

GAO

Fact Sheet for the Chairman,
Subcommittee on Defense, Committee on
Appropriations, House of Representatives

May 1989

ADP BUDGET

Department of the Army's Information Technology Systems Obligations



**Information Management and
Technology Division**

B-231233

May 18, 1989

The Honorable John P. Murtha
Chairman, Subcommittee on Defense
Committee on Appropriations
House of Representatives

Dear Mr. Chairman:

On October 19, 1988, your predecessor asked us to review the Department of Defense fiscal year 1990 budget request for automated data processing resources to assist the Subcommittee in its budget deliberations. As part of this request, we agreed on January 11, 1989, to provide your office with budget information from four Defense Reports on Obligations for Information Technology Systems. This report provides Department of the Army budget information.

Our information comes from the Army's reports for fiscal years 1987, 1988/1989, amended 1988/1989, and 1990/1991. They are required by Office of Management and Budget Circular A-11, Preparation and Submission of Budget Estimates. As specified in the circular, they show the Army's obligations for information technology activities by fiscal year distributed among categories such as capital investment,¹ personnel, rental and other, and commercial services. The obligation reports also distribute obligations among appropriation accounts—such as Other Procurement, Army; Operation and Maintenance, Army; and Research, Development, Test, and Evaluation, Army.

Appendixes I-III depict Army information technology obligations over 5 years, fiscal years 1986-1990. Appendix I shows total information technology obligations, which have fluctuated since fiscal year 1986. Appendix II, which shows these obligations distributed by appropriation account, indicates that most obligations are from the Operation and Maintenance, Army account. The first figure in appendix III shows that commercial services obligations have increased. To distinguish equipment lease obligations from the total rental and other category, figure III.2 contains a detailed breakout of obligations for equipment leases, space leases, and supplies. This figure shows that equipment lease obligations have decreased. Appendix III also shows capital investment obligations and Other Procurement, Army obligations to indicate potential procurement funding for capital investment purchases.

¹Capital investment includes obligations for computer equipment, software, and site preparation.

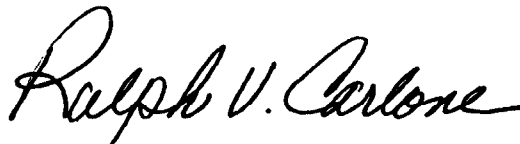
We compared original obligation estimates and actual obligations for fiscal years 1987 and 1988 only. These comparisons are shown in appendixes IV and V, respectively. Actual obligations exceeded the original estimated obligations for both fiscal year 1987 and fiscal year 1988. Finally, appendix VI shows the actual data extracted for this report.

Our work was conducted in February and March 1989. We discussed the contents of this fact sheet with an Office of the Secretary of Defense representative and incorporated his views where appropriate.

We are providing copies of this report to the Chairmen, House and Senate Committees on Appropriations; the Chairmen, House and Senate Committees on Armed Services; the Chairman, House Committee on Government Operations; and the Chairman, Senate Committee on Governmental Affairs. We are also providing copies to the Secretary of Defense; the Secretary of the Army; and the Director, Office of Management and Budget. We will make copies available to other interested parties upon request.

This report was prepared under the direction of William S. Franklin, Associate Director. Other major contributors are listed in appendix VII.

Sincerely yours,



Ralph V. Carlone
Assistant Comptroller General

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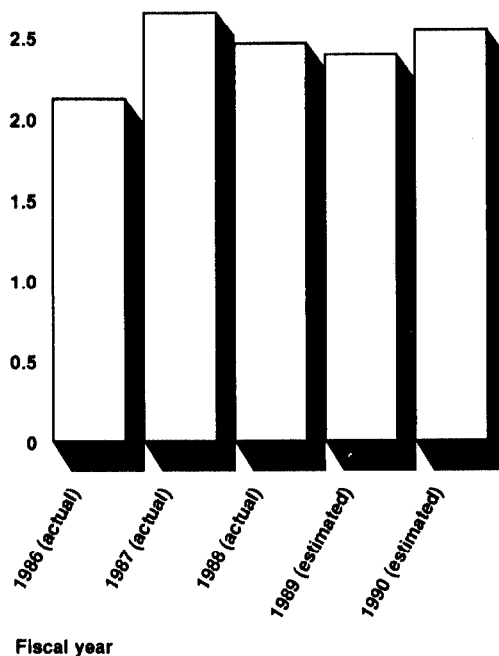
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Abbreviations

GAO General Accounting Office
IMTEC Information Management and Technology Division

Information Technology Obligations by Fiscal Year

3.0 Total Obligations (Dollars in Billions)



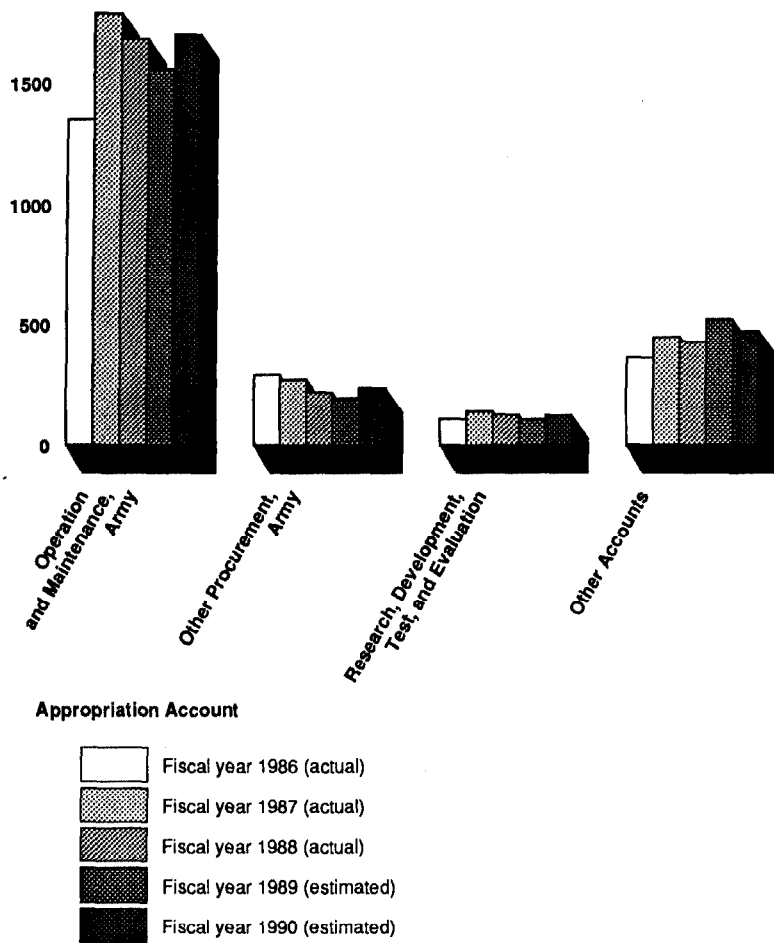
Obligations shown in this and subsequent appendixes are from the following information technology systems obligations reports:

- Fiscal year 1986 actual obligations are from the fiscal year 1988/1989 report.
- Fiscal year 1987 actual obligations are from the amended fiscal year 1988/1989 report.
- Fiscal year 1988 actual obligations, and fiscal year 1989 and 1990 estimated obligations are from the fiscal year 1990/1991 report.

Information Technology Obligations by Appropriation Account

Figure II.1: Information Technology Obligations by Appropriation Account

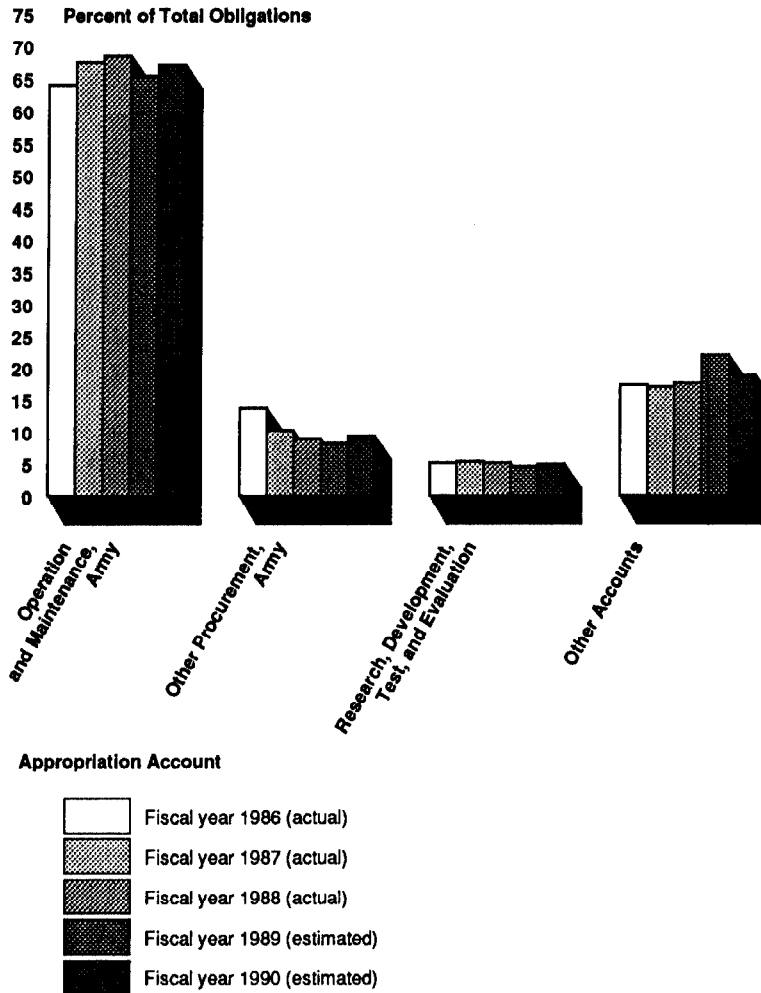
2000 Total Obligations (Dollars in Millions)



Other accounts include Army Industrial Fund; Military Personnel, Army; Military Construction, Army; Operation and Maintenance, Army Reserves; and Operation and Maintenance, Army National Guard.

**Appendix II
Information Technology Obligations by
Appropriation Account**

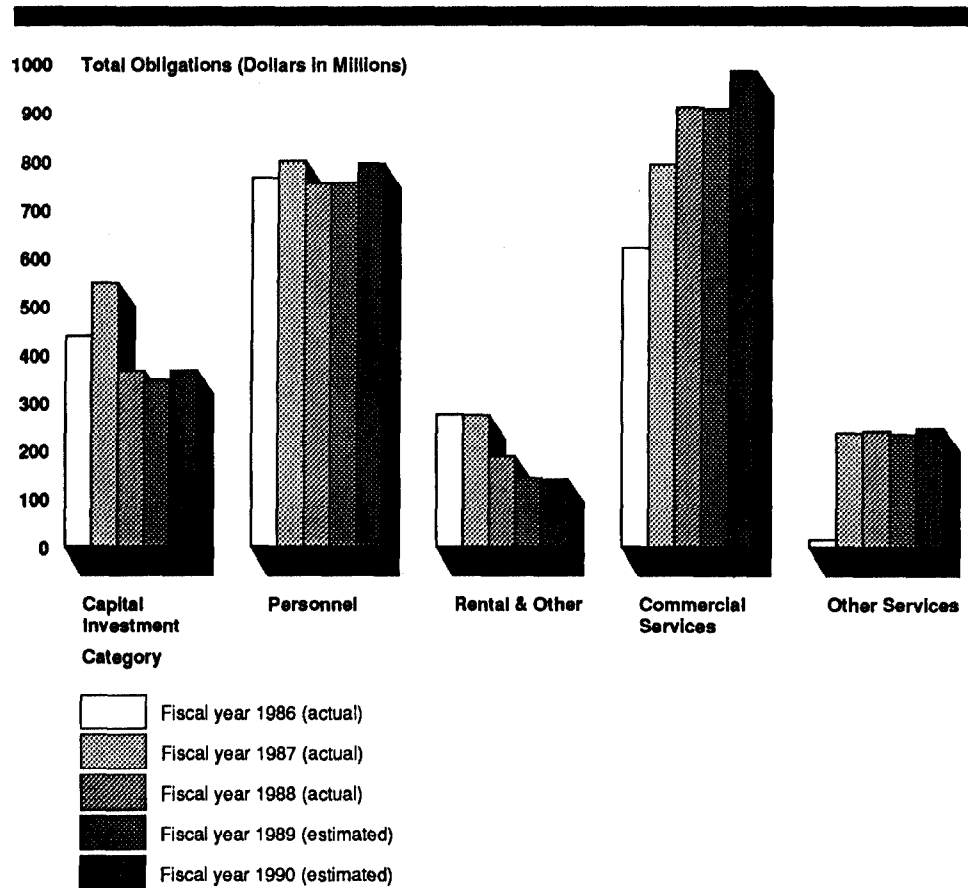
Figure II.2: Percentage of Information Technology Obligations by Appropriation Account



Other accounts include Army Industrial Fund; Military Personnel, Army; Military Construction, Army; Operation and Maintenance, Army Reserves; and Operation and Maintenance, Army National Guard.

Information Technology Obligations by Category

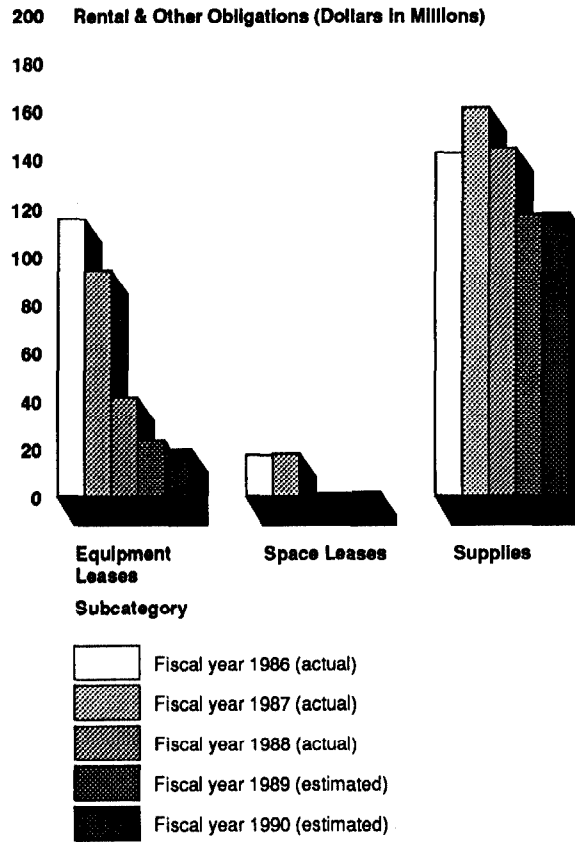
Figure III.1: Information Technology Obligations by Category



Other services include obligations related to payments and collections for information technology services within and between agencies, and between an agency and an entity outside the executive branch.

**Appendix III
Information Technology Obligations
by Category**

**Figure III.2: Information Technology
Rental and Other Obligations by
Subcategory**



**Appendix III
Information Technology Obligations
by Category**

Figure III.3: Information Technology Obligations for Capital Investments and for Other Procurement, Army

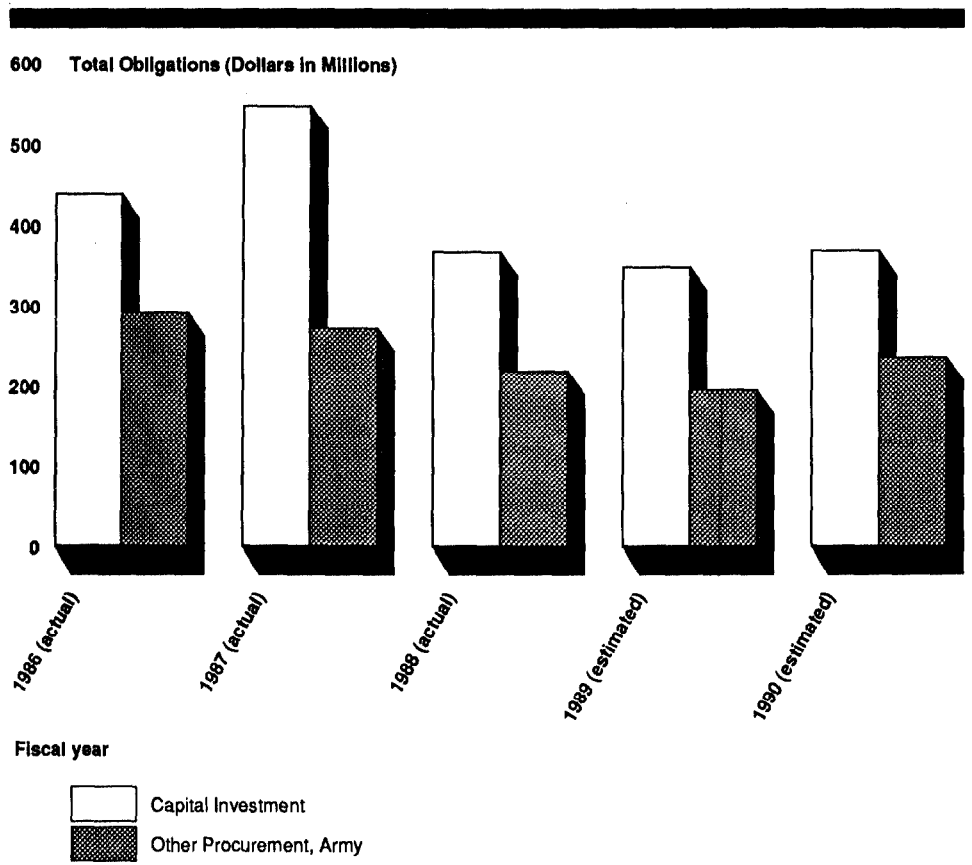
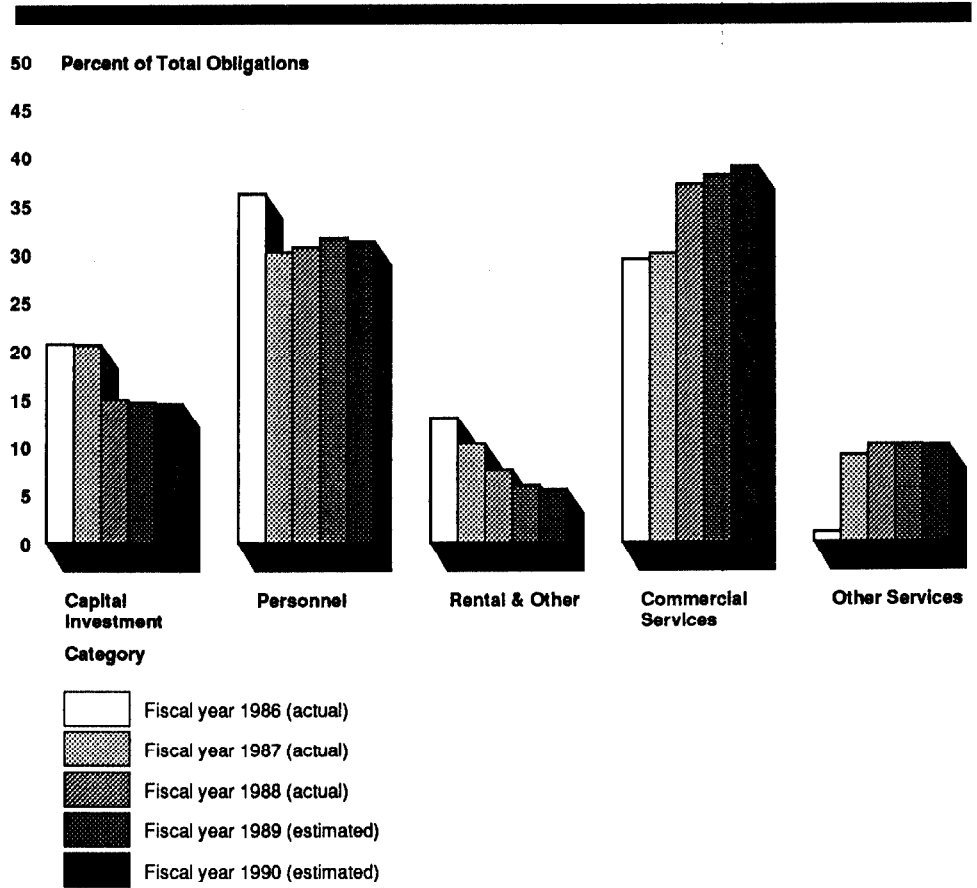


Figure III.4: Percentage of Information Technology Obligations by Category

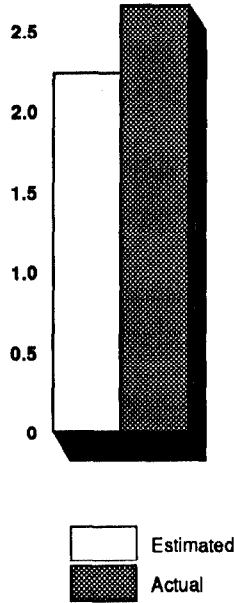


Other services include obligations related to payments and collections for information technology services within and between agencies, and between an agency and an entity outside the executive branch.

Fiscal Year 1987 Obligations

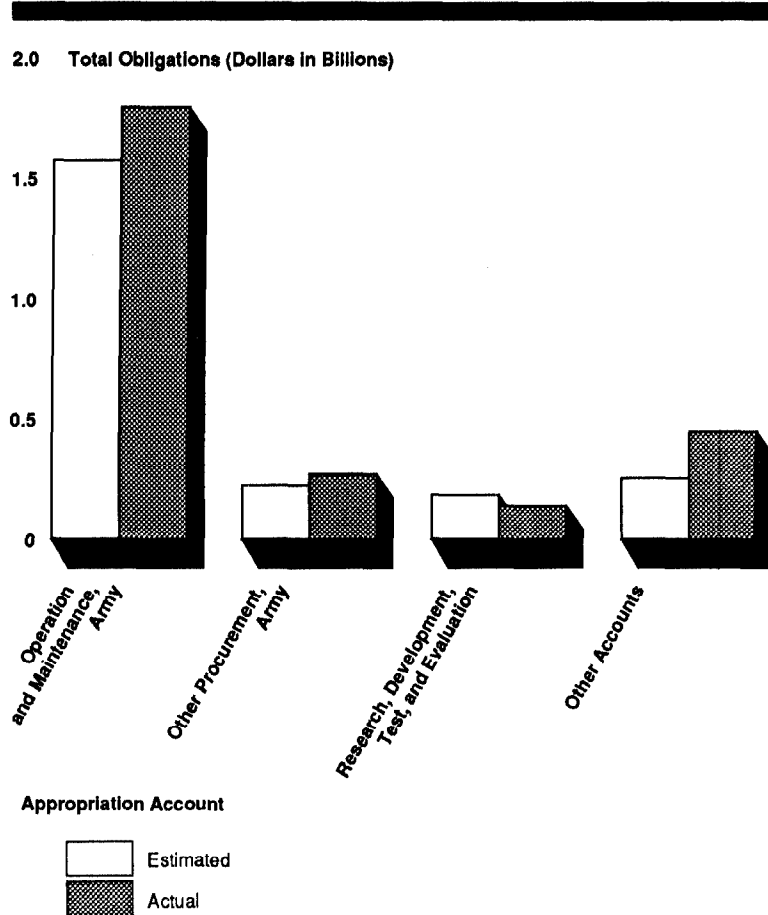
Figure IV.1: Estimated Versus Actual Information Technology Obligations for Fiscal Year 1987

Total Obligations (Dollars in Billions)



Estimated fiscal year 1987 obligations are from the fiscal year 1987 report on information technology obligations. Actual fiscal year 1987 obligations are from the amended fiscal year 1988/1989 report on information technology obligations.

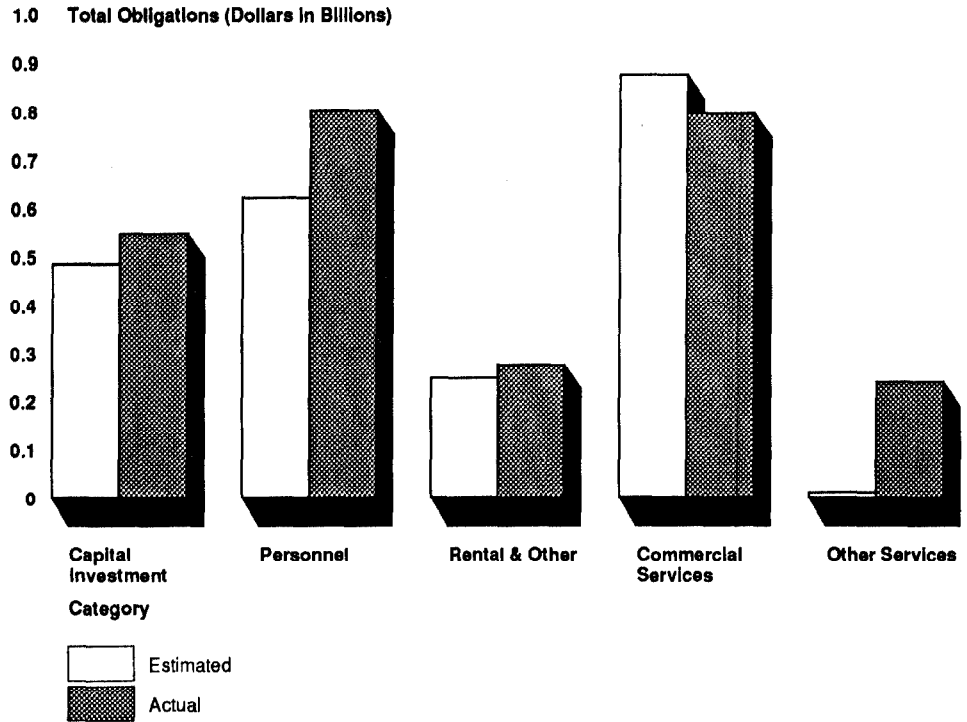
Figure IV.2: Estimated Versus Actual Information Technology Obligations for Fiscal Year 1987 by Appropriation Account



Estimated fiscal year 1987 obligations are from the fiscal year 1987 report on information technology obligations. Actual fiscal year 1987 obligations are from the amended fiscal year 1988/1989 report on information technology obligations.

Other accounts include Army Industrial Fund; Military Personnel, Army; Military Construction, Army; Operation and Maintenance, Army Reserves; and Operation and Maintenance, Army National Guard.

Figure IV.3: Estimated Versus Actual Information Technology Obligations for Fiscal Year 1987 by Category



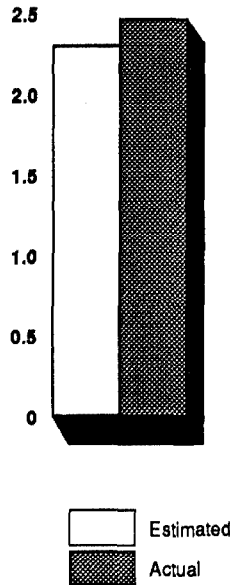
Estimated fiscal year 1987 obligations are from the fiscal year 1987 report on information technology obligations. Actual fiscal year 1987 obligations are from the amended fiscal year 1988/1989 report on information technology obligations.

Other services include obligations related to payments and collections for information technology services within and between agencies, and between an agency and an entity outside the executive branch.

Fiscal Year 1988 Obligations

Figure V.1: Estimated Versus Actual Information Technology Obligations for Fiscal Year 1988

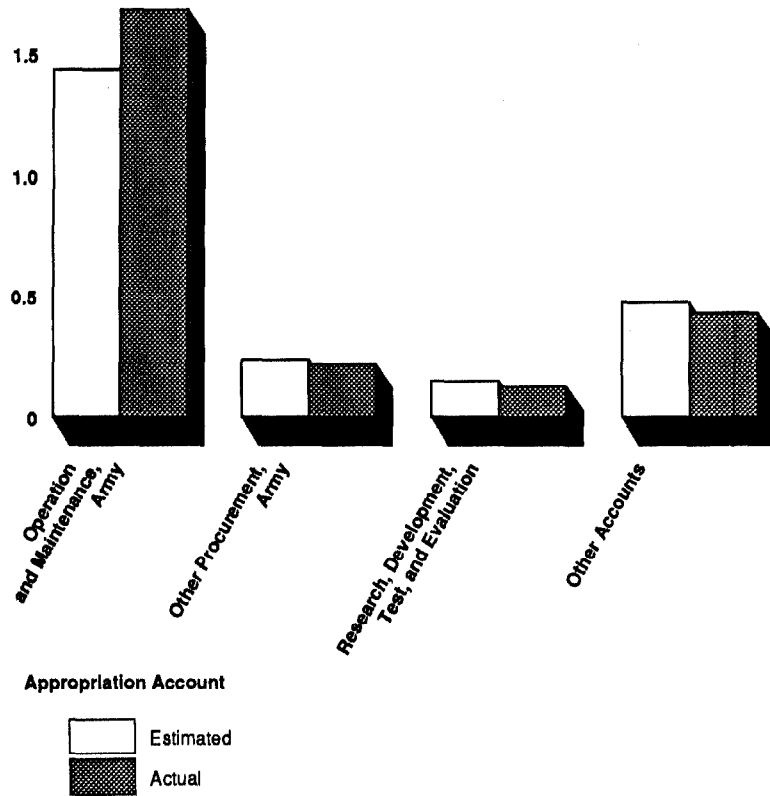
3.0 Total Obligations (Dollars in Billions)



Estimated fiscal year 1988 obligations are from the fiscal year 1988/1989 report on information technology obligations. Actual fiscal year 1988 obligations are from the fiscal year 1990/1991 report on information technology obligations.

Figure V.2: Estimated Versus Actual Information Technology Obligations for Fiscal Year 1988 by Appropriation Account

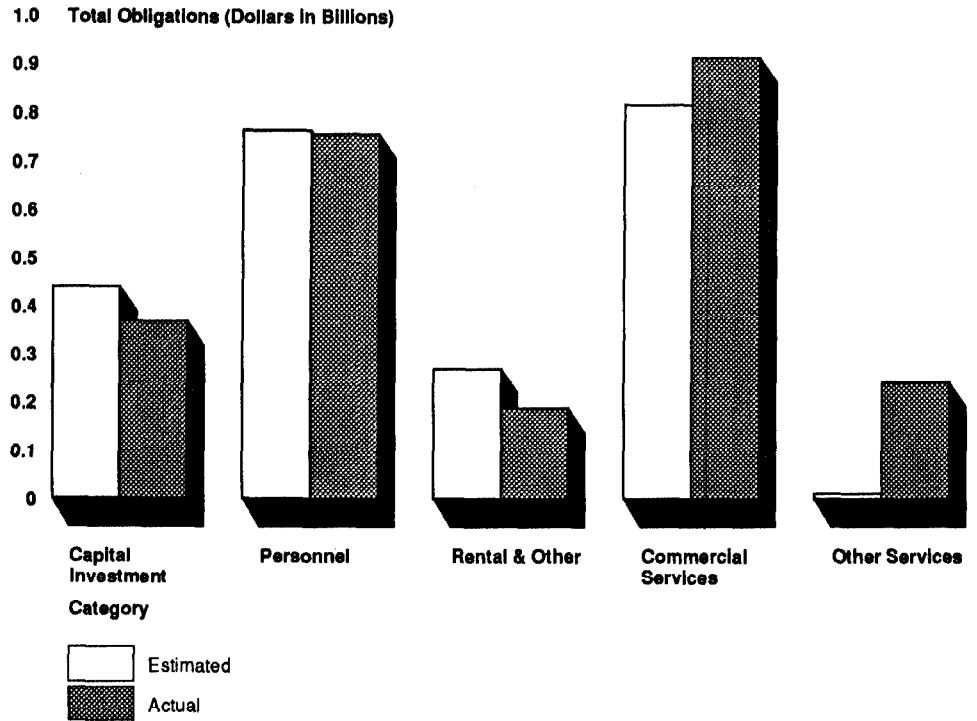
2.0 Total Obligations (Dollars in Billions)



Estimated fiscal year 1988 obligations are from the fiscal year 1988/1989 report on information technology obligations. Actual fiscal year 1988 obligations are from the fiscal year 1990/1991 report on information technology obligations.

Other accounts include Army Industrial Fund; Military Personnel, Army; Military Construction, Army; Operation and Maintenance, Army Reserves; and Operation and Maintenance, Army National Guard.

Figure V.3: Estimated Versus Actual Information Technology Obligations for Fiscal Year 1988 by Category



Estimated fiscal year 1988 obligations are from the fiscal year 1988/1989 report on information technology obligations. Actual fiscal year 1988 obligations are from the fiscal year 1990/1991 report on information technology obligations.

Other services include obligations related to payments and collections for information technology services within and between agencies, and between an agency and an entity outside the executive branch.

Information Technology Obligations

Dollars in Thousands

	Fiscal Year						
	1986 Actual	1987 Estimate	1987 Actual	1988 Estimate	1988 Actual	1989 Estimate	1990 Estimate
Capital Investment	438,103	483,994	547,699	438,918	365,775	347,718	367,237
Personnel	765,814	620,433	800,813	761,383	754,103	755,888	794,948
Rental and Other	275,388	246,290	273,468	268,432	186,906	142,255	139,822
Equipment Leases	115,537	83,671	94,174	58,763	41,390	23,433	19,983
Space Leases	17,353	11,195	18,110	22,185	1,228	1,222	1,852
Supplies	142,498	151,424	161,183	187,484	144,288	117,600	117,987
Commercial Services	622,053	873,555	795,423	814,784	911,457	908,031	986,120
Inter-Agency Services							
Payments	19,287	33,797	56,660	15,700	43,437	41,311	47,336
Collections	(3,177)	(8,496)	(4,099)	(3,965)	0	0	0
Difference	16,110	25,301	52,561	11,735	43,437	41,311	47,336
Intra-Army Services							
Payments	108,763	117,668	289,128	108,211	316,744	326,119	316,168
Collections	(108,763)	(117,668)	(105,740)	(108,211)	(118,389)	(132,267)	(114,247)
Difference	0	0	183,388	0	198,355	193,852	201,921
Other Services							
Payments	600	924	2,998	1,531	0	0	0
Collections	(1,417)	(15,241)	(1,471)	(1,466)	0	0	0
Difference	(817)	(14,317)	1,527	65	0	0	0
Total Obligations^a	2,116,651	2,235,256	2,654,879	2,295,317	2,460,033	2,389,055	2,537,384
Operation and Maintenance, Army	1,354,338	1,571,669	1,792,600	1,437,522	1,684,287	1,561,517	1,703,193
Other Procurement, Army	291,037	225,800	271,919	238,041	219,020	194,911	235,916
Research, Development, Test, and Evaluation, Army	108,260	184,313	140,530	147,387	126,310	107,921	123,705
Other Appropriation Accounts	363,016	253,474	449,830	472,367	430,416	524,706	474,570

^aColumns may not add due to rounding.

Major Contributors to This Report

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