

## UNITED STATES GENERAL ACCOUNTING OFFICE WASHINGTON, D.C. 20548

NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION

FEB 8 1984

B-214294

The Honorable John O. Marsh, Jr. The Secretary of the Army



Attention: The Inspector General

(DAIG-AI)

Dear Mr. Secretary:

Subject: Survey of Equipment Requirements To Support

U.S. Army Forces (GAO/NSIAD-84-58)

In 1980, we reported that the Army had servious problems with two of the key systems it uses to identify equipment requirements. Among other things, we pointed out that these weaknesses were (1) defeating the Army's attempts to create a standardized force structure, (2) causing some combat units to report higher readiness conditions than actually existed, and (3) feeding inaccurate requirements data into budgeting, acquisition, and planning processes. During May to October 1983, we completed a survey at Headquarters, Department of the Army, which indicates that these long-standing problems have not been corrected. Moreover, the survey indicates that problems with other key systems are further affecting the validity of the Army's documented equipment requirements.

Our survey also revealed, however, that several recent internal audits and studies have highlighted these problems and have led Army managers to begin taking corrective action. Because of these actions, we have decided to defer a more detailed follow-up evaluation. In the interim, we will monitor the corrective actions being taken.

We have discussed our survey results and our concerns about the requirements process with officials at Headquarters, Department of the Army. If you desire, we will also be glad to discuss these matters in detail with you or your staff.

We received the highest level of cooperation from the Army officials contacted during our survey. We would especially like to thank the representatives of the Inspector General's office,

<sup>1</sup> The Army Continues To Have Serious Problems Identifying Its Resource Requirements (LCD-80-67, June 30, 1980.)

B-214294

the Army Audit Agency, and the other survey teams who shared with us the results of their recent work. Their cooperation enabled us to avoid unnecessarily duplicating their efforts.

Sincerely yours,

Henry W. Connor

Senior Associate Director