



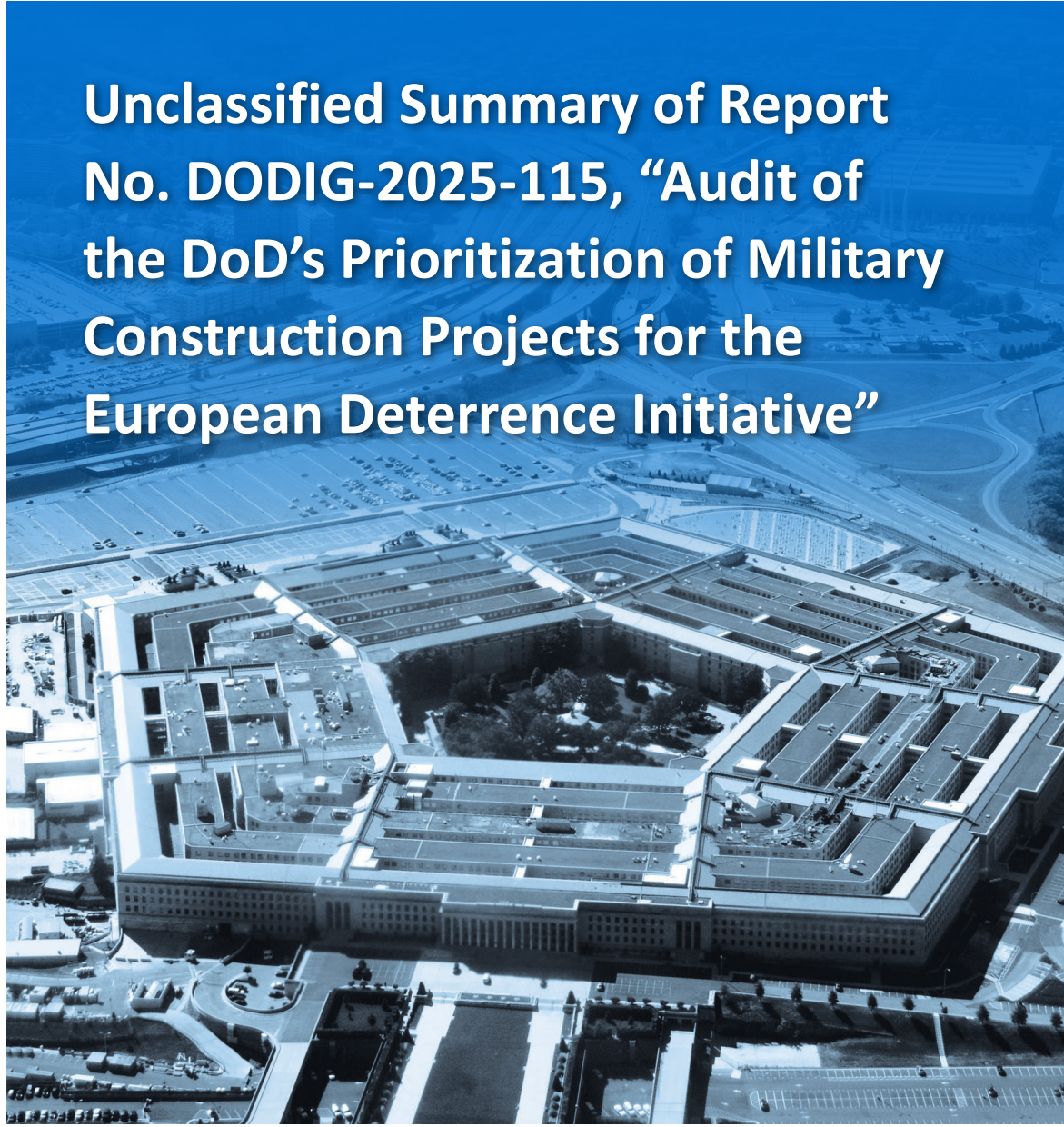
INSPECTOR GENERAL

U.S. Department of Defense

JUNE 24, 2025



Unclassified Summary of Report No. DODIG-2025-115, "Audit of the DoD's Prioritization of Military Construction Projects for the European Deterrence Initiative"



INDEPENDENCE ★ INTEGRITY ★ EXCELLENCE ★ TRANSPARENCY

On June 24, 2025, the DoD Office of Inspector General issued audit report DODIG-2025-115, "Audit of the DoD's Prioritization of Military Construction Projects for the European Deterrence Initiative." Due to the extent of the classified and controlled unclassified information contained in the original audit report, it was not released publicly. The report discusses internal DoD budgetary processes and outyear discretionary data that is considered pre-decisional. Therefore, DoD determined that significant portions of the report are CUI/Budgetary and limited distribution to DoD only based on: Enclosure 3 of DoD Directive 7045.14, Release of Program Planning Budget and Execution documents, which details the Under Secretary of Defense (Comptroller)/Chief Financial Officer disclosure authority over budget submissions and budget decision documents. In the interest of transparency, we prepared this summary report to release some unclassified information identified during the audit.

Objective

The objective of this audit was to determine the extent to which DoD officials effectively prioritized and funded military construction (MILCON) in support of the European Deterrence Initiative (EDI).

We limited our review to the prioritization of EDI MILCON projects as incorporated within the Global Posture Executive Council's (GPEC) existing process to prioritize overseas operational MILCON projects. Additionally, we reviewed the DoD's program and budget review process as related to EDI MILCON projects.

Background

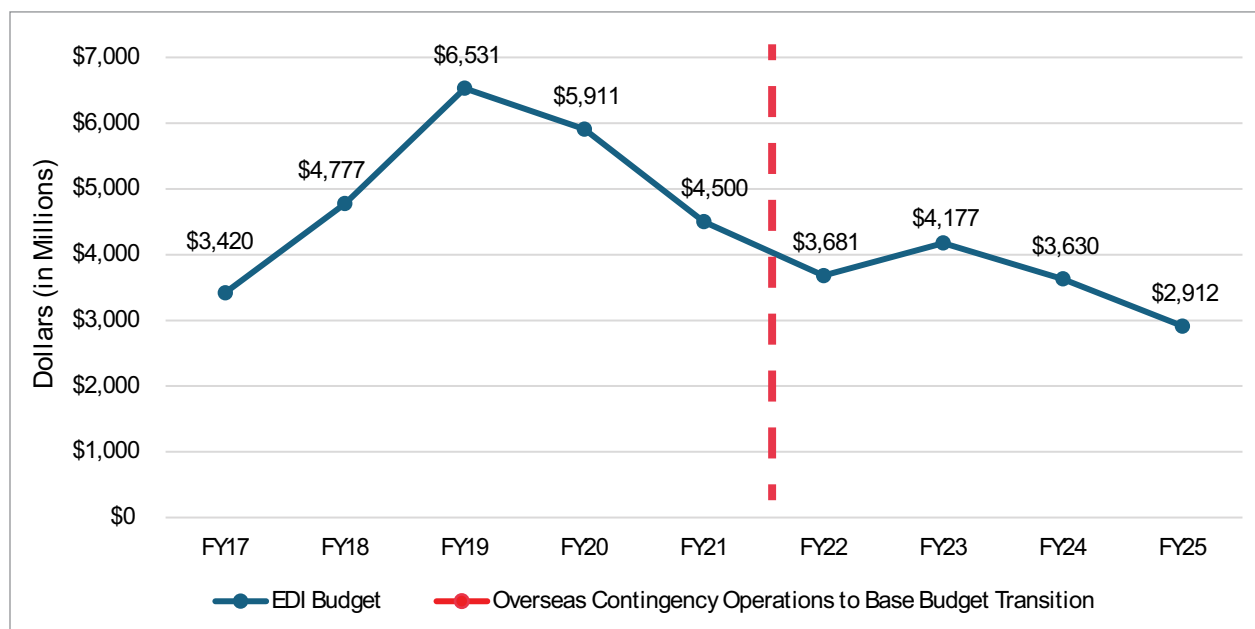
Establishment of the European Deterrence Initiative

The U.S. Government established the EDI to reassure U.S. allies in Europe of a continued U.S. commitment to their security in the wake of Russia's 2014 invasion of Crimea. As tensions with Russia mounted, the focus of the program broadened from reassuring allies to deterring Russian aggression. Since June 2014, the United States has used the EDI to enhance the U.S. deterrence posture; increase the readiness and responsiveness of U.S. forces in Europe; support the collective defense and security of North Atlantic Treaty Organization allies; and bolster the security and capacity of U.S. allies and partners.

The European Deterrence Initiative’s Transition into the DoD’s Base Budget

From FY 2015 through FY 2021, EDI funding was provided separately through Overseas Contingency Operations appropriations. Beginning with the FY 2022 budget, funding for the EDI was shifted to the DoD’s base budget request as part of a broader effort to discontinue requests for Overseas Contingency Operations appropriations as a separate funding category. Therefore, starting with the FY 2022 budget cycle, the EDI is no longer separate from the base budget. The following Figure depicts EDI budget values requested for FY 2017 through FY 2025 and shows a declining trend in funds.

Figure. EDI Budget Values Requested from FY 2017 Through FY 2025



Source: The Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD.

Global Posture Executive Council

GPEC serves as the DoD’s senior body overseeing posture processes and managing Global Defense Posture alignment efforts for the Secretary of Defense and Deputy Secretary of Defense. In this role, GPEC is responsible for prioritizing all overseas operational MILCON projects, to include EDI MILCON. GPEC issues annual guidance defining the process and framework it uses to globally prioritize overseas U.S. posture-related MILCON projects. GPEC is co-chaired by the Assistant Secretary of Defense for Strategy, Plans, and Capabilities and the Director, Joint Staff.

Scope and Methodology

We conducted this performance audit from April 2024 through March 2025 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. During the audit, we met with stakeholders to determine how EDI MILCON projects were identified and prioritized. In addition, we reviewed documentation to verify the process and determine how EDI MILCON projects were prioritized at each level.

Finding, Recommendation, and Management Comments

We found that the DoD has a process and made one recommendation to improve the effectiveness of the process. We directed the recommendation to the Assistant Secretary of Defense for Strategy, Plans, and Capabilities. The Deputy Assistant Secretary of Defense for Plans and Posture, responding for the Assistant Secretary of Defense for Strategy, Plans, and Capabilities, disagreed with the recommendation. Therefore, the recommendation is unresolved. The recommendation will remain open until we receive additional information to close the recommendation.



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