



**Briefing for  
Organization of Agreement States  
August 26, 2010**

# Inspector General Act

- Cornerstone of IG's organizational existence
- Originally enacted in October 1978
- NRC OIG established in 1989

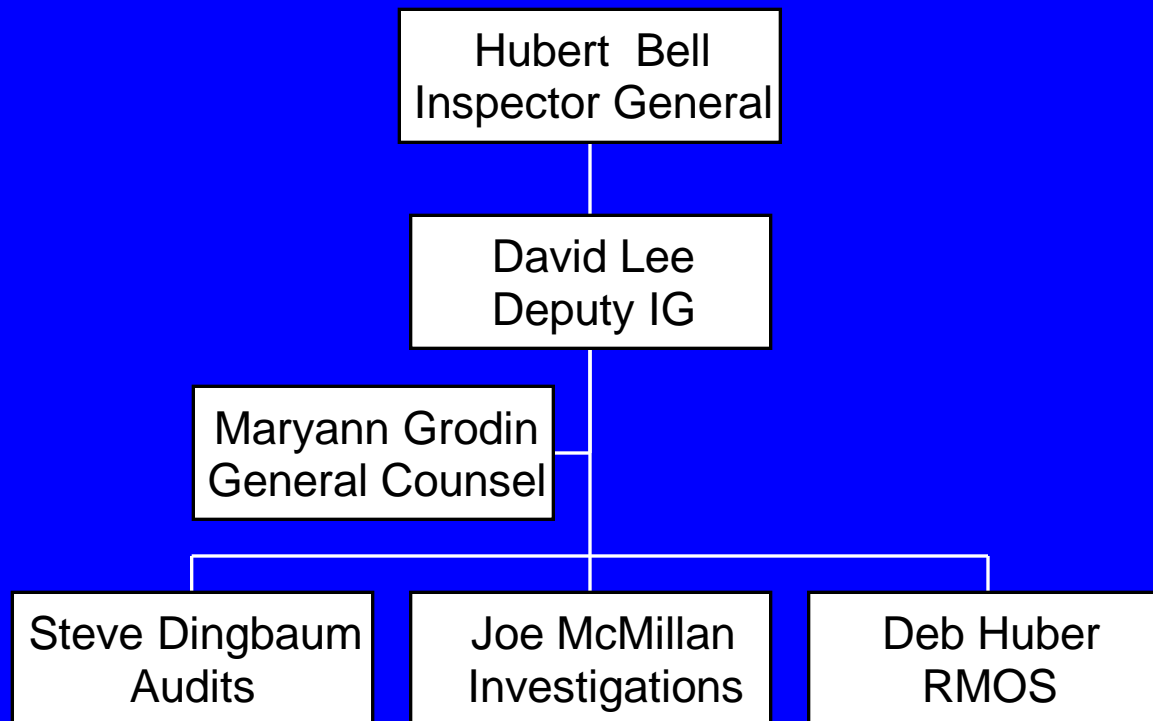
# Inspector General Act

- NRC Inspector General
  - Appointed by President
    - Advice and consent of the Senate
  - Works under “general supervision” of Chairman
  - Dual reporting responsibilities
    - Chairman
    - Congress

# IG Act

- Independent management authority
  - Separate appropriation
  - Exclusive personnel authority for IG employees
  - Contract for goods and services
  - No agency program responsibilities

# Office of Inspector General



# IG Responsibilities

- NRC OIG
  - Conduct and supervise audits and investigations
  - Promote economy and efficiency
  - Prevent and detect fraud, waste, and abuse

# GAO vs. OIG

- GAO
  - Part of Legislative Branch
  - Evaluates programs across agency lines
  - Access to final documents
- OIG
  - Part of Executive Branch
  - Evaluate agency programs
  - Full access to all agency records

# Audits and Investigations

- Audits

- Review programs
- Follow strict audit principles

- Government Auditing Standards

- Investigations

- Issue specific
- Follow federal investigation standards

- CIGIE
- DOJ
- OIG



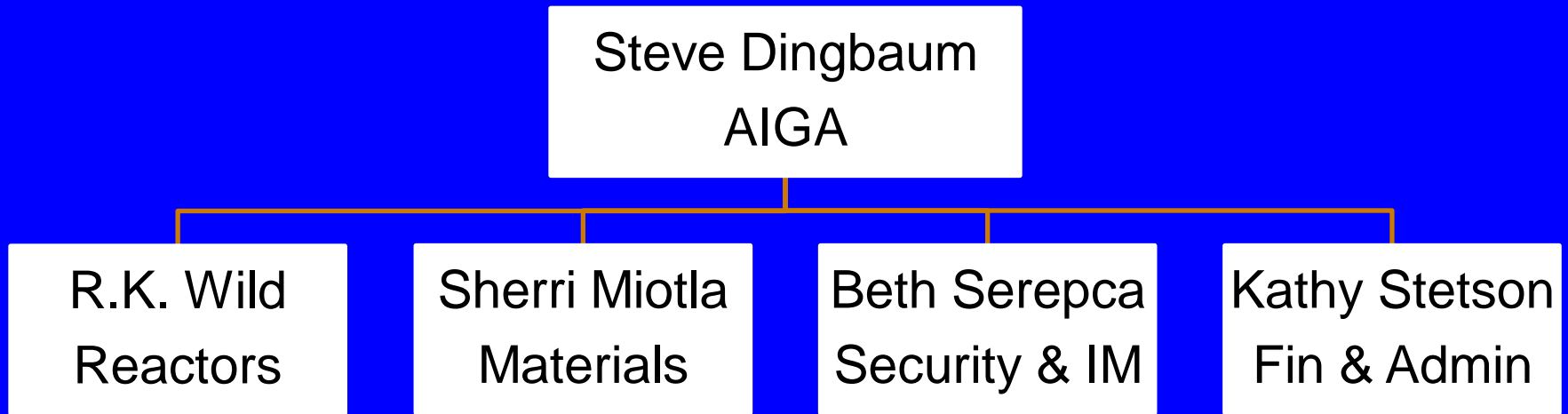
# OIG Reports

- Principal work product of OIG
- Normally issued to Executive Director for Operations
- All recommendations followed until final agency action is completed
- Investigative reports may also be sent to United States Attorney for prosecutorial consideration

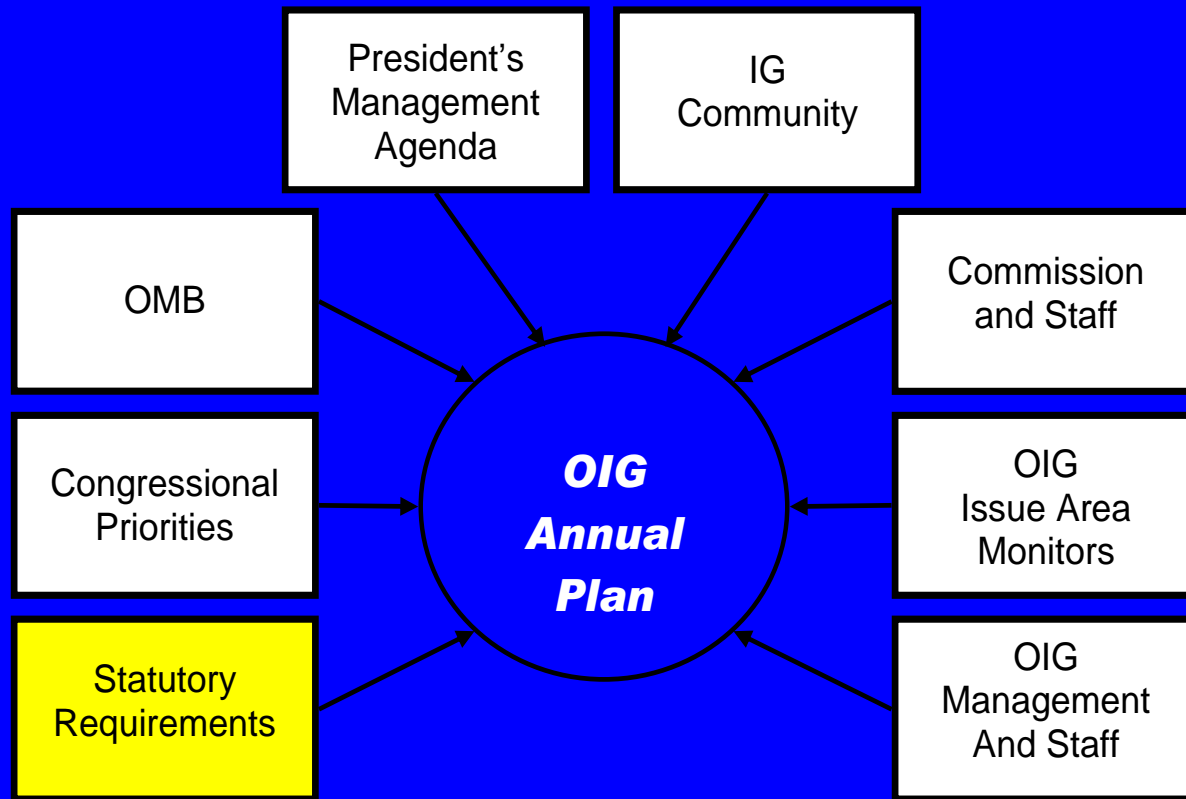
# Audit Objectives

- Promote cost-effective management
  - Funds put to better use
  - Program administered in accordance with law
  - Identify fraud, waste, and abuse
- Address Congressional concerns
- Express an audit opinion on NRC's financial statements

# OIG AUDITS



# Input into Audit Plan



# OIG Audit Priorities

- Mandatory legislative requirements
- Emphasis by President, Congress, NRC
- High risk
- Size of program

# Recent Audits

- Agreement State Program (OIG-09-A-08)
  - *Operational issues (lessons learned) not documented*
  - *Emergency operations need improvement*
  - *Communication with Agreement States not systematic or consistent*
- National Source Tracking System
  - *Licensees have not embraced NSTS technology*
  - *NSTS has problems with timeliness and accuracy*
  - *Access controls need improvement*

# Recent Audits

- Security of Industrial Irradiators
  - *Security Inspections should be based on risk*
  - *Increased monitoring of individuals with unescorted access is needed*
  - *Security refresher training is needed*

# Planned Audits

- Radiography
  - *Does NRC provide adequate assurance that sources remain under control?*
- General Licenses
  - *Does NRC provide the necessary accountability and tracking of generally licensed devices?*

# Draft Reports

- Issued to NRC's Executive Director (EDO)
  - EDO forwards to appropriate NRC offices
  - Do not go outside NRC
- OAS Exception
  - Chair of Executive Board
  - Non-disclosure Memorandum of Understanding