



U.S. Nuclear Regulatory Commission Defense Nuclear Facilities Safety Board

**Office of the Inspector General
FY 2021 Performance Report**

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INTRODUCTION

The U.S. Nuclear Regulatory Commission (NRC) began operations in 1975 as an independent agency within the executive branch with responsibility for regulating the various commercial and institutional uses of nuclear materials. The agency succeeded the Atomic Energy Commission, which previously had responsibility for both developing and regulating nuclear activities. Under its responsibility to protect public health and safety, the NRC has the following main regulatory functions: (1) establish standards and regulations; (2) issue licenses, certificates, and permits; (3) ensure compliance with established standards and regulations; and, (4) conduct research, adjudication, and risk and performance assessments to support regulatory decisions. These regulatory functions include regulating nuclear power plants, fuel cycle facilities, and other civilian uses of radioactive materials. Such civilian uses include nuclear medicine programs at hospitals, academic activities at educational institutions, research, and industrial gauges and testing equipment.

Congress created the Defense Nuclear Facilities Safety Board (DNFSB) in 1988, also as an independent agency within the executive branch, to identify the nature and consequences of potential threats to public health and safety at the U.S. Department of Energy's (DOE) defense nuclear facilities, to elevate such issues to the highest levels of authority, and to inform the public. Since the DOE is a self-regulating entity, the DNFSB constitutes the only independent technical oversight of operations at the nation's defense nuclear facilities. The DNFSB is composed of experts in the field of nuclear safety with demonstrated competence and knowledge relevant to its independent investigative and oversight functions.

The NRC's Office of the Inspector General (OIG) was established as a statutory entity on April 15, 1989, in accordance with the 1988 amendment to the Inspector General Act. The NRC OIG's mission is to provide independent, objective audit and investigative oversight of NRC and the DNFSB operations. In addition, the OIG reviews existing and proposed regulations, legislation and directives and provides comments, as appropriate, regarding any significant concern. Since fiscal year (FY) 2014, per the Consolidated Appropriations Act, 2014, the NRC's OIG has exercised the same authorities with respect to the DNFSB.

The Inspector General keeps the NRC Chairman, NRC Commissioners, DNFSB Chairman, DNFSB Board Members, and Members of Congress fully and currently

informed about problems, makes recommendations to the agencies for corrective actions, and monitors the NRC's and the DNFSB's progress in implementing such actions. In fulfilling its mission, the OIG assists the NRC and the DNFSB in accomplishing their own missions by ensuring integrity, efficiency, and accountability in the agencies' respective programs.

PROGRAM ACTIVITIES

The OIG accomplishes its mission through its audit, investigative, and management and operational support programs, as well as through legislative and regulatory review activities. To fulfill its audit mission, the OIG conducts evaluations as well as performance, financial, and contract audits.

To fulfill its investigative mission, the OIG conducts investigations relating to the integrity of NRC and DNFSB programs and operations. Most OIG investigations focus on allegations of fraud, waste, and abuse, or violations of law or misconduct by NRC and DNFSB employees and contractors.

ORGANIZATION OF THIS REPORT

Sections I and II of this report describe, respectively, NRC and DNFSB strategic goals, strategies, actions, and performance data for their work during FY 2021. Section III describes the OIG's human capital strategic goal, strategies, actions, and performance data for FY 2021. Section IV provides information on OIG resources, measurement methodology, cross-cutting efforts, and peer reviews, and Section V provides conclusions about FY 2021 performance.

SECTION I. THE OIG'S STRATEGIC GOALS, STRATEGIES, ACTIONS, AND PERFORMANCE DATA FOR THE NRC

The OIG Strategic Plan features three goals, and guides the activities of the OIG's Audits and Investigations programs at the NRC for FY 2019 through FY 2023. The plan identifies the major challenges and risk areas facing the NRC, and generally aligns with the agency's mission.

OIG Strategic Goals for the NRC

- Strengthen the NRC's efforts to protect public health and safety, and the environment.
- Strengthen the NRC's security efforts in response to an evolving threat environment.
- Increase the economy, efficiency, and effectiveness with which the NRC manages and exercises stewardship over its resources.

The plan presents the OIG's priorities for the covered timeframe and describes its strategic direction to stakeholders, including the NRC Chairman and the U.S. Congress. From this perspective, it presents the OIG's results-based business case, explaining the return on investment. It also strengthens the OIG by providing a shared set of expectations regarding the goals the OIG expects to achieve and the strategies that will be used to do so. The OIG adjusts the plan as circumstances necessitate, uses it to develop its annual plan and performance budget, and holds managers and staff accountable for achieving the goals and outcomes.

The OIG's strategic plan also includes a number of supporting strategies and actions that describe planned accomplishments. Through associated annual planning activities, audit and investigative resources focus on assessing the NRC's safety, security, and corporate management programs as they relate to the major challenges and risk areas facing the NRC. The work of OIG auditors and investigators support and complement each other in the pursuit of these objectives.

Strategic Goal 1: Safety

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

Discussion: The NRC performs critical functions to ensure the safe and secure use of radioactive materials in the United States, and to protect both the public and workers from hazards that could result from the use of radioactive materials. The NRC provides licensing and oversight services for 93 commercial nuclear power reactors; research, test, and training reactors; radioactive materials used in medicine, academia, and industry; and, nuclear waste.

The NRC is responsible for maintaining an established regulatory framework for the safe and secure use of civilian nuclear reactors, including commercial nuclear power

plants, as well as research, test, and training reactors. The NRC's regulatory oversight responsibilities regarding reactors include developing policy and rulemaking, licensing and inspecting reactors, licensing reactor operators, and enforcing regulations. The agency's responsibilities also include overseeing an increasing number of plants that are ceasing operations and undergoing decommissioning.

The NRC is also responsible for regulatory oversight of nuclear materials in medical, industrial, and academic applications; uranium recovery activities; and the storage and disposal of high-level and low-level radioactive waste. The NRC is authorized to grant licenses for the possession and use of radioactive materials, and to establish regulations governing the possession and use of those materials.

Upon a state's request, the NRC may enter into an agreement to relinquish its authority to the state to regulate certain radioactive materials and limited quantities of special nuclear material. The state must demonstrate that its regulatory program is adequate to protect public health and safety, and is compatible with the NRC's programs. States that enter into agreements assuming this regulatory authority from the NRC are called Agreement States. The number of Agreement States is currently 39 and is expected to continue to increase.

The NRC regulates high-level radioactive waste generated from commercial nuclear power reactors. High-level radioactive waste is either spent (used) reactor fuel when it is accepted for disposal or waste material remaining after spent fuel is reprocessed. Because of its highly radioactive fission products, high-level radioactive waste must be handled and stored with care. Because radioactive waste becomes harmless only through decay (which can take hundreds of thousands of years for high-level waste), the material must be stored and ultimately disposed of in a way that provides adequate protection of the public for a very long time. Due to the uncertainty surrounding the establishment of a permanent repository for high-level radioactive waste, for the foreseeable future the NRC will continue to review the issues associated with storing high-level radioactive waste at existing reactor sites, away-from-reactor sites, and interim storage facilities.

The NRC must address its safety challenges to fulfill its mission of protecting public health and safety, and the environment. The NRC must be prepared to address emerging technical and regulatory issues in a timely manner, and be able to capture and transfer knowledge learned through experience. In an ever-evolving and resource-constrained climate, it is of paramount importance that the agency implement its programs as effectively and efficiently as possible.

Strategy 1-1: Identify risk areas associated with the NRC's oversight of nuclear facilities, and conduct audits and/or investigations that lead to NRC programmatic and operational improvements.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. The NRC's licensing and certification activities;
- b. The NRC's inspection activities;
- c. The NRC's activities for promoting a strong internal/external safety culture;
- d. The NRC's research activities;
- e. The NRC's risk management of aging, obsolescence, and decommissioning;
- f. The NRC's ability to identify and effectively respond to emerging technical and regulatory issues in a timely manner;
- g. The NRC's actions to integrate operating experience and lessons learned into regulatory activities;
- h. The NRC's oversight of supply chain vulnerabilities to include the prevention of counterfeit, fraudulent, and suspect items entering the supply chain;
- i. The NRC's efforts to address stakeholder and staff safety concerns (including those expressed as non-concurrences and Differing Professional Opinions (DPO)) related to the NRC's oversight of nuclear facilities; and,
- j. Internal/external stakeholders' concerns and allegations related to the NRC's oversight of nuclear facilities.

Strategy 1-2: Identify risk areas facing the NRC's oversight of nuclear materials, and conduct audits and/or investigations that lead to NRC program and operational improvements.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. The NRC's implementation of programs for tracking nuclear materials;
- b. The NRC's regulatory activities with Agreement States;
- c. The NRC's licensing and certification activities;
- d. The NRC's inspection activities;
- e. The NRC's activities for promoting a strong internal/external safety culture;
- f. The NRC's research activities;

- g. The NRC's risk management of aging, obsolescence, and decommissioning;
- h. The NRC's ability to identify and effectively respond to emerging technical and regulatory issues in a timely manner;
- i. The NRC's actions to integrate operating experience and lessons learned into regulatory activities;
- j. The NRC's efforts to address stakeholder and staff safety concerns (including those expressed as non-concurrences and DPOs) related to the NRC's oversight of nuclear materials; and,
- k. Internal/external stakeholders' concerns and allegations related to the NRC's oversight of nuclear materials.

Strategy 1-3: Identify risk areas associated with the NRC's oversight of high-level and low-level waste, and conduct audits and/or investigations that lead to NRC program and operational improvements.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. The NRC's regulatory activities involving any interim and/or permanent high-level radioactive waste repositories;
- b. The NRC's licensing and certification activities;
- c. The NRC's inspection activities;
- d. The NRC's activities for promoting a strong internal/external safety culture;
- e. The NRC's research activities;
- f. The NRC's ability to identify and effectively respond to emerging technical and regulatory issues in a timely manner;
- g. The NRC's actions to integrate operating experience and lessons learned into regulatory activities;
- h. The NRC's efforts to address stakeholder and staff safety concerns (including those expressed as non-concurrences and DPOs) related to the NRC's oversight of high-level and low-level waste; and,
- i. Internal/external stakeholders' concerns and allegations related to the NRC's oversight of high-level and low-level waste.

Strategic Goal 2: Security***Strengthen the NRC's security efforts in response to an evolving threat environment.***

Discussion: The NRC must ensure that nuclear power and materials licensees take adequate measures to protect their facilities against radiological sabotage. The NRC faces the challenge of adapting to dynamic threats while also maintaining a stable security oversight regime commensurate with the agency's mission as a fair and impartial regulator. The NRC has well-established inspection programs for evaluating the physical, cyber, and personnel security activities of nuclear power and materials licensees.

The NRC must respond to a cyber threat environment where adversaries' tactics and capabilities rapidly evolve. Cybersecurity also entails oversight challenges related to the mix of digital and analog systems at NRC licensees' facilities. For example, digital equipment upgrades could impact licensee operations and security.

The NRC plays a critical role in overseeing and supporting the emergency preparedness and incident response capabilities of its licensees. This oversight includes the integration of licensee plans with government agencies in light of natural disasters and terrorist threats.

The NRC supports U.S. international interests in both the safe and secure use of nuclear materials and technology and nuclear non-proliferation. The NRC's actions include improving controls on the import and export of nuclear materials and equipment and exercising its international oversight commitments.

Strategy 2-1: Identify risks involved in securing nuclear reactors, fuel cycle facilities, and materials, and conduct audits and/or investigations that lead to NRC program and operational improvements.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. Adequacy of the NRC's oversight of security of nuclear reactors, fuel cycle facilities, materials, and waste facilities;

- b. Adequacy of the NRC's responses to an evolving threat environment;
- c. The NRC's coordination with other agencies;
- d. Adequacy of the NRC's efforts to develop and implement a comprehensive cybersecurity oversight program for nuclear power plants and fuel cycle facilities;
- e. The NRC's oversight of licensee security responsibilities;
- f. The NRC's response to complaints or incidents related to a chilled work environment;
- g. Effectiveness of the NRC's oversight against radiological sabotage and theft or diversion of materials;
- h. The NRC's efforts to address stakeholder and staff concerns (including those expressed as non-concurrences and DPOs) related to the securing of nuclear reactors, fuel cycle facilities, and materials; and,
- i. Internal/external stakeholders' concerns and allegations related to the securing of nuclear reactors, fuel cycle facilities, and materials.

Strategy 2-2: Identify risks in emergency preparedness and incident response, and conduct audits and/or investigations that lead to NRC program and operational improvements.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. The NRC's management of emergency preparedness guidelines, regulations, and programs;
- b. The NRC's management of coordination with federal, state, and local governments, and licensees;
- c. The NRC's efforts to prevent and, if necessary, respond to emergencies and nuclear incidents;
- d. The NRC's efforts to address stakeholder and staff security concerns (including those expressed as non-concurrences and DPOs) related to emergency preparedness and incident response; and,
- e. Internal/external stakeholders' concerns and allegations related to emergency preparedness and incident response.

Strategy 2-3: Identify risks in international security activities and conduct audits and/or investigations that lead to program and operational improvements.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. The NRC's international activities, including activities related to material control and accountability, incident response, nonproliferation, and the import and export of nuclear materials;
- b. The NRC's efforts to address stakeholder and staff security concerns (including those expressed as non-concurrences and DPOs) related to international security activities; and,
- c. Internal/external stakeholders' concerns and allegations related to international security activities.

***Strategic Goal 3: Corporate Management
Increase the economy, efficiency, and effectiveness with which the
NRC manages and exercises stewardship over its resources.***

Discussion: The NRC faces significant challenges in efficiently, effectively and economically managing its corporate resources within the parameters of its budget. The NRC must continue to provide infrastructure and support to accomplish its regulatory mission while responding to increased scrutiny of budgetary levels, evolving legal requirements, changing industry and market conditions, and the continuously developing security threat environment.

Addressing limitations on agency budgetary and financial resources and the resulting impact on organizational staffing, human capital, information management and internal financial oversight will require a continuing, well-considered process of adaptation throughout the next strategic planning period. The NRC must continue to effectively use its financial resources and manage other factors that are budget dependent. Such factors include knowledge preservation and transfer, efficient adaptation to changing industry conditions, and the need for continued improvement in information technology capabilities.

Further, the NRC must protect its infrastructure and take the necessary steps to ensure that its staff, facilities, information, and information technology assets are adequately

protected against internal and external threats. The NRC also faces the challenge of balancing transparency with information security.

The OIG will continue to target corporate management risk areas for audits and investigations, to fulfill its statutory responsibility to evaluate agency financial management. The OIG will also work with the NRC to identify and improve areas of weakness, particularly in areas subjected to budgetary pressures.

Strategy: 3-1: Identify areas of corporate management risk within the NRC and conduct audits and/or investigations that lead to NRC program improvements.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. The NRC's management of human capital to include training and development programs, knowledge management, and recruiting and retention activities;
- b. The NRC's financial management practices to include development and collection of fees and budget processes;
- c. The NRC's financial statements, where the OIG seeks to provide reasonable assurance that the statements are presented fairly in all material aspects;
- d. The NRC's development, implementation, and life cycle management of information technology tools and systems;
- e. The NRC's management of administrative functions, such as training, procurement, property and facilities;
- f. The efficiency and effectiveness of the NRC's management of changes caused by internal and external factors;
- g. The NRC's efforts to foster an environment in which corporate management issues can be raised without fear of retaliation;
- h. The NRC's efforts to address stakeholder and staff corporate management concerns (including those expressed as non-concurrences and DPOs) related to human capital, procurement, and information technology; and,
- i. Internal/external stakeholders' concerns and allegations related to human capital, procurement, financial management, and information technology.

Strategy 3-2: Identify risks in maintaining a secure infrastructure (i.e., physical, personnel, and cybersecurity) and conduct audits and/or investigations that lead to NRC program and operational improvements.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. The NRC's management of threats to its facilities, personnel, and information systems;
- b. The NRC's implementation of physical, personnel, and cybersecurity controls and procedures;
- c. Internal and external cyber breaches of the NRC's infrastructure;
- d. The NRC's management of controls on transparency and information security;
- e. The NRC's efforts to address stakeholder and staff security concerns (including those expressed as non-concurrences and DPOs) related to the maintenance of a secure infrastructure and the balance of transparency and information security; and,
- f. Internal/external stakeholders' concerns and allegations related to the maintenance of a secure infrastructure and the balance of transparency and information security.

OIG PERFORMANCE DATA FOR THE NRC

The following tables include the OIG's strategic goals, measures, and targets for the NRC based on the OIG strategic plan. The tables also provide actual performance data for FY 2018 – FY 2021.

OIG Strategic Goal 1: Strengthen the NRC's Efforts to Protect Public Health and Safety and the Environment				
	2018	2019	2020	2021
Measure 1. Percentage of OIG products and activities that have a high impact¹ on improving the NRC's safety program.²				
Target	85%	-	-	-
Actual	91%	-	-	-
Measure 2. Percentage of OIG audit products and activities that cause the agency to take corrective action to improve agency safety programs; ratify adherence to agency policies, procedures, or requirements; or identify real dollar savings or reduced regulatory burden (i.e., high impact).³				
Target	-	85%	85%	85%
Actual	-	100%	100%	100%
Measure 3. Percentage of audit recommendations agreed to by agency.				
Target	92%	92%	92%	92%
Actual	100%	100%	100%	100%
Measure 4. Percentage of final agency actions taken within 2 years of audit recommendations.				
Target	70%	70%	70%	70%
Actual	67% ⁴	78%	63% ⁵	67% ⁶
Measure 5. Percentage of OIG investigative products and activities that identify opportunities for improvements to agency safety programs; ratify adherence to policies/procedures; or confirm or disprove allegations of wrongdoing (e.g., high impact).⁷				
Target	-	85%	85%	85%
Actual	-	100%	100%	100%
Measure 6. Percentage of agency actions taken in response to investigative reports.				
Target	90%	90%	90%	90%
Actual	N/A [†]	N/A	100%	100%
Measure 7. Percentage of active cases completed in less than 18 months.				
Target	90%	90%	90%	90%
Actual	83% ⁸	N/A	43% ⁹	57% ¹⁰
Measure 8. Percentage of closed investigations referred to DOJ or other relevant authorities.				
Target	20%	20%	20%	20%
Actual	0% ¹¹	0% ¹²	N/A	N/A
Measure 9. Percentage of closed investigations resulting in indictments, convictions, civil suits or settlements, judgments, administrative actions, monetary results, or IG clearance letters.¹³				
Target	60%	60%	60%	60%
Actual	0% ¹⁴	N/A	67%	100%

¹ 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) real dollar savings or 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 or safety.

² In FY 2019, this measure was replaced with measures 2 and 5 to clarify the definitions of high impact for audits and investigations.

³ This high-impact measure for audits was added in FY 2019.

⁴ Several audit reports included recommendations that required more than 2 years for the agency to finalize action on. These recommendations are now closed.

⁵ *Ibid.*

⁶ *Ibid.*

⁷ This high-impact measure for investigations was added in FY 2019.

⁸ Five out of six cases were closed within 18 months. The sixth case took longer due to case complexity and the ongoing nature of the issue.

⁹ Three out of seven cases were closed within 18 months. The other four cases took longer due to case complexity and the ongoing nature of the issue.

¹⁰ Four out of seven cases were closed within 18 months. The other three cases took longer due to case complexity and the ongoing nature of the issue.

¹¹ Neither of the safety related investigations warranted referral because neither identified a criminal violation of law.

¹² There was only one applicable case in FY 2019, which was not referred because it was not eligible for referral.

¹³ Starting in FY 2014, OIG began measuring the percentage of closed investigations that resulted in an indictment, conviction, civil suit or settlement, judgment, administrative action, or monetary result. Starting in FY 2017, the OIG added closed investigations that resulted in IG clearance letters to this measure. A clearance letter is a document provided to an employee in cases where an investigation is initiated in response to an allegation of employee misconduct and the misconduct is not substantiated.

¹⁴ Four technical cases focused on safety related procedures; none involved individual misconduct and none were substantiated.

-The dash symbol indicates that this measure was replaced with other measures.

† The not applicable symbol indicates that investigative items were not measurable because there were no investigations applicable to these measures.

OIG Strategic Goal 2: Enhance the NRC's Efforts to Increase Security in Response to an Evolving Threat Environment				
	2018	2019	2020	2021
Measure 1. Percentage of OIG products and activities that have a high impact on improving the NRC's security program.¹				
Target	85%	-	-	-
Actual	100%	-	-	-
Measure 2. Percentage of OIG audit products and activities that cause the agency to take corrective action to improve agency security programs; ratify adherence to agency policies, procedures, or requirements; or identify real dollar savings or reduced regulatory burden (i.e., high impact).²				
Target	-	85%	85%	85%
Actual	-	100%	100%	100%
Measure 3. Percentage of audit recommendations agreed to by the agency.				
Target	92%	92%	92%	92%
Actual	100%	100%	100%	100%
Measure 4. Percentage of final agency actions taken within 2 years of audit recommendations.				
Target	70%	70%	70%	70%
Actual	88%	78%	59% ³	86%
Measure 5. Percentage of OIG investigative products and activities that identify opportunities for improvements to agency security programs; ratify adherence to policies/procedures; or confirm or disprove allegations of wrongdoing (e.g., high impact).⁴				
Target	-	85%	85%	85%
Actual	-	100%	N/A [†]	100%
Measure 6. Percentage of agency actions taken in response to investigative reports.				
Target	90%	90%	90%	90%
Actual	N/A	N/A	N/A	N/A
Measure 7. Percentage of active cases completed in less than 18 months.				
Target	90%	90%	90%	90%
Actual	N/A	33% ⁵	N/A	100%
Measure 8. Percentage of closed investigations referred to DOJ or other relevant authorities.				
Target	20%	20%	20%	20%
Actual	N/A	0% ⁶	N/A	N/A
Measure 9. Percentage of closed investigations resulting in indictments, convictions, civil suits or settlements, judgments, administrative actions, monetary results or IG clearance letters.				
Target	60%	60%	60%	60%
Actual	N/A	33% ⁷	N/A	N/A

¹ In FY 2019, this measure was replaced with measures 2 and 5 to clarify the definitions of high impact for audits and investigations.

² This high-impact measure for audits was added in FY 2019.

³ Several audit reports included recommendations that required more than 2 years for the agency to finalize action on. These recommendations are now closed.

⁴ This high-impact measure for investigations was added in FY 2019.

⁵ The two cases eligible did not meet the target due to case complexity and competing priorities.

⁶ The two cases eligible for referral did not meet the criteria for referral.

⁷ Two out of three cases did not meet this measure. One case was a joint operation in which OIG provided support. In the other case, the employee left before action could be taken.

- The dash symbol indicates that this measure was replaced with other measures.

[†] The not applicable symbol indicates that investigative items were not measurable because there were no investigations applicable to these measures.

OIG Strategic Goal 3: Improve the Economy, Efficiency, and Effectiveness with which the NRC Manages and Exercises Stewardship over Its Resources

	2018	2019	2020	2021
Measure 1. Percentage of OIG completed products and activities that have a high impact on improving corporate management Programs.¹				
Target	85%	-	-	-
Actual	88%	-	-	-
Measure 2. Percentage of OIG audit products and activities that cause the agency to take corrective action to improve agency corporate management programs; ratify adherence to agency policies, procedures, or requirements; or identify real dollar savings or reduced regulatory burden (i.e., high impact).²				
Target	-	85%	85%	85%
Actual	-	100%	100%	100%
Measure 3. Percentage of audit recommendations agreed to by the agency.				
Target	92%	92%	92%	92%
Actual	100%	100%	96%	100%
Measure 4. Percentage of final agency actions taken within 2 years of audit recommendations.				
Target	70%	70%	70%	70%
Actual	62% ³	67% ⁴	75%	80%
Measure 5. Percentage of OIG investigative products and activities that identify opportunities for improvements to agency corporate management programs; ratify adherence to policies/procedures; or confirm or disprove allegations of wrongdoing (e.g., high impact).⁵				
Target	-	85%	85%	85%
Actual	-	86%	100%	100%
Measure 6. Percentage of agency actions taken in response to investigative reports.				
Target	90%	90%	90%	90%
Actual	100%	100%	100%	100%
Measure 7. Percentage of active cases completed in less than 18 months.				
Target	90%	90%	90%	90%
Actual	72% ⁶	59% ⁷	14% ⁸	67% ⁹
Measure 8. Percentage of closed investigations referred to DOJ or other relevant authorities.				
Target	20%	20%	20%	20%
Actual	12% ¹⁰	25%	44%	50%
Measure 9. Percentage of closed investigations resulting in indictments, convictions, civil suits or settlements, judgments, administrative actions, monetary results, or IG clearance letters.				
Target	60%	60%	60%	60%
Actual	46% ¹¹	42% ¹²	63%	89%

¹ In FY 2019, this measure was replaced with measures 2 and 5 to clarify the definitions of high impact for audits and investigations.

² This high-impact measure for audits was added in FY 2019.

³ Several audit reports included recommendations that require more than 2 years for the agency to finalize action on. The agency is working to finalize actions so that these recommendations can be closed.

⁴ Recommendations required additional time to close due to system changes that were needed.

⁵ This high-impact measure for investigations was added in FY 2019.

⁶ The complexity of several investigations required additional time to close.

⁷ Due to the complexity and competing priorities, several investigations required additional time to close.

⁸ *Ibid.*

⁹ *Ibid.*

¹⁰ Although the OIG initially identified 17 cases with potential criminal violations, only 2 developed sufficient evidence to warrant referral.

¹¹ Two investigations were inconclusive; therefore, a clearance letter could not be issued. In another case, misconduct was identified; however, the agency did not take action.

- The dash symbol indicates that this measure was replaced with other measures.

SECTION II. THE OIG’S STRATEGIC GOALS, STRATEGIES, ACTION, AND PERFORMANCE DATA FOR THE DNFSB

The OIG Strategic Plan features three goals and guides the activities of the OIG’s Audits and Investigations programs at the DNFSB for FY 2019 through FY 2023. The OIG’s audit and investigative oversight responsibilities correspond to the wide array of DNFSB programs, functions, and activities that support the agency’s mission.

OIG Strategic Goals for the DNFSB

- Strengthen the DNFSB’s efforts to oversee the safe operation of the DOE’s defense nuclear facilities.
- Strengthen the DNFSB’s security efforts in response to an evolving threat environment.
- Increase the economy, efficiency, and effectiveness with which the DNFSB manages and exercises stewardship over its resources.

The plan presents the OIG’s priorities for the covered timeframe and describes the OIG’s strategic direction to stakeholders, including the DNFSB Chairman, DNFSB Board Members, and the U.S. Congress. The plan also strengthens the OIG by providing a shared set of expectations regarding the goals the OIG expects to achieve and the strategies it will use to do so. The OIG adjusts the plan as circumstances necessitate, uses it to develop its annual plan and performance budget, and holds managers and staff accountable for achieving the goals and outcomes.

The OIG’s strategic plan also includes a number of supporting strategies and actions that describe planned accomplishments. Through associated annual planning activities, the OIG focuses its audit and investigative resources on assessing the DNFSB’s safety, security, and corporate management programs as they relate to the major challenges and risk areas facing the DNFSB. The work of OIG auditors and investigators support and complement each other in the pursuit of these objectives.

Strategic Goal 1: Safety

Strengthen the DNFSB’s efforts to oversee the safe operation of the DOE’s defense nuclear facilities.

Strategy 1-1: Identify risk areas associated with the DNFSB’s oversight of the DOE’s defense nuclear facilities and conduct audits and/or investigations that lead to improved DNFSB performance and communications.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. The DNFSB’s work plan development process;
- b. The DNFSB’s process for reviewing designs for construction and modifications;
- c. The DNFSB’s process for reviewing decommissioning progress;
- d. The DNFSB’s process for balancing the assessment for emergent issues versus planned work;
- e. The DNFSB’s process for maintaining staff’s technical skill sets;
- f. The DNFSB’s conduct of self-assessment (to include mission effectiveness and communication with DOE) and process improvement;
- g. The DNFSB’s automated work and issue tracking capabilities; and,
- h. Internal/external stakeholders’ concerns and allegations related to the DNFSB’s oversight of the DOE’s defense nuclear facilities.

Strategic Goal 2: Security

Strengthen the DNFSB’s security efforts in response to an evolving threat environment.

Strategy 2-1: Identify risks in maintaining a secure infrastructure (i.e., facility, personnel, and cybersecurity) and conduct audits and/or investigations that lead to DNFSB improvements.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. The DNFSB’s management of threats to its facility, personnel, and information systems;
- b. The DNFSB’s implementation of facility, personnel, and cybersecurity controls and procedures;
- c. Internal and external cyber breaches of the DNFSB’s infrastructure;

- d. The adequacy of the DNFSB's response to complaints or incidents related to a chilled work environment;
- e. Physical and personnel security, including insider threat mitigation or economic espionage; and,
- f. Internal/external stakeholders' concerns and allegations related to the security of the DNFSB's infrastructure.

Strategy 2-2: Identify risks in balancing transparency and information security, and conduct audits and/or investigations that lead to DNFSB improvements.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. The DNFSB's efforts to promote transparency in its regulatory processes while maintaining information security, and
- b. Internal/external stakeholders' concerns and allegations related to the balance of transparency and information security.

Strategic Goal 3: Corporate Management
Increase the economy, efficiency, and effectiveness with which the DNFSB manages and exercises stewardship over its resources.

Strategy 3-1: Identify areas of corporate management risk within the DNFSB and conduct audits and/or investigations that lead to DNFSB program improvements.

Actions: Conduct audits/evaluations and/or investigations in the following areas:

- a. The DNFSB's management of human capital, to include training and development programs, knowledge management, and recruiting and retention activities;
- b. The DNFSB's management of administrative functions and financial activities to include congressional requirements;
- c. The DNFSB's development, implementation, and life cycle management of information technology tools and systems;

- d. The DNFSB's management of change through its implementation of best practices (to include training, project management, knowledge management, and process improvement);
- e. Implementation of processes at the DNFSB to encourage an environment where technical or non-technical issues can be raised without fear of retaliation; and,
- f. Internal/external stakeholders' concerns and allegations related to human capital, procurement, financial management, and information technology.

OIG PERFORMANCE DATA FOR THE DNFSB

Performance Measures for the DNFSB OIG Program				
	2018	2019	2020	2021
Measure 1. Percentage of OIG audits undertaken and issued within a year.¹				
Target	60%	-	-	-
Actual	100%	-	-	-
Measure 2. Percentage of OIG audit products and activities that cause the agency to take corrective action to improve agency safety, security, or corporate management programs; ratify adherence to agency policies, procedures, or requirements; or identify real dollar savings or reduced regulatory burden (i.e., high impact).²				
Target	-	85%	85%	85%
Actual	-	100%	100%	100%
Measure 3. Percentage of audit recommendations agreed to by agency.³				
Target	-	50%	50%	50%
Actual	-	100%	100%	100%
Measure 4. Percentage of final Board actions taken within 2 years of audit recommendations.				
Target	50%	50%	50%	50%
Actual	100%	75%	100%	75%
Measure 5. Percentage of OIG investigative products and activities that identify opportunities for improvements to agency safety, security, or corporate management programs; ratify adherence to policies/procedures; or confirm or disprove allegations of wrongdoing (e.g., high impact).⁴				
Target	-	85%	85%	85%
Actual	-	100%	100%	100%
Measure 6. Percentage of Board actions taken in response to investigative reports.				
Target	90%	90%	90%	90%
Actual	N/A [†]	N/A	100%	100%
Measure 7. Percentage of active cases completed in less than 18 months.				
Target	85%	85%	85%	85%
Actual	N/A	25% ⁵	0% ⁶	100%

¹ The OIG anticipates issuing six audit reports per year. This measure was tracked beginning in FY 2015 and replaced with measure 2 beginning in FY 2019.

² This high-impact measure for audits was added in FY 2019.

³ This measure for audits was added in FY 2019.

⁴ This high-impact measure for investigations was added in FY 2019.

⁵ Out of four cases, one case completed within 18 months. A second case was referred; however, the individual retired before the agency could take action and the 18-month target was exceeded.

⁶ Due to complexity and competing priorities, the investigations required additional time to close.

- The dash symbol indicates that this measure was replaced with other measures.

[†] The not applicable symbol indicates that investigative items were not measurable because there were no investigations applicable to these measures.

SECTION III. THE OIG'S HUMAN CAPITAL GOAL, STRATEGIES, ACTIONS, AND PERFORMANCE DATA

The Office of Personnel Management (OPM) revised Title 5 of the Code of Federal Regulations (C.F.R.) Part 250, "Personnel Management in Agencies," in 2017 to align human capital management practices to broader agency strategic planning activities, and to better align human capital activities with an agency's mission and strategic goals. The OPM envisioned this would enable agency leadership to better leverage the workforce to achieve results.

***OIG Strategic Human Capital Goal
Maintain support for a workforce that is skilled, collaborative,
and engaged in high-impact audit, investigative, and other
activities for the Office of the Inspector General.***

Based on the requirements in 5 C.F.R. Part 250, and recognizing the potential benefits of a strategic human capital goal, the OIG developed a goal, strategies, and actions that focus specifically on maintaining and supporting excellence in the OIG's workforce. Unlike the OIG's other strategic goals, the human capital goal is not specific to the NRC or the DNFSB, but rather applies to the entire OIG staff regardless of job function or agency focus.

Strategy 1-1: Provide continual learning and professional development opportunities.

Action:

Require all staff to prepare an individual training and development plan to be reviewed and approved by their supervisor that describes skills needed and the corresponding training and developmental activities identified to meet an employee's career goals and work assignments.

Strategy 1-2: Increase collaboration and knowledge sharing across the OIG.

Actions:

- a. Enhance knowledge sharing at audits/investigations counterpart meetings; and,
- b. Seek opportunities for audits and investigations staff to support each other in ongoing work.

Strategy 1-3: Ensure prioritization of critical work activities and appropriate alignment with available resources.

Action:

Assign resources to maximize timely completion of high-impact activities.

Strategy 1-4: Support staff efforts to optimize work-life balance.

Action:

Integrate work activities with opportunities to telework.

PERFORMANCE DATA FOR THE OIG HUMAN CAPITAL GOAL

The following table presents the OIG's strategic measures for the OIG's human capital goal. The OIG began measuring these items in FY 2019.

Performance Measures for the OIG Human Capital Goal				
	2018	2019	2020	2021
Measure 1. Percentage of OIG employees with approved Individual Training/Development Plans.				
Target	-	90%	90%	90%
Actual	-	100%	100%	100%
Measure 2. Percentage of audits and investigations that involve collaboration between the two entities.				
Target	-	25%	25%	25%
Actual	-	18% ¹	45%	100%
Measure 3. Percentage of OIG employee FEVS responses that reflect a positive work-life balance.²				
Target	-	70%	70%	70%
Actual	-	71%	76%	75%

¹ The OIG began measuring this item in FY 2019 to encourage optimum collaboration among OIG components. An initial target of 25 percent was established without the benefit of historic data. The OIG intends to reassess the target after collecting further data on how often and what types of collaboration are occurring within the office.

² For this measure, the OIG seeks to assess primarily work-life balance matters within the OIG's control. The OIG identified six FEVS 2021 questions as indicators of overall OIG specific work-life satisfaction: #3 My work gives me a feeling of personal accomplishment; #5 My workload is reasonable; #25 My supervisor supports my need to balance work and other life issues; #38 Senior leaders demonstrate support for work-life programs; #42 Considering everything, how satisfied are you with your job?; and, #44 Considering everything, how satisfied are you with your organization? To derive a score for the OIG's human capital measure related to work-life balance, the percentages of positive responses

to each of these questions were totaled and divided by 6, providing an indicator of OIG respondents' work-life balance satisfaction.

-The dash symbol indicates that this measure was replaced with other measures.

SECTION IV. RESOURCES, METHODOLOGY, CROSS-CUTTING FUNCTIONS, AND PEER REVIEWS

Resources

The following table depicts the relationship between the NRC Inspector General program, the associated FY 2021 budget resources, and the OIG's strategic and general goals.

Program Links to Strategic and General Goals (\$M)	OIG Strategic and General Goals for the NRC		
	Advance the NRC's Safety Efforts (\$M)	Enhance the NRC's Security Efforts (\$M)	Improve the NRC's Corporate Management (\$M)
FY 2021 Programs (\$12.3; 58 FTE)			
Audits (\$8.2; 37 FTE)	\$1.6 18.5 FTE	\$1.6 6.5 FTE	\$5.0 12.0 FTE
Investigations (\$4.1; 21 FTE)	\$1.4 8.0 FTE	\$0.4 3.5 FTE	\$2.3 9.5 FTE

The following table shows the breakdown of audit and investigative resources applied at the DNFSB. The OIG does not align performance at the DNFSB to the OIG's strategic goals due to the small size of the agency, but the OIG examines completion of goals overall.

Breakdown of Audit and Investigative Resources at the DNFSB (\$1.2; 5 FTE)	Dollars (\$K)	FTE
Audits	\$999	4.0
Investigations	\$207	1.0

Verification and Validation of Measured Values and Performance

The OIG uses an automated management information system to capture program performance data for the Audits and Investigations Programs. The integrity of the system was thoroughly tested and validated prior to implementation. Reports generated by the system provide both detailed information and summary data. All system data are deemed reliable.

Cross-Cutting Functions with Other Government Agencies

The NRC OIG has cross-cutting functions with other law enforcement agencies. For example, the OIG provides investigatory case referrals to the U.S. Department of Justice (DOJ). It also coordinates investigative activities with U.S. Attorneys' offices, as well as with other agencies as required.

Peer Reviews

In 2021, the OIG for the Smithsonian Institution conducted a peer review of the NRC OIG audit program. The review was conducted in accordance with Government Auditing Standards and Council of the Inspectors General on Integrity and Efficiency (CIGIE) requirements. In a report dated September 30, 2021, the NRC OIG received an external peer review rating of *pass*. This is the highest rating possible based on the available options of pass, pass with deficiencies, or fail. The review team issued a Letter of Comment, also dated September 30, 2021, that sets forth the peer review results and includes a recommendation to strengthen the NRC OIG's policies and procedures.

In addition, in 2019 the U.S. Department of Commerce OIG peer reviewed the NRC OIG investigative program. Its report, dated November 1, 2019, reflected that the NRC OIG was in full compliance with the quality standards established by the CIGIE and the Attorney General Guidelines for OIGs with Statutory Law Enforcement Authority. These safeguards and procedures provide reasonable assurance of conforming with professional standards in the planning, execution, and reporting of investigations.

SECTION V. CONCLUSION

The OIG met more than 89 percent of its audit, investigative, and human capital measures for FY 2021 by achieving or exceeding 26 of 29 measurable items (four investigative items were not measurable because there were no investigations applicable to these measures during FY 2021). One audit-related measure was not met because the associated audit recommendation, by its nature, took longer than 2 years to complete. Two investigative measures were not met because case complexity and competing priorities contributed to completion times greater than 18 months. The OIG continuously reviews its strategic plan to ensure that its goals and work strategies add value to the NRC and the DNFSB as they carry out their important safety and security missions.