
June 8, 2005



Infrastructure and Environment

Office of the Secretary of Defense,
Director of Administration and
Management Data Call Submissions and
Internal Control Processes for Base
Realignment and Closure 2005
(D-2005-080)

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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
OSD	Office of the Secretary of Defense



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June 8, 2005

MEMORANDUM FOR DIRECTOR, OFFICE OF THE SECRETARY OF DEFENSE,
DIRECTOR OF ADMINISTRATION AND MANAGEMENT

SUBJECT: Report on Office of the Secretary of Defense, Director of Administration and Management Data Call Submissions and Internal Control Processes for Base Realignment and Closure 2005 (Report No. D-2005-080)

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 Ms. Deborah L. Culp at (703) 604-9335 (DSN 664-9335) or Ms. Lisa M. Such at (703) 604-9284 (DSN 664-9284). See Appendix B for the 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, reading "Richard B. Jolliffe", is positioned above the printed name.

Richard B. Jolliffe
Assistant Inspector General
Contract Management

Department of Defense Office of Inspector General

Report No. D-2005-080

June 8 2005

(Project No. D2004-D000CG-0132.000)

Office of the Secretary of Defense, Director of Administration and Management 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 (OSD) personnel, OSD Director of Administration and Management (DA&M) personnel, and anyone interested in the Base Realignment and Closure (BRAC) process should read this report. The report discusses the validity, integrity, and supporting documentation of the data provided by OSD DA&M for BRAC 2005.

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 inside the United States and its territories. 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 DoD Office of Inspector General would review the accuracy of BRAC data and the certification process.

The BRAC 2005 process 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. We issued site memorandums for the capacity analysis data call and the second data call to summarize the results of the site visits. This report summarizes issues related to the OSD DA&M BRAC 2005 process as of March 14, 2005.

OSD DA&M is a Defense-Wide Organization (DWO)¹ and serves as the principal staff assistant and advisor to the Secretary and Deputy Secretary of Defense on DoD-wide organizational and administrative management matters. OSD DA&M led the DWO BRAC 2005 process, and submitted BRAC data for each of the 11 DWOs. The

¹ Defense-Wide Organization is a collective term for 11 Defense Organizations.

data submitted by OSD DA&M included information on 16 OSD organizations² for the capacity analysis data call, 10 OSD organizations³ for the second data call, and 9 OSD organizations⁴ for the scenario specific data calls. OSD organizations are located in the Pentagon and in leased offices throughout the Washington, D.C., area.

Results. We evaluated the validity, integrity, and supporting documentation of OSD DA&M BRAC 2005 data and compliance with the OSD and the DWO internal control plans for the capacity analysis, second, and scenario specific data calls. Once corrections were made, OSD DA&M BRAC 2005 data were generally supported, complete, and reasonable. However, as of March 14, 2005, for the capacity analysis data call, 2 of the 75 responses were partially supported. For the second data call, 1 of the 61 responses was partially supported, and for the scenario specific data calls, 1 of the 2 scenario specific data calls was partially supported. We cannot determine if the partially supported questions had a material effect on the BRAC 2005 analysis for OSD DA&M.

OSD DA&M data collection processes for each of the data calls generally complied with the OSD and DWO internal control plans and the DWO internal control plan properly incorporated and supplemented the OSD internal control plan. OSD DA&M had eight immaterial noncompliance issues with the internal control plans that should not affect the integrity of OSD DA&M data for use in BRAC 2005 analysis.

Management Comments. We provided a draft of this report on May 17, 2005. No written response to this report was required and none was received. Therefore, we are publishing this report in final form.

² Secretary of Defense; Under Secretary of Defense for Acquisition, Technology, and Logistics; Under Secretary of Defense for Policy; Under Secretary of Defense (Comptroller)/Chief Financial Officer; Under Secretary of Defense for Personnel and Readiness; Under Secretary of Defense for Intelligence; Assistant Secretary of Defense for Legislative Affairs; Assistant Secretary of Defense for Networks and Information Integration/Chief Information Office; Assistant Secretary of Defense for Public Affairs; General Counsel of the Department of Defense; Director of Operational Test and Evaluation; Assistant to the Secretary of Defense for Intelligence Oversight; Director of Administration and Management; Director of Program Analysis and Evaluation; Director of Net Assessment; and Director of Force Transformation.

³ Under Secretary of Defense for Acquisition, Technology, and Logistics; Under Secretary of Defense for Policy; Under Secretary of Defense (Comptroller)/Chief Financial Officer; Under Secretary of Defense for Personnel and Readiness; Assistant Secretary of Defense for Networks and Information Integration/Chief Information Office; Director of Operational Test and Evaluation; Assistant to the Secretary of Defense for Intelligence Oversight; Director of Administration and Management; Director of Program Analysis and Evaluation; and Director of Force Transformation.

⁴ All of the OSD organizations listed in footnote three with the exception of the Director of Administration and Management.

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Background

Base Realignment and Closure 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 deadline for the Secretary of Defense to submit recommendations to the independent Commission was May 16, 2005.

Joint Cross Service Groups. A primary objective of BRAC 2005, in addition to realigning base structure, was 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 addressed issues that affect common business-oriented support functions, examined functions in the context of facilities, and developed 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 they reviewed.

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

-
- The JPAT 7 data call gathered data to assess the community's ability to support additional forces, missions, and personnel associated with individual scenarios.⁵
 - The scenario specific data call gathered data related to scenarios for realignment or closure.

Department of Defense Office of Inspector General Responsibility. 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," April 16, 2003, required the Department of Defense Office of Inspector General (DoD OIG) to provide internal control plan (ICP) development and implementation advice, review the accuracy of BRAC data, and evaluate the data certification processes. In addition, the memorandum required DoD OIG personnel to assist the JCSGs and DoD Components as needed. This report summarizes the results of the DoD OIG efforts related to the OSD, Director of Administration and Management (DA&M) BRAC 2005 process.

DWOs. DWO is a collective term for 11 Defense Organizations.⁶ OSD DA&M is one of the 11 DWOs. OSD DA&M led the DWO BRAC 2005 process and was responsible for collecting and submitting BRAC data for the DWOs. 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.

ICPs. The DWO ICP outlined internal control procedures designed to ensure the accuracy, completeness, and integration of all information and analytical processes used in the BRAC 2005 process. Before the BRAC data calls were released, OSD required the Services, Defense agencies, and DWOs to prepare ICPs that incorporated and supplemented the OSD ICP. The OSD ICP was issued in 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," April 16, 2003. OSD DA&M prepared the overall "Defense-Wide Organizations Internal Control Plan for the 2005 Base Realignment and Closure Process," dated January 15, 2004. The overall DWO ICP, and Appendixes L and M applied to the 11 DWOs. Each DWO was responsible for preparing an organization-specific appendix to supplement the overall DWO ICP. Appendix A of the DWO ICP applied to OSD DA&M. The DWO ICP was updated on August 2, 2004. For the capacity analysis data call, OSD DA&M used a manual data collection process, and for the second data call, OSD DA&M used the data

⁵ A scenario is a description of one or more potential realignment or closure actions identified for formal analysis by either a JCSG or a Military Department.

⁶ The 11 organizations that comprise the DWOs are OSD, Joint Chiefs of Staff, DoD OIG, Office of Economic Adjustment, DoD Education Activity, Defense Human Resource Activity, TRICARE Management Activity, American Forces Information Service, Defense Prisoner of War/Missing Personnel Office, Defense Technology Security Administration, and Washington Headquarters Services.

gathering tool.⁷ For the second and scenario specific data calls, OSD DA&M used the August 2, 2004, DWO ICP.

OSD DA&M. OSD DA&M is responsible for providing policy guidance to DoD Components and is the principal staff assistant and advisor to the Secretary and Deputy Secretary of Defense on DoD-wide organizational and administrative management matters. OSD DA&M submitted data for 16 OSD organizations⁸ for the capacity analysis data call, 10 OSD organizations⁹ for the second data call, and 9 OSD organizations¹⁰ for the scenario specific data calls. The OSD organizations are located in the Pentagon and leased offices throughout the Washington, D.C., area.

Objectives

The overall objective of the audit was to evaluate the validity, integrity, and supporting documentation of data that OSD DA&M collected and submitted for the BRAC 2005 process. In addition, we evaluated whether OSD DA&M complied with the OSD and DWO 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, our review of management controls, and prior coverage related to the objectives.

⁷ A modified Microsoft Access tool for those not using an automated data collection tool.

⁸ Secretary of Defense; Under Secretary of Defense for Acquisition, Technology, and Logistics; Under Secretary of Defense for Policy; Under Secretary of Defense (Comptroller)/Chief Financial Officer; Under Secretary of Defense for Personnel and Readiness; Under Secretary of Defense for Intelligence; Assistant Secretary of Defense for Legislative Affairs; Assistant Secretary of Defense for Networks and Information Integration/Chief Information Office; Assistant Secretary of Defense for Public Affairs; General Counsel of the Department of Defense; Director of Operational Test and Evaluation; Assistant to the Secretary of Defense for Intelligence Oversight; Director of Administration and Management; Director of Program Analysis and Evaluation; Director of Net Assessment; and Director of Force Transformation.

⁹ Under Secretary of Defense for Acquisition, Technology, and Logistics; Under Secretary of Defense for Policy; Under Secretary of Defense (Comptroller)/Chief Financial Officer; Under Secretary of Defense for Personnel and Readiness; Assistant Secretary of Defense for Networks and Information Integration/Chief Information Office; Director of Operational Test and Evaluation; Assistant to the Secretary of Defense for Intelligence Oversight; Director of Administration and Management; Director of Program Analysis and Evaluation; and Director of Force Transformation.

¹⁰ All of the OSD organizations listed in footnote number five with the exception of the Director of Administration and Management.

OSD, Director of Administration and Management BRAC 2005 Data Call Submissions and Internal Control Processes

After corrections were made, OSD DA&M responses to the BRAC 2005 data calls were generally supported, complete, and reasonable. However, for the capacity analysis data call, 2 of the 75¹¹ responses were partially supported. Also, for the second data call, 1 of the 61 responses was partially supported. Furthermore, as of March 14, 2005, for the scenario specific data calls, one of the two scenario specific data calls was partially supported. We cannot determine if these partially supported questions have a material effect on the BRAC 2005 analysis for OSD DA&M. The OSD DA&M data collection processes for each of the data calls generally complied with the DWO ICP and the OSD and DWO ICP properly incorporated and supplemented the OSD ICP. OSD DA&M had eight immaterial noncompliance issues with the ICP, which should not impact the integrity of the OSD DA&M data for use in BRAC 2005 analysis.

OSD DA&M BRAC 2005 Data Call Submissions

The OSD DA&M data call responses to BRAC 2005 questions were generally supported, complete, and reasonable once corrections were made. For the capacity analysis, second, and scenario specific data calls, OSD DA&M provided either an answer or a “Not Applicable” response to the questions. A “Not Applicable” response was provided when OSD DA&M determined that the question did not apply. To ensure accuracy, we compared the OSD DA&M responses to supporting documentation and reviewed the responses to ensure reasonableness and completeness. We also reviewed the “Not Applicable” responses for reasonableness.

Capacity Analysis Data Call. After corrections were made, OSD DA&M responses to the capacity analysis data call were generally supported, complete, and reasonable; however, 2 of 75 responses remained partially supported. Specifically, with the exception of these two responses, OSD DA&M responses were supported, complete, and reasonable.

As the lead DWO in the BRAC process, OSD DA&M directed the DWOs to answer 75 of the 752 capacity analysis data call questions identified as applicable to the DWOs by HSA JCSG. OSD DA&M also directed the DWOs to review the remaining 752 questions to determine whether any other questions were also applicable. OSD DA&M reviewed the 75 questions and the remaining 677 questions and identified only 12 of the 75 questions as applicable to them.

¹¹ HSA JCSG determined that question numbers 347, 350, 352, and 354 through 356 were not applicable to OSD DA&M.

Initially, OSD DA&M answered these 12 capacity analysis data call questions. OSD DA&M provided a “Not Applicable” response to the remaining 63 of the 75 questions. Subsequently, HSA JCSG determined that OSD DA&M responses to six¹² previously answered finance and accounting questions were not applicable to OSD DA&M. OSD DA&M revised the responses and provided a “Not Applicable” response for the six questions. Therefore, OSD DA&M only answered six capacity analysis data call questions. OSD DA&M provided a “Not Applicable” response to the remaining 69 of the 75 questions. The 69 “Not Applicable” responses were reasonable.

We evaluated the six responses and supporting documentation and identified those lacking reasonable support and those that were inconsistent with the supporting documentation provided. Based on our review and discussions with OSD DA&M BRAC officials, OSD DA&M corrected its responses and agreed to make adjustments and resubmit corrected responses. We verified and concurred with the revisions with the exception of two responses, which remained partially supported. We did not verify that the responses or revised responses made it into the OSD Database.

As of March 14, 2005, OSD DA&M responses to question numbers 461 and 462 were partially supported. OSD DA&M was unable to provide adequate supporting documentation for on-board contractors and detailees. Additionally, the usable square footage portion of question number 462 was partially supported because supporting documentation was not provided for one leased location. In addition, the OSD DA&M responses for leased administrative usable square footage in question number 462 does not agree with the leased administrative usable square footage response to question number 466. However, the responses are reasonable and are within an acceptable agreed-upon range.

Subsequent to our site visit, OSD DA&M agreed to make additional corrections to the usable square footage portion of question number 462; we did not review these corrections.

Second Data Call. After corrections were made, OSD DA&M responses to the second data call were generally supported, complete, and reasonable; however, 1 of 61 responses was partially supported. The “Not Applicable” responses were reasonable.

As the lead DWO in the BRAC process, OSD DA&M identified 48 questions that were applicable to all of the DWOs and directed the DWOs to review the remaining questions to determine if any other questions were also applicable. OSD DA&M reviewed the remaining questions and identified 13 additional questions that were applicable to them. As a result, OSD DA&M provided a response to 61 second data call questions. OSD DA&M provided a response other than “Not Applicable” to 32 second data call questions. OSD DA&M provided a “Not Applicable” response to the remaining 29 questions. OSD leased facilities were required to answer JPAT 7 and COBRA data call questions; however, OSD DA&M provided a single response to include all leased

¹² Question numbers 347, 350, 352, and 354 through 356.

facilities for 10 OSD organizations.¹³ We evaluated the responses and supporting documentation and identified those lacking reasonable support and those that were inconsistent with the supporting documentation.

We did not make a determination as to whether the responses to JPAT 7 question numbers 1405 through 1407 were supported, complete, or reasonable because OSD guidance allowed DWOs to contact the nearest installation to obtain responses. OSD DA&M used responses from Fort Myer Military Command and Defense Logistics Agency. In addition, we did not make a determination as to whether the responses to HSA JCSG military value question numbers 1907¹⁴ and 1908¹⁵ were supported, complete, and reasonable. We could not verify the supporting documentation because it consisted of Microsoft Outlook calendars that could not be validated.

Based on our review and discussions with OSD DA&M BRAC officials, OSD DA&M corrected responses and provided additional supporting documentation to correct the issues identified during our review. We verified and concurred with the revisions, with the exception of one response that remained partially supported. We did not verify that the responses made it into the OSD Database. As of March 14, 2005, COBRA question number 1501 was partially supported because the dates of the leases and occupancy agreements did not correspond with the 2003 fiscal year end for all leased facilities.

Scenario Specific Data Call. OSD DA&M responses to the scenario specific data calls were partially supported, complete, and reasonable. As of March 14, 2005, OSD DA&M had received two scenario specific data calls. Initially, scenario specific data calls HSA-0053 and HSA-0106 were partially supported because OSD DA&M did not provide supporting documentation for contractors and detailees. Further, we were unable to fully validate the support equipment responses because OSD DA&M did not provide detailed methodologies that would enable us to reconstruct the responses for each of the OSD organizations. Subsequent to our validation, HSA JCSG deleted scenario specific data call HSA-0106. As a result, we determined that no further action was required on behalf of OSD DA&M for scenario specific data call HSA-0106. As of March 14, 2005, OSD DA&M responses to scenario specific data call HSA-0053 were partially supported. We did not verify that the responses made it into the OSD BRAC portal. Subsequent to our site visit, HSA JCSG may have replaced scenario specific data call HSA-0106 with an alternative scenario specific data call; we did not review those responses.

¹³ Under Secretary of Defense for Acquisition, Technology, and Logistics; Under Secretary of Defense for Policy; Under Secretary of Defense (Comptroller)/Chief Financial Officer; Under Secretary of Defense for Personnel and Readiness; Assistant Secretary of Defense for Networks and Information Integration/Chief Information Office; Director of Operational Test and Evaluation; Assistant to the Secretary of Defense for Intelligence Oversight; Director of Administration and Management; Director of Program Analysis and Evaluation; and Director of Force Transformation.

¹⁴ The question 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.

¹⁵ The question asked for the number of meetings between an organization's senior officials, including flag officers, and members of Congress or their staffs.

Internal Control Processes

The OSD DA&M data collection processes for the capacity analysis, second, and scenario specific data calls generally complied with the ICPs. However, we identified eight immaterial noncompliance issues. The DWO ICP properly incorporated and supplemented the OSD ICP. To evaluate OSD DA&M compliance with the ICPs for each of the data calls, we ensured that the DWO ICP properly incorporated and supplemented the OSD ICP and evaluated whether OSD DA&M completed nondisclosure agreements, appropriately marked and safeguarded BRAC data, and maintained complete BRAC data files.

Compliance with ICPs. OSD DA&M did not fully comply with the DWO ICP procedures. The ICP procedures required that:

- nondisclosure agreements be maintained for all participants in the BRAC process,
- BRAC 2005 documents be maintained in a General Services Administration safe,
- supporting documentation be attached to certified question pages,
- tracking logs of BRAC 2005 documents be maintained, and
- BRAC 2005 documents be marked as draft deliberative and/or sensitive.

For the capacity analysis data call, we identified four noncompliance issues. Specifically, OSD DA&M did not appropriately mark all supporting documentation, kept some of the supporting documentation separate from the certified questions, did not store all the BRAC materials in a General Service Administration safe, and did not maintain logs to record each time the trusted agents worked with the DWO BRAC Master Record or each time a copy was made of DWO BRAC documents. OSD DA&M corrected its noncompliance issues with the OSD and DWO ICPs.

For the second data call, we identified two noncompliance issues. Specifically, OSD DA&M did not have one nondisclosure agreement on file and did not appropriately mark all supporting documentation. OSD DA&M took steps to correct its noncompliance issues prior to the conclusion of the validation.

During the scenario specific data call, we identified two noncompliance issues. OSD DA&M did not appropriately mark all supporting documentation and did not provide a certification letter containing an identification number for scenario specific data call HSA-0106. We consider the lack of the appropriate markings, signatures, and dates to be immaterial noncompliance issues with the internal control plan because OSD DA&M completed nondisclosure agreements and safeguarded BRAC data. In addition, HSA JCSG deleted scenario specific data call HSA-0106 and we determined that no further action was required on behalf of OSD DA&M. OSD DA&M agreed to correctly apply the appropriate markings.

Completeness of ICPs. The DWO ICP outlined internal control procedures designed to ensure the accuracy, completeness, and integration of all information and analytical processes upon which OSD DA&M was to submit documents, data, and information used in the BRAC 2005 process. The DWO ICP established

BRAC 2005 responsibilities for OSD DA&M and control mechanisms to safeguard OSD DA&M BRAC information. The DWO ICP detailed the requirements for verifying the accuracy of data and information. In addition, the DWO ICP identified required documentation to justify changes made to data and information received from subordinate levels of the organization. Specifically, the DWO ICP included direction on the completion of nondisclosure agreements, and the collection, marking, safeguarding, and maintenance of BRAC data. The DWO ICP was updated on August 2, 2004, to reflect changes to the documentation requirements for DWO BRAC ICP implementation. In addition DA&M updated its appendix to the DWO ICP to reflect changes to physical security controls for BRAC data.

Conclusion

After corrections were made, OSD DA&M responses to the BRAC 2005 data calls were generally supported, complete, and reasonable. However, as of March 14, 2005, for the capacity analysis data call, 2 of the 75 responses remained partially supported (capacity analysis data call question numbers 461 and 462). For the second data call, 1 of the 61 responses was partially supported (COBRA question number 1501), and for the scenario specific data calls, 1 of the 2 scenario specific data calls was partially supported (scenario specific data call HSA-0053). We cannot determine whether these partially supported questions have a material effect on the BRAC 2005 analysis for OSD DA&M. The OSD DA&M data collection processes for each of the data calls generally complied with the ICPs and the DWO ICP properly incorporated and supplemented the OSD ICP. OSD DA&M had eight immaterial noncompliance issues with the ICPs, which should not impact the integrity of the OSD DA&M data for use in BRAC 2005 analysis.

We discussed the results of the data call submissions and ICP reviews with OSD DA&M upon completion of each data call. OSD DA&M concurred with our findings, corrected the responses, and agreed to continue to correct responses and collect additional supporting documentation. OSD DA&M also agreed to appropriately mark all supporting documentation.

Appendix A. Scope and Methodology

We evaluated the validity, integrity, and supporting documentation of OSD DA&M BRAC 2005 data. The evaluation included comparing question responses to supporting documentation and reviewing “Not Applicable” responses to determine whether responses were reasonable. Questions required either an answer or a “Not Applicable” response; a “Not Applicable” response was provided when OSD DA&M determined that the question did not apply to OSD DA&M. However, we did not verify that the responses made it into the OSD Database. We evaluated whether the DWO ICP incorporated and supplemented the requirements of the OSD ICP. We also evaluated the OSD DA&M data collection procedures to determine whether they complied with the ICP procedures to include completing nondisclosure agreements; and collecting, marking, safeguarding, and maintaining BRAC data. In addition, we interviewed the personnel responsible for answering, reviewing, preparing, and certifying the responses to the data call questions.

Capacity Analysis Data Call. A January 23, 2004, OSD DA&M memorandum directed DWO trusted agents to answer 75 of the 752 capacity analysis data call questions identified as applicable to DWOs by HSA JCSG. OSD DA&M also directed the DWO trusted agents to review the remaining questions to determine whether any other questions were applicable. Initially, OSD DA&M reviewed the 75 questions and the remaining 677 questions and identified only 12 of the 75 questions that were applicable to OSD DA&M. OSD DA&M provided an answer to 12 questions. OSD DA&M provided a “Not Applicable” response to the remaining 63 of the 75 questions. Subsequently, HSA JCSG determined that OSD DA&M responses to six¹⁶ previously answered finance and accounting questions were not applicable to OSD DA&M. As a result, OSD DA&M revised the responses and provided a “Not Applicable” response to those six questions. We did not validate the OSD DA&M selection process or the questions not selected.

We evaluated the OSD DA&M responses to the 75 capacity analysis data call questions. We issued a site memorandum to summarize the results. Specifically, we reviewed the responses and supporting documentation to the following questions:

- question numbers 461, 462, 464, 466, 468, and 471 with a response; and
- question numbers 311, 313 through 329, 347 through 388, 393, 446 through 448, 478, 480 through 482, and 582 with a “Not Applicable” response.

OSD DA&M responses to the capacity analysis data call included data for

¹⁶ Question numbers 347, 350, 352, and 354 through 356.

16 OSD organizations. The 16 OSD organizations¹⁷ are located in the Pentagon and occupy leased space throughout the Washington, D.C., area.

Subsequent to our site visit, OSD DA&M agreed to make additional corrections to the usable square footage portion of question number 462; we did not review these corrections.

Second Data Call. The OSD DA&M provided guidance to the DWOs on June 18, 2004; June 23, 2004; and July 22, 2004, directing them to answer 11 HSA JCSG military value questions; 9 HSA JCSG supplemental capacity questions; 8 COBRA questions; and 20 JPAT 7 questions. OSD DA&M identified an additional 13 HSA JCSG military value questions as applicable to them. OSD DA&M complied with the requirement that all leased facilities answer JPAT 7 and COBRA data call questions. OSD DA&M responses to the data call included data for 10 OSD organizations.¹⁸ The 10 OSD organizations are located in the Pentagon and occupy leased offices throughout the Washington D.C., area.

We evaluated the OSD DA&M responses to 61 second data call questions. We issued a site memorandum to summarize the results. Specifically, we reviewed the following responses and supporting documentation:

- JPAT 7 question numbers 1400 through 1417, 1420, and 1421;¹⁹ COBRA question numbers 1501 and 1505; HSA JCSG military value question numbers 1907 through 1911; HSA JCSG supplemental capacity question numbers 4099 through 4103 with a response; and
- COBRA question numbers 1500, 1502 through 1504, 1506, and 1507; HSA JCSG military value question numbers 1905, 1913 through 1919, 1921, 1923, 1925 through 1927, 1947, 1949, 1953, 1954, 1956, and 1957; HSA JCSG supplemental capacity question numbers 4079 through 4081 and 4096 with a “Not Applicable” response.

We did not make a determination as to whether responses for HSA JCSG military

¹⁷Secretary of Defense; Under Secretary of Defense for Acquisition, Technology, and Logistics; Under Secretary of Defense for Policy; Under Secretary of Defense (Comptroller)/Chief Financial Officer; Under Secretary of Defense for Personnel and Readiness; Under Secretary of Defense for Intelligence; Assistant Secretary of Defense for Legislative Affairs; Assistant Secretary of Defense for Networks and Information Integration/Chief Information Office; Assistant Secretary of Defense for Public Affairs; General Counsel of the Department of Defense; Director of Operational Test and Evaluation; Assistant to the Secretary of Defense for Intelligence Oversight; Director of Administration and Management; Director of Program Analysis and Evaluation; Director of Net Assessment; and Director of Force Transformation.

¹⁸ Under Secretary of Defense for Acquisition, Technology, and Logistics; Under Secretary of Defense for Policy; Under Secretary of Defense (Comptroller)/Chief Financial Officer; Under Secretary of Defense for Personnel and Readiness; Assistant Secretary of Defense for Networks and Information Integration/Chief Information Office; Director of Operational Test and Evaluation; Assistant to the Secretary of Defense for Intelligence Oversight; Director of Administration and Management; Director of Program Analysis and Evaluation; and Director of Force Transformation.

¹⁹ The JPAT 7 group made the decision to replace JPAT 7 questions 1418 and 1419 with JPAT 7 questions 1420 and 1421.

value question numbers 1907 and 1908 were supported, complete, and reasonable. We could not verify the supporting documentation because it consisted of Microsoft Outlook calendars that could not be validated. In addition, we did not make a determination as to whether responses to JPAT 7 question numbers 1405 through 1407 were supported, complete, and reasonable because OSD guidance allowed DWOs to contact the nearest installation to obtain responses. OSD DA&M used responses from Fort Myer Military Command and Defense Logistics Agency; therefore, we could not adequately validate the data provided.

Scenario Specific Data Call. As of March 14, 2005, OSD DA&M had received two scenario specific data calls from the HSA JCSG. We evaluated the responses and supporting documentation to HSA JCSG scenario specific data calls HSA-0053 and HSA-0106.

In addition to reviewing the scenario specific data call responses, we followed up on outstanding issues from the capacity analysis and second data calls. We evaluated changes to the following questions:

- capacity analysis question numbers 462 and 466;
- COBRA question numbers 1501 and 1505;
- JPAT 7 question numbers 1400, 1401, 1403, 1405, 1406, 1410, 1411, and 1413; and
- HSA JCSG supplemental capacity question numbers 4099 through 4103.

OSD DA&M responses to the scenario specific data calls included data for 9 OSD organizations.²⁰ The 9 OSD organizations are located in the Pentagon and occupy leased offices throughout the Washington D.C., area.

Subsequent to our site visit, HSA JCSG may have replaced scenario specific data call HSA-0106 with an alternative scenario specific data call; we did not review that response.

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

Use of Computer-Processed Data. Because of time constraints, we did not test the accuracy of the computer-processed data used to support the answers to data call questions. Potential inaccuracies in the data could impact the results. However, the BRAC data were certified as accurate and complete to the best of the Director's knowledge and belief. We did not review the data gathering tool used by OSD DA&M during the second data call.

²⁰ Under Secretary of Defense for Acquisition, Technology, and Logistics; Under Secretary of Defense for Policy; Under Secretary of Defense (Comptroller)/Chief Financial Officer; Under Secretary of Defense for Personnel and Readiness; Assistant Secretary of Defense for Networks and Information Integration/Chief Information Office; Director of Operational Test and Evaluation; Assistant to the Secretary of Defense for Intelligence Oversight; Director of Program Analysis and Evaluation; and Director of Force Transformation.

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 DoD Support Infrastructure Management high-risk areas.

Management Control Program Review

We did not review the OSD DA&M management control program because its provisions were not deemed applicable to the one-time data collection process. However, we evaluated the OSD DA&M internal control procedures 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 OSD DA&M used to develop, submit, and document its data call responses. In addition, we reviewed the internal control procedures implemented to safeguard the premature disclosure of OSD DA&M BRAC data before responses were forwarded to the OSD BRAC Office. Internal control procedures were adequate as they applied to the audit objective, and OSD DA&M generally complied with the DWO ICP. OSD DA&M had eight immaterial noncompliance issues with the ICP (see finding for additional details).

Prior Coverage

During the last 5 years, the DoD Inspector General issued two memorandums related to OSD DA&M for BRAC 2005.

Site Memorandums

DoD IG Memorandum, “Audit on the Second Data Call Submission from the Office of the Secretary of Defense, Director of Administration and Management for Base Realignment and Closure 2005,” November 2, 2004

DoD IG Memorandum, “Audit on the Capacity Analysis Data Call Submission from the Office of the Secretary of Defense, Director of Administration and Management,” May 28, 2004

Appendix B. Report Distribution

Office of the Secretary of Defense

Director, Base Realignment and Closure (Installations and Environment)

Director, Office of the Secretary of Defense, Director of Administration and Management

Non-Defense Federal Organizations

Government Accountability Office

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