
May 11, 2005



Infrastructure and Environment

Office of Economic Adjustment Data
Call Submissions and Internal Control
Processes for Base Realignment and
Closure 2005
(D-2005-057)

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Acronyms

BRAC	Base Realignment and Closure
COBRA	Cost of Base Realignment Actions
DA&M	Director, Administration and Management
DoD OIG	Department of Defense Office of Inspector General
DWO	Defense-Wide Organizations
HSA	Headquarters and Support Activities
ICP	Internal Control Plan
JCSG	Joint Cross Service Group
JPAT 7	Joint Process Action Team Criterion Number 7
N/A	Not Applicable
OEA	Office of Economic Adjustment
OSD	Office of the Secretary of Defense



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

May 11, 2005

MEMORANDUM FOR DIRECTOR, OFFICE OF ECONOMIC ADJUSTMENT

SUBJECT: Report on Office of Economic Adjustment Data Call Submissions and
Internal Control Processes for Base Realignment and Closure 2005
(Report No. D-2005-057)

We are providing this report for information and use. No written response to this report was required and none was received. Therefore, we are publishing this report in final form.

We appreciate the courtesies extended to the staff. Questions should be directed to Deborah L. Carros at (703) 604-9217 (DSN 664-9217) or Ms. Beth. K. Schaefer at (703) 604-9232 (DSN 664-9232). See Appendix B for Report Distribution. The team members are listed inside the back cover.

By direction of the Deputy Inspector General for Auditing:

A handwritten signature in black ink that reads "Richard B. Jolliffe".

Richard B. Jolliffe
Director
Contract Management

Department of Defense Office of Inspector General

Report No. D-2005-057
(Project No. D2004-D000CK-0129.000)

May 11, 2005

Office of Economic Adjustment Data Call Submissions and Internal Control Processes for Base Realignment and Closure 2005

Executive Summary

Who Should Read This Report and Why? Office of the Secretary of Defense personnel responsible for deciding the realignment or closure of military installations based on the Base Realignment and Closure (BRAC) data calls, and Office of Economic Adjustment management personnel should read this report. The report discusses the validity and integrity of the data provided by the Office of Economic Adjustment to assist the Secretary of Defense in BRAC 2005 recommendations.

Background. BRAC 2005 is the formal process outlined in Public Law 101-510, "Defense Base Closure and Realignment Act of 1990," as amended, under which the Secretary of Defense may realign or close military installations. As part of BRAC 2005, the Under Secretary of Defense for Acquisition, Technology, and Logistics issued "Transformation Through Base Realignment and Closure (BRAC 2005) Policy Memorandum One—Policy, Responsibilities, and Procedures," April 16, 2003, which stated that the Department of Defense Office of Inspector General would review the accuracy of BRAC data and the certification process.

The BRAC 2005 data collection process was mandated for the United States and its territories and was divided into the following data calls: capacity analysis, supplemental capacity, military value, Cost of Base Realignment Actions, Joint Process Action Team Criterion Number 7, and scenario specific. The supplemental capacity, military value, Cost of Base Realignment Actions, and Joint Process Action Team Criterion Number 7 data calls were collectively known as the second data call. Subsequent to our review, the Joint Process Action Team Criterion Number 7 group requested clarification on some responses, which may have resulted in changes to responses; we did not review those responses.

The Office of Economic Adjustment is one of 11 Defense-Wide Organizations. The Office of Economic Adjustment consists of two locations: Headquarters located in Arlington, Virginia, and a Western Region office located in Sacramento, California. The Office of Economic Adjustment is the Department of Defense's primary source for assisting communities adversely impacted by Defense changes, including base closures and realignments, base expansions, and contract or program cancellations. We visited the Office of Economic Adjustment Headquarters for the capacity analysis and second data calls. As of February 15, 2005, the Office of Economic Adjustment had not received any scenario data calls. The Office of Economic Adjustment Headquarters personnel responded to both data calls on behalf of Headquarters and the Western Region office. We issued one site memorandum to the Director of the Office of Economic Adjustment on May 12, 2004, summarizing the audit results of the capacity analysis data call and one site memorandum to the Director of the Office of Economic Adjustment on

November 30, 2004, summarizing the audit results of the second data call. This report summarizes issues related to the entire Office of Economic Adjustment BRAC 2005 process, as of February 15, 2005.

Results. We evaluated the validity, integrity, and supporting documentation of the Office of Economic Adjustment BRAC 2005 data and compliance with the Office of the Secretary of Defense's and the Defense-Wide Organization's internal control plans. Office of Economic Adjustment responses to the BRAC 2005 data calls were generally accurate, supported, and reasonable. However, the Office of Economic Adjustment provided one partially supported response to the capacity analysis data call and four inaccurate responses to the second data call. We were unable to determine the materiality on the Office of Economic Adjustment BRAC 2005 analysis of the partially supported response to the capacity analysis data call and three of the four inaccurate responses to the second data call. We determined one of the four inaccurate responses to the second data call was not material and should not affect the reliability of the Office of Economic Adjustment data for use in the BRAC 2005 process.

Additionally, the Office of Economic Adjustment generally complied with applicable internal control plans and properly incorporated and supplemented the Office of the Secretary of Defense's Internal Control Plan; however, the Office of Economic Adjustment had two internal control plan noncompliances. Specifically, the Office of Economic Adjustment did not properly mark all BRAC-related supporting documents until notified of the noncompliance, and did not compile supporting documentation for the second data call responses until after submission to the Office of the Secretary of Defense BRAC Office. We determined the two internal control plan noncompliances were not material and should not affect the integrity of the Office of Economic Adjustment data for use in the BRAC 2005 process.

Management Comments. We provided a draft of this report on April 26, 2005. No written response to this report was required and none was received. Therefore, we are providing this report in final form.

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Background

BRAC 2005. Public Law 101-510, “Defense Base Closure and Realignment Act of 1990,” as amended, establishes the procedures under which the Secretary of Defense may realign or close military installations inside the United States and its territories. The law authorizes the establishment of an independent Commission to review the Secretary of Defense recommendations for realigning and closing military installations. The Secretary of Defense established and chartered the Infrastructure Executive Council and the Infrastructure Steering Group as the Base Realignment and Closure (BRAC) 2005 deliberative bodies responsible for leadership, direction, and guidance. The Secretary of Defense must submit BRAC recommendations to the independent Commission by May 16, 2005.

Joint Cross Service Groups. A primary objective of BRAC 2005, in addition to realigning base structure, is to examine and implement opportunities for greater joint activity. The Office of the Secretary of Defense (OSD) established seven Joint Cross Service Groups (JCSG): Education and Training, Headquarters and Support Activities (HSA), Industrial, Intelligence, Medical, Supply and Storage, and Technical. The JCSGs address issues affect common business-oriented support functions, examine functions in the context of facilities, and develop realignment and closure recommendations based on force structure plans of the Armed Forces and on selection criteria. To analyze the issues, each JCSG developed data call questions to obtain information about the functions that it reviewed.

BRAC 2005 Data Calls. The BRAC 2005 process was mandated for the United States and its territories and was divided into the following data calls: capacity analysis, supplemental capacity, military value, Cost of Base Realignment Actions (COBRA), Joint Process Action Team Criterion Number 7 (JPAT 7), and scenario specific. The first data call addressed capacity analysis issues. The supplemental capacity, military value, COBRA, and JPAT 7 data calls were collectively known as the second data call. The Services, Defense agencies, and Defense-Wide Organizations (DWOs) used either automated data collection tools or a manual process to collect data call responses. Each data call had a specific purpose as follows.

- The capacity analysis data call requested data on infrastructure, current workload, surge requirements, and maximum capacity.
- The supplemental capacity data call requested data to clarify inconsistent data gathered in the initial capacity analysis data call.
- The military value data call requested data on mission requirements, land and facilities, mobilization and contingency, and cost and personnel.
- The COBRA data call requested data to develop costs, savings, and payback (formerly known as return on investment) of proposed realignment and closure actions.

-
- The JPAT 7 data call requested data to assess the community's abilities to support additional forces, mission, and personnel associated with individual scenarios.
 - The scenario specific data call requested data related to one or more potential closure or realignment actions identified for formal analysis by either a JCSG or a Military Department.

DWOs. DWO is a collective term for 11 Defense Organizations.¹ The Office of Economic Adjustment (OEA) is one of the 11 DWOs. The OSD Director, Administration and Management (DA&M) led the DWO BRAC 2005 process and was responsible for collecting and submitting BRAC data for all of the DWOs. The OSD DA&M was the primary data repository for all DWO data collections and requests, and assembled and forwarded BRAC-related data to the OSD BRAC Office and the JCSGs.

Internal Control Plans. Before the BRAC data calls were released, OSD distributed the OSD Internal Control Plan (ICP) under the Under Secretary of Defense for Acquisition, Technology, and Logistics' memorandum, "Transformation Through Base Realignment and Closure (BRAC 2005) Policy Memorandum One—Policy, Responsibilities, and Procedures" (Policy Memorandum One), April 16, 2003. The OSD ICP was the ICP for all JCSGs and guided and regulated the DoD Component ICPs. The OSD ICP required that prepare ICPs that supplement the OSD ICP. OSD DA&M prepared an overall "Defense-Wide Organizations Internal Control Plan for the 2005 Base Realignment and Closure Process," on January 15, 2004. The DWO ICP and Appendixes L and M applied to the 11 DWOs. Each DWO prepared an organization-specific appendix to supplement the overall DWO ICP; Appendix F applied to OEA. The DWO ICP was updated on August 2, 2004. OEA used a manual process to collect data for the capacity analysis data call, used the Data Gathering Tool, a modified Microsoft Access tool for those not using an automated data collection tool, to collect data for the second data call.

DoD Office of Inspector General Responsibility. Policy Memorandum One requires the Department of Defense Office of Inspector General (DoD OIG) to provide ICP development and implementation advice, review the accuracy of BRAC data, and evaluate the data certification processes. In addition, Policy Memorandum One requires DoD OIG personnel to assist the JCSGs and DoD Components as needed. We issued one site memorandum to the Director, OEA on May 12, 2004, summarizing the audit results of the capacity analysis data call and one site memorandum to the Director, OEA on November 30, 2004, summarizing the results of the second data call. As of February 15, 2005, the Office of Economic Adjustment had not received any scenario data calls.

OEA. OEA consists of two office locations: its Headquarters located in Arlington, Virginia, and a Western Region office in Sacramento, California. OEA is the DoD primary source for assisting communities impacted by DoD changes, including base closures and realignments, base expansions, and contract

¹ The 11 DWOs are the American Forces Information Service, Defense Human Resources Activity, Defense Technology Security Administration, DoD Education Activity, Defense Prisoner of War/Missing Personnel Office, Joint Chiefs of Staff, Office of Economic Adjustment, Department of Defense Office of Inspector General, OSD, TRICARE Management Activity, and Washington Headquarters Services.

or program cancellations. OEA manages and directs the Defense Economic Adjustment Program to assist affected communities and coordinates involvement of other Federal agencies. OEA provides a community-based context for assessing economic hardships by identifying and evaluating alternative courses of action, identifying resource requirements, and assisting in the preparation of an adjustment strategy. In addition, OEA provides technical and financial assistance to State and local governments with the mission to achieve compatible land use and development of activities near DoD facilities.

Objectives

The overall objective of the audit was to evaluate the validity, integrity, and supporting documentation of data that OEA collected and submitted for the BRAC 2005 process. In addition, we evaluated whether OEA complied with the applicable ICPs. This report is one in a series on data call submissions and internal control processes for BRAC 2005. See Appendix A for a discussion of the scope and methodology and prior coverage related to the audit objectives.

Office of Economic Adjustment BRAC 2005 Data Call Submissions and Internal Control Processes

OEA responses to the BRAC 2005 data calls were generally accurate, supported, and reasonable. However, OEA partially supported one response to the capacity analysis data call and had four inaccurate responses to the second data call. In addition, OEA generally complied with the applicable ICPs, and properly incorporated and supplemented the OSD ICP. However, OEA had two ICP noncompliances. Specifically:

- OEA did not properly mark all BRAC-related documents used to support both data call responses until notified of the noncompliance during our visit, and
- OEA compiled documentation to support the second data call responses after submitting the responses to the OSD BRAC Office.

We were unable to determine the validity of the partially supported response to the capacity analysis data call and three of the four inaccurate responses to the second data call. We also could not determine the materiality of those responses as they relate to the OEA BRAC 2005 analysis. However, we determined one of the four inaccurate responses to the second data call and the two ICP noncompliances were not material. As a result, the inaccurate responses and ICP noncompliances should not affect the reliability and integrity of OEA data for use in the BRAC 2005 analysis.

OEA BRAC 2005 Data Call Submissions

The OEA responses to the BRAC 2005 data calls were generally accurate, supported, and reasonable. OEA provided either a response of “Not Applicable” (N/A) or an answer to the capacity analysis and second data call questions. To ensure accurate responses, we reviewed the N/A responses to determine reasonableness and compared the answers to supporting documentation. We did not verify that OEA responses were entered into the OSD Database.

Capacity Analysis Data Call. OEA responses to the capacity analysis data call were generally accurate, supported, and reasonable. OEA provided the responses to the capacity analysis data call on behalf of OEA Headquarters and the OEA Western Region office. OSD DA&M directed OEA to respond to 75 of the 752 capacity data call questions identified as applicable to the DWOs by the HSA JCSG. OSD DA&M directed OEA to review the remainder of the 752 questions to determine if any remaining questions were applicable to OEA. OEA reviewed the remainder of the questions and identified two additional questions. As a result, OEA responded to 77 capacity analysis data call questions either with an N/A response or an answer. OEA responded to 73 questions with an N/A response and to 4 questions with an answer. We determined that the 73 N/A responses were reasonable and 3 of the 4 answered questions were adequately

supported. However, one of the four answered questions was only partially supported. Specifically, OEA provided answers to all three subparts of question 462.² OEA answers for two subparts were accurate and supported. For the third subpart of question 462, OEA provided a certified organizational chart to support the number of contract employees. Subsequent to our visit, we determined the organizational chart was inadequate source documentation for validating the accuracy of the answer. We were unable to determine the validity of the response, and we could not determine the materiality of the response as it relates to the BRAC 2005 analysis.

Second Data Call. The OEA responses to the second data call were generally accurate, supported, and reasonable. OSD DA&M directed OEA to respond to 48 of 83 second data call questions identified as applicable to the DWOs. OSD DA&M directed OEA to review the remainder of the 83 questions to determine whether any additional questions were applicable to OEA. OEA reviewed the remainder of the questions and identified 25 additional questions. As a result, OEA responded to 73 second data call questions.³ Specifically, OEA responded to 9 HSA JCSG supplemental capacity questions, 36 HSA JCSG military value questions, 8 COBRA questions, and 20 JPAT 7 questions either with an N/A response or an answer. Subsequent to our review the JPAT 7 group requested clarification on some responses, which may have resulted in changes to responses; we did not review those responses. OEA responded to the HSA JCSG supplemental capacity, the HSA JCSG military value, and the COBRA questions for OEA Headquarters and the Western Region office. However, OEA responded to the JPAT 7 questions for OEA Headquarters only. OEA did not respond to the JPAT 7 questions for the OEA Western Region office because OEA determined that responses for that location were not material to the OEA BRAC 2005 analysis.

OEA responded to 39 questions with an N/A response. We determined 37 of the 39 N/A responses were reasonable. OEA inaccurately provided N/A responses to 2 COBRA questions (1501 and 1505) that were specific to OEA⁴ and should have been answered. We made this determination subsequent to our visit to OEA and we did not discuss this determination with OEA management. We were unable to determine the validity of the responses, and we could not determine the materiality of the responses as they relate to the OEA BRAC 2005 analysis.

OEA answered 34 questions. We determined 2 of the 34 questions answered (COBRA question 1506 and JPAT 7 question 1412) were inaccurate. Specifically, OEA provided an answer to COBRA question 1506 that was not applicable to OEA. COBRA question 1506 was directed to activities that contained DoD tenants. OEA was a tenant of another agency and did not have

² Capacity analysis data call question number 462 asked for the building number, name, address, DoD host, and usable square feet assigned by the host for each building of leased administrative space occupied within the Washington, D.C., area. Additionally, the question asked for the personnel breakdown of authorized and on-board contractors per building.

³ For the second data call, the HSA JCSG targeted OEA with its supplemental capacity and military value questions. Additionally, COBRA and JPAT 7 questions were targeted to stand-alone or host activities, including leased facilities; OEA locations were in leased facilities.

⁴ COBRA question 1501 asked for the total thousands of square feet of facilities existing at the DWO installation as of September 30, 2003. COBRA question 1505 asked for the number of Officer, Enlisted, Student, and Civilians authorized each year from FY 2005 through FY 2011 within the DWO installation.

tenants at either Headquarters or the Western Region office. We determined the OEA response to COBRA question 1506 should have been N/A. We made this determination subsequent to our visit to OEA and we did not discuss our determination with OEA management. We were unable to determine the validity of the answer, and we could not determine the materiality of this answer as it relates to the OEA BRAC 2005 analysis. OEA also provided an inaccurate answer to JPAT 7 question 1412; however, we determined the inaccuracy was not material to the OEA BRAC 2005 process.

We did not determine whether the responses to JPAT 7 question numbers 1407 and 1409 were accurate and supported. The OSD BRAC Office advised OEA to obtain answers for JPAT 7 questions 1407 and 1409 from Fort Myer, and we did not audit the accuracy or the supporting documentation for the answers received from Fort Myer. We also did not determine whether the responses for HSA JCSG military value questions 1907⁵ and 1908⁶ were accurate and supported. Specifically, OEA provided supporting documentation for answers to questions 1907 and 1908, which consisted of a memorandum explaining estimates that could not be validated.

Internal Control Processes

OEA generally complied with the applicable ICPs and properly incorporated and supplemented the OSD ICP. We reviewed OEA compliance to determine whether the OEA data gathering process complied with applicable ICPs. We reviewed whether OEA personnel completed nondisclosure agreements and properly collected, marked, safeguarded, and maintained BRAC data. Specifically, we reviewed the completeness of BRAC documentation and ensured that BRAC information was secured in locked containers and marked with “Deliberative Document-For Discussion Purposes Only-Do Not Release Under FOIA.” In addition, we reviewed the completeness of the DWO ICP and determined that the DWO ICP properly supplemented the OSD ICP.

Compliance With the ICPs. OEA generally complied with the applicable ICPs when responding to questions from both data calls; however, we identified two ICP noncompliances. Specifically, OEA did not properly mark some of the BRAC-related documents used to support responses to both data call questions. However, once notified of this during our visit, OEA properly marked the supporting documentation in accordance with the ICPs. In addition, OEA did not compile the documentation to support responses until after OEA submitted the second data call responses to the OSD BRAC Office. OEA was unable to resolve this noncompliance; however, once compiled, OEA kept the supporting documentation with the responses in a locked container and appropriately safeguarded. OEA provided generally accurate, supported, and reasonable responses to both data calls; therefore, we determined the noncompliances were

⁵ HSA JCSG military value question 1907 asked for the number of meetings between an organization’s senior officials, including flag officers, and senior officials from another organization located in the Washington, D.C., area.

⁶ HSA JCSG military value question 1908 asked for the number of meetings between an organization’s senior officials, including flag officers, and members of Congress or their staffs.

not material to the BRAC 2005 process and should not affect the integrity of the OEA data for use in the BRAC 2005 analysis.

Completeness of the ICPs. The DWO ICP properly incorporated and supplemented the OSD ICP; however, neither ICP addressed separation of duties controls. Appendix F to the DWO ICP established OEA responsibilities and outlined management control mechanisms to provide accountability and to safeguard OEA BRAC information. In addition, the DWO ICP identified documentation required to justify changes made to data and information after it had been certified and sent to the OSD BRAC Office. Both ICPs included direction on completing nondisclosure agreements and on collecting, marking, safeguarding, and maintaining BRAC data. Although both ICPs identified guidance on safeguarding and accountability of BRAC information, neither ICP addressed separation of duties controls. Specifically, the ICPs did not require the assignment of different personnel as the responder, reviewer, and trusted agent. Although the ICPs did not direct that separation of duties be present, OEA had separation of duties when responding to the data call questions.

Conclusion

OEA responses to the BRAC 2005 data calls were generally accurate, supported, and reasonable. However, OEA provided one partially supported response to the capacity analysis data call and had four inaccurate responses to the second data call. We were unable to determine the materiality of the partially supported response to the capacity analysis data call and three of the four inaccurate responses to the second data call. However, we determined one of the four inaccurate second data call responses was not material and should not affect the reliability of the OEA data for use in the BRAC 2005 analysis.

Additionally, OEA generally complied with applicable ICPs and properly incorporated and supplemented the OSDICP. However, OEA had two ICP noncompliances. OEA corrected one ICP noncompliance during our visit by properly marking all BRAC-related supporting documents. OEA did not compile supporting documentation for the second data call responses as required by the ICPs until after submitting the responses to the OSD BRAC Office. The OEA responses were generally accurate, supported, and reasonable; therefore, we determined the two ICP noncompliances were not material and should not affect the integrity of the OEA data for use in the BRAC 2005 process.

Appendix A. Scope and Methodology

We evaluated the validity, integrity, and supporting documentation of OEA BRAC 2005 data. The evaluation included comparing responses with supporting documentation and reviewing N/A responses to determine whether the responses were reasonable. Questions had either an answer or an N/A response; an N/A response was provided for questions determined not to apply to OEA.

We evaluated the data collection process to determine whether OEA followed the OSD ICP guidance to develop an ICP, maintained adequate documentation to support the data collection process, and established adequate internal control procedures to ensure that data call responses were complete and accurate. We ensured that the DWO ICP incorporated and supplemented the requirements of the OSD ICP and reviewed OEA compliance with the ICPs. We evaluated OEA data collection procedures, to include reviewing the completion of nondisclosure agreements and the collection, marking, safeguarding, and maintenance of BRAC data. In addition, we interviewed the Associate Director and the Administrative Officer who helped prepare the capacity analysis data call. The Deputy Director reviewed and certified the official responses to the capacity analysis data call questions. For the second data call, we interviewed the Associate Director who prepared the official OEA responses. The Deputy Director reviewed and certified the responses to the second data call responses. We reviewed documentation dated from January 1992 through September 2004. We did not verify that OEA responses were entered into the OSD Database.

Capacity Analysis Data Call. A January 23, 2004, OSD DA&M memorandum directed DWO trusted agents to answer 75 of 752 capacity analysis data call questions identified as applicable to DWOs by the HSA JCSG. In addition, OSD DA&M directed OEA to review the remainder of the 752 questions to determine if any remaining questions were applicable to OEA. OEA reviewed the remaining 752 questions and determined 2 additional questions were applicable to OEA. As a result, OEA responded to a total of 77 capacity analysis data call questions on behalf of OEA Headquarters and the OEA Western Region office. We reviewed the OEA responses to the capacity analysis data call at OEA Headquarters. We did not validate the OSD DA&M or OEA selection process or the questions not selected.

We evaluated the OEA responses to 77 capacity analysis data call questions.

- We reviewed N/A responses for the following 73 questions to determine reasonableness: 310, 313 through 329, 347 through 388, 393, 446 through 448, 461, 464, 468, 469, 478, 480 through 482, and 582.
- We reviewed answers to questions 311, 462, 466, and 471 for accuracy and adequate support.

We issued a site memorandum to the Director, OEA on May 12, 2004, summarizing the results of our site visit.

Second Data Call. OEA received guidance from OSD DA&M on June 18, 2004, June 23, 2004, and July 22, 2004, directing OEA to respond to 48 of 83 second

data call questions identified as applicable to the DWOs. OSD DA&M directed OEA to review the remainder of the 83 questions to determine whether any remaining questions were applicable to OEA. OEA reviewed the remainder of the questions and identified 25 additional applicable questions. As a result, OEA responded to 73 second data call questions. Specifically, OEA responded to 9 HSA JCSG supplemental capacity questions, 36 HSA JCSG military value questions, 8 COBRA questions, and 20 JPAT 7 questions either with an answer or an N/A response. OEA responded to 34 second data call questions with an answer and 39 questions with N/A; we reviewed OEA responses to the second data call questions at OEA Headquarters. The following table lists the responses that we reviewed.

Second Data Call Questions Reviewed		
Type of Question	Question Number	
	Answered	Not Applicable
HSA JCSG Supplemental Capacity	4099-4103	4079-4081 and 4096
HSA JCSG Military Value	1905, 1907-1911, 1913, and 1916	1900, 1904, 1906, 1912, 1914, 1915, 1917-1927, and 1947-1957
COBRA	1506	1500-1505 and 1507
JPAT 7	1400-1417, 1420, and 1421*	None

OEA responded to the JPAT 7 questions for OEA Headquarters only. OEA did not respond to the JPAT 7 questions for the OEA Western Region office because OEA determined that responses for that location were not material to the OEA BRAC 2005 analysis. We audited the second data call responses for OEA during the period from July 27, 2004, through October 25, 2004. Subsequent to our review, the JPAT 7 group requested clarification on some responses, which may have resulted in changes to responses; we did not review those responses. In addition, we did not make a determination on whether the responses to JPAT 7 questions 1407 and 1409 were accurate and supported because OEA obtained answers from Fort Myer. We also did not make a determination whether HSA JCSG military value question numbers 1907 and 1908 were accurate and supported because supporting documentation consisted of a memorandum explaining estimates that could not be validated. We issued a site memorandum to the Director, OEA on November 30, 2004, summarizing the results of our review of the second data call questions.

Scenario Specific Data Call. As of February 15, 2005, OEA had not received any scenario specific data calls.

* The JPAT 7 group replaced JPAT 7 questions 1418 and 1419 with 1420 and 1421.

We performed this audit from March 2004 through April 2005 in accordance with generally accepted government auditing standards.

Use of Computer-Processed Data. We did not test the accuracy of the computer-processed data used to support answers to data call questions because of time constraints. Potential inaccuracies in the data could impact the results. However, the BRAC data were certified as accurate and complete to the best of the certifier's knowledge and belief. OEA used a manual process, Microsoft Word, to collect data for the capacity analysis data call, and used the Data Gathering Tool, a modified Microsoft Access tool for those not using an automated data collection tool, to collect data for the second data call. We did not review the data collection tools used.

Government Accountability Office High-Risk Areas. The Government Accountability Office has identified several high-risk areas in DoD. This report provides coverage of the Management of Federal Real Property and the DoD Support Infrastructure Management high-risk areas.

Management Control Program Review

We evaluated the OEA management controls for preparing, submitting, documenting, and safeguarding information associated with the BRAC 2005 data calls, as directed by the applicable ICPs. Specifically, we reviewed procedures that OEA used to develop, submit, and document its data call responses. In addition, we reviewed the controls implemented to safeguard against the disclosure of OEA BRAC data before responses were forwarded to the OSD BRAC Office. Management controls were adequate as they applied to the audit objective (see finding for specific details). We did not review the OEA management control program because its provisions were not deemed applicable to the one-time data collection process.

Prior Coverage

During the last 5 years, the DoD Inspector General issued two site memorandums discussing the OEA BRAC 2005 data call submissions and internal control processes.

DoD Inspector General

Site Memorandums

DoD IG Memorandum, "Audit of the Second Data Call Submission From the Office of Economic Adjustment for Base Realignment and Closure 2005," November 30, 2004

DoD IG Memorandum, "Audit on the Capacity Analysis Data Call Submission From the Office of Economic Adjustment for Base Realignment and Closure 2005," May 12, 2004

Appendix B. Report Distribution

Office of the Secretary of Defense

Director, Base Realignment and Closure (Installations and Environment)
Director, Office of Economic Adjustment

Non-Defense Federal Organization

Government Accountability Office

Team Members

The Department of Defense Office of the Deputy Inspector General for Auditing, Contract Management prepared this report. Personnel of the Department of Defense Office of Inspector General who contributed to the report are listed below.

Richard B. Jolliffe
Deborah L. Carros
Deborah L. Culp
Beth K. Schaefer
Karen L. Jones-Moradian
Peter I. Lee
Amie M. Coffren
Meredith H. Johnson