

# GAO Highlights

Highlights of [GAO-15-10](#), a report to the Committee on Armed Services, House of Representatives

## Why GAO Did This Study

Facing budget pressures, DOD is seeking to reduce headquarters activities of OSD, the Joint Staff, and the military services' secretariats and staffs, which primarily perform policy and management functions. GAO was mandated to review personnel resources devoted to these headquarters organizations from fiscal years 2001 through 2013. This report (1) identifies past trends in personnel resources for these organizations and any plans for reductions; and (2) evaluates the extent to which DOD determines and reassesses personnel requirements for the organizations. GAO analyzed data on authorized military and civilian positions and contracted services from fiscal years 2001 through 2013. GAO reviewed DOD's headquarters reductions plans and processes for determining and reassessing personnel requirements.

## What GAO Recommends

GAO recommends that DOD (1) conduct a systematic determination of personnel requirements at these headquarters organizations; (2) submit the requirements to Congress with adjustments and recommended modifications to the statutory limits; and (3) periodically reassess personnel requirements within OSD and the military services' secretariats and staffs. Congress should consider using DOD's review of headquarters personnel requirements to reexamine existing statutory limits. DOD partially concurred, stating it will use its existing processes, but will investigate other methods to improve the determination and reporting of requirements. GAO believes the recommendations are still valid, as discussed in the report.

View [GAO-15-10](#). For more information, contact John Pendleton at (202) 512-3489 or [pendletonj@gao.gov](mailto:pendletonj@gao.gov).

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## DEFENSE HEADQUARTERS

### DOD Needs to Reassess Personnel Requirements for the Office of Secretary of Defense, Joint Staff, and Military Service Secretariats

## What GAO Found

Over the past decade, authorized military and civilian positions have increased within the Department of Defense (DOD) headquarters organizations GAO reviewed—the Office of the Secretary of Defense (OSD), the Joint Staff, and the Army, Navy, Marine Corps, and Air Force secretariats and staffs—but the size of these organizations has recently leveled off or begun to decline, and DOD's plans for future reductions are not finalized. The increases varied by organization, and DOD officials told GAO that the increases were due to increased mission responsibilities, conversion of functions performed by contracted services to civilian positions, and institutional reorganizations. For example, authorized military and civilian positions for the Army Secretariat and Army Staff increased by 60 percent, from 2,272 in fiscal year 2001 to 3,639 in fiscal year 2013, but levels have declined since their peak of 3,712 authorized positions in fiscal year 2011. In addition to civilian and military personnel, DOD also relies on personnel performing contracted services. Since DOD is still in the process of compiling complete data on personnel performing contracted services, trends in these data could not be identified. In 2013, the Secretary of Defense set a target to reduce DOD components' headquarters budgets by 20 percent through fiscal year 2019, including costs for contracted services, while striving for a similar reduction to military and civilian personnel. However, DOD has not finalized plans to achieve these reductions. DOD was required to report to Congress by June 2014 on efforts to streamline management headquarters, but needed an extension until late summer 2014 for the report due to staff turnover. As of December 2014, DOD's plan had not been issued.

GAO found that DOD headquarters organizations it reviewed do not determine their personnel requirements as part of a systematic requirements-determination process, nor do they have procedures in place to ensure that they periodically reassess these requirements as outlined in DOD and other guidance. Current personnel levels for these headquarters organizations are traceable to statutory limits enacted in the 1980s and 1990s to force efficiencies and reduce duplication. However, these limits have been waived since fiscal year 2002. If the limits were in force in fiscal year 2013, the Army and Navy would exceed them by 17 percent and 74 percent, respectively. Moreover, the limits have little practical utility because of statutory exceptions for certain categories of personnel and because the limits exclude personnel in supporting organizations that perform headquarters-related functions. For example, the organizations that support the Army Secretariat and Army Staff are almost three times as large as the Secretariat and Staff, but personnel who perform headquarters-related functions in these organizations are excluded from the limits. All but one of the organizations GAO reviewed have recognized problems in their existing requirements-determination processes. The OSD, the Navy, and the Marine Corps are taking steps to modify their processes, but their efforts are not yet complete. Without a systematic determination of personnel requirements and periodic reassessment of them, DOD will not be well positioned to proactively identify efficiencies and limit personnel growth within these headquarters organizations. Moreover, until DOD determines personnel requirements, Congress will not have critical information needed to reexamine statutory limits enacted decades ago.