



Semiannual Report to Congress

April 1, 2025 — September 30, 2025

***Promoting economy,
efficiency,
and effectiveness***



VISION

Optimize nuclear safety, security, and corporate support oversight through audits, evaluations, and investigations

MISSION

Providing independent, objective audit, evaluations, and investigative oversight of the operations of the U.S. Nuclear Regulatory Commission and the Defense Nuclear Facilities Safety Board, to promote integrity, economy, and efficiency.

A MESSAGE FROM THE INSPECTOR GENERAL

On behalf of the Office of the Inspector General (OIG), U.S. Nuclear Regulatory Commission (NRC) and Defense Nuclear Facilities Safety Board (DNFSB), it is my pleasure to present this Semiannual Report to Congress, covering the period from April 1, 2025, to September 30, 2025. For more than five years, I have had the opportunity to lead this extraordinary group of managers, auditors, evaluators, special agents, technical advisors, and support staff, and I am extremely proud of their exceptional work.



As the United States unleashes its energy dominance, nuclear is at the forefront. Indeed, major corporations across the country are embracing the nuclear sector, with its many recent innovations in technology. As the NRC continues to enable and regulate the safe and secure deployment and use of civilian nuclear energy, and the DNFSB identifies the nature and consequences of potential threats to public health and safety involving the U.S. Department of Energy's defense nuclear facilities, our talented and responsive OIG team will continue our robust oversight of both agencies to ensure safe and efficient agency programs that serve the public interest.

We are proud to report monetary impact in our audit recommendations of \$1,241,000 in funds that the NRC could have put to better use. In addition, we issued 13 audit and evaluation reports and recommended several ways to improve NRC and DNFSB safety, security, and corporate support programs. We also opened 32 NRC and DNFSB investigative cases, completed 22 investigations, and referred 15 cases to NRC and DNFSB management for action or awareness.

Our reports are intended to strengthen the NRC's and the DNFSB's oversight of their myriad endeavors and reflect the legislative mandate of the Inspector General Act, which is to identify and prevent fraud, waste, abuse, and mismanagement. The summaries herein showcase the variety of work our auditors and investigators have accomplished during this reporting period, dedicating their efforts to promoting the integrity, efficiency, and effectiveness of NRC and DNFSB programs and operations. I greatly appreciate their commitment to that mission.

Our success would not be possible without the collaborative efforts of my staff, the NRC, and the DNFSB to address OIG findings and implement corrective actions promptly. I thank both my staff and agency staff for their dedication, and I look forward to continued cooperation to ensure the integrity and efficiency of the agencies' operations.

Robert J. Feitel
Inspector General

CONTENTS

Highlights.....	1
History, Mission, and Goals	3
Programs and Activities	5
U.S. Nuclear Regulatory Commission Management and Performance Challenges and Audit, Evaluation, and Investigative Summaries	11
Defense Nuclear Facilities Safety Board Management and Performance Challenges and Audit, Evaluation, and Investigative Summaries	30
Summary of Accomplishments	38
Unimplemented Audit and Evaluation Recommendations.....	47
Reporting Requirements.....	52
Peer Reviews	53
Abbreviations and Acronyms	54
Notice to Non-Governmental Organizations	inside back cover
Hotline Program	back cover

AUDITS AND EVALUATIONS HIGHLIGHTS



**Reports
Issued**

9

**Recommendations
Made**

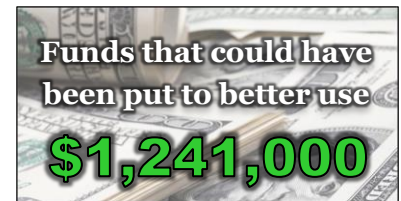
45

**Recommendations
Closed**

33

Audit and Evaluation topics covered in this report:

- Implementation of FISMA for FY 2025 (page 13);
- Qualification Programs (page 14);
- Awards and Recognition Program (page 15);
- The Defense Contract Audit Agency's Audit Report (page 15);
- Use of Operating Experience in Emergency Diesel Generators Oversight (page 16);
- Web-Based Licensing System (page 17);
- Management and Oversight of Research and Development Grants (page 18);
- Compliance with PIIA for FY 2024 (page 18); and,
- Telework Program (page 19).



**Reports
Issued**

4

**Recommendations
Made**

13

**Recommendations
Closed**

18

Audit topics covered in this report:

- Implementation of FISMA for FY 2025 (page 32);
- Review Agendas (page 33);
- Drug-Free Workplace Program (page 33); and,
- Compliance with PIIA for FY 2024 (page 34).

INVESTIGATIVE HIGHLIGHTS



**Investigations
Opened**

29

**Investigations
Completed**

19

**Active
Investigations**

27

Investigations covered in this report:

- Inconsistent U.S. Nuclear Regulatory Commission Guidance Regarding Resident Inspector Tour Assignments and Objectivity (page 22);
- Insufficient Inspection Report Guidance Results in Inconsistent Information to the Public (page 23);
- Irregularities in Contract Oversight (page 24);
- Alleged Suppression of Violations at Nuclear Power Station by Supervisor (page 26);
- Alleged Fraud Involving U.S. Nuclear Regulatory Commission Contractor (page 26);
- Compliance with Executive Order 14168 (page 28); and,
- Unauthorized Unmanned Aerial Vehicles at Licensee Facilities (page 29).



**Investigations
Opened**

3

**Investigations
Completed**

3

**Active
Investigations**

1

Investigations covered in this report:

- Time and Attendance Fraud by a Defense Nuclear Facilities Safety Board Contractor Employee (page 36); and,
- Alleged Hostile Work Environment and Conflict of Interest (page 37).

HISTORY, MISSION, AND GOALS

OIG History

In the 1970s, government scandals, oil shortages, and stories of corruption covered by the media took a toll on the American public's faith in its government. The U.S. Congress knew it had to take action to restore the public's trust. It had to increase oversight of federal programs and operations. It had to create a mechanism to evaluate the effectiveness of government programs. It also had to provide an independent voice for economy, efficiency, and effectiveness within the federal government that would earn and maintain the trust of the American people.

In response, Congress passed the landmark legislation known as the Inspector General (IG) Act, which President Jimmy Carter signed into law in 1978. The [IG Act](#) created independent IGs, who would protect the integrity of government; improve program efficiency and effectiveness; prevent and detect fraud, waste, and abuse in federal agencies; and, keep agency heads, Congress, and the American people currently informed of their findings.

Today, the IG concept is a proven success. IGs continue to deliver significant benefits, and thanks to IG audits, evaluations, and investigations, billions of dollars have been returned to the federal government or have been better spent based on recommendations identified in IG reports. IG investigations have also contributed to ensuring that thousands of wrongdoers are held accountable for their actions. The IG concept and its principles of good governance, accountability, and monetary recovery have been adopted by foreign governments as well, contributing to improved governance in many nations.

Nuclear Regulatory Commission OIG

The NRC's mission is to protect public health and safety and advance the nation's common defense and security by enabling the safe and secure use and deployment of civilian nuclear energy technologies and radioactive materials through efficient and reliable licensing, oversight, and regulation for the benefit of society and the environment. The NRC's vision is to carry out this mission as a trusted, independent, transparent, and effective nuclear regulator, consistent with the NRC's Principles of Good Regulation.



In accordance with the 1988 amendments to the Inspector General Act of 1978, the NRC's OIG was established on April 15, 1989, as an independent and objective unit to conduct and supervise audits, evaluations, and investigations relating to the NRC's programs and operations. The purpose of the OIG's audits, evaluations, and investigations is to prevent and detect fraud, waste, abuse, and mismanagement, and promote economy, efficiency, and effectiveness in NRC programs and operations. In addition, the OIG reviews existing and proposed regulations, legislation, and directives, and comments on any significant concerns.

Defense Nuclear Facilities Safety Board OIG

Congress created the DNFSB as an independent agency within the executive branch to identify the nature and consequences of potential threats to public health and safety involving 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. The DNFSB is the only independent technical oversight body for 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 the agency's oversight functions. The Consolidated Appropriations Act of 2014 authorized the Inspector General of the NRC to exercise the same authorities with respect to the DNFSB as the Inspector General exercises under the Inspector General Act of 1978 (5 U.S.C. §§ 401–424) with respect to the NRC.



OIG Mission and Goals

The OIG is committed to ensuring the integrity of NRC and DNFSB programs and operations. Developing an effective planning strategy is a critical aspect of meeting this commitment. Such planning ensures that audit, evaluation, and investigative resources are used effectively. To that end, the OIG developed a Strategic Plan that includes the major challenges and critical risk areas facing the NRC. The plan identifies the OIG's priorities and establishes a shared set of expectations regarding the OIG's goals and the strategies it will employ to achieve them. The OIG's most recent Strategic Plan for the NRC features three goals, which generally align with the NRC's mission and goals:

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



PROGRAMS AND ACTIVITIES

Audits and Evaluations Program

The OIG Audits and Evaluations Program focuses on NRC and DNFSB management and financial operations, the economy or efficiency with which the agencies manage their programs or functions, and whether these programs achieve intended results. OIG auditors assess the degree to which the NRC and the DNFSB comply with laws, regulations, and internal policies in carrying out their programs. OIG auditors also test program effectiveness and the accuracy and reliability of financial statements. The overall objective of an engagement, whether it be an audit or evaluation, is to identify ways to enhance agency operations and promote greater economy and efficiency.

Engagements comprise four phases:

- **Survey** – An initial phase of the engagement process is used to gather information on specific aspects of the agency’s organization, programs, activities, and functions. An assessment of vulnerable areas determines whether further review is needed.
- **Fieldwork** – Auditors gather detailed information to develop and support findings, conclusions, and recommendations.
- **Reporting** – The auditors prepare a draft report that presents the information, findings, conclusions, and recommendations supported by the evidence gathered during the survey and fieldwork phases. The auditors hold exit conferences with agency management officials to obtain their views on issues in the draft report and present those comments in the published report, as appropriate. The published reports of OIG engagements include formal written comments in their entirety as an appendix.
- **Resolution** – Positive change results from the resolution process in which agency management acts to improve operations based on the recommendations in the OIG’s published report. The OIG monitors agency actions until final action is taken on all recommendations. When agency management and the OIG cannot agree on the actions needed to correct a problem identified in an audit or evaluation report, the issue can be referred to the NRC Chairman or DNFSB Chairman for resolution.

Each October, the OIG issues an *Annual Plan* that summarizes the audits planned for the coming fiscal year. Unanticipated high-priority issues may also arise that generate engagements not listed in the *Annual Plan*.

OIG auditors and evaluators monitor specific issue areas to strengthen the OIG's internal coordination and overall planning process. Under the OIG Issue Area Monitoring (IAM) program, staff members designated for IAM are assigned responsibility for keeping abreast of major agency programs and activities. The broad IAM areas address nuclear reactors, nuclear materials, nuclear waste, international programs, security, information management, and financial management and administrative programs.

Investigative Program

The OIG's responsibility for detecting and preventing fraud, waste, and abuse within the NRC and the DNFSB includes investigating possible violations of criminal statutes relating to agency programs and activities, investigating alleged misconduct by employees and contractors, interfacing with the U.S. Department of Justice on OIG-related criminal and civil matters, and coordinating investigations and other OIG initiatives with federal, state, and local investigative agencies and other OIGs.

Investigations may be initiated as a result of allegations or referrals from private citizens; licensee employees; government employees; Congress; other federal, state, and local law enforcement agencies; OIG audits; the OIG Hotline; and, OIG initiatives directed at areas having a high potential for fraud, waste, and abuse.

Because the NRC's and the DNFSB's missions involve protecting the health and safety of the public, the OIG's Investigative Program directs much of its resources to investigating allegations of NRC or DNFSB staff conduct that could adversely impact matters related to health and safety. These investigations may address allegations of:

- Misconduct by high-ranking and other agency officials, such as managers and inspectors, whose positions directly impact public health and safety;
- Failure by agency management to ensure that health and safety matters are appropriately addressed;
- Failure by the NRC or DNFSB to provide sufficient information to the public and to seek and consider the public's input openly during the regulatory process;
- Conflicts of interest involving agency employees, including such matters as promises of future employment for favorable regulatory treatment and the acceptance of gratuities; and,
- Fraud in the agencies' procurement programs involving contractors violating government contracting laws and rules.

The OIG has also implemented a series of proactive initiatives designed to identify specific high-risk areas that are most vulnerable to fraud, waste, and abuse. A primary focus of these initiatives is moderating cybersecurity risks in the business environment. The OIG is committed to improving the security of the constantly changing electronic business environment by investigating unauthorized intrusions into agency systems and computer-related fraud, and by conducting computer forensic examinations. The OIG also engages in proactive initiatives focused on identifying instances of procurement fraud, theft of property, government credit card abuse, and fraud in other federal programs.

OIG General Counsel Regulatory Review

Under the IG Act, the OIG reviews existing and proposed legislation, regulations, and policies, as well as the implementation of NRC Management Directives and DNFSB Directives (5 U.S.C. § 404(a)). The OIG then provides input to the agencies regarding how the rules, policies, or directives may affect the economy and efficiency of agency programs and operations.

Regulatory review is intended to help the agencies avoid implementing potentially flawed regulations or policies. The OIG does not concur or object to agency actions reflected in the regulatory documents, but rather offers comments.

Comments provided in the regulatory review process reflect the OIG's objective analysis of the language of proposed regulations, directives, and policies. The OIG's review is structured to identify vulnerabilities and offer alternative approaches, as warranted. As part of its reviews, the OIG focuses on ensuring that agency policies and procedures do not negatively affect the OIG's operations or independence.

From April 1, 2025, to September 30, 2025, the OIG reviewed a variety of regulatory documents. In its reviews, the OIG remained cognizant of how the proposed rules or policies could affect the OIG's functioning or independence. The OIG also considered whether the rules or policies could significantly affect NRC or DNFSB operations or be of high interest to NRC or DNFSB staff and stakeholders. In conducting its reviews, the OIG applied its knowledge of underlying trends and overarching developments at the agencies and in the areas they regulate.

During this reporting period, the OIG did not identify any issues that would significantly compromise its independence or conflict with its audit or investigative functions, but did, however, identify certain proposed agency policies that might affect, to some extent, its work. In these cases, the OIG proposed edits or changes that would mitigate the impacts and requested responses from the staff. Agency staff either accepted the OIG's proposals or offered a well-supported explanation as to why the proposed changes were not accepted. These reviews are described in further detail below.

NRC Management Directives

Management Directive (MD) 1.1, *NRC Management Directives System*, establishes the document system the NRC uses to issue policies and procedures governing internal agency functions. In the most recent revision of this MD, the agency added language addressing the OIG's areas of responsibility, deleted references to the collective bargaining agreement that formerly covered most NRC employees, and consolidated other provisions in the MD. The OIG recommended changes to the agency's proposed revisions that clarify the Inspector General's relationship to other agency officials and more specifically describe the Inspector General's role in approving, revising, or rescinding any MD that concerns the OIG.

MD 3.53, *NRC Records and Document Management Program*, establishes the policies through which the NRC complies with federal records laws and with rules issued by the National Archives and Records Administration (NARA). The NRC revised this MD to incorporate recent NARA policy revisions and to specify which employees at the NRC are responsible for the lifecycle management of certain records. The OIG recommended the NRC incorporate language in the MD stating that the OIG has its own NARA-approved records-retention schedule, and that this schedule is what applies to most categories of OIG program records.

The OIG also reviewed the following other MDs during this reporting period: MD 3.25, *Graphic Design and Production Services*; MD 4.5, *Contingency Plan for Periods of Lapsed Appropriations*; MD 10.62, *Leave Administration*; and, MD 10.161, *Civil Rights Program and Affirmative Employment and Diversity Management Program*.

DNFSB Directives

Directive Number D-600.1, *Reporting Suspected Fraud, Waste, Abuse, and Misconduct*, establishes the DNFSB's process for reporting relevant information to the OIG. The OIG recommended the DNFSB clarify in the directive how, and to whom, agency employees should provide the OIG certain information. The OIG made other recommendations as well, including a recommendation that the DNFSB clarify in the directive how the agency will notify the OIG what actions, if any, it takes based on an OIG investigative report.

Directive Number D-302.2, *Controlled Unclassified Information*, establishes the DNFSB's program and policies for designating and handling sensitive information that does not qualify as classified information. The OIG provided comments on this directive that involved clarifying employee responsibilities, defining certain terms, and adding references or background information.

Directive Number D-21.1, *Directives Program*, provides the framework for the DNFSB's system of directives and supplemental documents. The OIG suggested edits

to two sections of the directive addressing OIG coordination, so that the directive more accurately describes the OIG's role and the statutory basis for its review of DNFSB directives.

The OIG also reviewed the following other DNFSB directives during this reporting period: D-112.1, *Reasonable Accommodation Program*; D-113.1, *Anti-Harassment Program*; D-261.1, *Freedom of Information Act Program*; and, D-321.1, *Occupational Radiation Exposure Monitoring Program*.

Other OIG Activities

Office of the Inspector General’s Assessment of the U.S. Nuclear Regulatory Commission’s Decommissioning Trust Fund Oversight

The OIG contracted with Crowe LLP (Crowe) to assess the NRC’s oversight process related to reactor decommissioning and its processes related to the potential restart of certain nuclear reactors.

In 2023 and 2024, the NRC identified four violations when decommissioning trust funds (DTFs) had been used on activities unrelated to decommissioning. All four violations were identified by NRC inspectors who found expenditures for non-decommissioning activities while conducting their routine inspection procedures. Based partly on these violations, the OIG requested Crowe to conduct this assessment. The scope of the assessment was to identify processes, analyze gaps in processes, conduct interviews, analyze data, evaluate regulatory compliance, and perform best-practice comparisons of the NRC’s oversight of licensee use of the DTFs for the period January 1, 2020, to December 31, 2024. Crowe focused its review on the use of the trust funds by licensees of nuclear power reactor plants in operation, in decommissioning, or planning to restart operations.

Assessment Results

Crowe identified opportunities for the NRC to improve its oversight of DTFs. These opportunities involve:

- Providing additional monitoring or detailed review of the use of DTFs;
- Providing NRC staff with additional financial assistance when they are reviewing and monitoring the use of DTFs;
- Documenting applicable agency policies, procedures, and workflows; and,
- Establishing a master list of decommissioning sites that have DTF-related license conditions.

Crowe also verified that the NRC had developed best practices for using DTFs when licensees are restarting nuclear reactors that were formerly in decommissioning status. Key best practices include a universal process for establishing a regulatory hold point, tracking the level of effort, and instituting a license condition for the restarting plant related to the use of its DTFs.

Investigation Division’s Special Task Force Activity

The OIG works closely with the FBI, pursuant to statutory requirements as well as voluntary initiatives. The OIG maintains a presence on an FBI Cyber Task Force, as well as other task forces, and an OIG special agent has repeatedly participated in the FBI’s Safe Streets community engagement program in the Baltimore, Maryland area.



**U.S. Nuclear Regulatory Commission
Management and Performance Challenges
and Audit, Evaluation,
and Investigative Summaries**

***Promoting economy, efficiency,
and effectiveness***



NRC MANAGEMENT AND PERFORMANCE CHALLENGES

The following were the most serious management and performance challenges facing the NRC in FY 2025* as identified by the Inspector General:

- Challenge 1: Implementing applicable provisions of the Accelerating Deployment of Versatile, Advanced Nuclear for Clean Energy Act of 2024 (ADVANCE Act);
- Challenge 2: Ensuring safety and security through risk-informed regulation of nuclear technologies and well-supported decisions regarding the restart of power plants in decommissioning;
- Challenge 3: Overseeing the decommissioning process and the management of decommissioning trust funds;
- Challenge 4: Ensuring the effective protection of information technology and data;
- Challenge 5: Recruiting and retaining a skilled workforce;
- Challenge 6: Overseeing the safe and secure use of nuclear materials and the storage and disposal of waste;
- Challenge 7: Enhancing financial efficiency and resource management;
- Challenge 8: Planning for and assessing the impact of artificial intelligence on nuclear safety and security programs; and,
- Challenge 9: Promoting ethical conduct within the agency and protecting regulatory integrity.

By addressing these challenges, the NRC will strengthen its mission execution, achieve its strategic goals, and maintain a high standard of accountability for its resources.

*For more information on these challenges, see [OIG-NRC-25-M-01](#), *The Inspector General's Assessment of the Most Serious Management and Performance Challenges Facing the Nuclear Regulatory Commission in Fiscal Year 2025*.

AUDITS AND EVALUATIONS DIVISION

Summaries—NRC

Performance Audit of the U. S. Nuclear Regulatory Commission's Implementation of the Federal Information Security Modernization Act of 2014 for Fiscal Year 2025

OIG Strategic Goal: Security

The Federal Information Security Modernization Act of 2014 (FISMA) requires federal agencies to develop, document, and implement agencywide information security programs to protect their information and information systems, including those provided or managed by another agency, contractor, or other source. The Office of Management and Budget (OMB) and the National Institute of Standards and Technology (NIST) have issued guidance for federal agencies to follow. In addition, NIST issued the Federal Information Processing Standards to establish agency baseline security requirements.

FISMA also requires agencies' IGs to independently assess the effectiveness of their agencies' information security program and practices. The OIG, therefore, contracted with Sikich CPA LLC (Sikich) to conduct a performance audit of the NRC's implementation of FISMA's requirements for FY 2025. The audit objective was to determine the effectiveness of the NRC's information security program, and practices in protecting federal information and systems.

Audit Results

Sikich found that the NRC established information security program controls and practices that were consistent with FISMA requirements, OMB policy and guidelines, and applicable NIST standards and guidelines. Specifically, the NRC demonstrated progress in implementing event logging requirements; maintained an effective continuous monitoring program, including periodic security control assessments, dashboards for tracking risk posture, and metrics for situational awareness; maintained an effective incident response program that uses both qualitative and quantitative performance measures for data-driven decision-making on incident handling; and, demonstrated progress in employing automated mechanisms to enhance the testing of system contingency plans and in coordinating testing efforts with external stakeholders.

Notwithstanding these actions, Sikich found the NRC had security control weaknesses that reduced the effectiveness of its information security program and practices, such as not developing the Cybersecurity Framework 2.0 profiles and not collecting software self-attestation forms for all software. Sikich made three recommendations to assist the NRC in strengthening its information security program.

Relates to NRC Management and Performance Challenge #4

Audit of the U.S. Nuclear Regulatory Commission's Qualification Programs

OIG Strategic Goal: Safety

The NRC employs staff with a variety of technical backgrounds to conduct operational assignments. Many NRC staff members require agency-issued qualifications to ensure they can perform regulatory duties and implement the agency's policies, programs, and activities. Previous OIG audits and an OIG Special Inquiry highlighted issues pertaining to staff qualifications, including unqualified staff performing work that required specific qualifications and difficulty tracking post-qualification and refresher training.

The audit objective was to determine the adequacy of the NRC's process for managing, tracking, and monitoring its qualification programs.

Audit Results

The NRC does not have an adequate process for managing, tracking, and monitoring staff qualification records. The OIG found that NRC offices use inconsistent information-gathering methods, driven by changes in management's workforce planning and individual office preferences for using separate information systems. As a result, the NRC may face reduced efficiency in retrieving qualification records and may lack full visibility into staff qualification gaps—factors that could adversely impact the agency's ability to carry out its mission.

Additionally, the OIG found that refresher training is tracked informally, with many staff relying on personal reminders to complete mandatory requirements because the NRC lacks a structured, agencywide system for managing refresher training. The absence of such a system could result in decreased staff productivity, non-compliance with safety and security requirements, and lower employee morale and retention. This report made three recommendations to improve the NRC's process for managing, tracking, and monitoring its qualification programs.

Relates to NRC Management and Performance Challenge #6

Audit of the U.S. Nuclear Regulatory Commission's Awards and Recognition Program

OIG Strategic Goal: Corporate Support

The NRC Awards and Recognition program rewards employees for excellence in job performance, outstanding contributions to agency goals, and exceptional improvements in the quality, productivity, and economy of NRC operations. NRC policies define award criteria, approval thresholds, and required documentation to ensure compliance with applicable laws and regulations. Adherence to these policies is essential to ensure accountability and to prevent the misuse of funds.

The audit objective was to assess the NRC's administration of the awards and recognition program and its effectiveness in acknowledging and rewarding employee performance and contributions.

Audit Results

The OIG found that the NRC generally administered performance awards effectively; however, the OIG identified deficiencies in administering special act awards and areas for improvement. Specifically, the NRC granted special act awards to certain employees frequently, often without sufficient justification, raising concerns about compliance with the policy criteria intended to recognize exceptional or superior achievements or contributions. In some cases, award justifications appeared to be duplicated, and some awards were miscoded in employee records, further highlighting weaknesses in award processing and documentation practices.

The NRC can improve the accuracy and consistency of its performance award determinations. The issues identified by the OIG included overlapping appraisal periods and failure to prorate awards for some part-time employees, resulting in noncompliance with award limits. In addition, time-off was granted in excess of the NRC policy limits, underscoring the need to enhance oversight of time-off awards to prevent future occurrences. The report made nine recommendations to strengthen the documentation, justification, and oversight of awards to ensure compliance with applicable rules and agency policy.

Relates to NRC Management and Performance Challenge #7

The Defense Contract Audit Agency's Audit Report Numbers 3621-2023W1010001/2023101007690 and 3621-2023W1010001/2023101007690-S1

OIG Strategic Goal: Corporate Support

The OIG and the Defense Contract Audit Agency (DCAA) have an interagency agreement whereby the DCAA provides contract audit services for the OIG. The DCAA is responsible for the audit methodologies used to reach an audit's

conclusions, monitoring its staff's qualifications, and ensuring compliance with Generally Accepted Government Auditing Standards. The OIG's responsibility is to distribute a completed audit report to NRC management and follow up on agency actions initiated as a result of the audit.

At the OIG's request, the DCAA audited Southwest Research Institute's (SwRI) proposed amounts on unsettled contractors for FY 2023 and provided the OIG with an audit report. SwRI is an independent, nonprofit research and development organization that provides innovative science and technology services in support of government, industry, and the public. The audit objective was to determine if the NRC contract costs are reasonable, allowable, and allocable.

Audit Results

The DCAA audit report, dated January 30, 2025, and its supplemental audit report, dated April 9, 2025, did not identify any questioned costs. The OIG provided a copy of the report to NRC management.

Relates to NRC Management and Performance Challenge #7

Audit of the U.S. Nuclear Regulatory Commission's Use of Operating Experience in Emergency Diesel Generators Oversight

OIG Strategic Goal: Safety

Title 10 of the Code of Federal Regulations, Part 50, Appendix A, *General Design Criteria for Nuclear Power Plants*, requires that all commercial nuclear power plants maintain both on-site and off-site electric power systems to ensure the continued operations of structures, systems, and components vital to safety. To comply with this requirement, most commercial nuclear power plants are equipped with emergency diesel generators (EDGs) as the predominant means of supplying on-site electrical power in the event of a loss of off-site electrical power.

In 2005, the NRC established the Reactor Operating Experience Program to systematically review operating experience gained from the nuclear power industry, research and test reactors, and new reactor construction. The program provides the means for assessing the significance of operating experience (OpE) information, communicating with stakeholders in a timely and effective manner, and applying the lessons learned to regulatory decisions and programs affecting nuclear reactors.

The audit objective was to determine whether the NRC effectively uses OpE information to inspect EDGs at operating nuclear power plants.

Audit Results

The OIG found that the NRC effectively uses OpE information to inspect EDGs at operating nuclear power plants; however, the agency could strengthen the Reactor OpE Program by updating guidance, developing an assessment process, and

ensuring the EDG Technical Review Group's members know their roles and responsibilities. The current guidance provided in Office Instruction LIC-401, *NRR Reactor Operating Experience Program*, and the Office of Nuclear Reactor Regulation's (NRR) Operating Experience Staff Handbook are outdated. In addition, the NRC does not have an assessment process for the Reactor OpE Program. Periodically assessing the Reactor OpE Program may help staff and management determine whether the program is meeting its objectives and whether the staff is using relevant guidance to process OpE information. Finally, the NRC lacks policies and procedures for the EDG Technical Review Groups, which could lead to inconsistent practices, reduced productivity, and missed opportunities to disposition EDG-related OpE information. The OIG made seven recommendations to strengthen the Reactor OpE Program implementation process.

Relates to NRC Management and Performance Challenge #2

Audit of the U.S. Nuclear Regulatory Commission's Web-Based Licensing System

OIG Strategic Goal: Safety

The NRC Web-Based Licensing System is a materials licensing system that supports the NRC and some Agreement States. Deployed in August 2012, it provides an up-to-date repository of all nuclear materials licenses nationwide, and a platform for Agreement States to use the same licensing and inspection information as the NRC in managing their licensing information.

The audit objective was to determine if the Web-Based Licensing System effectively manages the NRC's materials licensing and inspection information and provides for the security, availability, and integrity of the system data.

Audit Results

The Web-Based Licensing System manages the materials, licensing, and inspection information as designed and in accordance with the security requirements. Users were generally satisfied with the system and stated that enhancements made since it was first deployed have improved their perception and use of it. However, the OIG identified seven areas for improvement pertaining to users' work processes, the system's guide, modules, change control processes, system enhancement, and non-compatibility with other applications. The OIG made 15 recommendations to increase the Web-Based Licensing System's functionality, effectiveness, and users' efficiency.

Relates to NRC Management and Performance Challenge #6

Audit of the U.S. Nuclear Regulatory Commission's Management and Oversight of Research and Development Grants

OIG Strategic Goal: Corporate Support

NRC-issued grants provide financial assistance for scholarships, fellowships, and research and development projects at institutions of higher education, with an emphasis on research, development, demonstration, and commercial application activities relevant to advanced nuclear reactors.

The audit's objective was to determine if the NRC is effectively managing and monitoring selected research and development grants in accordance with applicable federal requirements, agency policies and guidance, and award terms and conditions.

Audit Results

The OIG determined that the NRC was not effectively managing or monitoring selected research and development grants. Specifically, we found that the Office of Nuclear Regulatory Research staff assumed grants officer responsibilities without an appointment or through a delegation as a grants officer representative. Furthermore, NRC staff did not request or review source documents to support equipment purchased using grant funds, and the agency does not have a public repository for final performance reports or other means to share the results of federally funded research. Finally, because the grant files did not contain all relevant documents, grants were not closed out in a timely manner, and several grants had funds that were not deobligated, resulting in approximately \$1,241,000 that the agency could have put to better use. The OIG's audit report made nine recommendations to improve the management and monitoring of research and development grants.

Relates to NRC Management and Performance Challenge #7

Performance Audit of the U.S. Nuclear Regulatory Commission's Compliance with the Payment Integrity Information Act of 2019 for Fiscal Year 2024

OIG Strategic Goal: Corporate Support

The OIG contracted with Sikich to conduct a performance audit of the NRC's compliance with the Payment Integrity Information Act of 2019 (PIIA) for FY 2024 in accordance with OMB Memorandum M-21-19 (Appendix C to OMB Circular No. A-123, *Requirements for Payment Integrity Improvement*) and other applicable payment integrity guidance.

The audit objective was to determine whether the NRC complied with the requirements of the PIIA for FY 2024.

Audit Results

Sikich found that the NRC met the applicable requirements for PIIA compliance for the five programs it identified as susceptible to improper payments or unknown payments.

Relates to NRC Management and Performance Challenge #7

Evaluation of the U.S. Nuclear Regulatory Commission's Telework Program

OIG Strategic Goal: Corporate Support

The Telework Enhancement Act of 2010 mandates that federal agency officials create written telework agreements between employees and their supervisors to formalize the terms set forth in agency policies and procedures. The OIG initiated an evaluation in response to Senator Joni Ernst's (R-Iowa) letter of August 28, 2023, requesting an agencywide review of the NRC's telework program.

The evaluation objective was to assess the NRC's use and oversight of its telework program and the administration of locality payments for telework employees.

Evaluation Results

The OIG identified several issues with the NRC's use and oversight of its telework program, including missing telework agreements and inaccurate telework records, both of which are inconsistent with legal requirements regarding proper program administration. The OIG also found inadequate compliance with documentation standards, which could result in inconsistent adherence to policies and inaccuracies in employee records. Finally, the OIG identified discrepancies in some official duty stations and failure to comply with telework agreement terms, potentially resulting in incorrect locality pay. This report made seven recommendations to strengthen the telework program's document management and oversight processes to ensure full compliance with federal laws and regulations.

Relates to NRC Management and Performance Challenge #7

Audits and Evaluations in Progress—NRC

Audit of the U.S. Nuclear Regulatory Commission's Software License Management Practices

OIG Strategic Goal: Corporate Support

The audit objective is to determine if the NRC is effectively managing and monitoring software license usage and purchases.

Relates to NRC Management and Performance Challenge #7

Audit of the U.S. Nuclear Regulatory Commission's Process for Evaluating Requests to Restart Operations at Nuclear Power Reactors in Decommissioning

OIG Strategic Goal: Safety

The audit objective is to determine the adequacy of the NRC's process for overseeing the restart of power reactors in decommissioning.

Relates to NRC Management and Performance Challenge #2

Audit of the U.S. Nuclear Regulatory Commission's Traditional Enforcement Program

OIG Strategic Goal: Safety

The audit objective is to determine whether the NRC has adequate processes in place to manage its Traditional Enforcement Program.

Relates to NRC Management and Performance Challenge #6

Audit of the U.S. Nuclear Regulatory Commission Fiscal Year 2025 Financial Statements

OIG Strategic Goal: Corporate Support

The audit objectives are to express an opinion on whether the NRC's financial statements are presented fairly, in all material respects, in accordance with U.S. generally accepted accounting principles; express an opinion on whether the NRC maintained, in all material respects, effective internal control over financial reporting; and, review compliance with certain laws, regulations, contracts, and grant agreements.

Relates to NRC Management and Performance Challenge #7

Audit of the U.S. NRC's Oversight of Cybersecurity Inspection Programs at Operating Nuclear Power Plants

OIG Strategic Goal: Safety

The audit objective is to determine if the NRC's cybersecurity inspection program is robust and adaptive to evolving cyber threats.

Relates to NRC Management and Performance Challenge #4

INVESTIGATIONS DIVISION

Case Summaries—NRC

Inconsistent U.S. Nuclear Regulatory Commission Guidance Regarding Resident Inspector Tour Assignments and Objectivity

OIG Strategic Goal: Safety

Investigative Results

The public and licensees rely on NRC inspectors to accomplish their oversight duties lawfully and impartially.

In the last Semiannual Report to Congress (for October 1, 2024, through March 31, 2025), the OIG stated that it found the NRC had issued inconsistent guidance on the agency's approach to prioritizing "objectivity" when stationing resident inspectors at licensee facilities around the country. Objectivity, in this context, is the extent to which an NRC inspector impartially executes NRC programs. Traditionally, the NRC sought to ensure objectivity by limiting the length of resident inspectors' tour assignments.

From 1997 to September 2025, the NRC limited the length of resident inspectors' tour assignments to a maximum of 7 years. In 2024, the NRC simultaneously promulgated a more flexible process for approving tour assignments. The new process discussed the 7-year maximum tour length but also provided for situations in which the agency may forego that limit, depending on various factors. Some of those factors, as non-exhaustively described in the 2024 guidance, focus on ensuring the objectivity of resident inspectors, while others focus on ensuring the efficiency of the Resident Inspector Program.

Based on its investigation, the OIG confirmed there were inconsistencies in agency guidance applying to the length of resident inspectors' tours. The OIG also found that adopting inconsistent agency guidance can undermine perceptions of regulatory integrity. In addition, the OIG found that inconsistent guidance can contribute to circumstances that can raise the appearance of a conflict of interest involving NRC employees stationed at licensee facilities.

NRC Response

In response to the OIG's report on this investigation, which included the above finding and details of an unsubstantiated allegation discussed in the OIG's previous Semiannual Report to Congress, the NRC revised and consolidated its guidance.

In particular, the NRC eliminated from Inspection Manual Chapter (IMC) 0102, *Oversight and Objectivity of Inspectors and Examiners at Reactor Facilities*, the blanket 7-year limit on tour lengths. Instead of this strict criterion for tour lengths,

the NRC maintained the newer policy and process described in IMC 2515, *Light-Water Reactor Inspection Program—Operations Phase*, wherein the agency provides for exceptions to a general 7-year limit.

More recently, in September 2025, the Commission approved the NRC staff's recommendation to extend the maximum length of resident inspectors' tour assignments to 10 years, exclusive of any applicable exception in IMC 2515. When making its recommendation to the Commission, the staff discussed the importance of maintaining resident inspector objectivity in tandem with efficient resource management. Ultimately, the staff concluded that sufficient safeguards exist to detect any loss of objectivity resulting from longer resident inspector tour assignments.

Relates to NRC Management and Performance Challenge #5

Insufficient Inspection Report Guidance Results in Inconsistent Information to the Public

OIG Strategic Goal: Safety

Investigative Results

NRC inspection reports formally record NRC activities at licensee sites for the benefit of internal and external stakeholders. Inspection reports not only state the results of inspection activities, but also support future inspection activities and NRC determinations by listing the documents that inspectors "critically reviewed" during an inspection.

In the last Semiannual Report to Congress, the OIG discussed its finding that a publicly available NRC integrated inspection report for an operating commercial nuclear power plant failed to provide information about inspection samples at a consistent level of detail. Further, based on a sample of publicly available integrated inspection reports from across the NRC's four regions, the OIG found agencywide inconsistency in the level of detail the NRC provided to the public regarding support for inspection findings. The OIG identified that the inconsistency stemmed from an unclear standard for "critically reviewed" documents under IMC 0611, *Power Reactor Inspection Reports*, and minimal training on the IMC 0611 requirements for listing such documents in publicly available integrated inspection reports.

The OIG concluded that, without a clearer standard for "critically reviewed" documents or sufficient training on the IMC 0611 requirements, the NRC's integrated inspection reports within and across the regions will likely continue to provide internal and external stakeholders with inconsistent levels of information. These inconsistencies within and among reports could cause external stakeholders to perceive a lack of transparency or integrity in NRC reactor oversight.

NRC Response

In response to the OIG's findings in this investigation, the NRC provided training to NRC inspectors in all four regions across the United States in June 2025. The training focused on the IMC 0611 requirements for listing "critically reviewed"

documents in publicly available integrated inspection reports. In addition, the NRC intends to revise IMC 0611 to define “critically reviewed document.” Once the revision is complete, the NRC plans to provide agencywide training to inspectors on the clarified standard. The proposed definition and training would promote consistent application of the requirement to list critically reviewed documents in publicly available integrated inspection reports.

Relates to NRC Management and Performance Challenge #2

Irregularities in Contract Oversight

OIG Strategic Goal: Corporate Support

Complaint

The OIG initiated this investigation based on two complaints alleging violations of the Federal Acquisition Regulation (FAR). Together, the complaints alleged that two NRC contracting officers violated the FAR when the contracting officers failed to issue, or failed to issue promptly, three contracting officer representative (COR) delegation letters. Allegedly, one of the failures directly prevented a COR from executing duties, like approving invoices, timely.

In addition, one of the contracting officers allegedly withheld deliverables from a COR and directed the COR to approve invoices, despite knowing the COR had not reviewed deliverables or otherwise verified the contractor had fulfilled its contractual obligations.

Investigative Results

The FAR governs federal agency procurement, standardizing the government’s procedures for acquiring goods and services. FAR section 1.602-2 outlines contracting officer responsibilities. One of those responsibilities is to “designate and authorize, in writing and in accordance with agency procedures, a [COR]” The designation, or “COR delegation letter,” is provided to the COR and specifies the scope of the COR’s authority to act on behalf of the contracting officer. MD 11.1, *NRC Acquisition of Supplies and Services*, contains agency-specific guidance on the NRC’s implementation of the FAR.

The OIG substantiated the allegations regarding the COR delegation letters, finding that the two contracting officers involved in the three instances the OIG investigated both failed to issue COR delegation letters in accordance with the FAR and NRC guidance. The OIG did not substantiate the allegation that a contracting officer withheld deliverables and inappropriately directed a COR to approve invoices. The OIG found that there was a lack of guidance or communication regarding the NRC’s procedures for issuing COR delegation letters, enforcement of contracting officer responsibilities, and training for new CORs. These factors all contributed to real or perceived impediments to contracting officers/COR cooperation on contract management.

In one of the three instances the OIG investigated when contracting officers did not issue COR delegation letters properly, the contracting officer failed entirely to issue a

delegation letter during the COR's approximately 3-month assignment to a contract. In the other two instances, the contracting officers issued COR delegation letters approximately 2 months and 6 months after the respective CORs were assigned to the contracts. The OIG found that the missing or belated COR delegation letters resulted from an absence of written procedures or other effective agency communication, as well as a lack of enforcement of FAR and MD 11.1 requirements.

The OIG reviewed the contract for which a contracting officer allegedly withheld deliverables from a COR and determined the contract involved little to no tangible deliverables. Rather, the contract was for services and facility access. In addition, the contract was a firm fixed price agreement, pursuant to which the contractor's invoices and the NRC's payment obligations were likely to remain constant throughout most of the life of the contract. The OIG discovered no evidence that the contractor provided tangible deliverables to the contracting officer, that the contracting officer withheld deliverables from the COR, or that the contractor failed to provide the contracted services and facilities. Instead, the OIG found that the COR's professed inexperience with contracting possibly underlay the perceived issue. The OIG further found that the NRC lacked on-the-job training or other required programs within the agency—beyond the approximately 8-hour, FAR-mandated Level I certification training—to help CORs learn the responsibilities of their important oversight positions.

NRC Response

In response to the OIG's report on this matter, the NRC stated that it intends to train contract specialists and contracting officers on the importance of issuing COR delegation letters timely. The NRC plans to present this topic during an annual, agencywide training reinforcing best practices in acquisitions.

The NRC is also improving its contract oversight by reforming the peer review process for finalizing contract actions. The reform will include a regularly reviewed report of changes in COR assignments. The reform will also include steps to enhance communication among reviewers and contracting officers' supervisors to ensure contracting officers issue COR delegation letters timely.

To support CORs in their successful fulfillment of their important resource management responsibilities, the NRC has initiated a COR mentoring program, "Masters of Acquisition" COR training, and quarterly COR town halls. These initiatives will encourage knowledge sharing among experienced and new CORs, target practical acquisition topics relevant to their responsibilities, and create a forum for CORs across the agency to collaborate on emerging issues in acquisitions.

Relates to NRC Management and Performance Challenge #7

Alleged Suppression of Violations at Nuclear Power Station by Supervisor

OIG Strategic Goal: Safety

Complaint

The OIG initiated this investigation based on a complaint alleging that a GG-15 supervisor had suppressed findings of apparent violations NRC inspectors identified at nuclear power plants. Apparent violations can involve potential safety or security issues. When an NRC inspector identifies a safety or security issue, the inspector is expected to brief a supervisor on the matter. If management agrees and resources allow, the inspector may investigate the apparent violation.

Investigative Results

The OIG did not substantiate the complaint. The NRC has implemented various means by which staff can resolve or move forward against differing opinions. While the supervisor and at least one inspector sometimes disagreed on issues, the OIG's investigation discovered evidence of instances the supervisor later came to agree with or take action based on the inspector's position. Therefore, the OIG issued a letter to the supervisor, with a copy to the supervisor's manager, stating the OIG had not substantiated the alleged misconduct.

During its investigation, the OIG also noted that the NRC had issued one of the allegedly suppressed apparent violations as an "observation," which presents an issue for the licensee to resolve. Although the licensee had not resolved this issue by the time the OIG concluded its investigation, the OIG did not identify a safety concern related to the issue.

NRC Response

NRC staff members intend to follow up with the licensee on the unaddressed observation during a future inspection, in accordance with NRC procedures.

Relates to NRC Management and Performance Challenge #2

Alleged Fraud Involving U.S. Nuclear Regulatory Commission Contractor

OIG Strategic Goal: Corporate Support

Complaint

The OIG initiated this investigation based on a complaint alleging an NRC contractor had inappropriately steered NRC contracts to itself and had committed time and attendance fraud. Allegedly, through its prior work for the NRC, the contractor had developed a position within the agency that enabled the company to guide the NRC's award of new contracts. In addition, the contractor tasked its personnel to work on multiple NRC contracts concurrently; allegedly, the contractor had billed the NRC multiple times, once for each contract, for the same hours those multi-tasked personnel worked.

Investigative Results

The OIG did not substantiate either the allegation that the contractor had inappropriately steered NRC contracts to itself or the allegation that the contractor had double-billed the NRC. The OIG observed, however, and brought to the NRC's attention, conditions in the agency's contract management that were conducive to fraudulent invoicing.

The OIG verified that before awarding the contracts at issue in this investigation, the NRC notified vendors of the bidding via FedConnect, a platform for federal agencies to post, award, and communicate with vendors about contracts and other funding opportunities. The OIG also noted that the NRC invites its employees to recommend projects to improve the agency and encourages public participation in agency activities. Therefore, like NRC employees and external stakeholders, contractor personnel may identify and recommend to the NRC projects to improve the agency.

As a standing NRC contractor, this contractor could use some existing personnel, who were already working on NRC contracts part-time, to complete new NRC projects. This capability to leverage resources efficiently often contributed to the competitiveness of the contractor's bids for the additional NRC contracts the company won.

The OIG observed, however, that the NRC had no practicable mechanism for CORs to ascertain whether and which contractor personnel were assigned to multiple NRC contracts. The OIG did not find time and attendance fraud in this case, but the respective COR for each of the several contracts this contractor won lacked knowledge of whether contractor personnel were concurrently working on other NRC contracts, either through this contractor or others, and of the total hours these multi-tasked personnel billed for work on NRC projects. While one COR proactively identified which contractor personnel were multi-tasked to this contractor's NRC contracts, the NRC had implemented no policies or procedures designed to mitigate double-billing by this contractor or by contractors agencywide.

NRC Response

In response to the OIG's report on this investigation, the NRC will require contractors to notify the agency of any contractor or subcontractor personnel assigned to work concurrently on multiple contracts. The NRC will also require contractors to report the labor hours contracted personnel incur, across all applicable contracts, per month.

The agency intends to provide contractors with a reporting template and facilitate timely COR access to received reports. These initiatives will standardize contractor reporting, enhance governmental transparency, and support efficient resource oversight.

Relates to NRC Management and Performance Challenge #7

Compliance with Executive Order 14168

OIG Strategic Goal: Corporate Support

In January 2025, the President issued E.O. 14168, *Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government*. E.O. 14168 states, in part, that “[i]t is the policy of the United States to recognize two sexes, male and female. These sexes are not changeable and are grounded in fundamental and incontrovertible reality. Under [the President’s] direction, the Executive Branch will enforce all sex-protective laws to promote this reality. . .” Section 4(d) of E.O. 14168 states, “Agencies shall effectuate this policy by taking appropriate action to ensure that intimate spaces designated for women, girls, or females (or for men, boys, or males) are designated by sex and not identity.”

In February 2025, the OIG received a complaint alleging an agency employee was using federal building restrooms that were designated to be used only by members of the opposite sex. The complaint stated that the employee’s use of the restrooms had made a number of employees feel harassed and threatened. The complaint also alleged that the use violated E.O. 14168.

OIG Coordination with the Agency

The OIG referred the complaint to the agency, which completed a management inquiry and determined that the alleged behavior could not reasonably be considered to affect the work environment adversely; hence, it did not violate the agency’s anti-harassment policy. The agency also found no violation of E.O. 14168 because the agency had not received a substantiated complaint from employees being compelled to share intimate spaces with the opposite gender and because the building’s restrooms were clearly designated by sex.

The OIG reviewed the agency’s response, as well as the final report from the agency’s management inquiry, and sought further information regarding the agency’s conclusions. The OIG also sought information on the status of the agency’s implementation of E.O. 14168.

In response to the OIG’s further inquiries, the agency affirmed its compliance with E.O. 14168 on the basis that, even before the E.O.’s issuance, the agency’s intimate spaces had been designated by sex, not gender. The agency also, however, pointed to the *Private Spaces Use Policy* it had issued on July 31, 2025. The *Private Spaces Use Policy* provides rules of conduct for the use of intimate spaces designated for single-sex use, including rules limiting access to multi-occupancy private spaces based on biological sex (with delineated exceptions for instances such as providing emergency medical assistance). The policy also states that the agency expects all individuals to respect others’ privacy, dignity, and safety, and that the agency will not tolerate harassment, intimidation, or other misconduct.

Relates to NRC Management and Performance Challenge #7

Unauthorized Unmanned Aerial Vehicles at Licensee Facilities

OIG Strategic Goal: Security

Commercial nuclear facilities are vital to the United States economy and national security. These facilities are also targets for cyberattacks, espionage, and physical terrorism.

A conglomeration of federal agencies regulates the airspace over NRC-licensed commercial nuclear facilities. The NRC, Federal Aviation Administration, U.S. Department of Defense, Federal Bureau of Investigation, U.S. Department of Homeland Security, U.S. Department of Energy, and Federal Energy Regulatory Commission, in addition to other federal entities and state and local law enforcement, may be involved in responding to unauthorized activity in such airspaces. When NRC licensees identify suspicious activity in the airspace over their facilities, they must submit a suspicious activity report to the NRC and various other governmental entities.

Lately, NRC licensees have submitted an increasing number of suspicious activity reports for unauthorized unmanned aerial vehicles (UAVs) entering the airspace over their facilities. From August 10, 2024, through January 11, 2025, licensees submitted 34 such reports.

The OIG initiated a proactive review in response to the increase in unauthorized UAV activity at NRC licensee sites. The objectives of the project were security-focused and included defining applicable policies and directives, documenting the NRC's responses to and oversight of UAV reporting, and reporting on NRC activities to address unauthorized UAV activity at licensee facilities.

Discussion and Outcome

The OIG canvassed the NRC's past, current, and impending actions aimed at improving oversight related to UAVs at licensee facilities and developed an understanding of the agency's anticipatory and reactionary security framework that may inform related law enforcement activity at licensee facilities. From a law enforcement perspective, the OIG reviewed internal and public notices and security advisories the NRC had issued regarding UAV sightings at licensee facilities. The OIG also discussed with the NRC its planned revisions to applicable guidance documents. Lastly, the OIG gathered information regarding the NRC's cooperation with other governmental entities to streamline airspace oversight. The OIG notes that the regulatory activities in this area, and hence most specifics regarding this project, involve sensitive information protected in the interest of national security.

Relates to NRC Management and Performance Challenge #4



**Defense Nuclear Facilities Safety Board
Management and Performance Challenges
and Audit, Evaluation,
and Investigative Summaries**

*Promoting economy, efficiency,
and effectiveness*



DNFSB MANAGEMENT AND PERFORMANCE CHALLENGES

The following were the most serious management and performance challenges facing the DNFSB in FY 2025* as identified by the Inspector General:

Challenge 1: Ensuring a Healthy Culture and Climate During Leadership Transitions and Reorganizations;

Challenge 2: Managing Resources to Address Critical Risks; and,

Challenge 3: Continuing to Prioritize the DNFSB's Focus on Technical Oversight and Reviews.

*For more information on these challenges, see [OIG-DNFSB-25-M-01](#), *The Inspector General's Assessment of the Most Serious Management and Performance Challenges Facing the Defense Nuclear Facilities Safety Board*.

AUDITS AND EVALUATIONS DIVISION

Summaries—DNFSB

Audit of the Defense Nuclear Facilities Safety Board's Implementation of the Federal Information Security Modernization Act of 2014 for Fiscal Year 2025

OIG Strategic Goal: Security

FISMA requires federal agencies to develop, document, and implement an agencywide information security program to protect their information and information systems, including those provided or managed by another agency, contractor, or other source. The OMB and NIST have issued guidance for federal agencies to follow. In addition, NIST issued the Federal Information Processing Standards to establish agency baseline security requirements.

FISMA also requires the agency Inspector General to assess the effectiveness of the agency's information security program and practices. Consistent with this requirement, the OIG engaged Sikich to conduct a performance audit in support of FISMA's requirements. The audit objective was to determine the effectiveness of the DNFSB's information security program and practices.

Audit Results

Sikich concluded that the DNFSB has not implemented effective information security policies, procedures, and practices. Specifically, the DNFSB achieved an overall maturity of *Level 3: Consistently Implemented*. Sikich determined that one Cybersecurity Framework function achieved a *Level 5: Optimized* maturity level, four achieved a *Level 3: Consistently Implemented* maturity level, and one achieved a *Level 2: Defined* maturity level. The DNFSB's information security program must be rated at least *Level 4: Managed and Measurable*, to be considered effective.

In its report, Sikich encouraged the DNFSB to focus on implementing controls and processes related to the core metrics and addressing weaknesses noted in the report. Sikich also made seven new recommendations to assist the DNFSB in strengthening its information security program and practices.

Relates to DNFSB Management and Performance Challenge #2

Audit of the Defense Nuclear Facilities Safety Board's Review Agendas

OIG Strategic Goal: Safety

DNFSB technical staff perform reviews of DOE standards and other documents related to matters such as facility design, operations, and construction. These reviews help inform whether DOE, its contractors, and its sub-contractors are adequately implementing applicable laws, regulations, directives, DOE technical standards, and national consensus standards.

Review Agendas are used to perform reviews by DNFSB headquarters technical staff. Each Review Agenda includes a specific subject, proposed start date, objective, scope, a listing of the items to be discussed, and the lines of inquiry. Review Agendas are developed and implemented in accordance with DNFSB-developed guidance and tailored to each review's scope.

The audit objective was to determine the DNFSB's effectiveness in developing and applying its Review Agendas.

Audit Results

The OIG found that approximately half of the DNFSB's planned Review Agendas for FY 2019 through 2024 were carryovers from prior years. Some carryover reviews were delayed, and justifications for delays were not consistently recorded. Moreover, the OIG found that the DNFSB does not have a structured Knowledge Management Program, and its guidance is not aligned with the current Review Agenda process. The OIG made three recommendations to update and improve the agency's Review Agenda process.

Relates to DNFSB Management and Performance Challenge #3

Audit of the Defense Nuclear Facilities Safety Board's Drug-Free Workplace Program

OIG Strategic Goal: Safety

Executive Order 12564, *Drug-Free Workplace*, mandated that federal agencies develop plans for achieving the objective of a drug-free workplace and establish programs for testing for the use of illegal drugs by employees in sensitive positions. The DNFSB Drug-Free Workplace Program implements applicable Department of Health and Human Services standards. It follows the guidance of the Substance Abuse and Mental Health Services Administration.

The agency's Drug-Free Workplace Program provides applicant testing, random testing, reasonable suspicion testing, voluntary testing, and testing as a follow-up to counseling or rehabilitation. Testing involves the analysis for the presence of marijuana, cocaine, amphetamines, opiates, and phencyclidine.

The audit objective was to determine if the DNFSB is effectively managing the Drug-Free Workplace Program.

Audit Results

The DNFSB effectively manages its Drug-Free Workplace Program to meet the basic program objectives. However, the agency should update its Drug-Free Workplace Plan to align with its current practices. The agency should also improve its internal and external communications to support more efficient program implementation and ensure that it achieves its goal of a drug-free workplace. The report made three recommendations for the DNFSB to update its guidance, create implementation guidance, and improve communication.

Relates to DNFSB Management and Performance Challenge #1

Performance Audit of the Defense Nuclear Facilities Safety Board's Compliance with the Payment Integrity Information Act of 2019 for Fiscal Year 2024

OIG Strategic Goal: Corporate Support

The OIG contracted with Sikich to conduct a performance audit of the DNFSB's compliance with the PIIA for FY 2024, in accordance with OMB Memorandum M-21-19 (Appendix C to OMB Circular No. A-123, *Requirements for Payment Integrity Improvement*) and other applicable payment integrity guidance.

The audit objective was to determine whether the DNFSB complied with PIIA requirements for FY 2024.

Audit Results

Sikich assessed the DNFSB's compliance with OMB guidance and corresponding reporting instructions and determined that the DNFSB met the applicable requirements for PIIA compliance for the one program it identified as susceptible to improper payments or unknown payments.

Sikich determined that the DNFSB published applicable payment integrity information with its annual financial statements and in the accompanying materials to its annual financial statements for FY 2024 in accordance with payment integrity information guidance provided in OMB Circular A-136, *Financial Reporting Requirements*. The DNFSB also posted its annual financial statements and the accompanying materials required by OMB's guidance on its website with a link to <https://www.paymentaccuracy.gov>. In addition, the DNFSB conducted an improper payment risk assessment for each program with annual outlays greater than \$10,000,000 at least once in the last 3 years, and it adequately considered whether each program is likely to make improper payments or unknown payments above or below the statutory threshold.

Finally, Sikich found that the DNFSB’s reporting of improper payments or unknown payments was accurate and complete, as was the agency’s performance in reducing and recapturing. In making its finding, Sikich verified that the DNFSB appropriately concluded that a payment recapture audit would not be cost-effective based on the results of its FY 2023 improper payment risk assessment, which concluded that there were no significant improper payments for the programs that met the PIIA threshold for testing. There were no recommendations made in this report.

Relates to DNFSB Management and Performance Challenge #3

Audits in Progress—DNFSB

Audit of the Defense Nuclear Facilities Safety Board Fiscal Year 2025 Financial Statements

OIG Strategic Goal: Corporate Support

The audit objectives are to express an opinion on whether the DNFSB’s financial statements are presented fairly, in all material respects, in accordance with U.S. generally accepted accounting principles; express an opinion on whether the DNFSB maintained, in all material respects, effective internal control over financial reporting; and, report on compliance with certain provisions of laws, regulations, contracts, and grant agreements.

Relates to DNFSB Management and Performance Challenge #2

INVESTIGATIONS DIVISION

Case Summaries—DNFSB

Time and Attendance Fraud by a Defense Nuclear Facilities Safety Board Contractor Employee

OIG Strategic Goal: Corporate Support

Investigative Results

As discussed in the October 1, 2024, through March 31, 2025, Semiannual Report to Congress, the OIG found that a contractor employee committed time and attendance fraud, causing a loss to the government of more than \$5,000.

The OIG also found that a lack of communication between managers regarding the contractor employee's assignments, coupled with incorrect interpretations of the contract, led to agency confusion regarding who could task the contractor employee and with what tasks.

DNFSB Response

The DNFSB recovered the lost funds from this instance of time and attendance fraud, and the contractor removed the contractor employee from the contract. In addition, the DNFSB took several steps to improve the agency's contracting processes and to prevent future fraud.

Regarding this contract specifically, the DNFSB reassigned the activity manager and contracting officer's representative. More broadly, the DNFSB conducted additional training for staff involved in contracting, and the agency is in the process of finalizing procedures clarifying the roles and responsibilities of contracting personnel. The DNFSB also encouraged stronger oversight and streamlined management of agency acquisitions by restructuring the contracting program to be under the Office of the Executive Director of Operations.

In addition, the DNFSB is revising agency guidance documents regarding identifying, reporting, investigating, and remedying fraud. The revisions are intended to clarify procedures for reporting and investigating fraud, reinforce compliance measures, and enhance agency and employee transparency and accountability. With these reforms, the DNFSB may be better positioned to protect taxpayer funds and uphold ethical standards within the agency.

Relates to DNFSB Management and Performance Challenges #1 and #2

Alleged Hostile Work Environment and Conflict of Interest

OIG Strategic Goal: Corporate Support

Complaint and Investigative Action

The OIG initiated this preliminary investigation based on a complaint that a GG-15 employee had fostered a hostile work environment and violated procurement rules.

The OIG met with DNFSB leadership regarding the issues raised in the complaint. Pursuant to that discussion, the OIG referred the complaint to the DNFSB to conduct an initial inquiry and to report to the OIG the results of that inquiry.

DNFSB Response

Due to insufficient evidence, the DNFSB inquiry into the complainant's allegations did not substantiate the claims of a hostile work environment and a violation of procurement rules.

The results of the inquiry, however, contributed to the DNFSB's determination to restructure the agency's contracting program to be under the Executive Director of Operations. As discussed above, the streamlined structure of the DNFSB's contracting program will encourage stronger oversight and more effective resource management.

Relates to DNFSB Management and Performance Challenges #1



Summary of Accomplishments

***Promoting economy, efficiency,
and effectiveness***



AUDITS AND EVALUATIONS DIVISION

NRC

Audits and Evaluations Completed

Report No. Date Issued	Report Title	Open Recommendations as of 09/30/2025	Total Potential Cost Savings
OIG-NRC-25-A-14 September 30, 2025	Performance Audit of the U.S. Nuclear Regulatory Commission's Implementation of the Federal Information Security Modernization Act of 2014 for Fiscal Year 2025	3	0
OIG-NRC-25-A-13 September 25, 2025	Audit of the U.S. Nuclear Regulatory Commission's Qualifications Programs	3	0
OIG-NRC-25-A-12 September 23, 2025	Audit of the U.S. Nuclear Regulatory Commission's Awards and Recognition Program	9	0
OIG-NRC-25-A-11 September 15, 2025	The Defense Contract Audit Agency's Audit Report Numbers 3621-2023W1010001/2023101007690 and 3621-2023W1010001/2023101007690- S1	0	0
OIG-NRC-25-A-10 August 26, 2025	Audit of the U.S. Nuclear Regulatory Commission's Use of Operating Experience in Emergency Diesel Generators Oversight	7	0
OIG-NRC-25-A-09 June 30, 2025	Audit of the U.S. Nuclear Regulatory Commission's Web-Based Licensing System	12	0

OIG-NRC-25-A-08 June 17, 2025	Audit of the U.S. Nuclear Regulatory Commission's Management and Oversight of Research and Development Grants	8	\$1,241,000
OIG-NRC-25-A-07 May 14, 2025	Performance Audit of the U.S. Nuclear Regulatory Commission's Compliance with the Requirements of the Payment Integrity Information Act of 2019 for Fiscal Year 2024	0	0
OIG-NRC-25-E-01 April 28, 2025	Evaluation of the U.S. Nuclear Regulatory Commission's Telework Program	3	0

NRC Contract Audit Reports

OIG Issue Date	Contractor/Title/ Contractor No.	Questioned Costs	Unsupported Costs
September 15, 2025	Southwest Research Institute Independent Audit Report on Southwest Research Institute's Proposed Amounts on Unsettled Flexibility Priced Contractors for FY 2023 HDTRA118D0002 B192019009G001 HDTRA118D0002 HDTRA118D0002 HDTRA118D0002 HDTRA118D0002	0	0

NRC Audit and Evaluation Resolution Activities

OIG Reports Containing Questioned Costs and Recommendations that Funds be Put to Better Use*

	Number of Reports	Funds to be Put to Better Use	Questioned/ Unsupported Costs
A. Reports for which no management decision had been made by the commencement of the reporting period	0	0	0
B. Reports issued during the reporting period	1	\$1,241,000	0
C. Reports for which a management decision was made during the reporting period:			
i. Dollar value of disallowed costs	0	0	0
ii. Dollar value of costs not disallowed	0	0	0
D. Reports for which no management decision had been made by the end of the reporting period	0	\$1,241,000	0

**The OIG questions costs if there is an alleged violation of a provision of a law, regulation, contract, grant, cooperative agreement, or other agreement or document governing the expenditure of funds; a finding that, at the time of the audit, such costs are not supported by adequate documentation; or, a finding that the expenditure of funds for the intended purpose is unnecessary or unreasonable. A "recommendation that funds be put to better use" is an OIG recommendation that funds could be used more efficiently if NRC management took actions to implement and complete the recommendation.*

DNFSB

Audits and Evaluations Completed

Report No. Date Issued	Report Title	Open Recommendations as of 09/30/2025	Total Potential Cost Savings
OIG-DNFSB-25-A-05 September 25, 2025	Audit of the Defense Nuclear Facilities Safety Board's Implementation of the Federal Information Security Modernization Act of 2014 for Fiscal Year 2025	7	0
OIG-DNFSB-25-A-04 August 1, 2025	Audit of the Defense Nuclear Facilities Safety Board's Review Agendas	3	0
OIG-DNFSB-25-A-03 July 31, 2025	Audit of the Defense Nuclear Facilities Safety Board's Drug-Free Workplace Program	3	0
OIG-DNFSB-25-A-02 May 14, 2025	Performance Audit of the Defense Nuclear Facilities Safety Board's Compliance with the Requirements of the Payment Integrity Information Act of 2019 for Fiscal Year 2024	0	0

Contract Audit Reports

The OIG did not complete any DNFSB contract audit reports for the reporting period.

DNFSB Audit and Evaluation Resolution Activities

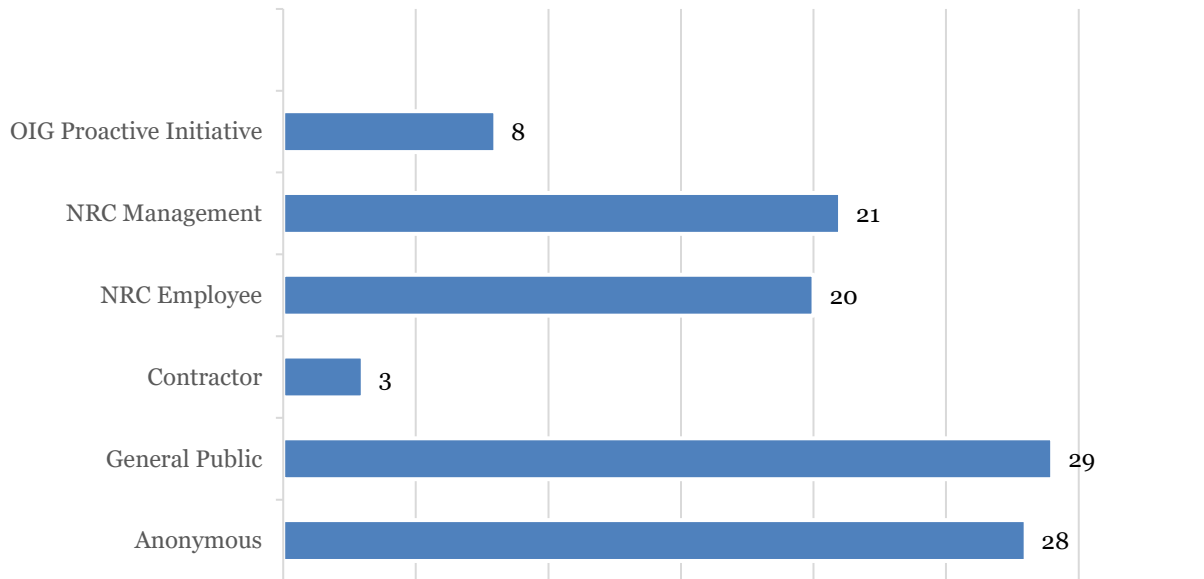
The OIG did not complete any DNFSB audit reports with monetary impact during this reporting period.

INVESTIGATIONS DIVISION

NRC *Complaints Received*

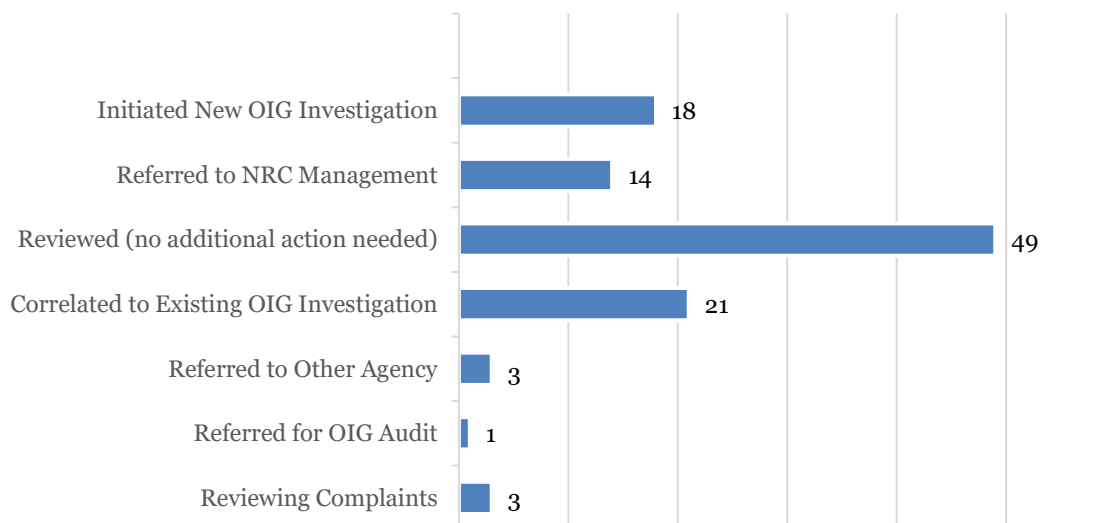
Sources of Complaints

109 complaints received (71 from the OIG Hotline)



Disposition of Complaints

109 dispositioned



Status of Investigations

Federal

DOJ Referrals	8	Civil Penalties	0
Accepted.....	2	Recoveries.....	0
Declined	6		
Pending	0		
Criminal Information/Indictments	1	NRC Administrative Actions	
Arrest	1	Review/Change of Agency Process	4
Criminal Conviction/Civil Settlement	0	Other (counseling/training).....	1
Civil Recovery (recoveries pending)	0	Retirement/Resignation	0
		Termination.....	2
		Pending Agency Action	6
		Potential Cost Savings	0

State and Local

Referrals	1		
Accepted.....	1	Administrative False Claims Act	
Declined	0	Referred	2
Pending	0	Action Taken.....	0
Criminal Information/Indictments	1	Actions Pending.....	11
Criminal Conviction	1	Declined.....	0

Summary of Investigations

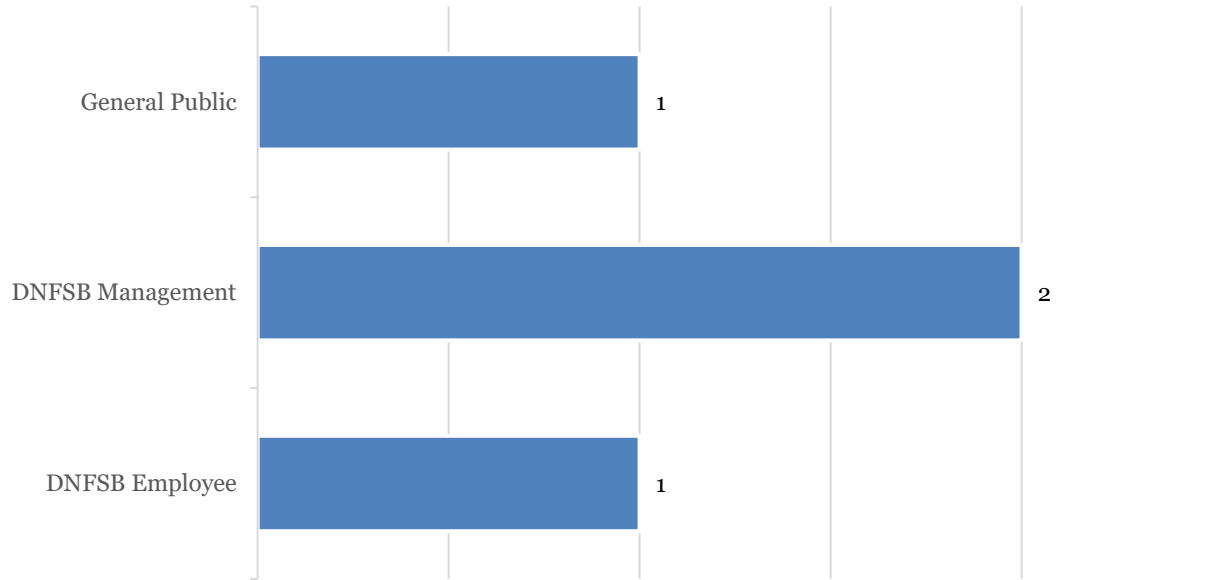
Classification of Investigations	Opened Cases	Completed Cases	Reports Issued*	Active Cases
Conflict of Interest	2	2	2	2
Employee Misconduct	9	9	8	5
Fraud	10	2	1	9
Management Misconduct	5	5	4	2
Proactive Initiative	1	1	1	5
Technical Investigations	2	0	0	4
TOTAL:	29	19	16	27

*Number of reports issued represents the number of completed cases for which allegations were substantiated and the results were reported outside of the OIG.

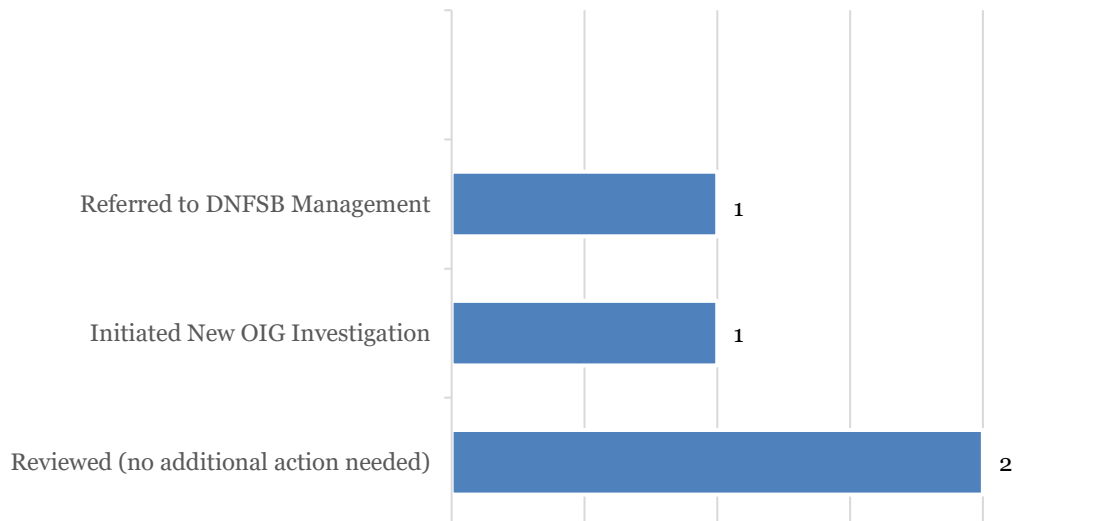
DNFSB

Complaints Received

Sources of Complaints
4 complaints received (3 from the OIG Hotline)



Disposition of Complaints
4 dispositioned



Status of Investigations

Federal

DOJ Referrals	1
Declinations	1
Criminal Information/Indictments.....	0
Criminal Conviction.....	0
Civil Penalty Fines	0
Recoveries	0

DNFSB Administrative Actions

Pending Agency Action.....	1
Review/Change of Agency Process.....	2
Retirements/Resignations.....	0

State and Local

Referrals	0
Criminal Information/Indictments	0
Criminal Convictions.....	0
Civil Penalties	0
Recoveries.....	0

Administrative False Claims Act

Referred	0
Action Taken.....	0
Actions Pending.....	0
Declined	0

Summary of Investigations

Classification of Investigations	Carry Over Case	Opened Cases	Completed Cases	Reports Issued*	Active Cases
Employee Misconduct	2	1	2	2	0
Management Misconduct	0	1	1	2	0
Whistleblower Reprisal	0	1	0	0	1
TOTAL:	2	3	3	4	1

**Number of reports issued represents the number of completed cases for which allegations were substantiated and the results were reported outside of the OIG.*



Unimplemented Audit and Evaluation Recommendations

***Promoting economy, efficiency,
and effectiveness***



Open Recommendations

The following are NRC and DNFSB audit and evaluation reports that have open OIG recommendations as of September 30, 2025. The OIG continues to work with NRC and DNFSB officials to resolve and close the recommendations.

NRC

Audit of the NRC's Decommissioning Funds Program (OIG-16-A-16)
2 of 9 recommendations open since June 8, 2016

Independent Evaluation of the NRC's Implementation of the Federal Information Security Modernization Act (FISMA) of 2014 for Fiscal Year 2020 (OIG-21-A-05)
1 of 13 recommendations open since March 19, 2021

Audit of the NRC's Implementation of the Enterprise Risk Management Process (OIG-21-A-16) 7 of 8 recommendations open since September 28, 2021

Independent Evaluation of the NRC's Implementation of the Federal Information Security Modernization Act (FISMA) of 2014 for Fiscal Year 2021 (OIG-22-A-04)
1 of 18 recommendations open since December 20, 2021

Audit of the NRC's Permanent Change of Station Program (OIG-22-A-05)
1 of 4 recommendations open since January 19, 2022

Audit of the NRC's Strategic Workforce Planning Process (OIG-22-A-13)
3 of 3 recommendations open since September 26, 2022

Audit of the U.S. Nuclear Regulatory Commission's (NRC) Implementation of the Federal Information Security Modernization Act of 2014 for Fiscal Year 2023 (OIG-23-A-10)
1 of 3 recommendations open since August 21, 2023

Audit of the U.S. Nuclear Regulatory Commission's Security Oversight of Category 1 and Category 2 Quantities of Radioactive Material (OIG-24-A-06)
2 of 3 recommendations open since March 25, 2024

Audit of the U.S. Nuclear Regulatory Commission's (NRC) Safety Inspections of Class II Research and Test Reactors (OIG-24-A-07)
5 of 7 recommendations open since April 11, 2024

Evaluation of the U.S. Nuclear Regulatory Commission's Information Technology Asset Management (OIG-24-E-01)
5 of 6 recommendations open since July 3, 2024

Evaluation of the U.S. Nuclear Regulatory Commission's Use of Anti-gag Clauses in Nondisclosure Agreements (OIG-24-E-02)

1 of 3 recommendations open since September 20, 2024

Audit of the U.S. Nuclear Regulatory Commission's Reactor Operator Licensing Examination Process (OIG-24-A-10)

1 of 1 recommendation open since September 30, 2024

Audit of the U.S. NRC's Implementation of the Federal Information Security Modernization Act of 2014 for Fiscal Year 2024 (OIG-24-A-11)

2 of 4 recommendations open since September 30, 2024

Audit of the U.S. Nuclear Regulatory Commission's Travel Charge Card Program (OIG-NRC-25-A-01)

5 of 9 recommendations open since October 28, 2024

Audit of the U.S. Nuclear Regulatory Commission's Recruiting and Retention Activities (OIG-NRC-25-A-03)

1 of 5 recommendations open since December 18, 2024

Performance Audit of the U.S. Nuclear Regulatory Commission's Implementation of the Federal Information Security Modernization Act of 2014 for Fiscal Year 2024 Technical Training Center: Chattanooga, Tennessee (OIG-NRC-25-A-04)

4 of 6 recommendations open since January 24, 2025

Performance Audit of the U.S. Nuclear Regulatory Commission's Implementation of the Federal Information Security Modernization Act of 2014 for Fiscal Year 2024 Region IV: Arlington, Texas (OIG-NRC-25-A-05)

1 of 2 recommendations open since January 24, 2025

Evaluation of the U.S. Nuclear Regulatory Commission's Telework Program (OIG-NRC-25-E-01)

3 of 7 recommendations open since April 28, 2025

Audit of the U.S. Nuclear Regulatory Commission's Management and Oversight of Research and Development Grants (OIG-NRC-25-A-08)

8 of 9 recommendations open since June 17, 2025

Audit of the U.S. Nuclear Regulatory Commission's Web-Based Licensing System (OIG-NRC-25-A-09)

12 of 15 recommendations open since June 30, 2025

Audit of the U.S. Nuclear Regulatory Commission's Use of Operating Experience in Emergency Diesel Generators Oversight (OIG-NRC-25-A-10)
7 of 7 recommendations open since August 26, 2025

Audit of the U.S. Nuclear Regulatory Commission's Awards and Recognition Program (OIG-NRC-25-A-12) 9 of 9 recommendations open since September 23, 2025

Audit of the U.S. Nuclear Regulatory Commission's Qualification Programs (OIG-NRC-25-A-13) 3 of 3 recommendations open since September 25, 2025

Performance Audit of the U.S. Nuclear Regulatory Commission's Implementation of the Federal Information Security Modernization Act of 2014 for Fiscal Year 2025 (OIG-NRC-25-A-14) 3 of 3 recommendations open since September 30, 2025

DNFSB

Independent Evaluation of the DNFSB's Implementation of the Federal Information Security Modernization Act (FISMA) of 2014 for Fiscal Year 2019 (DNFSB-20-A-05)
1 of 11 recommendations open since March 31, 2020

Independent Evaluation of the DNFSB's Implementation of the Federal Information Security Modernization Act (FISMA) of 2014 for Fiscal Year 2020 (DNFSB-21-A-04)
3 of 14 recommendations open since March 25, 2021

Independent Evaluation of the DNFSB'S Implementation of the Federal Information Security Modernization Act (FISMA) of 2014 for FY 2021 (DNFSB-22-A-04)
2 of 24 recommendations open since December 21, 2021

Audit of the Defense Nuclear Facilities Safety Board's Freedom of Information Act Program (DNFSB-24-A-04) 2 of 8 recommendations open since August 13, 2024

Audit of the Defense Nuclear Facilities Safety Board's Drug-Free Workplace Program (OIG-DNFSB-25-A-03) 3 of 3 recommendations open since July 30, 2025

Audit of the Defense Nuclear Facilities Safety Board's (DNFSB) Review Agendas (OIG-DNFSB-25-A-04) 3 of 3 recommendations open since August 1, 2025

Audit of the Defense Nuclear Facilities Safety Board's Implementation of the Federal Information Security Modernization Act of 2014 for Fiscal Year 2025 (OIG-DNFSB-25-A-05) 7 of 7 recommendations open since September 25, 2025



Appendix

***Promoting economy, efficiency,
and effectiveness***



REPORTING REQUIREMENTS

The Inspector General Act of 1978, as amended in 1988, specifies reporting requirements for semiannual reports. This index cross-references those requirements to the pages where they are fulfilled in this report.

Citation	Reporting Requirements	Page(s)
Section 4(a)(2)	Review of legislation and regulations	7–9
Section 5(b)(1)	Significant problems, abuses, and deficiencies	13–37
Section 5(b)(2)	Recommendations for corrective action	13–19, 32–35
Section 5(b)(3)	Prior significant recommendations not yet completed	48–50
Section 5(b)(4)	Matters referred to prosecutive authorities	44, 46
Section 5(b)(6)	Listing of audit reports	39,40,42
Section 5(b)(6)	Listing of audit reports with questioned costs or funds put to better use	41–42
Section 5(b)(7)	Summary of significant reports	32–37
Section 5(b)(8)	Statistical tables for audit reports — questioned costs	41
Section 5(b)(9)	Statistical tables for audit reports — funds to be put to better use	41
Section 5(b)(10)	Audit reports issued before commencement of the reporting period (a) for which no management decision has been made, (b) which received no management comment within 60 days, and (c) with outstanding, unimplemented recommendations, including aggregate potential costs savings.	N/A
Section 5(b)(11)	Significant revised management decisions	N/A
Section 5(b)(12)	Significant management decisions with which the OIG disagreed	N/A
Section 5(b)(13)	FFMIA Section 804(b) information	N/A
Section 5(b)(14) (15)(16)	Peer review information	53
Section 5(b)(17)	Investigations statistical tables	43–46
Section 5(b)(18)	Description of metrics	N/A
Section 5(b)(19)	Investigations of senior Government employees where misconduct was substantiated	N/A
Section 5(b)(20)	Whistleblower retaliation	N/A
Section 5(b)(21)	Interference with IG independence	N/A
Section 5(b)(22)(A)	Audit or evaluations that were closed and the reports not made public	N/A
Section 5(b)(22)(B)	Investigations involving senior Government employees that were closed and the reports not made public	N/A

PEER REVIEWS

Audits and Evaluations Division

The U.S. National Science Foundation OIG peer reviewed the OIG's audit and evaluation program in accordance with Government Auditing Standards and Council of the Inspectors General on Integrity and Efficiency (CIGIE) requirements. Peer reviews are rated pass, pass with deficiencies, or fail. In a report dated August 28, 2024, the OIG received the highest external peer review rating of pass.

Investigations Division

The Peace Corps OIG peer reviewed the OIG's investigative program. The final report, dated June 2, 2024, reflected that the OIG's investigative program is in full compliance with the quality standards established by 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.

ABBREVIATIONS AND ACRONYMS

CIGIE.....	Council of the Inspectors General on Integrity and Efficiency
COR.....	contracting officer's representative
DCAA.....	Defense Contract Audit Agency
DNFSB.....	Defense Nuclear Facilities Safety Board
DOE.....	U.S. Department of Energy
DTF.....	decommissioning trust funds
EDG.....	emergency diesel generators
E.O.....	Executive Order
FAR.....	Federal Acquisition Regulation
FBI.....	Federal Bureau of Investigation
FISMA.....	Federal Information Security Modernization Act of 2014
FOIA.....	Freedom of Information Act
IAM.....	Issue Area Monitoring
IG.....	Inspector General
IMC.....	Inspection Manual Chapter
MD.....	NRC Management Directive
NARA.....	National Archives and Records Administration
NIST.....	National Institute of Standards and Technology
NRC.....	U.S. Nuclear Regulatory Commission
NRR.....	Office of Nuclear Reactor Regulation
OIG.....	Office of the Inspector General
OMB.....	Office of Management and Budget
OpE.....	operating experience
PIIA.....	Payment Integrity Information Act of 2019
UAV.....	unmanned aerial vehicle
U.S.C.....	United States Code

Notice to Non-Governmental Organizations and Business Entities Specifically Mentioned in this Report

Section 5274 of the James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117-263, amended the Inspector General Act of 1978 to require OIGs to notify certain entities of OIG reports. In particular, section 5274 requires that, if an OIG specifically identifies any non-governmental organization (NGO) or business entity (BE) in an audit or other non-investigative report, the OIG must notify the NGO or BE that it has 30 days from the date of the report's publication to review the report and, if it chooses, submit a written response that clarifies or provides additional context for each instance within the report in which the NGO or BE is specifically identified.

If you are an NGO or BE that has been specifically identified in this report and you believe you have not been otherwise notified of the report's availability, please be aware that under section 5274 such an NGO or BE may provide a written response to this report no later than 30 days from the report's publication date. Any response you provide will be appended to the published report as it appears on our public website, assuming your response is within the scope of section 5274. Please note, however, that the OIG may decline to append to the report any response, or portion of a response, that goes beyond the scope of the response provided for by section 5274. Additionally, the OIG will review each response to determine whether it should be redacted in accordance with applicable laws, rules, and policies before we post the response to our public website.

HOTLINE PROGRAM

The Hotline Program provides NRC and DNFSB employees, other government employees, licensee/utility employees, contractors, and the public with a confidential means of reporting suspicious activity concerning fraud, waste, abuse, and employee or management misconduct. Mismanagement of agency programs or danger to public health and safety may also be reported. The OIG does not attempt to identify persons contacting the Hotline.

What should be reported?

- Contract and Procurement Irregularities
- Conflicts of Interest
- Theft and Misuse of Property
- Travel Fraud
- Misconduct
- Abuse of Authority
- Misuse of Government Credit Card
- Time and Attendance Abuse
- Misuse of IT Resources
- Program Mismanagement

How do I contact the OIG?



Call the OIG Hotline:

1-800-233-3497

TTY/TDD: 7-1-1, or

1-800-201-7165 7:00 a.m. – 4:00 p.m. (ET)

After hours, please leave a message.



Submit an [Online Form](#)



Write:

U.S. Nuclear Regulatory Commission
Office of the Inspector General
Hotline Program,
MS O12-A12
11555 Rockville Pike
Rockville, Maryland 20852-2738