

MAR 26 1994

License No: 07-01579-19
Docket No: 030-10925
Control No: 112921

University of Delaware
ATTN: John T. Brook
Vice President
Government & Public Affairs
Department of Occupational Health and Safety
Room 124, Institute of Energy Conversion Building
Wyoming Road
Newark, Delaware 19716-4150

Dear Mr. Brook

Subject: Financial Assurance

This is in reference to your submittals dated July 18, 1990, March 9, 1992, and March 2 and 19, 1994 with attached Escrow Agreement to establish financial assurance for NRC License No. 07-01579-19. We have reviewed your submittals and within the scope of our review, no further deficiencies were identified.

Based on our review of your submittals, you are now in compliance with the requirements of 10 CFR 30.35. Please note that financial assurance certification and all associated documentation are required to be updated with significant changes in your operation and with each application for license renewal.

If you have any questions regarding this letter please call David Everhart of this office at (610) 337-6936. Thank you for your cooperation in this matter.

Sincerely,

Original Signed By:
Mohamed M. Shanbaky

Mohamed M. Shanbaky, Chief
Research and Development
Section
Division of Radiation Safety
and Safeguards

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University of Delaware

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bcc:

M. Shanbaky, RI

D. Everhart, RI

DRSS:RI
Everhart

3/21/94

DRSS:RI
Shanbaky

MS
3/24/94

NOTE TO DMB:

THE ATTACHED DOCUMENTS ARE TO BE PROCESSED AS ONE FINANCIAL ASSURANCE FOR DECOMMISSIONING PACKAGE.

LICENSE NUMBER: 07-01579-19

DOCKET NUMBER: 030-10925

CONTROL NUMBER: 112921

THIS SHEET MAY BE DISCARDED AFTER PROCESSING.

THANK YOU!



OCCUPATIONAL
HEALTH AND SAFETY

030-10925
IEC Building, Room 124
Wyoming Road
University of Delaware
Newark, Delaware 19716-4150
Ph: 302/831-8475
Fax: 302/831-1528

March 14, 1994

David B. Everhart
Health Physicist
U.S. Nuclear Regulatory Commission
Region I
475 Allendale Road
King of Prussia, PA. 19406

Dear Dave:

Attached please find a copy of a memorandum from Al Roberson to me explaining the need to replace page 7 of our Escrow Agreement for Financial Assurance. Please replace page 7 of your copy with the revised page 7 enclosed. If you have questions or concerns, please feel free to call me or Al.

Sincerely,

Robin Elliott
Radiation Safety Officer

RE:bc

Attachment

cc: John T. Brook

OFFICIAL RECORD COPY

ML 10

112921

MAR 16 1994

Memorandum



March 7, 1994

MEMO TO: Robin Elliott

FROM: Alvin B. Roberson

SUBJECT: NRC Escrow Agreement

Attached are two replacement page number 7's for the NRC escrow agreement. Also included is a marked-up page to show the changes.

The changes have no substance as far as NRC or the University are concerned. Wilmington Trust Company had used the word "Trustee" twice to describe themselves as would be common in a trust agreement rather than the words "escrow agent" as is more appropriate in this case.

At the bank's request we agreed to the clarification wording change to avoid confusion with our Board of Trustees as used in the last section of the agreement.

Please ask Dave at NRC to make the substitution. Feel free to send a copy of this memo along by way of explanation. The second sheet is for your copy of the agreement.

Thanks.

ABR/std
Attachments

NEW

ESCROW AGREEMENT NUMBER 32523

Paragraph 14. Interpretation

This escrow agreement constitutes the entire agreement between **UNIVERSITY OF DELAWARE** and **WILMINGTON TRUST COMPANY**. The escrow agent shall not be bound by any other agreement or contract entered into by **UNIVERSITY OF DELAWARE** and the only document that may be referenced in case of ambiguity in this escrow agreement is the licensing agreement between **UNIVERSITY OF DELAWARE** and the [the United States Nuclear Regulatory Commission or the State regulatory agency], or its successor.

Paragraph 15. Acceptance of Appointment by Escrow Agent

WILMINGTON TRUST COMPANY, Corporate Financial Services, Rodney Square North, Wilmington, Delaware 19890 (Ms. MaryAnn Rich, Assistant Vice President) does hereby acknowledge its appointment by **UNIVERSITY OF DELAWARE**, the licensee, to serve as escrow agent for the escrow account created under this agreement and agrees to carry out its obligations and duties as stated in this escrow agreement.

Paragraph 16. Concerning the Escrow Agent

- (a) Advice from Counsel - The escrow agent may from time to time consult with counsel with respect to any questions arising as to the construction of this Agreement or any action to be taken hereunder. The escrow agent shall be fully protected, to the extent permitted by law, in acting on the advice of counsel.
- (b) No Implied Duties - Escrow Agent undertakes to perform only such duties expressly set forth herein and no implied duties or obligations shall be read into this Agreement against escrow agent.
- (c) Immunity and Indemnification - The escrow agent shall not incur liability of any nature in connection with any act or omission, made in good faith, in the administration of the escrow account or in carrying out any directions by the licensee, or the **NRC** issued in accordance with this Agreement. Subject to Paragraph 7 herein, the escrow agent shall be indemnified and saved harmless by the licensee or from the escrow account, or both, from and against liability to which the escrow agent may be subjected by reason of any act hereunder or the existence of the escrow account, including all expenses reasonably incurred in its defense in the event licensee fails to provide such defense.

ESCROW AGREEMENT NUMBER 32523

Paragraph 14. Interpretation

This escrow agreement constitutes the entire agreement between **UNIVERSITY OF DELAWARE** and **WILMINGTON TRUST COMPANY**. The escrow agent shall not be bound by any other agreement or contract entered into by **UNIVERSITY OF DELAWARE** and the only document that may be referenced in case of ambiguity in this escrow agreement is the licensing agreement between **UNIVERSITY OF DELAWARE** and the [the United States Nuclear Regulatory Commission or the State regulatory agency], or its successor.

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WILMINGTON TRUST COMPANY, Corporate Financial Services, Rodney Square North, Wilmington, Delaware 19890 (Ms. MaryAnn Rich, Assistant Vice President) does hereby acknowledge its appointment by **UNIVERSITY OF DELAWARE**, the licensee, to serve as escrow agent for the escrow account created under this agreement and agrees to carry out its obligations and duties as stated in this escrow agreement.

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- (a) Advice from Counsel - The escrow agent may from time to time consult with counsel with respect to any questions arising as to the construction of this Agreement or any action to be taken hereunder. The escrow agent shall be fully protected, to the extent permitted by law, in acting on the advice of counsel.
- (b) No Implied Duties - Escrow Agent undertakes to perform only such duties expressly set forth herein and no implied duties or obligations shall be read into this Agreement against escrow agent.
- (c) Immunity and Indemnification - The escrow agent shall not incur liability of any nature in connection with any act or omission, made in good faith, in the administration of the escrow account or in carrying out any directions by the licensee, or the **NRC** issued in accordance with this Agreement. Subject to Paragraph 7 herein, the escrow agent shall be indemnified and saved harmless by the licensee or from the escrow account, or both, from and against liability to which the escrow agent may be subjected by reason of any act hereunder or the existence of the escrow account, including all expenses reasonably incurred in its defense in the event licensee fails to provide such defense.



OCCUPATIONAL
HEALTH AND SAFETY

030-10925
JEC Building, Room 124
Wyoming Road
University of Delaware
Newark, Delaware 19716-4150
Ph: 302/831-8475
Fax: 302/831-1528

March 2, 1994

David B. Everhart
Health Physicist
U.S. Nuclear Regulatory Commission
Region 1
475 Allendale Road
King of Prussia, PA 19406

Dear David:

Attached please find a fully executed escrow agreement between the University of Delaware and Wilmington Trust Company established to fulfill the financial assurance required under Title 10 CFR Parts 30.35, 40.36 and 70.75. As you have reviewed the document prior to execution, I expect it should be in order. If upon further review any problems arise, please contact me.

Sincerely,

Robin Elliott
Radiation Safety Officer

RE:bc

Attachment

OFFICIAL RECORD COPY

ML 10

112921

Rec'd in LAS

Hand Delivered

MAR 9 1994

AN EQUAL OPPORTUNITY UNIVERSITY

**ESCROW AGREEMENT
BETWEEN
UNIVERSITY OF DELAWARE
AND
WILMINGTON TRUST COMPANY**

ESCROW ACCOUNT NUMBER 32523

Paragraph 1. Establishment of Escrow Account

It is agreed between the parties that the **UNIVERSITY OF DELAWARE**, licensee, has elected to establish an escrow account with **WILMINGTON TRUST COMPANY**, (herein sometimes referred to as "escrow agent") Corporate Financial Services, Rodney Square North, 1100 North Market Street, Wilmington, Delaware 19890 (Ms. MaryAnn Rich, Vice President) to provide financial assurance for decommissioning of the facility(ies) in the amount of \$750,000.

Paragraph 2. Description of Property in Escrow Account

It is hereby acknowledged by the parties that a \$1 million United States Treasury note, 6% coupon, due 10/15/99 (value 2/28/94 - \$1,012,500) has been delivered to escrow agent and will remain in the escrow account created by this agreement until one of the three conditions stated in Paragraph 3 of this agreement has been satisfied. The escrow agent shall not be responsible nor shall it undertake any responsibility for the amount of, or adequacy of the escrow account, nor any duty to collect from licensee, any payments necessary to discharge any liabilities of the licensee established by the **NRC**.

THE UNIVERSITY OF DELAWARE warrants to and agrees with **WILMINGTON TRUST COMPANY** that, unless otherwise expressly set forth in this Agreement: there is no security interest in the property in the escrow account or any part thereof; no financing statement under the Uniform Commercial Code is on file in any jurisdiction claiming a security interest in or describing (whether specifically or generally) the escrow account or any part thereof; and the escrow agent shall have no responsibility at any time to ascertain whether or not any security interest exists or to file any financing statement under the uniform Commercial Code with respect to the escrow account or any part thereof.

ESCROW AGREEMENT NUMBER 32523

Paragraph 3. Conditions of Escrow Agreement

The property described in Paragraph 2, above, will remain in the escrow account created by this agreement until one of the three following conditions has been satisfied: (1) the decommissioning activities required by 10 CFR 30 have been completed, the license has been terminated, the facility site is available for unrestricted use for any public or private purpose, and the escrow account has been terminated by joint notice, in writing, from **UNIVERSITY OF DELAWARE** and the **NUCLEAR REGULATORY COMMISSION (NRC)** or (2) the escrow agent, **WILMINGTON TRUST COMPANY**, has been notified by the **NRC**, in writing, that the licensee, **UNIVERSITY OF DELAWARE**, has defaulted on the agreed obligation to carry out the decommissioning for the above listed facility(ies); or (3) **UNIVERSITY OF DELAWARE** delivers to escrow agent substitute securities of equal quality and in sufficient amount to maintain at least \$750,000 market value in aggregate in the escrow account.

Paragraph 4. Disbursement of Property in Escrow Account

WILMINGTON TRUST COMPANY shall make payments from the escrow account upon the presentation to escrow agent of (i) a certificate duly executed by the Secretary of the **UNIVERSITY OF DELAWARE** attesting to the occurrence of the events, and in the form set forth in the attached Specimen Certificate, and (ii) upon presentation of a certification attesting to the following conditions:

- (1) that decommissioning is proceeding pursuant to an **NRC**-approved plan,
- (2) that the funds withdrawn will be expended for activities undertaken pursuant to that plan, and
- (3) that the **NRC** has been given 30 days prior notice of **UNIVERSITY OF DELAWARE's** intent to withdraw funds from the escrow account.

No withdrawal from the account can exceed 10 percent of the outstanding balance of the escrow account or 75,000 dollars, whichever is greater, unless **NRC** approval is attached.

Or upon **WILMINGTON TRUST COMPANY** receiving written notification of licensee's default from the **NRC**, **WILMINGTON TRUST COMPANY** shall make payments from the escrow account as the **NRC** shall direct, in writing, to provide for the payment of the costs of the required decommissioning activities covered by this agreement. The escrow agent

ESCROW AGREEMENT NUMBER 32523

shall reimburse the licensee or other persons as specified by the **NRC** from the escrow account for expenses for required activities in such amounts as the **NRC** shall direct in writing. In addition, the escrow agent shall refund to **UNIVERSITY OF DELAWARE** such amounts as the **NRC** specifies, in writing. Upon refund, such funds shall no longer constitute part of the escrow account as described in Paragraph 2, above.

Paragraph 5.

Income earned and received on the securities deposited in the escrow account shall be returned to the **UNIVERSITY OF DELAWARE** as earned as long as the market value of the securities on deposit equal or exceeds the required escrow principal amount.

Paragraph 6. Irrevocability

It is also agreed between the parties that this escrow became irrevocable upon delivery to **WILMINGTON TRUST COMPANY**, the escrow agent, and will remain irrevocable and in full force and effect until the occurrence of one of the conditions described in Paragraph 3, above.

Paragraph 7. Powers of the Escrow Agent

The only powers and duties of the escrow agent shall be to hold the escrow property and to invest and dispose of it in accordance with the terms of this agreement.

Escrow Account Management

The escrow agent shall invest and reinvest the principal and income (to the extent not returned to licensee pursuant to Paragraph 5 herein) of the escrow account and keep the escrow account invested as a single fund, without distinction between principal and income, in accordance with general investment policies and guidelines which the **UNIVERSITY OF DELAWARE** may communicate in writing to the escrow agent from time to time, subject, however, to the provisions of this Paragraph; the escrow agent shall discharge its duties with respect to the escrow account solely in the interest of **NRC** and with the care, skill, prudence, and diligence, under the circumstances then prevailing, that persons of prudence, acting in like capacity and familiar with such matters, would use in the conduct of an enterprise of like character and with like aims; except that:

ESCROW AGREEMENT NUMBER 32523

- (a) Securities or other obligations of the licensee, or any other owner or operator of the licensed facility(ies), or any of their affiliates as defined in the Investment Company Act of 1940, as amended (15 U.S.C. 80A-2(a)), shall not be acquired or held, unless they are securities or other obligations of the Federal government;
- (b) The escrow agent is authorized to invest the escrow account in time or demand deposits to the extent insured by an agency of the Federal government; and
- (c) The escrow agent is authorized to hold cash, awaiting investment or distribution uninvested, for a reasonable time and without liability for the payment of interest thereon.

Express Power of the Escrow Agent

Without in any way limiting the powers and discretion conferred upon the escrow agent by other provisions of this agreement or by law, the escrow agent is expressly authorized and empowered:

- (a) To register any securities held in the escrow account in its own name or in the name of its nominee and to hold any security in bearer form or in book entry, or to deposit or arrange for the deposit of any securities issued by the U. S. Government, or any agency or instrumentality thereof, with a Federal Reserve bank, but the books and records of the escrow agent shall at all times show that all such securities are part of the escrow account;
- (b) To sell exchange, convey, transfer or otherwise dispose of any property held by it, by public or private sale, as necessary for prudent management of the escrow account;
- (c) To deposit any cash in the escrow account in interest-bearing accounts or savings certificates to the extent insured by an agency of the Federal Government;
- (d) To pay taxes, from the account, of any kind that may be assessed or levied against the escrow account and all brokerage commissions incurred by the escrow account.

ESCROW AGREEMENT NUMBER 32523

Paragraph 8. Annual Valuation

After delivery has been made into this escrow account, the escrow agent shall annually, at least 30 days before the anniversary date of receipt of the property into the escrow account, furnish to the licensee and to the **NRC** a statement confirming the value of the escrow account. Any securities in the account shall be valued at market value as of no more than 60 days before the anniversary date of the establishment of the escrow account. The failure of the licensee to object in writing to the escrow agent within 90 days after the statement has been furnished to the licensee shall constitute a conclusively binding assent by the licensee, barring the licensee from asserting any claims or liability against the escrow agent with respect to the matters disclosed in the statement.

Paragraph 9. Successor Escrow Agent

Upon 90 days prior notice to the **NRC** and the licensee, **UNIVERSITY OF DELAWARE**, the escrow agent may resign; upon 90 days notice to the **NRC** and the escrow agent, the licensee, **UNIVERSITY OF DELAWARE**, may replace the escrow agent upon 30 days prior notice to the **NRC**; provided that such resignation or replacement is not effective until the escrow agent has appointed a successor escrow agent and this successor accepts the appointment. The successor escrow agent shall have the same powers and duties as those conferred upon the escrow agent under this agreement. Upon the successor's acceptance of the appointment, the escrow agent shall assign, transfer, and pay over to the successor the funds and properties then constituting the escrow account. If for any reason the licensee cannot or does not act in the event of the resignation of the escrow agent, the escrow agent may apply to a court of competent jurisdiction for the appointment of a successor, or for instructions. The successor escrow agent shall specify the date on which it assumes administration of the escrow account in a writing sent to the licensee, **NRC**, and the current escrow agent by certified mail 10 days before the change becomes effective. Any expenses incurred by the escrow agent as a result of any of the acts contemplated by this paragraph shall be paid as provided in Paragraph 11 of this agreement.

ESCROW AGREEMENT NUMBER 32523

Paragraph 10. Instructions to the Escrow Agent

All orders, requests, and instructions from the licensee to the escrow agent shall be in writing, signed by such persons as are signatories to this agreement, or such other designees as the licensee or the **NRC** may designate in writing. All orders, requests, and instructions from the **NRC** shall be in writing, signed by the designees of the **NRC**. The escrow agent shall be fully protected in acting in accordance with such orders, requests, and instructions. The escrow agent shall have the right to assume, in the absence of written notice to the contrary, that no event constituting a change or a termination of the authority of any person to act on behalf of the licensee or **NRC** under this agreement has occurred. The escrow agent shall have no duty to act in the absence of such orders, requests, and instructions from the licensee and/or **NRC**, except as provided in this agreement.

Paragraph 11. Compensation and Expenses of the Escrow Agent

The fee of the escrow agent for its services in establishing the escrow account shall be in accordance with the standing fee agreement between **WILMINGTON TRUST COMPANY** and the **UNIVERSITY OF DELAWARE**, licensee.

Expenses of the escrow agent for the administration of the escrow account, the compensation of the escrow agent for the services subsequent to the establishing of the escrow account to the extent not paid directly by the licensee, and all other proper charges and disbursements shall be paid from the escrow account.

Paragraph 12. Amendment to this Agreement

This agreement may be amended by an instrument in writing executed by the licensee and the escrow agent provided that the licensee has given 30 days prior notice to **NRC**.

Paragraph 13. Termination

This agreement can be terminated by written notice of termination to the escrow agent signed by **UNIVERSITY OF DELAWARE**, licensee, and the **NRC**, or by the **NRC** alone, if the licensee has ceased to exist.

ESCROW AGREEMENT NUMBER 32523

Paragraph 14. Interpretation

This escrow agreement constitutes the entire agreement between **UNIVERSITY OF DELAWARE** and **WILMINGTON TRUST COMPANY**. The escrow agent shall not be bound by any other agreement or contract entered into by **UNIVERSITY OF DELAWARE** and the only document that may be referenced in case of ambiguity in this escrow agreement is the licensing agreement between **UNIVERSITY OF DELAWARE** and the [the United States Nuclear Regulatory Commission or the State regulatory agency], or its successor.

Paragraph 15. Acceptance of Appointment by Escrow Agent

WILMINGTON TRUST COMPANY, Corporate Financial Services, Rodney Square North, Wilmington, Delaware 19890 (Ms. MaryAnn Rich, Assistant Vice President) does hereby acknowledge its appointment by **UNIVERSITY OF DELAWARE**, the licensee, to serve as escrow agent for the escrow account created under this agreement and agrees to carry out its obligations and duties as stated in this escrow agreement.

Paragraph 16. Concerning the Escrow Agent

- (a) Advice from Counsel - The escrow agent may from time to time consult with counsel with respect to any questions arising as to the construction of this Agreement or any action to be taken hereunder. The Trustee shall be fully protected, to the extent permitted by law, in acting on the advice of counsel.
- (b) No Implied Duties - Escrow Agent undertakes to perform only such duties expressly set forth herein and no implied duties or obligations shall be read into this Agreement against escrow agent.
- (c) Immunity and Indemnification - The escrow agent shall not incur liability of any nature in connection with any act or omission, made in good faith, in the administration of the escrow account or in carrying out any directions by the licensee, or the **NRC** issued in accordance with this Agreement. Subject to Paragraph 7 herein, the escrow agent shall be indemnified and saved harmless by the licensee or from the escrow account, or both, from and against liability to which the Trustee may be subjected by reason of any act hereunder or the existence of the escrow account, including all expenses reasonably incurred in its defense in the event licensee fails to provide such defense.

ESCROW AGREEMENT NUMBER 32523

Paragraph 17. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware.

Paragraph 18. Severability

If any part of this agreement is invalid, it shall not affect the remaining provisions that will remain valid and enforceable.

Paragraph 19.

Any instructions to escrow agent by licensee hereunder shall be by certificate of action of the Board of Trustees of licensee, signed by its Secretary under its corporate seal or by written instrument signed by any officer authorized by the Board of Trustees to do so.

WILMINGTON TRUST COMPANY

By Mary Ann Rich

Name MaryAnn Rich

Title Vice President

UNIVERSITY OF DELAWARE

By J. Robert R. Harrison

Name J. Robert R. Harrison

Title Treasurer

Sworn to and subscribed before me this

1st day of March A.D. 1994

Sonja F. Allen
Notary Public

SONJA F. ALLEN
NOTARY PUBLIC
My Commission expires May 30, 1994

NOV 24 1993

License No. 07-01579-19
Docket No. 030-10925
Control No. 112921

University of Delaware
ATTN: Robin Elliott
Radiation Safety Officer
Department of Occupational Health and Safety
Institute of Energy Conversion Building
Wyoming Road
Newark, Delaware 19716-4150

Dear Ms. Elliott

Subject: Financial Assurance

This is in reference to your letter dated March 9, 1992 with attached Statement of Intent and the telephone conversation on November 15, 1993 between yourself and David Everhart of this office, to provide financial assurance for License No. 07-01579-19. We have reviewed your submittal and request that you modify your submission to address the specific matters described below.

You submitted a Statement of Intent signed by the President of the University of Delaware along with supporting documents from the Board of Trustees which confers responsibilities upon the President. The purpose of the Statement of Intent as found in the enclosed *Regulatory Guide 3.66, "Standard Format and Content of Financial Assurance Mechanisms Required for Decommissioning Under 10 CFR Parts 30, 40, 70 and 72"* is to make the funding bodies aware of the costs and requirements of decommissioning and the possibility of the eventual need for funding. The purpose for financial assurance for decommissioning as required by 10 CFR 30.35 is to ensure that funding will be available should the licensee be unable to supply funding for decommissioning for their facility. As such, for financial assurance certified by a Statement of Intent, the funding must be assured by a government entity other than the licensee.

Please supply either a Statement of Intent signed by an official from the State of Delaware or a statement from an official of the State of Delaware authorized to spend the State's money, which authorizes the signatory of the Statement of Intent to guarantee that adequate funds will be made available in the event decommissioning is required for the licensee. Include all the information included in the submitted Statement of Intent dated March 9, 1992, including the

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221 10

amount of financial assurance required (subject to change with the development of a Decommissioning Funding Plan concurrent with your next license renewal application), and the license number, plus a description of the facilities (eg. addresses) for which financial assurance is being provided.

Please note as stated in our conversation that based upon your possession limits, a Decommissioning Funding Plan must be submitted with your next license renewal. You may request an amendment to your possession limits if you wish to modify the financial assurance required.

We will continue our review upon receipt of this information. Please reply in duplicate to my attention at the Region I office and refer to Mail Control No. 112921. If you have any questions regarding this letter please call David Everhart at (215) 337-6936.

Since your license requires financial assurance, we request that you submit your response to this letter within 30 calendar days from the date of this letter.

Sincerely,

Original Signed By:
Mohamed M. Shanbaky

Mohamed M. Shanbaky, Chief
Research and Development Section
Division of Radiation Safety
and Safeguards

Enclosure:
Regulatory Guide 3.66

University of Delaware

-3-

bcc:

M. Shanbaky, RI

D. Everhart, RI

DRSS:RI
Everhart




11/16/93

DRSS:RI
Shanbaky

ms

11/24/93

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TELEPHONE CONVERSATION LOG		DATE:
PERSON CALLED: Robin Elliott	ORGANIZATION: University of Delaware	TELEPHONE NUMBER: (302) 831-8475
LICENSE NUMBER: 07-01579-19	DOCKET NUMBER: 030-10925	MAIL CONTROL NUMBER: 112921
PERSON CALLING: <div style="display: flex; justify-content: space-between;"> <div> David B. Everhart USNRC Region I 475 Allendale Road King of Prussia, PA 19406 </div> <div> (215) 337-6936 FAX Numbers (215) 337-5269 or (215) 337-5234 </div> </div>		
SUBJECT: Financial Assurance!		
SUMMARY: <p>Stated that Statement of Intent must be signed by other than an official of the University. Ms Elliott asked that I send this to her in writing.</p> <p>Stated that Ms. Elliott must submit a DFP with her next renewal. Explained that she could reduce her possession limits if sh did not wish to submit DFP. She stated that she would look into this.</p>		
ACTION REQUIRED/TAKEN: Develop and send deficiency letter.		
SIGNATURE: 		DATE:



OCCUPATIONAL
HEALTH AND SAFETY

MS 16
L3

IEC Building, Room 124
Wyoming Road
University of Delaware
Newark, Delaware 19716-4150
Ph: 302/831-8475
Fax: 302/831-1528

March 9, 1992

License No. 07-01579-19
Docket No. 30-10925
Control No. 112921

John D. Kinneman, Chief
Research, Development and Decommissioning Section
Division of Radiation Safety and Safeguards
United States Nuclear Regulatory Commission - Region I
475 Allendale Road
King of Prussia, Pennsylvania 19406-1415

Dear Mr. Kinneman:

This is in reference to your letter dated February 10, 1992 concerning financial assurance for License No. 07-01579-19. The University is committed to complying with the financial assurance requirements as outlined in Title 10CFR Parts 30.35, 40.36 and 70.25. This letter and the enclosed attachments are provided to address your concern related to the authority of the President to sign the Statement of Intent.

The attached Charter of the University of Delaware serves to establish evidence that the University is an agency of the State of Delaware which verifies the ability of the University to submit a Statement of Intent as indicated by Section 3.2.4 of Regulatory Guide 3.66 Standard Format and Content of Financial Assurance Mechanisms Required for Decommissioning under 10CFR Parts 30, 40, 70 and 72. In Paragraph 5106, Powers of the Board, the Charter indicates that the Board of Trustees serves as the University's funding body and has ultimate control of all moneys, funds, and securities for the University. In no way is access to the University's endowment restricted by or requires the approval of an authorized State official. As granted by University Policy and in the University By-laws, the President holds the authority to commit the funds designated in the Statement of Intent for the eventual decommissioning of the University facilities. This document serves as evidence of the President's authority to sign the Statement of Intent.


John D. Kinneman
Page 2
March 9, 1992

The enclosed financial statement shows on page 2 that the unrestricted portion of the University's Endowment is \$190,840,000 at cost. This means that greater than three quarters of the University's endowment and similar funds are unrestricted funds and are controlled by the Board of Trustees through the President. Furthermore, referenced in the Notes to Financial Statements page 9, you will see that the market value of the "Endowment and similar funds" is \$356,213,000, meaning the market value of the unrestricted funds is approximately \$273,909,750 as of June 30, 1991.

It is the University's interpretation of the requirements for the Statement of Intent that the University while considered a government licensee need not provide a signatory from the State, but rather a signatory authorized by the government licensee's funding body. In this case, the President's signature is appropriate since he is authorized to represent the Board of Trustees, the University's funding body.

In summary, the University is an agency of the State for Higher Education, the Statement of Intent is legally binding, the President of the University is authorized to represent the University's funding body, and the amount of the University's unrestricted funds is sizeable. In view of these facts and the supporting evidence presented herein, we request that you reconsider our original submission for financial assurance. If I can be of assistance, please call at 831-8476.

Sincerely,



Robin Elliott
Director

RE:bc

Attachments

cc: John T. Brook
J. Robert Harrison

Statement of Intent

This statement of intent provides financial assurance for the licensee known as the University of Delaware. All activities under license 07-01579-19 performed in the facilities housing radioactive material at the Newark and regional campuses are covered by this financial assurance. The necessary funds will be available as needed to permit facilities to be returned for unrestricted use. Until a Decommissioning Plan has been completed and submitted with the next license renewal, an amount of \$750,000 is determined to be the amount of assurance.

As President of the University of Delaware, I am authorized to make this commitment concerning our activities.



David P. Roselle
President
University of Delaware

03/09/92

Date

PREFACE

The University of Delaware had its corporate origin in the Act of the General Assembly of Delaware, passed February 5, 1833, incorporating "Newark College." The name of the College so incorporated has through the years undergone certain changes and now is known as the University of Delaware.

The charter of the College from its original enactment was regularly renewed by periodic renewals with certain additional and extraneous Acts of the General Assembly applicable to the said College. In 1959 the expediency of having in one publication the statement of the privileges and responsibilities of the University became apparent to the Trustees who, on June 13, 1959, adopted the following resolution, which may serve as a preface to the charter itself.

WHEREAS, in 1913, the General Assembly of Delaware, by Chapter 117 of 27 Laws of Delaware, did grant to the University of Delaware a perpetual charter which contains no reserve power in the General Assembly to amend the charter thus granted; and

WHEREAS, since 1913, the General Assembly has from time to time, at the instance and request or with the approval and acquiescence of the University of Delaware, adopted various acts modifying or affecting provisions of the charter of the University; and

WHEREAS, in 1953, the General Assembly adopted an act to revise, recodify, arrange and consolidate into a code the public and general statutes of the State of Delaware, referred to as "Delaware Code of 1953," and Title 14, Chapter 51 of this Code set forth a restatement of the charter of the University of Delaware; and

WHEREAS, in 1955, at the instance and request of the University of Delaware, the General Assembly, by Chapter 521 of 50 Laws of Delaware, adopted certain acts relating to the powers of the University to issue bonds;

NOW, THEREFORE, BE IT RESOLVED, that Chapter 51 of Title 14 of Delaware Code of 1953, as amended, be and the same hereby is accepted by the Trustees of the University of Delaware as a restatement of the charter of the University of Delaware.

RESTATEMENT OF THE
CHARTER OF UNIVERSITY OF DELAWARE
8 DELAWARE CODE (1953)
TITLE 14, CHAPTER 51, PAGE 655
SEC. 5101, ET SEQ.

Par. 5101. Corporate status, membership, and perpetuity

(a) The University of Delaware, hereinafter referred to as "The University," is continued as a corporation and, as such, shall have perpetual succession and existence.

(b) The members of the Board of Trustees of the University shall constitute the membership of the corporation.

Par. 5102. Purpose

The leading object of the University shall be to promote the liberal and practical education of persons of all classes in the several pursuits and professions in life through the teaching of classical, scientific and agricultural subjects, the mechanical arts, military tactics, and such other subjects as are related to and will contribute to the achievement of the objectives of a Land-Grant, State University.

Par. 5103. Nonsectarian, nonpartisan institution

The University shall never be managed or conducted in the interest of any party, sect or denomination.

Par. 5104. Powers of University

The University shall have all the powers and franchises incident to a corporation, including the power to take and hold real and personal estate by deed, devise, bequest, gift, grant, or otherwise, and the same to alien, sell, transfer and dispose of as occasion may require, and the proceeds thereof to reinvest in other property, funds, or securities for the benefit of the University, and in accordance with the spirit and purpose of its charter.

Par. 5105. Board of Trustees: composition, selection, term and vacancies

(a) The Board of Trustees of the University shall consist of twenty-eight members, together with the Governor of the State, the President of the University, the Master of the State Grange, and the President of the State Board of Education, all of whom shall be members of the Board, ex officio.

(b) Eight of the trustees shall be appointed by the Governor, by and with the consent of a majority of the members elected to the Senate. At least one of the members to be appointed by the Governor shall be a person skilled in the mechanic arts.

(c) Twenty of the trustees shall be elected by a majority of the whole Board, as constituted, not less than five of whom shall reside in each county in the State, and the election shall not be final until reported to the Senate at its next regular session, and confirmed by a majority of all of the members elected thereto.

(d) No trustee shall be chosen, elected or appointed for a longer term than six years.

(e) Any vacancy in the Board caused by the expiration of term, death, resignation, or otherwise, of a trustee who was appointed by the Governor, shall be filled by the Governor, so that there shall, at all times be eight members of the Board appointed by the Governor. All other vacancies shall be filled by election by the Board.

Par. 5106. Powers of Board

The Board of Trustees shall have the entire control and management of the affairs of the University. The Board may exercise all powers and franchises of the University, appoint and remove all subordinate officers and agents, and make bylaws as well for their own government as that of the University.

Notwithstanding any provisions appearing elsewhere in the laws of this State which might suggest or provide the contrary, the entire control and management of the affairs of the University, which is conferred upon the Board of Trustees by the foregoing paragraph, shall be construed, in the area of fiscal and revenue matters, as including, but not as being limited to, the following powers and duties: all authority with respect to salaries and compensatory payments or benefits, as well as other terms of employment, of any and all University personnel, and individual salaries or salary increases or other benefits do not have to be reported or justified to any official or agency of the State (except to comply with applicable laws and regulations providing for preference in employment of laborers, workmen and mechanics who reside in the State and the applicable minimum wage requirements for public construction projects, and to cooperate in the ordinary way with the appropriate officials with respect to income tax and other tax matters); the management of all of the remaining fiscal affairs of the University, including the establishment of fees and charges, the collection thereof and the adoption of the University's budget, the establishment of all accounting and auditing procedures (subject to the duty to obtain independent certified audits as provided in section 5109 of this title), the authorization, issuance and repayment of bonds or other obligations of the University; the selection of means and procedures for the deposit, investment, and control of all moneys, funds, and securities which are now held or which may at any time be received by the University, as well as the allocation, use, and reinvestment of the proceeds and earnings of any such deposits and investments and the right to commingle funds appropriated by the State with other funds of the University; the right to elect whether and to what extent to participate in programs of which all or a part of the costs are provided by the United States of America or by the State or any subdivision or municipality thereof; control of all matters having to do with the formulation

of the terms of contracts for the construction of buildings or other University facilities, as well as the manner of awarding contracts or purchasing supplies and equipment; in respect to the purchase of supplies and equipment, regulations established by the State for bulk or central purchasing are not to apply to the University of Delaware unless the General Assembly expressly so provides, and in that case are to be understood as applying only to transactions involving the expenditures of moneys which have been appropriated from the General Fund of the State; the planning for buildings and improvements and the extension or diminution of the campus or other land holdings are matters wholly under the control of the Trustees except where inspection or regulations may be provided for by law in respects involving the health or safety of the occupants of the buildings; where moneys are appropriated by the General Assembly to the University, unless the General Assembly should expressly provide otherwise, they are intended to be paid to the University in equal monthly installments, and are not in any event to be cumbered by any procedures calling for pre-audit or other administrative control exercised by the Budget Director or other agency or official of the State. As amended 54 Del. Laws, Ch. 256, Par. 1, eff. April 22, 1964.

Par. 5107. Meetings of Board; notice

(a) There shall be two stated meetings of the Board of Trustees every year at such time and place as may be fixed by the bylaws, and occasional meetings may be held on the call of the chairman, which he may make at his discretion, and shall make, on the written request of any two or more members of the Board.

(b) The Secretary of the Board shall give two weeks' written notice of all meetings, and the time, place and purpose of occasional meetings shall be stated in the notice thereof, and the proceedings of such meetings shall be confined strictly to the purpose stated therein.

Par. 5108. Quorum and failure to attend meetings or accept appointment

(a) Nine members of the Board of Trustees shall constitute a quorum to do business, but a less number may adjourn. Officers may be appointed for the occasion in the absence of the regular officers.

(b) The place of a trustee, who shall be absent from three successive stated meetings, shall be vacated unless the Board shall otherwise specially direct, and a vacancy thus created shall be filled as in other cases. A trustee appointed and not accepting at or before the next stated meeting shall be considered as declining, and a new appointment shall be made.

Par. 5109. Audit of accounts

The accounting records of the University may be audited by the Auditor of Accounts of the State or such other auditing official as the General Assembly may from time to time appoint. Neither this nor any other law of this State, however, shall hereafter be construed as imposing any duty upon, or creating

the occasion for, any State official (with the exception of such State officials as may from time to time also be Trustees of the University) to audit, question or inquire into the receipt, handling or expenditure of any funds coming to the University from any source other than a State appropriation, provided, however, that if the University should hereafter commingle funds which came from a State appropriation with other funds, the audit of State appropriated funds may be made complete even if the process of doing so, because of such commingling, nonstate funds have to be audited as well.

The University shall continue the practice, which has heretofore been followed on a voluntary basis, of obtaining an annual certified audit of all its financial transactions and making the audit report available to the Board of Trustees.

Par. 5110. President's report

The President of the University shall each year, not later than the first day of December, make a report of all the activities of the University, instructional, administrative and financial, for the preceding scholastic and fiscal year, to the Board of Trustees, who shall transmit the same to the Governor, to be by him presented to the Legislature at its next regular session.

Par. 5111. Faculty; powers

The faculty, consisting of the professors, instructors and others employed by the Board of Trustees, one of whom shall be President of the University, shall have the care, control, government and instruction of the students, subject, however, to the bylaws. They shall have authority, with the approbation of the Board, to confer degrees and grant diplomas.

Par. 5112. Endowment fund

The college fund, created by resolution of the General Assembly of January 28, 1824, and transferred by Act of February 5, 1833, to "The Trustees of Newark College," and all other funds, stock, money, or property belonging to or appropriated for, or raised, paid, or payable to the University of Delaware, by that or any other name, or to any of its predecessors, shall be a part of the endowment of the University, and shall be held, appropriated and used as such by the University.

Par. 5113. Donations; misnomer

Devises, bequests, gifts and grants to the University shall not be avoided by any misnomer if the description can be understood with reasonable certainty.

Par. 5114. Eminent domain; condemnation

Whenever the Board of Trustees of the University cannot agree with the owner or owners for the purchase of any land, with the improvements thereon, in New Castle County, deemed by the Board necessary for the purpose

of erecting any building or buildings to be used by and in connection with the University, or for the enlargement of its grounds, or for any other purpose in connection with the University, or the agricultural experiment station connected therewith, to better carry out the purposes of the University and agricultural experiment station, the University, in the exercise of the power of eminent domain, may acquire the land and improvements by condemnation by proceedings in accordance with Chapter 61 of Title 10.

**The
Bylaws
of the
Board of Trustees
of the
University of Delaware**

Revised 1989

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2. Changes in the University organization before final action is taken by the Board of Trustees. Changes in University organization shall include the establishment or abolition of academic departments, colleges or divisions; the transfer of a department or division from one college to another; and the establishment or abolition of administrative offices that are directly concerned with academic matters.

E. It shall be the privilege of the faculty:

1. To make recommendations to the Board of Trustees concerning the establishment of any degree to be awarded or the disestablishment of any degree.

2. To consider matters of general interest to the University and make recommendations thereupon to the President for transmission to the Board of Trustees.

3. To consider and make recommendations for proposed changes in the University organization.

4. To make recommendations to the President, for transmission to the Board of Trustees, concerning the formation of policies governing appointments, promotions, tenure, dismissals, and salaries.

5. To propose to the President, for transmission to the Board of Trustees, upon the concurrence of two-thirds of those present, amendments to these regulations, provided such amendment or amendments have been proposed in writing at the preceding regular meeting of the University faculty.

F. All matters of conflicting jurisdiction as to the exercise of powers by the several colleges and divisions shall be decided by the President of the University.

III. ADMINISTRATIVE OFFICERS OF THE UNIVERSITY

A. President of the University

The President of the University, as the executive agent of the Board of Trustees and the chief administrative officer of the University shall have general supervision of the affairs of the University and shall be, ex-officio, a member of the Board of Trustees.

The President of the University shall prepare the docket (agenda) to be considered at regular meetings of the Board of Trustees and regular meetings of the several Standing Committees after consultation with the Chairman of the Board of Trustees and shall forward such dockets and supporting exhibits to each member of the committee three days before the regular meeting thereof. The docket for the semi-annual meetings of the Executive Committee shall include the semi-annual reports of the Standing Committees of the Board and the resolutions which are to be presented at the meeting of the Board immediately following. This regulation shall not,

however, limit the consideration of any matters which may properly come before the Board of Trustees or its Standing Committees.

In the event of a vacancy in the office of President, an Acting President shall be chosen by the Board of Trustees to serve at the pleasure of the Board.

Subject to confirmation by the Trustees and except as may otherwise be provided for in these bylaws, the President shall appoint the Provost, Vice Presidents, Deans and Directors of the University.

B. Provost of the University

The Provost of the University shall be the executive officer of the University next in authority to the President of the University. The Provost shall be a member of all University-wide councils and agencies and perform such other duties and responsibilities as the President of the University may assign, having in all matters a general responsibility to the President of the University.

In case of a temporary absence or disability of the President, the Provost of the University shall perform the duties of the President.

C. Treasurer of the University

The Board of Trustees shall appoint the Treasurer of the University upon nomination by the President of the University. The Treasurer of the University shall be under the general supervision of the President of the University.

Subject to the direction of the President of the University and the Committee on Finance, the Treasurer of the University: (1) shall supervise and direct all financial operations of the University, except to the extent that the Board of Trustees has and may otherwise provide and except to the extent that funds may be held by an agent or custodian duly appointed by authority of the Board of Trustees; (2) no moneys of the University shall be paid out, nor shall any purchase be made, nor liability incurred for or on account of the University by an officer or employee thereof except by the direction of the Treasurer of the University; (3) the Treasurer of the University shall approve expenditures only if there is in the budget money available for the expenditure.

The Treasurer of the University shall give to the Corporation a bond with corporate surety, in such amount as the Board shall require, for the faithful performance of duties, the premium on said bond to be paid by the Corporation.

In the absence of the Secretary of the University, or inability to act, the Treasurer of the University shall affix the seal of the University to such documents as may require it.

27-4. PRESIDENT TO FURNISH EXECUTIVE COMMITTEE MEMBERS WITH DOCKET, STANDING COMMITTEE REPORTS AND RESOLUTIONS TO BE PRESENTED BY COMMITTEES

Resolved, that the President of the University be directed to send to each member of the Executive Committee at least three days prior to each stated meeting of that committee the docket of business to be considered with the reports of the standing committees of the Board and the resolutions to be presented by them.

(December 11, 1943, V, 392)

27-5. PRESIDENT ENTITLED TO TWO MONTHS' SUMMER VACATION

Resolved, that the President may be absent from the University for two months during the summer vacation of the University, at such times as may suit his convenience and the best interests of the University.

(June 9, 1923, IV, 157)

27-6. PRESIDENT AUTHORIZED TO SIGN LEASES, AGREEMENTS AND CONTRACTS

Resolved, that the President of the University be and hereby is authorized to sign in the name of the University of Delaware:

- (1) Leases and agreements pertaining to University property;
- (2) Contracts and agreements with governmental agencies, industries and foundations pertaining to research and educational programs; and
- (3) Contracts for architectural services and construction of such buildings of the University as have had prior approval of the Board,

(December 5, 1959, I, 33; December 11, 1976, I, 12 and 13)

27-7. PRESIDENT AUTHORIZED TO EXECUTE CONTRACTS FOR PURCHASE OF CERTAIN REAL ESTATE

Resolved, that the President of the University be and hereby is authorized to execute contracts for the purchase of real estate from any individual, corporation, foundation, or other party, provided that terms of the contract do not require commitments by the University which are contrary to the general purposes for which the University was established and for which it exists, and

UNIVERSITY OF DELAWARE

Financial Statements

JUNE 30, 1991

(With Independent Auditors' Report Thereon)

Certified Public Accountants

1201 Market Street
Suite 1400
Wilmington, DE 19801

Independent Auditors' Report

We have audited the balance sheet of the University of Delaware as of June 30, 1991, and the related statements of changes in fund balances and current funds revenues, expenditures, transfers and changes in fund balances for the year then ended. These financial statements are the responsibility of the University's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the aforementioned financial statements present fairly, in all material respects, the financial position of the University of Delaware as of June 30, 1991, and the changes in its fund balances and its current funds revenues, expenditures, transfers and changes in fund balances for the year then ended in conformity with generally accepted accounting principles.

As described in Note 5 to the financial statements, the University adopted the provisions of Statement of Financial Accounting Standards No. 93 "Recognition of Depreciation by Not-for-Profit-Organizations," in 1991.

KPMb Peat Marwick

September 27, 1991

June 30, 1991

(TH

	<u>Assets</u>	<u>1991</u>	
Current funds:			
Unrestricted and University allocated:			
Cash		\$ 352	
Investments		46,792	44
Accounts and investment income receivable		6,093	
Inventories		4,275	
Prepaid expenses		59	
		<u>57,571</u>	<u>55</u>
Restricted:			
Cash		1	
Investments		14,441	15
Investment income and grants receivable		5,395	5
		<u>19,837</u>	<u>21</u>
Total current funds		<u>\$ 77,408</u>	<u>76</u>
Loan funds:			
Cash		\$ 55	
Investments		3,222	5
Accrued interest receivable		17	
Notes and accounts receivable, net		11,840	11
Total loan funds		<u>\$ 15,134</u>	<u>16</u>
Endowment and similar funds:			
Temporary investments		\$ 1,222	
Permanent investments		243,502	228
Investment income receivable		700	
Total endowment and similar funds		<u>\$245,424</u>	<u>229</u>
Plant funds:			
Unexpended plant funds:			
Investments		\$ 26,546	29
Government and other receivables		10,279	6
Accrued interest receivable		100	
		<u>36,925</u>	<u>35</u>
Renewal and replacement funds - investments		<u>12,334</u>	<u>10</u>
Retirement of indebtedness funds			
Investments		442	
		<u>442</u>	
Investment in plant:			
Land and improvements		20,792	20
Buildings		264,588	258
Equipment and furnishings		174,038	163
Construction in progress		22,233	3
		<u>481,651</u>	<u>445</u>
Less accumulated depreciation		<u>(244,394)</u>	<u>(217)</u>
Total plant funds		<u>\$286,958</u>	<u>275</u>

See accompanying summary of significant accounting policies and notes to financial

UNIVERSITY OF DELAWARE
Balance Sheets
with Comparative Amounts for 1990
(Thousands of Dollars)

1990	Liabilities and Fund Balances	1991	1990
	Current funds:		
	Unrestricted and University allocated:		
371	Notes payable	\$ 505	614
,561	Accounts payable and accrued expenses	28,556	23,380
,148	Students' deposits	1,967	2,110
,849	Deferred revenue	963	2,200
,565	Fund balances - allocated	25,580	27,190
,494		<u>57,571</u>	<u>55,494</u>
	Restricted:		
	Accounts payable	843	566
,898	Fund balances	18,994	20,765
,433			
,331		<u>19,837</u>	<u>21,331</u>
,825	Total current funds	<u>\$ 77,408</u>	<u>76,825</u>
	Loan funds:		
70	Accrued interest payable	\$ 87	100
,052	Mortgage program bonds payable	3,122	3,556
22	Principal of funds:		
,689	Government programs	9,626	9,227
	University programs	2,299	3,950
,833	Total loan funds	<u>\$ 15,134</u>	<u>16,833</u>
	Endowment and similar funds:		
,057	Accounts payable to life annuitants	-	9
,014	Principal of funds:		
700	Endowment funds, unrestricted as to income	\$ 6,471	6,256
	Endowment funds, restricted as to income	36,450	32,165
	Unrestricted funds functioning as endowment	190,840	181,638
	Restricted funds functioning as endowment	9,733	7,988
	Life income funds	1,930	1,715
,771	Total endowment and similar funds	<u>\$245,424</u>	<u>229,771</u>
	Plant funds:		
	Unexpended plant funds:		
,309	Accounts and notes payable	\$ 6,843	3,799
,460	Bonds payable	4,524	14,900
-	Fund balances:		
	Restricted	15,115	10,417
	Unrestricted	10,443	6,653
,769		<u>36,925</u>	<u>35,769</u>
,998	Renewal and replacement funds-fund balances-unrestricted	<u>12,334</u>	<u>10,998</u>
	Retirement of indebtedness funds:		
894	Accrued interest payable	442	452
	Fund balances - unrestricted	-	442
,894		<u>442</u>	<u>894</u>
	Investment in plant:		
,220	Notes payable	7,149	6,324
,307	Bonds payable	33,605	24,172
,807	Net investment in plant	196,503	197,198
,073			
,407		<u>237,257</u>	<u>227,694</u>
,713)	Total plant funds	<u>\$286,958</u>	<u>275,355</u>
,694			
,355			

statements.

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UNIVERSITY OF DELAWARE

Statements of Current Funds Revenues, Expenditures, Transfers and Changes in Fund Balances

(Thousands of Dollars)

Year ended June 30, 1991 with Comparative Amounts for 1990

	1991			1990
	Unrestricted	Restricted	Total	Total
Revenues:				
Tuition and fees	\$ 111,914	-	111,914	97,816
Government appropriations:				
State	59,661	6,811	66,472	66,470
Federal	40	2,547	2,587	2,687
Contracts and grants:				
State	713	4,689	5,402	4,150
Federal	4,900	19,959	24,859	21,791
Other	948	5,009	5,957	5,780
Gifts	1,328	8,771	10,099	7,457
Endowments	18,671	3,684	22,355	21,966
Temporary investments	5,341	1,040	6,381	6,713
Activities of educational departments	3,426	-	3,426	3,383
Other sources:				
User service charges	3,343	-	3,343	2,828
Campus conferences	3,577	-	3,577	2,716
Miscellaneous	3,750	2	3,752	3,129
Auxiliary operations	43,409	-	43,409	40,026
Total revenues	\$ 261,021	52,512	313,533	286,912
Expenditures, transfers and changes in fund balances:				
Educational and general:				
Instruction and departmental research	\$ 106,189	9,853	116,042	109,592
Sponsored research	5,126	26,972	32,098	28,084
Extension and public service	7,233	4,477	11,710	9,588
Academic support	16,634	591	17,225	17,171
Primary programs	135,182	41,893	177,075	164,435
Student services	9,664	268	9,932	9,197
Operations and maintenance of plant	17,748	268	18,016	17,294
General institutional support	27,043	347	27,390	26,154
Support programs	54,455	883	55,338	52,645
Student aid	11,861	8,694	20,555	19,667
Subtotal expenditures	201,498	51,470	252,968	236,747
Mandatory transfers to other funds:				
Principal and interest	2,514	18	2,532	2,918
Loan funds matching grants	20	-	20	22
Other transfers to other funds:				
Loan funds	9	-	9	-
Endowment and similar funds	6,468	2,550	9,018	6,889
Unexpended plant funds	7,410	213	7,623	2,821
Renewal and replacement funds	3,622	-	3,622	3,274
Retirement of indebtedness	53	-	53	23
Changes in fund balances:				
Allocations to current funds	8,553	-	8,553	6,553
Allocations from current funds	(10,184)	-	(10,184)	(10,673)
Changes in restricted fund balances	-	(1,771)	(1,771)	(405)
Transfers and allocations	18,465	1,010	19,475	11,422
Total educational and general	\$ 219,963	52,480	272,443	248,169
Auxiliary operations:				
Expenditures	\$ 35,375	32	35,407	33,136
Mandatory transfers to other funds:				
Principal and interest	2,123	-	2,123	1,869
Other transfers to other funds:				
Unexpended plant funds	41	-	41	210
Renewal and replacement funds	3,498	-	3,498	3,285
Changes in fund balances:				
Allocations to current funds	21	-	21	243
Total auxiliary operations	\$ 41,058	32	41,090	38,743
Total current funds expenditures, transfers and changes in fund balances	\$ 261,021	52,512	313,533	286,912

See accompanying summary of significant accounting policies and notes to financial statements.

UNIVERSITY OF

Statement of Change
(Thousands)

Year ended

	Current Funds	
	Unallocated	Allocated
Fund balance at beginning of year	\$ -	27,190
Revenue and other additions:		
Unrestricted current funds	261,021	-
Gifts and bequests - restricted	-	-
Tracts and grants - restricted	-	-
Government appropriations - Federal restricted	-	-
Government appropriations - State restricted	-	-
Temporary investment income	-	-
Endowment income - restricted	-	-
Realized gains on investments - unrestricted	-	-
Realized gains on investments - restricted	-	-
Interest on loans receivable	-	-
U.S. Government advances	-	-
Repayment of notes and bonds payable	-	-
Expended for plant facilities - (including \$11,537 charged to current funds expenditures)	-	-
Proceeds from loans	-	-
Other	-	-
Total revenue and other additions	261,021	-
Expenditures and other deductions:		
Educational and general expenditures	201,498	-
Auxiliary operations expenditures	35,375	-
Indirect costs recovered	-	-
Expended for plant facilities	-	-
Expended for plant facilities - not capitalized	-	-
Retirement of indebtedness	-	-
Depreciation of plant facilities	-	-
Interest on indebtedness	-	-
Increase in notes and bonds payable	-	-
Disposals of plant facilities	-	-
Other	-	-
Total expenditures and other deductions	236,873	-
Transfers and allocations among funds - additions (deductions):		
Mandatory transfers for:		
Principal, interest, and loan funds matching grant	(4,501)	(156)
Other transfers	(19,827)	(1,274)
Allocations	180	(180)
Total transfers and allocations	(24,148)	(1,610)
Net increase (decrease) for the year	-	(1,610)
Fund balance at end of year	\$ -	25,580

See accompanying summary of significant accounting policies and notes to financial statements

DELAWARE

es in Fund Balances
(of Dollars)

June 30, 1991

Restricted	Loan funds	Endowment and similar funds	Plant funds			Net investment in plant
			Unexpended	Renewal and replacement	Retirement of indebtedness	
<u>20,765</u>	<u>13,177</u>	<u>229,762</u>	<u>17,070</u>	<u>10,998</u>	<u>442</u>	<u>197,198</u>
-	-	-	-	-	-	-
8,829	-	3,100	3,610	-	-	163
36,160	-	-	47	-	44	-
2,547	-	-	510	-	-	-
6,811	-	-	7,078	-	-	-
1,040	297	-	421	-	1,187	-
3,684	4	29	-	-	-	-
-	-	2,920	-	-	-	-
-	-	578	-	-	-	-
-	360	-	-	-	-	-
-	176	-	-	-	-	-
-	-	-	-	-	-	3,334
-	-	-	-	-	-	40,449
-	-	-	13,592	-	-	-
2	21	-	-	8	38	-
<u>59,073</u>	<u>858</u>	<u>6,627</u>	<u>25,258</u>	<u>8</u>	<u>1,269</u>	<u>43,946</u>
51,470	-	-	-	-	-	-
32	-	-	-	-	-	-
6,561	-	-	-	-	-	-
-	-	-	28,235	677	-	-
-	-	-	2,106	1,029	-	-
-	-	-	-	-	3,365	-
-	-	-	-	-	-	26,681
-	178	-	-	-	3,125	-
-	-	-	-	-	-	13,592
-	-	-	-	-	-	4,368
-	42	-	10	-	-	-
<u>58,063</u>	<u>220</u>	<u>-</u>	<u>30,351</u>	<u>1,706</u>	<u>6,490</u>	<u>44,641</u>
(18)	20	-	-	-	4,655	-
(2,763)	(1,910)	9,035	13,581	3,034	124	-
-	-	-	-	-	-	-
(2,781)	(1,890)	9,035	13,581	3,034	4,779	-
(1,771)	(1,252)	15,662	8,488	1,336	(442)	(695)
<u>18,994</u>	<u>11,925</u>	<u>245,424</u>	<u>25,558</u>	<u>12,334</u>	<u>-</u>	<u>196,503</u>

nts.

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4

Statement of Changes
(Thousands of

Year ended Jun

	Current Funds	
	Unallocated	Allocated
Fund balance at beginning of year	\$ -	31,022
Revenue and other additions:		
Unrestricted current funds	239,242	-
Gifts and bequests - restricted	-	-
Contracts and grants - restricted	-	-
Government appropriations - Federal restricted	-	-
Government appropriations - State restricted	-	-
Temporary investment income	-	-
Endowment income - restricted	-	-
Realized gains on investments - unrestricted	-	-
Realized gains on investments - restricted	-	-
Interest on loans receivable	-	-
U.S. Government advances	-	-
Repayment of notes and bonds payable	-	-
Expended for plant facilities - (including \$12,300 charged to current funds expenditures)	-	-
Proceeds from loans	-	-
Delaware Geological Building - transferred from State of DE	-	-
Gain on debt refinancing	-	-
Other	-	45
Total revenues and other additions	<u>239,242</u>	<u>45</u>
Expenditures and other deductions:		
Educational and general expenditures	190,431	-
Auxiliary operations expenditures	33,111	-
Indirect costs recovered	-	-
Expended for plant facilities	-	-
Expended for plant facilities - not capitalized	-	-
Retirement of indebtedness	-	-
Depreciation of plant facilities	-	-
Interest on indebtedness	-	-
Increase in notes and bonds payable	-	-
Disposals of plant facilities	-	-
Other	-	-
Total expenditures and other deductions	<u>223,542</u>	<u>-</u>
Transfers and allocations among funds - additions (deductions):		
Mandatory transfers for:		
Principal, interest, and loan funds matching grant	(4,570)	(220)
Other transfers	(12,857)	(1,930)
Allocations	1,727	(1,727)
Total transfers and allocations	<u>(15,700)</u>	<u>(3,877)</u>
Net increase (decrease) for the year	-	(3,832)
Fund balance at end of year	\$ -	<u>27,190</u>

See accompanying summary of significant accounting policies and notes to financial statements

DELAWARE

in Fund Balances
(Dollars)

e 30, 1990

Restricted	Loan funds	Endowment and similar funds	Plant funds			
			Unexpended	Renewal and replacement	Retirement of indebtedness	Net investment in plant
<u>21,146</u>	<u>12,411</u>	<u>218,959</u>	<u>15,323</u>	<u>8,702</u>	<u>1,328</u>	<u>184,357</u>
-	-	-	-	-	-	-
6,998	-	1,200	3,724	-	-	52
31,670	-	-	-	-	44	-
2,648	-	-	382	-	-	-
7,323	-	-	6,376	-	-	-
1,386	399	-	246	-	1,240	-
3,628	2	29	-	-	-	-
-	-	2,260	-	-	-	-
-	-	425	-	-	-	-
-	368	-	-	-	-	-
-	199	-	-	-	-	-
-	-	-	-	-	-	5,921
-	-	-	-	-	-	30,310
-	-	-	4,750	-	2,088	-
-	-	-	-	-	-	2,702
-	-	-	-	-	-	2,140
25	19	-	1	-	33	1,193
<u>53,678</u>	<u>987</u>	<u>3,914</u>	<u>15,479</u>	<u>-</u>	<u>3,405</u>	<u>42,318</u>
46,316	-	-	-	-	-	-
25	-	-	-	-	-	-
5,984	-	-	-	-	-	-
-	-	-	17,596	414	-	-
-	-	-	2,000	1,110	-	-
-	-	-	-	-	5,930	-
-	-	-	-	-	-	20,257
-	201	-	-	-	3,089	-
-	-	-	-	-	-	6,656
-	-	-	-	-	-	2,564
-	30	-	-	-	-	-
<u>52,325</u>	<u>231</u>	<u>-</u>	<u>19,596</u>	<u>1,524</u>	<u>9,019</u>	<u>29,477</u>
(19)	22	-	-	-	4,787	-
(1,715)	(12)	6,889	5,864	3,820	(59)	-
-	-	-	-	-	-	-
(1,734)	10	6,889	5,864	3,820	4,728	-
(381)	766	10,803	1,747	2,296	(886)	12,841
<u>20,765</u>	<u>13,177</u>	<u>229,762</u>	<u>17,070</u>	<u>10,998</u>	<u>442</u>	<u>197,198</u>

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UNIVERSITY OF DELAWARE

Summary of Significant Accounting Policies

June 30, 1991

The significant accounting principles and practices followed by the University of Delaware are presented below to assist the reader in analyzing the financial statements and accompanying notes.

Certain amounts have been reclassified in the prior year to conform to correct year classifications.

Fund Accounting

The accounts of the University are maintained in accordance with the principles of "fund accounting". This is the procedure by which resources for various purposes are classified for accounting and reporting purposes into funds that are in accordance with activities or objectives specified. Separate accounts are maintained for each fund; however, in the accompanying financial statements, funds that have similar characteristics have been combined into the following four fund groups:

Current Funds
Loan Funds
Endowment and Similar Funds
Plant Funds

All fund groups are separated into those that are restricted by donors or grantors and those that are unrestricted. Restricted funds may only be expended for the purpose indicated by the donor/grantor, whereas unrestricted funds are under the control of the Trustees of the University to use in accordance with its Charter and Bylaws.

There are three financial statements presented under the principles of fund accounting:

Balance Sheet

- is a listing of the assets, liabilities and fund balances as of the end of a fiscal year.

Statement of Current Funds Revenues, Expenditures, Transfers and Changes in Fund Balances

- is a summary of the financial activity of the current funds during a fiscal year. It does not represent the entire operations of the period (there is financial activity recorded in the other funds), nor does it reflect the net income or loss for a fiscal year.

Statement of Changes in Fund Balances

- is a summary of all the additions to and deductions from each of the major fund groups and subgroups during a fiscal year. This statement provides an overview of the University's financial activity during a fiscal year.

(Continued)

UNIVERSITY OF DELAWARE

Summary of Significant Accounting Policies, Continued

All unrestricted funds and funds restricted for current operations are reported as revenues in the Statement of Current Funds Revenues, Expenditures, Transfers and Changes in Fund Balances during the year received or accrued with the exception of gains on sales of investments of the endowment and similar funds.

All other restricted funds are recorded as additions to the appropriate fund balance in the Statement of Changes in Fund Balances when received or accrued.

Explanation of Transfers and Allocations

Mandatory transfers to other funds

- transfers made in accordance with contractual agreements relative to debt service and Federal loan programs.

Other transfers to other funds

- all other financial transactions between fund groups.

Allocations

- represent the setting aside of current funds for specific purposes for expenditure in a subsequent year.

Auxiliary Operations

The operation of auxiliaries is supplementary to the primary educational function of the University. Accordingly, the University annually provides from auxiliary enterprises revenues, provisions for debt service and renewal and replacement of equipment. Auxiliary operations primarily include the residence and dining halls, the bookstore, and student health service.

Investments

Investments in stocks, bonds, notes, mortgages and plant assets are stated substantially at cost.

Endowment and Similar Funds

The endowment and similar funds are subdivided into appropriate classifications. Endowment funds have been received from benefactors who, by the terms of their conveying instruments, have stipulated that the principal of their gifts may never be expended. Expenditures from the principal of funds functioning as endowment are not similarly prohibited; however, in certain cases the principal is restricted to purposes specified by the donor. Realized gains on sales of investments of the endowment and similar funds are recorded as additions to principal funds.

(Continued)

UNIVERSITY OF DELAWARE

Summary of Significant Accounting Policies, Continued

Funds Held in Trust by Others

The University is the beneficiary of irrevocable trust funds held by others with an approximate market value of \$36,663,000 (\$35,407,000 - 1990). There are also other trust funds, the principal and market value of which are not ascertainable, that benefit the University. Since the University does not have possession of these trusts, the principal is not reflected in the accompanying balance sheets.

Taxes

The Internal Revenue Service has ruled that the University is a tax exempt institution; accordingly, no provision for taxes has been made in the financial statements.

Pensions

Substantially all faculty and professional members are provided pension benefits under the University's Retirement Annuity Program administered principally by the Teachers Insurance and Annuity Association. The policy of the University is to pay its share of the annual premium accrued in connection with the University Retirement Annuity Program; there are no unfunded benefits. Pension plan expense for the University Retirement Annuity Program was \$8,566,000 in 1991 and \$7,730,000 in 1990. All other employees are provided pension benefits under the State of Delaware Pension Plan. Pension expense applicable to University employees covered by the State of Delaware Pension Plan was \$3,129,000 in 1991 and \$3,187,000 in 1990.

Plant Funds

Land is recorded at cost, or appraised value at time of receipt if contributed, including land deeded by the Board of Trustees of Delaware College to the State of Delaware in the early 1900's and thereafter used by the College and University, as successor, for the purposes of the College and University. Buildings are recorded at cost of initial construction, including buildings on land deeded to the State and thereafter used for the purposes of the College and University. Costs of major renovations to buildings are capitalized. Costs of equipment in excess of \$1,000 and \$500 as of June 30, 1991 and 1990, respectively, with a useful life expectancy of two or more years are also capitalized.

As further described in note (5), the University adopted the provisions of Financial Accounting Standards Board Statement No. 93, "Recognition of Depreciation by Not-For-Profit Organizations". The University uses the straight-line method of depreciation based upon the following estimated useful lives:

	Estimated lives (years)
Land improvements	15
Buildings	40
Equipment and furnishings	5 - 20

UNIVERSITY OF DELAWARE

Notes to Financial Statements

June 30, 1991 with Comparative Amounts for 1990

(1) Investments

Market value of investments, exclusive of plant, on June 30:

	1991 (000's)	1990 (000's)
Current unrestricted and University allocated funds	\$ 53,029	50,202
Current restricted funds	14,529	15,901
Loan funds	3,240	5,055
Endowment and similar funds	356,213	326,271
Unexpended plant funds	26,674	29,299
Renewal and replacement funds	12,409	11,001
Retirement of indebtedness funds	433	894
	<u>\$466,527</u>	<u>438,623</u>

Consisting of:

United States government obligations	\$107,823	105,492
Commercial paper	40,764	64,847
Certificates of deposit	1,219	881
Corporate bonds and notes	97,474	75,674
Stocks and convertible securities	193,726	169,143
Mortgages	12,246	12,358
Cash value of life insurance policy	386	381
Money market and other liquid funds	8,308	6,857
Investment in limited partnership	2,583	2,879
International mutual funds	1,895	-
Other	103	111
	<u>\$466,527</u>	<u>438,623</u>

These investments are carried on the balance sheet at a cost of \$348,501,000 (\$335,783,000 in 1990). The dividends and interest from such investments during the periods were as follows:

	1991 (000's)	1990 (000's)
Unrestricted(a)	\$ 23,573	23,083
Restricted	6,308	6,562
	<u>\$ 29,881</u>	<u>29,645</u>

Earnings of funds held in trust by others distributed to the University:

	1991 (000's)	1990 (000's)
Unrestricted	\$ 1,576	1,712
Restricted	354	368
	<u>\$ 1,930</u>	<u>2,080</u>

At June 30, 1991, the excess of market value over cost for those equity securities having such excess was \$113,955,989 and the excess of cost over market value for those equity securities having such excess was \$1,044,319.

(a) Includes interest from Auxiliary Operations and Activities of Educational Departments of \$1,137,266 in 1991 (\$1,130,000 in 1990).

(Continued)

UNIVERSITY OF DELAWARE

Notes to Financial Statements, Continued

(2) Loan Funds' Notes and Accounts Receivable

Loan funds' notes and accounts receivable consisted of the following:

	June 30 (000's)	
	1991	1990
Student loan programs	\$ 9,599	9,194
University Mortgage Program	2,119	2,372
Other	122	123
	<u>\$11,840</u>	<u>11,689</u>

The student loan programs consist primarily of the National Direct Student Loan/Perkins and Nursing Student Loan Programs. The United States Government provides 90% of the funds and the University provides 10% of the funds to support these programs.

The University Mortgage Program provides home mortgages for faculty and professional members. On March 1, 1978, the University issued its \$10,000,000 general obligation bonds (Series of 1978). These bonds provided funds for the mortgage program. Additional mortgages are provided by University endowment resources.

(3) Capital Program

Estimated capital cost of fourteen approved construction projects that have budgets in excess of \$500,000 amounts to approximately \$70,837,000 (unaudited) at June 30, 1991. Costs incurred to date on such projects total approximately \$28,222,000.

(4) Indebtedness

In October 1989, the University issued \$41,195,000 of Series 1989 Revenue Bonds and \$9,985,000 of Series 1989 Special Obligation Bonds.

A portion of the Series 1989 Revenue Bond Proceeds and all of the Series 1989 Special Obligation Net Bond Proceeds together with the accounts associated with the Refunded Bonds were placed in an irrevocable trust and used to purchase government securities to provide for the principal and interest on the Housing and Dining System Revenue Bonds at their respective maturities. Additionally, the investment earnings on the government securities will also be used to pay the principal and interest on the series 1989 Special Obligation Bonds when due. The defeasance resulted in a gain of \$2,139,885 and is reflected as an addition in the "Investment in Plant" Fund for the year ended June 30, 1990. In accordance with generally accepted accounting principles, the Housing and Dining System revenue and the Special Obligation Bonds payable (amounting to \$26,861,000 and \$29,219,000 at June 30, 1991 and 1990, respectively) and the assets of the Trust are not included in the accompanying Balance Sheet.

The remaining portion of the Series 1989 Revenue Bond proceeds will be used to renovate, construct and equip certain of the University's housing, dining, and student health services facilities and to prepay an existing loan for the Ice Arena.

(Continued)

UNIVERSITY OF DELAWARE

Notes to Financial Statements, Continued

(4) Indebtedness (Continued)

The Series 1989 Revenue Bonds bear interest rates ranging from 6% to 7% and mature at various dates through November, 2014. The aggregate amount of principal payments required through June 30, 1996 is as follows: 1992-\$1,040,000; 1993-\$1,100,000; 1994-\$1,170,000; 1995-\$1,245,000; and 1996-\$1,325,000. The bonds are secured by a pledge of gross revenues received by the University from the operation of all project facilities including housing, dining, student health services, and the ice arena.

A general obligation bond indenture with a principal balance of \$10,000,000 was issued in March 1978 to fund the University's Mortgage Program. The bonds carry annual interest rates of 3.70% to 5.65% and mature annually through 2000. The bonds are secured by: (a) a pledge of all revenues and receipts derived from the mortgage programs, (b) a pledge and assignment to the trustee of program mortgages and (c) a pledge of the University's full faith and credit for the payment of the principal and interest payments. The aggregate amount of principal payments required through June 30, 1996, is as follows: 1992-\$415,000; 1993-\$405,000; 1994-\$375,000; 1995-\$350,000; and 1996-\$325,000.

Notes payable by the University total \$7,791,000 at June 30, 1991 (\$7,115,000-1990). The notes bear an average interest rate of 5.9% at June 30, 1991 (7.9% at June 30, 1990). The aggregate amount of principal payments required through June 30, 1996, is estimated as follows: 1992-\$1,953,000; 1993-\$1,940,000; 1994-\$1,366,000; 1995-\$220,000; and 1996-\$220,000.

(5) Investment in Plant

In 1991, the University adopted the provisions of Financial Accounting Standards Board Statement No. 93, "Recognition of Depreciation by Not-for-Profit Organizations". Statement No. 93 requires organizations to restate their long-lived tangible assets at cost less accumulated depreciation in the year of adoption and for all years presented. Accordingly, the net investment in plant balance as of July 1, 1989, has been restated as follows:

Net investment in plant as previously reported	\$ 381,416
Adjustment to record accumulated depreciation related to prior years	(197,456)
To record plant asset inventory adjustments	397
Net investment in plant as restated	\$ <u>184,357</u>

FEB 10 1992

License No. 07-01579-19
Docket No. 30-10925
Control No. 112921

University of Delaware
ATTN: Robin Elliott
Department of Occupational Health
and Safety
Room 124, Institute of Energy Conservation
Wyoming Road
Newark, DE 19716

Dear Ms. Elliott:

Subject: Financial Assurance

This is in reference to your letter dated July 18, 1990 to provide financial assurance for License No. 07-01579-19. In order to continue our review, we need the following additional information:

Please provide evidence that the State of Delaware assumes ultimate responsibility for decommissioning the University's licensed activities. This evidence should be in the form of a Statement of Intent which is signed by an authorized state official. The state official should represent a state agency or funding body which can provide the necessary funds. The authority of the state official should be documented as suggested on page 3-25 of Regulatory Guide 3.66 (enclosed). While the President of the University of Delaware signed the Statement of Intent included with your July 18, 1990 letter, you submitted no evidence that he is authorized to commit the State of Delaware to provide funding. Please provide such evidence or submit a Statement of Intent signed by an individual authorized to commit the State of Delaware. It is our belief that normally an officer of the University will not have sufficient authority to sign a Statement of Intent.

We will continue our review upon receipt of this information. Please reply in duplicate to my attention at the Region I office and refer to Mail Control No. 112921. The reviewer for this licensing action is Eric H. Reber. If you have any technical questions regarding this deficiency letter please call the reviewer at (215) 337-5276.

For your information, financial assurance for decommissioning is not required for License No. 07-01579-06. This is due to the fact that this license does not allow the possession of byproduct material in sufficient quantities so that financial assurance is required by 10 CFR 30.35.

Satisfactory financial assurance is required for License No. 07-01579-17. Therefore, we request that you respond within 30 calendar days of the date of this letter.

Sincerely,

Original Signed By:
John D. Kinneman

John D. Kinneman, Chief
Research, Development &
Decommissioning Section
Division of Radiation Safety
and Safeguards

Enclosure: Regulatory Guide 3.66

bcc:
J. Kinneman, RI

RI:DRSS
Reber/gcb

2/3/92

RI:DRSS
Kinneman

2/6/92

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02/03/92



University of Delaware

030-10925

OCCUPATIONAL HEALTH AND SAFETY
IEC BUILDING, ROOM 124
WYOMING ROAD
NEWARK, DELAWARE 19716

(302) 451-8475

July 18, 1990

License No. 07-01579-19
Docket No. 030-10925
Control No. 111288

License No. 07-01579-06
Docket No. 030-06892
Control No. 105693

John D. Kinneman, Chief
Nuclear Materials Safety Section B
Division of Radiation Safety and Safeguards
United States Nuclear Regulatory Commission
Region I
475 Allendale Road
King of Prussia, PA. 19406

Dear Mr. Kinneman:

Attached is the financial assurance for the decommissioning of license numbers 07-01579-19 and 07-01579-06 for the University of Delaware, an agency of the State of Delaware for higher education. The assurance is submitted in accordance with the requirements set forth in Title 10 CFR Parts 30.35, 40.36 and 70.25. Complete decommissioning funding plans will be submitted at the time of renewal for the above mentioned licenses.

If I can be of assistance, please call 451-8476.

Sincerely,

Robin Elliott

Robin Elliott
Director/Radiation Safety Officer

RE:bc

Attachment

Log	Jul-23-1
Remitter	
Check No.	
Amount	
Fee Category	and
Type of Fee	
Date Check Rec'd.	
Date Completed	8/5/90
EW	

FEE EXEMPT

170.1/1/18 (2)

112921

JUL 23 1990

OFFICIAL RECORD COPY **ML 10**

STATEMENT OF INTENT

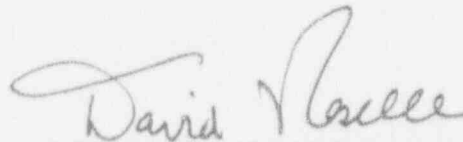
This statement of intent provides financial assurance for the licensee known as the University of Delaware. All activities under licenses 07-01579-19 and 07-01579-06 at the Newark and regional campuses are covered by this financial assurance. The necessary funds will be available as needed to permit facilities to be returned for unrestricted use.

Amount of assurance:

License	07-01579-19	\$750,000
License	07-01579-06	<u>\$ 75,000</u>
	Total	\$825,000

As President of the University of Delaware, I am authorized to sign this statement of intent.

07/18/90
Date



David P. Roselle
President
University of Delaware

§ 30.35 Financial assurance and recordkeeping for decommissioning.

(a) Each applicant for a specific license authorizing the possession and use of unsealed byproduct material of half-life greater than 120 days and in quantities exceeding 10^{-5} times the applicable quantities set forth in Appendix C to 10 CFR Part 20 shall submit a decommissioning funding plan as described in paragraph (e) of this section. The decommissioning funding plan must also be submitted when a combination of isotopes is involved if R divided by 10^{-5} is greater than 1 (unity rule), where R is defined here as the sum of the ratios of the quantity of each isotope to the applicable value in Appendix C.

(b) Each applicant for a specific license authorizing possession and use of byproduct material of half-life greater than 120 days and in quantities specified in paragraph (d) of this section shall either—

(1) Submit a decommissioning funding plan as described in paragraph (e) of this section; or

(2) Submit a certification that financial assurance for decommissioning has been provided in the amount prescribed by paragraph (d) of this section using one of the methods described in paragraph (f) of this section. For an applicant, this certification may state that the appropriate assurance will be obtained after the application has been approved and the license issued but prior to the receipt of licensed material. As part of the certification, a copy of the financial instrument obtained to satisfy the requirements of paragraph (f) of this section is to be submitted to NRC.

(c) (1) Each holder of a specific license issued on or after July 27, 1990, which is of a type described in paragraph (a) or (b) of this section, shall provide financial assurance for decommissioning in accordance with the criteria set forth in this section.

(2) Each holder of a specific license issued before July 27, 1990, and of a type described in paragraph (a) of this section shall submit, on or before July 27, 1990, a decommissioning funding plan or a certification of financial assurance for decommissioning in an amount at least equal to \$750,000 in accordance with the criteria set forth in this section. If the licensee submits the certification of financial assurance rather than a decommissioning funding plan at this time, the licensee shall include a decommissioning funding plan in any application for license renewal.

(3) Each holder of a specific license issued before July 27, 1990, and of a type described in paragraph (b) of this

section shall submit, on or before July 27, 1990, a certification of financial assurance for decommissioning or a decommissioning funding plan in accordance with the criteria set forth in this section.

(d) Table of required amounts of financial assurance for decommissioning by quantity of material.

greater than 10^{-4} but less than or equal to 10^{-5} times the applicable quantities of Appendix C of Part 20 in unsealed form. (For a combination of isotopes, if R , as defined in § 30.35(a), divided by 10^{-4} is greater than 1 but R divided by 10^{-5} is less than or equal to 1.)	\$750,000
greater than 10^{-5} but less than or equal to 10^{-4} times the applicable quantities of Appendix C of Part 20 in unsealed form. (For a combination of isotopes, if R , as defined in § 30.35(a), divided by 10^{-5} is greater than 1 but R divided by 10^{-4} is less than or equal to 1.)	\$150,000
greater than 10^{-6} times the applicable quantities of Appendix C of Part 20 in sealed sources or plated foils. (For a combination of isotopes, if R , as defined in § 30.35(a), divided by 10^{-6} is greater than 1.)	\$75,000

(e) Each decommissioning funding plan must contain a cost estimate for decommissioning and a description of the method of assuring funds for decommissioning from paragraph (f) of this section, including means of adjusting cost estimates and associated funding levels periodically over the life of the facility.

(f) Financial assurance for decommissioning must be provided by one or more of the following methods:

(1) Prepayment. Prepayment is the deposit prior to the start of operation into an account segregated from licensee assets and outside the licensee's administrative control of cash or liquid assets such that the amount of funds would be sufficient to pay decommissioning costs. Prepayment may be in the form of a trust, escrow account, government fund, certificate of deposit, or deposit of government securities.

(2) A surety method, insurance, or other guarantee method. These methods guarantee that decommissioning costs will be paid should the licensee default. A surety method may be in the form of a surety bond, letter of credit, or line of credit. A parent company guarantee of funds for decommissioning costs based

on a financial test may be used if the guarantee and test are as contained in Appendix A to this part. A parent company guarantee may not be used in combination with other financial methods to satisfy the requirements of this section. Any surety method or insurance used to provide financial assurance for decommissioning must contain the following conditions:

(i) The surety method or insurance must be open-ended or, if written for a specified term, such as five years, must be renewed automatically unless 90 days or more prior to the renewal date, the issuer notifies the Commission, the beneficiary, and the licensee of its intention not to renew. The surety method or insurance must also provide that the full face amount be paid to the beneficiary automatically prior to the expiration without proof of forfeiture if the licensee fails to provide a replacement acceptable to the Commission within 30 days after receipt of notification of cancellation.

(ii) The surety method or insurance must be payable to a trust established for decommissioning costs. The trustee and trust must be acceptable to the Commission. An acceptable trustee includes an appropriate State or Federal government agency or an entity which has the authority to act as a trustee and whose trust operations are regulated and examined by a Federal or State agency.

(iii) The surety method or insurance must remain in effect until the Commission has terminated the license.

(3) An external sinking fund in which deposits are made at least annually, coupled with a surety method or insurance, the value of which may decrease by the amount being accumulated in the sinking fund. An external sinking fund is a fund established and maintained by setting aside funds periodically in an account segregated from licensee assets and outside the licensee's administrative control in which the total amount of funds would be sufficient to pay decommissioning costs at the time termination of operation is expected. An external sinking fund may be in the form of a trust, escrow account, government fund, certificate of deposit, or deposit of government securities. The surety or insurance provisions must be as stated in paragraph (f)(2) of this section.

(4) In the case of Federal, State, or local government licensees, a statement of intent containing a cost estimate for decommissioning or an amount based on the Table in paragraph (d) of this section, and indicating that funds for decommissioning will be obtained when necessary.

(g) Each person licensed under this part or Parts 32 through 35 of this chapter shall keep records of information important to the safe and effective decommissioning of the facility in an identified location until the license is terminated by the Commission. If records of relevant information are kept for other purposes, reference to these records and their locations may be used. Information the Commission considers important to decommissioning consists of—

(1) Records of spills or other unusual occurrences involving the spread of contamination in and around the facility, equipment, or site. These records may be limited to instances when contamination remains after any cleanup procedures or when there is reasonable likelihood that contaminants may have spread to inaccessible areas as in the case of possible seepage into porous materials such as concrete. These records must include any known information on identification of involved nuclides, quantities, forms, and concentrations.

(2) As-built drawings and modifications of structures and equipment in restricted areas where radioactive materials are used and/or stored, and of locations of possible inaccessible contamination such as buried pipes which may be subject to contamination, if required drawings are referenced, each relevant document need not be indexed individually. If drawings are not available, the licensee shall substitute appropriate records of available information concerning these areas and locations.

(3) Records of the cost estimate performed for the decommissioning funding plan or of the amount certified for decommissioning, and records of the funding method used for assuring funds if either a funding plan or certification is used.

§ 30.36 Expiration and termination of licenses.

(a) Except as provided in § 30.37(b) and paragraph (e) of this section, each specific license expires at the end of the day, in the month and year stated in the license.

(b) Each licensee shall notify the Commission promptly, in writing under § 30.6, and request termination of the license when the licensee decides to terminate all activities involving materials authorized under the license. This notification and request for termination of the license must include the reports and information specified in paragraphs (c)(1) (iv) and (v) of this section and a plan for completion of decommissioning if required by paragraph (c)(2) of this section or by license condition.

(c)(1) If a licensee does not submit an application for license removal under § 30.37, the licensee shall on or before the expiration date specified in the license—

(i) Terminate use of byproduct material;

(ii) Remove radioactive contamination to the extent practicable except for those procedures covered by paragraph (c)(2)(i) of this section;

(iii) Properly dispose of byproduct material;

(iv) Submit a completed form NRC-314, which certifies information concerning the disposition of materials; and

(v) Conduct a radiation survey of the premises where the licensed activities were carried out and submit a report of the results of this survey, unless the licensee demonstrates that the premises are suitable for release for unrestricted use in some other manner. The licensee shall, as appropriate—

(A) Report levels of radiation in units of microrads per hour of beta and gamma radiation at one centimeter and gamma radiation at one meter from

(FOR LFMS USE)
INFORMATION FROM LTS

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: PROGRAM CODE: 01100  
: STATUS CODE: 0  
: FEE CATEGORY: EX 3L 1D 5A 3N 3P  
: EXP. DATE: 19940430  
: FEE COMMENTS: WAIVER 3P 3/11/86=3N 5/  
: .....
```

A. REGION

SIGNED
DATE

SIGNED H. J. Brown
DATE 7-26-90

SIGNED
DATE

SIGNED _____
DATE _____