



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

DCN: 9752

SAAG-IMT

19 July 2004

MEMORANDUM FOR

Commander, U.S. Army Joint Munitions Command (SFSJM-HQ), 1 Rock Island Arsenal, Rock Island, Illinois 61299-6200
Commander, McAlester Army Ammunition Plant (SJMMC-CO), 1 C Tree Road, McAlester, Oklahoma 74501-9002

SUBJECT: Validation of Data for Base Realignment and Closure 2005, McAlester Army Ammunition Plant, Oklahoma (Project Code A-2003-IMT-0440.020), Audit Report: A-2004-0405-IMT

1. **Introduction.** The Director, The Army Basing Study Group asked us to validate data that the Study Group and six Joint Cross-Service Groups will use for Base Realignment and Closure (BRAC) 2005 analyses. This memorandum summarizes the results of our validation efforts at McAlester Army Ammunition Plant in McAlester, Oklahoma. We will include these results in summary reports to the director and each applicable Joint Cross-Service Group, and in our overall report on the 2005 Army basing study process.

2. **Background.** The Secretary of Defense initiated BRAC 2005 on 15 November 2002. The Secretary of the Army established the Deputy Assistant Secretary of the Army (Infrastructure Analysis) to lead the Army's efforts to support BRAC 2005. The Deputy Assistant Secretary directs The Army Basing Study Group, an ad hoc, chartered organization that serves as the Army's single point of contact for planning and executing the Army's responsibilities in the development of BRAC 2005 recommendations. The Study Group will gather and analyze certified data to assess the capacity and military value of Army installations, evaluate base realignment and closure alternatives, and develop recommendations for BRAC 2005 on behalf of The Secretary of the Army. The BRAC 2005 process requires certification of all data from Army installations, industrial base sites and leased properties; Army corporate databases; and open sources. A flowchart of the 2005 Army basing study process is in the enclosure.

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3. Objectives, Scope and Methodology

a. Our objectives were to determine if:

- Certified data provided to The Army Basing Study Group and Joint Cross-Service Groups was adequately supported with appropriate evidentiary matter.
- Certified data was accurate.
- BRAC 2005 management controls were in place and operating at installations.

b. McAlester Ammunition Plant data elements for the installation capacity data call included 240 questions the plant answered, plus 4 questions pre-populated from a corporate database. To answer our first two objectives, we reviewed data elements judgmentally selected for validation at all installations visited, data elements randomly selected from the plant's responses, and all 308 data elements the plant answered "not applicable" to ensure that those answers were appropriate. Here's a summary of what we reviewed:

	Population	Objective Sample	
		1-Adequate Support	2-Accuracy
Answered	240	46	46
Pre-Populated	4	4	4
Not Applicable*	308		
Total	552	50	50

* 100-percent review to determine that "not applicable" was appropriate response.

To answer the third objective, we evaluated BRAC 2005 controls related to installations.

c. We conducted our review from May to June 2004 in accordance with generally accepted government auditing standards, which include

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criteria on the adequacy and appropriateness of evidentiary matter, accuracy and management controls. We assessed the accuracy of installation answers using these specific criteria:

- For questions with a single answer and minimal support requirements, we didn't allow any margin for error except for answers reporting square footage.
- For questions with answers involving square footage, we defined significant errors as greater than 10 percent.
- For questions with multiple answers and single answers with voluminous supporting documentation, we allowed errors up to 25 percent in the samples we reviewed, provided the errors weren't significant (determined by auditor judgment except for answers reporting square footage).

d. We didn't rely on computer-generated data to validate responses from Army corporate databases, but instead validated the accuracy of data by comparison with source documents or physical attributes. When practicable, we also validated installation responses from other databases in the same manner. For all other responses, we worked with the installation administrator to obtain the evidence needed to answer all three objectives.

4. Results

a. **Adequacy of Support.** Answers obtained by The Army Basing Study Group for all 50 data elements we reviewed were adequately supported with appropriate evidentiary matter.

b. **Accuracy.** Of the 50 questions we reviewed, 6 answers weren't accurate. For one question, the plant didn't have access to the data source to determine how many outpatient visits its clinic had and had to request input from the supporting hospital at Fort Sill. Other answers required corrections because of:

- Mathematical errors made when compiling data from source documents.

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- Clerical errors. The plant identified incorrect classes of supply and omitted the cubic feet associated with the class, reported data individually but not in the total section, and incorrectly entered the date of a study as October 1999 instead of 9/20/99.

In addition, all 308 of the data elements the plant answered “not applicable” were answered appropriately.

c. **Management Controls.** In our opinion, appropriate management controls for BRAC 2005 were in place and operating at McAlester Ammunition Plant. The senior mission commander had certified the information submitted to The Army Basing Study Group. All personnel required to sign nondisclosure statements had done so. Also, we found no instances of personnel using nongovernment e-mail to convey BRAC data or information.

d. **Action Taken.** McAlester Ammunition Plant corrected or initiated corrective action for all problems we identified. For data elements that weren't accurate, the plant corrected the answers and resubmitted the corrected data to The Army Basing Study Group, which in turn will provide corrected and recertified data to the Joint Cross-Service Groups as necessary.

5. **Contacts.** This report isn't subject to the official command-reply process described in AR 36-2 because the plant resolved the issues we identified during the audit and took or initiated corrective action. If you have any questions or need additional information, please contact

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FOR THE AUDITOR GENERAL:

Encl


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CF:

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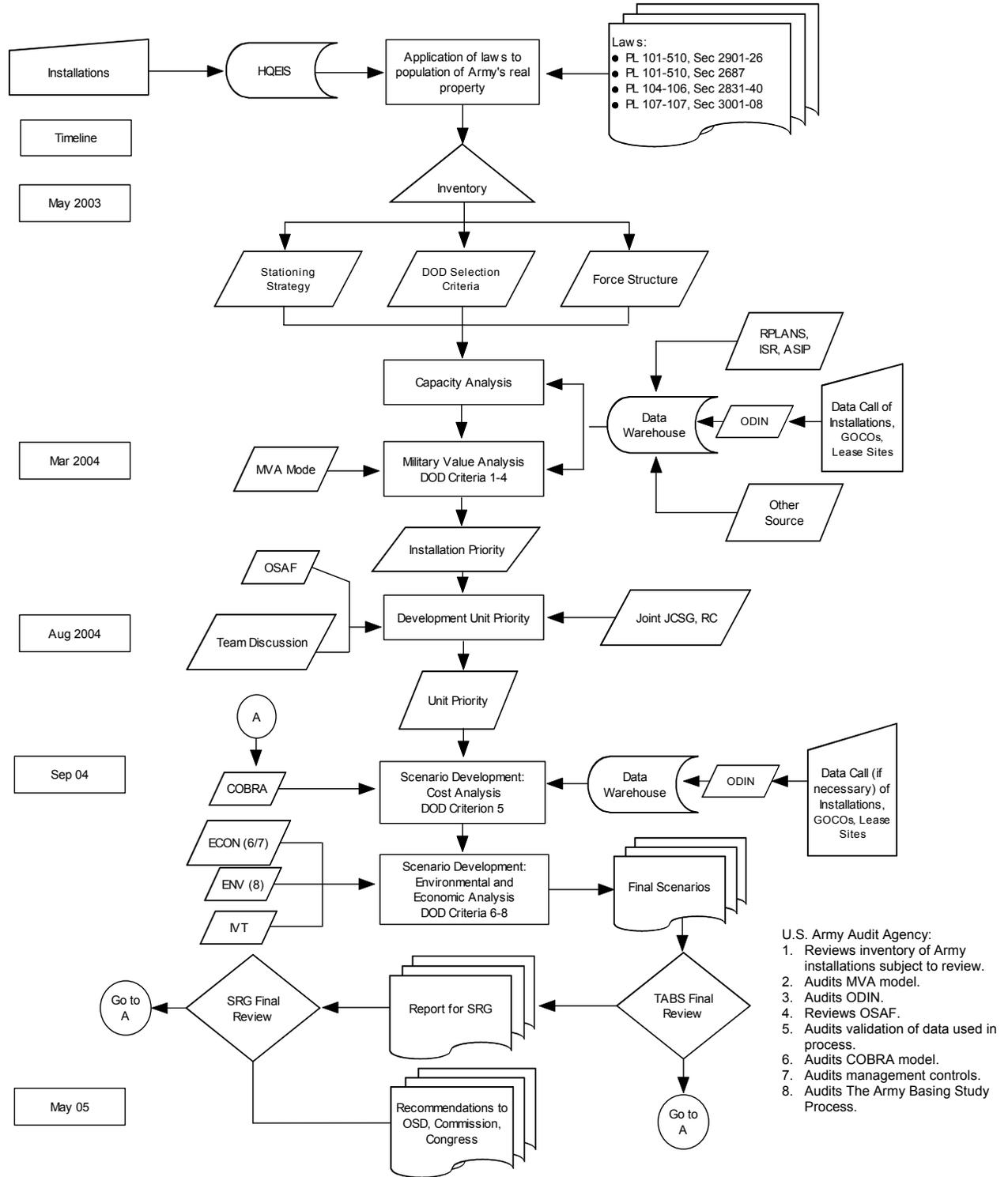
Acronyms and Abbreviations Used:

ASIP = Army Stationing and Installation Plan
 COBRA = Cost of Base Realignment Action Model
 ECON = Economic Model
 ENV = Environmental Model
 GOCO = Government-Owned, Contractor-Operated
 HQEIS = Headquarters Executive Information System

ISR = Installation Status Report
 IVT = Installation Visualization Tool
 JCSG = Joint Cross-Service Group
 MVA = Military Value Analyzer Model
 ODIN = Online Data Interface Collection
 OSAF = Optimal Stationing of Army Forces

OSD = Office of the Secretary of Defense
 PL = Public Law
 RC = Reserve Components
 RPLANS = Real Property Planning and Analysis System
 SRG = Senior Review Group

FLOWCHART OF 2005 ARMY BASING STUDY PROCESS



Enclosure