



UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON; D.C. 20548

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LOGISTICS AND COMMUNICATIONS
DIVISION

FEB 27 1976

The Honorable
The Secretary of Defense

Attention: Assistant Secretary of Defense
(Comptroller)

Dear Mr. Secretary:

We have completed our Government-wide survey of the acquisition of sedans and station wagons larger than compacts or subcompacts. The work was done under assignment Code 943426.

We observed that the Department of Defense did not have a specific requirement for the acquisition of compact and subcompact station wagons. Enclosed is a copy of our report to the Assistant Secretary of Defense (I&L) on this matter. No further reporting to the Department is planned.

Thank you for your cooperation.

Sincerely yours,

Henry W. Connor
Associate Director

Enclosure

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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON REGIONAL OFFICE
FIFTH FLOOR
803 WEST BROAD STREET
FALLS CHURCH, VIRGINIA 22046

FEB 27 1976

The Honorable Frank A. Shrontz
Assistant Secretary of Defense
(Installations and Logistics)

Dear Mr. Shrontz:

We have been studying the management procedures for assuring adherence to the Government policy requiring the acquisition of compact and subcompact passenger vehicles to conserve fuel (GAO Code 943434). We made our Government-wide study at the Department of Defense, the General Services Administration (GSA), and several other civil agencies.

During fiscal years 1975 and 1976, the Army, the Navy, and other DOD agencies ordered 727 intermediate-size station wagons through GSA without certifying that they were absolutely essential to their mission. One of the factors contributing to these orders was the lack of a specific DOD requirement for the acquisition of compact and subcompact station wagons.

FEDERAL AND DOD REGULATIONS

Federal Property Management Regulation (FPMR) 101-26.5 provides that compact and subcompact sedans and station wagons shall be acquired unless the agency head or his designee certifies that larger vehicles are required for law enforcement or are otherwise essential to the agency's mission.

DOD Directive 4500.36, Management, Acquisition, and Use of Motor Vehicles, provides that passenger sedans shall be limited to compacts and subcompacts unless the Assistant Secretary of Defense (I&L) approves the acquisition of larger sizes and certifies to the Administrator, GSA, that they are absolutely essential to the DOD component's mission. In contrast to the FPMR, the DOD directive is silent on the acquisition of station wagons.

LARGE STATION WAGONS ORDERED

At GSA, we identified orders from DOD agencies for 727 intermediate-size station wagons.

<u>Ordering agency</u>	<u>Quantity</u>
Army Tank-Automotive Command	558
Naval Construction Battalion Center	164
Bureau of Naval Personnel	1
Defense Mapping Agency	2
National Security Agency	<u>2</u>
Total	<u>727</u>

At the time we started our survey, the GSA files did not contain certifications for the larger station wagons. Subsequently, and after the fact, certification was received for 231 of the station wagons ordered by the Army Tank-Automotive Command. A Command official made the certification rather than the Assistant Secretary of Defense (I&L) specified by the DOD directive.

COMMENTS BY DOD OFFICIALS

We discussed this matter with responsible officials in the Department of the Army and the Navy and the offices of the Assistant Secretary of Defense (I&L). The Army and Navy officials took the position that since only passenger sedans are cited in the DOD directive, the directive does not apply to station wagons.

Officials in offices of the Assistant Secretary of Defense (I&L) responsible for the DOD directive were unaware that larger station wagons were being ordered by DOD components without certifications. They stated that the directive needed to be changed to specifically cover station wagons. They planned to take immediate corrective action.

CONCLUSIONS.

The promised action to include station wagons in the DOD directive should alleviate the certification problem but care must be taken that the certification does not become a mere rubber stamp. Officials at the using,

ordering, and higher review levels must ensure that the larger sedans and station wagons are really needed and adequately justified before approving their acquisition.

We trust that you will find our observations helpful in your efforts to conserve fuel in vehicle operations. Please feel free to contact Mr. John P. Carroll of my staff if you have any questions. He can be reached on 557-2151.

Sincerely yours,



David P. Sorando
Regional Manager