

## Why GAO Did This Study

The U.S. Marine Corps received approximately \$16 billion in appropriated funds between fiscal years 2006 and 2010 for reset of aviation and ground equipment that has been degraded, damaged, and destroyed during overseas contingency operations. Reset encompasses activities for repairing, upgrading, or replacing equipment used in contingency operations. The Marine Corps continues to request funding to reset equipment used in Afghanistan. GAO initiated this review under its authority to address significant issues of broad interest to the Congress. GAO's objectives were to evaluate the extent to which the Marine Corps has made progress toward (1) developing effective reset strategies for both aviation and ground equipment used in Afghanistan and (2) providing accurate estimates of total reset costs.

## What GAO Recommends

GAO recommends that the Secretary of Defense (1) establish a timeline for issuing formal reset planning guidance and a ground equipment reset strategy for equipment used in operations in Afghanistan, (2) provide linkages between the ground equipment reset strategy and the modernization plan, and (3) develop and publish a DOD definition of reset for use in the DOD overseas contingency operations budgeting process. DOD concurred with one and partially concurred with two of the recommendations.

View [GAO-11-523](#) or key components. For more information, contact William M. Solis at (202) 512-8365 or [solisw@gao.gov](mailto:solisw@gao.gov).

## DEFENSE LOGISTICS

### Actions Needed to Improve the Marine Corps' Equipment Reset Strategies and the Reporting of Total Reset Costs

## What GAO Found

The Marine Corps has developed a strategic plan that addresses the reset of aviation equipment used in operations in Afghanistan and includes the elements of a comprehensive, results-oriented strategic planning framework. However, a reset strategy for ground equipment has not yet been developed. The Marine Corps is taking steps to develop such a strategy; however, the timeline for completing and issuing this strategy is uncertain. Although Marine Corps officials agreed that a reset strategy for ground equipment will be needed, they stated that they do not plan to issue a strategy until there is a better understanding of the dates for drawdown of forces from Afghanistan. While more specific drawdown information is desirable and will be needed to firm up reset plans, the President stated that troops would begin to withdraw in July 2011, working towards a transfer of all security operations to Afghan National Security Forces by 2014. Until the ground equipment reset strategy is issued, establishing firm plans for reset may be difficult for the Marine Corps Logistics Command to effectively manage the rotation of equipment to units to sustain combat operations. It is also uncertain to what extent the Marine Corps plans to align its ground equipment reset strategy with its ground equipment modernization plan. GAO found that the Iraq reset strategy for ground equipment contained no direct reference to the service's equipment modernization plans, leaving unclear the relationship between reset and modernization. A clear alignment of the ground equipment reset strategy for Afghanistan and modernization plans would help to ensure that the identification, development, and integration of warfighting capabilities also factor in equipment reset strategies so that equipment planned for modernization is not unnecessarily repaired.

The total costs of reset estimated by the Marine Corps may not be accurate or consistent because of differing definitions of reset that have been used for aviation and ground equipment. These differing definitions exist because DOD has not established a single standard definition for use in DOD's budget process. Specifically, the Marine Corps does not include aviation equipment procurement costs when estimating total reset costs. According to Marine Corps officials, procurement costs are excluded because such costs are not consistent with its definition of aviation equipment reset. In contrast, the Marine Corps' definition of reset for ground equipment includes procurement costs to replace theater losses. However, GAO found that the Office of the Secretary of Defense Director of Cost Assessment and Program Evaluation had obtained a procurement cost estimate for Marine Corps aviation equipment as part of its efforts to track reset costs for the department. DOD's Resource Management Decision 700 tasks the Office of the Secretary of Defense Director of Cost Assessment and Program Evaluation to provide annual departmentwide reset updates. Based on this tasking, the Marine Corps provided total reset costs that included procurement costs for equipment replacement, as well as maintenance costs, for both ground and aviation equipment. GAO was not able to determine the reasons for this apparent inconsistency between what the Marine Corps considers to be valid aviation equipment reset costs and what was reported in the 2010 DOD Reset Planning Projections annual update. Without a single standard definition for reset for the services to use, the Marine Corps may continue to report its total reset costs for aviation equipment inconsistently.