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March 1995

# Systems Development and Production Issue Area Plan

## Fiscal Years 1995-97





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# Foreword

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The Systems Development and Production issue area is one of 35 issue areas for which GAO periodically develops multiyear strategic plans. Relying heavily on input from congressional committees, as well as industry, academia, and agency officials and other experts, GAO develops issue area plans to ensure that our resources are focused on the most important concerns of the Congress.

For each issue area, GAO's strategic plan describes the significance of the issues, our objectives, and the focus of our work. GAO's goal is to serve as a source of timely, accurate information and unbiased analysis for decisionmakers in the Congress and executive agencies. Our work results in such products as reports, briefings, and testimonies.

The Systems Development and Production issue area reviews programs of the Department of Defense (DOD), the individual military services, and other supporting defense agencies. Its work focuses on (1) the justification for new systems, (2) development and acquisition (or major modification) of military weapon systems, and (3) DOD's budgeting for its procurement and research, development, test and evaluation (RDT&E) accounts. The principal issues we cover are

- the adequacy of the justifications for systems selected for development or modification;
- the efficient, effective, and economical acquisition of systems; and
- assurance that funds budgeted for procurement and for research, development, test, and evaluation can be and should be spent as indicated.

In the pages that follow, we describe our key planned work on these issues.

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**Foreword**

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Because events may significantly affect even the best of plans, our planning process allows for updating the plan and responding quickly to emerging issues. If you have any questions or suggestions about this plan, please call me at (202) 512-4841.

A handwritten signature in black ink that reads "Louis J. Rodrigues". The signature is written in a cursive style with large, flowing letters.

Louis J. Rodrigues  
Director  
Systems Development and Production Issues

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# Contents

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Foreword	1
Table I: Key Issues	4
Table II: Planned Major Work	6
Table III: GAO Contacts	7

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# Table I: Key Issues

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Issue	Significance
<b>Weapon systems justification:</b> Is DOD selecting for development only those systems and modifications that are adequately justified?	Many of the military systems that are in the planning stage or under development were designed to counter a Soviet threat that no longer exists.
<p>The notion of an all-out confrontation in Europe has given way to concerns over regional instabilities. DOD is developing new concepts and strategies. Justifications for weapon systems must be revisited to determine whether the systems will support new strategies.</p>	
<b>Weapon systems acquisition process:</b> Is DOD ensuring that systems are being acquired in an efficient, effective, and economical manner?	Despite the many attempts at acquisition reform, significant problems continue to occur. Major commitments to systems are still made before
<p>adequate testing ensures that the system will meet critical performance requirements. Costs for systems continue to escalate. Schedules for the delivery of systems continue to slip.</p>	
<b>Budget analysis:</b> Do procurement and RDT&E budgets reflect current needs and should prior-year funds be rescinded?	Approximately \$75 billion is requested each year for acquiring military systems and support items. Analyzing planned

budgetary expenditures enables identification of those that are unnecessary and those that can be delayed.

**Table I: Key Issues**

**Objectives**

- Determine whether the justifications for new and modified systems are reasonable and support the national military strategy.
- Determine whether DOD and the services have adequately considered meeting stated requirements through alternative uses of or modifications to current systems.
- Assess whether estimates of the current and future costs of planned systems are reasonable, have considered all cost factors, and have been appropriately reported.

- Determine whether DOD and the services have selected the lowest risk and least costly acquisition strategies consistent with the need for the planned system or modification.
- Determine whether selected acquisition strategies commit the government to production before sufficient testing is accomplished.
- Ensure that key acquisition milestone decisions are timely and adequately supported.
- Identify whether technical problems identified in testing affect system capability and costs.
- Ensure that the services coordinate the development of interrelated systems in a manner that provides for ease of integration.
- Identify and report internal control weaknesses on individual systems that result in fraudulent, wasteful, or abusive practices.

- Identify items in current budget requests that should be considered for denial or reduction.
- Identify prior-year appropriations that could be rescinded.

**Focus of Work**

—Reviews of the justifications and acquisition plans for selected systems—for example, B-1B modifications, F-22, F/A-18 E/F, JAST, Army helicopters (Comanche and Apache Longbow), space systems, and Multiple Theater Missile Defense Systems.

—Reviews of cost, schedule, and performance of selected major system acquisitions and modifications—for example, B-2, C-17, F-22, space systems, precision-guided munitions, Tomahawk, Navy Lower Tier, various C4I systems, unmanned aerial vehicle programs, torpedoes, Armored Gun System, advanced infrared countermeasures programs, and battlefield digitization.

—Reviews of the procurement and RDT&E budget accounts for aircraft, C4I, ships, ground and space systems, missiles, munitions, and ballistic missile defense.

# Table II: Planned Major Work

Issue	Planned Major Job Starts
<b>Weapon system justification</b> F-22 <sup>a</sup>	—B-1B conventional mission upgrade program
—A helicopter	—Planned procurement of Army's new light utility Chinook (CH-47D) helicopter
—Army's water anti-submarine for the Army's tactical control vehicle program	—Shallow water warfare <sup>a</sup>
—Acquisition (e.g., anti-radiation missile defense systems)	—Mine protection vehicles
	—Army's command and control program
	—Line-of-sight anti-tank plans for selected U.S. missiles and Tomahawk)
	—Sea-based ballistic missile
	—Multiple theater missile defense
<b>Weapon system acquisition process</b> training system for the new attack program	—C-17 production improvements/affordability <sup>a</sup>
—Unmanned programs	—B-2 acquisition cost
—Army MI air-to-air missile improvement plans	—Acquisition of joint primary aircraft by the Air Force and Navy
	—Combat systems submarine
	—Army's armored gun system aerial vehicle
	—AWACS improvement LSTAR terminals
	—Advanced medium range
	—Air Force, Navy, and Army or precision-guided munitions
<b>Budget analysis</b> budget requests for programs <sup>a</sup>	—DOD's fiscal year 1996 RDT&E and procurement weapon systems and intelligence

<sup>a</sup>Ongoing assignment

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# Table III: GAO Contacts

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