

Acquisition Reform

Efforts to Streamline DOD's Management and Oversight of Weapon Acquisition Programs

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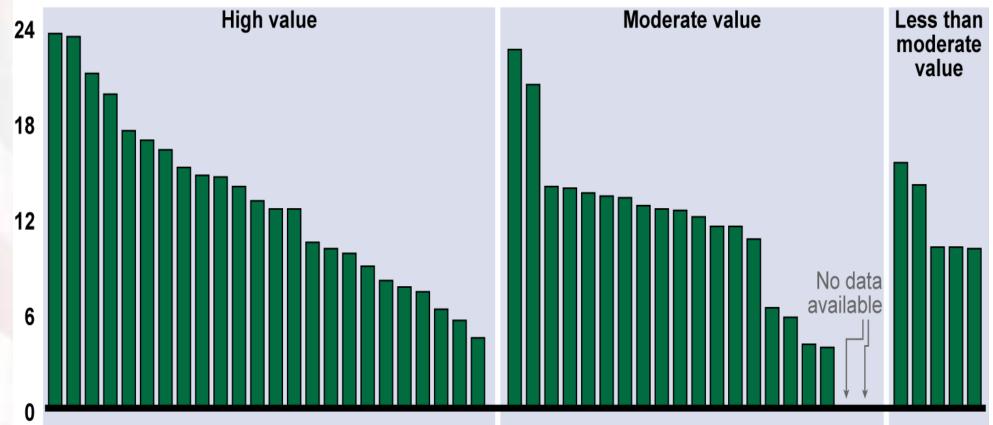
Acquisition Reform Legislation GAO Reviewed

- Designating military departments to be milestone decision authority (Section 825 of Fiscal Year 2016 NDAA)
- Establishing a middle-tier of acquisitions (Section 804 of Fiscal Year 2016 NDAA)
- Reorganizing the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics (Sections 901(a) and (b) of Fiscal Year 2017 NDAA)



Background: Average Length of Time to Complete Acquisition Documentation for a Milestone Review





Source: GAO analysis of DOD data. | GAO-15-192



Background: Levels of Review for Milestone Documentation



Source: GAO presentation of DOD data. | GAO-15-192



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Background: Organizations that Reviewed Air Force Acquisition Strategy

Organizations Typically Involved in the Review Process for an Air Force Acquisition

Strategy

30 OSD organizations

Office of the Secretary of Defense (OSD) Level

- · Assistant Secretary of Defense (Research & Engineering)
 - Deputy Assistant Secretary of Defense, Strategic & Tactical Systems
 - · Deputy Assistant Secretary of Defense, Space & Intelligence
 - · Deputy Assistant Secretary of Defense, Communication, Command, and Control Cyber
 - · Director, National Geospatial-Intelligence Agency
 - · Deputy Director, Cost Assessment
 - · Director, Defense Pricing
 - Director, Systems Engineering
 - · Director, Developmental Test & Evaluation
 - · Deputy Assistant Secretary of Defense, Manufacturing & Industrial Base Policy
- · Principal Deputy Under Secretary of Defense (Acquisition, Technology, & Logistics) · Director, International Cooperation
 - . Director, Performance Assessment and Root Cause Analysis
 - · Assistant Secretary of Defense (Legislative Affairs)
 - · Director, Defense Procurement and Acquisition Policy
 - · Assistant Secretary of Defense (Operational Energy Plans and Programs)

Service Acquisition Executive (SAE) Office Level

- Assistant Secretary of the Air Force for Acquisition (Service Acquisition Executive)
- · Assistant Secretary of the Air Force Installations & Environment

Assistant Secretary of Defense (Logistics & Material Readiness)

Deputy Under Secretary of Defense (Installations and Environment)

- · Air Force Logistics, Installations, & Mission Support
- Air Force Operations, Plans, & Requirements
- · Air Force Intelligence, Surveillance, & Reconnaissance
- · Air Force Financial Management & Comptroller
- Air Force Test & Evaluation

Defense Acquisition Executive

· Chief Information Officer

· Vice Chairman of the Joint Chiefs of Staff

Under Secretary of Defense (Comptroller)

· Under Secretary of Defense (Intelligence)

Director, Acquisition Resources & Analysis

· Assistant Secretary of Defense (Acquisition)

· Director, Operational Test & Evaluation

· Under Secretary of Defense (Personnel & Readiness)

. Director, Cost Assessment and Program Evaluation

Deputy General Counsel (Acquisition & Logistics)

· Under Secretary of Defense (Policy)

- · Assistant Secretary of the Air Force Small Business Programs
- · Assistant Secretary of the Air Force Chief Information Officer
- · Assistant Secretary of the Air Force Test & Evaluation (Policy and Programs)
- Air Force Operations, Plans, & Requirements (Operational Capability Requirements)
 Assistant Secretary of the Air Force Directorate of Contracting
- Air Force Logistics, Installations & Mission Support (Logistics)

- · Assistant Secretary of the Air Force Installations & Environment (Logistics)
- · Air Force Intelligence, Surveillance, & Reconnaissance (Strategy, Plans, Doctrine & Force Development)
- · Assistant Secretary of the Air Force Chief Information Officer (Policy & Resources)
- · Assistant Secretary of the Air Force Deputy General Counsel for Acquisition
- · Air Force Financial Management and Comptroller Deputy Assistant Secretary (Cost and Economics)
- Air Force Financial Management and Comptroller Deputy Assistant Secretary (Budget)
- · Assistant Secretary of the Air Force Directorate of Science, Technology & Engineering
- · Assistant Secretary of the Air Force Directorate Management Policy & Program Integration
- Air Force Acquisition Capability Directorate



22 Service-level

organizations

Program Executive Office

- Program Executive Officer
- Deputy Program Executive Officer

- · Functional Staff: contracting, logistics, finance, and engineering
- · Program Executive Officer Execution Group

Source: GAO presentation of DOD data. | GAO-15-192



Delegation of Milestone Decision Authority

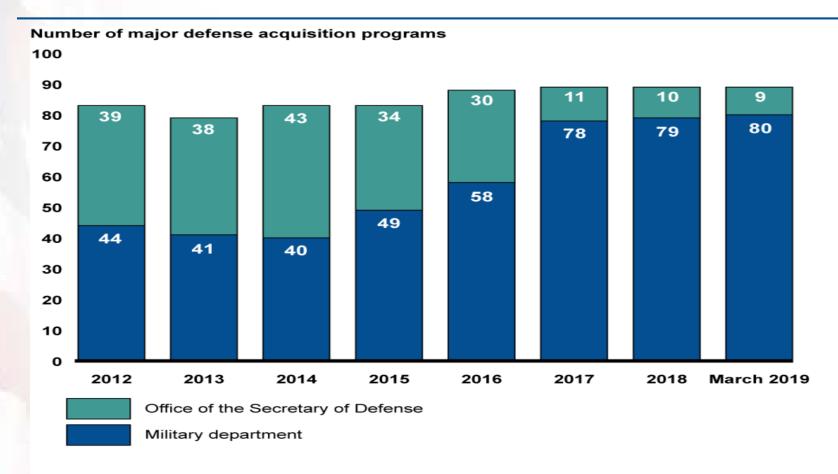
 Fiscal Year 2016 National Defense Authorization Act required that the <u>service acquisition executive</u> be designated as the <u>milestone decision authority</u> for major defense acquisition programs initiated <u>after October 1, 2016</u>

unless

the <u>Secretary of Defense designates an alternate milestone</u> decision authority under certain circumstance outlined in statute, such as being critical to a major interagency effort.



Milestone Decision Authority for Major Defense Acquisition Programs from 2012 to 2019



Note: Data for 2012 to 2017 were obtained from Selected Acquisition Reports from December of each year. Current data and data for 2018 were obtained from the Department of Defense's Defense Acquisition Visibility Environment System.



Programs With the Office of the Secretary of Defense as the Milestone Decision Authority

- Army Integrated Air and Missile Defense
- B-2 Defensive Management System Modernization
- Ballistic Missile Defense System
- Chemical Demilitarization Assembled Chemical Weapons Alternatives
- F-35 Lightening II Joint Strike Fighter
- National Security Space Launch
- Next Generation Operational Control System
- SSBN 826 Columbia Class Submarine
- VC-25B Presidential Aircraft Recapitalization



Middle Tier Acquisition Authority

- Section 804 of the Fiscal Year 2016 National Defense Authorization Act required DOD to establish guidance for a streamlined middle tier of acquisitions for rapid prototyping and rapid fielding programs that are intended to be completed within 2 to 5 years.
- Programs using this authority are generally to be exempt from DOD's traditional acquisition and requirements development policies.



Military Department's Use of Middle Tier Acquisition Authority for Unclassified Programs

	Rapid Prototyping Programs Initiated	Rapid Fielding Programs Initiated	Total Initiated
Air Force	15	4	19
Army	8	0	8
Navy	3	0	3
TOTAL	26	4	30



Reorganization of Office of the Secretary of Defense

- Section 901 of the Fiscal Year 2017 National Defense Authorization Act directed DOD to restructure the Under Secretary of Defense for Acquisition, Technology, and Logistics by dividing the position into two positions effective February 1, 2018.
 - The Under Secretary of Defense for Research and Engineering
 - The Under Secretary of Defense for Acquisition and Sustainment



Reorganization of Office of the Secretary of Defense

- New organizational structure has been established
- Offices are still being staffed
- Roles and responsibilities are still being defined
- Disagreements about oversight exist between the military departments and the new Undersecretary offices



Questions Remain About the Overall Reform Effort

- What documentation will be required for middle-tier acquisition programs?
- What metrics will be used to gauge the success of middle tier acquisition programs?
- How will disagreements between the military departments and the new Undersecretary offices be resolved?
- How will DOD determine whether the reform efforts have resulted in more streamlined processes with the same or better acquisition program outcomes?

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