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GOVERNMENT PERFORMANCE AND RESULTS ACT GOALS:
TANK MILES

Report No. D-2001-045

February 7, 2001

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Abstract The Government Performance and Results Act (GPRA) of 1993, Public Law 103-62, was designed to improve Government-wide program effectiveness, Government accountability, and, ultimately, public confidence by requiring agencies to identify measurable annual performance goals against which actual achievements can be compared. This report is one in a series of reports resulting from our audits of GPRA goals. This report discusses the FY 1999 DoD GPRA Performance Measure 1.2.14, "Number of Tank Miles per Year." The goal for that performance measure, 800 tank miles per year, was established as the average level of peacetime activity, including in-field training, combat simulations, and equipment maintenance, needed to achieve wartime proficiency standards. DoD established the "Tank Miles" measure to assess achievement of wartime proficiency standards and to serve as a benchmark for the Army ground forces portion of Performance Goal 1.2, "Maintain Trained and Ready Forces."		
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Acronyms

CATS	Combined Arms Training Strategy
GPRA	Government Performance and Results Act
LOGSA	Logistics Support Activity
NTC	National Training Center
OCONUS	Outside the Continental United States
ODCSOPS	Office of the Deputy Chief of Staff for Operations and Plans
OPTEMPO	Operating Tempo
OUSD(P&R)	Office of the Under Secretary of Defense for Personnel and Readiness
PA&E	Program Analysis and Evaluation
QDR	Quadrennial Defense Review



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February 7, 2001

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE FOR PERSONNEL
AND READINESS

SUBJECT: Audit Report on Government Performance and Results Act Goals: Tank
Miles (Report No. D-2001-045)

We are providing this report for your review and comment. This is one in a series of reports being issued by the Inspector General, DoD, that discusses various performance measures and indicators of the DoD Government Performance and Results Act Performance Report for FY 1999 included in Appendix I of the Secretary of Defense's "Annual Report to the President and the Congress," 2000. We considered management comments on a draft of this report when preparing the final report.

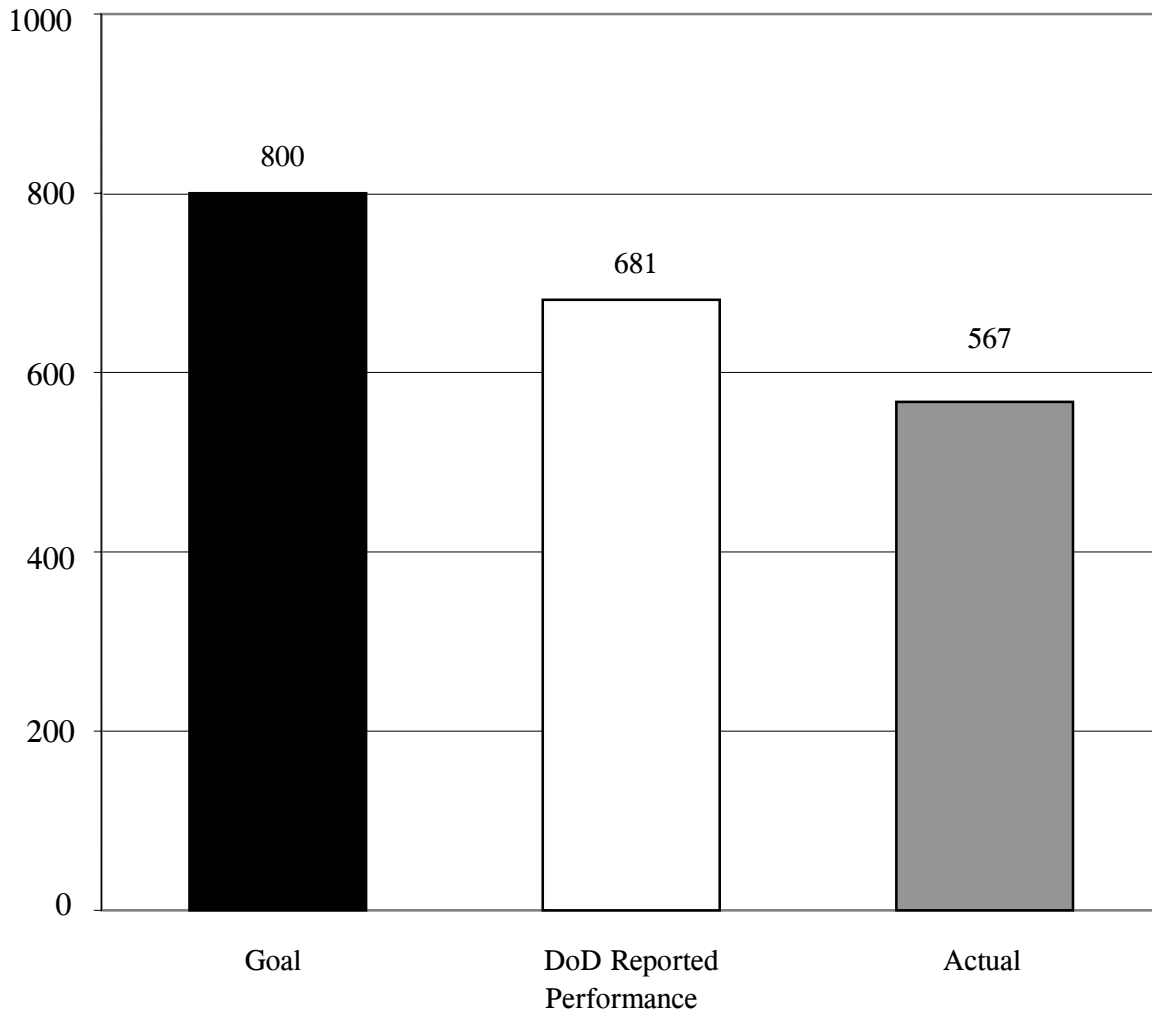
DoD Directive 7650.3 requires that all recommendations be resolved promptly. As a result of the management comments, we revised Findings A and B and Recommendation B, and deleted Recommendation A.3. We request that the Under Secretary of Defense for Personnel and Readiness provide additional comments on Recommendations A.1., A.2., and B. by April 9, 2001.

We appreciate the courtesies extended to the audit staff. For additional information on this report, please contact Mr. Robert M. Murrell at (703) 604-9180 (DSN 664-9180) (rmurrell@dodig.osd.mil) or Ms. Sheela M. Javeri at (703) 604-9188 (DSN 664-9188) (sjaveri@dodig.osd.mil). See Appendix C for the report distribution. The audit team members are listed inside the back cover.

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Deputy Assistant Inspector General
for Auditing

**FY 1999 Government Performance and Results Act
Tank Mile Performance Measure
(in miles)**



Office of the Inspector General, DoD

Report No. D-2001-045

(Project No. D2000LH-0138)

February 7, 2001

Government Performance and Results Act Goals: Tank Miles

Executive Summary

Introduction. The Government Performance and Results Act (GPRA) of 1993, Public Law 103-62, was designed to improve Government-wide program effectiveness, Government accountability, and, ultimately, public confidence by requiring agencies to identify measurable annual performance goals against which actual achievements can be compared.

This report is one in a series of reports resulting from our audits of GPRA goals. This report discusses the FY 1999 DoD GPRA Performance Measure 1.2.14, "Number of Tank Miles per Year." The goal for that performance measure, 800 tank miles per year, was established as the average level of peacetime activity, including in-field training, combat simulations, and equipment maintenance, needed to achieve wartime proficiency standards. DoD established the "Tank Miles" measure to assess achievement of wartime proficiency standards and to serve as a benchmark for the Army ground forces portion of Performance Goal 1.2, "Maintain Trained and Ready Forces."

Objectives. The overall audit objective was to evaluate the DoD tank mile GPRA performance measure, as shown in the Secretary of Defense's "Annual Report to the President and the Congress," 2000 (the Annual Report).

Results. DoD reported 681 tank miles for FY 1999 instead of the 567 M1 *Abrams* tank miles actually driven, on average, in installation-based training. Further, DoD did not fully identify, document, and report the reasons for the 29 percent shortfall in achieving the 800 tank miles goal and the management activities undertaken to improve the ability of DoD to achieve the performance measure (finding A). The existing measure established performance objectives for training-only tank units rather than for the training for the Army's combat arms team. Further, limitations on the use of the "Tank Miles" measure to assess the Army's ground forces were not clearly explained in the Annual Report. As a result, the "Tank Miles" performance measure provided incomplete information on achievement of the performance measure (finding B).

Summary of Recommendations. We recommend that the Under Secretary of Defense for Personnel and Readiness (USD[P&R]) issue guidance establishing the criteria for identifying the type of tank miles to be included in the goal and the number reported; and identify, document, and report the reasons for shortfalls and management activities undertaken to improve the ability of DoD to achieve its tank miles performance measure and more clearly explain limitations on the use of the “Tank Miles” performance measure.

Management Comments. The USD(P&R) agreed that tank miles driven at the National Training Center were erroneously included in the actual numbers for FY 1999 but nonconcurrent that miles driven during deployments (Kuwait and Bosnia) should not be counted toward achievement of the 800-mile performance measure. The USD(P&R) partially agreed to issue guidance establishing the criteria for identifying the type of tank miles to be included in the goal and the number reported and to identify, document, and report the reasons for shortfalls in achieving tank miles and management activities undertaken to improve the ability of DoD to achieve the performance measure. The USD(P&R) disagreed that the DoD use of the “Tank Miles” measure to assess the readiness of the Army’s ground forces is inappropriate. The USD(P&R) stated it was not going to develop a comprehensive measure for the performance goal to maintain trained and ready forces that is representative of Army combat arms training. A discussion of management comments is in the finding sections of the report, and the complete text is in the Management Comments section.

Audit Response. The USD(P&R) comments were partially responsive. The USD(P&R) needs to more fully describe the specific steps taken to issue guidance establishing the criteria for identifying the type of tank miles to be included in the goal and the number reported. Further, USD(P&R) needs to more clearly explain and describe, in the Annual Report, why the goal was not met and the plans and schedules for achieving the established performance goal. Based on USD(P&R) comments, we have revised the finding to clarify our intent that limitations on the use of the “Tank Miles” measure be more fully explained. We request that the USD(P&R) provide additional comments on the recommendations by April 9, 2001.

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Background

This report is one in a series of reports resulting from our audits of Government Performance and Results Act (GPRA) of 1993 goals. This report discusses the FY 1999 DoD GPRA Performance Measure 1.2.14, “Number of Tank Miles per Year.” DoD established the goal for that performance measure, 800 tank miles per year, as the average level of peacetime activity, including in-field training, combat simulations, and equipment maintenance, needed to achieve wartime proficiency standards.

The Government Performance and Results Act of 1993 (Public Law 103-62). GPRA was designed to improve Government-wide program effectiveness, Government accountability, and, ultimately, public confidence by requiring agencies to identify measurable annual performance goals against which actual achievements can be compared. The GPRA requires Federal agencies to prepare strategic plans, annual performance plans, and program performance reports covering the program activities set out in their budgets.

In March 2000, DoD fulfilled its GPRA requirement by publishing a combined performance plan for FY 2001 and performance report for FY 1999 in Appendix I of the Secretary of Defense’s “Annual Report to the President and the Congress,” 2000 (the Annual Report). The Office of the Director, Program Analysis and Evaluation (PA&E) obtains data and prepares the overall GPRA appendix in the Annual Report.

Report of the Quadrennial Defense Review. The May 1997 Report of the Quadrennial Defense Review (QDR) describes the results of a definitive, overarching program evaluation undertaken by the Department. By examining America’s defense needs from 1997 to 2015, the potential threats the nation might face and the strategy, force structure, readiness, infrastructure, and modernization programs needed to cope with them, the QDR provides a blueprint for a balanced and affordable defense program. The May 1997 QDR is the Department’s strategic plan. The strategic plan will remain in effect until revised by the next QDR in 2001, as mandated by Section 402 of the National Defense Authorization Act for FY 2000 (Public Law 106-65). DoD has established two corporate-level goals that form the basis for using GPRA as a management tool, and they serve as strategic goals for the Department.

GPRA Goals and Measures. In its Annual Report, DoD establishes two corporate level goals and eight subordinate performance goals. “Annual performance goals establish a measurable path to incremental achievement of the corporate goals,” states the Annual Plan. “Performance goals are supported and evaluated by quantifiable output, which is assessed using performance measures and indicators.” This audit report addresses Performance Measure 1.2.14, “Number of Tank Miles per Year,” which is one of 15 measures used to assess Performance Goal 1.2. The performance goal states “Maintain ready forces and ensure they have the training necessary to provide the United States with the ability to shape the international security environment and respond to a full spectrum of crises.” Other performance measures for Performance Goal 1.2 are “Flying Hours;” “Number of Steaming Days per Quarter;” and other measures concerning force levels, operating tempo (OPTEMPO) levels, and readiness

indicators. Performance Goal 1.2 is one of three subordinate goals of Corporate Level Goal 1 and states, “Shape the international security environment and respond to the full spectrum of crises by providing appropriately sized, positioned, and mobile forces.”

Tank Miles. The goal established by DoD for Performance Measure 1.2.14 was an average of 800 tank miles driven per tank, per year. In setting the goal, DoD only included installation-based training accomplished in the M1 *Abrams* main battle tank. DoD did not include in the goal training miles from the National Training Center (NTC) or miles driven during contingency operations or exercises outside the continental United States (OCONUS). The Office of the Under Secretary of Defense for Personnel and Readiness (OUSD[P&R]) was designated the primary sponsor for the tank mile goal.

Objectives

The overall objective of the audit was to evaluate the tank mile performance measure, as shown in the Annual Report. Specifically, we assessed the validity of the process, data, and factors used to establish the goal related to tank miles. We evaluated the methods used to accumulate and report the data collected by DoD against that goal. We also reviewed the management control program as it applied to the overall audit objective, which will be discussed in a summary report. See Appendix A for a discussion of the audit scope and methodology and prior coverage related to the audit objectives.

A. Reporting of DoD Tank Mile Goal

DoD reported 681 tank miles for FY 1999 instead of the 567 M1 *Abrams* tank miles actually driven, on average, in installation-based training. Further, DoD did not fully identify, document, and report the reasons for shortfalls in achieving tank miles and the management activities undertaken to improve the ability of DoD to achieve its performance goals. This occurred because DoD did not issue definitive guidance identifying the type of tank miles to be included in the goal and the number of miles to be reported. In addition, DoD did not fully comply with guidance requiring shortfalls in achieving the goal and management activities undertaken to achieve the goal to be documented. As a result, the users of the GPRA information were provided incomplete information on program effectiveness and results.

Recording Process for Tank Miles

The Army used its existing process for the collection and review of tank miles driven to provide to the Army Office of the Deputy Chief of Staff for Operations and Plans (ODCSOPS) the information reported to PA&E for inclusion in the Annual Report. See Appendix B for details on the Army recording process for tank miles.

Reported Tank Miles

DoD reported 681 tank miles for FY 1999 instead of the 567 M1 *Abrams* tank miles actually driven, on average, in installation-based training. The 114-mile overstatement was from types of tank miles other than installation-based training in the M1 *Abrams* tank, which was the only Army weapons system considered when setting the goal.

Performance Measure 1.2.14. DoD considered only installation-based training in the M1 *Abrams* tank when establishing 800 tank miles driven per year as the goal for Performance Measure 1.2.14. The 800-mile goal does not include any noninstallation-based training, such as the tank miles driven at the NTC or tank miles driven during contingency operations in Bosnia and Kuwait. DoD excluded noninstallation-based training, miles driven during contingency operations, and OCONUS exercises when setting the goal because funding for those types of tank miles is separate from installation-based training. Additionally, according to the Army's Combined Arms Training Strategy (CATS), the 800 miles training goal is what a tank unit should accomplish in preparation of a NTC rotation (for more detailed information on Army training levels, see finding B). The objective of the miles accumulated during a NTC rotation (a major combined arms training exercise) is to place the unit at a T-1 training status (ready to deploy).

The Annual Report. In the Annual Report, 681 tank miles were reported for FY 1999. However, the 681 miles included 114 miles that were from

noninstallation-based training (80 miles) and contingency operations (4 miles in Bosnia and 30 miles in Kuwait). Although the Annual Report states that the 681 miles include annual mileage from the NTC, the Annual Report is inconsistent because DoD did not include mileage from the NTC when setting the goal for the tank mile performance measure. Therefore, DoD should have reported 567 tank miles for FY 1999. The 233-mile difference between the goal and what DoD should have reported is a 29 percent shortfall.

However, in our opinion, the tank mile goal could include miles driven for installation-based, NTC, and contingency operations training, regardless of funding sources. That could be accomplished provided that the miles established for the goal were redefined to include those three elements, the performance is measured against this more comprehensive definition, and the training to be measured satisfies Army training standards.

Achieving the Tank Mile Goal

DoD did not fully identify, document, and report the reasons for shortfalls in achieving tank miles and the management activities undertaken to improve the ability of DoD to achieve its performance goals, as required by the GPRA of 1993 and DoD guidance.

Reporting Guidance. The GPRA requires agencies to explain and describe why goals were not met and plans and schedules for achieving the established performance goal. In addition, an Under Secretary of Defense memorandum, “FY 1999 Government Performance and Results Act (GPRA) Performance Report,” June 14, 1999, specified that primary sponsors were responsible for providing to PA&E for inclusion in the Annual Report the rationale for any FY 1999 goals that were not met.

Reasons for Not Meeting the Tank Mile Goal. The Annual Report states, “Due to the diversion of resources to support other Army O&M [Operation and Maintenance] programs, the Department did not fully meet its FY 1999 performance goals for tank miles.” The Annual Report also states that Army shortfalls occurred because the Army had “to divert resources from training to other programs (such as real property maintenance).” The rationale in the Annual Report for not meeting the tank mile goal was diversion of resources. However, ODCSOPS could not readily provide the documentation to specifically identify the 233-mile shortfall. The Army provided us additional reasons, which were not included in the Annual Report, including:

- migration of funds,
- contingency operations,
- reduction in force structure,
- hauling tanks to ranges, and
- mission-capable status of tanks.

Migration of Funds. Army FY 1999 funding for executing the installation-based training was \$2.57 billion. Of that funding, the Army used \$298 million (11 percent) for other purposes. For example, funding was diverted to real property maintenance and base operations. However, ODCSOPS could not readily document or specify what the \$298 million was used for, stating that detailed information could be found at subordinate commands or at the installation level.

Contingency Operations. When the Army participates in contingency operations, planned training may not be accomplished. For example, the Army reported 4 tank miles driven in Bosnia for FY 1999. Had the personnel not been deployed, planned training would have resulted in more tank miles being driven and reported.

Other Issues. Organizational and procedural changes, such as reduction in force structure and hauling tanks to ranges, decrease the number of training tank miles driven. Further, tanks that are not mission capable are not available for training.

Neither OUSD(P&R) nor the Army could quantify the effect each of those issues had on training tank miles driven.

Strategy for Achieving the Goal in the Future. DoD did not fully identify, document, and report the management activities undertaken to improve the ability of DoD to achieve its performance goals. The Annual Report states, "The Army expects to meet its tank-mile goals for FY 2000 by more accurately managing O&M [Operation and Maintenance] accounts, thus reducing the need for funding migration." The Annual Report further states, "No shortfalls are projected for FY 2000, pending receipt of supplemental funding." We do not believe that these statements fully describe management activities undertaken to meet the goal. Further, since DoD did not report and OUSD(P&R) and ODCSOPS did not document training shortfalls, we believe that the lack of documentation of training shortfalls could hamper OUSD(P&R) and the Army in developing necessary steps to achieve the goal in the future.

Conclusion

DoD did not accurately report tank miles actually driven, on average, in installation-based training for FY 1999. Further, DoD did not fully identify, document, and report the reasons for shortfalls in achieving tank miles and the management activities undertaken to improve the ability of DoD to achieve its performance goals. Information provided to PA&E for publication in the Annual Report was insufficient because neither OUSD(P&R) nor the Army had issued definitive guidance identifying the type of tank miles to be included in the goal and the number of miles to be reported. Further, DoD did not fully comply with DoD guidance or guidance provided by the GPRA requiring shortfalls in achieving the goal and management activities undertaken to achieve the goal be documented. As a result, users of the GPRA information were provided incomplete information on program effectiveness and results. OUSD(P&R) should issue guidance identifying the type of tank miles to be reported, reflecting the miles considered in establishing the goal, and require shortfalls in

achieving the goal to be identified and documented to include management activities undertaken to improve the ability of DoD to achieve its performance goals.

Management Comments on the Finding and Audit Response

Management Comments. The USD(P&R) concurred with the finding that tank miles driven at the NTC were erroneously included in the actual numbers for FY 1999 and stated that this will be corrected in the FY 2002 performance plan and FY 2000 performance report. However, USD(P&R) did not concur that miles driven during deployments (Kuwait and Bosnia) should not be counted toward achievement of the 800-mile performance target. USD(P&R) stated that training during rotational deployments is training with an exclusive focus on real-world missions, and clearly does impact on readiness.

Audit Response. The USD(P&R) comments concerning miles driven during deployments are partially responsive. When DoD established the 800-mile goal, the goal included only miles driven for installation-based training and did not include the miles driven at the NTC or miles driven during contingency operations. Also, according to the Army's CATS, the 800-mile training goal is what an M-1 tank unit should accomplish in preparation for an NTC rotation. The miles accumulated during a NTC rotation encompass training requirements above the 800-mile goal and places a unit in a "ready to deploy" status. Further, because of the separate funding for installation-based training and for the NTC training, the DoD excluded the miles driven at the NTC from the 800-mile goal. The same rationale applies for excluding the miles driven in contingency operations because additional funding for the contingency operations is also provided separately. In addition, there is no assurance that the miles driven during contingency operations meet the standards established for installation-based and NTC training. We believe that the tank mile goal could include miles driven for installation-based, NTC, and contingency operations training, regardless of funding sources. That goal could be accomplished provided that the miles established for the goal are redefined to include those three elements, the performance is measured against this more comprehensive definition, and the training to be measured satisfies Army training standards.

Recommendations, Management Comments, and Audit Response

Deleted Recommendations. As a result of management comments, we deleted Recommendation A.3.

A. We recommend that the Under Secretary of Defense for Personnel and Readiness:

1. Issue guidance establishing the criteria for identifying the type of tank miles to be included in the goal and the number reported.

Management Comments. The USD(P&R) partially concurred and stated that the Army has already taken steps to establish consistent reporting criteria to measure tank miles and, therefore, there is no need to impose further guidance.

Audit Response. The USD(P&R) comments are not fully responsive. The USD(P&R) did not describe the specific steps taken by the Army. We request that the USD(P&R) provide more specific comments on the corrective actions.

2. Identify, document, and report the reasons for shortfalls in achieving tank miles and the management activities undertaken to improve the ability of DoD to achieve its performance goals.

Management Comments. The USD(P&R) partially concurred and stated that the Army anticipates improved visibility in the future on the reasons for shortfalls through its Quarterly Performance Review of tank mile execution. In addition, the Army will require greater resolution from Army major commands for their performance results before deciding whether further documentation will be cost effective.

Audit Response. The USD(P&R) comments were not fully responsive. The Army incurred a 233-mile shortfall for installation-based tank training and missed the stated goal by 29 percent. DoD did not clearly explain and describe to the user of the Annual Report why the goal was not met and the plans and schedules for achieving the established performance goal. The GPRA and DoD guidance require that this be done. Further, inability to identify and to document the shortfall prevents the user of the Annual Report in assessing whether DoD has identified the corrective measures for achieving the goal in the future. We request that the USD(P&R) provide additional comments on the recommendation.

B. Measuring the Performance Goal

DoD established the “Tank Miles” measure for assessing the achievement of wartime proficiency standards and to serve as a benchmark for the Army ground forces portion of Performance Goal 1.2, “Maintain Trained and Ready Forces.” The existing measure established performance objectives for training only tank units rather than for the training for the Army’s combat arms team. However, limitations on the use of the “Tank Miles” measure to assess the Army’s ground forces were not clearly explained in the Annual Report. As a result, the “Tank Miles” performance measure provided incomplete information on achievement of the performance measure.

Army Mission

The Army mission is to provide a trained and ready force of appropriate composition to meet the mission requirements of the warfighting commanders in chief. The Army satisfies that requirement by manning, equipping, and training Army forces allocated to the commanders in chief by the National Command Authority.

Quadrennial Defense Review

The QDR does not provide a specific performance goal for Army ground forces. However, the QDR clearly highlights the importance of readiness. The Secretary’s message states, “We need ready forces in a world of sudden events that often will demand that our forces come ‘as you are’ on a moment’s notice.” In Section III, concerning Defense Strategy, states that “U. S. forces, both active and Reserve, must be multi-mission capable, proficient in their core warfighting competencies, and able to transition from peacetime activities and operations to enhanced deterrence in crises, to war.” In Section VI, concerning Force Readiness, states that “Ready forces provide the flexibility needed to shape the global environment, deter potential foes and, if required, to rapidly respond to a broad spectrum of threats. In addition, readiness instills the confidence our people need to succeed in a wide variety of challenging situations. In recent years, DoD policy and budget guidance has explicitly made readiness the top priority.”

Army Combined Arms Training Strategy

The CATS is the Army’s overarching training architecture and provides the framework for structured training development. According to the Army, “CATS will provide standardized, structured training requirements and identify required resources for the planning and execution of training to standard. The task based and truly combined arms strategies will provide the total force with standardized guidance on the frequency of tasks to achieve desired levels of

proficiency while ensuring readiness to meet Mission Essential Task List (METL)¹ requirements.” Thus, the CATS provides the standardized, structured doctrinal training strategies needed to assist commanders in planning, executing, and assessing of training.

Operating Tempo

OPTEMPO is the estimated rate at which a single system or piece of equipment is projected to be reasonably used for all purposes, principally training, during a peacetime year. The rates, stated as upper limits, are expressed in terms of miles per year, hours per year, or other appropriate units of measure. Army headquarters uses OPTEMPO to justify to Congress the training dollars it needs. The Army allocates funding based on the number of units in the total force, thereby establishing the resourced OPTEMPO for each unit. The OPTEMPO needed to achieve the desired training level is 850 miles for a tank battalion and 975 miles for a divisional cavalry squadron. Congress funded Army tank training at 800 miles.

Training Readiness

The 800-mile goal is based on the CATS and on training levels (T-levels). The CATS describes the mission-essential tasks that must be performed to achieve training proficiency at various unit levels. Tank miles are accumulated as the units perform most mission-essential tasks. T-levels indicate the training status of a unit and are a factor in assessing a unit’s ability to perform assigned wartime missions.

Units are assigned a numerical T-level rating based on the number of days they would need to accomplish certain mission-essential tasks in order to be fully trained or deployable. Together, the CATS and the T-level ratings describe the level at which a unit is trained and how many additional training days are required to reach a desired level of training proficiency for deployment. The 681 Army tank miles reported in the Annual Report would translate to the T-2 level. At the T-2 level, 15 to 28 days of training are needed to meet wartime proficiency standards. The following table shows the estimated days of training needed and other information associated with training levels.

Training Levels				
T-Level Rating	1	2	3	4
Estimated Days	0-14	15-28	29-42	43 or more
Average Miles	850	849-548	547-361	360-219
Unit Level	Battalion	Company	Platoon	Crew

¹The Mission Essential Task List is an unconstrained statement of tasks required to accomplish wartime missions.

Describing the Measure

DoD established the “Tank Miles” measure for assessing the achievement of wartime proficiency standards and to serve as a benchmark for the Army ground forces portion of Performance Goal 1.2, “Maintain Trained and Ready Forces. However, limitations on the use of the “Tank Miles” measure to assess the Army’s ground forces were not clearly explained in the Annual Report. The existing measure established performance objectives for training only tank units. The measure does not address training for the other Army combat systems.

We believe that limitations to the measure should be more fully explained in the Annual Report. The discussion should state that the combat arms portion of the CATS (for example, artillery and infantry) is not measured as part of the tank mile goal. Further, it should be cited that tank miles are not a comprehensive measure for Army combat arms training because the tank mile measure relates only to M1 *Abrams* tanks and no other Army combat systems. In addition, it should be noted that tank miles for M-1 *Abrams* tanks equate to only 24 percent of the total OPTEMPO of the Army and do not represent the OPTEMPO for other Army combat units or systems (for example, artillery systems and Bradley fighting vehicles). Finally, it should be discussed that using tank miles as a measure is limited because the process for recording tank miles, as discussed in Appendix C, does not include a correlation between the tank odometer reading and the crew that used the tank and, therefore, does not provide a measure for crew readiness.

Conclusion

The Army has used tank miles as a training tool metric since 1984, and it is an objective, quantifiable, and measurable metric. However, as a metric it is limited to measuring training of tank units and not other Army ground combat systems. We believe that a clear explanation of the performance measure is needed.

Management Comments on the Finding and Audit Response

Revised Finding. As a result of the management comments, we have revised Finding B.

Management Comments. USD(P&R) did not concur with the draft report finding. The tank miles measure is designed to be key high-level indicator, not a comprehensive measure of trained and ready forces. The Army resources training in all units to a level that is consistent with the 800 miles goal for armor units. The Army resourcing model specifies the activity level in nonarmor units that is equivalent to the 800 miles goal for armor units. Focusing on the major combat-system places greater scrutiny on that system, but does not imply that other systems and other types of units are not considered, nor that their resourcing is not tracked by the Army and the Office of the Secretary of Defense.

Audit Response. Based on USD(P&R) comments, we have revised the finding to clarify our intent that limitations on the use of the “Tank Miles” measure be more fully explained.

Recommendation, Management Comment, and Audit Response

Revised Recommendation. As a result of the management comments, we have revised Recommendation B.

B. We recommend that the Under Secretary of Defense for Personnel and Readiness more clearly explain limitations on the use of the “Tank Miles” performance measure in the Secretary of Defense’s “Annual Report to the President and the Congress,” 2001.

Management Comments. The USD(P&R) nonconcurred on the draft report recommendation. Tank miles is representative of Army combined arms training and is not a direct measure of all Army training accomplishments in the full variety of army units and weapons systems included in combined arms training nor is it intended to be. A more comprehensive look at Army training using existing data sources and metrics would require a greatly expanded set of GPRA indicators. USD(P&R) stated that measuring more things in more details would not provide Congress or the public with a clearer picture of the Department’s performance. More comprehensive detail about training and readiness in Army units occurs regularly in other reporting venues, such as the Quarterly Readiness Report to Congress. There is no current evidence that a single overall number that would quantify training accomplishment for all types of Army units combined is achievable.

Audit Response. Based on USD(P&R) comments, we have revised the recommendation to clarify our intent that limitations on the use of the “Tank Miles” measure be more fully explained. We request that the USD(P&R) provide comments on the revised recommendation.

Appendix A. Audit Process

Scope and Methodology

We validated the process for accumulating and reporting the actual data collected by the Army against the FY 1999 tank mile goal. We performed the audit at OUSD(P&R), PA&E, ODCSOPS, the Logistics Support Activity (LOGSA), two Army installations, and other offices responsible for recording Army tank miles. To determine whether accurate data was reported from the field to LOGSA, we selected two Army installations for review. We randomly selected 53 tanks to validate the tank odometer readings. We obtained and reviewed monthly LOGSA reports on odometer readings from January 1999 through March 2000. We compared the actual odometer readings as of March 2000 with the LOGSA reports and determined that 19 of 53 tank odometer readings did not match the LOGSA reports. The discrepancies were attributed to human error and changing of control panels. We reviewed the Army Command Policy memorandum G4-00-06, "OPTEMPO Reporting," January 4, 2000, which outlines procedures for eliminating errors that result from human input and control panel changes. We also reviewed the CATS, the GPRA of 1993, the Annual Report, and other related DoD policies and regulations.

Use of Computer-Processed Data. We relied on computer-processed data from the Army Maintenance Management System (TAMMS) equipment database, the Army Materiel Status System, the Standard Army Maintenance System, and the Unit Level Logistics System-Ground. We did not perform tests of general and application controls to confirm the reliability of the data because the data used from those systems did not materially affect the results of the audit. When reviewed in context with other evidence the conclusions and recommendations in this report are valid.

Universe and Sample. We judgmentally selected two Army sites and used random numbers to select tanks from the unit motor pools, on which we verified the odometer readings. There were 173 tanks total at the two sites; our samples comprised 28 tanks at one site and 25 tanks at the other.

Audit Type, Dates, and Standards. We performed this program audit from March through July 2000 in accordance with auditing standards issued by the Comptroller General of the United States, as implemented by the Inspector General, DoD. Accordingly, we included tests of management controls considered necessary.

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

Management Control Program Review. Our review of management controls over GPRA performance measure goals will be discussed in a summary report upon completion of the current reviews.

Prior Coverage

The General Accounting Office has conducted multiple reviews related to GPRA. This report is one in a series on the Inspector General, DoD, current reviews of GPRA performance measures and indicators. Unrestricted General Accounting Office reports can be accessed over the Internet at <http://www.gao.gov>. Unrestricted Inspector General, DoD, reports can be accessed at <http://www.dodig.osd.mil/audit/reports>.

Appendix B. Recording Process for Tank Miles

The Army used its existing process for the collection and review of tank miles driven to provide the information in the Annual Report. The process consists of data collection, review, and reporting.

Data Collection. Units record tank odometer readings into the Unit Level Logistics System-Ground on a monthly basis. That data is processed by the Standard Army Maintenance System (SAMS) and transferred to LOGSA.

Data Review. LOGSA performs the edit and logic checks for reasonableness of the data, but does not make any changes to the data. LOGSA considers a report of 0-1,000 tank miles driven in a month to be reasonable. LOGSA does not include data outside that range in the averages for that month. LOGSA considers mileage of less than 0 miles or more than 1,000 miles in a month to be the result of human error. Unacceptable odometer readings for any given month do not materially affect the averages for the quarter or the year because when correct readings for the following month are processed, the mile averages are corrected automatically.

Data Reporting. LOGSA forwards the data to the Army Cost and Economic Analysis Center, which computes the actual tank mile averages and reports the results to ODCSOPS. ODCSOPS reviews the compiled tank miles and reports those miles annually to PA&E for the Annual Report.

Process Improvement. During a unit-level site visit, we observed numerous tank odometer readings that were inconsistent with reported mileage. Personnel at the site attributed those inconsistencies to the changing of instrument panels on some tanks and the new odometers reflected different numbers. Site personnel could not provide adequate documentation to support the instrument panel changes. However, on January 4, 2000, the Army issued a memorandum for the purpose of establishing the OPTEMPO recording and reporting procedure. The memorandum covers in detail proper procedures for reporting tank mile data through the Unit Level Logistics System-Ground. One of the procedures requires that if an instrument panel from a tank is replaced, the odometer readings of both the old and the new panels must be recorded. That procedure would help LOGSA reduce the number of records discarded because of invalid odometer readings. When the policies outlined in the memorandum are fully implemented, the problem with replaced odometers will be corrected.

Appendix C. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense (Comptroller)
Deputy Chief Financial Officer
Deputy Comptroller (Program/Budget)
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Under Secretary of Defense for Personnel and Readiness

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Directorate for Operations (J-3)
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Committee on Government Reform
House Subcommittee on National Security, Veterans Affairs, and International
Relations,
Committee on Government Reform

Under Secretary of Defense for Personnel and Readiness Comments



PERSONNEL AND
READINESS

OFFICE OF THE UNDER SECRETARY OF DEFENSE
4000 DEFENSE PENTAGON
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OCT 30 2000

MEMORANDUM FOR DIRECTOR, READINESS AND LOGISTICS SUPPORT
DIRECTORATE, OFFICE OF THE INSPECTOR GENERAL,
DEPARTMENT OF DEFENSE

SUBJECT: DoD Inspector General Draft Audit on Government Performance and Results Act
Goals: Tank Miles (Project No. D2000LH-0318)

At your request, the Office of the Under Secretary of Defense (Personnel and Readiness) has reviewed the draft audit report dated September 5, 2000, on Performance Measure 1.2.14, Number of Tank Miles per Year, as included in the Department's FY 1999 performance report.

Consistent with the requirements of the Government Performance and Results Act (GPRA), the Department has designed its performance plan and report to provide an executive-level overview of how the Secretary of Defense manages performance across the Department to achieve the outcomes required by the defense strategy. The intention is to provide a clear picture, understandable to the non-defense expert, of how the Department is progressing toward achieving performance objectives established by the Quadrennial Defense Review (QDR), which serves as the Department's strategic plan.

The facts in the draft audit report are generally correct, but we do not concur with the conclusion a reader might reasonably reach that GPRA is intended to be the sole venue for reporting DoD performance. We also non-concur with the implication that the tank miles metric is intended to be a comprehensive measure of whether the Army is a trained and ready force. The draft report ignores the key role of the Planning, Programming, and Budgeting System (PBBS) in ensuring the Department's compliance with the management objectives of the 1993 GPRA. In addition, the draft ignores the reality that the tank miles metric is not intended to stand alone, even within GPRA, as the sole measure of Army readiness.

As the Department's performance plan clearly states:

"...The Department closely monitors cross-Service readiness levels to ensure it maintains the capability and flexibility to respond to changing requirements. Two senior management forums—the Joint Monthly Readiness Review (JMRR) and the Senior Readiness Oversight Council (SROC)—conduct these evaluations."

The results of these comprehensive evaluations are reported to Congress in the Quarterly Readiness Report to Congress (QRR). The tank miles metric reported in GPRA is not intended to duplicate or replace these more detailed and all-inclusive evaluations. It is instead intended to give an executive-level measure of one key element of Army training readiness. The tank miles

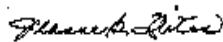


metric is well-established within the Department as providing a summary indication of whether Army training is being resourced and executed at appropriate levels to achieve readiness.

We therefore non-concur with Recommendation B in the audit report, that OUSD(P&R) develop a single comprehensive measure of trained and ready Army forces based on the detailed training strategies for each type of Army unit that together form the combined arms training strategy (CATS). Developing such a single measure is neither practical nor necessary. The Army is, however, striving to improve its measures of training readiness, including a re-design of training readiness reporting in the SORTS system. We monitor and support the Army's efforts to improve their detailed training readiness reporting in SORTS and related venues.

We partially concur with the other findings and recommendations of the draft audit report. Details appear in Attachment A.

A key goal of the GPRA legislation is to increase confidence in government. We will continue to work with the Congress and the DoDIG as we present future GPRA strategic plans, performance plans, and performance reports, so that our GPRA activities reflect a full and effective implementation of the law.



Jeanne B. Fites
Deputy Under Secretary of Defense
(Program Integration)

ATTACHMENT A

Detailed Comments in Response to Draft Audit

Project No. D2000LH-0138

Finding A. Reporting of DoD Tank Mile Goal

OUSD(P&R) concurs with the finding that miles driven at the National Training Center (NTC) were erroneously included in the actual numbers for FY 1999; this will be corrected in the FY 2002 performance plan and FY 2000 performance report. However, actual figures for FY 1998 include NTC mileage since the Army did not change its policy to exclude NTC mileage from its overall tank-mile target of 800 miles until FY 1999. This change in policy will be noted in the FY 2000 performance report.

OUSD(P&R) non-concurs with the finding that tank miles during deployment (Kuwait and Bosnia) should not be counted toward achievement of the 800-mile tank-mile performance target. The Army's expanded involvement in long-term overseas presence warrants counting such mileage toward achieving the performance target. Training during rotational deployments is training with an exclusive focus on real-world missions, and clearly does impact on readiness.

ODUSD(P&R) also non-concurs with the finding that officials responsible for funding and resource decision-making are provided with inconsistent information on Army tank miles. The DoDIG makes an incorrect linkage between the Department's commitment to resource the Army to conduct 800 tank miles, and the level of performance achieved by driving the actual mileage during training events. Specifically, if contingency operations or other events disrupt the Army's training schedule, resources may be diverted to other operations. However, the simple fact that tank miles are not fully executed in no way impacts the resource decision-making process. The Army has testified that it must resource its units for 800 miles to ensure they remain trained and ready. The DPG states the Army will program OPTEMPO funds for forces consistent with 800 tank miles per year for the active component. The 800-mile metric was selected as the DoD-wide management tool because it indicates the commitment of the Secretary and his senior staff to fully supporting the readiness objectives of the Army.

Recommendations A1 through A3

A1. OUSD(P&R) should issue guidance establishing the criteria for identifying the type of tank miles to be included in the goal and number reported. Partially concur. The Army has already taken steps consistent with the DoDIG recommendation to establish consistent reporting criteria to measure tank-miles. We see no reason to impose further guidance at this time. If it becomes apparent in the future that Army actions are insufficient to address the issue, we will reconsider the question of further guidance.

A2. OUSD(P&R) should document reasons for tank miles shortfalls and the corrective management activities that are undertaken. Partially concur. Tank miles shortfalls are decreasing, and at the same time the Army anticipates improved visibility in the future on the reasons for shortfalls through its Quarterly Performance Review of tank-mile execution. The Army will require greater resolution from Army MACOMS for their performance results.

OUSD(P&R) will await the results of these changes before deciding whether further documentation is cost-effective.

A3. *OUSD(P&R) should assess the impact on wartime proficiency when shortfalls occur.*
Non-concur. See third paragraph under "Finding A," above.

Finding B. Measuring the Performance Goal

Non-concur. The draft audit report states the tank mile metric is not sufficiently comprehensive. As previously stated, the tank miles measure is designed to be a key high-level indicator, not a comprehensive measure of trained and ready forces. It is a well-understood indicator within the budgeting (PPBS) process. The Army resources training in all units to a level that is consistent with the 800 tank miles goal for armor units. The Army resourcing model specifies the activity level in non-armor units that is equivalent to the 800 tank miles goal for armor units. Focusing on the major combat system places greater scrutiny on that system, but does not imply that other systems and other types of units are not considered, nor that their resourcing is not tracked by the Army and OSD.

Recommendation B. OUSD(P&R) should develop a comprehensive measure for the Performance Goal 1.2 to maintain trained and ready forces that is representative of Army combined arms training.

Non-concur. The current metric, tank miles, is in fact representative of Army combined arms training. It is not a direct measure of all Army training accomplishments in the full variety of Army units and weapons systems included in combined arms training, nor is it intended to be. It is intended to be a key indicator of the level of Army training, and as such it is appropriate and relevant as a GPRA indicator. A more comprehensive look at Army training using existing data sources and metrics would require a greatly expanded set of GPRA indicators. We do not feel that measuring more things in more details would provide Congress or the public a clearer picture of the Department's performance. Further, more comprehensive detail about training and readiness in Army units occurs regularly in other reporting venues. If instead of multiple measures, the DoDIG auditors envision a single overall number that would quantify training accomplishment for all types of Army units combined, then it must first be established that such a measure is achievable. There is no current evidence that is achievable, nor does the report suggest any reason to think it would be. The Army is sponsoring research at the Rand Corporation's Arroyo Center to study new means of training reporting that may shed more light on the issue.

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Rec. A.3.

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