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COMPTROLLER GENERAL OF THE UNITED STATES  
WASHINGTON, D.C. 20548



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AUG 2 1973

*CI*

The Honorable William Proxmire  
Chairman, Subcommittee on Priorities  
and Economy in Government  
Joint Economic Committee  
Congress of the United States

*TNT 708*

Dear Mr. Chairman:

In your letter of March 5, 1973, you requested an updated summary of the estimated cost data for systems on the Selected Acquisition Reporting (SAR) System as of September 30, 1972, together with a separate table breaking out those of the original systems for which cost figures are still being supplied. In addition, you requested a regular quarterly update of the estimated cost of all weapon systems on the SAR; an unclassified schedule showing the dates of the planning and development estimates; and the planned and current delivery dates of the first increment for all systems on SAR at September 30, 1972.

*OK*

On May 17, 1973, we advised you of our plans for reporting to the Congress, on a semi-annual basis, the estimated costs of all weapon systems on the SAR as of June 30 and December 31. Our first semi-annual report will be released in the near future, summarizing the cost changes that occurred on 45 weapon systems between July 1 and December 31, 1972.

We have previously provided to you a summary covering the cost through completion and funds programmed for 116 weapon systems as of June 30, 1972.

This letter is in further response to your request. Attachment I is a schedule of the estimated planning and development costs of the 45 weapon systems on the SAR at December 31, 1972. The schedule shows the dates of the estimates, and the planned and current delivery dates of the first increment. We have also indicated on the schedule those systems which were included in the original list furnished you on October 14, 1971. Attachment II presents the estimated cost data on the 10 original systems that have been dropped from Selected

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Acquisition Reporting. All of the data on the attached schedules was obtained from the Department of Defense without audit or verification by us.

We trust that this information will meet your needs.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "James B. Axtell".

Comptroller General  
of the United States

Enclosures - 2

SCHEDULE OF WEAPONS SYSTEMS ON SELECTED ACQUISITION REPORTS  
PROGRAM COST DATA AND DELIVERY DATES  
AS OF DECEMBER 31, 1972

System	Planning estimate		Development estimate		First increment delivery date		Basis for delivery date
	Cost	Date	Cost	Date	Planned	Current	
	------(millions)-----						
Army:							
*DRAGON	\$ 382.2	Oct. 1965	\$ 404.2	Nov. 1966	CLASSIFIED		First unit equipped
HLH <sup>b/c/</sup>	189.9	Nov. 1972	189.9	Nov. 1972	June 1975	Aug. 1975	First flight prototype
IMPROVED HAWK	335.5	Oct. 1964	588.2	Sept 1968	CLASSIFIED		Initial operational capability
*LANCE	586.7	Aug. 1963	652.9	June 1967	June 1970	June 1972	First Bn ready
*M60A2	162.1	Nov. 1964	205.6	May 1966	Aug. 1967	Feb. 1973	First production tank (planned) vs first retrofit tank (current)
*SAFEGUARD <sup>a/b/</sup>	4,185.0	May 1969	4,185.0	May 1969	Jan. 1974	Oct. 1974	Grand Forks site
*SAM-D	4,916.8	Aug. 1965	5,240.5	Mar. 1972	CLASSIFIED		Initial operational capability
*TACFIRE <sup>d/</sup>	123.6	Nov. 1967	160.5	Dec. 1967	CLASSIFIED		First production equipment
*TOW	410.4	Jan. 1966	727.3	Sept 1966	Mar. 1968	Sept 1970	First unit equipped
UTTAS <sup>b/</sup>	2,307.3	June 1971	2,307.3	June 1971	CLASSIFIED		Initial operational capability
Total	<u>\$13,599.5</u>		<u>\$14,661.4</u>				
Navy:							
*A-7E <sup>b/</sup>	\$ 1,465.6	June 1968	\$ 1,465.6	June 1968	Nov. 1968	Nov. 1968	Acceptance first production aircraft
*AEGIS	388.0	Apr. 1968	427.6	Jan. 1970	CLASSIFIED		Full production design complete
BQQ-5 <sup>b/</sup>	610.4	Sept 1970	610.4	Sept 1970	CLASSIFIED		First production
*CONDOR	356.3	Nov. 1965	441.0	Nov. 1966	Apr. 1969	CLASSIFIED	Initial operational capability
*CVAN-68 CLASS <sup>f/</sup>	1,919.5	Aug. 1972	2,036.2	Aug. 1972	June 1972	Sept 1973	CVAN-68 delivery
*DD-963	1,784.4	Nov. 1967	2,581.2	June 1970	June 1973	Oct. 1974	First ship delivery
*DLGN-38 <sup>e/</sup>	769.2	Feb. 1969	820.4	Dec. 1971	July 1974	May 1975	First ship delivery
E-2C <sup>b/</sup>	586.2	July 1968	586.2	July 1968	Oct. 1972	Jan. 1973	Acceptance first aircraft

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System	Planning estimate		Development estimate		First increment delivery date		Basis for delivery date
	Cost	Date	Cost	Date	Planned	Current	
------(millions)-----							
Navy: (cont'd)							
*EA-6B	\$ 689.7	Nov. 1964	\$ 817.7	Apr. 1968	June 1969	Jan. 1971	Acceptance first production aircraft
*F-14 <sup>b/d</sup> / HARPOON <sup>b/</sup> / HARRIER <sup>b/</sup> / *LHA <sup>b/</sup> / *MARK-48 <sup>k/</sup> / *P-3C <sup>b/</sup> / *PHOENIX	6,166.0 1,071.4 503.6 1,380.3 720.5 1,294.2 370.8	June 1968 July 1970 Jan. 1971 Apr. 1969 Mar. 1964 June 1967 Early FY 63	6,166.0 1,071.4 503.6 1,380.3 1,753.8 1,294.2 536.4	June 1968 July 1970 Jan. 1971 Apr. 1969 Nov. 1971 June 1967 June 1963	Jan. 1972 CLASSIFIED Jan. 1971 Nov. 1972 Apr. 1971 May 1969 Jan. 1973	May 1972 1972 Jan. 1971 Jan. 1975 Feb. 1972 Feb. 1969 Mar. 1973	First production aircraft First delivery fleet Acceptance first aircraft First ship delivery Initial delivery fleet Acceptance first aircraft Acceptance first production missile
*POSEIDON <sup>b/</sup>	4,568.7	Nov. 1966	4,568.7	Nov. 1966	Nov. 1970	Mar. 1971	Initial operational capability
*S-3A	1,763.8	Nov. 1967	2,891.1	Aug. 1969	May 1973	Oct. 1973	First production aircraft
*SPARROW E	687.2	May 1960	740.7	Jan. 1962	Dec. 1963	Jan. 1964	First delivery fleet
*SPARROW F <sup>h/</sup>	151.5	Jan. 1967	707.7	June 1968	Jan. 1969	Sept 1975	First delivery fleet
*SSN-688	1,658.0	Feb. 1969	5,747.5	Jan. 1971	Sept 1973	Aug. 1974	First ship delivery
TRIDENT <sup>g/</sup>	CLASSIFIED		CLASSIFIED		CLASSIFIED		First ship delivery
*VAST	241.1	Dec. 1966	312.0	Apr. 1968	Feb. 1970	Feb. 1971	First delivery unit (A-7E prime)
Total	<u>\$29,146.4</u>		<u>\$37,459.7</u>				
Air Force:							
*A-7D <sup>b/</sup>	\$ 1,379.1	Dec. 1967	\$ 1,379.1	Dec. 1967	Apr. 1969	Aug. 1969	First operational aircraft
*AWACS	2,656.7	Nov. 1968	2,661.6	June 1970	Oct. 1975	Nov. 1976	First production aircraft
A-10 <sup>d/</sup>	1,025.5	Apr. 1970	84.5	Dec. 1970	Oct. 1971	May 1972	Competitive fly off phase begins
*B-1	8,954.5	Mar. 1969	11,218.8	Dec. 1970	Apr. 1974	Jan. 1978	First production aircraft
*C-5A	3,423.0	Oct. 1964	3,413.2	Oct. 1965	June 1969	Dec. 1969	First operational aircraft
F-5E <sup>i/</sup>	698.6	Nov. 1970	315.5	Nov. 1970	Nov. 1973	Sept 1973	First operational aircraft
*F-111	4,686.6	Mar. 1962	5,505.5	Nov. 1963	Nov. 1966	Apr. 1968	Initial operational capability first squadron 100 % equipped
*F-15	6,039.1	Mar. 1969	7,355.2	Jan. 1970	Nov. 1974	Nov. 1974	First aircraft TAC
*MAVERICK	257.9	Oct. 1965	383.4	July 1968	CLASSIFIED		Initial operational
*MINUTEMAN II	3,014.1	CY 1963	4,254.9	May 1967	Dec. 1966	Nov. 1966	Deployment Grand Forks, SD complete

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<u>System</u>	<u>Planning estimate</u>		<u>Development estimate</u>		<u>First increment delivery date</u>		<u>Basis for delivery date</u>
	<u>Cost</u>	<u>Date</u>	<u>Cost</u>	<u>Date</u>	<u>Planned</u>	<u>Current</u>	
	-----(millions)-----						
Air Force: (cont'd)							
*MINUTEMAN III	\$ 2,695.5	CY 1966	\$ 4,673.8	Mar. 1968	Oct. 1970	Dec. 1971	Complete Minot AFB, ND complete
*SRAM	167.1	Oct. 1964	236.6	Nov. 1966	Feb. 1970	Dec. 1972	FB-111/SRAM initial operational capability
	<hr/>		<hr/>				
Total	<u>\$34,997.7</u>		<u>\$41,482.1</u>				

- a/ The original planning estimate of \$4,185.0 million was for two sites. Subsequently the program was increased to a four site program with a current estimate at March 31, 1972, of \$7,975.0 million. The current estimate of \$5,516.0 million at December 31, 1972, covers one site in accordance with the Treaty on the Limitation of Anti-Ballistic Missile Systems ratified by the Senate on October 3, 1972.
- b/ For programs where the SARs have shown only a development or a planning estimate, we have made both estimates the same to prevent distortion between the totals of these columns.
- c/ The original planning estimate of \$119.3 million included costs for the Advanced Technology Component (ATC) Program only. Beginning with the December 31, 1972 SAR the planning estimate was increased to \$189.9 million. This increase of \$70.6 million was for adding a prototype and an engine development effort to the program.
- d/ The requirement for the December SAR was waived pending the restructuring of the program. Cost data shown reflects September 30, 1972 SAR.
- e/ Prior to the issuance of the present contract the Navy long range program included 23 ships of this class for a planning estimate of \$3,980.0 million in fiscal year 1970 dollars. In May 1971 the Defense Department suspended the program for ships of this class beyond the first three. The present contract is for three ships with options for two more.

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f/ Beginning September 30, 1972 the CVAN-68/69 SAR became the CVAN-68 Class SAR and now covers three carriers, CVAN-68, 69 and 70.

g/ Cost estimates do not include any costs for the TRIDENT program because the costs have been classified by the Navy.

h/ Cost estimates include Air Force estimates for its portion of the SPARROW F program.

i/ The \$383.1 million decrease in development estimate as compared to planning estimate is the result of eliminating Military Assistance Program (MAP) cost estimates from the SAR.

j/ The A-10 was formerly known as the A-X aircraft. We have used September data because the A-10 SAR for December had not yet been approved by the Department of Defense at the time of our review. The September SAR reflected costs of \$84.5 million to cover the competitive prototype phase only per agreement between the Department of Defense and the Department of the Air Force. The planning estimate of \$1,025.5 million represents the total program cost estimate as cited in the Development Concept Paper. This planning estimate is stated in constant year 1970 dollars, based on a 600 aircraft program and considers a turboprop configuration.

k/ The planning estimate was for the initiation of the MARK-48 MOD 0 program. The development estimate is for the MOD 1 program.

\* Indicates 35 weapon systems on the Selected Acquisition Reports (SARs) at December 31, 1972, and which were also included in the original list of 45 weapon systems furnished to Senator William Proxmire on October 14, 1971.

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WEAPON SYSTEMS REMOVED FROM THE SAR

(\$ IN MILLIONS)

<u>SYSTEM</u>	<u>PLANNING ESTIMATE</u>	<u>DEVELOPMENT ESTIMATE</u>	<u>COST CHANGE</u>		<u>CURRENT ESTIMATE (LAST SAR)</u>	<u>DATE OF FINAL SAR</u>
			<u>QUANTITY (DECREASE)</u>	<u>OTHER</u>		
CHEYENNE <u>a/</u>	\$ 125.9	\$ 125.9	\$ 15.4	\$ 190.3	\$ 331.6	6-30-72
GAMA GOAT <u>b/</u>	69.1	163.9	( 5.5)	22.7	181.1	6-30-71
MBT-70 <u>a/</u>	2,126.5	2,100.9	( 602.4)	721.2	2,219.7	9-30-71
AN/SQS-23 <u>b/</u>	157.1	170.5	( 82.7)	94.6	182.4	6-30-71
AMTRAC <u>b/</u>	324.4	328.5	( 126.9)	.4	202.0	6-30-71
DE-1052 <u>b/</u>	1,285.1	1,259.7	-	170.9	1,430.6	3-31-72
DLG CONV. <u>c/</u>	698.8	698.8	-	307.8	1,006.6	6-30-71
SSN-637 <u>b/</u>	2,515.8	2,515.8	-	428.2	2,944.0	3-31-72
SSN-685 <u>b/</u>	100.8	151.7	-	26.2	177.9	6-30-71
FB-111 <u>b/</u>	1,781.5	1,781.5	(1,043.3)	546.6	1,284.8	9-30-71
TOTAL	<u>\$9,185.0</u>	<u>\$9,297.2</u>	<u>\$(1,845.4)</u>	<u>\$2,508.9</u>	<u>\$9,960.7</u>	

a/ Dropped from SAR because program canceled.

b/ Dropped from the SAR because was completed or substantially completed, or the program costs are below the current dollar thresholds established for SAR reporting by OSD.

c/ Dropped from SAR because visibility required by the SAR is no longer necessary and an internal monthly status report will be substituted in its place.