

did not identify all interchangeable items on hand in base stocks, and (4) in some instances, did not adequately consider the need for establishment or continuance of special stock levels. Also, base supply personnel did not report excess assets on hand to inventory managers and thus precluded the effective redistribution of such assets to bases which might have had a need for them.

We brought our findings to the attention of the Department of Defense and the Department of the Air Force on October 6, 1966. The Deputy for Supply and Maintenance, Office of the Assistant Secretary of the Air Force (Installations and Logistics), in commenting on our draft report, stated that the Air Force, in general, agreed with our findings and recommendations. He pointed out, however, that, at the time of our review, the five bases we visited were supporting forward bases in Southeast Asia where operations were rapidly expanding and that difficulties experienced as a result of this rapid expansion, coupled with eagerness of supply-management personnel to support the war effort, undoubtedly contributed to the temporary overstockage of hi-valu items.

The Deputy for Supply and Maintenance stated that, as a result of our review, the five bases have, as of October 15, 1966, taken action to cancel unneeded hi-valu items on order valued at about \$8 million and to redistribute unneeded hi-valu items on hand valued at over \$5 million. He said that, in accordance with our recommendation that increased surveillance over base activities be exercised by Headquarters, Pacific Air Forces, a new supply improvement program had been initiated for the purpose of ensuring that base supply problems were brought to the attention of the appropriate level of command and that projects had been established to review major areas of supply operations.

We believe that the actions taken by Headquarters, Pacific Air Forces, if effectively pursued on a continuing basis, should help prevent recurrence of the deficiencies.

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REVIEW OF AVAILABILITY OF SELECTED STOCKS OF THE UNITED STATES ARMY IN EUROPE FOR REQUIREMENTS OF OTHER COMMANDS, DEPARTMENT OF THE ARMY

The General Accounting Office has made a review of the availability of selected stocks in Europe to meet the requirements of other commands within the Department of the Army.

Repair parts and electronic components which exceeded requirements in Europe were not redistributed to meet urgent needs in other areas because of weaknesses in the Army's inventory reporting procedures and practices. Our limited review identified combat vehicle repair parts and electronic components, valued at about \$3.2 million, that could have been used to satisfy urgent requirements in the United States and in the Pacific area. The availability of these items, however, had not been reported to the appropriate national inventory control points in the United States, and, in the absence of such information, procurements and repair programs were initiated to meet known requirements.