

GAO

Report to Congressional Committees

December 2002

**DEFENSE
INFRASTRUCTURE**

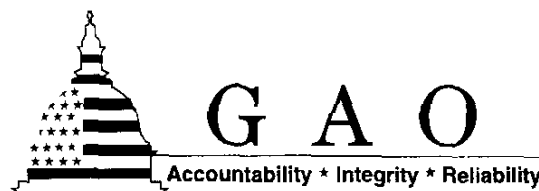
DRAFT

**Changes in Funding
Priorities and
Strategic Planning
Needed to Improve
the Condition of
Military Facilities**

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Highlights of GAO-03-274, a report to Congressional Committees

DEFENSE INFRASTRUCTURE

Changes in Funding Priorities and Strategic Planning Needed to Improve the Condition of Military Facilities

Why GAO Did This Study

GAO prepared this report in response to its basic legislative responsibilities. Its objectives are threefold: (1) to examine the historical funding trends and their impact on the condition of the active forces' facilities, (2) to evaluate the consistency of the services' information on facility conditions, and (3) to assess the Department of Defense's (DOD's) long-term strategic plan and objectives to improve facility conditions. GAO has conducted several studies of DOD's facility program and is currently looking at the management and condition of facilities used by the reserves and unaccompanied personnel.

GAO is recommending that the Secretary of Defense direct the service secretaries to reassess the funding priorities attached to sustaining and improving their facilities. Also, GAO is recommending that the Secretary

- instruct the services to implement a consistent, departmentwide process to assess, rate, and validate facility conditions;
- revise DOD's facilities strategic plan to include detailed information on specific actions, time frames, responsibilities, and funding levels;
- clarify DOD's guidance by specifying the organizational level at which its stated objectives should be achieved; and
- direct the services to develop comprehensive performance plans.

www.gao.gov/cgi-bin/getrpt?GAO-03-274.

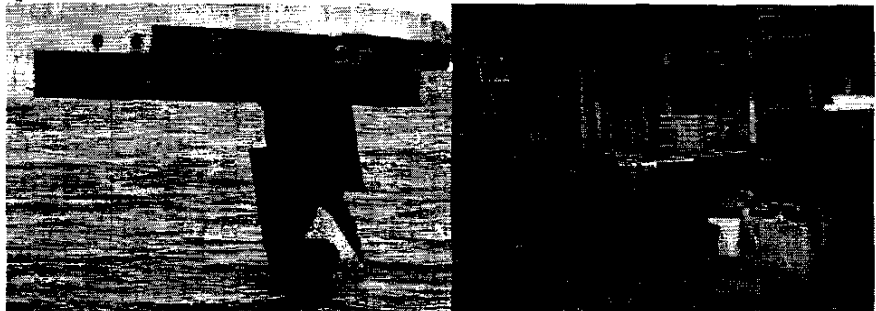
To view the full report, including the scope and methodology, click on the link above. For more information, contact Barry W. Holman at (202) 512-8412.

What GAO Found

While the amount of money the active forces have spent on facility maintenance has increased recently, DOD and service officials said these amounts have not been sufficient to halt the deterioration of facilities (e.g., airfields, piers, offices, and child development centers). Too little funding to adequately maintain facilities is also aggravated by DOD's acknowledged retention of facilities in excess of its needs. From fiscal year 1998 to 2001, obligations for facility maintenance rose by 26 percent with increases coming from higher annual budget requests, congressional designations that exceeded those requests, supplemental appropriations, and the services' movement of funds to maintenance projects. Funding for military construction also increased during this period. However, military reports and testimonies state that these amounts have been insufficient, and GAO's recent visits to installations document the deteriorated conditions of facilities.

There is a lack of consistency in the services' information on facility conditions, making it difficult for Congress, DOD, and the services to direct funds to facilities where they are most needed and to accurately gauge facility conditions. Although DOD developed a standard rating scale to summarize facility conditions (C-ratings), each service has the latitude to use its own system for assessing conditions, including the types of facility raters and procedures, assessment scopes and frequencies, appraisal scales, and validation procedures.

Although DOD has a strategic plan for facilities, it lacks comprehensive information on the specific actions, time frames, responsibilities, and funding needed to reach its goals. Also, DOD has set up three objectives to improve its facility conditions—to fully fund sustainment, to achieve a 67-year average recapitalization rate by fiscal year 2007, and to improve facility conditions so that deficiencies have limited effects on military mission achievement by fiscal year 2010. However, the services have not proposed to fully fund all the objectives and have developed funding plans to achieve others that have unrealistically high rates of increase during the out-years. At the same time, the services have not developed comprehensive performance plans to implement DOD's vision for facilities.



Source: GAO photographs.

On the left, a pier at Naval Base Coronado, California, has a broken concrete pylon that restricts its use to only foot traffic. On the right, the interior of a shed used for administrative space by vehicle maintenance personnel at Fort Bragg, North Carolina.