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Management Division

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**Defense Information  
and Financial  
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**Issue Area Active  
Assignments**

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# Foreword

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This report was prepared primarily to inform Congressional members and key staff of ongoing assignments in the General Accounting Office's Defense Information and Financial Management Systems issue area. This report contains assignments that were ongoing as of October 2, 1995, and presents a brief background statement and a list of key questions to be answered on each assignment. The report will be issued quarterly.

This report was compiled from information available in GAO's internal management information systems. Because the information was downloaded from computerized data bases intended for internal use, some information may appear in abbreviated form.

If you have questions or would like additional information about assignments listed, please contact Jack Brock, Director, Defense Information and Financial Management Systems Issues, on (202) 512-6240.

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**DEFENSE INFORMATION INFRASTRUCTURE**

**TITLE: REVIEW OF DEFENSE'S MIGRATION SYSTEMS EFFORTS AT TRANSCOM (511320)**

**BACKGROUND :** DoD has begun an effort to reengineer its costly (\$5 billion annually) and inefficient transportation system. As part of this effort, DoD is selecting and implementing information systems, known as migration systems, to support transportation functions. Concerns have been raised that system selections are not based on valid cost and technical analyses.

**KEY QUESTIONS :** (1) Is DoD linking its migration systems selection to business plans and reengineering efforts? (2) Is DoD selecting migration systems based on sound economic and technical analyses?

**TITLE: ASSESSMENT OF DOD'S MIGRATION SYSTEMS STRATEGY (511321)**

**BACKGROUND :** DOD needs to manage a wide variety and large dollar volume of information system projects, including \$12 billion over the next 6 years for "migration systems," which are intended to lead to substantial savings. However, DOD's controls may not be strong enough to ensure that prudent life-cycle decisions are made about implementing these high-risk projects.

**KEY QUESTIONS :** (1) How complete are DOD's IT management controls? (2) Is DOD implementing the right kinds of controls? (3) How effective are the management controls that have been implemented? (4) Is DOD collecting the right management information to make good decisions about systems development projects?

**TITLE: ARE DOD'S LOGISTICS SYSTEM DEVELOPMENT PRACTICES AND TECHNOLOGY PROGRAMS ADEQUATE TO ENSURE SUCCESS OF CIM MIGRATION STRATEGIES AND PROVIDE RETURN ON INVESTMENT? (511332)**

**BACKGROUND :** DOD is spending billions on logistics migration systems. Success is dependent on a reliable systems and communications infrastructure and good systems development practices. A prototype is being developed, but questions remain about (1) technology programs critical to success, (2) return on investment, and (3) the high-risk development approach.

**KEY QUESTIONS :** 1. What is the status of key technology programs for the CIM Logistics systems area, and are there adequate risk mitigation plans for the logistics prototype? 2. What strategy exists to ensure a good return of investment? 3. What are the managerial and software development impediments to the success of the logistics prototype, and their impacts on mission?

**DEFENSE INFORMATION INFRASTRUCTURE**

**TITLE: REVIEW OF HACKER INTRUSIONS INTO DOD COMPUTER SYSTEMS (511336)**

**BACKGROUND :** Unknown intruders known as hackers are gaining access to highly sensitive unclassified information on Defense computer systems. Hackers have taken control of entire systems and destroyed and stolen data files. This assignment is a continuation and expansion of work performed under code #511329.

**KEY QUESTIONS :** (1) What is the best information regarding how often hackers penetrate Defense systems? (2) What damage do hackers cause to Defense systems? (3) What are sound information systems security practices for preventing, detecting, reporting and reacting to hacker intrusions?

**DEFENSE BUSINESS SYSTEMS**

**TITLE: REVIEW OF DOD'S FINANCIAL MANAGEMENT PLAN (511330)**

**BACKGROUND :** DOD recently testified before Congress on its blueprint for reforming DOD's financial management operations. DOD's blueprint focuses on six key elements for improvement. The Senate Armed Services Committee, Subcommittee on Readiness has requested that we evaluate and report on DOD's detailed plan supporting the blueprint.

**KEY QUESTIONS :** (1) Has DOD developed detailed plans for improving financial management in the six areas cited? (2) Are DOD's plans viable? (3) Do DOD's plans have all the necessary attributes that will enable DOD to (a) track and evaluate progress toward completion and (b) hold personnel accountable?

**TITLE: REVIEW OF DOD'S EFFORTS TO IMPLEMENT CONTROLS TO IMPROVE ACCOUNTING AND REPORTING OF DISBURSEMENTS (511331)**

**BACKGROUND :** GAO testimony on May 16 and May 23, 1995, and briefings to requesters identified the magnitude and implications of DOD's \$29 billion problem disbursements. This assignment will focus on determining what needs to be done to fix the root causes of these problems.

**KEY QUESTIONS :** (1) What action is DOD taking to resolve the \$29 billion of problem disbursements? (2) Can DOD properly implement, by July 1, 1995, its plan to electronically prevalidate obligations with disbursements? (3) Does DOD have an adequate long term plan to integrate its accounting, acquisition, and disbursement systems to fix the root causes of problem disbursements?

**DEFENSE BUSINESS SYSTEMS**

**TITLE: DEFENSE BUSINESS OPERATIONS FUND CASH MANAGEMENT PRACTICES (511333)**

**BACKGROUND :** DOD recently decentralized the management of DBOF cash. A Committee disagrees with DOD decentralizing the management of DBOF cash. In its report (104-131), on the fiscal year 1996 Defense authorization, the Committee directs us to review DBOF's cash management practices. We are required to report on this matter by March 15, 1996.

**KEY QUESTIONS :** (1) Does DOD have policies and procedures in place to adequately manage DBOF cash? (2) Do the systems provide managers with the necessary financial information to adequately manage DBOF cash including collections and disbursements? (3) What impact has the decentralization of cash management had on DBOF cash and the management thereof?

**TITLE: EVALUATION OF THE DEFENSE FINANCE AND ACCOUNTING SERVICE SOFTWARE CAPABILITY (511337)**

**BACKGROUND :** SAC has directed GAO to continue monitoring DOD financial management operations. DFAS is responsible for developing and implementing financial systems. The ability to develop, acquire, and maintain software is necessary to meeting these responsibilities. DFAS uses in-house and contractor personnel to develop and maintain software.

**KEY QUESTIONS :** (1) Does DFAS have the management and technical capability to adequately develop, acquire, and maintain software? (2) Are the various software development organizations used by DFAS capable of developing cost-effective, reliable, and maintainable software?

**DEFENSE FINANCIAL MANAGEMENT**

**TITLE: SURVEY OF COMPUTERS AND SOFTWARE EMBEDDED IN THE AIR FORCE'S B-1B BOMBER (511328)**

**BACKGROUND :** DOD spends an estimated \$20 billion annually on computer systems embedded in weapons. The success of today's weapons hinges on this important technology, yet DOD continues to have difficulty developing it. The Subcommittee asked GAO to undertake a series of reviews of embedded systems within selected weapons programs beginning with the \$2.6 billion B-1B Bomber upgrade.

**KEY QUESTIONS :** 1. Is the Air Force pursuing an efficient and effective approach for upgrading computers and software on the B-1B Bomber aircraft? 2. What should the Air Force do to improve its approach?

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## ***IRM - National Security & Internat'l Affairs***

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### **OTHER ISSUE AREA WORK**

**TITLE: REVIEW OF POST-FTS2000 ACQUISITION EFFORTS (511326)**

**BACKGROUND :** The GSA and the Interagency Management Council (IMC) are planning the successor program to the government's multibillion dollar FT2000 inter-city telecommunications services program. This effort is currently in the request for proposal (RFP) development phase.

**KEY QUESTIONS :** (1) What steps are GSA and the IMC taking to manage critical program risks? (2) Are the government's telecommunications service, security, and interoperability requirements being accurately identified and presented in the draft RFPs? (3) Do provisions of the draft RFP unnecessarily restrict competition?

**TITLE: REVIEW OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION'S IMPLEMENTATION OF ITS CHIEF INFORMATION OFFICER (CIO) (511327)**

**BACKGROUND :** NASA, a top IRM investor, annually spends about \$2 B on information technology critical to its space mission. However, the agency has been known for fragmented and inefficient IRM. In 2/95 NASA appointed a CIO to address identified weaknesses and institute a management framework, architectures, and standards for more strategic IRM.

**KEY QUESTIONS :** (1) What is the extent of the CIO's authority for IRM and what additional management controls are needed? (2) What is the CIO's approach to instituting architectures and standards and how will compliance be ensured? (3) What is the impact of having no agencywide IT investment review mechanism and how are projects managed in the absence of one?

