NATIONAL NUCLEAR SECURITY ADMINISTRATION

Observations on Management Challenges and Steps Taken to Address Them

What GAO Found

The National Nuclear Security Administration (NNSA) faces challenges implementing its plans to modernize the nuclear security enterprise. In its November 2014 report, the Augustine-Mies Panel observed that NNSA’s Stockpile Stewardship Management Plan, which is intended to communicate long-range plans and cost estimates, has varied from year to year in the costs and schedules for the delivery of several major life extension programs and nuclear facilities. The panel concluded that the lack of a stable, executable plan for modernization is a fundamental weakness for NNSA. Similarly, GAO found in 2013 that the Stockpile Stewardship Management Plan has shown changes in long-term budget and schedule estimates from year to year—for example, NNSA’s stockpile budget estimates for 2014 through 2031 increased by about $27 billion compared with the 2012 stockpile budget estimates for the same time period. GAO recommended that NNSA include in future plans a range of estimates that reflects projects that the agency knows are needed. NNSA agreed and appears to be implementing this recommendation.

As noted in GAO’s 2015 high risk report, NNSA has a long history of identifying corrective actions and declaring them successfully resolved, only to follow with the identification of additional actions. As GAO has reported, this suggests that NNSA does not have a full understanding of the root causes of its contract and project management challenges. In its prior reports, GAO has made numerous recommendations to correct NNSA’s project management problems. While NNSA has initiated some actions and made some progress, the agency has not taken action on many of these recommendations, including improving cost estimating capabilities and employing a rigorous analysis of alternatives to ensure that key capital asset and program decisions will both meet mission needs and be cost-effective. This suggests a lack of urgency or commitment on DOE’s part to address identified challenges.

NNSA’s Defense Nuclear Nonproliferation (DNN) programs have made progress securing vulnerable nuclear materials, but significant challenges remain. For example, GAO found in 2011 that NNSA faced challenges accounting for and ensuring the security of U.S. weapons-usable nuclear materials. GAO recommended that NNSA improve its process for securing these materials. Although NNSA disagreed, it has since taken some steps to prioritize its efforts. In addition, prior GAO work has raised concerns about the effectiveness of DNN program management and implementation, particularly with regard to execution of its plutonium disposition program, performance measures, and sustainability.

NNSA faces challenges in its governance of the nuclear security enterprise. The Augustine-Mies Panel highlighted such challenges in its report. The report addresses issues and concerns that GAO has also previously described in its work. For example, consistent with GAO’s 2015 update to its high risk list, the Panel noted that NNSA major projects have been a continuing source of program schedule delays and cost overruns and that, as a result, NNSA needs to strengthen its cost estimating capabilities. The report also recommended that NNSA leadership employ a rigorous analysis of alternatives early in the decision process as the basis for assessing and validating program requirements, which is consistent with past GAO recommendations.

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