



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 8812

SAAG-IMT

30 June 2004

MEMORANDUM FOR

Commanding General, U.S. Army Research, Development and Engineering Command (AMSRD-CG/MG John C. Doesburg), 5183 Blackhawk Road, Aberdeen Proving Ground, Maryland 21010-5424  
Commander, U.S. Army Installation Management Agency, Northeast Region Garrison (AMSTA-AR-CO/LTC Paul Seitz), Bldg 1, Picatinny, New Jersey 07806-5000

SUBJECT: Validation of Data for Base Realignment and Closure 2005, Picatinny Arsenal (Project Code A-2003-IMT-0440.036), Audit Report: A-2004-0384-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 Picatinny Arsenal. 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. Picatinny Arsenal data elements for the installation capacity data call included 233 questions the arsenal answered, plus 3 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 Picatinny Arsenal's responses, and all data elements the arsenal 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	233	47	47
Pre-Populated	3	3	3
Not Applicable*	315		
Total	551	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 the installation.

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 the installation's answers using these specific criteria:

- For questions with a single answer and minimal support requirements, we didn't allow any margin of 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 single answers with voluminous supporting documentation, we allowed errors up to 25 percent in the samples we reviewed, provided the errors were not 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 the 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.** Picatinny Arsenal adequately supported all 50 answers in our sample with appropriate evidentiary matter.

b. **Accuracy.** All three answers that were pre-populated with information from the corporate database and then supplemented by data from Picatinny Arsenal were accurate. Of the 47 answers in our sample that arsenal personnel prepared, we determined that 9 weren't accurate. The inaccuracies were related to how data was compiled (incorrect calculations and inclusion of the same facilities in multiple questions, which misrepresented the amount of infrastructure) and variances in units of measure (square yards versus square feet and cubic yards versus cubic feet). In addition, arsenal personnel reevaluated and revised their

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response to 1 of the 315 questions marked “not applicable” as we were preparing our report based on guidance they received from The Army Basing Study Group. The other 314 questions marked “not applicable” were appropriately answered.

c. **Management Controls.** Management controls for BRAC 2005 were in place and operating at Picatinny Arsenal. The senior mission commander certified the information the arsenal submitted to The Army Basing Study Group. All personnel required to sign nondisclosure statements had done so. We found no instances of the use of nongovernment e-mail to convey BRAC data or information.

d. **Actions Taken.** Picatinny Arsenal initiated corrective action for all inaccurate answers we identified and submitted corrected data to the senior mission commander for review. After the senior mission commander reviews and certifies the answers, the arsenal will resubmit the corrected data to The Army Basing Study Group, which in turn will provide corrected and certified data to the Joint Cross-Service Groups as necessary. We may validate whether this occurred. We also determined that answers for 7 of the 50 questions in our sample may not have been consistent with responses from other installations based on how the questions were written and interpreted by the functional responders. Arsenal personnel told us they identified another 26 related questions not within our sample that also fell into this category. We will evaluate how the seven questions from our sample were answered among other installations to assess overall consistency and recommend corrective actions, if necessary, in summary reports addressed to the Director, The Army Basing Study Group.

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

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contact Carole Acornley at (410) 278-5910 or Joseph Toth at  
(301) 677-2178. You can also reach them via e-mail at  
[carole.acornley@aaa.army.mil](mailto:carole.acornley@aaa.army.mil) or [joseph.toth@aaa.army.mil](mailto:joseph.toth@aaa.army.mil).

FOR THE AUDITOR GENERAL:

Encl

  
DAVID H. BRANHAM  
Program Director  
Installation Studies

CF:

Director, The Army Basing Study Office  
Commanding General, U.S. Army Materiel Command  
Director, U.S. Army Installation Management Agency, Northeast Region

**Acronyms and Abbreviations Used:**

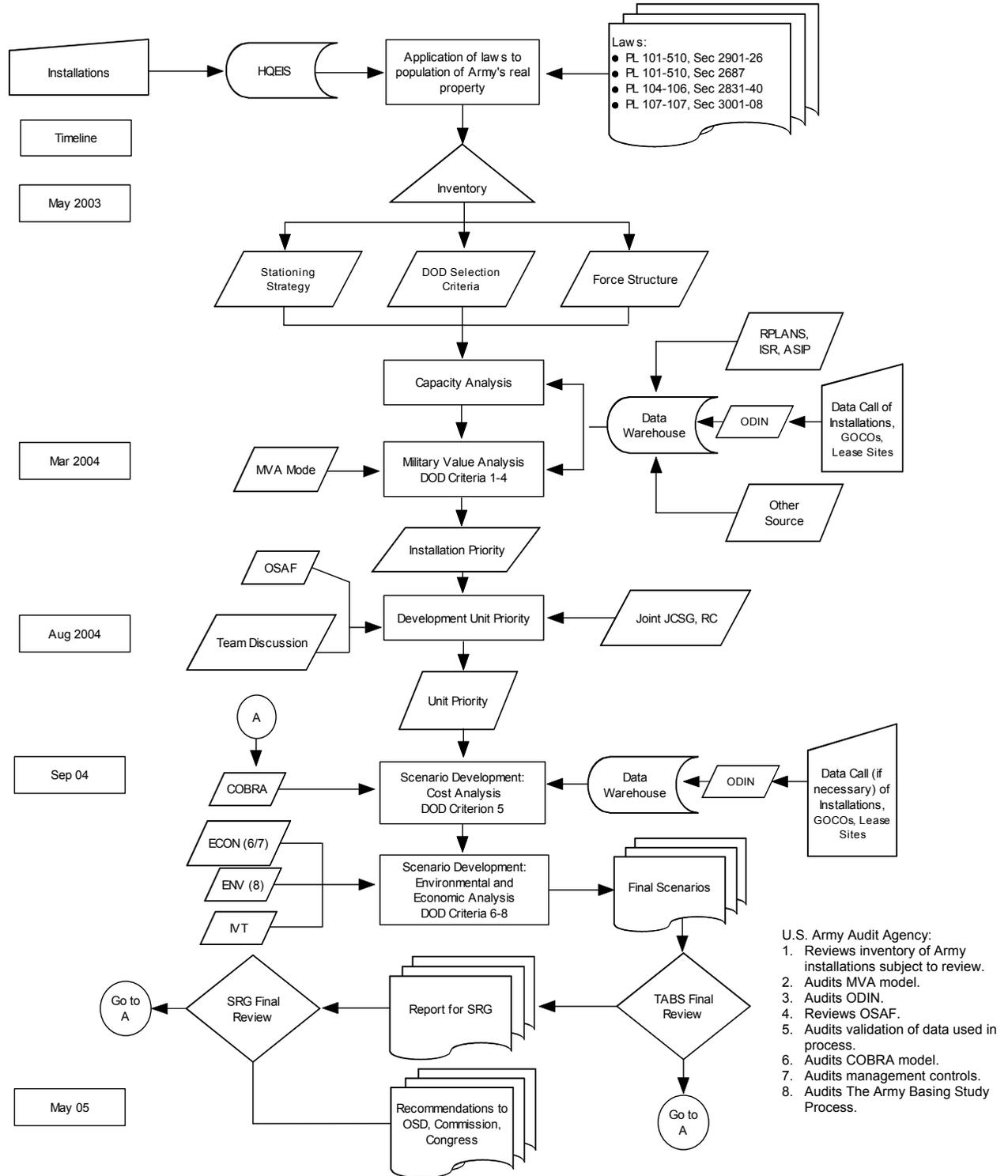
ASIP = Army Stationing and Installation Plan  
 COBRA = Cost of Base Realignment Action Model  
 ECON = Economic Model  
 ENV = Environmental Model  
 GOCO = Government-Owned, Contractor-Operated  
 HQEIS = Headquarters Executive Information System

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