



United States Government Accountability Office
Washington, DC 20548

September 28, 2009

The Honorable Neil Abercrombie
Chairman
The Honorable Roscoe Bartlett
Ranking Member
Subcommittee on Air and Land Forces
Committee on Armed Services
House of Representatives

The Honorable Gene Taylor
Chairman
The Honorable Todd Akin
Ranking Member
Subcommittee on Seapower and Expeditionary Forces
Committee on Armed Services
House of Representatives

Subject: Defense Acquisitions: Department of Defense Needs a Unified Strategy for Balancing Investments in Tactical Wheeled Vehicles

Ground-based military operations generally make use of two broad categories of vehicles: combat vehicles designed for a specific fighting function and tactical vehicles designed primarily for use by forces in the field in connection with or in support of tactical operations. Combat vehicles generally move on tracks versus wheels and include the Abrams tank, Bradley Fighting vehicle, and the Paladin self-propelled howitzer. Tactical vehicles generally move on wheels and include the High Mobility Multi-purpose Wheeled Vehicle (HMMWV), the Mine Resistant Ambush Protected (MRAP) vehicle, and families of trucks and trailers. For fiscal years 2009 and 2010, the Department of Defense (DOD) has requested an estimated \$16 billion for the procurement of those tactical wheeled vehicles described in this report, including an estimated \$6 billion for MRAP variants.

In June 2007, you requested that we assess (1) the extent to which DOD had developed an overall tactical wheeled vehicle (TWV) investment strategy that considers timing, affordability, and sustainability; (2) the extent that the programs in the strategy fill identified gaps or provide duplicative capabilities; (3) the current status of selected tactical vehicle systems that are a part of this strategy; and

(4) whether DOD is pursuing a knowledge-based acquisition¹ approach as a part of this strategy. On the basis of discussions with your staff, we initially focused on gathering and analyzing data related to the MRAP program. We provided the members of your staffs with a series of briefings between September 2007 and March 2008, and summarized the results of our MRAP work in a July 2008 report.² Shortly thereafter, and on the basis of additional discussions with your staffs, we resumed the work related to our overall assessment of tactical wheeled vehicles and provided an interim briefing on the results of our work on April 30, 2009. For our assessment of the current status of selected tactical wheeled vehicle systems, we included the following systems:

- MRAP;
- MRAP-All Terrain Vehicle (M-ATV) variant;
- HMMWV Expanded Capability Vehicle (ECV) variant;
- HMMWV ECV2 variant;
- Joint Light Tactical Vehicle (JLTV);
- Armored Security Vehicle (ASV);
- Family of Medium Tactical Vehicles (FMTV); and,
- Heavy Expanded Mobility Tactical Truck (HEMTT).

We have updated our interim briefing to include fiscal year 2009 supplemental and fiscal year 2010 base year tactical wheeled vehicle procurement budget data and summarized recent decisions related to selected tactical wheeled vehicle programs. Enclosure I contains our updated briefing.

To determine whether DOD considered timing, affordability, and sustainability, we obtained relevant service strategies, reviewed them for these characteristics, and discussed the strategies with the military services. To determine whether there was potential for duplicative capabilities, we obtained requirements documents, compared the capabilities of the systems in question, and discussed the potential for systems to duplicate one another with program officials. To determine cost, schedule, and performance of selected tactical wheeled vehicles, we obtained and reviewed program documents such as selected acquisition reports³ for systems that had them, program status briefings for those that did not, budget planning and execution documents for all systems, results of developmental and operational tests for selected systems, and met with service program officials. To assess DOD's

¹ Knowledge-based acquisition is a management approach which requires adequate knowledge at critical junctures (i.e., knowledge points) throughout the acquisition process to make informed decisions.

² GAO, *Rapid Acquisition of Mine Resistant Ambush Protected Vehicles*, GAO-08-884R (Washington, D.C.: July 15, 2008).

³ Selected acquisition reports are standard, comprehensive, summary status reports of major defense acquisition programs required for periodic submission to Congress. SARs include estimates of cost, schedule, and technical status.

knowledge-based approach to acquisition strategy, we obtained and reviewed system acquisition plans and discussed them with service program managers.

We conducted this performance audit from September 2008 to September 2009, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

SUMMARY

During our April 30, 2009, interim briefing and our August 13, 2009 updated briefing, we made the following major points:

- DOD does not have a unified TWV strategy that considers timing, affordability, and sustainability. The advent of improvised explosive devices/roadside bombs has had a significant effect on designing for survivability and the services are incrementally adapting their TWV capabilities in light of technology and funding limits. One unified strategy would help to coordinate efforts.
- While we did not identify any unfilled program gaps, the introduction of MRAP, M-ATV, and eventually the JLTV creates a potential risk of unplanned overlap in capabilities; a risk that needs to be managed. A critical contribution to the management of the risk will likely be the JLTV Analysis of Alternatives. The purpose of the analysis is to assess alternatives for capitalizing the fleets of Light Tactical Vehicles operated by the services. The Under Secretary of Defense for Acquisition, Technology, and Logistics provided guidance for the analysis in January 2009. The guidance stated that the analysis will compare the performance of JLTV alternatives against each of the legacy Light Tactical Vehicles, including the HMMWV, Up-Armored HMMWV, ECV2, and MRAP.
- Many TWV systems are in production and have remained stable. JLTV is early in its development and will require close oversight to ensure requirements, technologies, and resources are well understood before making significant commitments of time and money. MRAP and M-ATV are being procured exclusively with supplemental funding. Over 16,000 MRAPs were procured in fiscal years 2007 and 2008 for an estimated \$20.9 billion. In addition, at least 5,244 M-ATVs will be procured in fiscal years 2009 and 2010 for an estimated \$6 billion. The Army and Marine Corps spend billions annually on TWV procurement; the Air Force, Navy, and Special Operations Command spend considerably less.
- Generally, the acquisition programs we reviewed are effectively using knowledge-based acquisition practices.

CONCLUSIONS

While DOD does not have a comprehensive TWV investment strategy, the individual services—particularly the Army and Marine Corps—have multiple studies under way which address different aspects of TWV strategic planning. The Army and Marine Corps have also collaborated on joint studies of TWV issues. A unified, comprehensive, long-term TWV strategy would be beneficial to DOD and the services in minimizing the potential for unplanned overlap or duplication as they:

- define the specific roles and capabilities of similar vehicles;
- adapt their TWV capabilities to current and anticipated threats;
- address long-term TWV sustainability issues; and
- determine how best to take advantage of MRAP capabilities for the long term.

The strategy should balance protection, payload, and performance needs with available resources, especially for Light Tactical Vehicles.

RECOMMENDATION FOR EXECUTIVE ACTION

To improve DOD's ability to plan for and manage the development, production, and sustainment of TWV across the department, we recommend that the Secretary of Defense develop a comprehensive and unified strategy and implementation plan for making sound investment decisions for tactical wheeled vehicles that:

- assess and prioritize the capabilities and requirements of similar vehicles needed in the near and long term;
- estimate the funding, time, and technologies that will be required to acquire, improve, and sustain these systems;
- balance protection, payload, and performance needs with available resources, especially for Light Tactical Vehicles; and
- identify contingencies in case there are development problems, delays with key systems, or funding constraints.

AGENCY COMMENTS AND OUR EVALUATION

In commenting on a draft of this report, DOD concurred with our assessment and recommendations. The department agreed that a unified, comprehensive tactical wheeled vehicle strategy would be beneficial and outlined a plan to unite several ongoing studies into a comprehensive strategy that dovetails with the services' strategies for equipping their forces. In implementing the strategy, DOD will endeavor to align requirements, resources, and acquisition strategies into a unified plan to guide investment decisions. We believe that the various ongoing studies should provide valuable insight for DOD in developing a unified strategy, which will assist the department and the services in balancing their near- and long-term needs and resources. We look forward to seeing the final results next year.

Enclosure II contains the full text of the department's comments.

We are sending copies of this report to the Chairmen and Ranking Members of other Senate and House committees and subcommittees that have jurisdiction and oversight responsibilities for DOD. We will also send copies to the Secretary of Defense; the Secretaries of the Air Force, Army, and Navy; and the Director, Office of Management and Budget. Copies will also be available at no charge on GAO's Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-4841. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Major contributors to this report included William Graveline, Assistant Director; Dayna Foster; Danny Owens; Bob Swierczek; Hai Tran; Alyssa Weir; and Paul Williams.



Michael J. Sullivan, Director
Acquisition and Sourcing Management

Enclosures

cc: Mr. Doug Roach
Mr. Jesse Tolleson
Mr. Doug Bush
Mr. John Wason



**Briefing to the
House Armed Services Committee,
Air and Land Forces,
and Seapower and Expeditionary Forces Subcommittees
August 13, 2009**

Status of DOD Tactical Wheeled Vehicle Strategy



Briefing Overview

-
- Introduction
 - Summary
 - Findings
 - Conclusions
 - Scope, Methodology, and Auditing Standards
-



Introduction

- Although there is no precise definition, tactical wheeled vehicles (TWV) tend to have military characteristics designed primarily for use by forces in the field in connection with or in support of tactical operations.
- As requested, we assessed the following.
 - The extent to which DOD has developed an overall investment strategy for TWVs that considers timing, affordability, and sustainability.
 - The extent to which TWV programs provide duplicative capabilities.
 - The current cost, schedule, and performance of selected TWVs.
 - Whether DOD is pursuing a knowledge-based approach as part of the acquisition strategy.
- This briefing summarizes the results of our work.
- Our scope and methodology are described at the end.
- We obtained DOD and service comments for this briefing and made changes where appropriate.



Summary

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- DOD does not have a unified TWV strategy.
 - The advent of improvised explosive devices (IED)/roadside bombs has had a significant effect on designing for survivability and the services are incrementally adapting their TWV capabilities in light of technology and funding limits.
 - Introduction of Mine Resistant Ambush Protected (MRAP) and MRAP-All Terrain Vehicle (M-ATV) and eventually Joint Light Tactical Vehicle (JLTV) creates potential risk of unplanned overlap in capabilities; that risk needs to be managed.
 - While many systems are in production with stable cost, schedule, and performance metrics, continuous improvement of these systems also needs to be managed. JLTV is early in its development and will require close oversight.
 - Although development dollars are small, the Army and Marine Corps spend billions annually on TWV procurement. The Air Force, Navy, and Special Operations Command (SOCOM) spend considerably less.
 - Procurement of MRAPs and M-ATVs are funded exclusively with supplemental funding.
 - Several examples demonstrate that knowledge-based acquisition is being used effectively.
 - The Army and JLTV Program have begun to address Other Topics of Interest: Long-Term Armor/Protection Strategy and Fully Burdened Cost of Fuel, respectively. Additional focus on these issues will be needed.
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1. Tactical Wheeled Vehicle Investment Strategy—Strategies Reviewed

- February 2006 Army Tactical Wheeled Vehicle Modernization Strategy Report to Congress
 - Army-only perspective, projected fleet mix to FY 2018, provided limited funding/affordability data.
- August 2008 Marine Corps Ground Combat and Tactical Vehicle Strategy
 - Marine Corps-only perspective, projected fleet mix to FY 2024, provided limited funding/affordability data.
- August 2008 Army and Marine Corps Tactical Wheeled Vehicle Strategy and Response to Office of Management and Budget (OMB) briefing
 - Combined Army and Marine Corps perspective on OMB-selected systems and topics, projected fleet mixes, provided limited funding/affordability data.
- Office of the Under Secretary of Defense (Acquisition, Technology, and Logistics) acknowledges DOD does not have a unified strategy



1. Tactical Wheeled Vehicle Investment Strategy—Numerous Strategies In Process

- Services have multiple studies under way which address different aspects of TWV strategic planning
 - The Army Capabilities Integration Center is working on a new Tactical Wheeled Vehicle Study. Marine Corps is updating its Ground Combat Tactical Vehicle Strategy. Study results scheduled for completion later this year.
 - The Army and Marine Corps plan to integrate MRAPs into the fleet mix and are studying ways to achieve the integration; Army and Marine Corps study results scheduled for completion at the end of 2009.
 - The Navy is developing a TWV Strategy; scheduled for completion at end of 2009.
 - SOCOM is developing an Initial Capabilities Document (ICD) based on a 2007 Capabilities Based Assessment for Ground Mobility; ICD scheduled for completion in August 2009.
 - Service-specific strategies do not constitute a unified strategy



2. Observations on Potential Overlap or Duplication of TWV Capabilities

- Introduction of MRAP, M-ATV, and eventually JLTV creates the risk of a potential unplanned overlap in capabilities; risk needs to be managed.
 - Ideally, the Army would prefer to have all JLTVs for its light tactical vehicle (LTV) fleet. However, given the size of the LTV fleet, it will have a variety of generations of LTVs in the force at any given time.
 - Highly Mobile Multi-purpose Wheeled Vehicle (HMMWV), Up-Armored HMMWV (UAH)/Expanded Capability Vehicle (ECV), possibly ECV2, and JLTV
 - MRAP is a theater asset that replaces the UAH for some missions outside the forward operating base. It fills a niche for better protection than the UAH, but at the loss of maneuverability.
 - Developmental ECV2 is 30 percent common with the UAH but with more payload and better performance while maintaining protection against IEDs; the Army and Marine Corps have no current plans to procure ECV2s.
 - JLTV armor will provide protection comparable to MRAP except MRAP has better underside protection, in trade for increased weight. However, JLTV unit costs could be significantly higher than ECV2, but much lower than MRAP and M-ATV.



3. Status of Selected Systems

- Mine Resistant Ambush Protected Vehicles
 - Family of multimission platforms capable of mitigating IEDs, underbody mines, and small arms fire threats.
 - More than 16,000 procured to date; deliveries of Operation Iraqi Freedom (OIF) variants will be complete by November 2009; performance limited by size/weight.
- MRAP All Terrain Vehicle (M-ATV) variant
 - Lighter weight and smaller than OIF MRAP vehicles to support improved off-road maneuverability in Afghanistan.
 - Procurement funding for fiscal years 2009 and 2010 estimated at about \$6 billion depending on Explosively Formed Penetrator (EFP)/Rocket Propelled Grenade (RPG) protection kit requirement.
 - Quantities between 5,244 and 10,000 units; 3,944 units are under contract.
 - According to acquisition officials, the Marine Corps and Army are installing independent suspension systems on some OIF MRAPs for Operation Enduring Freedom (OEF) operations in Afghanistan. Marine Corps initiative may reduce the number of M-ATVs required for OEF operations.



3. Status of Selected Systems (cont.)

- Expanded Capability Vehicle
 - HMMWV variant with upgraded suspension, additional carrying capacity, and integrated armor package with the capability to accept add-on armor.
 - Over 45,000 ECVs procured since 1993; the Army plans to buy 21,209 ECVs from 2009 through 2010 for about \$3.2 billion.
 - Vehicles are being procured in support of Special Operations Forces Light Tactical Vehicle programs, and Army National Guard and Army Reserve units.
- Expanded Capability Vehicle 2
 - HMMWV variant which was developed to return the payload and performance that was lost by adding increased protection to earlier variants of the HMMWV;
 - The Army and Marine Corps have decided not to procure ECV2s in FY 2009, as originally planned.



3. Status of Selected Systems

- Joint Light Tactical Vehicle
 - A family of vehicles focuses on balancing personnel protection, payload, and performance; will provide defensive measures covering troops while in transport, increases payload capability, and improves the logistics footprint.
 - Quantities and total program cost could be substantial but will not be determined until Milestone B; three technology development contracts awarded in October 2008; Milestone C expected in FY 2013 and initial capability in FY 2016.
 - Technology development phase is scheduled to end in April 2011. According to Acquisition Decision Memorandum approving technology development phase, consideration will be given to (a) carrying multiple contractor teams through engineering and manufacturing development phase, and (b) the start of low-rate initial production for some or all variants.
 - December 2007 Defense Acquisition Executive guidance states that production of some or all JLTV variants should be considered toward the end of the Technology Development phase and during development of the acquisition strategy.



3. Status of Selected Systems (cont.)

- Joint Light Tactical Vehicle
 - Balancing protection, payload, and performance may require trade-offs among key performance parameters (KPP) or non-KPP attributes to achieve air transportability by rotary wing aircraft of a vehicle in combat configuration. Considerations include vehicle size, weight, power, and mission role. Potential trades could include operational limitations. The Marine Corps has expressed concerns regarding weight.
 - An Analysis of Alternatives (AOA) is required to support Milestone B and will be provided to Program Analysis and Evaluation 60 days in advance of Defense Acquisition Board review.
 - The AOA will compare the performance of JLTV alternatives against the light tactical vehicle fleet expected in FY 2013. These include HMMWV, UAH, MRAP, and possibly ECV2.



3. Status of Selected Systems (cont.)

- Armored Security Vehicle (ASV)
 - Used by the military police to perform area security and other missions; the ASV has been in the production phase for several years; through January 2009, 1,702 ASVs have been produced.
 - The Army plans to buy an additional 150 ASVs with a unit cost of \$721,000 in FY 2010 for the Military Police; ASVs will also be used for convoy protection for Combat Support and Combat Service Support units.



3. Status of Selected Systems (cont.)

- Family of Medium Tactical Vehicles (FMTV) provides up to five tons capacity for long-distance and local hauling, and unit resupply missions
 - In mid-summer 2008, the contractor began to fall behind in delivering trucks. Due to production issues and parts shortages, trucks were being manufactured but were incomplete and could not be delivered to the government. By May 2009, the contractor was late in delivering more than 2,100 trucks and, in June, slowed production of new trucks to focus on the incomplete trucks. As of July, about 2,000 trucks had not yet been delivered. The backlog is clearing and Defense Contract Management Agency officials expect the contractor to catch up with deliveries by the end of November.
 - Competition is under way for the next buy and three manufacturers—BAE, Navistar, and Oshkosh—submitted proposals in May 2009. The contract for an estimated 23,341 vehicles (trucks and trailers) is scheduled to be awarded in September.



3. Status of Selected Systems (cont.)

- Heavy Expanded Mobility Tactical Truck (HEMTT), one of a family of heavy tactical vehicles, provides for up to ten tons of long-distance and local hauling, unit resupply, and other transport missions
 - New trucks are still being produced with two option years remaining on the current contract. The Army has begun planning for the next buy.
 - Recapitalization program for older trucks began in 2001 to reduce operating and support costs and improve armor protection. Recap results in a truck that is equivalent to a new truck at about 80 percent of the average unit cost.



3. Status of Selected TWV Systems—Projected Procurement Funding for FY 2009-2010

(Dollars in millions)

System	Air Force	Army	Marine Corps	Navy	SOCOM	Total
MRAP	\$50	\$800	\$190	\$50	\$110	\$1,200
M-ATV	\$409	\$2,810	\$1,604	\$82	\$1,101	\$6,006
ECV	\$61	\$3,208	\$396	\$32	\$22	\$3,719
ECV2	\$0	\$0	\$0	\$0	\$0	\$0
JLTV	\$0	\$0	\$0	\$0	\$0	\$0
ASV	\$0	\$469	\$0	\$0	\$0	\$469
FMTV	\$49	\$2,638	\$0	\$0	\$0	\$2,687
HEMTT	\$0	\$1,965	\$0	\$0	\$0	\$1,965
Total	\$569	\$11,890	\$2,190	\$164	\$1233	\$16,046

Source: GAO analysis of DOD funding and program data.

Note: M-ATV amounts are MRAP Joint Program Office estimates of planned procurement amounts needed to meet current increased requirement of 5,244 vehicles, each equipped with EFP/RPG protection kits.



4. Knowledge-Based Acquisition Being Used Effectively

- DOD relies on proven commercial technologies for subsystems such as axles, drive trains, and transmissions.
- Protection subsystems such as opaque and transparent ballistic armor, situational awareness, and countermeasures are developed elsewhere and integrated onto vehicles.
- Rapid acquisition for M-ATV dictated that production representative prototypes be delivered within 3 days of contract award for testing.
 - This requires that technologies are mature, designs are stable, and production processes are mature.



4. Knowledge-Based Acquisition Being Used Effectively (cont.)

- JLTV development includes three competing prototypes to reduce technology risk before Milestone B and achieve a better balance between protection, payload, and performance.
 - Prototypes will undergo developmental testing and limited user assessments in a relevant environment at government facilities.
 - The demonstrators must achieve a minimum technology readiness level of 6 across all areas before milestone B.



5. Other Topics of Interest—Army Long-term Armor Strategy

- 2006 Army Strategy identified a two-phase Long-Term Armor Strategy, which consists of developing mission-specific A-cabs and B-kits for selected vehicles.
 - A-cabs with attachment points for armor
 - B-kit armor plates are added as the mission dictates
 - Phase I limited to FMTV, HEMTT, and HMMWV
 - Phase II will expand armor kits for Palletized Load System, Heavy Equipment Transporter System, M939 truck, and M915 semi-tractor truck
- JLTV will be designed so that new armor developments can be retrofitted without major retrofit cost.
- The Army will adopt a long-term protection strategy, which is a more holistic approach to survivability.



5. Other Topics of Interest—Fully Burdened Cost of Fuel

- In 2007, the Under Secretary of Defense (AT&L) established a policy to include the fully burdened cost of delivered energy in trade-off analyses conducted for all tactical systems with end items that create a demand for energy and to improve the energy efficiency of those systems, consistent with mission requirements and cost effectiveness. The policy was based on the results of several studies that concluded that
 - reducing energy demand provides operational forces more flexibility and makes them less dependent on the logistics infrastructure.
 - The DOD acquisition process undervalues technologies that can improve energy efficiency, and
 - applying the fully burdened cost of delivered energy—total ownership cost of buying, moving, and protecting fuel used in systems—should be considered in acquisition decisions over the life cycle of a system.
- JLTV is one of the pilot programs initiated to implement this policy. It is unclear at this point how this policy will affect JLTV requirements and designs.



Conclusions

- OMB saw value in requesting a combined TWV strategy briefing from the Army and Marine Corps
- A unified, comprehensive, long-term TWV strategy would be beneficial to DOD and the services as they
 - define the specific roles and capabilities of similar vehicles,
 - adapt their TWV capabilities to current and anticipated threats via the long-term armor (and protection) strategy,
 - address long-term TWV sustainability issues, and
 - determine how best to take advantage of MRAP's capabilities for the long term.
- The strategy should include balancing protection, payload, and performance needs with available resources, especially for LTVs.
- This should help to identify and minimize unplanned overlap or duplication.



Scope, Methodology, and Auditing Standards

- To determine whether DOD's investment strategy considered the timing, affordability, and sustainability of planned actions, we obtained the relevant strategies, reviewed them for these characteristics, and discussed the strategies with the military services.
- To determine whether there was potential for duplicative capabilities, we obtained requirements documents, compared the capabilities of the systems in question, and discussed the potential for systems to duplicate one another.
- To determine the cost, schedule, and performance of selected tactical armored vehicles, we obtained and reviewed program documents such as selected acquisition reports for systems that had them, program status briefings for those that did not, budget planning and execution documents for all systems, and results of developmental and operational tests for selected systems, and met with service program officials.
- We based our table on projected program funding on DOD data and program office projections.
- To assess DOD's knowledge-based approach to acquisition strategy, we obtained and reviewed system acquisition plans and discussed them with service program managers.
- *We conducted this performance audit from September 2008 to September 2009, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.*

Enclosure II



OFFICE OF THE UNDER SECRETARY OF DEFENSE
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WASHINGTON, DC 20301-3000

SEP 21 2009

Mr. Michael J. Sullivan
Director, Acquisition and Sourcing Management
U.S. Government Accountability Office
441 G Street, N.W.
Washington, DC 20548

Dear Mr. Sullivan:

This is the Department of Defense (DoD) response to the GAO draft report GAO-09-968R, "Defense Acquisitions: Department of Defense Needs a Unified Strategy for Balancing Investments in Tactical Wheeled Vehicles," dated August 21, 2009 (GAO Code 120840).

The DoD concurs with the recommendation. The rationale for the DoD's position is enclosed.

We appreciate the opportunity to comment on the draft report. My point of contact for this effort is Mr. Rob Maline, 703-693-9414, Robert.Maline@osd.mil.

Sincerely,

David G. Ahern
Director
Portfolio Systems Acquisition

Enclosure:
As stated

**GAO DRAFT REPORT - DATED AUGUST 21, 2009
GAO-09-968R (GAO CODE 120840)**

**"Defense Acquisitions: Department of Defense Needs a Unified Strategy
for Balancing Investments in Tactical Wheeled Vehicles"**

**DEPARTMENT OF DEFENSE COMMENTS
TO THE GAO RECOMMENDATION**

RECOMMENDATION 1: The GAO recommends that the Secretary of Defense develop a comprehensive and unified strategy and implementation plan for making sound investment decisions for tactical wheeled vehicles that:

- assess and prioritize the capabilities and requirements of similar vehicles needed in the near and long-term;
- estimate the funding, time, and technologies that will be required to acquire, improve, and sustain these systems;
- balance protection, payload, and performance needs with available resources, especially for Light Tactical Vehicles; and
- identify contingencies in case there are development problems, delays with key systems, or funding constraints.

DoD RESPONSE: Concur. A unified, comprehensive long term tactical wheeled vehicle (TWV) strategy would be beneficial to the Department of Defense. Upon completion of the ongoing TWV studies by the Army and Marine Corps, and the Analysis of Alternatives for Joint Light Tactical Vehicles, the DoD will unite these efforts into a comprehensive strategy that dovetails with the services' equipping strategies. We will endeavor to align requirements, resources and acquisition strategies into a unified plan for TWV investment decisions.

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