

Why GAO Did This Study

Some of the Department of Defense's (DOD) weapon systems remain in the inventory for decades. Therefore, decisions that program officials make during the acquisition process to acquire or not acquire rights to technical data, which may cost \$1 billion, can have far-reaching implications for DOD's ability to sustain and competitively procure parts and services for those systems. DOD needs access to technical data to control costs, maintain flexibility in acquisition and sustainment, and maintain and operate systems. In response to a congressional request, GAO reviewed the extent to which: (1) DOD has updated its acquisition and procurement policies to reflect a 2007 law and 2006 GAO recommendations; (2) selected acquisition programs adhered to requirements to document technical-data needs; and (3) DOD took actions to improve technical-data decisions by program managers. GAO interviewed DOD officials, reviewed acquisition strategies and acquisition plans from 12 programs, and compared those documents to relevant DOD policies.

What GAO Recommends

GAO recommends that DOD (1) update policies to clarify its technical-data documentation requirements and (2) instruct program managers on the elements to include and the information to report for technical-data business-case analyses. DOD concurred with GAO's recommendations.

DEFENSE ACQUISITION

DOD Should Clarify Requirements for Assessing and Documenting Technical-Data Needs

What GAO Found

DOD updated its acquisition and procurement policies to require that acquisition program managers document their long-term technical-data needs in a manner that reflects a 2007 law and GAO's 2006 recommendations. Together these policies require documentation of: (1) an assessment of technical-data requirements, (2) the merits of a "priced-contract option" that enables DOD to obtain additional technical data that it did not acquire in its initial contract, (3) the contractor's responsibility to verify its assertions of limits to DOD's ability to use the technical data, and (4) the potential for changes in the system's sustainment plan. According to DOD officials, these policy updates do not require changes to the way program managers assess technical-data needs.

Sampled acquisition programs partially addressed the four updated technical-data-documentation requirements. Ten of the 12 programs GAO reviewed addressed at least 1 of the 4 requirements in their acquisition strategies and acquisition plans; however, none of the programs addressed all 4 of the requirements. Specifically, 9 of the 12 strategies documented an assessment of their technical-data requirements. For example, the strategy for a Navy communications system stated that the program planned to obtain technical data and associated rights to sustain the system over its life cycle and allow for competitive procurement of future systems. In contrast, 3 of the 12 strategies documented the contractor's responsibility to verify its assertions of limits to DOD's ability to use the technical data. Each of the three strategies noted that the program planned to include a clause in its contracts that identifies the contractor's responsibilities.

DOD has issued guides—that are voluntary for the program managers to use—to improve technical-data decision-making. These guides may help program managers with decisions and documentation on technical data. However, DOD technical-data policies remain unclear. Effective internal controls help organizations implement their directives. GAO found that, because DOD has not issued clarifications to its policy, DOD policies that require documentation of long-term technical-data needs are unclear. As a result, acquisition strategies have not always documented required information on technical data—a point the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics recently emphasized. Because of the ambiguity in the policies, DOD's ability to implement effective internal control over those policies is limited. Moreover, DOD recently added a requirement that program managers conduct a business-case analysis for systems' long-term technical-data needs. However, DOD has not issued policy or other internal controls that describe how to conduct this analysis. GAO has previously reported that the military services inconsistently completed similar business-case analyses because DOD had not issued instructions on how to conduct them. Without instructions that describe how to conduct the business-case analysis, senior acquisition decision makers may not receive the information they need to decide whether to approve programs at major milestones in the acquisition process.