



DEPARTMENT OF THE ARMY
U.S. ARMY AUDIT AGENCY
Office of the Deputy Auditor General
Installations Management
3101 Park Center Drive
Alexandria, VA 22302-1596

SAAG-IMT (36-2c)

20 March 2003

MEMORANDUM FOR Deputy Assistant Secretary of The Army
(Infrastructure Analysis), 110 Army Pentagon, Washington, DC 20310-0110

SUBJECT: Review of the Draft Internal Control Plan for Army Base Realignment and Closure 2005 (Project Code A-2003-IMT-0440.000)

1. At your request, we reviewed the draft internal control plan for The Army's base realignment and closure process for 2005. The internal control plan documents the specific processes and procedures The Army must follow to ensure that base realignment and closure analysis and recommendations are based on accurate and complete data, properly documented and auditable. You also asked that we coordinate with the U.S. General Accounting Office for its perspective on The Army plan.

2. We reviewed the content of The Army's draft plan and compared it with DOD's draft internal control plan and these two DOD policy memorandums for consistency:

- Memorandum, Secretary of Defense, 15 Nov 02, subject: Transformation Through Base Realignment and Closure.
- Memorandum, Under Secretary of Defense for Acquisition, Technology and Logistic, undated draft, subject: Transformation Through Base Realignment and Closure (BRAC 2005) Policy Memorandum One—Policy, Responsibilities, and Procedures.

We also compared The Army's draft plan with other Army documents, such as the charter for The Army Basing Study Group.

3 The Army's draft internal control plan adequately implements DOD's guidance and should provide valid and fully supported data. The organizational controls in the draft plan included responsibilities for Army organizations and procedures to check the accuracy of the analyses made from the data. In addition, the controls for documentation included procedures for:

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- Defining data requirements and sources.
- Verifying and certifying the accuracy of data at all levels of command.

Although the plan contains procedures for the protection of data to prevent premature dissemination, some minor improvements could make the plan more effective. Here are our suggestions:

- Include procedures for technical experts and non-disclosure agreements similar to what's in the draft DOD plan. Also, incorporate the non-disclosure agreement into the plan as an attachment.
- Include the statement "Draft Deliberative Document – For Discussion Purposes Only" in the footer of the document to be consistent with DOD's plan.
- Include or reference The Army Basing Study Group organizational chart in the plan.

Given that DOD's Internal Control Plan is still draft, you may also want to wait until it is final before publishing The Army's plan, in case changes are necessary based on changes to the DOD plan. It is currently being staffed with the Service audit organizations and other DOD activities for comment.

The General Accounting Office found that the draft Army plan was adequate, but suggested the following changes:

- Add "and its territories" to the end of the first sentence under the paragraph entitled "Authority" on page 1.
- Add "in a timely manner" to the end of the first sentence introduction under the paragraph entitled "Record Keeping" on page 6.
- Add "unresolved issues" in the second bullet after the words "topics discussed," under the paragraph entitled "Record Keeping" on page 6.

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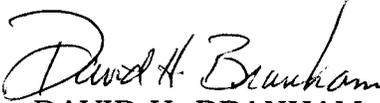
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- Add “GAO’s yellow book standards” and delete “GAO guidance” at the end of the last paragraph under the paragraph entitled “Data Certification Requirements” on page 4.

5. As part of our overall audit support during the base realignment and closure process for 2005, we will test and evaluate controls to determine whether The Army’s internal control plan was effectively implemented and working, and we will include those results in a subsequent audit report. If you have any questions or need more information , please contact Mr. Clarence Johnson at (410) 278-4287 or me at (703) 681-6020.

FOR THE DEPUTY AUDITOR GENERAL:


DAVID H. BRANHAM
Program Director
Installation Studies

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