

REQUEST REPLY BY: 12/17/03



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

COMSECY-03-0058

December 3, 2003

Disapproved with comment.
See attached comment.

MEMORANDUM TO:

Chairman Diaz
Commissioner McGaffigan
Commissioner Merrifield

Nils J. Diaz
Nils J. Diaz 12/29/03

FROM:

William D. Travers
Executive Director for Operations

William D. Travers

SUBJECT:

STATUS OF THE OFFICE OF NUCLEAR MATERIAL SAFETY
AND SAFEGUARDS BUSINESS PROCESS IMPROVEMENT
INITIATIVES

SECY-02-0103, "Staff Response to Item 3 of COMSECY-01-0022-FY 2003 - FY 2004 Budget Proposal Regarding the Office of Nuclear Material Safety and Safeguards Business Process Improvement Initiative," dated June 14, 2002, states that the Office of Nuclear Material Safety and Safeguards (NMSS) will keep the Commission informed of the progress and results of the Business Process Improvement (BPI) effort for both the Licensing and Contract Financial Management Initiatives.

In the last status update, provided by memorandum dated June 18, 2003, the staff offered to keep the Commission informed of the status of NMSS process improvement initiatives with a summary report at the end of fiscal year 2003 (FY 2003) and a mid-year and summary report for FY 2004, in lieu of further quarterly reports. In a Staff Requirements Memorandum dated August 5, 2003, the Commission approved the staff proposal to change the reporting frequency.

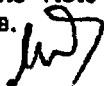
The following provides the status for the "Licensing and Certification" (Licensing BPI) and "Contract Financial Management" (Contract BPI) projects, as of the end of FY 2003. As discussed in the memorandum to the Commission dated June 14, 2002, the BPI projects were initiated to achieve efficiency and effectiveness gains by improving internal processes, with the goal of achieving at least a 10 percent gain. NMSS recommends that, in lieu of mid-year or periodic reports on BPI projects, efficiency gains from the Licensing BPI project and other initiatives be reported and included in the materials and waste budget submittals. As a result of the resource reductions since FY 2000 and the current very low level of budgeted activities in this area, NMSS believes that the annual frequency for reporting on these initiatives as part of the budget submittal is appropriate.

CONTACT: Sam Jones, NMSS/PMDA
301-415-6198

CHAIRMAN REC'D
03 DEC -8 AM 9:14

COMMENTS OF CHAIRMAN DIAZ ON COMSECY-03-0058

I disapprove the staff's recommendation to report on NMSS' Business Process Improvement (BPI) effort as part of the annual budget submittal. Although the budget for BPI activities has significantly decreased, there is a continuing need for transparency of the costs and benefits of these activities. This transparency is unlikely to be achieved by inclusion in the budget submittal. The staff should specifically report to the Commission annually on the BPI activities using either the "Note to Commissioner Assistants" process or other formal communication avenue.





REQUEST REPLY BY: 12/17/03

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

COMSECY-03-0058

December 3, 2003

*I approve.
Concur in Chairman's
note*

MEMORANDUM TO: Chairman Diaz
Commissioner McGaffigan
Commissioner Merrifield

*Ed McGaffigan
1/12/04*

FROM: William D. Travers *William Travers*
Executive Director for Operations

SUBJECT: STATUS OF THE OFFICE OF NUCLEAR MATERIAL SAFETY
AND SAFEGUARDS BUSINESS PROCESS IMPROVEMENT
INITIATIVES

SECY-02-0103, "Staff Response to Item 3 of COMSECY-01-0022-FY 2003 - FY 2004 Budget Proposal Regarding the Office of Nuclear Material Safety and Safeguards Business Process Improvement Initiative," dated June 14, 2002, states that the Office of Nuclear Material Safety and Safeguards (NMSS) will keep the Commission informed of the progress and results of the Business Process Improvement (BPI) effort for both the Licensing and Contract Financial Management Initiatives.

In the last status update, provided by memorandum dated June 18, 2003, the staff offered to keep the Commission informed of the status of NMSS process improvement initiatives with a summary report at the end of fiscal year 2003 (FY 2003) and a mid-year and summary report for FY 2004, in lieu of further quarterly reports. In a Staff Requirements Memorandum dated August 5, 2003, the Commission approved the staff proposal to change the reporting frequency.

The following provides the status for the "Licensing and Certification" (Licensing BPI) and "Contract Financial Management" (Contract BPI) projects, as of the end of FY 2003. As discussed in the memorandum to the Commission dated June 14, 2002, the BPI projects were initiated to achieve efficiency and effectiveness gains by improving internal processes, with the goal of achieving at least a 10 percent gain. NMSS recommends that, in lieu of mid-year or periodic reports on BPI projects, efficiency gains from the Licensing BPI project and other initiatives be reported and included in the materials and waste budget submittals. As a result of the resource reductions since FY 2000 and the current very low level of budgeted activities in this area, NMSS believes that the annual frequency for reporting on these initiatives as part of the budget submittal is appropriate.

CONTACT: Sam Jones, NMSS/PMDA
301-415-6198



REQUEST REPLY BY: 12/17/03

UNITED STATES
NUCLEAR REGULATORY COMMISSION

WASHINGTON, D.C. 20555-0001

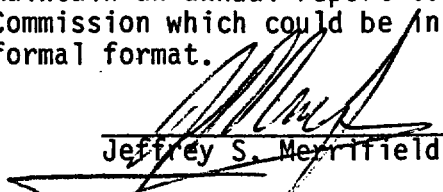
COMSECY-03-0058

December 3, 2003

I disapprove the staff's recommendations in support of the Chairman's desire to maintain an annual report to the Commission which could be in a less formal format.

MEMORANDUM TO:

Chairman Diaz
Commissioner McGaffigan
Commissioner Merrifield


Jeffrey S. Merrifield, 1/14/03

FROM:

William D. Travers 
Executive Director for Operations

SUBJECT:

STATUS OF THE OFFICE OF NUCLEAR MATERIAL SAFETY
AND SAFEGUARDS BUSINESS PROCESS IMPROVEMENT
INITIATIVES

SECY-02-0103, "Staff Response to Item 3 of COMSECY-01-0022-FY 2003 - FY 2004 Budget Proposal Regarding the Office of Nuclear Material Safety and Safeguards Business Process Improvement Initiative," dated June 14, 2002, states that the Office of Nuclear Material Safety and Safeguards (NMSS) will keep the Commission informed of the progress and results of the Business Process Improvement (BPI) effort for both the Licensing and Contract Financial Management initiatives.

In the last status update, provided by memorandum dated June 18, 2003, the staff offered to keep the Commission informed of the status of NMSS process improvement initiatives with a summary report at the end of fiscal year 2003 (FY 2003) and a mid-year and summary report for FY 2004, in lieu of further quarterly reports. In a Staff Requirements Memorandum dated August 5, 2003, the Commission approved the staff proposal to change the reporting frequency.

The following provides the status for the "Licensing and Certification" (Licensing BPI) and "Contract Financial Management" (Contract BPI) projects, as of the end of FY 2003. As discussed in the memorandum to the Commission dated June 14, 2002, the BPI projects were initiated to achieve efficiency and effectiveness gains by improving internal processes, with the goal of achieving at least a 10 percent gain. NMSS recommends that, in lieu of mid-year or periodic reports on BPI projects, efficiency gains from the Licensing BPI project and other initiatives be reported and included in the materials and waste budget submittals. As a result of the resource reductions since FY 2000 and the current very low level of budgeted activities in this area, NMSS believes that the annual frequency for reporting on these initiatives as part of the budget submittal is appropriate.

CONTACT: Sam Jones, NMSS/PMDA
301-415-6198