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CHEMICAL WEAPONS

Better Management Tools Needed to Guide DOD's Stockpile Destruction Program

Statement of Henry L. Hinton, Jr., Managing Director, Defense Capabilities and Management

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GAO-04-221T

October 30, 2003

CHEMICAL WEAPONS

Better Strategic and Risk Management Tools Needed to Guide DOD's Stockpile Destruction Program

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Highlights

Highlights of GAO-04-221T, a testimony to the Subcommittee on Terrorism, Unconventional Threats and Capabilities, Committee on Armed Services, House of Representatives

Why GAO Did This Study

Since its inception in 1985, the Chemical Demilitarization (Chem-Demil) Program has been charged with destroying the nation's large chemical weapons stockpile. After years of planning and building new facilities, the program started destroying the stockpile in 1990. As of October 2003, the program had destroyed 26 percent of the 31,500-ton agent stockpile, and its total estimated cost to destroy the entire stockpile is more than $25 billion.

This testimony summarizes GAO's September 2003 report and addresses the following issues: (1) the status of schedule milestones and cost estimates, (2) the impact of the current schedule on the Chemical Weapons Convention (CWC) deadlines, (3) the challenges associated with managing the program, and (4) the status of the Chemical Stockpile Emergency Preparedness Program (CSEPP).

What GAO Recommends

GAO recommended in its September 2003 report that the Department of Defense (DOD) and the Army develop an overall strategy and implementation plan for the program and implement a risk management approach, and DOD concurred.

www.gao.gov/cgi-bin/getrpt?GAO-04-221T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Henry L. Hinton, Jr. at (202) 512-4300 or hintonh@gao.gov.

What GAO Found

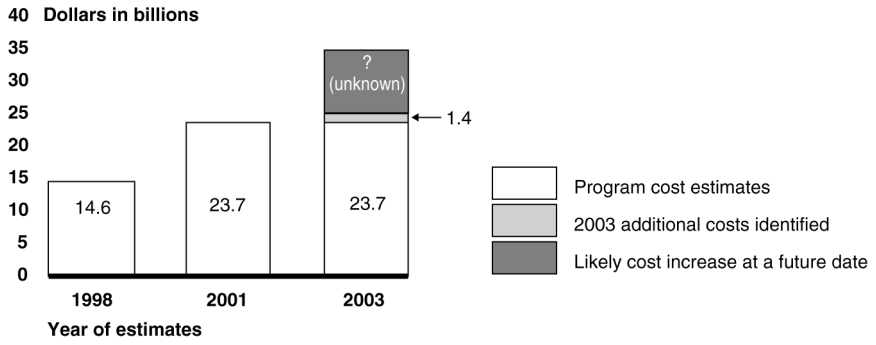
The Chem-Demil Program faces schedule delays and higher costs, but it has improved emergency preparedness in communities near the sites. In 2001, the Chem-Demil Program extended its schedule milestones and increased its cost estimates from $15 billion to about $24 billion. Since then nearly all sites have experienced delays, stemming from problems such as: plant safety issues, environmental requirements, approving emergency preparedness plans, and funding shortfalls. The program needs a risk management plan to mitigate problems affecting program schedules, costs, and safety. Program officials say the delays have raised the cost estimates by an additional $1.4 billion, to more than $25 billion as of September 2003. Based on current schedule slippages, GAO believes that costs will grow higher and further delays will occur. (See figure.)

Because of schedule delays, the United States will not meet CWC's April 2004 deadline to destroy 45 percent of the stockpile and it risks not meeting the original 2007 deadline to complete destruction of the entire stockpile. Unless the program fixes the problems causing delays, the United States also risks not meeting CWC's deadline of 2012, if extended.

The program has suffered from several long-standing management and organizational issues. The lack of sustained leadership has undercut decision-making authority and obscured accountability. The program's complex structure, with multiple lines of authority, has left roles and responsibilities unclear. It does not have an overarching, comprehensive strategy to guide and integrate its activities and monitor its performance.

The Army and the Federal Emergency Management Agency have helped state and local communities become better prepared to respond to chemical emergencies. Despite these gains, CSEPP costs are rising because some states have expanded their preparedness requests beyond the approved budgets. These requests amount to $88 million for fiscal years 2004 and 2005.

Comparison of 1998, 2001, and 2003 Cumulative Program Cost Estimates



Source: DOD.

Mr. Chairman and Members of the Subcommittee:

I appreciate the opportunity to participate in this hearing today on the Department of Defense's (DOD) Chemical Demilitarization (Chem-Demil) Program. Since its inception in 1985, this program has been charged with destroying the nation's large chemical weapons stockpile, second only to Russia's in terms of its size. After years of planning and building new facilities, the program started destroying the stockpile in 1990.

As you requested, my statement focuses on the following issues: (1) the status of schedule milestones and costs at the sites, (2) the impact that the current schedule may have on the Chemical Weapons Convention[1] (CWC) deadlines, (3) the challenges associated with managing the program, and (4) an update on the status of the Chemical Stockpile Emergency Preparedness Program (CSEPP).

As of October 2003, the Chem-Demil Program had destroyed an estimated 8,210 tons (26 percent) of the total 31,500 tons of the original agent stockpile stored at nine sites in the United States and the Pacific Ocean at Johnston Atoll. Of the four sites that have begun agent destruction operations, Johnston Atoll has destroyed all of its stockpile; Tooele, Utah, has reduced its stockpile by about 44 percent; Anniston, Alabama, has destroyed about 2 percent of its stockpile; and Aberdeen, Maryland, has eliminated over 3 percent of its stockpile. Current schedule estimates show that the Army will not complete destruction of the entire stockpile until after the year 2012.

Since 1990, we have issued more than 25 reports on the Chem-Demil Program. Nearly half of the reviews have raised questions about the program's growing costs, its inability to meet its schedule milestones, and its management weaknesses.

[1] In April 1997, the United States Senate ratified the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction, commonly known as the Chemical Weapons Convention. S. Res. 75, April 24, 1997.

My testimony today draws heavily from our most recent report, which was issued in September 2003.[2] In summary, we found the following:

- While the Chem-Demil Program has revised its schedule milestones and increased its cost estimates several times, with the latest revision in 2001, the program still cannot meet them. According to current Army schedules for destruction, five sites will miss their 2001 schedule milestones, less than 2 years after they were reset. The other four sites have not yet missed schedule milestones, but they too have experienced delays. Most of the substantial delays have stemmed from problems that DOD and the Army have been unable to anticipate or influence. These include plant safety issues, difficulties in meeting environmental permitting requirements, public concerns about emergency preparedness plans, and funding shortfalls. Neither DOD nor the Army has adopted a comprehensive risk management approach that could help mitigate potential problems that affect program schedules, costs, and safety by anticipating problems and developing mitigation plans. Army officials told us they are now developing such an approach. According to program officials, the delays that have occurred since the 2001 schedule revisions, along with the resolution of emergency preparedness issues, have raised the program's cost estimates by $1.4 billion, to a current total of more than $25 billion. We expect this amount will grow substantially before the destruction of the stockpile is complete if these delays continue.

- Because of schedule delays, the United States will not meet CWC's April 2004 deadline to destroy 45 percent of the chemical stockpile. The United States recently asked the governing body of the convention for an extension beyond the April 2004 deadline. If the delays that the program has experienced continue, the United States also risks not meeting the 2007 deadline to destroy 100 percent of the stockpile. Unless the Chem-Demil Program is able to fix the problems that have caused these delays, the United States also risks not meeting CWC's deadline, if extended to 2012, to destroy the entire stockpile. The CWC allows extensions of up to 5 years to the 2007 deadline.

- Despite recent efforts to improve the management and streamline the organization of the Chem-Demil Program, the program has suffered from several long-standing and unresolved leadership, organizational, and strategic planning issues. The program has lacked sustained leadership at

[2] U.S. General Accounting Office, *Chemical Weapons: Sustained Leadership, Along with Key Strategic Management Tools, Is Needed to Guide DOD's Destruction Program*, GAO-03-1031 (Washington, D.C.: Sept. 5, 2003).

both the upper levels of oversight and at the program-manager level, which undercuts decision-making authority and obscures accountability.[3] In addition, the program's complex management structure, with multiple lines of authority within the Army and the separation of program components among the Army, DOD, and the Federal Emergency Management Agency (FEMA), has left roles and responsibilities for the different parts of the program unclear. FEMA manages the emergency preparedness program (CSEPP) for communities near the storage sites. Finally, the absence of an overarching, comprehensive strategy has resulted in a program without a clear road map to closely guide and integrate all of its activities and monitor its performance.

- Since our 2001 report,[4] the Army and FEMA have helped state and local communities become better prepared to respond to chemical emergencies. Based on the states' self-assessments and FEMA's reviews, all of the states with nearby chemical storage sites are considered close to being fully prepared for emergency issues. However, despite these accomplishments, CSEPP costs continue to rise because some state and local communities have expanded their emergency preparedness requests beyond their approved budgets, exceeding them by $88 million for fiscal years 2004 and 2005, especially as they move closer to agent operations phase. FEMA and the Army have implemented a number of recommendations we made to improve technical assistance and guidance, training, and compliance measures to assess preparedness.

Most Sites Will Miss Schedule Milestones due to Program's Inability to Anticipate and Influence Issues

Despite several revisions to schedule milestones since the program's inception, the Chem-Demil Program still is unable to meet these milestones because of unanticipated delays. Most incineration sites have missed important milestones established in 2001. Delays at Anniston, Umatilla, and Pine Bluff have already resulted in their missing the 2001 schedule milestones to begin chemical agent destruction operations (operations phase).[5] Johnston Atoll has missed its schedule milestone for shutting down the facility (closure phase).[6] Although Tooele has not

[3] Upper level refers to the offices of the assistant secretary or above in the Departments of the Army and Defense.

[4] *Chemical Weapons: FEMA and Army Must Be Proactive in Preparing States for Emergencies*, GAO-01-850 (Washington, D.C.: Aug. 13, 2001).

[5] At the time of the 2001 schedule revision, all three of these sites were in the systemization phase; thus, their next milestone was to begin agent destruction operations.

[6] At the time of the 2001 schedule revision, agent destruction operations had been completed and its next milestone was to complete closure of the facility.

missed any milestones since the 2001 schedule was issued, the site has undergone substantial delays in destroying its stockpile primarily because of a safety-related incident in July 2002. If additional delays occur at the Tooele site, it could also exceed its next milestone as well. Table 1 shows the status of the incineration sites that will miss 2001 schedule milestones.

Table 1: Slippage of 2001 Scheduled Milestone Dates, by Incineration Site

Site	Next schedule milestone	2001 schedule date to begin next milestone	Date to begin next phase[a]	Difference between 2001 schedule and estimate (no. of months)
Anniston	Operations	July 2002	Aug. 2003	+13
Umatilla	Operations	July 2003	Mar. 2004	+8
Pine Bluff	Operations	Oct. 2003	Apr. 2004	+6
Johnston Atoll	End of closure	Sept. 2003	Nov. 2003	+2

Sources: DOD and the U.S. Army.

[a]Program manager's official estimates for Pine Bluff, Umatilla and Johnston Atoll.

Many of the recent delays at the incineration sites have resulted from operations incidents, from environmental permitting problems, community protection concerns, and funding issues—a trend that we identified in previous reports on the program. Among the events that have caused delays at incineration sites since 2001 are the following:

- *Incidents during operations*. At Tooele, a chemical incident involving a plant worker who came into contact with a nerve agent while performing routine maintenance led to the suspension of agent destruction operations from July 2002 to March 2003. An investigation attributed the incident to inadequate or poorly followed worker safety procedures, and a corrective action plan, including an improved safety plan, was instituted before operations resumed. Since operations restarted in March 2003, Tooele has experienced several temporary shutdowns.

- *Environmental permitting*. Several environmental permitting issues have delayed the start of agent destruction operations at sites at Umatilla and Anniston.[7] At Umatilla, the delays stemmed from several unanticipated

[7] We have reported on permitting delays in *Chemical Weapons And Materiel: Key Factors Affecting Disposal Costs and Schedule*, GAO/NSIAD-97-18 (Washington, D.C.: Feb. 10, 1997).

engineering changes related to reprogramming software and design changes that required permit modifications and to a shutdown by state regulators because furnaces were producing an unanticipated high amount of heavy metals during surrogate agent testing. At Anniston, delays occurred because state environmental regulators did not accept test results for one of the furnaces because the subcontractor did not follow state permit-specified protocols.

- *Community protection*. Concerns about emergency preparedness for local communities have led to additional delays at Anniston. These concerns included the inadequacy of protection plans for area schools and for special needs residents (e.g., elderly and disabled individuals) who would have difficulty in an evacuation. Although we reported on this issue in July 1996[8] and again in August 2001, and a senior DOD official identified it as a key concern in September 2001, the Army had difficulty satisfactorily resolving the issue with key state stakeholders. As a result, operations did not begin until August 2003.

- *Funding*. Delays at Pine Bluff and Johnston Atoll occurred because DOD redirected fiscal year 2002 destruction program funds to acquire $40.5 million worth of additional emergency protection equipment for Anniston. To cover this unfunded budget expense, the Army reduced Pine Bluff's budget by $14.9 million and Johnston Atoll's budget by $25.1 million, leading to systemization and closure milestone slippages, respectively, at these sites. Program officials told us that the total cost of this schedule slip would ultimately be $116 million due to the extended period before closure. The program is likely to face unfunded requirements as programwide funding requests continue to exceed budgeted amounts. As of October 2003, according to preliminary estimates from FEMA, unfunded CSEPP requirements for all sites are expected to amount to $39.4 million and $49.0 million for fiscal years 2004 and 2005, respectively.

Unlike the incineration sites, the two bulk-agent only sites, Aberdeen and Newport, have experienced delays but have not breeched their schedule milestones. In 2002, DOD approved using an alternative technology (neutralization), instead of incineration, at these two sites. This technology is expected to accelerate the rate of destruction at these two sites. The

[8] See U.S. General Accounting Office, *Chemical Weapons Stockpile: Emergency Preparedness in Alabama Is Hampered by Management Weaknesses*, GAO/NSIAD-96-150 (Washington, D.C: July 23, 1996).

Army estimated that this process would reduce the scheduled end of operations at both sites by 5 years, from 2008 to 2003 at Aberdeen and from 2009 to 2004 at Newport. However, Aberdeen has encountered unanticipated problems with the removal of residual agent from bulk containers and has extended its planned completion date by 6 months, from October 2003 to March 2004. In addition, Newport has faced construction delays and community resistance to offsite treatment of waste byproducts. As a result of these delays, Newport has extended its planned start date for agent operations by 5 months, from October 2003 to February 2004.

At two sites, Pueblo, Colorado, and Blue Grass, Kentucky, no milestones were set in the 2001 schedule because DOD had not yet selected a destruction technology. DOD has now selected a destruction technology for these sites, but it made decisions several months later than estimated. More importantly, DOD has set initial schedule milestones for these two sites that go beyond the extended April 2012 CWC deadline. According to DOD officials, these milestones are preliminary and will be reevaluated once contractors finish initial facility designs.

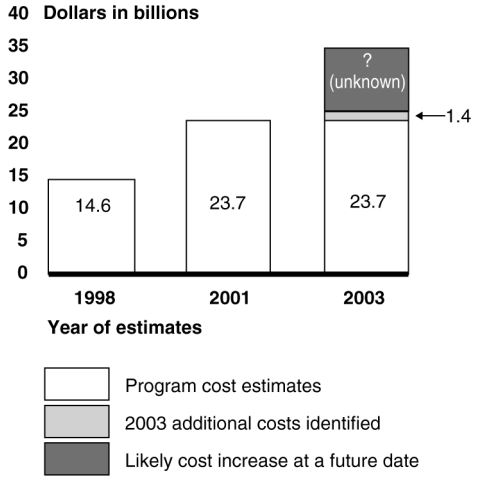
The Chem-Demil Program has faced continued delays with the program largely because DOD and the Army have not yet developed a risk management approach to proactively anticipate and address potential problems that could adversely affect program schedules, costs, and safety. Such an approach could also leverage knowledge of potential problems gained at other sites. Instead, according to a DOD official, the program has used a crisis management approach, which has forced it to react to, rather than control, issues. The program had drafted a plan in June 2000 that was intended to address these issues. However, according to a program official, this plan was never approved or implemented because of a change in management in 2001.

The delays and schedule extensions[9] have contributed directly to program cost growth, according to program officials. As a result, DOD's total program cost estimate grew from $15 billion to $24 billion between 1998 and 2001. (See fig. 1.) Because of delays encountered since the 2001 revisions, the Army is now in the process of developing new milestones that will extend beyond those adopted in 2001. According to an Army

[9] Schedule extensions are caused largely by actual destruction rates being lower than planned.

official, the program will use events that have occurred since 2001 in presenting new cost estimates to DOD for preparation of the fiscal year 2005 budget submission. Program officials told us that they estimate new costs had increased by $1.4 billion as of October 2003, and this estimate is likely to rise further as additional factors are considered.

Figure 1: Comparison of 1998, 2001, and 2003 Cumulative Program Cost Estimates



Source: DOD.

Schedule Delays Jeopardize Ability of Program to Meet CWC Deadlines

Although the United States met the first two chemical weapons treaty deadlines, the continuing delays jeopardize its ability to meet the final two deadlines. (See table 2.) Since reaching the 2002 deadline to destroy 20 percent of the stockpile in July 2001, the Chem-Demil Program has been able to destroy only an additional 3 percent of the stockpile. In order to meet the April 2004 CWC deadline to destroy 45 percent of the stockpile, the program would have to eliminate an additional 22 percent of the stockpile within the next 6 months. Because the program will likely not be able to achieve this rate of destruction, the United States has asked for an extension of the 2004 deadline.

According to current destruction schedules, the United States will not meet the 2007 deadline to eliminate 100 percent of the stockpile. As a result, the United States will likely have to ask for an extension of the 2007 deadline to complete the destruction of the entire stockpile. The CWC allows extensions of up to 5 years beyond the 2007 deadline. Unless the

program fixes the problems that are causing schedule delays, the United States also risks not meeting this deadline, if extended to 2012.

Table 2: CWC Deadlines

Required percentage of agent destroyed	Deadlines for destruction	Date United States met deadline
1	April 29, 2000	September 1997
20	April 29, 2002	July 2001
45	April 29, 2004	Will not meet
100	April 29, 2007	Will not meet

Sources: CWC and U.S. Army.

Long-standing Management and Organizational Weaknesses Hamper Program Progress

Despite recent efforts to improve the management and streamline the organization of the Chem-Demil Program, the program continues to falter because several long-standing leadership, organizational, and strategic planning weaknesses remain unresolved. The lack of sustained leadership has undercut decision-making authority and obscured accountability. The program's complex structure, with many lines of authority, has left roles and responsibilities unclear. Finally, the program lacks an overarching, comprehensive strategy to guide and integrate its activities and monitor performance.

Leadership Shifts Affect Continuity in Decision Making

The Chem-Demil Program's lack of sustained leadership above the program level is underscored by the multiple shifts in oversight responsibilities that have occurred three times between DOD and the Army during the past two decades. The most recent change took place in 2001 when oversight responsibility for the program shifted back to DOD's Office of the Secretary of Defense. Table 3 summarizes the changes.

Table 3: Transfer of Program Oversight Responsibilities between DOD and the Army, 1986-Present

Year	Oversight authority	Action
1986	Army	DOD designates the Army as the executive agent for the Chem-Demil Program.
1994	DOD	DOD makes the program a major defense acquisition program and oversight is elevated to control cost and schedule increases and to raise program visibility.
1998	Army	DOD delegates decision-making authority to the Army, primarily as part of its overall effort to reduce responsibilities and staffing of its offices.
2001	DOD	DOD reinstates its position as the program's top decision maker. According to DOD, this was done to streamline decision making, which is consistent with the cost of the program and national and state interest in the safe and timely destruction of the stockpile.

Source: GAO analysis of DOD data.

These shifts in oversight responsibilities affected the continuity of program decision making and obscured accountability. As a different office assumed major decision authority, the program's emphasis shifted and initiatives that had been started were often not completed. For example, when the Army had oversight responsibility for the program, it established a memorandum of understanding with FEMA to clarify each of their roles and responsibilities related to CSEPP.[10] However, after DOD assumed the program's oversight responsibilities in 2001, DOD did not follow the protocols for coordination that had been established in the memorandum, according to FEMA and DOD officials. As a result, DOD provided funds for emergency preparedness items without having adequate plans for distribution, which delayed the process. This shift in oversight responsibilities from the Army to DOD also left state and local community officials and other stakeholders uncertain as to the credibility of federal officials. According to FEMA and Army officials, coordination between the two agencies has improved in the last few months and efforts are being made to repair relationships with community and state stakeholders.

[10] U.S. General Accounting Office, *Chemical Weapons: FEMA and Army Must Be Proactive in Preparing States for Emergencies*, GAO-01-850 (Washington, D.C.: Aug. 13, 2001).

Similar problems have also occurred within the Army as program leadership has changed. Three different officials at the Assistant Secretary level have held senior leadership positions since December 2001. In addition, five officials have served as the Deputy Assistant Secretary of the Army (Chem-Demil) during that time.[11] From April 2002 to February 2003, the program manager's position remained vacant for nearly 1 year, before being filled. However, after only 4 months, the program manager resigned and the Army named a replacement.

Frequent shifts in key leadership positions have led to several instances where the lack of continuity affected decision making and obscured accountability. For example, in June 2002, a program official promised to support future funding requests for emergency preparedness equipment from one community, but his successor did not fulfill this promise. Other communities viewed the agreement with one community as an opportunity to substantially expand their own funding requests. The lack of sustained leadership makes it unclear who is accountable when program commitments are made and not fulfilled. Moreover, when key leaders do not remain in their positions to develop the needed long-term perspective on program issues and effectively implement program initiatives, it is difficult to maintain program progress and ensure accountability for leadership actions.

Program Management Structure Remains Complex

As our 2003 report documents, the Army recently reorganized the program. But this change in management structure has not streamlined the program's complex organization nor clarified roles and responsibilities. The establishment of the Chemical Materials Agency (CMA) in January 2003 has left the Director reporting to two different senior Army organizations, which is one more than under the previous structure. This divided reporting approach is still not fully developed, but has the potential to adversely affect program coordination and accountability. The reorganization has also divided the responsibility for various program phases between two offices within CMA. One organization, the Program Manager for the Elimination of Chemical Weapons, will manage the first three phases (design, construction, and systemization) for each site, and a newly created organization, the Director of Operations, will manage the final two phases (operations and

[11] This position is now the Deputy Assistant Secretary of the Army (Elimination of Chemical Weapons).

closure). This reorganization changes the cradle-to-grave management approach that was used to manage sites in the past and has blurred responsibilities for officials who previously provided support in areas such as quality assurance and safety. Moreover, the reorganization did not address two program components—Assembled Chemical Weapons Alternatives (ACWA) program and community-related CSEPP. DOD will continue to manage ACWA separately from the Army, as congressionally directed. In addition, the Army will continue to manage CSEPP jointly with FEMA.

Program Lacks Strategy and Implementation Plan

While DOD and the Army have issued numerous policies and guidance documents for the Chem-Demil Program, they have not developed an overarching, comprehensive strategy or an implementation plan to guide the program and monitor its progress. This is contrary to the principals that leading organizations embrace to effectively implement and manage programs. Some key aspects of an approach typically used to effectively manage programs include promulgating a comprehensive strategy that includes a clearly stated mission, long-term goals, and methods to accomplish these goals. An implementation plan that includes annual performance goals, measurable performance indicators, and evaluation and corrective action plans is also important. According to DOD and Army officials, the Chem-Demil Program has relied primarily on guidance and planning documents related to the acquisition process.[12] However, in response to our recent recommendation that they prepare such a strategy and plan, DOD stated that it is in the initial stages of doing so and estimates completion in fiscal year 2004.

Emergency Preparedness Program Is Improving, but Costs Are Rising

Since our 2001 report, the Army and FEMA have assisted state and local communities to become better prepared to respond to chemical emergencies. Based on the states' self-assessments and FEMA's reviews, all 10 states with chemical storage sites located within them or nearby are now considered close to being fully prepared to respond to a chemical emergency. This is a marked improvement from the status we reported in 2001[13] when 3 states reported that they were far from being prepared. Now, 6 of the 10 states are reporting that their status is fully prepared and the

[12] Acquisition programs establish program goals for cost, schedule, and performance parameters over the program's life cycle.

[13] GAO-01-850.

remaining 4 are close to being fully prepared. However, these statuses are subject to change because the states and communities themselves can revise or expand their agreed-upon emergency preparedness needs. They can make these changes because the "maximum protection" concept that governs CSEPP is open to interpretation. As a result, they can appear to be less prepared than before. For example, Oregon certified that it was fully prepared, but now has requested additional emergency equipment. This request has changed Oregon's self-reported preparedness status from fully prepared to incomplete.

Despite these accomplishments, CSEPP costs continue to rise because, according to Army and FEMA officials, state and local communities may add to their emergency requirements beyond approved requests. Army and FEMA officials explain that the states often identify and expand their requirements, especially as destruction facilities move closer to the start of the operations phase. For example, the states of Colorado, Alabama, and Oregon have all requested funds for infrastructure, including roads and bridges. In June 2002, Oregon certified that its community readiness was adequate and recommended permit approval to allow test burns at Umatilla. Since that time, Oregon has asked for additional emergency preparedness support that exceeds its CSEPP budget. This request follows a pattern of substantially increasing funding requests at the start of the operations phase, as occurred at Anniston in 2001 when it received $40.5 million for additional CSEPP items. Programwide, new requirements continue to exceed approved CSEPP funding levels. FEMA has little control over the additional funding requests made by the states. As of October 2003, FEMA had identified $39.4 and $49.0 million in unfunded requirements for fiscal years 2004 and 2005, respectively. (See table 4.)

Table 4: CSEPP Unfunded Requirements (UFR) for Fiscal Years 2004 and 2005, as of October 2003

Dollars in millions

	FY2004 unfunded requirements			FY2005 unfunded requirements		
Funding entity	**FY2004 funded**	**FY2004 requirements**	**FY2004 UFRs**	**FY2005 funded**	**FY2005 requirements**	**FY2005 UFRs**
Alabama	21.0	41.9	21.0	19.7	36.7	17.0
Arkansas	16.9	24.7	7.8	3.6	13.1	9.6
Colorado	3.1	2.8	-0.3	2.5	4.5	1.9
Confederated Tribes	0.2	3.7	3.5	0.2	0.9	0.7
Illinois	0.9	0.8	-0.1	0.8	0.7	0.0
Indiana	3.9	4.7	0.8	2.3	6.0	3.7
Kentucky	4.3	5.3	1.0	3.7	4.4	0.7
Maryland	2.3	1.5	-0.8	1.8	2.0	0.2
Oregon	5.7	12.4	6.7	4.5	13.9	9.4
Utah	5.6	5.6	0.0	7.1	7.0	-0.1
Washington	5.9	5.8	-0.1	3.1	5.3	2.2
FEMA support	18.7	18.7	0.0	22.6	26.5	3.9
Total	**88.5**	**127.9**	**39.4**	**72.0**	**120.9**	**49.0**

Source: FEMA data.

In our August 2001 report, we recommended that the Army and FEMA (1) provide technical assistance, guidance, and leadership to the three states (Alabama, Indiana, and Kentucky) with long-standing emergency preparedness issues to resolve their concerns; (2) provide all states and their communities with training and assistance in preparing budget and life-cycle cost estimates and provide guidance and plans on reentry; and (3) establish specific measures of compliance with the benchmarks to more evenly assess performance and to correctly identify requirements. The Army is continuing to provide assistance to CSEPP states and communities as requested by FEMA. FEMA now participates more often in local community CSEPP activities and sponsors an annual CSEPP conference in an effort to improve its working relationships. FEMA has also provided software to simplify development of CSEPP financial reporting documents and has published a Reentry and Recovery Workbook. The workbook fills a void in state and local guidance for emergency responders to follow in the event of a chemical emergency. Lastly, FEMA expanded its capability assessment readiness tool to assist local communities in quantifying benchmark scores.

Agencies' Actions to Implement Prior GAO Recommendations

We recommended in our September 2003 report that the Secretary of Defense direct the Under Secretary of Defense for Acquisition, Technology and Logistics, in conjunction with the Secretary of the Army, to (1) develop an overall strategy and implementation plan for the chemical demilitarization program and (2) implement a risk management approach that anticipates and influences internal and external factors that could adversely impact program performance. DOD concurred with our recommendations. It said that it was in the initial stages of developing an overall strategy and implementation plan and estimated that it would be completed in fiscal year 2004. It also said that CMA will review the progress of an evaluation of several components of its risk management approach within 120 days and then that DOD would evaluate the results and determine any appropriate action. In our 2001 report, we recommended that the Army and FEMA make improvements to the program, and they have implemented those recommendations.

Mr. Chairman, this concludes my statement. I would be pleased to respond to any questions that you or members of the Subcommittee may have.

Contacts and Acknowledgments

For future questions regarding this testimony, please contact me at (202) 512-4300. Individuals making key contributions to this testimony include Donald Snyder, Rodell Anderson, Bonita Oden, John Buehler, Nancy Benco, and Mike Zola.

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