



Highlights of [GAO-03-149](#), a report to the Chairman, Subcommittee on Defense, Committee on Appropriations, House of Representatives

## Why GAO Did This Study

Because of the recent growth in DOD's Selective Reenlistment Bonus Program, the House Appropriations Committee asked GAO to determine (1) the extent to which the services have followed their criteria for managing their programs and (2) whether DOD has provided adequate guidance for and oversight of the program.

## What GAO Recommends

GAO recommends that until DOD issues required program guidance

- the services manage their programs to stay within requested budgets and
- the services adhere to their established guidance. The Army should establish specific guidance for selecting specialties for inclusion in its program.

GAO also recommends that the Secretary of Defense require the Undersecretary for Personnel and Readiness to

- issue an instruction that provides the services with guidance for administering and selecting specialties for inclusion in their Selective Reenlistment Bonus Programs, and
- conduct annual reviews of the services' programs as required by DOD's directive.

## DOD Comments

DOD concurred or partially concurred with our recommendations.

[www.gao.gov/cgi-bin/getrpt?GAO-03-149](http://www.gao.gov/cgi-bin/getrpt?GAO-03-149).

To view the full report, including the scope and methodology, click on the link above. For more information, contact Derek Stewart at (202) 512-5559 or [stewartd@gao.gov](mailto:stewartd@gao.gov).

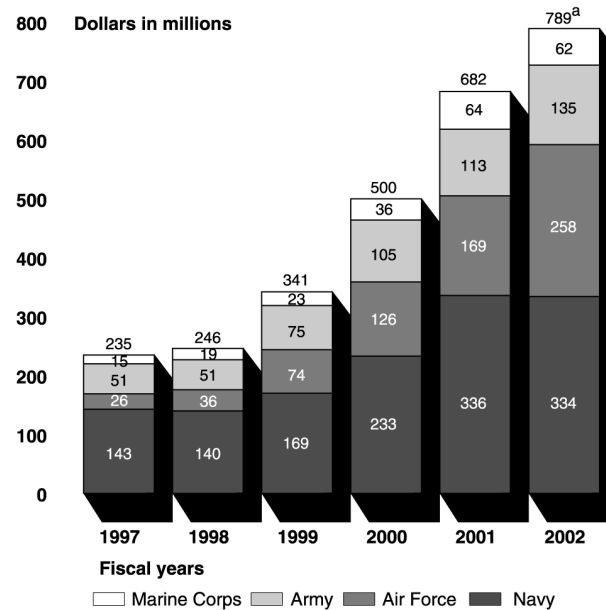
# MILITARY PERSONNEL

## Management and Oversight of Selective Reenlistment Bonus Program Needs Improvement

### What GAO Found

The Navy and Air Force have not used all of the criteria they have established for selecting critical military specialties eligible for bonuses under their Selective Reenlistment Bonus Programs. The Army's guidance does not include specific criteria for selecting critical specialties. Since these services have not used all of their criteria, the number of eligible specialties and the number of enlisted personnel who receive bonuses have expanded. Moreover, the services did not manage their programs to stay within their budgets appropriated by Congress. The Department of Defense's (DOD) budget for the Selective Reenlistment Bonus Program has more than tripled in recent years—from \$235 million in fiscal year 1997 to an estimated \$789 million in fiscal year 2002.

Services' Selective Reenlistment Bonus Program Budgets, Fiscal Years 1997-2002



<sup>a</sup>Current estimate.

Source: DOD's budget justification documents.

Note: The Marine Corps began implementation of lump sum payments in fiscal year 2001.

DOD has not provided adequate guidance for and oversight of its Selective Reenlistment Bonus Program. DOD canceled an instruction that established criteria for selecting specialties for the program. Without this instruction, DOD cannot be sure that the program is being implemented as intended. Also, DOD has not reviewed the services' processes for selecting critical specialties or for establishing their corresponding bonus levels, despite requirements to do so annually. Thus, DOD has not ensured that the services are implementing their programs appropriately to help improve short-term retention in critical military specialties.