Backgrounder on GAO Phase Two JIAC Report

The Government Accountability Office (GAO) has released a second report on the Department of Defense (DOD) analysis that justified DOD's decision to locate a new Joint Intelligence Analysis Complex at the Croughton military base near London. The report highlights key deficiencies in the DOD analysis, describes the cost estimate as "unreliable," and recommends that "DOD update its future construction cost estimates for consolidating the [intelligence center] at RAF Croughton to comply with best practices."

These findings are the latest in a series of missteps and faulty analyses by DOD ranging from its plagiarism from Wikipedia to running negligent cost studies. In a previous report, the GAO found that the DOD's analysis did not follow any set of best practices and that DOD officials "were unable to explain" how alternative sites for the intelligence center were eliminated from consideration.

Independent analysis by the House Permanent Select Committee on Intelligence has shown that locating the intelligence center elsewhere could yield over \$1.1 billion in total savings, including nearly \$50 million per year by avoiding the high cost of living at RAF Croughton.

One possible alternative site for the intelligence center is the Lajes Air Force base in the Azores, Portugal. As the new GAO report highlights, in addition to the 456 unoccupied houses on-base, local municipalities around Lajes have identified nearly 1,700 houses available for rent. Yet DOD used estimates that ignored this information, reporting to Congress that more than \$400 million would need to be spent on housing at Lajes in order to locate the intelligence center there.

Since the GAO report was completed, the Committee has also uncovered damaging new information regarding DOD's assessments of the communications infrastructure at Lajes. Information in multiple supporting documents provided by DOD was <u>copied</u> from Wikipedia, the free online encyclopedia. Further, local telecommunications providers have stated that only a few small upgrades would be required to support communications for the intelligence center, yet the DOD never considered the possibility of upgrades, instead assuming the need for hundreds of millions of dollars in new communications infrastructure.

Congress recently voted to prohibit any funding to move the NATO portion of the intelligence center to RAF Croughton this year, and the Committee is performing its own independent analysis of locations in Belgium that could better support NATO customers. The DOD Inspector General is also continuing to investigate whether the DOD provided false information to Congress on this issue.

To read House Intelligence Committee highlights of the GAO phase two report, click <u>here</u>. To read the entire report, click <u>here</u>.