

(STP-05-061, July, Program, Procedures)

July 28, 2005

ALL AGREEMENT STATES, MINNESOTA, PENNSYLVANIA

**DRAFT REVISION OF STP PROCEDURES TO INCORPORATE LETTERS OF SUPPORT GUIDANCE (STP-05-061)**

In Commission paper (SECY-05-0056), "Agreement State Letters of Support," dated April 1, 2005, the U.S. Nuclear Regulatory Commission's (NRC), Office of State and Tribal Programs (STP) discussed the benefits of a "letter of support" to assist Agreement State programs in addressing staffing and resource issues and in improving program performance. The April 27, 2005, Staff Requirements Memorandum approving the SECY-05-0056, directed STP to revise the following procedures: [SA-106](#), *The Management Review Board*; [SA-117](#), *Agreement State Project Officers (ASPO)*; [SA-116](#), *Periodic Meetings with Agreement States Between IMPEP and Reviews*; and [SA-122](#), *Heightened Oversight and Monitoring*.

The procedures are revised and provided for your review and comment. STP Procedure SA-117 was previously revised, sent for review and comment in 2003. This draft revision includes comments (All Agreement States Letter [STP-03-075](#)) received in 2003 from the Agreement States, the Office of Nuclear Materials Safety and Safeguards and the Office of General Counsel. Also, we have included the Summary of Comments from the 2003 revision. Changes to the procedures are in redline/strikeout format. We are requesting your **comments within 45\* days** from the date of this letter.

If you have any questions regarding this communication, please contact me at 301-415-3340 or the individuals named below.

POINT OF CONTACT(S):	Andrea Jones	Osiris Siurano
TELEPHONE:	(301)415-2309	(301) 415-2307
INTERNET:	ARJ@NRC.GOV	OSP@NRC.GOV
FAX:	(301) 415-3502	

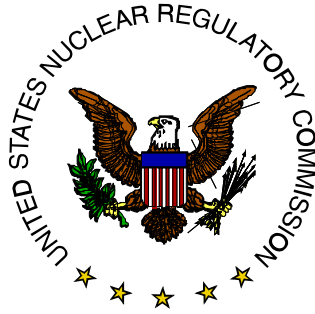
**/RA/**

Paul H. Lohaus, Director  
Office of State and Tribal Programs

Enclosures:  
As stated

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\* This information request has been approved by OMB 3150-0029, expiration 06/30/07. The estimated burden per response to comply with this voluntary collection is approximately 8 hours. Send comments regarding the burden estimate to the Records and FOIA/Privacy Services Branch (T-5F52), U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, or by Internet e-mail to [infocollects@nrc.gov](mailto:infocollects@nrc.gov), and to the Desk Officer, Office of Information and Regulatory Affairs, NEOB-10202 (3150-0029), Office of Management and Budget, Washington, DC 20503. If a means used to impose an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.



## STP Procedure Approval

### *The Management Review Board*

### SA-106

Issue Date:

Review Date:

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Paul H. Lohaus  
*Director, STP*

Original signed by:  
*Paul H. Lohaus*

*Date: / /2005*

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Dennis K. Rathbun  
*Deputy Director, STP*

Original signed by:

*Date: / /2005*

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*Procedure Contact, STP:*

Original signed by:

*Date: / /2005*

#### ***NOTE***

***The STP Director's Secretary is responsible for the maintenance of this master copy document as part of the STP Procedure Manual. Any changes to the procedure will be the responsibility of the STP Procedure Contact. ~~Copies of STP procedures will be distributed for information.~~***



## I. INTRODUCTION

Per Management Directive 5.6, Integrated Materials Performance Evaluation Program (IMPEP), it is the policy of the U.S. Nuclear Regulatory Commission (NRC) to evaluate NRC Regional materials programs and Agreement State radiation control programs in an integrated manner, using common and non-common performance indicators, to ensure that public health and safety are adequately protected and that Agreement State programs are compatible with NRC's program. The Management Review Board (MRB) provides a senior-level review of the IMPEP team's findings and recommendations and issues the final NRC findings to the Region or Agreement State. For Agreement States, these findings can include decisions regarding heightened oversight, probation, suspension, or the revocation of some or all aspects of the regulatory program discontinued by the NRC and assumed by the Agreement State.

## II. OBJECTIVES

1. To provide the guidelines that will be followed by the MRB when conducting MRB meetings for IMPEP reviews and issuing findings for Regional and Agreement State programs.
2. To establish the means to keep the MRB and the Commission informed on the status of Regional and Agreement State materials programs in a timely fashion.
3. To specify directions for documenting precedents established by the MRB.
4. To provide guidance to the MRB for their issuance of "letters of support" to Agreement States.

## III. BACKGROUND

- A. The MRB makes the overall assessment of each NRC Region or Agreement State program on the basis of the proposed final report and recommendations prepared by the IMPEP team that conducted the review of that Region or State, including any unique circumstances.
- B. The overall MRB assessment includes a consideration of information provided by the Region or State at the MRB meeting, including concerns such as program decline, inability to replace staff, or inadequate resources for ensuring program's good performance.

- C. The MRB may also convene to evaluate special reviews of a Region or an Agreement State Program conducted to assess a specific program weakness, to consider the results of periodic meetings with Agreement States, or to discuss any other relevant issues, such as the results of conference calls with States under heightened oversight or monitoring.
- D. The MRB may direct the issuance of a “letter of support” be sent to an Agreement State:
  - 1. to bring early indication of program performance decline to senior State management’s attention identified through a periodic meeting, IMPEP review or routine “day -to-day” interactions with NRC staff. Day-to-day interactions with States (i.e., telephone calls, informal conversations at meeting, e-mail exchanges) may reveal concerns about changes in State organization, loss of staff, hiring freezes or other issues having a potential adverse effect on program reviews;
  - 2. to recognize the contributions of a good program and express appreciation for the Program’s contribution in ensuring protection of public health and safety; or
  - 3. to congratulate a State during special occasions, such as achieving a milestone or celebrating the anniversary of the Agreement signing.

#### IV. ROLES AND RESPONSIBILITIES

- ~~A. The MRB is responsible for establishing the adequacy of Agreement State Programs and NRC Regions, as well as the compatibility of Agreement State Programs. In addition, they can set precedents and decide upon significant changes to the IMPEP process. Its membership consists of senior NRC managers, or their designees, to include: Deputy Executive Director for Materials, Research and State Programs (DEDMRS); Director, Office of Nuclear Material Safety and Safeguards (NMSS); Director, Office of State and Tribal Programs (STP); General Counsel; and an Agreement State Liaison to the MRB. A quorum for an MRB meeting consists of at least three voting members of the MRB. Designees count as part of the quorum.~~

A. MRB

1. The MRB is responsible for:

- a. establishing the adequacy of Agreement State Programs and NRC Regions.
- b. establishing the compatibility of Agreement State Programs.
- c. establishing precedents and significant changes to the IMPEP process.

B. Deputy Executive Director for Materials, Research and State Programs (DEDMRS)

The DEDMRS or DEDMRS's designee, is the Chair of the MRB. The Chair has signature authority for outgoing correspondence resulting from MRB proceedings.

C. Office of State and Tribal Programs (STP)

STP is the lead office responsible for the coordination of MRB meetings. At least seven days in advance of the meeting, the STP IMPEP project manager is responsible for providing all relevant correspondence for Agreement State Programs (i.e., State responses, proposed final reports, meeting agendas) to the MRB, the IMPEP team, and other attendees. (See Appendix A for sample memorandum transmitting the proposed report to the MRB and meeting agenda).

D. ~~Specific NMSS responsibilities are described in Part V. Guidance, C.~~  
Office of Nuclear Material Safety and Safeguards (NMSS)

At least seven days in advance of the meeting, the NMSS IMPEP project manager is responsible for providing all relevant correspondence for NRC Regional Programs (i.e., Regional, proposed final reports, meeting agendas) to the MRB, the IMPEP team, and other attendees.

**E. Organization of Agreement States (OAS)**

OAS is responsible for specifying a representative to serve as a member of each MRB, as a non-voting Agreement State Liaison. In this capacity, the State representative receives applicable documentation and engages in all MRB discussions. The Agreement State Liaison representative is expected to provide an Agreement State perspective on any matter that is discussed or voted on by the MRB. The MRB may request an additional OAS Liaison with specific expertise or experience to participate in a particular MRB meeting if an additional State perspective is desirable.

**F. Other NRC Offices**

A representative from a fifth NRC office may participate as an MRB member if a concern exists with regard to a specific aspect of an NRC Region or Agreement State program. The lead office for the review will be responsible for inviting the representative. Representatives will be non-voting MRB members and may be taken from the following offices as needed:

1. The Office of Nuclear Safety and Incident Response (NSIR), lead office for NRC coordination of incident response issues.
2. The Office of Human Resources (HR), lead office for staffing and training issues.

**V. GUIDANCE****A. MRB**

1. MRB meetings are to be conducted approximately 74 days from the last day of the IMPEP review in order to issue the final report within 104 days. Although these meetings are exempt from the “Commission Policy Statement on Staff Meetings Open to the Public,” the public is invited to observe each meeting. Each meeting will be published in the weekly notice of “NRC Meetings Open to the Public.” MRB meetings may take place beyond the 74th day in order to assemble a quorum to accommodate Agreement State/Regional schedules, and/or to incorporate important supplemental material. However, every effort should be made by STP and NMSS to meet the timeliness goal for issuing the final reports in 104 days.

2. The MRB membership consists of senior NRC managers, or their designees, representing the DEDMRS; the offices of Nuclear Material Safety and Safeguards (NMSS); State and Tribal Programs (STP); General Counsel; and an Agreement State Liaison to the MRB. A quorum for an MRB meeting consists of at least three voting members of the MRB. Designees count as part of the quorum.
- ~~2~~3. The MRB Chair consults with other MRB members to reach a consensus position on each indicator and, if necessary, provides specific instructions to the IMPEP team leader. If a consensus is not apparent, a vote is taken and a simple majority decides the MRB's position about report revisions.
- ~~3~~4. In some instances, the overall program adequacy finding and, for Agreement States, the compatibility finding, may not be possible at the time of the MRB meeting. In those cases, a report is issued to the Region or Agreement State within the goal of 104 days that addresses both completed review findings and the status of outstanding issues. A report supplement will be issued when the outstanding areas are resolved by the MRB.
- ~~4~~5. The MRB may choose to go into an executive session during the public meeting at the discretion of the MRB Chair. For all matters that require a formal vote by the MRB, the vote will take place during the public meeting, regardless of whether the topic was discussed in an executive session or not.
6. The MRB may direct the NRC to issue a “letter of support”, upon receipt of a request from a State Program Director. In such a case, the State Program Director may view that their program is experiencing decline, unable to replace staff, or believes NRC’s support is needed to help the program to effectively compete for Department resources. A State submitted request, will be considered for a “letter of support” provided:
  - a. the request is submitted to the MRB in writing.
  - b. the purpose of the request for “ letter of support” is clearly identified.

- c. the request contains a detailed description of the program performance issues, including an assessment of the performance indicator(s), that the State Program Director considers will result in less than a satisfactory rating if the IMPEP criteria are applied.
  - d. the request contains a “Staff Needs Analysis”, performed as described in SA-700, “*Processing an Agreement*” where staffing issues are addressed.
  - e. the request includes a description of the efforts made by the program to address the performance issues.
8. The MRB will consider the request at its next regularly scheduled meeting, or sooner, if warranted. The State Program Director should be available to discuss the request with the MRB during the meeting.
9. The MRB will determine if a “letter of support” (see sample letter, Appendix B) is warranted based on the following criteria:
- a. the performance issues are significant enough to warrant either heightened oversight or monitoring as stated in SA-122, “*Heightened Oversight and Monitoring;*”
  - b. the root cause of issues in performance areas needing improvement are budget and staffing issues which may need senior level management attention; or
  - c. one or more performance indicators have the potential to result in an unsatisfactory rating if the IMPEP criteria are applied.
10. If a State has been found satisfactory for all performance indicators during two consecutive IMPEP reviews, the letter for transmitting the final IMPEP review will include language such as commending the State for consistently meeting the standards of performance in all program areas or for the State’s continued support in protecting public health and safety (see sample letter, Appendix C). The MRB will issue such letters to recognize a program’s good performance and express appreciation for their contribution to ensure protection of public health and safety.



11. The MRB may also issue a letter of support to congratulate a State during special occasions such as achieving a milestone or celebrating the anniversary of the Agreement signing (see sample letter, Appendix D).
512. If the MRB recommends that an Agreement State be placed on heightened oversight, the guidance in STP Procedure SA-122, *Heightened Oversight and Monitoring*, should be followed.
613. If a finding of “Adequate, But Needs Improvement” is made of a Region, the MRB (including the Director, NMSS) will consult with the Executive Director for Operations to determine what remedial steps need to be taken and will inform the Commission accordingly. Program probation, suspension, and termination which will be considered when an “Adequate, But Needs Improvement” finding is made for an Agreement State Program are not applicable to Regional programs. NRC must implement immediate action to correct Regional program deficiencies that are similar to those that would warrant probation, suspension, or termination actions for an Agreement State.
714. If the MRB recommends that NRC initiate proceedings to place an Agreement State program on probation, STP Procedure SA-113, *Placing an Agreement State on Probation*, should be followed.
815. If the MRB recommends that NRC initiate proceedings to suspend an Agreement State program, STP Procedure SA-114, *Suspension of a Section 274b Agreement*, should be followed.
916. If the MRB recommends that NRC initiate proceedings to terminate an Agreement State program, STP Procedure SA-115, *Termination of a Section 274b Agreement*, should be followed.

B. STP

1. For both Regional and Agreement State MRB meetings, the STP lead secretary ensures that MRB meetings are announced using Form 549, “Public Meeting Announcement Data Input” and are open to the public.

2. ~~For Agreement State MRB meetings~~ The STP IMPEP project manager is responsible for providing all relevant correspondence **for Agreement State Programs** (i.e., State responses, proposed final reports, meeting agendas) to the MRB, the IMPEP team, and other attendees, at least seven days in advance of the meeting, as ~~described in Appendix B.~~
3. The STP lead secretary in consultation with the IMPEP team leader, coordinates attendance at the MRB meeting with the representatives of the Agreement State or Region under review, the IMPEP review team members, and an Agreement State Liaison including invitational travel for attendance at the meeting. Attendance by Agreement State and NRC Regional participants through a video conference is encouraged whenever possible. If the State or Regional representative(s) will not be physically attending the meeting, arrangements for video conference or teleconference should be made by the STP lead secretary.
4. It is the duty of the STP IMPEP project manager to ~~keep the MRB informed on the status~~ **coordinate regularly scheduled MRB meetings and inform the MRB on the results of periodic meetings and other issues associated** with the in a timely fashion through ~~briefings of periodic meeting summaries.~~ **Project Manager assignments are described in section IV.C. of this procedure**, STP Procedure SA-116, *Periodic Meetings with Agreement States* and NMSS Policy and Procedures Letter 1-70. ~~(A brief summary of each Region's and State's periodic meeting report will be given to the MRB at the most convenient MRB meeting following the issuance of the periodic meeting report.~~ Management from each program discussed should be invited to participate in the meeting.
5. The STP IMPEP project manager, **or designee**, is responsible for taking and issuing minutes of Agreement State and Regional MRB meetings. The minutes should summarize major discussions, but not include verbatim accounts of the proceedings. Root causes for significant program performance issues, any precedents established by the MRB or lessons learned during the review that will be applied to the IMPEP process in the future, and any good practices should also be clearly documented. Preparation and dissemination

of meeting minutes are the responsibility of STP, unless otherwise stated. ~~Minutes of the preceding meeting are approved by the MRB in its next meeting or through mail. Following MRB approval, the minutes become a matter of the public record.~~

6. STP ~~will issue~~ **is responsible for the preparation of** an annual memorandum to the Commission featuring a report on the status of Agreement States' and Regions' radioactive material programs. The memorandum should include the following attachments: (1) Summary of Agreement States' Adequacy and Compatibility Status as of January of the year issued; (2) Summary of the NRC Regions' Adequacy Status; (3) Summary of IMPEP Report Issuance Against the 104-day Goal; and (4) Summary of Activities Related to States in Heightened Oversight or Increased Monitoring. A sample memorandum with attachments can be found in Appendix ~~A~~ **E**.

## **VI. APPENDICES**

Appendix ~~B~~**A**- Memorandum to the Management Review Board on the MRB Meeting and Sample MRB Meeting Agenda

Appendix **B** - **Sample Letter for Expressing NRC's Concerns on Potential Decline in Program's Performance and Provide Assistance in Addressing Program Issues And Improve Performance Resulting from MRB's Consideration of a Periodic Meeting Report**

Appendix **C** - **Sample Letter to Recognize Program's Good Performance and Express Appreciation for Program's Contribution in Ensuring Protection of Public Health and Safety**

Appendix **D**- **Sample Letter to Congratulate a State During Special Occasions**

Appendix ~~A~~**E** - **Sample Annual Report on Status of Agreement States' and Regions' Radioactive Material Programs**

**VII. REFERENCES**

1. NRC Management Directive 5.6, *Integrated Materials Performance Evaluation Program*.
2. **STP Procedure SA-700, "Processing an Agreement"**
3. STP Procedure SA-122, *Heightened Oversight and Monitoring*.
4. STP Procedure SA-113, *Placing an Agreement State on Probation*.
5. STP Procedure SA-114, *Suspension of a Section 274b Agreement*.
6. STP Procedure SA-115, *Termination of a Section 274b Agreement*.
7. NMSS Policy and Procedures Letter 1-70.
8. STP Procedure SA-116, *Periodic Meetings with Agreement States*.

## Appendix B<sup>A</sup>

### DRAFT SAMPLE: Memorandum to the Management Review Board on the MRB Meeting and Sample MRB Meeting Agenda

MEMORANDUM TO: Deputy Executive Director for  
Materials, Research, and State Programs

Director, Office of State and Tribal Programs

Director, Office of Nuclear Material Safety  
and Safeguards

General Counsel

FROM: Deputy Director, Office of State and Tribal Programs [for  
Agreement State programs]

[OR]

Director  
Division of Industrial and Medical Nuclear Safety  
Office of Nuclear Material Safety  
and Safeguards [for NRC Regional programs]

SUBJECT: INTEGRATED MATERIALS PERFORMANCE  
EVALUATION PROGRAM (IMPEP) REVIEW OF  
[STATE/ REGION] RADIATION CONTROL PROGRAM

This memorandum transmits to the Management Review Board (MRB) a proposed final report (Attachment 1) documenting the IMPEP review of the [State/Region] Radiation Control Program. The review of the [State/Region] program was conducted by an interoffice team during the period [date]. The team issued a draft report to [State/Region] on [date], for factual comment. [State/Region] sent factual comments by [letter/memorandum] dated [date] from [Name], (Attachment to proposed final report).

The review team found [State's/Region's] performance with respect to each of the performance indicators to be [satisfactory, satisfactory with recommendations for improvement or unsatisfactory.] [Accordingly, the team recommends that the MRB find the {State's} program to be {adequate to protect public health and safety, adequate but needs improvement, or inadequate to protect public health and safety} and {compatible or not compatible} with NRC's program.]

OR

## Appendix A (cont'd)

[Accordingly, the team recommends that the MRB find the {Region's} program to be {adequate to protect public health and safety, adequate, but needs improvement, or inadequate to protect public health and safety}.]

The MRB meeting to consider the [State/Region] report is scheduled for [day, date,] from [time] - [time] in [location]. In accordance with Management Directive 5.6, the meeting is open to the public. The agenda for that meeting is attached (Attachment 2).

If you have any questions prior to the meeting, please contact me at [phone number] or [IMPEP team leader] at [phone number].

Attachments:

As stated

cc: [State/Region representative]  
Agreement State Liaison to MRB

## Appendix A (cont'd)

### Agenda for Management Review Board Meeting

[day, date, time, location]

1. **Announcement of public meeting, request for members of the public to indicate they are participating and their affiliation.**
2. MRB Chair convenes meeting. Introduction of MRB members, review team members, [State/Regional] representatives, and other representatives participating through telephone bridge or video conferencing.
3. Consideration of [State/Region] IMPEP Report.
  - A. Presentation of Findings Regarding [State/Region] Program and Discussion.
    - Technical Staffing and Training
    - Status of Materials Inspection Program
    - Technical Quality of Inspections
    - Technical Quality of Licensing Actions
    - Response to Incidents and Allegations[And the applicable following non-common performance indicators]
    - Legislation and Program Elements Required for Compatibility
    - Sealed Source and Device Evaluation Program
    - Low-Level Radioactive Waste Disposal Program
    - Uranium Recovery Program
    - Regional Fuel Cycle Inspection Program
    - Site Decommissioning Management Plan
  - B. **IMPEP Team Recommendations:**
    - Adequacy [and Compatibility] Rating
    - Recommendation for the Next IMPEP Review
  - C. MRB Consultation/Comments on Issuance of Report
- ~~3. Results of Periodic Meetings~~
4. **Request for Comments from [State/Region] Management, OAS Liaison and State IMPEP Team Member.**
- ~~5. Precedents/Lessons Learned and Identification of Good Practices~~
6. Adjournment.

Invitees:

DEDMRS  
Director, STP  
Director, NMSS  
General Counsel  
OAS Liaison  
State/Regional Management

IMPEP Project Manager  
Other NRC Attendees

Team Leader  
RSAO  
Team Member  
Team Member  
Deputy Director, STP  
Other State/Regional  
Attendees



## **APPENDIX B**

### **SAMPLE LETTER FOR EXPRESSING NRC'S CONCERNS ON POTENTIAL DECLINE IN PROGRAM PERFORMANCE AND PROVIDE ASSISTANCE IN ADDRESSING PROGRAM ISSUES AND IMPROVE PERFORMANCE RESULTING FROM MRB'S CONSIDERATION OF A PERIODIC MEETING REPORT**

[NAME]  
[TITLE, STATE SENIOR MANAGEMENT]  
[ADDRESS]

Dear [NAME]:

I am writing to discuss the results of a Periodic Meeting held in your [Agency/]Department] on [DATE], with staff of the [Bureau of Radiation Control/Radiation Control Program/other]. Periodic Meetings are held to enable the U.S. Nuclear Regulatory Commission (NRC) and Agreement States to remain knowledgeable of their respective programs and to conduct planning for the next Integrated Materials Performance Evaluation Program (IMPEP) review. NRC has an oversight responsibility to periodically review Agreement State Programs for adequacy and compatibility with NRC's program and conducts these reviews under IMPEP.

NRC also uses the Periodic Meeting process to more effectively gather important performance information and increase focus on identifying performance issues earlier. This process includes an enhanced meeting coordination process; an earlier, more effective and active participation of the Management Review Board (MRB), a panel of NRC managers with an Agreement State manager liaison in the process; and active Radiation Control Program Director participation in the discussion of meeting results and decision making process.

The MRB met on [DATE], to discuss the results of the [STATE]'s [DATE], Periodic Meeting. Potential performance concerns identified in your radiation control program during the periodic meeting were discussed. I have enclosed a copy of the [DATE], letter to [Program Director], summarizing the results of the [DATE], Periodic Meeting. Highlights of the concerns identified during discussions are presented below.

The Program is experiencing difficulty in [DESCRIBE PROGRAM ISSUES]. Given these developments, we have concerns regarding the program's ability to maintain an adequate and compatible radiation safety program.

Your support in helping ensure that the [STATE] Agreement State Program has the necessary resources and support to continue to manage an effective program is crucial. I want to assure you that the Commission supports the objectives of the [STATE] Agreement State Program and that NRC staff will continue to work closely with your program. We thank you for your commitment to this effort.

Sincerely,

[NAME]  
Deputy Executive Director  
for Materials, Research and State Programs  
Office of the Executive Director for Operations

Enclosures:  
As stated

cc: [STATE LIAISON OFFICER]  
[RADIATION CONTROL PROGRAM DIRECTOR]  
[OTHER]

## APPENDIX C

### SAMPLE LETTER TO RECOGNIZE PROGRAM'S GOOD PERFORMANCE AND EXPRESS APPRECIATION FOR PROGRAM'S CONTRIBUTION ENSURING PROTECTION OF PUBLIC HEALTH AND SAFETY

[STATE OFFICIAL]  
[ADDRESS]

Dear [STATE OFFICIAL]:

On [DATE] the Management Review Board (MRB) met to consider the most recent Integrated Materials Performance Evaluation Program (IMPEP) review of the [STATE] Agreement State Program. This review was conducted on [DATE].

Based on the discussions during the MRB meeting the [STATE] Agreement State Program resulted in a satisfactory finding for all performance indicators and an overall finding that the [STATE] Agreement State Program is adequate to protect public health and safety, and compatible with NRC's program. The [STATE] Agreement State Program performance is a credit to the talent, training, determination, and hard work of the Program staff and management.

On behalf of the NRC, I want to thank you for maintaining an outstanding radiation safety program and for your continued support of the important services that the [STATE RADIATION PROTECTION AGENCY/PROGRAM] provides for your State. That serves as an example for radiation control programs in other States and nations. Your continued support of the [STATE] Agreement State Program is critical to protect the public health and safety of the citizens of your State and the nation as a whole.

Sincerely,

[NAME]  
Deputy Executive Director  
for Materials, Research and State Programs  
Office of the Executive Director for Operations

cc: [STATE LIAISON OFFICER]  
[RADIATION CONTROL PROGRAM DIRECTOR]  
[OTHER]

## APPENDIX D

### SAMPLE LETTER TO CONGRATULATE A STATE DURING SPECIAL OCCASIONS

[NAME]  
[TITTLE, STATE SENIOR MANAGEMENT]  
[ADDRESS]

Dear [NAME]:

On behalf of the U. S. Nuclear Regulatory Commission (NRC), I want to congratulate you and the State of [STATE] for [REASON].

I would like to take this opportunity to thank you and your State for the important services and hard work that the [STATE RADIATION PROTECTION AGENCY/PROGRAM] performs in support to the NRC's mission of regulating the use of radioactive materials for civilian purposes to ensure the protection of public health and safety and the environment.

Your continued efforts and support of the [STATE] Agreement State Program is critical to protect the public health and safety of the citizens of your State and the nation as a whole. I want to assure you that the Commission supports the objectives of the [STATE} Agreement State Program and looks forward to continue to work cooperatively with your program in the future.

Sincerely,

[NAME]  
Deputy Executive Director  
for Materials, Research and State Programs  
Office of the Executive Director for Operations

cc: [STATE LIAISON OFFICER]  
[RADIATION CONTROL PROGRAM DIRECTOR]  
[OTHER]

## Appendix ~~A~~E

MEMORANDUM TO: [The Chairman and Commissioners]

FROM: [Executive Director for Operations]

SUBJECT: ANNUAL REPORT OF AGREEMENT STATES' AND  
REGIONS' RADIOACTIVE MATERIAL PROGRAMS

This is an annual report on the status of the Agreement States' and Regions' radioactive material programs. Depending on the State's performance, review cycles under IMPEP are up to four years. All but [#] Agreement States were found to be adequate to protect public health and safety and were found to be compatible with the NRC's program. Attachment 1 is the Summary of Agreement States' Adequacy and Compatibility Status as of January [YEAR].

[Include brief discussions of any States/Regions that were in Heightened Oversight and/or Monitoring during the past fiscal year.]

Attachment 2 presents the Summary of the NRC Regions' Adequacy Status. Attachment 3 presents a summary of IMPEP report issuance against the 104-day goal. Attachment 4 presents a summary of activities related to States in heightened oversight or increased monitoring.

Attachments:  
As stated

cc: SECY  
OGC  
OCA  
OPA  
CFO

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DIR RF

DCD (SP01) PDR (YES)

IMPEP File

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SUMMARY OF AGREEMENT STATES' ADEQUACY AND COMPATIBILITY STATUS

JANUARY [YEAR]

STATE	REVIEW YEAR	ADEQUACY FINDING	COMPATIBILITY FINDING
[STATE]	[YEAR]	[adequate...]	[compatible ...]

SUMMARY OF NRC REGIONS' ADEQUACY STATUS

REGION	REVIEW YEAR	ADEQUACY FINDING
Region I	[YEAR]	[adequate...]
Region II	[YEAR]	[adequate...]
Region III	[YEAR]	[adequate...]
Region IV	[YEAR]	[adequate...]

IMPEP REPORT TRACKING

FY [YEAR]

State or Region	Review Date Month/Year	Total number of days from review to release of final report Goal: 104 Days
[STATE]	[DATE]	[#]

FY [YEAR] HEIGHTENED OVERSIGHT/MONITORING CHART

State	RSAO/ASPO	Last IMPEP Review	Last Contact	Next Contact	Action(s) Due
HEIGHTENED OVERSIGHT					
[STATE]	[RSAO/ASPO]	[DATES]	[CALL, REVIEW...]	[CALL, REVIEW...]	[LIST OF ACTIONS]
INCREASED MONITORING					
[STATE]	[RSAO/ASPO]	[DATES]	[CALL, REVIEW...]	[CALL, REVIEW...]	[LIST OF ACTIONS]



## STP Procedure Approval

### Agreement State Project Officers (ASPOs)

SA-117

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Issue Date:

Review Date:

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Paul H. Lohaus  
*Director, STP*

*Date:*

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Dennis K. Rathbun  
*Deputy Director, STP*

*Date:*

---

Aaron T. McCraw  
*Procedure Contact, STP*

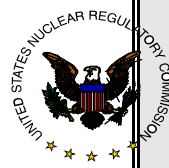
*Date:*

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**NOTE**

***The STP Director's Secretary is responsible for the maintenance of this master copy document as part of the STP Procedure Manual. Any changes to the procedure will be the responsibility of the STP Procedure Contact. Copies of STP procedures will be distributed for information.***





**Procedure Title:**  
***Agreement State Project Officers (ASPOs)***  
**Procedure Number: SA-117**

**Page: 1 of**

**Issue Date:**

## I. INTRODUCTION

This procedure describes the responsibilities and functions of the Agreement State Project Officers (ASPOs).

## II. OBJECTIVE

- A. Provide back-up staff support to Regional State Agreements Officers (RSAOs), as requested, through the formal designation of ASPOs.
- B. ~~Identify the ASPO who will be responsible for handling inquiries from specific States and Regional Offices.~~ **Ensure that the ASPO maintains a high level of awareness of each assigned Agreement State, including current activities and issues.**
- C. ~~Ensure the ASPO is the most knowledgeable Office of State and Tribal Programs (STP) staff person for their respective Agreement~~ **Provide an NRC headquarters point-of-contact for coordination of each Agreement State's activities and issues.**

## III. BACKGROUND

The Office of State and Tribal Programs (STP) has assigned a specific Agreement State Project Officer (ASPO) to each Agreement State and to each State filing a letter of intent to become an Agreement State. The purpose is to provide further backup and support to the Regional State Agreements Officer (RSAO), and to provide a specific point of contact in STP for each State to handle inquiries from that State, and ~~to be knowledgeable about their respective State programs~~ **ensure that STP staff are knowledgeable about their assigned State programs.**

## IV. ROLES AND RESPONSIBILITIES

- A. The STP Director ~~ensures~~ **assures that each** Agreement States ~~have~~ **has** a designated ASPO point of contact.
- B. The STP Deputy Director coordinates with STP staff, as necessary, in the assignment of specific State ASPOs. Regional Office staff (RSAOs and **Regional State Liaison Officers**) shall be informed of ASPO changes prior to forwarding the revised list of ASPO assignments to the Agreement States.

- C. The ASPO acts as point-of-contact for STP and for assigned States and provides back-up support to the RSAO, including handling inquiries from assigned States and Regional Offices. The ASPOs will maintain a high level of awareness of each assigned State, including current activities and issues.
- D. The RSAO keeps STP informed of issues reported by a State (e.g., staffing changes, requests for information) through contact with the appropriate ASPO.

V. GUIDANCE

A. ASPO Duties

- 1. Participates in the Integrated Materials Performance Evaluation Program (IMPEP) reviews of assigned States if the RSAO for that State is not available.
- ~~B.~~ 2. Conducts ~~one-day~~ periodic management meetings, together with the RSAO who serves as the lead, between IMPEP reviews (see STP Procedure SA-116, Periodic Meetings with Agreement States Between IMPEP Reviews). In cases where issues are identified that require the meeting's length to be extended, the RSAO, in coordination with the ASPO, will consult with NRC management to estimate the meeting's length.
- ~~C.~~ 3. Serves as the RSAO backup for handling day-to-day interactions (e.g., telephone calls, informal conversations at meetings, e-mail exchanges) Responds to inquiries and requests from Agreement States when the RSAO and/or backup support personnel in the Regional Office are not available.
- ~~D.~~ 4. Maintains channels of communication with the RSAO for the assigned Agreement State.
- ~~E.~~ 5. Requests RSAOs to apprise them of activities in an Agreement State that are of a non-routine nature.
- ~~F.~~ 6. Serves as the STP point of contact for requests for technical or other assistance from Agreement State staff, as needed.

- G. — 7. As needed, follows-up on requests for technical or other information from Agreement States, as requested via All Agreement States letters.
- H. — 8. Coordinates and requests assistance from Regional Office and Headquarters staff, as needed, to respond to State requests.
- I. — 9. Assumes lead responsibility (upon receipt of a letter of intent from the Governor) for negotiation activities for non-Agreement States having an active interest in negotiating an Agreement **or for an Agreement State requesting an amendment to the State’s existing Agreement** .
- J. — 10. Reviews correspondence, event reports, and regulation promulgation to remain current on activities in assigned States.
- 11. **Coordinating with RSAOs, to identify, communicate and document to the MRB, at the direction of STP, NMSS and Regional management, program performance issues (such as changes in State organization, loss of staff, hiring freezes or other issues having a potential adverse effect on program performance) identified through the day-to-day interactions between the States and the ASPO and/or the RSAO before the periodic meeting .**
- 12. **Advise the MRB, in collaboration with RSAO, on the issuance of “letters of support”. Procedures and guideline for the issuance of “letters of supports” are partially outlined in STP Procedures SA-116, Periodic Meetings with Agreement States Between IMPEP Reviews, SA-106, The Management Review Board” and SA 122, Heightened Oversight and Monitoring.**
- B. Selection of ASPOs and Terms of Appointment**
- 1. **All technical STP staff members, including new staff, should be assigned at least one State.**
- 2. **Unless special circumstances exist, ASPO assignments should be for a minimum of three years.**
- 3. **Care should be given to uphold a level of continuity for each State. The impact of all potential ASPO assignment changes should be fully considered prior to implementing the change.**

**VI. APPENDIX**

No appendices required.

**VII. REFERENCES**

~~None applicable.~~

*STP Procedure SA-116, Periodic Meetings with Agreement States Between IMPEP Reviews, January 21, 2000.*

## SUMMARY OF COMMENTS ON SA-117, "Agreement State Project Officers (ASPOs)"

### I. Sent to the Agreement States for Comment: October 2, 2003 (STP-03-075)

**Comments / Dated:** Iowa - 10/8/03 (e-mail)  
Ohio - 11/3/03 (e-mail - no comments)  
Colorado - 11/10/03 (email)

#### Response to/Resolution of Comments:

##### Iowa

###### Comment:

V. GUIDANCE; Subsection A., 2. In this subsection part , reference is made to the statement that the ASPO would accompany the RSAO on a one day visit between IMPEP reviews. Iowa opposes the statement because we believe that the one day visit is no more than a visit. We believe that NRC over site of our Agreement State Program is not well served with a major review once in four years and a one day visit in between. The one day simply is a visit which does not afford sufficient time for the RSAO & ASPO to do a limited review. We believe that a limited review is necessary so that if problems are starting they can be address early. As I remember, the one day visit was established a few years back, impart to address budget issues. The major expense is already taken care of in the travel and the day before and after the visit regardless if the visit is one our multiple days. For one more day you just have the cost of meals and lodging. We believe that the little cost for one more day is minor when one considers what we believe to be a major benefit. What we would like to see is subsection A., 2 revised so that if OSTP's ever changed there mind regarding the in-between visit to something other than one day, these guidelines would not need to be revised.

###### Response:

The draft revision to SA-116, Periodic Meetings with Agreement State Between IMPEP Reviews, allows for meetings of more than one day if necessary. We agree with this comment and the procedure will be revised accordingly.

##### Colorado

###### Comment 1

III. Background, last sentence: the "their" reference is a little confusing to read (State or ASPO, singular vs. plural) Might you prefer "the ASPO's assigned" instead of "their respective"?

###### Response

We agree that the sentence is unclear. The sentence will be revised as follows:

The purpose is to provide further backup and support to the Regional State Agreements Officer (RSAO), and to provide a specific point of contact in STP for each State to handle inquiries from that State, and to be knowledgeable about their respective State programs. STP staff knowledge about their assigned State programs.

Comment 2

IV.A. should read "The STP Director assures that each Agreement State has ..."

Response

We agree with this comment and the procedure will be revised accordingly.

Comment 3

IV.D. rather than "i.e."="that is" (equivalency, therefore limiting), do you really mean "e.g."="for example", to read "(e.g., staffing changes and requests for information)"

Response

We agree with this comment and the procedure will be revised accordingly.

**II. Sent to the NRC Offices for Comment: October, 2003**

**Comments Dated:** Region IV - 10/21/03 (e-mail - no comments)  
Region III - 10/21/03 (email - no comments)  
Region I - 10/22/03 (email - no comments)  
NMSS - 10/22/03 (mark-up)  
OGC - 10/03 (mark-up)

**NMSS**

Comment

II. Objective, B and C should read:

- B. Ensure that the ASPO maintains a high level of awareness of each assigned Agreement State, including current activities and issues.
- C. Provide an headquarters point-of-contact for coordination of each Agreement State's activities and issues.

Response

We agree with this comment and the procedure will be revised accordingly.

**OGC**

Comment

Under V. Guidance, A. ASPO Duties, the ASPO should also assume lead responsibility for negotiaion activities for an Agreement State having an interest in expanding an existing Agreement.

Response

We agree with this comment and the procedure will be revised accordingly.



**STP Procedure Approval**  
***Heightened Oversight and Monitoring***

***SA-122***

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Issue Date:           February 13, 2004

Renewal Date:       February 13, 2007

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Paul H. Lohaus  
*Director, STP*

Original signed by:  
*Paul H. Lohaus*

*Date: / /2005*

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**Dennis K. Rathbun**  
*Deputy Director, STP*

Original signed by:

*Date: / /2005*

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Osiris Siurano  
*Procedure Contact, STP*

*Date: / /2005*

***NOTE***

***The STP Director's Secretary is responsible for the maintenance of this master copy document as part of the STP Procedure Manual. Any changes to the procedure will be the responsibility of the STP Procedure Contact.***



## **I. INTRODUCTION**

This document describes the procedures used by the Nuclear Regulatory Commission (NRC) to conduct heightened oversight or monitoring of an Agreement State program.

## **II. OBJECTIVES**

- A. To provide the guidelines that will be followed by the NRC when significant weaknesses are identified in an Agreement State radiation control program, which do not necessitate probation, immediate suspension or termination of the agreement.
- B. To ensure that progress is being made to improve performance of the program relative to the areas identified as needing improvement, without degradation of other parts of the Agreement State's radiation control program.
- C. To ensure an Agreement State on heightened oversight or monitoring understands the process, their role, and any actions expected of them.
- D. To assist an Agreement State in restoring the radiation control program's performance to the criteria in Management Directive (MD) 5.6, *Integrated Materials Performance Evaluation Program (IMPEP)*.

## **III. BACKGROUND**

- A. Section 274j of the Atomic Energy Act gives the Commission authority and responsibility for ensuring that Agreement State programs continue to provide adequate protection of public health and safety and are compatible with NRC's program. In cases where the Commission finds that significant program weaknesses exist regarding the adequacy and/or compatibility of the Agreement State's program, several options are available to ensure continued protection of the public.
- B. If the areas needing improvement are serious enough such that the NRC determines that the program is inadequate to protect public health and safety, probation, emergency suspension or termination of the Agreement State program should be considered. If the areas needing improvement are not so serious enough as to find the program inadequate to protect public health and safety, either heightened oversight or monitoring of the Agreement State program, by NRC, is warranted.



- C. Heightened oversight is a formalized process which allows the NRC to maintain an increased level of communication with an Agreement State program experiencing significant program weaknesses. It allows NRC to understand the actions being taken and the implementation schedule for those actions that address the weaknesses identified in the Agreement State program. The decision to place an Agreement State program on heightened oversight is made by the Management Review Board (MRB) based on the results of an IMPEP review, a periodic meeting, or other interaction with the Agreement State program. (See Section V. for criteria).
- D. Monitoring is an informal process which allows the NRC to maintain an increased level of communication with an Agreement State program. Monitoring is implemented in cases where weaknesses in a program have resulted in, or could result in, less than fully satisfactory performance for one or more performance indicators. Monitoring may be considered based on results of an IMPEP review, a follow-up IMPEP review, or a periodic meeting, or other interaction with the Agreement State program.

#### **IV. ROLES AND RESPONSIBILITIES**

- A. Management Review Board (MRB):
  - 1. Makes the final decision on the adequacy and compatibility of an Agreement State program under IMPEP.
  - 2. Determines whether an Agreement State program will be placed on heightened oversight based on the results of an IMPEP review, a periodic meeting, or other interaction with the Agreement State program.
  - 3. Determines whether an Agreement State program will be placed on monitoring based on the results of IMPEP reviews, periodic meetings or other information provided to the MRB.
  - 4. Designates a period of time for the heightened oversight or monitoring process.
  - 5. Considers improvements made by an Agreement State program and the resolution of the IMPEP review team's recommendations to determine if the heightened oversight process should be discontinued. Results from a follow-up IMPEP review will provide a basis for the decision.

6. Considers improvements made by an Agreement State program and the resolution of the IMPEP team's recommendations to determine if the monitoring process should be discontinued. Results from IMPEP reviews, periodic meetings or other information provided by the State may provide a basis for the decision.
7. ~~In the event an Agreement State does not correct the weaknesses that led to heightened oversight status, the MRB may elect to continue the heightened oversight process or may direct~~ **Considers placing a State on continued oversight or monitoring or directs** the Office of State and Tribal Programs (STP) to prepare a Commission paper requesting approval for an appropriate next action **when an Agreement State does not correct the weaknesses that led to heightened oversight status**. Options for appropriate next actions may be found in the following STP Procedures: SA-113, *Placing an Agreement State on Probation*; SA-114, *Suspension of a Section 274b Agreement*; or SA-115, *Termination of a Section 274b Agreement*.

B. Director, Office of State and Tribal Programs:

1. Keeps the MRB informed of the status of Agreement State programs that are subject to the heightened oversight or monitoring process.
2. Coordinates follow-up IMPEP reviews (see STP Procedure SA-119, *Follow-up IMPEP Reviews*) of Agreement State programs.
3. Reports annually to the Commission on the status of Agreement States on heightened oversight or monitoring.
4. Prepares the letter transmitting the final IMPEP report to the Agreement State **when a State is placed on heightened oversight**. (See Appendix A for ~~an example of~~ **sample letter**.)
5. **Prepares the letter transmitting the final IMPEP report to the Agreement State when a State is placed on monitoring status. (See Appendix B for sample letter.)**
56. Prepares and transmits notification of Agreement States placed on heightened oversight and monitoring to the Commissioners' assistants through the Office of the Executive Director for Operations.

67. Prepares, based on the MRB's consideration of the results of the follow-up review, a Commission paper requesting approval for additional actions if the Agreement State program does not address the weaknesses that led to heightened oversight status. The Commission paper will include the status of the Agreement State program, recommendations of the MRB, and any other pertinent information.

C. IMPEP Team Leader:

1. Recommends to the MRB whether an Agreement State program should be placed on heightened oversight or monitoring, based on the results of an IMPEP review or a follow-up IMPEP review of the Agreement State program.
2. Provides assistance and support to the Regional State Agreements Officer (RSAO) for heightened oversight or monitoring activities.

D. ~~Regional State Agreements Officer~~ (RSAO):

1. Leads and coordinates heightened oversight or monitoring activities with the Agreement State program management and other NRC staff.
2. Prepares and coordinates draft agendas for each heightened oversight or monitoring conference call with the Agreement State program management and other NRC staff. (See [Appendices C.1 and C.2](#) for sample conference call agendas, [respectively](#).)
3. Prepares minutes of all conference calls relating to the heightened oversight or monitoring process, and coordinates the minutes with the Agreement State program management and other NRC staff to ensure a clear understanding of discussions. (See [Appendices D.1 and D.2](#) for sample conference call summaries, [respectively](#).)
4. Ensures that heightened oversight or monitoring correspondence, such as letters, conference call minutes and e-mail messages, is entered into NRC's Agencywide Documents Access and Management System (ADAMS).
5. Participates, as a team member, on follow-up IMPEP reviews.
6. Recommends monitoring of an Agreement State program to STP in coordination with the Agreement State Project Officer (ASPO) for

consideration by the MRB, based on the results of periodic meetings, orientation meetings or other communications with an Agreement State program.

7. Reviews and comments on the program improvement plan submitted by an Agreement State on heightened oversight.

E. ASPO:

1. Participates, in coordination with the RSAO, in heightened oversight or monitoring activities.
2. Participates in conference calls for assigned Agreement States.
3. Reviews and comments on the program improvement plan submitted by an Agreement State on heightened oversight.

F. IMPEP Team Member:

1. Participates, in coordination with the RSAO, in heightened oversight or monitoring activities, as requested.

G. Agreement State Program Management:

1. Coordinates heightened oversight or monitoring activities with NRC.
2. Develops and implements a program improvement plan during the heightened oversight period.
3. Prepares and submits periodic progress reports during the heightened oversight period.
4. Participates in heightened oversight or monitoring conference calls.

**V. GUIDANCE**

A. Heightened Oversight Criteria

1. If the MRB finds an Agreement State program is unsatisfactory for one or

more common or non-common performance indicators, the MRB will consider placing the program on heightened oversight as described in MD 5.6.

2. The MRB may decide to place an Agreement State program on heightened oversight based on the results of a periodic meeting or other interactions with the Agreement State program. The loss of key State personnel, a shift in resources to address specific State priorities, a pattern of weak State responses to events or deliberate misconduct on the part of a State official could be factors in the decision process.
3. The MRB may consider heightened oversight, as opposed to probation or suspension, if senior Agreement State management make strong commitments to improve their program. The MRB should be confident that the State is capable of implementing those commitments and that the actions by the Agreement State will result in necessary program improvements.
4. The normal duration of the heightened oversight process is one year unless otherwise directed by the MRB. (See Section V.C.3 for guidance on MRB action to extend or discontinue heightened oversight.)

#### B. Monitoring Criteria

1. Monitoring of an Agreement State program may be appropriate if heightened oversight is not warranted, but a program performance weakness is identified during an IMPEP review, a periodic meeting, or other information provided by an Agreement State program.
2. Monitoring may also be considered, after implementation of a program improvement plan under heightened oversight, to provide continued assurance that an Agreement State maintains a fully adequate and compatible radiation control program.
3. The normal duration of the monitoring process is until the next IMPEP review or periodic meeting unless otherwise directed by the MRB.

#### C. Required Elements of Heightened Oversight and Monitoring

1. Heightened Oversight
  - a. State program improvement plan.

The program improvement plan should be comprehensive and include actions to address the recommendations in the final IMPEP report. It should fully discuss root causes for weaknesses and include short and long-term corrective actions that target the identified root causes. The plan should also contain dates of expected actions, products and indicate the person(s) responsible for each product. (See Appendix DE for an example of a program improvement plan.) The program improvement plan should be submitted to the Chair of the MRB within 30 days of receipt of the final IMPEP report. The program improvement plan will be reviewed by the RSAO and ASPO. Preliminary review results will be discussed at the first conference call. A formal letter from the Chair of the MRB will be sent to the Agreement State acknowledging receipt of the program improvement plan. The letter will include any comments from the review of the program improvement plan.

b. Periodic progress reports.

The reports should be brief, concise summaries of the status of State actions and include an updated program improvement plan. The report and updated program improvement plan should be sent to the RSAO approximately two weeks before the next scheduled conference call.

c. Periodic NRC/State conference calls.

- i. These calls are designed to maintain open communications between the Agreement State and NRC. The calls should involve Agreement State management responsible for improving the program and the IMPEP team leader, the RSAO, the RSAO, and other NRC or State staff as needed.
- ii. A draft agenda, coordinated with Agreement State management and NRC staff, should be prepared by the RSAO and distributed at least one week prior to the call.
- iii. The periodic calls normally occur bimonthly unless otherwise directed by the MRB.
- iv. As elements of the program improvement plan are completed by the Agreement State, the accomplishments should be noted in the conference call summaries and need not be included in



\_\_\_\_\_ iii. If the MRB finds the Agreement State program is not improving or resolving the recommendations from the last IMPEP review and is unsatisfactory for one or more performance indicators, the MRB may elect to continue the heightened oversight process or may direct STP to prepare a Commission paper requesting approval for an appropriate next action.

D. Additional Actions for Programs Placed on Heightened Oversight or Monitoring

1. Letter Transmitting Final IMPEP Report.

If the root cause of program weaknesses identified during the IMPEP review is determined to be fiscal concerns, the MRB may direct that additional language be inserted into the cover letter for the final IMPEP report to bring these issues to the attention of Agreement State senior management. Fiscal concerns include budget, staffing and resource concerns and shortfalls. Communication with Agreement State senior management may facilitate necessary actions to address the fiscal concerns affecting the Agreement State radiation control program.

2. If the MRB determines to place a State on heightened oversight or monitoring (or continue the State program on heightened oversight or monitoring), the MRB may consider the issuance of a letter from the Chairman, or the Executive Director of Operations (EDO), to the State Governor, to communicate NRC's concerns about the program. In this cases, Executive and Legislative-level knowledge of performance issues faced by a program may bring attention to necessary action and additional resources made available to address performance problems. Additionally, the letter could assist in helping the Governor better understand the importance of the Agreement between NRC and the State, the status and value of the States radiation safety program, and help in maintaining internal State focus on the need to provide adequate funding for the Program. A letter addressed to the Governor would usually be signed by the Chairman, and be provided to the Commission for review and approval. A sample letter to the State Governor is provided in Appendix F.

3. Alternatively, at the State's request, the letter could be sent to Senior State Management in the Program instead of the State Governor. Depending on the level of Senior State Management the letter would be signed by either by the EDO, Deputy Executive Director for Materials, Research and State Programs, or Director, Office of State and Tribal Programs (STP). The State Liaison



Officer will be provided a complimentary copy of the letter, as appropriate.

24. NRC/State management meetings.

The NRC may offer to meet with Agreement State officials to discuss State actions to improve the radiation control program.

35. NRC technical assistance.

NRC and the Agreement States may discuss NRC technical assistance in accordance to guidance in MD 5.7, *Technical Assistance to Agreement States*.

## VI. APPENDICES

Appendix A - Sample Letter Transmitting Final IMPEP Report to States on Heightened Oversight Status

Appendix B - Sample Letter Transmitting Final IMPEP Report to States on Monitoring Status

Appendix BC.1 - Sample Heightened Oversight Conference Call Agenda

Appendix BC.2 - Sample Monitoring Conference Call Agenda

Appendix CD.1 - Sample Heightened Oversight Conference Call Summary

Appendix CD.2 - Sample Monitoring Conference Call Summary

Appendix DE - Sample Program Improvement Plan

Appendix F - Sample Letter from NRC'S Chairman to State Governor's Informing the State has been Placed on Heightened Oversight or Monitoring Status

## VII. REFERENCES

1. NRC Management Directive 5.6, *Integrated Materials Performance Evaluation Program*.
2. NRC Management Directive 5.7, *Technical Assistance to Agreement States*.
3. STP Procedure SA-100, *Implementation of the Integrated Materials Performance Evaluation Program (IMPEP)*
4. STP Procedure SA-106, *Management Review Board*
5. STP Procedure SA-112, *Emergency Suspension of a Section 274b Agreement*
6. STP Procedure SA-113, *Placing an Agreement State on Probation*
7. STP Procedure SA-114, *Suspension of a 274b Agreement*
8. STP Procedure SA-115, *Termination of a 274b Agreement*
9. STP Procedure SA-116, *Periodic Meetings with Agreement States Between IMPEP Reviews*
10. STP Procedure SA-119, *Follow-up IMPEP Reviews*



## **Appendix A**

### **Sample Letter Transmitting Final IMPEP Report to States on Heightened Oversight Status**

[NAME]  
[TITLE, STATE SENIOR MANAGEMENT]  
[ADDRESS]

Dear [NAME]:

On [DATE], the Management Review Board (MRB) met to consider the proposed final Integrated Materials Performance Evaluation Program (IMPEP) report on the [STATE] Agreement State program. The IMPEP review was conducted [DATE]. The MRB had received for consideration the comments in [NAME]'s letter dated [DATE]. The MRB found the [STATE] program adequate but needs improvement, and [NOT] compatible with NRC's program. Because of the significance of the concerns, the MRB recommends heightened oversight of the [STATE] program.

[IF DIRECTED BY THE MRB, INSERT PARAGRAPH DETAILING FISCAL ISSUES IDENTIFIED AS ROOT CAUSES OF PROGRAM WEAKNESSES. FISCAL ISSUES INCLUDE BUDGET, STAFFING AND RESOURCE SHORTFALLS OR CONCERNS.]

I request that bimonthly conference calls take place with the appropriate [STATE] and NRC staffs to discuss the status of the program. The Regional State Agreement Officer will coordinate the bimonthly conference calls. I request that, two weeks prior to the calls, you submit a brief status report on the activities conducted since the last report and the necessary statistical data.

I also request that you prepare and submit a program improvement plan (the plan) that addresses the recommendations in Section 5 of the enclosed final report. I request that the plan be submitted within 30 days of receipt of this letter. Upon review of the plan, the staff will provide comments on the plan, will schedule the first conference call and will provide a more detailed outline for the status reports. I request the initial conference call be scheduled and conducted no later than [DATE].

Based on the results of the current IMPEP review, a follow-up review will be scheduled during the period [TIMEFRAME]. The follow-up review will cover the State's action on the recommendations from the [DATE] review.

I appreciate the courtesy and cooperation extended to the IMPEP team during the review and your continuing support of the [NAME OF AGREEMENT STATE ORGANIZATIONAL UNIT]. I look forward to our agencies continuing to work cooperatively in the future.

Sincerely,

[NAME]  
Deputy Executive Director for Materials,  
Research and State Programs

Enclosure:  
As stated

cc: [STATE LIAISON OFFICER]  
[RADIATION CONTROL PROGRAM DIRECTOR]  
[OTHER]

## Appendix B

### SAMPLE LETTER TRANSMITTING FINAL IMPEP REPORT TO STATES ON MONITORING STATUS

[NAME]  
[TITLE, STATE SENIOR MANAGEMENT]  
[ADDRESS]

Dear [NAME]:

On [DATE], the Management Review Board (MRB) met to consider the proposed final Integrated Materials Performance Evaluation Program (IMPEP) report on the [STATE] Agreement State Program. The IMPEP review was conducted [DATE]. The MRB found the [STATE] program [adequate but needs improvement, and [NOT] compatible with NRC's program]. [The MRB had received for consideration the comments in [NAME]'s letter dated [DATE] in response to the recommendations in section 5.0 of the enclosed final report / We request your response to the recommendations in section 5.0 of the enclosed final report within 30 days of your receipt of this letter].

Because of the significance of the concerns, the MRB recommends monitoring of the [STATE] program. [INSERT PARAGRAPH SUMMARIZING PROGRAM ISSUES AND/OR MRB'S REASONS FOR PLACING THE STATE ON MONITORING.]

I request that quarterly conference calls take place with the appropriate [STATE] and NRC staffs to discuss the status of the program. The Regional State Agreements Officer (RSAO) will coordinate the quarterly conference calls. I request that, two weeks prior to the calls, you submit a brief status report on the activities conducted since the last report and the necessary statistical data. I request the initial conference call be scheduled and conducted no later than [DATE].

Based on the results of the current IMPEP review, a follow-up review will be scheduled during the period of [TIME FRAME]. The follow-up review will cover the State's action on the recommendations from the [DATE] final IMPEP report.

I appreciate the courtesy and cooperation extended to the IMPEP team during the review and your continuing support of the [NAME OF AGREEMENT STATE ORGANIZATIONAL UNIT]. I look forward to our agencies continuing to work cooperatively in the future.

Sincerely,

[NAME]  
Deputy Executive Director  
for Materials, Research and State Programs  
Office of the Executive Director for Operations

cc: [STATE LIAISON OFFICER]  
[RADIATION CONTROL PROGRAM DIRECTOR]  
[OTHER]

## APPENDIX C.1

### Sample Heightened Oversight Conference Call Agenda

**Date:** [DATE]

**Time:** [TIME]

Non-NRC Participant Telephone Number:

Dial [PHONE NUMBER]; enter Access Code [NUMBER]

NRC Participant Telephone Number:

Dial [PHONE NUMBER]; enter Access Code [NUMBER]

#### **Discussion Items**

1. Status of Actions in [DATE] letter
  - a. [LIST ACTIONS TO BE DISCUSSED, SUCH AS PERFORMANCE INDICATORS IDENTIFIED WITH PROBLEMS FROM THE IMPEP REVIEW]
  - b.
  - c.
2. Discussion of Changes to Items or Dates for Completion
3. Potential Timeframe for Follow-Up Review
4. Date for Next Conference call (Date and Time)

Attached are the minutes from the [DATE - PREVIOUS CALL] conference call and [STATE'S] [DATE] status letter. STATE previously submitted status letters in [LIST DATES] addressing recommendations in the IMPEP report and the necessary actions in the heightened oversight program.

If you have any questions, please call me at [PHONE NUMBER]

[REGIONAL STATE AGREEMENT OFFICER]

## APPENDIX C.2

### Sample Monitoring Conference Call Agenda

**Date:** [DATE]

**Time:** [TIME]

Non-NRC Participant Telephone Number:

Dial [PHONE NUMBER]; enter Access Code [NUMBER]

NRC Participant Telephone Number:

Dial [PHONE NUMBER]; enter Access Code [NUMBER]

#### **Discussion Items**

1. Discussion of Performance Indicators
  - a. [LIST PERFORMANCE INDICATORS IDENTIFIED WITH PROBLEMS FROM THE IMPEP REVIEW]
  - b.
  - c.
2. Status of Open Recommendations
3. Date for next Conference Call (Date and Time)

Attached are the minutes from the [DATE - PREVIOUS CALL] conference call.

If you have any questions, please call me at [PHONE NUMBER]

[REGIONAL STATE AGREEMENT OFFICER]

## APPENDIX D.1

### Sample Heightened Oversight Conference Call Summary

[STATE]: [DATE]

The minutes are presented in the same general order as the items were discussed in the meeting. The participants were as follows:

[TEAM LEADER]	[RSAO]
[STP MANAGER]	[REGIONAL MANAGER]
[LIST STATE PARTICIPANTS]	[ASPO]
[LIST OTHER NRC PARTICIPANTS]	

**1. Status of Actions in [DATE] Letter**

[LIST ACTIONS] [SUMMARIZE STATE'S ACTION TO DATE. DOCUMENT DISCUSSIONS WITH STATE REGARDING EACH ACTION]

[LIST ACTIONS] [SUMMARIZE STATE'S ACTION TO DATE. DOCUMENT DISCUSSIONS WITH STATE REGARDING EACH ACTION]

[LIST ACTIONS] [SUMMARIZE STATE'S ACTION TO DATE. DOCUMENT DISCUSSIONS WITH STATE REGARDING EACH ACTION]

**2. Discussion of Changes to Items or Dates for Completion.**

[SUMMARIZE DISCUSSION]

**3. Future Status Reports.** [STATE] will submit a status report prior to the [DATE] conference call.

**4. Date for Next Conference Call (date and time).** The next call was set up for [DAY], [DATE] at [TIME].

**5. Additional Topics.** [DOCUMENT ADDITIONAL DISCUSSIONS AS NEEDED]



## APPENDIX D.2

### Sample Monitoring Conference Call Summary

[STATE]: [DATE]

The minutes are presented in the same general order as the items were discussed in the meeting. The participants were as follows:

[RSAO]  
[LIST STATE PARTICIPANTS]

[ASPO]  
[LIST OTHER NRC PARTICIPANTS]

#### 1. Discussion of Performance Indicators

[LIST INDICATOR] [SUMMARIZE STATE'S STATUS TO DATE. DOCUMENT DISCUSSIONS WITH STATE REGARDING EACH INDICATOR]

[LIST INDICATOR] [SUMMARIZE STATE'S STATUS TO DATE. DOCUMENT DISCUSSIONS WITH STATE REGARDING EACH INDICATOR]

[LIST INDICATOR] [SUMMARIZE STATE'S STATUS TO DATE. DOCUMENT DISCUSSIONS WITH STATE REGARDING EACH INDICATOR]

#### 2. Status of Open Recommendations.

[SUMMARIZE DISCUSSION]

#### 3. Date for Next Conference Call (date and time). The next call was set up for [DAY], [DATE] at [TIME].

#### 4. Additional Topics. [DOCUMENT ADDITIONAL DISCUSSIONS AS NEEDED]

## APPENDIX E

### Sample Program Improvement Plan

Note: This plan should include root causes for weaknesses and include short- and long-term corrective actions. The sample recommendations in this Appendix were identified by the Agreement State program management as root causes of the program weaknesses based on the IMPEP review. The tasks and milestones identified in the table are the short- and long-term corrective actions proposed by the Agreement State program management.

Recommendation	Tasks	Milestones	Assignments	Anticipated Completed Date	Status	Completion Date
Good performance licensee inspection extension	Develop written policy on good performance procedures	Written policy developed	Insert staff name	12/10/01	Completed	12/10/01
		Written policy reviewed	Insert manager name	12/31/01	Completed	12/31/01
		Written policy implemented	Insert staff name	1/15/02	Completed	12/31/01
		Record of adjustment made to licensee files	Insert staff name	2/28/02	Completed	5/6/02
Management measures to insure timely inspections	1. Review overdue inspection list monthly	Prioritize and assign inspections to staff	Insert manager name	12/10/01	Completed	12/08/01
		University A - Broad Licensee inspection	Insert staff name	12/31/01	Completed	12/19/01
		University B - Broad Licensee inspection	Insert staff name	12/31/01	Completed	1/25/02
		Radiographer A inspection	Insert staff name	1/31/02	Completed	2/6/02
		Irradiator Facility A inspection	Insert staff name	4/30/02	Completed	4/16/02
		Medical Broad Licensee inspection	Insert staff name	4/30/02	Completed	4/25/02
	2. Review staffing options	Create health physicist series - 5 step process	Insert manager(s) names	12/18/01	Completed (approved by legislation)	5/24/02
		Review current State Agreement Program organization structure	Insert manager(s) names	6/30/02	In process	
		Review operational processes for efficiency	Insert manager(s) names	8/31/02	In process	
		Consider contracting with private sector	Review options (Insert manager(s) names)	1/31/02	Completed	2/15/02
			Review pros & cons (Insert manager(s) names)	2/15/02	Completed	2/15/02

Recommendation	Tasks	Milestones	Assignments	Anticipated Completed Date	Status	Completion Date
			Decision to proceed (Radiation Control Program Director)	2/28/02	Completed	2/28/01
			Contract approved to hire consultant	4/18/02	Completed	4/18/02
		Consider contracts with past State employees/feds/other States	Draft letter seeking interest of past employees (Insert manager(s) names)			
			Review options (Insert manager(s) names)			
			Review pros & cons (Insert manager(s) names)			
			Response & decision to proceed			
			Draft contract (Insert manager(s) names)			
			Contract submitted to Administration for approval			
	3. Assure better communication regarding expectation of staff deliverables	Review Radiation Control Programs goals and objectives with each staff person	Finalize & send to each staff HP (Insert manager(s) names)	1/31/02 then Quarterly		
		Review status of radioactive materials program goals and objectives and revise if necessary	(Insert manager(s) names)	Quarterly		
	4. Investigate Additional Funding Options	Revise Fees	Secure fee schedules from other States (Insert staff name)			
			Make decision on increases to fees (Insert manager(s) names)			
			Secure Technical assistance support in reviewing fees (Insert manager(s) names)			
			Draft Rules (Insert staff names)			

Recommendation	Tasks	Milestones	Assignments	Anticipated Completed Date	Status	Completion Date
			Initiate Rulemaking (Insert staff names)			
			Final Rule			
			Implementation of new fees (Insert staff names)			
		Redirect Radiation Control Program funds	Draft legislation (Insert manager(s) names)			
			Introduce Legislation (Insert manager(s) names)			
			Approval by Legislation			
Staff training plan development	1. Develop Radiation Control Program tracking sheets	Prepare chart indicating past and needed training of each health physicist (HP)	(Insert manager name)			
	2. Seek/apply for necessary training	Apply for future courses, complete necessary in-house travel forms	(Insert manager(s) and staff names)			
	3. Develop criteria for HP series progression	Review criteria developed by other States	(Insert manager(s) names)			
	4. Define criteria for progression up ladder	Draft and decide on criteria	(Insert manager(s) names)			
Address staff turnover	Review enhancement possibilities	Introduce HP series	Explore other States' HP series job description (Insert manager(s) names)			
			Draft necessary job description			
			Write justification for review			
			Review, revise, and submit (Insert manager(s) names)			
		Introduce a workforce development plan	(Insert manager(s) names)			

Recommendation	Tasks	Milestones	Assignments	Anticipated Completed Date	Status	Completion Date
Examine and change business processes and organization of the Radiation Control Program to improve the effectiveness and efficiency of the program	1. Work with the advisory committee in pursuing recommendations for improvements as noted in rad material survey	Review options with advisory committee. Proceed as directed				
	2. Track with the NRC bi-monthly regarding status of this "Improvement Plan"	Schedule telephone conference with NRC				
		Prepare Program Improvement Plan status report	(Insert manager(s) names)	every 2 months	On going	
Develop and implement an action plan to adopt NRC regulations in accordance with current policy on adequacy and compatibility	Rule Revision	Convert existing rules to Word and proof	(Insert staff names)			
		Review existing rules for changes	(Insert staff names)			
		Determine necessary revisions	(Insert staff names)			
		Draft rules for compatibility	(Insert staff names)			
		Submit rules for public comment	(Insert staff names)			
		Rules issued for 60 days comment period and transmitted to NRC for review	(Insert staff names)			
		Comments resolved and transmitted for final issuance	(Insert staff names)			
		Final regulations sent to NRC for final review	(Insert manager(s) names)			

## APPENDIX F

### Sample Letter from NRC'S Chairman/EDO to State Governor's Informing the State has Been Placed on Heightened Oversight or Monitoring Status

The Honorable [NAME]  
Governor of [STATE]  
[ADDRESS]

Dear Governor [LAST NAME]:

On [DATE], the State of [STATE] entered into an Agreement with the U.S. Nuclear Regulatory Commission (NRC). Under this Agreement, the NRC relinquished its authority to regulate certain Atomic Energy Act (Act) materials, pursuant to Section 274 of the Act, and the State of [STATE], as an Agreement State, assumed that authority. Under Section 274j. of the Act, NRC has an oversight responsibility to review Agreement State Programs periodically for adequacy and compatibility with the national program. This review is conducted under NRC's Integrated Materials Performance Evaluation Program (IMPEP).

In accordance with these oversight responsibilities, on [LAST IMPEP REVIEW DATE], the NRC staff conducted an IMPEP review of the [STATE] Agreement State Program that is administered by the [STATE PROGRAM ADMINISTERING AGREEMENT STATE PROGRAM].

On [DATE], the NRC's Management Review Board (MRB) met to consider the proposed IMPEP report on the [STATE] Agreement State Program. The MRB found the [STATE] program [FINDING]. Because of the significance of the findings, the MRB determined that the [STATE] program should undergo a period of heightened oversight. Heightened oversight is an increased monitoring process used by NRC to follow the progress of improvement needed in an Agreement State Program.

The IMPEP review noted that the underlying root causes of the identified weaknesses are [ROOT CAUSES]. The Commission appreciates the commitment senior [STATE AGENCY] management expressed during the MRB meeting and their efforts to address the identified weaknesses in order to operate an adequate and compatible program.

I want to assure you that the Commission supports the objectives of the [STATE] Agreement State Program. The NRC will continue to work closely with [STATE RADIATION CONTROL PROGRAM/STATE AGENCY]. Your continued support for the program will help ensure that the necessary resources to achieve a fully satisfactory program are available. I would be pleased to discuss this matter with you or your staff in further detail if you desire.

Sincerely,

[CHAIRMAN/EDO]