

GAO Highlights

Highlights of [GAO-17-29](#), a report to congressional requesters

Why GAO Did This Study

DOD's JIAC, which provides critical intelligence support for the U.S. European and Africa Commands and U.S. allies, is currently located in what DOD has described as inadequate and inefficient facilities at RAF Molesworth in the United Kingdom. To address costly sustainment challenges and instances of degraded theater intelligence capabilities associated with the current JIAC facilities, the Air Force plans to spend almost \$240 million to consolidate and relocate the JIAC at RAF Croughton in the United Kingdom.

GAO was asked to review analysis associated with consolidating and relocating the JIAC. This report (1) assesses the extent to which DOD's cost estimate for the JIAC consolidation at RAF Croughton aligns with best practices and (2) describes key reviews DOD has conducted since spring of 2013 related to an alternative location for JIAC consolidation. GAO compared the Air Force's February 2015 JIAC cost estimate with GAO best practices for developing federal cost estimates, reviewed key DOD analysis of Lajes Field as a potential alternative location for the JIAC, and interviewed DOD officials.

What GAO Recommends

GAO recommends that DOD update its future construction cost estimates for consolidating the JIAC at RAF Croughton to comply with best practices for cost estimating identified by GAO. DOD did not agree, stating it would waste resources to continue to generate cost estimates once DOD transitions to managing the project with actual cost data. GAO continues to believe that its recommendation is valid, as discussed in this report.

View [GAO-17-29](#). For more information, contact Brian Lepore at (202) 512-4523 or leporeb@gao.gov.

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JOINT INTELLIGENCE ANALYSIS COMPLEX

DOD Needs to Fully Incorporate Best Practices into Future Cost Estimates

What GAO Found

GAO assessed the cost estimate for the military construction project to consolidate and relocate the Joint Intelligence Analysis Complex (JIAC) at Royal Air Force (RAF) base Croughton and found that it partially met three and minimally met one of the four characteristics of a reliable cost estimate defined by GAO best practices, as shown in the table below. For example, it minimally met the credibility standard because it did not contain a sensitivity analysis; such analyses reveal how the cost estimate is affected by a change in a single assumption, without which the estimator will not fully understand which variable most affects the estimate. Unless the Department of Defense's (DOD) methodology incorporates all four characteristics of a high-quality, reliable estimate in preparing future cost estimates for the JIAC construction project, it will not be providing decision makers with reliable information.

GAO Summary Assessment of the Air Force's February 2015 JIAC Cost Estimate

Characteristic	GAO Assessment
Comprehensive	<i>Partially Met</i>
Well documented	<i>Partially Met</i>
Accurate	<i>Partially Met</i>
Credible	<i>Minimally Met</i>

Source: GAO analysis of DOD information. | GAO-17-29

Note: "Fully met" means the agency provided complete evidence that satisfies the entire criterion. "Substantially met" means the agency provided evidence that satisfies a large portion of the criterion. "Partially met" means the agency provided evidence that satisfies about half of the criterion. "Minimally met" means the agency provided evidence that satisfies a small portion of the criterion. "Not met" means the agency provided evidence that does not satisfy any part of the criterion.

After DOD's 2013 decision to consolidate the JIAC at RAF Croughton, DOD organizations conducted multiple reviews in response to congressional interest in Lajes Field, Azores (Portugal) as a potential alternative location for the JIAC, including

- *U.S. European Command (EUCOM) September 2015 review*, a cost comparison and location analysis of RAF Croughton and Lajes Field;
- *Office of the Secretary of Defense Cost Assessment and Program Evaluation April 2016 cost verification for JIAC*, an independent review of EUCOM's September 2015 cost estimates and those developed by the House Permanent Select Committee on Intelligence in July 2015; and
- *Defense Information Systems Agency May 2016 review on JIAC communications infrastructure requirements*, an assessment and comparison of the communications infrastructures at Lajes Field and RAF Croughton with the intelligence mission support requirements, including the communications and technical requirements, for the JIAC.

These reviews produced different cost estimates, in particular for housing and communications infrastructure, because the DOD organizations that developed them relied on different assumptions. DOD officials said that these reviews were not conducted with the same level of rigor as formal cost estimates, because DOD had concluded its analysis of alternatives and no credible new evidence had been produced to indicate the department should revisit its initial decision to consolidate the JIAC at RAF Croughton.