

# GAO Highlights

Highlights of [GAO-15-216](#), a report to congressional committees.

## Why GAO Did This Study

NNSA is responsible for overseeing the work of seven M&O contractors that execute its programs across eight nuclear security enterprise sites and evaluating their performance. NNSA directed its M&O contractors in 2011 to implement CAS—systems designed and used by contractors to assure their own performance—that NNSA could also leverage for oversight purposes and thereby improve efficiency. To determine the extent to which to use contractor-generated information made available through CAS, NNSA is to apply a framework for evaluating the risk of contractors' activities, their past performance, and their CAS maturity.

GAO was asked to review NNSA's implementation of its framework for using CAS. This report examines the extent to which NNSA has fully established policies and guidance for using information from CAS to (1) oversee M&O contractors and (2) evaluate M&O contractors' performance; and whether NNSA has determined it has sufficient, qualified personnel to implement its framework for using information from CAS for these two purposes. To conduct its work, GAO surveyed all NNSA field offices and analyzed key policies and guidance on NNSA's use of information from CAS.

## What GAO Recommends

GAO is recommending, among other things, that NNSA develop guidance on using information from CAS to oversee and evaluate M&O contractors, reinstitute a process for evaluating oversight effectiveness, and study staffing needs. NNSA agreed with these recommendations.

View [GAO-15-216](#). For more information, contact David C. Trimble at (202) 512-3841 or [trimbled@gao.gov](mailto:trimbled@gao.gov).

May 2015

## NATIONAL NUCLEAR SECURITY ADMINISTRATION

### Actions Needed to Clarify Use of Contractor Assurance Systems for Oversight and Performance Evaluation

## What GAO Found

The National Nuclear Security Administration (NNSA) has not fully established policies or guidance for using information from contractor assurance systems (CAS) to conduct oversight of management and operating (M&O) contractors. As a result, NNSA does not have standards for ensuring that contractors are overseen consistently. For example, at the headquarters level, NNSA has not provided guidance beyond its general framework for assessing the maturity of contractors' CAS to determine whether information from CAS is sufficiently reliable for federal oversight purposes. In the absence of headquarters level policy, NNSA field offices—federal offices located at contractor operated sites and responsible for day-to-day oversight of M&O contractors—have established their own procedures for using information from CAS to conduct oversight, but these procedures also are not always complete and differ among field offices. For example, five of NNSA's seven field offices reported having complete procedures for assessing CAS maturity, but these procedures describe different processes and rating scales for conducting such assessments. The other two field offices reported not having such procedures. NNSA had designed a process for validating field offices' oversight approaches, including the extent to which these approaches use information from CAS, but NNSA discontinued this process after determining that it had not been effective. Discontinuing this process without replacing it with another form of validation eliminated the internal control activity NNSA designed to assure the effectiveness and consistency of oversight approaches across the nuclear security enterprise, including the appropriate use of information from CAS.

NNSA also has not established policies or guidance specific to using information from CAS to evaluate M&O contractor performance. Neither NNSA policy nor NNSA's Handbook published in 2013 to guide the performance evaluation process includes information on how or to what extent NNSA officials should use information from CAS in evaluating M&O contractors' performance. Some field office officials told GAO they developed their own procedures on performance evaluation. GAO reviewed these procedures and found they were not sufficiently detailed for using information from CAS to evaluate contractors' performance.

NNSA has not determined whether it has sufficient, qualified personnel to implement its framework for using information from CAS for oversight or for performance evaluation. NNSA officials GAO interviewed were unable to identify any studies that had been completed that assessed this question. Field office officials have raised concerns that staffing levels and the mix of staff skills may not be adequate to conduct appropriate oversight in the future and that this may result in overreliance on information from CAS without the ability to ensure that this information is sufficiently mature. In 2013, concerned about their capacity to fully support all oversight requirements, field offices called on NNSA headquarters to initiate a review of field office staffing resources needed to implement the oversight and performance evaluation framework and whether a staffing model including shared technical staff among field offices could address these concerns. NNSA began this review, but NNSA headquarters officials said it was not completed, the data reviewed are now too old to be useful, and that the agency has no plans to complete it. These officials said that they plan on discussing staffing issues with senior leadership in 2015.