

Strategic Partnership Projects Can Support Mission, Operations, and Research

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A report to congressional committees

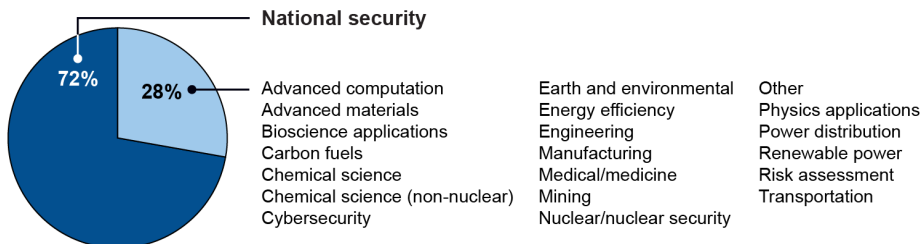
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What GAO Found

The National Nuclear Security Administration (NNSA)—a separately organized agency within the Department of Energy (DOE)—and its eight contractor-managed and -operated sites engage in Strategic Partnership Projects (SPP). These projects allow NNSA sites to perform work for other federal agencies and nonfederal entities and for those entities to benefit from the significant public investment in the specialized facilities and scientific and technical expertise of NNSA sites. DOE requires NNSA sites to recover the full cost of the SPP through reimbursement from partners.

SPP work was generally steady in fiscal years 2019 through 2024, with total reimbursed costs of almost \$15 billion in constant fiscal year 2024 dollars. SPP at Sandia National Laboratories accounted for more than half of the total reimbursed costs of NNSA's SPP, while Kansas City National Security Campus experienced the most growth in SPP during this period, both in costs and the number of SPP. The Department of Defense sponsored the most SPP, and NNSA categorized most SPP as related to national security.

Strategic Partnership Projects by Project Type, Fiscal Years 2019 Through 2024



Source: GAO analysis of National Nuclear Security Administration data. | GAO-26-108229

NNSA sites conduct SPP based on capabilities or statute, providing support for mission work or additional benefits. NNSA's capabilities provide unique opportunities, sometimes otherwise unavailable, to SPP partners. NNSA sites also conduct some SPP due to statutory authorization or the special nature of the relationship between NNSA and the partner organization. SPP can also provide benefits either directly to mission work, operations, or through research insights. Specifically, SPP can provide opportunities for technical staff to enhance their skillsets and SPP partners contribute to facilities and capabilities maintenance.

Decreases in NNSA sites' capacity for SPP could impact NNSA's and its partners' ability to achieve their missions and result in NNSA paying more in indirect costs. For example, all nine SPP federal partners GAO interviewed said SPP was essential to their ability to complete their mission. They also said that, in many cases, NNSA's sites are the only places for specific capabilities. In addition, SPP partners' funds reduce the indirect costs NNSA must pay for its programs and related facilities. If NNSA needed to decrease its SPP work, NNSA's costs would increase without the partners' contributions, site representatives said, because NNSA would carry more of the costs to operate and maintain facilities and infrastructure. Representatives from some sites said they believed they have additional capacity for increases in SPP, while other sites have limited capacity.

Why GAO Did This Study

NNSA's eight national laboratories, plants, and sites perform reimbursable work for outside entities through SPP. SPP provide value to both NNSA and its partners by leveraging capabilities that can result in mission-related scientific achievements.

In recent years, NNSA's workload for maintaining and modernizing the nation's nuclear weapons stockpile has grown substantially, raising concerns about how much capacity NNSA has to conduct SPP.

The Senate committee report accompanying the National Defense Authorization Act for Fiscal Year 2025 includes a provision for GAO to review SPP. GAO's report examines (1) the extent to which NNSA sites have engaged in SPP and how this work may have changed in recent years, (2) why SPP work is conducted at NNSA sites and the impact of SPP activities on the execution of NNSA's missions, and (3) the potential effects on NNSA facilities and SPP partners should NNSA need to rebalance SPP partnerships.

GAO reviewed and analyzed NNSA and contractor data on SPP projects and documentation of SPP processes to determine the extent and nature of recent SPP. GAO conducted five site visits to understand the capabilities used by SPP at the sites. GAO also interviewed NNSA officials, contractor representatives, and SPP partners to discuss the types of SPP and the work's connection to NNSA's mission.