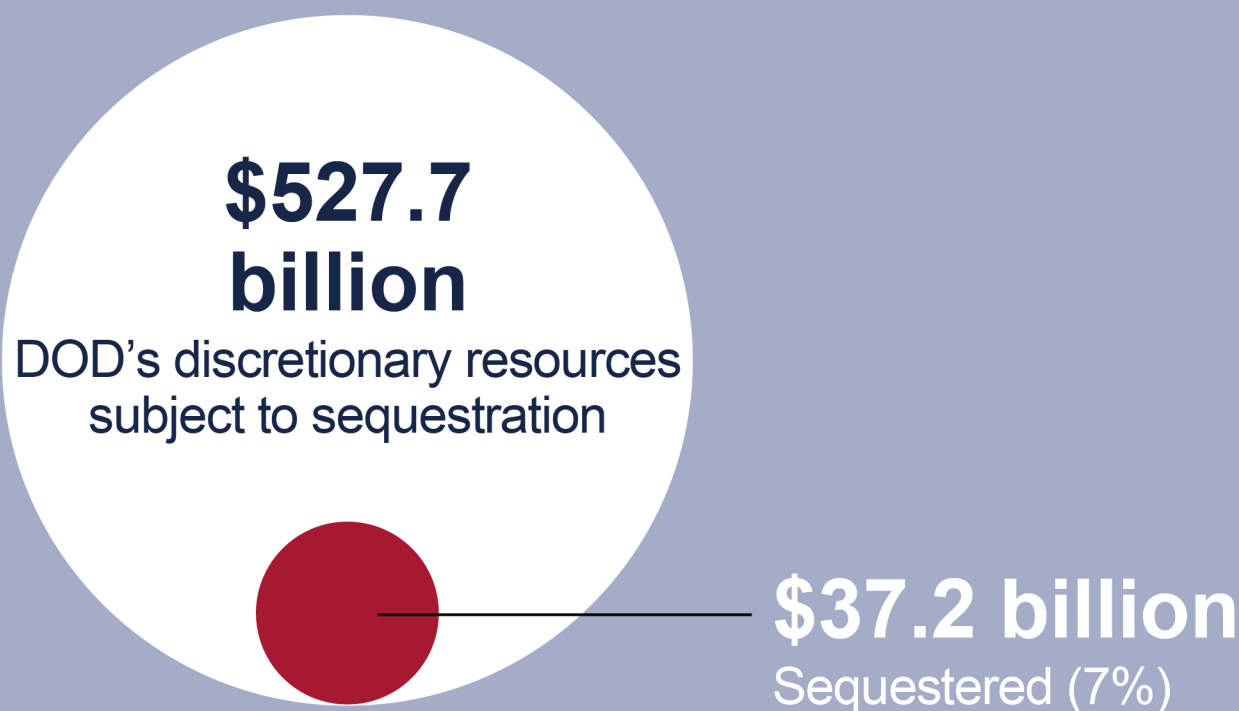


DOD Sequestration

How DOD Experiences with Fiscal Year 2013 Sequestration Could Inform Future Planning

KEY FACTS FROM GAO-15-470

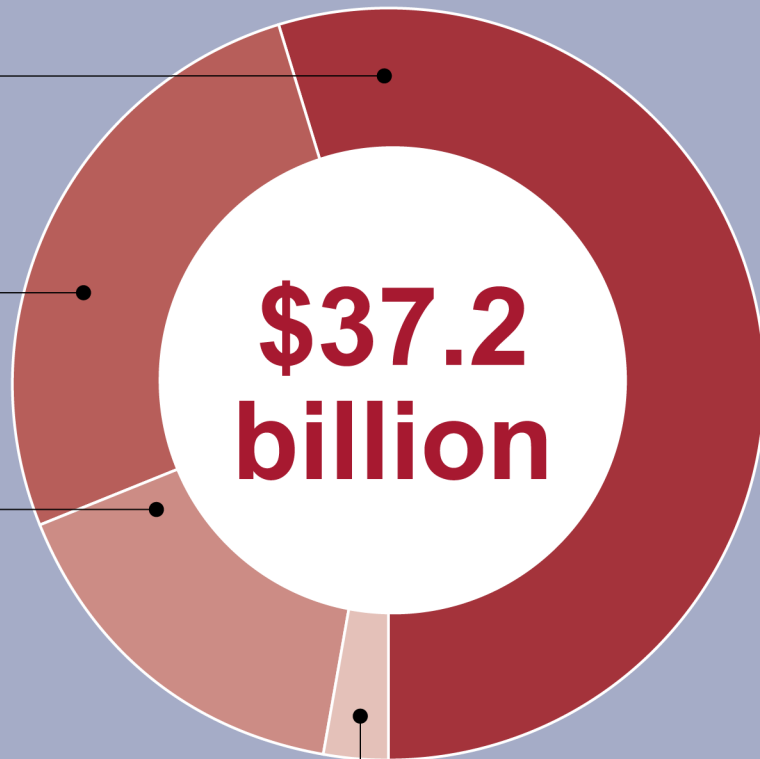
Fiscal year (FY) 2013 sequestration reduced federal agency resources across the board. Overall, DOD reduced its total discretionary resources subject to sequestration by about 7%.



How FY 2013 Reductions Were Allocated

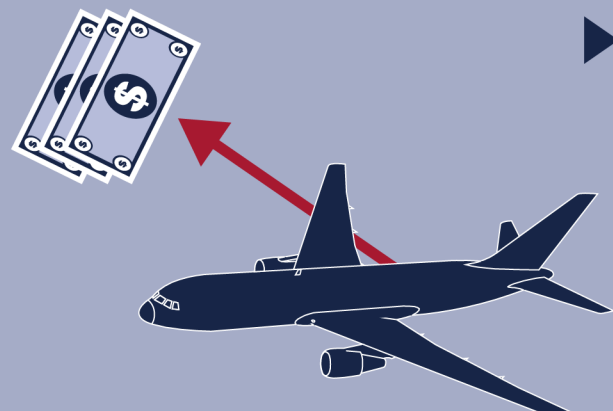
DOD's appropriations accounts subject to sequestration were reduced as follows:

- 55%** Operation and Maintenance (reduced by \$20.3 billion)
- 26%** Procurement (reduced by \$9.8 billion)
- 16%** Research, Development, Test, and Evaluation (reduced by \$6.1 billion)
- 3%** Other (reduced by \$1.0 billion)



Effects from FY 2013 Sequestration

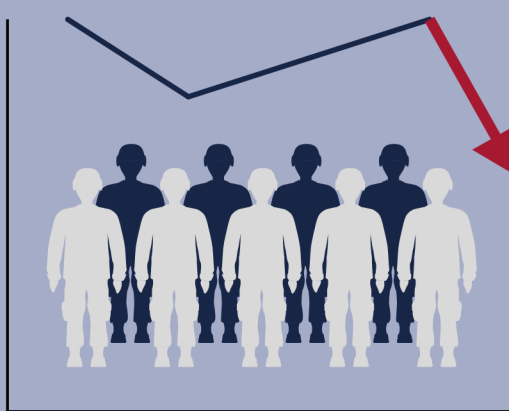
DOD took near-term actions to preserve key programs and reduced spending on lower priorities. However, DOD identified certain negative effects resulting from FY 2013 funding reductions. For example:



- ▶ **Increased costs and spending**
Navy's P-8A Poseidon aircraft program experienced procurement delays, which increased life-cycle costs by an estimated \$56.7 million.



- ▶ **Cancelled activities, delayed timeframes**
Air Force cancelled or reduced participation in most of its large-scale planned FY 2013 training events, which may delay achievement of readiness goals in the longer term.

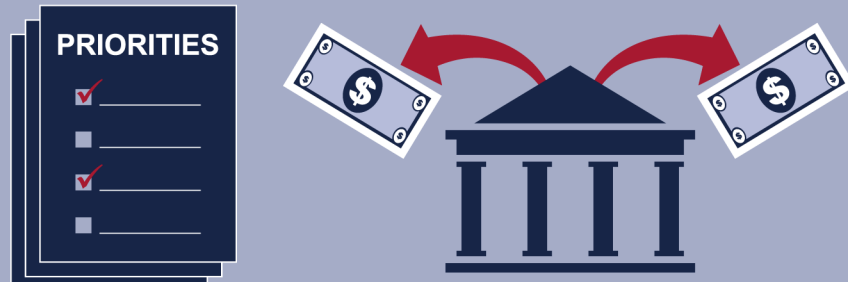


- ▶ **Decreased force availability**
Navy cancelled or delayed ship deployments in FY 2013, which resulted in a 10% decrease in its deployed forces worldwide.

Mitigation Strategies and Lessons Learned

DOD used various strategies to mitigate FY 2013 sequestration effects:

- ▶ Prioritizing critical functions
- ▶ Using unobligated funds to offset reductions
- ▶ Transferring and reprogramming funds



DOD has not fully documented or assessed lessons learned from FY 2013 sequestration, and could miss opportunities to incorporate effective practices into its future planning.

Source: GAO analysis of Department of Defense (DOD) data.