GAO Highlights

DEFENSE MAJOR AUTOMATED INFORMATION SYSTEMS

Cost and Schedule Commitments Need to Be Established Earlier

Why GAO Did This Study

The National Defense Authorization Act for Fiscal Year 2012 mandated that GAO select, assess, and report on DOD MAIS programs annually through March 2018. This report discusses the results of GAO's third assessment. GAO's objectives included: (1) determine whether selected MAIS programs are meeting time frames for establishing program baselines and deploying capabilities, (2) assess selected MAIS programs' actions to manage risks, and (3) assess the extent to which selected MAIS programs have used key information technology acquisition best practices.

For its first objective, GAO selected a sample of 20 MAIS programs based on a few factors, such as programs that were designated as first (or only) increments. For the other objectives, GAO identified 4 out of 40 programs based on several factors, such as representation from multiple DOD components (1 from Air Force, 2 from Army, and 1 from Navy), and assessed them against selected acquisition best practices for risk management, requirements development, and project planning.

What GAO Recommends

GAO recommends, among other things, that DOD require programs to establish a baseline within 2 years of beginning work and direct the Air Force program and the Army logistics program to address weaknesses in their project planning acquisition practices. DOD concurred with all recommendations except one, with which it partially concurred. GAO maintains that establishing baselines within 2 years would improve outcomes and increase accountability.

What GAO Found

A majority of the 20 selected Department of Defense (DOD) major automated information systems (MAIS) programs had not established their first baselines (which consist of a life cycle cost estimate, a schedule estimate, and performance targets) within 2 years from program start; over half met or planned to meet a statutorily established time frame for deploying capabilities. While the Defense Science Board supports that programs should establish their baselines within 2 years, 12 programs spent, on average, 5 years and 2 months and about $452 million prior to establishing baselines. Programs that have not established baselines are subject to less oversight and cannot be measured against cost, schedule, and performance targets. Also, the propensity to carry out MAIS programs for multiple years prior to committing to baselines is inconsistent with incremental and rapid development as called for in federal law, Office of Management and Budget guidance, and a Defense Science Board recommendation. Notably, over half of the 20 programs met or planned to meet the time frame established by a DOD-specific law for deciding to fully deploy system capabilities, in part because they were restructured into smaller, incremental programs. Until programs establish their cost and schedule baselines within 2 years, they may continue to spend hundreds of millions of dollars with limited oversight and accountability.

Of four selected MAIS programs, two had fully defined and managed their key risks, and two were on track to do so. For example, while the Air Force program did not always identify completion targets for its risk mitigation plans, it had a plan in place to correct this by March 2015. The four programs varied in their implementation of the selected acquisition best practices—requirements development and project planning. Specifically, two programs implemented requirements development best practices and the others were on track to do so. Two programs were on track to implement key planning practices, but the other two had not developed schedules that incorporated all best practices. Further, DOD had not fully developed a comprehensive plan for implementing the Army logistics program, including testing to ensure that its financial statements are auditable. Without effective project planning, these programs risk not meeting cost and schedule targets and implementing systems that do not meet needs.

Selected MAIS Programs' Implementation of Acquisition Best Practices

Program	Risk management	Requirements development	Project planning
Navy's Distributed Common Ground System - Navy Increment 2	●	⦿	⦿
Army's Integrated Personnel and Pay System - Army Increment 2	⦿	⦿	⦿
Air Force's Joint Space Operations Center Mission System Increment 2	⦿	●	◑
Army's Logistics Modernization Program Increment 2	●	●	◑

● Fully implemented ◑ Partially implemented ⦿ On track to fully implement ○ Not implemented

Source: GAO analysis of agency data. I GAO-15-282

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