan" did not include the establishment of an adequate quality assurance program. This quality assurance program is essential to ensure the continued integrity of the corrected database and to protect NRC's "Get Well Plan" investment. The OIG recommended that NRC develop procedures for ensuring that all data is completely and accurately entered into the system.

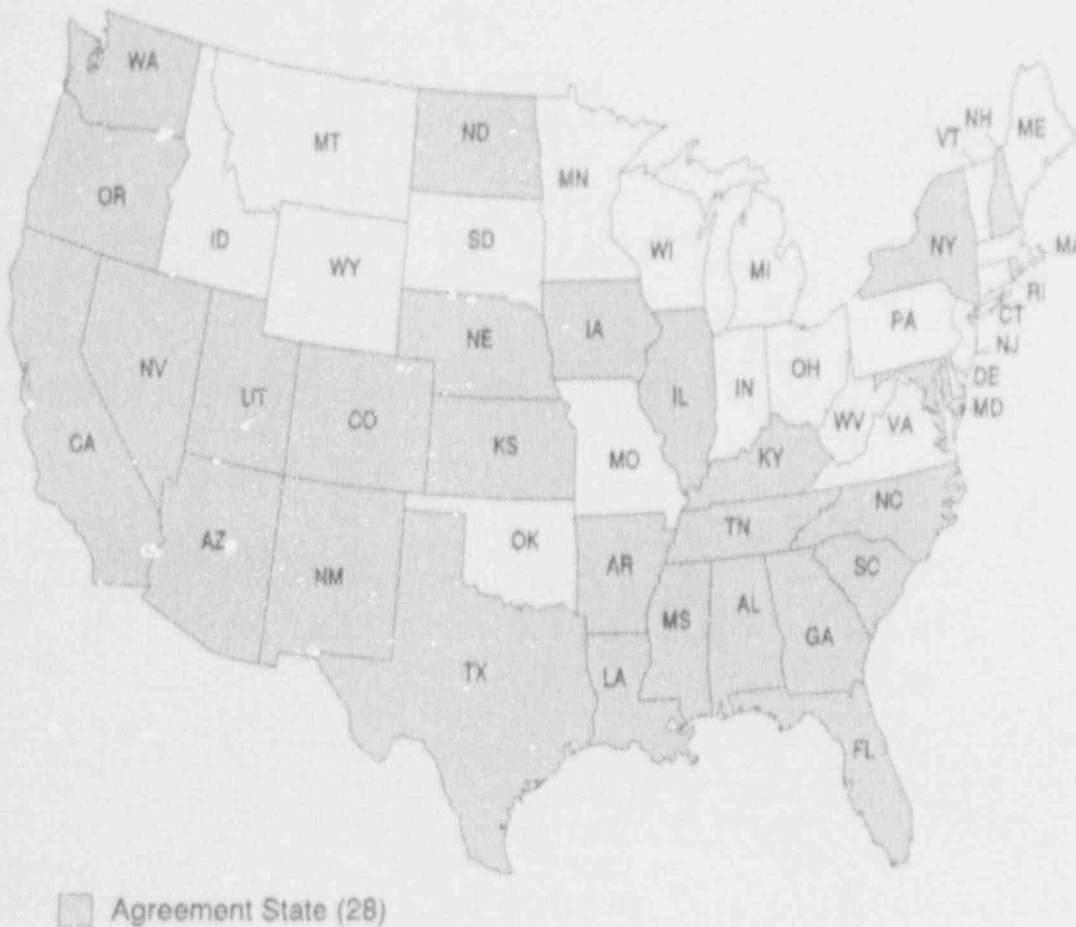
Review of "Lessons Learned" From Licensing of DOE WESF Capsules

NRC is responsible for authorizing the distribution and use of byproduct material in a sealed source. In mid-1980, the Department of Energy (DOE) requested the NRC to approve the Waste Encapsulation Storage Facility (WESF) capsule for use in commercial irradiators. The WESF capsule was originally designed and fabricated to store cesium-137, a byproduct of the nuclear weapons program.

In 1985, after reviewing information obtained from a demonstration project and other information received from DOE, NRC approved the use of the WESF capsule at other irradiator facilities. In January 1986, the State of Georgia, an NRC Agreement State, subsequently licensed a facility in Decatur, Georgia, to use the

WESF capsules in a commercial application. Two years later, a leak was discovered in one of the capsules at the Decatur facility.

Agreement States



Notes: Data as of 01/31/92. The NRC is currently considering a request from Maine to become an Agreement State. Alaska and Hawaii are not Agreement States.

Source: Nuclear Regulatory Commission, "Information Digest," NUREG-1350

The OIG determined that NRC may have relied too heavily on DOE in its approval for the use and regulation of WESF capsules. NRC had to rely on DOE regarding the design and fabrication of the capsules because NRC did not have the means to independently test or corroborate information provided by DOE.

OIG reviewed the post-incident investigations and found that DOE's WEST program had several inadequacies that may have contributed to the cause of failure of the capsule. OIG also found that NRC depended on DOE to conduct periodic destructive testing on the capsules to ensure capsule integrity for continued use by commercial irradiators.

OIG recommended that in order to strengthen its regulatory effectiveness, NRC explore ways to lessen its dependency on other entities such as DOE. In particular, this goal could be achieved through increased use of independent testing and improved quality control reviews to corroborate information provided by applicants or manufacturers of sources.

Review of NRC's Compliance With Section 319 of Public Law 101-121, the Anti-Lobbying Act

The Anti-Lobbying Act requires that the Inspector General provide an annual report to Congress regarding the NRC's compliance with and the effectiveness of the requirements of the act. To assess NRC's compliance with the provisions of the act, OIG reviewed a sample of NRC's FY 1991 contract actions that exceeded \$100,000. The review was to determine whether the required certifications and contract clauses were contained in the contract packages. OIG found that 20 percent of the contract actions did not contain the certifications and contract clauses required by the act. OIG considers this to be an unacceptably high level of noncompliance, especially since the 1990 review disclosed no such instances of noncompliance. One possible cause for these problems was that the contract package checklist used by NRC personnel to ensure that all required certifications and clauses are included in contract actions did not mention the certifications and clauses required by the act.

AUDITS IN PROGRESS

■ **Survey of NRC's Management of Inspection Programs**—OIG's long-range goal is to evaluate the effectiveness of NRC's management of its various safety inspection programs. This evaluation will include assessments of both the reactor and the nuclear material inspection programs. The initial survey stage of the audit will identify the inspection universe, provide OIG staff with an understanding of the inspection process, develop information concerning allocation of inspection resources by NRC management, and identify program areas to be covered by detailed audits.

■ **Survey of NRC's Automated Information Systems**—The long-term objective of this work is to determine the effectiveness of NRC's management of its

automated information systems. Through a series of audits, OIG will ascertain whether (1) NRC's automatic data processing systems are effectively and economically meeting the needs and requirements of NRC offices and (2) the information system databases are reliable and adequate to support management decisions that are based on these databases.

■ **Survey of NRC's Research Management**—OIG's goal in conducting this survey is to examine the effectiveness of NRC's research management practices. The audits will address procedures used to (1) select contractors and monitor their work, (2) identify and apply research needs and results, and (3) integrate these products into the regulatory process.

■ **Review of NRC's Budget Execution Process**—The objective of this review is to determine whether NRC's budget is being executed in an efficient and effective manner. The review will include an examination of the methods employed by the NRC to maintain administrative control over its appropriated funds. The review will also assess the agency's ability to execute its budget vis-à-vis the original budget planning assumptions.

■ **Review of Work Placed With DOE National Laboratories**—A substantial portion of the NRC's annual research budget is committed to DOE through contracts managed by the Office of Nuclear Regulatory Research (RES). A major focus of this audit will be to assess both the effectiveness and efficiency of RES project management activities. This review will also address the extent to which RES adheres to established policies and procedures for placement of contract work with the DOE national laboratories.

■ **Review of NRC's Allegation Management System (AMS)**—The AMS is a computerized tracking system used to manage allegations received by the NRC about agency-regulated activities. The objective of this review is to determine the adequacy of established AMS policies and procedures and to assess whether the AMS is achieving the purposes and goals defined by the Commission.

■ **Review of NRC's Contract Closeout Process**—The Federal Acquisition Regulation requires that agencies close out completed contracts in a specific period of time. The purposes of the audit are to (1) determine the overall status of NRC contract closeouts and (2) review and evaluate NRC's effectiveness in closing out those contracts exceeding \$100,000.

AUDIT TABLES

The NRC's dependence on commercial contract activity is relatively limited. Thus, questioned costs and savings are inherently smaller than those reported by most other agencies. During the reporting period, the OIG reviewed 49 contract audit reports. The following tables depict the cost savings from the contract audits.

Table 1
Office of the Inspector General
Reports Containing Questioned Costs*

Reports	Number of Reports	(Dollar Value)	
		Questioned Costs	Unsupported Costs
A. For which no management decision had been made by the commencement of the reporting period	0	0	0
B. Which were issued during the reporting period	5**	42,422	0
Subtotals (A + B)	5	42,422	0
C. For which a management decision was made during the reporting period:	4	8,546	0
(i) dollar value of disallowed costs	4	8,546	0
(ii) dollar value of costs not disallowed	0	0	0
D. For which no management decision had been made by the end of the reporting period	1	33,876	0
E. Reports for which no management decision was made within six months of issuance	0	0	0

*Table only includes reports containing direct questioned costs.

**The figure differs from number of reports reviewed because 27 reports had no questioned costs.

Table II
Office of the Inspector General Reports Issued
With Recommendations That Funds Be Put to Better Use

Reports	Number of Reports	Dollar Value of Funds
A. For which no management decision had been made by the commencement of the reporting period	1	11,347
B. Which were issued during the reporting period	3*	88,458**
Subtotals (A + B)	4	99,805**
C. For which a management decision was made during the reporting period:	2	27,785
(i) dollar value of recommendations that were agreed to by management	2	27,785
(ii) dollar value of recommendations that were not agreed to by management	0	0
D. For which no management decision had been made by the end of the reporting period	2	72,020**
E. Reports for which no management decision was made within 6 months of issuance	0	0

*Fourteen other pre-award audit reports reported either zero funds were available for better use or no contract was awarded.

**Dollar figure contains \$31,867, which is the average cost savings value for a contract that has not been awarded.

THE INVESTIGATIVE PROGRAM

During this reporting period, the OIG received 135 allegations of misconduct. The office initiated 40 new investigations and closed 43 cases. Ten referrals were made to the Department of Justice and 51 to NRC management for corrective action. Summaries of the OIG's most significant investigations follow.

INVESTIGATIVE CASE SUMMARIES

NRC Employee Indicted Following OIG Investigation

OIG investigated an allegation that an NRC employee was improperly claiming excessive amounts of overtime. The employee's travel records were examined, and improprieties were found in connection with the employee's claims against the Government for furniture rental, car rental, house rental, meals and incidental expenses, and private automobile mileage. This investigation also revealed that the employee submitted false overtime claims to the NRC in excess of 100 hours. The approximate amount of false claims filed by the employee was \$14,000.

The findings of this investigation were referred to the United States Attorney's office, Southern Judicial District of Georgia. In December 1991, a five-count grand jury indictment was returned against the employee, charging two counts of submitting false claims to the NRC in violation of 18 U.S.C. 287 and three counts of submitting false statements to the NRC in violation of 18 U.S.C. 1001. These charges are currently pending before the United States District Court in Brunswick, Georgia. On February 7, 1992, the employee resigned his position with the NRC.

NRC Contract Employee Arrested for Credit Card Fraud

OIG received information that an NRC contract employee had fraudulently used an NRC employee's name and social security number to obtain credit cards. Initially, the contract employee opened eight credit card accounts. During OIG's investigation, it was learned that the individual opened four additional accounts using a second NRC employee's name and social security number. This investigation revealed that approximately \$10,000 in merchandise was purchased with the fraudulent credit cards. The contract employee was arrested but subsequently declined to be interviewed by the OIG. The individual later plead guilty to the theft and unlawful use of credit cards. The individual received probation and was ordered to pay restitution. The contract employee was terminated following his arrest.

OIG Investigates Allegations of Misconduct by an NRC Manager and an NRC Inspector

The OIG received allegations that an NRC manager failed to take action when notified about possible security violations at a nuclear plant and of related misconduct by an NRC inspector. It was alleged that the inspector intentionally overlooked security violations at the plant because of a personal friendship with a plant executive, and when it was brought to the NRC manager's attention, no action was taken. It was further alleged that the NRC manager disclosed the alleged's identity to the inspector.

The OIG investigation did not conclusively determine whether or not security violations were overlooked. However, the investigation revealed that this was a common perception at the plant because of the inspector's friendship with the plant executive. It was established that the inspector notified NRC counsel of the relationship, but the matter was not documented or pursued.

This OIG investigation determined that the NRC manager did not disclose the alleged's identity and that the manager took appropriate steps to ensure the allegations were entered into the Allegation Management System (AMS). However, the alleged was not advised of the disposition of the matter even though the AMS indicated there was such a notification. In addition, it was established that the alleged wrongdoing by the inspector was not referred to OIG until a followup contact was made by the alleged 2 years later.

Improper Supervision of Construction Work Results in Evacuation of NRC Headquarters

In July 1991, the NRC offices at One White Flint North (OWFN) in Rockville, Maryland, were evacuated because of strong fumes in the building. The source of the fumes was a concrete curing compound used in the building by a construction subcontractor. OIG was requested to ascertain whether the construction contractor or a subcontractor committed a fraudulent act through product substitution. Further, OIG was asked to determine whether the subcontractor followed safety procedures stipulated in the contract, particularly the ventilation procedure recommended during application of the curing compound.

This investigation disclosed no evidence that the curing compound was an unauthorized product. However, it was determined that the prime contractor failed to supervise the work of its subcontractors and that insufficient ventilation by the concrete subcontractor during the curing process led to the building's evacuation.

The OIG determined that the NRC contracting team did not follow contract stipulations pertaining to the planning and use of hazardous materials. Following an independent assessment of this incident by the Occupational Safety and Health Administration, the NRC was cited for failing to maintain a Material Safety Data Sheet onsite for each hazardous material used during the course of construction work. The NRC withheld approximately \$74,000 from the contractor as a result of the contractor's failure to fully comply with the terms of the contract.

NRC Response to Congressional Inquiry Found To Be Misleading

In February and March 1990, two members of the U.S. Congress submitted questions to the NRC regarding the welding and radiography program at the Seabrook nuclear power plant. The questions were related to the concerns of a radiography technician who, before his termination in 1984, had been employed by the Pullman-Higgins Company at Seabrook.

*NRC employee inspects
nuclear power plant
equipment.*



In April 1990, six U.S. Congressmen requested that the OIG conduct an investigation. The investigation concerned the accuracy of statements made by the NRC staff in documents submitted to members of Congress regarding the weld examination program at Seabrook.

This investigation determined there was no evidence of a deliberate attempt to mislead Congress by intentionally providing false or inaccurate information. However, the OIG found there were serious problems in the manner in which congressional inquiries were answered by the NRC staff.

The OIG determined that the staff's written responses to congressional inquiries had little factual support, and in some cases the authors of these responses could not be identified. This lack of correspondence control by the NRC staff indicated a weakness in NRC's review and concurrence procedures.

It was also determined that one NRC response to Congress concerning a settlement agreement between the radiography technician and the Pullman-Higgins Company was incomplete. The response did not include consideration of basic documentation needed for a legal review. The investigation further revealed that the NRC had also provided inaccurate information concerning the timeframe in which the review of all Seabrook plant weld radiographs began. In addition, the NRC staff advised Congress that weld radiographs had received a 100 percent review. OIG found this claim to be inconsistent with statements contained in numerous NRC inspection reports.

As a result of this investigation, the Commission directed that a Lessons Learned Task Force be formed. Subsequently, the NRC staff concurred with OIG findings.

OIG Referrals Under the Program Fraud Civil Remedies Act

The OIG referred three matters to the NRC's Deputy General Counsel for Licensing and Regulation for consideration under the provisions of the Program Fraud Civil Remedies Act (PFCRA). The PFCRA allows an agency, with concurrence from the Department of Justice, to recover up to double the amount of a false claim filed with the agency and to impose up to a \$5,000 fine for each written false statement filed with the agency.

The first referral resulted from an investigation conducted by NRC's Office of Investigations (OI). OI determined that an applicant for a materials license made a false statement to the NRC, which resulted in a license being granted. The Department of Justice, although noting that referral of the matter was appropriate, declined to prosecute. The Office of Enforcement (OE) subsequently issued an order to prohibit the applicant from obtaining an NRC license or from being named on an NRC license for a period of 1 year. The Inspector General, as the designated official, pursued the matter under the false statement provision of the PFCRA.

The second referral resulted from an OIG investigation of an allegation that a senior resident inspector (SRI) made a substantial number of long distance personal telephone calls and allowed them to be charged to the Government. It was determined that the allegation was true and that the SRI made false representations to the NRC by signing certification that the calls were for official business purposes. The U.S. Attorney's office declined prosecution in favor of administrative action, which is pending concurrently with the PFCRA referral.

The third referral resulted from an OIG investigation into an allegation that an NRC employee on rotational assignment was improperly claiming excessive amounts of overtime and had filed other false claims as well. An indictment of this employee was returned by a grand jury and the criminal action is proceeding concurrently with review of the PFCRA referral. The employee has resigned.

INVESTIGATIVE STATISTICS

ALLEGATIONS

Source	Number
NRC employee	18
NRC management	38
Congress	0
Other Government agencies	5
Intervenor	10
General public	11
Media	0
OIG investigation/audit	2
Contractor	2
Regulated industry (licensee/utility)	28
Anonymous	<u>21</u>
Total	135*

*Of the 135 allegations, 28 resulted from hotline calls.

Allegations	Number
Carried forward from previous period	0
Received during this period	<u>135</u>
Total	135

Disposition	Number
Closed administratively	17
Referred for OIG investigation/inspection	60
Referred for OIG audit	2
Referred to NRC management/staff	51
Referred to external agency	5
Pending review or action	<u>0</u>
Total	135

INVESTIGATIONS

Status of Investigations	Number
Pending DOJ action	1
DOJ declinations	10
Indictments/arrests	2
Convictions	1
PFCRA referrals	3
Total	17

NRC ADMINISTRATIVE ACTIONS

Status of NRC Actions	Number
Termination/resignations	3
Suspensions/demotions	1
Other administrative actions	23
Total	27

Classification of Investigations	Carried Over	Opened	Closed	In Progress
A - Conflict of interest	7	3	7	3
B - Internal fraud	5	7	4	8
C - Contract/contractor-related misconduct	5	2	5	2
D - Falsification of records or statements	4	2	2	4
E - Theft-related offenses	2	1	2	1
F - Misuse of Government property	3	1	3	1
G - Actions affecting safety or NRC programs	8	8	10	6
H - Management misconduct and abuse	10	9	7	12
I - Other	4	7	3	8
Total	48	40	43	45

REGULATORY REVIEW

Numerous Federal legislative proposals, as well as Commission policy initiatives, were reviewed by the OIG during this reporting period. OIG comments on the most notable issues are summarized below.

The OIG commented on the draft General Accounting Office (GAO) report entitled "Employee Conduct Standards: Some Outside Activities Present Conflict-of-Interest Issues." The report was prepared at the request of Senator David Pryor, Chairman of the Subcommittee on Federal Services, Post Office, and Civil Service; Committee on Governmental Affairs; United States Senate. Senator Pryor was concerned about conflicts of interest that may arise when Federal employees perform similar work both inside and outside the Government. NRC was 1 of 11 agencies selected for review. The OIG provided comments on two substantive errors in the draft report. First, GAO found that NRC failed to require periodic updating of outside activity reports by employees. However, NRC annually requires employees to fill out two forms that require disclosure of outside activities. The GAO also determined that NRC required reporting of outside employment only for nuclear-related outside activity. This finding is incorrect as the NRC regulations enumerate other instances in which outside activity must be reported. OGC incorporated OIG's comments into its reply to GAO.

Comments were also provided by OIG on a proposed revision to OMB Circular A-50, "Audit Followup." The OMB proposal addressed issues such as the designation of an "audit followup official," followup tracking procedures, and a clarification of terms as defined in the Inspector General Act of 1978, as amended.

The OIG agreed, in general, with OMB's proposal. The OIG commented, however, that the agency audit followup official should also have the primary responsibility for maintaining the recordkeeping system necessary to track all audit findings and recommendations. The OIG stressed the importance of the tracking system and reiterated the need for clearly designating an official to maintain it. Furthermore, the OIG stated that overall management accountability could also be strengthened by integrating the audit tracking system into the agency's audit followup process. Complete access by the OIG to the agency's tracking system was considered essential for the proper monitoring of the agency's followup activities. This access would also eliminate the need for the OIG to establish and maintain duplicate tracking systems.

OTHER ACTIVITIES

During this reporting period, the OIG has also engaged in numerous other activities. Summaries of selected activities follow.

Hotline Training Seminar

In coordination with other members of the Inspector General (IG) community, the NRC's OIG organized and conducted a Federal Hotline Training Seminar in February 1992. Over 100 people participated in this 3-day training seminar. The focus of the seminar was to improve existing Federal Hotline Programs and to assist those interested in developing such a program. Topics included interview techniques, procedures for maintaining confidentiality, standardization of certain operating procedures, and other pertinent issues germane to Federal Hotline Programs. Senator James Sasser of Tennessee spoke at a luncheon held during the seminar. Senator Sasser addressed hotline programs and the accomplishments of the Inspectors General and their role in Federal Government.

Senator James Sasser addresses members of the Inspector General community at a seminar luncheon.



Employee Training Course

The OIG is participating in the conduct of an NRC course entitled "The NRC: What It Is and What It Does." The purpose of the course is to provide employees with a more in-depth knowledge of NRC's operations. The OIG staff contributes to this effort by explaining the function and the mission of the Office of the Inspector General. This presentation includes a description of the OIG organizational structure, as well as a discussion of the OIG's statutory responsibilities.

The investigative program is discussed in sufficient depth to acquaint NRC employees with the program's three key activities: misconduct investigations, criminal investigations, and inspections. The operation of the OIG Hotline Program is also described, and its "800 number" is provided. The mission of the OIG audit program is also explained by providing information on the types of audits conducted: financial, operational, and special project.

Audit Plan Issued

In October 1991, OIG issued its FY 1992 Annual Audit Plan. This document is the OIG's formal plan of action for managing the audit workload and audit resources for FY 1992. The plan considered the interests and concerns of the nuclear industry, the Congress, the President's Council on Integrity and Efficiency (PCIE), the General Accounting Office (GAO), the Office of Management and Budget (OMB), and NRC senior managers.

During FY 1992, the audit staff will conduct both programmatic and financial audits. These audits will meet mandated requirements, including those established by the Chief Financial Officers' Act of 1990. In addition, the audit initiative will address three critical program areas: the NRC's Safety Inspection Program, the Information Resources Management Program, and the Research Program.

Peer Review Assessment

An interagency peer review team recently completed a quality control review of OIG's audit activities. The review was conducted in accordance with PCIE criteria and generally accepted Government accounting standards.

The objectives of the review were to determine whether the NRC's OIG has an internal quality control system in place that (1) is adequate and operating effectively, (2) follows established policies and procedures, and (3) meets the annual planning process requirements of OMB Circular A-73.

The audit team reviewed OIG audit policies and procedures, planning, and staffing functions. The team also reviewed 7 audits selected from the 17 audits completed by the OIG during the semiannual reporting periods ending September 30, 1990, and March 31, 1991. Also assessed was the OIG's administration of Defense Contract Audit Agency (DCAA) external contract audits.

In its report to the OIG, the team concluded that the internal audit controls "are operating effectively and provide reasonable assurance that the OIG is following its established policies, procedures, and Government auditing standards."

Government Fellows Program

During the past year, the NRC nominated an OIG investigator to participate in the 1991-1992 Excellence in Government Fellows Program. Samuel Holland, a senior criminal investigator, was selected to participate in the program on the basis of his past achievements in Government and his potential to enter the Senior Executive Service. Throughout the year, he will meet with top executives from the public and private sectors to discuss issues and exchange ideas related to public service and effective Government.

OIG investigator Sam Holland (center) was congratulated by his supervisor Tom Blatchford (right) and NRC Chairman Ivan Selin (left) for being selected to participate in the Excellence in Government Fellows Program.



Fire Protection Training

NRC regulations pertaining to fire protection for nuclear power plants are contained in Section 50.48 and Appendix R of Title 10 of the *U.S. Code of Federal Regulations*. Appendix R requires demonstration of a safe shutdown capability for nuclear plants in the event of a fire. One method for licensees to demonstrate compliance with this requirement is the separation of redundant safe shutdown systems through the use of fire-rated barriers. Several manufacturers have produced fire-rated barrier material, which has been installed in nuclear power plants by NRC licensees in order to satisfy the requirements of Appendix R. This use and installation of fire-rated material is subject to NRC technical staff approval and periodic inspection.

In order for the OIG staff to assess the performance of the NRC technical staff in carrying out their regulatory responsibilities, it is necessary for the OIG staff to obtain an in-depth understanding of certain technical matters. Thus, OIG staff members frequently attend courses that address technical issues.

In regard to the OIG's review of NRC staff activities related to the approval and inspection of fire-rated barriers, two OIG investigators attended formal fire protection training that specifically addressed the requirements of Appendix R. The training course was designed for fire protection engineers and covered fire protection systems and materials from initial planning through installation of systems and components in nuclear power plants. The knowledge gained by the OIG personnel attending the training session will provide them with a better understanding of the various factors considered by the NRC technical staff when they make regulatory decisions concerning fire protection at nuclear power plants.

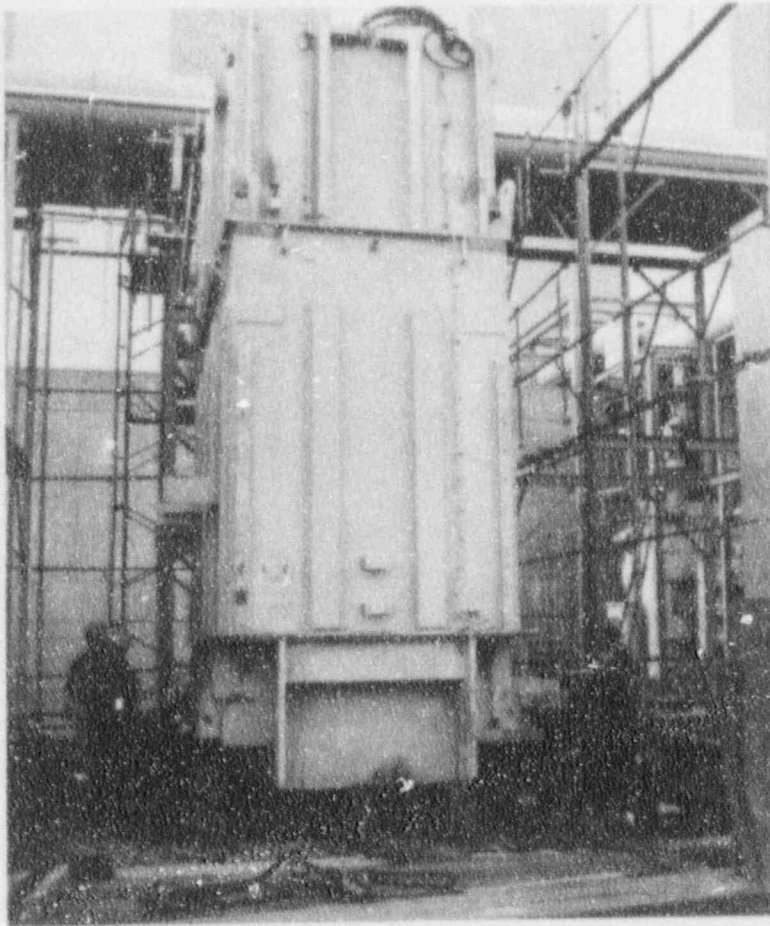
SPECIAL FEATURE

NRC'S OFFICE FOR ANALYSIS AND EVALUATION OF OPERATIONAL DATA

The NRC's Office for Analysis and Evaluation of Operational Data (AEOD) was created in 1979. Its mission is as varied and complex as its name suggests. This vital office is linked directly to the operating pulse of all licensed nuclear power plants. Through dedicated phone lines, AEOD maintains an around-the-clock Operations Center to receive, monitor, and if necessary, respond to safety-significant events involving the use of radioactive materials for both reactor and nonreactor activities. When a significant safety issue arises, NRC teams are deployed to the site to conduct either an inspection or to perform a more detailed investigation of the event. AEOD manages this effort. As a result, NRC makes either site-specific recommendations or generic industry recommendations when appropriate.

In August 1991, the OIG observed an AEOD-directed team conduct an investigation at the Nine Mile Point Unit 2 reactor facility in Scriba, New York. The plant had reported an internal failure in its main transformer to AEOD's Operations Center. This failure resulted in a reduction in voltage that caused five "uninterruptible" power supplies to lose power. Although this failure was brief, important control room instrumentation and other plant equipment were affected. In addition, plant operators lost the normally available plant status indicators. The automatic reactor protection systems, including the automatic shutdown capability, functioned properly. Nevertheless, this event underscored the potential safety ramifications of a loss of power. As a result of the investigation, the NRC made several plant-specific recommendations, as well as several generic recommendations to the nuclear power industry concerning equipment maintenance.

The Diagnostic Evaluation Program, which is managed by AEOD, plays another important role in ensuring plant safety. In June 1990, a 16-member NRC team spent 4 weeks at the Zion Nuclear Plant in Zion, Illinois. NRC received several indications of an overall decline in performance at the plant. The team's mission was to evaluate the plant's operation and to identify the causes of existing problems. Interviews were conducted and observations were made. The team discovered, among other things, an ineffective preventive maintenance program, technical inadequacies, and a lack of necessary teamwork among crew members.



A defective transformer at the Nine Mile Point Nuclear Station in Scriba, New York, is being prepared for removal.

AEOD also develops and provides technical training for NRC staff at the Technical Training Center in Chattanooga, Tennessee. The training program enjoys top management support from the program offices and regions because of its responsiveness to NRC needs. The training center and its contracted facilities combine classroom lectures, reactor simulators, and training aids into a state-of-the-art technical training program for regulators.

AEOD's role in ensuring public health and safety, however, does not stop with its management of the Operations Center and the Technical Training Center, or with its activities at nuclear reactor sites. AEOD is the focal point for the evaluation of diverse industry data for the many activities and events associated with the use of nuclear materials. AEOD analyzes industry trends and patterns, monitors corrective actions, and continues to actively seek and resolve root causes of safety-related issues. An example case study that has stimulated NRC and industry action is the "Operating Experience Feedback Report—Solenoid-Operated Valve Problems," NUREG-1275, Vol. 6.

APPENDICES

AUDIT LISTINGS

INTERNAL AUDIT REPORTS

Date	Title	Number
12/20/91	Review of NRC's Implementation of the Federal Managers' Financial Integrity Act for 1991	OIG-92A-01
12/27/91	Review of NRC's Compliance With the Anti-Lobbying Act	OIG-92A-05
01/07/92	Review of the HealthPlus Claim	OIG-91A-12
01/24/92	Review of Commercial Facilities Management of One White Flint North	OIG-91A-09
01/28/92	Review of Contracting for Consulting Services	OIG-91A-08
02/26/92	Review of "Lessons Learned" From Licensing of DOE WESF Capsules	OIG-91A-05
03/03/92	Review of NRR's Safety Issues Management System	OIG-91A-03

CONTRACT AUDIT REPORTS

OIG Issued	Contractor	Questioned Costs (Dollars)	Funds Put to Better Use (Dollars)
10/02/91	Battelle Memorial Institute RS-RES-91-063		0
10/16/91	MPR Associates, Inc. NRC-04-88-092; NRC-04-88-026	0	
11/04/91	EI International, Inc. NRC-04-86-112; NRC-26-87-420	1091	
11/04/91	Pacific Science & Engineering Group, Inc. NRC-04-90-074	0	
11/05/91	General Electric-NEBO NRC-04-76-215	0	
11/06/91	Sonalysts, Inc. NRC-03-86-054 (7 reports)	0	
11/06/91	Sonalysts, Inc. NRC-03-86-054 (65 reports)	0	
11/06/91	Failure Analysis Associates Inc. RS-RES-92-048		0
11/07/91	General Electric-Advance Nuclear Technology NRC-04-76-215	0	
11/07/91	General Electric-NEBO NRC-04-76-215	719	
11/18/91	Modeling & Computing Services RS-RES-92-048		0
12/19/91	Battelle Memorial Institute RS-RES-92-046		0
12/23/91	ITASCA Consulting Group, Inc. NRC-02-88-005 (SUB) NRC-02-88-002	0	
12/23/91	Science Application International RS-RES-92-037		0
01/06/92	Dames and Moore RS-RES-92-037		0

OIG Issued	Contractor	Questioned Costs (Dollars)	Funds Put to Better Use (Dollars)
02/18/92	Engineering Science and Analysis NRC-04-86-126	0	
02/18/92	Graduate School, USDA NRC-10-86-213, NRC-33-88-364	0	
02/26/92	Babcock and Wilcox Power Computing RS-RES-92-040		50,101
03/13/92	Comex Corp. NRC-05-86-170	33,876	
03/13/92	System Automation Corp. NRC-33-92-337		40,153
03/24/92	Energy Research, Inc. RS-RES-92-046		16,438
03/24/92	Roy F. Weston, Inc. NRC-26-87-419	0	
	Totals	<u>\$42,422</u>	<u>\$194,059*</u>

*The total dollar amount in this appendix differs from the amount in Table II. To avoid overlapping potential dollar savings in Table II, the average potential savings of the four presented contracts filed under RS-RES-92-490, was used.

GLOSSARY

AGREEMENT STATE. A State that has signed an agreement with the NRC allowing the State to regulate the use of radioactive material within that State.

FINAL ACTION. The completion of all management actions discussed in management decisions concerning audit recommendations and findings. Final action occurs when management issues a decision.

FINANCIAL AUDIT. Financial audits are carried out to assess the effectiveness of internal control systems, transaction processing, financial systems, and contracts.

FUNDS PUT TO BETTER USE. Funds identified in audit recommendations that could be used more efficiently by avoiding unnecessary expenses.

HOTLINE. A toll-free telephone number (1-800-233-3497) available to anyone for the reporting of incidents of possible fraud, waste, and abuse to the NRC's Office of Inspector General.

MANAGEMENT DECISION. Management evaluation of audit recommendations and findings. A final decision is issued that is based on management's response to recommendations and findings.

PEER REVIEW. A review (or audit) of the operations of an Inspector General by representatives from other Federal agency Inspector General offices in order to assess the effectiveness and procedures used by the subject IG.

PERFORMANCE AUDIT. Performance audits assess the effectiveness and efficiency with which management responsibilities are carried out.

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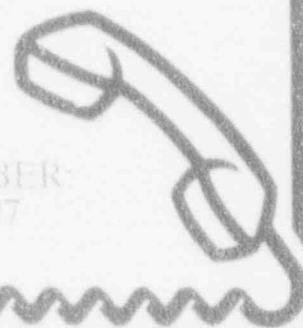
UNSUPPORTED COST. A cost questioned because of a lack of adequate documentation at the time of the audit.

THE INSPECTOR GENERAL HOTLINE

A toll-free number (1-800-233-3497) was established by the Office of the Inspector General to provide NRC employees, contractors, and others with direct access to OIG's Hotline Program. Hotline procedures and guidelines were carefully developed to ensure the confidentiality of NRC employees wishing to report incidents of possible fraud, waste, and abuse within the NRC. Trained OIG staff are available to answer calls Monday through Friday, between 10:00 a.m. and 4:00 p.m. (eastern standard time). Individuals may also provide information to hotline personnel by writing to the address below.

U.S. Nuclear Regulatory Commission
The Office of the Inspector General
Hotline Program
Mail Stop EW/W 542
Washington, D.C. 20555

HOTLINE NUMBER:
1-800-233-3497



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11/04/91	Pacific Science & Engineering Group, Inc. NRC-04-90-074	0	
11/05/91	General Electric-NEBO NRC-04-76-215	0	
11/06/91	Sonalysts, Inc. NRC-03-86-054 (7 reports)	0	
11/06/91	Sonalysts, Inc. NRC-03-86-054 (65 reports)	0	
11/06/91	Failure Analysis Associates Inc. RS-RES-92-048		0
11/07/91	General Electric-Advance Nuclear Technology NRC-04-76-215	0	
11/07/91	General Electric-NEBO NRC-04-76-215	719	
11/18/91	Modeling & Computing Services RS-RES-92-048		0
12/19/91	Battelle Memorial Institute RS-RES-92-046		0
12/23/91	ITASCA Consulting Group, Inc. NRC-02-88-005 (SUB); NRC-02-88-002	0	
12/23/91	Science Application International RS-RES-92-037		0
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01/06/92	S. Cohen & Associates, Inc. RS-RES-92-037		0
01/13/92	Computing Analysis Corp. RS-IRM-91-183		0
01/13/92	Micro Analysis & Design NRC-03-85-054	0	
01/14/92	General Electric-NEBO 83 NRC-04-79-184; NRC-04-76-215	217	
01/14/92	EI International, Inc. NRC-04-86-112	6,519	
01/21/92	Planning Research Corp. NRC-10-84-211; NRC-10-82-356	0	
01/21/92	Roy F. Weston, Inc. NRC-26-87-419	0	
01/21/92	Arthur D. Little, Inc. RS-RES-92-037		0
01/21/92	Mathtech, Inc. NRC-33-86-263; NRC-04-87-400; NRC-04-87-086	0	
01/21/92	Pennsylvania State University RS-RES-92-040		26,041
01/21/92	Energy Research, Inc. RS-RES-92-045		0
01/31/92	Thompson Engineering & Testing, Inc. NRC-28-88-269	0	
02/04/92	Scientech, Inc. RS-RES-92-040		0
02/07/92	Scientech, Inc. RS-RES-92-037		0
02/11/92	S. Levy, Inc. RS-RES-92-040		51,326
02/18/92	Applied Management Systems, Inc. NRC-33-132	0	

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02/18/92	Graduate School, USDA NRC-10-86-213; NRC-33-88-364	0	
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ABBREVIATIONS

AEC	Atomic Energy Commission
AEOD	NRC's Office for Analysis and Evaluation of Operational Data
AMS	Allegation Management System
CFO	Chief Financial Officer
DCAA	U.S. Defense Contract Audit Agency
DOE	U.S. Department of Energy
DOJ	U.S. Department of Justice
FEHBP	Federal Employees' Health Benefits Program
FMFLA	Federal Managers' Financial Integrity Act
FPDS	Federal Procurement Data System
FY	fiscal year
GAO	U.S. General Accounting Office
GSA	U.S. General Services Administration
ICR	internal control review
IG	Inspector General
MCP	management control plan
NRC	U.S. Nuclear Regulatory Commission
NRR	NRC's Office of Nuclear Reactor Regulation
OGC	NRC's Office of the General Counsel
OIG	NRC's Office of the Inspector General
OMB	U.S. Office of Management and Budget
OPM	U.S. Office of Personnel Management
OWFN	One White Flint North
PCIE	President's Council on Integrity and Efficiency
PFCRA	Program Fraud Civil Remedies Act
RES	NRC's Office of Nuclear Regulatory Research
SIMS	Safety Issues Management System
SRI	senior resident inspector
U.S.C.	United States Code
WESF	Waste Encapsulation and Storage Facility

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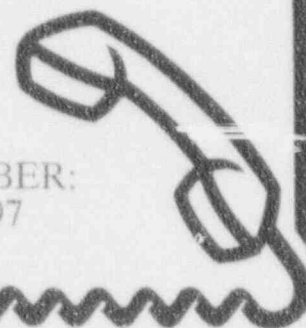
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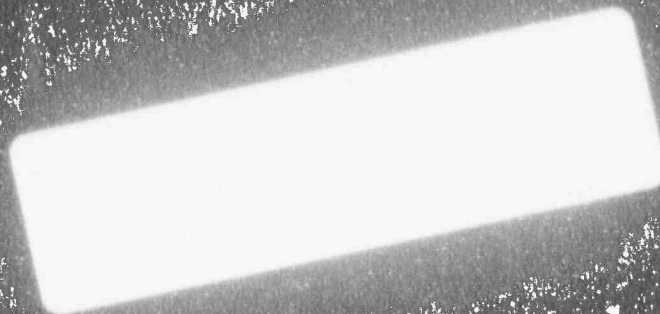
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The Office of the Inspector General
Hotline Program
Mail Stop EW/W 542
Washington, D.C. 20555

HOTLINE NUMBER:
1-800-233-3497





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