



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

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SAAG-IMT

15 July 2004

MEMORANDUM FOR

Commanding General, U.S. Army Tank-automotive and Armaments  
Command (AMSTA-CS-CJ), Warren, Michigan 48397-5000  
Installation Commander, Joint Systems Manufacturing Center  
(U.S. Army Tank Plant), Lima, Ohio 45804

SUBJECT: Validation of Data for Base Realignment and Closure 2005,  
U.S. Army Tank Plant, Lima, Ohio (Project Code A-2003-IMT-0440.008),  
Audit Report: A-2004-0402-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 the Base Realignment and Closure (BRAC) 2005 analyses. This memorandum summarizes the results of our validation efforts at the U.S. Army Tank Plant in Lima, Ohio. 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 at the enclosure.

SAAG-IMT

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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. The Lima Tank Plant's data elements for the installation capacity data call included 104 questions the installation answered, plus 2 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 444 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	104	48	48
Pre-Populated	2	2	2
Not Applicable*	444		
Total	550	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 April to June 2004 in accordance with generally accepted government auditing standards, which include

SAAG-IMT

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criteria on the adequacy and accuracy 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 reporting square footage, we defined significant errors as greater than 10 percent.
- For questions with multiple answers and a single answer 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).

We didn't rely on computer-generated data to validate responses from Army corporate databases, but instead validated the accuracy of the data by comparison with source documentation 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.** Lima Tank Plant didn't adequately support answers for 8 of the 50 questions we reviewed with appropriate evidentiary matter. Instead, the plant based its answers on personal knowledge, estimates or oral communications. Generally, we found supporting documentation that showed these answers needed to be changed. For example, for one question the plant reported the education level of personnel at the installation engaged in research, development, test and evaluation activities, but had no documentation to support the answers. During our validation we obtained supporting documentation (a list of employees and their education levels from the human resources department) that showed that the plant needed to change the number of personnel reported with high school diplomas or less from 6 to 10, with

SAAG-IMT

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associate's degrees from 2 to 4, and with master's degrees from 2 to 3. In another example, the plant wasn't able to provide supporting documentation for one question, which related to daily testing use for specialized facilities, because it never captured or maintained such data.

b. **Accuracy of Answers.** Answers for 8 of 50 questions didn't have adequate support and were based on personal knowledge, estimates or oral communication. We weren't able to verify the accuracy of one answer because supporting documentation wasn't available. Answers for the remaining seven questions also weren't accurate based on supporting documentation we were able to find (see example in paragraph 4a). In addition, answers to 3 of the remaining 42 questions weren't accurate. Generally, these errors occurred because points of contact extracted incorrect data from supporting documentation or made clerical errors. For example, in one answer the plant reported eight government employees with Level II Defense Acquisition Workforce Certifications based on using the "required certification level" column in the supporting spreadsheet. The plant should have reported six employees with a Level II certification and one employee with a Level I certification using the "certified at current level" column in the spreadsheet. The plant appropriately answered 442 of the 444 data elements as "not applicable." The plant should have answered two questions related to disbursing funds because plant personnel paid vendors and answered other questions regarding vendor pay.

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

d. **Action Taken.** We notified the installation administrator and installation commander of answers that we believed weren't supported or accurate. The plant corrected or initiated corrective action for all significant errors we identified, with the exception of the supporting documentation error for one data element and the potential accuracy associated with that data element. For other inaccurate answers, plant personnel

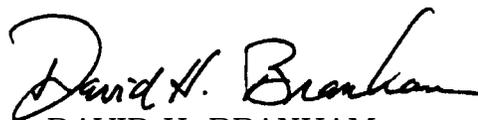
SAAG-IMT

SUBJECT: Validation of Data for Base Realignment and Closure 2005,  
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corrected the responses 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. During our validation we also found that answers for 14 questions may not have been consistent with responses from other installations based on how the installation responded. We will evaluate how other installations answered these questions to assess overall consistency as well as whether the lack of appropriate evidentiary matter for the one data element could be a systemic problem for the BRAC process. If necessary, we will recommend corrective actions in summary reports addressed to the Director, The Army Basing Study Group and applicable Joint Cross-Service Groups.

5. **Contacts.** This report isn't subject to the official command-reply process described in AR 36-2 because Lima Tank Plant resolved the issues we identified during the validation and took or initiated corrective action. If you have any questions or need additional information, please contact Greg Laukonis at 586-574-5996 or Rodney Rocha at 404-464-0520. They can be reached via e-mail at [gregoary.laukonis@aaa.army.mil](mailto:gregoary.laukonis@aaa.army.mil) or [rodney.rocha@aaa.army.mil](mailto:rodney.rocha@aaa.army.mil).

FOR THE AUDITOR GENERAL:



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Encl

CF:

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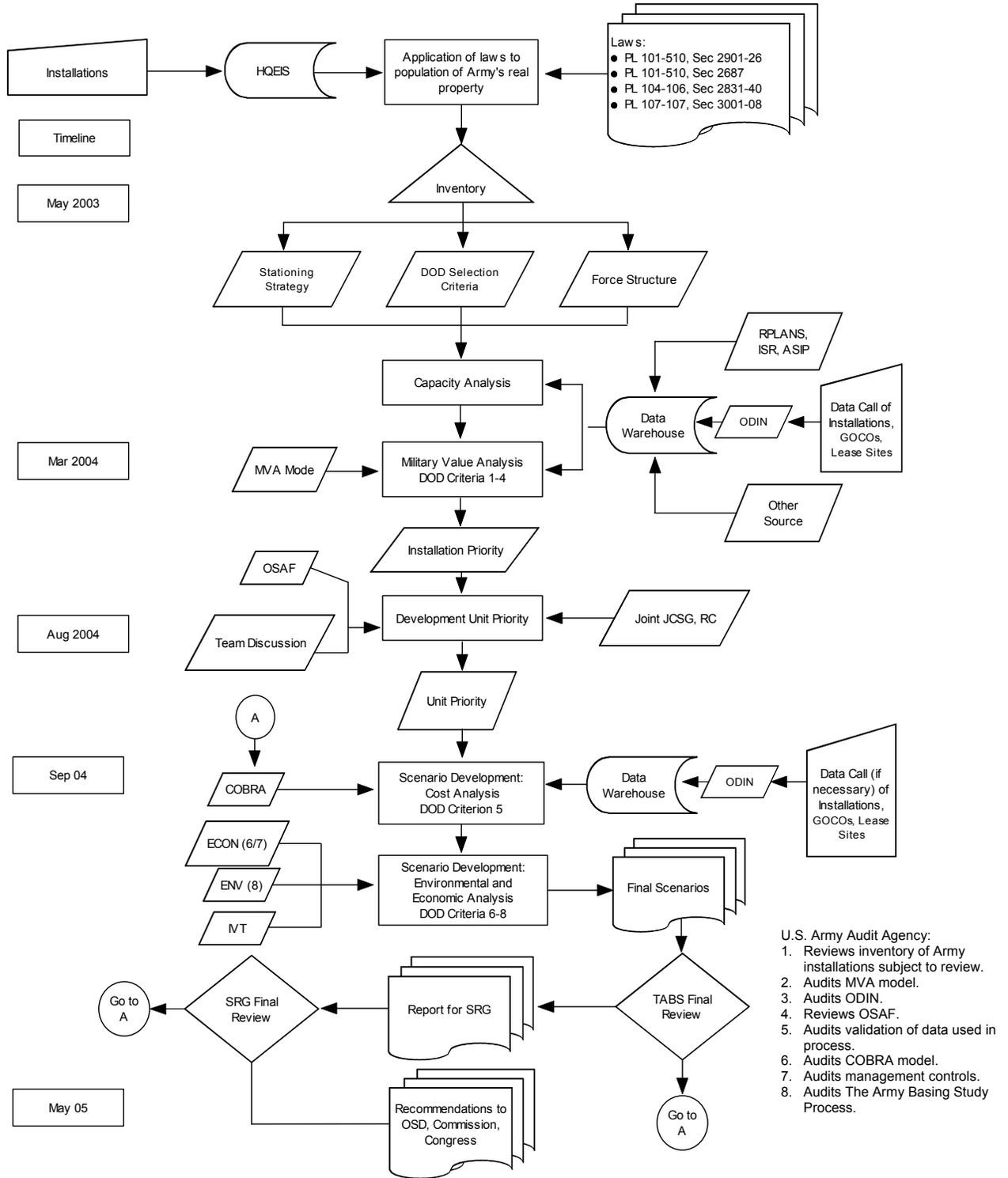
**Acronyms and Abbreviations Used:**

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