



Highlights of [GAO-12-71](#), a report to the Subcommittee on Energy and Water Development, Committee on Appropriations, House of Representatives

Why GAO Did This Study

GAO has issued numerous reports on the effectiveness of the National Nuclear Security Administration's (NNSA) Defense Nuclear Nonproliferation (DNN) programs. For this report GAO was asked to assess (1) the extent of annual DNN uncosted, or unexpended, balances; (2) the level of financial support from foreign donor and recipient governments to the DNN programs; (3) the effectiveness of DNN program performance measures; and (4) the coordination of DNN and other agency nonproliferation programs. GAO analyzed NNSA financial data and other pertinent documents, and interviewed officials from multiple agencies.

What GAO Recommends

GAO suggests that Congress consider extending the time frame allowing DNN programs to receive and use foreign contributions. GAO recommends that NNSA, among other things, (1) justify in its reports to Congress why uncommitted DNN program balances over threshold should not be rescinded, redirected, or used to offset future budget requests; (2) better track foreign cost sharing; and (3) improve performance measurement reporting. GAO also recommends that the National Security Council (NSC) review U.S. programs working to prevent nuclear smuggling overseas to reduce fragmentation and potential overlap. NNSA neither agreed nor disagreed with and NSC did not comment on the recommendations. NNSA raised concerns with GAO's analysis of DNN financial and performance information. GAO addressed NNSA's concerns as appropriate.

View [GAO-12-71](#). For more information, contact Gene Aloise at (202) 512-3841 or aloisee@gao.gov

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NUCLEAR NONPROLIFERATION

Action Needed to Address NNSA's Program Management and Coordination Challenges

What GAO Found

From fiscal years 2006 through 2010, only about half of the total annual funds available to the DNN programs were costed, or expended, each year. This resulted in uncosted carryover balances of more than \$1.5 billion on average from one fiscal year to the next. During this time, the total uncosted DNN operating program balances exceeded thresholds established by the Department of Energy by hundreds of millions of dollars every year. However, much of the annual uncosted DNN-wide funding balances were committed for future expenditure, and total uncommitted uncosted DNN operating program balances were under the thresholds. Nevertheless, three DNN programs had uncommitted balances that frequently exceeded thresholds during this time. NNSA provides semiannual reports to Congress on DNN uncommitted balances. However, these reports do not specify the amounts by which program balances exceeded the thresholds or explain why the excess balances should not be rescinded, redirected, or used to offset future budget requests.

GAO identified four DNN programs authorized by Congress to receive and use contributions from foreign donors, and these authorities expire from 2011 through 2015. Three of these programs received approximately \$47.1 million from fiscal years 2006 through 2010 from seven countries. This amount represents about 1 percent of the total funding from annual appropriations acts directed to the four programs over the same period. Extending these authorities would give NNSA more time to obtain foreign contributions. In addition, NNSA has pursued greater cost sharing with foreign countries where DNN programs are implemented, but the extent of cost sharing is unclear because NNSA does not systematically track or maintain such data.

Some DNN program performance measures do not satisfy key attributes that GAO has identified in previous work, namely measures that are clear, reliable, and balanced. For example, one program measure—securing nuclear material facilities in Russia and the former Soviet Union—is unclear, because NNSA counts buildings with security upgrades as completed although NNSA may undertake additional upgrades at some of these sites. In addition, the results of some DNN programs in fiscal year 2010 appear overstated because DNN measured performance against different targets in the end of fiscal year performance report than the ones presented in the budget request to Congress. Moreover, NNSA has dropped one long-standing measure used by the Global Initiatives for Proliferation Prevention program to track reemployment of former Soviet weapons scientists rather than improve the measure as GAO previously recommended and NNSA agreed to revise.

Existing strategies and plans for coordinating federal efforts to combat nuclear smuggling overseas do not incorporate all of the key characteristics of effective national strategies that GAO has identified in previous studies. In addition, there are concerns of potential fragmentation and overlap among some programs working to counter nuclear smuggling overseas, especially those providing equipment and training. Furthermore, there is no single recognized federal agency responsible for leading and directing efforts to combat nuclear smuggling overseas. However, the NSC oversees interagency coordination of these efforts.