

REPORT BY THE  
**Comptroller General**  
OF THE UNITED STATES

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**Inadequate Methods Used To Account For Personnel In DOD's Transportation Function**

DOD does not have a comprehensive system with which to functionally analyze and describe its labor force. DOD officials make separate studies to answer congressional committees' questions on the number of personnel in transportation and other functions. Without a comprehensive system, DOD will continue to have problems in managing personnel consistently and in communicating staffing data to the Congress.

However, the Office of the Secretary of Defense is developing such a system, expected to be operating early in fiscal year 1981, so that it can functionally analyze and describe its labor force across organizational, occupational, and job structures. As in any long-term effort, but especially under present budget pressures, a potential exists for delaying, diverting, or diminishing support for the new system due to changes in leadership and management priorities.

This report contains recommendations to the Senate Committee on Appropriations.



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FPCD-79-38  
MAY 25, 1979

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COMPTROLLER GENERAL OF THE UNITED STATES

WASHINGTON, D.C. 20548

B-183257

The Honorable Warren G. Magnuson  
Chairman, Committee on Appropriations  
United States Senate

Dear Mr. Chairman:

*a review was made*  
In accordance with your request of September 22, 1977, we have reviewed ~~fiscal years 1978 and 1979~~ budget data *for fiscal year 1978* on personnel and their costs for the transportation function in the Department of Defense (DOD). In subsequent discussions with your office, you specifically asked us to

- ascertain the transportation definition and costing processes used by DOD to compile the fiscal year 1979 data and evaluate them for reasonableness,
- compare fiscal years 1978 and 1979 data and determine why they were different, and
- determine if additional work would result in recommendations to improve the transportation function management.

We established the reasons for variations in the 1978 and 1979 data and identified the reporting methods used by DOD and the military services. We also evaluated DOD's ability to define and accurately account for its personnel by function in various organizational, occupational, or job structures needed to articulate and justify manpower needs.

We performed our review at the Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics), the services, and selected DOD organizations.

Our findings are discussed in detail in appendix I and are summarized below.

( The inconsistencies in transportation data were caused primarily by

- the lack of a standard definition of the transportation function;

*Personnel and  
def. cost center  
transportation operations*

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- inadequate coordination between transportation and manpower/personnel managers; and
- the lack of a flexible system which permits reporting of how manpower is distributed functionally across organizational, occupational, and job structures. )

( DOD has not adequately defined which organizations and jobs should be included in its transportation function.) (We have previously reported 1/ that this situation also exists in other functions, such as training and military sales.) As a result, one service does not have a transportation function definition and others have definitions unique to their transportation missions. Some of these definitions also vary among offices of the same organization.

Because of problems caused by the lack of standard definition in computing the transportation statistics for the fiscal year 1978 Committee review, the Office of the Secretary of Defense established a joint armed services committee to refine transportation terminology and standardize the definition. However, the new definition excluded many transportation jobs.

(The costs of transportation personnel for fiscal years 1978 and 1979 were understated because they

- were based on an incomplete definition of such personnel,
- excluded all contract personnel, and
- excluded Federal Government costs other than those met by DOD. )

Inadequate coordination at the directorate level within the Office of the Assistant Secretary of Defense (Manpower,

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1/"Opportunities Exist for Substantial Savings in Administration of Military Skill Training Programs" (FPCD-78-13, Feb. 14, 1978).

"Inadequate Methods Used To Account for and Recover Personnel Costs of the Foreign Military Sales Program" (FGMSD-77-22, Oct. 21, 1977).

Reserve Affairs and Logistics) contributed to the inaccurate and inconsistent data reported to your Committee. Although the Committee's request was related to the transportation function, it was primarily a manpower/personnel question. However, Office of the Secretary of Defense officials who are responsible for transportation policies, systems, and procedures and not fully familiar with manpower information system capabilities attempted to determine the number of transportation personnel in DOD without coordinating with the manpower office.)

*As a result of this study:*

Presently, DOD does not have a comprehensive manpower information system. Each service has its own system designed to satisfy particular management needs. Therefore, DOD officials have to make separate studies to answer congressional committees questions on the number of personnel in transportation or other functions, such as training and foreign military sales. The Office of the Secretary of Defense recognizes the need to account on a timely basis for the number of military and civilian personnel in each DOD function by type of organization, occupation, and job. Such a system is now being developed. For example, officials of this Office plan to be able to determine the number of military and civilian personnel

- in transportation units with or without transportation skills, working or not working in transportation jobs;
- with transportation skills, working or not working in transportation jobs in nontransportation units; and
- for both of the above by DOD planning and programing categories, headquarters, and other special-interest breakouts.

We believe that the problems encountered by DOD in accurately reporting the number and cost of personnel in the transportation function or involved in transportation organizations and activities typify its inability to effectively respond to inquiries by congressional and other decisionmakers. (Without a comprehensive manpower-accounting system, DOD will continue to have problems communicating manpower information and have limited oversight over the use of manpower.)

The system under development by the Office of the Secretary of Defense is not expected to be fully operable

until early fiscal year 1981. As in any long-term effort, especially with present funding pressures, potential exists for delaying, diverting, or diminishing support due to changes in leadership and management priorities. Although we did not review the specifics of the proposed system, in our judgment, its objectives are worthy of top management attention and protection from unreasonable funding constraints that might result in diminished support.

We recommend that to promote successful development and implementation of a reliable comprehensive manpower system, the Senate Appropriations Committee direct the Secretary of Defense to

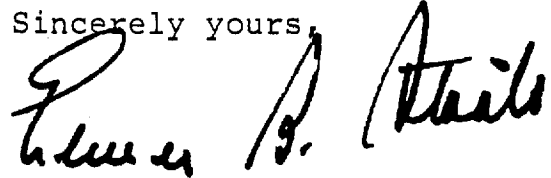
- See*
- see that the system design is completed and supported by insuring that adequate funds are specifically set aside to support it,
  - coordinate Defense-wide implementation and test of the system to assure consistent and credible output at the earliest practical date, and
  - periodically report the progress of its development and implementation.

We informally discussed our findings with Directors from the Resources Management and the Installation Management and Planning Offices and a representative from the Program Management Office within the Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics). They agreed that different definitions of the transportation function had been used in reporting personnel in the Senate Appropriations Committee's fiscal years 1978 and 1979 budget reviews. Some disagreed with our conclusion that the data was inconsistent and incomplete. The officials also did not dispute that DOD did not have a comprehensive manpower system with which to functionally analyze and describe the total DOD labor force across organizational, occupational, and job structures. However, some felt that such a system was not needed. Comments by the Office of the Secretary of Defense and our evaluation are discussed in detail in appendix I.

B-183257

As your office agreed, we will make copies of the report available for unrestricted distribution 10 days from the report date.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Thomas A. Skyles". The signature is written in a cursive style with a large initial 'T' and 'S'.

Comptroller General  
of the United States

C o n t e n t s

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ABBREVIATIONS

DOD	Department of Defense
GAO	General Accounting Office
MAC	Military Airlift Command
OSD	Office of the Secretary of Defense

INTRODUCTION

The Senate Appropriations Committee, as part of the fiscal year 1978 budget review, requested the Department of Defense (DOD) to provide the total number and cost of DOD personnel engaged primarily in transportation management and operations. The total number of personnel reported was 46,184, accounting for about \$577.9 million. However, DOD failed to submit the information in time for the review and was directed by the Committee to resubmit the data for the fiscal year 1979 review. The total number of personnel reported, using a different transportation function definition, was 22,292, costing about \$313 million. This was a reduction of 23,892 personnel and about \$265 million from the information submitted the previous year. The data is summarized below.

<u>Branch of service</u>	<u>Total number of personnel</u>		<u>Cost</u>	
	<u>FY 1978</u>	<u>FY 1979</u>	<u>FY 1978</u>	<u>FY 1979</u>
			(millions)	
Army	13,583	4,363	172.0	76.5
Navy (note a)	4,145	2,788	51.3	33.7
Marine Corps (note b)	-	642	(a)	6.7
Air Force	16,230	5,418	207.5	74.3
Military Traffic Management Command	1,246	2,133	19.4	32.9
Military Sealift Command	598	275	9.8	5.7
Military Airlift Command	9,318	6,169	96.7	74.0
Defense Logistics Agency	(b)	398	(b)	7.2
Other DOD agencies	<u>1,064</u>	<u>106</u>	<u>21.2</u>	<u>1.7</u>
Total	<u>46,184</u>	<u>22,292</u>	<u>577.9</u>	<u>312.7</u>

a/Navy and Marine Corps figures combined for FY 1978 data.

b/Indicates information combined with other DOD agencies during fiscal year 1978.



The inconsistencies in transportation data were caused primarily by

- the lack of a standard definition of the transportation function;
- inadequate coordination between transportation and manpower/personnel managers; and
- the lack of a flexible system which permits reporting of how manpower resources are distributed functionally across organizational, occupational, or job structures.

DOD LACKS A STANDARD DEFINITION  
OF THE TRANSPORTATION FUNCTION

DOD has not adequately defined which organizations and jobs should be included in its transportation function. (We have previously reported 1/ that this situation also exists in other functions, such as training and foreign military sales.) As a result, one service does not have a transportation function definition and others have definitions unique to their transportation missions. Some of these definitions also vary among offices of the same organization. Further, services cannot identify and respond consistently to inquiries such as that made by the Chairman, Committee on Appropriations.

The Air Force has a comprehensive manpower-accounting system which permits varied identification of how manpower resources are distributed. For example, the transportation function is defined as all activities associated with the overall direction, administration, planning, programing, staff supervision, and coordination of transportation programs, including military and commercial air and surface transportation, motor vehicle management, and logistics transportation planning and control. Within this definition, the Air Force has also developed specific transportation occupations.

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1/"Opportunities Exist for Substantial Savings in Administration of Military Skill Training Programs" (FPCD-78-13, Feb. 14, 1978).

"Inadequate Methods Used To Account for and Recover Personnel Costs of the Foreign Military Sales Program" (FGMSD-77-22, Oct. 21, 1977).

The Army has a group of transportation occupations, but they do not necessarily correspond with those of the Air Force. For example, the Army does not consider its packaging and special purpose vehicle maintenance occupations as transportation functions while the Air Force does.

The Navy, on the other hand, does not define the transportation function nor recognize any transportation job requirements for its enlisted personnel, although some perform transportation-related work. Officials said that their categorization of jobs related to the traditional manning policy for ships--that is, the ability to perform various functions. For example, a transportation job code is not assigned for a person who drives a vehicle only part time and spends the remaining time working in another area.

Because DOD did not have a standardized definition of the transportation function, the fiscal year 1978 budget data submitted to the Senate Appropriations Committee was incomplete and inconsistent. Thus, because the data was of little value to the Committee, the Committee directed DOD to standardize the definition and resubmit the data for the fiscal year 1979 budget review.

The Office of the Secretary of Defense (OSD) established a joint armed services committee to refine transportation terminology and standardize the definition. This committee developed a common transportation definition and listed specific representative job titles which were given to the services as guidelines for preparing transportation statistics for the fiscal year 1979 budget review.

The list of job titles did not include all DOD transportation jobs. For example, the Air Force (including Military Airlift Command (MAC)) reported 62 job specialties for 25,548 personnel costing \$304.2 million in the fiscal year 1978 budget review. However, for the 1979 review, the Air Force reported only 14 job specialties for 11,587 personnel costing \$148.3 million.

One official, responsible for completing a segment of the Army data for the 1979 review, said that other jobs were needed in the statistics to accurately reflect all transportation personnel. However, such additions were not made consistently throughout the Army.

DOD failed to report full personnel costs

The cost of transportation personnel was understated because it

- was based on an incomplete definition of such personnel,
- excluded all contract personnel, and
- excluded Federal Government costs other than those met by DOD.

The OSD guidance given to the services for developing transportation personnel costs required the costs to be computed at the current DOD standard rates 1/ for military personnel and the step 4 level of the current General Schedule (GS) for civilian salaries. (Wage Board and foreign national employees' salaries were required to be costed at equivalent GS grades.)

Transportation officials using the standard cost rates and civilian schedules excluded cost elements for personnel-related expenses financed by other than military personnel appropriations and civilian personnel expenses such as health benefits.

The costs also excluded all contract personnel performing transportation-related jobs. Although DOD does not maintain data on the number of employees used by contractors, it is required to maintain an inventory of commercial and industrial activities. We believe that exclusion of the contract cost resulted in understating the cost of the transportation mission.

Inadequate coordination  
contributed to inaccurate data

The inadequate coordination at the directorate level within the Office of the Assistant Secretary of Defense (Manpower, Reserve Affairs and Logistics) contributed to the inaccurate and inconsistent data reported to the

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1/Standard rates include cost elements for basic, incentive, and special pay, as well as certain personnel-related allowances. The rates do not include cost elements for personnel-related expenses financed by other than the military personnel appropriations.

Senate Appropriations Committee. Although the Committee's request related to the transportation function, it was primarily a manpower and personnel question.

OSD's manpower office is responsible for authorizations and utilizations. This office should have assured that common data was reported. However, OSD officials responsible for transportation policies, systems, and procedures and not fully familiar with manpower information system capabilities attempted to determine the number of transportation personnel in DOD without coordinating with the manpower office.

Since OSD did not have the transportation information available, it requested the services' transportation offices to develop it. The services had similar coordination deficiencies. For example, in the Army the primary problem was that the statistics were not coordinated with the Army's manpower staff. Some services also used different criteria in computing the data. As a result, the information was inaccurate and of little value to the Committee.

Our report "DOD Total Force Management--Fact or Rhetoric" (FPCD-78-82, Jan. 24, 1979) also addressed the lack of coordination between OSD offices. For example, we reported a lack of coordination between directorates within an assistant secretary's office as well as between offices of assistant secretaries.

AN ADEQUATE SYSTEM IS NEEDED  
TO ACCOUNT FOR PERSONNEL

DOD does not have a comprehensive manpower information system to enable it to functionally analyze and describe the total DOD labor force across organizational, occupational, or job structures. Each service has its own system designed to satisfy particular management needs. Therefore, DOD officials have to make separate studies to answer inquiries such as the Senate Appropriations Committee request on the number of personnel in the transportation function.

The inability to determine the total number of personnel involved also pertains to other functions, such as training and foreign military sales. For example, OSD cannot

--analyze the similarities or differences among the occupational makeup of manpower performing the same or similar functions in each service;

--simultaneously describe several specific aspects (such as job, occupation, and organization) of its work force; and

--monitor the labor force implications of changes in force strengths.

The primary problem in preparing the information requested by the Senate Committee was that OSD and the services, except for the Air Force, do not maintain centralized manpower data functionally aggregable by job. This resulted in a time-consuming process of identifying transportation personnel. Officials obtained the information for installations by telephone, correspondence, and review of numerous manpower documents. For example, one Navy transportation official said that this was the most time-consuming project he had experienced since his assignment to headquarters. He noted that about 25 people had spent a day reviewing manpower reports to identify enlisted personnel with transportation job titles. Moreover, they could not identify these people's current jobs without going to each individual unit. An Army official said that it had taken about 120 hours reviewing manpower reports to determine transportation personnel and that the totals were probably inaccurate.

Because the Air Force has a system which can identify military and civilian data for any function down to the installation level, it had few problems compiling its transportation data.

We <sup>1/</sup> and the Defense Manpower Commission have previously reported a need for DOD to improve the flexibility of its manpower data systems. The Commission's 1976 study reported that the Secretary of Defense should obtain the maximum commonality between the manpower data systems of the services and insure that they allow OSD to exercise control by measuring results, assessing impact, and reconciling conflicts in determining manpower requirements. Presently each service has its own manpower information system and independent job and occupations classification and coding system, which limits OSD's ability to justify and monitor service personnel.

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<sup>1/</sup>"DOD Total Force Management--Fact or Rhetoric" (FPCD-78-82, Jan. 24, 1979).

OSD RECOGNIZES THE NEED FOR A  
COMPREHENSIVE MANPOWER INFORMATION SYSTEM

OSD is developing a comprehensive manpower data system that is intended to overcome the incompatibility of the services' many independent systems and allow direct comparisons of similar functions among the services by organization, occupation, and jobs. It would also give DOD the link to provide accurate and comprehensive information in common terminology to DOD planners, the Office of Management and Budget, and congressional decisionmakers.

The Unit Stratification Structure and the Functional Account Code are two data aggregation systems presently being developed and implemented which would not only provide Defense-wide numbers for people within each type of organization, but also functionally identify the types of occupations and jobs they perform. For example, under this system, DOD would be able, in minimum time, to determine the number of military and civilian personnel

- in transportation units with or without transportation skills, working or not working in transportation jobs;
- with transportation skills, working or not working in transportation jobs in nontransportation units; and
- for both of the above by DOD planning and programming categories, headquarters, and other special-interest breakouts.

(A chart illustrating the possible groupings for the proposed manpower information system is in app. II.)

In summary, the proposed system would enable DOD to functionally account for its manpower resources in any DOD planning and programming category or organization. For example, we recommended 1/ that the Secretary of Defense implement a system to account for management headquarters personnel under DOD planning and programming category-support

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1/"Suggested Improvements in Staffing and Organization of Top Management Headquarters in the Department of Defense" (FPCD-76-35, Apr. 20, 1976).

activities on the basis of type of work performed. Such a system would aim to improve identification and accountability for personnel doing headquarters functions or jobs regardless of organizational location. Another report said 1/ that because of the organizational method being used, the Navy had continued to understate the number of personnel performing management headquarters functions. This occurred because:

- The DOD criteria did not require functional accounting. It allowed those activities devoting over 50 percent of their resources to management headquarters tasks to be designated as management headquarters if the activity did not clearly meet other criteria.
- The Navy did not supplement the DOD criteria to cover its own organizational configuration, operational practices, and functional characteristics.
- The DOD criteria were general and subject to varying interpretations.

The lack of functional criteria and the 50-percent rule allowed the Navy to avoid counting personnel assigned to organizations that devoted less than 50 percent of their resources to management headquarters functions. Also the criteria were interpreted to exclude headquarters support activities, organizations that were extensions of management headquarters.

DOD did not concur with our recommendations to gradually implement a functional accounting system, stating that the current system was adequate and the proposed system too costly. The manpower information system being developed should provide the capability for identifying management headquarters personnel our earlier report proposed.

An OSD resources management official said that if the services supported the concepts of this system, it could be fully implemented in early calendar year 1981. However,

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1/"Need for Improved Headquarters Personnel Accounting--Navy Pacific Fleet" (FPCD-76-93, Nov. 19, 1976).

the services are against such a data system because OSD, the Office of Management and Budget, and the Congress would be able to evaluate the specifics of the services' manpower programs instead of the present method of aggregate review.

Although we did not evaluate the capability of the proposed system, we would support its implementation if it facilitated complete Defense-wide manpower information reporting and analysis.

### CONCLUSIONS

We believe that the problems encountered by DOD in accurately reporting the numbers and costs of personnel in the transportation function or involved in transportation organizations and activities typify its inability to effectively respond to inquiries by congressional and other decisionmakers. Without a comprehensive manpower-accounting system, DOD will continue to have problems in managing personnel consistently and in communicating staffing data to the Congress. As in any long-term effort, especially with the present emphasis on funding constraints, potential exists for delaying, diverting, or diminishing support due to changes in leadership and management priorities. Although we did not review the specifics of the proposed system, in our judgment, its objectives are worthy of high management attention and protection from funding constraints that might result in diminished support.

### RECOMMENDATIONS

We recommend that to promote successful development and implementation of a reliable comprehensive system, the Senate Appropriations Committee direct the Secretary of Defense to

- see that the system design is completed and supported by insuring that adequate funds are specifically set aside to support it,
- coordinate Defense-wide implementation and test of the system to assure consistent and credible output at the earliest practical date, and
- periodically report the progress of its development and implementation.



DOD COMMENTS AND OUR EVALUATION

We informally discussed our findings with officials in OSD's Manpower, Reserve Affairs and Logistics offices. They agreed that different definitions of the transportation function had been used in reporting personnel in the Senate Appropriations Committee's fiscal years 1978 and 1979 budget reviews. However, they said that the data was complete and consistent.

We believe the use of different definitions in the two reviews illustrates the need for a system which would enable DOD to respond to diverse manpower data requests flexibly and accurately. Also, the definition used in computing the fiscal year 1979 data was not applied consistently in all the services. In addition, both definitions did not consider the contract personnel performing transportation-related jobs.

The officials did not dispute that DOD did not have a comprehensive manpower system which would enable it to functionally analyze and describe the total DOD labor force across organizational, occupational, and job structures. However, they could not agree on the need for such a system. An official from one office in OSD said that the present manpower information systems had served the needs of OSD and the services and that a system that could functionally account for personnel was not needed. An official from the OSD office developing the proposed manpower information system said it was needed to facilitate complete Defense-wide manpower information reporting and analysis. A report <sup>1/</sup> requested by the President noted the lack of quality analysis in DOD and stressed its development. We believe that in-depth analysis demands detailed data.

Because of problems DOD has experienced in determining the total number of personnel in the transportation system and problems we have experienced in obtaining manpower data in previous studies, we believe that the present information system is incomplete and inflexible and that current problems in defining the DOD work force will continue.

We believe that if the system being developed would facilitate complete Defense-wide manpower information reporting and analysis, it should be given high management attention. It is evident from the disagreement within OSD on the need for such a system that it is not fully supported.

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<sup>1/</sup>"Defense Resource Management Study" (Feb. 1979).

**ILLUSTRATION OF THE POSSIBLE GROUPINGS FOR THE PROPOSED DEFENSE MANPOWER INFORMATION SYSTEM**

Transportation unit  
(medium truck battalion)

FUNCTIONAL GROUPINGS FOR OCCUPATIONS

<u>Workcenter</u> job (note a)	FUNCTIONAL GROUPINGS FOR OCCUPATIONS									
	DRIVER	TRANSPORTATION MOVEMENT CONTROL SPECIALIST	CARGO HANDLER	SUPPLY CLERK	MECHANIC	MAINTENANCE METAL SMITH	CLERK-TYPIST	ADMINISTRATION RADIO OPERATOR	COMMUNICATIONS	PERSONNEL SUPPORT COOK
<u>Operations Section</u>										
transportation	X		X							
vehicle operations										
traffic management		X					X			
<u>Maintenance Section</u>										
vehicle maintenance				X						
body work						X				
motor work					X					
<u>Headquarters Section</u>										
other jobs						X	X	X		

a/ These are functional groupings for jobs with in workcenters

Nontransportation unit  
(garrison)

FUNCTIONAL GROUPINGS FOR OCCUPATIONS

<u>Workcenter</u> job (note a)	FUNCTIONAL GROUPINGS FOR OCCUPATIONS									
	DRIVER	TRANSPORTATION MOVEMENT CONTROL SPECIALIST	CARGO HANDLER	SUPPLY CLERK	MECHANIC	MAINTENANCE METAL SMITH	CLERK-TYPIST	ADMINISTRATION RADIO OPERATOR	COMMUNICATIONS	PERSONNEL SUPPORT COOK
<u>Transportation Section</u>										
transportation										
vehicle operations	X		X							
traffic management		X					X			
vehicle maintenance				X						
body work						X				
motor work					X					
<u>Other Sections</u>										
other jobs			X	X			X	X	X	

STUDIES ON IMPROVING DOD'SMANAGEMENT OF THE TRANSPORTATION FUNCTION

In recent years we have issued several reports suggesting ways DOD could improve its management of the transportation function. Others have also studied this function. For example, the House Appropriations Committee's Survey and Investigations Staff is reviewing the feasibility of consolidating management activities of the Military Traffic Management Command and the Military Sealift Command. Some study objectives are to

- assess the unique military service requirements for maintaining separate transportation commands,
- determine if manpower savings and transportation efficiencies and economies would result through consolidation, and
- determine if modern computer technology will assist in creation of a single integrated transportation system.

The study was scheduled to be completed in April 1979.

Potential improvements discussed in some of our reports are summarized below.

"Centralized Department of Defense  
Management of Cargo Shipped in Containers  
Would Save Millions and Improve Service"  
(LCD-77-277, Nov. 8, 1977)

In selecting containers for cargo going overseas, the Military Traffic Management Command and the Military Sealift Command divide management responsibilities; each makes independent decisions based on different responsibilities and information. We recommended that the Secretary of Defense designate a central manager for carrier and container selection on containerized shipments. About \$12.9 million could have been saved in fiscal year 1976 if DOD had an effective central management system and better use of up-to-date computer technology to select the most economical shipping arrangement.

DOD agreed that more extensive use of computer technology might help to make the most cost-effective selection of containers and was considering designating a central manager.

"Improvements are Needed to Fully Recover  
Transportation and Other Delivery Costs  
Under the Foreign Military Sales Program"  
(LCD-77-210, Aug. 19, 1977)

DOD has absorbed millions of dollars of transportation and handling costs which should have been received from customers under the Foreign Military Sales Program. We recommended that the Secretary of Defense direct that DOD:

- Modify its procedures and bill customers for actual transportation and handling charges.
- Establish realistic surcharge rates for packing, crating, and handling.
- Strengthen controls over shipments originating at overseas depots.
- Attempt to recover significant underbilled costs on both past shipments of materials from overseas depots and air shipments from the United States.
- Establish proof-of-delivery procedures.

OSD generally agreed with the recommendations and took corrective action.

"Improvements Needed in Defense Programs for  
Training Transportation Officers and Agents"  
(LCD-77-229, July 20, 1977)

DOD traffic management training programs lacked uniformity, and differences existed in selecting personnel for traffic management training. Also officers and civilians were occupying traffic management positions which could have been staffed by enlisted personnel. This report stated that DOD should:

- Consider making the Navy's Transportation School the primary interservice traffic management facility.
- Include instruction in intermodalism and foreign military sales in school curriculums.
- Require in-residence instruction for all installation transportation officers.

--Reexamine the staffing of installation transportation officer positions and determine the extent to which senior enlisted personnel could replace officers and civilians.

"Use of Commercial Versus Government Facilities for Storing Household Goods of Military Personnel"  
(LCD-76-210, Jan. 28, 1976)

DOD could save about \$1.3 million annually by using Government-owned rather than commercial warehouses in the San Francisco and San Antonio areas. We recommended the Secretary of Defense direct the Military Traffic Management Command to use Government facilities in these areas and study the economic feasibility of carrying out such programs in other locations where the potential exists.

The command officials said that if our cost information was correct, use of Government-owned storage facilities should be expanded.

"Need to Evaluate Military Airlift Command Aerial Port Staffing Levels"  
(LCD-75-210, Mar. 13, 1975)

We reported to the Secretary of Defense on MAC's practice of staffing aerial posts to provide wartime capability rather than to meet current peacetime workloads. As a result, MAC was spending about \$17 million annually for the additional personnel. We recommended that the Secretary (1) reduce overstaffing at MAC terminals, and (2) review the results of the Air Force evaluation of staffing requirements, giving consideration to

- the mobility of MAC aerial port personnel,
- personnel available through the civil reserve air fleet program, and
- personnel in Army and Marine Corps units who had been trained through the joint airborne-air transportability training program.

Air Force officials said they were reevaluating peacetime active-duty staffing requirements on the premise that reserve forces would be available during the first 30 days of an emergency.

"Need for More Effective Management  
of Transportation Data Systems"  
(LCD-75-205, Feb. 11, 1975)

DOD had not effectively managed the planning and development of military transportation data systems. As a result, 14 systems which we identified in our review, operating at an annual cost of about \$15.6 million, were unnecessarily fragmented and duplicative. We recommended that the Secretary of Defense eliminate the duplication and fragmentation and stop the further expansion of existing systems pending determination of needs and development of a unified transportation data bank.

DOD agreed that there was duplication and that a unified system was needed.

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## United States Senate

COMMITTEE ON APPROPRIATIONS

WASHINGTON, D.C. 20510

September 22, 1977

The Honorable Elmer B. Staats  
 Comptroller General of the United States  
 Washington, D. C. 20548

Dear Mr. Staats:

As part of its review of the 1978 budget request of the Department of Defense, the Committee requested data on personnel and costs of the transportation functions in the Defense Department.

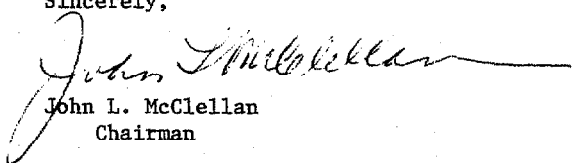
Since no central information on such personnel and costs existed, the Department was unable to provide all of the detailed information requested by the Committee in time for review of the 1978 budget request. In its Report (No. 95-325) on the fiscal year 1978 Defense Appropriations Bill, the Committee directed the Department of Defense to resubmit an analysis of transportation personnel showing a complete breakout of military and civilian personnel and to standardize definitions in transportation functions.

The Committee requests the General Accounting Office to review the personnel and cost data provided to the Committee by the Department of Defense.

The scope of the review can be developed between our respective staffs after the Department of Defense submits their report to the Committee. The Committee staff has held preliminary discussions on this project with the staff of the Logistics and Communications Division.

With kind regards, I am

Sincerely,

  
 John L. McClellan  
 Chairman

JLM:ljm

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