



May 2015

NUCLEAR WEAPONS COUNCIL

Enhancing Interagency Collaboration Could Help with Implementation of Expanded Responsibilities

Accessible Version

GAO Highlights

Highlights of [GAO-15-446](#), a report to congressional committees

Why GAO Did This Study

DOD and DOE's NNSA are jointly responsible for managing aspects of the U.S. nuclear weapons stockpile. The Council, established by Congress in 1986, includes five senior officials from both departments; it facilitates coordination between DOD and NNSA and establishes program priorities. DOD and NNSA are working to modernize the nuclear enterprise, including delivery systems and nuclear weapons that are aging and being used longer than originally intended. DOD and NNSA project this work will cost about \$332 billion through 2025.

House Report 113-446 included a provision for GAO to review the Council's role, responsibilities, and effectiveness. This report addresses: (1) how the Council carries out its statutory and regulatory responsibilities and any challenges it faces in doing so and (2) the extent to which the Council's actions are consistent with key practices for interagency collaboration. GAO reviewed laws, agreements, and Council documents such as reports and compared Council actions with key practices and considerations for interagency collaboration that GAO identified in 2005 and 2012.

What GAO Recommends

GAO recommends that DOD and DOE update the Council's 1997 memorandum of agreement to (1) describe Council processes and its two support committees' roles, responsibilities, structure, and functions and (2) require that DOD and NNSA budget and program evaluation officials attend all support committee meetings. DOD and NNSA generally agreed with GAO's recommendations.

View [GAO-15-446](#). For more information, contact Joseph Kirschbaum at (202) 512-9971 or kirschbaumj@gao.gov or David Trimble at (202) 512-3841 or trimbled@gao.gov.

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Enhancing Interagency Collaboration Could Help with Implementation of Expanded Responsibilities

What GAO Found

The Nuclear Weapons Council (Council)—which serves as the focal point of Department of Defense (DOD) and National Nuclear Security Administration (NNSA) interagency activities to maintain the U.S. nuclear weapons stockpile—carries out its statutory and regulatory responsibilities in a number of ways, but faces challenges in doing so. The Council's actions to carry out its responsibilities include documenting requirements for the size and composition of the nuclear weapons stockpile and setting stockpile priorities. The Council also provides oversight of refurbishment programs through periodic program reviews and coordinates budget matters between DOD and NNSA to support the stockpile. However, the Council faces several challenges in carrying out its responsibilities. The Council's challenges include carrying out several new budget-related responsibilities, such as certifying to Congress whether the annual budget request for NNSA meets stockpile requirements; providing oversight for two more refurbishment programs than it has previously; and adjusting program priorities in response to budget pressures, such as delays and cost growth experienced by some NNSA nuclear weapons programs.

The Council's actions to coordinate DOD's and NNSA's nuclear weapons stockpile responsibilities are generally consistent with most key practices for interagency collaboration, but the Council's actions are not fully consistent with those practices and related key considerations in two areas. First, key practices for interagency collaboration call for agencies to define their respective roles, responsibilities, and steps for decision making and to have a current written agreement on how they will collaborate. The Council does not have an up-to-date agreement that reflects the processes it uses to carry out its responsibilities. The 1997 memorandum of agreement between DOD and the Department of Energy (DOE) that is to guide the Council's efforts has not been updated, although the Council's responsibilities were expanded in 2013, and it does not define the roles, responsibilities, structure, and functions of the two support committees that conduct the Council's day-to-day operations. Council officials said they have not updated the agreement because they do not believe it is necessary and that doing so could restrict their flexibility by being too prescriptive. However, other officials said there has been confusion and disagreement over some Council processes such as certifying the budget request for NNSA and that updating the memorandum of agreement might improve the clarity and consistency of the Council's processes. Without an updated memorandum of agreement that describes Council processes, it may be difficult for the Council to provide greater clarity to support committee members on how their work is to be conducted. Second, a key consideration when implementing collaborative mechanisms is whether all relevant participants have been included in the effort. However, DOD and NNSA budget and program evaluation officials are not required to attend Council support committee meetings. DOD budget and program evaluation officials are invited and generally attend, but NNSA budget and program evaluation officials generally do not attend because they are invited at the discretion of NNSA support committee members. Without a requirement that both DOD and NNSA budget and program evaluation officials consistently attend all support committee meetings, the Council may be limited in its ability to manage and respond to unanticipated budget questions as they arise at meetings.

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Abbreviations

Council	Nuclear Weapons Council
DOD	Department of Defense
DOE	Department of Energy
NNSA	National Nuclear Security Administration

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May 21, 2015

Congressional Committees

Nuclear weapons are an essential part of the nation's defense strategy. The Department of Defense (DOD) and the Department of Energy (DOE)—through its National Nuclear Security Administration (NNSA)—share joint responsibility for managing aspects of the U.S. nuclear weapons stockpile, which is composed of nuclear bombs and warheads. DOD is generally responsible for establishing weapons requirements and designing, producing, and operating the delivery systems for these weapons. NNSA is generally responsible for developing nuclear weapons technology and, in conjunction with DOD, maintaining and enhancing the safety, security, and reliability of the nuclear weapons stockpile. DOD and NNSA are currently undertaking an extensive, multifaceted effort to modernize the nuclear enterprise, including delivery systems, the nuclear weapons stockpile, and the research and production infrastructure that supports the stockpile—all of which are aging and being deployed beyond their intended service lives. During a time of fiscal constraint, these modernization efforts will require significant resources—about \$332 billion through 2025, according to a May 2015 joint DOD-NNSA estimate.¹

The Nuclear Weapons Council (Council)—a joint DOD and DOE activity established by statute in 1986 and, as of March 2015, composed of five

¹Department of Defense and Department of Energy, *Fiscal Year 2016 Report on the Plan for the Nuclear Weapons Stockpile, Nuclear Weapons Complex, Nuclear Weapons Delivery Systems, and Nuclear Weapons Command and Control System Specified in Section 1043 of the National Defense Authorization Act for Fiscal Year 2012* (Washington, D.C.: May 2015). Section 1043 of the National Defense Authorization Act for Fiscal Year 2012, as amended, requires the preparation of an annual report coordinated between DOE and DOD regarding the plan for the nuclear weapons stockpile, complex, delivery systems, and command and control system. See Pub. L. No. 112-81, § 1043(a) (2011), *amended by* National Defense Authorization Act for Fiscal Year 2013, Pub. L. No. 112-239, § 1041 (2013) *and* National Defense Authorization Act for Fiscal Year 2014, Pub. L. No. 113-66, § 1054 (2013).

senior-level officials from the two departments²—serves as the focal point for interagency activities to maintain the U.S. nuclear weapons stockpile. The Council facilitates cooperation and coordination between DOD and NNSA on nuclear weapons stockpile issues, reaches consensus on those issues, and establishes priorities between DOD and NNSA to align their efforts as they carry out their responsibilities for managing the U.S. nuclear weapons stockpile.

The Congressional Advisory Panel on the Governance of the Nuclear Security Enterprise (hereafter referred to as the Congressional Advisory Panel) reported in November 2014 that the Council has a central role to play in creating an executable plan for the future nuclear weapons stockpile.³ However, in recent years, questions have been raised about the Council's effectiveness in carrying out its assigned role and responsibilities. The House Armed Services Committee in particular has noted that the Council has considered and approved a series of actions, programs, and plans for the future of the U.S. nuclear weapons program that have been affected by DOE's resource constraints and differing priorities.⁴ In addition, the Congressional Advisory Panel reported in November 2014 that the Council has struggled to set priorities, define the nuclear enterprise's needs, and identify resources to support those needs.

The House Armed Services Committee report accompanying a bill for the National Defense Authorization Act for Fiscal Year 2015 included a

²See 10 U.S.C. § 179. The Council's five members are the Under Secretary of Defense for Acquisition, Technology and Logistics (Chairman); the Vice Chairman of the Joint Chiefs of Staff; DOE's Under Secretary for Nuclear Security (NNSA Administrator); the Under Secretary of Defense for Policy; and the Commander, U.S. Strategic Command. A meeting of the Council is to be chaired by the NNSA Administrator whenever the matter under consideration is within the primary responsibility or concern of DOE, as determined by a majority vote of the Council.

³Section 3166 of the National Defense Authorization Act for Fiscal Year 2013 established the Congressional Advisory Panel on the Governance of the Nuclear Security Enterprise. The purpose of the advisory panel was to examine options and make recommendations for revising the governance structure, mission, and management of the nuclear security enterprise. See Pub. L. No. 112-239, § 3166(a). The advisory panel issued its final report in November 2014. The final report is: *A New Foundation for the Nuclear Enterprise: Report of the Congressional Advisory Panel on the Governance of the Nuclear Security Enterprise* (Washington, D.C.: November 2014).

⁴See H.R. Rep. No. 113-446, at 288—89 (2014).

provision that we assess the Council's role, responsibilities, and effectiveness.⁵ This report addresses (1) how the Council carries out its statutory and regulatory responsibilities and any challenges it faces in doing so and (2) the extent to which the Council's actions are consistent with key practices for interagency collaboration.

To conduct this work, we reviewed relevant laws, agreements, and guidance. To determine how the Council carries out its statutory and regulatory responsibilities and identify any challenges it faces in doing so, we reviewed DOD, NNSA, and Council documents related to those responsibilities, such as Council reports and decision memorandums, and we interviewed DOD and NNSA officials. Specifically, we identified the Council's statutory and regulatory responsibilities and asked Council staff to respond to specific questions on a subset of those responsibilities about the process and guidance used in carrying out each responsibility; any resulting output and the recipient or recipients of that output; and any challenges or limitations in carrying out the responsibility. We selected the subset of responsibilities to ask the Council staff about based on whether a responsibility was related to management of the nuclear weapons stockpile or nuclear weapons refurbishment.⁶ We corroborated the Council staff's responses by reviewing documentation, such as Council reports and decision memorandums.

To evaluate the extent to which the Council's actions are consistent with key practices for interagency collaboration, we reviewed documents that described Council processes, including DOD's unofficial *Nuclear Matters Handbook*⁷ and the Council's *Procedural Guideline for the Phase 6.X Process*.⁸ We also reviewed a nonprobability sample of four programs

⁵See *id.*

⁶Since this was a nonprobability sample, the information we gathered on this subset of responsibilities cannot be generalized to how the Council carries out all of its responsibilities but is illustrative of the types of actions the Council takes to carry out its responsibilities.

⁷Department of Defense, Office of the Assistant Secretary of Defense for Nuclear, Chemical, and Biological Defense Programs, *The Nuclear Matters Handbook: Expanded Edition* (Washington, D.C., circa 2011). The handbook is an unofficial reference document and is used for informational purposes only. It is maintained by the Office of the Assistant Secretary of Defense for Nuclear, Chemical, and Biological Defense Programs.

⁸Nuclear Weapons Council, *Procedural Guideline for the Phase 6.X Process* (Apr. 19, 2000).

and activities in which the Council plays a role for use as examples of Council processes in action.⁹ We selected our nonprobability sample by first identifying the programs and activities in which the Council plays a role and then grouping those programs and activities into three categories: (1) weapon programs; (2) infrastructure-related activities; and (3) other activities related to the Council's statutory responsibilities. We then selected four programs and activities from those categories to provide a cross section of the types of programs and activities the Council oversees. Specifically, we selected the B61-12 life-extension program; the W76-1 life-extension program; the plutonium strategy; and budget-related activities,¹⁰ such as the Council's certification of the annual budget request for NNSA. We limited our review of each example we selected to its latest decision cycle, to ensure that we focused on recent implementation of Council processes.¹¹ For each program or activity we selected, we reviewed documentation of the Council's actions, such as program briefings, decision memorandums, meeting minutes, and reports and letters. We reviewed each selected program or activity in terms of the processes the Council used to provide oversight of the program or activity; we did not review the selected programs and activities themselves. We compared the information we obtained from our review of the Council's processes and their implementation against key practices for implementing effective interagency collaboration that we identified in October 2005.¹² We also compared the information we obtained from our

⁹Since this was a nonprobability sample, the information we gathered from these examples cannot be generalized to all Council activities but is illustrative of Council processes in action.

¹⁰When we refer to the Council's "budget-related" activities, we are referring to Council actions to (1) carry out certain budget-related statutory responsibilities and (2) make budget-informed decisions.

¹¹When we refer to the decision cycle for each example we selected, we are referring to the most recent definable period when the selected example went through and completed a distinct program or activity phase.

¹²See GAO, *Results Oriented Government: Practices That Can Help Enhance and Sustain Collaboration among Federal Agencies*, [GAO-06-15](#) (Washington, D.C.: Oct. 21, 2005). In our October 2005 report, we identified eight key practices that can help enhance and sustain federal agency collaboration by reviewing relevant literature and interviewing experts in the area of collaboration. For this report, we compared the information we obtained from our review of the Council's processes and their implementation against all eight practices and determined that one of the practices—reinforcing individual accountability for collaborative efforts through performance management systems—was generally not applicable because the Council members' responsibilities span their respective departments and are much broader than just the Council.

review against key considerations when implementing collaborative mechanisms that we identified in September 2012.¹³ We corroborated our comparisons in interviews with DOD and NNSA officials. Appendix I presents a more detailed description of our scope and methodology.

We conducted this performance audit from June 2014 to May 2015 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

Congress established the Council in the National Defense Authorization Act for Fiscal Year 1987.¹⁴ The structure, membership, and responsibilities of the Council are generally found in section 179 of Title 10, U.S. Code. A 1997 memorandum of agreement between DOD and DOE identified several activities for the Council to perform in support of its statutory responsibilities, including establishing support committees; providing guidance to the support committees; and reviewing and acting on recommendations on the nuclear weapons stockpile from the support committees.¹⁵ The memorandum also states that the Council will establish, and modify as necessary, its own procedures.

¹³See GAO, *Managing for Results: Key Considerations for Implementing Interagency Collaborative Mechanisms*, [GAO-12-1022](#) (Washington, D.C.: Sept. 27, 2012). In our September 2012 report, we built on our past work in [GAO-06-15](#) and developed key issues for Congress and others to consider when implementing collaborative mechanisms. For this report, we compared the information we obtained from our review of the Council's processes and their implementation against all key considerations and linked our results back to the key practices we identified in [GAO-06-15](#).

¹⁴See Pub. L. No. 99-661, § 3137(a)(1) (1986) (codified at 10 U.S.C. § 179).

¹⁵Memorandum of Agreement between the Department of Defense and Department of Energy, *Joint Nuclear Weapons Council* (May 23, 1997).

The membership of the Council is established by statute.¹⁶ The Council designates the voting members of its support committees, which include a senior executive-level Standing and Safety Committee and a subordinate, working-level Action Officers Group. The Council and its support committees also include nonvoting participants—referred to as observers and technical advisors—who attend meetings to provide their particular expertise. For example, representatives from the NNSA laboratories attend as technical advisors, and representatives from the Navy’s Strategic Systems Programs office may attend as observers. Figure 1 shows the membership of the Council and its support committees as of March 2015, based on the unofficial *Nuclear Matters Handbook* and information provided by the Council staff.

¹⁶As originally established, Council membership consisted of the Director of Defense Research and Engineering, the Vice Chairman of the Joint Chiefs of Staff, and a senior DOE representative appointed by the Secretary of Energy. See § 179(a) (as originally codified by Pub. L. No. 99-661, § 3137(a)(1)). The Under Secretary of Defense for Acquisition replaced the Director of Defense Research and Engineering on the Council in 1992, and the newly created DOE Under Secretary for Nuclear Security (NNSA Administrator) was specified as the senior DOE representative in 2000. See National Defense Authorization Act for Fiscal Year 1993, Pub. L. No. 102-484, § 3133 (1992); Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001, Pub. L. No. 106-398, § 3152(a) (2000). The Council expanded in 2004 to include the Under Secretary of Defense for Policy and again in 2006 to include the Commander of U.S. Strategic Command. See Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005, Pub. L. No. 108-375, § 902(a) (2004); John Warner National Defense Authorization Act for Fiscal Year 2007, Pub. L. No. 109-364, § 903 (2006).

Figure 1: Membership of the Nuclear Weapons Council and Its Support Committees

Interactivity instructions: Roll over a phase to see more information. See appendix II for the noninteractive, printer-friendly version.



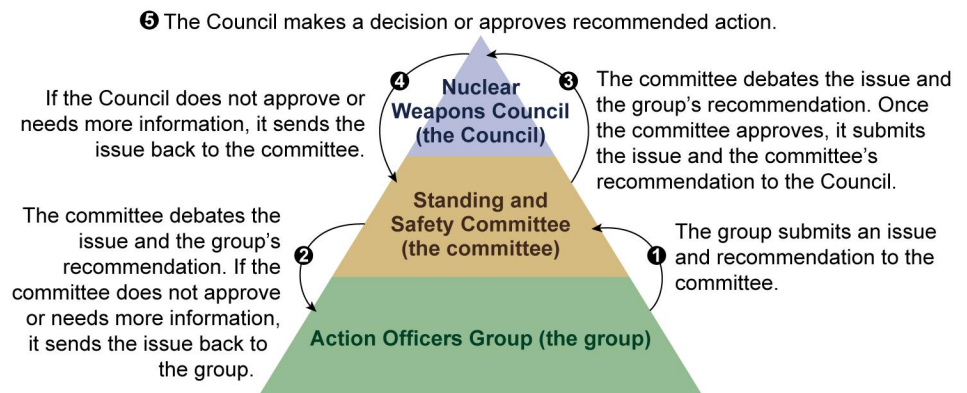
Source: GAO analysis of Department of Defense (DOD) information. | GAO-15-446

Note: The NNSA Administrator is to be the chair for Council meetings when matters under consideration are within the primary responsibility or concern of the Department of Energy, as determined by Council majority vote.

^aThe Council's membership is established by statute and the support committees' membership is determined by the Council. In addition to the offices listed in the figure, observers and technical advisors may also be invited to attend specific meetings to provide their expertise.

According to DOD's unofficial *Nuclear Matters Handbook* and Council staff, the Council conducts day-to-day operations and coordinates issues through its hierarchy of support committees. The Action Officers Group performs detailed analyses of issues and provides those analyses to the Standing and Safety Committee, which reviews them and formulates decision packages for final Council review and decision. An issue may be sent to a lower-level committee if a higher-level committee determines that further review and analysis are needed. Issues move to the next higher or lower committee based on a consensus decision of the members. Figure 2 illustrates the decision-making process of the Council and its support committees, as described by the unofficial *Nuclear Matters Handbook* and DOD and NNSA officials.

Figure 2: Decision-Making Process of the Nuclear Weapons Council



Source: GAO analysis of Department of Defense (DOD) and National Nuclear Security Administration (NNSA) information. | GAO-15-446

According to DOD's unofficial *Nuclear Matters Handbook* and Council staff, the frequency and timing of Council and support committee meetings are intended to support this decision-making process. In general, the Action Officers Group meets about twice a month. The Standing and Safety Committee meets about once a month, after an Action Officers Group meeting, so that it can receive results from the Action Officers Group meetings. Likewise, the full Council also meets about once a month,¹⁷ after the Standing and Safety Committee meeting,

¹⁷By statute, the Council must meet at least once every 3 months. See 10 U.S.C. § 179(b)(3).

so that the Council can receive the results from the Standing and Safety Committee.¹⁸

A key function of the Council is to provide oversight of the refurbishment of nuclear weapons.¹⁹ In 2000, the Council developed a standard process—called the Phase 6.X process—which provides a joint framework for refurbishing nuclear weapons in order to extend their operational lives. The Phase 6.X process includes various program review and decision points that require Council approval before moving forward to the next phase. For example, the *Procedural Guideline for the Phase 6.X Process* requires the program office to obtain the Council's approval before beginning a feasibility study, development engineering, or full-scale production phases.²⁰

In October 2005, we identified key practices that can help enhance and sustain collaboration among federal agencies.²¹ Among the practices we identified were (1) defining and articulating a common outcome; (2) establishing mutually reinforcing or joint strategies; (3) identifying and addressing needs by leveraging resources; (4) developing mechanisms to monitor, evaluate, and report on results; (5) reinforcing agency accountability for collaborative efforts through agency plans and reports; (6) establishing compatible policies, procedures, and other means to operate across agency boundaries; and (7) agreeing on roles and

¹⁸The Council also can establish temporary, ad hoc groups that do not meet regularly but are activated for a specific purpose. For example, the Enterprise Planning Working Group met in 2012 to explore how to integrate the three communities within the nuclear enterprise—platforms, weapons, and infrastructure. In our work, we focused on the Standing and Safety Committee and the Action Officers Group, because, according to officials, these committees meet regularly to carry out the Council's statutory responsibilities.

¹⁹According to the *Procedural Guideline for the Phase 6.X Process*, "refurbishment" refers to all nuclear weapon alterations and modifications, to include life extension, modernization, and revised military requirements. Generally, life-extension programs extend, through refurbishment, the operational lives of weapons in the nuclear stockpile by 20 to 30 years and certify these weapons' military performance requirements without underground nuclear testing.

²⁰According to officials, the Standing and Safety Committee, as delegated by the Council, decides whether to approve a program beginning the feasibility study or development engineering phases. The Council decides whether to approve a program moving into the full-scale production phase.

²¹[GAO-06-15](#).

responsibilities. In September 2012, we found that although collaborative mechanisms differed in complexity and scope, they all benefited from certain key practices, many of which we had identified in October 2005. Accordingly, in our 2012 report, we built on our past work and identified key issues to consider when implementing collaborative mechanisms.²² Among the key considerations we identified were whether the participating agencies documented their agreement regarding how they will be collaborating; whether participating agencies developed ways to continually update or monitor written agreements; and whether all relevant participants had been included.

The Council Carries Out Its Responsibilities in a Number of Ways but Faces Challenges

The Council carries out its statutory and regulatory responsibilities in a number of ways, including by developing requirements documents on the size and composition of the nuclear weapons stockpile, providing oversight of nuclear weapons refurbishment programs, and coordinating budget matters to support the stockpile. However, the Council faces several challenges in carrying out its assigned responsibilities, including executing new budget-related responsibilities;²³ planning for a greater number of weapon refurbishment programs than in the past; and adjusting program priorities in response to budget pressures.

The Council Takes Various Actions to Carry Out Its Stockpile Management, Oversight, and Budget-Related Responsibilities

According to DOD and DOE officials, the Council takes various actions to carry out its responsibilities, many of which are related to nuclear weapons programs. The Council's responsibilities are laid out in law and in a 1997 memorandum of agreement between DOD and DOE. The Council's actions include stockpile management (i.e., developing requirements documents on the size and composition of the nuclear weapons stockpile), providing oversight of weapons refurbishment programs, and coordinating budget matters to support the stockpile. The *National Defense Authorization Act for Fiscal Year 2013* gave the Council several new budget-related responsibilities, such as certifying to Congress whether the annual budget request for NNSA meets stockpile

²²[GAO-12-1022](#).

²³According to Council officials, the Council carries out its new budget-related responsibilities by coordinating across DOD and NNSA to revise plans and programs in response to changes in budgets, funding, or cost estimates. The officials told us that the Council has no budgetary authority in and of itself and cannot direct changes to either DOD or NNSA's budgets.

program requirements, and approving programming and budget matters pertaining to nuclear weapons programs between DOD and DOE.²⁴ Table 1 shows some of the Council's statutory responsibilities and the actions it takes to carry out each of them, according to information and documentation provided by the Council staff.²⁵

Table 1: Nuclear Weapons Council Actions to Carry Out Some of Its Statutory Responsibilities

Nuclear Weapons Council's (Council) responsibility	Council's actions to carry out the responsibility
Stockpile management	
Develop nuclear weapons stockpile options and the costs of such options and alternatives	Develops the annual <i>Requirements and Planning Document</i> , the long-term baseline plan ^a for the nuclear weapons enterprise, decision memorandums, and Council reports
Identify various options for cost-effective schedules for nuclear weapons production	Develops the long-term baseline plan for the nuclear weapons enterprise
Prepare the annual Nuclear Weapons Stockpile Memorandum	Develops the <i>Nuclear Weapons Stockpile Memorandum</i> , which is used as input to the Presidential Directive on the size and composition of the nuclear weapons stockpile
Oversight of weapons refurbishment programs	
Ensure that adequate consideration is given to design, performance, and cost trade-offs for all proposed new nuclear weapons programs ^b	Reviews the status of refurbishment programs at decision points described in the Phase 6.X process for nuclear weapon refurbishment and issues decision memorandums documenting the results
Coordinate and approve activities conducted by the Department of Energy (DOE) for the study, development, production, and retirement of nuclear warheads	Reviews status of refurbishment programs at decision points described in the Phase 6.X process for nuclear weapon refurbishment and issues decision memorandums documenting the results
Budget coordination	
Coordinate and approve programming and budget matters pertaining to nuclear weapons programs between the Department of Defense (DOD) and DOE	Coordinates each department's programming and budgeting for the nuclear weapons enterprise through reviews of program and budget information presented to the Council.

²⁴See Pub. L. No. 112-239, § 1039(a)(2), (b)(3) (amending 10 U.S.C. § 179(d)(3) and (f)). Section 1039 of the act added new subsection 179(f)(1), which requires the Council to submit a certification as to whether the amounts requested for the NNSA in the budget and anticipated over the following 4 fiscal years meet nuclear stockpile and stockpile stewardship program requirements. Section 1039 also added the words "and approving" to subsection 179(d)(3).

²⁵Table 1 shows some of the Council's statutory responsibilities from section 179 of Title 10, U.S. Code. See app. III for a complete list of these responsibilities.

Nuclear Weapons Council's (Council) responsibility	Council's actions to carry out the responsibility
Prepare comments on annual proposals for budget levels for research on nuclear weapons and transmit those comments to the Secretary of Defense and the Secretary of Energy before they prepare their departments' annual budget requests	Provides comments during the budget process
Coordinate and approve the annual budget proposals of the National Nuclear Security Administration (NNSA)	Assesses NNSA's briefings on its budget and issues a budget certification letter

Source: GAO analysis of 10 U.S.C. § 179 and information and documentation from Council staff. | GAO-15-446

^aThe Council adopted its high-level, long-term baseline plan for the nuclear weapons enterprise in November 2012 to synchronize NNSA nuclear weapons life-extension programs, DOD platform-modernization programs, and NNSA plans for recapitalizing key nuclear weapons production infrastructure.

^bDuring the Cold War, the nation designed, tested, and produced new nuclear weapons. Since then, the strategy has shifted to maintaining the existing nuclear weapons stockpile indefinitely by extending the operational lives of these weapons through refurbishment programs.

In addition to these responsibilities, the Council is to assess the *NNSA Stockpile Stewardship Management Plan* and determine whether the plan supports the requirements of the *National Security Strategy* or the most recent *Quadrennial Defense Review* and the *Nuclear Posture Review*.²⁶ According to DOD's unofficial *Nuclear Matters Handbook*, the Council also is to coordinate the annual *Joint Surety Report*—which assesses nuclear weapon safety and security—and send the report to the Secretaries of Defense and Energy for signature.²⁷ Finally, the Council is to prepare a number of reports for Congress or congressional committees on matters that include weapons refurbishment programs and stockpile-management issues.

²⁶ See 50 U.S.C. § 2523(e)(1)(A). Section 2523 requires NNSA, in consultation with DOD and other appropriate departments and agencies, to develop and annually update a plan for sustaining the nuclear weapons stockpile. NNSA must submit to the congressional defense committees a summary of the plan in even-numbered years and a detailed report on the plan in odd-numbered years. See § 2523(a), (b). The Council's assessment relates to the detailed report submitted in odd-numbered years. See § 2523(e).

²⁷ According to NNSA officials, the Secretaries of Defense and Energy transmit the signed report to the President.

Council Challenges Include Executing New Responsibilities, Planning for More Refurbishment Programs, and Responding to Budget Constraints

The Council faces several challenges in carrying out its responsibilities. Specifically, the Council faces challenges in (1) carrying out several new budget-related responsibilities; (2) planning and providing oversight for more nuclear weapon refurbishment programs than it has in the past; and (3) adjusting program priorities in response to budget pressures.

The National Defense Authorization Act for Fiscal Year 2013 added several new responsibilities for the Council, including approving programming and budget matters pertaining to nuclear weapons programs and submitting a certification on whether the annual budget request for NNSA and its planned budget for the 4 years thereafter meet nuclear stockpile requirements.²⁸ According to DOD and NNSA officials, these additional responsibilities require a significant amount of the Council's time and reduce the time it has to focus on carrying out its traditional stockpile responsibilities. In addition, DOD and NNSA officials told us that requirements for implementing some of these new responsibilities are not clear. For example, the DOD officials we spoke with expressed confusion over what might constitute "certification" of the budget request for NNSA. The Council has met this annual responsibility with a letter to the Senate and House Appropriations and Armed Services Committees, as well as the President of the Senate and Speaker of the House, explaining that the budget request for NNSA includes risks that could increase if funding is reduced or if savings from NNSA initiatives are not achieved. Though the Council has new budget-related responsibilities, officials told us that while the Council can coordinate across DOD and NNSA to revise plans and programs in response to changes in budgets, funding, or cost estimates, it cannot direct the work of DOD or NNSA and has no budget-development or formal approval authority. For example, officials stated that while the Council is responsible for certification of the budget request for NNSA, it does not have the authority to direct changes to either DOD or NNSA's work or formally approve their budgets.

Another challenge the Council faces is planning and providing oversight for more nuclear weapon refurbishment programs than it has in the past. For example, in 2008, the Council provided oversight for two refurbishment programs. As of November 2014, the Council is providing oversight for four such programs and is planning for three additional

²⁸See Pub. L. No. 112-239, § 1039(a)(2), (b)(3) (amending 10 U.S.C. § 179(d)(3) and (f)).

programs for different types of interoperable warheads. As a result, according to Council staff, the Council's oversight role has increased and it is challenged in working to adjust program priorities to align with available resources.

Finally, the Council has adjusted program priorities for the nuclear weapons enterprise in response to budget pressures. For example, under funding limitations resulting from the Budget Control Act of 2011, as amended, DOD estimates reductions in planned defense spending from fiscal years 2012 through 2021 will exceed \$1 trillion.²⁹ NNSA has similarly projected reductions in the level of spending it had planned for the 5-year future years nuclear security program. Also, some NNSA nuclear weapon programs have experienced delays and cost growth during the past 5 years. For example, the cost estimate for one life extension program has more than doubled since 2010. According to NNSA's *Stockpile Stewardship Management Plan for Fiscal Year 2015* and DOD and NNSA officials, due to these increased costs and budget constraints, the Council has needed to adjust program priorities for the nuclear weapons enterprise by, for example, extending the date when the first units will be produced for four programs. Further, the Council has faced emerging issues—such as the increased scope of one refurbishment program—that necessitated additional funding and therefore an assessment of and decision on how such a change may affect the long-term baseline plan. For example, as one program expands and requires more resources, the Council has to assess potential ripple effects on other programs, such as the need to extend timelines.

²⁹The Budget Control Act of 2011, Pub. L. No. 112-25 (2011), which amended the Balanced Budget and Emergency Deficit Control Act of 1985, imposed discretionary spending limits for fiscal years 2012 through 2021. Among other things, the act also provided for a sequestration in 2013, triggered by the absence of legislation to reduce the federal budget deficit, and an additional sequestration process that would enforce the discretionary spending caps in a given year.

The Council's Actions Generally Follow Most but Not All Key Collaboration Practices

The Council's actions to coordinate DOD's and NNSA's nuclear weapons stockpile responsibilities are generally consistent with most of the key practices we have identified for collaborating across agency boundaries, including defining and articulating a common outcome; establishing mutually reinforcing or joint strategies; identifying and addressing needs by leveraging resources; developing mechanisms to monitor, evaluate, and report on results; and reinforcing agency accountability for collaborative efforts through agency plans and reports. However, we identified two areas where the Council's actions are partially but not fully consistent with key practices or related key considerations for implementing collaborative mechanisms: (1) having up-to-date, written agreements and guidance that establishes compatible policies, procedures, and other means to operate across agency boundaries and defines roles and responsibilities and (2) regularly including all relevant participants.

Council Actions Generally Follow Most Key Collaboration Practices

Following key practices for interagency collaboration can enhance and sustain collaboration among federal agencies, thereby improving performance and results.³⁰ The Council's actions are generally consistent with most of the key practices we have identified for collaborating across agency boundaries.

- **Define and articulate a common outcome:** The statute establishing the Council serves as the rationale for DOD and NNSA to work through the Council toward a common outcome. DOD and DOE signed a memorandum of agreement in 1997 that articulates, at a high level, the expected activities of the Council in relation to its statutory responsibilities.³¹
- **Establish mutually reinforcing or joint strategies:** In November 2012, the Council adopted a high-level, long-term baseline plan for the nuclear weapons enterprise that synchronizes NNSA nuclear weapons life-extension programs, DOD platform-modernization programs, and NNSA plans for recapitalizing key nuclear weapons production infrastructure.

³⁰GAO-06-15 and GAO-12-1022.

³¹Memorandum of Agreement between the Department of Defense and Department of Energy, *Joint Nuclear Weapons Council*.

-
- **Identify and address needs by leveraging resources:** DOD and NNSA, through the Council, have looked for opportunities to leverage each others' resources. For example, in recent years, the Council has leveraged the capabilities of DOD's program evaluation office by asking the office to assess aspects of NNSA's weapons programs and infrastructure modernization efforts.³²
 - **Develop mechanisms to monitor, evaluate, and report on results:** According to Council documents such as annual work plans and DOD and NNSA officials, the Council and its support committees meet on a regular basis to monitor, evaluate, and report on nuclear weapon stockpile issues. These meetings include periodic oversight briefings on nuclear weapon refurbishment programs. Further, the Council staff develops an annual work plan to guide the Council's efforts, and the Council produces several reports each year, such as an annual report to the congressional defense committees that includes, among other things, a description of the Council's activities during the preceding year.
 - **Reinforce agency accountability for collaborative efforts through agency plans and reports:** According to Council officials, DOD and NNSA officials collaborated through the Council to approve a new *Requirements and Planning Document* in December 2014. The *Requirements and Planning Document* specifies nuclear weapon policies, military requirements, joint DOD and DOE planning factors, long-term planning considerations that affect the future of the nuclear weapons stockpile, and supporting programmatic details. In addition, the Council submits several reports to the President or Congress on a regular basis, including an annual report to the congressional defense committees on, among other things, the effectiveness and efficiency of the Council in carrying out its statutory responsibilities identified in section 179 of Title 10, U.S. Code.³³

³²NNSA has taken some actions to improve independent review and analysis of its program estimates. For example, in April 2013, NNSA created the Office of Program Review and Analysis. According to NNSA, this office is intended to improve NNSA's ability to plan and budget by providing senior leadership with independent advice on resource allocations to ensure the best use of the agency's resources, including evaluating cost estimates of NNSA projects and programs. The office became the Office of Cost Estimating and Program Evaluation after the National Defense Authorization Act for Fiscal Year 2014 mandated the establishment of the Director for Cost Estimating and Program Evaluation, with responsibilities including conducting independent cost estimates as directed and advising the NNSA Administrator on cost estimation and program evaluation. Pub. L. No. 113-66, § 3112 (codified at 50 U.S.C. § 2411).

³³See 10 U.S.C. § 179(g).

The Council Does Not Fully Follow Collaboration Practice of Having Up-to-Date Written Agreement or Guidance

According to key practices for interagency collaboration, agencies need to establish compatible policies, procedures, and other means to operate across agency boundaries, and should work together to define and agree on their respective roles and responsibilities.³⁴ Two related key considerations are whether the participating agencies documented their agreement regarding how they will be collaborating, and whether the agencies developed ways to continually update or monitor their written agreements.³⁵ According to these considerations, agencies that articulate their agreements in formal documents can strengthen their commitment to working collaboratively, and such written agreements are most effective when they are regularly updated and monitored.

The Council does not have an up-to-date written agreement or other written guidance that reflects the general processes and procedures it uses to carry out its responsibilities. DOD and DOE signed a 1997 memorandum of agreement to guide the Council's efforts. However, this agreement has not been updated in almost 18 years, during which time the Council's responsibilities have expanded—particularly on budget-related issues—and the fiscal environment in which the Council operates has changed. Further, the agreement is high level and does not provide information on the roles, responsibilities, structure, and functions of the Council's support committees; how the Council and its support committees are to work together; or the general processes and time frames the Council and its support committees should follow to carry out their responsibilities. Some officials told us that, as a result, the processes that the Council and its support committees follow can vary depending on the preferences of officials in key positions and can change when the officials holding those positions change. For example, DOD and NNSA officials said that the frequency and regularity of Action Officers Group meetings has varied depending on who was serving as the Executive Secretary of the Standing and Safety Committee. Nor is such information set out in other formal documents, with the exception of the Council's process for overseeing nuclear weapon refurbishment programs, which is documented in the *Procedural Guideline for the Phase 6.X Process*. However, the Phase 6.X process document is 15 years old and has not

³⁴GAO-06-15.

³⁵GAO-12-1022.

been updated. The Council began an effort to update that document in 2011, and that effort is ongoing as of March 2015.³⁶

According to DOD and NNSA officials, the Council has not updated the 1997 memorandum of agreement or developed other formal guidance to reflect the processes it will use to carry out its responsibilities, because some officials do not believe it is necessary and want to preserve the Council's flexibility in how it carries out its responsibilities by minimizing written guidance. However, the Council could formally document its general processes and procedures and still preserve some flexibility in how it carries out its responsibilities.³⁷ Some officials said that it could be beneficial to update the memorandum of agreement to institutionalize the processes the Council and its support committees will use to carry out the Council's responsibilities because doing so might improve the clarity and consistency of those processes regardless of who holds key positions in the Council and its support committees.

According to our prior work on key considerations when implementing collaborative mechanisms, the action of two agencies articulating roles and responsibilities into a written document can be a powerful tool for collaboration, and doing so can codify a clear understanding of those roles and responsibilities.³⁸ Without an updated memorandum of agreement that describes the roles, responsibilities, structure, and functions of the Council's two support committees, how the Council and these groups are to work together, and the general processes and time frames the Council and its support committees should follow to carry out statutory responsibilities, it may be difficult for the Council to provide greater clarity to its members and the support committees on how to conduct their work—particularly for recently-added responsibilities such as certifying the annual budget request for NNSA. For example, officials told us that there has been confusion over the process and means the Council should use to “certify” the budget request for NNSA and disagreement over when and what budget information should be made

³⁶A Council official told us the official anticipates that the Council will approve the update to the *Procedural Guideline for the Phase 6.X Process* in 2015.

³⁷GAO, *Standards for Internal Control in the Federal Government*, [GAO/AIMD-00-21.3.1](#) (Washington D.C.: November 1999). An agency's internal control should be flexible to allow agencies to tailor control activities to fit their special needs.

³⁸[GAO-12-1022](#).

available to the Council for that purpose. According to key considerations, clarity can come from agencies working together to define and agree on their respective roles, responsibilities, and steps for decision making. Documenting processes in this case would require DOD and NNSA to first work together to come to agreement on what certification means, what data should be assessed, and when that data should be provided to the Council, and then to codify that agreement in writing.

Similar documentation has been created for groups within DOD that, while not interagency groups, share a structure analogous to the Council's that involves collaboration among members drawn from across different entities. For example, the DOD Instruction regarding the Defense Materiel Readiness Board provides guidance on the composition, functions, and procedures of the board.³⁹ It also provides guidance establishing two subgroups and identifying their membership, responsibilities, and procedures. The guidance indicates that issues and recommendations are to be coordinated in the subgroups before they are presented to the board. Without similar documentation of Council processes—such as an update to the 1997 memorandum of agreement that describes the support committees and their procedures, including specifying the thresholds for when an issue should move up in the Council's decision-making hierarchy—it will be difficult for the Council to institutionalize its processes. For example, some officials told us there have been times when issues were pulled up to the Council before being fully vetted by the lower-level committees, which in their view diminished the quality of the information provided to the Council for decision making and led to delays.

³⁹See generally Department of Defense Instruction 5128.34, *Defense Materiel Readiness Board (DMRB)* (July 27, 2010). DOD established the Defense Materiel Readiness Board to implement section 871 of the National Defense Authorization Act for Fiscal Year 2008, Pub. L. No. 110-181 (2008). A provision in the National Defense Authorization Act for Fiscal Year 2013 disestablished the board. Pub. L. No. 112-239, § 1601(a). However, DOD Instruction 5128.34 serves as an example of guidance documenting the processes, structure, membership, responsibilities, and functions of a group and its subgroups.

The Council Does Not Fully Follow Collaboration Practice of Routinely Including All Relevant Participants

A key consideration when implementing collaborative mechanisms is whether all relevant participants have been included.⁴⁰ According to our prior work on this key consideration, even when the right agencies are participating, their efforts can be limited if they do not have the right staff to address policy and program challenges. Further, it is helpful when participants have full knowledge of the relevant resources in their agency and are able to regularly attend all activities of the collaborative mechanism. The DOD and NNSA budget and program evaluation offices⁴¹ are relevant to the Council's efforts in light of the Council's new budget-related responsibilities and the programmatic and fiscal challenges it must take into account in setting priorities for the nuclear weapons stockpile. However, these offices are not required to consistently and routinely attend the meetings of the Council's Standing and Safety Committee and its Action Officers Group. DOD and NNSA officials told us that representatives from DOD's budget and program evaluation offices are invited to and generally attend most Standing and Safety Committee and Action Officers Group meetings, especially if there is a specific item on the meeting agenda that is budget-related. However, they said that representatives from NNSA's budget and program evaluation offices are invited at the discretion of NNSA members and generally do not attend Standing and Safety Committee and Action Officers Group meetings.

According to DOD and NNSA officials, the Council has not required that representatives from both the DOD and NNSA budget and program evaluation offices be invited and regularly attend meetings of the Council's Standing and Safety Committee and its Action Officers Group because those offices fulfill a technical consulting role and are needed only at meetings that are expected to directly involve budget-related issues. These officials told us that most of the Council's efforts are not directly related to budget issues. Further, they said that the views of those offices are taken into account on budget-related issues. However, if representatives from both DOD's and NNSA's budget and program evaluation offices do not consistently and routinely attend all Standing

⁴⁰ [GAO-12-1022](#).

⁴¹ The DOD budget office is the Office of the Under Secretary of Defense (Comptroller), and the DOD program evaluation office is the Office of Cost Assessment and Program Evaluation. The NNSA budget office is its Management and Budget Office, and the NNSA program evaluation office is the Office of Cost Estimating and Program Evaluation.

and Safety Committee and Action Officers Group meetings, opportunities to enlist their expertise may be lost if unanticipated budget issues arise during meetings. For example, some DOD and NNSA officials told us that it would be helpful to have budget and program evaluation officials consistently attend and bring their perspective to support committee meetings because many issues, in their view, ultimately come down to cost and how to arrange priorities given budget constraints.

In light of current fiscal constraints, growing refurbishment costs, and the Council's new budget-related responsibilities, the Council's support committees are dealing with budget and affordability issues more than they have in the past. Without requiring the consistent and routine participation of budget and program evaluation officials to provide their expertise, the attendance of these officials is left to the discretion of the inviting members, and the Council's support committees may be limited in their ability to deal with budget and cost questions as they arise, particularly when the issues on the agenda do not appear to be directly budget-related. Also, the Council may be limited in its ability to carry out its new budget-related responsibilities if DOD and NNSA budget and program evaluation officials are not required to attend all meetings of the Standing and Safety Committee and the Action Officers Group. Moreover, requiring those officials' attendance would better position the Council to address the recommendations of the Congressional Advisory Panel on the Governance of the Nuclear Security Enterprise, including aligning the planning, resourcing, and execution of sustainment and modernization programs for nuclear weapons and their supporting infrastructure with DOD's delivery platforms.

Conclusions

The Council's important role as the focal point for interagency activities is becoming more challenging as the nuclear weapons stockpile, delivery systems, and infrastructure all age, while budgets remain constrained. The Council has taken steps to coordinate programs across DOD and DOE, but its actions are not fully consistent with some key practices and considerations for interagency collaboration. Employing these key practices would be an important step in improving DOD and NNSA collaboration on the Council. For example, updating the 18-year old memorandum of agreement to describe the general processes of the Council and, in particular, the roles, responsibilities, structure, and functions of its support committees—without being overly prescriptive—would better position DOD and NNSA's collaborative efforts by providing greater clarity on how the Council's work is to be conducted, especially for the Council's new budget-related responsibilities. Also, requiring the

consistent and routine attendance of both DOD and NNSA budget and program evaluation officials in all Standing and Safety Committee and Action Officers Group meetings would better position DOD and NNSA to consider how to carry out the Council's newer, budget-related responsibilities, which are likely to grow in importance as the Council begins providing oversight for more refurbishment programs and continues to adjust priorities at a time when budgets are expected to remain flat.

Recommendations for Executive Action

To enhance collaboration between DOD and NNSA, we recommend that the Secretaries of Defense and Energy update the 1997 memorandum of agreement for the Council, and, as part of this update, take the following two actions:

- describe the roles, responsibilities, structure, and functions of the Council's two support committees, how the Council and these groups are to work together, and the general processes and time frames the Council and its support committees should follow to carry out statutory responsibilities and
- include a requirement that budget and program evaluation officials from both DOD and NNSA will consistently and routinely attend all meetings of the Council's two support committees.

Agency Comments and Our Evaluation

We provided a draft of this report to DOD and NNSA for their review and comment. In written comments, DOD generally agreed with both of our recommendations but offered an alternative method of implementation. NNSA agreed with both our recommendations and said it would work collaboratively with the Council and DOD to update the memorandum of agreement and, as part of this effort, ensure appropriate guidance is issued to document requirements for the Council's two support committees and for participation of budget and evaluation officials in support committee meetings. DOD's and NNSA's written comments are reproduced in appendixes IV and V, respectively. DOD also provided technical comments that we incorporated, as appropriate. NNSA did not provide technical comments.

For our first recommendation, DOD agreed to update the 1997 memorandum of agreement for the Council. In its comments, DOD proposed that once the memorandum of agreement was updated and fully coordinated with all members of the Council, the Council Chairman would issue a letter to the Council members documenting the roles and

responsibilities, structure, and functions of the Council's support committees. DOD believed that this approach was more appropriate than including that information in the high-level agreement between the Secretaries of Defense and Energy. According to DOD's written comments, this approach would preserve the Council's ability to quickly respond to changing needs without the delay and inherent challenges of renegotiating an interagency memorandum of agreement. We believe that this is a reasonable approach and meets the intent of our recommendation to institutionalize the roles, responsibilities, structure, and functions of the Council's two support committees—the Standing and Safety Committee and the Action Officers Group—in a formal document.

For our second recommendation, DOD stated that the letter from the Council Chairman that would be developed to address our first recommendation would require that budget and program evaluation officials from both DOD and NNSA consistently and routinely attend meetings of the Council and its support committees. Such a requirement would meet the intent of our recommendation by ensuring that the expertise of budget and program evaluation officials would be available at all Standing and Safety Committee and Action Officers Group meetings.

We are sending copies of this report to the appropriate congressional committees, Secretary of Defense, Secretary of Energy, and Administrator of NNSA. In addition, this report is available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff members have any questions about this report, please contact Joseph Kirschbaum at (202) 512-9971 (kirschbaumj@gao.gov) or David Trimble at (202) 512-3841 (trimbled@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found

on the last page of this report. GAO staff who made key contributions to this report are listed in appendix VI.

A handwritten signature in black ink, reading "Joe W. Kirschbaum" with a long horizontal stroke at the end.

Joseph W. Kirschbaum
Director, Defense Capabilities and Management

A handwritten signature in black ink, reading "David C. Trimble" in a cursive style.

David C. Trimble
Director, Natural Resources and Environment

List of Committees

The Honorable John McCain
Chairman
The Honorable Jack Reed
Ranking Member
Committee on Armed Services
United States Senate

The Honorable Thad Cochran
Chairman
The Honorable Richard J. Durbin
Ranking Member
Subcommittee on Defense
Committee on Appropriations
United States Senate

The Honorable Lamar Alexander
Chairman
The Honorable Dianne Feinstein
Ranking Member
Subcommittee on Energy and Water Development
Committee on Appropriations
United States Senate

The Honorable Mac Thornberry
Chairman
The Honorable Adam Smith
Ranking Member
Committee on Armed Services
House of Representatives

The Honorable Rodney Frelinghuysen
Chairman
The Honorable Pete Visclosky
Ranking Member
Subcommittee on Defense
Committee on Appropriations
House of Representatives

The Honorable Mike Simpson
Chairman
The Honorable Marcy Kaptur
Ranking Member
Subcommittee on Energy and Water Development
Committee on Appropriations
House of Representatives

Appendix I: Objectives, Scope, and Methodology

Our review assessed: (1) how the Nuclear Weapons Council (Council) carries out its statutory and regulatory responsibilities and any challenges it faces in doing so and (2) the extent to which the Council's actions are consistent with key practices for interagency collaboration. To address these objectives, we reviewed relevant laws, agreements, and guidance and interviewed officials from the Council; the Department of Defense (DOD); the Department of Energy (DOE), including the National Nuclear Security Administration (NNSA); and the Office of Management and Budget. We also reviewed the November 2014 final report of the Congressional Advisory Panel on the Governance of the Nuclear Security Enterprise.¹

To determine how the Council carries out its statutory and regulatory responsibilities and identify any challenges it faces in doing so, we reviewed DOD, NNSA, and Council documents related to those responsibilities, such as Council reports and decision memorandums, and we interviewed DOD and NNSA officials. Specifically, we identified the Council's statutory and regulatory responsibilities and asked Council staff to respond to specific questions on a subset of those responsibilities. We selected the subset of responsibilities to ask the Council staff about based on whether a responsibility was related to management of the nuclear weapons stockpile or nuclear weapons refurbishment.² For each responsibility in our subset, we asked the Council staff about the process and guidance used in carrying out the responsibility; any resulting output and the recipient or recipients of that output; and any challenges or limitations in carrying out the responsibility. We corroborated the Council staff's responses by reviewing documentation, such as Council reports and decision memorandums.

To evaluate the extent to which the Council's actions are consistent with key practices for interagency collaboration, we reviewed documents that described Council processes, including the 1997 memorandum of

¹Congressional Advisory Panel on the Governance of the Nuclear Security Enterprise, *A New Foundation for the Nuclear Enterprise: Report of the Congressional Advisory Panel on the Governance of the Nuclear Security Enterprise* (Washington, D.C.: November 2014).

²Since this was a nonprobability sample, the information we gathered on this subset of responsibilities cannot be generalized to how the Council carries out all of its responsibilities but is illustrative of the types of actions the Council takes to carry out its responsibilities.

agreement between DOD and DOE;³ DOD's unofficial *Nuclear Matters Handbook*;⁴ and the Council's *Procedural Guideline for the Phase 6.X Process*⁵ and interviewed DOD and NNSA officials about the Council's structure and processes. We also reviewed a nonprobability sample of four programs and activities in which the Council plays a role, for use as examples of Council processes in action.⁶ We selected our nonprobability sample by first identifying the programs and activities in which the Council plays a role and then grouping those programs and activities into three categories: (1) weapon programs; (2) infrastructure-related activities; and (3) other activities related to the Council's statutory responsibilities. We then selected four programs and activities from those categories to provide a cross-section of the types of programs and activities the Council oversees. Specifically, we selected the B61-12 life-extension program; the W76-1 life-extension program; the plutonium strategy; and budget-related activities,⁷ such as the Council's certification of the annual budget request for NNSA and its adjustments to its long-term baseline plan for the nuclear weapons enterprise in response to the budget effect of emerging issues on the W88 Alteration 370 program.⁸ We limited our review of each example we selected to its latest decision cycle, to ensure

³Memorandum of Agreement between the Department of Defense and Department of Energy, *Joint Nuclear Weapons Council* (May 23, 1997).

⁴Department of Defense, Office of the Assistant Secretary of Defense for Nuclear, Chemical, and Biological Defense Programs, *The Nuclear Matters Handbook: Expanded Edition* (Washington, D.C., circa 2011). The handbook is an unofficial reference document and is used for informational purposes only. It is maintained by the Office of the Assistant Secretary of Defense for Nuclear, Chemical, and Biological Defense Programs.

⁵Nuclear Weapons Council, *Procedural Guideline for the Phase 6.X Process* (Apr. 19, 2000).

⁶Since this was a nonprobability sample, the information we gathered from these examples cannot be generalized to all Council activities but is illustrative of Council processes in action.

⁷When we refer to the Council's "budget-related" activities, we are referring to Council actions to (1) carry out certain budget-related statutory responsibilities and (2) make budget-informed decisions.

⁸The Council adopted its long-term baseline plan for the nuclear weapons enterprise in November 2012 to synchronize NNSA nuclear weapons life-extension programs, DOD platform modernization programs, and NNSA plans for recapitalizing key nuclear weapons production infrastructure.

that we focused on recent implementation of Council processes.⁹ For each program or activity we selected, we reviewed documentation of the Council's actions, such as program briefings, decision memorandums, meeting minutes, and reports and letters. We reviewed each selected program or activity in terms of the processes the Council used to provide oversight of the program or activity; we did not review the selected programs and activities themselves. We compared the information we obtained from our review of the Council's processes and their implementation against key practices for implementing effective interagency collaboration that we identified in October 2005.¹⁰ We also compared the information we obtained from our review against key considerations when implementing collaborative mechanisms that we identified in September 2012.¹¹ We corroborated our comparison in interviews with DOD and NNSA officials.

We interviewed officials and, where appropriate, obtained documentation from the organizations listed below:

Department of Defense (DOD)

- Air Force Nuclear Weapons Center
- Defense Threat Reduction Agency

⁹When we refer to the decision cycle for each example we selected, we are referring to the most recent definable period when the selected example went through and completed a distinct program or activity phase.

¹⁰See GAO, *Results Oriented Government: Practices That Can Help Enhance and Sustain Collaboration among Federal Agencies*, [GAO-06-15](#) (Washington, D.C.: Oct. 21, 2005). In our October 2005 report, we identified eight key practices that can help enhance and sustain federal agency collaboration by reviewing relevant literature and interviewing experts in the area of collaboration. For this report, we compared the information we obtained from our review of the Council's processes and their implementation against all eight practices and determined that one of the practices—reinforcing individual accountability for collaborative efforts through performance management systems—was generally not applicable because the Council members' responsibilities span their respective departments and are much broader than just the Council.

¹¹See GAO, *Managing for Results: Key Considerations for Implementing Interagency Collaborative Mechanisms*, [GAO-12-1022](#) (Washington, D.C.: Sept. 27, 2012). In our September 2012 report, we built on our past work in [GAO-06-15](#) and developed key issues for Congress and others to consider when implementing collaborative mechanisms. For this report, we compared the information we obtained from our review of the Council's processes and their implementation against all key considerations and linked our results back to the key practices we identified in [GAO-06-15](#).

- Joint Staff/Strategic Plans and Policy Directorate
- Office of Cost Assessment and Program Evaluation
- Office of the Assistant Secretary of Defense for Nuclear, Chemical, and Biological Defense Programs
- Office of the Under Secretary of Defense (Comptroller)
- Office of the Under Secretary of Defense for Policy
- U.S. Air Force/Strategic Deterrence and Nuclear Integration Division
- U.S. Army Nuclear and Combating Weapons of Mass Destruction Agency
- U.S. Navy/Office of the Chief of Naval Operations/Strategy and Policy
- U.S. Navy/Strategic Systems Programs
- U.S. Strategic Command/Global Strike Capabilities Division

National Nuclear Security Administration (NNSA)

- Office of Cost Estimating and Program Evaluation
- Office of Defense Programs
- Management and Budget Office

Office of Management and Budget

Force Structure and Investment Branch

We conducted this performance audit from June 2014 to May 2015 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Membership of the Nuclear Weapons Council and Its Support Committees



Source: GAO analysis of Department of Defense (DOD) information. | GAO-15-446

Note: The NNSA Administrator is to be the chair for Council meetings when matters under consideration are within the primary responsibility or concern of the Department of Energy, as determined by Council majority vote.

^aThe Council's membership is established by statute and the support committees' membership is determined by the Council. In addition to the offices listed in the figure, observers and technical advisors may also be invited to attend specific meetings to provide their expertise.

Appendix III: Nuclear Weapons Council Statutory Responsibilities

Statutory responsibilities identified in Section 179 of Title 10, United States Code are as follows:

(d) **Responsibilities**—The Council shall be responsible for the following matters:

1. Preparing the annual Nuclear Weapons Stockpile Memorandum.
2. Developing nuclear weapons stockpile options and the costs of such options and alternatives.
3. Coordinating and approving programming and budget matters pertaining to nuclear weapons programs between the Department of Defense and the Department of Energy.
4. Identifying various options for cost-effective schedules for nuclear weapons production.
5. Considering safety, security, and control issues for existing weapons and for proposed new weapon program starts.
6. Ensuring that adequate consideration is given to design, performance, and cost tradeoffs for all proposed new nuclear weapons programs.
7. Providing specific guidance regarding priorities for research on nuclear weapons and priorities among activities, including production, surveillance, research, construction, and any other programs within the National Nuclear Security Administration.
8. Coordinating and approving activities conducted by the Department of Energy for the study, development, production, and retirement of nuclear warheads, including concept definition studies, feasibility studies, engineering development, hardware component fabrication, warhead production, and warhead retirement.
9. Preparing comments on annual proposals for budget levels for research on nuclear weapons and transmitting those comments to the Secretary of Defense and the Secretary of Energy before the preparation of the annual budget requests by the Secretaries of those departments.
10. Coordinating and approving the annual budget proposals of the National Nuclear Security Administration.
11. Providing— (A) broad guidance regarding priorities for research on improved conventional weapons, and (B) comments on annual proposals for budget levels for research on improved conventional

weapons, and transmitting such guidance and comments to the Secretary of Defense before the preparation of the annual budget request of the Department of Defense.

(e) Report on difficulties relating to safety or reliability—The Council shall submit to Congress a report on any analysis conducted by the Council with respect to difficulties at nuclear weapons laboratories or nuclear weapons production plants that have significant bearing on confidence in the safety or reliability of nuclear weapons or nuclear weapon types.

(f) Budget and funding matters—(1) The Council shall submit to Congress each year, at the same time the budget of the President for the fiscal year beginning in such year is submitted to Congress pursuant to section 1105(a) of title 31, a certification whether or not the amounts requested for the National Nuclear Security Administration in such budget, and anticipated over the four fiscal years following such budget, meets nuclear stockpile and stockpile stewardship program requirements for such fiscal year and over such four fiscal years. If a member of the Council does not concur in a certification, the certification shall include the reasons for the member's non-concurrence. (2) If a House of Congress adopts a bill authorizing or appropriating funds for the National Nuclear Security Administration for nuclear stockpile and stockpile stewardship program activities or other activities that, as determined by the Council, provides insufficient funds for such activities for the period covered by such bill, the Council shall notify the congressional defense committees of the determination.¹

(g) Annual report—Each fiscal year, at the same time the President submits the budget pursuant to section 1105 of title 31, the Chairman of

¹A provision in the Carl Levin and Howard P. "Buck" McKeon National Defense Authorization Act for Fiscal Year 2015 recently added several new subparagraphs to section 179(f), which may add to the responsibilities of the Council in relation to budgetary transfers between DOD and DOE. See Pub. L. No. 113-291, § 1641 (2014). As amended, section 179(f)(3) requires the Secretary of Defense to submit a report to the congressional defense committees prior to agreeing to a proposed transfer of estimated nuclear budget request authority to DOE. Among other requirements, the report must include a detailed assessment by the Council regarding how NNSA implemented any agreements and Council decisions during the prior fiscal year. See § 179(f)(3)(A), (B)(ii) (as added by § 1641); see also § 179(f)(3)(B)(i). The provision also added requirements for the Commander of U.S. Strategic Command and the Chairman of the Joint Chiefs of Staff. See § 179(f)(5).

the Council, through the Secretary of Energy, shall submit to the congressional defense committees a report, in classified form, that includes the following:

(1) The effectiveness and efficiency of the Council, and of the deliberative and decisionmaking processes used by the Council, in carrying out the responsibilities described in subsection (d).

(2) A description of all activities conducted by the Department of Energy during that fiscal year, or planned to be conducted by the Department of Energy during the next fiscal year, for the study, development, production, and retirement of nuclear warheads and that have been approved by the Council, including a description of—

(A) the concept definition activities and feasibility studies conducted or planned to be conducted by the Department of Energy;

(B) the schedule for completion of each such activity or study; and

(C) the degree to which each such activity or study is consistent with United States policy for new nuclear warhead development or warhead modification and with established or projected military requirements.

(3) A description of the activities of the Council during the 12-month period ending on the date of the report together with any assessments or studies conducted by the Council during that period.

(4) A description of the highest priority requirements of the Department of Defense with respect to the Department of Energy stockpile stewardship and management program as of that date.

(5) An assessment of the extent to which the requirements referred to in paragraph (4) are being addressed by the Department of Energy as of that date.

(6) A description and assessment of the joint efforts of the Secretary of Defense and the Secretary of Energy to develop common security practices that improve the security of the nuclear weapons and facilities of the Department of Defense and the Department of Energy.

Appendix IV: Comments from the Department of Defense



NUCLEAR, CHEMICAL, AND
BIOLOGICAL DEFENSE PROGRAMS

ASSISTANT SECRETARY OF DEFENSE
3050 DEFENSE PENTAGON
WASHINGTON, DC 20301-3050

MAY 6 2015

Mr. Joseph Kirschbaum
Director
Defense Capabilities and Management
U.S. Government Accountability Office
441 G Street, N.W.
Washington, DC 20548

Dear Mr. Kirschbaum:

This is the Department of Defense (DoD) response to the Government Accountability Office (GAO) Draft Report, GAO-15-446, "NUCLEAR WEAPONS COUNCIL: Enhancing Interagency Collaboration Could Help With Implementation of Expanded Responsibilities," dated March 31, 2015 (GAO Code 351949). Detailed comments on the report recommendations are enclosed.

Sincerely,

Arthur T. Hopkins
Principal Deputy
Performing the Duties of the ASD(NCB)

Enclosure:
As stated

**GAO Draft Report Dated March 31, 2015
GAO-15-446 (GAO CODE 351949)**

**“NUCLEAR WEAPONS COUNCIL: ENHANCING INTERAGENCY
COLLABORATION COULD HELP WITH IMPLEMENTATION OF EXPANDED
RESPONSIBILITIES”**

**DEPARTMENT OF DEFENSE COMMENTS
TO THE GAO RECOMMENDATION**

RECOMMENDATION 1: The GAO recommends that the Secretary of Defense update the 1997 memorandum of agreement for the Nuclear Weapons Council, and as part of this update, describe the roles, responsibilities, structure, and functions of the Council’s two support committees, how the Council and these groups are to work together, and the general processes and time frames the Council and its support committees should follow to carry out statutory responsibilities.

DoD RESPONSE: The DoD partially concurs with recommendation 1. The DoD agrees to update the 1997 memorandum of agreement (MOA) for the Nuclear Weapons Council (NWC), but does not agree that this memorandum of agreement include the specifics of the roles and responsibilities, structure, and functions of subordinate committees. This MOA is a high-level agreement between two cabinet Secretaries, and therefore the DoD proposes that a description of the roles, responsibilities, structure, and functions of the Council’s support committees should be documented in a letter from the NWC Chairman to the NWC members. The NWC Chairman letter will be created after the MOA is updated and will be fully coordinated with all members of the NWC. Documenting NWC support committees in this manner preserves the NWC’s ability to quickly respond to changing needs without the delay and inherent challenges of renegotiating an inter-Agency MOA.

RECOMMENDATION 2: The GAO recommends that the Secretary of Defense update the 1997 memorandum of agreement for the Nuclear Weapons Council, and as part of this update, include a requirement that budget and program evaluation officials from both DoD and NNSA will consistently and routinely attend all meetings of the Council’s two support committees.

DoD RESPONSE: The first part of this recommendation is addressed above. The NWC Chairman letter created for recommendation 1 above would require that budget and program evaluation officials from both DoD and NNSA consistently and routinely attend meetings of the NWC and support committees.

Appendix V: Comments from the National Nuclear Security Administration



Department of Energy
Under Secretary for Nuclear Security
Administrator, National Nuclear Security Administration
Washington, DC 20585



May 7, 2015

Mr. David Trimble
Director, Natural Resources
and Environment
U.S. Government Accountability Office
Washington, DC 20548

Dear Mr. Trimble:

Thank you for the opportunity to review the Government Accountability Office (GAO) draft report titled "Nuclear Weapons Council: Enhancing Interagency Collaboration Could Help with Implementation of Expanded Responsibilities" (GAO-15-446). We concur with GAO's recommendations to update the Council's memorandum of agreement and ensure the appropriate level of participation by the National Nuclear Security Administration's (NNSA) budget and program evaluation officials.

NNSA will work collaboratively with the Nuclear Weapons Council (NWC) and Department of Defense to review and update the standing memorandum of agreement. As part of this effort, we will ensure appropriate guidance is issued to document requirements for the Council's two support committees and for participation of budget and evaluation officials in support committee meetings. We anticipate completion of these efforts by December 30, 2015.

We remain committed to working with the Department of Defense to ensure the NWC is well postured to fulfill our responsibilities for U.S. nuclear weapons stockpile management. NNSA appreciates GAO's efforts in helping to highlight the important work of the NWC and in providing value added suggestions for continued effective collaboration. If you have any questions regarding this response, please contact Dean Childs, Director, Audit Coordination and Internal Affairs, at (301) 903-1341.

Sincerely,

Frank G. Klotz



Appendix VI: GAO Contacts and Staff Acknowledgments

GAO Contacts

Joseph W. Kirschbaum, (202) 512-9971 or kirschbaumj@gao.gov
David C. Trimble, (202) 512-3841 or trimbled@gao.gov

Staff Acknowledgments

In addition to the contacts named above, Penney Harwell Caramia, Assistant Director; Jonathan M. Gill, Assistant Director; Colin L. Chambers; Joanne Landesman; David E. Marroni; Timothy M. Persons; Steven R. Putansu; Michael Shaughnessy; Amie Steele; Sarah E. Veale; and Brenda M. Waterfield made key contributions to this report.

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