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Accountability Integrity Reliability

Highlights

Highlights of [GAO-06-473](#), a report to the Subcommittee on Strategic Forces, Committee on Armed Services, House of Representatives

Why GAO Did This Study

The Department of Defense (DOD) has spent about \$91 billion since the mid-1980s to develop a capability to destroy incoming ballistic missiles. In 2002, recognizing the new security environment after the September 11 attacks, President Bush directed that an initial set of defensive ballistic missile capabilities be put in place in 2004. Although DOD is developing the Ballistic Missile Defense System (BMDS) to meet an urgent need, preparing to operate and support a system under continuous development poses significant challenges. GAO was asked to assess the extent to which (1) DOD has made progress in planning to operate the BMDS, and (2) the Future Years Defense Program (FYDP) provides complete and transparent data on BMDS operational costs.

What GAO Recommends

GAO is recommending that DOD develop operational criteria that must be met and a comprehensive plan specifying actions that must be taken before declaring BMDS operational, and provide Congress and DOD complete data on BMDS operational costs. Although DOD concurred or partially concurred with our recommendations, DOD did not state that they planned to take corrective actions. Therefore, GAO added a Matter for Congressional Consideration because GAO continues to believe its recommended actions are needed to prepare for BMDS operations and assist oversight.

www.gao.gov/cgi-bin/getrpt?GAO-06-473.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Janet St. Laurent at (202) 512-4402 or stlaurentj@gao.gov.

DEFENSE MANAGEMENT

Actions Needed to Improve Operational Planning and Visibility of Costs for Ballistic Missile Defense

What GAO Found

DOD has made progress in planning to operate BMDS; however, it has not established criteria that would have to be met before declaring BMDS operational, nor has DOD resolved security issues or completed training and personnel plans. DOD officials agree that operational criteria are typically established and met prior to declaring a system operational, and that planning for new systems includes identifying personnel requirements, developing training programs, and identifying logistics and maintenance requirements. DOD has developed BMDS procedures and guidance, created an organization to integrate planning and operational support, and conducted some training and exercises. However, DOD has not established formal criteria for declaring that limited defensive operations or subsequent blocks of capability are operational or completed planning for security, training, and personnel. DOD has not done this because it is developing BMDS in a unique way and BMDS is exempted from traditional requirements guidance. Without specific operational criteria, the Secretary of Defense will not be in a sound position to objectively assess combatant commands' and services' preparations to conduct BMDS operations nor have a transparent basis for declaring BMDS operational, which will become more important as capabilities are added in subsequent blocks and Congress considers requests to fund operations. Without adequate planning, clear criteria, and identification of responsibility for ensuring necessary actions have been completed, it may be difficult for DOD to identify and prioritize actions, assure itself or Congress that the necessary pieces are in place before declaring the system operational, and determine whether the return on its significant development investment in BMDS can be realized.

The FYDP, a major source of budget information, does not provide complete and transparent data on ballistic missile defense operational costs. DOD and GAO have repeatedly recognized the need to link resources to capabilities to facilitate decision making and oversight. However, complete and transparent ballistic missile defense operational costs are not visible in the FYDP because the FYDP's structure does not provide a way to identify and aggregate these costs. Four primary factors impair the visibility of ballistic missile defense operational costs in the current FYDP structure: (1) operational costs are included in many program elements and there is no mechanism to link and compile these costs, (2) the Missile Defense Agency is authorized to use research and development funds to pay for operational costs, (3) DOD has not included all known operational costs in its budget estimates, and (4) DOD has not identified all costs associated with the New Triad, of which BMDS is an important part. Without the ability to identify and assess total ballistic missile defense operational costs, neither the Secretary of Defense nor Congress has complete information to make funding and trade-off decisions among competing priorities; provide assurance that ballistic missile defense capabilities are affordable over time; and assess the costs of employing the New Triad.