



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: 9829

SAAG-IMT

20 July 2004

MEMORANDUM FOR

Commander, U.S. Army Tank-automotive and Armaments Command,
Warren, Michigan
Commander, Anniston Army Depot, Anniston, Alabama

SUBJECT: Validation of Data for Base Realignment and Closure 2005,
Anniston Army Depot, Alabama (Project Code A-2003-IMT-0440.025),
Audit Report: A-2004-0411-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 Anniston Army Depot, Alabama. 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.

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3. Objectives and Scope

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. Anniston Army Depot data elements for the installation capacity data call included 175 questions the installation answered, 3 questions pre-populated from a corporate database, and 372 questions the depot considered “not applicable”—a total of 550 questions. To answer our first two objectives, we reviewed data elements judgmentally selected for validation at all installations visited, questions randomly selected for validation at Anniston Depot, and all questions the depot considered “not applicable.” In total, we reviewed 50 questions for adequacy and accuracy (47 questions the depot answered and the 3 corporate questions), and all questions the depot considered “not applicable.” To answer the third objective, we evaluated BRAC 2005 management controls related to installations.

c. We conducted our review during May and June 2004 in accordance with generally accepted government auditing standards, which include criteria on the adequacy and appropriateness of evidentiary matter, accuracy and management controls. We assessed the accuracy of Anniston Depot’s answers using these specific criteria:

- For questions with a single answer and minimal support requirements, we didn’t have any margin of error, except for answers reporting square footage.
- For questions with answers reporting square footage, we defined significant error as greater than 10 percent.

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- For questions with multiple answers and single answers with voluminous supporting documentation, we allowed errors up to 25 percent in the sample 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 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.** Responses to 48 of the 50 questions we reviewed were adequately supported with appropriate evidentiary matter. For the two questions that weren't sufficiently supported, depot personnel improperly used minor renovation projects as evidence in response to the questions for major military construction (MILCON) renovation. The appropriate response for the MILCON Programmed for Facility Codes 2142 and 8928 should have been zero. The depot notified The Army Basing Study Group to adjust the response and recertified the answers on 26 May 2004.

b. **Accuracy of Answers.** Responses to 40 of 50 questions we reviewed were accurate. For 2 of the 10 questions that weren't accurately answered, the inaccuracies were corrected once Anniston Depot obtained adequate support as discussed in paragraph 4a. For five questions, the depot included additional data, didn't include some relevant data the question required, or made mathematical errors. For example, the depot:

- Made errors when calculating the total capacity index for the production processes.
- Calculated annual direct labor hours and use instead of monthly direct labor hours and use.

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- Used the same gross square footage in two data elements that required different measurements.
- Didn't distinguish between maximum and surge daily capacity for issuing class III bulk fuel.

For the three remaining questions, information from the Installation Status Report and the pre-populated corporate database didn't match. Except for the corporate database questions that were provided to the Study Group, Anniston Depot recertified its response and notified The Army Basing Study Group to adjust the response on 26 May 2004. We also concluded that the depot's responses to 372 questions it considered "not applicable" were appropriate.

c. **Management Controls.** In our opinion, appropriate management controls for BRAC 2005 were in place and operating. 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. We also found no instances when personnel used non-government e-mail to convey BRAC data or information.

d. **Action Taken.** Anniston Depot corrected or initiated corrective action for all issues we identified, except for those issues pertaining to the corporate database. For answers that weren't accurate, depot personnel made corrections, recertified the answers, and resubmitted the corrected data to The Army Basing Study Group on 26 May 2004. The Study Group, in turn, will provide corrected data to the Joint Cross-Service Groups.

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

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Phillips at (404) 464-0521 or Robert Richardson at (404) 464-0516. You
can also reach them via e-mail at Shelby.Phillips@aaa.army.mil or
Robert.Richardson@aaa.army.mil.

FOR THE AUDITOR GENERAL:

Encl


DAVID H. BRANHAM
Program Director
Installation Studies

CF:

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

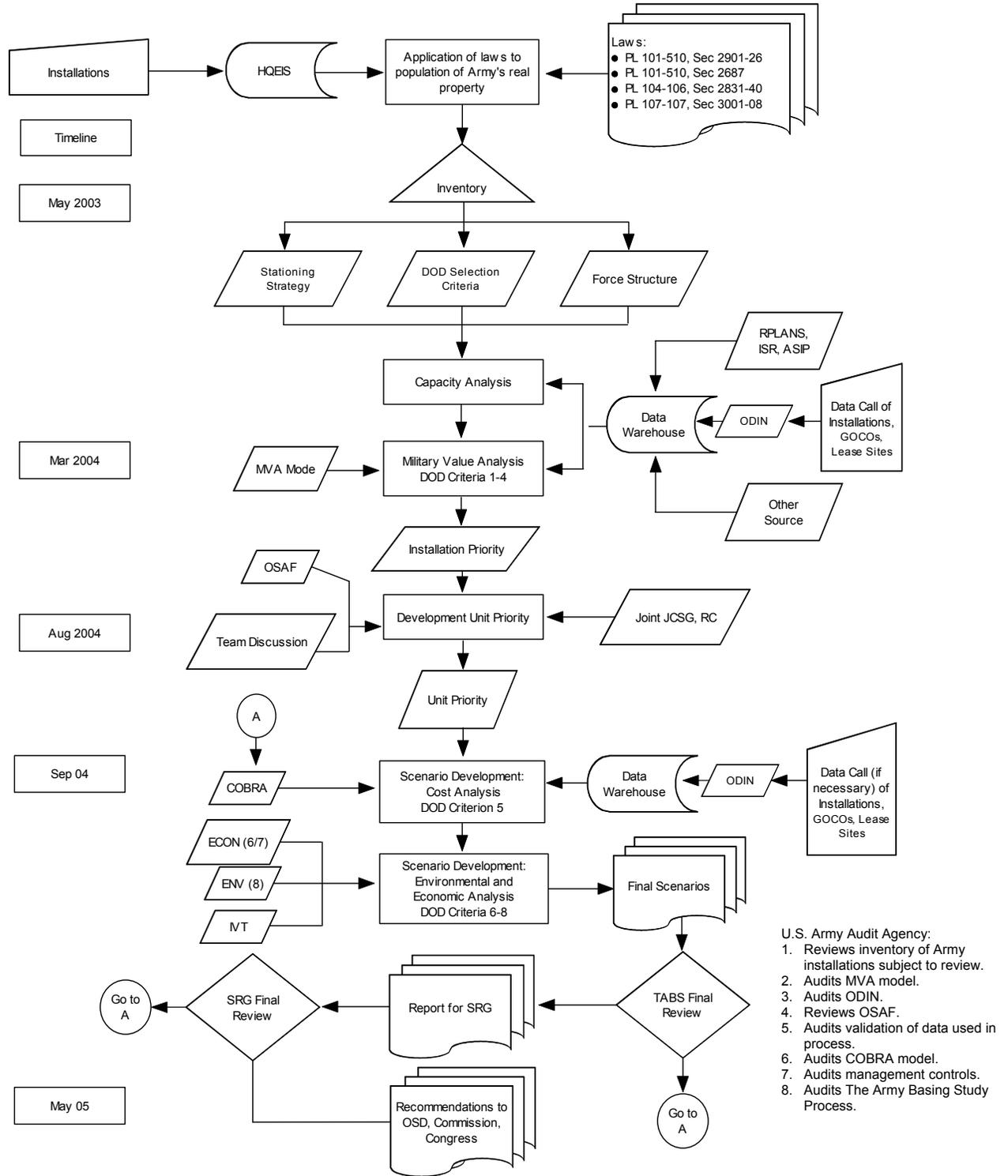
Acronyms and Abbreviations Used:

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

FLOWCHART OF 2005 ARMY BASING STUDY PROCESS



Enclosure