The Air Force Needs to Evaluate Changes in Funding for Civilians Engaged in Space Acquisition

Why GAO Did This Study

The United States and DOD depend on space assets to support national security, civil, and commercial activities. Having sufficient quantities of qualified personnel to acquire space assets—on which DOD expects to spend $8 billion in fiscal year 2013—is critical to DOD’s ability to carry out its mission. Approximately 1,800 federal civilians at the Air Force SMC manage the acquisition of space systems. During fiscal year 2012, the Air Force implemented a pilot program that moved $187.1 million for SMC’s acquisition civilian personnel from its 1-year Operation and Maintenance (O&M) appropriation to its 2-year Research, Development, Test, and Evaluation (RDT&E) appropriation. GAO was mandated to review the Air Force pilot program. This report addresses (1) the extent to which the Air Force evaluated the impact of the pilot, and (2) the processes in place to manage realignment of the funds. GAO obtained and reviewed documentation of the pilot implementation; compared the implementation with established practices GAO has identified for implementing and evaluating pilot programs: (1) develop objectives that link to the goals of the pilot; (2) develop processes for monitoring the pilot; (3) develop and implement a data collection and analysis plan for evaluating the pilot; and (4) communicate evaluation results to stakeholders. When implementing the pilot program, the Air Force did not follow these practices, and primarily focused on ensuring that administrative changes were made accurately such as ensuring employees received pay on time. For example, while a variety of potential goals were identified for the pilot program by the Air Force in various documents; they were not clear or consistent. As a result, anecdotal opinions on the advantages or disadvantages of the pilot varied significantly. Air Force acquisition officials stated that the pilot program could protect the funding from general reductions, while conversely, Air Force financial management officials said that the pilot would not necessarily mean that space acquisition personnel would be excluded from general reductions to civilian personnel funding. Further, Office of the Under Secretary of Defense (Comptroller) officials stated that they are relying on the Air Force to report to them on the pilot’s outcomes, but the Air Force has not completed a data collection plan to evaluate the pilot program and has not developed processes for monitoring the pilot program and communicating evaluation results to stakeholders. Without systematically evaluating the pilot program, the Air Force cannot determine if there is an advantage to expanding the pilot to other sections of the civilian workforce.

The Air Force used existing approval processes identified by DOD to realign funds appropriated for acquisition civilian personnel to other purposes. Following the move of SMC acquisition civilian personnel funding to its RDT&E appropriation, the Air Force determined that $29.5 million of the $187.1 million appropriated for SMC acquisition civilian personnel in fiscal year 2012 was unneeded due to the civilian hiring controls the Air Force began implementing in May 2011. The Air Force realigned these funds to other requirements. Specifically, the Air Force realigned $6.7 million to other programs within its RDT&E appropriation—including $5.7 million to the Small Business Innovative Research fund—and obtained prior approval from Congress to realign $22.8 million out of the RDT&E appropriation as part of an Omnibus Reprogramming request. The Omnibus Reprogramming request process does not identify where specific funds are to be realigned—instead the request identifies funding increases or decreases by individual program.

What GAO Recommends

GAO recommends that the Air Force evaluate the pilot program, to determine the impact of moving funding for acquisition civilian personnel to the RDT&E appropriation, and the value of expanding this change to other Air Force civilian workforces. In written comments on a draft of this report, DOD concurred with all four recommendations.

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