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United States General Accounting Office
Washington, DC 20548

January 5, 2004

The Honorable Jim Saxton
Chairman
Subcommittee on Terrorism, Unconventional
Threats and Capabilities
Committee on Armed Services
House of Representatives

Subject: *Posthearing Questions Related to the Department of Defense's (DOD) Management of the Chemical Agents and Munitions Destruction Program*

On October 30, 2003, I testified before your committee at a hearing on DOD's Chemical Agents and Munitions Destruction Program.¹ This letter responds to your request that I provide answers to posthearing questions from you and Congressman Mike Rogers. The questions and responses follow.

Question from Chairman Jim Saxton

1. As noted in both Mr. Hinton's and Mr. Wakefield's statements, the Assembled Chemical Weapons Assessment (ACWA) program is managed separately from the chemical stockpile destruction program, as directed by Congress, and maintenance of a separate program contributes to a complex program management structure. In his statement Mr. Wakefield said that the Department of Defense is looking at further streamlining the management of the chemical demilitarization program and now desires to consolidate the ACWA program manager under the Army's Chemical Materials Agency. How does the current division of the program structure between the Chemical Materials Agency and the Project Manager for the Assembled Chemical Weapons Alternative adversely affect the program and how would consolidation of these two activities as proposed by Mr. Wakefield improve the overall management of the program? What legislative action would be required to make such a change?

¹ U.S. General Accounting Office, *Chemical Weapons: Better Management Tools Needed to Guide DOD's Stockpile Destruction Program*, [GAO-04-221T](#) (Washington, D.C.: October 30, 2003).

Our previous work has shown that the division in the program's structure between the ACWA program and the chemical stockpile destruction program has contributed to ineffective coordination and communication, inefficient efforts, and obscured accountability. For example, in 2000, we reported that the chemical demilitarization program had a complex structure that separates management roles, responsibilities, and accountability for achieving program results that contributed to ineffective coordination and communication between ACWA and the rest of program.² In 2002, we also reported that there were barriers to communicating lessons learned between ACWA and the rest of the program, resulting in duplication of efforts.³ As long as this separation exists between ACWA and the rest of the program, the management structure will remain complex and difficult to manage.

While our previous work has not commented on whether the ACWA program should be consolidated with the rest of the program, we believe that consolidating these two programs could result in some improvements in program management, provided that the consolidated program also develops and implements an overarching strategy and implementation plan. While consolidation should provide a number of benefits—such as simplifying the management structure, reducing duplication of efforts, and improving coordination and communication—these benefits will be limited if the program does not successfully develop a roadmap for success.

Finally, as acknowledged by DOD in its statement to the Committee, consolidating the two programs requires amending existing legislation mandating independent management of the ACWA program and directing the program manager for ACWA to manage the chemical demilitarization activities at Blue Grass and Pueblo Depot. For example, the Department of Defense Appropriations Act, 2003 (Pub. L. No. 107-248 (2002)), which designates the program manager for ACWA to be the manager for Blue Grass and Pueblo activities, and earlier ACWA legislation must be amended to reflect the program management changes DOD seeks.

Question from Congressman Mike Rogers

2. To my knowledge, the latest detailed GAO report that was issued specifically on Chemical Weapons Stockpile Emergency Preparedness in Alabama was issued in July 1996. At that time, the Army had allocated \$46 million of Chemical Stockpile Emergency Preparedness Program (CSEPP) funding for Alabama. Today that figure has tripled. Are current summaries available that assess the current funding and status of CSEPP funding in Alabama? Additionally, the 1996 report included the impact of federal, state,

² U.S. General Accounting Office, *Chemical Weapons Disposal: Improvements Needed in Program Accountability and Financial Management*, [GAO/NSIAD-00-80](#) (Washington, D.C.: May 8, 2000).

³ U.S. General Accounting Office, *Chemical Weapons: Lessons Learned Program Generally Effective but Could Be Improved and Expanded*, [GAO-02-890](#) (Washington, D.C.: September 10, 2002).

and local management on Alabama’s program. Have those findings changed significantly in 7 years, and if so, how?

The amount of funding provided from the Army to the Federal Emergency Management Agency (FEMA) for enhancing emergency preparedness for the communities surrounding the stockpile at Anniston, Alabama has grown substantially since the \$46 million cited in our 1996 report⁴. In 2001, we reported the total amount of funding provided to the state of Alabama had increased to about \$108 million—an increase of about \$62 million from 1996.⁵ However, Alabama was still lacking five critical items (overpressurization, tone alert radios, coordinated plans, CSEPP staffing, and shelter in place kits) that would require additional funding. According to FEMA officials, about another \$74 million will have been directly provided to Alabama by the end of fiscal year 2003—for a total of about \$182 million for fiscal years 1989-2003.

In addition to the funding provided directly to Alabama, FEMA has provided funding for federally managed contracts on behalf of Alabama and to the U.S. Army Corps of Engineers for collective protection construction projects in Alabama. According to FEMA, it has provided \$63.6 million during fiscal years 1989-2003 for this indirect support which, when added to the direct funding mentioned above, totals about \$246 million. This funding support has contributed to improvements in the status of community preparedness in Alabama. As of October 2003, Alabama was reporting that 7 of its 12 performance benchmarks are in compliance, and that the other 5, while not complete, are either on track for completion or only have minor problems. However, more funding than what is currently planned for Alabama may be needed to fully correct these problems. As I mentioned in my statement to the Committee, while about \$41 million in direct funding is allocated to Alabama for fiscal years 2004 and 2005, FEMA identified unfunded requirements of about \$38 million over the same period.

GAO’s work performed since the mid-1990s related to CSEPP management issues have shown that, at the federal level, the Army and FEMA have made significant progress in correcting management weaknesses, although there have been setbacks along the way. Since 1996, our work has not specifically focused on management issues related to the Anniston site, however, information concerning Anniston was included in our body of CSEPP work. The following chronicles past GAO work related to management issues:

- In 1996, we reported that there was a lack of CSEPP progress in Alabama because of management weaknesses at the federal level and inadequate action by state and local agencies. More specifically, we reported that the Army was slow to achieve progress because: (1) management roles and responsibilities were fragmented and

⁴ 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).

⁵ The \$108 million reflects funding for fiscal years 1989 through 2000. See 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).

unclear, (2) planning guidance was incomplete and imprecise, (3) budget processes lacked teamwork, and (4) financial controls were ineffective. In addition to progress being hampered by management weaknesses at the federal level, we reported that some state and local actions had contributed to delays in implementing a number of critical projects, such as issuing tone radios and conducting demographic studies.

- In a 1997 follow-up review that assessed the status of CSEPP in all 10 states, we reported that while the Army and FEMA had acted to improve program management, the effectiveness of these actions had been limited by differences regarding their respective roles and responsibilities.⁶
- Subsequently, we reported in 2001 that the Army and FEMA had improved their joint management of the program by improving working relations with each other and more clearly defining roles and responsibilities. However, we reported that they had not been as successful in their working relations with some states and local communities. With regard to Alabama, we reported that unresolved issues remained involving overpressurization projects and coordinated plans. These issues resulted in gaps in emergency response capabilities and were unresolved due to a lack of agreement between the Army, FEMA, and local officials.
- Lastly, in 2003, we reported that frequent shifts in program leadership had contributed to confusion among participants in program areas, including CSEPP, contributing to delays in Alabama.⁷ Moreover, we also reported that the Army and some key Alabama stakeholders were not able to satisfactorily resolve issues such as the adequacy of protection plans [overpressurization projects] prior to the planned agent operations start date at Anniston, delaying operations many months. FEMA officials are now confident that most of the past issues related to Alabama are largely resolved and that working relations between the Army, FEMA, and the states have improved.

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In responding to these questions, we relied primarily on our past work. For additional information on our work on DOD's chemical demilitarization program,

⁶ U.S. General Accounting Office, *Chemical Weapons Stockpile: Changes Needed in the Management of the Emergency Preparedness Program*, [GAO/NSIAD-97-91](#) (Washington, D.C.: June 11, 1997).

⁷ 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).

please contact me on (202) 512-4300 or Ray Decker, who directed this work, on (202) 512-6020.

Sincerely,

A handwritten signature in black ink that reads "Henry L. Hinton, Jr." The signature is written in a cursive style with a large, stylized initial 'H' and a prominent 'Jr.' at the end.

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

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