

GAO Highlights

Highlights of [GAO-15-536](#), a report to congressional committees

Why GAO Did This Study

DOD and DOE are undertaking an extensive, multifaceted effort to sustain and modernize U.S. nuclear weapons capabilities, which are aging and being deployed beyond their intended service lives. This effort is expected to take decades and cost hundreds of billions of dollars. Section 1043 of the National Defense Authorization Act for Fiscal Year 2012, as amended, requires the submission of an annual report to congressional committees on DOD's and DOE's plans for related matters, including 10-year budget estimates, and includes a provision that GAO review aspects of that report. In June 2014, GAO reviewed the July 2013 joint report and made recommendations to improve future reports, such as documenting the methodology used to create certain estimates and identifying its assumptions and limitations.

This report assesses the extent to which the May 2014 joint report provides (1) budget estimates that are consistent with the departments' internal funding and modernization plans and (2) complete and transparent information on the methodology used to develop the estimates.

What GAO Recommends

GAO recommends that future joint reports provide more thorough documentation of the methodologies used to develop the estimates and comparative information on changes in the estimates from the prior year. DOD and DOE generally agreed, but DOD noted that information on changes is not required. GAO continues to believe the recommendation is valid as discussed further in this report.

View [GAO-15-536](#). For more information, contact Joe Kirschbaum at (202) 512-9971 or kirschbaumj@gao.gov or David Trimble at (202) 512-3841 or trimbled@gao.gov.

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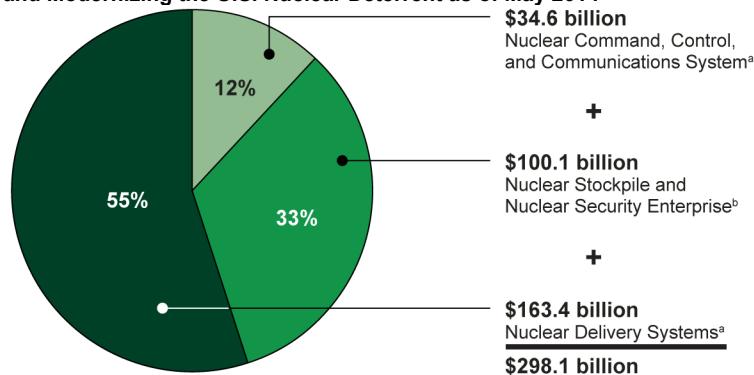
NUCLEAR WEAPONS SUSTAINMENT

Improvements Made to Budget Estimates, but Opportunities Exist to Further Enhance Transparency

What GAO Found

The annual joint report submitted by the Department of Defense (DOD) and the Department of Energy (DOE) in May 2014 includes 10-year budget estimates for sustaining and modernizing U.S. nuclear weapons (see figure), and these estimates are generally consistent with internal funding and modernization plans, with a few exceptions. For example, GAO could not fully verify that DOD's command, control, and communications estimates were consistent with its internal funding plans, because DOD did not document methodological assumptions and limitations associated with these estimates as GAO had previously recommended. Similarly, DOE's estimates are generally consistent with its internal plans, with two exceptions; for example, the budget estimate for the first five years of the cruise missile warhead life extension program is lower than the cost range in DOE's internal plans.

Figure: Departments of Defense (DOD) and Energy (DOE) 10-Year Estimates for Sustaining and Modernizing the U.S. Nuclear Deterrent as of May 2014



Source: GAO analysis of Department of Defense (DOD) and Department of Energy (DOE) data. | GAO-15-536

^aDOD provides estimates for the nuclear command and control system, which includes early warning radars, aircraft, and communications networks, and for delivery systems, which consist of a variety of platforms such as heavy bombers, air-launched cruise missiles, and ballistic-missile submarines.

^bDOE provides estimates for the nuclear weapons stockpile (seven types of weapons) and the nuclear security enterprise (eight geographically dispersed sites).

The 2014 report includes information that was not included in the 2013 report—such as estimates for the Air Force's new long range bomber and some DOE construction projects—but opportunities exist to further enhance transparency. DOD did not describe in detail the methodology used to develop some estimates, even though the Air Force and Navy used different methodologies for estimates of sustaining and modernizing nuclear delivery systems, and the Air Force changed the methodology it had used previously. Also, DOD's estimates for nuclear delivery systems increased by about 40 percent from last year's report, due in part to changes in the methodologies used to develop them, but the report does not provide comparative information about changes in the estimates from those in the 2013 report. Further, DOE inadvertently omitted budget estimates in fiscal years 2020 through 2024 for two planned activities, thus understating its estimates by \$1.6 billion. Without thorough documentation of methodologies and comparative information, it may be difficult for Congress to understand the basis for the estimates or assess long-term affordability when allocating resources.