

United States General Accounting Office

GAO

Briefing Report to Congressional Requesters

AD-A243 137



September 1991

1992 ARMY BUDGET

Potential Reductions in Command, Control, and Communications Programs



91-16811



GAO/NSIAD-91-305BR

United States
General Accounting Office
Washington, D.C. 20548

4

National Security and
International Affairs Division

B-245623

September 26, 1991

The Honorable Daniel K. Inouye
Chairman, Subcommittee on Defense
Committee on Appropriations
United States Senate

The Honorable John P. Murtha
Chairman, Subcommittee on Defense
Committee on Appropriations
House of Representatives

Accession For	
NEED GRAB	<input checked="" type="checkbox"/>
OTIC TAB	<input type="checkbox"/>
Unannounced	<input type="checkbox"/>
Justification	
by	
Distribution/	
Availability Codes	
Avail and/or	
Special	
A-1	

As you requested, we examined the Department of the Army fiscal year 1992 budget request and prior years' appropriations for selected command, control, and communications programs. Our objectives were to identify potential reductions to the fiscal year 1992 budget request and potential rescissions to prior year appropriations. We briefed your staffs in May and August 1991 on the results of our work.

Our review showed that schedule delays, program changes, and uncertainties have affected program funding requirements for fiscal year 1992. As shown in table 1, we identified \$129 million in potential reductions for congressional consideration. Potential reductions in Army programs totaled \$114.2 million. In addition, our review of Army-developed equipment being procured by the Special Operational Forces identified a potential reduction of \$14.776 million in the Defense Agencies' budget. (See appendixes I, II, and III for detailed information on potential reductions.)

Table 1: Potential Reductions in Fiscal Year 1992 Command, Control, and Communications Programs

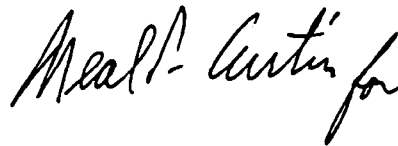
Account	Fiscal year 1992
	Potential reductions
Other Procurement, Army	\$45.9
Research, Development, Test, and Evaluation, Army	68.3
Procurement, Defense Agencies	14.8
Total	\$129.0

We focused on program cost, schedule, and performance issues and examined expenditure documents to determine if requests were adequately justified and whether prior years' unobligated funds should be retained. Appendix IV provides information on our scope and methodology.

As requested by your offices, we did not obtain written agency comments on a draft of this report. However, we discussed the information in this report with program officials and incorporated their comments where appropriate.

As agreed with your offices, we plan no further distribution of this report until the Appropriations Committee of Conference completes work on the fiscal year 1992 defense budget. At that time, we will send copies of this report to the Senate and House Committees on Armed Services as well as other interested congressional committees; the Secretaries of Defense and the Army; the Director, Office of Management and Budget; and other appropriate parties.

This report was prepared under the direction of Louis J. Rodrigues, Director, Command, Control, Communications, and Intelligence Issues, who may be reached on (202) 275-4841 if you or your staffs have any questions. Other major contributors to this report are listed in appendix V.



Frank C. Conahan
Assistant Comptroller General

Contents

Letter	1
Appendix I Summary of Potential Reductions in Command, Control, and Communications Programs	6
Appendix II Potential Reductions in the Army Command, Control, and Communications Programs	7
Appendix III Potential Reductions in the Defense Agencies Command, Control, and Communications Programs	11
Appendix IV Scope and Methodology	13
Appendix V Major Contributors to This Report	14

Table

**Table 1: Potential Reductions in Fiscal Year 1992
Command, Control, and Communications Programs**

1

Abbreviations

ASAS	All Source Analysis System
I-REMBASS	Improved Remotely Monitored Battlefield Sensor System
MCS	Maneuver Control System
OSD	Office of the Secretary of Defense
REMBASS	Remotely Monitored Battlefield Sensor System
SCAMP	Single Channel Anti-Jam Manportable
SCOTT	Single Channel Objective Tactical Terminal
SMART-T	Secure Mobile Anti-Jam Reliable Tactical Terminal

Summary of Potential Reductions in Command, Control, and Communications Programs

Dollars in millions

Department of the Army

Budget		Fiscal year	Basis for reduction
Line	Item	1992	
Other Procurement, Army			
95	Maneuver Control System	\$45.9	Operational test and evaluation will not be completed until fiscal year 1993 (p. 7).
Research, Development, Test, and Evaluation, Army			
96	Joint Tactical Fusion Program	21.5	Recent restructuring of the program reduces required funding (p. 8).
160	Satellite Communications Ground Environment	46.8	Award of a development contract in fiscal year 1992 is unlikely due to uncertainties in the program (pp. 9-10).
Subtotal		\$114.2	
Defense Agencies			
Procurement, Defense Agencies			
66	Miscellaneous Equipment	\$14.8	Need to postpone procurement decision until alternative systems can be evaluated (pp. 11-12).
Subtotal		\$14.8	
Total		\$129.0	

Potential Reductions in the Army Command, Control, and Communications Programs

Program	Maneuver Control System (MCS)		
Appropriation	Other Procurement, Army		
	Dollars in millions		
		Fiscal year	
Budget line	1990	1991	1992
95	\$19,094	\$6,000	\$45,942
Potential reduction	•	•	45,942

Background

MCS is an automated corps-to-battalion system to help maneuver commanders and their battle staff control combat forces. It is being developed to (1) enable the command staff to collect, store, process, display, and disseminate critical battlefield information and (2) produce and communicate battle plans, orders, and enemy and friendly situation reports. The Army plans further MCS development and production that it estimates will cost \$1.3 billion. For fiscal year 1992, the Army has requested \$45.942 million to acquire MCS equipment.

Results of Analysis

The Army's fiscal year 1992 budget request for \$45.942 million to initiate procurement of common hardware/software for the MCS can be denied because the operational test and evaluation has slipped and will not be completed until fiscal year 1993. Procurement of the system should be deferred until the testing is satisfactorily completed.

The Army planned to enter MCS operational test and evaluation in May 1992, but it now plans to start in September 1992. Our work on other military programs has shown that starting production before systems have demonstrated satisfactory performance during operational testing frequently results in adverse consequences. These consequences have included deployment of deficient systems and costly modification and retrofit programs to solve problems detected in later testing.

**Appendix II
Potential Reductions in the Army Command,
Control, and Communications Programs**

Program Joint Tactical Fusion Program

Appropriation Research, Development, Test, and Evaluation, Army

Dollars in millions

Budget line	Fiscal year		
	1990	1991	1992
96	\$91 551	\$63 768	\$130 775
Potential reduction	•	•	21 500

Background

The Joint Tactical Fusion Program includes funding for the All Source Analysis System (ASAS). ASAS is an Army program to automate the correlation and analysis of high-volume, time-sensitive intelligence data. The ASAS acquisition strategy was structured as an evolutionary procurement to acquire three systems—a limited capability configuration in the early 1990s, an interim baseline system in the mid-1990s, and the fully capable system to replace the prior interim systems in the late 1990s.

Results of Analysis

The Army's Research, Development, Test, and Evaluation fiscal year 1992 budget request for ASAS can be reduced \$21.5 million, which was to continue development of the interim systems because the Army recently restructured the program and discontinued acquisition of the interim system.

The urgency for and affordability of the interim ASAS systems came into question because of the reduced Soviet threat and other fielded intelligence systems have various ASAS-like capabilities. Following the demonstration of these fielded capabilities in Operation Desert Storm, the Army restructured the ASAS program terminating further procurement of the interim systems. Instead, the program will, where possible, use equipment already purchased or fielded with a modest procurement of ASAS equipment to provide a capability until the fully capable ASAS is acquired in the late 1990s.

Army officials stated that, as a result, they no longer need the \$21.5 million to develop the interim systems.

Program

Satellite Communications Ground Environment

Appropriation

Research, Development, Test and Evaluation, Army

Dollars in millions

Budget line	Fiscal year		
	1990	1991	1992
160	\$49 351	\$33 151	\$113 411
Potential reduction	•	•	46 758

Background

Satellite Communications Ground Environment includes Single Channel Objective Tactical Terminal (SCOTT), the Army's terminal segment of the Milstar system that was designed to provide survivability and enduring communications in both intense jamming and nuclear environments. Following congressional direction, the Department of Defense restructured Milstar to emphasize tactical needs and eliminate protracted nuclear warfighting missions and operations.

Under the restructured program, the Army plans to acquire fewer SCOTT terminals and develop and acquire two new terminals. One of the new terminals, the Single Channel Anti-Jam Manportable terminal (SCAMP), will be employed by light divisions and special operations units that require range extension for command and control communications. The other terminal, the Secure Mobile Anti-Jam Reliable Tactical Terminal (SMART-T), will be installed in a military vehicle and provide range extension to Mobile Subscriber Equipment.

The Army's fiscal year 1992 budget request for satellite ground terminals includes funds to start development of the SCAMP and SMART-T terminals—\$24.149 million and \$22.609 million, respectively.

Results of Analysis

The Army's Research, Development, Test, and Evaluation fiscal year 1992 budget request for \$113.411 million to develop satellite terminals can be reduced by \$46.758 million because the development contract for the two new Milstar terminals is unlikely to be awarded in fiscal year 1992, as planned, due to uncertainties in the program.

**Appendix II
Potential Reductions in the Army Command,
Control, and Communications Programs**

As of mid-August 1991, we were told, the Army had not:

- completed the new terminals operational and organizational plan, which is needed to support the concept exploration and demonstration validation phase for new programs,
- finalized and approved terminal requirements documents,
- reached agreement with the Air Force on the addition of a satellite nulling antenna that the Army states is necessary to satisfy its antijam requirements, or
- reached agreement with the Air Force on the amount of satellite capacity that will be allocated to the Army, which determines how many Army terminals and dedicated channels the satellite will support.

In addition, the final configuration of Milstar is still being determined and alternatives to Milstar are still being studied by several contractors for the Air Force. Assuming that viable alternatives are not identified, the final configuration of Milstar will be decided when the Defense Acquisition Board holds its Milestone II review, which is scheduled for May 1992.

Schedule uncertainties and risks remain. After the Army completes and approves requirements and other documents and reaches agreements on the satellite design, the Army could need at least 6 months to award a development contract. A Department of Defense official stated that it usually takes 6 months to 18 months to prepare the necessary paperwork, solicit contract proposals, evaluate the proposals, negotiate best and final offers, and award a competitive contract.

Until the requirements are established and agreements are reached between the services regarding configuration and capacity to be allocated, contracting for terminal development would be premature.

Potential Reductions in the Defense Agencies Command, Control, and Communications Programs

Program	Miscellaneous Equipment
Appropriation	Procurement, Defense Agencies

Dollars in millions

Budget line	Fiscal year		
	1990	1991	1992
66	\$2 584	\$3 100	\$40 999
Potential reduction	.	.	14 776

Background

The Defense Agencies' fiscal year 1992 budget request for Miscellaneous Equipment includes funding for the Improved Remotely Monitored Battlefield Sensor System (I-REMBASS). I-REMBASS is an all weather, day or night passive, ground-based sensor system designed to detect and classify intruding personnel and wheeled and tracked vehicles. It is a down-sized derivative of the REMBASS system that was developed for the Warsaw Pact threat and is currently fielded with selected Army units. If funded, I-REMBASS will be fielded to the Special Operations Forces for ground surveillance of hostile activity behind enemy lines.

The Special Operations Command expects to award a sole-source contract for 75 I-REMBASS sets in the second quarter of fiscal year 1992. Follow-on procurement for an additional 162 sets is expected.

Results of Analysis

The Defense Agencies' fiscal year 1992 procurement budget request for the Special Operations Command's miscellaneous equipment totaling \$40.999 million can be reduced by \$14.776 million. This reduction can be achieved by postponing the I-REMBASS procurement decision until the Command has sufficient time to evaluate alternative systems and select the most cost-effective system to meet its requirements. As an alternative, the Congress could consider withholding authority to obligate funds appropriated until the Special Operations Command and Office of the Secretary of Defense (OSD) (1) evaluate results of the operational test of a Marine Corps sensor system, (2) evaluate the user's operational requirements and the operational suitability of the two systems, and (3) certify which of the two systems is most suitable.

**Appendix III
Potential Reductions in the Defense Agencies
Command, Control, and Communications
Programs**

The Special Operations Command and OSD officials told us they had not evaluated the operational suitability of a more capable Marine Corps sensor system for the Special Operations Command requirement. The Marine Corps system completed operational testing on September 5, 1991. The Marine Corps will provide OSD a test report on October 1, 1991. Also, the Special Operations Command and OSD have not evaluated the procurement and life-cycle cost of the two systems. According to Marine Corps and OSD officials, the Marine Corps sensors are expected to be less costly to produce and operate.

REMBASS and I-REMBASS are operationally unsuitable for the Marine Corps because they are not air deliverable and cannot store data. These features would also appear desirable for Special Operations Command forces.

The REMBASS system has some operational features that exceed the performance specifications of the Marine Corps system, primarily the ability to operate at -50 degrees Fahrenheit and transmit 4,000 messages daily. But we were told these features require the use of lithium batteries and drive up costs. An I-REMBASS program official told us that both of these requirements were extremes that should be reconsidered, especially since they were based on the Warsaw Pact threat, which has changed.

In addition, OSD officials stated that the Department of Defense plans to transition to a common ground sensor system when acquiring the follow-on to both the I-REMBASS and Marine Corps systems beyond the year 2000. A comparison of the I-REMBASS and Marine Corps systems could expedite the transition to a common system and offer potential performance and cost advantages.

Scope and Methodology

We selected command, control, and communications programs from three accounts for detailed review: Other Procurement; Research, Development, Test, and Evaluation; and the Defense Agencies Procurement. We met with officials in the Office of the Secretary of Defense, Pentagon. We obtained information from officials at the U.S. Army Communications-Electronics Command at Fort Monmouth, New Jersey; the Special Operations Command at McDill Air Force Base, Florida; and the Marine Corps Research, Development, and Acquisition Command at Quantico, Virginia.

We focused our initial efforts on identifying specific programs that might warrant further review for potential reductions. We then placed emphasis on identifying potential rescissions or reductions based on program cost, schedule, and performance.

We performed our review from December 1990 through September 1991 in accordance with generally accepted government auditing standards.

Major Contributors to This Report

**National Security and
International Affairs
Division,
Washington, D.C.**

Howard R. Manning, Assistant Director
Wanda M. Slagle, Assignment Manager

**New York Regional
Office**

George A. Pagnillo, Evaluator-in-Charge
Paul A. Puchalik, Evaluator
Philip F. Merryman, Evaluator