



Highlights of [GAO-05-334](#), a report to the Chairman, Subcommittee on Interior, Environment, and Related Agencies, Committee on Appropriations, House of Representatives

Why GAO Did This Study

Since fiscal year 1995, the John F. Kennedy Center for the Performing Arts (Kennedy Center) has received nearly \$203 million in federal funds to complete capital projects and intends to request an additional \$43 million in appropriations through fiscal year 2008. The Kennedy Center's Comprehensive Building Plan identifies these capital projects as necessary to renovate the center and meet or exceed relevant life safety and disabled access regulations. GAO was asked to examine (1) the progress the center has made in completing key capital projects within estimated costs, and how it communicated this progress; (2) the current status of the center regarding fire and life safety and disabled access requirements; and (3) what best practices could help the center improve planning and management of capital projects.

What We Recommend

GAO recommends here and in April 6, 2005, testimony that the Kennedy Center increase oversight, better comply with fire code, and conform to project management best practices. The Kennedy Center believes that it is in compliance with fire code, but agrees to seek third-party review. It agreed with our recommendation to improve oversight and management practices, but contended its financial controls were adequate.

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To view the full product, including the scope and methodology, click on the link above. For more information, contact Mark L. Goldstein at (202) 512-2834 or goldsteinm@gao.gov.

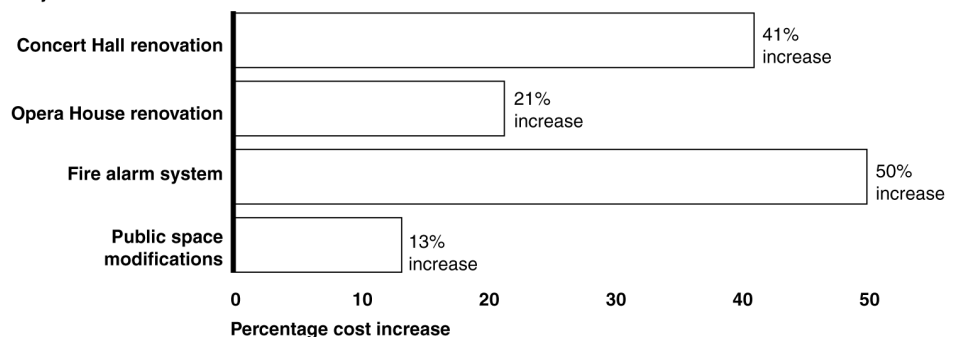
KENNEDY CENTER

Stronger Oversight of Fire Safety Issues, Construction Projects, and Financial Management Needed

What GAO Found

Although the Kennedy Center has achieved its goal of renovating the Opera House, Concert Hall, and plaza-level public spaces, each of these projects exceeded budget estimates, some by substantial amounts. Project cost growth resulted from modifications made during the renovation process, due, in part, to the Kennedy Center's lack of knowledge of the building's site conditions. Modifications led to overtime charges paid to meet tight construction schedules. Also, the center may have paid higher costs than necessary by negotiating contract modification values after work was completed. A lack of comprehensive policies and procedures limited the Kennedy Center's ability to adequately safeguard federal funds. Furthermore, our review of communication documents showed that Kennedy Center management did not always timely or accurately convey project cost growth and delays to its Board of Trustees or Congress.

Cost over Initial Budgets for Selected Kennedy Center Projects



Source: GAO analysis of Kennedy Center data.

The Kennedy Center has complied with disabled access requirements in renovated areas. However, GAO identified three areas where the center does not appear to meet fire safety code requirements: (1) the center has not taken steps to ensure that exit paths through the Grand Foyer, Hall of Nations, and Hall of States provide adequate protection from fire; (2) doors in critical areas do not provide adequate protection from fire; and (3) the Millennium Stages have exit deficiencies and lack sprinkler and smoke evacuation systems required by code. In addition, it does not appear that the center clearly informed the board or Congress of its decision not to install sprinklers or other fire suppression systems in the plaza-level public spaces.

Given the ongoing project management issues GAO has identified, the Kennedy Center could benefit from considering best practices for project management. In February 2004, GAO identified components of a best practices framework that include (1) conducting comprehensive planning, (2) assessing risks, (3) comprehensively managing project finances, (4) establishing accountability for and oversight of federal resources, and (5) incorporating stakeholders' interests.