

## Why GAO Did This Study

The Department of Defense (DOD) prepositions equipment to help ensure combat-ready forces receive equipment in days rather than the weeks it would take if it had to be moved from the United States to their location. Prepositioned stocks may also support activities including disaster relief and humanitarian assistance. As GAO's third report in response to Congress's annual reporting requirement, GAO assessed the extent to which DOD has (1) met the six reporting requirements in the annual report to Congress on its prepositioned stocks, and whether additional information may be needed related to those requirements; (2) developed effective departmentwide guidance on prepositioned stocks to achieve national military objectives; and (3) organized effectively to provide joint oversight over its prepositioning programs and achieve efficiencies. To meet these objectives, GAO reviewed relevant DOD reports, strategies, and policies, and met with DOD and service officials in the U.S., Kuwait, and Qatar.

## What GAO Recommends

GAO is recommending that the Secretary of Defense take five actions to provide comprehensive information, develop overarching guidance, and enhance joint oversight to increase program efficiencies. DOD agreed with GAO's recommendations.

## WARFIGHTER SUPPORT

### Improved Joint Oversight and Reporting on DOD's Prepositioning Programs May Increase Efficiencies

## What GAO Found

In its 2010 report to Congress, DOD generally responded to its six required reporting elements and GAO's prior recommendations, which resulted in a more informative report. However, DOD's report does not discuss the full range of prepositioned equipment, such as Army equipment required in excess of a military unit's authorization to meet specific combatant command planning requirements. The Army may spend at least \$441 million to replenish this equipment, which is part of the \$4.5 billion needed to fully reconstitute the Army's prepositioned stocks. Without this information, Congress may lack a complete picture of areas where potential efficiencies may be gained. In addition, DOD's report does not list any operation plan affected by shortfalls in prepositioned stocks, as required. Further, DOD's report does not include the specific risks of such shortfalls, the full range of mitigation factors, and the extent to which these factors reduce risk. Although not required, we believe that such information would help clarify DOD's assessment of the consequences of choosing among options and continuing evaluation of areas where the department can assume greater risk, as called for in its 2008 National Defense Strategy.

DOD has limited departmentwide guidance that would help ensure that its prepositioning programs accurately reflect national military objectives, such as those included in the National Defense Strategy and the National Military Strategy. DOD has developed departmentwide guidance, referred to as Guidance for Development of the Force, but as of September 2010 this guidance contained little information related to prepositioned stocks even though DOD's 2008 instruction on prepositioned stocks specifically directed the Undersecretary of Defense for Policy to develop such guidance. Furthermore, the information the services use to determine their requirements for prepositioned stocks may not clearly state the full range of DOD's need for these stocks. DOD's challenges in identifying the full range of potential demands for prepositioned stocks highlight the importance of departmentwide guidance specifying planning and funding priorities associated with DOD's current and future needs in this area.

DOD faces organizational challenges which may hinder its efforts to gain efficiencies in managing prepositioned assets across the department. Specifically, DOD has been unable to ensure that the working group established to address joint prepositioning issues achieves its objectives because the working group lacks clearly stated lines of authority and reporting to other components within DOD. As a result, the working group may not be able to effectively synchronize or integrate, as appropriate, the services' prepositioning programs and the results of its efforts may not go beyond the working group itself. According to joint and service officials, efficiencies or cost savings could be gained through improved joint program management across the services and leveraging components in DOD such as the Defense Logistics Agency, which may be able to provide efficiencies in delivering stocks during early stages of contingency operations.