November 1, 2010

Mr. John Parmer, Director
Office of Radiation, Chemical
and Biological Safety
Michigan State University
C-124 Engineering Research Complex
East Lansing, MI 48824

SUBJECT: NRC INSPECTION REPORT NO. 030-06956/10-01(DNMS) AND NOTICE OF VIOLATION – MICHIGAN STATE UNIVERSITY

Dear Mr. Parmer:

On September 13 through 16, 2010, the U. S. Nuclear Regulatory Commission (NRC) conducted an on-site inspection at Michigan State University in East Lansing, Michigan and at the Van Andel Research Institute (VARI), in Grand Rapids, Michigan, with continued NRC review through October 1, 2010. The in office review was to discuss and clarify information identified during the inspection for both the VARI and East Lansing programs. The purpose of the inspection was to determine whether activities authorized under your license were conducted safely and in accordance with the NRC requirements. The final inspection findings were discussed between you and Ms. Kristin Bronson, Radiation Safety Officer, and Sam Mulay of my staff at an exit meeting via telephone on October 4, 2010.

The inspection consisted of an examination of activities conducted under your license as they relate to safety and security, and compliance with the Commission's rules and regulations. Within these areas, the inspection consisted of a selected examination of procedures and representative records, observations of activities, and interviews with personnel.

Based on the results of this inspection, the NRC has determined that Severity Level IV violations of NRC requirements occurred. The violations were evaluated in accordance with the NRC Enforcement Policy. The current Enforcement Policy is included on the NRC's Web site at http://www.nrc.gov/about-nrc/regulatory/enforcement/enforce-pol.html. The violations involved security failures, which are described in detail in the enclosed report. The circumstances surrounding the apparent violations, the significance of the issues, and the need for lasting and effective corrective actions were discussed with you during a telephonic exit meeting on October 4, 2010.

Although security violations were identified during this initial inspection, the NRC is not pursuing enforcement action for failure to implement the requirements, in accordance with Enforcement

**Enclosure Contains Sensitive Unclassified Non-Safeguards Information. When separated from enclosure, this transmittal letter is decontrolled.**

Guidance Memorandum 10-002, dated June 14, 2010, because: (1) you made a good-faith attempt to implement the requirements; (2) the failure to implement these requirements did not result in theft, diversion, sabotage or unauthorized disclosure of security information; and (3) you provided prompt corrective actions with a commitment to ensure that long-term comprehensive corrective actions are taken to prevent the occurrence of violations with similar root causes.

The material enclosed herein contains Security-Related Information; its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the enclosure will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC Agencywide Documents Access and Management System (ADAMS). The related enclosure must be protected from unauthorized disclosure as discussed in Regulatory Information Summary RIS-2005-031, "Control of Security-Related Sensitive Unclassified Non-Safeguards Information" (ML053480073), which is available on the NRC website at http://www.nrc.gov/reading-rm/adams.html.

Because this issue involves security related information, your response, if any, will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC's Agencywide Documents Access and Management System (ADAMS). Please mark the top of each page of your response, "Security-Related Information - Withhold Under 10 CFR 2.390."

We will gladly discuss any questions you have concerning this inspection.

Sincerely,

***/RA/***

Tamara E. Bloomer, Chief
Materials Inspection Branch

Docket No. 030-06956
License No. 21-00021-30

Enclosure:
Inspection Report (Non-Public)

cc w/encl: Kristin Bronson, Radiation Safety Officer
State of Michigan

Guidance Memorandum 10-002, dated June 14, 2010, because: (1) you made a good-faith attempt to implement the requirements; (2) the failure to implement these requirements did not result in theft, diversion, sabotage or unauthorized disclosure of security information; and (3) you provided prompt corrective actions with a commitment to ensure that long-term comprehensive corrective actions are taken to prevent the occurrence of violations with similar root causes.

The material enclosed herein contains Security-Related Information; its disclosure to unauthorized individuals could present a security vulnerability. Therefore, the enclosure will not be made available electronically for public inspection in the NRC Public Document Room or from the NRC Agencywide Documents Access and Management System (ADAMS). The related enclosure must be protected from unauthorized disclosure as discussed in Regulatory Information Summary RIS-2005-031, "Control of Security-Related Sensitive Unclassified Non-Safeguards Information" (ML053480073), which is available on the NRC website at http://www.nrc.gov/reading-rm/adams.html.

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Tamara E. Bloomer, Chief
Materials Inspection Branch

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Letter to John Parmer from Tamara E. Bloomer dated November 1, 2010.

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