

## Why GAO Did This Study

DOD positions billions of dollars worth of assets—including combat vehicles, rations, medical supplies, and repair parts—at strategic locations around the world to use during early phases of operations. Each of the military services maintains its own prepositioned stock program. For the past 6 years, GAO has reported on the risk of duplication and inefficiencies in the services' programs due to the absence of a department-wide strategic policy and joint oversight. Section 321 of the NDAA for fiscal year 2014 required DOD to maintain a strategic policy and develop an implementation plan to manage its prepositioned stocks.

The NDAA for fiscal year 2014 also included a provision for GAO to review DOD's strategic policy and implementation plan. This report assessed the extent to which DOD's strategic policy addresses mandated reporting elements and describes the status of DOD's implementation plan. To conduct this work, GAO analyzed DOD's strategic policy against the elements required in the NDAA and discussed the status of the implementation plan with DOD officials.

## What GAO Recommends

GAO recommends that DOD revise its prepositioned stocks strategic policy or include in other department-wide guidance (1) a description of the department's vision and the desired end state, and (2) specific interim goals for achieving this vision and end state. DOD concurred with the recommendations, noting that it is taking steps to implement them.

View [GAO-17-653](#). For more information, contact Cary Russell at (202) 512-5431 or [russellc@gao.gov](mailto:russellc@gao.gov).

## PREPOSITIONED STOCKS

# DOD Needs to Develop a Department-Wide Vision and Goals to Guide Program Management

## What GAO Found

The Department of Defense's (DOD) strategic policy on its prepositioned stock programs, issued in March 2017, addressed one of the six mandated reporting elements (see table). Specifically, DOD's policy describes strategic planning and resource guidance (element 1), as required.

GAO assessed the remaining five reporting elements as not addressed because DOD did not provide the required information in its policy. For three of the five elements that were not addressed—a description of the strategic environment and challenges (element 4), metrics (element 5), and a framework for joint oversight (element 6)—DOD's policy assigns responsibility for the development of such information, and therefore GAO is not making recommendations related to those elements because DOD has already directed their implementation. However, for two of the five elements that were not addressed—a description of the department's vision and desired end state (element 2) and specific interim goals (element 3)—DOD's strategic policy does not include the required information and instead directs the development of component's (rather than the department's) vision, end state, and goals.

**Table: GAO's Assessment of DOD's Strategic Policy Compared to the Six Reporting Elements Required by the National Defense Authorization Act for Fiscal Year 2014**

Reporting Elements	GAO Assessment of DOD's Strategic Policy
(1) Overarching strategic planning and resource guidance	Addressed
(2) Description of the department's vision and end state	Not Addressed
(3) Specific interim goals	Not Addressed
(4) Description of the strategic environment and challenges	Not Addressed
(5) Metrics	Not Addressed
(6) Framework for joint departmental oversight	Not Addressed

Source: GAO analysis of section 321 of the National Defense Authorization Act for fiscal year 2014 and DOD Directive 3110.07, *Pre-Positioned War Reserve Materiel (PWRM) Strategic Policy*, (Mar. 7, 2017). | GAO-17-653

DOD officials stated that the strategic policy does not include required information such as a department-wide vision, end state, and interim goals because it is intended to serve as a directive for assigning responsibilities. Without revising its strategic policy or including required information in other department-wide guidance, DOD will not be positioned to fully synchronize the services' prepositioned stock programs to avoid unnecessary duplication and achieve efficiencies.

DOD has not yet issued an implementation plan for managing its prepositioned stock programs, which the National Defense Authorization Act (NDAA) required by April 24, 2014. DOD officials anticipated that a plan would be finalized by September 30, 2017. It will be important for DOD to address the elements that were omitted from its strategic policy as it creates the implementation plan to ensure that the plan is linked to a complete strategy on prepositioned stock programs for the department.