

Audit



Report

OFFICE OF THE INSPECTOR GENERAL

**SUPPORTABILITY ISSUES FOR THE
NATIONAL GUARD AND RESERVES**

Report No. 98-020

November 10, 1997

Department of Defense

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November 10, 1997

MEMORANDUM FOR ASSISTANT TO THE SECRETARY OF DEFENSE
(RESERVE AFFAIRS)
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL
MANAGEMENT AND COMPTROLLER)
ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL MANAGEMENT AND COMPTROLLER)
CHIEF, NATIONAL GUARD BUREAU
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: Summary Audit Report on Supportability Issues for the National Guard and
Reserves (Report No. 98-020)

We are providing this audit report for information and use. Because this report contains no findings or recommendations, no written comments were required, and none were received.

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to Mr. James L. Koloshey, Audit Program Director, at (703) 604-8961 (DSN 664-8961) or Mr. Michael E. Simpson, Audit Project Manager, at (703) 604-8972 (DSN 664-8972). See Appendix C for the report distribution. The audit team members are listed inside the back cover.

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Office of the Inspector General, DoD

Report No. 98-020

(Project No. 7AG-0024.00)

November 10, 1997

Supportability Issues for the National Guard and Reserves

Executive Summary

Introduction. We issued five reports since June 1995 that address ways to improve providing systems to National Guard and Reserve Components. The Army National Guard, the Air National Guard, the Naval Reserve, the Marine Corps Reserve, and the Air Force Reserve did not receive support equipment for systems fielded to their respective units. In addition, the Materiel Fielding Teams of the Army received equipment in non-mission-capable condition before sending the equipment to the Army National Guard. This report summarizes the audits and the results of implementing the recommendations in the five reports. Appendix B discusses the reports in detail.

Audit Objectives. The overall audit objectives were to identify supportability issues related to providing equipment to National Guard and Reserve Components and to determine whether prior report recommendations resolved the issues. We also reviewed management controls as they applied to the overall audit objectives.

Audit Results. The 5 reports made 23 recommendations that addressed ways to improve the process by which the National Guard and Reserve Components receive support equipment, spares, and training, and improve the condition of tracked vehicles that were being transferred to National Guard units. The Military Departments took actions to implement 21 of the recommendations in those reports. For example, the Army, the Navy, and the Air Force have issued or plan to issue policies and procedures that will ensure that the National Guard and Reserve Components receive the support equipment, spares, and training necessary to complete their mission. In addition, the Army National Guard is using memorandums of agreement defining the process by which National Guard units are to receive tracked vehicles. The memorandums of agreement state the responsibilities of each party and have improved the transitions of systems being repaired by the Fielding Teams before delivery to the units. However, the National Guard still received the Abrams tank system in non-mission-capable condition, the Avenger missile system was delivered without necessary spares, and the 9 millimeter pistol did not have support equipment. The Army was revising its scope of work to ensure that Abrams tank systems are repaired to avoid future non-mission-capable deficiencies. Also, policies and procedures are in place to require systems to receive the necessary spares and support equipment.

Management Comments. We provided a draft of this report to the addressees on September 30, 1997. Because the report contained no findings or recommendations, comments were not required, and none were received. Therefore, we are publishing this report in final form.

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Part I - Audit Results

Audit Background

The Reserve Components are an important aspect of the total military force because of the downsizing of the Active Forces. As a result, the Reserve Components received numerous weapon systems to ensure combat readiness and capability with their active counterparts. Fielding systems in mission-capable condition, and with the necessary support items to ensure maximum operational capability, is vital.

Audit Objectives

The overall audit objectives were to identify supportability issues related to providing equipment to National Guard and Reserve Components and to determine whether prior report recommendations resolved the issues. We also reviewed management controls as they applied to the overall audit objectives. Appendix B summarizes the prior report findings and recommendations.

Providing Systems to Reserve Components

The 5 reports made 23 recommendations. The recommendations dealt with improving the process by which the Reserve Components receive support equipment, spares, and training. In addition, the reports made recommendations to improve the condition of tracked vehicles being transferred to National Guard units. The Military Departments implemented 21 of the recommendations. We were able to determine that, for 19 of the recommendations, the corrective action had a positive effect. Two recommendations addressing support equipment and redistribution of combat serviceable equipment have been implemented; however, the Navy Reserve units did not receive new systems, so we could not determine the effect that the changes would have had on the redistribution of equipment. The remaining two recommendations addressing training and support equipment were pending implementation as of September 15, 1997. The National Guard was still receiving the Abrams tank system in non-mission-capable condition and the 9 millimeter pistol and Avenger missile systems without the necessary spares and support equipment. The Army was revising its scope of work to ensure that Abrams tank systems are repaired to avoid future non-mission-capable deficiencies. Policies and procedures are now in place that require systems to receive the necessary spares and support equipment.

Improved Procedures for Reserves to Receive Support Equipment and Training

Of the 23 report recommendations, the Army National Guard, the Naval and Marine Corps Air Reserves, the Naval Air Reserve, and the Air National Guard and the Air Force Reserve addressed 4, 2, 15, and 2 recommendations, respectively.

Support Equipment for Army National Guard. The Army took action on four recommendations. The Army National Guard is now using memorandums of agreement when National Guard units are to receive tracked vehicles. For example, the National Guard Bureau strengthened policy and procedures over the transfer of equipment to Army National Guard units by using memorandums

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of agreement to document the duties and responsibilities of the gaining and losing commands. The National Guard Bureau also issued a memorandum to all commands telling them to follow the policies in effect governing fielding the equipment.

Support Equipment for Naval and Marine Corps Air Reserves. For two recommendations, the Navy established procedures to make excess support equipment available to the Naval Air Reserve Force for F/A-18 aircraft. In addition, the Navy changed regulations to include new procedures for the redistribution of combat serviceable equipment. The changes should have a positive effect; however, we were unable to determine whether the changes corrected the problems because the Naval Reserve units did not receive any aircraft during the time of our review.

Naval Air Reserve Training, Manpower, and Support Equipment. The Navy has taken action to implement 13 recommendations on Reservist training; flight engineer shortage; personnel shortage for adversary training; and lack of spare parts and support equipment. The Navy had not completed the two recommendations that dealt with changing a Navy instruction and the Reserves' need for Countermeasures Receiving Sets as of September 15, 1997.

Training and Support Equipment for the Air National Guard and Air Force Reserve. The Reserve Components implemented the two recommendations that they establish additional policies for aircraft conversions for training and support equipment. The Reserve Components completed subsequent conversions of F-16 and KC-135R aircraft with adequate support equipment, and maintenance personnel received the proper training.

Abrams Tank Systems Provided to the Army National Guard

Inspect and Repair Only as Necessary. The Inspect and Repair Only as Necessary (IROAN) program was designed to produce a safe and reliable vehicle able to perform its mission at the least cost. The program is unique and is not intended for general reconditioning of all vehicle parts, components, and assemblies. Various scopes of work are used, depending on the type of tank going through the IROAN program. The specific intent is to inspect and test vehicle reliability of specific assemblies, components, or both, while repairing other parts of the vehicle. Vehicles are assumed to have been maintained according to the standards cited in Technical Manuals 10 and 20.

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Condition of Abrams Tanks. We reviewed 32 M1A1 Abrams tanks that went through the IROAN program at Anniston Army Depot and that were going to be transferred to the Alabama National Guard. According to Fielding Team and Guard records, all 32 tanks had deficiencies causing the tanks to be non-mission capable. Some of the non-missioncapable deficiencies noted by the Fielding Team were the following:

- o the turret drive electronic unit was inoperative,
- o the gunner and commander's control handles were inoperative,
- o the thermal receiver unit was noisy and had dead channels,
- o the turret race ring caused vibration,
- o the elevation manual pump had leaks and was inoperative, and
- o the manual traverse gear box was inoperative.

Materiel Fielding Team. The Program Executive Office for Armored Systems Modernization provides a Materiel Fielding Team (Fielding Team) to transfer the Abrams tank and other systems to Army National Guard locations. In addition, the Program Executive Office is also responsible for planning and coordinating each fielding effort. Furthermore, the Fielding Team ensures that the vehicles are fully mission capable and safe for operation when they are transferred to the gaining unit. The functions of the Fielding Team depend upon the complexity of the system and the support provided. Fielding team actions include the following:

- o deprocessing and assembling equipment,
- o operational check-out,
- o joint inventory with the gaining unit,
- o customer documentation,
- o processing various maintenance forms, and
- o preparing after-action reports.

The Materiel Fielding Plan provides the details of the support before hand-off and is negotiated as part of the Materiel Fielding Plan process.

IROAN Scope of Work. The IROAN scope of work used to repair the M1A1 tanks transferred to the Alabama National Guard was inadequate and did not

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identify and fix deficiencies that caused the tanks to be non-mission capable. The Fielding Team corrected all the deficiencies before transferring the tanks to the Alabama National Guard.

Scope of Work Changes. Personnel from the Fielding Team, the Tank-automotive and Armaments Command, and the Anniston Army Depot personnel held three meetings during April and May 1997 to provide solutions to the problems that the Fielding Team discussed. All parties agreed that each organization had areas that needed improvement. It was further agreed that they all must work together to provide the Alabama National Guard with the remainder of the tanks as soon as possible. An arbitrator made the decisions on unresolved hand-off issues to expeditiously provide the Alabama National Guard with its equipment. All parties agreed that the Tank-automotive and Armaments Command needed to revise its scope of work, the Fielding Team needed to update its checklist, and the depot would update its work instructions to ensure that quality checks are in place. According to the personnel involved, the scope of work should have been received by October 1, 1997. That date is important because the Anniston Army Depot starts receiving the tanks for the IROAN program before going to the Texas National Guard.

Fielding Delayed and Additional Repairs Costs. The 32 Alabama National Guard tanks in the IROAN program cost \$8.3 million to repair. The Anniston Army Depot spent an additional \$2 million in Class IX funds to correct deficiencies that the Fielding Team found after the tanks went through the IROAN program. We were unable to determine how much of the additional cost was from an inadequate statement of work or from work not completed during the initial program. Regardless of cost, the inefficiencies of the program caused the fielding to be delayed and could have caused mobility and readiness problems. Because of plans to revise the scope of work, this report makes no recommendations.

Support Equipment and Spares

The Army Materiel Command uses a concept called total package fielding to field a system. It provides for concurrently fielding a materiel system with all required logistics support. The process is supposed to minimize the logistics burden on the gaining Major Command (in this case, the Army National Guard) during the fielding process. The Deputy Chief of Staff for Logistics is responsible for Army release, fielding, and transfer. The Deputy Chief of Staff for Logistics coordinates with the Deputy Chief of Staff for Operations and Plans; the Assistant Secretary of the Army (Research, Development, and

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Acquisition); and the materiel developer. Total package fielding applies to all systems, including the 9 millimeter pistol system and the Avenger missile system.

Previous Inspector General, DoD, reports state that Army National Guard units were receiving systems without the necessary support equipment or spares. The systems included the Multiple Launch Rocket System, various tactical radios, tracked vehicles, and the 9 millimeter pistol system. We recommended that the Army take steps to ensure that systems are fielded with the proper support equipment. While the Army sent a memorandum to all units reemphasizing the current policies and procedures, in two instances, the Army fielded systems without support items or spares.

9 Millimeter Pistol System. New Mexico and Nevada were still receiving 9 millimeter pistols without ammunition and ammunition pouches and racks, respectively. The 9 millimeter semi-automatic pistol is the newest pistol being distributed to all Army National Guard units. As stated in our earlier report, "Systems Provided to the Army National Guard" (Report No. 95-229), Army National Guard units did not receive support equipment such as holsters and ammunition clips. The condition still exists. The fielding of the 9 millimeter pistol was planned under the total package fielding concept and, as such, should have been fielded with all necessary support items, including ammunition and racks. Policies and procedures are in place dealing with fielding systems such as the 9 millimeter pistol and the Avenger missile systems. However, management needs to ensure that the policies are followed so that the necessary spares and support equipment are fielded with the main system.

Avenger Missile System. The New Mexico National Guard received the Avenger missile system without the necessary spares. However, the Authorized Stockage List (spares) was being maintained by the Kentucky National Guard, which had no Avenger missile systems. Army Missile Command officials stated that Army National Guard headquarters made a decision to store the Authorized Stockage List for New Mexico, Florida, and Ohio in Kentucky. Since we completed our field work, a decision was made by National Guard headquarters to put the Authorized Stockage List in New Mexico. Because action has been taken to get New Mexico its spares, this report makes no recommendation.

Conclusion

The memorandums of agreement have and will facilitate the transfer of equipment. Although the non-mission-capable equipment was transferred, the memorandums of agreement ensured timely solutions. As a result, all parties involved in the transfer are making changes to further improve the process. The Fielding Team for Armored Systems is updating its checklist, the Anniston Army Depot is updating work instructions to ensure quality control, and the Tank-automotive and Armaments Command is updating the scope of work.

Part II - Additional Information

Appendix A. Audit Process

Scope and Methodology

This program results audit was made from February through September 1997, in accordance with the auditing standards issued by the Comptroller General of the United States, as implemented by the Inspector General, DoD. As such, the audit included such tests of management controls as were considered necessary. We reviewed the following five prior Inspector General, DoD, audit reports:

Report No. 97-058, "Providing Aircraft to the Naval Air Reserve Force," December 27, 1996.

Report No. 96-177, "Tracked Vehicle Systems Transferred to the Army National Guard," June 26, 1996; and

Report No. 95-243, "Planning for Conversion of Air National Guard and Air Force Reserve Aircraft," June 21, 1995;

Report No. 95-229, "Systems Provided to the Army National Guard," June 9, 1995;

Report No. 95-171, "Maintenance Support Equipment for Naval and Marine Corps Air Reserves' F/A-18 Aircraft," April 12, 1995;

We reviewed systems fielded to the Reserve Components during FY 1995 through the First Quarter of FY 1997 through the acquisition, transfer, and aircraft conversion process. We reviewed whether the recommendations had been implemented on systems acquired after the audits to ensure that the recommendations resolved the systems supportability issues. The systems are the Abrams tank system, the Bradley Fighting Vehicle system, the Multiple Launch Rocket system, the F-16 Fighter Aircraft system, the KC-135R Aerial Refueler system, the Avenger missile system, the 9 Millimeter Pistol system, and the 155 Millimeter Self-Propelled Howitzer system. We did not use computer-processed data or statistical sampling procedures for this audit.

Contacts During the Audit. We visited or contacted individuals and organizations within the DoD. Further details are available on request.

Management Control Program

DoD Directive 5010.38, "Management Control (MC) Program," August 26, 1996, requires DoD organizations to implement a comprehensive system of management controls that provides reasonable assurance that programs are operating as intended and to evaluate the adequacy of the controls.

Scope of Review of Management Control Program. We reviewed the adequacy of Reserve Components' management controls over the implementation of prior audit recommendations. Specifically, we reviewed Reserve Components' management controls assurance to ensure that they implemented audit finding recommendations. We did not assess the adequacy of management's self-evaluation because we did not identify a material weakness.

Adequacy of Management Controls. Reserve Components' management controls were adequate in that the implementation of the audit recommendations generally improved the systems supportability. Reserve Components ensure that systems are supportable before final acceptance. We identified no material management control weaknesses over the supportability planning of systems acquired after the prior audits.

Appendix B. Summary of Prior Coverage

Inspector General, DoD, Report No. 97-058, "Providing Aircraft to the Naval Air Reserve Force," December 27, 1996.

Part-time C-130T and P-3C Reservists spent about 20 percent of their time taking non-mission-essential courses and did not have time to become fully qualified for operational tasking. In addition, the C-130T and P-3C squadrons had shortages of flight engineers. Furthermore, adversary training for personnel contained deficiencies, and support equipment and spare parts had critical shortages.

The Navy has taken action to meet the intent of 13 of the 15 audit recommendations. The action to change Navy Instruction 1500.22D for training waivers was scheduled to be completed by summer 1997. The Navy had not completed action to satisfy the Reserves' need for Countermeasures Receiving Sets as of September 15, 1997.

Inspector General, DoD, Report No. 96-177, "Tracked Vehicle Systems Transferred to the Army National Guard," June 26, 1996.

Approximately 30 percent of Abrams tanks and Bradley Fighting Vehicles were delivered to Army National Guard locations in a non-mission-capable condition and without all required support equipment. The report made recommendations to require memorandums of agreement to clarify and strengthen the existing controls and to establish a transfer team to facilitate the Army National Guard role in the transfer process.

The Army National Guard is still receiving tracked vehicle systems in non-mission-capable status. However, memorandums of agreement fully address the responsibilities of the gaining and losing units when systems are delivered in non-mission-capable condition. As a result, the Fielding Teams repair the systems before transferring them to the Army National Guard units.

Tests and inspections performed under the IROAN scope of work did not always reveal non-mission-capable deficiencies for Abrams tanks at Anniston Army Depot. The Army has been updating its scope of work to avoid future non-mission-capable deficiencies.

Inspector General, DoD, Report No. 95-243, "Planning for Conversion of Air National Guard and Air Force Reserve Aircraft," June 21, 1995.

Air National Guard and Air Force Reserve units were not adequately equipped and trained for conversion to F-16 and KC-135R aircraft. The report made two recommendations to establish additional policies for aircraft conversions regarding training and support equipment and maintaining a lessons-learned data base for planning aircraft conversions.

The Air National Guard and the Air Force Reserve implemented policies and procedures that met the intent of the recommendations. The Reserve Components completed later conversions of F-16 and KC-135R aircraft with adequate support equipment, maintenance personnel received the proper training, and a lessons-learned data base was implemented.

Inspector General, DoD, Report No. 95-229, "Systems Provided to the Army National Guard," June 9, 1995.

Multiple Launch Rocket Systems and 9 millimeter pistols were provided to units in the Army National Guard without the proper support equipment. The report made the following three recommendations:

- o field the support equipment with the primary system,
- o notify Congress when Dedicated Procurement Program funding is not adequate for support equipment, and
- o complete a viable training plan and fund the HAWK and Chaparral missile systems.

With respect to the first recommendation, the Army National Guard is still receiving equipment without the ancillary support equipment. New Mexico National Guard units fielded 9 millimeter pistols without ammunition, and Nevada units fielded 9 millimeter pistols without ammunition pouches or racks. In addition, New Mexico fielded the Avenger missile system without the Authorized Stockage List. The Army stated that it would notify Congress when Dedicated Procurement Program funds were not adequate, which met the intent of the second recommendation. The third recommendation was resolved by the Army issuing training and funding guidance for the HAWK and Chaparral missile systems.

Appendix B. Summary of Prior Coverage

Inspector General, DoD, Report No. 95-171, "Maintenance Support Equipment for Naval and Marine Corps Air Reserves' F/A-18 Aircraft," April 12, 1995.

Naval Air Systems Command had not adequately planned to equip Naval Air Stations New Orleans and Dallas with maintenance support equipment for intermediate-level maintenance of Air Reserves' F/A-18 aircraft. The report made two recommendations for redistributing excess support equipment and additional regulations for equal distribution of combat-serviceable equipment so that Active and Reserve units have the same priority for mobilization and deployment.

The Department of the Navy has established procedures to make excess support equipment available to the Naval Air Reserve Force Command. In addition, Navy regulations have been changed to include new procedures for redistributing combat serviceable equipment. However, we were unable to determine whether those actions had corrected the problems because the Naval and Marine Corps Reserves did not receive any F/A-18 aircraft during the scope of our review.

Appendix C. Report Distribution

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