Audit Report

OFFICE OF THE INSPECTOR GENERAL

DEFENSE BASE REALIGNMENT AND CLOSURE BUDGET DATA FOR THE CLOSURE OF MARINE CORPS AIR STATION EL TORO AND TUSTIN, CALIFORNIA, AND THE REALIGNMENT TO NAVAL AIR STATION MIRAMAR, CALIFORNIA

Report No. 95-041 November 25, 1994

Department of Defense

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Acronyms

BFR	Basic Facilities Requirement
BRAC	Base Realignment and Closure
COBRA	Cost of Base Realignment Actions
MCAS	Marine Corps Air Station
MILCON	Military Construction
NAS	Naval Air Station
NAVFAC	Naval Facilities Engineering Command

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

November 25, 1994

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL MANAGEMENT)

SUBJECT: Audit of Defense Base Realignment and Closure Budget Data for the Closure of Marine Corps Air Stations El Toro and Tustin, California, and the Realignment to Naval Air Station Miramar, California (Report No. 95-041)

We are providing this audit report for your review and comment. This report is one in a series of reports about FYs 1994 and 1995 Defense base realignment and closure military construction costs. The report addresses the closure of Marine Corps Air Stations El Toro and Tustin, California, and realignment to Naval Air Station Miramar, California.

DoD Directive 7650.3 requires that all recommendations and potential monetary benefits be resolved promptly. The Navy did not provide comments on a draft of this report. Therefore, we redirected the recommendation to reduce and reprogram funding to the Under Secretary of Defense (Comptroller). We request that the Navy and the Comptroller of the Department of Defense provide comments on the recommendations and the potential monetary benefits by January 6, 1995.

The courtesies and cooperation extended to the audit staff are appreciated. If you have any questions on this audit report, please contact Mr. Wayne K. Million, Audit Program Director, at (703) 604-9312 (DSN 664-9312) or Mr. Nicholas E. Como, Audit Project Manager, at (703) 604-9303 (DSN 664-9303). Appendix D lists the distribution of the report. The audit team members are listed inside the back cover.

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Report No. 95-041 **November 25, 1994**
(Project No. 4CG-5008.18)

DEFENSE BASE REALIGNMENT AND CLOSURE BUDGET DATA FOR THE CLOSURE OF MARINE CORPS AIR STATIONS EL TORO AND TUSTIN, CALIFORNIA, AND THE REALIGNMENT TO NAVAL AIR STATION MIRAMAR, CALIFORNIA

EXECUTIVE SUMMARY

Introduction. Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, directs the Secretary of Defense to ensure that the amount of the authorization that DoD requested for each military construction project associated with base realignment and closure does not exceed the original estimated cost provided to the Commission on Defense Base Closure and Realignment (the Commission). If the requested budget amounts exceed the original project cost estimates provided to the Commission, the Secretary of Defense is required to explain to Congress the reasons for the differences. The Inspector General, DoD, is required to review each base realignment and closure military construction project for which a significant difference exists from the original cost estimate and to provide the results of the review to the congressional Defense committees. This report is one in a series of reports about FYs 1994 and 1995 Defense base realignment and closure military construction costs.

Objectives. The overall audit objective was to determine the accuracy of Defense base realignment and closure military construction budget data. This report provides the results of the audit of one project, valued at $16.5 million, for the closure of Marine Corps Air Stations El Toro and Tustin, California, and the realignment to Naval Air Station Miramar, California. The audit also assessed the adequacy of applicable internal controls.

Audit Results. The Marine Corps overestimated training facilities requirements and underestimated administrative space requirements for the closure of Marine Corps Air Stations El Toro and Tustin and the realignment to Naval Air Station Miramar. The net overestimation totaled $2 million.

- The Marine Corps incorrectly budgeted space requirements for three of seven facilities to house operational trainers at Naval Air Station Miramar. Accordingly, the Marine Corps overstated the $6.1 million base realignment and closure military construction estimate by $2.8 million (Finding A).

- The Marine Corps underestimated the space requirements for administrative facilities at Naval Air Station Miramar. Accordingly, the Marine Corps understated the $6.4 million base realignment and closure military construction estimate by $0.8 million (Finding B).

Internal Controls. Marine Corps internal controls and the implementation of the DoD Internal Management Control Program were not effective because they did not prevent or identify material internal control weaknesses in planning and programming requirements for base realignment and closure military construction projects. The Commander, Naval Facilities Engineering Command, issued guidance establishing a

requirement at all Naval Facilities Engineering Command field activities to validate Defense base realignment and closure military construction requirements and to improve the budget estimating process. This policy, when fully implemented, should enhance controls over base realignment and closure project estimates and correct the material internal control weaknesses at Naval Facilities Engineering Command activities. See Part I for the internal controls reviewed and the findings in Part II for details on the internal control weaknesses identified.

Potential Benefits of Audit. Implementation of the recommendations will allow DoD to put to better use about $2 million of base realignment and closure military construction funds and will strengthen internal controls. Following the Naval Facilities Engineering Command guidance to strengthen Marine Corps internal controls will ensure the accuracy of budget estimates for military construction projects resulting from base realignments and closures and could result in additional monetary benefits. However, we could not quantify the amount. Appendix B summarizes the potential benefits resulting from audit.

Summary of Recommendations. We recommend that the Marine Corps revise and resubmit base realignment and closure military construction cost estimates for three facilities that house operational trainers and for administrative office space requirements. In addition, we recommend that the Under Secretary of Defense (Comptroller) reduce base realignment and closure military construction funding by $2 million and reprogram the funds to other supported and unfunded base realignment and closure military construction projects.

Management Comments. The Navy did not provide comments on a draft of this report. Therefore, we redirected to the Under Secretary of Defense (Comptroller) the recommendations to withhold funding for the base closure and realignment projects. We request comments from the Under Secretary of Defense (Comptroller) and the Navy by January 6, 1995.

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This report was prepared by the Contract Management Directorate, Office of the Assistant Inspector General for Auditing, Department of Defense.

Part I - Introduction

Background

Initial Recommendations of the Commission on Defense Base Closure and Realignment. On May 3, 1988, the Secretary of Defense chartered the Commission on Defense Base Closure and Realignment (the Commission) to recommend military installations for realignment and closure. Using cost estimates provided by the Military Departments, the Commission recommended 59 base realignments and 86 base closures. On October 24, 1988, Congress passed, and the President signed, Public Law 100-526, "Defense Authorization Amendments and Base Closure and Realignment Act," which enacted the Commission's recommendations. Public Law 100-526 also establishes the DoD Base Closure Account to fund any necessary facility renovation or military construction (MILCON) projects associated with base realignments and closures (BRAC).

Subsequent Commission Requirements and Recommendations. Public Law 101-510, "Defense Base Closure and Realignment Act of 1990," November 5, 1990, reestablished the Commission. Public Law 101-510 chartered the Commission to meet during calendar years 1991, 1993, and 1995 to verify that the process for realigning and closing military installations was timely and independent. The law also stipulated that realignment and closure actions must be completed within 6 years after the President transmits the recommendations to Congress.

The 1991 Commission recommended that 34 bases be closed and 48 bases be realigned, resulting in an estimated net savings of $2.3 billion during FYs 1992 through 1997, after a one-time cost of $4.1 billion. The 1993 Commission recommended closing 130 bases and realigning 45 bases, resulting in an estimated net savings of $3.8 billion during FYs 1994 through 1999, after a one-time cost of $7.4 billion.

Military Department BRAC Cost-estimating Process. To develop cost estimates for the Commission, the Military Departments used the Cost of Base Realignment Actions computer model (COBRA). COBRA uses standard cost factors to convert the suggested BRAC options into dollar values to provide a way to compare the different options. After the President and Congress approve the BRAC actions, DoD realigning activity officials prepare DD Form 1391, "FY 1994 Military Construction Project Data," for individual MILCON projects required to accomplish the realigning actions. COBRA provides cost estimates as a realignment and closure package for a particular realigning or closing base. The DD Form 1391 provides specific cost estimates for an individual BRAC MILCON project.

Required Defense Reviews of BRAC Estimates. Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, states that the Secretary of Defense shall ensure that the authorization amount that DoD requested for each MILCON project associated with BRAC actions does not exceed the original estimated cost provided to the

Commission. If the requested budget amounts exceed the original project cost estimates provided to the Commission, the Secretary of Defense is required to explain to Congress the reasons for the differences. Also, Public Law 102-190 prescribes that the Inspector General, DoD, must evaluate significant increases in MILCON project costs over the estimated costs provided to the Commission and send a report to the congressional Defense committees.

Objectives

The overall audit objective was to determine the accuracy of Defense BRAC MILCON budget data. The specific objectives were to determine whether the proposed projects were valid BRAC requirements, whether the decision for MILCON was supported with required documentation including an economic analysis, and whether the economic analysis considered existing facilities. The audit also assessed the adequacy of applicable internal controls. This report provides the results of the audit of a BRAC MILCON project, valued at $16.5 million, for administrative and training facilities to support the closure of Marine Corps Air Stations (MCAS) El Toro and Tustin, California, and the realignment to Naval Air Station (NAS) Miramar, California.

Scope and Methodology

Limitations to Overall Audit Scope. COBRA develops cost estimates as a BRAC package for a particular realigning or closing base and does not develop estimates by individual BRAC MILCON project. Therefore, we were unable to determine the amount of cost increases for each individual BRAC MILCON project.

Overall Audit Selection Process. We compared the total COBRA cost estimates for each BRAC package with the Military Departments' and the Defense Logistics Agency's FYs 1994 through 1999 BRAC MILCON $2.6 billion budget submission. We selected BRAC packages for which:

- the package had an increase of more than 10 percent from the total COBRA cost estimates to the current total package budget estimates or

- the submitted FYs 1994 and 1995 budget estimates were more than $21 million.

Specific Audit Limitations for This Audit. We examined the FY 1995 BRAC MILCON budget request and related documentation of one realignment project regarding the transfer of MCAS El Toro and Tustin and the realignment to NAS Miramar. We reviewed supporting documentation for the one project estimated to cost $16.5 million.

Audit Standards, Potential Benefits, and Locations. This economy and efficiency audit was made from May through July 1994 in accordance with

auditing standards issued by the Comptroller General of the United States as implemented by the Inspector General, DoD. Accordingly, we included tests of internal controls considered necessary. The audit did not rely on computer-processed data or statistical sampling procedures. See Appendix B for the potential benefits resulting from the audit. Appendix C lists the organizations visited or contacted during the audit.

Internal Controls

Internal Controls Reviewed. The audit reviewed internal controls over validating BRAC MILCON requirements. Specifically, we reviewed Marine Corps procedures for planning, programming, budgeting, and documenting BRAC MILCON requirements applicable to one realignment project associated with closing MCAS El Toro and Tustin. We also examined Navy procedures for identifying and correcting inaccurate BRAC MILCON project requirements.

Adequacy of Internal Controls. The audit identified material internal control weaknesses as defined by DoD Directive 5010.38, "Internal Management Control Program," April 14, 1987. Marine Corps internal controls and the implementation of the DoD Internal Management Control Program were not effective because they did not prevent or identify material internal control weaknesses in the accuracy of the BRAC requirement for a portion of one BRAC MILCON project. We also examined the portion of the DoD Internal Management Control Program applicable to validating the accuracy of BRAC MILCON budget requirements. Although BRAC funding was an accessible unit, the Marine Corps Internal Management Control Program failed to prevent or detect the internal control weaknesses. See Part II for a discussion of the BRAC MILCON project.

Command Efforts to Improve Internal Controls. In December 1993, the Commander, Naval Facilities Engineering Command (NAVFAC), issued guidance establishing a requirement at all NAVFAC field activities to validate BRAC MILCON requirements and to improve the budget estimating process. NAVFAC field activities' full implementation of this policy should enhance controls over Marine Corps BRAC project estimates because the policy provides for applying the existing criteria to validate regular MILCON project requirements. Implementation of the DoD Internal Management Control Program will also be strengthened by including the validation of BRAC MILCON project requirements as an assessable unit. Because of the Commander, NAVFAC, efforts, we made no recommendations concerning the internal controls.

Prior Audits and Other Reviews

Since 1991, numerous audit reports have addressed DoD BRAC issues. Appendix A lists selected DoD and Navy BRAC reports.

Part II - Findings and Recommendations

Finding A. Adequacy of Estimates for Trainer Facilities

MCAS El Toro overestimated space requirements for three of seven facilities that house operational trainers. BRAC funding was incorrectly budgeted to:

- fund military construction for the V-22 trainer facility when the V-22 aircraft is not an operational system;

- fund military construction for a new CH-53E/CH-46 trainer facility when renovation of a portion of an existing facility could satisfy space requirements; and

- fund excessive space requirements to renovate an operational trainer facility for the KC-130 trainer.

The incorrect budgeting occurred because MCAS El Toro planners did not follow established procedures to develop space requirements. As a result, the MCAS El Toro overstated the $6.1 million trainer facility portion of project P-003T, "Administrative and Training Facilities," by $2.8 million.

Background

Navy Guidance for Establishing and Supporting Space Requirements. NAVFAC Instruction 11010.44E, "Shore Facilities Planning Manual," October 1, 1990, outlines policy on the responsibilities and procedures for the facilities planning process. Included in this instruction are requirements for using the basic facilities requirements (BFR) document as a basis for supporting space requirements. In addition, NAVFAC Publication P-80, "Facility Planning Criteria for Navy and Marine Corps Shore Installations," October 1982, category 171-35, "Operational Trainer Facility," provides guidance for the maximum square feet allowable to house flight simulator (trainer) space.

Original Project P-003T Space Requirements. A portion of project P-003T was developed to provide space for trainers and equipment relocating from MCAS El Toro and Tustin to NAS Miramar. As of May 5, 1994, the Southwest Division, NAVFAC, San Diego, California, estimated that the trainer space requirements of 86,076 square feet would cost $6.1 million.

Marine Corps Cost Estimates for Trainer Facilities. According to MCAS El Toro, the BFR for the seven facilities to house eight trainers is 86,076 square feet. On May 5, 1994, the Southwest Division, NAVFAC, estimated $6.1 million for MILCON costs for trainer facilities. Table 1 lists the May 5, 1994, Marine Corps space and cost estimates for the seven trainer facilities.

Table 1. Marine Corps Trainer Facility Size and Cost Estimates

Trainer Facility	BFR (square feet)	Estimated MILCON Costs (millions)
V-22 trainer	17,762	$2.3
F/A-18 weapons tactical trainer	22,516	1.1
1st F/A-18 part task trainer	9,050	0.4
2nd F/A-18 part task trainer	5,000	0.2
Two CH-53E/CH-46 trainers	7,000	0.9
KC-130 trainer	18,348	0.9
Tactical air control training system	6,400	0.3
Total	86,076	$6.1

Analysis of Trainer Requirements

Of seven project requirements for eight flight trainers, three were not correct:

- MCAS El Toro planned a facility for the V-22 trainer when the V-22 aircraft is not an operational system.

- MCAS El Toro planned new MILCON for the CH-53E/CH-46 trainer facility when renovation of existing facilities could more efficiently provide space requirements.

- MCAS El Toro overestimated the space requirement to house the KC-130 operational trainer facility.

MCAS El Toro properly planned and budgeted for four facilities to house the remaining four trainers.

The following analysis provides details of incorrect budget estimates for the three trainer facilities.

Construction of V-22 Trainer Facility. Use of BRAC funds of $2.3 million for relocating or building a new trainer facility to support the V-22 aircraft would be inappropriate. The V-22 trainer is a flight trainer for the V-22 Osprey aircraft. The V-22 aircraft is a replacement aircraft for the OH-46 transport helicopter; however, the V-22 aircraft is not an approved, fully funded, or production aircraft system. The BFR document listed a 17,762-square-foot requirement for the V-22 trainer facility. Comptroller of the Navy personnel stated that BRAC funding will not include procurement in anticipation of the acquisition of the V-22 aircraft. Therefore, a V-22 trainer is not needed, and the DD Form 1391 should be reduced accordingly.

Construction Versus Renovation Costs of New CH-53E/CH-46 Trainer Facility. The MILCON cost estimate of $910,000 for the CH-53E/CH-46 trainer facility is overstated by $164,800.

Space Requirements Modified. The January 1994 BFR document lists a 7,000-square-foot requirement, estimated to cost $910,000, for the CH-53E/CH-46 trainer facility. The May 1994 DD Form 1391 for the 7,000 square feet lists new MILCON for the CH-53E/CH-46 trainer facility to cost $130 per square foot.

Costs Requirements Modified. An additional 3,200 square feet, for a total 10,200 square feet, would be required to adequately accommodate the CH-53E/CH-46 trainer facility. Of the 10,200 total square feet, only 3,600 square feet, estimated to cost $468,000, would require new MILCON. The CH-53E/CH-46 simulator room of the trainer facility currently encompasses 3,600 square feet that consists of a 40-foot-high ceiling. New MILCON is required only for that portion of the project, 3,600 square feet, needed to create the 40-foot ceiling because existing facilities at NAS Miramar do not have 40-foot ceilings. For the remaining 6,600 square feet, estimated to cost $277,200, existing facilities at NAS Miramar could be renovated. The new and renovation MILCON would cost $745,000. Table 2 shows that the May 1994 space and costs for the CH-53E/CH-46 trainer facility are overstated.

Table 2. CH-53E/CH-46 Trainer Facility and Overstated Costs

	Space Requirement (square feet)	Cost Per Square Foot	Total Costs
Cost estimate on DD Form 1391	7,000	$130	$910,000
Audit results-MILCON to create 40-foot ceiling	3,600	$130	$468,000
Audit results-renovation of existing facilities	6,600	$ 42	277,200
Total	10,200		(745,200)
Overstated costs			$164,800

Renovation of KC-130 Operational Trainer Facility. The May 1994 estimate for 18,348 square feet to renovate the KC-130 operational trainer facility exceeds the maximum 12,000-square-foot limit for trainer facilities by 6,348 square feet, estimated to cost $266,616. MCAS El Toro estimated the requirement for the KC-130 operational trainer to be 18,348 square feet. NAVFAC Publication P-80 criteria limit the maximum space for the KC-130 operational trainer facility to 12,000 square feet. Although, as of June 1994, the KC-130 operational trainer facility occupies 9,000 square feet, an additional 3,000 square feet, for a total of 12,000 square feet, would provide adequate space for storage, library space, and classrooms for the KC-130 operational trainer facility.

The DD Form 1391 for project P-003T should be revised to reflect the NAVFAC Publication P-80 and actual requirements. Table 3 lists the current space and the overstated space and costs of the KC-130 operational trainer facility.

Table 3. KC-130 Operational Trainer Facility and Overstated Costs

Space per January 1994 BFR document		18,348
Space occupied as of June 1994:		
Simulator room	2,000	
Computer room	2,000	
Pump room	1,000	
Storage	2,000	
Classroom	2,000	
Total	9,000	
NAVFAC Publication P-80 criteria space limit	12,000	
Maximum space allowable*		12,000
Difference (overstated space)		6,348
Cost per square foot		X $ 42
Overstated costs		$266,616

*Requirement per NAVFAC Publication P-80 or existing occupied space, whichever is greater.

Trainer Facilities Space and Cost Requirements

Table 4 lists the overstated trainer facilities.

Table 4. Summary of Overstated Costs for Trainer Facilities

Trainer Facility	BFR Per DD Form 1391 (square feet)	Revised Requirement (square feet)	Overstated Costs (millions)
V-22 trainer facility	17,762	0	$2.3
CH-53E/CH-46 trainer facility	7,000	10,200	0.2*
KC-130 operational trainer facility	18,348	12,000	0.3
Total	43,110	22,200	$2.8

*Although square foot requirements should increase, costs could be reduced by the cost difference between new MILCON costs ($130 per square foot) and renovation costs ($42 per square foot).

As shown in the table, total funding allocated for the operational trainer portion of project P-003T should be reduced by $2.8 million and the funds reprogrammed to other supported and unfunded BRAC projects.

Recommendations for Corrective Action

Redirected Recommendation. We redirected draft Recommendation 2. to the Under Secretary of Defense (Comptroller) to ensure that funds are properly withheld.

1. We recommend that the Deputy Chief of Naval Operations (Logistics), Shore Activities Division, revise and resubmit the operational trainer portion of DD Form 1391, "FY 1996 Military Construction Project Data," for project P-003T, "Administrative and Training Facilities," for space requirements according to Naval Facilities Engineering Command Publication P-80, "Facility Planning Criteria for Navy and Marine Corps Shore Installations," and actual requirements.

2. We recommend that the Under Secretary of Defense (Comptroller) withhold the total funding allocated for the operational trainer portion of project P-003T by $2.8 million and reprogram the $2.8 million to other supported and unfunded base realignment and closure military construction projects.

Management Comments

The Navy did not provide comments on a draft of this report. Therefore, we request the Under Secretary of Defense (Comptroller) and the Navy to provide comments in response to the final report.

Finding B. Administrative Space Requirements

MCAS El Toro underestimated requirements for the administrative space portion of project P-003T. MCAS El Toro computed administrative space using outdated information. In addition, space requirements were calculated using a gross-square-foot calculation when information existed to calculate precise square-foot requirements. As a result, MCAS El Toro understated the administrative space portion of project P-003T by 14,074 square feet, and understated the cost by $0.8 million.

Background

Navy Guidance on Establishing Administrative Space Requirements. NAVFAC Instruction 11010.44E outlines policy, responsibilities, and procedures for the facilities planning process. Included in this instruction are requirements for using the BFR document as the basis for space requirements, personnel strength levels, and cost estimates. The BFR document contains space criteria necessary to perform the mission of a Naval activity. Further, the facilities support requirements document lists a Naval activity annual funded personnel strength level.

NAVFAC Publication P-80 provides guidance for the maximum space allowable for administrative office space. The maximum space allowable for administrative office space is based on the administrative personnel rank, grade level, and position. When personnel rank, grade level, and position are not known, square feet for administrative space should be computed using 150 square feet per person.

Project P-003T Administrative Space Requirements. A portion of project P-003T was developed to provide administrative space for 15 units relocating from MCAS El Toro and Tustin to NAS Miramar. As of May 5, 1994, the Southwest Division, NAVFAC, estimated that the administrative space requirements for the 15 units would total 123,757 square feet at a cost of $6.4 million.

Requirements Determination for Administrative Space

MCAS El Toro underestimated space requirements for project P-003T, which included relocating headquarters administrative functions for 15 units from MCAS El Toro and Tustin to NAS Miramar. Table 5 lists the space requirements and cost estimates that are contained on the May 5, 1994, revised DD Form 1391.

Table 5. MCAS Estimates for Administrative Space

Headquarters Activity	Number of Units	Requirements (square feet)	Cost (millions)
Division/wing	1	45,907	$2.5
Regimental/group	5	38,850	2.2
Battalion/squadron	9	39,000	1.7
Total	15	123,757	$6.4

Calculation of Administrative Space Requirements

MCAS El Toro officials did not accurately calculate space requirements because they used outdated manpower information and because they did not use specific administrative position information.

DD Form 1391 Computations Using Outdated Information. MCAS El Toro calculated square-foot requirements using outdated manpower information. To support the BRAC MILCON cost estimate for headquarters administrative space, MCAS El Toro based space requirements on the number of personnel assigned to each headquarters unit. MCAS El Toro obtained the number of personnel assigned to each headquarters unit from an outdated 1993 facilities support requirements document, resulting in a computation of 123,757 square feet, estimated to cost $6.4 million.

Revised Calculations Using Precise Information. MCAS El Toro officials could have more accurately calculated space requirements for headquarters administrative space if they had based their calculations on specific administrative positions instead of just total number of personnel assigned. To arrive at the more precise space requirement, we obtained current and actual personnel strength levels, contained in the Table of Manpower Requirements, for each of the 15 units relocating to NAS Miramar. We computed administrative space requirements using NAVFAC Publication P-80 criteria for the exact square feet allowable for each specific grade, rank, and position level. We also included requirements for conference rooms, secure vault space, hallways, storage, and bathrooms.

Costs for Increased Administrative Space

Table 6 compares the square-foot requirements calculated using NAVFAC Publication P-80 criteria with the square-foot requirements estimated on the May 5, 1994, revised DD Form 1391.

Table 6. Square Feet and Costs for Administrative Facilities Understated

Headquarters Activity	Space Requirements Original (square feet)	Revised (square feet)	Difference	Additional Costs (millions)
Division/wing	45,907	48,478	2,571	$0.1
Regimental/group	38,850	54,444	15,594	0.9
Battalion/squadron	39,000	34,909	(4,091)	(0.2)
Total	123,757	137,831	14,074	$0.8

MCAS El Toro officials should increase the amount of administrative space requirements in project P-003T to reflect the more precise calculations and revise the DD Form 1391 accordingly. The relocation of administrative space for MCAS El Toro and Tustin to NAS Miramar will require 137,831 square feet at a cost of $7.3 million. Administrative space requirements would include an additional 14,074 square feet at a cost of $0.8 million.

Recommendations For Corrective Action

1. We recommend that the Deputy Chief of Naval Operations (Logistics), Shore Activities Division, revise and resubmit DD Form 1391, "FY 1996 Military Construction Project Data," for project P-003T, "Administrative and Training Facilities," to reflect current data using more precise calculations.

2. We recommend that the Comptroller of the Navy increase the total funding allocated for the headquarters administrative facilities portion of project P-003T by $0.8 million.

Management Comments

The Navy did not provide comments on a draft of this report. Therefore, we request the Navy to provide comments in response to the final report.

Part III - Additional Information

Appendix A. Summary of Prior Audits and Other Reviews

Inspector General, DoD

Report No.	Report Title	Date
95-029	Defense Base Realignment and Closure Budget Data for Naval Air Station Miramar, California, and Realigning to Various Sites	November 15, 1994
95-010	Defense Base Realignment and Closure Budget Data for Marine Corps Air Station Tustin, California, and Realignment to Marine Corps Air Station Camp Pendleton, California	October 17, 1994
94-179	Defense Base Realignment and Closure Budget Data for McGuire Air Force Base, New Jersey; Barksdale Air Force Base, Louisiana; and Fairchild Air Force Base, Washington	August 31, 1994
94-146	Defense Base Realignment and Closure Budget Data for Closing Naval Air Station Cecil Field, Florida, and Realigning Projects to Various Sites	June 21, 1994
94-141	Defense Base Realignment and Closure Budget Data for Naval Air Stations Dallas, Texas, and Memphis, Tennessee, Realigning to Carswell Air Reserve Base, Texas	June 17, 1994
94-127	Defense Base Realignment and Closure Budget Data for the Realignment of the Defense Personnel Support Center to the Naval Aviation Supply Office Compound in North Philadelphia, Pennsylvania	June 10, 1994
94-126	Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Glenview, Illinois, and Realignment Projects at Fort McCoy, Wisconsin, and Carswell Air Reserve Base, Texas	June 10, 1994

Inspector General, DoD (cont'd)

Report No.	Report Title	Date
94-125	Defense Base Realignment and Closure Budget Data for the Naval Medical Center Portsmouth, Virginia	June 8, 1994
94-121	Defense Base Realignment and Closure Budget Data for Naval Air Technical Training Center, Naval Air Station Pensacola, Florida	June 7, 1994
94-109	Quick-Reaction Report on the Audit of Defense Base Realignment and Closure Budget Data for Naval Training Center Great Lakes, Illinois	May 19, 1994
94-108	Quick-Reaction Report on the Audit of Defense Base Realignment and Closure Budget Data for Naval Station Treasure Island, California	May 19, 1994
94-107	Griffiss Air Force Base, New York, Defense Base Realignment and Closure Budget Data for Military Construction at Other Sites	May 19, 1994
94-105	Defense Base Realignment and Closure Budget Data for a Tactical Support Center at Naval Air Station Whidbey Island, Washington	May 18, 1994
94-104	Defense Base Realignment and Closure Budget Data for the Defense Contract Management District-West	May 18, 1994
94-103	Air Force Reserve 301st Fighter Wing Covered Aircraft Washrack Project, Carswell Air Reserve Base, Texas	May 18, 1994
94-040	Summary Report on the Audit of Defense Base Closure and Realignment Budget Data for FYs 1993 and 1994	February 14, 1994
93-100	Summary Report on the Audit of Defense Base Closure and Realignment Budget Data for Fiscal Years 1992 and 1993	May 25, 1994

Naval Audit Service

Report No.	Report Title	Date
041-S-94	FY 1995 Military Construction Projects From Decisions of 1993 Base Closure and Realignment Commission	April 15, 1994
023-S-94	Military Construction Projects Budgeted and Programmed for Bases Identified for Closure or Realignment	January 14, 1994
028-C-93	Implementation of the 1993 Base Closure and Realignment Process	March 15, 1993

Appendix B. Summary of Potential Benefits Resulting From Audit

Recommendation Reference	Description of Benefit	Amount and Type of Benefit
A.1., B.1.	Economy and Efficiency. Revises and resubmits BRAC MILCON estimates based on established criteria.	Undeterminable.*
A.2., B.2.	Economy and Efficiency. Adjusts the FY 1995 BRAC MILCON budget for project P-003T, "Administrative and Training Facilities," for overstated training facilities and understated administrative space.	FY 1995 Base Closure Account funds of about $2 million put to better use.*

*Exact amount of additional benefits to be realized will be determined by future budget decisions and budget requests.

Appendix C. Organizations Visited or Contacted

Office of the Secretary of Defense

Under Secretary of Defense (Comptroller), Washington, DC

Department of the Navy

Assistant Secretary of Navy (Financial Management), Washington, DC
Office of the Comptroller of the Navy, Washington, DC
Naval Facilities Engineering Command, Alexandria, VA
  Southwest Division, San Diego, CA
  Western Division, San Bruno, CA
Naval Air Station Miramar, CA
Marine Air Base West, El Toro, CA
  Marine Corps Air Station El Toro, CA
  Marine Corps Air Station Tustin, CA

Appendix D. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense for Acquisition and Technology
Under Secretary of Defense (Comptroller)
Under Secretary of Defense for Personnel and Readiness
Assistant Secretary of Defense (Economic Security)
  Deputy Assistant Secretary of Defense (Economic Reinvestment and BRAC)
Assistant to the Secretary of Defense (Public Affairs)

Department of the Army

Auditor General, Department of the Army

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
Deputy Chief of Naval Operations (Logistics)
Commander, Naval Facilities Engineering Command
  Commander, Southwest Division
  Commander, Western Division
Commandant of the Marine Corps
Commander, Marine Air Base West
  Commander, Marine Corps Air Station El Toro
  Commander, Marine Corps Air Station Tustin
Auditor General, Department of the Navy

Department of the Air Force

  Auditor General, Department of the Air Force

Defense Organizations

Director, Defense Contract Audit Agency
Director, Defense Logistics Agency
Director, National Security Agency
Inspector General, Central Imagery Office
Inspector General, Defense Intelligence Agency
Inspector General, National Security Agency
Director, Defense Logistics Studies Information Exchange

Non-Defense Federal Organizations and Individuals

Office of Management and Budget
Technical Information Center, National Security and International Affairs Division, General Accounting Office
Chairman and Ranking Minority Member of Each of the Following Congressional Committees and Subcommittees:
- Senate Committee on Appropriations
- Senate Subcommittee on Defense, Committee on Appropriations
- Senate Committee on Armed Services
- Senate Committee on Governmental Affairs
- House Committee on Appropriations
- House Subcommittee on Defense, Committee on Appropriations
- House Committee on Armed Services
- House Committee on Government Operations
- House Subcommittee on Legislation and National Security, Committee on Government Operations

Honorable Dianne Feinstein, U.S. Senate
Honorable Barbara Boxer, U.S. Senate
Honorable Christopher Cox, U.S. House of Representatives
Honorable Randy Cunningham, U.S. House of Representatives
Honorable Robert K. Dornan, U.S. House of Representatives

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