

# Memorandum

DATE: June 8, 2010

Audit Report Number: OAS- L-10-05

REPLY TO

ATTN OF: IG-32 (A09AL001)

SUBJECT: Report on "The National Nuclear Security Administration's Site Office Training and Staffing"

TO: Director, Office of Human Capital Management Programs, NA-64

## INTRODUCTION AND OBJECTIVE

The National Nuclear Security Administration's (NNSA), a semi-autonomous agency within the Department of Energy (Department), mission includes maintaining and enhancing the safety, reliability, and performance of the nuclear weapons stockpile. To meet its mission, NNSA uses Federally-run site offices to oversee the management and operating contractors that operate each of NNSA's eight nuclear weapons research and production sites. The site offices provide the necessary communication between Federal and contractor employees and oversight to improve management procedures. In September 2009, the Department's statement on management reform emphasized that Site Office Managers were to act on behalf of mission organizations for day-to-day decision making on operational matters.

As recognized by NNSA leadership, people are the most important resource for meeting critical mission objectives including maintaining the stockpile and performing nonproliferation and nuclear counterterrorism work. Because of the challenges and importance of maintaining well-qualified and adequately staffed site offices, we initiated this audit to determine whether NNSA had adequately defined training requirements for its technical staff and had developed plans to address staffing needs.

## CONCLUSIONS AND OBSERVATIONS

NNSA had not always ensured that staff training requirements were defined nor had it fully planned to meet staffing needs. Specifically:

- NNSA had not determined the continuing education training requirements for site office personnel who provide assistance, guidance, direction, oversight, or evaluation of contractor activities that could affect the safe operation of defense nuclear facilities; and,
- Site offices had not always prepared succession plans to ensure the effective transfer of knowledge that will be necessary if NNSA is to successfully address potential retirement losses.

## Continuing Education Training

Although Department standards require personnel who possess Technical Qualification Program (TQP) qualifications to meet a continuing education requirement, these standards had not defined the specific level of training needed to satisfy TQP's continuing education requirement. TQP qualifications are required for individuals assigned line management, technical support, operation, or oversight responsibilities that provide assistance, guidance, direction, oversight, or evaluation of contractor activities that could affect the safe operation of defense nuclear facilities. NNSA is responsible for establishing the specific requirements for NNSA personnel, however, we noted that it had not defined the number of continuing education hours, courses, or any other measurement regarding training required to maintain technical qualifications.

A senior NNSA official told us that there has not been an emphasis on establishing continuing education requirements because the definition of required training would limit the personnel since they would be focused on the required training and not on other available training. In addition, depending on the discipline, provided training would be rapidly outdated since the Department's orders and regulations change frequently. We noted, however, that non-TQP professional disciplines such as Federal Project Directors that have a continuing education requirement specify, at a minimum, the number of training hours required in a given period of time to meet the requirement. Additionally, the frequency of changes to Department orders and regulations, we concluded, is also a reason for establishing specific continuing education requirements to ensure that personnel remain current in their understanding of requirements.

In November 2009, the Department updated Department Order 426.1 pertaining to the technical qualifications to state that at a minimum, the Functional Area Qualification Standards for the employees in the TQP must address applicable continuing education and/or proficiency requirements. In addition, NNSA established a continuing training user's guide that sites may adopt to aid in the design, development, and evaluation of a continuing training program. However, neither the Functional Area Qualification Standards nor the NNSA user guide contained requirements for the establishment of a minimum number of continuing training hours.

## Succession Planning

Site offices had not always adequately planned for their future staffing needs. The head of each agency is required, by the Federal Workforce Flexibilities Act of 2004, to establish a comprehensive succession program. According to the Office of Personnel Management, succession plans are important to ensure the effective transfer of knowledge that will be necessary to address future staff retirements. In addition, NNSA's Office of Human Capital Management stated that site office managers were instructed, during Fiscal Years (FY) 2009 and 2010, to ensure that succession plans were in place and supported by the staff's Individual Development Plans for training. Los Alamos, Sandia, and Y-12 Site Office's personnel told us, however, that they either had not prepared plans or that their plans lacked sufficient detail. The Kansas City Site

Office had a draft succession plan but it had not been approved or finalized as of May 2010.

Site office officials indicated that they have not prepared succession plans for a variety of reasons, including low attrition rates and hiring freezes that have prevented them from carrying out any plans if they were developed. While we accept these arguments as they relate to current staffing needs, the preparation of succession plans is likely to be important given the near term potential for a significant number of retirements. We found, for example, that 66 (34 percent) of the 192 personnel on board as of April 2009 at the Sandia and Los Alamos Site Offices were eligible for retirement by the end of FY 2014.

Finally, we noted that NNSA had not completed a baseline staffing study since 2003, when the NNSA site offices were established. Based on planned increases in mission activities, we concluded that such a study could help NNSA ensure that site office staffing levels are sufficient to meet future mission needs. Notably, NNSA's FY 2011 budget requests a significant increase in budget authority to modernize the nuclear weapons infrastructure and to expand and accelerate nonproliferation activities – activities that could possibly require additional site office staff.

#### SUGGESTED ACTIONS

Because of the importance of NNSA Site Office oversight responsibilities, we suggest that the Director of NNSA's Office of Human Capital Management:

1. Ensure that continuing education training requirements are defined for the TQP qualifications;
2. Ensure that comprehensive succession plans are developed for each NNSA site office; and,
3. Determine whether NNSA site offices are sufficiently staffed to meet future mission needs.

Since no formal recommendations are being made, no response to this report is required. We appreciate the cooperation of your staff during the conduct of this review.



David Sedillo, Director  
NNSA and Science Audits Division  
Office of Inspector General

Attachment

cc: Director, Policy and Internal Controls Management, NA-66  
Director, Office of Risk Management, CF-80  
Team Leader, Office of Risk Management, CF-80  
Audit Resolution Specialist, Office of Risk Management, CF-80

## SCOPE AND METHODOLOGY

We performed the audit between December 2008 and February 2010. We conducted work at the National Nuclear Security Administration (NNSA) Service Center and Sandia Site Office in Albuquerque, New Mexico (NM); the Los Alamos Site Office in Los Alamos, NM; and, NNSA Headquarters in Washington, D.C.

To accomplish the audit objective, we reviewed and evaluated documentation related to NNSA staffing, training, and qualifications as well as interviewed NNSA personnel responsible for these areas.

We conducted this performance audit in accordance with generally accepted Government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. The audit included tests of internal controls and compliance with laws and regulations to the extent necessary to satisfy the audit objective. Because our review was limited, it would not necessarily have disclosed all internal control deficiencies that may have existed at the time of our audit. We also assessed performance measures in accordance with the *Government Performance and Results Act of 1993* relevant to NNSA site office staffing, training, and qualifications. We found that NNSA had not established measures specific to this area. We did not rely on computer-processed data to satisfy our audit objective.

Management waived an exit conference on May 14, 2010.

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