

Analysis of Section 203 of the Fostering Reform and Government Efficiency in Defense Act (FoRGED Act) Relating to the Director of Cost Assessment and Program Evaluation

- **Key Points**

- Section 203 of the FoRGED Act, introduced as Senate Bill 5618 in the 118th Congress, proposes amendments to three sections of Title 10, United States Code, concerning the Director of Cost Assessment and Program Evaluation (CAPE) ¹.
- These amendments modify CAPE's role concerning independent cost estimates (ICEs) by requiring concurrence from the Joint Requirements and Programming Board (JRPB), alter the Secretary of Defense's authority to direct specific analyses by CAPE, and change the requirements related to CAPE within the annual aircraft procurement plan ¹.
- The most significant change involves the new stipulation that the Director of CAPE can only issue independent cost estimates with concurrence from the JRPB, a departure from the previous autonomy in this area ¹.
- Further modifications include the removal of the Secretary of Defense's explicit directive authority over certain CAPE analyses and an adjustment to the requirements for the annual aircraft procurement plan pertaining to CAPE's input ¹.

- **History of the recommendation**

- Senate Bill 5618, officially titled the "Fostering Reform and Government Efficiency in Defense Act" or "FoRGED Act," was introduced in the United States Senate on December 19, 2024 ¹. This legislative action marked the formal proposal of Section 203, which specifically addresses matters concerning the Director of Cost Assessment and Program Evaluation ¹. The bill was subsequently read twice and referred to the Committee on Armed Services for further consideration ¹.
 - The introduction of the FoRGED Act, and consequently Section 203, signifies a Congressional interest in potentially reforming and enhancing the efficiency of defense operations ¹. Given the title of the Act, it is plausible that this specific recommendation regarding the Director of CAPE is intended to contribute to these broader goals of reform and efficiency within the Department of Defense.
 - As the bill was introduced in late 2024, the "history" of this particular recommendation is relatively recent, originating with the drafting and introduction of the FoRGED Act in the 118th Congress ¹. The provided

information does not indicate any prior legislative attempts or extensive public debate specifically focused on these proposed changes to the Director of CAPE's authorities and responsibilities.

- Section 203 of Senate Bill 5618 is explicitly titled "Matters Relating to the Director of Cost Assessment and Program Evaluation," indicating a targeted focus on this specific role within the DoD ¹. The fact that an entire section of a bill aimed at broader defense innovation and efficiency is dedicated to CAPE suggests the perceived importance of this office in achieving those objectives.
 - The inclusion of this section implies a Congressional intent to adjust the existing framework governing the Director of CAPE's functions, potentially in response to identified challenges or perceived areas for improvement in defense acquisition and program management.
 - The specific amendments within Section 203, addressing ICEs, analytical responsibilities, and aircraft procurement planning, point to particular aspects of CAPE's role that Congress seeks to modify. The nature of these modifications will be crucial in understanding the underlying motivations and intended outcomes of this legislative proposal.
- Given the bill's focus on promoting defense innovation, the modifications to CAPE's role could be interpreted in several ways. On one hand, they might aim to streamline cost assessment processes to facilitate the adoption of innovative technologies. On the other hand, they could seek to ensure that even innovative programs are subject to rigorous cost scrutiny to safeguard taxpayer dollars. The specific changes outlined in Section 203 provide clues as to which of these objectives, or perhaps a combination thereof, is being pursued. The requirement for JRPB concurrence on ICEs, for instance, suggests a desire for a more integrated approach where the cost implications of requirements are considered early in the development of innovative programs.
- **Desired Effect of the recommendation**
 - **Desired Effect 1: Enhanced Collaboration and Alignment with Requirements (Related to 10 U.S.C. § 139a(b)(2))**
 - The amendment to 10 U.S.C. § 139a(b)(2) replaces the previous language, which allowed the Director of CAPE to conduct independent cost estimates "without obtaining the approval or concurrence of any other official within the Department of Defense," with the stipulation that such estimates can now be made "only with concurrence from the Joint Requirements and Programming Board of the Department of Defense" ¹. This change directly impacts the autonomy CAPE previously held in the

crucial area of independent cost estimation.

- The likely intended outcome of this amendment is to foster greater collaboration and ensure a closer alignment between the cost assessments produced by CAPE and the military requirements validated by the JRPB. The JRPB plays a central role in defining the operational needs and performance parameters for defense programs. By requiring their concurrence on ICEs, Congress likely aims to ensure that cost estimates are informed by a thorough understanding of these requirements and that the JRPB takes ownership of the cost implications of the capabilities they are endorsing.
- Previously, CAPE's independent cost estimates, while highly influential, could potentially diverge from the perspectives of those responsible for defining the military needs. This amendment suggests a belief that a more integrated process, where cost and requirements are considered in tandem and formally agreed upon, will lead to more realistic and ultimately more affordable program baselines. The involvement of the JRPB, which comprises representatives from across the military services, could bring a broader understanding of mission needs and technological feasibility to the cost assessment process, potentially resulting in more comprehensive and defensible estimates.
- **Desired Effect 2: Streamlined Analytical Processes (Related to 10 U.S.C. § 139a(d)(4))**
 - The amendment to 10 U.S.C. § 139a(d)(4) involves striking the phrase "and performance of such analyses, as directed by the Secretary of Defense" from the existing text ¹. This modification removes the explicit authority granted to the Secretary of Defense to directly task CAPE with conducting specific analyses beyond its core functions of cost assessment and program evaluation.
 - The desired effect of this change could be to reinforce CAPE's independence by limiting the potential for political influence on its analytical agenda or to allow the Director of CAPE to prioritize analytical efforts based on their professional judgment and a comprehensive understanding of the Department's overarching cost and program evaluation needs. This might lead to a more consistent and strategically focused approach to CAPE's analytical work.
 - While the Secretary of Defense's ability to direct analyses might have been intended to ensure responsiveness to immediate needs, it could also have led to CAPE's resources being diverted to ad-hoc requests that might not have aligned with its core mission or long-term strategic

priorities. By removing this direct tasking authority, Congress might be seeking to empower the Director of CAPE to set their own analytical priorities, ensuring that CAPE's expertise is focused on the most critical and enduring cost and program evaluation challenges facing the DoD. This could also enhance the perception of CAPE's independence, as its analytical work would be seen as driven by its own assessment of needs rather than solely by the directives of the current Secretary.

○ **Desired Effect 3: Focus Adjustment in Aircraft Procurement Planning (Related to 10 U.S.C. § 231a(c)(2))**

- The amendment to 10 U.S.C. § 231a(c)(2) involves striking subparagraph (E) and redesignating subparagraph (F) as subparagraph (E) ¹. This change alters the requirements for the annual aircraft procurement plan, specifically concerning the information or analysis provided by or related to the Director of CAPE.
- Without access to the full text of 10 U.S.C. § 231a(c)(2), the precise desired effect is difficult to ascertain. However, it can be inferred that subparagraph (E) previously contained a specific requirement related to CAPE's input or analysis in the context of the annual aircraft procurement plan. By striking it and replacing it with what was formerly subparagraph (F), Congress likely intends to shift the focus or nature of CAPE's contribution to this critical planning document.
- This change could aim to either streamline CAPE's involvement in the early stages of aircraft procurement planning by removing a requirement that was deemed less valuable or to modify the specific type of information or analysis CAPE is mandated to provide. Perhaps the previous requirement in subparagraph (E) was considered redundant, too burdensome, or not as relevant as the information now required under the redesignated subparagraph (E). Understanding the original content of these subparagraphs would provide a clearer picture of the intended adjustment in focus for CAPE's role in annual aircraft procurement planning.

○ **Desired Effect 4: Potential Streamlining of Functions (Related to 10 U.S.C. § 3221(b))**

- The amendment to 10 U.S.C. § 3221(b) involves striking paragraph (6) and redesignating paragraphs (7) and (8) as paragraphs (6) and (7), respectively ¹. This action modifies the statutory list of functions assigned to the Director of CAPE.
- The desired effect of striking paragraph (6) is likely to eliminate a specific function that was deemed no longer necessary, redundant with other responsibilities, or perhaps inefficient in its execution. This could be part

of a broader effort to streamline CAPE's portfolio of responsibilities, allowing the Director and their staff to focus on core functions such as independent cost estimation and program evaluation.

- To fully understand the intended streamlining, it would be necessary to know the exact function described in the former paragraph (6) of 10 U.S.C. § 3221(b). Its removal suggests that either this particular responsibility is being discontinued, transferred to another entity within the DoD, or is considered to be adequately covered by the remaining functions of the Director of CAPE. This adjustment could lead to a more focused and potentially more effective execution of CAPE's remaining statutory duties.
- **Potential Negative impacts of the recommendations**
 - **Potential Negative impact 1: Bureaucratic Delays in Cost Estimates (Related to JRPB Concurrence)**
 - Requiring concurrence from the Joint Requirements and Programming Board (JRPB) on all independent cost estimates (ICEs) could introduce bureaucratic delays into the defense acquisition process. The JRPB is a high-level body with a broad range of responsibilities, and the added requirement to review and concur with every ICE produced by CAPE could significantly increase its workload. This might lead to longer timelines for the issuance of critical cost assessments, potentially delaying Milestone decisions and the initiation of new acquisition programs.
 - While the intention behind this change is likely to ensure better alignment between costs and requirements, the practical implementation could create a bottleneck if the JRPB's review process is not efficient or if it lacks the capacity to handle the increased volume of ICEs requiring their attention. Program schedules are often tightly controlled, and any delays in obtaining necessary cost estimates can have cascading effects on program timelines and overall costs. The added layer of approval could also lead to more iterations and back-and-forth between CAPE and the JRPB, further extending the time required to finalize an ICE.
 - **Potential Negative impact 2: Reduced Independence of Cost Estimates**
 - Requiring the Director of CAPE to obtain concurrence from the JRPB on ICEs could potentially compromise the independence that has traditionally been a hallmark of CAPE's cost assessments. The JRPB is composed of representatives from various military services and is deeply involved in advocating for specific program requirements. This inherent advocacy could create a situation where the JRPB might pressure CAPE to adjust its cost estimates in a way that supports the JRPB's preferred program

outcomes, potentially leading to less objective and more optimistic assessments.

- The value of CAPE's analysis has long been predicated on its ability to provide an unbiased and independent perspective on program costs. If CAPE feels compelled to align its estimates with the JRPB's views to secure the necessary concurrence, the rigor and objectivity of the ICEs could be diminished. This could result in an underestimation of the true costs of programs, potentially leading to budget overruns and other financial challenges later in the program lifecycle. The loss of this independent voice in cost assessment could weaken the overall financial oversight of defense acquisition.
- **Potential Negative impact 3: Loss of Flexibility in Addressing Urgent Analytical Needs**
 - The removal of the Secretary of Defense's direct authority to task CAPE with specific analyses could reduce the Department's flexibility in obtaining timely, independent analysis on emerging or urgent issues. While CAPE might establish its own priorities for analytical work, there could be instances where the Secretary requires CAPE's unique expertise to address a time-sensitive matter that falls outside of CAPE's planned agenda.
 - In situations requiring rapid, high-quality analysis to inform critical decisions, the Secretary's ability to directly task CAPE could be invaluable. By removing this authority, the Department might lose a valuable tool for quickly obtaining independent insights on pressing issues. This could lead to delays in decision-making or a reliance on analyses from other sources that may not possess the same level of independence or expertise in cost assessment and program evaluation as CAPE.
- **Potential Negative impact 4: Unintended Consequences from Changes to Aircraft Procurement Planning**
 - Without knowing the specific content of the stricken subparagraph (E) of 10 U.S.C. § 231a(c)(2), it is challenging to fully assess the potential negative impacts of its removal. However, if this subparagraph mandated a crucial piece of analysis or a specific reporting requirement related to CAPE's assessment of aircraft procurement plans, its removal could lead to less informed decision-making in this significant area of defense spending.
 - Given CAPE's expertise in cost estimation and program evaluation, it is plausible that the removed subparagraph required some form of independent cost analysis or affordability assessment related to the

annual aircraft procurement plan. If this is the case, its removal could result in the plan being developed and approved without the benefit of CAPE's independent perspective on the financial implications of the proposed procurements. This could potentially lead to the approval of aircraft procurement plans that are not fiscally sustainable or that do not adequately consider alternative, more cost-effective options.

- **Potential Negative impact 5: Reduced Transparency or Oversight due to Function Removal**
 - Similarly, without knowing the exact function outlined in the stricken paragraph (6) of 10 U.S.C. § 3221(b), it is difficult to definitively determine the potential negative impacts of its removal. However, if this paragraph pertained to a function that contributed to the transparency or oversight of defense acquisition programs, its removal could weaken these crucial aspects of CAPE's role.
 - CAPE often serves as an important source of independent oversight and transparency in the defense acquisition process, providing objective assessments that can hold programs accountable. If the removed function involved a specific reporting requirement, a particular type of review, or an interaction with external oversight bodies, its elimination could reduce the overall transparency of acquisition activities and potentially diminish the level of independent scrutiny applied to defense programs.
- **Mitigations the organization will take to diminish the negative impacts**
 - **Mitigation of Negative Impact 1 (Bureaucratic Delays):** To mitigate the potential for bureaucratic delays resulting from the JRPB concurrence requirement, the Department of Defense should establish clear and efficient processes for the review and concurrence of ICEs. This could involve dedicating specific personnel within the JRPB staff to handle ICE reviews, implementing streamlined review timelines with clear deadlines, and establishing robust communication channels between CAPE and the JRPB to facilitate early engagement and address potential concerns proactively. Utilizing digital collaboration tools and standardized templates could also help expedite the process.
 - **Mitigation of Negative Impact 2 (Reduced Independence):** To safeguard the independence of CAPE's cost estimates, even with the JRPB concurrence requirement, it is crucial to maintain a clear separation of responsibilities and reporting lines for CAPE. The Department should ensure that CAPE retains the authority to present its independent assessments and any dissenting opinions, even when concurrence is ultimately reached. Establishing a formal process for documenting any disagreements and the rationale behind them

would promote transparency. Furthermore, leadership should reinforce the importance of CAPE's independent perspective and create a culture where objective cost assessments are valued and protected.

- **Mitigation of Negative Impact 3 (Loss of Flexibility):** To address the potential loss of flexibility in responding to urgent analytical needs, the DoD could establish a formal protocol for the Secretary of Defense to request specific analyses from the Director of CAPE. This protocol should outline the process for submitting such requests, the criteria for prioritizing them, and expected response timelines. While respecting CAPE's core responsibilities and analytical priorities, this mechanism would ensure that the Secretary retains the ability to leverage CAPE's expertise when critical, time-sensitive issues arise. Regular communication between the Secretary's office and CAPE leadership would be essential to manage expectations and ensure responsiveness.
- **Mitigation of Negative Impact 4 (Unintended Consequences in Aircraft Procurement):** To mitigate any potential negative consequences from the changes to the annual aircraft procurement plan, the DoD should conduct a thorough analysis of the impact of removing subparagraph (E) from 10 U.S.C. § 231a(c)(2). This analysis should identify the specific information or analysis that was previously required and determine if this information is still adequately addressed through other mechanisms in the planning process. If a gap is identified, the Department should explore alternative ways to incorporate CAPE's expertise and independent cost assessments into the aircraft procurement plan, such as through informal consultations, specific analytical reports, or modifications to other reporting requirements.
- **Mitigation of Negative Impact 5 (Reduced Transparency or Oversight):** To address the potential for reduced transparency or oversight due to the removal of a function from 10 U.S.C. § 3221(b), the DoD should first determine the exact nature of the function that was removed. If this function pertained to transparency or oversight, the Department should identify alternative methods or existing functions within CAPE or other DoD entities that can continue to fulfill this crucial aspect of accountability. If necessary, consideration should be given to reassigning the function to another appropriate organization or establishing a new mechanism to ensure that the intended level of transparency and oversight is maintained.
- **DoD Personnel Most Affected**
 - **Director of Cost Assessment and Program Evaluation (CAPE):** The Director will experience a direct impact on their role due to the new requirement for JRPB concurrence on ICEs, which necessitates a shift in how

these critical assessments are developed and finalized. The removal of the Secretary's direct tasking authority for certain analyses will also alter the Director's responsibilities in terms of setting analytical priorities. The Director will need to cultivate a strong working relationship with the JRPB leadership and adapt their office's processes to accommodate the new concurrence requirement.

- **Staff within the Office of the Director of CAPE:** The analysts and support staff within CAPE will need to adjust their workflows to incorporate the JRPB concurrence process. This will likely involve increased interaction with JRPB staff, the preparation of additional documentation to support their cost estimates, and potentially defending their analyses to the JRPB. They will also need to adapt to any changes in the types of analyses they conduct and the process for determining their analytical focus in the absence of direct tasking from the Secretary.
- **Program Managers:** Program Managers will be directly affected by the potential for longer timelines in obtaining ICEs due to the JRPB review and concurrence process. They will need to factor this additional step into their program schedules and Milestone planning. Furthermore, they should anticipate that the cost estimates presented at Milestone reviews will now reflect the consensus view of both CAPE and the JRPB, potentially leading to more in-depth discussions on the alignment of program requirements and costs.
- **Financial Managers:** Financial Managers across the Department of Defense will need to adapt to the new process for developing and finalizing ICEs. The requirement for JRPB concurrence might necessitate closer collaboration between program financial managers and the JRPB staff, particularly in the early stages of program development and budget planning. They will need to understand how this new process affects budget formulation, justification, and execution, and be prepared to address any questions or concerns arising from the JRPB's involvement in cost estimation.
- **Personnel within the Joint Requirements and Programming Board (JRPB):** The JRPB staff will take on a significant new responsibility by being required to review and provide concurrence on all independent cost estimates produced by CAPE. This will likely increase their workload and necessitate the development of expertise in cost assessment and analysis. They will need to establish clear processes for conducting these reviews and for communicating their feedback and concurrence decisions to CAPE in a timely and efficient manner.
- **Stakeholders opposed and rationale for Opposition**

- **Potentially the Director of CAPE (Historically):** Depending on the historical perspective and the value placed on the independence of cost estimates, the Director of CAPE might have concerns about the requirement for JRPB concurrence. There could be a perception that this could lead to political influence or compromise the objectivity that CAPE has traditionally strived for in its assessments. Additionally, the removal of the Secretary's direct tasking authority might be viewed as limiting CAPE's responsiveness to the highest levels of DoD leadership.
- **Defense Think Tanks and Good Government Groups:** Organizations that advocate for greater transparency and fiscal responsibility in defense spending might oppose the JRPB concurrence requirement if they believe it could weaken CAPE's independent oversight role. They might argue that the JRPB, with its focus on military requirements, might be inclined to support cost estimates that align with desired program outcomes, potentially leading to less rigorous and more optimistic assessments. These groups often emphasize the importance of independent cost analysis as a check on potential overspending.
- **Potentially the Secretary of Defense's Office:** While the legislation removes the Secretary's direct tasking authority over CAPE analyses, the Secretary's office might have concerns about this change. There could be instances where the Secretary needs rapid, independent analysis from CAPE to inform critical decisions, and the removal of this direct authority might be seen as hindering the Secretary's ability to obtain such timely support. The Secretary's office might prefer to retain the flexibility to direct CAPE's analytical efforts when necessary to address emerging threats or policy priorities.
- **Program Executive Officers (PEOs):** While the intended effect of the JRPB concurrence might be to improve alignment between requirements and costs, some Program Executive Officers might view this as an additional layer of bureaucracy that could slow down the acquisition process. They might perceive the need to obtain JRPB concurrence on ICEs as another hurdle that could lead to delays in program schedules and Milestone approvals. Some PEOs might prefer the previous system where CAPE's ICEs, while influential, were developed more independently.
- **Additional Resources**
 - **Personnel within CAPE:** To effectively navigate the new requirement for JRPB concurrence, CAPE might need additional personnel with expertise in understanding military requirements, acquisition processes, and effective communication with military stakeholders. Training for existing CAPE staff on

these areas would also be essential to ensure they can effectively engage with the JRPB.

- **Personnel within the JRPB:** The JRPB will likely require additional staff with expertise in cost assessment, financial analysis, and acquisition principles to effectively review and concur with the independent cost estimates produced by CAPE. Providing training to current JRPB staff on cost estimation methodologies and best practices will also be crucial to ensure they can provide informed and timely reviews.
- **Funding for Collaboration Tools:** To facilitate efficient communication and information sharing between CAPE and the JRPB during the development and review of ICEs, the DoD might need to invest in enhanced IT systems and collaboration platforms. These tools could include secure document sharing portals, workflow management systems to track the status of ICEs through the concurrence process, and video conferencing capabilities to facilitate meetings and discussions between the two organizations.
- **Training for Program Managers and Financial Managers:** Given the changes to the cost estimation process and the increased involvement of the JRPB, it will be important to provide comprehensive training to Program Managers and Financial Managers across the DoD. This training should cover the updated roles and responsibilities of CAPE, the new JRPB concurrence process, and the potential implications for program schedules, budgets, and Milestone decision reviews. This will help ensure that program stakeholders understand the new procedures and can effectively navigate the revised acquisition landscape.
- **Measures of Success**
 - **Timeliness of ICEs:** A key measure of success will be the average time taken to produce an initial ICE by CAPE and the subsequent time required for the JRPB to review and provide concurrence, compared to the timelines before the implementation of Section 203. The goal should be to ensure that the new concurrence requirement does not significantly increase the overall time needed to obtain an ICE. Establishing benchmark timelines for each stage of the process and monitoring actual performance against these benchmarks will be crucial.
 - **Alignment of ICEs with Program Budgets:** The degree to which CAPE's independent cost estimates (after JRPB concurrence) align with the actual program costs throughout the acquisition lifecycle can serve as a measure of success. A closer alignment, with fewer instances of significant cost growth or budget overruns, could indicate that the new process is leading to more accurate and realistic cost assessments. Regular tracking and analysis of cost

variances will be necessary to evaluate this metric.

- **Stakeholder Satisfaction:** Gathering feedback from key stakeholders, including CAPE staff, JRPB members, Program Managers, and Financial Managers, on their satisfaction with the new processes and their perceived impact on program decision-making can provide valuable insights. Conducting surveys, interviews, or focus groups can help assess the effectiveness and efficiency of the revised framework and identify any areas for improvement.
- **Number and Impact of Secretary of Defense Analytical Requests:** Monitoring the number and nature of analytical requests from the Secretary of Defense to CAPE after the removal of direct tasking authority can help assess whether this change has limited the Secretary's access to CAPE's analytical capabilities. Evaluating the effectiveness of any alternative mechanisms established for addressing urgent analytical needs will also be important.
- **Qualitative Assessment of Collaboration:** Assessing the quality of collaboration and communication between CAPE and the JRPB is crucial. This can be done through feedback from personnel in both organizations, as well as through observation of their interactions. The goal is to determine if the new concurrence process fosters a more integrated and informed decision-making environment, characterized by effective communication and a shared understanding of cost and requirements considerations.
- **Alternative approaches**
 - **Enhanced Communication and Early Engagement:** Instead of mandating formal concurrence, the DoD could prioritize enhanced communication and early engagement between CAPE and the JRPB throughout the development of ICEs. This could involve regular joint meetings, integrated project teams where CAPE and JRPB personnel work together from the outset, and informal consultations to foster better understanding and alignment of perspectives without the need for a formal approval gate.
 - **Joint Working Groups:** Establishing permanent or ad-hoc joint working groups composed of personnel from both CAPE and the JRPB could facilitate a deeper understanding of each other's methodologies, constraints, and perspectives. These groups could collaborate on the development of cost estimation methodologies, the review of specific program estimates, and the identification of potential cost-saving opportunities, potentially leading to better alignment and fewer disagreements without a mandatory concurrence requirement.
 - **Targeted Concurrence:** Rather than requiring JRPB concurrence for every

ICE, the requirement could be applied selectively to specific types of programs, such as those exceeding a certain cost threshold, those deemed high-risk, or those at critical Milestone decision points. This targeted approach could focus the JRPB's review efforts on the most significant acquisitions, potentially reducing the bureaucratic burden and the risk of delays for lower-risk programs.

- **Independent Review Panels:** An alternative approach could involve establishing independent panels of experts with expertise in both cost assessment and military requirements to review CAPE's ICEs and the JRPB's requirements. These panels could provide an objective assessment of the alignment between cost and requirements and identify potential discrepancies or areas for improvement, offering a mechanism for ensuring rigor and balance without a formal concurrence requirement from the JRPB.
- **Section Specific Question 1: What are the updated roles or responsibilities of the Director of CAPE concerning independent cost estimates (ICEs) or program evaluations, and how might this impact Milestone decision reviews or budget planning for acquisition programs?**
 - The most significant updated role for the Director of CAPE concerning independent cost estimates (ICEs) is the new requirement to obtain concurrence from the Joint Requirements and Programming Board (JRPB) before an ICE can be finalized ¹. This represents a fundamental shift from the previous autonomy CAPE held in this area. The Director will now be responsible for ensuring that ICEs not only reflect an independent cost assessment but also incorporate and gain formal agreement from the JRPB, the body responsible for validating military requirements. Additionally, the amendment removes the Secretary of Defense's explicit authority to direct specific analyses by CAPE ¹, which could lead to the Director having more discretion in setting the analytical agenda for their office. While the section does not directly modify the Director's responsibilities concerning program evaluations, the changes to the ICE process could indirectly influence how programs are evaluated in terms of cost performance relative to established requirements.
 - The requirement for JRPB concurrence on ICEs is likely to impact Milestone decision reviews by potentially extending the timeline for obtaining these critical inputs. Program Managers will need to factor in the time required for both the development of the ICE by CAPE and the subsequent review and concurrence process by the JRPB. The ICE presented at Milestone reviews will now carry the weight of agreement from both CAPE and the JRPB, potentially leading to more focused discussions on the alignment of program

requirements and their associated costs. Decision authorities will likely pay close attention to the JRPB's concurrence, as it signifies a broader consensus on the affordability and cost implications of the program's defined requirements. In terms of budget planning, the integration of the JRPB's perspective into ICEs could lead to more realistic and defensible budget requests. The early involvement of the JRPB in the cost estimation process might result in a greater understanding of the cost drivers associated with the stated requirements, potentially leading to more accurate budget projections. However, if the concurrence process inadvertently leads to underestimated costs, it could create budget challenges later in the program lifecycle.

- **Section Specific Question 2: Does this section modify how CAPE assesses program affordability or conducts analyses of alternatives (AoAs), and what should Program Managers and Financial Managers anticipate during these assessments?**
 - Section 203 does not explicitly modify the methodologies or criteria that CAPE uses to assess program affordability or conduct analyses of alternatives (AoAs). However, the requirement for JRPB concurrence on independent cost estimates (ICEs), which are critical inputs for both affordability assessments and AoAs, will indirectly influence these processes.
 - Program Managers and Financial Managers should anticipate that affordability assessments will now be based on cost estimates that have been reviewed and formally agreed upon by the JRPB. This could lead to a greater emphasis on demonstrating a strong alignment between program requirements and available resources, as the JRPB's concurrence signifies their endorsement of the cost implications of those requirements. There might be increased scrutiny on programs where the ICE, even with JRPB concurrence, indicates significant affordability challenges. Similarly, when CAPE conducts Analyses of Alternatives (AoAs), the cost estimates for the various alternatives will now have undergone JRPB review. Program Managers and Financial Managers should anticipate that the cost data presented in AoAs will reflect a consensus view between CAPE and the JRPB regarding the cost implications of the different capability options. This could potentially influence the conclusions and recommendations of AoAs, as the JRPB's perspective on requirements and their associated costs will be formally integrated into the analysis. Additionally, the removal of the Secretary's direct tasking authority for analyses could potentially affect the initiation or scope of some AoAs if they were previously driven by specific requests from the Secretary's office.
- **Summary**

- Section 203 of the FoRGED Act introduces notable changes to the role and responsibilities of the Director of Cost Assessment and Program Evaluation (CAPE), primarily through the new requirement for concurrence from the Joint Requirements and Programming Board (JRPB) on all independent cost estimates (ICEs). This amendment aims to enhance collaboration and ensure a closer alignment between cost assessments and military requirements within the Department of Defense. While this could potentially lead to more realistic and affordable program baselines, it also introduces the risk of bureaucratic delays and a perceived reduction in the independence of CAPE's cost estimates. The removal of the Secretary of Defense's direct tasking authority for certain analyses and modifications to the annual aircraft procurement plan and the Director's functions further reshape CAPE's role within the defense acquisition landscape. To effectively implement these changes and mitigate potential negative consequences, the DoD will need to establish clear and efficient processes for JRPB concurrence, safeguard CAPE's independence, ensure continued responsiveness to urgent analytical needs, and carefully consider the implications of the changes to aircraft procurement planning and the Director's functions. Monitoring key metrics such as the timeliness of ICEs, the alignment of cost estimates with program budgets, and stakeholder satisfaction will be crucial for evaluating the success of these changes. Exploring alternative approaches that foster collaboration without necessarily requiring formal concurrence could also be beneficial. Overall, the implementation of Section 203 will require careful attention and proactive measures to ensure that the intended benefits of enhanced collaboration and efficiency are realized without compromising the independence and effectiveness of cost assessment and program evaluation in the Department of Defense.

Works cited

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