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The Honorable Jon Tester
311 Hart Senate Office Building
Washington, DC 20510-2604

Subject: Lack of “Good Information” About Defense Programs

Dear Sen. Tester:

I listened to you on “Real Time with Bill Maher” last night. In response to Maher’s comments about the F-35 being a turkey, you responded:

1. “It’s about accountability” and
2. “You make good decisions based on good information.”

Unfortunately, the defense acquisition statutes and regulations are insufficient to hold defense contractors accountable for cost, schedule, and technical performance. In fact, the regulations enable defense contractors to submit monthly status reports that contain invalid information and are misleading. There is a systemic problem that enables contractors to understate the true cost overruns. Consequently, DoD program managers do not have good information to make good decisions and are unaware that a Nunn-McCurdy breach has occurred.

In 2009, DoD reported to Congress that:

- o Contractors may circumvent proper Earned Value Management (EVM, part of Program/Project Management (P/PM)) practices to keep EVM metrics favorable and problems hidden
- o These types of data quality problems hinder the government's ability to meet program objectives by delaying or masking insight into developing problems.

These conditions persist. Thus, program managers are deceived and fail to inform Congress of Nunn-McCurdy breaches on a timely basis. Congress does not have valid information to make program and funding decisions that could save billions of dollars. Per the NDIA, contractors “sacrifice objective program status reporting in favor of “making the number.”

I have been an advocate of acquisition reform regarding P/PM for over twenty years and have proposed legislation that was incorporated into NDAs by HASC Chairmen Skelton and Adams and SASC Chairman McCain. However, the legislation was germinal and did not lead to changes in acquisition regulations. Chairman Adams’ markup in the NDAA for FY 2021 was excluded by the Senate.

In a letter of appreciation from Sen. McCain, March 4, 2015, he stated “Our focus of effort for this Congress will be to provide accountability and arrest the growth in cost and schedule.” This has not yet happened.

Please read my most recent letter to Sen. Padilla, dated Feb. 20, subj: “Reduce Capital Asset Costs and Budgets,” for more background and specific recommendations. I hope that you will join HASC Chairman Smith and a champion from the SASC to enact needed legislation or to motivate DoD to fix the system without legislative prodding.

This letter and the cited letters may be downloaded from my website, www.pb-ev.com, at the Acquisition Reform tab. I would be happy to provide more information and clarification to your staff. Please let me know how I can help you to succeed.

Good luck,

A handwritten signature in blue ink that reads "Paul J. Solomon" with a long horizontal flourish extending to the right.

Paul J. Solomon

CC:

Sen. Joni Ernst

Sen. Alex Padilla

Chairman Adam Smith

Deputy Secretary of Defense Kathleen Hicks

Mr. Andrew Hunter, Biden-Harris Transition Team