
Note: BMDS is excluded from this analysis. JTRS GMR is the Joint Tactical Radio System Ground Mobile Radios; this program was terminated during the course of our review. WIN-T Increment 3 is the third increment of the Warfighter Information Network-Tactical program. BAMS UAS is the Broad Area Maritime Surveillance Unmanned Aircraft System. E-2D AHE is the Advanced Hawkeye. HC/MC-130 Recap is the recapitalization program for the HC/MC-130 aircraft. Patriot/MEADS CAP is the Patriot/Medium Extended Air Defense System Combined Aggregate Program. AMF JTRS is the Airborne and Maritime/Fixed Station Joint Tactical Radio System. CHEM-DEMIL ACWA is Chemical Demilitarization-Assembled Chemical Weapons Alternatives.

- **Buying power, as measured by program acquisition unit cost, has decreased for over 60 percent of programs over the past year.** Of the 96 programs or components in DOD's portfolio that reported program acquisition unit cost data, 61 are planning to deliver capabilities at higher unit costs than estimated a year ago while 35 are planning to deliver capabilities at or below the same estimates.⁶ Unit costs are sensitive to how many are being bought. If quantities are decreased, unit costs would be expected to go up and vice versa. However, only 11 of the 61 programs with unit-cost increases in the past year decreased quantities in the past year, indicating that unit-cost growth in the other 50 cases was due to actual research and development or procurement cost growth—not changes in quantities. We did not examine whether these programs delivered a higher or lower level of performance than initially planned.
- **Less than half of the programs in the 2011 portfolio met cost-growth targets used to measure DOD's progress on addressing GAO's weapon system acquisition high-risk area.** In December 2008, DOD, OMB, and GAO discussed a set of cost growth metrics and goals to evaluate DOD's progress on improving program performance for purposes of our high-risk report. These metrics were designed to capture total cost-growth performance over 1-year and 5-year periods as well as from the original program estimate on a percentage basis as opposed to dollar amount to control for the disparity in the amount of funding between programs. As shown in figure 3, 40 percent of major defense acquisition programs did not meet the criteria for less than 2

⁶Program acquisition unit cost is the total cost for development, procurement, acquisition operation and maintenance, and system-specific military construction for the acquisition program divided by the number of items to be produced. DOD's 2011 portfolio includes 96 programs with SARs; however, DOD's SAR summary tables break down several of these programs into smaller elements. We did not include BMDS or the National Polar-orbiting Operational Environmental Satellite System because comparable cost and quantity data were not available, or the Expeditionary Fighting Vehicle and Patriot/Medium Extended Air Defense System Combined Aggregate Program Fire Unit, because these programs were cancelled.