

ARKANSAS HEIGHTENED OVERSIGHT CONFERENCE CALL  
MAY 7, 2008

<b>NRC Attendees</b>	<b>Arkansas Attendees</b>
Randy Erickson, RSAO	Renee Mallory, Branch Chief
Chuck Cain, Acting Division Director	Bernard Bevill, Section Chief
Duncan White, FSME	Jared Thompson, Program Leader
Kim Lukes, FSME	Steve Mack, Health Physicist
Aaron McCraw, FSME	Layne Pemberton, Health Physicist
	Nicole Sanders, Health Physicist
	Tammy Kriesel, Health Physicist

**Summary**

On May 7, 2008, NRC hosted the second Heightened Oversight conference call with the Arkansas Department of Health (the Department) to discuss the updated Performance Improvement Plan (the Plan), submitted to NRC on April 24, 2008 (ML081500639).

NRC staff concluded that the Program’s Plan continues to be a reasonable and realistic approach to completing the two remaining recommendations from the 2006 IMPEP review. While the Program made one small modification to the one of its milestones, NRC staff believes that the remaining tasks, assignments, and milestones continue to be achievable. The Program has clearly made progress and continues to move forward with their plan to retain staff, meet current workload demands, and reduce and ultimately eliminate the existing licensing and inspection backlogs.

The next Heightened Oversight conference call is scheduled for July 30, 2008.

**Discussion**

The initial Plan submitted by the Program addressed each recommendation from the 2006 IMPEP review. The Program divided each recommendation into tasks, milestones, and staff assignments that they believed were necessary to successfully address each recommendation.

During the February 13, 2008 call, the Program introduced the Plan, described the progress they had initially achieved, and discussed plans to evaluate their progress with senior managers at the end of each calendar quarter. At the time of the May 7, 2008 call, the Program had completed their first internal evaluation of the Plan with management, determined their progress, and identified modifications to the Plan they believed would be necessary to ensure their continued success.

The following are the specific details and accomplishments for each of the recommendations, as presented by the Program:

**Recommendation 1** - The review team recommends that the State evaluate current and future staffing needs and business processes to develop and implement a strategy that improves the effectiveness and efficiency of the Program to ensure its continued adequacy and compatibility.

**Status** – The Program filled their last technical vacancy; however, the Program’s administrative secretary recently terminated employment, which has placed stress on the staff. Staff noted that, in addition to attending formal training, achieving qualification, and working to reduce the inspection and licensing backlog, they are now also responsible for many of the administrative functions of the Program. Management acknowledged that replacing the secretary has been delayed due to inefficiencies in the hiring process, but indicated they are working to navigate through the process and hire a replacement as quickly as possible. The Program is not aware of any other impending staff departures.

Together the Section Chief and the Program Leader determined what formal training courses were necessary for both inspector and license reviewer qualification and then discussed this with the staff. A list of available courses was identified and staff was enrolled as far out on the training schedule as was available to them. Upon return, individuals who attended a course provided a course overview to the rest of the staff. The Program acknowledged that NRC funding has greatly enhanced their ability to obtain training for the staff as internal training funds were limited and obtaining them was competitive between the Program and other Department Programs.

The Program had initially committed to having new inspectors accompany senior staff twice monthly; however, they found that this approach was burdensome to the Program because it forced inspection accompaniments when training was needed in other areas. The Plan was revised and each new inspector will now accompany a senior inspector on one inspection per month, with more accompaniments as time allows. During the last quarter, each new staff member went on two accompaniments each month.

The Program is committed to ensuring that each new staff member develops professionally and becomes a fully qualified inspector. The progress of each staff member is reviewed quarterly with management and changes are made to the training plan if necessary. The plan to develop a Health Physicist certification program for Arkansas inspectors is currently on hold. A new governor was recently elected and he has requested that all positions and salaries be reviewed to determine necessary changes. The Program indicated that if this review does not result in a new professional development plan with appropriate salary structure, the Program plans to move forward with the draft plan they have already developed. Until the position and salary review is completed, no changes can be made within the Program.

The Program performed a review of their fee structure and found their fees were lower than what can effectively support the Program. The Program submitted a request to the Department for an increase in fees from current levels to approximately 75 percent of NRC fee rates. If the Department approves the increase as submitted, or approves a modified fee increase, the Program plans to develop a formal request and submit it to the 2009 legislature for approval. NRC staff suggested that the Program add the status of the fee package to the Plan, as it is also a milestone of the Program’s response to Recommendation 1 from the 2006 IMPEP report.

The Program reported that while they have been aggressively training the new staff, they have also continued to make progress on the work backlog. Two of the newer inspectors have been sufficiently trained where they are now performing some inspections independently. This has helped the Program complete 14 newly assigned and two backlogged Priority 1, 2, and 3 inspections during the quarter. Only 11 backlogged inspections remain overdue. Additionally, the Program completed 19 Priority 4 and 5 inspections during the quarter. Reciprocity and Priority 1 inspections, in addition to incident and allegation reviews, continue to take priority within the Program.

The staff is also involved in other project areas. On March 3, 2008, the Program issued amended licenses to 18 Increased Controls licensees subject to the Fingerprinting Order, and on April 2, 2008, they conducted a Fingerprinting Workshop where 19 individuals attended. They also continue to be actively involved in emergency response activities.

NRC staff is encouraged by the progress that the Program continues to make in addressing this recommendation. NRC staff believes that the increased fees and the new salary structure are critical for the stability of the Program in the future.

**Recommendation 2** - The review team recommends that Department management develop and implement an action plan to reduce the licensing renewal backlog

**Status** – The Program reported that slow but steady progress continues in the area of licensing, specifically in the area of reducing the renewal backlog.

The Program now has two individuals who are primarily working on licensing full time and one who is working part time. During the last quarter, the Program completed two license renewals and, at the time of the call, had completed two additional license renewals. The Program is committed to issuing new licenses as a priority and is committed to issuing license amendments within one week of receipt. As discussed earlier, the Program also issued 18 amended licenses to those subject to NRC's Fingerprinting Order. Currently all Increased Controls and Fingerprinting requirements are up to date.

NRC staff believes that the successes achieved in addressing Recommendation 1 are paramount to the Program's addressing Recommendation 2. Once the staff is fully qualified, NRC staff is confident that the Program will eliminate the licensing and inspection backlogs.

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Randy Erickson  
State Agreements Officer  
Region IV

Arkansas Heightened Oversight Summary

bcc: (via ADAMS e-mail distribution):

- Arthur Howell
- Chuck Cain
- Robert Lewis, FSME
- Terry Reis, FSME
- JLuehman, FSME
- Duncan White, FSME
- Linda McLean
- Randy Erickson
- Aaron McCraw, FSME
- Kim Lukes, FSME
- Dennis Sollenberger, FSME
- William Rautzen, FSME

**ML**

SUNSI Review Completed: Yes      ADAMS: X Yes      Initials: RRE  
X Publicly Available              X Non-Sensitive

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