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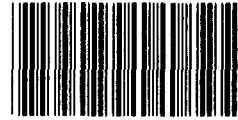
United States
General Accounting Office

National Security and
International Affairs Division

B-252390

March 11, 1993

The Honorable Bart Gordon
House of Representatives



148667

Dear Mr. Gordon:

This letter responds to your request that we review allegations that serviceable equipment and supplies provided for use in Operation Desert Shield/Storm were improperly disposed of and destroyed in Saudi Arabia.¹ The allegations were made by members of the 1175th Quartermaster Company of the Tennessee National Guard. Our specific objectives were to determine whether (1) the allegations were supported by other evidence and (2) the Army had sufficient controls to prevent such disposal and destruction of materiel.

RESULTS IN BRIEF

Seven soldiers assigned to the 1175th Quartermaster Company told us they had seen serviceable equipment and supplies burned and buried in Saudi Arabia. However, these soldiers did not have any additional evidence beyond their eyewitness accounts. Other Army personnel we interviewed, including other members of the 1175th Quartermaster Company, said they were not aware of instances where serviceable materiel was burned or buried. Our review of Army documents showed no evidence that units in the Persian Gulf were authorized to dispose of serviceable materiel or that the units had improperly done so. However, certain materiel that was no longer serviceable was burned and buried.

We and several Army organizations have reported previously that the Army lost accountability and visibility of the equipment and supplies sent to the Persian Gulf. Consequently, materiel was vulnerable to loss and theft and, in such an environment, the materiel was also vulnerable to

¹Serviceable materiel includes new and usable materiel.

GAO/NSIAD-93-139R Alleged Materiel Disposal

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improper disposal and destruction. Given this condition and the serious nature of the alleged actions described by the soldiers, we are referring this matter to the Department of Defense's (DOD) Inspector General for further investigation.

BACKGROUND

In anticipation of a lengthy engagement with hostile Iraqi forces, the United States embarked on an extensive buildup of troops, equipment, and supplies during Operation Desert Shield/Storm. During the deployment, U.S. personnel unloaded about 500 ships and 10,000 aircraft containing equipment and supplies.

Soon after the conflict ended in February 1991, the United States began to return its troops, equipment, and supplies to the United States and Europe. Returning units were responsible for preparing their equipment and supplies for shipment.

ALLEGATIONS THAT MATERIEL WAS BURNED AND BURIED

In separate interviews, 7 of 22 soldiers assigned to the 1175th Quartermaster Company told us that they observed serviceable equipment and supplies burned and buried in Saudi Arabia. Among these materiel, the soldiers said, were tents, tools, vehicle parts, and a 5-ton truck. One soldier, for example, told us that he observed U.S. property burned in pits in the desert and later buried. He said that most of the property was unserviceable or trash, but some of the equipment was serviceable. Another soldier told us that he observed U.S. property burned in pits in the desert and later buried. He also said he saw property that was buried but not burned. In his opinion, much of the materiel was serviceable. A third soldier said he saw serviceable equipment buried in bunkers, especially after the fighting was over. He said that equipment was placed in the bunkers and then covered up.

ALLEGATIONS ARE NOT SUPPORTED BY OTHER EVIDENCE

We could not confirm the soldiers' eyewitness accounts. Because units in Saudi Arabia lost accountability over materiel, we were unable to use their property records to substantiate that materiel was missing. Our review of other documents, such as after action reports, did not disclose

evidence that serviceable materiel was improperly disposed of and destroyed. In addition, Army officials said they did not know whether the events described by the soldiers had occurred. We also reviewed Army policies and procedures and did not find any authorization that would allow serviceable equipment or supplies to be burned or buried.

Army documents showed that any equipment and supplies that were burned or buried were unserviceable. For example, six Bradley Fighting Vehicles that were destroyed as a result of friendly fire were buried in Saudi Arabia. Also, as we recently reported,² disposal records indicated that 611 unserviceable items were disposed of by burning or burying. These items included rotten camouflage nets and canvas, mildewed and rotten clothing, and broken wood furniture and had an acquisition value of about \$1.9 million. The disposal records indicated that other materiel was abandoned or destroyed; however, it was accounted for as scrap.

WIDESPREAD LOSS OF
OVERSIGHT AND CONTROL

In previous reports, our office and the Army have concluded that the Army lacked adequate oversight and control over the equipment and supplies provided for use in Operation Desert Shield/Storm.³ According to the reports, the Army lost accountability over equipment and supplies during the deployment of units at the beginning of Operation Desert Shield. Controls and accountability over equipment continued to be a problem in-theater as well as during the redeployment of units, known as Operation Farewell. The reports state, for example, that numerous military vans and some containers were shipped to Southwest Asia without records or an adequate description of their contents, and materiel designated for specific units often never reached those units because no procedures were established to

²Operation Desert Storm: Disposal and Sale of Excess Items (GAO/NSIAD-93-18FS, Oct. 13, 1992).

³Among the several reports are the following: Operation Desert Storm: Lack of Accountability Over Materiel During Redeployment (GAO/NSIAD-92-258, Sept. 23, 1992) and Review of Redeployment of Personnel, Equipment and Materiel From Saudi Arabia, U.S. Army Audit Agency (Report NR 92-309, Aug. 25, 1992).

document the arrival of incoming supplies. In some instances, units commandeered other units' materiel without signing for it.

Army officials said the underlying cause of the oversight and control problems was the rapid nature of the deployment and redeployment. Also, accountability procedures were based on a wartime scenario, not the peacetime system of checks and balances, and the emphasis was on moving equipment to where it was needed rather than maintaining an audit trail. For example, the Army allowed the transfer of equipment without documentation.

In our September 1992 report, we noted that DOD and the Army were taking steps to address the oversight and control problems we identified. For example, DOD had begun to develop a standard, automated, in-transit visibility and documentation system to support worldwide operations. Also, the Army had begun to reestablish accountability for equipment and supplies and had developed a corrective action plan. The plan references the need for computer systems that not only provide peacetime management and control, but also have wartime use. It also emphasizes the importance of documenting the contents of containers during deployment and redeployment, and the need to maintain visibility over materiel while in-transit to and from theaters of operation. In addition, the plan outlines a series of corrective actions essential to streamlining distribution of supplies and equipment.

Equipment and Supplies Were Vulnerable to Loss and Theft

Poor accountability and visibility over equipment and supplies created an environment in which they were vulnerable to loss and theft. In that environment, equipment and supplies were also vulnerable to improper disposal and destruction. For example, some units did not have the means to store and secure their equipment and supplies, and very few inventories were conducted in-theater.

Given the poor accountability and visibility over equipment and supplies, control over these items became a problem. For example:

- One member of the 1175th Quartermaster Company told us that serviceable materiel was left on the roadside in Saudi Arabia. A former chief at one of the Defense Reutilization and Marketing Office sites established in Saudi Arabia in connection with Operation Desert Shield/Storm also told us that trucks, generators, and crates of ammunition, and other items were abandoned along the roadside and that some of these equipment and supplies were serviceable.
- One soldier we interviewed said he removed equipment that had been disposed of in a pit and filled three military vans with it. He said that he thought the Tennessee National Guard could use the equipment and that the three military vans were later shipped from Saudi Arabia to the 1175th Quartermaster Company's armory in Tennessee. However, he said no record of the equipment was added to the unit's property book while the unit was in Saudi Arabia.
- According to a May 1992 Tennessee National Guard headquarters' memorandum to the commander of the 1175th Quartermaster Company, the unit had an excessive amount of equipment on hand that was not authorized, and no accountability had been established for the items. According to the memorandum, the excessive equipment, which was obtained in Saudi Arabia, totalled about \$325,983. A U.S. Army Forces Command official told us that the 1175th Quartermaster Company was not an isolated case and that other units returned from Saudi Arabia with equipment belonging to other units.

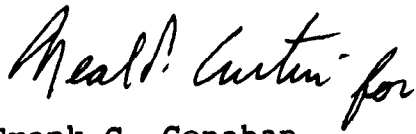
Because of the vulnerability of equipment and supplies to improper disposal and destruction in Saudi Arabia and the serious nature of the allegations made by members of the 1175th Quartermaster Company, we are referring this matter to DOD's Inspector General for further investigation. We will keep your office apprised of the actions taken in response to our referral.

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We performed our review from May through December 1992 in accordance with generally accepted government auditing standards. (See enclosure I for information on our scope and methodology).

This work was performed under the direction of Henry L. Hinton, Jr., who may be reached on (202) 512-4126 if you or your staff have any questions. The other major contributors to this letter are listed in enclosure II.

Sincerely yours,



Frank C. Conahan
Assistant Comptroller General

SCOPE AND METHODOLOGY

We visited or contacted by telephone the following organizations:

- U.S. Army Headquarters, Washington, D.C.;
- U.S. Army Forces Command, Fort McPherson, Georgia;
- U.S. Army Reserve Command, Fort McPherson, Georgia;
- Second U.S. Army, Fort Gillem, Georgia;
- Third U.S. Army, Fort McPherson, Georgia;
- Tennessee Army National Guard, Nashville, Tennessee;
- 1175th Quartermaster Company, Carthage, Tennessee;
- National Guard Bureau, Washington, D.C.;
- U.S. Central Command, MacDill Air Force Base, Florida;
- Defense Logistics Agency, Alexandria, Virginia;
- Army Audit Agency, Alexandria, Virginia;
- U.S. Army Europe;
- 321 Material Management Center, Baton Rouge, Louisiana;
- Headquarters, Center for Army Lessons Learned, Fort Leavenworth, Kansas;
- Army System Integration Management Activity, Chambersburg, Pennsylvania;
- Defense Reutilization and Marketing Region-Europe, Wiesbaden, Germany
- Defense Reutilization and Marketing Services, Battle Creek, Michigan; and
- U.S. Army Headquarters, Southwest Asia.

We reviewed and analyzed Army policies, regulations, and other documentation to determine what Army policies and internal controls were in place to prevent the improper disposal and destruction of equipment and supplies. We also reviewed and analyzed related reports issued by the Army and our office.

We interviewed 22 soldiers who were activated to serve with the 1175th Quartermaster Company in the Persian Gulf region during Operation Desert Shield/Storm and other Army personnel to determine whether they had (1) evidence or knowledge of burning and burying of equipment and supplies and (2) copies of or knowledge of any document, such as an order, notice, instruction, or directive, related to whether the burning and burying of serviceable equipment were authorized or occurred. In addition, we reviewed related plans, memoranda, after action reports, and other documentation to determine if there was authorization to burn or bury serviceable equipment and supplies provided for use in Operation Desert Shield/Storm. We did not visit Saudi Arabia as part of our review.

ENCLOSURE II

ENCLOSURE II

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