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Report to the Chairman and Ranking Minority Member, Subcommittee on Oversight of Government Management, Committee on Governmental Affairs, U.S. Senate

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COAST GUARD CUTTERS

Actions Needed Now to Ensure Better Management of Parts and Supplies

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The Honorable William S. Cohen
Chairman, Subcommittee on Oversight
of Government Management
Committee on Governmental Affairs
United States Senate

The Honorable Carl Levin
Ranking Minority Member, Subcommittee
on Oversight of Government Management
Committee on Governmental Affairs
United States Senate

Over the last 6 years, we have issued several reports that highlighted the growth in the amount and costs of inventories at the Department of Defense and its purchase of unneeded items.[1] The former Chairman, Subcommittee on Oversight of Government Management, Senate Committee on Governmental Affairs, asked us to examine the Coast Guard's inventory management system to identify any wasteful or inefficient practices that should be changed. As agreed with the former Chairman's office, we focused our review on the Coast Guard's inventory management system for its fleet of 240 cutters (vessels 65 to 399 feet in length)[2] and developed the following specific questions to guide our review. First, does the Coast Guard have the systems needed to effectively manage its inventory of spare and repair parts and supplies? Second, if not, what initiatives does the Coast Guard have under way to improve its inventory management?

Results in Brief

The Coast Guard does not have the organizational structure or computer systems necessary to effectively manage its inventory for supporting cutters. As a result, the Coast Guard does not know the value, type, quantity, and condition of many of the spare and repair parts in the

[1]Air Force Logistics: Base Maintenance Inventories Can Be Reduced (GAO/NSIAD-94-8, Dec. 15, 1993); Commercial Practices: DOD Could Save Millions by Reducing Maintenance and Repair Inventories (GAO/NSIAD-93-155, June 7, 1993); Navy Supply: Excess Inventory Held at the Naval Aviation Depots (GAO/NSIAD-92-216, July 22, 1992); Commercial Practices: Opportunities Exist to Reduce Aircraft Engine Support Costs (GAO/NSIAD-91-240, June 28, 1991); Defense Inventory: Growth in Ship and Submarine Parts (GAO/NSIAD-90-111, Mar. 6, 1990); and Defense Inventory: Growth in Secondary Items (GAO/NSIAD-88-189BR, July 19, 1988).

[2]The Coast Guard also maintains inventories to support its aircraft and small boats. However, we focused on cutters because the inventory to support small boats is small compared to the inventory for cutters and because the Coast Guard has better controls over its aircraft inventory.

inventory. Without such information, the Coast Guard cannot determine whether cutters have a shortage or an excess of parts or whether the parts are readily available when needed. According to Coast Guard officials, this lack of information has not seriously affected the Coast Guard's ability to carry out its missions, but it has resulted in costly emergency purchases and excess inventory.

The Coast Guard recognizes these problems and has taken or plans to take actions to improve its inventory controls between now and fiscal year 2002. For example, the Coast Guard expects to have a centralized system to track its cutter inventory; a single source of accountability for all fleet logistics; and a consolidated maintenance, technical, and supply organization. However, milestone dates have slipped for some initiatives. We agree with the direction of the Coast Guard's long-term initiatives but believe that interim steps can achieve some immediate efficiencies and inventory savings and enhance the potential for the successful completion of the Coast Guard's long-term initiatives to improve its inventory controls.

Background

To establish and manage its inventories, the Coast Guard must comply with the criteria contained in federal property management regulations and with the Department of Transportation's (DOT) policy. Federal property management regulations state that each agency shall establish and maintain control of inventories to ensure that total costs will be kept to a minimum consistent with the needs of the agency's programs. DOT's policy states that inventories will be established and maintained only when it is more costly to purchase items on a case-by-case basis or when the items are so critical that a delay in delivery would negatively affect an agency's mission. The policy also states that inventories must be managed in an effective manner to ensure that timely and adequate support is rendered and that optimum inventory levels are maintained.

Within the Coast Guard, supply centers located at Curtis Bay and Baltimore, Maryland, stock about 18,000 different parts, including mechanical, electrical, radar, communication, computer, and hull items; these parts are valued at about $140 million.[3] In addition, the Coast Guard authorizes each cutter to maintain a parts and supplies inventory that ranges in value from a few thousand dollars to over a million dollars,

[3]Curtis Bay stocks about 25,000 additional items to support the overhaul of vessels at its shipyard. These 25,000 items are worth about $30 million.

depending on the cutter's size, missions, and operating area.[4] However, individual purchases are restricted to established price thresholds that vary, depending on the cutter's class; the thresholds range up to $5,000 for large cutters. (Table II.1 lists the 41 different classes of Coast Guard cutters.) For example, the cutters usually purchase such items as nuts and bolts, valves, seals, gaskets and other minor repair parts with their operating budgets.[5]

According to Coast Guard officials, about 55 percent of the cutters' parts and supplies are purchased directly from commercial contractors and about 45 percent are purchased from the federal supply system. The cutters' purchases from the federal supply system are divided between orders from the two Coast Guard supply centers and orders from other government agencies. Such other agencies as the Defense Logistics Agency; the Departments of the Army, Navy, and Air Force; and the General Services Administration fill about 90 percent of orders for parts from the federal supply system, while the Coast Guard's two supply centers in Maryland fill the remaining 10 percent. Since storage space is limited on most vessels, cutters also store some of their parts at individual onshore storage facilities, including movable storage in tractor trailers, as well as at typical warehouse-type buildings.

The Coast Guard Does Not Have Effective Inventory Controls

The Coast Guard does not have the organizational structure or computer systems necessary to effectively manage its parts and supplies inventory for its cutters. As a result, the Coast Guard does not know the value, type, quantity, and condition of many of the spare and repair parts in the overall inventory. In addition, the Coast Guard does not know whether cutters have a shortage or an excess of parts or whether the parts are available when needed.

Fragmented Organizational Structure Impedes Effective Inventory Management

Management responsibilities for buying, storing, issuing, and tracking parts and supplies in the Coast Guard's inventories are spread across various internal and external organizations. For example, the Maintenance and Logistics Commands at Alameda, California, and Governors Island, New York, manage the parts used during overhauls of cutters; the Coast Guard's two supply centers in Maryland manage the unique parts needed by the cutters they support; and individual cutters manage parts they need

[4]The Coast Guard estimates that the individual cutters' inventory is worth approximately $200 million.

[5]The cutters' inventories also contain expensive parts that exceed the price thresholds, but Coast Guard headquarters or the Maintenance and Logistics Commands generally purchase these parts for the cutters.

to keep them operationally ready. However, no one organization or individual is responsible for consolidating inventory data and tracking the type, quantity, condition, or value of the Coast Guard's total cutter inventory.

Management Structure Results in Poor Inventory Distribution

The Coast Guard's fragmented management structure also limits the agency's ability to determine whether cutters have a shortage or an excess of parts and whether the parts are readily available when needed. We found, for example, that one cutter had 34 excess fuel injector nozzles (above its allowance of 16 nozzles), which cost about $580 each, and two excess starters (above its allowance of one starter), which cost approximately $6,600 each. During our visits to other cutters, we noted many other such excess items as drill presses, main engine cylinder heads, insulation, computer monitors, and galley equipment. Supply officials on the cutters told us that the excesses in their inventories were the result of several factors. For example, sometimes cutters procured larger quantities than needed to take advantage of volume discounts. However, if the Coast Guard centrally managed—at headquarters, a Maintenance and Logistics Command, or a supply center—the total cutter inventory, wherever located, it might be able to transfer excess items to cutters that have shortages of those items. For example, the Atlantic Coast Maintenance and Logistics Command purchased more than 15 new starters in 1 year, while one cutter had 2 excess starters in its inventory.

Despite these excesses, officials responsible for the individual cutters' inventories told us that they also had shortages of parts. For example, one cutter had parts shortages totaling $250,000 for such electronic items as circuit boards for radar and communication systems. According to these officials, these kinds of shortages occurred primarily because funding was not available to replenish the cutters' parts or because the required parts were never issued when the cutters were first commissioned. If the Coast Guard centrally managed its total cutter inventory, some of these shortages might have been filled with excess items from other vessels' inventories. The cutter officers noted, however, that although the shortages had not significantly affected their missions, they had resulted in costly emergency purchases that would not have been necessary if the parts had been in the cutters' inventories, as required.

Inventory Items Not Available When Needed

During our visits, we found that many items in the cutter inventories were not available to the vessels when they were at sea. Each of the cutters we visited stored a portion of its inventory in its own individual onshore storage facility. Since no one was available to issue parts from these

individual storage facilities when the cutters were at sea, these inventories were not fully utilized. We noted such useful items as valves, filters, engine and hydraulic oil, mooring lines, and damage control equipment—fire hoses and nozzles, submersible pumps, shoring, plugs, and oxygen canisters—in the individual onshore facilities.

Unlike the Coast Guard, the Navy stores parts for its ships in centralized base supply centers and does not maintain individual onshore storage facilities for its ships. According to Navy officials, the centralized base supply centers provide more effective support than individual storage facilities because personnel are available at the centers to issue parts to the ships whenever the parts are needed. The centers can, for example, send the needed parts to ships at sea via another ship or an aircraft. When a Coast Guard cutter is at sea, no one is available to issue parts from the cutter's individual onshore storage facility. According to Coast Guard officials, the agency is studying the use of regional support centers, but it does not expect to consolidate the individual onshore storage facilities before fiscal year 2002, when it expects to have total "visibility"[6] of its cutters' individual inventories.

Lack of Centralized Computer System Hampers Inventory Management

The Coast Guard uses several different systems to manage the cutters' individual inventories. For example, during our visits to nine cutters, we observed a manual and three different computerized inventory control systems. However, the three automated systems that we observed could not exchange data with each other or with the systems at headquarters, the Maintenance and Logistics Commands, or the supply centers.

To help ensure effective inventory management and to distribute parts more efficiently, the Coast Guard plans to implement a single automated system, CMplus, on its 101 largest cutters. The Coast Guard expects this system to integrate inventory and maintenance information into a larger fleet logistics system that will enable cutter crews to share data with each other, headquarters, the Maintenance and Logistics Commands, and the supply centers by the year 2002. According to Coast Guard officials, they expect to spend over $27 million to install the CMplus system on the cutters.

Although we agree with the goals of the CMplus system, the Coast Guard can take interim actions to enhance the distribution of its inventory

[6]Total visibility is defined as tracking parts and supplies, which are stored at several different locations, in one central computer system.

between now and the year 2002, when CMplus will be fully implemented. For example, the Coast Guard can utilize the most widely used, existing inventory system to enhance the distribution of parts by sending the inventory information to headquarters and to the Maintenance and Logistics Commands for analysis. In 1993, Coast Guard headquarters and one Maintenance and Logistics Command analyzed the inventories held by all of the 270-foot cutters. Because all 13 of these cutters used the same computer system, the Coast Guard was able to consolidate their inventory data. The data showed that the 13 cutters had more than $11 million worth of excess parts in their inventories and that $3 million of the excess could be redistributed among the cutters to offset their parts allowance shortfalls and reduce future acquisitions.

The Coast Guard incurred minimal time and costs (less than 1 staff year) to perform the analysis because all of the 270-foot cutters had conducted full physical inventories of their parts and supplies and implemented a computerized inventory control program. Moreover, the payoff was significant and could be increased if the Coast Guard conducted similar analyses for most other classes of cutters because they have also already conducted full physical inventories when they implemented their computerized inventory control systems.

Although such analyses could greatly improve the distribution of parts and supplies, they could not themselves ensure the optimal distribution of inventories for two reasons. First, because the cutters cannot directly transmit inventory data to the Maintenance and Logistics Commands conducting the analysis, the consolidated inventory information would not be current when the cutters began to redistribute their parts. Second, the Maintenance and Logistics Command conducted the redistribution study on a single class of cutters because conducting a fleetwide study would have taken much longer using current computer resources. If future analyses are conducted for only one class of cutter at a time, parts and supplies will not be redistributed between classes. When the Coast Guard's fleet logistics system is implemented, it will deal with these two limitations of the current system.

Coast Guard's Initiatives Offer Few Short-Term Solutions

In 1993, the Coast Guard issued its Logistics Master Plan. The plan addresses numerous issues—for example, the Coast Guard's lack of central management for the cutter inventories. The plan includes short-term actions that the Coast Guard expected to complete by fiscal year 1994, mid-term actions to be completed by fiscal year 1997, and 26

long-term actions that the Coast Guard expected to complete by the end of fiscal year 2002.

Although we agree with the plan's direction, we found that some initiatives are already behind schedule, increasing the potential for delays in the Coast Guard's long-term efforts to centrally manage its inventories by fiscal year 2002. (App. I lists some of the initiatives that are in progress or planned.)

Coast Guard officials told us that before the agency can centrally manage its inventory, they must complete the following long-term initiatives in the Logistics Master Plan:

- Develop a fully integrated, real-time computer system to track and consolidate inventory and maintenance information for the cutters.
- Create a single organization to integrate the maintenance guidance, technical, and supply functions now performed by headquarters and the two inventory supply centers.
- Designate an official to be responsible for all fleet logistics.

We found that the completion of these and many other long-term initiatives in the plan are contingent upon the Coast Guard's successfully completing numerous near- and mid-term initiatives. However, the Coast Guard has already experienced schedule slippages with some of the near- and mid-term initiatives begun in 1993 and 1994. For example, the Coast Guard had expected to implement the following new initiatives:

- A computerized inventory control system, CMplus, on the first cutter of the 378-foot class by the end of 1993. However, the system will not be operational until December 1994 (a 1-year delay) because of such operational commitments as transporting Haitian and Cuban refugees. According to officials, CMplus is a critical part of the Coast Guard's long-term initiative to develop a fully integrated, real-time system to track and consolidate inventory and maintenance data for its cutters.
- A computer system at Curtis Bay by the fourth quarter of fiscal year 1994. However, the Coast Guard does not expect to have the system fully implemented until the third quarter of fiscal year 1996 (almost a 2-year delay) because of a 1-year delay in the award of the hardware contract and because of software development problems. According to officials, this system is needed to enable the Coast Guard to track and consolidate inventory and maintenance data for the cutters.

- Centralized shoreside support for its 110-foot cutters (49 vessels) by fiscal year 1996. The Coast Guard now expects to have this new management structure by fiscal year 1998 (a 2-year delay). Until that time, according to officials, the Coast Guard cannot centrally manage its cutter inventories because it does not have visibility of the inventories.

Conclusions

The $140 million inventory held at the Coast Guard's two supply centers does not reflect the agency's total investment in spare and repair parts for its cutters. The Coast Guard does not know the type, quantity, condition, or total value of its total inventory of parts and supplies for its cutters. However, the Coast Guard estimates that it has additional inventory worth approximately $200 million stored onboard its cutters and in the cutters' individual onshore storage facilities. Although Coast Guard officials contend that the agency's lack of information on parts and supplies has not significantly affected the Coast Guard's mission, it has resulted in inefficient management of resources. Consequently, the agency cannot minimize the cost of its total inventory as required by federal property management regulations and DOT's policy.

In addition, the Coast Guard does not expect to complete its integrated system to enhance the use and distribution of its inventory until the year 2002. Yet delays of as much as 2 years for some early initiatives raise concerns that the Coast Guard will not meet its targeted completion date. Since the Coast Guard may take many years to improve its inventory management system, some actions now could help alleviate shortages and excesses and help the Coast Guard better utilize its inventories.

Recommendations

To enable the Coast Guard to manage its cutter inventories more effectively between now and when the Logistics Master Plan is fully implemented, we recommend that the Secretary of Transportation direct the Coast Guard Commandant to take the following interim actions:

- Make the use of the current automated inventory control program mandatory on all cutters that have sufficient computer hardware and have not implemented CMplus, consolidate and analyze inventory data for each class, and redistribute excess parts from additional cutter classes as warranted.
- Where economically feasible, consolidate at regional support centers those cutter inventories that are located at individual onshore storage facilities, particularly where several cutters from the same class are

clustered or where the cutters' individual onshore storage facilities are housed within a single building.

- Move up the implementation date for the Coast Guard's initiative to establish a single source of accountability for all fleet logistics. This action will allow the Coast Guard to better coordinate interim actions to improve management of its cutter inventories while the fleetwide logistics system is being developed.

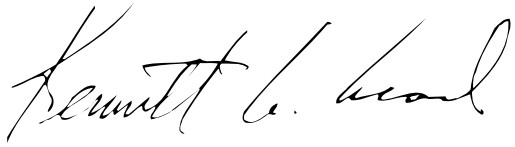
Agency Comments and Our Evaluation

We discussed this report with the Coast Guard's Chief, Logistics Management Division, Office of Engineering, Logistics, and Development, and with other program officials, and we have incorporated their comments as appropriate. These officials generally agreed with our findings and recommendations.

We conducted our work between November 1993 and December 1994 in accordance with generally accepted government auditing standards. Our objectives, scope, and methodology are discussed in appendix II.

We are sending copies of this report today to the Secretary of Transportation; the Commandant, Coast Guard; and the Director, Office of Management and Budget. We will make copies available to others upon request.

This work was performed under my direction. If you have any questions, I can be reached at (202) 512-2834. Major contributors to this report are listed in appendix III.



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Director, Transportation Issues

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Abbreviations

DOT	Department of Transportation
GAO	General Accounting Office

The Coast Guard's Initiatives

The Coast Guard's Logistics Master Plan sets out short-, mid-, and long-term objectives to improve the agency's inventory controls by fiscal year 2002. This appendix provides (1) a brief description of the major initiatives related to central management of the Coast Guard's inventories and (2) the status of the initiatives that were scheduled for completion in fiscal years 1993 and 1994.

Near-Term, Fiscal Years 1993 and 1994

- The Coast Guard relocated the Brooklyn, New York, supply center to Baltimore in 1993, as planned. This action was the first step toward the Coast Guard's creating a single organization to integrate the maintenance, technical, and supply functions now performed by headquarters and the two inventory supply centers.
- The Coast Guard designated one Maintenance and Logistics Command to be responsible for an entire class of cutters, regardless of their home ports, including the development of a maintenance plan that lists the minimum information needed for a major overhaul or minor repairs at shipyards and bases. This initiative helped Curtis Bay to increase the availability of parts for 270-foot cutters from 65 percent in March 1992 to 94 percent in March 1994. In addition, the Coast Guard developed improved maintenance plans and long-range forecasts for its 210-, 180-, 157-, and 140-foot cutters in 1993 and 1994, as scheduled.
- The Coast Guard implemented a central supply department on its 378-foot cutters in 1992 and on its 399- and 270-foot cutters in 1993, as scheduled. Previously the Coast Guard maintained department-level inventories on these cutters that resulted in duplicate procurements, excess spare parts, reduced storage capacities, and longer casualty response times, according to Coast Guard officials. The new centralized supply departments have helped to alleviate many of these problems because all of the cutters' parts information is located in one data base. Centralization of parts information also helps to save space on the cutters because duplicate parts that were previously stocked by more than one department are readily visible and can either be used, transferred, or scrapped. Finally, a central supply department increases operational readiness because procurements are coordinated across departments, making more effective use of available spare parts funding.
- The Coast Guard implemented an automated system, CMplus, to integrate shipboard supply and maintenance information on three of its cutters. According to Coast Guard officials, this system will be the cornerstone of its centralized fleet logistics system. The Coast Guard implemented the system on 1 of its 210-foot cutters (a class of 16 vessels), 1 of its 270-foot cutters (a class of 13 vessels), and 1 of its 378-foot cutters (a class of 12

vessels) in 1994. The Coast Guard had placed a prototype CMplus system on a 140-foot cutter in 1992 and had expected to implement the system on its eight remaining 140-foot cutters by the fourth quarter of 1994, but this date has slipped to fiscal year 1997.

- The Coast Guard had expected to purchase the hardware to replace its supply center computers in the fourth quarter of fiscal year 1993. Although the agency has purchased developmental hardware for the new system, procurement of the new production hardware is now scheduled for the third quarter of fiscal year 1995. This purchase is a key step in instituting the standardized fleet logistics system that the Coast Guard expects to have fully operational by the year 2002.
- The Coast Guard had expected to develop the software for its new supply center computer system by the end of 1994. Although the Coast Guard wants to get the new system on line as quickly as possible, the projected date for the initial software has slipped to the third quarter of 1996 because of technical difficulties and a delay in purchasing the needed hardware.

Mid-Term, Fiscal Years 1995 Through 1997

- Develop improved maintenance plans and long-range spare parts forecasts for the 110-foot cutters.
- Implement a central supply department on the 210-, 140-, and 110-foot cutters and study the feasibility of implementing it on smaller cutters and bases.
- Analyze the feasibility of transferring management of such consumable items as nuts, bolts, and bearings to the Defense Logistics Agency.
- Install the new automated inventory control system on the remaining 270-foot cutters and on the 399-foot cutters.
- Implement building block, software application groups for a standardized fleetwide logistic system. The application groups will include maintenance planning, scheduling, funds management, parts tracking, contract management, supply performance measures, and cost analysis.

Long-Term, Fiscal Years 1998 Through 2002

- Install the new automated inventory control system on the remainder of the 378-foot and 210-foot cutters and on the 110-foot cutters.
- Integrate maintenance, technical, and supply functions, which are now performed by headquarters and the two supply centers, into a central engineering logistics center at Curtis Bay.
- Designate a single official responsible for all logistics.
- Complete procurement of both the hardware and software for the standardized fleet logistics system and implement the remaining software

application groups, including customer service, technical information, and equipment management. The Coast Guard expects that this system will integrate shipboard logistics systems with shoreside systems so that the supply centers will have information about the cutters' inventories, equipment usage, and costs.

Objectives, Scope, and Methodology

The former Chairman, Subcommittee on Oversight of Government Management, Senate Committee on Governmental Affairs, asked us to examine the Coast Guard's inventory management system to identify any wasteful or inefficient practices that should be changed. As agreed with the former Chairman's office, we focused our review on the Coast Guard's inventory management system for its 240 cutters (vessels 65 to 399 feet in length) and developed the following specific questions to guide our work. First, does the Coast Guard have the systems needed to effectively manage its inventory of spare and repair parts and supplies? Second, if not, what initiatives does the Coast Guard have under way to improve its inventory management? In preparing this report, we reviewed federal property management regulations (41 C.F.R. 101); the Department of Transportation's Order 4420.5, Management of Material Inventories; and the Coast Guard's Supply Policy and Procedures Manual.

To determine the cost effectiveness of the Coast Guard's inventory management systems, we met with officials from the Coast Guard's supply centers at Baltimore and Curtis Bay, Maryland, and reviewed their instructions, notices, and video tapes related to inventory management and supply support. We also reviewed Curtis Bay's Supply Activity Reports for 1989 through 1993 and its list of inventory items for the 378-, 270-, and 210-foot cutters. We also met with officials from headquarters; the Maintenance and Logistic Command for the Atlantic Fleet; the Coast Guard District Five Office and the Naval Engineering Support Unit in Portsmouth, Virginia; the Coast Guard Group/Air Station in Cape May, New Jersey; and individual cutters.

Using the Coast Guard's register of cutters, we selected a judgmental sample of cutters to visit. Because of the large number of Coast Guard cutters (240), we defined our sample in three ways. First, we selected only cutters that were at least 82 feet long because larger cutters typically hold more inventory than smaller cutters. Second, we visited only cutters that had at least five ships in the class because we wanted the cutters to be typical of the largest number of cutters possible. Finally, when two or more classes existed for vessels of the same length and type (i.e., 210-foot, medium endurance cutters, 210A and 210B), we visited only one cutter from the combined classes because the cutters in the combined classes were still very similar to each other. Table II.1 lists the type, class, and number of Coast Guard cutters. Table II.2 lists the name, type, location, and size of each of the nine cutters we visited. The classes of the nine cutters account for 178 of the Coast Guard's 240 cutters.

Table II.1: Type, Class, and Number of the Coast Guard's 240 Cutters

Type	Class	Number
High endurance	378	12
Icebreaker		
	399	2
	290	1
Icebreaking tug	140	9
Medium endurance		
	270A	4
	270B	9
	230	1
	213	3
	210A	5
	210B	11
	180	1
Patrol boat		
	110A	16
	110B	21
	110C	12
	82A	1
	82C	33
	82D	7
Harbor tug		
	65A	6
	65B	3
	65C	3
	65D	2
Seagoing buoy tender		
	180A	9
	180B	2
	180C	15
Coastal buoy tender		
	157	5
	133	6
Inland buoy tender		
	100A	1
	100C	1
	65303	2
	65400	2
River buoy tender		

(continued)

Type	Class	Number
	115	1
	75C	5
	75E	4
	75F	2
	65	6
Construction tender		
	160	4
	100	3
	75A	2
	75B	3
	75D	4
Training cutter	295	1
Total		**240**

Table II.2: Name, Location, Type, and Size of Nine Cutters Visited

Name	Type	Location	Size
USCGC Red Oak	Buoy tender	Philadelphia, Pa.	157 feet
USCGC Gallatin	High endurance	Governors Island, N.Y.	378 feet
USCGC Vigorous	Medium endurance	Cape May, N.J.	210 feet
USCGC Hornbeam	Buoy tender	Cape May, N.J.	180 feet
USCGC Point Franklin	Patrol boat	Cape May, N.J.	82 feet
USCGC Matinicus	Patrol boat	Cape May, N.J.	110 feet
USCGC White Heath	Buoy tender	Boston, Mass.	133 feet
USCGC Thunder Bay	Icebreaking tug	Newport, R.I.	140 feet
USCGC LeGare	Medium endurance	Portsmouth, Va.	270 feet

To determine the Coast Guard's initiatives related to its inventory controls, we reviewed the Coast Guard's 1993 Logistics Master Plan. We also obtained information on the actions that the Coast Guard had undertaken that were not part of the Logistics Master Plan, such as the Supply Center Information Systems Plan and user manuals for the computerized inventory systems used on the Coast Guard's larger cutters. We met with headquarters, supply center, and Maintenance and Logistics Command officials who were responsible for these initiatives to determine their status and obtain clarification on the benefits expected. (App. I describes some of the initiatives and their status.)

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