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## ARKANSAS HEIGHTENED OVERSIGHT CONFERENCE CALL

<b>NRC Attendees</b>	<b>Arkansas Attendees</b>
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Art Howell, Director	Bernard Bevill, Section Chief
Linda McLean, RSAO	Jared Thompson, Program Leader
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### Summary

On June 11, 2009, NRC hosted the seventh Heightened Oversight conference call with the Arkansas Radiation Control Program (the Program) to discuss their progress under the Performance Improvement Plan (the Plan), dated June 9, 2009 (ML091620564). The last call with the Program was conducted on March 31, 2009.

During the call it was noted that the Program continued to make progress in their efforts to reduce the inspection and licensing backlogs. The inspection backlog of Priority 1, 2, and 3 licenses no longer exists and the Program continues to keep up with all current Priority 1, 2, and 3 licenses that become due. The Program completed several backlogged Priority 5 inspections and expects to be completely caught up with backlogged inspections by July 1, 2009. While work on the licensing backlog continues to progress slowly, they are making progress. Two license renewals were completed since the previous call, and each staff member works on licensing issues approximately 25 percent of their time. Two experienced license reviewers work as contactors and are helping the Program to progress in this area. One additional contractor did not work out and is no longer contracted to the Program.

At the time of the call, the Arkansas legislature was no longer in session. The recently passed 2009 Arkansas Pay Plan (the Plan) has been adopted and will go into effect on July 1, 2009; however, the Program noted that the implementation guidance for the Plan results in small raises for most of the employees because they are new to the Program.

NRC staff believes that the goals identified in the revised Plan continue to be reasonable and achievable, and the Program continues to be on a path towards ultimately eliminating all existing licensing and inspection backlogs, developing a stable inspection staff, and returning to a strong and viable program.

The next bimonthly Heightened Oversight conference call is scheduled for August 20, 2009.

### 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. The first call was held in February 2008. During that 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 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.

During the July 2008 call, Program managers discussed the progress they have achieved in reducing the inspection and licensing renewal backlogs, and discussed the problems they continue to face with hiring and retaining staff. A fee increase request was no longer considered a viable option for the program, and a revised Program Improvement Plan was submitted reflecting changes to the Program's workload goals, allowing them to achieve a better balance between inspections and licensing activities.

During the October 23, 2008 call, the Program reported the loss of two technical staff members and their efforts to hire new staff while facing a hiring slowdown. They further discussed the modification of the method used to track progress on reducing the inspection and licensing backlogs and allow the Program to better allocate resources and achieve a balance in activities within the Program.

During the January 22, 2009 call, the Program reported that despite a hiring slowdown, both Health Physicist positions had been filled in November and December 2008 respectively; however, the Program's secretary had now left the Program. They also discussed their continued efforts to compete for seats in upcoming training classes. The Program noted their elimination of the backlog of Priority 1, 2 and 3 inspections, and discussed their progress towards reducing the licensing backlog.

During the March 31, 2009 call, the Program reported their newly hired staff continues to progress and learn in their positions. The vacant secretarial position is still open but they are currently interviewing for that position. They reported that getting into training classes has been somewhat easier and that Region III will come down to provide a week of onsite licensing training. The Pay Plan has been passed by the legislature but they have not received guidance on implementation. The Program is nearly caught up on the inspection backlog.

The following are the specific details, setbacks, and accomplishments for each of the recommendations, as presented by the Program during the June 11, 2009 call:

**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** – During the June 11<sup>th</sup> call, the Program reported that the newly hired staff continues to progress and learn their positions. The secretarial position has been filled and as of May 4<sup>th</sup> they are fully staffed.

The Program noted that while the competition for seats in NRC sponsored training courses still exists, they have been able to get staff into classes. They can usually only get one inspector into the classes, but they have not had difficulty getting a seat. Region III also assisted the State with a week long informal licensing training course for the staff.

The Program continues to have junior inspectors accompany the senior staff at least once per month during the review period. Each of the four junior staff has been on accompaniments during the April-May 2009 time period. Additional accompaniments are performed as time allows. Accompaniments are now being performed in areas where the staff doesn't typically perform inspections. The staff with medical backgrounds are now performing industrial inspections and those who typically work in industrial settings, now are starting to do medical inspections.

At the time of the March 2009 call, the Arkansas legislature had passed the Pay Plan. At the time the Program had received no guidance on implementation. New grades had been established and pay increases will be distributed beginning July 1, 2009, based on tenure. Since most of the Program's staff are relatively new to State service, their pay increases will be in the 1-2 percent range. The legislature also cut this year's cost of living increase. Merit increases were cut from 3-5 percent to 0.75-2.25 percent this year.

The Program is implementing their Training Salary Plan that has been held in abeyance until the Pay Plan was implemented. The Training Salary Plan is a plan, developed by the Program that provides for salary increases based on tenure, completion of advanced training courses, and performance appraisals. Salary increases can be up to 16 percent over a five year period. This Plan has been approved by Section Management and is currently in their Human Resources Department for approval. If approved, the Training Salary Plan will move to the Office of Personnel Management for review and approval, then to Arkansas Legislative Research for review and approval; and, finally to the Arkansas Legislature's Personnel Committee for review and approval. If approved, it would bolster the salaries of the staff and help the Program retain trained staff.

As previously noted, the Program's fees have not been increased in over 13 years and the current fee structure is not sufficient to independently support the Program. The Governor's office directed the Department to restrict requests for fee increases because the Governor's agenda included an increase to the tobacco tax this legislative session to fund a new trauma system.

The State is required to operate with a balanced budget; however, due to an economic downturn they are now projected to be operating with a budget deficit. Because of this, each Center has been asked to come up with cost saving measures to reduce their budgets to assist in balancing the budget. Additionally, some positions have been switched from general revenue to fee accounts. Fee accounts will not be sufficiently funded to support the additional staff for the long term and fee increases will eventually become a necessity. The Program is including this in their long range planning.

The Program reported that despite being short two inspectors for most of 2008, and with mostly inexperienced staff to date in 2009, they continued to make progress on the inspection backlog. All backlogged Priority 1, 2 and 3 inspections have been eliminated and the Program projects that by July 1<sup>st</sup> all backlogged Priority 4 and 5 inspections will also be eliminated. They continue to inspect all inspections as they come due. Reciprocity and Priority 1 inspections, in addition to incident and allegation reviews, continue to take priority within the Program.

NRC staff is encouraged by the Program's continued success in eliminating the inspection backlog while training new individuals. NRC staff also supports a fee increase to better support the Program. The ability to effectively support the Program and bring salaries to competitive levels is vital to the retention of employees and success of the Program.

**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 continued progress with reducing the license renewal backlog. The Staff now is able to spend a minimum of 25 percent of their time on licensing activities. This attention to the backlog continues to increase with staff stability and with a broader staff knowledge base. In support of Region IV's training efforts for the Program, an informal week long licensing class was conducted by a Region III license reviewer in the Program's Little Rock office where four of the Program's staff were able to attend. The Program had initially contracted with two former employees to assist with licensing; however, one did not work out so the Program is only using one of these individuals. In addition to this contractor, the Program has another contract individual who works half time solely on licensing.

NRC staff has been encouraged by the Program's ability to contract with a former employee to assist them with licensing activities and is further encouraged by the Program's continued progress towards elimination of the licensing backlog.



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