

GAO Highlights

Highlights of [GAO-19-712T](#), a testimony before the Committee on House Administration, House of Representatives

Why GAO Did This Study

The Cannon project intends to preserve the historic character while improving the functionality of the 111 year-old Cannon Building—the oldest congressional office building—as well as address deterioration to the building and its components. The project—nearing the mid-point of its planned 10-year duration—is being implemented in five sequential phases with an initial phase (Phase 0) for utility work and four subsequent phases (Phases 1 through 4) to renovate the north-, south-, east-, and west-facing sides of the building. Each phase is scheduled around a 2-year congressional session.

This statement describes: (1) the status of the Cannon project and (2) changes to the project's estimated cost at completion. This statement is based on GAO's prior reports in 2009 and 2014 and ongoing monitoring of the project. To monitor the project, GAO has been observing the ongoing construction, attending project meetings, and analyzing AOC documents.

What GAO Recommends

In 2014, GAO made recommendations pertaining to AOC's cost-estimating guidance and policies. AOC has implemented these recommendations.

View [GAO-19-712T](#). For more information, contact Terrell Dorn at (202) 512-6923 or dornt@gao.gov.

September 2019

ARCHITECT OF THE CAPITOL

Efforts Are Ongoing to Update Cannon House Office Building's Renovation Cost and Schedule Estimates

What GAO Found

The Architect of the Capitol (AOC) has substantially completed two of five planned phases to renovate the Cannon House Office Building (Cannon project). AOC completed Phase 0 utility work; has almost finished the Phase 1 work to renovate the building's west side, as planned; and is progressing with Phase 2 work to renovate the building's north side.

Cannon House Office Building, Washington, D. C.



Source: Architect of the Capitol. | GAO-19-712T

From 2009 to 2018, AOC consistently estimated the project cost at \$753 million, but AOC reported in June 2019 that it expects costs to increase by 10 to 15 percent, resulting in a total cost of approximately \$828 million to \$866 million. In 2014, GAO found that AOC's cost estimate of \$753 million reflected several, but not all, of GAO's leading practices for high-quality, reliable cost estimates, including that AOC had conducted a risk and uncertainty analysis.

In January 2018, AOC updated its analysis of risks by undertaking an integrated cost-schedule risk analysis. AOC's 2018 analysis arrived at the same conclusion as its earlier analysis—that the project's estimated \$753 million total cost was adequate to complete the project. However, AOC's 2018 analysis indicated that inaccurate estimates of costs for risk mitigations, unknown risks, and optimistic assumptions about the effect of risk mitigations on the project's cost and schedule could affect its total cost. In June 2019, AOC reported that greater-than-expected risks, such as from unforeseen conditions that led to more extensive exterior stone restoration than anticipated and the unplanned mitigation of asbestos in roof materials, would increase the project's cost. AOC is currently determining the effect of these and other changes on Phase 1, where work has been substantially completed, but costs have not been settled. AOC is also determining how the costs of the project's remaining phases will be affected by scope changes stemming from lessons learned in Phase 1. Toward this end, in August 2019, AOC began updating its integrated cost-schedule risk analysis, with the aim of more accurately determining the extent to which the project's costs are increasing and its estimated cost at completion.