June 2011

MILITARY READINESS

Army and Marine Corps Reporting Provides Additional Data, but Actions Needed to Improve Consistency

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Highlights

Highlights of GAO-11-526, a report to congressional committees

Why GAO Did This Study

To obtain visibility of the capabilities of its military forces, the Department of Defense (DOD) has developed an enterprise of interconnected readiness reporting systems. In 2010, to better meet the information needs of their leaders, the Army and Marine Corps implemented new reporting requirements. House and Senate Reports, which accompanied proposed bills for the National Defense Authorization Act for Fiscal Year 2011, directed GAO to review recent readiness reporting changes. GAO assessed the extent that 1) current readiness reporting policies have affected the content of readiness information provided to decision makers, 2) the services have consistently implemented their new policies, and 3) changes to the Army, Marine Corps, and Office of the Secretary of Defense (OSD) systems have affected the Defense Readiness Reporting System (DRRS) enterprise. GAO analyzed DOD, Army, and Marine Corps policies, readiness data, service readiness reporting systems, and spoke to headquarters officials and reporting units.

What GAO Recommends

GAO recommends that the Army develop an alternative means to show which units recently returned from deployment and that both services improve internal controls to enhance readiness reporting. DOD did not concur, citing the availability of other readiness data and actions taken on internal controls. GAO disagrees that the data DOD cites provides sufficient visibility; therefore, additional actions are needed.

View GAO-11-526 or key components. For more information, contact Sharon Pickup at (202) 512-9619 or pickups@gao.gov.

What GAO Found

Current Army and Marine Corps guidance has generally improved the quantity and objectivity of readiness information available to decision makers. As in the past, Army Regulation 220-1 and Marine Corps Order 3000.13 direct units to report on two types of missions—the core missions for which units were designed as well as any other missions they may be assigned, but recent changes to the guidance also added new requirements. Units must now provide objective, personnel and equipment data to supplement commanders' assessments of their units' assigned mission capabilities. The updated service guidance also provides additional criteria, which are intended to help unit commanders consistently assess their units' mission capabilities. The new data and additional mission assessment criteria improve the objectivity and consistency of readiness information provided to decision makers. However, to clearly identify units that recently returned from deployment, the Army regulation now requires units to uniformly report a specific service directed readiness level rather than assess and report the unit's actual readiness level. As a result, decision makers lack a complete picture of the readiness of some units that could be called upon to respond to contingencies.

While the Army and Marine Corps have taken steps to implement the revised readiness reporting guidance, units are inconsistently reporting readiness in some areas. GAO site visits to 33 Army and 20 Marine Corps units revealed that units were using inconsistent reporting time frames, and GAO data analysis showed that 49 percent of Marine Corps reports submitted between May 2010 and January 2011 were late. Furthermore, units are reporting equipment and personnel numbers differently, and some units are not linking their two types of mission assessments, in accordance with current guidance. The federal standards for internal control state management must continually assess and evaluate its internal controls to assure that the control activities being used are effective and updated when necessary. However, Marine Corps and Army quality assurance reviews have not identified all the inconsistencies and system mechanisms are not preventing the submission of inconsistent data. Until internal controls improve, decision makers will continue to rely on readiness information that is based on inconsistent reporting.

While the DRRS Concept of Operations calls for a family of systems to exchange information seamlessly under an enterprise framework, DOD and the services have focused their efforts on the needs of different users and have not reached agreement on key steps to achieve interoperability. Consequently progress has been incremental. In 2009, GAO issued a report highlighting the challenges facing DRRS and recommended that DOD use GAO's report and an independent program risk assessment to redirect the program's approach, structure, and oversight. As of April 2011, the risk assessment had not been done and it is now scheduled to begin in the fall of this year. Until this assessment is complete, OSD will continue to lack the information it needs to reach consensus with the services and make any adjustments needed to achieve interoperability.

United States Government Accountability Office

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Abbreviations

ARFORGEN	Army Force Generation
DOD	Department of Defense
DRRS	Defense Readiness Reporting System
OSD	Office of the Secretary of Defense

United States Government Accountability Office
Washington, DC 20548

June 3, 2011

Congressional Committees

In an era of persistent conflict and global uncertainty, the President, Congress, and military and civilian leaders within the Department of Defense (DOD) need visibility over the readiness of DOD's forces. Over the years, the services, Joint Staff, and Office of the Secretary of Defense (OSD) have relied on readiness information from a variety of systems to help them guide, prepare, and deploy forces for regular as well as nontraditional assigned missions. In the 1990s, readiness reporting systems captured unit commanders' assessments of their unit's capabilities to execute the unit's regular missions. These assessments were supported by underlying data that compared on-hand personnel and equipment levels to required levels, data concerning the material condition of on-hand equipment, and assessments of unit training.

In 1999, Congress directed DOD to create a comprehensive readiness reporting system to measure in an objective, accurate, and timely manner the capability of the armed forces to carry out the National Security Strategy prescribed by the President, the defense planning guidance provided by the Secretary of Defense, and the National Military Strategy prescribed by the Chairman of the Joint Chiefs of Staff. In response, DOD is developing a family of interconnected information systems that build upon existing processes and readiness assessment tools to establish a capabilities-based, readiness reporting system—referred to as the Defense Readiness Reporting System (DRRS) Enterprise. DRRS-Army and DRRS-Marine Corps are two of the interconnected information systems within the enterprise. These two systems provide service leaders with the detailed information necessary to execute their Title 10 responsibilities to man, train, and equip their forces, and are also used to provide information to department and congressional leaders through the OSD DRRS-Strategic system and the Chairman of the Joint Chiefs of Staff's Global Status of Resource and Training System. To better meet the information needs of their service leaders, in 2010 the Army and Marine Corps implemented new readiness reporting guidance. Among other things, the changes in guidance affected the ways units reported their capabilities to perform assigned missions.

House Report 111-491[1] and Senate Report 111-201,[2] which accompanied proposed bills for the National Defense Authorization Act for Fiscal Year 2011, directed GAO to review the readiness reporting changes of the Army and Marine Corps. Accordingly, we assessed (1) the extent to which current readiness reporting requirements have affected the content of readiness information provided to various decision makers within and outside the DOD, (2) the extent to which Army and Marine Corps have consistently implemented their current readiness reporting guidance, and (3) how system developments for the DRRS-Strategic, DRRS-Army, and DRRS-Marine Corps have affected the enterprise.

To determine the extent to which the current readiness reporting guidance has affected the content of information provided to various decision makers, we analyzed Army, Marine Corps, Joint Staff, and OSD guidance as well as laws requiring readiness reports from DOD. We also discussed the guidance with officials from the OSD, the Office of the Assistant Secretary of the Army, Headquarters Marine Corps, the office of the Joint Chiefs of Staff, as well as other Army and Marine Corps service officials. Finally, we compared the information that was provided to key decision makers prior to the changes in reporting requirements to the information that is currently provided. To determine the extent to which the Army and Marine Corps have consistently implemented their current readiness reporting guidance we analyzed readiness reporting data from both Army and Marine Corps units. Specifically, we compared the reporting requirements of the respective services to the information units were reporting. We assessed the reliability of the DRRS data and determined the data were sufficiently reliable for the purposes of assessing the consistency of the implementation of the current readiness reporting policies, and discuss our findings in the report. To gain a better understanding of the readiness reporting process and how the readiness reporting guidance is being implemented we judgmentally selected Army and Marine Corps locations where we could meet with a variety of different types of reporting units. Specifically, we visited 5 Army locations, where we met with key officials from 33 Army units, and 2 Marine Corps installations where we met with key officials from 20 Marine Corps units. We visited a wide variety of units to see if factors such as unit type, size, location, component, or placement within the deployment cycle were affecting the units' reports and implementation of the new guidance.

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[1]H.R. Rep. No. 111-491, at 259 (2010). This report accompanied H.R. 5136.

[2]S. Rep. No. 111-201, at 119 (2010). This report accompanied S. 3454.

We conducted this performance audit from August 2010 to June 2011, 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Appendix I provides a more detailed description of our scope and methodology.

Background

DOD's Family of Readiness Reporting Systems

DOD established the Defense Readiness Reporting System in response to the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999.[3] Later, DRRS evolved into the DRRS Information Technology Enterprise Environment (enterprise). The enterprise represents a family of service and OSD computer information systems and selected databases. It is intended to capture DOD readiness data from multiple sources and provide relevant elements of these data to decision makers. Specifically, the enterprise will report assessments of both capabilities and of training and resources. The DRRS-Army, DRRS-Marine Corps, and DRRS-Navy systems currently provide information and data within and outside of the enterprise. This report focuses on the DRRS-Army and DRRS-Marine Corps systems and the relationship of those systems to the DRRS-Strategic system.

To provide governance of the family of reporting systems that make up the enterprise, the Under Secretary of Defense – Personnel & Readiness established a three-tier structure. This three-tier structure is to enhance communication between the development community, represented by the DRRS Implementation Office and system contractors, and the user community (which includes the Joint Staff, military services, and combatant commands).[4]

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[3]Pub. L. No. 105-261, §373 (1998).

[4]The six geographic combatant commands—U.S. Central Command, U.S. European Command, U.S. Northern Command, U.S. Pacific Command, U.S. Southern Command, and U.S. Africa Command—are responsible for U.S. military operations within their areas, and contingency planning and commanding U.S. forces in their regions.

Representatives from the office of the Under Secretary of Defense – Personnel & Readiness and the Joint Staff currently serve as co-chairs of all three governance tiers.

- Tier One: This involves the DRRS Battle Staff, which is comprised of colonels, Navy captains, and similar-graded civilians. It tracks DRRS development and identifies issues with the system.
- Tier Two: This level involves the DRRS General and Flag Officer Steering Committee, which discusses issues raised by the Battle Staff (Tier One). Members are one-star generals or admirals, or civilian equivalent.
- Tier Three: The DRRS Executive Committee is chartered to review and approve proposals and plans to establish policy, processes, and system requirements for DRRS, including approving software development milestones required to reach objectives. This committee is composed of 3-star military officers and their civilian counterparts. It is chaired by the Director of the Joint Staff and the Under Secretary of Defense – Personnel & Readiness.

Two Types of Mission Assessments

DOD units assess their readiness for their core[5] and assigned[6] missions using two different types of mission assessments. OSD requires that units assess their readiness using capability measures. The Chairman of the Joint Chiefs of Staff requires that units assess their readiness using resource and training metrics. In September 2006, the Army designated its readiness reporting system as DRRS-Army and the Marine Corps units began reporting in DRRS-Marine Corps in May 2010. Both are part of the family of information systems that make up the DRRS enterprise. Both systems collect unit assessments that address the statutory reporting requirements of OSD and the Chairman of the Joint Chiefs of Staff. The systems are also designed to meet the services' reporting requirements, as well as to collect other services-specific information from reporting units.

The first type of unit assessment is commonly referred to as a capability assessment. For these assessments commanders use Yes, Qualified Yes, or

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[5]Core missions are also referred to as primary missions and are the wartime missions the unit was organized and designed to perform. The Army recently replaced the phrase primary mission with "core functions/design capabilities" which is used to indicate the full spectrum of functions and capabilities the unit was designed to perform.

[6]Assigned missions are also known as directed missions and generally describe those missions assigned to units by operations plans or operations orders. Assigned missions may or may not be the same as the unit's core mission.

No categories to rate their units' capabilities to perform a core or assigned mission. The three categories are discussed below:

- Yes or Y—the unit or organization can accomplish its tasks or missions under specified conditions.
- Qualified Yes or Q—the organization is expected to accomplish the task to standard under most conditions, but this performance has not been observed or demonstrated in training or operations; although data may not support a "yes" the commander believes the organization can accomplish the rated task or mission to prescribed standards under most conditions.
- No or N—the organization is unable to accomplish the task to standard at the time of the assessment.

The second type of unit assessment, which is based on resources and training metrics, is commonly referred to as a C-rating. Specifically, C-ratings are based on personnel, equipment and supplies on hand, equipment readiness/serviceability, and training measures, and range from C-1 through C-5, as described below.

C-1—unit possesses the required resources and is trained to undertake its full core mission.

C-2—unit possesses the required resources and is trained to undertake most of its core mission.

C-3—unit possesses required resources and is trained to undertake many, but not all, portions of its core mission.

C-4—unit requires additional resources or training to undertake core mission.

C-5—unit is undergoing directed resource action and is not prepared to undertake its core mission.[7]

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[7]Chairman of the Joint Chiefs of Staff Instruction, *Force Readiness Reporting*, 3401.02B, Sept. 21, 2010, states that units in C-5 status may be capable of undertaking non-traditional, non-wartime related missions.

Sources, Users of Readiness Information	DOD units report their readiness on a monthly basis if they execute missions in support of the combatant commanders and service-assigned missions. For the Army, approximately 6,000 units—including active-duty and reserve component units not on active duty—report into the DRRS-Army database. Reporting units range in size from small detachments of 4 soldiers to larger combat units such as 5,000 soldier brigade combat teams. For the Marine Corps, approximately 350 units—including combat, combat support, and combat service support units—report their readiness into the DRRS-Marine Corps database. Marine Corps reporting units range in size from approximately 50 to 1,600 Marines. The number of reporting units can vary each month due to the creation and dissolution of units and the requirement for units to submit multiple reports in a month if significant changes occur.

Once reported, the readiness information and data inform a wide range of decision makers as identified in laws, directives, and guidance, including a DOD directive, Chairman of the Joint Chiefs of Staff Instruction, Secretary of Defense Memorandums, and service regulations and messages. Users of readiness data include Congress, the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the combatant commanders, the Secretaries of the military departments, and the Chief of the National Guard Bureau. On a quarterly basis, readiness reporting data from all services and combatant commands are combined to create the Joint Forces Readiness Report and the Quarterly Readiness Report to Congress. In addition, decision makers can use the readiness data to support operation and campaign plans, determine the readiness of units to respond to unexpected contingencies, or analyze the top resource shortfalls affecting the units.

Army and Marine Corps Requirements for Readiness Reporting Have Generally Increased the Quantity and Objectivity of Information Available to Decision Makers

Revised Army and Marine Corps Guidance Requires New Objective Measure of Readiness

The current Army and Marine Corps readiness reporting requirements generally have increased the quantity and objectivity of readiness information provided to decision makers. The updated version of Army Regulation 220-1,[8] implemented in April 2010, directs units to provide information concerning their assigned missions, in addition to what was previously required. Specifically, it requires that units report objective personnel and equipment data to support the commander's overall subjective assessment of the unit's capability to perform its assigned mission, referred to as an A-level. Previously, Army guidance required only the commanders' subjective assessment of their unit's capabilities without any supporting personnel or equipment data, which at that time was called a percent-effective rating.

In July 2010, the Marine Corps also revised its guidance for reporting unit readiness for assigned missions.[9] The service's percent-effective rating was preserved in name, but the updated guidance, Marine Corps Order 3000.13, directed commanders to report their readiness for assigned missions using the same types of personnel, equipment, and training measurements they use to assess their core missions. The previous rating method, which was similar to the Army's, relied on a commander's subjective assessment and required no specific data to be reported. The Marine Corps' new Order

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[8]Army Regulation 220-1, *Army Unit Status Reporting and Force Registration-Consolidated Policies* (Apr. 15, 2010).

[9]Marine Corps Order 3000.13, *Marine Corps Readiness Reporting Standard Operating Procedures (SOP)* (July 30, 2010).

also directs commanders to correlate their unit core and assigned resources with their capability assessments, as shown in table 1 below. For example, the Order requires that commanders who rate their units as C-3 also assess their unit capabilities as "No" indicating that the unit is not able to accomplish its regular mission at this time. Marine Corps officials told us that the Marine Corps only deploys units rated C-1 or C-2. Marine Corps officials stated that the alignment of the core resource and training mission assessment (C-ratings) do not match perfectly with the three-tier capability assessments (Yes, Qualified Yes, and No ratings), but the relationship provides additional, helpful information for decision makers.

Table 1: Marine Corps Assessment Correlations

Core and assigned mission assessment training and resources	Core and assigned capability assessment
C-1 (unit can undertake full missions)	Yes or qualified yes
C-2 (unit can undertake most of the missions)	Yes or qualified yes
C-3 (unit can undertake many, but not all, portions of the missions)	No
C-4 (unit requires additional resources or training to undertake missions)	No
C-5 (unit is not prepared to undertake missions)	No

Source: Marine Corps Order 3000.13.

While the Army and Marine Corps updated their readiness reporting guidance in 2010 to include more objective assigned mission ratings, the services' guidance retained many of the previous reporting requirements for core missions, such as the requirements to report personnel and equipment information, training assessments, commander comments that provide additional information about their unit's reported resources, and installation readiness reports. Reporting time frames also remained unchanged and are shown in table 2.

Table 2: Readiness Reporting Time Frames for Core and Assigned Missions of Army and Marine Corps Units and Installations

Army active and reserve component units	Marine Corps active and reserve units	Army and Marine Corps installations
Reports are to be submitted the 15th of every month, or within 24 hours of a change that affects the unit's overall readiness or capability level.	Reports are to be submitted every 30 days, or within 24 hours of a change that affects the unit's overall readiness or capability level.	Reports are to be submitted quarterly for the Army and every 90 days for the Marine Corps.

Source: GAO analysis of Army Regulation 220-1 and Marine Corps Order 3000.13.

Army and Marine Corps leaders are regularly briefed on the additional assigned mission metrics the services are now requiring their units to report—personnel and equipment metrics in the case of the Army and personnel, equipment, and training metrics in the case of the Marine Corps. These additional assigned mission readiness metrics are available to decision makers outside of the services and have been included in service briefings to congressional committees. In addition, the information that is presented in two of the key readiness reports currently required by law—the Quarterly Readiness Report to Congress[10] and the Joint Forces Readiness Review[11]—has been affected by the services' updated guidance which provided additional criteria to help unit commanders better align their two types of readiness assessments.

Reporting Requirements Vary during the Three Phases of the Army Force Generation Cycle

The Army Force Generation (ARFORGEN) model is a rotational readiness model that is used to synchronize planning and resourcing to generate trained and ready forces. In ARFORGEN, active and reserve component units complete a monthly Unit Status Report indicating their current readiness levels for their core mission and, if directed, their assigned mission. Active and reserve component units entering the "Available" phase may deploy to conduct operational missions or may continue training while remaining available for contingency missions. Once units have completed their time in the available phase, the unit enters the

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[10]Section 482 of Title 10 of the U.S. Code requires that the Secretary of Defense, on a quarterly basis, submit to Congress a report regarding military readiness.

[11]Section 117 of Title 10 of the U.S. Code requires the Chairman of the Joint Chiefs of Staff to conduct, on a quarterly basis, a joint readiness review to assess the capability of the armed forces to execute their wartime missions based upon their posture at the time the review is conducted and to submit a report containing the results of each quarterly review to the congressional defense committees.

"RESET" phase. Active units will spend 6 months in the RESET phase or approximately 16 percent of their overall ARFORGEN cycle time.[12] Units then move into the "Train/Ready" phase where there are no prescribed time lengths because the ARFORGEN cycle is driven by the unit's total length of time deployed.

Figure 1: Phases of ARFORGEN
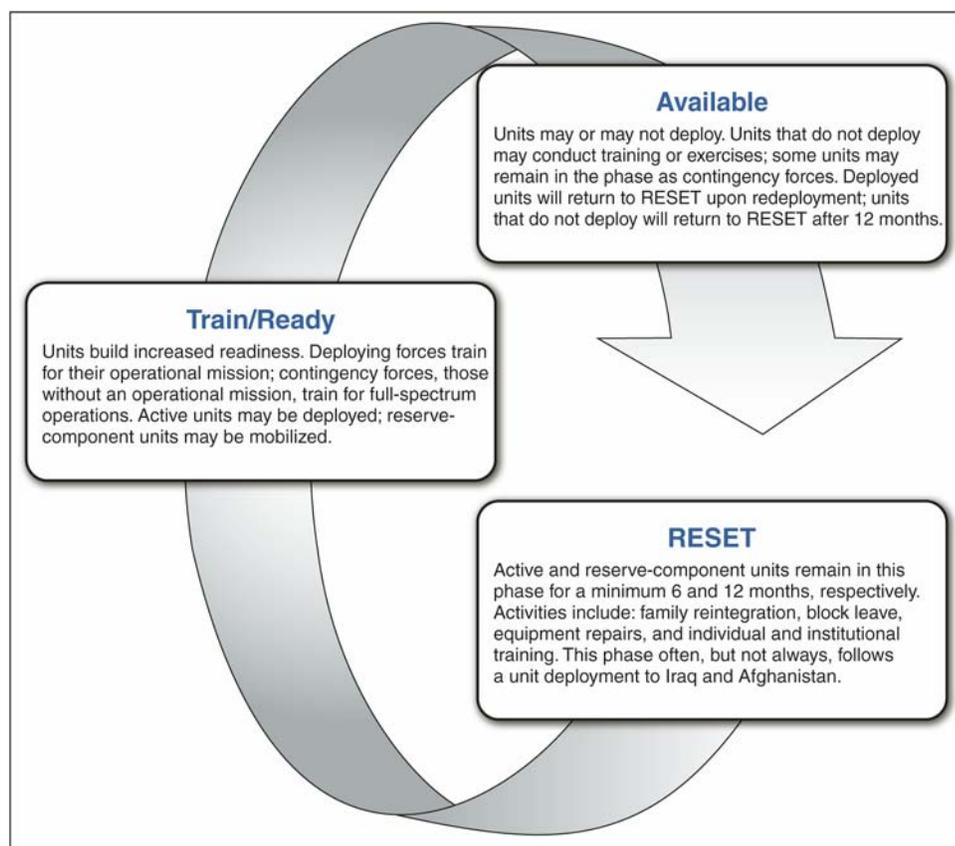
Source: GAO analysis of Army data.

As a result of changes to reporting guidance, Army units are reporting C-5 and T-5 as directed rather than their actual training or actual overall

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[12]Based on the current 12 month deployments and the Army's goal for active units to spend twice as much time at home as deployed, units would spend a total of 6 months out of their 36 month cycle in RESET, or approximately 16 percent. Reserve Component units have different goals for their time at home, but also spend a relatively small portion of the cycle in RESET.

mission assessment while in the RESET phase. Under the regulation, unit commanders report their personnel, equipment status, and equipment readiness during all three phases of the ARFORGEN cycle. Commanders also report their actual unit training metric and actual overall core mission assessments (C-rating) during the Train/Ready and Available phases of the cycle. However, during the RESET phase Army Regulation 220-1 directs unit commanders to report their overall mission status as C-5 (when a unit is undergoing directed resource action and is not prepared to undertake its core mission) regardless of the units' actual core mission capabilities. According to Army officials, this change in guidance is intended to provide a means to show which units are currently in RESET, i.e., by having them all report C-5. According to both Army and Joint Staff officials, current business rules within the Chairman of the Joint Chiefs of Staff's readiness reporting system do not allow units to report a C-5 unless one of the four measured areas—personnel, equipment status, equipment readiness, and training—is rated as a 5; the Army has directed its RESET units to report training as a 5 so they will be able to report overall status as C-5. In contrast, under the 2006 version of Army Regulation 220-1 commanders reported their unit training metric and overall core mission assessments during all phases of the deployment cycle.[13] As units comply with the Army's direction to report C-5 and T-5 during RESET, decision makers lose visibility over the unit's actual training and overall readiness status.

Under Title 10 of the U.S. Code, the Secretary of Defense is required to submit a quarterly report to Congress detailing overall military readiness.[14] For units that received a mission assessment rating of C-3 or below for any month during the quarter covered by the report, the report is to include, among other things, information about the resource area or areas (personnel, equipment and supplies on hand, equipment condition, or training) that adversely affected the unit's readiness rating during that quarter. In addition, according to the Army Force Generation Regulation[15] with regard to readiness reporting requirements, in order to manage the total force in ARFORGEN, the Army must achieve situational awareness of its forces' readiness status in all force-generation phases, including the RESET phase, to be able to manage its total force. According to the regulation units in the RESET phase provide the Army with strategic

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[13]Army Regulation 220–1, *Unit Status Reporting* (Mar. 16, 2006).

[14]10 U.S.C. §482.

[15]Army Regulation 525-29, *Army Force Generation* (Mar. 14, 2011).

flexibility because those units retain their capability to perform civil support operations or respond to combatant commander requirements. As a result of the Army's 2010 regulation, decision makers in DOD and Congress do not have a complete picture of units' actual training and overall readiness status in RESET to determine which units have retained their capability to conduct non-wartime-related missions or respond to combatant commander requirements.

Army and Marine Corps Units Have Implemented Revised Guidance for Readiness Reporting, but Some Reporting Is Inconsistent

While the Army and Marine Corps have taken steps to implement the revised readiness reporting guidance, we identified several areas where units were inconsistently reporting readiness. The services are not consistent in selecting and meeting time frames to report readiness, Army units vary in identifying their status in ARFORGEN, some units are not linking their resource and training mission assessments with their capability assessments, and units vary in how they report resources and capabilities.

Reporting Time Frames Are Inconsistent

We found that Army and Marine Corps units are using different time frames when reporting their readiness data. The Marine Corps' readiness reporting order requires that units submit reports at least every 30 days, but it does not require a specific reporting date for its units. From the implementation of DRRS-Marine Corps in May 2010 through January 2011, Marine Corps units submitted a total of 2,838 unit readiness reports. However, 1,395 of these reports (approximately 49 percent) were submitted late (more than 31 days since the last report). Figure 2 shows the breakdown of the 2,838 reports and 1,395 late reports by month.

Figure 2: Marine Corps Readiness Reports: Total and 31 Days or More Since Last Report
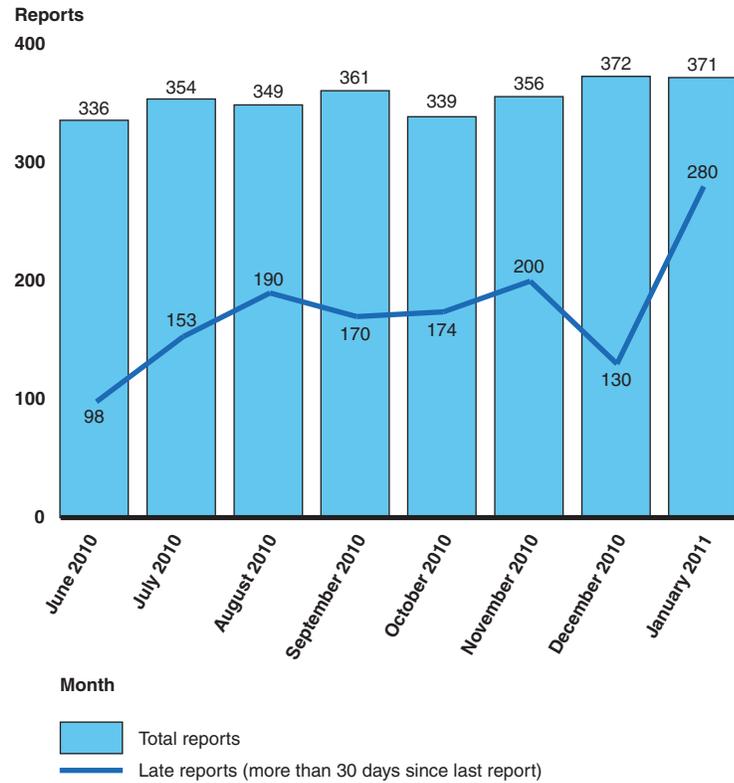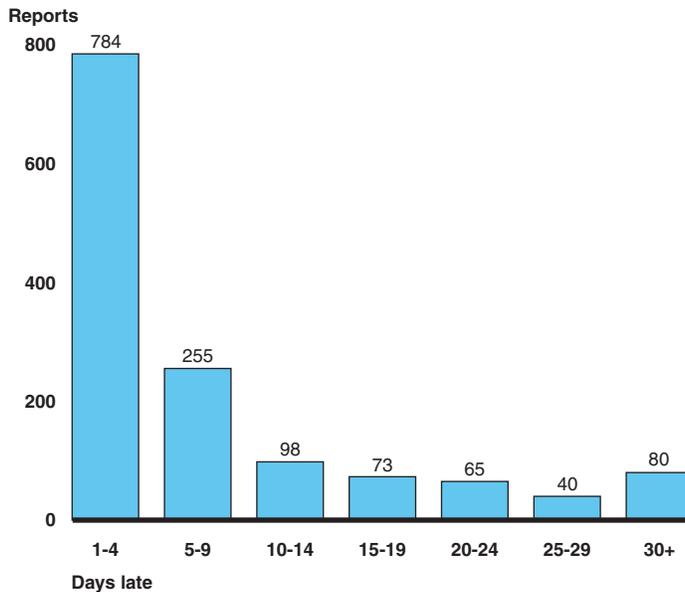

Source: GAO analysis of DRRS-Marine Corps data.

Note: The figure may understate late reporting because we counted only the reports that exceeded the 30-day threshold for reporting. We did not assess the extent to which units submitted reports within 24 hours of a change of status.

Figure 3 shows additional details on the range of the 1,395 late reports. It shows that 784 (approximately 56 percent) of the reports were 1 to 4 days late, while 80 (approximately 6 percent) of the reports were more than 30 days late.

Figure 3: Marine Corps Units Submitting Late Reports: June 2010 through January 2011

Source: GAO analysis of DRRS-Marine Corps data.

Note: The figure may understate late reporting because we counted only the reports that exceeded the 30-day threshold for reporting. We did not assess the extent to which units submitted reports within 24 hours of a change of status.

The Army's readiness reporting regulation directs units to report their readiness on the 15th of each month. While units are permitted to pull their personnel, equipment, and training data anytime between the 1st and the 15th of the month, Army Regulation 220-1 requires the units to project these data elements to the 15th of the month. According to Army officials, approximately 97 percent of Army units adhere to this policy requirement of reporting on the 15th. However, during our visits with Army units, we found that not all units were projecting their data to the 15th of the month; rather, units began collecting data on different dates and also submitted their reports for review by their higher headquarters on different dates:

- Some units stated they prepare their unit status reports the month prior to the official reporting date. For example, one readiness reporting official told us he prepared and briefed to the commander his January unit status report—officially due on January 15, 2011—on December 14, 2010. The official added that his unit needed to report early so his unit's data could be incorporated into his higher command's readiness report.

- Other units stated that they are required to report sometime within the first week of the month.
- We also found units that stated they create a cut-off date for extracting personnel and equipment data for the unit status reports. For example, if the 12th is the last day to pull data and a soldier becomes nondeployable on the 13th, that information will not be updated until the following month's unit status report.
- Conversely, officers at other units we visited stated that they project data for their unit status reports to the 15th of each month, which is the required procedure according to Army Readiness Division officials and Army regulation.

Army officials stated that the majority of units are accessing the authoritative data sources within 15 days of the reporting date, as required in Army Regulation 220-1. As the length of time between reports grows, it increases the potential that unit readiness could change and decision makers do not have access to timely, updated information.

Army Units Are Not Consistently Reporting Force Generation Status

During our Army unit visits, we found that units were inconsistently reporting their status in the Army's three-phase ARFORGEN cycle. Army Regulation 220-1 directs units to report their Army force generation phase (i.e., RESET, Train/Ready, or Available) and expeditionary force-type designation (i.e., contingency, deployment, or ready expeditionary forces). Officials at some of the units we visited said they filled in these fields in their monthly readiness report. However, many units told us they did not know how these force generation fields in DRRS-Army were determined. Some units stated the force generation fields rolled over from previous reports. Other units stated their higher command populated these fields. Additionally, we spoke with one unit that stated it was not part of the ARFORGEN cycle and did not report its force generation phase and expeditionary force-type designation, but a review of DRRS-Army indicated that the unit actually reported Train/Ready and deployment expeditionary force. Army Readiness Branch officials told us that lower-level units may not understand or may not receive information on their force-type designations, and they said there has been informal discussion on whether there could be a tool to autopopulate this information into DRRS-Army. As a result of unclear guidance on the force generation data fields, these specific data may not be consistent among units or dependable for decision makers.

Units Are Not Consistent in Linking Resources and Training Assessments with Capability Assessments

Army and Marine Corps units are not consistently linking their two types of mission assessments, i.e., their resource and training mission assessments (the C-levels) with their capability assessments (Yes, Qualified Yes, and No), in accordance with service guidance. These assessments are linked because units should take into account their resource levels in assessing their capabilities. Army Regulation 220-1 states that it would be inconsistent and illogical for a unit to report C-4 (meaning it needs additional resources or training) while concurrently reporting "Yes" or "Qualified Yes" for its capability assessments. Furthermore, if commanders report both C-4 and Yes, the Army Regulation directs them to provide an explanatory comment. We reviewed a sample of reports from units reporting both C-4 and Yes, and in some cases they included commander comments but in other cases they did not include comments. Figure 4, below, identifies the percentage of Army units reporting C-4, by month, that reported Yes.
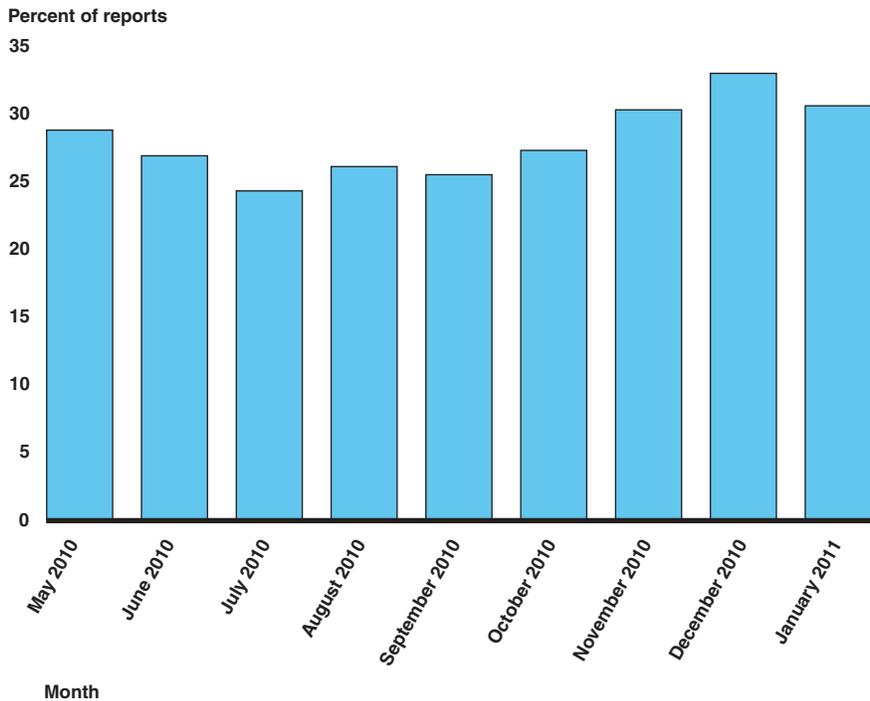
Figure 4: Army C-4 Units Reporting Yes for Capability Assessments

Percent of reports
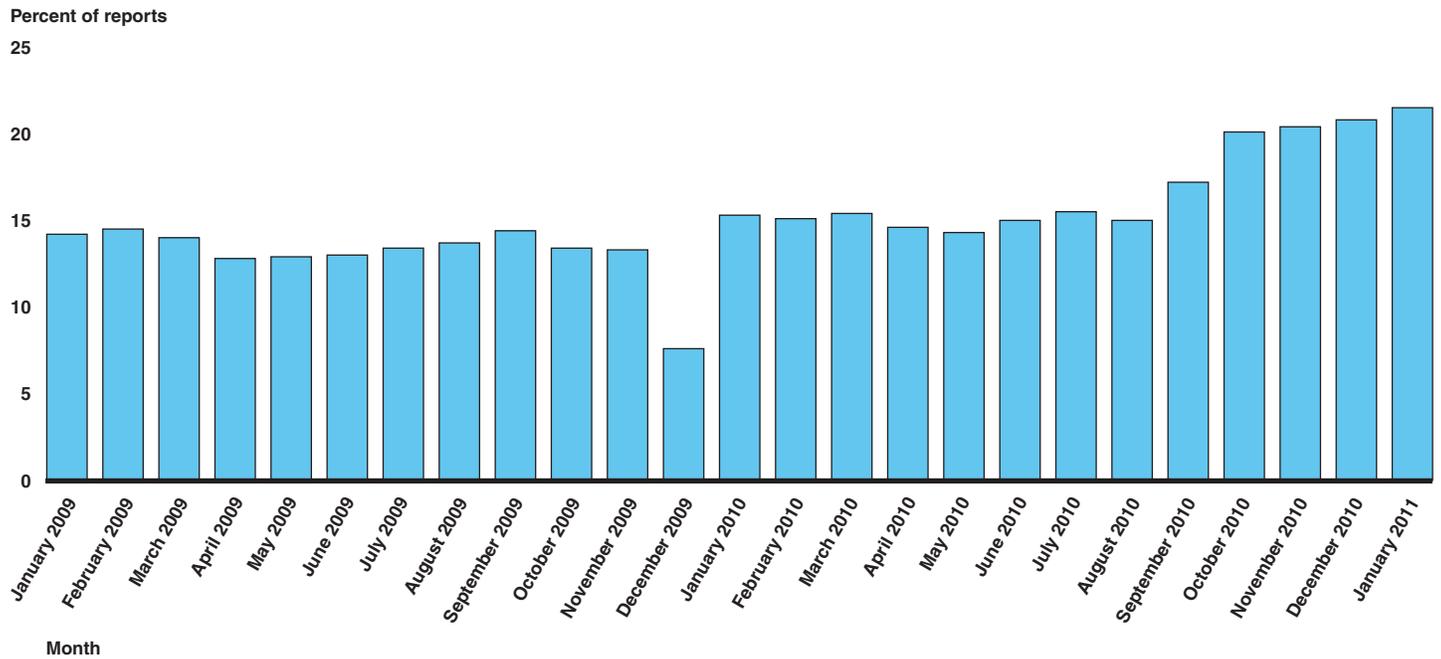
Source: GAO analysis of DRRS-Army data.

Marine Corps Order 3000.13 also directs units to correlate their C-levels with Yes, Qualified Yes, and No assessments. Between May 2010, when Marine Corps units began reporting in DRRS-Marine Corps, and January 2011, the percentage of units that did not comply with the requirement to correlate C-level assessments with capability assessments ranged from 24 percent to 33 percent. Officials within the Marine Corps Readiness Branch stated that a partial explanation for the noncompliance may be misunderstandings among unit commanders. Figure 5 shows the percentage of units that did not correctly correlate their two types of readiness assessments.

Figure 5: Percentage of Inconsistent Assessments among Marine Corps Units

Percent of reports

[Bar chart showing percentage of reports by month]

Month	Percent
May 2010	~29
June 2010	~27
July 2010	~24
August 2010	~26
September 2010	~25.5
October 2010	~27
November 2010	~30
December 2010	~33
January 2011	~30.5

Month

Source: GAO analysis of DRRS-Marine Corps data.

Units Are Inconsistent in Reporting Resources and Capability Assessments

We also found inconsistencies in how units report data about their resources, including the availability of personnel and equipment, and assessments about their capability. For example, Army units we visited interpreted the readiness regulation differently and therefore inconsistently reported personnel data. Some units reported the actual personnel on hand, whereas other units reported what was included in their official manning document[16] even if that document differed from the actual personnel on hand. Additionally, Marine Corps Readiness Branch officials told us that while equipment numbers are automatically populated into DRRS-Marine Corps, some units have adjusted the equipment data so that it does not match the authoritative data source. They stated that only combat logistics battalions (Marine Expeditionary Unit) and combat logistic companies may adjust the equipment data, but they added that other units have improperly adjusted the equipment data

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[16]The officials used form AAA-162, Unit Personnel Accountability Report.

as well. These inconsistencies in reporting resources could affect a unit's personnel, equipment, and ultimately C-level ratings; as such, decision makers may not receive an accurate reflection of a unit's readiness.

Moreover, we found inconsistencies in capability assessments, specifically in the "qualified" assessments. For example, officials from the Marine Corps Readiness Branch told us that a qualified assessment means that the unit has trained for the mission but has not been certified, whereas officials at some Marine Corps units told us that qualified meant that the unit has not yet trained in the mission but should be able to do the mission. Officials from the DRRS Implementation Office agreed that "qualified" assessments are not consistent within or among the services, but said the inconsistency is acceptable because commanders are expected to include comments explaining the qualified rating. We found that most commanders are meeting that expectation. After reviewing a random sample of commanders' comments from all Marine Corps units that reported a Qualified Yes in January 2011, we estimate that 94 percent[17] included an explanation of the qualified rating.

Internal Controls Are Not Preventing Readiness Reporting Inconsistencies

According to federal standards for internal control, management must continually assess and evaluate its internal controls to assure that the control activities being used are effective and updated when necessary. Also, managers need to compare actual performance to planned or expected results and analyze significant differences. While the Army and Marine Corps conduct quality assurance reviews, the reviews are not identifying all the inconsistencies in their units' reporting methods and in the reported data. For example, some Army installations have offices that review readiness reports on a monthly basis, and higher-level commands from both services review the reports from their subordinates. However, officials from the Army Readiness Division and Marine Corps Readiness Branch acknowledged that the quality assurance reviews are incomplete and have not prevented inconsistent data from being reported. Also, the Army has a management control evaluation checklist that commanders can use to review their readiness reports, but Army Readiness Division officials said the use of this checklist is not required, and some officials we spoke with said the checklist is not used.

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[17]The 95 percent confidence interval for this estimate ranges from 90 to 98 percent. The sample size and total population of units rated as Qualified Yes are classified.

Furthermore, neither the Army nor Marine Corps have comprehensive mechanisms in place to prevent the submission of data that fail to comply with the reporting requirements. Army Readiness Division officials said these mechanisms could be added to the DRRS-Army system in the future, but this is currently not a top priority. The Army officials said there are some warnings in the system, such as one that asks commanders to explain if they choose both C-4 and Yes. Marine Corps Readiness Branch officials also said they have warning flags in their system, but these warnings do not prevent submission of inconsistent unit status reports. Without further clarifying guidance, effective quality assurance reviews, or system mechanisms to prevent the submission of inconsistent information, the services cannot be assured that they are providing decision makers within and outside of DOD with timely and consistent readiness reporting data.

OSD and the Services Continue to Develop Their Respective Systems in the Enterprise

The DRRS Concept of Operations[18] calls for a family of systems to be developed and operated under a single framework to share information requirements and data elements seamlessly across the enterprise. Specifically, since we last reported on DRRS in September 2009, DOD and the services have continued to take steps to develop their respective systems—DRRS-Army, DRRS-Marine Corps, and DRRS-Strategic. Because the developers have focused on the needs of different system users, and have yet to reach agreement on key elements, progress in achieving interoperability among the three individual systems and across the enterprise has been incremental. In our 2009 report we noted that a number of issues including unclear requirements were affecting system development and the system's ability to display service readiness data.[19] On August 2, 2010 DOD issued a memorandum signed by the Deputy Assistant Secretary of Defense (C3, Space and Spectrum), Deputy Under Secretary of Defense for Readiness, and the Director, Joint Staff, that addresses DRRS standards and technical interface specifications for interoperability. It directed the services to submit plans for implementing the interoperability and technical standards within 60 days of the date of the memo and stated that the services should convert to those standards,

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[18]DOD: *Defense Readiness Reporting System Concept of Operations*, Version 3.0 (Jan. 22, 2009).

[19]GAO, *Military Readiness: DOD Needs to Strengthen Management and Oversight of the Defense Readiness Reporting System*, GAO-09-518 (Washington, D.C.: Sept. 25, 2009).

in most cases, within 6 months of the signature date of the memorandum.[20] As of April 1, 2011, the Army and Marine Corps have submitted their plans to OSD but have not fully implemented their plans. The Army and Marine Corps project they will achieve implementation in October 2012 and July 2012, respectively. However, OSD and the services have not reached consensus on various issues, including the type of information, specific steps, or time frames for successfully implementing the standards and plans to increase the interoperability of the enterprise system.

Our September 2009 report stated that a lack of oversight was also hindering system development and integration. In commenting on our report, OSD commented that the DRRS Executive Committee governance process would continue to provide sustained functional oversight of the DRRS program. Since our report was issued, the DRRS Executive Committee has met twice. As of April 2011, the services' plans for implementing the system interoperability and technical standards memorandum have not been briefed to the DRRS Executive Committee. However, the General Officers Steering Committee, the second level of the DRRS governance structure, is scheduled to be briefed in April 2011. In our report, we also recommended that DOD conduct an independent program risk assessment of DRRS, and use the findings in our report and the risk assessment to decide how to redirect the program structure, approach, funding, management, and oversight. The Enterprise Planning and Investment Business Transformation Agency was planning to begin its risk assessment in April 2011. However, as we were finishing this review the risk assessment was postponed and is currently scheduled to begin in the fall of 2011. Until this assessment is completed and presented to the DRRS Executive Committee for any actions, OSD will not have the information needed to reach consensus with the services and make any adjustments needed to achieve interoperability.

Conclusions

Army and Marine Corps unit readiness information has become increasingly important as DOD has deployed units, or parts of units, to provide combat commanders with needed capabilities. Recent changes to Army and Marine Corps readiness reporting guidance have improved both the quantity and the objectivity of assigned mission capability data

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[20]Office of the Under Secretary of Defense, Personnel and Readiness, Memorandum: *Defense Readiness Reporting System (DRRS) Standards and Technical Interface Specifications for Interoperability* (Aug. 2, 2010).

available to Congress and DOD decision makers. However, some readiness data are currently being reported in an inconsistent manner that diminishes its value to decision makers. Furthermore, Army units are reporting T-5 and C-5 as directed rather than their actual training or actual overall mission assessment. Without actual training and the overall readiness status of Army units throughout the entire force generation cycle, decision makers in DOD and Congress may have limited information to determine which Army units have the capabilities to respond to unexpected missions or combatant commander requirements. Moreover, without additional clarity in guidance, effective quality assurance reviews, or system mechanisms to prevent the submission of inconsistent information, the Army and Marine Corps cannot be assured they are providing decision makers within and outside of DOD with timely and consistent readiness data.

Recommendations for Executive Action

To increase the visibility over the capabilities of units in RESET, we recommend that the Secretary of Defense direct the Secretary of the Army in consultation with other system developers within the enterprise to:

- Develop an alternative means of indicating which units are in RESET without using C-5 as a means to flag units in RESET.

To increase the timeliness and consistency of readiness information and thus enhance the usefulness of this information to decision makers, we recommend that the Secretary of Defense direct the Secretary of the Army and Commandant of the Marine Corps to:

- Provide additional internal controls, which could include clarifying policy guidance, increasing quality assurance reviews, or putting system technical checks in place to prevent submission of data that does not comply with service readiness reporting requirements.

Agency Comments and Our Evaluation

In written comments on a draft of this report, DOD did not concur with our recommendations. Specifically, DOD did not concur with our recommendation that the Secretary of Defense direct the Secretary of the Army to develop an alternative means of indicating which units are in RESET without using C-5 as a means to flag units in RESET. In its comments, DOD stated that the use of the "C-5" flag is appropriate and consistent as the readiness indicator for units in RESET. Further, DOD stated that the Army is fully aware of the readiness needs for those units in RESET, and both the Army and DOD enterprise have the information required to understand the needs and capabilities of those forces.

Specifically, DOD also noted that the DRRS enterprise provides visibility into the capabilities of a unit at any phase of the force rotation cycle, including reset. Even if an Army unit is reporting a C-5 assessment, DOD stated that DRRS provides an assessment of the remaining unit capabilities through the mission essential task list construct.

We recognize that different types of information beyond C-ratings are reflected in the DRRS enterprise including mission essential task assessments. As we noted in the report, DRRS is intended to capture readiness data from multiple sources and to report relevant data to a range of decision makers within DOD and the Congress. Specifically the enterprise reports assessments of both capabilities (as captured in mission essential task ratings) and training and resources (as captured in C-ratings, and the associated personnel, equipment, and training ratings). Decision makers use readiness data, including C-ratings, to support operation plans, determine the readiness of units to respond to unexpected contingencies, or analyze resource needs. However, as a result of the Army policy's change, units in RESET no longer report their actual C-level or their actual level of training but rather are directed to report an overall C-5 rating and a T-5 in training. Without actual C-ratings decision makers do not have complete information and now must rely solely on the units' subjective mission essential task assessments as the means for evaluating their core mission capabilities.

While we agree, as DOD suggests in its comments, that mission essential task assessments are a valuable piece of readiness information, they are not totally independent. To illustrate, the Army and Marine Corps have both recently provided their units with guidance that clarifies the important complementary nature of C-ratings and mission essential task assessments. Specifically, they are correlated because a unit should take into account its resource levels in assessing its ability to perform mission essential tasks. Furthermore, our report shows, that units do not always properly rate their ability to perform mission essential tasks. For example, on a monthly basis since January 2009, approximately 15 percent of C-4 reporting units had mission essential task ratings that were, according to Army guidance, inconsistent and illogical when compared to their resource (C-level) ratings. Until Army units in RESET report their actual C-ratings, decision makers will not have complete information on the readiness status of units nor will they be able to compare mission essential task ratings to actual C-ratings to see whether the ratings are logical and consistent. For these reasons, we do not agree with DOD's view that using C-5 as a means of indicating which units are in RESET rather than requiring units to report their actual readiness status is an appropriate and

consistent readiness indicator. We therefore continue to believe the Secretary of Defense should direct the Secretary of the Army to develop an alternative means of indicating which units are in RESET without using C-5 as a means to flag units in RESET.

DOD also did not concur with our recommendation that the Secretary of Defense direct the Secretary of the Army and the Commandant of the Marine Corps to provide additional internal controls, which could include clarifying policy guidance, increasing quality assurance reviews, or putting system technical checks in place to prevent submission of data that does not comply with service readiness reporting requirements. DOD stated that internal controls are adequate. Specifically, it noted that the Army is currently updating its unit status reporting process and software applications, and that these changes will serve to strengthen compliance, promote consistency, and ensure uniformity of the system. It also noted that the Marine Corps is completing a plan to modify policy and implement procedures for improving compliance with readiness reporting ratings, timelines, and data. During the course of our review, we briefed the results of our findings to the services, and we are aware that they are in various stages of taking action. We have not had the opportunity to evaluate the services' efforts; however, we believe the description provided by DOD reflects the types of internal controls covered under our recommendations.

DOD also noted that it did not agree with the report's statement in the summary that the DRRS program does not have sufficient information to achieve interoperability among the services and OSD. DOD stated that the statement does not represent the routine and informed decisions that are made across OSD and the services. It further stated that a September 2010 technology assessment found that DRRS-Strategic had no critical technology roadblocks to system integration and that the system currently consumes data from the service unique systems while continuously working to improve transfer methods. DOD noted that DRRS-Navy, DRRS-Army, and DRRS-Marine Corps will be able to transfer data even more efficiently and effectively within the next 18 months. As stated in our report, we specifically recognize that DRRS has evolved into an enterprise which represents a family of service and OSD computer information systems and databases. We further note that the enterprise is intended to capture readiness data from multiple sources and that DRRS-Army, DRRS-Marine Corps and DRRS- Navy systems currently provide information and data to a number of other systems within and outside of the enterprise. In a September 2009 report, we identified a number of challenges facing DRRS and concluded that an independent assessment was needed to

assess the program's risk. We recommended that DOD conduct this assessment and use the results to redirect the program's approach, structure, and oversight. DOD concurred with our recommendation and stated that the assessment would be conducted by the middle of fiscal year 2010. Because of our prior work and the fact that this assessment has not yet been done, we did not, as part of the work reflected in this current report, perform a technical review of the current state of interoperability. Rather, as stated in the report, we addressed the steps DOD and the services have continued to take to develop their respective systems since we last reported in September 2009. Based on our work, we found that OSD and the services have not reached consensus on various issues, including the type of information, specific steps, or timeframes for successfully implementing interoperability and technical standards and plans to increase the interoperability of the enterprise system. Given that the DRRS Concept of Operations calls for a family of systems to be developed and operated under a single framework to share information requirements and data elements seamlessly across the enterprise, achieving consensus on standards and other aspects needed to achieve interoperability is critical. Because a risk assessment includes assessing system vulnerabilities and identifying mitigation solutions, we continue to believe it would produce information that could assist DOD in reaching consensus with the services and in making any adjustments needed to achieve interoperability.

The full text of DOD's written comments is reprinted in appendix II.

We are sending copies of this report to the appropriate congressional committees, the Secretary of Defense, the Secretary of the Army, and the Commandant of the Marine Corps. The report will also be available at no charge on the GAO Web site at http://www.gao.gov.

If you or your staffs have questions about this report, please contact me at pickups@gao.gov or (202) 512-9619. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix III.

Sharon L. Pickup
Director, Defense Capabilities and Management

List of Congressional Committees

The Honorable Carl Levin
Chairman
The Honorable John McCain
Ranking Member
Committee on Armed Services
United States Senate

The Honorable Daniel K. Inouye
Chairman
The Honorable Thad Cochran
Ranking Member
Committee on Appropriations
United States Senate

The Honorable Howard McKeon
Chairman
The Honorable Adam Smith
Ranking Member
Committee on Armed Services
House of Representatives

The Honorable Harold Rogers
Chairman
The Honorable Norm Dicks
Ranking Member
Committee on Appropriations
House of Representatives

Appendix I: Scope and Methodology

To assess the extent to which current readiness reporting requirements have affected the content of readiness information provided to various decision makers within and outside of the Department of Defense (DOD), we interviewed officials from the Department of Army–Readiness Division and Headquarters Marine Corps Readiness Branch. We analyzed Army and Marine Corps 2010 readiness reporting guidance, Army Regulation 220-1 and Marine Corps Order 3000.13, and compared the updated guidance to the previous versions of relevant Army and Marine Corps readiness reporting guidance. Further, we compared the changes in the services' guidance with DOD Directive 7730.65 and Chairman of the Joint Chiefs of Staff Instruction 3401.02A to determine if the service guidance aligned with DOD and Joint Chiefs of Staff readiness reporting requirements. We also reviewed related readiness reporting documents, such as Army and Marine Corps readiness briefings to DOD and Congress. To assess the extent to which the readiness information available to DOD (Office of the Secretary of Defense (OSD), Chairman of the Joint Chiefs of Staff, and the services) and the Congress has changed since 2009, we compared the currently available information to the information that was previously provided through the statutorily required reports (Quarterly Readiness Report to Congress and Joint Forces Readiness Report). We also interviewed officials responsible for submitting and overseeing readiness reports to determine how available information has changed.

To assess the extent to which the Army and Marine Corps units have consistently implemented their current readiness reporting guidance, we first reviewed the data within each service's respective readiness reporting systems and compared the data with system criteria—Army Regulation 220-1 and Marine Corps Order 3000.13. Specifically, within the Army Readiness Management System (the data output tool for DRRS-Army) and the Marine Corps Readiness Management Output Tool (the data output tool for DRRS-Marine Corps), we conducted queries of all reporting units from January 2009 through January 2011. To further assess inconsistencies between resource and training mission assessments (the C-levels) and their capability assessments (Yes, Qualified Yes, and No), we selected random samples of units from subsets of the Army and Marine Corps units with potential inconsistencies. Specifically, we selected a random sample of Army units that reported C-4 and Yes, and a random sample of Marine Corps units that reported a Qualified Yes in January 2011. The sample size and total population of units for each sample is classified. For each selected unit we reviewed commander comments contained in the assessment reports and determined whether these comments addressed the inconsistencies in the assessments. Based on these reviews, we generated estimates and 95 percent confidence intervals that allow us to

generalize the results to the subsets of Army and Marine Corps units with potential inconsistencies. We chose January 2009 as the baseline for our queries because the Army began implementing significant changes in December 2009. Because the Marine Corps did not begin using DRRS-Marine Corps until May 2010, our queries of Marine Corps unit data only provided output from May 2010 through January 2011. When we reviewed samples of data, we took a statistical random sample and determined our estimates to a 95 percent confidence interval.

We assessed the reliability of the DRRS data presented in this report. Specifically, the Army and Marine Corps provided information based on data reliability assessment questions we provided, which included information on an overview of the data, data collection processes and procedures, data quality controls, and overall perceptions of data quality. We received documentation about how the systems are structured; a data dictionary that includes data element definitions, descriptions, codes, and values; written procedures in place to ensure that the appropriate information is collected for each category of unit readiness; and specific guidelines on the correct classification of readiness data taken into specific categories. Additionally, we interviewed the Army Readiness Division and Marine Corps Readiness Branch to obtain further clarification on data reliability. We interviewed relevant officials at reporting units to discuss how the data were collected and reported into the system. We also analyzed system data for selected data fields. After assessing the data, we determined that the data were sufficiently reliable for the purposes of assessing the consistency of the implementation of the current readiness reporting guidance, and we discuss our findings in the report.

We met with officials from several installations and units to complement our data analysis. In choosing which of the Army's over 6,000 reporting units and which of the Marine Corps' approximately 350 reporting units to review, we made a nonprobability selection of installations that have a variety of different unit levels in order to better maximize our coverage of units. For the Army, we chose to visit 3 of 68 reporting installations. We then reviewed the 10 largest installations and compiled data on the number of units present, components represented, and Army Force Generation phases represented at each identified installation. We also chose to visit 1 of 6 reporting Army National Guard installations. We also met with officials from Army National Guard units located in Washington, D.C. because the units were close to our office and the visits did not require any travel costs. For the Marine Corps, we selected all reporting Marine Corps installations and ranked them by number of units present at

each installation and components represented. We chose to visit 2 of 15 Marine Corps installations. Within each installation, our criteria for identifying units from which to obtain information included command level, component type, force generation status, core-level and core-mission task assessment, and assigned-level and assigned-mission task assessment. Table 3 shows the units we met with and their locations. During our unit visits, to gain a better understanding of the readiness reporting process and how the readiness reporting changes are being implemented, we interviewed the officials responsible for inputting the unit's readiness information into DRRS-Army and DRRS-Marine Corps as well as the officials who are responsible for making the mission assessments and verifying the information. These unit visits serve as examples, and information about them is not meant to be generalized to all readiness reporting processes and procedures.

Table 3: Installations and Units Visited

Installations	Number of units visited
U.S. Army	
Fort Benning, Georgia	7
1st Battalion, 15th Infantry Regiment	
3rd Heavy Brigade Combat Team, 3rd Infantry Division	
14th Combat Support Hospital	
60th Engineering Company	
63rd Engineering Company	
U.S. Army Garrison Fort Benning	
U.S. Army Marksmanship Unit	
Fort Picket, Virginia	3
183rd Regiment Regional Training Institute	
Maneuver Training Center	
Virginia Army National Guard G-3	
Fort Stewart, Georgia	10
2nd Heavy Brigade Combat Team	
24th Ordnance Company	
139th Military Police Company	
226 Quarter Master Supply Company	
495th Movement Control Team	
514 Engineer Detachment	
U.S. Army Garrison Fort Stewart Directorate of Plans, Training, Mobilization and Security	

Installations	Number of units visited
U.S. Army Medical Department Activity Fort Stewart	
U.S. Army Reserve Element 188th Infantry Brigade	
U.S. Army Reserve Element 349th Regiment, Logistics Support Battalion	
Joint Base Lewis-McChord and Camp Murray, Washington	8
1st Battalion, 23rd Infantry Regiment	
4th Squadron, 6th Air Cavalry	
22nd Engineering Company	
23rd Chemical Battalion Headquarters Detachment	
56th Army Band	
702 Brigade Support Battalion	
Joint Base Lewis-McChord Installation	
Washington National Guard 81st Heavy Brigade Combat Team	
D.C. Armory,[a] Washington, D.C.	5
104th Maintenance Detachment	
273rd Military Police Combat Support Team	
275th Military Police Company	
372nd Military Police Headquarters and Headquarter Detachment Support Team	
547th Transportation Company	
U.S. Marine Corps	
Camp Pendleton, California	12
1st Dental Battalion, 1st Marine Logistic Group	
1st Marine Expeditionary Force	
4th Light Armored Reconnaissance Battalion, 4th Marine Division (Marine Corps Reserves)	
5th Marine Regiment	
5th Marine Regiment Headquarters Company	
11th Marine Regiment, 1st Marine Division	
Headquarters Battalion, 1st Marine Division	
Headquarters, Marine Corps Installations West	
Headquarters, Marine Corps Base Camp Pendleton	
Marine Aircraft Group 39	
Marine Light Attack Helicopter Squadron 367	
Marine Wing Support Squadron 372	
Marine Corps Air Station Miramar, California	8
Marine Air Control Group 38	
Marine Corps Air Station Miramar	

Installations	Number of units visited
Marine Fighter Attack Squadron 232	
Marine Heavy Helicopter Squadron 465	
Marine Medium Helicopter Squadron 163	
Marine Medium Tiltrotor Squadron 166	
Marine Wing Communications Squadron 38	
Marine Wing Support Group 37	

Source: GAO.

[a]The D.C. Armory is not a reporting installation, although we met with D.C. Army National Guard units at that location.

To assess how system developments for the Defense Readiness Reporting Systems, DRRS-Army, DRRS-Marine Corps, and DRRS-Strategic, affected the enterprise, we interviewed officials from the DRRS Implementation Office who are responsible for the system development of the enterprise and DRRS-Strategic. We also interviewed officials from the Joint Staff who are responsible for assisting the Chairman in executing his statutory readiness reporting responsibilities. Members of the Joint Staff co-chair the DRRS governance structure at all levels. We also interviewed Army and Marine Corps officials who are responsible for their service- specific readiness reporting systems that are part of the enterprise. Finally, we interviewed officials from the Enterprise Planning and Investment Business Transformation Agency, which is conducting the DRRS-Strategic risk assessment. Further, we reviewed the 2010 DOD memorandum for DRRS Standards and Technical Interface Specifications for Interoperability, the 2009 DRRS Concept of Operations, and the DRRS Interim Implementation guidance 1.0, 2.0, 3.0, and 4.0. We also reviewed Army and Marine Corps memoranda and plans implementing the requirements in the 2010 DOD memorandum for DRRS Standards and Technical Interface Specifications for Interoperability.

We conducted this performance audit from August 2010 to June 2011, 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Comments from the Department of Defense

OFFICE OF THE UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
WASHINGTON, D.C. 20301-4000

PERSONNEL AND
READINESS

05-24-2011

Ms. Sharon L. Pickup
Director, Defense Capabilities and Management
U.S. Government Accountability Office
441 G Street N. W.
Washington, D.C. 20548

Dear Ms. Pickup:

This is the Department of Defense (DoD) response to the GAO draft report, GAO-11-526, 'MILITARY READINESS: Army and Marine Corps Reporting Provides Additional Data, but Actions Needed to Improve Consistency,' dated April 15, 2011 (GAO Code 351522).

Thank you for the opportunity to review this report and associated recommendations. We disagree with the recommendation that the Secretary of the Army should be directed to develop an alternative means of indicating which units are in reset. The use of the "C-5" flag is appropriate and consistent as the readiness indicator for units in reset. Furthermore, the Army is fully aware of the readiness needs for those units in reset, and both the Army and DoD enterprise have the information required to understand the needs and capabilities of those forces.

In fact, the Defense Readiness Reporting System (DRRS) enterprise provides visibility into the capabilities of a unit at any phase of the force rotation cycle, including reset. Even if an Army unit is reporting a "C-5" assessment, DRRS provides an assessment of the remaining unit capabilities through the mission essential task list construct.

We also do not agree with the recommendation that the Army and the Marine Corps need to provide additional internal controls. The Army is currently updating its unit status reporting process and software applications, and these changes will serve to strengthen compliance, promote consistency, and ensure uniformity of the system. The Marine Corps is also completing a plan to modify policy and implement procedures for improving compliance with readiness reporting ratings, timelines, and data.

Finally, we do not agree with the report's statement in the summary that the DRRS program does not have sufficient information to achieve interoperability among the Services and OSD. The statement does not represent the routine and informed decisions that are made across OSD and the Services. The September 2010 technology assessment, in response to the NDAA FY 2010 Senate Report, found that DRRS-Strategic has no critical technology roadblocks to systems integration. DRRS-S currently consumes data from the Service unique systems while continuously working to improve these transfer methods. To that end, DRRS-Navy, DRRS-Army, and DRRS-Marine Corps will all be able to transfer data even more efficiently and effectively within the next 18 months.

Samuel D. Kleinman
Deputy Assistant Secretary of Defense
Readiness

GAO Draft Report Dated APRIL 15, 2011
GAO-11-526 (GAO CODE 351522)

"MILITARY READINESS: ARMY AND MARINE CORPS REPORTING PROVIDES
ADDITIONAL DATA, BUT ACTIONS NEEDED TO IMPROVE CONSISTENCY"

DEPARTMENT OF DEFENSE COMMENTS
TO THE GAO RECOMMENDATIONS

RECOMMENDATION 1: The GAO recommends that the Secretary of Defense direct the Secretary of the Army to develop an alternative means of indicating which units are in RESET without using C-5 as a means to flag units in RESET. (See page 22/GAO Draft Report.)

DoD RESPONSE: Non-concur. Alternative means already exist to indicate which units are in reset. The Army and DoD are currently able to see the rotation status of Army units through the Defense Readiness Reporting System. DRRS provides the status of existing capabilities of a unit even if that unit is in reset.

RECOMMENDATION 2: The GAO recommends that the Secretary of Defense direct the Secretary of the Army and the Commandant of the Marine Corps to provide additional internal controls, which could include clarifying policy guidance, increasing quality assurance reviews, or putting system technical checks in place to prevent submission of data that does not comply with service readiness reporting requirements. (See page 23/GAO Draft Report.)

DoD RESPONSE: Non- concur. The Army is currently updating its unit status reporting process and software applications, and these changes will serve to strengthen compliance, promote consistency, and ensure uniformity of the system. The Marine Corps is also completing a plan to modify policy and implement procedures for improving compliance with readiness reporting ratings, timelines, and data. The internal controls are adequate.

Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

Sharon L. Pickup, (202) 512-9619 or pickups@gao.gov

Staff Acknowledgments

In addition to the contact named above, key contributors to this report were Michael Ferren (Assistant Director), Jim Ashley, Randy De Leon, Nicole Harms, Richard Powelson, Terry Richardson, Jodie Sandel, Amie Steele, and Nicole Volchko.