



INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
400 ARMY NAVY DRIVE  
ARLINGTON, VIRGINIA 22202-2884



REPORT  
No. 92-066

March 31, 1992

MEMORANDUM FOR ASSISTANT SECRETARY OF THE AIR FORCE (FINANCIAL  
MANAGEMENT AND COMPTROLLER)

SUBJECT: Quick-Reaction Report on Relocation of Technical  
Training Courses from Chanute Air Force Base to  
Sheppard Air Force Base (Project No. 1LB-0050.01)

### Introduction

As part of the Audit of Repair of Weapon Systems Containing Advanced Composite Materials (Project No. 1LB-0050), we reviewed the requirements for the proposed construction of a metals technologies training facility at Sheppard Air Force Base, Texas. The objective addressed in this report was to determine if the proposed construction of the metals technologies training facility represented the most economical and efficient method of accomplishing metals repair training that is currently being provided at Chanute Air Force Base, Illinois.

The new metals technologies training facility is not economically justified because there are other more economical alternatives. The estimated cost of the metals technologies training facility is \$7.9 million. An additional estimated \$4.0 million is being spent to construct supporting student billeting facilities. Prompt action needs to be taken to prevent these unnecessary expenditures.

### Scope of Audit

We reviewed records covering the period from December 1988 through January 1992 documenting the planned transfer of metals repair training courses from Chanute Air Force Base. The records documented the planned construction of a metals technologies training facility at Sheppard Air Force Base. They also included the DoD Interservice Training Review Organization's assessment of the potential for consolidating and collocating this metals repair training at Navy training facilities. This portion of the audit was made from December 1991 through January 1992 in accordance with auditing standards issued by the Comptroller General of the United States for economy and efficiency audits, as implemented by the Inspector General, DoD, and accordingly, included such tests of internal controls as were considered necessary. Activities visited or contacted during the audit are listed in Enclosure 5.

## Background

In December 1988, the Commission on Base Realignment and Closure recommended the closure of Chanute Air Force Base and the relocation of its major units to Sheppard Air Force Base. This included 52 technical training courses being taught at Chanute Air Force Base. In accordance with the Defense Authorization Amendments and Base Closure and Realignment Act and United States Code (U.S.C.), title 10, section 2687, the Secretary of Defense approved this base realignment and closure. Chanute Air Force Base is scheduled to be closed by the end of FY 1993.

The Air Force plans to construct a training complex at Sheppard Air Force Base consisting of three facilities (see Enclosure 1) to provide for part of this technical training. The estimated cost of this complex is \$27.1 million, including \$7.9 million for a metals technologies training facility. The Air Force plans to teach three groups of metals repair training courses (general advanced composite repair, apprentice airframe repair, and nondestructive inspection) in the metals technologies training facility. The bids, responding to Invitation for Bid DACA56-92-B-0003, for constructing the training complex were originally scheduled to be opened on January 23, 1992.

A preliminary assessment performed by the DoD Interservice Training Review Organization concluded that it may be more economical to consolidate and collocate these Air Force metals repair training courses at Navy training facilities offering similar training courses. On January 16, 1992, we requested that the Air Force suspend the source selection for construction of the metals technologies training facility until the results of our audit analysis on the need for the facility was completed. On January 27, 1992, the Assistant Secretary of the Air Force (Financial Management and Comptroller) notified us that the source selection was suspended.

On January 27, 1992, the Air Force awarded contract DACA56-92-C-0024 for \$26.5 million to construct a student billeting complex at Sheppard Air Force Base, consisting of 16 modules to accommodate 1,472 students (92 students per module). This included 225 student spaces for the metals technologies training facility, which represents approximately \$4.0 million (15 percent) of the \$26.5 million.

## Discussion

Consolidation study. In July 1991, the Air Force Air Training Command requested that the DoD Interservice Training Review Organization examine the feasibility of consolidating and collocating some of the Chanute Air Force Base technical training courses with courses taught at other military training facilities. The DoD Interservice Training Review Organization is an ad hoc task force composed of members from each of the Military

Departments. The task force is convened, as needed, to conduct feasibility studies on consolidating and collocating training. The task force's initial review determined that the metals repair training courses were candidates for consolidation and collocation at Navy training facilities offering similar training courses. This included the potential for consolidating and collocating the general advanced composite repair courses with Navy courses provided at LeMoore Naval Air Station, California, and Cecil Field Naval Air Station, Florida. It also included the potential for consolidating the apprentice airframe repair courses and nondestructive inspection courses with Navy courses provided at the Naval Air Technical Training Center, Memphis, Tennessee. The task force recommended that an economic analysis be performed to determine if it would be cost-effective to consolidate and collocate these training courses.

Legal impediments. In September 1991, the Air Force Air Training Command decided not to perform the economic analysis. The decision was based on the Command's understanding that even if it was determined to be more economical to consolidate and collocate these metals repair training courses, the Defense Authorization Amendments and Base Closure and Realignment Act and U.S.C., title 10, section 2687 would preclude it from conducting this training at any location other than Sheppard Air Force Base.

On January 21, 1992, OSD Office of the General Counsel attorneys advised us that there were no legal impediments to consolidating and collocating the courses. Nothing in the Defense Authorization Amendments and Base Closure and Realignment Act and U.S.C., title 10, section 2687 would prohibit this type of economical consolidation and reduction in force structure. Enclosure 3 provides a copy of the OSD Office of the General Counsel opinion supporting this position.

The collocation of metals processing training at Aberdeen Proving Grounds, Maryland, exemplifies the lack of legal impediments to accomplishing economical consolidations. The 1988 Commission on Base Realignment and Closure had recommended that this training be transferred from Chanute Air Force Base to Sheppard Air Force Base. When the Air Force Air Training Command determined that it would be more cost-effective to consolidate this training with similar courses taught at the Aberdeen Proving Grounds, approval was sought from Air Force Headquarters to deviate from the Commission's recommendation. On February 27, 1991, approval was granted. The approval was based on legal guidance and the economic and logistical benefits to be obtained through an interservicing arrangement.

Economic assessment. The metals technologies training facility scheduled for construction at Sheppard Air Force Base is not economically justified. Navy training facilities offering similar training courses have both training space and billeting facilities available to accommodate the Air Force training requirements for the metals repair courses. By consolidating and

collocating this training, the Air Force can save the estimated \$7.9 million to construct the metals technologies training facility and an estimated \$4.0 million to construct supporting student billeting facilities.

**Reductions in Support Costs.** Additional reductions in support costs, principally through a reduction in the number of required instructors, should also be achieved through consolidation and collocation. A comprehensive economic analysis would ensure that these potential additional savings are maximized.

**Equipment and Modifications Costs.** We recognize that additional equipment and modifications will be required at these Navy training facilities to meet unique Air Force requirements. The amount, however, should be minimal. Maximum use of available Navy equipment and equipment that can be economically transferred from Chanute Air Force Base should reduce the need for new equipment. Because of the availability of existing equipment at the Navy training facilities, the requirements and related costs for new equipment should be less than would be required for outfitting a new training facility at Sheppard Air Force Base. Modifications can also be held to a minimum by adopting certain Navy standards, including Navy student billeting standards. A comprehensive economic analysis would ensure that these additional costs are held to a minimum.

### Recommendation

**We recommend that the Commander, Air Force Air Training Command:**

1. Not exercise the option under the contract to be awarded under Invitation for Bid DACA56-92-B-0003 that provides for the construction of a metals technologies training facility at Sheppard Air Force Base.

**Air Force comments.** The draft report recommended that the Commander, Air Force Air Training Command, rescind the decision to award a contract to construct the metals technologies training facility at Sheppard Air Force Base provided for in Invitation for Bid DACA56-92-B-0003. We have revised the draft report recommendation to reflect the Air Force's decision to award a contract that provides for the construction of the metals technologies training facility as an option that may or may not be exercised. Although the Air Force nonconcurred with the draft report recommendation, the Principal Deputy Assistant Secretary of the Air Force (Financial Management) stated that the contract would provide for the construction of the metals technologies training facility as an option that the Air Force may or may not exercise within 180 days after award of the contract. Concern was expressed that there may still be legal impediments to conducting the training at any location other than Sheppard Air Force Base. The Principal Deputy Assistant Secretary requested that we obtain a written opinion from the OSD Office of the General Counsel to clarify this issue. The Principal Deputy

Assistant Secretary stated that construction savings may be available from not constructing the metals technologies training facility, but that this could not be determined until after a site survey of Navy facilities has been accomplished, and the modification or construction needed to accommodate the Air Force is known. The complete text of the Air Force's comments is in Enclosure 2.

**Audit response.** The Air Force's comments to the draft report recommendation are responsive. Enclosure 3 contains a copy of the requested opinion from the OSD Office of the General Counsel that concludes that there are no legal impediments to accomplishing the recommended economical consolidations and reductions in force structure. In light of this legal opinion, and the considerable savings that can be achieved by consolidating and collocating the metals repair training courses, the contract option to construct the metals technologies training facility should not be exercised. We agree, as recommended in Recommendation 3., that a detailed economic analysis, that would include an assessment of any modification or construction costs that may be required to accommodate Air Force training requirements at the Navy training facilities needs to be performed. However, the economic assessment we have already performed, as summarized in this report, has established that the option to consolidate and collocate the training with the Navy will be more cost effective. Based on site visits conducted at the Navy training facilities, the preliminary assessments prepared in September and October 1991 by the DoD Interservice Training Review Organization reached the same conclusion. The need now is to maximize the savings that can be achieved by limiting any modifications or construction changes that may be required at the Navy training facilities to the minimum required to accommodate Air Force requirements. We request that the Air Force provide comments to the final report to specify that this contract option will not be exercised. We also request that the Air Force provide comments on the monetary benefits associated with the recommendation.

**2. Amend contract DACA56-92-C-0024 to delete the construction of student billeting facilities planned for support of the metals technologies training facility.**

**Air Force comments.** The Air Force nonconcurred with the recommendation. The Principal Deputy Assistant Secretary of the Air Force (Financial Management) stated, regarding the potential savings, that it is neither economical nor practical to amend the contract because the billeting facility is already designed and under construction. The Principal Deputy Assistant Secretary proposed as an alternative, that if a final decision is reached not to teach the metals repair courses at Sheppard Air Force Base, to use the additional billeting spaces to house students attending courses that are expected to be transferred from Lowry Air Force Base to Sheppard Air Force Base. The Air Force would then reduce the scope of the billeting facilities it plans to

construct to support the training courses expected to be transferred from Lowry Air Force Base.

**Audit response.** The contract for the construction of the billeting facility had not been awarded when we requested on January 16, 1992, that the Air Force suspend the source selection for the metals technologies training facility. The contract was not awarded until January 27, 1992, the same day that the Assistant Secretary of the Air Force (Financial Management and Comptroller) notified us, in response to our request, that the source selection for the metals technologies training facility had been suspended in order to assess the need for this training facility. We find it incongruous and contradictory that on the same day the Assistant Secretary agreed to suspend the source selection for the construction of the training facility, that the Air Force awarded a contract that included an estimated \$4 million to construct supporting student billeting facilities for this potentially unneeded training facility.

Additional information is needed before we can respond to the acceptability of the Air Force's proposed alternative actions for satisfying the intent of the recommendation. Because of future force reductions, the feasibility and need to reduce cost by consolidating and collocating training courses will expand. The acceptability of the Air Force's proposed alternative action depends on the need for constructing new student billeting facilities for the Lowry training courses. It also depends on whether the estimated savings from reducing the scope of new billeting facilities will match or exceed the savings that can be realized from reducing the scope of the ongoing billeting construction project. Therefore, we request that the Air Force provide additional comments on specific plans, schedule, and estimated costs for constructing additional student billeting facilities for training courses slated to be transferred from Lowry Air Force Base. These plans should show the specific courses to be transferred from Lowry and the schedule for accomplishing the transfer. We also request information on whether plans have fully considered the potential for avoiding the need to construct additional student billeting facilities by consolidating and collocating Lowry courses with existing training courses at other Military Department training facilities.

3. Initiate actions to consolidate and collocate with the Navy the metals repair training courses being taught at Chanute Air Force Base. These actions should include a request that the DoD Interservice Training Review Organization perform a detailed economic analysis to identify the most cost-effective means of accomplishing the consolidation and collocation. This analysis should identify the maximum reductions in support costs, including reductions in requirements for instructors, that can be achieved. It should also identify the minimum equipment procurements and modifications that will be required. We request that

the Air Force agree to provide a copy of this economic analysis to the Office of the Assistant Inspector General for Analysis and Followup.

Air Force comments. The Air Force nonconcurred with the recommendation. The Principal Deputy Assistant Secretary of the Air Force (Financial Management) suggested that the recommendation be revised to include the option of providing the metals repair training at Sheppard Air Force Base, if it is shown to be more cost-effective. The Principal Deputy Assistant Secretary stated that a detailed analysis needed to be performed before the validity of any estimated savings could be determined.

Audit response. We agree with the Air Force's position that the most cost-effective means of providing metals repair training should be adopted. We also agree that a detailed economic analysis needs to be performed to quantify the full extent of savings that can be achieved. However, as stated in our response to Recommendation 1., the macro level economic assessment we have already performed has established that the option to consolidate and collocate the training with the Navy will be more cost-effective. The DoD Interservice Training Review Organization reached the same conclusion as a result of site visits conducted at the Navy training facilities. Our recommended detailed economic analysis should be able to identify additional savings in recurring support costs and reductions in new equipment purchases that can be achieved beyond the \$11.9 million in construction cost savings identified in Recommendations 1. and 2. The preliminary assessment performed by the DoD Interservice Training Review Organization indicates that there should be only a limited need for additional equipment and modifications at these Navy training facilities to accommodate Air Force requirements. The need now is to maximize the savings that can be achieved through this consolidation and collocation. We request that the Air Force reconsider its position and provide further comments on the recommendation and estimated monetary benefits in its response to the final report.

#### Request for Comments

DoD Directive 7650.3 requires that all audit recommendations and monetary benefits be resolved promptly. Therefore, we request that the Air Force provide final comments on the unresolved recommendations and monetary benefits by April 30, 1992. As required by DoD Directive 7650.3, the comments should indicate concurrence or nonconcurrence in the finding and recommendations. If you concur, describe the corrective actions taken or planned, the completion dates for actions already taken, and the estimated dates of completion for planned actions. If you nonconcur, state your specific reasons for each nonconcurrence. If appropriate, you may propose alternative methods for accomplishing desired improvements.

If you nonconcur with the estimated monetary benefits or any part thereof, you must state the amount you nonconcur with and the basis for the nonconcurrency. Estimated benefits are summarized in Enclosure 4. Recommendations and potential monetary benefits are subject to resolution in accordance with DoD Directive 7650.3 in the event of nonconcurrency or failure to comment.

The courtesies extended to the audit staff are appreciated. If you have any questions on this audit, please contact Mr. Dennis E. Payne at (703) 614-6227 (DSN 224-6227) or Mr. James L. Kornides at (703) 614-6223 (DSN 224-6223). Audit team members are listed in Enclosure 6. The distribution of this report is listed in Enclosure 7.

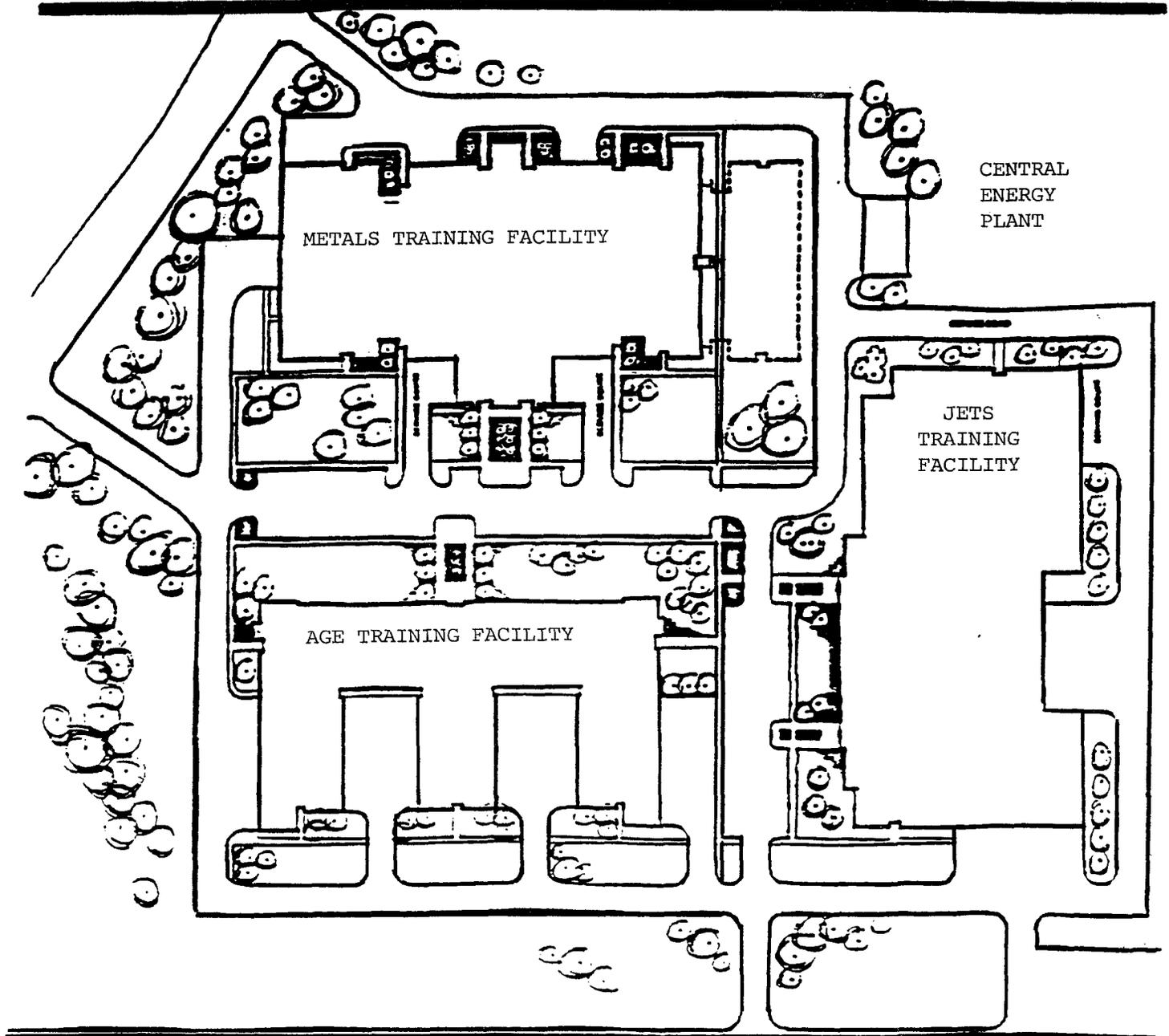


Edward R. Jones  
Deputy Assistant Inspector General  
for Auditing

Enclosures

cc:  
Secretary of the Navy  
Secretary of the Air Force

PLANNED TRAINING FACILITIES AT  
SHEPPARD AIR FORCE BASE





**COMMENTS OF THE PRINCIPAL DEPUTY ASSISTANT SECRETARY OF THE  
AIR FORCE, FINANCIAL MANAGEMENT**



DEPARTMENT OF THE AIR FORCE  
WASHINGTON DC 20330-1000

OFFICE OF THE ASSISTANT SECRETARY

9 MAR 1992

MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL FOR AUDITING  
OFFICE OF THE INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE

SUBJECT: DOD Draft Quick-Reaction Report, "Relocation of  
Technical Training Courses from Chanutte Air Force Base  
to Sheppard Air Force Base (Project No. 1LB-0050.01) -  
INFORMATION MEMORANDUM

This is in reply to your memorandum for Assistant Secretary  
of the Air Force (Financial Management and Comptroller) request-  
ing Air Force comments on the subject report.

The Air Force does not concur with the recommendations of  
the audit report.

The Air Force agrees that a determinant in relocating the  
courses is to identify the most cost efficient and effective  
means. However, the comments in the section of your report  
entitled "Legal Impediments" are not entirely correct and are  
misleading at best. The advice mentioned in your report did not  
come from any of the attorneys assigned to SAF/GCN, who serve as  
the principal legal advisors on base closure related matters. No  
Air Force attorneys were even at that meeting. The Air Force  
General Counsel's office, in a requested response to AF/XOOB in  
September 1991, and again on 20 February 1992 (see attachment 1),  
advised that the 1988 Base Closure Commission's recommendations  
must be implemented as recommended, absent waivers or recommenda-  
tions by subsequent commissions. This advice is based on the  
1988 commission's specific designation of receiving locations for  
the Chanutte courses, and more importantly, the requirement for  
the Air Force to take no action that is inconsistent with such  
recommendations. HQ ATC withdrew from the ITRO studies only  
after receiving this legal reading. If the DOD/GC, as the final  
legal authority within the Department of Defense, reaches a  
written opinion that this process is legal, ATC is prepared to  
reenter the ITRO process for possible consolidation/collocation

The importance of the issue is that SAF/GCN has continually  
advised that the recommendations of the 1988 Commission must be  
carried out. As it is currently drafted, the report suggests  
that Air Force attorneys had been advising us it was permissible  
to 'retire' family groups of courses and follow through with ITRO  
initiatives. That was not the case.

**COMMENTS OF THE PRINCIPAL DEPUTY ASSISTANT SECRETARY OF THE  
AIR FORCE, FINANCIAL MANAGEMENT (cont'd)**

Regarding the alleged potential savings of \$4.0M in dormitory contracting costs, we believe it is neither economical nor practical to amend the 1500 person billeting facility since it is already designed and under construction. The space will still be needed to house students attending courses that will move from Lowry (Round II move). If Metals Technology training is moved from Sheppard, ATC will fund that portion of the dormitory that would have been used with Round II funds and will reduce the scope of Round II billeting accordingly. In doing so, ATC can meet their training schedule while incurring no additional cost.

We recommend you change the "Economic assessment" section to read: "The metals technologies training facility scheduled for construction at Sheppard Air Force Base may not be economically justified." Although ITRO performed the phase I study to determine that sufficient commonality exists between the services courses, the studies were terminated prior to accomplishing a cost analysis to determine the cost efficiencies involved.

In the "Equipment and Modification Costs" section, delete the second sentence; "The amount, however, should be minimal." There is no data validating this statement. There may be savings available; however, this cannot be validated or quantified until a more detailed comparison of training is made. Since no site survey of Navy facilities has been accomplished, the modification or construction needed to accommodate the Air Force is unknown; it may not be less than proposed construction. The assessment of commonality was completed at the macro task level. There was no in-depth review of tasks to determine the specific details of what is instructed on each task or to what level. No estimate of savings can be valid for consolidation without this type of analysis, nor can any estimate of equipment usage be made without development of a detailed course of instruction.

Recommendation 1 should be deleted. The Air Force has already amended the contract for the training facilities at Sheppard AFB. The metals facility is now an option that the AF may or may not exercise within 180 days after award of the contract. This will allow completion of the ITRO cost analysis and selection of the most appropriate action.

We further recommend that DOD/IG request and obtain a written opinion from the DOD/GC. This action must be taken before progressing any further with the consolidation analysis.

**COMMENTS OF THE PRINCIPAL DEPUTY ASSISTANT SECRETARY OF THE  
AIR FORCE, FINANCIAL MANAGEMENT (cont'd)**

If DOD/GC rules that there are indeed no legal impediments, then Recommendation 3 of the report should be replaced by the following: "The ITRO should perform a detailed cost analysis to identify the most cost effective option for providing metals repair training. Specifically, ITRO, should compare costs of placing the training at Sheppard AFB versus the Navy training facilities. We request that ITRO provide a copy of the results of the economic analysis to the office of the Assistant Inspector General for Analysis and Follow-up."



C RONALD HOWELL  
Principal Deputy Assistant Secretary  
of the Air Force, Financial Management

1 Atch  
SAF/GC Ltr

cc: AF/CC

**COMMENTS OF THE PRINCIPAL DEPUTY ASSISTANT SECRETARY OF THE  
AIR FORCE, FINANCIAL MANAGEMENT (cont'd)**



OFFICE OF THE GENERAL COUNSEL

DEPARTMENT OF THE AIR FORCE  
WASHINGTON, D.C. 20330-1000

February 20, 1992

MEMORANDUM FOR AF/XOOB

SUBJECT: Redirecting Interservice Training Organization (ITRO)  
Courses

The 1988 Base Realignment and Closure Commission recommended that Chanute AFB be closed and that aircraft maintenance courses be relocated from Chanute to Sheppard AFB. Metals Technology Training is one of the aircraft maintenance courses required to go to Sheppard. However, DOD/IG is presently auditing metals training courses for the possible consolidation of metals training onto Naval installations. The consolidation of training would be through the DoD Interservice Training Organization (ITRO) process. You have requested our opinion on whether redirecting the metals training courses to Navy bases as part of ITRO consolidation would be legal.

The 1991 Military Construction Authorization Act required the Secretary of Defense to direct the military departments to "take all actions necessary to carry out the recommendations of the Commission on Base Realignment and Closure and to take no action that is inconsistent with such recommendations." Pub. L. 101-510, § 2925(b). In September, 1991, AF/XOOB advised HQ ATC that only the 1993 Base Closure and Realignment Commission could redirect courses leaving Chanute AFB to a receiving location different than the one recommended by the 1988 Commission. This was because the 1988 Commission had specifically designated the receiving locations for the Chanute courses, and because the Air Force is required to take "no action that is inconsistent with such recommendations."

It has been suggested, however, that the Air Force's metals training courses designated for Sheppard AFB can be redirected to a Navy base if they are consolidated with the metals training courses of the other services through the ITRO process. The idea is to disestablish the Air Force courses, and then to locate the new, consolidated DOD courses on a Navy base.

The flexibility that restructuring provides has some appealing aspects, but this office has been rejecting it when suggested within the Air Force. Section 2925(b) was added by Congress because the Air Force had proposed moving the Ballistic

Atch 1

COMMENTS OF THE PRINCIPAL DEPUTY ASSISTANT SECRETARY OF THE  
AIR FORCE, FINANCIAL MANAGEMENT (cont'd)

Systems Division (BSD) from Norton AFB.<sup>1</sup> The 1988 Commission had recommended that Norton AFB close but that BSD remain at the base. As part of a reorganization of Air Force Systems Command, the Air Force organizationally merged BSD with Space Systems Division (SSD). Then the Air Force proposed closing Los Angeles AFB and relocating SSD to another location. The former BSD, now part of SSD, would have been relocated from Norton and physically consolidated with SSD under that proposal. This office wrote an opinion concluding that these actions were legal, on the theory that the 1988 Commission could not impose a particular structure on the Air Force, and that, having reorganized, the Air Force was free to relocate all elements of the new organization without reference to the 1988 Commission's recommendations.

The local Congressman and some members of the Milcon committees strongly disagreed with that opinion. The result was the addition of § 2925(b) to the 1991 Milcon Authorization Act. The statement of the conferees included the following comments:

The House bill contained a provision (sec. 2307) that would preclude the Air Force, until September 30, 1995, from relocating from Norton Air Force Base, California, any functions of the Ballistic Missile Office that existed at that site on the date that the Secretary of Defense transmitted to Congress his endorsement of the recommendations of the 1988 Commission on Base Realignment and Closure.

The Senate Amendment contained no similar provision.

The Senate recedes with an amendment that would direct the Secretary of Defense, absent any statutory relief, to proceed with the closures and realignments recommended by the 1988 Commission on Base realignment and Closure that were approved by the Secretary of Defense.

The conferees view the relocations and realignments recommended by the Commission as binding until September 30, 1995. Should changes in force structure or other considerations cause the Secretary of Defense to reconsider these realignments, the conferees would expect the Secretary to request a statutory waiver of those actions . . . .

H. Rep. No. 923, 101st Cong., 2d Sess at 709 (1990).

In light of the statutory change and this legislative history, we have been advising people that the Commission's

<sup>1</sup> BSD had for many years been known as the Ballistic Missile Office (BMO), until AFSC renamed their divisions for consistency. BSD was subsequently renamed BMO again. However, for the period being discussed it was still being called BSD.

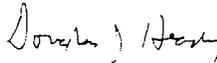
COMMENTS OF THE PRINCIPAL DEPUTY ASSISTANT SECRETARY OF THE  
AIR FORCE, FINANCIAL MANAGEMENT (cont'd)

recommendations must be implemented as recommended, absent statutory waivers or new recommendations by a subsequent base closure commission. This has been applied to reorganizations as well, because § 2925(b) had been adopted in reaction to an Air Force conclusion that a reorganization could relieve the Air Force of obligations imposed by the Commission.

Against this background, we are unwilling to conclude that the Air Force's metals training courses can be diverted from Sheppard AFB to another location by means of integrating them with other courses through ITRO. We believe this relocation would be viewed as conflicting with the statutory requirement to take "no action that is inconsistent" with the Commission's recommendations. However, we understand that the DOD General Counsel's Office may conclude that the courses could be redirected as described above. The DOD General Counsel's Office is the final legal authority within the Department of Defense, and if they reach an opinion that this process is legal, we would accept that view. We believe, however, that such an interpretation should be accompanied by appropriate guidance. The Air Force has been reorganizing its wings and its major commands, and drastic changes can be expected to continue. The idea that reorganizations can relieve DOD of the duty to comply with Commission recommendations is a broad one potentially subject to abuse.

There are other aspects to this issue, as well. If the courses were to be consolidated as part of the ITRO process, then the consolidation would have to proceed without the use of funds in the DOD Base Closure Account. That account is available only to pay for closures and realignments conducted pursuant to the base closure statute. See Pub. L. 100-526, §§204(a) and 207(a)(3)(A). Similarly, such consolidation proposals would lose the benefit of the limitations to the National Environmental Policy Act (NEPA) made by Congress to accommodate the Commission's recommendations. For example, the proponent of the action would have to evaluate reasonable alternative basing locations as part of its NEPA analysis. In addition, the proposed adjustments would themselves need to be examined to determine whether they would, by themselves, trigger the thresholds in 10 U.S.C. § 2687, resulting in the proposal having to be deferred to the next available Commission.

I hope this answers your questions. Please let me know if you desire more information or further assistance.



Douglas J. Heady  
Deputy Assistant General Counsel

OSD LEGAL OPINION



DEPARTMENT OF DEFENSE  
OFFICE OF GENERAL COUNSEL  
WASHINGTON, D.C. 20301-1600

March 17, 1992

MEMORANDUM FOR OFFICE OF THE DEPUTY GENERAL COUNSEL (FISCAL AND  
INSPECTOR GENERAL) (ATTN: KAY CANNON)

SUBJECT: DoD Draft Quick Reaction Report "Relocation of Technical Training  
Courses from Chanute Air Force Base" (Project No. 1LB-0050.01) (your  
note of 28 February 1992)

The SAF/GCN memorandum for AF/XOOB of February 20, 1992, appropriately cautions that section 2925(b) of the National Defense Authorization Act is intended to force adherence with the "recommendations" of the 1988 Base Closure Commission. In the past we have counseled strict adherence with the recommendations of the 1988 Commission based on section 2925(b). We have, however, found one clear circumstance where we believe 2925(b) does not apply. That is where "force structure is to be retired."

As I understand the situation here, there is a proposal to eliminate this training capability in the Air Force. Training requirements for the Air Force in this area would be met at an existing Navy facility operated by a DoD activity or by the Navy as executive agent for DoD. I believe this is analogous to retirement of force structure and would therefore be permissible. This is a little different from "contracting out" an activity, which certainly was not meant to be foreclosed by section 2925(b). If, however, the proposal is for the Air Force training capability to be resurrected at some other Air Force location as an Air Force facility, that would be inconsistent with 2925(b).

This is admittedly an area that could be subject to the type of abuse which in Congress' mind led to enactment of section 2925. At this point, however, I see no legal bar to a study of the termination of the Air Force training capability in its entirety and having another facility provide the training on a DoD-wide basis. I would caution though that a consequence of such action is that the base closure account should not be the source of funds which may be required for this study and relocation effort. Other appropriate departmental funds would have to be used for this effort. Also, the Navy or some other appropriate entity would have to conduct appropriate analysis under the National Environmental Policy Act as to any physical modification of the Navy facility or changes in workload. If we seek to proceed in this area, we must be careful to ensure, however, that the Air Force will be able to meet its training requirement, albeit through other than Air Force means.

  
L.R. Hourclé



SUMMARY OF BENEFITS RESULTING FROM AUDIT

<u>Recommendation Reference</u>	<u>Description of Benefit</u>	<u>Amount and/or Type of Benefit</u>
1.	<u>Economy and Efficiency.</u> Consolidation and collocation of training with the Navy will eliminate the need to construct new training facility.	<u>Funds Put to Better Use.</u> Air Force can save \$7.9 million of base closure account funds (Appropriation 9710103.1102).
2.	<u>Economy and Efficiency.</u> Consolidation and collocation of training with the Navy will eliminate the need to construct new student billeting facilities.	<u>Funds Put to Better Use.</u> Air Force can save \$4.0 million of base closure account funds (Appropriation 9710103.1102).
3.	<u>Economy and Efficiency.</u> Most economical and efficient method of consolidating and collocating training should identify additional savings, including savings in recurring support costs and savings from reducing new equipment purchases, beyond the construction cost savings identified in 1. and 2.	<u>Funds Put to Better Use.</u> The estimated amount of monetary benefits cannot be determined until an economic analysis is completed.



ACTIVITIES VISITED OR CONTACTED

Office of the Secretary of Defense

Assistant Secretary of Defense (Force Management and Personnel), Washington, DC

Assistant Secretary of Defense (Production and Logistics), Washington, DC

Comptroller of the Department of Defense, Washington, DC

Office of the General Counsel, Washington, DC

Department of the Navy

Chief of Naval Operations, Washington, DC

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