

GAO Highlights

Highlights of [GAO-22-105925](#), a testimony before the Subcommittee on Strategic Forces, Committee on Armed Services, House of Representatives

Why GAO Did This Study

Since MDA was established in 2002, DOD has spent over \$174 billion to develop a network of sensors, interceptors, and command and control capabilities collectively called the Missile Defense System. GAO has previously reported on MDA's process to acquire assets and capabilities for this system.

This statement highlights key findings from GAO's work on missile defense acquisitions. Specifically, this testimony provides information on (1) changes to MDA's acquisition processes; (2) program and flight test cost estimates and reporting; and (3) MDA's implementation of GAO's prior recommendations relevant to missile defense acquisitions. This statement is primarily based on GAO reports issued since 2020 on MDA's requirements and cost estimating process. In addition, the statement draws upon GAO's body of work issued since 2010.

View [GAO-22-105925](#). For more information, contact John Sawyer at (202) 512-4841 or SawyerJ@gao.gov.

May 11, 2022

MISSILE DEFENSE

Acquisition Processes Are Improving, but Further Actions Are Needed to Address Standing Issues

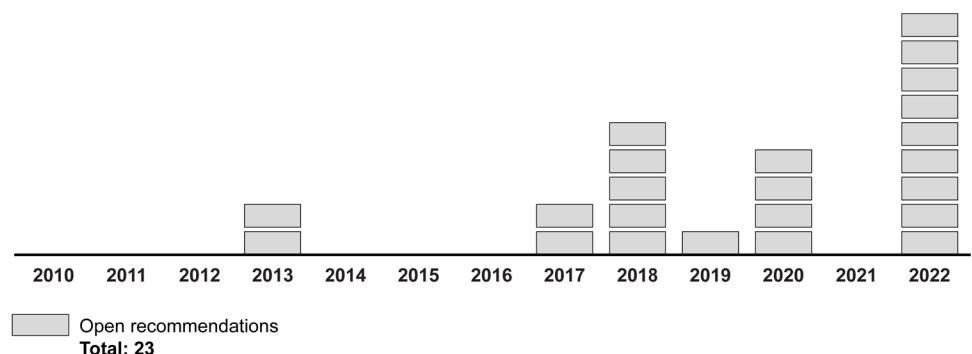
What GAO Found

The Missile Defense Agency (MDA) was established 20 years ago to develop a system to defend the U.S. and its allies against ballistic missile attacks. Since then, MDA has made progress developing and testing the Missile Defense System. MDA has taken steps to improve how it develops missile defense assets and capabilities, but problems with its acquisition policy and practices persist. For example:

- **Limited stakeholder input in requirements-setting.** In 2020, the Department of Defense (DOD) made changes to MDA's acquisition processes to more closely align with leading practices, such as working closely with stakeholders throughout program development. In November 2021, GAO found opportunities for DOD to better incorporate the warfighter's needs by establishing processes to better align MDA programs in early development with warfighter-approved requirements.
- **Problematic cost estimates and underreported costs.** In 2013 and 2017, GAO found shortfalls in MDA's cost estimates and reporting. In February 2022, GAO found that MDA continues to omit key costs from program life-cycle cost estimates and lingering accuracy issues with flight test cost estimates. These deficiencies limit decision-makers' insight into the financial commitments necessary for making funding and other determinations.

Since 2010, GAO has made 61 recommendations to improve missile defense acquisitions. While MDA has generally agreed with most of these recommendations, 23 still require additional actions (see figure). Addressing the open recommendations would help reduce acquisition risk. For example, early alignment of MDA programs to warfighter-approved requirements helps ensure delivery of needed capabilities while minimizing the risk of late-cycle design changes—which has proven to raise cost and create schedule delays—or delivering capabilities that do not fully meet warfighter's needs.

Unimplemented GAO Recommendations on Missile Defense Acquisitions by Year, 2010-2022



Source: GAO. | GAO-22-105925