

Highlights of GAO-03-823, a report to the Chairman and Ranking Minority Member, Subcommittee on Economic Development, Public Buildings, and Emergency Management, Committee on Transportation and Infrastructure, House of Representatives

Why GAO Did This Study

In the mid-1990s, John F. Kennedy Center for the Performing Arts (Kennedy Center) officials recognized a need for additional parking and better site access. As a precursor to a planned project to construct an 8-acre plaza and two additional buildings at the site, the Kennedy Center is currently in the process of constructing a garage expansion and site improvement project. GAO did this study because of congressional concerns over project delays and costs as well as challenges that the Kennedy Center faces as it pursues this major construction effort. GAO's objectives were to (1) compare the garage expansion and site improvement project's current costs, time frames, and scope with the estimates provided to congressional stakeholders in 1997 and 1998 and (2) identify what challenges the Kennedy Center faces in managing large construction projects.

What GAO Recommends

GAO recommends that the Kennedy Center

- develop comprehensive project management policies and procedures to guide the construction process,
- ensure development and use of timely data to oversee construction projects, and
- ensure that needs for human capital expertise are met. In commenting on a draft of this report, Kennedy Center officials generally agreed with GAO's findings and recommendations.

www.gao.gov/cgi-bin/getrpt?GAO-03-823.

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

KENNEDY CENTER

Improvements Needed to Strengthen the Management and Oversight of the Construction Process

What GAO Found

As of July 2003, Kennedy Center officials estimated that the garage expansion and site improvement project would cost \$88 million, the garage expansion will be completed in December 2003, the site improvements will be completed in summer 2004, and the project will include 525 parking spaces and various traffic flow improvements. These estimates vary substantially from estimates that Kennedy Center officials provided to congressional stakeholders in 1997 and 1998. At that time, Kennedy Center officials estimated that the project would cost \$28 million, would be completed by August 2000, and would include between 900 and 1,000 parking spaces. According to Kennedy Center officials, the initial estimates were preliminary in nature and were based on some unrealistic assumptions. They acknowledged that they should have done a better job of informing Congress of the preliminary nature of the estimates and the subsequent events in the project's planning and bidding phases that affected the costs, time frames, and scope. Kennedy Center officials said that they now hold monthly meetings with Congress about the status of ongoing projects.

The Kennedy Center faces certain challenges in managing large construction projects. Specifically, the Kennedy Center lacks (1) adequate policies and procedures to guide the planning and management of the construction process, (2) some timely construction data on schedules and costs for effectively overseeing construction projects and measuring results, and (3) key human capital resources and expertise that would be highly beneficial in managing the construction process. Kennedy Center officials are now working to address these challenges. Although making improvements in these areas is no guarantee of project success, these types of improvements would strengthen the construction program and reduce risk by providing greater effectiveness in managing and overseeing projects and measuring results.





Source: The John F. Kennedy Center for the Performing Arts.