

GAO Highlights

Highlights of [GAO-14-768](#), a report to the Committee on Armed Services, House of Representatives

Why GAO Did This Study

DOD anticipates that the drawdown from Afghanistan will be more difficult than that from Iraq due to logistical challenges and the costs of transporting equipment out of landlocked Afghanistan. As of summer 2013, the Army and Marine Corps had substantial amounts of equipment in Afghanistan. The efficiency and effectiveness of equipment disposition decision making can directly affect the total cost of the drawdown.

GAO was asked to review DOD's efforts to execute the drawdown in a cost-effective and efficient manner. GAO examined: (1) the status of DOD's efforts to draw down equipment from Afghanistan and (2) the extent to which DOD has taken steps to create efficiencies and consider costs concerning the return of equipment from Afghanistan. To evaluate these efforts, GAO reviewed documents and data containing approximately 10,000 disposition decisions made over a 12-month period, in addition to interviewing DOD officials in the United States and Afghanistan.

What GAO Recommends

GAO recommends that DOD ensure that the Army and Marine Corps document and review justifications for the return of potentially unneeded items and that transportation costs and other relevant costs be included in disposition decision making. DOD concurred with GAO's recommendations.

View [GAO-14-768](#). For more information, contact Cary Russell at (202) 512-5431 or russellc@gao.gov.

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AFGHANISTAN EQUIPMENT DRAWDOWN

Progress Made, but Improved Controls in Decision Making Could Reduce Risk of Unnecessary Expenditures

What GAO Found

The Department of Defense (DOD) has made some progress in its drawdown of equipment from Afghanistan, but ongoing uncertainties about the future force in Afghanistan could affect progress of the drawdown. Specifically, from October 2012 to October 2013, DOD returned from Afghanistan or destroyed 14,664 vehicles, an average of 1,128 vehicles per month. Future progress toward drawdown goals will depend on equipment turn-in rates, which, in turn, depend on having more information about the post-2014 force level and mission. In addition, over the course of the last 8 months of the above period, the number of vehicles turned in by units for the drawdown averaged 55 percent of what had been forecast. This is because some vehicles that had been forecast for turn-in were instead redistributed to other units in Afghanistan. A senior DOD official stated that units have retained equipment because of uncertainty regarding future operational needs in Afghanistan. Once the post-2014 force level and mission are announced, these vehicle turn-in rates may increase.

DOD has taken some steps to improve efficiencies and manage costs in its Afghanistan drawdown processes. For example, U.S. Central Command amended its drawdown instruction to allow for aggregation of equipment at U.S. ports. According to DOD officials, this will allow for shipment of equipment via rail, resulting in potential savings when compared with trucking costs. However, due to ineffective internal controls, the Army and Marine Corps may be incurring unnecessary costs by returning equipment that potentially exceeds service needs or is not economical to return and repair. Specifically, GAO found the following:

- In a 12-month period, the Army and Marine Corps returned more than 1,000 potentially unneeded vehicles, thereby incurring estimated transportation costs of up to \$107,400 per vehicle, depending on the type of vehicle. DOD guidance indicates that equipment exceeding certain service-approved quantities should not be retained unless economic or contingency reasons support its retention. However, neither the Army nor the Marine Corps documented and reviewed justifications for returning items exceeding these approved quantities. Federal internal control standards state that documentation and review should be part of an organization's management to provide reasonable assurance that operations are effective and efficient.
- The Army and Marine Corps may have returned vehicles that were uneconomical to return and repair because they did not consider transportation costs in making equipment-disposition decisions. DOD guidance states that all costs associated with materiel management, including transportation costs, shall be considered in making best-value decisions throughout the DOD supply chain. When all costs are not included in the decision-making process, there is risk of allowing the return and repair of uneconomical-to-return-and-repair equipment.

This is a public version of a For Official Use Only (FOUO) report GAO issued previously, which omits FOUO information and data such as the schedule of drawdown efforts, numbers of vehicles returned, overall drawdown goals, and some cost information that DOD deemed FOUO.