

## Why GAO Did This Study

The Department of Defense (DOD) operates industrial installations known as depots to maintain, overhaul, and repair its weapon systems and equipment. Depots are crucial to supporting readiness by repairing critical systems and returning them to the warfighter. GAO found in 2019 that the poor condition of depot facilities and equipment contributed to a decline in depot performance. This adversely affected readiness and incurred hundreds of millions in extra costs.

The National Defense Authorization Act for Fiscal Year 2020 included a provision for GAO to assess DOD and service depot improvement plans. This report (1) describes changes to the condition of depot infrastructure since 2017; and evaluates the extent to which (2) the military services address infrastructure challenges, and (3) the DOD depot improvement plan included all required elements. GAO analyzed depot metrics from fiscal years 2016 through 2020 and DOD and service guidance and plans. GAO also interviewed service depot, sustainment, and budget officials.

## What GAO Recommends

GAO recommends that DOD include the missing elements of its infrastructure strategy in a timely manner. DOD concurred. GAO also recommends that DOD annually report minimum investments needed to prevent further infrastructure deterioration. DOD partially concurred and stated it would provide this information via other, currently required actions. However, these actions do not require reporting amounts needed to prevent further deterioration. GAO stands by its recommendation.

View [GAO-22-105009](#). For more information, contact Diana Maurer at (202) 512-9627 or [maurerd@gao.gov](mailto:maurerd@gao.gov).

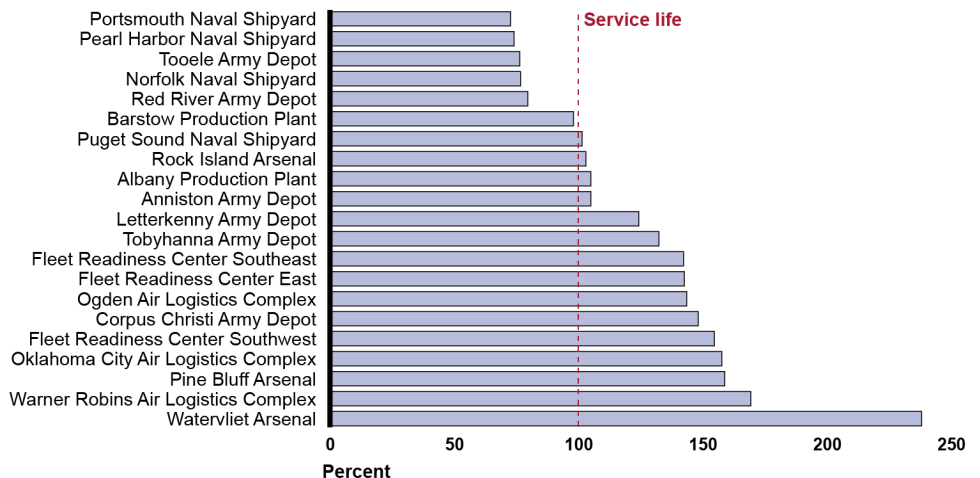
# MILITARY DEPOTS

## DOD Strategy for Addressing Deteriorating Facilities and Equipment Is Incomplete

### What GAO Found

Since fiscal year 2016, the condition of the depots' infrastructure—their facilities and equipment—generally has remained in the fair-to-poor range and has not improved. Though facility condition ratings at some depots have increased, backlogs of facility projects grew by \$3.1 billion. Further, most depot capital equipment remains past its service life (see figure).

**Depot Capital Equipment Age as a Percent of Expected Service Life, FY 2020**



Source: GAO analysis of service equipment age data. | GAO-22-105009

To respond to the depots' infrastructure challenges, the military departments have met statutory investment levels since 2007 and developed improvement plans. In fiscal year 2007, a law was enacted requiring the military departments to invest a minimum amount in their depots every year. The departments have generally met this requirement and have invested \$20 billion in their depots since then. However, the law measures investment by department, which allows some depots to remain under the minimum. For example, the Marine Corps, within the Department of the Navy, first reached the 6 percent level in fiscal year 2018, 11 years after the law was enacted. Further, the services do not report on investment needed to prevent further infrastructure deterioration. The services' improvement plans call for almost doubling investment over fiscal year 2020 levels, but it is too early to tell whether the services will be able to do so.

In 2019, DOD was required by statute to develop a depot infrastructure improvement strategy with three elements: (1) an assessment of depot conditions; (2) a business case analysis of investment scenarios; and (3) a plan to oversee improvements. However, GAO found that DOD's strategy addressed the assessment, but did not include the business case analysis or improvement plan. DOD expects to include the missing elements in future updates. However, officials do not expect the strategy to be fully complete until 2024. Without a completed strategy addressing all mandated elements, DOD will face difficulties in overseeing the services' efforts to address the depots' challenges.