

GAO Highlights

Highlights of [GAO-18-321](#), a report to congressional committees

Why GAO Did This Study

In 2019, DOD will decide whether to enter full-rate production for the F-35 aircraft, the most expensive and ambitious weapon acquisition program in U.S. military history. DOD has already requested the \$9.8 billion it will need for 2019, and it will continue to request more over the next two decades—about \$10.4 billion annually. However, the F-35 is just one program in DOD's vast acquisition portfolio, raising questions about its long-term affordability.

The National Defense Authorization Act for Fiscal Year 2015 included a provision for GAO to review the F-35 acquisition program until it reaches full-rate production. This is GAO's third report under this provision. It assesses progress of development and testing, including remaining deficiencies, and plans for spending on new capabilities.

To conduct this work, GAO reviewed and analyzed management reports and historical test data; discussed key aspects of F-35 development with program management and contractor officials; and compared acquisition plans to DOD policies and GAO acquisition best practices.

What GAO Recommends

Congress should consider providing in future appropriations that no funds shall be available for obligation for F-35 Block 4 until DOD provides a sound business case for the effort. GAO is making two recommendations to DOD, including that it resolve all critical deficiencies before full-rate production. DOD concurred with both recommendations and cited that it would resolve all critical deficiencies before its full-rate production decision.

View [GAO-18-321](#). For more information, contact Michael J. Sullivan at (202) 512-4851 or sullivanm@gao.gov.

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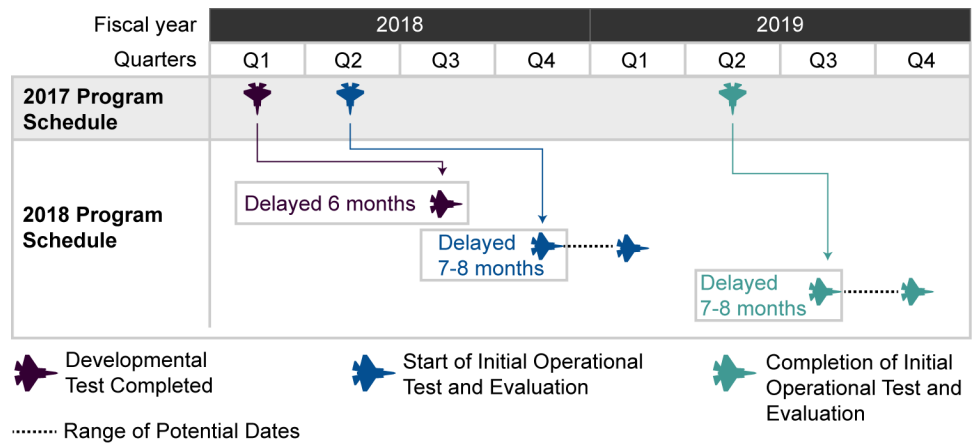
F-35 JOINT STRIKE FIGHTER

Development Is Nearly Complete, but Deficiencies Found in Testing Need to Be Resolved

What GAO Found

The Department of Defense (DOD) has made progress in completing the F-35 baseline development program, but plans to finish testing later than expected.

F-35 Testing Schedule Is Delayed

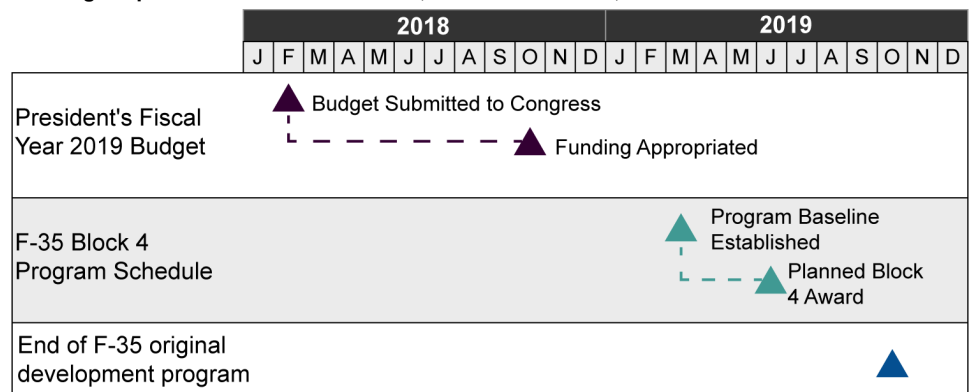


Source: GAO analysis of Department of Defense data. | GAO-18-321

DOD plans to defer resolving some critical deficiencies found in testing until after its full-rate production decision in October 2019, even though DOD's policy states that critical deficiencies generally will be resolved before then. Program officials stated it is reasonable to resolve some deficiencies while in production. Any associated rework could result in additional costs to the government.

DOD plans to spend billions of dollars to modernize the F-35 with new capabilities and is requesting \$278 million to begin that process before establishing a sound business case—a baseline cost and schedule estimate.

Funding Request for F-35 Modernization, Known as Block 4, Is Premature



Source: GAO analysis of Department of Defense data. | GAO-18-321

This timing could prompt Congress to make a funding decision before DOD can provide its business case. With these funds, DOD can award a contract, making a long-term commitment to Block 4, the costs of which are not fully understood.