

- Costs are excluded from the estimates provided to the Congress by reporting less units than they actually intend to buy; excluding related costs, such as aircraft simulator and facility costs; and not considering many of the major contributors to cost growth such as system design changes, production rate changes, and funding perturbations.
- Program office estimates are often based on contractor estimates that are frequently overly optimistic.
- Independent cost estimates are often as inaccurate as the program office estimate they are supposed to verify.

TEST AND EVALUATION

I will now discuss the test and evaluation of major weapon systems. Test and evaluation is conducted throughout the acquisition process to identify and reduce development risks and to ensure that a weapon system will perform as intended. The results are used by DOD decisionmakers and the Congress in managing and overseeing the development and acquisition process. The increasing sophistication and capabilities of DOD's new weapon systems have made effective