

**National Nuclear Security Administration  
Office of the Administrator**

**Proposed Appropriation Language**

For necessary expenses of the Office of the Administrator of the National Nuclear Security Administration, including official reception and representation expenses (not to exceed \$5,000), [10,000,000] \$15,000,000 to remain available until expended. (*Energy and Water Development Appropriations Act, 2001, as enacted by section 1(a)(2) of P.L. 106-377.*)

# **National Nuclear Security Administration Office of the Administrator**

## **Mission**

The National Nuclear Security Administration, (NNSA) a semi-autonomous Administration within the Department was established in March 2000 pursuant to Title 32 of the National Defense Authorization Act for FY 2000 (Public Law 106-65) and is structured to provide clear and direct lines of accountability and responsibility for the management and operation of the Nation's nuclear weapons, naval reactors, and nuclear nonproliferation activities.

Three major programs within NNSA carry out the Department's national security mission. The Defense Program is responsible for maintaining the safety, security, and reliability of the U.S. nuclear weapons stockpile. The program also maintains the capability to design and produce nuclear weapons and maintains the capability to resume underground nuclear testing. Defense Nuclear Nonproliferation is responsible for promoting international nuclear safety and nonproliferation. The Office is also responsible for: research and development of technologies to detect proliferation; implementing of the Highly Enriched Uranium Purchase Agreement; elimination of surplus U.S. weapons and highly enriched uranium; and assistance to help Russia eliminate its surplus weapons-grade plutonium. Naval Reactors provides the U.S. Navy with safe, militarily effective nuclear propulsion plants and is responsible to ensure the safe and reliable operation of those plants beginning with technology development, continuing through reactor operation, and ultimately, disposing of the reactor plants.

## **Performance Measures**

As a corporate organization, the Office of the Under Secretary / Administrator is charged with the oversight of three programs under its purview, including the performance measures and goals that these programs are held accountable for in the Department's National Security Business line. The National Security performance goal is supported by the following objectives:

- Maintain and refurbish nuclear weapons in accordance with directed schedules to sustain confidence in their safety, security, and reliability, indefinitely, under the nuclear testing moratorium and arms reduction treaties. (NS1)
- Achieve a robust and vital scientific, engineering, and manufacturing capability that is needed for current and future certification of the nuclear weapons stockpile and the manufacture of nuclear weapon components under the nuclear testing moratorium. (NS2)
- Ensure the vitality and readiness of DOE's nuclear security enterprise. (NS3)
- Reduce the global danger from the proliferation of weapons of mass destruction. (NS4)
- Provide the United States Navy with safe, militarily effective nuclear propulsion plants, and ensure their continued safe and reliable operation. (NS5)

- Ensure that the Department's nuclear weapons, materials, facilities, and information assets are secure through effective safeguards and security policy, implementation, and oversight. (NS6)

## **Accomplishments**

Since the inception of the NNSA and the confirmation of the first Administrator, General John A. Gordon on June 14, 2000, for a three year term of office, the following accomplishments can be noted:

- Developed initial program, planning, and budgeting system (PPBS).
- Developed Five Year Program Plans for Defense Programs, Defense Nuclear Nonproliferation, and Naval Reactors programs.
- Modified major management and operating (M&O) contract for national security laboratories for enhanced management accountability for program and project performance.
- Implemented organization structure for the National Nuclear Security Administration.
- Established and instituted initial staffing of the Office of the Administrator.

## **Mission Supporting Goals and Objectives**

The Office of the Administrator provides corporate direction and oversight of the operations of the National Nuclear Security Administration (NNSA) in order to support the mission requirements of the Defense Programs, Defense Nuclear Nonproliferation, and Naval Reactors programs consistent with the principles of protecting the environment, and safeguarding other safety and health of the public and the workforce of the NNSA.

In carrying out its statutory charter, the functions of the Office of the Administrator include external outreach activities such as public affairs, legislative and intergovernmental activities; and provide resource management support in the areas of budget, personnel management, and procurement and the administration of contracts. The Office has been tasked by Congress to implement a programming, planning, and budgeting system in accordance with sound financial and fiscal management principles. The NNSA will streamline operations to ensure accomplishment of program objectives in a cost effective manner while providing senior management focus on the infrastructure requirements of the facilities of the NNSA laboratories and plant complex.

Currently, the National Nuclear Security Administration (NNSA) is in the process of building, evaluating, and determining the overall organization structure, size, and appropriate staffing requirements including consolidation of program staff and evaluating office space requirements. Due to these on-going efforts, budget estimates for the Office may change and require realignment between the Administrator's Office and the three national security programs. As reorganization or realignment becomes necessary, we will provide Congress with the appropriate notification.

The FY 2002 request is an increase of \$5 million above the FY 2001 appropriated level. The Office of the Administrator will be in its second year of operation and is focused on becoming a fully functional and unified entity with the responsibility for all of the Department's national nuclear security functions. Particular effort is being given to develop the unified planning, budgeting, and management process necessary for the NNSA enterprise. Within this increase is \$2.0 million to provide federal staff salaries and \$2.0 million to provide space for the consolidation of the NNSA staff to ensure a more effective, integrated, and efficient operation.

The NNSA is continuing to recruit and hire permanent staff consistent with the Congressional direction establishing the Office of the Administrator. By the end of FY 2002, the Office is expected to have 56 federal staff on-board which are necessary to fully support the NNSA corporate office. During FY 2001 and FY 2002, the Office will focus on implementing the National Nuclear Security Administration as a fully functional, unified entity with responsibility for all of the Department's national nuclear security functions. A primary effort will be to develop the unified planning, budgeting, and management processes necessary for the NNSA. Additional staff efforts will be placed in areas such as contractor evaluation and award fee practices; site maintenance and infrastructure, project management, control, and support; and NNSA enterprise management, safeguards & security, and safety and health oversight enterprise.

## **Performance Measures**

- Provide corporate oversight in contract administration, including the management and operations of the nuclear weapons production facilities and the national security laboratories.
- Establish and implement corporate policies for the NNSA enterprise.
- Provide consolidation of NNSA personnel and space for more effective and efficient operations, integration, and management of NNSA programs and priorities.
- Develop and implement the NNSA planning, programming, and budgeting system for NNSA organizations. Emphasize the balance between both science and national security across the NNSA enterprise.
- Provide information technology systems and personnel to develop NNSA corporate and business management processes and systems required as interfaces with DOE systems.
- Support United States leadership in the areas of national security science and technology.
- Ensure NNSA operations and activities are consistent with the principles of protecting the environment and safeguarding the safety and health of the public and the NNSA workforce.

## Funding Profile

(dollars in thousands)

	FY 2000 Comprable Appropriation	FY 2001 Original Appropriation	FY 2002 Adjustments (a)	FY 2001 Comparable Appropriation	FY 2002 Request
National Nuclear Security Administration					
Office of the Administrator.....	350	10,000	-22	9,978	15,000

(a) Reflects application of .22% omnibus rescission.

Public Law Authorization:

Public Law 106-398, "Floyd D. Spense National Defense Authorization Act for FY 2001"

Public Law 106-377, "Energy and Water Development Appropriations Act for FY 2001"

## Funding Schedule

(dollars in thousands)

	FY 2000	FY 2001	FY 2002	\$ Change	% Change
Salaries & Benefits.....	73	4,978	7,000	+2,022	+40.6%
Travel.....	20	1,000	1,000	+500	+100.0%
Support Services.....	0	2,000	2,000	+500	+33.4%
Other Related Expenses.....	257	3,000	5,000	+2,000	+66.7%
Total, Headquarters.....	350	9,978	15,000	+5,022	+50.3%
Full-Time Equivalents.....		35	56	+21	60%

## Detailed Program Justification

(dollars in thousands)

FY 2000	FY 2001	FY 2002
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<b>Salaries and Benefits</b> .....	<b>73</b>	<b>4,978</b>	<b>7,000</b>
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Funds full time permanent and other full time permanent employees in the following classes: Salaries and wages, overtime pay, cash incentive awards, lump sum leave payments, Senior Executive Service and other performance awards, payments to fund benefit of employees, workman’s compensation, and buyout compensation. A funding level of \$7,000 is required for the planned 56 FTEs in FY 2002 in the Office of the Administrator. This staff will provide the corporate structure for business practices, policies and processes for: program, planning, and budgeting process, congressional, OMB, and other external liaison, and overall corporate internal policy control; program analysis and evaluation, program integration for acquisition, budgeting, schedule, and reporting; and contract management and administration policies, acquisition documentation control, and management of contractor resources and real property.

<b>Travel Services</b> .....	<b>20</b>	<b>500</b>	<b>1,000</b>
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Funds the NNSA federal staff travel associated with oversight activities at NNSA landlord sites, facilities and national laboratories.

<b>Support Services</b> .....	<b>0</b>	<b>1,500</b>	<b>2,000</b>
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Provides for studies and reviews of NNSA corporate policies and procedures concerning management operations, and planning. Particular emphasis will be full development of the program, planning, and budgeting management system for compliance with sound financial management and business practices. Provides for necessary computer system development, and hardware and software installation, configuration, and maintenance activities. Development and implementation of an information architecture to establish integrated business management systems for the NNSA.

<b>Other Related Expenses</b> .....	<b>257</b>	<b>3,000</b>	<b>5,000</b>
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Provides for the acquisition of necessary office equipment for the fully staffed office. This includes acquisition of office furniture and equipment; computer hardware; copiers, printers, and other related miscellaneous procurements required for office operations. Major efforts will be the consolidation of NNSA staff in appropriate space in accordance with GSA policies. This consolidation will assist in the efforts for more efficient and effective operations.

<b>Total, Program Direction</b> .....	<b>350</b>	<b>9,978</b>	<b>15,000</b>
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## Explanation of Funding Changes from FY 2001 to FY 2002

FY 2001 vs. FY 2002 (\$000)
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### Salaries and Benefits

Additional funding is required to support a fully staffed Office of the Administrator.  
Fully staffed office for FY 2002 will be 56 FTEs..... +2,022

### Travel

Additional travel funding to support the fully staffed Office of the Administrator ..... +500

### Support Services

Provide for the necessary management and technical studies and computer and  
systems support..... +500

### Other Related Expenses

Increased funding for additional rental payments and space modification, equipment  
purchases, operation and maintenance of equipment, and communications, utilities,  
and increased working capital fund costs..... +2,000

Total Funding Change, Program Direction..... +5,022



## Support Services

(dollars in thousands)

	FY 2000	FY 2001	FY 2002	\$ Change	% Change
Technical Support Services.....	0	500	500	0	0.0%
Management Support Services	0	10	50	40	400%
Mangement Studies .....	0	350	500	150	42.9%
Training and Education .....	0	0	50	50	0.0%
ADP Support .....	0	500	700	200	40.0%
Administrative Support Services .....	0	150	250	100	66.7%
Total, Management Support Services.....	0	1,000	1,500	500	50.0%
Total, Support Services.....		1,500	2,000	500	33.4%

## Other Related Expenses

(dollars in thousands)

	FY 2000	FY 2001	FY 2002	\$ Change	% Change
<b>Contractual Services</b>					
Training.....	0	50	50	0	0
Printing/Reproduction.....	0	10	50	40	400%
Rental Space/Facility Maintenance.....	0	200	1,250	1,050	525%
Software Procurements/Capital Acquisitions...	0	250	640	390	156%
Other.....	221	535	550	15	3%
Total, Contractual Services.....	221	1,045	2,590	1,545	147.8%
Working Capital Fund Estimate.....	36	1,950	2,405	455	23.4%
Official Representation Expense Fund.....	0	5	5	0	0
Use of Prior Year Balances.....	0	0	0	0	0
Total, Other Related Expenses.....	257	3,000	5,000	2,000	66.7%