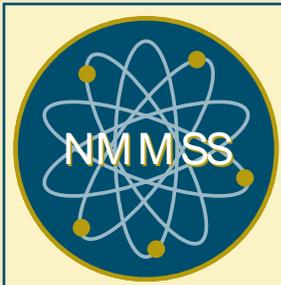


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# Negative Inventories Balances in the NMMSS

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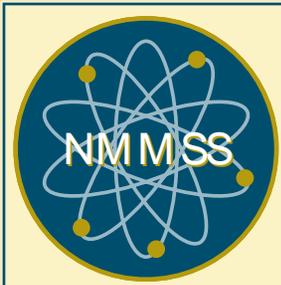
Juan C. Subiry  
NAC International



# Definition

*Negative inventory balances are accounting discrepancies created by shipping receiving imparities.*

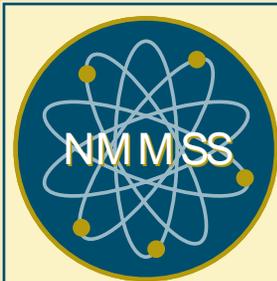
- *Absence of a receipt transaction for all reportable material*
- *Shipment of non-reportable material that becomes reportable*
- *Misallocation of Project Numbers*
- *Incorrect owner code was used*
- *Privately-owned non-SNM materials being shipped to DOE*
- *Privately owned source material with of U.S. origin being shipped to Foreign Entities.*



# Background - History

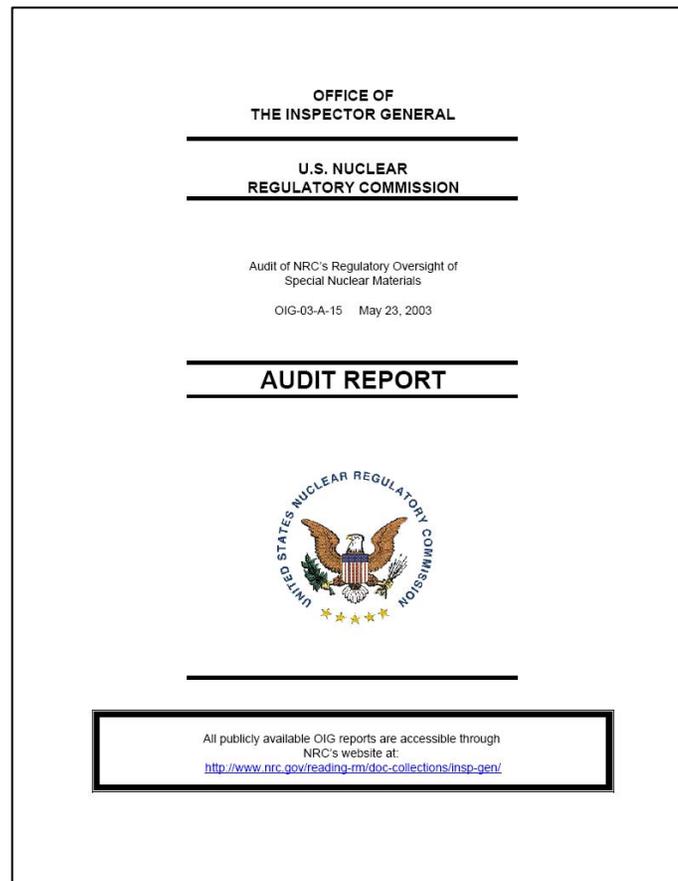
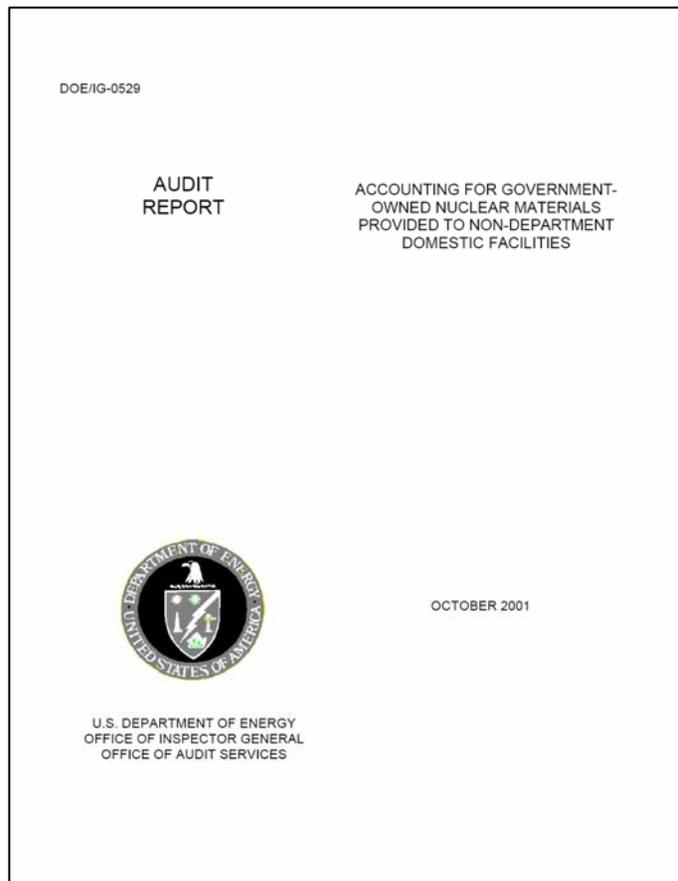
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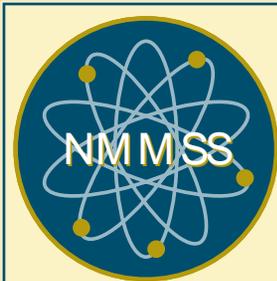
- *Traditionally, Negative balances have been corrected during reconciliation.*
- *A large number of NRC or Agreement State licensees are not required to reconcile balances with the NMMSS.*
- *Negative inventories have been slowly accumulating in the system*
- *These inventories represented a very small fraction of all materials tracked by NMMSS.*



# DOE and NRC IG Reports

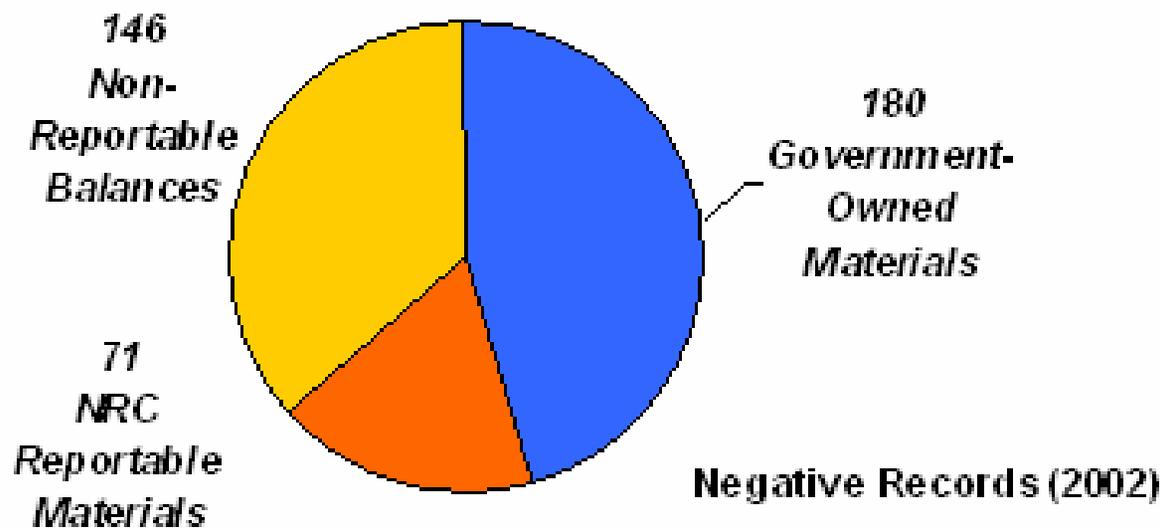
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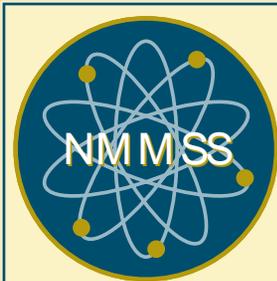




# IG Audits

- *Large number of Negative records in the system must be corrected.*
- *Data Implications (Financial statements)*

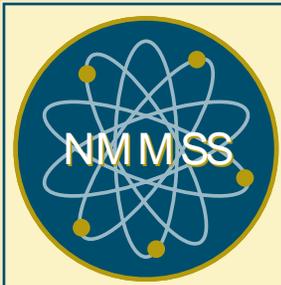




# Negative Inventories

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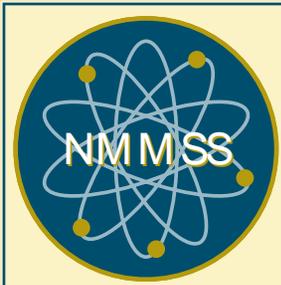
<i><b>Date</b></i>	<i><b>Negative Records</b></i>	<i><b>NMMSS Activities</b></i>
<i>Jan-02</i>	<i>397</i>	<i>DOE Audit (Exp. Table)</i>
<i>Oct-03</i>	<i>295</i>	<i>Owner Code Conversion</i>
<i>Sep-04</i>	<i>136</i>	<i>NRC Bulletin 2003-04</i>
<i>Jan-05</i>	<i>108</i>	<i>Reconciliation of DOE Materials at Licensees</i>
<i>Apr-06</i>	<i>17</i>	<i>Ongoing Efforts</i>



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# Marked Improvements

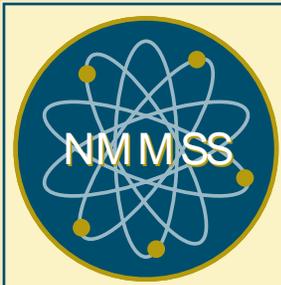
- *There is no longer a backlog of negative balances created prior to the correction campaigns*
- *Only one negative balance of DOE-owned material remains in NMMSS*
- *Remaining negative balances may require special attention*



# Remaining Issues

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- *Facilities meeting reporting requirements may still cause a negative balance.*
  - *Example: Shipping non-obligated source material to a foreign entity. US mine is not required to report production but is required to report shipment to foreign account.*
- *Approximately 5 negative balance records are created every month*
- *Material processors are more susceptible to create negative balances*

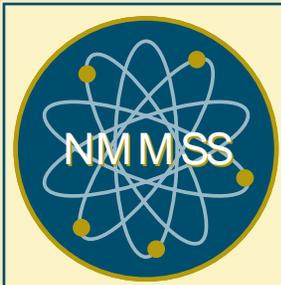


# Possible Solutions

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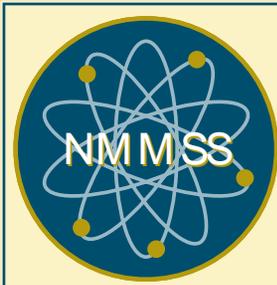
- *Miscellaneous adjustments*
- *SCR – transaction processing logic?*
- *DOE Memorandum Transactions*
  - *A memorandum transaction was designed for waste shipments to Waste facilities and does not change the shippers inventory (no use code)*



# Going Forward

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- *Monitoring negative balances*
  - *Run a negative balance summary after every monthly closure.*
  - *Contact facilities to create newly created balances and input corrections prior to the next processing month.*
  - *Establish permanent solutions to legitimately created negative balances (non-reportable material shipments to reportable receipts)*



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# Questions?

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