

GAO Highlights

Highlights of [GAO-13-785](#), a report to congressional committees

Why GAO Did This Study

To protect U.S. airspace, DOD performs the Aerospace Control Alert mission, which includes military forces arrayed in a rapid response posture to conduct both air sovereignty and air defense operations against airborne threats over the United States and Canada. The National Defense Authorization Act for Fiscal Year 2013 required that the Secretary of Defense submit a report to Congress that provides a cost-benefit analysis and risk-based assessment of the Aerospace Control Alert mission as it relates to expected future changes to the budget and force structure of the mission. The act also requires that GAO review DOD's report and submit any findings to the congressional defense committees. In response to this mandate, GAO examined (1) DOD's April 2013 reporting of a risk-based assessment and cost-benefit analysis of the Aerospace Control Alert mission as they relate to expected future changes to the budget and force structure of that mission and (2) the extent to which DOD has reported the total cost of the Aerospace Control Alert mission. GAO reviewed DOD's April 2013 report to Congress and Aerospace Control Alert budget justification displays, and interviewed knowledgeable DOD officials.

What GAO Recommends

GAO recommends that DOD, as it expands its cost reporting in response to current reporting requirements, ensure that all personnel costs related to the Aerospace Control Alert mission, including those of the Army and Army National Guard, are included in DOD's budget displays. DOD concurred with GAO's recommendation.

View [GAO-13-785](#). For more information, contact Brian J. Lepore at (202) 512-4523 or leporeb@gao.gov.

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HOMELAND DEFENSE

Action Needed to Improve Cost Reporting for DOD's Aerospace Control Alert Mission

What GAO Found

In its April 2013 report to Congress, the Department of Defense (DOD) did not provide any new analyses, but provided the results of previous analyses related to the Aerospace Control Alert mission because, according to DOD officials, DOD was not expecting any future changes to the budget or force structure of the mission, including consideration of any basing location alternatives. DOD's April 2013 report summarized the results of three risk assessments that were conducted to support DOD's 2012 decision on which two alert basing locations could be removed from 24-hour alert status with the least amount of risk. The North American Aerospace Defense Command (NORAD), the Office of the Secretary of Defense Office of Cost Assessment and Program Evaluation, and the Continental U.S. NORAD Region performed these assessments and all concluded that, given the 2012 DOD decision that two alert basing locations would be removed from 24-hour alert status, the removal of the locations at Duluth, Minnesota, and Langley, Virginia, would provide the least increase in risk. DOD's April 2013 report also summarized a cost savings estimate developed after the decision to remove these basing locations from 24-hour alert status.

Along with the submission of DOD's budget requests for fiscal years 2010-14, the Air Force reported cost information for components of the Aerospace Control Alert mission in budget displays required by the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, but DOD did not report the comprehensive cost of the Aerospace Control Alert mission. *Standards for Internal Control in the Federal Government* notes that financial information is needed for periodic external reporting and, on a day-to-day basis, to make operating decisions, monitor performance, and allocate resources. The Air Force provided budget displays containing information related to Air Force and Air National Guard military personnel costs, flying hours, and certain other costs along with DOD's budget justification materials for fiscal years 2010-14. However, DOD did not report other military service costs associated with the Aerospace Control Alert mission. The National Defense Authorization Act for Fiscal Year 2013 now requires, in addition to the Air Force cost information required by the Duncan Hunter National Defense Authorization Act for Fiscal Year 2009, that DOD provide a consolidated budget justification display that fully identifies the Aerospace Control Alert budget for each of the military services and encompasses all programs and activities of the Aerospace Control Alert mission for each of the following: procurement; operations and maintenance; research, development, testing, and evaluation; and military construction. According to DOD officials, such a display is being developed for inclusion with the fiscal year 2015 budget submission. These consolidated budget displays should help provide a more complete picture of Aerospace Control Alert mission costs. However, other military personnel costs, including those associated with the Army and the Army National Guard personnel providing ground-based air defense capabilities, support the mission as well. Inclusion of this information, in addition to the information required in the budget justification displays, could provide decision makers with more comprehensive cost information to make fully informed resource allocation decisions to support the Aerospace Control Alert mission.