LOS ALAMOS NATIONAL LABORATORY

Long-Term Strategies Needed to Improve Security and Management Oversight

Why GAO Did This Study

In 2006, a Los Alamos National Laboratory (LANL) contract employee unlawfully removed classified information from the laboratory. This was the latest in a series of high-profile security incidents at LANL spanning almost a decade. LANL conducts research on nuclear weapons and other national security areas for the National Nuclear Security Administration (NNSA). GAO was asked to (1) identify LANL's major programs and activities and how much they rely on classified resources; (2) identify initiatives LANL is taking to reduce and consolidate its classified resources and physical footprint and the extent to which these initiatives address earlier security concerns; and (3) determine whether its new management approaches will sustain security improvements over the long-term. To carry out its work, GAO analyzed LANL data; reviewed policies, plans, and budgets; and interviewed officials.

What GAO Recommends

GAO recommends that (1) LANL develop a strategic security plan that focuses on improving security program effectiveness and addresses all identified security weaknesses, and (2) NNSA link implementation of this plan to meaningful financial incentives in future performance evaluation plans. NNSA did not specifically comment on GAO's recommendations but provided general comments on the report.

What GAO Found

With fiscal year 2007 budget authority of about $2.7 billion, LANL conducts work on over 175 programs that can be grouped into three major program categories—Nuclear Weapons Science, Threat Reduction Science and Support, and Fundamental Science and Energy—and two support program categories—Environmental Programs and Safeguards and Security. Respectively, LANL's major programs serve to ensure the safety, performance, and reliability of the U.S. nuclear deterrent; support nonproliferation and counterproliferation efforts; and address energy security and other emerging national security challenges. LANL's Nuclear Weapons Science programs are the primary users of the facilities housing classified resources. For example, the Nuclear Weapons Science programs are the primary users of 14 facilities that store special nuclear material while LANL's other major programs are the primary users of only 7 such facilities.

LANL has over two dozen initiatives under way that are principally aimed at reducing, consolidating, and better protecting classified resources, as well as reducing the physical footprint of the laboratory by closing unneeded facilities. While many of these initiatives address security concerns identified through past external evaluations—such as efforts to consolidate storage of classified documents and media into fewer secure facilities and to destroy unneeded classified nuclear weapon parts—significant security problems at LANL have received insufficient attention. Specifically, LANL has not implemented complete security solutions to address either classified parts storage in unapproved storage containers or weaknesses in its process for ensuring that actions taken to correct security deficiencies are completed.

LANL intends to use three management approaches to sustain the security improvements it has been able to achieve to this point over the long-term: (1) undertake management actions required of LANL under the Compliance Order issued by the Secretary of Energy as a result of the 2006 security incident, (2) develop a Contractor Assurance System to measure and improve LANL's performance and management, and (3) implement annual performance evaluation plans NNSA uses to measure LANL's performance and determine a contract award fee. These approaches contain weaknesses that raise doubts about their ability to sustain security improvements over the long-term. Specifically, the actions LANL has proposed to take to meet the terms of the Compliance Order are only short-term—with completion planned for December 2008. Further, according to LANL officials, the Contractor Assurance System is not fully deployed and the measures it includes may not be fully effective. Finally, the annual performance evaluation plans do not sufficiently reward improving long-term security program effectiveness.