

GAO Highlights

Highlights of [GAO-14-425](#), a report to the Subcommittee on Tactical Air and Land Forces, Committee on Armed Services, House of Representatives

Why GAO Did This Study

The Air Force's cost estimate for modernizing the F-22 aircraft's capabilities and making improvements that address the aircraft's reliability and structural problems is \$11.3 billion, as of January 2014. In February 2013, the Air Force awarded a multibillion dollar contract for F-22 modernization efforts from 2013 through 2023. The National Defense Authorization Act for Fiscal Year 2013 directed the Air Force to report annually on improvement efforts.

GAO was asked to review F-22 modernization and improvement efforts. This report assesses (1) the Air Force's new approach to structuring its F-22 modernization efforts, (2) the Air Force's management of its F-22 reliability and structural improvement efforts, and (3) challenges facing efforts to modernize the F-22 and address reliability and structural problems moving forward. GAO analyzed program management, contracting, and other relevant documents; analyzed aircraft availability information; and spoke with Air Force officials.

What GAO Recommends

To support program oversight and ensure efficient use of future funding, GAO recommends that the Air Force include comprehensive cost and schedule baselines for reliability projects in its annual report to Congress and expedite reassessment of the F-22 availability requirement. DOD disagreed with the first recommendation, stating that reliability programs cannot be baselined like major defense acquisition programs, and agreed with the second. GAO continues to believe the first recommendation is valid as discussed in the report.

View [GAO-14-425](#). For more information, contact Michael J. Sullivan at (202) 512-4841 or sullivanm@gao.gov.

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F-22 MODERNIZATION

Cost and Schedule Transparency Is Improved, Further Visibility into Reliability Efforts Is Needed

What GAO Found

After a decade of managing its efforts to modernize the F-22 as part of the original F-22 program, the Air Force has now begun structuring these efforts as distinct incremental programs, and plans to continue doing so moving forward. For example, the Department of Defense (DOD) recently designated F-22 modernization Increment 3.2B—intended to integrate two types of missiles onto the F-22 and upgrade other subsystems—as a major defense acquisition program with its own baseline cost and schedule estimate. This approach is consistent with the approach mandated in the National Defense Authorization Act for Fiscal Year 2013 and recommended in a May 2012 GAO report, and should allow decision makers to see a more precise view of cost and schedule changes. Furthermore, the Air Force plans to use individual contractual agreements for each modernization effort, a contracting approach that should support informed management and oversight of each increment by increasing visibility into funds obligated to individual efforts.

In contrast to modernization, the larger of the Air Force's two primary F-22 improvement efforts—the Reliability and Maintainability Maturation Program (RAMMP)—is not managed with its own cost and schedule baseline. This approach limits transparency of cost and schedule progress. The National Defense Authorization Act for Fiscal Year 2013 directed the Air Force to submit an annual report to the congressional defense committees on RAMMP and on F-22 structural repair efforts, to include baseline cost and schedule estimates. While the first report submitted under this requirement in April 2013 provided some cost and schedule information on the structural repair efforts, which could be used as a baseline estimate going forward, it did not include such information for RAMMP. Without a comprehensive baseline cost and schedule estimate for reliability efforts that encompasses the life of the aircraft across all types of funding, it is difficult to consistently track cost and schedule progress on projects that, to date, have cost almost \$1 billion.

The Air Force faces schedule and performance challenges in its management of F-22 modernization and improvement efforts as a result of continuing maintenance issues. Delays in completing depot-level maintenance have translated into delays in fielding modernization increments, which could also affect future increments. Further, the F-22 fleet will not achieve its availability requirement as scheduled, despite substantial investment in RAMMP projects. RAMMP is intended to increase the availability of the F-22 to perform its missions, primarily through improving reliability—the likelihood that the aircraft will operate without failure—and reducing the time required to maintain the aircraft. Air Combat Command officials stated that the current requirement is based on assumptions that may no longer be applicable, and that they expect to revisit this requirement at some future point, although they did not specify when that reassessment would occur. Thus, continued investment in some projects aimed at achieving a requirement that may no longer be valid may be unwarranted. Any delay in revisiting this requirement could limit funding DOD might be able to make available for other high priority activities in a time of austere federal budgets.