

Highlights of [GAO-11-84](#), a report to the Subcommittee on Defense, Committee on Appropriations, U.S. Senate

## Why GAO Did This Study

Corrosion costs DOD over \$23 billion annually, affects both equipment and facilities, and threatens personnel safety. DOD has taken steps to improve its corrosion prevention and control (CPC) efforts. These efforts include reorganizing the DOD-wide Corrosion Office and instituting Corrosion Executive positions in each of the military departments. In response to the Senate Appropriations Committee Report accompanying the fiscal year 2010 DOD appropriations bill, GAO evaluated to what extent (1) the Corrosion Executives are involved in preparing CPC project proposals for submission, (2) the Corrosion Office has created a process to review and select projects for funding, and (3) the military departments have validated the return on investment (ROI) for funded projects. GAO also reviewed the process the Corrosion Office uses to determine the CPC activities that it will fund. To carry out this study, GAO observed project selection panel meetings, interviewed corrosion officials, and reviewed documents and project proposals.

## What GAO Recommends

GAO is making recommendations to: 1) improve the oversight of proposals submitted for funding consideration, 2) communicate more clearly the criteria used to select which projects will be funded, and 3) fund and complete ROI validations.

In written comments on this report, DOD disagreed with the first two recommendations and agreed with the third, citing alternatives or differing views. GAO believes the recommendations remain valid.

View [GAO-11-84](#) or key components. For more information, contact Jack Edwards at (202) 512-8246 or [edwardsj@gao.gov](mailto:edwardsj@gao.gov).

## DEFENSE MANAGEMENT

### DOD Has a Rigorous Process to Select Corrosion Prevention Projects, but Would Benefit from Clearer Guidance and Validation of Returns on Investment

## What GAO Found

The acceptance of the military departments' CPC proposals varied relative to the types of projects and nature of review that the military Corrosion Executives required before the proposals were submitted to the Corrosion Office for funding consideration. DOD guidance provides that Corrosion Executives coordinate CPC actions, including submitting corrosion project opportunities. Prior to submitting the proposals for a preliminary evaluation by the Corrosion Office's project selection panel, Army and Navy Corrosion Executives and staffs reviewed proposal summaries and provided feedback to the authors. The Air Force did not perform a review that included pre-submission feedback. Later, during a preliminary evaluation, the Corrosion Office's project selection panel determined that a much higher percentage of Army and Navy proposals were acceptable than those submitted by the Air Force. A selection panel member told us that because the Air Force did not perform a pre-submission review of proposals, deficiencies in those proposals were not corrected prior to the panel's evaluation.

DOD has criteria and a rigorous multistep procedure for evaluating proposals, but some military department stakeholders indicated that this information is not communicated clearly. Previously, GAO noted involving stakeholders helps agencies target resources to the highest priorities. Criteria used for the project selection panel to evaluate proposed projects are not clearly identified in DOD's *Corrosion Prevention and Mitigation Strategic Plan*, and some project managers said that they were unfamiliar with how projects were evaluated. While the Corrosion Office already takes actions, such as providing in-depth feedback to proposals' authors and assembling corrosion experts to participate on the selection panel, unclear communications on some issues could adversely affect authors' abilities to prepare effective project proposals.

The military departments are late in validating ROIs for some completed projects. The *Strategic Plan* suggests that follow-on reviews with validated ROIs are required for completed projects within 3 years after full project implementation. Project managers have completed these reviews for 10 of the 28 implemented projects funded in fiscal year 2005, with 8 of the 10 completed reviews performed by one Army command. Corrosion Executives told GAO that because CPC funding is awarded only for the 2-year project implementation period, they typically do not have funds remaining for validating ROIs after projects are completed. If the ROI validations of completed projects are not performed, the Corrosion Office will not have needed data to adjust project selection criteria in order to invest limited CPC funds in the types of projects with the greatest potential benefits.

The Corrosion Office created Product Teams to implement DOD-wide CPC activities in seven areas. Using volunteers and a budget averaging around \$4.5 million per year, the Teams propose activities, such as determining the costs of corrosion and DOD-wide specifications for CPC products, which are then selected for funding by the Director of the Corrosion Office. The Corrosion Executives are becoming more involved in Team activities.