

# GAO Highlights

Highlights of [GAO-24-106342](#), a report to congressional committees

## Why GAO Did This Study

NNSA plans to invest tens of billions of dollars in its decades-long effort to modernize the facilities and infrastructure needed to produce the strategic materials and components required for nuclear weapons. However, NNSA has a history of program management challenges, and recent GAO reports have identified challenges with NNSA's use of program schedules and cost estimates.

A committee report accompanying a bill for the National Defense Authorization Act for Fiscal Year 2024 includes a provision for GAO to review NNSA's requirements for the integrated planning of the Production Modernization effort. This GAO report (1) describes NNSA's Production Modernization programs and their associated major projects and how NNSA manages them, (2) examines the extent to which NNSA effectively uses schedules to ensure integration, and (3) examines the extent to which NNSA effectively uses cost estimates. Program schedules and cost estimates, among other tools and practices, are essential to help ensure integration. GAO reviewed NNSA's program management requirements for using these tools for eight Production Modernization programs, and interviewed NNSA officials. GAO also assessed agency requirements and practices against best practices GAO has published for using reliable schedules and cost estimates.

## What GAO Recommends

GAO is making four recommendations, including that NNSA revise its requirements and practices to follow best practices. NNSA agreed with all four recommendations.

View [GAO-24-106342](#). For more information, contact Allison Bawden at (202) 512-3841 or [bawdena@gao.gov](mailto:bawdena@gao.gov).

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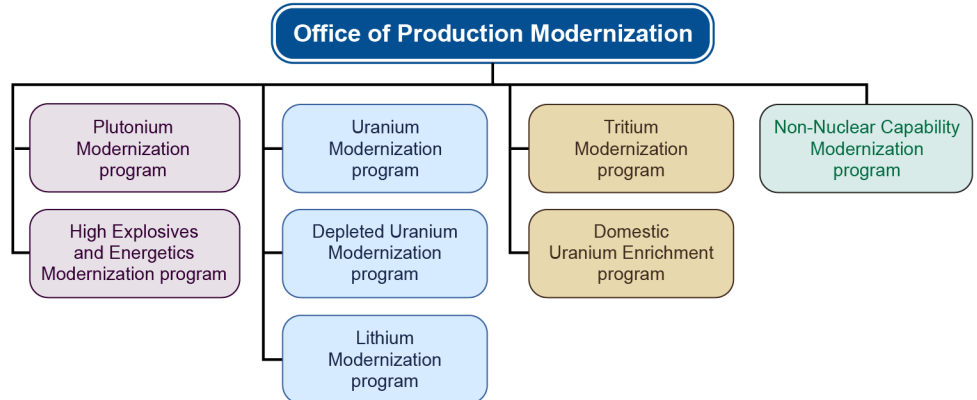
# NATIONAL NUCLEAR SECURITY ADMINISTRATION

## Actions Needed to Improve Integration of Production Modernization Programs and Projects

## What GAO Found

The National Nuclear Security Administration's (NNSA) Production Modernization effort consists of eight programs and 16 related and ongoing major projects. These programs and projects are managed by separate offices and are subject to different management requirements. However, NNSA officials told GAO that each program and its associated projects must be integrated to achieve NNSA's modernization goals and that they use established teams and meetings for this purpose as well as schedule and cost information.

### NNSA's Office of Production Modernization



Source: National Nuclear Security Administration (NNSA) documentation. | GAO-24-106342

Production Modernization program schedules are insufficient for ensuring the effective integration of programs and their associated major projects. Specifically, NNSA's schedule requirements do not incorporate the 10 best practices for developing reliable and integrated program schedules identified in the *Schedule Guide* GAO published and that define the characteristics of schedules that support program success. Further, the program schedules GAO reviewed are insufficient for ensuring effective integration because most are not resource-loaded integrated master schedules. Developing such schedules, according to the *Schedule Guide*, would allow NNSA to better integrate programs' operations with their major projects and other activities that, together, represent one of NNSA's most urgent, complex, and costly efforts.

Production Modernization program cost estimates are insufficient for ensuring the effective integration of programs and their associated major projects. Specifically, NNSA's cost estimate requirements do not fully incorporate all 12 steps for developing reliable cost estimates identified in the *Cost Guide* GAO published. Further, none of the Production Modernization programs have developed cost estimates that cover the full life cycle of program activities. The *Cost Guide* states that reliable life cycle cost estimates are a key tool for informing decision-making and ensuring that resources are available to support program execution. Developing such estimates would provide NNSA and congressional decision-makers with greater assurance that they have accurate cost information when making critical decisions on how to estimate program budgets and spend the tens of billions of dollars requested to achieve NNSA's modernization goals.