Highlights of GAO-11-640, a report to the Committee on Armed Services, U.S. Senate

July 201

DEFENSE ACQUISITIONS

DOD Can Improve Its Management of Configuration Steering Boards

Why GAO Did This Study

GAO has previously reported that requirements changes are factors in poor cost and schedule outcomes on Department of Defense (DOD) weapon programs. In 2007, DOD introduced Configuration Steering Boards (CSBs) to review requirement and configuration changes that could adversely affect programs. In 2008, Congress made annual CSB meetings a requirement for all of the military departments' major defense acquisition programs. In response to the Senate report accompanying the bill for the Ike Skelton National Defense Authorization Act for Fiscal Year 2011, GAO assessed (1) the extent to which DOD has complied with the statutory requirements for CSBs, and (2) the extent to which CSBs have been effective in controlling requirements and mitigating cost and schedule risks. To conduct this work, GAO surveyed DOD's major defense acquisition programs, reviewed CSB documentation, and interviewed relevant military service and program officials.

What GAO Recommends

Among GAO's recommendations for DOD components are that they amend their CSB policies to be consistent with statute and align CSBs with other reviews when possible. In comments on a draft of this report, DOD concurred or partially concurred with all seven of GAO's recommendations and agreed to take action to address six of them.

View GAO-11-640 or key components. For more information, contact Michael J. Sullivan at (202) 512-4841 or sullivanm@gao.gov.

What GAO Found

The military departments varied in their compliance with the CSB requirements in statute. The Air Force and Navy did not fully comply with the requirement to hold annual CSB meetings for all major defense acquisition programs in 2010, while the Army did. In total, the military departments held an annual CSB meeting for 74 of 96 major defense acquisition programs they managed in 2010. According to GAO's survey results, when the military departments held CSB meetings, 19 programs endorsed requirements or configuration changes. In most of these cases, strategies were developed to mitigate the effects of these changes—a key provision in the statute and DOD policy. However, key acquisition and requirements personnel were often absent from Air Force and Navy CSB meetings when these issues were discussed. Two major defense acquisition programs—the Ballistic Missile Defense System and the Chemical Demilitarization-Assembled Chemical Weapons Alternatives programs—are not subject to the CSB provisions in statute because the statute only applies to programs overseen by military departments; the programs are managed by other DOD components. These programs are subject to DOD's CSB policy, which differs from the statute in that it only requires major defense acquisition programs that are in development to hold annual CSB reviews.

Individual programs varied in the extent to which they utilized CSBs to control requirements and mitigate cost and schedule risks. According to GAO's survey results, the majority of CSB meetings neither reviewed requirement changes nor discussed options to moderate requirements or reduce the scope of programs. There were a number of specific instances where CSB meetings were effective in mitigating the effect of necessary changes, rejecting other changes, facilitating discussion of requirements, and endorsing "descoping" options with the potential to improve or preserve cost or schedule. However, in response to a survey, program officials cast some doubts about the effectiveness of CSBs, and in interviews, acquisition officials indicated that program managers may be reluctant to recommend descoping options due to cultural biases that encourage meeting warfighters' stated needs rather than achieving cost savings, a preference not to elevate decisions to higher levels of review, and concerns that future funding may be cut if potential savings are identified. In response, the Army and Air Force have issued additional descoping guidance and set savings or budget targets. The types of discussions for which CSBs were useful changed based on whether programs were in development or production. Development programs found them more useful to consider requirements changes and descoping options, and production programs found CSBs more useful to prevent changes. In an effort to further increase effectiveness and efficiency of CSBs, some of the military departments have taken steps to coordinate CSB meetings among programs that provide similar capabilities and align CSB meetings with other significant reviews.