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April 14, 2021

The Honorable Adam Smith
Chairman, HASC
2216 Rayburn House Office Building
Washington, D.C. 20515

Subject: Your National Security Issues; Acquisition Policies and Requirements

Dear Chairman Smith:

Your website statement of National Security issues included the following:

While we must ensure that our warfighters have the equipment and training they need to carry out their missions, we must do a better job of carefully examining our *policies, requirements, and acquisition programs to improve efficiencies and eliminate waste, fraud and abuse* in the Department of Defense (DOD).

My last letter to you, dated March 22, included recommendations to improve acquisition of the F-35. This letter includes recommended legislation to fix ineffective, defective policies and regulations for all development programs for which Earned Value Management (EVM) is required by DFARS. The defects enable, not eliminate, waste, fraud, and abuse. The remedy is an update to recommendations first proposed to Sen. McCain in 2011.

Please read the attached letter to Sen. McCain, Subj: Proposed Amendment to NDAA for 2012 (S. 1867) for EVM Acquisition Reform, dated Dec. 20, 2011. I recommended that he submit an amendment to the NDAA to improve the validity and accuracy of reporting for cost-type contracts that require the use of the EVM Standard, EIA-748. EIA-748 includes loopholes and ambiguities that enable contractors to submit flawed, Integrated Program Management Reports that overstate cost and schedule performance and understate the final costs (called Estimate at Completion). The current policies and regulations fail to deter waste, fraud, and abuse.

Then, I recommended legislation that would lead to revising DFARS. The objectives of the revisions were to *augment* compliance with EIA-748 by requiring the integration of the product scope (or technical baseline) and technical performance measures with EVM.

Now, I recommend that these objectives be achieved by *eliminating* compliance with EIA-748. Please consider my recommendations to you in December 2019 and 2020 in the following letters:

Subj: Request for Defense Acquisition Reform and GAO Investigation, 12/19/19

Subj: NDAA Excludes Your Most Game-Changing Provision for Program and Project Management, 12/12/20

I continued to work with Sen. McCain. Unfortunately, his later priorities were eliminating the sequester and restoring his health, not acquisition reform. Please consider the recommendations. They support

your National Security objectives to *improve efficiencies and eliminate waste, fraud, and abuse* in the DOD.

Yours truly,

A handwritten signature in cursive script that reads "Paul J. Solomon". The signature is written in black ink on a light-colored background.

Paul J. Solomon

CC:

Hon. Sen. Joni Ernst, SASC

Hon. Sen. Alex Padilla

Mr. Andrew Hunter, Biden-Harris Transition Team

Hon. Kathleen Hicks, Dep. Sec. of Defense

Hon. Stacy A. Cummings, Acting Under Sec. Def. for Acquisition and Sustainment