

GAO

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# DOD ACQUISITION

## Case Study of the Navy Undergraduate Jet Flight Training System



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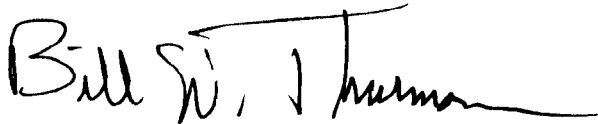


# Preface

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The Chairmen of the Senate Committee on Governmental Affairs and its Subcommittee on Oversight of Government Management asked GAO to examine the capabilities of the program manager and contracting officer in weapon systems acquisition. As part of this study, GAO examined 17 new major weapon system programs in their initial stages of development. These case studies document the history of the programs and are being made available for informational purposes.

This study of the Navy Undergraduate Jet Flight Training System focuses on the role of the program manager and contracting officer in developing the acquisition strategy. Conclusions and recommendations can be found in our overall report, DOD Acquisition Strengthening Capabilities of Key Personnel in Systems Acquisition (GAO/NSIAD-86-45, May 12, 1986).



*for* Frank C. Conahan, Director  
National Security and  
International Affairs Division

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# Undergraduate Jet Flight Training System

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## Origin of Program

Development of the Navy Undergraduate Jet Flight Training System (VTXTS) began in 1975 when the Navy identified the need to replace the aging T-2B/C intermediate and TA-4J advanced trainers by 1985. In 1975 the Air Development Center conducted a study that identified the critical training requirements and mission, and examined the feasibility of doing both the intermediate and advanced phases of jet pilot flight training using one advanced aircraft labeled VTX. According to program officials, from 1975 until 1978 the Naval Training Command assembled a comprehensive set of training objectives that were the basis for determining design requirements for the new training system. The naval operations sponsor and the Naval Air Systems Command group in charge of emerging new programs supervised the assembly of the training objectives and all concept formulation work.

Program procurement began in March 1978 when the Naval Air Development Center awarded technology base study contracts to the Douglas Aircraft Company, Northrop Corporation, Vought Corporation, and General Dynamics. These study contracts were basically for the development of new aircraft, but also allowed for the proposal of any aircraft designs the contractors believed would meet the needs of the undergraduate jet flight training program.

On November 24, 1978, a Chief of Naval Operations executive board memorandum reaffirmed the Jet Trainer requirement and recommended six alternatives for study. These alternatives were (1) extend the service life of T-2C/TA-4J aircraft, (2) modify retiring fleet aircraft, (3) reopen production lines for T-2C/TA-4J aircraft, (4) acquire new design training aircraft, (5) acquire existing modern training aircraft, and (6) a combination of all the above.

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## Formation of the Program Office

On December 18, 1978, the Jet Trainer was upgraded to project status (less than major) and chartered as APC-8 in the Research and Technology Group within the Naval Air Systems Command. A project coordinator of the Jet Trainer with responsibility for exploratory and developmental efforts was assigned to the project. The Naval Air project coordinator did not inherit any decisions concerning the program. According to his successor, the coordinator had a tactical air operational background and also had several tours of duty with the Naval Air Systems Command as a member of the research and engineering functional groups before his assignment as the Jet Trainer project coordinator. At this time, a contract specialist was assisting the project coordinator as a liaison, and performed the duties of the contracting officer although

advice on contractual procedures was provided to the project coordinator by higher ranking Naval Air Systems Command contracting officials

In January 1979, the Navy awarded two technology base study contracts to British Aerospace and Dassault Dornier to investigate the adaptability of current off-the-shelf European aircraft to meet the Navy's needs. These study contracts were in addition to the four studies awarded in March 1978.

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## Evolution of the Acquisition Strategy

On June 12, 1979, the Deputy Secretary of Defense approved the Jet Trainer Mission Element Need Statement. The project coordinator and contracting specialist reviewed the need statement to better understand the requirements of the program.

The contracting specialist who had been working on the program since June 1979 with the project coordinator received a warrant and was appointed as the contracting officer for the program. The contracting officer held a bachelor's degree in political science and had about 7 years contracting experience when appointed as the contracting officer

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## First Acquisition Strategy Approved

Acquisition strategy number P4C-01-0-90, was signed by the project coordinator and contracting officer on June 22, 1979, and by the Naval Air Systems Command Commander and Assistant Commander for Contracts on July 9, 1979. The Naval Materiel Command approved the strategy on August 30, 1979.

The acquisition strategy was for the procurement of alternative system exploration studies. The studies were to include a concept definition, a training analysis, and trade-off studies

Offerors were solicited to propose an entire system, including the aircraft, trainers/simulators, academics, and a training management system to coordinate the total system. Offerors were generally unconstrained with regard to the system concept they could propose and were allowed to propose anything they felt would satisfy the need. They could also submit either a new system, a modification of an existing system, or both. The Navy planned to award about five contracts for these initial studies, with no more than one contract to any one offeror. Another study output was to be a proposal for a validation phase.

According to the strategy, offerors were to be solicited on a competitive basis through a synopsis in the Commerce Business Daily. Selection of about five contractors to perform the studies was to be based on specific technical and cost evaluations which were based on the criteria set forth in the solicitation. Awards were to be made to those offerors which submitted the most favorable proposals as determined by the source selection authority and an evaluation board. Midway through the alternative system studies, the study contractors were to be given an information package that provided the details of the work statement and a more detailed breakdown of the evaluation criteria for the validation phase. At this time, a notice was to be placed in the Commerce Business Daily stating that other firms could also request this data package. After the Defense Systems Acquisition Review Council approval, the Navy planned to select three contractors to validate critical Jet Trainer subelements by either prototyping, experiments, or other detailed studies.

The project coordinator oversaw the development of the acquisition strategy and coordinated the involved functional groups in preparing the strategy. The contracting officer, although only a contracting specialist and not a warranted contracting officer at the time, also participated in development of the strategy. He worked with the project coordinator to develop the strategy and coordinated the flow of information from the different functional groups responsible for the development of specific sections of the strategy.

The acquisition strategy stated that procurement policy guidance as contained in the Office of Management and Budget Circular A-109 and Department of Defense (DOD) Directives 5000.1 and 5000.2, were the primary management and acquisition doctrine. In the opinion of an official who has been with the program longer than any of the current staff, the Jet Trainer program was selected as a model program for the implementation of guidance regarding how to build competition into a program. The official believes the original program manager tailored the program's acquisition strategy using A-109 principles, and whenever possible, the program has continued to apply these principles.

After Defense Systems Acquisition Review Council milestone I approval, the validation phase was to occur, followed by Defense Systems Acquisition Review Council milestone II approval and then the full-scale development phase. Proposals for the full-scale development phase were to be solicited by means of a request for quotations from those firms that participated in the validation phase. Other interested firms would also be

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able to request and receive a solicitation at that time. All proposals were to be evaluated based on the evaluation criteria set forth in the solicitation. According to the strategy, one contractor would be selected for the full-scale development phase and would also proceed, after Defense Systems Acquisition Review Council milestone III approval, into a production phase.

The solicitation for alternative system studies was also to state that the data provided in the studies was to be used for assessing the feasibility of a Jet Trainer system, and possibly for revising requirements. The data could also be used in ensuing contracts, solicitations, or other documents.

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## Source Selection Started

The Jet Trainer program followed a formal source selection procedure in which a source selection authority was designated, a source selection advisory council and source selection evaluation board were established, and a source selection plan was approved before issuance of the request for quotations for concept exploration.

The Commander, Naval Air Systems Command, was designated source selection authority. Members of the source selection advisory council and source selection evaluation board included representatives from several Naval Air Systems Command functional groups and legal counsel. The contracting officer was an advisor to the evaluation board and advisory council. According to the second program manager, the Naval Air project coordinator also provided input to the selection plan and acted as an advisor to the advisory council.

A source selection plan was developed under the supervision of the Naval Air Systems Command Evaluation Division. The project coordinator and contracting officer provided input to the source selection plan.

According to the second program manager, the project coordinator prepared the procurement request. The contracting officer prepared and released a concept exploration phase request for quotations on December 14, 1979.

Nine quotations were received by March 4, 1980, in response to the request for quotations for concept exploration and a total of six awards

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were made on August 19, 1980. The awards were made to Douglas Aircraft Company, Vought Corporation, General Dynamics, Northrop Corporation, Austin Company (Dassault Dornier), and British Aerospace (HAWK).

The source selection authority followed formal source selection procedures and awards were made after the offers were evaluated by the evaluation team in one of two categories: (1) a system concept with a new aircraft design or (2) a system concept with an existing or derivative aircraft.

In a memorandum dated March 18, 1980, the Deputy Under Secretary of Defense commented on the Jet Trainer acquisition strategy. The Under Secretary expressed concern about the adequacy of the planned level of funding for early contractual studies and said that underfunding of competitive efforts was an increasing criticism by private industry. The Under Secretary also stated that by not programming funds beyond fiscal year 1981, the Navy indicated a lack of commitment to execute the program. He felt that reopening the competition at each milestone was not a desirable approach, and the request for quotations should clearly state the government's intention to limit competition to those contractors responding to the initial solicitation. He also stated, that in his opinion,

"if the Navy did not feel that they wanted to make a strong commitment to the program and reprogram sufficient funds to adequately fund the program, the Navy should consider deferring or cancelling the program."

In a March 5, 1980, memorandum that dealt with the topic of underfunding and commitment, the Navy replied to an anonymous complaint that charged that the Navy was not allowing sufficient time or money for contractors to deliver products as required in the acquisition strategy. The Navy's position was that the time and funding were adequate.

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## Second Acquisition Strategy Approved

Acquisition strategy number P-41-28-0-00 was approved on September 2, 1980. This strategy was for the achievement in the pre-full-scale development phase of selected moderate to high risk elements of the proposed system concept and preliminary engineering effort in anticipation of the full-scale development phase. Each proposal for the pre-full-scale development phase was to be developed based on the contractor's efforts during the concept exploration phase, or the equivalent, and was



to relate to that contractor's design concept. Contractors were also required to develop and submit preliminary system/subsystem design specifications as part of the pre-full-scale development effort. The specifications were to be used by the Navy in planning the full-scale development solicitations

All firms selected to perform under the concept exploration contracts were solicited for pre-full-scale development proposals. To enhance the competitive nature of the Jet Trainer project, firms which did not participate in the concept exploration studies were also allowed to submit a pre-full-scale development proposal, provided the data submitted for evaluation supported a determination that the system offered had been defined and optimized to a level equivalent to that required for satisfactory performance under the concept exploration contract.

Contracts for the pre-full-scale development phase were to be awarded to the firms that submitted the most favorable proposals as determined by the source selection authority. In addition to the direct pre-full-scale development effort, the strategy also called for preparing preliminary system/subsystem performance/design specifications and performance of preliminary engineering tasks related to the transition to full-scale development.

In September 1980, the contracting officer was reassigned to another program in accordance with the Naval Air Systems Command's work rotation policy, and was replaced by the second contracting officer. This contracting officer held a bachelor's degree in business administration and had about 17 years experience

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#### Program Charter Approved

The Commander, Naval Air Systems Command, approved the program charter for the Jet Trainer on November 13, 1980, and established the Jet Trainer as a designated major program. The Commander also expanded the program's scope from concept exploration to a full program. The project coordinator's title was changed to program manager.

According to the second program manager, the Navy held a prebidders conference in January 1981 to explain the Jet Trainer program and answer questions from potential bidders on the pre-full-scale development effort. During the conference, the program manager answered questions; the contracting officer said that she did not have a role in the conference.

Receipt of the concept exploration studies was completed by March 2, 1981. On March 6, 1981, a request for proposal was released for pre-full-scale development proposals. The request for proposal was prepared by the Naval Air Systems Command Evaluation Division. The contracting officer's role in preparing this request for proposal was that of an advisor/consultant to ensure that contractual matters were legal and enforceable. Even though the previously approved acquisition strategies for the Jet Trainer had contemplated continuing the competition through full-scale development contract award, the pre-full-scale development solicitation specifically reserved the Navy's right to award a single contract.

On June 11, 1981, a change to the acquisition strategy was submitted to the Chief of Naval Materiel. The change involved the objectives of the pre-full-scale development phase and a change from a cost-plus-fixed-fee contract to a cost-plus-incentive-fee contract, as well as updates of other items in the acquisition strategy.

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### Departure From the Acquisition Strategy

Six proposals were received from the pre-full-scale development solicitation. Source selection evaluation board members evaluated these proposals on the basis of technical merit, life-cycle cost, and the quality of the pre-full-scale development effort and its associated cost. Based on this evaluation, Douglas Aircraft Company's proposal, which was based on a derivative of the British Aerospace HAWK aircraft, was judged to be superior overall for the factors considered. The technical risk and cost associated with Douglas' HAWK-based approach were judged to be too low to reasonably expect other competitors to overcome, and the projected life-cycle cost of the HAWK was also judged to be the lowest. Based on the evaluated superiority of the HAWK concept, on November 19, 1981, the Navy awarded a single pre-full-scale development contract to the team of Douglas Aircraft Company as the prime contractor and British Aerospace as the subcontractor for sustaining engineering for the new training system.

The second program manager said that during the evaluation of the proposals, the program manager's role was to provide advice to the different functional groups involved. The contracting officer acted as both team leader for contractual matters and as a member of the functional group in charge of cost evaluations. The contracting officer's specific duty was to evaluate the cost of the immediate contract. The evaluation

of the total life-cycle costs was done by the Cost Analysis Division. However, all communications between the Navy and the offerors were channeled through the contracting officer.

The official reason for terminating the development of two concepts for the Jet Trainer was the evaluated superiority of the HAWK-based proposal. A review of the benefits to be derived from the continued development of two concepts was also performed. According to the deputy program manager, the selection authority decided to award a single pre-full-scale development contract after receiving the recommendations of the advisory council; the advisory council had been briefed by the evaluation board chairman, who had received recommendations from the leaders of the evaluation teams composed of technical experts from Naval Air Systems Command functional groups.

Budgetary constraints also played a role in terminating the plan for two competitive contractors to full-scale development. One program official believes that, given funding constraints, two pre-full-scale development contracts would not have been affordable and this was a key factor in the decision to only award one pre-full-scale development contract. Moreover, in a briefing after contract award, officials from one unsuccessful company were told that competition had been terminated as a result of funding constraints brought about by government budgetary action.

The second contracting officer believed that terminating the competition early was proper because continuance of competition would have been "competition just for the sake of competition," and completely agreed with the Navy's decision to terminate system level competition at this time. Technically, the top two proposals were rated equally, but the contractor selected as the winner had the lowest total life-cycle cost.

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## Contractor Comments

Grumman Aerospace said the goals and objectives established by the Navy project team were clear and concise. The mission requirements and training needs were well defined and considered achievable. Grumman considered the early planning as achievable. To Grumman, it was clear that the Navy intended to maintain competition up to the award of the full-scale development contract.

North American Aircraft felt that there was an allowance for a great deal of competition among new and modified aircraft designs. However, during the second phase, modified designs were required to compete on

the same basis as new designs, which reduced the potential benefits of the modified system's earlier initial operating capability and lower cost. North American believed the selection of a contractor for full-scale development and production before obtaining firm prices for those phases would not seem to place the government in the best negotiating position.

### Program Changes and Funding Cuts

According to the source selection authority, the Navy had requested \$28 million in fiscal year 1983 funds to conduct a Jet Trainer competition, but the funds were reduced to \$10 million by the office of the Chief of Naval Operations when the Navy's budget was cut. The program manager estimated that the cost of any additional competition would be \$30.5 million through fiscal year 1983, and this cost would not be affordable without a congressionally approved reprogramming action. The significance of the shortage of funds was that there was not enough money to support two contractors through pre-full-scale development, therefore, the competition terminated earlier than planned. In March 1982, the Deputy Chief of Naval Operations for Air Warfare told the House Armed Services Subcommittee on Research and Development that a redirection of the Jet Trainer program was being considered.

In June 1982, the Secretary of the Navy announced changes in the program. Instead of purchasing a fleet of carrier-capable aircraft (aircraft capable of landing on carriers), the Secretary announced that the Navy planned to purchase a mixed fleet consisting of 54 aircraft which would not be capable of landing aboard aircraft carriers, followed by the purchase of 251 carrier-capable aircraft. The official reason given for the change was that it would enable the Navy to get aircraft to the training command early.

The program manager was responsible for restructuring the program to comply with the Secretary of the Navy's directive. The contracting officer played only a minor role in the program restructure. The contracting officer believed the contracts group was not more involved in the restructure because they did not fully agree with some of the activities. The program manager said the contracting officer was consulted, but was not directly involved because the restructure effort was programmatic rather than contractual.

On September 24, 1982, the Navy awarded a \$15.6 million pre-full-scale development contract to Douglas Aircraft Company.

In December 1982, the first program manager retired from the Navy and was replaced by the second program manager. The second program manager had a master's degree in engineering management and graduated from the Industrial College of the Armed Forces. He had operational experience in fighter aircraft and attack squadrons and was a test pilot. His acquisition and program management experience included three technical advisor assignments and two program management positions.

In February 1983, the contracting officer was reassigned to another program in accordance with the Naval Air Systems Command work rotation policy and the third contracting officer was assigned to the program. He had a bachelor's degree in economics and 9 years of procurement experience at the time of his assignment.

The Naval Air Systems Command continued to study the feasibility of the purchase of both the carrier-capable and noncarrier-capable aircraft, and in April 1983, expressed an opinion in a briefing for the Chief of Naval Operations that the all carrier-capable acquisition approach was the preferred method of acquisition.

In May 1983, budget constraints caused a delay while the program manager and his staff analyzed alternatives for reducing program costs. The Navy requested \$30.261 million for the Jet Trainer program for fiscal year 1984. Although the Senate supported the full amount, the House only supported \$26.2 million and the lower amount was agreed to in conference. Justification for the lower amount was that the purchase of only the carrier-capable aircraft would be less costly in the long run. Therefore, the Congress directed that the Navy only procure carrier-capable aircraft for the program. In addition, the Navy was prohibited from adding sophisticated systems which would add to aircraft costs, but were not necessary to train student aviators.

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### Third Acquisition Strategy Approved

On November 3, 1983, prior to issuance of the conference report, Acquisition strategy number P-41-28-0-20 was approved. This strategy was a follow-on acquisition plan to the concept formulation phase and pre-full-scale development phase plan previously approved. The strategy was directed at the procurement of full-scale development of the selected system concept, including design, fabrication, and testing of an aircraft to a carrier-suitable configuration. A production aircraft not capable of landing aboard an aircraft carrier was also to be acquired.

On November 23, 1983, the Assistant Secretary of the Navy (Research, Engineering and Systems) directed the Deputy Chief of Naval Operations (Air Warfare) to restructure the Jet Trainer program to an all carrier-capable program in accordance with the November 18, 1983, conference report

On January 3, 1984, a Program Budget Decision funded the Jet Trainer program in support of congressional direction to procure only the carrier-capable aircraft. The Program Budget Decision transferred into the Research, Development, Test and Evaluation account all Aircraft Procurement, Navy funds which had been programmed for the acquisition of the noncarrier-capable Jet Trainer aircraft.

The third contracting officer was replaced by the current contracting officer in April 1984. This contracting officer holds a bachelor's degree in political science and a Master of Business Administration in contracts, and had 15 years of experience in procurement at the time of his appointment.

Also in April 1984, the request for quotations for full-scale development was released to Douglas Aircraft and the program received Assistant Secretary of the Navy approval.

In May 1984, research and development funds for full-scale engineering development were limited by the Secretary of the Navy to not more than \$450 million (fiscal year 1984 dollars). The program manager and his staff worked with the contractor to reduce the estimated program costs from \$727 million. The mandated limitation was finally met in August 1984. According to the program manager, the funding reduction will not affect the number of operational aircraft which will be acquired, but does reduce the number of ground and operational developmental test aircraft.

In September 1984, the Navy notified the Congress that the small quantities of aircraft to be acquired did not warrant a second source and therefore, the Jet Trainer program would not conduct a competition for the production lots of the aircraft.

On October 2, 1984, the Navy awarded a \$438 million (fiscal year 1984 dollars) fixed-price contract to Douglas Aircraft for full-scale engineering development.

According to the contracting officer, the contract type was determined at a higher level of the contracts organization than the contracting officer. During the award process, the contracting officer conducted the negotiations and award briefings, and the program manager provided advice and input when required.

A fourth acquisition strategy was approved in November 1984. This strategy reflected the direction to revert to an all carrier-capable aircraft fleet.

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### Third Program Manager Appointed

The second program manager retired from the Navy in June 1985 and was replaced by the current program manager who has a bachelor's degree in chemical engineering and the degree Aeronautical Engineer (one year post-masters) from the Naval Post Graduate School. The current program manager has operational experience with carrier-based antisubmarine warfare squadrons including command at sea. He has served several tours of duty in the Naval Air Systems Command as a project engineer for turbo prop and reciprocating engines, and was a technical advisor in the short take off and landing program engineering directorate. In addition, the program manager was the executive assistant to the Commander, Naval Air Systems Command, and served in the Office of the Deputy Chief of Naval Operations (Air Warfare) as the head of the program management section. He also served as the head of the program budget branch with additional responsibility for all air warfare congressional and budget matters

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### Program Costs

The program cost for full-scale engineering development is expected to be \$450 million (fiscal year 1984 dollars) and \$3.08 billion (fiscal year 1984 dollars) for the system procurement.

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### Evaluation of Roles and Acquisition Strategy

The first program manager was involved with the program from its beginning and played a major role in the development of the acquisition strategy. There was no contracting officer formally assigned at the program's onset, but a contracting specialist who eventually became the first Jet Trainer contracting officer worked with the program manager during the initial development of the acquisition strategy. In addition, input regarding contractual and business matters was provided by the Naval Air Systems Command Deputy Commander for Contracts.

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The original contracting strategy, as developed by the program manager and the contracting specialist, was changed during the implementation of the program. The Navy terminated competition for the competitive design of the Jet Trainer system early in the program due, at least in part, to a lack of sufficient funds to carry two contractors to full-scale development.

Top management initially approved the strategy developed by the program manager and contracting officer, but external factors, such as the budget, caused top Navy management to make changes to the strategy developed by the program manager.

Competitive production of the Jet Trainer system is not expected, because the Navy concluded that the required quantity of aircraft to be produced was not sufficient for a second source to be economically cost effective. In September 1984, the program office submitted a certification to the Congress complying with section 797 of Public Law 98-212, notifying the Congress that dual sourcing production for the Jet Trainer was not warranted. However, the program does include significant competition at the subcontractor level.

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## Program Status

The program is currently in full-scale engineering development and according to the Navy, is progressing on schedule.



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# Chronology of Events

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1975	<p>Navy identified the need to replace the T-2B/C and TA-4J intermediate and advanced trainers by 1985.</p> <p>The Naval Air Development Center did a study that identified the critical Jet Trainer requirements and mission.</p>
1975-78	<p>Navy assembled a comprehensive set of training objectives for the Jet Trainer system.</p>
March 1978	<p>Four pre-milestone technology base contracts awarded to provide ideas and feasibilities of various training systems, with emphasis on the aircraft portion of training.</p>
November 1978	<p>Chief of Naval Operations executive board decision memorandum issued which reaffirmed the validity of the Jet Trainer requirement and recommended six alternatives for study</p>
December 1978	<p>Jet trainer upgraded to project status (less than major) and chartered as APC-8 within the Naval Air Systems Command.</p> <p>Project coordinator with responsibility for exploratory and developmental efforts assigned</p>
January 1979	<p>Contracts awarded to British Aerospace (HAWK) and Dassault Dornier (Alpha Jet) for investigation into the adaptability of current off-the-shelf European aircraft to meet the Navy's need.</p>
June 1979	<p>Deputy Secretary of Defense approved mission need statement</p> <p>First contracting officer assigned.</p>
August 1979	<p>Acquisition plan number P4C-01-0-90 approved.</p>
December 1979	<p>Request for quotations for concept exploration phase released</p>

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Chronology of Events

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March 1980	Nine quotations received from request for quotations.
August 1980	Six awards for concept exploration phase made
September 1980	Acquisition plan number P-41-28-0-00 approved for pre-full-scale development efforts.  Second contracting officer appointed.
November 1980	Jet trainer project charter approved Jet trainer established as a designated program. Scope of the program expanded from concept exploration to full program
January 1981	Prebidders conference held
March 1981	Reports from concept exploration contracts studies delivered.
June 1981	Change to acquisition plan number P-41-28-0-00 for pre-full-scale development submitted to Chief of Naval Materiel Command.  Six offers received in response to request for proposals from firms who performed concept exploration contracts. Offers evaluated on the basis of technical merit, life-cycle cost and the quality of the pre-full-scale development effort and its related cost  Proposal of Douglas Aircraft Company based on HAWK concept judged to be superior to other proposals
November 1981	Single pre-full-scale development contract awarded to the team of Douglas Aircraft as the prime contractor and British Aerospace as the subcontractor to continue development of the Jet Trainer HAWK concept.  Navy concluded that the Jet Trainer program, as structured, was not affordable in the near-term research and development budget, and at the same time, stretchout of the research and development phase would

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Chronology of Events

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result in an unacceptable delay in the delivery of the aircraft to the training command.

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March 1982

Navy testified before the House Armed Services Subcommittee that a redirection of the Jet Trainer program was under consideration with two alternatives being considered. Alternatives were procurement of T-2C (current trainer) and an interim buy of noncarrier-capable aircraft to save money

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April 1982

Secretary of the Navy decided to combine an extended full-scale development phase and a reduction in the planned overall system complexity with a limited buy of 54 noncarrier-capable aircraft.

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June 1982

Secretary of the Navy notified the Congress of decision to proceed on a dual phase approach.

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September 1982

Pre-full-scale development contract for \$15.6 million executed.

Chief of Naval Operations executive board initially briefed on dual phase program and recommends further examination of alternatives.

In compliance with Chief of Naval Operations executive board recommendation, the Navy did a study and recommended Jet Trainer as a single phase, all carrier-capable program.

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December 1982

Second program manager appointed.

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February 1983

Third contracting officer appointed.

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April 1983

Revised recommendation sent to Chief of Naval Operations after further examination of the September 1982 Chief of Naval Operations executive board recommendations.

Chief of Naval Operations executive board recommended reinstatement of an all carrier-capable program

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Chronology of Events

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July 1983	Confirmation of acquisition strategy based on dual phase approach made by Naval Air Systems Command and Assistant Secretary of the Navy (Research, Engineering and Systems).
November 1983	Acquisition plan number P-41-28-0-20 approved for full-scale development.  Congress directs procurement of carrier-capable aircraft only.  Assistant Secretary of the Navy (Research, Engineering and Systems) issues directive to restructure program back to an all carrier-capable aircraft program.
April 1984	Fourth contracting officer appointed.  Request for quotations for full-scale development released
May 1984	Program costs reduced to within \$450 million cap.
August 1984	Department of the Navy Systems Acquisition Review Council approval for full-scale engineering development obtained.
September 1984	Navy submits certification to the Congress on competitive production in compliance with Public Law 98-212.
October 1984	Full-scale engineering development contract for \$438 million (fiscal year 1984 dollars) awarded to McDonnell Douglas Corporation
June 1985	Third program manager appointed.

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