



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

**OFFICE OF THE  
INSPECTOR GENERAL**

October 23, 2013

**MEMORANDUM TO:** Mark A. Satorius  
Executive Director for Operations

**FROM:** Stephen D. Dingbaum */RA/*  
Assistant Inspector General for Audits

**SUBJECT:** STATUS OF RECOMMENDATIONS: AUDIT OF NRC'S  
NON-CONCURRENCE PROCESS (OIG-11-A-02)

**REFERENCE:** DIRECTOR, OFFICE OF ENFORCEMENT, MEMORANDUM  
DATED SEPTEMBER 27, 2013

Attached is the Office of the Inspector General's analysis and status of recommendations 3, 4, and 8 as discussed in the agency's response dated June 28, 2013. Based on this response, recommendations 3, 4, and 8 remain in resolved status. Recommendations 1, 2, 5, 6, and 7 were closed previously. Please provide an updated status of the resolved recommendations by January 13, 2014.

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

Attachment: As stated

cc: R. Mitchell, OEDO  
K. Brock, OEDO  
J. Arildsen, OEDO  
C. Jaegers, OEDO

## Audit Report

### AUDIT OF NRC'S NON-CONCURRENCE PROCESS

#### OIG-11-A-02

#### Status of Recommendations

Recommendation 3: Finalize MD 10.158 by the end of 2011.

Agency Response

Dated September 27, 2013:

On July 19, 2013, ADM completed its commitment in Phase 5 of the MD finalization process (i.e., ADM Director reviews NRC Form 522 package and signs NRC Form 522) and forwarded the signature package to the Office of General Counsel (OGC). During OGC's review process, OE met with representatives from OGC and collaboratively resolved several issues. As a result, on August 12, 2013, OGC indicated that they have no legal obligation on the NRC Form 522 package and forwarded it to the Office of the Executive Director for Operations (OEDO).

On September 18, 2013, the OEDO informed OE that due to strategic considerations being addressed within senior management that may impact the MD, their target date for completion is the end of the calendar year 2013.

Completion date for publication of MD 10.158:  
12/31/13

POC: Renée Pedersen, OE

OIG Analysis:

The proposed actions meet the intent of the recommendation. OIG will close this recommendation when it receives and reviews the finalized MD 10.158 guidance reflecting the proposed revisions the agency described in its December 19, 2012, response concerning recommendation 2 (to revise MD 10.158), which is now closed.

## Audit Report

### AUDIT OF NRC'S NON-CONCURRENCE PROCESS

OIG-11-A-02

#### Status of Recommendations

Recommendation 3 (cont.):

OIG recognizes that throughout the multi-phased Management Directive revision process, the responsible office is required to coordinate with multiple other offices. Specifically, as the owner of MD 10.158, OE has worked closely with other offices, including the Office of the Executive Director for Operations, the Office of Administration, the Office the General Counsel, and the Office of the Chief Human Capital Officer. This requires a sustained, high-level of coordination and communication among all involved offices.

OIG understands that the completion of Phase 5 of the MD finalization process may be impacted by the "strategic considerations being addressed within senior management" as noted by the OEDO. The target date established by OEDO for finalization of MD 10.158 is "end of calendar year 2013." This is the third time that the finalization of MD 10.158 has been delayed by the agency. The newly proposed due date is significantly divergent from the OIG's initial deadline of "end of calendar year 2011." Should the agency extend the deadline beyond the "end of calendar year 2013," the OIG will consider noting it in the 2014 Semiannual Report to Congress.

As noted in previous followup memoranda, OE has ultimate responsibility for ensuring that the MD completes the remaining phases of the revision process regardless of other offices' involvement in the process. In the interim, Recommendation 3 will remain in resolved status.

**Status:**

Resolved.

## Audit Report

### AUDIT OF NRC'S NON-CONCURRENCE PROCESS

OIG-11-A-02

#### Status of Recommendations

Recommendation 4:

Make non-concurrence process training available in an on-demand format to all staff and managers.

Agency Response

Dated September 27, 2013:

OE intends to collaborate with the Office of the Chief Human Capital Officer (OCHCO) and develop on-line, on-demand training for all staff and managers. OE has prepared draft updates to the NCP Web site which include an enhanced NCP overview, FAQ's, a process flow chart and releasability review guidelines. To further highlight and raise awareness of the NCP for all employees, OE plans to acknowledge new NCP cases on the Web site as "pending" along with the closed cases already on the Web site.

In addition, OE has developed a draft, revised NCP Form which includes step-by-step instructions and implementation guidance for inclusion on the NCP Web site. These tools will further promote successful implementation of the program.

Completion date: Commensurate with available support from OCHCO, OE will develop on-line; on-demand training available for all staff and managers approximately six months after the guidance in MD 10.158 is announced to the staff (i.e., end of Phase 8).

POC: Renée Pedersen, OE in coordination with OCHCO

## Audit Report

### AUDIT OF NRC'S NON-CONCURRENCE PROCESS

OIG-11-A-02

#### Status of Recommendations

Recommendation 4 (cont.):

OIG Analysis:

The proposed action meets the intent of OIG's recommendation. OIG has identified on-demand training as an effective and efficient means by which to provide timely training on the NCP to all agency staff. OIG will close this recommendation when it reviews the on-line, on-demand, NCP-related training developed and instituted by the Office of Enforcement 6 months after MD 10.158 is finalized and published. Given the recent estimate for finalizing MD 10.158 as "end of calendar year 2013," OIG would expect this training to be completed no later than June 30, 2014.

**Status:**

Resolved.

## Audit Report

### AUDIT OF NRC'S NON-CONCURRENCE PROCESS

OIG-11-A-02

#### Status of Recommendations

<u>Recommendation 8:</u>	Perform regularly scheduled comprehensive assessments of the non-concurrence process.
Agency Response Dated September 27, 2013:	<p>Section III.D.2 of the current guidance in the MD requires that the Director, Office of Enforcement ensures that periodic assessments of the NCP are performed.</p> <p>Consistent with the Internal Safety Culture Task Force recommendation to conduct a broader review of OCWE (including the NCP and the DPO Program), the staff plans on performing assessments of the non-concurrence process within one year after receiving the results of each OIG Safety Culture and Climate Survey. OE received the results from the 2012 SCCS on January 8 and 9, 2013.</p> <p>Completion date: 1/9/2014.</p> <p>POC: Renée Pedersen, OE</p>
OIG Analysis:	The proposed action meets the intent of OIG's recommendation provided that the assessments are specific to the NCP and are not merely a broader review of the OCWE initiative. OIG will close this recommendation when it is able to (1) verify that the agency has a reliable process in place that ensures the NCP is routinely assessed and (2) review documentation supporting the completion of the initial program assessment.
Status:	Resolved.