



DEPARTMENT OF THE ARMY
U.S. ARMY AUDIT AGENCY
Office of the Deputy Auditor General
Acquisition and Logistics Audits
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Alexandria, VA 22302-1596

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SAAG-ALT

5 October 2004

MEMORANDUM FOR

Commander, U.S. Army Aviation and Missile Command (AMSAM-CG),
Redstone Arsenal, Alabama 35808
Commander, U.S. Army Garrison, Redstone (AMSAM-RA), 4488 Martin
Road, Redstone Arsenal, Alabama 35808

SUBJECT: Validation of Data for Base Realignment and Closure 2005,
Redstone Arsenal, Alabama (Project Code A-2003-IMT-0440.061), Audit
Report: A-2005-0013-ALT

1. **Introduction.** The Director, The Army Basing Study Group asked us to validate data that the Study Group and six Joint Cross-Service Groups¹ will use for Base Realignment and Closure (BRAC) 2005 analyses. This report summarizes the results of our validation efforts at Redstone Arsenal, Alabama. We will include these results in a summary report to the director and in our overall report on the 2005 Army basing study process.

2. **Background**

a. **BRAC 2005 Effort.** 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

¹ The Study Group didn't collect capacity data for a seventh group—the Intelligence Cross-Service Group. Accordingly, we will report data validation results for that group to the Deputy Chief of Staff, G-2.

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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.

b. **Military Value Data Call.** Often referred to as data call no. 2, the military value data call was issued in phases as follows:

Phase	Question Categories	Issue Date	Certification Deadline
I	Army/Cost of Base Realignment Action Model	19 Apr 04	7 Jun 04
IIa	Medical*, Supply and Storage Activities*, and Community**	4 Jun 04	11 Aug 04
IIb	Industrial*, Headquarters and Support Activities*	18 Jun 04	11 Aug 04
III	Education and Training*	9 Jul 04	25 Aug 04
IV	Technical*	21 Jul 04	8 Sep 04

* Joint Cross-Service Groups.

** BRAC 2005 Selection Criterion 7: Impact on Local Community.

3. Objectives, Scope, and Methodology

a. **Objectives.** 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. **Scope.** Redstone Arsenal received 316 questions during the military value data call. To answer our first 2 objectives, we validated responses to 53 judgmentally selected questions the installation received. This table shows the question population and our sample size for each phase:

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Phase	Question Population	Sample Size
I	35	19
IIa	100	16
IIb	69	8
III	84	5
IV	28	5
Total	316	53

We reviewed phase I responses after the installation certified its answers on 7 June 2004. We reviewed responses for phases II, III, and IV before the installation's initial certifications on 11 August 2004, 25 August 2004, and 8 September 2004, respectively. To answer the third objective, we evaluated BRAC 2005 controls related to installations.

c. **Methodology.** We conducted our review from July through September 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 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 the 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

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the installation administrator to obtain the evidence needed to answer all three objectives.

4. Results

a. **Adequacy of Support.** For Redstone Arsenal, all 53 responses we validated were adequately supported with appropriate evidentiary matter.

b. **Accuracy.** Responses to 46 of the 53 questions we validated were accurate. Redstone Arsenal incorrectly answered one question “not applicable” even though the installation had unassigned munitions space, didn’t include some relevant data from years before FY 99 as required for one question, and incorrectly entered the response for another question. The arsenal incorrectly calculated the answers for four questions. For example, the arsenal incorrectly:

- Included personnel not paid by base operations support dollars, thus inflating base operations support costs.
- Overstated the number of personnel assigned to the supply and storage activity.

c. **Management Controls.** In our opinion, appropriate management controls for BRAC 2005 were in place and operating at Redstone Arsenal. The senior mission commander had certified the responses submitted to The Army Basing Study Group. All personnel required to sign nondisclosure statements had done so.

d. **Action Taken.** Redstone Arsenal personnel corrected one phase I response, and recertified and resubmitted changes to The Study Group. Arsenal personnel corrected five phase II responses before certification on 11 August 2004. They also corrected one phase IV response and recertified and resubmitted changes to The Study Group.

e. **Other Matters.** In addition to the questions asked during phases I through IV, installations received a set of supplemental capacity data call questions. Ten of the questions were from the Technical Joint Cross-Service Group. We sampled 4 of the 10 questions that Redstone Arsenal was asked to answer and determined that all 4 responses were

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adequately supported, but inaccurate. Arsenal personnel incorrectly entered the responses for two questions and applied inconsistent methodologies to respond to the two other questions. The installation administrator corrected three of the inaccurate responses on 22 September 2004 and one of the inaccurate responses on 29 September 2004, and the senior mission commander recertified and resubmitted the responses to The Study Group.

5. **Contacts.** This report isn't subject to the official command-reply process described in AR 36-2. If you have any questions or need additional information, please contact Mr. Lawrence Wickens at 703-428-6524 or Mr. Clarence Johnson at 410-278-4287. You can also reach them through e-mail at Lawrence.Wickens@aaa.army.mil or Clarence.Johnson@aaa.army.mil.

FOR THE AUDITOR GENERAL:

Encl


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CF:

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Commander, U.S. Army Materiel Command
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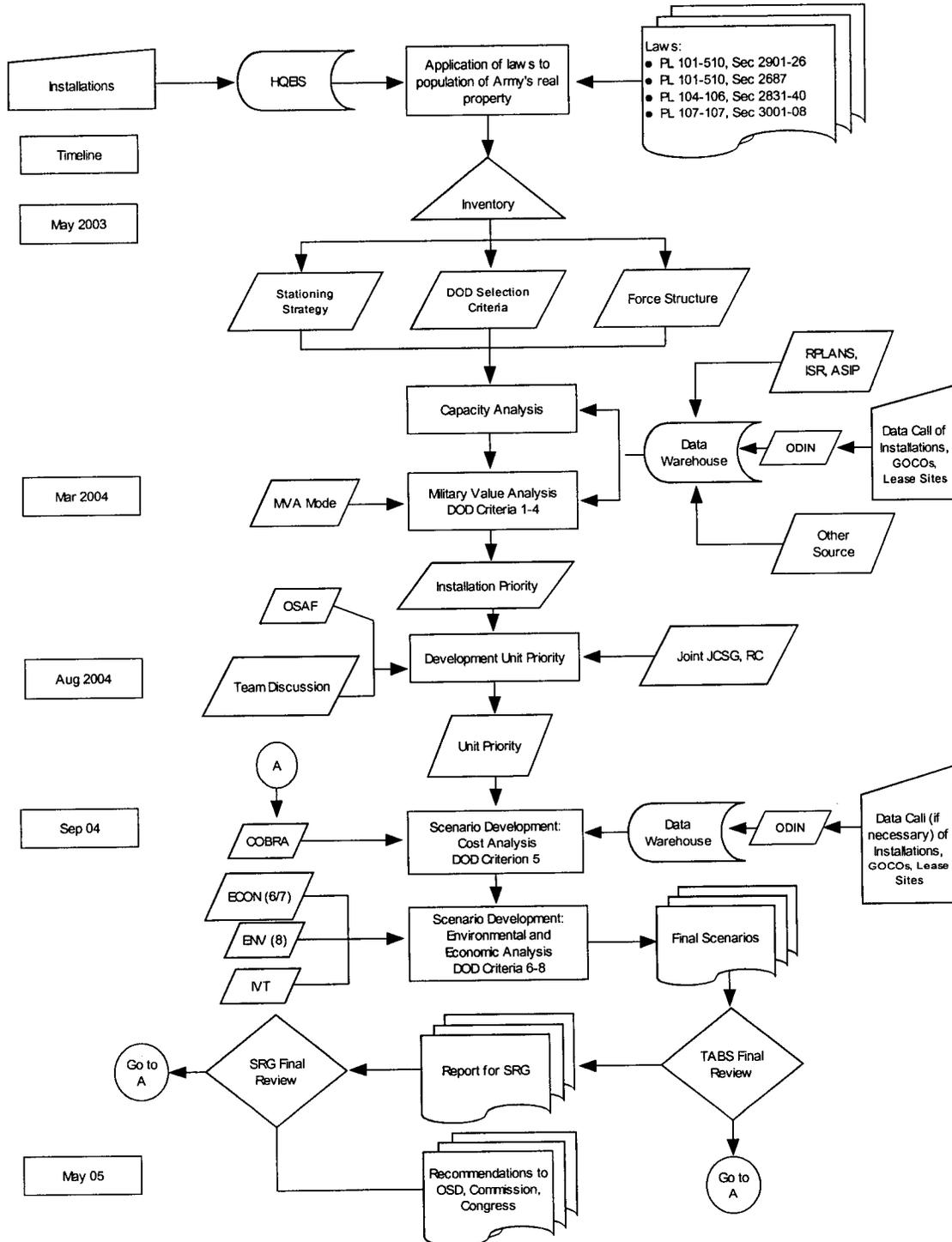
Acronyms and Abbreviations Used:

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

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