



Highlights of [GAO-09-466T](#), a testimony before the Subcommittee on Strategic Forces, Committee on Armed Services, House of Representatives

Why GAO Did This Study

To more quickly field ballistic missile defenses, the Missile Defense Agency (MDA) has been exempted from traditional Department of Defense (DOD) requirements development, acquisition, and oversight processes since its creation in 2002. Instead, MDA has unique roles and missions to develop and field weapon systems that address a variety of ballistic missile threats. To date, MDA has spent about \$56 billion and plans to spend about \$50 billion more through 2013 to develop an integrated Ballistic Missile Defense System. The system consists of a layered network of capabilities that includes defensive components such as sensors, radars, interceptors, and command and control. In reviews of DOD's approach to acquire, operate, and maintain ballistic missile defense systems, GAO has previously reported on several challenges that have stemmed from the broad flexibilities provided to MDA.

This testimony summarizes the challenges facing DOD in acquiring and operating its ballistic missile defense systems and describes DOD's efforts to improve transparency and accountability. This statement is based primarily on previously issued GAO reports and testimonies. GAO also reviewed documents and interviewed key officials to update past work and identify DOD and MDA efforts to address previous recommendations.

View [GAO-09-466T](#) or key components. For more information, contact John H. Pendleton at (202) 512-3489 or pendletonj@gao.gov.

DEFENSE MANAGEMENT

Key Challenges Should be Addressed When Considering Changes to Missile Defense Agency's Roles and Missions

What GAO Found

While MDA's exemption from traditional DOD processes allowed it to quickly develop and field an initial ballistic missile defense capability, this approach has led to several challenges. DOD now has an opportunity to better balance the flexibility inherent in MDA's unique roles with the need for effective management and oversight of ballistic missile defense programs. Furthermore, the start of a new administration and the appointment of a new MDA Director offer DOD the chance to more fully address the challenges identified in GAO's prior work. These include the following:

- **Incorporating Combatant Command Priorities:** While DOD established a process in 2005 to address the combatant commands' needs for ballistic missile defense capabilities, GAO reported in 2008 that the process was evolving and had yet to overcome key limitations to its effectiveness, including the need for more effective methodologies to clearly identify and prioritize the combatant commands' needs. Additionally, when developing ballistic missile defenses, MDA lacked a departmentwide perspective on which of the commands' needs were most significant.
- **Establishing Adequate Baselines to Measure Progress:** MDA's flexible acquisition approach has limited the ability for DOD and congressional decision makers to measure MDA's progress on cost, schedule, and testing. Specifically, as GAO reported in March 2009, MDA's baselines have been inadequate to measure progress and hold MDA accountable. However, GAO also reported that new MDA initiatives to improve baselines could help improve acquisition accountability.
- **Planning for Long-Term Operations and Support:** DOD has taken initial steps to plan for ballistic missile defense support, but efforts to date are incomplete as difficulties in transitioning responsibilities from MDA to the services have complicated long-term planning. Additionally, although operation and support costs are typically 70 percent of a weapon system's life cycle costs, DOD has not required that full cost estimates for ballistic missile defense operations and support be developed and validated, and DOD's 6-year spending plan does not fully reflect these costs.

DOD has recently taken some steps to improve transparency and accountability of ballistic missile defense programs, such as the creation of a Missile Defense Executive Board to provide top level oversight and a life cycle management process that established defensewide funding accounts. Although these are positive steps, they do not yet provide comprehensive information for acquisition oversight; and have not yet clearly defined the roles and responsibilities of MDA and the services, including how the defensewide account will be used to fund the ballistic missile defense program over the long term. As DOD seeks to improve transparency and accountability, sustained top leadership will be needed to build upon this recent progress.