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BY THE U.S. GENERAL ACCOUNTING OFFICE

Report To The Honorable Barbara Boxer House Of Representatives

Military Medals: Efforts To Expedite Their Distribution To Veterans

The armed forces are responsible for ensuring that former military members receive, upon application, all medals which were earned but never issued and any replacements needed.

A surge of requests for medals in early 1983 resulted in significant delays in issuing the medals. GAO found that this problem has been largely corrected. However, the center that processes requests for medals from all except Army veterans has considered transferring its responsibility for the distribution of medals back to the individual services although they do not have the organizations or procedures in place to immediately perform this function effectively. This could cause additional delays, if implemented.

GAO is recommending that the planned transfer be delayed until potential solutions to the supply problem have been examined by the affected organizations.



128231



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UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

NATIONAL SECURITY AND
INTERNATIONAL AFFAIRS DIVISION

B-219271

The Honorable Barbara Boxer
House of Representatives

Dear Mrs. Boxer:

As requested in your September 26, 1984, letter, we reviewed the armed forces' awards program to determine if corrective actions are needed to improve and expedite the distribution of medals to veterans. The armed forces are responsible for ensuring that former military members receive, upon application, all medals which were earned but never issued and any replacements needed. Medal requests are generally processed by one of two centers: the U.S. Army Reserve Components Personnel and Administration Center, which processes requests from Army veterans, and the National Personnel Records Center (part of the National Archives and Records Administration), which processes requests from all other veterans.

In 1983, both centers received an increased number of requests for medals because two magazine articles gave the program national publicity. The centers experienced long delays in responding to these requests because they initially lacked sufficient personnel and medal supplies. However, they eventually acquired the needed additional resources so that their backlogs were substantially reduced by August 1985.

Most requests are now being processed promptly; however, we have identified the potential for future delays unless planned changes are deferred. The Records Center has been planning to take steps to transfer its responsibility for the distribution of medals to the individual services, even though the services are not organized to perform this function effectively. The Records Center has considered taking this action because it attributes past delays primarily to a lack of adequate medals supplies, which are out of its control. The Records Center has to depend on the service awards-program offices to supply it with medals in adequate quantities and in a timely manner.

Since the individual services do not have the organizations or procedures in place to perform this function effectively, we are recommending that the Records Center delay implementing its plans and, together with the Department of Defense, find an acceptable solution to the supply problem.

THE VETERANS' MEDALS PROGRAM

All five branches of the armed forces (Army, Navy, Air Force, Marine Corps, and Coast Guard) have an awards program which includes medals awarded (1) in recognition of heroism, meritorious achievement, or meritorious service (decorations); and (2) for honorable performance of specified duty, usually during war or periods of national emergency (service medals).

Each of the branches of the armed forces is authorized and directed by law to procure and issue medals free to its active and former members who are entitled to them; and to replace medals which have been lost, destroyed, or rendered unfit for use without fault or neglect on the part of the owner.

Ideally, the armed forces present medals to their members while they are still in the military. However, medals are sometimes not available until after members have separated. For example, four World War II service medals (the American Campaign Medal, Asiatic-Pacific Campaign Medal, European-African-Middle Eastern Campaign Medal, and World War II Victory Medal) were not available for issue until several years after the end of the war. By that time, most of the 16 million people who served in World War II were no longer members of the armed forces. Once separated, veterans must apply for the medals.

Present method of processing requests for medals

Medals applications are generally processed by one of two centers, depending on the service affiliation of the requester. The United States Army Reserve Components Personnel and Administration Center, a field operating agency of the Army Adjutant General's office, generally processes applications by Army veterans. The National Personnel Records Center, National Archives and Records Administration, generally processes applications from all other veterans. Both the Army and the Archives centers are located in the same building in St. Louis, Missouri.

In the 1960s, when the Records Center was formed, and the armed forces transferred all personnel records of former members to it, the Center was a part of the General Services Administration. However, effective April 1, 1985, Public Law 98-497 established the National Archives and Records Administration as an independent agency. The agency, including the Records Center, is administered under the supervision and direction of the Archivist of the United States.

In processing the applications, both centers first determine medals-entitlement by checking the veteran's official personnel files stored in the same building. In order to locate the personnel file, the veteran's request must include branch of

service, service number, and service dates. A copy of the veteran's discharge form, if available, should accompany each request in order to facilitate the entitlement process. This is especially important for some veterans because a fire at the Records Center in 1973 destroyed millions of Army and Air Force personnel records. If a requester's records were among those burned, the request can be processed, but the centers need documentation to establish that the requester is entitled to the medals.

After determining entitlement, the centers' procedures differ:

- The Administration Center notifies the Army veteran of entitlement, and sends a copy of the authorization to the Army Support Activity in Philadelphia, Pennsylvania, which is responsible for logistics management for troop support materiel. If it has the medals in stock, the Activity mails them directly to the veteran. If it does not have the medals in stock, it requisitions them from the Defense Personnel Support Center (DPSC), which is co-located with it in Philadelphia, and, upon receipt of the medals from DPSC, the Army Support Activity mails them to the veteran.
- The Records Center sends the appropriate medals to the Navy, Air Force, Marine Corps, or Coast Guard veteran if it has the medals in stock. If it does not have the medals in stock, it notifies the veteran and orders a supply of the medals from the Navy, Marine Corps, and Coast Guard awards-program offices in Washington, D.C., or from the Air Force awards-program office at Randolph Air Force Base in Texas. (The Marine Corps and Coast Guard supply only the medals unique to their services; the Navy supplies all their other medals.) These program offices requisition the medals from DPSC and, upon receipt, send them to the Records Center. The Center then sends the medals to the veteran.

DPSC is a Defense Logistics Agency organization which is under the control of the Office of the Secretary of Defense. It is responsible for supply management and contracting for the manufacture of all medals for the armed forces. DPSC stores the medals at a depot in Memphis, Tennessee.

UNANTICIPATED DEMAND
RESULTED IN BACKLOGS

The two centers were deluged by requests for medals after two magazine articles gave national publicity to the medals program. The articles, in Parade Magazine (Dec. 26, 1982) and

U.S. News and World Report (Jan. 17, 1983), described the awards program and made veterans aware that they could order medals that they had not received upon discharge. These articles generated an unexpected surge in veterans' requests for medals, most of these requests being from veterans of World War II.

Because of a lack of sufficient personnel, the centers were unable to handle the increased work load, and about 114,000 applications were backlogged by October 1983. However, by hiring temporary employees and diverting personnel from other duties, both centers were subsequently able to reduce the backlog to about 8,500 by January 31, 1985. Both processing centers are now able to verify and establish medals-entitlements much more promptly.

The Records Center also had a problem in delivering medals to requesting veterans because the Navy and the Air Force delayed sending it the medals it needed. The Marine Corps and the Coast Guard were able to promptly provide all service-unique medals needed by the Records Center.

The Navy attributed its delays in responding to Records Center requisitions to funding problems. In January 1983, the Navy estimated that about \$750,000 was needed to provide medals common to Navy, Marine Corps, and Coast Guard veterans. However, total funding was not made available because of higher priority requirements for ship and aircraft operations and major repair projects. During fiscal years 1983 and 1984, funds in the amount of \$138,000 and \$99,000, respectively, were made available to partially meet the requirement. The remaining funding was not provided until fiscal year 1985. The Navy now has sufficient funds to purchase medals to meet current requirements.

The Air Force attributed delays to DPSC's failure to promptly fill requisitions. However, our analysis of documents pertaining to medals orders showed that the Air Force shared some of the responsibility for the delays. For example, the Records Center requested the Air Force to order medals on September 26, 1983, but the Air Force did not do so until February 15, 1984.

As of August 1, 1985, both the Navy and the Air Force had supplied the Records Center with sufficient quantities of medals to eliminate the backlog of most entitlements awaiting shipment of medals.

In contrast, the Army experienced no major delays in responding to Army veterans' requests. During the 3-month period of December 1984 through February 1985, the Army Support Activity hired 48 temporary employees and shipped medals to about 40,000 veterans. During the period of March through August 1985, the Activity shipped medals to an average of 3,700 veterans a month. Thus, the Activity demonstrated that it has the capacity to make substantially more shipments, if additional personnel are used.

We believe that the major reason for the Army's success is that the Army Support Activity has staff concerned solely with determining medals-stock levels and with ordering, packaging, and shipping medals to Army veterans. The Records Center does not have such a staff. Rather, its medals-distribution function is considered incidental to answering thousands of daily requests for information relating to veterans' training benefits, home loans, employment, and continuing health care.

We believe that another reason the Army has been able to fill medal requests more quickly than the Records Center is that the Army Support Activity has the authority and the funds to purchase medals directly from DPSC. The Records Center has neither.

NATIONAL ARCHIVES' PLAN TO
TURN MEDALS-ISSUANCE FUNCTION
OVER TO THE SERVICES

As a result of continued frustration with supply problems, the Archivist wrote to the Secretaries of the Departments of the Navy, the Air Force, and Transportation in March 1985, requesting each of the services to assume the responsibility for issuing medals to its former members. He said that relying on organizations outside the Archives' control for supplies of medals has blurred public perception and diffused accountability for delays and problems.

The Archivist added that this problem is further complicated by the fact that responsibility for issuing medals was never clearly assigned to the Records Center either by the original agreement in the 1960's or any subsequent agreements between the Archives and the armed services. The Archivist stated that, in the future, the Records Center would retain the verification and entitlement functions since these were clearly related to the Records Center's record-keeping and reference-service responsibilities. He requested each of the services to name an individual as a contact point for the purpose of implementing the new arrangement by September 30, 1985.

The Assistant Secretary of the Navy (Manpower and Reserve Affairs) responded to the Archivist's letter on May 29, 1985. He expressed his belief that transferring the issuance function to the Navy was not in the best interests of either the Archives or the Navy. He added that the Navy would prefer to solve the problems in the existing system rather than go through the upheaval of an organizational change, requiring the transfer of personnel and funds to the Department of the Navy to establish a system to carry out this function. To preclude any further breakdown in its support of the service provided by the Records Center, the Navy promised to provide timely procurement of Navy and Marine Corps medals, both on a routine basis and in special cases.

The Air Force Principal Deputy Assistant Secretary (Manpower, Reserve Affairs, and Installations) responded to the Archivist's letter on July 8, 1985. She stated that, since the Air Force's review of current procedures found the problem to be with DPSC, she did not believe that moving the medals-supply responsibility to the Air Force would solve the problem. The Air Force is considering requesting the Office of the Secretary of Defense to streamline the DPSC process for ordering and shipping medals.

In addition, the Air Force awards-program office is looking into the feasibility of allowing the Records Center to submit its medals requisitions directly to DPSC. This would eliminate the delays incurred in forwarding Records Center medals requests to Randolph Air Force Base and then to DPSC. She said that, once the DPSC process for ordering and shipping medals is streamlined and the Air Force awards-program office has established a direct line between the Records Center and DPSC, the Records Center should be able to receive medals on a timely basis.

The Coast Guard's Chief of the Office of Personnel responded to the Archivist's letter to the Secretary of Transportation on July 15, 1985. He stated that the national publicity given the medals program has not adversely affected the issuance of Coast Guard medals. The Coast Guard continues to provide all Coast Guard-peculiar medals as needed to the Records Center. He maintained that, since separating the responsibility for verification and issuance of medals would require a major overhaul of personnel and financial resources, this change was not in the best interests of the Coast Guard or the Archives.

Despite the services' objections to the Archivist's plan, the Director of the Records Center sent letters to military personnel officials of the Navy, Air Force, and Coast Guard on July 23, 1985, outlining steps he planned to take to transfer the function by September 30, 1985. The Director said that he anticipated forwarding to the services by mid-August 1985 the drafts of procedures and form letters that would be used in medals-entitlement verification. The procedures would include a form letter/order form which could be used by the services for mailing medals to veterans. The Director also said that he planned to begin returning the Center's supply of medals to each of the service's awards-program offices around September 1, 1985, and that he expected that the services could begin issuing medals to veterans by the end of fiscal year 1985. However, as of today, the Records Center had not taken any of these steps.

CONCLUSIONS

Delays in providing medals to veterans created by a surge of requests in early 1983 have been corrected by increased personnel and medals supplies. However, we believe that the Archivist's

plan to transfer the Records Center's medals-issuance function to the services could result in another backlog situation because the affected services do not now have the organizations or procedures in place to perform this function. We believe that the function should not be transferred until other possible solutions to the Records Center's concern over potential future supply problems have been fully considered by all concerned parties.

Several solutions other than the Archivist's proposal seem worthy of consideration. First, all responsibilities for the issuance of medals could be consolidated within the Army or the Defense Logistics Agency. Such consolidation would reduce the number of participants that are now involved in the process. Consolidation within the Army appears feasible since it already has the organizations and systems in operation and the capacity to ship medals, although it would need additional personnel.

A second alternative could be that each of the armed services give the Records Center the authority and resources to purchase medals directly from DPSC. This solution, too, would reduce the number of participants involved.

A third alternative could be to establish Marine Corps, Navy, Air Force, and Coast Guard medals-supply activities similar to those of the Army Support Activity. This solution would transfer the purchase and issuance functions to persons more skilled in supply management than those in the awards-program offices.

RECOMMENDATIONS

We recommend that the Archivist delay the transfer of the medals-issuance responsibility from the Records Center to the services until the concerned parties have fully considered all possible solutions. We also recommend that the Secretary of Defense, in coordination with the Defense Logistics Agency, Army, Navy, Air Force, Marine Corps, and Coast Guard, meet with the Archivist to determine how to best correct the supply problem.

AGENCY COMMENTS

On August 26, 1985, we sent a draft of this report for comment to the Archives and the Departments of Defense and Transportation. All three concurred with our findings and recommendations. The Acting Archivist said that the Records Center has delayed implementing its plan to transfer the medals-issuance function. In his response, he also noted that the Navy has proposed to begin handling medals requests for Navy, Marine Corps, and Coast Guard veterans by December 1, 1985. (See app. I.) This would also include issuance of the medals.

Defense said that it will take the lead in meeting with the Archivist to determine how to correct the supply problem and that it expects to resolve this situation by December 31, 1985. (See app. II.) The Department of Transportation's comments are in appendix III.

OBJECTIVE, SCOPE, AND METHODOLOGY

Our objective was to review the armed forces' awards program to determine if corrective actions are needed to improve and expedite the distribution of medals to veterans. We researched the legislative history to determine the purpose of the awards program. We also examined the military regulations pertaining to decorations and other awards to determine the policies and procedures for implementing the program.

In conducting our review we visited the following organizations:

- Army Reserve Components Personnel and Administration Center, St. Louis, Missouri;
- National Personnel Records Center, St. Louis, Missouri;
- Defense Personnel Support Center, Philadelphia, Pennsylvania;
- Army Support Activity, Philadelphia, Pennsylvania;
- the armed forces' awards-program offices, Washington, D.C.; and
- National Archives and Records Administration, Washington, D.C.

At each organization, we interviewed responsible officials and obtained pertinent documents. At the two St. Louis centers, we also observed the entitlement-verification process. In addition, at the Records Center and at the Army Support Activity, we observed the medals-shipment process.

Our work was conducted from November 1984 through August 1985, in accordance with generally accepted government auditing standards.

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B-219271

Copies of this report are being sent to the Secretaries of Defense, the Army, the Navy, the Air Force, and Transportation; the Archivist of the United States; and other interested parties.

Sincerely yours,

A handwritten signature in cursive script that reads "Frank C. Conahan". The signature is written in dark ink and is positioned above the printed name and title.

Frank C. Conahan
Director



National Archives



Washington, DC 20408

SEP 24 1985

Mr. Warren G. Reed
Director
Information Management & Technology Division
United States General Accounting Office
Washington, D.C. 20548

Dear Mr. Reed:

The following comments are offered on the Draft Report, "Efforts to Expedite the Distribution of Medals to Veterans" (391020):

The Director of the National Personnel Records Center has delayed implementing his plan to transfer the function by September 30, 1985, as recommended in the Draft Report. A three-month, 100% sample is being taken to estimate the number of medals requests received. This data will be available by December 1, 1985.

In the spirit of the Draft Report, the Navy is planning to begin handling medals requests for Navy, Marine Corps, and Coast Guard veterans by the December 1, 1985, date. We are not aware of a coordinated Department of Defense initiative. The Navy, however, has contacted personnel of the U.S. Air Force Manpower and Personnel Center awards and medals activity.

We at the National Archives and Records Administration stand ready to discuss the issue further with appropriate levels in the Department of Defense. We do not, however, want to slow down the initiative of the Navy Department.

Sincerely,

FRANK G. BURKE
Acting Archivist
of the United States
(202) 523-3132



ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301-4000

FORCE MANAGEMENT
AND PERSONNEL

26 SEP 1985

Mr. Frank C. Conahan
Director, National Security and
International Affairs Division
U.S. General Accounting Office
441 G Street, N.W.
Washington, D.C. 20548

Dear Mr. Conahan:

This is the Department of Defense (DoD) response to the General Accounting Office (GAO) draft report entitled, "Efforts to Expedite the Distribution of Medals to Veterans," dated August 26, 1985 (GAO Code 391020/OSD Case 6824).

The Department of Defense concurs with the findings in the report (copy enclosed).

DoD also agrees with the recommendations and will take the lead in meeting with the Archivist to determine how to correct the supply problem. The Department expects to resolve this situation by December 31, 1985.

Sincerely,


Jerry D. Calhoun
ACTG Assistant Secretary of Defense
(Force Management & Personnel)

Enclosure

GAO Note: We have excluded the enclosure because it is a summary of the findings, conclusions, and recommendations included in the report.



**U.S. Department of
Transportation**

Assistant Secretary
for Administration

400 Seventh St., S.W.
Washington, D.C. 20590

OCT 7 1985

Mr. J. Dexter Peach
Director
Resources, Community and Economic
Development Division
U.S. General Accounting Office
Washington, D.C. 20548

Dear Mr. Peach:

Enclosed are two copies of the Department of Transportation's comments concerning the U.S. General Accounting Office draft report entitled "Efforts To Expedite The Distribution Of Medals To Veterans."

We will gladly furnish additional information upon request. If you have any questions concerning our reply, please call Bruce Barkley of my staff on 426-4747.

Sincerely,


Jon H. Seymour

Enclosures

Department of Transportation
Statement on GAO Draft Report

I. Title: Efforts To Expedite The Distribution of Medals To Veterans (391020)

II. Summary of GAO Findings and Recommendations:

- a. The GAO found that the Federal Government experienced delays in responding to an increased number of requests for medals that stemmed from magazine articles appearing in late 1982 and early 1983. Beginning primarily in 1984, increased personnel and supplies of medals were devoted to the veterans' medals program to reduce the backlogs. The GAO also found that the National Archives Personnel Records Center, which processes about 45 percent of medals requests, is currently taking steps to transfer its responsibility for the distribution of medals back to the individual services. The Records Center is taking this action because it has neither the authority nor the funds to purchase medals. The Records Center depends on the service awards program offices to supply it with medals in adequate quantities and in a timely manner.
- b. The GAO recommends that the Archivist delay the transfer of medals-issuance responsibility from its Records Center in St. Louis, Missouri, to the Coast Guard until all possible solutions have been fully considered by the concerned parties. GAO further recommends that the Department of Defense, in coordination with the Defense Logistics Agency, Coast Guard, Navy, Marine Corps, Air Force, and Army meet with the Archivist to determine how to best correct the supply problems experienced by the Records Center.

III. Summary of Department of Transportation Position:

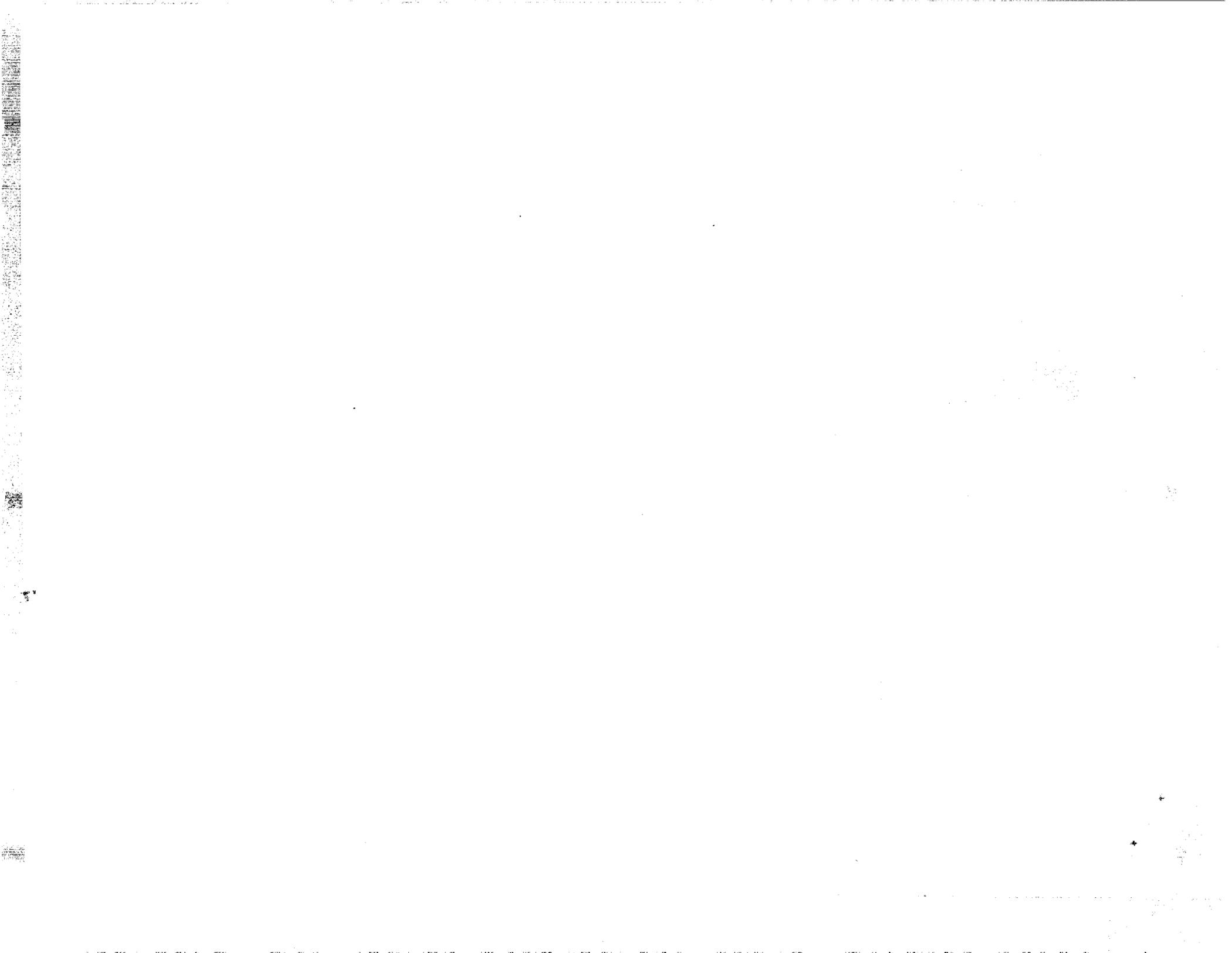
- a. The Coast Guard has provided all Service medals, as needed, to the Navy Liaison Officer at the National Archives Personnel Records Center for issuance to veterans. Department of Defense medals, to which former Coast Guard personnel are entitled, are provided by the Navy. The Coast Guard believes that this procedure, which has been in existence for over 20 years has worked well. . .until the emergence of the magazine articles. However, those problems have been resolved and service to veterans has returned to normal levels.

- 2 -

- b. Maintaining established procedures of verification and issuance of awards is in the best interest of veterans, the Coast Guard and the National Archives. The potential of causing increased delays to veterans would be increased if proposed alternatives, as suggested by the National Archives, are implemented. Additionally, the Archives' proposals would require a major overhaul of Coast Guard personnel and financial resources.

IV. Position Statement: We support the GAO recommendation that the Archivist delay the transfer of the medals-issuance responsibility from its Records Center to the services until all possible solutions have been fully considered.

(391020)





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