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## United States Senate

COMMITTEE ON THE BUDGET

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June 7, 2018

The Honorable Richard C. Shelby  
Chairman  
Subcommittee on Defense  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

The Honorable Richard J. Durbin  
Ranking Member  
Subcommittee on Defense  
Committee on Appropriations  
United States Senate  
Washington, DC 20510

Dear Chairman Shelby and Ranking Member Durbin:

As Congress continues its work on the fiscal year 2019 appropriations bills, I invite your attention to an important tool for identifying and eliminating waste and duplication across the government: the Government Accountability Office (GAO) report, *Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Other Financial Benefits*, GAO-18-371SP, issued in April 2018.

Since 2011, this annual report has introduced more than 700 action items across 275 issue areas for Congress and executive branch agencies to reduce, eliminate, or better manage fragmentation, overlap, or duplication; achieve cost savings; and enhance revenue. Agencies and Congress have completely or partially addressed approximately 76 percent of these actions, which GAO estimates has produced approximately \$178 billion in savings and other financial benefits.

But more work remains. This year's report, which was the subject of a recent hearing of the Senate Committee on the Budget, identifies actions that have yet to be addressed – including new actions identified for the first time and those that are only partially addressed. GAO estimates that by fully implementing these open actions, tens of billions of dollars could be saved without adversely affecting services on which many Americans rely. There are a number of actions relevant to your subcommittee, which I have provided in the enclosure attached along with a copy of the full report.

By implementing the actions in GAO's report, Congress can improve government performance and stewardship of taxpayer dollars. This is a goal that I believe both parties share, and I ask for your careful consideration of these items as the fiscal year 2019 appropriations process moves forward.

Thank you in advance for your attention to this matter. If you have any questions, please contact me, or have your staff contact Alison McGuire on my Budget Committee staff at (202) 224-2887.

Sincerely,

A handwritten signature in black ink, reading "Michael B. Enzi". The signature is written in a cursive, flowing style with a large, prominent "M" and "E".

Michael B. Enzi  
Chairman

Enclosure

**Recommendations of the Government Accountability Office on “Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Other Financial Benefits”**  
**GAO Report Number: GAO-18-371SP**

**Senate Committee on Appropriations**  
**Subcommittee on Defense**

**Open GAO Recommendations to Congress:**

- Congress should consider amending the legislation that supports the Overseas Humanitarian, Disaster, and Civic Aid-funded humanitarian assistance program—the Department of Defense's (DOD) largest humanitarian assistance program—to more specifically define DOD's role in humanitarian assistance, taking into account the roles and similar types of efforts performed by the civilian agencies. (2012-06-03-C)
- Congress should terminate the Secretary of Defense's authority to contract with the US Family Health Plan (USFHP) designated providers in a manner consistent with a reasonable transition of affected USFHP enrollees into TRICARE's regional managed care program or other health care programs (2015-06-01-C)
- Congress should require the Assistant Secretary of Defense for Energy, Installations, and Environment to evaluate whether the joint basing goals outlined in the 2005 BRAC round have been accomplished. (2013-20-04-C)

**Open GAO Recommendations to Executive Agencies:**

- The Joint Requirements Oversight Council and Cost Assessment and Program Evaluation office should review all ground radar programs and requirements for new ground radars. (2015-02-01-E)
- The DOD should conduct manpower requirements validations and add personnel authorizations to the program elements for management headquarters activities to establish a real baseline for potential future workforce reductions. Such a baseline would include a total workforce assessment (military, civilian, contractors) and a comprehensive inventory of all HQ activities. (2015-14-02-E, 2015-14-03-E, 2015-14-04-E, 2015-14-05-E, 2012-34-01-E, 2012-34-02-E)
- DOD should develop and enforce strategic plans and commonality for the intelligence, surveillance, and reconnaissance enterprise. (2011-05-02-E, 2011-05-03-E, 2011-05-04-E)
- DOD should better manage prepositioning programs by clarifying lines of authority, updating requirements, and ensuring coordination between the military departments and The Joint Staff. (2011-07-01-E, 2011-07-02-E)

- DOD should reassess the mission of the combined joint task force and Camp Lemonnier in Djibouti and develop a long-term resourcing plan, particularly for infrastructure. (2011-36-03-E)
- DOD should implement best practices in weapons acquisition, particularly early systems engineering and prototyping alongside improved processes for analyzing alternatives and managing requirements changes. (2011-38-01-E)
- DOD should improve its process for developing knowledge-based, realistic baseline assumptions in order to better plan and execute programs. (2011-38-03-E)
- DOD should study whether a centralized office or executive agent within the department might better manage the unmanned aerial systems acquisition portfolio. (2012-03-01-E)
- DOD should reassess the modernization plan for a replacement of the AFSCN satellite control network and potential commercial advances that might be incorporated. (2014-03-02-E)
  - In April 2014, in response to the National Defense Authorization Act for Fiscal Year 2014, Pub. L. No. 113-66, § 822 (2013), which directs DOD to develop a DOD-wide long-term plan for satellite ground control systems, to include the Air Force Satellite Control Network, DOD's Office of Under Secretary of Defense for Acquisition, Technology, and Logistics initiated study efforts to support the development of a long-term plan for DOD's satellite ground control systems. DOD officials stated in December 2017 that they expect this effort to be completed by the spring of 2018. Until a long-term plan is developed, DOD may not be positioned to reduce fragmentation and increase efficiencies.
- DOD should analyze whether further consolidation and/or collaboration is warranted between agencies conducting missions to account for missing persons. (2014-05-01-E)
- DOD should implement a centralized management and acquisition architecture for common business systems across the department. (2011-08-01-E, 2011-08-02-E, 2011-08-03-E, 2011-08-04-E)
- DOD should implement a more comprehensive TRICARE improper payment measurement methodology and develop more robust corrective action plans. (2015-18-01-E, 2015-18-02-E)
- DOD should develop a process to gather information about authorized positions and personnel assigned to combatant commands. Combatant commanders should provide comprehensive information on authorized positions and assigned personnel. Congress could also require a more comprehensive plan to inform the decision about whether to relocate the AFRICOM HQ from Stuttgart. (2014-12-03-E, 2014-12-05-E)

- The Secretary of Defense should enforce current policy that places acquisition authority for commercial satellite communications in DISA. (2016-01-01-E)
- DOD should determine which of two existing IT systems for unclassified occupational/environmental health data is superior and streamline policy accordingly. (2016-02-01-E, 2016-02-02-E)
- DOD should implement portfolio management for weapons acquisition, including by further integrating the acquisition, requirements, and budget communities under the leadership of the Deputy Secretary of Defense. (2016-03-01-E, 2016-03-02-E, 2016-03-03-E, 2016-03-04-E)
- The DLA should reassess whether the current priority system with the excess property disposal process remains optimal. (2016-13-01-E)
- The DOD Under Secretary for Personnel and Readiness should review whether the living quarters allowance is being improperly provided to civilian employees. (2016-14-01-E)
- DOD should more fully analyze whether current programs or entities using leased space could be moved to DOD-owned installations. (2016-16-01-E)
- The military departments should conduct further analysis on the required times to achieve training goals under virtual training programs. (2017-02-01-E, 2017-02-04-E)
- DOD should review its policy on contingency construction projects to avoid duplication and improve oversight and tracking of projects funded from operations and maintenance appropriations. (2017-03-01-E, 2017-03-02-E)
- DOD should develop a formal policy for department-wide coordination on advertising. (2017-05-01-E)
- DOD should conduct a comprehensive review of defense resale optimization for the commissaries and exchanges. (2017-16-01-E, 2017-16-02-E, 2017-16-03-E)
- DOD should conduct a comprehensive review of the military talent management system including performance measures, the impact on non-financial incentives, and the usage of special pays and bonuses. (2017-17-01-E, 2017-17-02-E, 2017-17-03-E, 2017-17-04-E)
- The Secretary of the Navy should incorporate additional incentives on fixed-price incentives contracts across the shipbuilding account and explore additional usage of warranties. (2017-18-03-E, 2017-18-04-E)
- DOD should use existing authority to close duplicative and/or inefficient defense distribution centers. (2018-02-01-E)
- DOD should designate a centralized acquisition authority for the Military GPS User Equipment acquisition program. (2018-03-03-E)

- DOD should study whether adjustments to current policy for purchasing foreign currency remains optimal. (2018-14-01-E, 2018-14-02-E)
- DOD should assess whether migrating depot supply functions from the military departments to DLA would result in greater efficiency. (2018-15-01-E, 2018-15-02-E)
- DOD should develop and implement a plan to achieve cost savings and efficiencies related to joint basing. (2013-20-01-E)
- The Secretary of the Navy should direct appropriate officials to conduct a comprehensive analysis of information technology services spending to reduce duplicative contracts and to implement utilization metrics and monitor agency efforts to comply with the Navy's existing use policies for IT services. (2013-23-05-E)
- The Secretary of the Air Force should direct appropriate officials to conduct a comprehensive analysis of information technology services spending to reduce duplicative contracts; implement metrics to measure use of strategically sourced contracts at the military department level; develop guidance, goals, and metrics for the resulting savings; and review the benefits and disadvantages of standardized labor categories for primary strategic sourcing vehicles. (2013-23-06-E)
- The Secretary of Defense should develop a department-wide long-term plan for modernizing the Department of Defense's (DOD) Air Force Satellite Control Network and any future shared satellite control services and capabilities. (2014-03-02-E)