

United States General Accounting Office Washington, DC 20548

April 30, 2003

The Honorable John Warner Chairman The Honorable Carl Levin Ranking Minority Member Committee on Armed Services United States Senate

The Honorable Duncan L. Hunter Chairman The Honorable Ike Skelton Ranking Minority Member Committee on Armed Services House of Representatives

Subject: Spectrum Management in Defense Acquisitions

The electromagnetic radio frequency spectrum is critical to the development and operation of a variety of military systems such as radios, radars, and satellites. Due to the changing nature of warfighting, more and more military systems depend on the spectrum to guide precision weapons and obtain information superiority. In recent years, demand for the spectrum increased with advances in commercial technology. This demand has led to competition between government and nongovernment users, making spectrum management vital to prevent harmful interference and to promote spectrum efficiency.

With these goals in mind, DOD has long-standing policies and procedures that require system developers and acquirers to consider and deal with spectrum supportability knowledge early in the development and acquisition of systems. Early assessment of spectrum needs provides DOD the opportunity to identify, and therefore, better manage program and operational risks. DOD policy requires developers of spectrum dependent systems to obtain certification before assumption of contractual obligations for the full-scale development, production, or procurement of those systems. Senate Report 107-151 and House Report 106-945 required us to assess the Department of Defense's (DOD) spectrum management process.¹ We focused our assessment on (1) the results of the DOD spectrum certification processes and (2) the reasons for those results. To determine the results of DOD's spectrum certification processes and the reasons for those results, we reviewed relevant program documents and interviewed key officials. We also sent out a data collection instrument to selected research and development and user commands to further identify and gather information on spectrum-dependent systems currently being developed or acquired. We conducted our work from April 2002 through March 2003 in accordance with generally accepted government auditing standards and relied upon agency-provided data. This report transmits the information provided in earlier briefings. (See enc. I)

We found that DOD's weapons programs have often failed to obtain, consider, or act upon adequate spectrum supportability knowledge during the early stages of acquisition. A majority of programs try to gain this knowledge at later stages, after key system development decisions may have been made. As a result, some programs experience significant delays, reduced operational capabilities, or the need for expensive redesign. More importantly, these programs missed opportunities to improve program results and avoid problems that are more costly to resolve late in development or fielding.

Also, in a review of selected programs still under development, we found that consideration of spectrum supportability continues to be a problem. DOD is still entering into contracts, starting full-scale development, and sometimes fielding systems before obtaining certification of spectrum supportability.

The reasons for this late attention include program managers' lack of awareness of spectrum certification requirements, dated and unclear spectrum management guidance that is not aligned with current acquisition models, the competing demands of program managers, and a lack of effective enforcement mechanisms for existing spectrum certification requirements. Additional challenges to DOD implementing the spectrum certification process include the lengthy spectrum certification process, increased reliance on commercial communications services and cutting-edge technologies that challenge the traditional allocation of spectrum frequencies.

Recommendations for Executive Action

To avoid delays, reduced operational capabilities, and costly redesign of weapon systems, we are making recommendations to ensure that spectrum supportability considerations are appropriately addressed in the development and acquisition of weapon systems. We recommend that the Secretary of Defense

• Direct the Under Secretary of Defense for Acquisition, Technology and Logistics; the Assistant Secretary of Defense for Command, Control,

¹ Senate Report 107-151, "National Defense Authorization Act for Fiscal Year 2003" [To accompany S. 2514]; and House Report 106-945 "Enactment of Provisions of H.R. 5408, The Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001," Conference Report to Accompany H.R. 4205; October 6, 2000.

Communications and Intelligence; and appropriate service officials to update the spectrum supportability guidance contained in their respective spectrum management and acquisition policy directives and instructions to

- Ensure program managers develop spectrum supportability knowledge, apply for spectrum certification, and consider spectrum operational risks at the earliest points possible,
- Provide uniformity of spectrum management policies across the services, and
- Provide a spectrum certification process with the flexibility to align with current acquisition models.
- Measure spectrum management compliance and process performance to determine how well spectrum supportability considerations are addressed in the acquisition process.
- Establish and ensure appropriate funding for a program of record to develop a spectrum management automation architecture and to implement current and future spectrum management automation development efforts.

We also recommend that the Secretary of Defense identify an official or officials within the Office of the Under Secretary of Defense for Acquisition, Technology and Logistics to

- Be accountable for oversight and enforcement of spectrum management in the acquisition process,
- Establish a mechanism to identify to the spectrum management community new systems that may ultimately require spectrum certification,
- Establish a mechanism that provides the spectrum management community program schedule data for systems that may require spectrum certification both to facilitate its prioritization of work effort and enable measurement of process enforcement and responsiveness, and
- Establish a mechanism to ensure—in line with DOD Directive 4650.1—that programs requiring spectrum certification do not proceed beyond Milestone B of the acquisition process without approved spectrum certification. In order to allow acquisition flexibility when required, waivers may be allowed by the official or officials identified within the Office of the Under Secretary based on appropriate cause, risk mitigation strategy, and compliance deadline.

Agency Comments and Our Evaluation

In providing oral comments on a draft of our report, DOD agreed with our findings and concurred or partially concurred with our recommendations. Specifically, in our first set of recommendations, DOD concurred with our recommendation to update the spectrum supportability guidance in its spectrum management and acquisition policy directives and instructions, but stated that it would like GAO to clarify whether our recommendation applies to the previous DOD 5000-series acquisition publications or the current versions. We believe that the current and future versions of those publications need to address the issues identified in our recommendation. DOD also concurred with our recommendation regarding the need to measure spectrum management compliance and process performance, but indicated that the resources to be expended implementing this recommendation could be better directed towards improving oversight and enforcement mechanisms in the acquisition process. While we believe that improved oversight and enforcement are important, it will be difficult for DOD to determine effective actions for improving oversight and enforcement without performance measures.

DOD partially concurred with our recommendation to establish and ensure appropriate funding for a program of record to develop a spectrum automation architecture and to implement future spectrum automation development efforts. DOD correctly understood the intent of the recommendation, but suggested that we clarify it by adding the word management to describe the covered activities. We agreed and have made that change. DOD also stated that implementation of this recommendation for other than current, on-going efforts, will be subject to the availability of funds. We believe that adequate funding needs to be ensured so that efforts to develop spectrum automation tools proceed in a coordinated, logical manner and provide managers with effective tools to address spectrum supportability considerations.

DOD also partially concurred with our second set of recommendations. DOD commented that it has a process in place for oversight and enforcement of spectrum management in the acquisition process that includes mechanisms to minimize programs proceeding beyond Milestone B without spectrum certification. DOD also indicated that the absence of certification should not preclude moving past that milestone. While we agree with DOD that a process does exist, our review confirms that the process is not being effectively followed and weapon programs do not address spectrum supportability issues until the later stages of development when addressing those issues can be much more costly. Without stronger enforcement and accountability, it is unlikely defense program managers will change their behaviors, which are motivated by the need to move through program milestones in order to achieve the next funding increment. Stronger enforcement and oversight would ensure the program obtains spectrum knowledge early in product development and increase the likelihood of success.

DOD also provided technical comments to a draft of this report that we incorporated where appropriate.

Unless you publicly announce the contents of this report earlier, we plan no further distribution of this letter until 30 days after the date of this letter. At that time, we will send copies of this letter to the Secretary of Defense; Secretary of the Air Force; Secretary of the Army; Secretary of the Navy; Commandant of the Marine Corps; Director, Office of Management and Budget; and interested congressional committees. We will also make copies available to other interested parties upon request. In addition, the report will be available at no charge on the GAO Web site at http://www.gao.gov.

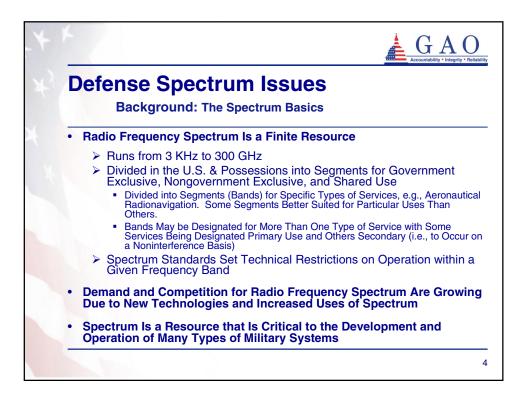
Please contact me at (202) 512-4841 or John Oppenheim at (202) 512-3111 if you or your staff have any questions concerning this report. Other major contributors to this report were Julie Leetch, Gary Middleton, Jay Tallon, and Bruce Thomas.

Katherine V. Schinasi Director Acquisition and Sourcing Management







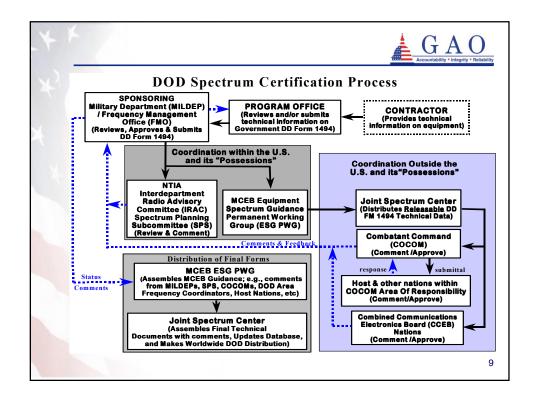








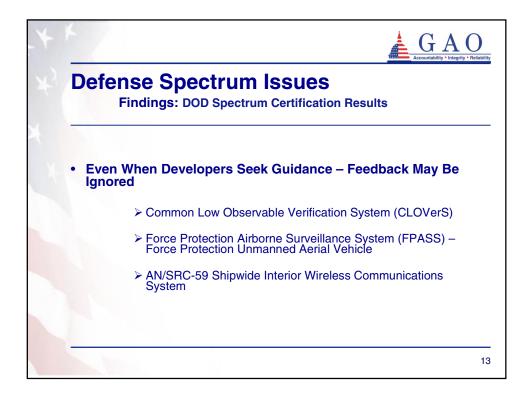






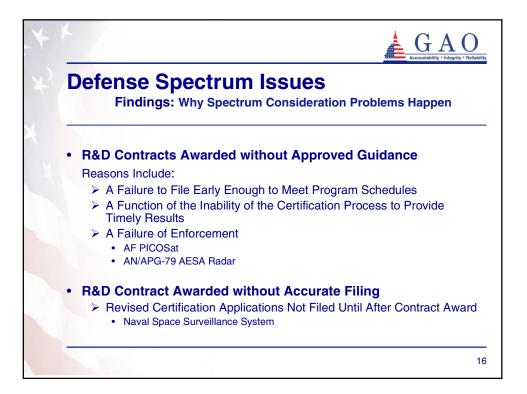


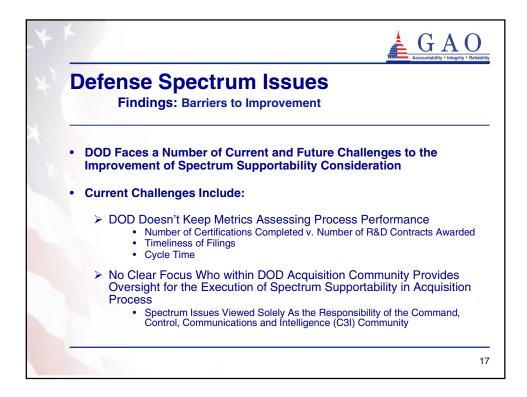










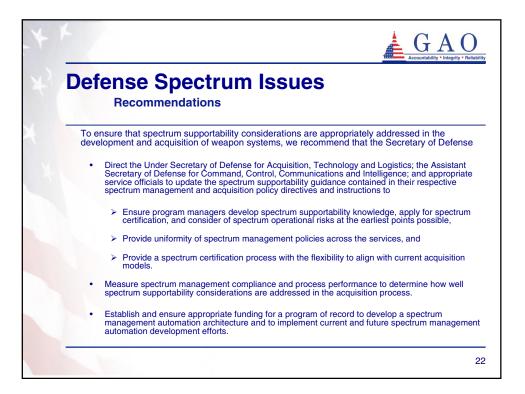






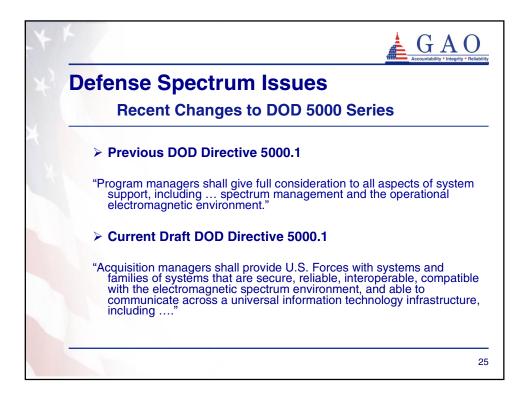












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| with the stress of the stress | king the milestone [C] decision, the MD red (for systems that require utilization of all ensure that a flexible, performance-or l include consideration of the full scope c | f the electromagnetic spectrum)" riented strategy to sustain systems is deve | eloped and executed. |
| Table 1: | Application for Frequency Allocation (DD Form 1494) (applicable to all systems/equipment that require utilization of the electromagnetic spectrum) | 47 U.S.C.§305 (reference (ar)) Pub. L. 102-538 §104 (reference (as)) 47 U.S.C. §901-904 (reference (at)) | MS B MS C (if no MS B) |
| Table 1. | | nakes table reference only | |
| | t Draft DOD Directive 5000.2 m | ······, | MS B |



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