

Audit



Report

OFFICE OF THE INSPECTOR GENERAL

CONGRESSIONAL REQUEST FOR AUDIT OF
QUARTERS 7 AT FORT MYER AND OTHER
GENERAL AND FLAG OFFICERS' QUARTERS

Report Number 93-020

November 6, 1992

Department of Defense

NOTE RE OAIG-AUD REPORT NO 93-020

Pages 10, 12, 14, and 16 were intentionally left blank in the original copy of OAIG-AUD Report NO 93-020.

The following acronyms are used in this report.

AFB.....Air Force Base
AFP.....Air Force Pamphlet
AR.....Army Regulations
GAO.....General Accounting Office
GFOQ.....General and Flag Officers' Quarters
DVQ.....Distinguished Visitors' Quarters
HVAC.....Heating, Ventilation, and Air Conditioning
LIIP.....Line Item Improvement Program
NCR.....National Capital Region
OPNAVINST.....Office of the Chief of Naval Operations Instruction
PBD.....Program Budget Decision



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



November 6, 1992

MEMORANDUM FOR ASSISTANT SECRETARY OF DEFENSE (PRODUCTION
AND LOGISTICS)
COMPTROLLER OF THE DEPARTMENT OF DEFENSE
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL
MANAGEMENT)
ASSISTANT SECRETARY OF THE AIR FORCE (FINANCIAL
MANAGEMENT AND COMPTROLLER)
INSPECTOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: Congressional Request for Audit of Quarters 7 at Fort
Myer and Other General and Flag Officers' Quarters
(Report No. 93-020)

We are providing this report for your information and use. We performed the audit at the request of Senator William V. Roth, Jr., who asked that we look into the renovations of Quarters 7 at Fort Myer and that a sample be taken of similar general and flag officers' quarters. The Senator also requested that we determine whether spouses of general and flag officers were involved in the Government decisionmaking process for renovating and furnishing these quarters.

A draft of this report was issued on September 11, 1992. Management comments were not required and none were received. Comments are also not required for this report. If you wish to comment, please do so by December 7, 1992.

If you have any questions on this audit, please contact Mr. Wayne Million, Program Director at (703) 692-2991 (DSN 222-2991). The planned distribution of this report is listed in Appendix C. We appreciate the courtesies extended to the audit staff.

Robert J. Lieberman
Assistant Inspector General
for Auditing

cc:
Secretary of the Army
Secretary of the Navy
Secretary of the Air Force

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This report was prepared by the Contract Management Directorate, Office of the Assistant Inspector General for Auditing, DoD. Copies of this report can be obtained from the Information Officer, Audit Planning and Technical Support Directorate at (703) 614-6303 (DSN 224-6303).

Office of the Inspector General, DoD

Audit Report No. 93-020
(Project No. 1CG-5007.01)

November 6, 1992

THE CONGRESSIONAL REQUEST
FOR AUDIT OF QUARTERS 7 AT FORT MYER
AND OTHER GENERAL AND FLAG OFFICERS' QUARTERS

EXECUTIVE SUMMARY

Introduction. This audit is the result of a congressional request from Senator William V. Roth, Jr., to review the cost of renovating Quarters 7 on Fort Myer, Virginia, and to review a sample of similar quarters. Senator Roth was concerned about the process of who determined the need for improvements and whether the improvements were more extensive than necessary. The Army spent \$199,591 in FY 1990 to renovate Quarters 7 for use by the Air Force Chief of Staff.

Since 1984, Congress has required DoD to submit a detailed budget justification for maintenance and repair projects for General and Flag Officers' Quarters (GFOQ). To control expenditures for these high-cost units, Congress required that the total expenditures for maintenance and repair on each GFOQ be limited to \$25,000 per year unless specifically included in the annual budget justification. In addition, DoD must notify Congress when maintenance and repair costs for a unit will exceed the amount in the approved budget by the lesser of 25 percent or \$5,000, or when the \$25,000 threshold will be exceeded for a unit that was not identified in the budget. For FYs 1988 through 1990, DoD expended \$56 million in maintenance, repair, and improvements for GFOQ. In FY 1990, DoD operated 990 GFOQ, of which 137 were located in the National Capital Region.

Objectives. The objectives of this audit were to validate the cost of the renovation of Quarters 7 at Fort Myer, validate costs for a sample of other similar quarters, and review the decision process on the need for and extent of the improvements for GFOQ.

Audit Results. We found no problems with the renovation of Quarters 7 at Fort Myer or 11 similar quarters within the National Capital Region. Improvements to the GFOQ were properly planned and approved by appropriate Government personnel.

Internal Controls. No material internal control weaknesses were identified. See Part I for details on our internal control review.

Management Comments. Management comments are not required.

PART I - RESULTS OF REVIEW

Introduction

The Inspector General, DoD, received a request dated September 20, 1990, from Senator William V. Roth, Jr., (Appendix A) to audit the renovation cost of Quarters 7 at Fort Myer, Virginia, and to sample other similar quarters. On February 1, 1991, GAO announced its review of the renovation costs for General and Flag Officers' Quarters (GFOQ) and Distinguished Visitors Quarters (DVQ) at Bolling Air Force Base (AFB) in response to a request from Senator Sam Nunn. However, to preclude duplication, GAO requested that the Inspector General, DoD, include Bolling AFB in the Fort Myer audit in order to address similar concerns expressed by Senator Nunn. The Inspector General, DoD, agreed to review the potential for these allegations at Army, Navy, and Air Force installations within the National Capital Region (NCR).

This report only discusses the results of our review of the renovation cost of Quarters 7 at Fort Myer and at other similar quarters per Senator Roth's request. Our review of quarters at Bolling AFB, per Senator Nunn's request, will be issued in a separate report (Project No. 1CG-5007.02); our review of the renovation costs of DVQ at Fort Myer will also be issued in a separate report (Project No. 1CG-5007.00).

Background

General and Flag Officers' Quarters are Government-provided quarters for officers with the rank of brigadier general (O-7) and above. General policy in the Military Departments is that GFOQ are to be maintained in an excellent state of repair, commensurate with the rank of the occupant and the age and historic significance of the building. Accordingly, GFOQ are the most expensive family housing units in DoD. The age, size, and historic and architectural significance of GFOQ tend to escalate their operation and maintenance costs.

Since 1984, Congress has required DoD to submit a detailed budget justification for maintenance and repair projects for each GFOQ. To control expenditures for these high-cost dwellings, Congress required that the total amount of all obligations for maintenance and repair on each GFOQ be limited to \$25,000 per year unless specifically included in the annual budget justification. In addition, Congress must be notified when maintenance and repair costs for a unit will exceed the budget submission by the lesser of 25 percent or \$5,000. Congress must also be notified when the \$25,000 threshold will be exceeded for a unit not requested in the budget. Funding for GFOQ is included as part of the Family Housing Defense appropriation. For FYs 1988 through 1990, DoD

expended \$56 million in maintenance, repair, and improvements for GFOQ. In FY 1990, DoD operated 990 GFOQ, of which 137 were located in the NCR. The GFOQ are managed by the Military Department responsible for the installation on which the GFOQ are located.

Objectives

The objectives of this audit were to:

- o validate the cost of the renovation of Quarters 7, at Fort Myer,
- o sample and validate costs of similar quarters, and
- o review the decision process on the need for and extent of the improvements for GFOQ.

Scope

A total of \$11.7 million was expended from FYs 1988 through 1990 for the 137 GFOQ within the NCR. We selected 12 (8.7 percent) of the 137 GFOQ. Eight Army and Navy GFOQ were selected because they had the highest average maintenance costs during the FYs 1988 to 1990 period. The four other GFOQ were specifically mentioned in the complainant's allegations to Senator Nunn. Approximately \$3.0 million (25.3 percent of \$11.7 million) was expended on these 12 GFOQ during this time period. Our evaluation included a review of all operation, maintenance, and improvement records for each of the 12 GFOQ and a review of related contracts.

This economy and efficiency audit was made from January 1991 through August 1992 in accordance with auditing standards issued by the Comptroller General of the United States as implemented by the Inspector General, DoD. Accordingly, the audit included such tests of internal controls that were considered necessary. We considered computer-generated data used in the performance of our audit generally reliable. We compared the manual GFOQ annual management reports to the automated data that Family Housing and Civil Engineering Offices maintained. Materials that the Air Force Family Housing Office purchased with a Government credit card were added to the Civil Engineering automated data to complete the comparison. The activities visited or contacted are listed in Appendix B.

Internal Controls

We evaluated internal controls related to the operation, maintenance, and improvement of GFOQ. We also evaluated the internal controls applicable to contracting procedures. Our audit disclosed no material internal control deficiencies.

Other Audits and Reviews

The General Accounting Office issued Report No. NSAIID 90-241 (OSD Case No. 8285-A), "Army Housing Overcharges and Inefficient Use of On-Base Lodging Divert Training Funds," September 1990. The report stated that some charges for transient quarters were used to provide expensive amenities to DVQ. The report recommended that the Secretary of the Army provide more specific guidance to commanders on the types and quality of furnishings appropriate for transient quarters. The Secretary of the Army agreed with the recommendations and issued guidance to implement the recommendations. The Office of the Inspector General, DoD, reviewed the issued guidance; no additional follow-up review was required.

The Office of the Assistant Inspector General for Departmental Inquiries, DoD, issued Report No. S90C00000066, "Abuse of Position by Commanding Generals on Fort Irwin, California," November 7, 1990. The report stated that the former Commanding General (prior to 1990) did not abuse his position in landscaping Fort Irwin by purchasing \$50,000 in flora from his son's Boy Scout troop, and that the 1990 Commanding General did not abuse his position by landscaping his quarters with a costly palm tree; however, the cost of the landscaping was not prudent.

The Office of the Assistant Inspector General for Departmental Inquiries, DoD, issued Report No. 90L-46827, "Allegations of Misconduct Involving Major General [Name Deleted], U.S. Army," November 8, 1990. The report stated that allegations of waste of money by the major general to remodel his military quarters, to convert a post gymnasium to a skating rink, and to remodel the military quarters formerly used as the Commanding General's residence were unsubstantiated.

The Inspector General, Department of the Army (Investigations Division), issued Report Nos. 28-90 and 90T47484, "Allegation Against Major General [Name Deleted], Commander 7th Infantry Division (ID) and Fort Ord," October 19, 1990, and October 24, 1990, respectively. Allegations that the major general used Government funds to refurbish his quarters, to refinish his Government office, to lease a minivan, to purchase Motorola telephones, and to purchase sod for the Fort Ord Visitors' Center were unsubstantiated.

The Naval Audit Service issued Report No. C12536, "Family Housing Program at Marine Corps Base, Camp Pendleton, California," September 4, 1987. The Naval Audit Service identified inaccurate reporting of ground maintenance costs for four general and two senior officers' quarters and other unreported maintenance costs for two general officers' quarters in FYs 1985 and 1986. The report recommended that the Commandant of the Marine Corps direct that the base reduce its grounds maintenance costs for the six quarters to a reasonable level, report all costs allocable to the general officers' quarters, and assign grounds care responsibility to occupants of the senior officers' quarters. The Commandant of the Marine Corps agreed to take the recommended actions. The report also recommended that the Marine Corps establish discrete job order numbers for all maintenance and repairs to general officers' quarters, ensure that the reports contain actual costs, and report all operations and maintenance costs of vacant general officers' quarters. The base commander concurred and took corrective action.

Discussion

Management costs for GFOQ. The three cost categories for management of GFOQ comprise maintenance and repair, operations, and improvements.

- o Maintenance includes preservation, repair, and restoration of real property so that the property may be effectively used for its designated purpose. Military regulations define maintenance as repairs to the structure and surrounding areas so as to preserve the Government's investment in the quarters. The areas for repair include dwellings, grounds, other real property, and exterior utilities.

- o Operations are defined as those items and services that allow day-to-day residency in the unit, such as initial acquisition, maintenance, and repair and replacement of furniture, furnishings, and utility services. Congress directed that maintenance and repair budgets on GFOQ that exceed \$25,000 receive congressional approval through the annual budget submitted by the Military Departments. There are no funding limitations or reporting requirements for operations.

- o Improvements are classified as alterations, conversions, modernizations, additions, expansions, and extensions that enhance, rather than repair, a facility or system. Improvements must be planned, programmed, and included in the annual budget submitted to Congress.

The policy of the Military Departments is to maintain GFOQ in an excellent state of repair, commensurate with the rank of the occupant and with the age and historic significance of the facility. Regardless of the factors involved, the Military

Departments should follow the prudent landlord concept in their decisions on operating, maintaining, and improving GFOQ. This concept dictates that a determination be made as to whether a prudent landlord in the private sector would accomplish the proposed action.

During our review, we concentrated on the amount of funds expended on maintenance and repairs, operations, and improvements. We evaluated the reasonableness of the expenditures based on the criteria used in each category and the work justification. Military regulations^{1/} state that work to be performed on quarters must be planned. These plans should include justification for the work whether it is for repairs, improvement in efficiency, or cosmetic. The purpose, annual cost, frequency, and other factors determine whether costs are reported to Congress through budget submission. Certain additional documentation must also be submitted for repair projects exceeding \$25,000. For example, if the 3-year average repair costs exceed \$25,000, an economic analysis is required. The two categories of major repair projects are whole-house projects and line item improvement projects.

Whole-house projects. Army Regulation 210-13 and OPNAVINST 11101.19D define whole-house projects as a comprehensive project for renewing, upgrading, modernizing, renovating, or rehabilitating a dwelling unit by doing all required work (maintenance, repair, or improvement) at one time.

Air Force Pamphlet (AFP) 90-6 states that the purpose of a whole-house project is to lower operation and maintenance costs and provide a contemporary facility that will endure for the next 20 years.

Line item improvement program (LIIP) projects. The Army, Navy, and Air Force regulations define LIIP projects as projects that address specific components of a GFOQ, such as air conditioning or kitchens or an area serving a GFOQ, (for example, master utility metering or parking expansion). The line items are "nonwhole-house" projects that address deficiencies in design criteria or established living standards that have evolved since the dwelling unit was constructed or last improved.

Both AR 210-13 and AFP 90-6 require an economic analysis to determine the best alternative, such as disposal, renovation, or

^{1/}Army Regulation (AR) 210-13, "General/Flag Officers' Quarters (GFOQs) and Installation Commander's Quarters (ICQ) Management," October 30, 1986; Chief of Naval Operations Instruction (OPNAVINST) 11101.19D, "Management of Flag and General Officer Quarters (F&GOQ's)," November 24, 1989; and Air Force Pamphlet (AFP) 90-6, "The Operation and Management of General Officer Quarters (GOQ)," October 2, 1989.

replacement, when operation and maintenance costs are consistently above average. The recommendations accompanying the analyses should discuss considerations given to noneconomic factors, like size, location, and historic or architectural significance. OPNAVINST 11101.19D requires that an economic analysis be submitted in support of requested work when the average annual maintenance and repair costs over a 3-year period exceed \$25,000 or when a one-time maintenance and repair expenditure exceeding \$50,000 is requested.

In addition to the review of Quarters 7 at Fort Myer, we also reviewed 11 more of the total 137 GFOQ in the NCR. Our sample was made up of four GFOQ from each Military Department.

Department of the Army. Three of the four GFOQ we reviewed involved LIIP projects.

Quarters 7 at Fort Myer. The actual expenditure for FY 1990 was \$199,591, which exceeded the congressionally approved threshold of \$196,010. However, the excess was less than the 25-percent or \$5,000 increase; therefore, the increases, approved by the Department of Army, were acceptable. A large portion of this expenditure (\$159,257 or 80 percent) was for the replacement of the heating, ventilation, and air conditioning (HVAC) system. The annual reports for Quarters 7 were accurate based on review of service orders and material inspection and receiving reports. Work requests were approved by appropriate housing and engineering officials.

The justification for the replacement of the HVAC system was attributable to high utility bills, numerous service calls, and system inefficiency based on a study and evaluation of the existing HVAC system. The Norfolk District, Corps of Engineers, prepared a study to determine the most cost-effective HVAC replacement system.

Quarters 2 at Fort Myer. The operation, maintenance, and repair costs for FYs 1988 through 1990 totaled \$256,037. Of these costs, 77 percent (\$196,489) was to replace the HVAC system; to renovate two bathrooms; and to replace the chimney, the front porch, and the rear porch. The work was properly planned, was submitted as part of the annual budget, and was accurately reported. Approval for the purchases was obtained through appropriate contracting personnel, and costs did not exceed the congressional approved amounts. An economic analysis was performed to justify replacement of the HVAC system. The Secretary of the Army recommended the system's replacement, and Congress concurred with a revised FY 1989 budget request. The design, replacement, and administrative cost for replacing the HVAC system was \$131,761. The design and renovation cost for the two bathrooms was \$13,396 and was appropriately included in the FY 1989 budget. The replacement of the chimney and the front and

rear porches (\$51,332) were individually reported in the original FY 1988 budget as exceeding the \$25,000 maintenance and repair threshold. However, an add-on Army budget was submitted to increase the FY 1988 budget to accommodate this omission, which was approved by the Army and Congress.

Quarters 8 at Fort McNair. The operation, maintenance, and repair costs for FYs 1988 through 1990 totaled \$131,435. Repair projects included replacing the kitchen ceiling, painting the interior, reupholstering furniture, purchasing kitchen appliances, and repairing the roof. These projects accounted for \$61,040 (46 percent) of the expenditures on Quarters 8. The work was properly planned, submitted as part of the annual budget, and accurately reported. Approval for purchases was obtained through appropriate contracting personnel, and costs did not exceed the congressional approved amounts.

Quarters 1 at Fort Belvoir. The operation, maintenance, and repair costs for FYs 1988 through 1990 totaled \$70,779. The only significant expense during this period was \$17,968 for furnishings. In FYs 1988 and 1989, costs for furnishings totaled approximately \$1,995 and \$1,061, respectively. However, during FY 1990, \$14,912 was spent on furnishings during a change of occupancy. All purchases for furnishings were properly certified by appropriate housing or finance management personnel and approved at the Directorate of Engineering and Housing level, Army major command level, or at the Assistant Secretary of the Army level as appropriate.

Department of the Navy. Revitalization of the GFOQ at the Washington Navy Yard was being accomplished in three phases as whole-house projects. Phase 1, which was completed, included Quarters L, L1, M, R, O, and F. Phase 2 is ongoing and includes Quarters A, C, U, and G. Phase 3 includes Quarters B, D, E, N, and V and is scheduled for future rehabilitation. The projects include conversion from steam heating to gas heating, conversion from individual air conditioning units to central air, removal of asbestos, and preservation of historic features in the facilities. All phases were included in the annual budgets and had congressional approval.

We reviewed the four GFOQ in Phase 2. These units have been on the National Register of Historic Places since 1973. The rehabilitation of Quarters A and C was completed and did not exceed congressionally approved funding limits. Quarters G and U were under renovation at the time of our audit, and the projected cost to complete the renovations was below funding limits. The total costs for these units are follows:

Total Costs for Selected GFOQ Renovations

Quarters (Location)	Total Operation and Maintenance Costs			Total Major Repair Cost FY 1990
	FY 1988	FY 1989	FY 1990 ^{2/}	
A (Navy Yard)	\$48,074	\$45,920	\$569,589	\$543,600
C (Navy Yard)	16,936	9,188	435,435	426,900
G (Navy Yard)	22,511	11,549	344,149	335,600
U (Navy Yard)	32,937	16,000	409,768	386,200

Economic analyses were prepared for Quarters A, C, G, and U to determine whether renovation or new construction was economically preferred. New construction was the preferred alternative for Quarters A and U, and renovation was the preferred alternative for Quarters C and G. However, since these units are historic, none could be replaced with a new dwelling. Essential repairs were made to the four quarters since deferral of critical repairs would have resulted in increases in out-year maintenance, repair, and utility costs.

Department of the Air Force. Bolling AFB initiated a phased program of whole-house projects for six GFOQ in FY 1991 at an estimated cost of \$282,000 per house, six GFOQ in FY 1992 at an estimated cost of \$290,000 per house, and six GFOQ in FY 1993 at an estimated cost of \$299,000 per house. Bolling AFB also planned to repair the interiors of six GFOQ in FY 1994 at an estimated cost of \$225,000 per house. The DoD Comptroller Program Budget Decision (PBD) 321 recommended cancellation of the FY 1991 Air Force projects, which reduced the Air Force budget submission by \$1.6 million. The PBD also directed the Air Force to develop a lower-cost alternative to include only essential efforts needed to maintain these housing units. The Air Force stated that it had compared the planned projects with commercial and similar DoD projects and found that its estimated costs were in line with the work and scope at other installations.

We selected the four GFOQ (Quarters 25, 26, 27, and 31) specifically mentioned in the allegations from Senator Nunn for an indepth analysis. The operation, maintenance, and repair costs for FYs 1988 through 1990 totaled \$292,081 for the four GFOQ reviewed indepth. We toured the four GFOQ, interviewed responsible personnel, and reviewed supporting documentation. Our review found no problems with the approval process or the

^{2/}Includes FY 1990 total major repair costs.

supporting documentation for the renovation projects for these facilities.

Decisionmaking authority. GFOQ renovation requirements are generally defined by Government personnel rather than the occupant. We reviewed plans and projects that were based on occupant observations of problems, analyses of utilities costs to determine necessity for system replacement, and items identified through joint walk-throughs prior to and during change of occupancy. The walk-throughs are normally performed by personnel from Family Housing, GFOQ Office (Bolling AFB only), engineering personnel, and the current and future occupants. The current occupant has knowledge of problems that exist in the house, and the future occupant has the opportunity to identify problems that exist prior to taking up residence. This practice is allowed in the private sector by any prudent landlord.

We found that Government personnel controlled all items procured and services performed on the GFOQ even if the initial suggestion was provided by the occupant. All necessary paperwork was generated by Government personnel and signature approvals were given by Government personnel.

Summary for costs reviewed. Our review of the 12 GFOQ found that maintenance projects addressed genuine needs, extended the lives of the houses, and were properly planned and approved. Long-range plans were developed for the GFOQ so that necessary operation and maintenance could be accomplished in a prudent manner. The Navy and Air Force attempted to accomplish whole-house revitalization projects and comprehensive repair projects in order to extend the lives of the houses and reduce future operation and maintenance costs. A review of long-range plans and whole-house revitalization projects indicated that major improvements were planned, and lower-cost alternatives were properly evaluated.

Summary of decisionmaking authority. We found no delegation of decisionmaking responsibilities given to spouses for GFOQ at Fort Myer, Fort McNair, or Fort Belvoir. Overall, Government personnel determined the need for improvements to GFOQ within the NCR. At Washington Navy Yard and Bolling AFB, we found that wallpaper selections were influenced by spouses. At Bolling AFB, the wallpaper cost an average of \$2,000 for each home where wallpapering was accomplished at change of occupancy. Change of occupancy occurs on average of every 3 years. Therefore, the wallpaper selection represents only 3 percent of the maintenance and repair threshold of \$25,000 per year.

PART II - ADDITIONAL INFORMATION

APPENDIX A - Letter from Senator Roth, dated September 20, 1990

APPENDIX B - Activities Visited or Contacted

APPENDIX C - Report Distribution

APPENDIX A - LETTER FROM SENATOR ROTH, DATED SEPTEMBER 20, 1990

WILLIAM V. ROTH, JR.
DELAWARE
104 HART SENATE OFFICE BUILDING
TELEPHONE: 202-224-2441

United States Senate

WASHINGTON, DC 20510

COMMITTEES
GOVERNMENTAL AFFAIRS
FINANCE
BANKING HOUSING AND URBAN AFFAIRS
JOINT ECONOMIC COMMITTEE

September 20, 1989⁹⁰

Honorable Susan J. Crawford
Inspector General
Department of Defense
400 Army Navy Drive
Arlington, Va. 22202

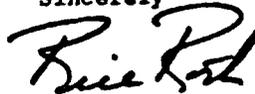
Dear Inspector General Crawford:

Thursday's Washington Post reported that the Army was spending \$196,010 to renovate Quarters 7 on Fort Myer for use of the Air Force Chief of Staff. I was surprised by the reported cost of renovations and the assertion that the task of deciding what improvements are needed is a function that has been delegated "to spouses."

I would like for your office to audit the cost of renovation of Quarters 7 and a sample of other similar quarters. Your audit should include a determination of who is responsible for determining the need for improvements and whether the improvements are more extensive than necessary.

If you have any questions or would like to discuss this matter further, please feel free to call me or Mr. Doyal at 224-2627. This request was discussed between Mr. Doyal and members of your staff earlier.

Sincerely



William V. Roth, Jr.
United States Senate

WVR/fmd

APPENDIX B - ACTIVITIES VISITED OR CONTACTED

Office of the Secretary of Defense

Comptroller of the Department of Defense, Washington, DC
Deputy Assistant Secretary of Defense (Installations),
Washington, DC

Department of the Army

Headquarters, Army Military District of Washington, Fort McNair,
Washington, DC
Headquarters, Army Corps of Engineers, Washington, DC
Army Corps of Engineers, Baltimore District, Engineering Activity
Capital Area, Procurement Support Branch, Cameron Station,
Alexandria, Virginia
Army Engineering and Housing Support Center, Fort Belvoir,
Alexandria, VA
Family Housing Office, Fort Belvoir, Alexandria, VA
Family Housing Office, Fort Myer, Arlington, VA

Department of the Navy

Headquarters, Naval District of Washington,
Washington Navy Yard, Washington, DC
Naval Facilities Engineering Command, Alexandria, VA
Visiting Flag Office, Washington Navy Yard, Washington, DC
Family Housing Office, Naval Station Anacostia, Washington, DC

Department of the Air Force

Headquarters, Air Force District of Washington,
Bolling AFB, Washington, DC
Procurement Office, Andrews AFB, Suitland, MD
General Officers' Quarters Office, Bolling AFB, Washington, DC
Air Force Non-Appropriated Fund Purchasing Office, Randolph AFB,
San Antonio, Texas

Non-DoD Federal Organizations

Permanent Senate Subcommittee on Investigations,
Committee on Governmental Affairs, Washington, DC

Office of the Honorable Senator William V. Roth, Jr., United
States Senate, Washington, DC

APPENDIX C - REPORT DISTRIBUTION

Office of the Secretary of Defense

Assistant Secretary of Defense (Production and Logistics)
Comptroller of the Department of Defense
Deputy Assistant Secretary of Defense (Installations)

Department of the Army

Secretary of the Army
Assistant Secretary of the Army (Installations and Logistics)
Chief of Engineers, Army Corps of Engineers
Auditor General, Army Audit Agency
Inspector General, Department of the Army (Operations Division)

Department of the Navy

Secretary of the Navy
Assistant Secretary of the Navy (Financial Management)
Assistant Secretary of the Navy (Installations and Environment)
Comptroller of the Navy
Commander, Naval Facilities Engineering Command
Auditor General, Naval Audit Service

Department of the Air Force

Secretary of the Air Force
Assistant Secretary of the Air Force (Financial Management and Comptroller)
Assistant Secretary of the Air Force (Manpower, Reserve Affairs, Installations and Environment)
Auditor General, Air Force Audit Agency

Non-DoD Activities and Individuals

Director, Office of Management and Budget

General Accounting Office, National Security and International Affairs Division, Technical Information Center

APPENDIX C - REPORT DISTRIBUTION (cont'd)

Non-DoD Activities and Individuals (cont'd)

Chairman and Ranking Minority Member of the Following
Congressional Committees:

Senate Subcommittee on Defense, Committee on Appropriations
Senate Committee on Armed Services
Senate Committee on Governmental Affairs
Senate Select Committee on Intelligence
House Committee on Appropriations
House Subcommittee on Defense, Committee on Appropriations
House Committee on Armed Services
House Committee on Government Operations
House Permanent Select Committee on Intelligence
House Subcommittee on Oversight and Evaluation, House
Permanent Select Committee on Intelligence
House Subcommittee on Legislation and National Security,
Committee on Government Operations

The Honorable William V. Roth, Jr., United States Senate
The Honorable Sam Nunn, United States Senate

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Sean P. Eyen, Auditor