



DEPARTMENT OF THE AIR FORCE
WASHINGTON DC

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OFFICE OF THE ASSISTANT SECRETARY

2 Oct 03

MEMORANDUM FOR AFAA/FSS (ATTN: MS EDSALL)
5023 4th St
March ARB CA 92518-1852

FROM: SAF/IEB
1665 Air Force Pentagon
Washington DC 20330-1665

SUBJECT: Review of AFAA Issue – Separation of Duties, BRAC 2005 Data Collection

On 30 Se 03 we discussed the issue of separation of duties within the Web-based Installation Data Gathering and Entry Tool (WIDGET) application associated with the BRAC 2005 Process. Based on our discussions I have decided to accept the identified risks.

My decision is based on the following salient facts:

- a. The issue, as stated, concerns a GAO guideline for separation of duties, in general, when ‘key duties and responsibilities need to be divided ... to reduce the risk of error or fraud’. The GAO guideline is well understood and it has been considered in this case. The counter argument, specific to WIDGET, is duties and responsibilities are well separated, because of the three separate layers of review and approval. These three layers are base-level, Major Command (MAJCOM) level, and Headquarters Air Force (HAF) level.
- b. The GAO guideline tends to point towards activities that occur within an activity or work/cost center, such as a warehouse or a Squadron. On the other hand, the activities of WIDGET span across the total Air Force chain of command. For GAO we tend to think in terms of activities that are compartmented and without visibility in the sense of an outside review. On the other hand, data gathered via the WIDGET application is neither compartmented nor is it invisible to outside scrutiny. In fact, the application ensures open, visible and auditable collection of data across the Air Force, albeit by a limited number of individuals. In this case, I believe there are strong management responsibilities and we have instituted compensating controls to guard against error and fraud. These responsibilities are consummated by the Wing Commander at Base Level, the MAJCOM/CC (at the MAJCOM) and ultimately by the Secretary of the Air Force and the Chief Staff of the Air Force, with the advice and consent of the Assistant Secretary of the Air Force (Installations, Environment & Logistics).

I have reflected on all arguments and my decision is to accept the risks identified and to manage the risk based on the following risk management plan:

- a. Risk Identification: Within the WIDGET application an individual, at the installation level, can perform the duties of providing an answer to a question or questions during the data gathering process. That same individual could be assigned the responsibility to review and

approve the answer(s) he/she provided. Under the preceding circumstances, a risk does exist where error and/or fraud could be committed. Such error and/or fraud could go unnoticed during the data gathering process and that data could be used during analysis and therefore affect recommendations concerning closure or realignment.

b. Consequence: The consequence of utilizing erroneous and/or fraudulent data during analysis is grave. In addition, if this were a critical element of the analysis, such that it swayed a recommendation, it could, as worst-case scenario, negate recommendations formulated and presented by Air Force working groups, executive reviewing authority and the Secretary of the Air Force.

c. Risk Assessment. The probability of a critical element of data being used to formulate recommendations for closure or realignment is considered negligible. Although the situation is one that has less than optimal separation of duties at the installation level; as stated above, there are compensating controls in place as instantiated by the review and certification process within WIDGET. The balancing effect of the review and certification process provides a high level of confidence that an error and/or fraud, committed at the installation, will be found out.

d. Mitigation Strategy. Because of the consequence of this risk, SAF/IEB will mitigate the accepted risk using the following steps.

(1) Make a strong recommendation to all responsible offices for the separation of duties between answerer and reviewer at the installation level.

(2) Incorporate analysis, and provide reports, which identify an inordinate number of instances when the same individual is answering and reviewing questions. This will be shared with the appropriate MAJCOM with a recommendation to scrutinize those answers to ensure accuracy and correctness.

The recommendations and discussion provided by your office are greatly appreciated. Between our two activities I am confident that we will incorporate necessary controls and audit trails that will withstand scrutiny of our process.

//Signed//maa/SES/3 Oct 03
MICHAEL A. AIMONE, P.E.
Deputy Assistant Secretary
(Basing & Infrastructure Analysis)

cc:
SAF/AG
AF/XP-2 (BRAC & QDR)