



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: 9762

SAAG-IMT

20 July 2004

MEMORANDUM FOR

Commanding General, III Corps and Fort Hood (AFZF-CG), 761st Tank
Battalion Avenue, Fort Hood, Texas 76544-5000
Commander, U.S. Army Garrison, III Corps and Fort Hood (AFZF-GC),
761st Tank Battalion Avenue, Fort Hood, Texas 76544-5000

SUBJECT: Validation of Data for Base Realignment and Closure 2005,
Fort Hood, Texas (Project Code A-2003-IMT-0440.021), Audit Report:
A-2004-0407-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 Fort Hood. 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. Fort Hood's data elements for the installation capacity data call included 293 questions the installation 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 Fort Hood's responses, and all 255 data elements Fort Hood 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	293	55	55
Pre-Populated	4	4	4
Not Applicable*	255		
Total	552	59	59

* 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

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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).

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 for 14 of 59 data elements provided to The Army Basing Study Group that we reviewed weren't adequately supported with appropriate evidentiary matter. The installation administrator had not maintained supporting documentation and in several cases had no audit trail of who had provided the answer. Consequently, we had to obtain the supporting documentation from functional representatives identified after-the-fact, who tried to determine the correct answer with reconstructed data. In one case, supporting documentation couldn't be located.

b. **Accuracy.** We couldn't validate an answer for one question at the time of our review because supporting documentation couldn't be

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located, as discussed in paragraph 4a. Of the 58 other questions we reviewed, 17 weren't accurate. In most instances, the inaccuracies were the result of the installation administrator not maintaining supporting documentation or having no audit trail of who had provided the answer, as discussed previously. Once we obtained the supporting documentation from functional representatives, we found the answers to be inaccurate. Other reasons for inaccurate answers were:

- Typographical errors. For example, Fort Hood entered contracts for \$15 million instead of \$1.5 million.
- Mathematical errors. For example, personnel didn't correctly convert a tonnage from pounds before data entry and didn't divide an average daily fuel amount by the number of working days in the year.
- Data entry error. Personnel entered an answer for square footage twice.
- Omission of data. For example, one question asked how many vehicles were used in installation maintenance. The answer included the logistics directorate's vehicles, but omitted the public works directorate's vehicles. Another answer omitted contractors from manpower totals.
- Misclassification of answers. For example, Fort Hood listed rooms used as storage rooms instead of dental rooms as "not in use" instead of "in use."
- Two of the pre-populated questions had incorrect data on the condition codes of buildings.

In addition, Fort Hood inappropriately answered 8 of 255 data elements "not applicable." One of these errors occurred because the installation administrator didn't send the question to the appropriate activity. Also, no supporting documentation was available for three "not applicable" questions, and activities misinterpreted four questions the installation should have answered.

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c. **Management Controls.** In our opinion, BRAC 2005 management controls sometimes weren't in place and operating at Fort Hood. We found that:

- Employees submitted data call responses without signing a nondisclosure agreement.
- The installation administrator received BRAC-related e-mail through unofficial media.
- Sources identified in the Online Data Collection Tool, a BRAC tool used to collect data from Army activities during the data calls, sometimes weren't the same sources provided during our data validation process.
- The installation didn't provide activities with appropriate guidance on maintaining supporting documents.

d. **Action Taken.** The installation, in coordination with U.S. Army Installation Management Agency, Southwest Region, corrected or initiated corrective action for all the problems we identified, including the management control weaknesses. The exception was the supporting documentation error for the one data element and the potential accuracy associated with that data element. For data elements that weren't accurate during this data call, Fort Hood corrected the answers, recertified them and resubmitted the corrected data to The Army Basing Study Group, which in turn will provide corrected data to the Joint Cross-Service Groups as necessary. We also determined that the answer for one question may not have been consistent with the responses from other installations based on how functional responders interpreted the question. We will evaluate how other installations answered this question to assess overall consistency as well as whether the lack of appropriate evidentiary matter for the one data element could be a systematic 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.

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5. **Contacts.** This report isn't subject to the official command-reply process described in AR 36-2 because Fort Hood 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 Linda Cela at 254-287-7794 or Alice S. Arielly at 703-428-6392. They also can be reached via e-mail at Linda.Cela@aaa.army.mil or Alice.Arielly@aaa.army.mil.

FOR THE AUDITOR GENERAL:

Encl


DAVID H. BRANHAM
Program Director
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CF:

Director, The Army Basing Study Office
Commander, U.S. Army Forces Command
Director, U.S. Army Installation Management Agency, Southwest
Region

Acronyms and Abbreviations Used:

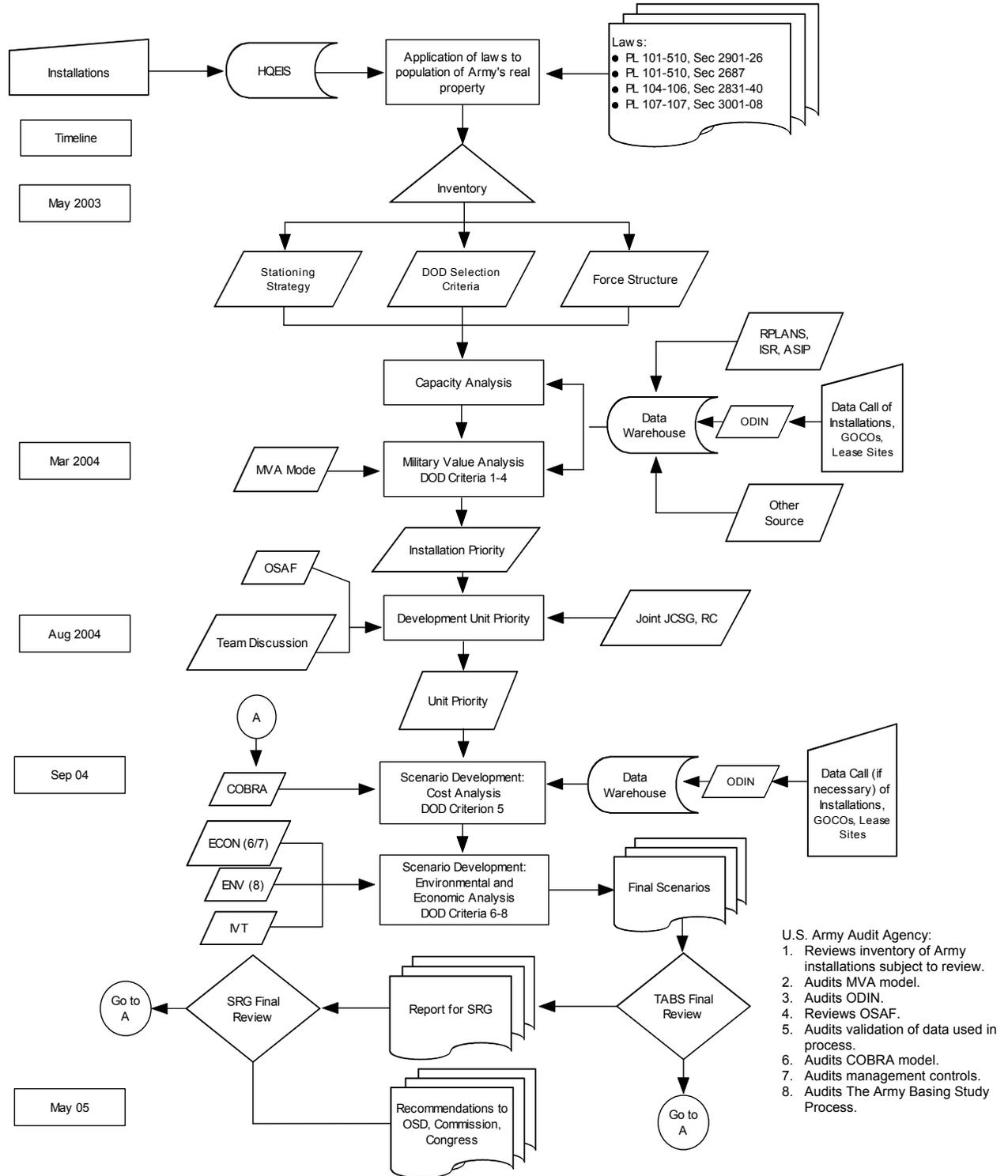
ASIP = Army Stationing and Installation Plan
 COBRA = Cost of Base Realignment Action Model
 ECON = Economic Model
 ENV = Environmental Model
 GOCO = Government-Owned, Contractor-Operated
 HQEIS = Headquarters Executive Information System

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

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FLOWCHART OF 2005 ARMY BASING STUDY PROCESS



Enclosure