GAO Highlights

Highlights of GAO-18-326, a report to congressional committees

May 2018

DOD MAJOR AUTOMATED INFORMATION SYSTEMS

Adherence to Best Practices Is Needed to Better Manage and Oversee Business Programs

Why GAO Did This Study

DOD's MAIS programs are intended to help the agency sustain its key operations. In April 2017, recognizing that MAIS programs met different mission needs, DOD categorized its MAIS programs into business and non-business systems.

The National Defense Authorization Act for Fiscal Year 2012 includes a provision for GAO to select, assess, and report on DOD's MAIS programs annually through March 2018. GAO's objectives, among others, were to (1) assess DOD's policies for managing and overseeing MAIS programs and (2) describe the extent to which selected MAIS programs have changed their planned cost and schedule estimates and met technical performance goals. To address these objectives, GAO compared DOD's policies for managing and overseeing all 34 MAIS programs (24 non-business programs and 10 business programs) to leading IT management practices. GAO also compared 15 selected programs' initial cost, schedule, and performance baselines to their current acquisition program estimates.

What GAO Recommends

GAO is making three recommendations, including that DOD update its policy for managing MAIS business programs to include baseline estimates. DOD partially concurred with this recommendation, and fully concurred with the other two recommendations. GAO continues to believe that all the recommendations are warranted.

View GAO-18-326. For more information, contact Carol C. Harris at (202) 512-4456 or harriscc@gao.gov.

What GAO Found

The strength of Department of Defense's (DOD) policies for managing and overseeing major automated information system (MAIS) programs varies. Specifically, the policy for managing 24 non-business MAIS programs adheres to leading information technology (IT) management practices, but the policy for managing 10 MAIS business programs does not always do so (see table).

Analysis of Department of Defense (DOD) Policies for Managing Major Automated Information System (MAIS) Programs

Leading information technology management practice	Adherence to policy for non-business MAIS programs	Adherence to policy for MAIS business programs
Instituting an investment board as a process for creating and defining the membership, guiding principles, operations, roles, responsibilities, and authorities	Yes	Yes
Identifying decision authorities for making important executive-level acquisition decisions	Yes	Yes
Providing oversight whereby the organization monitors programs on their performance progress; such information includes (1) baseline estimates on cost and schedule goals and (2) thresholds to identify high risk on cost and schedule	Yes	No
Capturing and providing performance information about a particular investment (program) to decision makers at regular intervals (e.g., quarterly and annually)	Yes	No

Source: GAO analysis of agency documentation. | GAO-18-326

When DOD categorized 10 of the 34 MAIS programs as MAIS business programs, it also directed these programs to adhere to DOD's business systems policy (DOD Instruction 5000.75). However, the department directed those programs to use a policy for the management and oversight of MAIS business programs that was not fully comprehensive. Until DOD updates its business systems policy to address gaps in establishing performance information such as baseline estimates on program cost and schedule goals, identifying thresholds to identify high risk, and requiring periodic reports to be provided to stakeholders at regular intervals, stakeholders will likely not have all the information they need to manage and oversee MAIS business programs.

While all 15 business and non-business MAIS programs had either increased or decreased their planned cost estimates and the majority had delays in their planned schedule estimates, the majority of the 9 programs that had performance targets met those performance goals. Specifically, the decreases and increases in cost estimates ranged from a decrease of $1.6 billion (-41 percent) to an increase of $1.5 billion (163 percent). The decreases in planned cost were largely due to scope reduction, while cost increases were due to underestimating levels of effort and contracting issues. The slippages in schedule estimates ranged from a delay of 5 years to 5 months; these delays were caused by unrealistic expectations or unplanned changes. Six of the 9 programs that had performance targets met all of them, while the other 3 met several but not all of their performance targets. The other 6 programs were in the early stages of system development and had not begun performance testing.