



DEPARTMENT OF THE ARMY
U.S. ARMY AUDIT AGENCY
Office of the Deputy Auditor General
Acquisition and Logistics
3101 Park Center Drive
Alexandria, VA 22302-1596

DCN 9405

SAAG-IMT

5 August 2004

MEMORANDUM FOR The Director, The Army Basing Study Group

SUBJECT: Validation of Army Installation Capacity Data for Base Realignment and Closure 2005, Medical Joint Cross-Service Group (Project Code A-2003-IMT-0440.044), Audit Report: A-2004-0441-IMT

1. You asked us to validate Army installations' responses to the capacity data call that The Army Basing Study Group and six Joint Cross-Service Groups¹ will use for Base Realignment and Closure (BRAC) 2005 analyses. This is our report on the validation of Army capacity data call responses to questions the Medical Joint Cross-Service Group was interested in.
2. Generally, Army installations' certified responses to capacity data call questions in the samples we validated were adequately supported with appropriate evidentiary matter and were accurate based on the criteria we applied. However, in some instances Army installations could not support their responses to the questions and did not accurately answer all questions. Details of our validation are in enclosure 1. The scope of our validation for the Medical Joint Cross-Service Group capacity questions is in enclosure 2. A flowchart of the 2005 Army basing study process is in enclosure 3.
3. We discussed these results with key personnel at the Army installations. They took corrective actions for the problems we identified and submitted certified changes to the Study Group for answers we identified as requiring correction. We also discussed these results with the Army representative on the Medical Joint Cross-Service Group. Consequently, this report does not contain any recommendations and is not subject to the official command-reply process described in AR 36-2.
4. We appreciate the courtesies and cooperation extended to us during the validation. If you have any questions or need additional information,

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

SAAG-IMT

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FOR THE AUDITOR GENERAL:



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3 Encls

CF:

Office of the Inspector General, DOD
Army Representative, Medical Joint Cross-Service Group (Mr. Maurice Yaglom)

**VALIDATION OF ARMY INSTALLATION CAPACITY DATA FOR
BASE REALIGNMENT AND CLOSURE 2005
MEDICAL JOINT CROSS-SERVICE GROUP**

WHAT WE VALIDATED

You asked that we validate Army installations' responses to the capacity data call that The Army Basing Study Group and six Joint Cross-Service Groups will use for Base Realignment and Closure 2005 analyses. Our validation efforts focused on determining if responses were adequately supported and accurate. This enclosure summarizes the results of our validation efforts for the Army capacity data that the Study Group collected, certified and provided to the Medical Joint Cross-Service Group. We will include these results in our overall summary reports on the capacity data call and the 2005 Army basing study process.

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 enclosure 3.

Enclosure 1

SCOPE AND METHODOLOGY

The Army's inventory included 88 installations that met the BRAC 2005 threshold for study. For the capacity data call, the Study Group sent each installation a total of 552 questions: 548 questions to answer, if applicable, and 4 questions pre-populated from Army databases. During our validation efforts, we visited 31 installations and validated responses to 29 questions the Medical Joint Cross-Service Group was interested in: 6 that we judgmentally selected for validation at each installation we visited and 23 that we randomly selected. (The number of capacity questions answered and the number of responses we validated at each installation is at enclosure 2.) We tested 209 of 616 total responses for adequacy of support and 185 responses for accuracy. We also reviewed all 283 responses to questions the Medical Joint Group was interested in that Army installations answered as "not applicable" to determine if that answer was appropriate. We did not validate answers to the nine Medical Group questions included in the supplemental capacity data call issued on 9 July 2004.

We conducted our validation from April to July 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 did not 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 were not significant (determined by auditor judgment except for answers reporting square footage).

We did not rely on computer-generated data to validate responses from Army corporate databases, but instead validated the accuracy of the data by comparison with installation 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 administrators to obtain the evidence needed to answer our objectives.

We also evaluated installation compliance with the Study Group's Internal Control Plan, but we will address those results in our overall reports on the capacity data call and the 2005 Army basing study process.

OBJECTIVE AND CONCLUSION

We established one objective for our validation of Medical Joint Cross-Service Group capacity data. Here is that objective and our conclusion:

Objective: To determine if Army installations' certified responses to capacity data call questions in which the Medical Group had an interest were adequately supported with appropriate evidentiary matter and were accurate.

Conclusion: Generally, Army installations' certified responses to capacity data call questions the Medical Group was interested in were adequately supported with appropriate evidentiary matter and were accurate, based on the criteria we applied to responses in our samples. In addition, we concluded that the "not applicable" responses were appropriate. However, we found some instances where Army installations could not support their responses to capacity questions and did not answer all questions accurately. We discussed the potential risk of using inaccurate or inconsistent data in the Medical Group's analyses with the group's Army representative. The representative responded that the Medical Group acted to mitigate the potential risk.

Adequate Support. Of the 209 responses we validated for adequacy of support, 194 responses were adequately supported with appropriate evidentiary matter. The 15 other responses were not adequately supported because:

- Army installations submitted answers that differed from the supporting evidence.
- Functional responders provided estimates, but did not gather and keep any evidence to support their answers.

We noted that responses to 2 questions frequently were not adequately supported (at more than 3 of the 31 installations): facilities currently under construction (no. 22) and the number of classrooms currently in use for permanently established medical/dental facilities (no. 527). The Army installations we visited satisfactorily corrected most of the problems we identified with supporting documentation.

Accuracy. Of the 185 responses we validated for accuracy, 144 responses were accurate. Answers were not accurate for the remaining 41 questions primarily because Army installations inappropriately included or excluded facilities in square footage compilations, used undocumented estimating methods that could not be used to replicate certified answers, and made mathematical errors. Responses to 4 questions were frequently inaccurate (at more than 3 of the 31 installations):

- Facility square footage (no. 11).
- Facilities currently under construction (no. 22).
- Number of classrooms currently in use for permanently established medical/dental facilities (no. 527).
- Number of general and specialty dental treatment rooms currently in use for permanently established medical/dental facilities (no. 530).

The Army installations we visited corrected the answers that were not accurate, recertified them and resubmitted responses to the Study Group. The Study Group, in turn, provided the corrected and recertified responses to the Medical Group.

Potentially Misinterpreted. We also determined that one question (no. 527)—which asked for the number of classrooms in use at permanently established medical/dental facilities—may not have been consistently interpreted and answered by Army installations in accordance with question amplification and clarification. As discussed in the preceding paragraphs, responses to question no. 527 frequently were not supported or accurate. Consequently, we concluded that the Medical Group had reduced assurance that the responses from all Army installations that answered question no. 527 were consistent and reliable.

Potential Risk. In our opinion, the Medical Joint Cross-Service Group would have assumed a higher degree of risk if it used in its

analyses Army responses that were frequently inaccurate, or responses to questions that were not consistently answered by Army installations. We discussed the potential risk with the Army representative on the Medical Group to determine what—if any—actions the group needed to take. The Army representative responded that the Medical Group:

- Asked new questions (replacing nos. 527, 528, 541, 543, 545, and 546) in the supplemental capacity data call.
- Will not use data in responses to question nos. 11 and 22. Because the Medical Group recognized the risks associated with the high frequency of errors within this data, it will obtain the data necessary for its analyses by clarifying specific data directly with selected Army installations, asking similar questions during subsequent data calls, or using alternative analytical methods.
- Will use the data from question no. 530 because no other source is available to cross-check the data for accuracy. In this case, the Medical Group will presume that the data is reasonably accurate because it was reviewed and certified by the appropriate senior mission commander.

In our opinion, these actions acknowledged the potential risk and should help mitigate the risk of using inaccurate or inconsistent data responses in the Medical Group's analyses.

**SCOPE OF VALIDATION FOR MEDICAL JOINT CROSS-SERVICE GROUP
CAPACITY QUESTIONS**

Installation/Activity	Medical Facilities*	Total Questions Answered	Judgmental Sample	Random Sample	Total Responses Validated**
Aberdeen Proving Ground	X	26	4	3	7
Anniston Army Depot		8	2	1	3
Blue Grass Army Depot		24	6	1	7
Corpus Christi Army Depot		10	2	2	4
Detroit Arsenal		5	2	0	2
Fort Belvoir	X	25	6	4	10
Fort Benning	X	26	6	1	7
Fort Bliss	X	29	6	2	8
Fort Bragg	X	26	6	2	8
Fort Campbell	X	26	6	2	8
Fort Drum	X	23	6	6	12
Fort Eustis	X	24	6	2	8
Fort Gordon	X	29	6	3	9
Fort Hood	X	25	6	0	6
Fort Huachuca	X	23	4	1	5
Fort Lee		28	6	1	7
Fort Lewis	X	29	6	4	10
Fort McCoy		17	4	0	4
Fort Rucker	X	29	6	5	11
Fort Sam Houston	X	29	6	3	9
Fort Shafter		2	2	0	2
Fort Stewart/Hunter Army Airfield	X	27	6	5	11
Lima Army Tank Plant		2	2	0	2
McAlester Army Ammunition Plant		18	4	5	9
Picatinny Arsenal		4	2	0	2
Radford Army Ammunition Plant		6	1	3	4
Red River Army Depot		10	1	1	2
Redstone Arsenal	X	25	6	5	11
Schofield Barracks		20	4	1	5
Tobyhanna Army Depot		14	3	2	5
Tripler Army Medical Center	X	27	6	5	11
Totals		616	139	70	209

* "X" represents installation that the Army representative identified as having medical facilities.

** Responses to all questions selected judgmentally were validated for accuracy and adequacy of evidentiary matter. Responses to all questions selected randomly were validated for adequacy of support. When time permitted, we also validated the responses for accuracy.

Enclosure 2

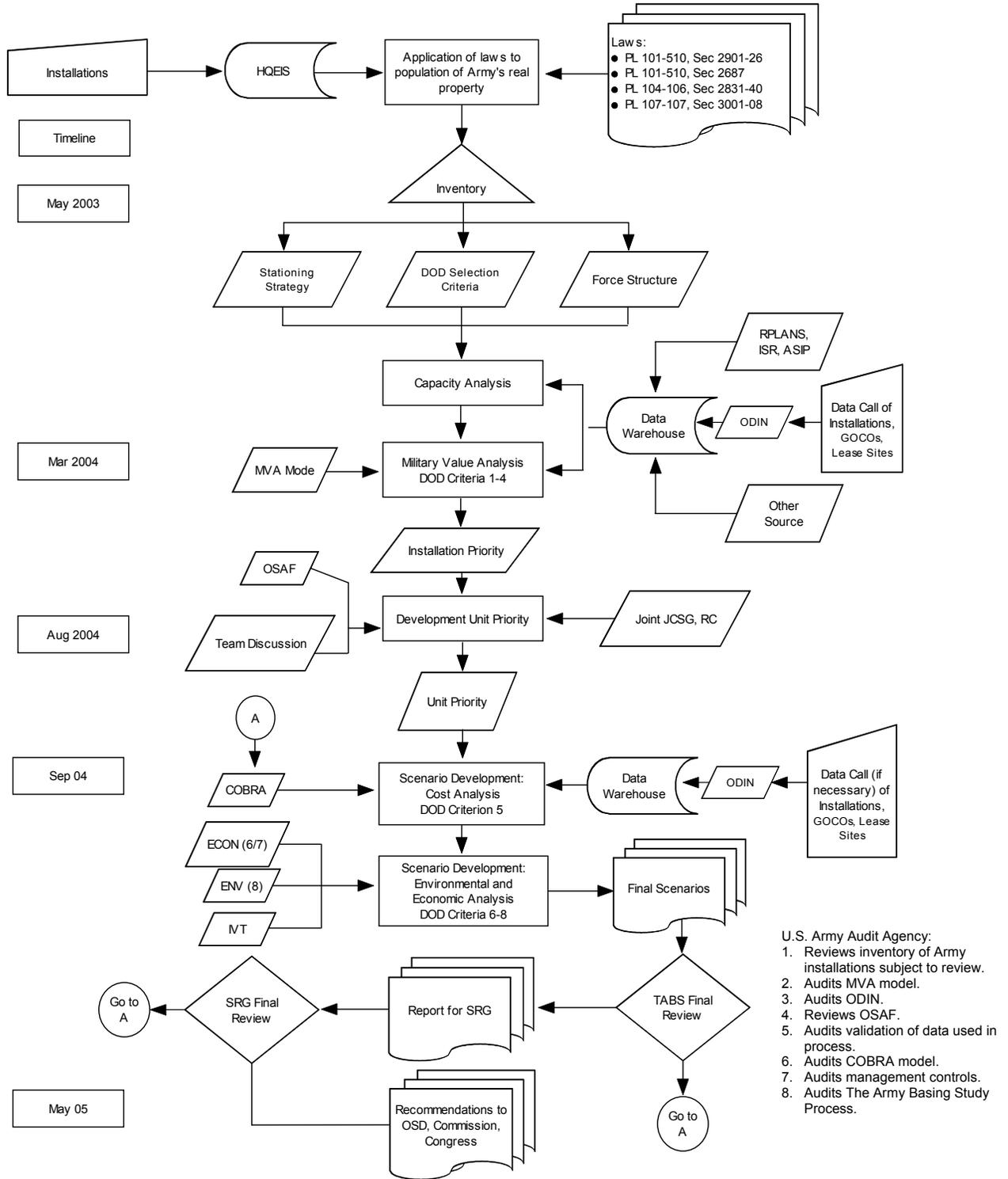
Acronyms and Abbreviations Used:

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 3