

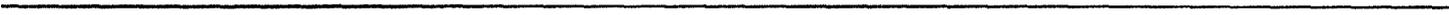
September 1992

ARMY TRAINING

Long-standing Control Problems Hinder the CAPSTONE Program



147704





United States
General Accounting Office
Washington, D.C. 20548

**National Security and
International Affairs Division**

B-250405

September 30, 1992

The Honorable Michael P. W. Stone
The Secretary of the Army

Dear Mr. Secretary:

This report discusses the Army's management of the CAPSTONE program. We made this review primarily to determine whether the problems we identified in our 1982 report on the program had been corrected.

This report contains recommendations to you. The head of a federal agency is required under 31 U.S.C. 720 to submit a written statement on actions taken on these recommendations to the Senate Committee on Governmental Affairs and the House Committee on Government Operations not later than 60 days after the date of this report and to the Senate and House Committees on Appropriations with the agency's first request for appropriations made more than 60 days after the date of this report.

We are sending copies of this report to the Chairmen of the above Committees and of the House and Senate Committees on Armed Services; the Secretary of Defense; and the Director, Office of Management and Budget.

Please contact me at (202) 275-6504 if you have any questions concerning this report. GAO staff members who made major contributions to this report are listed in appendix III.

Sincerely yours,

A handwritten signature in cursive script that reads 'Richard Davis'.

Richard Davis
Director, Army Issues

Executive Summary

Purpose

The Army's CAPSTONE program seeks to improve readiness by aligning active and reserve units with wartime commands and identifying units' anticipated wartime missions. These alignments are intended to serve primarily as a basis for peacetime training. In 1982, GAO found that wartime commands did not always provide mission guidance to some of their subordinate units.¹ Consequently, these units did not know what missions they would be expected to perform in wartime. Moreover, the extent of this problem could not be determined because the Army did not have an adequate information system.

In this latest effort, GAO sought to determine whether the Army had corrected past problems in the CAPSTONE program. More specifically, its objectives were to determine the effectiveness of the Army's controls to (1) align active and reserve units with a wartime command, (2) identify unaligned units and take appropriate action, (3) provide aligned units with wartime mission guidance, and (4) monitor CAPSTONE's effectiveness.

Background

Prior to CAPSTONE, active and reserve unit training programs were neither well integrated nor focused on wartime missions. CAPSTONE sought to eliminate these problems by aligning units with a wartime command; notifying them of their wartime theater, alignment, and mission; and providing guidance on critical wartime tasks. These missions and tasks are to help units focus their peacetime training. Commanders of the Continental U.S. Armies are responsible for day-to-day management of the program for the reserve component, including ensuring that units are notified of their wartime theater and provided with guidance on their wartime mission. In 1992, approximately 5,500 of nearly 8,000 active and reserve units were eligible for alignment under CAPSTONE.

Every 2 years, the Army's Forces Command adjusts CAPSTONE alignments based primarily on changes that theater commanders for Europe, Southwest Asia, and the Pacific regions make to war plans. The Army uses a separate process called Total Army Analysis to plan the forces it needs to support future wartime requirements based on the Army's warfighting doctrine and on computer-generated war scenarios. However, theater commanders' operational requirements may differ from the planned scenarios; consequently, the commanders may require a larger or smaller number of forces or a different mix of forces than the Army determined would be needed.

¹Problems in Implementing the Army's CAPSTONE Program to Provide All Reserve Components With a Wartime Mission (GAO/FPCD-82-59, Sept. 22, 1982).

Results in Brief

Because of inadequate controls over CAPSTONE, the Army does not have an effective means to identify units that are not aligned with a wartime command. As a result, Army force planners were unaware that since 1989, at least 116 active and reserve units did not have a CAPSTONE alignment. Unaligned units could represent differences between projected war scenarios used by the Army for force planning purposes and the forces actually needed by theater commanders for their operational requirements, in which case, they would be excess and candidates for deactivation. Or they could result from theater commanders determining their force requests in a manner that is inconsistent with Army doctrine. Because of the absence of any linkage among the force planning, CAPSTONE alignment, and war planning processes, the Army is not able to determine whether unaligned units should be retained or deactivated.

The lack of effective controls over CAPSTONE has also allowed hundreds of reserve units to train without mission guidance for over 2 years. Lacking mission guidance, units may be forced to train to many unnecessary tasks, rather than focusing training on only the essential tasks critical to their wartime mission.

The primary reason for these conditions is the absence of an effective management information system to monitor CAPSTONE, a problem that GAO identified a decade ago. Forces Command is now planning some changes to the information system that GAO believes will alleviate key problems.

Principal Findings

Unaligned Units Could Potentially Be Deactivated

The Army has aligned thousands of units with wartime commands and recorded them in its information system. However, the Army has no systematic means to identify unaligned units—that is, units not assigned to support wartime requirements—or procedures to report this information to Army headquarters organizations responsible for force planning decisions.

The exact number of unaligned Army units is uncertain. On the basis of available Army data, GAO estimates that since 1989, the Army may have retained at least 116 unaligned units at a cost of more than \$521 million.

In a 1991 congressional testimony, the Chairman of the Joint Chiefs of Staff said that units without a military requirement should be eliminated from the force structure. But because Army planners lack information on

why the 116 units were unaligned, they could not determine the units' proper disposition. The unaligned units might be an indication that theater commanders did not require all of the forces generated by Army doctrine and force planning processes. In that case, the Army might have concluded that some or all of the 116 units were excess and could have considered them for deactivation and modified its processes to reduce the requirement for these units in the future. Or the Army might have concluded that its doctrine and force planning processes did not require adjustment and that it should keep the units in the force structure.

Many CAPSTONE Units Lack Mission Guidance

GAO found that in 1991, 461 units, or nearly 13 percent of those eligible for a CAPSTONE alignment, lacked mission guidance more than 2 years after the Army last made CAPSTONE alignments. Although CAPSTONE managers in each Continental U.S. Army knew that some units lacked guidance, they did not know the extent of this problem. Likewise, Army headquarters officials did not know which units were unaligned or lacked mission guidance.

CAPSTONE Information System Is a Long-standing Problem

The problems that have hindered CAPSTONE's effectiveness result primarily from weaknesses in the Army's system of internal controls. Foremost among these weaknesses is an inadequate management information system. The system does not routinely identify units without a CAPSTONE alignment, nor does it record whether units have received notification of their alignment or mission guidance.

GAO's 1982 report found many of the same weaknesses that exist today. For example, the report pointed out that the information system did not reveal that gaining commands had not notified many subordinate units or provided them mission guidance. However, the Army did not agree with GAO's recommendation to establish an improved management information system. Instead, the Army said that it had instructed commanders to place increased emphasis on managing the CAPSTONE program.

Since 1985, the Army has had efforts underway to develop an improved CAPSTONE information system, but it has yet to make any changes. GAO assessed the changes currently being developed by Forces Command and believes that they should alleviate most problems. The proposed changes—scheduled for implementation in April 1993—will record information to allow managers to identify unaligned units as well as to determine whether aligned units are notified of their alignment and provided mission guidance.

Although the Army placed CAPSTONE under its internal control program in 1987, the Army has yet to conduct a formal review. The initial review is scheduled for fiscal year 1993.

Recommendations

In view of the objectives to reduce defense spending and still have forces that are prepared for future military contingencies, GAO recommends that the Secretary of the Army take the following actions:

- Require Forces Command to provide information on unaligned CAPSTONE units to the Army headquarters organizations responsible for force planning decisions following the completion of each CAPSTONE alignment process.
- Determine whether unaligned units are excess to mission requirements. If so, the Secretary should (1) consider these units for deactivation or reorganization and (2) modify Army doctrine, the Force Planning process, or both to reduce the requirement for these units in the future. If the units are not excess, the Secretary should require that the units be aligned for training purposes.
- Require Forces Command to complete and implement the CAPSTONE information system changes being developed.
- Identify the CAPSTONE program as containing material internal control weaknesses in the Secretary's next annual assurance statement, as required under the Federal Managers' Financial Integrity Act of 1982.

Agency Comments

The Department of Defense concurred with GAO's findings and recommendations and stated that the Army is revising its CAPSTONE regulations to require that (1) information on unaligned units be provided to Army headquarters organizations responsible for force planning decisions and (2) appropriate action be taken on unaligned units within the Army's force structure determination process. The Department also stated that the Army plans to implement a new CAPSTONE information system in April 1993 and that the program warrants disclosure as containing material internal control weaknesses.

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Abbreviations

CONUSA	Continental U.S. Army
DCSOPS	Deputy Chief of Staff for Operations and Plans
DOD	Department of Defense
FORSCOM	Forces Command
GAO	General Accounting Office
TAA	Total Army Analysis
WWMCCS	World Wide Military Command and Control System

Introduction

The Army established the CAPSTONE program in 1979 to help units become better prepared for wartime. The Army found that active and reserve units had established their own training programs with little integration among the components or assurance that the units were focusing on their wartime missions. Under CAPSTONE, the Army aligns active and reserve units with wartime commands and specifies the units' wartime missions. CAPSTONE units are aligned primarily to meet the major threat scenarios in Europe, Southwest Asia, and the Pacific.

Commanders are required to notify subordinate CAPSTONE units of their wartime theater, alignment, and mission and to provide them with guidance on critical wartime tasks. These tasks are to serve as a basis for the units' peacetime training. CAPSTONE aligns combat and support units that are organized for immediate deployment in wartime; units that serve as reinforcements should a conflict continue for a prolonged period; and units to support training bases. CAPSTONE is particularly important to reserve units as it allows them to concentrate their limited training time on their essential wartime tasks. In 1992, approximately 5,500 of nearly 8,000 Army units were eligible for alignment under CAPSTONE.

CAPSTONE Alignment Process

The CAPSTONE alignment process is conducted approximately every 2 years in conjunction with changes that theater commanders make to their war plans. After developing war plans, the commanders specify the number and types of forces needed to implement the plans. Army and other service component commanders assist the theater commanders in making these determinations. The commanders forward their force requirements to the appropriate services for review. Requests for Army support forces are directed to Army Forces Command (FORSCOM). After the commanders' force requirements have been established, troop deployment lists are prepared and recorded in the Department of Defense's (DOD) World Wide Military Command and Control System (WWMCCS). WWMCCS is an integrated computer network used by the National Command Authority, the Joint Chiefs of Staff, and other defense organizations for many planning and operational activities, ranging from day-to-day operations to contingency planning for conventional and nuclear war.

The troop lists identify the specific units that support a war plan and establish the time frames for deployment. The lists are the basis for the CAPSTONE alignments. Because the Army often does not have a sufficient number of certain types of units to meet all of the theater commanders' requests, some units, such as transportation and maintenance, are aligned

to more than one plan. Likewise, the Army may have an excess number of certain unit types that the theater commanders did not request to support any war plan.

CAPSTONE Intended for Use Primarily in Planning and Training

Because of the uncertainties involved in forecasting the exact nature of military operations, CAPSTONE does not necessarily represent a rigid set of aligned units that are to fight together in a conflict. The Army uses CAPSTONE primarily as a basis to establish wartime planning and training associations among units and their wartime commands. Although the Army attempts to adhere to CAPSTONE alignments in wartime, many factors can emerge that prevent it from doing so. For example, during Operation Desert Storm, the Army considered CAPSTONE relationships in deciding on the forces to deploy. However, a number of factors prevented the Army from adhering to CAPSTONE. These factors included (1) the Army's objective to deploy the most ready units regardless of their CAPSTONE alignment, (2) the lack of a completed operations plan for an Iraqi invasion of Kuwait, and (3) legislatively imposed limits on the length of time reserve units could be mobilized.¹

Nevertheless, the Army maintained approximately 30 percent of the CAPSTONE alignments for all units who participated in the Persian Gulf operation. For reserve units, CAPSTONE was followed for about 32 percent of the units selected. According to Army officials and after-action reports, CAPSTONE relationships fostered familiarity among units and promoted confidence that they could fulfill their wartime mission even though the theater of operations for many units was changed.

Organizations Responsible for Managing CAPSTONE

Several Army organizations have major CAPSTONE management responsibilities. These include the following:

- The Army's Deputy Chief of Staff for Operations and Plans (DCSOPS) has overall responsibility for CAPSTONE to include establishing program policy and reviewing program implementation.
- The Commander, FORSCOM, is responsible for establishing and maintaining alignments and ensuring that wartime commanders issue alignment

¹More information on the problems the Army encountered in identifying units for Operation Desert Storm is contained in GAO reports entitled National Guard: Peacetime Training Did Not Adequately Prepare Combat Brigades for Gulf War (GAO/NSIAD-91-263, Sept. 24, 1991) and Operation Desert Storm: Army Had Difficulty Providing Adequate Active and Reserve Support Forces (GAO/NSIAD-92-67, Mar. 10, 1992).

information and mission guidance to subordinate units as quickly as possible.

- Commanders of the Continental U.S. Armies (CONUSA), who have responsibility for day-to-day program management of reserve component forces, are to ensure that all reserve CAPSTONE units are notified of their wartime theater and are provided with guidance on their wartime mission.

Objectives, Scope, and Methodology

Our objectives were to determine the effectiveness of Army controls for aligning active and reserve units with a wartime command, providing aligned units with wartime mission guidance, identifying unaligned units and taking appropriate actions, and monitoring CAPSTONE's effectiveness.

To meet these objectives, we focused on the process used to align units during the 1989 CAPSTONE cycle—the most recent cycle that was completed at the time we performed our fieldwork. We interviewed officials at the following headquarters offices: the Department of the Army, Washington, D.C.; Chief of the Army Reserve, Washington, D.C.; National Guard Bureau, Washington, D.C.; FORSCOM, Fort McPherson, Georgia; the First CONUSA, Fort Meade, Maryland; the Second CONUSA, Fort Gillem, Georgia; the Fifth CONUSA, Fort Sam Houston, Texas; and the Sixth CONUSA, the Presidio, San Francisco, California. We also reviewed Army regulations governing CAPSTONE and the Army's internal control procedures.

We reviewed the CAPSTONE data elements contained in WWMCCS, such as unit alignments, theater of deployment, and training associations, and discussed the strengths and weaknesses of WWMCCS data for managing CAPSTONE with Army headquarters, FORSCOM, and CONUSA officials.

Our calling attention to the fact that some Army units in one CONUSA did not have a CAPSTONE alignment prompted the Army to initiate an analysis to determine the extent that this condition existed throughout the Army. We reviewed the methodology the Army used in the analysis and found that its results were incomplete because it did not identify all of the units that may be unaligned. We estimated the total costs to the Army to retain units in the force structure with no CAPSTONE alignment.

To assess the CAPSTONE program's effectiveness, we asked FORSCOM and the CONUSAs to provide information on the extent that CAPSTONE units had been notified of their CAPSTONE alignment and provided with mission guidance. These organizations had not compiled complete information relating to alignment notification, and only the CONUSAs had data pertaining

to the receipt of mission guidance. We did not verify the information provided.

We obtained information for 12 Army Reserve and National Guard units, including 1 that participated in Operation Desert Storm, on the importance of the CAPSTONE program, especially the significance of having a wartime alignment and mission guidance. We also discussed these issues with officials in nine of the units. The units we selected represented a mix of those with and without an alignment and those with and without mission guidance. The units contacted are listed in appendix I.

We conducted our work from June 1991 to May 1992 in accordance with generally accepted government auditing standards. DOD provided written comments on a draft of this report. DOD's major comments are discussed in chapters 2 and 3, and its comments are reprinted in their entirety in appendix 2.

Unaligned Units Could Be Candidates for Deactivation and Signal a Need to Adjust Force Planning Processes

Because of inadequate controls over CAPSTONE, the Army does not have an effective means to identify units that are not aligned with a command—that is, units that theater commanders determined were not required to support war plans—or needed for sustaining forces. Nor does the Army have an effective means to decide the disposition of unaligned units. As a result, Army force planners were unaware that since 1989, at least 116 active and reserve units did not have a CAPSTONE alignment. Unaligned units could represent differences between projected war scenarios used by the Army for force planning purposes and the forces actually needed by theater commanders for their operational requirements, in which case, they would be excess and candidates for deactivation. Or they could result from theater commanders basing their force requests in a manner that is inconsistent with Army doctrine. Because of the absence of any linkage among the force planning, CAPSTONE alignment, and war planning processes, the Army cannot determine the causes of unaligned units. Accordingly, the Army is not able to determine whether unaligned units should be retained or deactivated. We estimate that the Army has spent at least \$521 million to retain unaligned units.

The Army Does Not Know How Many Unaligned Units Exist

Although the Army has aligned thousands of units under CAPSTONE and recorded them in a data system, the Army has no systematic means to identify units that are unaligned and has no procedures to report this information to Army headquarters offices responsible for force planning decisions.

In aligning units, the Army's primary objective is to provide theater commanders with the forces they have determined are required to support war plans. However, the Army is not always able to completely satisfy this objective because of shortages of certain unit types. A FORSCOM official told us that all of the troop lists established in 1989 to support war plans contained shortages of certain support units that the theater commanders requested, including medium truck, heavy equipment transporter, ammunition, and maintenance units.

Army's Estimates of the Number of Unaligned Units

Upon completion of the CAPSTONE alignment process in 1989, 1 CONUSA had identified more than 200 of its nearly 1,200 reserve units (17 percent) as unaligned. CONUSA officials attributed the large number of unaligned units to widespread changes to theater commanders' plans and a force reduction in one theater. In October 1991, we brought this matter to

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the Army's attention and requested information on the number of unaligned units in the entire Army.

Because the Army lacked a systematic process to identify unaligned units, DCSOPS staff developed a computer program that compared inventories of active and reserve units with the FORSCOM CAPSTONE data base to find units without an alignment.¹ In February 1992, the initial data generated by this program showed a total of 378 Army units that were unaligned. However, when DCSOPS attempted to develop a listing of the 378 units, it could identify only 275 and could not explain why its data system lacked the capability to identify the remaining 103 units. Thus, it is possible that these units do not exist or they could represent additional units that the Army has retained that have no CAPSTONE alignment.

FORSCOM questioned the accuracy of the DCSOPS data and reviewed the status of each unit identified as unaligned. Although FORSCOM used different data systems than those used by DCSOPS, its review showed that 116 of the 275 units identified by DCSOPS were in fact unaligned as of May 1992. According to FORSCOM's analysis, the remaining 159 units appearing on the DCSOPS list

- had been deactivated (51),
- were ineligible for an alignment (27),²
- were aligned (12), or
- were new units created since the last alignment process that had not been aligned (69).

The 69 unaligned new units contained 5,133 soldiers. It is possible that these units would have received an alignment if the Army's established process to deal with this situation had not been interrupted by the Persian Gulf War. Approximately 1 year after CAPSTONE alignments are made, FORSCOM normally conducts a maintenance cycle during which new units created to overcome force shortages are aligned. FORSCOM officials stated that these 69 units were not aligned because the maintenance cycle scheduled for 1990 was canceled due to the war.

¹The computer program determined the total number of units that had no CAPSTONE alignment, but it did not identify the specific units.

²Units not eligible for a CAPSTONE alignment include those assigned to Army divisions and those located outside of the continental United States.

A FORSCOM official also said that no standard methodology existed to identify unaligned units and that it was very difficult to develop this information. To compile the data, FORSCOM staff searched several Army data bases and reviewed the status of each unit identified to ensure the information's accuracy. Proposed changes to WWMCCS will allow FORSCOM to more readily identify unaligned units. (See ch. 3.)

Our review of FORSCOM's analysis showed that there were unaligned units in all three Army components—active, National Guard, and Army Reserve. The units represented were of varying types and sizes, including air defense, aviation, medical, and transportation units containing 200 to more than 400 soldiers; several transportation companies with more than 100 soldiers; and many ordnance, quartermaster, and medical detachments containing less than 10 soldiers.

FORSCOM Did Not Receive Guidance on the Disposition of Unaligned Units

After the 1989 CAPSTONE alignment process was completed, FORSCOM identified 94 units that had no CAPSTONE alignment. In January 1990, FORSCOM reported this information to several Army offices involved in CAPSTONE, including DCSOPS, the National Guard Bureau, and the Office of the Chief of the Army Reserve. A FORSCOM official told us that 1990 was the first time that FORSCOM had compiled and reported information on unaligned units in accordance with a requirement that became effective in 1989. Although FORSCOM was required to report the information to the DCSOPS organization responsible for approving war plans, it was not required to report the information to the office responsible for making force planning decisions.

FORSCOM requested guidance on the disposition to be made of the unaligned units, but FORSCOM officials told us that no guidance was received. We asked DCSOPS officials why FORSCOM did not receive a response to its report. The officials responded that they had no record of having received the report, but they confirmed that it was sent because they were able to obtain a copy from the National Guard Bureau.

Identification of Unaligned Units Could Result in Significant Changes and Savings

In a 1991 testimony regarding planned force reductions, the Chairman of the Joint Chiefs of Staff said that units that do not have a military mission should be eliminated from the force structure. However, the Army lacks a process to determine whether it needs to retain the unaligned units or to decide if they should be candidates for deactivation or reorganization. We

estimate that the Army has spent at least \$521 million to keep unaligned units in the force structure since 1989.

No Process to Determine if Unaligned Units Are Needed

On the basis of the dramatically changed threat now facing the United States, the Army is in the process of making substantial reductions to its forces. By fiscal year 1995, the Army expects to have 8 fewer divisions and nearly 500,000 fewer personnel than it had in fiscal year 1991. It has already begun to reduce the size of its forces stationed in Europe and has tentatively identified several hundred units that it will no longer need and announced plans to deactivate them. However, in making these decisions, the Army was not able to consider the large number of units that have lacked a wartime alignment since 1989 because it did not have this information.

The Army uses a process called Total Army Analysis (TAA) to determine the forces it needs to support future war plans based on its warfighting doctrine. TAA is a continual process that is designed to link doctrine and force requirements with available resources to determine the specific types and number of units that will be needed. Through TAA, the Army also attempts to identify shortages and excesses in its current force structure. TAA includes a quantitative analysis component that uses a series of computer-simulated war scenarios to establish time-phased requirements for the nondivisional forces needed for the various military theaters. The end product of the TAA process is a force structure that specifies the units that will be needed to conduct military operations several years in the future. For example, the TAA process that began in 1992 is projecting the Army's force structure needs for fiscal years 1996 through 2001. The force structure in existence in fiscal year 1992 was the result of a TAA process begun in 1983.

Unaligned CAPSTONE units may be a reflection of the absence of linkages among the TAA process, the CAPSTONE alignment process, and the process used by theater commanders to determine the units required to support their war plans. According to an Army official, there is no linkage between the portion of the TAA that attempts to identify excess units and unaligned CAPSTONE units. He said that in determining excess units, officials involved in the TAA process do not know whether units have a CAPSTONE alignment. Further, he stated that FORSCOM's February 1990 report that identified unaligned units was not provided to the DCSOPS office performing TAA.

Excess units result from theater commanders determining that their operational requirements differ from planned scenarios and, consequently, require a number or mix of forces that may be inconsistent with the forces that have been generated by Army doctrine and force planning processes. Theater commanders, for example, may request units that are not doctrinally required, exclude units that are required, or request a greater or fewer number of units than what is required. Although FORSCOM and Army headquarters organizations attempt to reach agreement with theater commanders on the appropriate number and mix of Army forces required to support war plans, the theater commanders ultimately determine the forces needed. The Army official added that if theater commanders' requests consistently show that particular unit types are either excess or short, it could signal a need to adjust the doctrine or the TAA process.

Unaligned Units Might Be
Candidates for Deactivation
or Reorganization

Had the Army known about the 116 unaligned units, it might have concluded that some were excess and considered them as candidates for deactivation in conjunction with recent decisions made on the Army's drawdown of forces. Alternatively, the Army might have wanted to reorganize them to other unit types to meet force shortages.

In a 1991 testimony before the Subcommittee on Defense, House Committee on Appropriations, the Chairman of the Joint Chiefs of Staff addressed the issue of the disposition to be made of units having no military requirement. The Chairman stated the following:

"If we don't have a military requirement for a particular unit or a partial capability, or if we do have a requirement for it, but we have enough time—in-time of crisis—to reconstitute it, then we shouldn't have it in the active force, and we shouldn't have it in the reserves either. If we don't need it, we shouldn't have it. . . . It's not the proper use of taxpayer money."

Unaligned Units Probably
Cost Millions

Army information shows that it costs approximately \$18,000 a year for each reserve soldier and \$62,000 for an active soldier.³ On the basis of these per-soldier costs and the personnel strength of the 116 unaligned units identified by FORSCOM, we estimate that it cost the Army more than \$521 million to retain these units since 1989, as shown in table 2.1.

³These costs include amounts for pay and allowances, military construction, and costs to operate and maintain equipment.

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Table 2.1: Estimated Cost to Retain 116
Unaligned Units

Component	Number of soldiers assigned	Cost per soldier	Annual cost (in millions)	Cumulative cost, 1989-91 (in millions)
Active	1,276	\$62,000	\$79.1	\$237.3
Reserve	5,264	18,000	94.7	284.1
All units	6,540	\$26,575	\$173.8	\$521.4

Illustrative of the funds that were spent to retain units that did not have a CAPSTONE alignment are a National Guard special operations aviation battalion and a transportation company. The aviation battalion, created in 1986, had 385 soldiers assigned and a fiscal year 1991 budget of \$7.6 million. The transportation company, created in 1971, had 205 soldiers assigned and a fiscal year 1991 budget of about \$2.3 million.

Conclusions

In view of the shrinking defense budget and the pressures to reduce armed forces, it is essential that the Army have an effective means to ensure that its forces consist of only those units that are needed to support total wartime requirements. Currently, the Army cannot provide this assurance. To do so will require establishing linkage of three key processes—war planning, CAPSTONE alignments, and TAA. Although these processes are conducted over different time periods and for differing purposes, we believe that the Army should periodically review the results of its efforts to meet its current and future wartime requirements and determine if any adjustments are necessary. To do so will require the Army to provide information on unaligned units to offices involved in TAA and decide whether the units are excess. If units are excess, the Army might want to deactivate or reorganize them to meet other needs and modify its warfighting doctrine, its TAA process, or both. Alternatively, the Army might conclude that its doctrine does not require adjustment, that it should keep the units in the force structure. The completion of the biennial CAPSTONE process seems to be an appropriate time for the Army to make this assessment.

Recommendations

We recommend that the Secretary of the Army take the following actions:

- Require FORSCOM to provide information on unaligned CAPSTONE units to the DCSOPS headquarters organizations responsible for force planning decisions following the completion of each CAPSTONE alignment process.
- Require the DCSOPS to determine if unaligned units are excess to mission requirements. If so, the Secretary should (1) consider these units for deactivation or reorganization and (2) modify Army doctrine, the TAA process, or both to reduce the requirement for these units in the future. If not excess, the Secretary should require the units to be aligned for training purposes.

Agency Comments

DOD concurred with all of our findings and recommendations. DOD stated that the Army is making a comprehensive revision to its CAPSTONE regulations that are to be published in the latter part of fiscal year 1993. The regulations will require that Forces Command provide information on unaligned units to the Deputy Chief of Staff for Operations and Plans following the completion of the CAPSTONE alignment process.

With regard to our recommendation that the TAA and CAPSTONE processes be linked, DOD commented that doing so would be difficult because they are conducted over different time periods and for different purposes. DOD said that TAA attempts to project a force that will be required in the future to meet expected threats, while CAPSTONE seeks to align units in the current structure with wartime commands and is based on current war plans. Nonetheless, DOD stated that a persistent pattern of unaligned CAPSTONE units could indicate that force allocation rules used in TAA require revision. DOD further stated that the Army will revise its CAPSTONE regulations to establish a process to take appropriate action on unaligned units within the Army's force structure (TAA) process.

Inadequate Management Information System Is a Long-standing Control Weakness

The information system for CAPSTONE is inadequate for effective program management. In addition to having insufficient information on units without a CAPSTONE alignment (see ch. 2), the Army does not have the information needed to determine whether aligned units are provided with mission guidance or notified of alignment relationships. We found that more than 450 reserve units had trained without mission guidance for more than 2 years after CAPSTONE alignments were last revised in 1989. Lacking mission guidance, units may be forced to train to many unnecessary tasks rather than focusing training on only the essential tasks critical to their wartime mission. Key Army program offices such as DCSOPS and FORSCOM were not aware of this condition.

The problems with the CAPSTONE information system are long-standing. In our 1982 report, we identified many of the same weaknesses that exist today and recommended that the Army establish an information reporting system that would provide the data needed for effective management.¹ Since 1985, the Army has had efforts underway to improve WWMCCS, an information system for CAPSTONE. If the improvements to WWMCCS are implemented in 1993 as planned, the Army should be able to readily identify unaligned units and determine whether units are being notified of their CAPSTONE alignment and provided with mission guidance in a timely manner. The fact that the Army has not conducted an internal control evaluation of the program could explain why problems have lingered for so long.

The Army Does Not Have Key Management Information

For the Army to manage the CAPSTONE program effectively it must have an information system that enables it to assess the extent that units are (1) provided with mission guidance and (2) notified of alignment relationships or changes. WWMCCS does not provide this information. It records only CAPSTONE alignments, units' scheduled theater of deployment, and peacetime training associations.

Many Units Do Not Have Wartime Mission Guidance

Mission guidance is critical to Army units' ability to focus their training resources on the tasks they will be expected to perform in wartime. The guidance specifies the exact nature of a unit's wartime mission, its chain-of-command, and training priorities. Moreover, the guidance forms the basis for developing detailed lists of mission-essential tasks that then form the basis for peacetime training.

¹Problems in Implementing the Army's CAPSTONE Program to Provide All Reserve Components With a Wartime Mission (GAO/FPCD-82-59, Sept. 22, 1982).

Chapter 3
Inadequate Management Information System
Is a Long-standing Control Weakness

FORSCOM Regulation 11-30 requires wartime commanders to provide mission guidance to units within 90 days of their CAPSTONE alignment (or change). However, because the Army does not record in WWMCCS the date that mission guidance is to be provided or the date that this event occurs, the CONUSAs must rely on the units to contact them to report any mission guidance problems.

As shown in table 3.1, 461 units (13 percent) of the reserve component units eligible for a CAPSTONE alignment in 1991 reported to the CONUSAs that they had not received mission guidance.² These units had been operating without CAPSTONE mission guidance for more than 2 years since the last alignments became effective in 1989.

Table 3.1: Reserve Units Without CAPSTONE Mission Guidance

CONUSA	Units managed	Units without mission guidance	Percentage
First	900	106	12
Second	1,191	238	20
Fourth	778	85	11
Fifth	^a	^a	^a
Sixth	640	32	5
Total	3,509	461	13

Note: Data was compiled by CONUSAs at various points in time during 1991.

^aThe Fifth CONUSA did not maintain this information.

The number of units without mission guidance may be understated because (1) one CONUSA did not have information on units without mission guidance and (2) there is no assurance that information was submitted by all units in the other four CONUSAs. The Army did not have data on the extent that active units had received mission guidance from their wartime command. Also, for units that had mission guidance, the CONUSAs could not determine whether it was provided within the 90-day time frame established by the Army. On the basis of discussions with nine Army Reserve and National

²Units without a CAPSTONE alignment also would not have mission guidance. However, the number of units identified without an alignment does not correspond to the number without mission guidance because the information was compiled at different times.

Guard units without mission guidance, we found that all but one had requested assistance from their higher headquarters in obtaining guidance.³ The headquarters forwarded the requests to the appropriate CONUSA; however, none of the units were provided with specific mission guidance. Instead, the CONUSAs instructed the units to develop their own guidance.

Training personnel at the units we visited told us that the absence of specific mission guidance results in units' training to generic skills contained in their Table of Organization and Equipment mission statement and Army Training and Evaluation Program manuals. A Table of Organization and Equipment mission statement describes in general terms a unit's wartime mission. An Army Training and Evaluation Program may contain thousands of tasks that a unit could be called on to perform. For example, the Army Training and Evaluation Program for a field artillery battalion contains nearly 200 tasks, 1,300 subtasks, and 1,400 collective tasks.⁴

In Field Manual 25-100, *Training the Force*, the Army recognizes that units cannot achieve and sustain proficiency on every possible wartime task. Therefore, the manual specifies that commanders must selectively identify essential wartime tasks. The need to identify critical tasks is especially important for reserve units because they have considerably less training time than active units. Army officials told us that mission guidance will continue to be important, even as the Army changes its focus from well-defined to less certain military threats.

No Assurance That Units Are Notified of CAPSTONE Alignments

Army regulations require FORSCOM commanders to notify subordinate units and higher commands of CAPSTONE alignments within 30 days of the date of the alignment. However, the Army does not record in WWMCCS the dates that units are to be notified of their alignment or the dates that notification is actually given. Nor does WWMCCS readily identify changes that are made to alignments. Consequently, there is no systematic means to obtain information on whether initial alignment relationships and changes are provided or whether the information is provided in a timely manner. Army

³The remaining unit did not provide information regarding whether it had requested mission guidance from higher headquarters.

⁴An example of an artillery task would be to deliver field artillery fires. Subtasks involved would be to ensure consistency between target attack guidance and accuracy of fires. Collective tasks include defending and securing an assigned area; performing surveillance; locating targets; and coordinating delivery of fires.

officials told us that if units are not notified of a CAPSTONE alignment, they are expected to inform the appropriate CONUSA. In the absence of units contacting a CONUSA, Army officials said they assume that units are notified promptly.

Periodically, FORSCOM makes out-of-cycle changes to CAPSTONE alignments. FORSCOM does not keep data on the frequency or extent of changes, but officials told us that numerous changes do occur. Interim alignment changes result from (1) revised theater commanders' requirements, (2) changes in the Army's force structure, (3) changes in warfighting doctrine, and (4) shifts of major combat forces to reflect changes in the military threat. For example, in 1990 testimony before the House Committee on Armed Services, an Army official stated that the force structure reductions mandated by the rapidly changing world situation would cause widespread changes to CAPSTONE alignments.

Although FORSCOM records these changes in WWMCCS, it is difficult for CONUSA officials responsible for ensuring that units are notified of new alignments to identify the changes. CONUSA officials told us that they must visually review listings of hundreds of CAPSTONE relationships to identify alignment changes and, as a result, may inadvertently overlook some changes. To correct this situation, the commander of the Second CONUSA recommended to FORSCOM in March 1990 that an extra data field be added to WWMCCS to identify alignment changes and their effective dates. As an alternative, he recommended that FORSCOM should separately notify the CONUSAs of specific changes. However, FORSCOM did not implement these recommendations.

Efforts to Improve Management Information System Have Lingered

The management information system problems discussed in this report are not new. We reported on many of the same problems in 1982 and recommended corrective actions. The Army did not agree with our recommendations; however, it has been working for several years to improve WWMCCS to provide more information to manage CAPSTONE.

Our 1982 Report Identified the Need to Improve the CAPSTONE Information System

In 1982, we reported that the Army's CAPSTONE information system did not reveal that (1) gaining commands had not contacted many subordinate units and (2) some units had not received mission guidance. We also reported that FORSCOM did not know what procedures the CONUSAs were using to monitor CAPSTONE. Accordingly, we recommended that the Army

develop a reporting system that would provide information that could be used to identify and correct CAPSTONE implementation problems.

In responding to our report, DOD's position was that the Army did not need to implement an improved management information system for CAPSTONE. In lieu of this, DOD stated, the Army's actions to instruct commanders to increase their emphasis on managing the CAPSTONE program and to assign monitoring responsibility to CONUSA commanders were sufficient.

Army Is Attempting to Improve the CAPSTONE Information System

Although neither DOD nor the Army believed in 1982 that improvements to the CAPSTONE information system were necessary, the Army has had efforts underway for several years to improve WWMCCS to provide better information to manage the program. Proposed changes now being developed would permit the Army to identify unaligned units and determine if units are being provided with mission guidance and timely notice of their CAPSTONE alignment. FORSCOM has approved funds to complete the revised system and expects to have it in place by April 1993.

The Army's initial effort to improve WWMCCS was undertaken in 1985, but this effort was discontinued because the Army believed that the contractor could not meet its requirements. In 1987, FORSCOM began another effort to improve WWMCCS. Under this effort, which was continuing at the time we completed our fieldwork, numerous changes are being considered. Under the most recent proposal, the dates that units are to be notified of their CAPSTONE alignment, or alignment change, and provided with mission guidance, will be recorded in WWMCCS along with the actual notification dates.

In addition, the proposed information system would be capable of identifying unaligned units. A computer program is being developed to periodically compare the data base containing the inventory of Army units with the CAPSTONE alignments. Any discrepancies will indicate units with no CAPSTONE alignment. Although it is possible to obtain this information currently, DCSOPS and FORSCOM officials told us that it is very difficult. This was demonstrated by the difficulty the Army had in identifying the unaligned units discussed in chapter 2 and the questionable accuracy of the information.

CAPSTONE Lacks Adequate Internal Controls

Many of the problems we identified in the CAPSTONE program were due to the lack of adequate internal controls. The Army has never conducted an internal control review of the program and does not have one scheduled until fiscal year 1993.

Internal controls are the means that managers use to regulate and guide program operations to help ensure their effectiveness and efficiency. According to Army Regulation 11-2, the Army's Internal Management Control Program requires the Secretary of the Army to provide a statement supporting the Secretary of Defense's statement to the President and Congress on whether the Army's systems of internal controls comply with the Federal Managers' Financial Integrity Act of 1982. To implement the control program, the Army has segmented its programs and activities into various tasks and subtasks. Army managers are to develop checklists for assessing the adequacy of internal controls for each subtask. Periodically, managers are required to use the checklists to verify that controls are in place and operative. Further, the regulation requires managers to reevaluate the adequacy of controls and checklists when audit reports indicate a major deficiency.

The Army placed CAPSTONE under its internal control program in 1987. At that time, it also developed a CAPSTONE internal control checklist to ensure that (1) units were being notified of their CAPSTONE alignment and provided with mission guidance and (2) the CAPSTONE reporting requirements were being met. However, the checklist has never been used. According to an Army headquarters official, the checklist was not used because headquarters officials did not believe that material weaknesses existed in the program. The Army's internal control regulations assess the degree (high, medium, or low) that control weaknesses exist in Army programs and have designated CAPSTONE as a low-risk program. For that reason, the Army has not scheduled checklists for CAPSTONE to be completed until fiscal year 1993.

Although the Army has not conducted a formal program assessment of CAPSTONE, it had another control mechanism established to ensure that the program was achieving its objectives. However, this mechanism has not been effective. Army Regulation 11-30 requires FORSCOM to submit a report to DCSOPS annually to identify problem areas in the CAPSTONE program.

However, FORSCOM has prepared only two reports since 1988 and neither identified the alignment and mission guidance problems discussed in this report.⁵

Conclusions

Future military contingencies may arise unexpectedly and require a rapid response. For this reason, the Army must ensure that its forces are adequately prepared for war. This means that units must have timely information on their anticipated wartime theater and mission so that they may train accordingly. This was the Army's intention when it established the CAPSTONE program. However, for over a decade now, CAPSTONE managers have not had an effective means for determining whether aligned units are provided with mission guidance or notified of alignment relationships. WWMCCS data are insufficient for effective program management. However, the changes currently being developed to improve the system will likely resolve this problem, allowing managers to identify unaligned units as well as assessing whether alignment notifications and mission guidance are made in a timely manner. We believe that implementation of these changes to WWMCCS is essential to improving CAPSTONE's effectiveness.

Recommendations

We recommend that the Secretary of the Army

- require FORSCOM to complete and implement the WWMCCS changes currently being developed and
- identify the CAPSTONE program as containing material internal control weaknesses in the Secretary's next annual assurance statement, as required under the Federal Managers' Financial Integrity Act of 1982.

Agency Comments

DOD concurred with all of our findings and recommendations and stated that Forces Command plans to implement its new CAPSTONE information system in April 1993. DOD also agreed that the CAPSTONE program warrants disclosure as containing material internal control weaknesses.

⁵FORSCOM was exempt from this requirement in 1991 because of Operation Desert Storm.

Reserve Component Units Included in Our Review

U.S. Army Reserve Units

335th Signal Command, East Point, Georgia
416th Transportation Battalion, Jacksonville, Florida
942nd Transportation Company, Charleston, South Carolina
993rd Transportation Company, Wilmington, North Carolina

National Guard Units

117th Mobile Army Surgical Hospital, Atlanta, Georgia
122nd Infantry Battalion (Company H), Cartersville, Georgia
196th Field Artillery Brigade, Chattanooga, Tennessee
244th Aviation Battalion, Savannah, Georgia
265th Engineering Group, Marietta, Georgia
449th Aviation Detachment, Decatur, Georgia
450th Aviation Detachment, Decatur, Georgia
620th Quartermaster Detachment (Water Purification), St. Croix, U.S. Virgin Islands

Comments From the Department of Defense



ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

SEP 21 1992

RESERVE AFFAIRS

Mr. Richard Davis
Director, Army Issues Group
National Security and International
Affairs Division
U.S. General Accounting Office
Washington, DC 20548

Dear Mr. Davis:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) revised draft report entitled-- "ARMY TRAINING: Longstanding Control Problems Hinder the CAPSTONE Program," dated September 1, 1992 (GAO Code 393438/OSD Case 9133). The DoD concurs or partially concurs with the GAO findings and recommendations.

Since its inception in the late 1970s, the CAPSTONE Program has proven to be extremely valuable for Army Reserve components. CAPSTONE has allowed Reserve component units to focus limited training time and resources on the most immediate and critical wartime tasks; thus, greatly affecting their usefulness and importance in the Total Army. Concomitantly, the program has fostered a high degree of integration between Reserve and Active units. The importance and value of CAPSTONE cannot be overstated.

The timing of the report and its findings should be placed in context. The GAO reviewed a program that was temporarily suspended in the midst of dramatic world changes. The CAPSTONE alignment review process was not only interrupted by Operations DESERT SHIELD/DESERT STORM, but also by the emergence of a new National Military Strategy following the Persian Gulf War. As a result, at the time of the CAPSTONE alignment, data had not been updated for two years.

Notwithstanding the cited concerns, the DoD is pleased to note that many of the issues identified in your report have been resolved, and standard procedures will be incorporated in a comprehensive revision of Army Regulation 11-30, CAPSTONE Program. The Regulation is scheduled for publication in the last quarter of 1993. Moreover, the CAPSTONE Management Information System, due to come on line in April 1993, will provide a systematic and efficient process to preclude problems with unaligned units.

Appendix I
Comments From the Department of Defense

The DoD comments on each finding and recommendation are provided in the enclosure. The Department appreciates both the opportunity to comment on the draft and inclusion of the DoD response in the final report.

Sincerely,


Stephen M. Duncan

Enclosure:
As stated

GAO REVISED DRAFT REPORT--DATED SEPTEMBER 1, 1992
(GAO CODE 393438) OSD CASE 9133

"ARMY TRAINING: Longstanding Control Problems Hinder
The CAPSTONE Program"

DEPARTMENT OF DEFENSE COMMENTS

* * * * *

FINDINGS

- o **FINDING A: The CAPSTONE Alignment Process.** The GAO reported that the CAPSTONE alignment process is conducted approximately every two years--in conjunction with changes that theater commanders make to the war plans. The GAO observed that, after developing war plans, the commanders specify the number and types of forces needed to implement the plans. The GAO explained that the commanders forward the force requirements to the appropriate services for review. The GAO noted that requests for Army support forces are directed to the U.S. Forces Command. The GAO pointed out that the troop lists--which become the CAPSTONE alignments--(1) identify the units that support a war plan, and (2) establish the timeframes for deployment. The GAO added that the lists are the basis for the CAPSTONE alignments. The GAO further reported that, because the Army often does not have a sufficient number of certain types of units to meet all of the requests from the theater commanders, some units--such as transportation and maintenance--are aligned to more than one plan. The GAO also observed that the Army may have an excess number of certain unit types that the theater commanders did not request to support any war plan. (pp. 2-4, pp. 10-11/GAO Draft Report)

DOD RESPONSE: Concur. The CAPSTONE alignment process described pertains to Army below-the-line units; i.e., those units that are not organic to division, separate brigade, or armored cavalry regiments. Above-the-line forces are apportioned by the Joint Chiefs of Staff. CAPSTONE alignments mirror the supported Commander-in-Chief's Time Phased Force Deployment Data.

Now on pp. 2-3 and 8-10.

- o **FINDING B: CAPSTONE Intended for Use Primarily in Planning and Training.** The GAO found that CAPSTONE does not necessarily represent a rigid set of aligned units designated to fight together in a conflict. The GAO pointed out that, although the Army attempts to adhere to CAPSTONE alignments in wartime, many factors can emerge preventing it from doing so. The GAO noted that, during Operation DESERT STORM, factors preventing the Army from adhering to CAPSTONE included (1) the Army objective to deploy the most ready units regardless of CAPSTONE alignment, (2) the lack of a completed operations plan for an Iraqi invasion of Kuwait, and (3) legislatively imposed limits on the length of time Reserve units could be mobilized. The GAO determined that the Army maintained approximately 30 percent of the CAPSTONE alignments for all units participating in the Gulf operation. The GAO further determined that, for Reserve units only, CAPSTONE was followed for about 32 percent of the units selected. The GAO concluded that CAPSTONE relationships fostered familiarity among units and promoted confidence the units could fulfill the wartime mission, even though the theater of operations for many units was changed. (pp. 11-13/GAO Draft Report)

Now on p. 9.

DOD RESPONSE: Concur. The CAPSTONE program needs and does have the flexibility to respond to differing conflict situations.

- o **FINDING C: The Army Does Not Know How Many Unaligned Units Exist.** The GAO reported that, because the Army had no systematic process to identify unaligned units, the Army developed a computer program to compare inventories of Active and Reserve units with the Forces Command CAPSTONE data base to find units without an alignment. The GAO further found that, although the initial data showed that a total of 378 Army units were unaligned, the Army could only identify 275 and could not explain why its data system lacked the capability to identify the remaining 103 units. The GAO concluded that it is possible that these units do not exist or they could represent additional units that the Army has retained that have no CAPSTONE mission.

The GAO concluded that no standard methodology existed to identify unaligned units and it was very difficult to develop such information. The GAO observed that Forces Command searched several Army data bases and reviewed the status of each unit identified to ensure the accuracy of the information. The GAO concluded that the proposed changes to the World Wide Military Command and Control System will allow Forces Command to identify unaligned units more readily. (pp. 4-5, pp. 15-17/GAO Draft Report)

Now on pp. 3-4
and pp. 12-14.

DOD RESPONSE: Concur. The DoD agrees that the Army currently lacks a systematic and efficient process to

determine the number of unaligned units. The U.S. Forces Command CAPSTONE Management Information System will correct that problem when the system comes on-line in April 1993. The Department will continue to monitor the U.S. Forces Command initiative to ensure the system, once fielded, produces desired results.

- o **FINDING D: The Forces Command Did Not Receive Guidance on Disposition of Unaligned Units.** The GAO reported that, after the 1989 CAPSTONE alignment process was completed, the Forces Command identified 94 units that had no CAPSTONE alignment. The GAO found that 1990 was the first year that Forces Command compiled and reported information on unaligned units, in accordance with a requirement that became effective with the CAPSTONE alignment process performed in 1989. The GAO further found, however, that even though Forces Command was required to report the information to the headquarters organization responsible for approving war plans, it was not required to report the information to the office responsible for making force planning decisions. (p. 18/GAO Draft Report)

DOD RESPONSE: Concur.

- o **FINDING E: No Process to Determine if Unaligned Units Are Needed.** The GAO observed that, as part of its down-sizing operation, the Army has (1) begun to reduce the size of the forces stationed in Europe, (2) tentatively identified several hundred units that will no longer be needed, and (3) announced plans to deactivate the units not needed. The GAO found, however, the Army was not able to consider the large number of units--containing nearly 12,000 soldiers--that have lacked a wartime alignment since 1989--because the Army did not have such information.

The GAO reported that the Army uses a process--Total Army Analysis--to determine the forces needed to support future war plans, based on the principles contained in the Army warfighting doctrine. The GAO observed that the Total Army Analysis (1) is a continual process that is designed to link doctrine and force requirements with available resources to determine the specific types and number of units that will be needed, (2) attempts to identify shortages and excesses in its current force structure, and (3) includes a quantitative analysis component, which uses a series of computer simulated war scenarios to establish time-phased requirements for the nondivisional forces needed for the various military theaters. The GAO observed the end product of the analysis is a force structure specifying the units that will be needed to conduct military operations several years in the future.

Now on p. 14.

The GAO concluded that the unaligned CAPSTONE units may reflect the absence of linkages among (1) the Total Army Analysis process, (2) the CAPSTONE alignment process, and (3) the process used by theater commanders to determine the units required to support their war plans. The GAO further concluded that Army officials involved in the Analysis process do not know whether units have a CAPSTONE alignment. (The GAO noted that the Forces Command February 1990 report, which identified unaligned units, was not provided to the Army headquarters office performing the Total Army Analysis.)

The GAO also concluded that excess units result from theater commanders determining that operational requirements differ from planned scenarios--and, consequently, require forces that may be inconsistent with the forces generated by Army doctrine and force planning processes. The GAO observed that theater commanders frequently (1) may request units that are not doctrinally required, (2) exclude units that are required, or (3) request a greater or fewer number of units than what is required. The GAO pointed out that, although Forces Command and Army headquarters organizations attempt to reach agreement with theater commanders on the appropriate number and mix of Army forces required to support war plans--ultimately, the theater commander determines the forces needed. Finally, the GAO reported that an Army official stated that, if theater commander requests consistently show that particular unit types are either excess or short, it could signal a need to adjust the doctrine or the Total Army Analysis process. (pp. 18-20/GAO Draft Report)

DOD RESPONSE: Partially concur. The Army CAPSTONE and Total Army Analysis processes are separate systems, serving very different purposes. CAPSTONE seeks to align units in the current structure with wartime commands, including wartime sustaining base commands in the Continental United States, to assure an effective linkage of peacetime training to expected wartime missions. CAPSTONE alignments are based on current warplans. Total Army Analysis, on the other hand, is a force development process designed to structure forces to meet expected future threats. Total Army Analysis focuses four to nine years into the future. Because these two processes have such different purposes, it is difficult to establish a direct linkage between them. Nonetheless, a persistent pattern of non-aligned units in the CAPSTONE Program could indicate that force allocation rules used in Total Army Analysis require revision. For that reason, the Army intends to establish a process in Army Regulation 11-30 (scheduled for publication in 1993) for tracking non-aligned units in CAPSTONE and using that data to identify units for disposition within the Total Army Analysis force structure process.

Now on pp. 15-16.

- o **FINDING F: Unaligned Units Might Be Candidates for Deactivation or Reorganization.** The GAO observed that, had the information about the 116 or so unaligned units been known, the Army might have concluded some were excess and considered the units as candidates for deactivation in conjunction with recent decisions made on the Army draw down of forces. The GAO also observed that the Army might have wanted to reorganize the units to other unit types to meet force shortages. The GAO pointed out that, illustrative of the funds that were spent to retain units not having a CAPSTONE alignment, are a National Guard special operations aviation battalion and a transportation company. The GAO reported that the aviation battalion, created in 1986, had 385 soldiers assigned and an FY 1991 budget of \$7.6 million --while the transportation company, created in 1971, had 215 soldiers assigned and an FY 1991 budget of about \$2.3 million. (pp. 20-21/GAO Draft Report)

Now on p. 16.

DOD RESPONSE: Concur.

- o **FINDING G: Unaligned Units Probably Cost Millions.** The GAO found that it costs approximately \$18,000 a year for each Reserve soldier and \$62,000 for an Active soldier. On the basis of the costs and the personnel strength of the 116 unaligned units identified by Forces Command, the GAO estimated that it cost the Army more than \$521 million to retain those units since 1989.

The GAO concluded it is essential that the Army have an effective means to ensure its forces consist only of those units needed to support theater commanders' war plans. The GAO asserted that, to do so, will require establishing a link between three key processes--(1) war planning, (2) CAPSTONE alignments, and (3) the Total Army Analysis. The GAO reported that, by providing information on unaligned units to offices involved in the Total Army Analysis, the Army would be able to decide whether unaligned units are excess. The GAO pointed out that the Army might want to deactivate or reorganize the units to meet other needs and modify its warfighting doctrine, its analysis process, or both--or might determine that its doctrine does not require adjustment and the units should be retained in the force structure. (pp. 21-23/GAO Draft Report)

Now on pp. 16-17.

DOD RESPONSE: Concur. Retaining units no longer needed in the structure is not a prudent use of resources. During periods of great force structure turbulence, however, care must be taken to ensure that units are not disbanded only to determine at a later date that they are needed to fill new requirements. In such cases, reconstitution costs could be even greater.

o **FINDING H: Many Units Do Not Have Wartime Mission Guidance.**

The GAO found that a Forces Command regulation requires wartime commanders to provide mission guidance to units within 90 days of the CAPSTONE alignment (or change); however, because the Army does not record the date the mission guidance is to be provided or the date the event occurs in the Worldwide Military Command and Control System--the Continental U.S. Armies must rely on the units to report on any mission guidance problems. The GAO determined that, in 1991, 461 units--or 13 percent--of the Reserve component units eligible for a CAPSTONE alignment reported to the Continental U.S. Armies that mission guidance had not been received. The GAO noted that the units had been operating without CAPSTONE mission guidance for more than two years, since the last alignments became effective in 1989.

The GAO concluded that the number of units without mission guidance may be understated because (1) one Continental U.S. Army did not have information on units without mission guidance, and (2) there is no assurance that information was submitted by all units in the other four Continental U.S. Armies. The GAO further concluded that the Army did not have data on the extent active units had received mission guidance from their wartime command. The GAO found that, for units having mission guidance, the Continental U.S. Armies could not determine whether it was provided within the 90-day time frame established by the Army. The GAO also found that all but one Continental U.S. Army had requested assistance from higher headquarters in obtaining guidance, and the headquarters forwarded the requests to the appropriate Continental U.S. Army. The GAO observed, however, that the Continental U.S. Armies instructed the units to develop their own guidance.

The GAO also concluded that the absence of specific mission guidance results in units training to generic skills contained in the unit Table of Organization and Equipment mission statement and Army Training and Evaluation Program manuals. The GAO explained that (1) a Table of Organization and Equipment mission statement describes in general terms a unit's wartime mission, and (2) an Army Training and Evaluation Program may contain thousands of tasks that a unit could be called on to perform. The GAO pointed out that the Army recognizes that units cannot achieve and sustain proficiency on every possible wartime task; therefore, the manual specifies that commanders must selectively identify essential wartime tasks. The GAO further concluded that the need to identify critical tasks is especially important for Reserve units, because they have considerably less training time than Active units. (pp. 25-27/GAO Draft Report)

Now on pp. 19-21.

Appendix I
Comments From the Department of Defense

DOD RESPONSE: Concur. The Department agrees that not all units had received mission guidance; however, these units were still able to train.

- o **FINDING I: No Assurance That Units Are Notified of CAPSTONE Alignments.** The GAO found that the Army does not record the dates that units are to be notified of their alignment or the dates that notification is actually given and the Worldwide Military Command and Control System does not readily identify changes that are made to alignments. The GAO observed that, consequently, there is no systematic means to obtain information on whether initial alignment relationships and changes are provided or whether the information is provided timely. The GAO further observed that, if units are not notified of a CAPSTONE alignment, the units are expected to inform the appropriate Continental U.S. Army. The GAO found that, in the absence of units contacting a Continental U.S. Army, it was assumed that units were notified promptly. The GAO concluded that, although Forces Command does not keep data on the frequency or extent of changes--in fact, numerous changes do occur. The GAO found that interim alignment changes result from (1) revised theater commander requirements, (2) changes in the Army force structure, (3) changes in warfighting doctrine, and (4) shifts of major combat forces to reflect changes in the military threat.

The GAO concluded that it is difficult for the Continental U.S. Army to ensure that units are notified of new alignments to identify the changes. The GAO further concluded that, because the Continental U.S. Army must visually review listings of hundreds of CAPSTONE relationships to identify alignment changes, some changes may inadvertently be overlooked. The GAO found that in March 1990, the Second Continental U.S. Army recommended Forces Command add an extra data field to the Worldwide Military Command and Control System to identify alignment changes and their effective dates. The GAO also found that the Second Continental U.S. Army recommended Forces Command separately notify the appropriate Continental U.S. Army of specific changes. The GAO noted, however, that Forces Command did not implement either of those recommendations. (pp. 28-29/GAO Draft Report)

DOD RESPONSE: Concur. U.S. Forces Command's new CAPSTONE Management Information System will provide the capability to record and monitor CAPSTONE alignment data. The system is scheduled to come on-line in 1993.

- o **FINDING J: GAO 1982 Report Identified the Need to Improve the CAPSTONE Information System.** In 1982, the GAO reported (OSD Case 6035) that the CAPSTONE information system

Now on pp. 21-22.

revealed that (1) gaining commands had not contacted many subordinate units, and (2) some units had not received mission guidance. The GAO reported that, at the time, Forces Command did not know what procedures the Continental U.S. Armies were using to monitor the CAPSTONE program--and recommended the Army develop a reporting system that would provide information that could be used to identify and correct CAPSTONE implementation problems.

The GAO pointed out that the DoD--in responding to the report--indicated that the Army did not need to implement an improved management information system for CAPSTONE. The GAO noted the DoD stated that the Army actions to instruct commanders to increase their emphasis on managing the CAPSTONE program and to assign monitoring responsibility to the Continental commanders were sufficient. (pp. 29/GAO Draft Report)

DOD RESPONSE: Partially concur. The Army did, however, modify its program management system subsequent to the 1982 GAO report. The modified program set the Continental United States Army Commanders as the focal point--and subsequently resulted in the creation of a CAPSTONE management information system in 1987, which will come on-line in 1993.

- o **FINDING K: Army is Attempting to Improve the CAPSTONE Information System.** The GAO pointed out that, although neither the Department nor the Army believed that improvements to the CAPSTONE information system were necessary, efforts to improve the Worldwide Military Command and Control System to provide better information to manage CAPSTONE have been ongoing for several years. The GAO concluded that proposed changes now being developed would permit the Army to identify unaligned units and determine if units are being provided with mission guidance and timely notice of CAPSTONE alignment. The GAO noted that Forces Command had approved funds to complete the revised system and expects to have it in place by April 1993.

The GAO reported that the initial Army effort to improve the information system was undertaken in 1985, but that the effort was discontinued because the Army contended that the contractor could not meet the requirements. The GAO noted that Forces Command began another effort to improve the information system in 1987. The GAO observed that numerous changes are being considered--the dates the units are to be notified of their CAPSTONE alignment or alignment changes, and/or provided with mission guidance will be recorded in the information system, along with the actual notification dates. The GAO concluded that the proposed information system would be capable of identifying unaligned units. (pp. 31-32/GAO Draft Report)

Now on pp. 22-23.

Now on p. 23.

DOD RESPONSE: Concur. U.S. Forces Command is developing a new CAPSTONE Management Information System for implementation in April 1993 which will be capable of identifying unaligned units.

- o **FINDING I: CAPSTONE Lacked Adequate Internal Controls.**
The GAO concluded that many of the problems in the CAPSTONE program were due to the lack of adequate internal controls. The GAO added that the Army has never conducted an internal control review of the program and does not have one scheduled until FY 1993.

According to the GAO, the Army placed CAPSTONE under its internal control program in 1987 and also developed a CAPSTONE internal control checklist to ensure that (1) units were being notified of their CAPSTONE alignment and provided with mission guidance, and (2) the CAPSTONE reporting requirements were being met. The GAO found, however, that no checklists have been prepared for CAPSTONE. The GAO found further that the checklist has not been used by program managers because Army officials did not believe material weaknesses existed in the program. The GAO noted that the Army has not scheduled checklists for CAPSTONE to be completed until FY 1993.

The GAO acknowledged that, although the Army has not conducted a formal program assessment of CAPSTONE, it had another control mechanism established to ensure that the program was achieving its objectives. The GAO concluded that this mechanism has not been effective because Forces Command has prepared only two reports since 1988 and neither identified the alignment and mission guidance problems required by the official regulation. (pp. 31-32/GAO Draft Report)

DOD RESPONSE: Concur. The Army placed CAPSTONE under its internal control program in 1987, and also developed a CAPSTONE Internal Control checklist. Compliance with Internal Control Program and use of the Internal Control Review Checklist is re-emphasized in the revised Army Regulation 11-30, CAPSTONE Program. The Internal Control Review Checklist for the CAPSTONE Program has been updated to reflect policy guidance included in the revised Army Regulation 11-30, which requires Commands with CAPSTONE responsibilities to complete the checklist.

Now on pp. 24-25.

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RECOMMENDATIONS

- o **RECOMMENDATION 1:** The GAO recommended that the Secretary of the Army require Forces Command to provide information on unaligned CAPSTONE units to the Deputy Chief of Staff for Operations and Plans headquarters organizations responsible for force planning decisions following the completion of each CAPSTONE alignment process. (p. 23/GAO Draft Report)

Now on p. 18.

DOD RESPONSE: Concur. This requirement has been added to the final draft of Army Regulation 11-30, scheduled for publication in 1993.

- o **RECOMMENDATION 2:** The GAO recommended that the Secretary of the Army require the Deputy Chief of Staff for Operations and Plans to determine if unaligned units are excess to mission requirements--

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- if they are excess, to consider those units for deactivation or reorganization and modify (1) Army doctrine, (2) the Total Army Analysis process, or (3) both to reduce the requirement for those units in the future; and

- if unaligned units are found not to be excess, require the units to be aligned for training purposes. (p. 23/GAO Draft Report)

DOD RESPONSE: Concur. Draft Army Regulation 11-30 requires that U.S. Forces Command, upon completion of the sourcing process, report unaligned units to the Army Deputy Chief of Staff for Operations. Unaligned units will then be identified for disposition within the force structure process.

- o **RECOMMENDATION 3:** The GAO recommended that the Secretary of the Army require U.S. Forces Command to complete and implement the Worldwide Military Command and Control System changes currently being developed. (p. 33/GAO Draft Report)

Now on p. 25.

DOD RESPONSE: Concur. U.S. Forces Command plans to implement a new CAPSTONE Management Information System in April 1993.

Now on p. 25

- o **RECOMMENDATION 4:** The GAO recommended that the Secretary of the Army identify the CAPSTONE program as containing material weaknesses in the next Army annual assurance statement. (p. 33/GAO Draft Report)

DOD RESPONSE: Concur. The Department agrees that current status of the CAPSTONE program warrants disclosure as containing material internal weaknesses.

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