Report No. DODIG-2025-095

HERITITIES IN THE



## INSPECTOR GENERAL

U.S. Department of Defense

#### MAY 15, 2025



Summary Report: Lessons Learned from DoD OIG Reports on Prepositioned Stocks

INDEPENDENCE \* INTEGRITY \* EXCELLENCE \* TRANSPARENCY





May 15, 2025

#### MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS CHAIRMAN OF THE JOINT CHIEFS OF STAFF UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND SUSTAINMENT UNDER SECRETARY OF DEFENSE FOR PERSONNEL AND READINESS AUDITOR GENERAL, DEPARTMENT OF THE ARMY AUDITOR GENERAL, DEPARTMENT OF THE NAVY AUDITOR GENERAL, DEPARTMENT OF THE AIR FORCE

SUBJECT: Summary Report: Lessons Learned from DoD OIG Reports on Prepositioned Stocks (Report No. DODIG-2025-095)

This summary report is one in a series of reports that summarizes key themes and lessons learned from our body of oversight work in several key areas. We offer these summaries to provide helpful and timely information relevant to DoD priorities. To reduce deployment times and enable timely support during initial phases of an operation, the DoD maintains prepositioned war reserve materiel, comprising equipment and supplies in strategic locations around the globe.

We reviewed DoD OIG audit and evaluation reports from the previous 10 years to identify trends and recurring challenges for prepositioned stocks. Specifically, we identified lessons learned in nine DoD OIG reports issued before May 7, 2025, related to the maintenance, accountability, and storage of prepositioned stocks. These lessons learned may help the DoD to avoid or mitigate issues similar to those we identified in our prior reporting.

The DoD OIG conducts regular oversight of prepositioned stocks operations and reports oversight results in an agile fashion to enable timely action by the DoD. We are providing this report for information and use. We did not make any recommendations; therefore, no management comments are required.

If you have any questions, please contact me at

Ried B. Vurgeny

Richard B. Vasquez Assistant Inspector General for Audit Readiness and Global Operations



## Introduction

The DoD maintains prepositioned war reserve materiel, comprising equipment and supplies, in strategic locations around the globe to reduce deployment response times. Prepositioned war reserve materiel consists of Army and Air Force Prepositioned Stocks, the ashore Marine Corps Prepositioning Program, and the afloat Maritime Prepositioning Force. In this report, we use the term "prepositioned stocks" to refer to prepositioned war reserve materiel. Prepositioned stocks reduce deployment timelines, improve deterrence capabilities, and provide additional combat power for contingency operations. Ensuring that prepositioned stocks are functional and available to meet operational requirements and respond to immediate threats enhances readiness.

We prepared this summary report based on common recurring challenges reported in previous DoD OIG reports to highlight lessons learned related to prepositioned stocks. Responsible DoD officials should consider and implement the lessons learned to increase readiness, enhance operational effectiveness, and improve the provision of combat-ready equipment for military personnel.

#### **Lessons Learned from Past DoD OIG Reports**

We reviewed DoD OIG audit and evaluation reports from the previous 10 years to identify recurring challenges related to prepositioned stocks. Specifically, we identified lessons learned in nine DoD OIG reports issued before May 7, 2025, related to the maintenance, accountability, and storage of prepositioned stocks.<sup>1</sup> The nine reports included 67 recommendations, of which 36 are closed, 22 are resolved and open, and 9 are unresolved.<sup>2</sup> See the appendix for reports reviewed, lessons learned identified by report, and ongoing DoD OIG prepositioned stocks projects.

#### Maintenance, Accountability, and Storage Challenges

Proper maintenance, accountability, and storage of prepositioned stocks is critical to ensure that equipment and supplies are fully mission capable and available for immediate use.<sup>3</sup> Previous DoD OIG reports identified recurring challenges. For example, in one recent report we determined that Army officials did not review invoices and contractor costs before payment and, therefore, did not have assurance that a contractor performed contractually compliant storage, maintenance, and accountability services on prepositioned stocks.<sup>4</sup> Therefore, we recommended a review of invoices totaling \$133.4 million to verify whether contractor-reported costs were allowable, allocable, and reasonable. The recommendation remains resolved and open as of the date of this report.

<sup>&</sup>lt;sup>1</sup> The recurring challenges and lessons learned in this report were limited to the reports and DoD Components we reviewed.

<sup>&</sup>lt;sup>2</sup> Not all 67 recommendations directly relate to the lessons learned in this report. Resolved and open recommendations are recommendations that management has agreed to implement, but for which corrective actions have not been completed. Unresolved recommendations are unresolved because the DoD OIG and DoD officials have not reached an agreement on the report recommendations.

<sup>&</sup>lt;sup>3</sup> Fully mission capable refers to systems and equipment that are safe and operating as designated.

<sup>&</sup>lt;sup>4</sup> Report No. DODIG-2024-083, "Audit of the Army's Management of Army Prepositioned Stock–5 Equipment," May 24, 2024.

As identified in prior DoD OIG reports, to ensure the availability of combat-ready prepositioned stocks, DoD officials should revisit and apply the following lessons learned to prepositioned stocks globally. See Table 2 in the appendix for a list of reports that identified the following lessons learned.

- **Establish and Update Procedures.** DoD officials should specify roles and responsibilities for processes, such as maintaining storage humidity controls, performing inspections and quality reviews, and recording inventories for equipment transfers.
- Validate Maintenance Requirements and Time Frames. DoD officials should develop alternative maintenance schedules for prepositioned stocks that were relocated and methods for exercising equipment, ensure that maintenance plans are complete and accurate, and identify and prioritize past due maintenance for prepositioned stocks.
- **Manage Contract Oversight.** DoD officials should develop and implement surveillance plans and other oversight mechanisms for contractor-completed maintenance and take administrative actions to hold underperforming contractors or procurement and contracting oversight personnel accountable.
- **Conduct Inventories and Account for Equipment.** DoD officials should conduct and retain documentation for 100-percent inventories, retain documentation to account for equipment transfers, identify discrepancies between transfer documents and equipment inventories, and investigate item shortages.
- **Manage Storage Requirements.** DoD officials should monitor and control storage facility humidity levels, maintain and inspect controlled humidity facilities, and assess the overall degree of corrosion at storage locations.

### Conclusion

DoD prepositioned stocks are a critical component of military readiness and enable the rapid deployment and sustainment of military forces. The DoD may not be able to support immediate crisis response if prepositioned stocks are not available and fully mission capable. Inadequate maintenance and storage of prepositioned stocks risks equipment degradation, which reduces readiness and endangers DoD military, civilian, and contractor personnel.

Additionally, the mismanagement of maintenance, lack of contractor oversight, and lack of accountability of prepositioned stocks may lead to wasteful replacement costs, equipment that cannot be issued when needed, and increased risk of loss or theft. DoD officials should consider these lessons learned and take actions to ensure that prepositioned stocks at all global locations are properly maintained, accounted for, and stored so that they are combat-ready when needed.

## Appendix

#### **Reports Reviewed, Lessons Learned, and Ongoing Projects**

We reviewed DoD OIG audit and evaluation reports from the previous 10 years to identify recurring challenges related to prepositioned stocks. Table 1 lists the DoD OIG reports we reviewed to prepare this summary report, and Table 2 lists the reports we reviewed and associated lessons learned. Table 3 lists the ongoing DoD OIG projects related to prepositioned stocks. We are providing the tables as a resource for DoD management. The reports listed in each table contain additional details related to the lessons learned and past challenges the DoD OIG identified. Unrestricted DoD OIG reports can be accessed at <a href="http://www.dodig.mil/reports.html/">http://www.dodig.mil/reports.html/</a>.

Report No.	Title	Issue Date
DODIG-2025-093	Unclassified Summary of Report No. DODIG-2025-093, "Audit of Army Prepositioned Stock"	May 6, 2025
DODIG-2025-081	Unclassified Summary of Report No. DODIG-2025-081, "Audit of U.S. Army Prepositioned Stocks in Belgium and the Netherlands"	March 31, 2025
DODIG-2024-083	Audit of the Army's Management of Army Prepositioned Stock–5 Equipment	May 24, 2024
DODIG-2023-087	Management Advisory: Basic Issue Items and Components of End Items Shortages in the Army's Prepositioned Stock–5 Program	June 15, 2023
DODIG-2023-076	Management Advisory: Maintenance Concerns for the Army's Prepositioned Stock–5 Equipment Designated for Ukraine	May 23, 2023
DODIG-2023-053	Evaluation of Army Pre-Positioned Equipment Issued in Response to Ukraine and the NATO Defense Forces	February 27, 2023
DODIG-2018-152	Management of Army and Marine Corps Prepositioned Stocks in U.S. European Command	September 17, 2018
DODIG-2018-132	Management of Army Equipment in Kuwait and Qatar	June 29, 2018
DODIG-2018-029	Followup Audit: Basic Expeditionary Airfield Resources Support and Repair Spare Kits	November 16, 2017

#### Table 1. Comprehensive List of DoD OIG Reports Reviewed

Source: The DoD OIG.

#### Table 2. Lessons Learned

	Lessons Learned					
Report No.	Establish and Update Procedures	Validate Maintenance Requirements and Time Frames	Manage Contract Oversight	Conduct Inventories and Account for Equipment	Manage Storage Requirements	
DODIG-2024-083	х		Х	х	х	
DODIG-2023-087	Х			х		
DODIG-2023-076	Х					
DODIG-2023-053	Х	X		х		
DODIG-2018-152	Х	Х			х	
DODIG-2018-132	Х	х	Х	х		
DODIG-2018-029				х		

Note: In preparing this summary report, we also reviewed Report Nos. DODIG-2025-081 and DODIG-2025-093; however, those reports contained findings and recommendations that the DoD identified as Controlled Unclassified Information (CUI) that is not releasable to the public. CUI is Government-created or owned unclassified information that allows for, or requires, safeguarding and dissemination controls in accordance with laws, regulations, or Government-wide policies.

Source: The DoD OIG.

#### Table 3. List of Ongoing DoD OIG Projects Related to Prepositioned Stocks

Project No.	Title	Project Announcement Date
D2024-D000RL-0134.000	Audit of DoD's Accountability Controls Over War Reserve Stockpile Allies–Israel Inventory	June 10, 2024
D2023-D000RG-0137.000	Audit of Maintenance and Storage of Marine Corps Prepositioned Equipment and Supplies on Maritime Prepositioning Ships in the U.S. Indo-Pacific Command	July 31, 2023

Source: The DoD OIG.

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