



Office of the Inspector General

U.S. Nuclear Regulatory Commission

Annual Plan

Fiscal Year 2013

FOREWORD

I am pleased to present the Office of the Inspector General's (OIG) fiscal year (FY) 2013 *Annual Plan*. The *Annual Plan* provides the audit and investigative strategies and associated summaries of the specific work planned for the coming year. It sets forth OIG's formal strategy for identifying priority issues and managing its workload and resources for FY 2013.

The U.S. Nuclear Regulatory Commission's (NRC) mission is to license and regulate the Nation's civilian use of byproduct, source, and special nuclear materials to ensure adequate protection of public health and safety, promote the common defense and security, and protect the environment. OIG is committed to ensuring the integrity of NRC programs and operations. Developing an effective planning strategy is a critical aspect of accomplishing this commitment. Such planning ensures that audit and investigative resources are used efficiently.

This *Annual Plan* was prepared to align with the OIG *Strategic Plan* for FYs 2008 – 2013, which is based, in part, on an assessment of the strategic challenges facing NRC. The *Strategic Plan* identifies OIG's priorities and establishes a shared set of expectations regarding the goals we expect to achieve and the strategies we will employ over that timeframe. The *Strategic Plan* is the foundation on which our *Annual Plan* is based. The Commission, NRC Headquarters, and NRC Regions provided input into the development of this *Annual Plan*.

We have programmed all available resources to address the matters identified in this plan. This approach maximizes use of our resources. However, to respond to a changing environment, it is sometimes necessary to modify this plan as circumstances, priorities, and/or resources dictate.

Hubert T. Bell */RA/*
Inspector General

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MISSION AND AUTHORITY

The Nuclear Regulatory Commission's (NRC) Office of the Inspector General (OIG) was established on April 15, 1989, pursuant to Inspector General Act Amendments contained in Public Law 100-504. OIG's mission is to (1) conduct and supervise independent audits and investigations of agency programs and operations; (2) promote economy, effectiveness, and efficiency within the agency; (3) prevent and detect fraud, waste, and abuse in agency programs and operations; (4) develop recommendations regarding existing and proposed regulations relating to agency programs and operations; and (5) keep the agency head and Congress fully and currently informed about problems and deficiencies relating to agency programs. The act also requires the Inspector General (IG) to prepare a semiannual report to the NRC Chairman and Congress summarizing the activities of the OIG.

In furtherance of the execution of this mission and of particular importance to OIG's annual plan development, the IG summarizes what he considers to be the most serious management and performance challenges facing NRC and assesses the agency's progress in addressing those challenges.

Serious management and performance challenges are mission critical areas or programs that have the potential for a perennial weakness or vulnerability that, without substantial management attention, would seriously impact agency operations or strategic goals. In the latest annual assessment (October 2012) the IG identified the following as the most serious management challenges facing NRC:¹

1. Management of regulatory processes to meet a changing environment in the oversight of nuclear materials.
2. Management of internal NRC security and oversight of licensee security programs.
3. Management of regulatory processes to meet a changing environment in the oversight of nuclear facilities.
4. Management of issues associated with the safe storage of high-level radioactive waste when there is no long-term disposal solution.
5. Management of information technology.

¹The challenges are not ranked in any order of importance.

6. Administration of all aspects of financial management and procurement.
7. Management of human capital.

Through its Issue Area Monitor (IAM) program, OIG staff monitor agency performance on these management challenges. These challenges, in conjunction with OIG's strategic goals, serve as an important basis for deciding which audits and evaluations to conduct each fiscal year.

PLANNING STRATEGY

The FY 2013 *Annual Plan* is linked with OIG's *Strategic Plan* for FYs 2008 – 2013. The *Strategic Plan* identifies the major challenges and critical risk areas facing the NRC so that OIG resources may be directed in these areas in an optimum fashion.

The *Strategic Plan* recognizes the mission and functional areas of the agency and the major challenges the agency faces in successfully implementing its regulatory program. The plan presents strategies for reviewing and evaluating NRC programs under the strategic goals that OIG established. OIG's strategic goals are to (1) *strengthen NRC's efforts to protect public health and safety and the environment*, (2) *enhance NRC's efforts to increase security in response to an evolving threat environment*, and (3) *increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources*. To ensure that each audit and evaluation carried out by OIG aligns with the *Strategic Plan*, program areas selected for audit and evaluation have been crosswalked from the *Annual Plan* to the *Strategic Plan* (see planned audits in appendices A, B, and C). Furthermore, each OIG audit and evaluation is also linked with one or more of the management challenges identified by the IG as facing the agency as of October 2012 and listed on page 1 of this document.

AUDIT AND INVESTIGATION UNIVERSE

NRC's proposed FY 2013 budget is approximately \$1.053 billion, including 3,951 full-time equivalents. The agency's mission is to license and regulate the Nation's civilian use of byproduct, source, and special nuclear materials to ensure adequate protection of public health and safety, promote the common defense and security, and protect the environment. The agency also has a role in enhancing nuclear safety and security throughout the world.

NRC is headquartered in suburban Maryland, just outside of Washington, DC; has four regional offices located throughout the United States; and operates a technical training center located in Chattanooga, Tennessee.

The agency carries out its mission through various licensing, inspection, research, and enforcement programs. Currently, NRC responsibilities include regulating 104 commercial nuclear power reactors that are licensed to operate in 31 States; Independent Spent Fuel Storage Installations in 33 States; 31 research and test reactors; 7 major fuel fabrication facilities; 2 gaseous diffusion uranium enrichment facilities; and approximately 3,000 licenses issued for medical, academic, and industrial uses of nuclear material. NRC has also received 18 applications for new power reactors and is overseeing the

decommissioning of 12 commercial nuclear power plants and 11 research and test reactors.

The audit and investigation oversight responsibilities are therefore derived from the agency's wide array of programs, functions, and support activities established to accomplish NRC's mission.

AUDIT STRATEGY

Effective audit planning requires current knowledge about the agency's mission and the programs and activities used to carry out that mission. Accordingly, OIG continually monitors specific issue areas to strengthen its internal coordination and overall planning process. Under the office's IAM program, staff designated as IAMs are assigned responsibility for keeping abreast of major agency programs and activities. The broad IAM areas address nuclear reactors, nuclear materials, nuclear waste, information management, security, financial and administrative programs, human resources, and international programs. Appendix E contains a listing of the IAMs and the issue areas for which they are responsible.

The audit planning process, which is informed by the OIG *Strategic Plan* and identified agency management and performance challenges, yields audit assignments that will identify opportunities for efficiency, economy, and effectiveness in NRC programs and operations; detect and prevent fraud, waste, and mismanagement; improve program and security activities at headquarters and regional locations; and respond to emerging circumstances and priorities. The priority for conducting audits is based on (1) mandatory legislative requirements; (2) critical agency risk areas; (3) emphasis by the President, Congress, NRC Chairman, or other NRC Commissioners; (4) a program's susceptibility to fraud, manipulation, or other irregularities; (5) dollar magnitude or resources involved in the proposed audit area; (6) newness, changed conditions, or sensitivity of an organization, program, function, or activities; (7) prior audit experience, including the adequacy of internal controls; and (8) availability of audit resources.

INVESTIGATION STRATEGY

OIG investigation strategies and initiatives add value to agency programs and operations by identifying and investigating allegations of fraud, waste, and abuse leading to criminal, civil, and administrative penalties and recoveries. By focusing on results, OIG has designed specific performance targets with an eye on effectiveness. Because NRC's mission is to protect public health and safety, the main investigative concentration involves alleged NRC misconduct or

inappropriate actions that could adversely impact health and safety-related matters. These investigations typically include allegations of:

- ◆ Misconduct by high-ranking NRC officials and other NRC officials, such as managers and inspectors, whose positions directly impact public health and safety.
- ◆ Failure by NRC management to ensure that health and safety matters are appropriately addressed.
- ◆ Failure by the NRC to appropriately transact nuclear regulation publicly and candidly and to openly seek and consider the public's input during the regulatory process.
- ◆ Conflict of interest by NRC employees with NRC contractors and licensees.
- ◆ Indications of management or supervisory retaliation or reprisal.

OIG will also implement initiatives designed to monitor specific high-risk areas within NRC's corporate management that are most vulnerable to fraud, waste, and abuse. A significant focus will be emerging information technology and national security issues that could negatively impact the security and integrity of NRC data and operations. This will also include efforts to ensure the continued protection of personal privacy information held within agency databases and systems. OIG is committed to improving the security of the constantly changing electronic business environment by investigating unauthorized intrusions and computer-related fraud, and by conducting computer forensic examinations. Other proactive initiatives will focus on determining instances of procurement fraud, identifying vulnerabilities in the nuclear supply chain, theft of property, internal radicalization threats, and Government travel and purchase card abuse.

As part of these proactive initiatives, the OIG will be meeting with agency internal and external stakeholders to identify systemic issues or vulnerabilities. This approach will allow the identification of potential vulnerabilities and an opportunity to improve agency performance, as warranted.

With respect to OIG's strategic goals pertaining to safety and security, OIG routinely interacts with public interest groups, individual citizens, industry workers, and NRC staff to identify possible lapses in NRC regulatory oversight that could impact public health and safety. OIG also conducts proactive initiatives and reviews into areas of current or future regulatory safety or security interest to identify emerging issues or address ongoing concerns regarding the quality of NRC's regulatory oversight. Such areas might include new reactor licensing and relicensing of existing plants and aspects of the transportation and

storage of high-level and low-level waste. Finally, OIG conducts a limited number of Event Inquiries and Special Inquiries. Event Inquiry reports document OIG's examination of events or agency regulatory actions to determine if staff actions may have contributed to the occurrence of an event. Special Inquiry reports document those instances where an investigation identifies inadequacies in NRC regulatory oversight that may have resulted in a potential adverse impact on public health and safety.

Appendix D provides investigation objectives and initiatives for FY 2013. Specific investigations are not included in the plan because investigations are primarily responsive to reported violations of law and misconduct by NRC employees and contractors, as well as allegations of irregularities or abuse in NRC programs and operations.

PERFORMANCE MEASURES

For FY 2013, we will use a number of key performance measures and targets for gauging the relevancy and impact of our audit and investigative work. OIG calculates these measures in relation to each of OIG's strategic goals to determine how well we are accomplishing our objectives. The performance measures are:

1. Percent of OIG products/activities² undertaken to identify critical risk areas or management challenges relating to the improvement of NRC's safety, security, and/or corporate management programs.
2. Percent of OIG products and activities completed that have a high impact³ on improving NRC's safety, security, and/or corporate management programs.
3. Percent of audit recommendations agreed to by agency.
4. Percent of final agency action taken within 2 years on audit recommendations.
5. Percent of agency actions in response to investigative reports.
6. Complete active investigative cases in less than 18 months on average.

² OIG products are issued OIG reports. OIG reports include, by the audit unit, an audit report or evaluation, and by the investigative unit, a report of investigation, an event inquiry, or a special inquiry. Activities are OIG hotline activities or proactive investigative initiatives.

³ High impact is the effect of an issued report or activity undertaken that results in (a) confirming risk areas or management challenges that caused the agency to take corrective action, (b) identifying real dollar savings or opportunities for reduced regulatory burden, (c) identifying significant wrongdoing by individuals that results in criminal or administrative action, (d) clearing an individual wrongly accused, or (e) identifying regulatory actions or oversight that may have contributed to the occurrence of a specific event or incident or resulted in a potential adverse impact on public health and safety.

OPERATIONAL PROCESSES

The following sections detail the approach used to carry out the audit and investigative responsibilities previously discussed.

AUDITS

OIG's audit process comprises the steps taken to conduct audits and involves specific actions, ranging from annual audit planning to performing audit followup. The underlying goal of the audit process is to maintain an open channel of communication between the auditors and NRC officials to ensure that audit findings are accurate and fairly presented in the audit report.

OIG performs the following types of audits:

Performance – Performance audits focus on NRC administrative and program operations and evaluate the effectiveness and efficiency with which managerial responsibilities are carried out, including whether the programs achieve intended results.

Financial – These audits, which include the financial statement audit required by the Chief Financial Officers Act, attest to the reasonableness of NRC's financial statements and evaluate financial programs.

Contracts – Contract audits evaluate the costs of goods and services procured by NRC from commercial enterprises.

The key elements in the audit process are as follows:

Audit Planning – Each year, suggestions are solicited from the Commission, agency management, external parties, and OIG staff. An annual audit plan (i.e., this document) is developed and distributed to interested parties. It contains a listing of planned audits to be initiated during the year and the general objectives of the audits. The annual audit plan is a “living” document that may be revised as issues warrant, with a subsequent redistribution of staff resources.

Audit Notification – Formal notification is provided to the office responsible for a specific program, activity, or function, informing them of OIG’s intent to begin an audit of that program, activity, or function.

Entrance Conference – A meeting is held to advise agency officials of the objective(s), and scope of the audit, and the general methodology to be followed.

Survey – Exploratory work is conducted before the more detailed audit commences to gather data for refining audit objectives, as appropriate; documenting internal control systems; becoming familiar with the activities to be audited; and identifying areas of concern to management.

Audit Fieldwork – A comprehensive review is performed of selected areas of a program, activity, or function using an audit program developed specifically to address the audit objectives.

Discussion Draft Report – A discussion draft copy of the report is provided to agency management to allow them the opportunity to prepare for the exit conference.

Exit Conference – A meeting is held with the appropriate agency officials to discuss the discussion draft report. This meeting provides agency management the opportunity to confirm information, ask questions, and provide any necessary clarifying data.

Final Draft Report – If requested by agency management during the exit conference, a final draft copy of the report that includes comments from the exit conference is provided to the agency to obtain formal written comments.

Final Audit Report – The final report includes, as necessary, any revisions to the facts, conclusions, and recommendations of the draft report discussed in the exit conference or generated in written comments supplied by agency managers. Written comments are included as an

appendix to the report. Some audits are sensitive and/or classified. In these cases, final audit reports are not made available to the public.

Response to Report Recommendations – Offices responsible for the specific program audited provide a written response on each recommendation (usually within 30 days) contained in the final report. Agency management responses include a decision for each recommendation indicating agreement or disagreement with the recommended action. For agreement, agency management provides corrective actions taken or planned and actual or target dates for completion. For disagreement, agency management provides their reasons for disagreement and any alternative proposals for corrective action.

Impasse Resolution – If the response by the action office to a recommendation is unsatisfactory, OIG may determine that intervention at a higher level is required. The Executive Director for Operations is NRC's audit followup official, but issues can be taken to the Chairman for resolution, if warranted.

Audit Followup and Closure – This process ensures that recommendations made to management are implemented.

INVESTIGATIONS

OIG's investigative process normally begins with the receipt of an allegation of fraud, mismanagement, or misconduct. Because a decision to initiate an investigation must be made within a few days of each referral, OIG does not schedule specific investigations in its annual investigative plan.

Investigations are opened in accordance with OIG priorities as set forth in the OIG *Strategic Plan* and in consideration of prosecutorial guidelines established by the local U.S. attorneys for the Department of Justice (DOJ). OIG investigations are governed by the Council of the Inspectors General on Integrity and Efficiency Quality Standards for Investigations, the OIG Special Agent Handbook, and various guidance provided periodically by DOJ.

Only four individuals in the OIG can authorize the opening of an investigative case: the Inspector General (IG), the Deputy IG, the Assistant IG for Investigations, and the Senior Level Assistant for Investigative Operations. Every allegation received by OIG is given a unique identification number and entered into a database. Some allegations result in investigations, while others are retained as the basis for audits, referred to NRC management, or, if appropriate, referred to another law enforcement agency.

When an investigation is opened, it is assigned to a special agent who prepares a plan of investigation. This planning process includes a review of the criminal and civil statutes, program regulations, and agency policies that may be involved. The special agent then conducts the investigation, and uses a variety of investigative techniques to ensure completion.

In cases where the special agent determines that a crime may have been committed, he or she will discuss the investigation with a Federal and/or local prosecutor to determine if prosecution will be pursued. In cases where a prosecuting attorney decides to proceed with a criminal or civil prosecution, the special agent assists the attorney in any preparation for court proceedings that may be required.

For investigations that do not result in prosecution but are handled administratively by the agency, the special agent prepares an investigative report summarizing the facts disclosed during the investigation. The investigative report is distributed to agency officials who have a need to know the results of the investigation. For investigative reports provided to agency officials, OIG requires a response within 120 days regarding action taken as a result of the investigative findings. OIG monitors corrective or disciplinary actions that are taken.

OIG collects data summarizing the criminal and administrative action taken as a result of its investigations and includes this data in its semiannual reports to Congress.

As a complement to the investigation function, OIG also conducts a limited number of Event Inquiries and Special Inquiries. Event Inquiry reports document OIG's examination of events or agency regulatory actions to determine if staff actions may have contributed to the occurrence of an event. Special Inquiry reports document those instances where an investigation identifies inadequacies in NRC regulatory oversight that may have resulted in a potential adverse impact on public health and safety.

HOTLINE

The OIG Hotline Program provides NRC employees, licensee employees, contract employees, and the public with a confidential means of reporting to the OIG instances of fraud, waste, and abuse relating to NRC programs and operations. The toll free number (1-800-233-3497 or TDD 1-800-270-2787) provides easy access for individuals to report any instance of fraud, waste, or abuse to well-trained hotline operators in the OIG. Trained staff is available to answer calls Monday through Friday between 9 a.m. and 4 p.m. (Eastern Standard Time). At other times, callers may leave a message. There is no caller identification feature associated with the Hotline.

Individuals may also provide information via the Internet or by mail. To report fraud, waste, and abuse online, click on "OIG Hotline" found on OIG's Web page (www.nrc.gov/insp-gen.html). To provide information by mail, send all correspondence to the following address:

U.S. Nuclear Regulatory Commission
Office of the Inspector General
Hotline Program
Mail Stop O-5 E13
11555 Rockville Pike
Rockville, MD 20852-2738

**NUCLEAR SAFETY AUDITS
PLANNED FOR FY 2013**

Audit of NRC's Implementation of Its NEPA Responsibilities

DESCRIPTION AND JUSTIFICATION:

The National Environmental Policy Act (NEPA) of 1969 requires Federal agencies to consider the environmental impacts of actions under their jurisdiction. NEPA requires that an environmental impact statement (EIS) of the proposed action be prepared for "major Federal actions significantly affecting the quality of the human environment." Consultations to ensure compliance with other statutory mandates, such as with Section 7 of the Endangered Species Act of 1973 and Section 106 of the National Historic Preservation Act of 1966, are also part of the NEPA review process.

NEPA broadly impacts NRC. Several agency offices conduct environmental reviews. A NEPA review may be initiated in response to a rulemaking, an application for a new license or certification, a license amendment, or a decommissioning plan submitted to the NRC. Generic EISs have been developed to guide staff in the areas of nuclear plant licensing renewal, decommissioning of nuclear facilities, and applications for *in situ* uranium recovery operations. Standard review plans support staff environmental reviews in other areas. Growing public concern over licensing issues such as reactor aging and spent fuel storage heightens the importance of the criteria to determine the appropriate level and adequacy of environmental reviews.

OBJECTIVE:

The audit objective is to determine whether NRC implements its environmental review and consultation responsibilities as prescribed by NEPA.

SCHEDULE:

Initiated in the 4th quarter of FY 2012.

STRATEGIC GOAL 1:

Strengthen NRC's efforts to protect public health and safety and the environment.

Strategy 1-3: Identify risk areas facing the materials programs and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 3:

Management of regulatory processes to meet a changing environment in the oversight of nuclear facilities.

Audit of NRC's Support for Resident Inspectors

DESCRIPTION AND JUSTIFICATION:

The core of the NRC inspection program for nuclear power plants and fuel-cycle facilities is carried out by NRC resident (onsite) inspectors. These inspectors provide an onsite agency presence for direct observation and verification of licensees' ongoing activities. Generally, the NRC regions manage resident inspector assignments, which include at least two inspectors that are assigned to each site for a period of up to 7 years.

Resident Inspector guidance stems from various sources. For example, for operating reactors, Inspection Manual Chapter 1202, "Senior Resident and Resident Inspector Site Turnover," provides guidelines that are intended to ensure that resident inspectors new to a site have the necessary knowledge and site familiarity to successfully implement the reactor oversight process and emergency response duties. Also, resident inspectors are regularly assigned offsite duties (e.g., an inspection at another site) and regional inspectors typically replace them on site during the absence. During the course of their assignment at a site, resident inspectors require support for telecommunications, human resources, technical and legal matters, and other areas. The ability to communicate effectively and efficiently with the regional offices, NRC headquarters, and other resident inspectors is vitally important to their ability to meet the expectations of NRC management and the public.

OBJECTIVE:

The audit objective will be to evaluate the effectiveness of NRC support provided to the resident inspectors at nuclear power plants, fuel-cycle facilities, and construction sites.

SCHEDULE:

Initiate in the 1st quarter of FY 2013.

STRATEGIC GOAL 1:

Strengthen NRC's efforts to protect public health and safety and the environment.

Strategy 1-1: Identify risk areas associated with NRC's Reactor Oversight Process and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 3:

Management of regulatory processes to meet a changing environment in the oversight of nuclear facilities.

Audit of NRC's Oversight of Equipment Aging

DESCRIPTION AND JUSTIFICATION:

The U.S. fleet of commercial nuclear power reactors is aging with an average plant age of more than 30 years. Additionally, over 90 percent of the 104 currently operating power reactors have either received, are awaiting approval for, or intend to seek a 20-year license extension. This presents emergent challenges as previously unseen equipment failures occur. Such aging related failures can affect major components such as unit transformers, reactor coolant/recirculation pumps, and other large motors and present material challenges, such as cracks in thermally treated components, and related equipment degradation. Failures of these components can result in operating anomalies and degraded safety equipment, both affecting nuclear safety.

OBJECTIVE:

The audit objective will be to determine if NRC is providing effective oversight of industry's aging component programs.

SCHEDULE:

Initiate in the 1st quarter of FY 2013.

STRATEGIC GOAL 1:

Strengthen NRC's efforts to protect public health and safety and the environment.

Strategy 1-1: Identify risk areas associated with NRC's Reactor Oversight Process and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 3:

Management of regulatory processes to meet a changing environment in the oversight of nuclear facilities.

Audit of NRC's Process for Addressing Bankruptcy of Materials Licensees

DESCRIPTION AND JUSTIFICATION:

A materials licensee's financial condition could affect its ability to control licensed material. Provisions of the Atomic Energy Act and regulations in Title 10 of the Code of Federal Regulations (10 CFR) require that NRC licensees notify NRC in the case of bankruptcy. These provisions are in place to assure that appropriate measures to protect the public health and safety have been or will be taken. These measures include:

- Maintaining security of licensed material and contaminated facilities.
- Assuring that licensed material is transferred only to properly authorized NRC or Agreement State licensees.
- Assuring that properly trained and experienced personnel are retained to implement appropriate radiation safety measures.

NRC's Bankruptcy Review Team was formed to review and act on bankruptcy notifications as they occur. The team is expected to assess the current public health and safety condition at the licensee's facility and any impacts that bankruptcy could have on licensed operations. NRC staff are then required to address any concerns identified.

OBJECTIVE:

The audit objective will be to determine if NRC assures that appropriate measures to protect the public health and safety have been or will be taken during bankruptcies involving byproduct, source, or special nuclear materials licensees.

SCHEDULE:

Initiate in the 2nd quarter of FY 2013.

STRATEGIC GOAL 1:

Strengthen NRC's efforts to protect public health and safety and the environment.

Strategy 1-3: Identify risk areas facing the materials programs and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 1:

Management of regulatory processes to meet a changing environment in the oversight of nuclear materials.

Audit of NRC's Oversight of Spent Fuel Pools

DESCRIPTION AND JUSTIFICATION:

The tragic events of March 11, 2011, when an earthquake and tsunami struck Japan, damaging several reactors at the Fukushima Dai-ichi site, brought increased attention to the spent fuel pools (SFP) at nuclear power plants. All U.S. nuclear power plants store spent nuclear fuel in SFPs. These pools are made of reinforced concrete several feet thick, with steel liners. The water in the spent fuel pool is typically about 40 feet deep, and serves to shield the radiation and cool the fuel. Most SFPs at U.S. nuclear power plants were not originally designed to have a storage capacity for all the spent fuel generated by their reactors. SFP expansion through the use of high-density storage racks has been the technology most widely used to increase in-pool storage capacity over the past 40 years. Most nuclear power plant operators have increased spent fuel storage capacity through re-racking their SFPs at least once. About 75 percent of the Nation's spent fuel is stored in SFPs, while the remainder is in dry storage casks. With the majority of spent fuel being stored in SFPs, the safe operation of these pools is essential to protecting public health, safety, and the environment.

NRC's requirements for SFPs are in 10 CFR. NRC uses these rules to determine if fuel will remain safe under anticipated operating and accident conditions. NRC also conducts inspections, verifying that spent fuel pools and related operations are consistent with a plant's license.

OBJECTIVE:

The audit objective will be to determine if NRC's oversight of spent fuel pools and the nuclear fuel they contain provides adequate protection for public health, safety, and the environment.

SCHEDULE:

Initiate in the 2nd quarter of FY 2013.

STRATEGIC GOAL 1:

Strengthen NRC's efforts to protect public health and safety and the environment.

Strategy 1-1: Identify risk areas associated with NRC's Reactor Oversight Process and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 4:

Management of issues associated with the safe storage of high-level radioactive waste when there is no long-term disposal solution.

Audit of NRC's Oversight of Reciprocity Licensees

DESCRIPTION AND JUSTIFICATION:

In accordance with Section 274 of the Atomic Energy Act, as amended, States may enter into an agreement with NRC to become Agreement States and assume some regulatory authority from NRC. NRC and the Agreement States regulate the use of nuclear materials for industrial, academic, and medical purposes within the United States, the District of Columbia, territories and certain "areas of exclusive Federal jurisdiction" within the Agreement States, and offshore waters. Agreement State licensees that do not also maintain an NRC license can apply for reciprocity to use nuclear materials in areas of NRC jurisdiction. If NRC approves the reciprocity request after verifying that the licensee has a current Agreement State license, the Agreement State licensee is granted a general license and is authorized to work in areas of NRC jurisdiction. NRC tracks reciprocity licensees using the Reciprocity Tracking System and conducts inspections of Agreement State licensees operating under reciprocity.

Although Agreement States must maintain a regulatory oversight program that is adequate and compatible with NRC's, the programs may differ. Also, radioactive sources used by licensees operating under reciprocity can be dangerous. To ensure adequate protection of public health and safety, NRC needs to conduct adequate oversight of Agreement State licenses operating in NRC jurisdiction.

OBJECTIVE:

The audit objective will be to determine whether NRC provides adequate oversight to materials licensees operating under reciprocity.

SCHEDULE:

Initiate in the 2nd quarter of FY 2013.

STRATEGIC GOAL 1:

Strengthen NRC's efforts to protect public health and safety and the environment.

Strategy 1-3: Identify risk areas facing the materials programs and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 1:

Management of regulatory processes to meet a changing environment in the oversight of nuclear materials.

Audit of NRC's Construction Reactor Oversight Process (cROP)

DESCRIPTION AND JUSTIFICATION:

The Division of Construction Inspection and Operational Programs developed the construction reactor oversight process (cROP) to oversee the construction of new nuclear power plants. The cROP includes developing and maintaining programs in the areas of construction inspection, assessment, and enforcement; inspections, tests, analyses, and acceptance criteria (ITAAC) closure verification; quality assurance; vendor and construction inspection; and operator licensing.

The cROP is intended to serve as an objective and consistent means by which to evaluate new reactor construction through inspection. Findings resulting from new reactor construction inspections are evaluated for significance and a regulatory enforcement action is determined in accordance with the cROP's Construction Action Matrix. Additionally, the agency has also developed a cROP Enforcement Working Group which has been tasked to develop a consensus approach for determining enforcement actions related to violations or other non-conformances.

NRC's ability to oversee the construction of new reactors depends significantly on the successful implementation of the cROP, which in turn affects the agency's ability to meet its mission.

OBJECTIVE:

The audit objective will be to assess the efficiency and effectiveness of NRC's cROP.

SCHEDULE:

Initiate in the 2nd quarter of FY 2013.

STRATEGIC GOAL 1:

Strengthen NRC's efforts to protect public health and safety and the environment.

Strategy 1-1: Identify risk areas associated with NRC's Reactor Oversight Process and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 3:

Management of regulatory processes to meet a changing environment in the oversight of nuclear facilities.

Audit of NRC's Oversight of Management, Storage, and Disposal of Low-Level Radioactive Waste

DESCRIPTION AND JUSTIFICATION:

Low-level radioactive waste (LLRW) is typically produced at nuclear power reactors, hospitals, research facilities, and clinics from the use of nuclear materials for industrial and medical purposes. NRC regulates the management, storage, and disposal of radioactive waste produced as a result of NRC-licensed activities. LLRW includes contaminated protective clothing, equipment and tools, medical supplies, and laboratory animal tissues. Low-level waste disposal occurs at commercially operated low-level waste disposal facilities that must be licensed by either NRC or an Agreement State. In 1980, Congress passed the Low-Level Radioactive Waste Policy Act, which established a system to encourage States to collaborate in building LLRW disposal facilities. There are four existing low-level waste disposal facilities in the United States that accept various types of low-level waste. However, these low-level waste disposal sites accept waste only from certain States or accept only limited types of low-level wastes. LLRW that cannot be disposed of at a commercially operated facility is stored "onsite" where it was produced. Onsite storage increases the risk of accident and subjects workers to an increased likelihood of an unplanned exposure. NRC regulates approximately 1,600 materials licensees whose State compact does not have a LLRW disposal facility or is not affiliated in a compact.

OBJECTIVE:

The audit objective will be to determine if NRC has the requisite processes in place for oversight of management, storage and disposal of low-level waste for NRC licensees.

SCHEDULE:

Initiate in the 3rd quarter of FY 2013.

STRATEGIC GOAL 1:

Strengthen NRC's efforts to protect public health and safety and the environment.

Strategy 1-3: Identify risk areas facing the materials programs and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 1:

Management of regulatory processes to meet a changing environment in the oversight of nuclear materials.

Audit of NRC's Oversight of Medical Uses of Nuclear Material

DESCRIPTION AND JUSTIFICATION:

NRC oversees medical uses of nuclear material through licensing, inspection, and enforcement programs. NRC issues medical use licenses to medical facilities and authorized users, develops guidance and regulations for use by licensees, and maintains a committee of medical experts to obtain advice about the use of byproduct materials in medicine. The types of medical uses regulated by NRC include diagnostic, therapeutic, and research. In the United States about 18 million nuclear medicine procedures are conducted per year. Medical procedures account for nearly all (~96 percent) human exposure to man-made radiation.

On an annual basis, NRC submits a report to Congress on abnormal occurrences that take place across the country. An abnormal occurrence is an unscheduled incident or event that NRC determines to be significant from the standpoint of public health or safety. For a 10-year period (2001-2011), NRC reported 129 abnormal occurrences and almost 80 percent of those were due to medical events.

OBJECTIVE:

The audit objective will be to determine whether NRC's oversight of medical uses of radioactive isotopes adequately protects the public health and safety

SCHEDULE:

Initiate in the 3rd quarter of FY 2013.

STRATEGIC GOAL 1:

Strengthen NRC's efforts to protect public health and safety and the environment.

Strategy 1-3: Identify risk areas facing the materials programs and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 1:

Management of regulatory processes to meet a changing environment in the oversight of nuclear materials.

Audit of NRC's Method for Retaining and Documenting Information Supporting the Yucca Mountain Licensing Process

DESCRIPTION AND JUSTIFICATION:

In March 2010, the Department of Energy filed a motion with NRC to withdraw its license application for the Yucca Mountain High Level Waste (HLW) repository. Subsequently, the former NRC Chairman directed staff to take actions to facilitate an orderly closeout of the Yucca Mountain review process prior to the decision to terminate the agency's review of the Yucca Mountain application, including documenting material reviewed to date for retention purposes and potential future review.

NRC requires that all official records made or received by the agency in the course of official business comply with National Archives and Records Administration and General Services Administration requirements. Agency policy states, "records are to be maintained and preserved as evidence of the NRC's organization, functions, policies, decisions, procedures, operations, or other activities...." Agency policy also specifically addresses the maintenance, storage, and retrieval of official records. Given the uncertainty and public interest surrounding the issue of high-level waste storage, it is important that NRC maintains official agency records related to the review of the Yucca Mountain HLW repository in accordance with Federal requirements and agency policy.

OBJECTIVE:

The audit objective will be to determine if agency policy and procedures on document management are compliant with Federal requirements and provide reasonable assurance that documentation related to the review of the Yucca Mountain facility has been appropriately documented and retained.

SCHEDULE:

Initiate in the 3rd quarter of FY 2013.

STRATEGIC GOAL 1:

Strengthen NRC's efforts to protect public health and safety and the environment.

Strategy 1-4: Identify risk areas associated with low-level waste and the prospective licensing of the high-level waste repository and make recommendations, as warranted for addressing them.

MANAGEMENT CHALLENGES 3 AND 4:

Management of regulatory processes to meet a changing environment in the oversight of nuclear facilities, and Management of issues associated with the safe storage of high-level radioactive waste when there is no long-term disposal solution.

Audit of NRC's Readiness To Review Advanced Reactors

DESCRIPTION AND JUSTIFICATION:

Reactor designers are developing a number of small light-water reactor (LWR) and non-LWR designs employing innovative solutions to technical nuclear power issues. These advanced reactor designs could be used for generating electricity in isolated areas, producing high-temperature process heat for industrial purposes, and for meeting base electrical load demand. NRC expects to receive applications for staff review and approval of some of these designs under 10 CFR Part 52 as early as FY 2014. However, at least one prospective licensee has submitted a set of key licensing assumptions to support licensing and construction of up to six small modular reactor modules under 10 CFR Part 50. NRC has developed its current regulations on the basis of experience gained over the past 40 years from the design and operation of LWR facilities. To facilitate the licensing of new reactor designs that differ from the current generation of large LWR facilities, the NRC staff needs to resolve key safety and licensing issues and develop a regulatory infrastructure to support licensing review of these unique reactor designs.

OBJECTIVE:

The audit objective will be to assess NRC's readiness to perform licensing reviews of advanced small LWR and non-LWR designs.

SCHEDULE:

Initiate in the 4th quarter of FY 2013.

STRATEGIC GOAL 1:

Strengthen NRC's efforts to protect public health and safety and the environment.

Strategy 1-2: Identify risk areas associated with NRC's efforts to (1) prepare for and manage the review of applications for new power reactors, and (2) oversee construction of new power reactors to verify that they are built in conformance with approved designs and in compliance with approved construction standards and make recommendations, as warranted, for addressing the risks.

MANAGEMENT CHALLENGE 3:

Management of regulatory processes to meet a changing environment in the oversight of nuclear facilities.

APPENDIX B

**SECURITY AUDITS
PLANNED FOR FY 2013**

Information Systems Security Evaluation Over NRC's Regional Offices and the Technical Training Center

DESCRIPTION AND JUSTIFICATION:

The Federal Information Security Management Act (FISMA) was enacted on December 17, 2002. FISMA outlines the information security management requirements for agencies, including the requirement for an annual review and annual independent assessment by agency Inspectors General. In addition, FISMA includes new provisions, such as the development of minimum standards for agency systems, aimed at further strengthening the security of Federal Government information and information systems. The annual assessments provide agencies with the information needed to determine the effectiveness of overall security programs and to develop strategies and best practices for improving information security.

Three of NRC's four regional offices have relocated since OIG's 2009 audit to assess security measures at the regions and the Technical Training Center (TTC). The fourth regional office will soon be relocating as well.

OBJECTIVES:

The objectives are to evaluate the (1) adequacy of NRC's information security programs and practices and (2) effectiveness of agency information security control techniques for the regional offices and TTC.

SCHEDULE:

Initiated in the 3rd quarter of FY 2012.

STRATEGIC GOAL 2:

Enhance NRC's efforts to increase security in response to an evolving threat environment

Strategy 2-4: Identify evolving threats to NRC security and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 2:

Management of internal NRC security and oversight of licensee security programs.

FY 2012 Evaluation of FISMA

DESCRIPTION AND JUSTIFICATION:

The Federal Information Security Management Act (FISMA) was enacted on December 17, 2002. FISMA outlines the information security management requirements for agencies, including the requirement for an annual review and annual independent assessment by agency inspectors general. In addition, FISMA includes new provisions, such as the development of minimum standards for agency systems, aimed at further strengthening the security of Federal Government information and information systems. The annual assessments provide agencies with the information needed to determine the effectiveness of overall security programs and to develop strategies and best practices for improving information security.

FISMA provides the framework for securing the Federal Government's information technology, including both unclassified and national security systems. All agencies must implement the requirements of FISMA and report annually to the Office of Management and Budget and Congress on the effectiveness of their security programs.

OBJECTIVE:

The objective is to conduct an independent evaluation of the NRC's implementation of FISMA for FY 2012.

SCHEDULE:

Initiated in the 3rd quarter of FY 2012.

STRATEGIC GOAL 2:

Enhance NRC's efforts to increase security in response to an evolving threat environment

Strategy 2-4: Identify evolving threats to NRC security and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 2:

Management of internal NRC security and oversight of licensee security programs.

Audit of NRC's Implementation of the Reducing Over-Classification Act

DESCRIPTION AND JUSTIFICATION:

According to the U.S. President, protecting national security information and demonstrating our commitment to open Government through the proper application of classification standards are equally important and compatible priorities. The 9/11 Commission concluded that over-classification and inadequate information sharing contributed to the Government's failure to prevent the attacks of 9/11.

The Reducing Over-Classification Act (H.R. 553) establishes procedures to promote information sharing with State, local, tribal, and private sector entities, and provides training and incentives to promote accurate classification of information by Federal employees. The legislation also directs Federal Inspectors General to assess the effectiveness of agency classification policies.

OBJECTIVES:

The audit objectives will be to (1) assess whether applicable classification policies, procedures, rules, and regulations have been implemented and effectively administered; and (2) identify any policies, procedures, rules, regulations, or management practices that may cause persistent over classification of information.

SCHEDULE:

Initiate in the 2nd quarter of FY 2013.

STRATEGIC GOAL 2:

Enhance NRC's efforts to increase security in response to an evolving threat environment.

Strategy 2-4: Identify evolving threats to NRC security and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 2:

Management of internal NRC security and oversight of licensee security programs.

FY 2013 Evaluation of FISMA

DESCRIPTION AND JUSTIFICATION:

The Federal Information Security Management Act (FISMA) was enacted on December 17, 2002. FISMA outlines the information security management requirements for agencies, including the requirement for an annual review and annual independent assessment by agency Inspectors General. In addition, FISMA includes new provisions, such as the development of minimum standards for agency systems, aimed at further strengthening the security of Federal Government information and information systems. The annual assessments provide agencies with the information needed to determine the effectiveness of overall security programs and to develop strategies and best practices for improving information security.

FISMA provides the framework for securing the Federal Government's information technology including both unclassified and national security systems. All agencies must implement the requirements of FISMA and report annually to the Office of Management and Budget and Congress on the effectiveness of their security programs.

OBJECTIVE:

The objective will be to conduct an independent evaluation of the NRC's implementation of FISMA for FY 2013.

SCHEDULE:

Initiate in the 3rd quarter of FY 2013.

STRATEGIC GOAL 2:

Enhance NRC's efforts to increase security in response to an evolving threat environment

Strategy 2-4: Identify evolving threats to NRC security and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 2:

Management of internal NRC security and oversight of licensee security programs.

Audit of NRC's Cyber Security Inspection Program

DESCRIPTION AND JUSTIFICATION:

NRC has required all nuclear power plant licensees to have a cyber security plan to protect their digital computer and communication systems associated with safety, security, and emergency preparedness related functions. Title 10, *Code of Federal Regulations*, Section 73.54, "Protection of Digital Computer and Communication Systems and Networks," provides licensees with the specific requirements. Additionally, both NRC and the Nuclear Energy Institute have issued supplemental guidance documents to assist licensees in understanding and complying with the cyber security requirements.

NRC plans to initiate inspections of licensee compliance with cyber security requirements beginning in January 2013. NRC is currently working to finalize the inspection guidance and significance determination process for evaluating any potential violations.

OBJECTIVE:

The audit objective will be to determine the adequacy of NRC's cyber security inspection program.

SCHEDULE:

Initiate in the 4th quarter of FY 2013.

STRATEGIC GOAL 2:

Enhance NRC's efforts to increase security in response to an evolving threat environment.

Strategy 2-1: Identify risk areas involved in effectively securing both operating and proposed nuclear power plants, nuclear fuel cycle facilities, and nuclear materials and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 2:

Management of internal NRC security and oversight of licensee security programs.

Evaluation of Physical Security at NRC Headquarters, Regional Offices and the Technical Training Center (TTC)

DESCRIPTION AND JUSTIFICATION:

Following the September 11, 2001 attacks, NRC instituted measures to further tighten security at its headquarters, regional offices, and the TTC. Physical security features include guards, card readers, and turnstiles. NRC buildings contain these and other security features and the agency has increasingly hardened its protection against access to its facilities. In addition to existing NRC facilities, NRC is building and plans on occupying the new Three White Flint North (3WFN) building beginning in December 2012. This building will also be included in this evaluation.

OBJECTIVE:

The evaluation objective will be to assess the adequacy of physical security measures at NRC facilities.

SCHEDULE:

Initiate in the 4th quarter of FY 2013.

STRATEGIC GOAL 2:

Enhance NRC's efforts to increase security in response to an evolving threat environment.

Strategy 2-4: Identify evolving threats to NRC security and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 2:

Management of internal NRC security and oversight of licensee security programs.

Evaluation of the Information System Security Officer Function

DESCRIPTION AND JUSTIFICATION:

NRC relies heavily on its information technology (IT) infrastructure and systems to carry out the agency's mission to "license and regulate the Nation's civilian use of byproduct, source, and special nuclear materials to ensure adequate protection of public health and safety, promote the common defense and security, and protect the environment." As a result, risks to these systems have a direct impact on the agency's ability to carry out its mission. As the number and sophistication of cyber attacks grows, so does the likelihood that NRC systems and assets will be susceptible to such attacks.

The Information System Security Officer (ISSO) plays a critical role in addressing and offsetting these risks to NRC systems. Each NRC system has a designated ISSO. The ISSO is at the center of all information system security activities for the system in all stages of the system's life cycle. ISSOs have direct responsibility for protecting a system and the data that system stores and processes, and are responsible for ensuring that the system is properly secured in accordance with NRC and Federal policies and procedures. The ISSO serves as the principal point of contact for questions about all aspects of a system's security.

OBJECTIVE:

The evaluation objective will be to determine the effectiveness of the ISSO function.

SCHEDULE:

Initiate in the 4th quarter of FY 2013.

STRATEGIC GOAL 2:

Enhance NRC's efforts to increase security in response to an evolving threat environment

Strategy 2-4: Identify evolving threats to NRC security and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 2:

Management of internal NRC security and oversight of licensee security programs.

**CORPORATE MANAGEMENT AUDITS
PLANNED FOR FY 2013**

Audit of NRC's Travel Charge Card Program

DESCRIPTION AND JUSTIFICATION:

NRC's Travel Charge Card Program is part of the governmentwide *Commercial Charge Card Program* established to pay the official travel expenses of employees while on temporary duty or other official business travel. The program's intent is to improve convenience for the traveler and reduce the Government's costs of administering travel. The Office of Management and Budget has issued guidance that establishes requirements (including internal controls designed to minimize the risk of travel card misuse) and suggested best practices for the Government travel card programs.

During FY 2011, 2613 NRC employees charged approximately \$8.8 million on travel charge cards, primarily issued to employees as individually billed accounts. Travel cardholders are directly responsible for all charges incurred on their accounts.

The Office of the Chief Financial Officer administers NRC's travel charge card program and controls the use of agency funds to ensure that they are expended in accordance with applicable laws and regulations.

OBJECTIVE:

The objective of this audit are to assess the adequacy and effectiveness of NRC's policies, procedures and internal controls over the travel card program for preventing and detecting travel charge card misuse and delinquencies.

SCHEDULE:

Initiated in the 2nd quarter of FY 2012.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 6:

Administration of all aspects of financial management and procurement.

Audit of NRC's Budget Execution Process

DESCRIPTION AND JUSTIFICATION:

The Federal budget execution process involves activities related to the use of funds appropriated by Congress. This includes the detailed planning of the use of the funds as well as the control of their use to assure that congressional intent for the use of the funds is preserved. During this process, the NRC Chairman, Chief Financial Officer, allottees, allowance holders, allowance financial managers, and funds certifying officials all share responsibilities for ensuring effective financial management concerning the proper administrative control of funds. NRC's managers must ensure that public funds are used for authorized purposes, and used economically, efficiently, and within prescribed limits.

NRC guidance mandates that agency systems for budget execution and the administrative control of funds adhere to policies, procedures, and standards found in management directives, Office of Management and Budget Circular A-34, "Instructions on Budget Execution," as well as other applicable Federal laws and regulations. The Office of the Chief Financial Officer is responsible for the overall control of funds during budget execution. NRC's budget request for FY 2012 was approximately \$1.038 billion and 3,981 full-time equivalents.

OBJECTIVES:

The audit objectives are to determine whether (1) NRC maintains proper financial control over the allotment, allocation, and obligation of appropriated and apportioned funds to ensure compliance with applicable Federal laws, policies, and regulations; and (2) opportunities exist to improve the budget execution process.

SCHEDULE:

Initiated in the 2nd quarter of FY 2012.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 6:

Administration of all aspects of financial management and procurement.

Audit of NRC's FY 2012 Financial Statements

DESCRIPTION AND JUSTIFICATION:

Under the Chief Financial Officers Act and the Government Management and Reform Act, OIG is required to audit the financial statements of the NRC. The report on the audit of the agency's financial statements is due on November 15, 2012. In addition, OIG will issue reports on:

- Special Purpose Financial Statements.
- Implementation of the Federal Managers' Financial Integrity Act.
- Condensed Financial Statements.
- Compliance with the Improper Payments Elimination and Recovery Act of 2010.

OBJECTIVES:

The audit objectives are to:

- Express opinions on the agency's financial statements and internal controls.
- Review compliance with applicable laws and regulations.
- Review the controls in the NRC's computer systems that are significant to the financial statements.
- Assess the agency's compliance with Office of Management and Budget Circular A-123, Revised, *Management's Responsibility for Internal Control*.
- Assess agency compliance with the Improper Payments Elimination and Recovery Act of 2010.

SCHEDULE:

Initiated in the 2nd quarter of FY 2012.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 6:

Administration of all aspects of financial management and procurement.

Survey of NRC's Safety Culture and Climate

DESCRIPTION AND JUSTIFICATION:

In 1998, 2002, 2006, and 2009, OIG contracted with an international survey firm to conduct surveys that evaluated the organizational safety culture and climate of the agency's workforce and identified agency strengths and opportunities for improvements. Comparisons were made to the previous surveys as well as to national and Government norms. In response to the survey results, the agency evaluated the key areas for improvement and developed strategies for addressing them.

A clear understanding of NRC's current safety culture and climate will facilitate identification of agency strengths and opportunities as it continues to experience significant challenges. These challenges include the licensing of new nuclear facilities, disposal of high-level waste, the loss of valuable experience from retirements, operating under continuing resolutions, and legislation that froze Federal civilian employee pay rates.

OBJECTIVE:

The survey objectives are to:

- Measure NRC's safety culture and climate to identify areas of strength and opportunities for improvement.
- Compare the results of this survey against the survey results that OIG reported previously.
- Provide, where practical, benchmarks for the qualitative and quantitative findings against other organizations.

SCHEDULE:

Initiated in the 3rd quarter of FY 2012.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 7:

Management of human capital.

Audit of NRC Training and Development for Safety Oversight

DESCRIPTION AND JUSTIFICATION:

NRC regulates commercial nuclear power plants and nuclear materials, such as nuclear medicine, industrial, and research and development through licensing, inspection and enforcement of regulations. NRC staff perform these oversight activities to assure adequate protection of public health and safety and the environment. Consequently, NRC provides training to staff to improve individual and organizational performance to achieve NRC's mission and performance goals. NRC strives to provide training and development programs for staff in order to:

- Maintain formal qualification requirements.
- Maintain skills need to perform their current job.
- Broaden capabilities to meet future skill needs of the NRC.

For example, staff overseeing materials decommissioning activities must meet minimum qualification requirements and possess the knowledge, skills, and abilities to successfully execute tasks required to adequately oversee materials decommissioning activities. Successful training development programs enhance individual and overall organizational performance.

OBJECTIVE:

The audit objective is to determine if NRC's overall training process adequately and efficiently prepares staff to perform oversight activities to assure protection of public health and safety and the environment.

SCHEDULE:

Initiated in the 4th quarter of FY 2012.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

Strategy 1-3: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 7:

Management of human capital.

Audit of NRC's Safeguards Local Area Network and Electronic Safe System

DESCRIPTION AND JUSTIFICATION:

NRC created a system for the electronic creation, transmission and storage of Safeguards Information (SGI) documents, known as the Safeguards Local Area Network and Electronic Safe (SLES). This system has two components: the Safeguards Information Local Area Network (SGI LAN) and the Electronic Safe (E-Safe). SGI LAN is a local area network with a secure architecture dedicated for use in SGI data processing. E-Safe is a secure electronic data repository for SGI records. SGI LAN provides access to E-Safe.

SLES provides a secure network for authorized users to access SGI documents electronically, reduces the volume of SGI document storage space, implements a secure SGI records repository in compliance with National Archives and Records Administration requirements, and enables record and document management of SGI in a centralized electronic document management system.

The Office of Information Services is the SLES system owner with responsibility for system operation and maintenance.

OBJECTIVE:

The audit objective is to determine if SLES meets its operational capabilities and applicable security controls.

SCHEDULE:

Initiated in the 4th quarter of FY 2012.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 5:

Management of information technology.

Audit of NRC's Information Technology Readiness for Three White Flint North

DESCRIPTION AND JUSTIFICATION:

Since July 2010, NRC has been building a third office building at its headquarters location in Rockville, MD. The Three White Flint North (3WFN) addition will provide adequate office space for all headquarters employees at one centralized campus. Currently there are several NRC offices located at four separate leased spaces in Rockville and Bethesda, MD. It is anticipated that NRC will begin moving into 3WFN by December 2012. There are seven offices that are slated to move to the new building, with an anticipated move completion by March 2013.

Prior to moving staff into the building, NRC must ensure that the information technology infrastructure is in place to allow staff to be fully functional in the new facility. This includes ensuring that all systems that are currently located at other facilities are transported back the NRC campus so employees have access to the systems they need to perform their jobs. The Office of Information Services, in conjunction with the Office of Administration, is responsible for planning, directing, and implementing this new infrastructure and ensuring that all systems are up and running prior to NRC staff occupying the new facility.

OBJECTIVE:

The audit objective will be to evaluate NRC's information technology readiness during the transition to 3WFN.

SCHEDULE:

Initiate in the 1st quarter of FY 2013.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 5:

Management of information technology.

Audit of NRC's Receipt, Recordation, and Reconciliation of Revenue

DESCRIPTION AND JUSTIFICATION:

The Chief Financial Officer's Act of 1990, as amended aimed to bring more effective financial management to the Federal Government and provide decision-makers with complete, reliable and timely financial information. The Independent Offices Appropriation Act requires NRC to charge fees to cover the costs of services provided to the public. The Omnibus Budget Reconciliation Act of 1990, as amended, requires that NRC recover approximately 90 percent of its budget authority by collecting fees from its applicants and licensees.

Numerous NRC Management Directives provide guidance regarding revenue collection, recordation and reconciliation

Recent OIG audits have uncovered weaknesses in the internal controls related to revenue in programs under review including instances where program managers do not track revenue. This audit will help the agency determine how effectively it manages the receipt of over \$900 million annually.

OBJECTIVE:

The audit objective will be to determine whether NRC has established and implemented an effective system of internal control over the receipt, recordation, and reconciliation of revenue.

SCHEDULE:

Initiate in the 1st quarter of FY 2013.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 6:

Administration of all aspects of financial management and procurement.

Audit of NRC's Use of the NEWFlex Program

DESCRIPTION AND JUSTIFICATION:

Federal agencies must determine (1) whether to establish alternative work schedule programs, (2) how to administer the programs efficiently, (3) how to comply with the spirit of the President's memoranda of July 11, 1994, and June 21, 1996, on providing family-friendly work arrangements, and (4) ensure that the programs do not cause an adverse agency impact. Agencies wishing to establish flexible or compressed work schedules permitted under 5 U.S.C. 6122 and 5 U.S.C 6127 do not need Office of Personnel Management approval.

NEWFlex is a program that offers expanded work schedule and additional credit hour options to help employees balance their work/life activities while at the same time assuring that each NRC office is able to execute its mission. This program is available to almost all NRC staff. The program offers a flexible (variable) schedule which includes, but is not limited to, an extension of hours, schedules that can vary day-to-day, and core hours. The program also applies to employees while working at home and supports the agency's telework initiative.

OBJECTIVES:

The objectives of this audit will be to determine (1) NRC's adherence to applicable laws and regulations; (2) the adequacy of NRC's internal controls associated with the NewFlex program; and whether the program adequately addresses unique situations such as drug testing, official travel, and other events.

SCHEDULE:

Initiate in the 1st quarter of FY 2013.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 6:

Administration of all aspects of financial management and procurement.

Audit of NRC's FY 2013 Financial Statements

DESCRIPTION AND JUSTIFICATION:

Under the Chief Financial Officers Act and the Government Management and Reform Act, OIG is required to audit the financial statements of the NRC. The report on the audit of the agency's financial statements is due on November 15, 2013. In addition, OIG will issue reports on:

- Special Purpose Financial Statements.
- Implementation of the Federal Managers' Financial Integrity Act.
- Condensed Financial Statements.
- Compliance with the Improper Payments Elimination and Recovery Act of 2010.

OBJECTIVES:

The audit objectives will be to:

- Express opinions on the agency's financial statements and internal controls.
- Review compliance with applicable laws and regulations.
- Review the controls in the NRC's computer systems that are significant to the financial statements.
- Assess the agency's compliance with Office of Management and Budget Circular A-123, Revised, *Management's Responsibility for Internal Control*.
- Assess agency compliance with the Improper Payments Elimination and Recovery Act of 2010.

SCHEDULE:

Initiate in the 2nd quarter of FY 2013.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 6:

Administration of all aspects of financial management and procurement.

Audit of NRC's Information Technology Governance

DESCRIPTION AND JUSTIFICATION:

Information technology (IT) governance pertains to stewardship of IT resources in order to most efficiently and effectively attain agency vision, mission, goals and objectives.

NRC has two IT governance boards – the Information Technology/Information Management Board (ITB) and the Information Technology/Information Management Portfolio Executive Council (IPEC). The ITB is a review body created to make recommendations on the agency's IT architecture, perform portfolio analyses, and review technologies and standards. The IPEC is an executive management body established to provide strategic direction and to set fiscal year priorities, among other things. NRC also performs other types of management control activities that are overseen by these governance boards.

OBJECTIVE:

The audit objective will be to assess the effectiveness of NRC's current IT governance in meeting the agency's current and future IT needs.

SCHEDULE:

Initiate in the 2nd quarter of FY 2013.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 5:

Management of information technology.

Audit of NRC's Management of Change

DESCRIPTION AND JUSTIFICATION:

Change management consists of the processes, tools and techniques for managing change. Change management is frequently used in private industry and government organizations to facilitate and monitor implementation of a major change. Most change processes contain three phases that respectively address 1) preparing for change, 2) managing change, and 3) reinforcing change.

Change management is typically applied in a graded approach with more structure, oversight, and effort for more significant and potentially difficult changes. It has proven effective in implementing technical system changes, such as new software systems for recording time and attendance, as well as organizational changes, such as the establishment of new offices.

NRC's ability to effectively manage organizational, technical, and procedural change is a critical performance characteristic which can significantly affect NRC's ability to carry out its mission.

OBJECTIVE:

The audit objective will be to assess the efficiency and effectiveness of NRC's management of change.

SCHEDULE:

Initiate in the 2nd quarter of FY 2013.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted for addressing them.

MANAGEMENT CHALLENGE 7:

Management of human capital.

Audit of the Administration of Enterprise-wide Contracts

DESCRIPTION AND JUSTIFICATION:

In March 2010, the NRC implemented a 21st Century Acquisition Program that uses state-of-the-art acquisition methodologies for acquisition planning, execution, management, and closeout. The Office of Administration, Directorate for Strategic Acquisition, is responsible for implementing, coordinating, and overseeing the 21st Century Acquisition Program.

One of the components of the program is strategic sourcing, an acquisition strategy that uses the agency's actual spend data to evaluate potential candidates for Enterprise-wide contracts. These contracts allow stakeholders throughout the agency to tap existing contracts for specific commodities, yielding savings in price and time. The principal reasons for the agency shift to a strategic sourcing strategy are to: 1) consolidate requirements; 2) maximize pricing efficiencies; and 3) use agency resources more wisely. The savings realized through this approach include reduction in contract administration effort and reduction in contract costs.

OBJECTIVE:

The audit objective will be to assess the efficiency and effectiveness of NRC's administration of Enterprise-wide contracts, including communication and coordination between stakeholders within the agency, and review and payment of invoices.

SCHEDULE:

Initiate in the 3rd quarter of FY 2013.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 6:

Administration of all aspects of financial management and procurement.

Evaluation of NRC's Most Serious Management and Performance Challenges

DESCRIPTION AND JUSTIFICATION:

In January 2000, Congress enacted the Reports Consolidation Act of 2000, which requires Federal agencies to provide an annual report that would consolidate financial and performance management information in a more meaningful and useful format for Congress, the President, and the public. Included in the act is a requirement that, on an annual basis, Inspectors General (IGs) summarize the most serious management and performance challenges facing their agencies. Additionally, the act provides that IGs assess their respective agency's efforts to address the challenges, compare and contrast the new management and performance challenges listing with previous listings, and identify programs and performance areas that "have had questionable success in achieving results."

OBJECTIVES:

The evaluation objectives will be to:

- Identify the most serious management and performance challenges facing the NRC.
- Assess the agency's efforts to address the management and performance challenges.
- Identify any related agency programs that have had questionable success in achieving results.

SCHEDULE:

Initiate in the 3rd quarter of FY 2013.

STRATEGIC GOALS AND STRATEGIES:

Addresses all OIG strategic goals and strategies.

MANAGEMENT CHALLENGE:

Addresses all management challenges.

Audit of NRC's Process for Revising Management Directives

DESCRIPTION AND JUSTIFICATION:

The Management Directives (MD) system is the official vehicle utilized by NRC to communicate agency policy, objectives, responsibilities, authorities, requirements, guidance, and related information to NRC employees. MDs do not propose new policy; rather, they reflect policy decisions already made and provide the process and guidance for implementing that policy. NRC issues MDs, as well as revisions, to meet the requirement that all Federal agencies have an internal MD system. As of July 31, 2012, there are 163 MDs covering 14 areas of agency operations.

MD 1.1, *NRC Management Directives System*, addresses the requirements for maintenance of MDs. This MD provides that, at least every five years, MDs must be reviewed and reissued or certified as still relevant.

The Office of Administration provides oversight for and develops and administers the MD system, including the issuance of approved policies and procedures, the provision of advice and guidance, and the review of its operation and effectiveness.

OBJECTIVE:

The audit objective will be to evaluate the adequacy of NRC's compliance with MD 1.1, particularly in the areas of keeping MDs accurate and up-to-date.

SCHEDULE:

Initiate in the 3rd quarter of FY 2013.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

STRATEGY 3.1:

Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 7:

Management of human capital.

Audit of the Financial Accounting and Integrated Management Information System

DESCRIPTION AND JUSTIFICATION:

The Financial Accounting and Integrated Management Information System (FAIMIS), is NRC's official system of record for all of the agency's financial operations. FAIMIS is a multi-tier, Web-based, financial management system that provides both financial planning capabilities and the means to record financial transactions. FAIMIS allows users to track and manage the budget, agency expenditures, licensee fee billings, employee payroll, and travel.

FAIMIS supports dynamic interoperability with other NRC and Federal systems to ensure there are complete records of all NRC financial operations. Specifically, FAIMIS interacts with other financial systems such as the budget formulation system, time and labor system, and the agency's e-Travel system. FAIMIS is also directly connected to the operational aspect of NRC by connecting to the Reactor Program System, License Tracking System, and Enterprise Project Management system.

OBJECTIVE:

The audit objective will be to determine if FAIMIS meets its operational capabilities and applicable security controls.

SCHEDULE:

Initiate in the 4th quarter of FY 2013.

STRATEGIC GOAL 3:

Increase the economy, efficiency, and effectiveness with which NRC manages and exercises stewardship over its resources.

Strategy 3-1: Identify areas of corporate management risk within NRC and make recommendations, as warranted, for addressing them.

MANAGEMENT CHALLENGE 5:

Management of information technology.

**INVESTIGATIONS –
PRIORITIES, OBJECTIVES,
AND INITIATIVES FOR FY 2013**

INTRODUCTION

The Assistant Inspector General for Investigations (AIGI) has responsibility for developing and implementing an investigative program that furthers OIG's objectives. The AIGI's primary responsibilities include investigating possible violations of criminal statutes relating to NRC programs and activities, investigating allegations of misconduct by NRC employees, interfacing with the Department of Justice (DOJ) on OIG-related criminal matters, and coordinating investigations and OIG initiatives with other Federal, State, and local investigative agencies and other AIGIs.

Investigations covering a broad range of allegations concerning criminal wrongdoing or administrative misconduct affecting various NRC programs and operations may be initiated as a result of allegations or referrals from private citizens; licensee employees; NRC employees; Congress; other Federal, State, and local law enforcement agencies; OIG audits; the OIG Hotline; and proactive efforts directed at areas bearing a high potential for fraud, waste, and abuse.

This investigative plan was developed to focus OIG investigative priorities and use available resources most effectively. It provides strategies and planned investigative work for FY 2013 in conjunction with the OIG *Strategic Plan*. The most serious management and performance challenges facing the NRC as identified by the Inspector General were also considered in the development of this plan.

PRIORITIES

The OIG will initiate approximately 60 investigations and a limited number of Event/Special Inquiries in FY 2013. As in the past, reactive investigations into allegations of criminal and other wrongdoing will continue to claim priority on OIG's use of available resources. Because NRC's mission is to protect public health and safety and the environment, Investigations' main concentration of effort and resources will involve investigations of alleged NRC staff misconduct that could adversely impact public health and safety related matters.

OBJECTIVES

To facilitate the most effective and efficient use of limited resources, Investigations has established specific objectives aimed at preventing and detecting fraud, waste, and abuse as well as optimizing NRC effectiveness and efficiency. Investigations will focus its investigative efforts in six broad-based areas, as follows, which include possible violations of criminal statutes relating to NRC programs and operations and allegations of misconduct by NRC employees.

INITIATIVES

Safety and Security

- ◆ Investigate allegations that NRC employees improperly disclosed alleged (mainly licensee employees) identities and allegations, NRC employees improperly handled alleged concerns, and NRC failed to properly address retaliation issues involving licensee employees who raised health and safety concerns at nuclear power plants.
- ◆ Examine allegations that NRC has not maintained an appropriate “arms length” distance from licensees, particularly in the inspection process.
- ◆ Investigate allegations that NRC employees released predecisional, proprietary, or official-use-only information to the nuclear industry that could have had an impact on nuclear power plant operations or interfered with litigation involving agency decisions.
- ◆ Investigate allegations that NRC employees had improper personal relationships with NRC licensees and where NRC employees violated governmentwide ethics regulations concerning the solicitation of employment with NRC licensees.
- ◆ Interact with public interest groups, individual alleged, and industry workers to identify indications of lapses in NRC regulatory oversight that could create safety and security problems.
- ◆ Maintain close working relationships with members of NRC’s technical staff to facilitate the flow of information and concerns regarding possible nuclear safety and security issues.
- ◆ Maintain close working relationships with members of the intelligence community to identify and ameliorate vulnerabilities and threats to NRC employees and resources.
- ◆ Conduct a limited number of Event and Special Inquiries into specific events that indicate an apparent shortcoming in NRC’s regulatory oversight of the nuclear industry’s safety and security programs to determine the appropriateness of the staff’s actions to protect public health and safety.
- ◆ Proactively review and become knowledgeable in areas of NRC staff regulatory emphasis to identify emerging issues that may require future OIG involvement. Also provide real time OIG assessments of the appropriateness of NRC staff’s handling of contentious regulatory activities related to nuclear safety and security matters.

- ◆ Identify risks associated with the proliferation of nuclear material and nuclear technology.
- ◆ Proactively assign resources dedicated to identifying internal and external threats to NRC operations.
- ◆ Identify threats and vulnerabilities in the nuclear supply chain.
- ◆ Take an aggressive stand to protect NRC's infrastructure against both internal and external computer intrusions by working in close coordination with staff within the Office of Information Services and NRC systems administrators. This will include developing and disseminating intelligence to assist in protecting NRC computer systems and aggressively pursuing suspected computer intrusion incidents.

Corporate Management

- ◆ Attempt to detect possible wrongdoing perpetrated against NRC's procurement and contracting and grant program by maintaining a close working relationship with the Office of Administration, Division of Contracts (DC) and cognizant NRC Program Offices. This will include periodic meetings between OIG and DC management officials and a fraud awareness presentation by OIG special agents to DC contract specialists, NRC project managers, NRC project officers, and other identified employees.
- ◆ Aggressively pursue investigations appropriate for Program Fraud Civil Remedies Act action, including abuses involving false reimbursement claims by employees and contractors.
- ◆ Coordinate with NRC property custodians and the Division of Facilities and Security (DFS) in instances involving theft of computers and other agency equipment.
- ◆ Coordinate with DFS regarding accountability issues surrounding property purchased with NRC funds by a contractor or property furnished by the NRC to a contractor.
- ◆ Coordinate with the Office of the Chief Financial Officer in instances involving abuse of individual travel cards issued to agency employees as well as purchase cards issued for the procurement of supplies and equipment.
- ◆ Coordinate with OIG Audit IAMs in an effort to identify areas or programs with indicators of possible fraud, waste, and abuse.
- ◆ Conduct fraud awareness and information presentations for NRC employees and external stakeholders regarding the role of NRC OIG.

OIG Hotline

- ◆ Promptly process complaints received via the OIG Hotline. Initiate investigations when warranted and properly dispose of allegations that do not warrant OIG investigation.

Freedom of Information Act/Privacy Act

- ◆ Promptly process all requests for information received under the Freedom of Information Act. Coordinate as appropriate with the General Counsel to the IG and the Freedom of Information Act/Privacy Section.

NRC Support

- ◆ Participate as observers on Incident Investigation Teams and Accident Investigation Teams as determined by the IG.

Liaison Program

- ◆ Maintain close working relationships with other law enforcement agencies, public interest groups, and the Congress. This will be accomplished through periodic meetings with AIGs, pertinent congressional staff, public interest groups, and appropriate law enforcement organizations.
- ◆ Maintain a viable regional liaison program to foster a closer working relationship with NRC regional offices.
- ◆ Establish and maintain NRC OIG active participation in OIG community fraud working groups, multiagency fraud task forces, and multiagency undercover operations where a nexus to NRC programs and operations has clearly been established.

ALLOCATION OF RESOURCES

Investigations undertakes both proactive initiatives and reactive investigations. Approximately 85 percent of available investigative resources will be used for reactive investigations. The balance will be allocated to proactive investigative efforts such as reviews of NRC contract files, examinations of NRC information technology systems to identify weaknesses or misuse by agency employees, participation in interagency task forces and working groups, reviews of delinquent Government travel and purchase card accounts, and other initiatives.

**ISSUE AREAS AND DESIGNATED
ISSUE AREA MONITORS**

ISSUE AREAS AND DESIGNATED ISSUE AREA MONITORS

NUCLEAR SAFETY

NUCLEAR REACTOR SAFETY

Ziad Buhaissi
Andrea Ferkile
Vicki Foster
Kevin Nietmann
Larry Weglicki
R.K. Wild
Tim Wilson

NUCLEAR MATERIALS SAFETY AND SAFEGUARDS

Levar Cole
Maxinne Lorette
Sherri Miotla
Kevin Nietmann
Michael Zeitler

NUCLEAR WASTE SAFETY

Amy Hardin
Kristen Lipuma
Kevin Nietmann
Jacki Storch
Robert Woodward

SECURITY AND INFORMATION TECHNOLOGY

INFORMATION MANAGEMENT AND SECURITY

Avinash Jaigobind
Beth Serepca
Rebecca Underhill

NUCLEAR SECURITY

Michael Blair
Paul Rades
Larry Vaught

CORPORATE MANAGEMENT

FINANCIAL AND ADMINISTRATIVE

Gail Butler
Mary Meier
Eric Rivera
Michael Steinberg
Kathleen Stetson

CONTRACTS AND PROCUREMENT

Terri Cooper
Kathleen Stetson

HUMAN RESOURCES

Gail Butler
Michael Steinberg

INTERNATIONAL PROGRAMS

Terri Cooper
Mary Meier

**ABBREVIATIONS
AND ACRONYMS**

ABBREVIATIONS AND ACRONYMS

AIGI	Assistant Inspector General for Investigations
CFR	Code of Federal Regulations
cROP	construction reactor oversight process
DC	Division of Contracts
DCAA	Defense Contract Audit Agency
DFS	Division of Facilities and Security
DOJ	U.S. Department of Justice
EIS	Environmental Impact Statement
E-Safe	Electronic Safe
FAIMIS	Financial Accounting and Integrated Management Information System
FISMA	Federal Information Security Management Act
FY	fiscal year
IAM	Issue Area Monitor
IG	Inspector General
IPEC	Information Technology/Information Management Portfolio Executive Council
ISSO	Information System Security Officer
IT	information technology
ITAAC	inspections, tests, analyses, and acceptance criteria
ITB	Information Technology/Information Management Board
LLRW	low-level radioactive waste
LWR	light-water reactor
MD	Management Directive
NEPA	National Environmental Policy Act
NRC	U.S. Nuclear Regulatory Commission
OIG	Office of the Inspector General
SFP	spent fuel pool
SGI	Safeguards Information
SLES	Safeguards Information Local Area Network and Electronic Safe
TTC	Technical Training Center
3WFN	Three White Flint North