PREPOSITIONED STOCKS

DOD Needs Joint Oversight of the Military Services’ Programs

Why GAO Did This Study

The military services preposition stocks worth billions of dollars at strategic locations around the world to provide U.S. forces with critical assets before supply chains have been established. In the 2018 National Defense Strategy, DOD emphasized that prepositioned stocks provide key logistical support for the department’s missions. For many years, GAO has identified the potential for duplication among the military services’ prepositioned stock programs due to a fragmented management approach and limited joint oversight within DOD.

In the NDAA for Fiscal Year 2014, Congress required DOD to develop an implementation plan to manage prepositioned stock programs. DOD finalized its plan in August 2017. The act included a provision for GAO to review the plan and report on related issues. GAO assessed the extent to which (1) DOD’s implementation plan addresses mandated reporting elements and (2) DOD has made progress in implementing a joint oversight approach for managing the services’ prepositioned stock programs.

GAO compared the implementation plan and DOD’s joint oversight approach with congressional requirements and federal standards for internal control and interviewed DOD officials.

What GAO Recommends

GAO is making six recommendations, including that DOD provide information required by the NDAA, fully implement joint oversight of prepositioned stock programs, and update Congress on progress made. DOD concurred with all of the recommendations.

View GAO-19-244. For more information, contact Cary B. Russell, (202) 512-5431 or russelcc@gao.gov.

What GAO Found

The Department of Defense’s (DOD) implementation plan for managing the military services’ prepositioned stock programs does not fully address four of the seven elements required by the National Defense Authorization Act (NDAA) for Fiscal Year 2014. For example, DOD’s plan did not include all information required by the NDAA, such as a complete list of the services’ programs, information on how DOD would pursue key initiatives, or the resources required to implement the plan. DOD officials told GAO that they developed a plan without detail to allow the services to determine for themselves how to implement their programs. However, absent an implementation plan that fully addresses NDAA requirements, DOD continues to provide incomplete information to Congress on the department’s prepositioned stock programs.

Since 2011 when Congress required DOD to take action and since 2005 when GAO first reported on the issue, DOD has not fully implemented a joint oversight approach for managing prepositioned stock programs (see figure).

Congressional Requirements and GAO Reporting Related to DOD’s Limited Progress with the Joint Oversight of Prepositioned Stock Programs

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<tr>
<th>Date</th>
<th>Action</th>
<th>Notes</th>
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<td>December 2011</td>
<td>National Defense Authorization Act (NDAA) for Fiscal Year 2012: Required DOD to include in its annual report to the congressional defense committees an update on the status of efforts to develop a joint strategy.</td>
<td>GAO-11-647: DOD could not ensure that a prepositioned stock working group it had created was making recommendations to synchronize the services’ prepositioned stock programs as required.</td>
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<td>December 2013</td>
<td>NDAA for Fiscal Year 2014: Required DOD to maintain a strategic policy that establishes joint oversight of the department’s prepositioned stock programs.</td>
<td>GAO-12-916R and GAO-13-790: DOD had not made progress in implementing DOD-wide strategic guidance or enhancing joint oversight. The working group did not perform all of its assigned responsibilities.</td>
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<td>September 2005</td>
<td>GAO-05-427: The Department of Defense (DOD) had insufficient oversight of its prepositioned stock programs and lacked joint doctrine.</td>
<td>GAO-14-459R and GAO-16-418: DOD had not submitted a strategic policy or implementation plan as mandated but DOD stated it would take steps to develop joint oversight guidance.</td>
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<td>May 2011</td>
<td>GAO-11-647: DOD could not ensure that a prepositioned stock working group it had created was making recommendations to synchronize the services’ prepositioned stock programs as required.</td>
<td>GAO-17-653: DOD’s strategic policy did not address five of the six required elements or develop a framework for joint oversight.</td>
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Source: GAO analysis of congressional requirements and prior GAO reports. | GAO-19-244

DOD’s recent approach for implementing joint oversight has been to update guidance documents and develop other efforts, such as a working group, but the services continue to manage their programs with little joint oversight. Without taking steps to fully implement joint oversight, including providing detailed information on how to achieve this in guidance and reviewing other efforts, DOD’s management will continue to be fragmented and it risks duplication and inefficiencies among the services’ programs. Moreover, updating Congress on DOD’s progress would help assure decision makers that DOD intends to follow their direction in establishing joint oversight of prepositioned stock programs.