



Highlights of [GAO-08-866](#), a report to the Subcommittee on Readiness and Management Support, Committee on Armed Services, U.S. Senate

## Why GAO Did This Study

The Department of Defense (DOD) established a goal to achieve total asset visibility over 30 years ago. This initiative aims to provide timely, accurate information on the location, movement, status, and identity of equipment and supplies. To date, the effort has been unsuccessful. GAO was requested to determine (1) the implementation status of the Air Force's business system initiatives to achieve total asset visibility, and whether the Air Force has implemented related best practices, and (2) whether the Air Force's business transformation efforts to achieve total asset visibility are aligned within the Air Force and with DOD's broader business transformation priorities. GAO interviewed Air Force officials and reviewed Air Force documentation to obtain an understanding of the Air Force's system initiatives and strategy for achieving total asset visibility and to identify areas for improvement.

## What GAO Recommends

GAO makes three recommendations to DOD to improve the Air Force's risk management process and system testing related to ECSS and DEAMS, and integration of transformation plans for achieving business transformation and goals, including total asset visibility. DOD concurred with the recommendations and identified specific actions that it will take to implement them.

To view the full product, including the scope and methodology, click on [GAO-08-866](#). For more information, contact Paula M. Rascona at (202) 512-9095 or [rasconap@gao.gov](mailto:rasconap@gao.gov).

## DOD BUSINESS TRANSFORMATION

### Air Force's Current Approach Increases Risk That Asset Visibility Goals and Transformation Priorities Will Not Be Achieved

#### What GAO Found

The Air Force has identified the Expeditionary Combat Support System (ECSS) and the Defense Enterprise Accounting and Management System (DEAMS) as key technology enablers of the Air Force's efforts to transform its logistics and financial management operations and achieve total asset visibility—a key DOD priority.

- ECSS is expected to provide a single, integrated logistics system, including transportation, supply, maintenance and repair, and other key business functions directly related to logistics such as engineering and acquisition. Additionally, ECSS will perform financial management and accounting for the Air Force working capital fund operations. ECSS is expected to be fully operational in fiscal year 2013, and replace about 250 legacy logistics and procurement systems.
- DEAMS is expected to provide the entire spectrum of core financial management capabilities, including collections, commitments/obligations, cost accounting, general ledger, funds control, receipts and acceptance, accounts payable and disbursement, billing, and financial reporting for the Air Force general fund operations. DEAMS is expected to replace seven legacy systems and be fully operational in fiscal year 2014.

GAO identified several areas in which the Air Force had not fully implemented best practices related to risk management and system testing. These findings increase the risk that these business system initiatives will not meet their stated functionality, cost, and milestone goals, thereby limiting the Air Force's efforts to achieve total asset visibility and other DOD business transformation priorities.

Further, key Air Force business transformation strategic plans and documents were not aligned within the Air Force nor with DOD's broader business transformation priorities. While each individual Air Force plan was intended to support the Air Force's business transformation efforts, the plans did not reflect a coordinated effort toward achieving a stated Air Force or DOD goal. For example, neither the Air Force's Military Equipment Accountability Improvement Plan for supporting DOD's military equipment valuation effort, nor the Air Force Logistics Enterprise Architecture Concept of Operations, its key strategic transformation plan for logistics, identified a shared relationship, including metrics, in supporting Air Force and DOD logistics and financial management transformation goals. As a result, neither the Air Force nor DOD will have the performance data needed to oversee efforts intended to improve the Air Force's ability to locate, manage, and account for assets throughout their life cycle.