

Audit



Report

OFFICE OF THE INSPECTOR GENERAL

DEFENSE BASE REALIGNMENT AND CLOSURE
MILITARY CONSTRUCTION BUDGET DATA
FOR SHEPPARD AIR FORCE BASE,
WICHITA FALLS, TEXAS

Report No. 95-248

June 23, 1995

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Department of Defense

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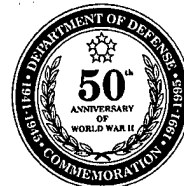
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Acronyms

| | |
|--------|----------------------------------|
| BRAC | Base Realignment and Closure |
| COBRA | Cost of Base Realignment Actions |
| MILCON | Military Construction |



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-2884



June 23, 1995

**MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)
ASSISTANT SECRETARY OF THE AIR FORCE
(FINANCIAL MANAGEMENT AND COMPTROLLER)**

**SUBJECT: Audit Report on Defense Base Realignment and Closure Military
Construction Budget Data for Sheppard Air Force Base,
Wichita Falls, Texas (Report No. 95-248)**

We are providing this audit report for your information and use. This report is one in a series of reports about FY 1996 Defense base realignment and closure military construction costs. Management comments on a draft of this report were considered in preparing the final report. Management comments on the draft of this report conformed to the requirements of DoD Directive 7650.3 and left no unresolved issues. Therefore, no additional comments are required.

We appreciate the courtesies extended to the audit staff. Questions on the audit should be directed to Ms. Kimberley A. Caprio, Audit Program Director, at (703) 604-9248 (DSN 664-9248) or Ms. Victoria C. Hara, Audit Project Manager, at (703) 604-9228 (DSN 664-9228). Appendix F lists the distribution of this report. The audit team members are listed inside the back cover.

Robert J. Lieberman
Assistant Inspector General
for Auditing

Office of the Inspector General, DoD

Report No. 95-248
(Project No. 5CG-5017.36)

June 23, 1995

Defense Base Realignment and Closure Military Construction Budget Data for Sheppard Air Force Base, Wichita Falls, Texas

Executive Summary

Introduction. Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, directs the Secretary of Defense to ensure that the amount of the authorization that DoD requested for each military construction project associated with Defense base realignment and closure does not exceed the original estimated cost provided to the Commission on Defense Base Closure and Realignment (the Commission). If the requested budget amounts exceed the original project cost estimates provided to the Commission, the Secretary of Defense is required to explain to Congress the reasons for the differences. The Inspector General, DoD, is required to review each Defense base realignment and closure military construction project for which a significant difference exists from the original cost estimate and to provide the results of the review to the congressional Defense committees. This report is one in a series of reports about FY 1996 Defense base realignment and closure military construction costs.

Audit Objectives. The overall audit objective was to determine the accuracy of Defense base realignment and closure military construction budget data. This report provides the results of the audit of one project, valued at \$1.8 million, for the repair of roads on Sheppard Air Force Base, Wichita Falls, Texas. The audit also assessed the adequacy of the management control program as it applied to the audit objectives.

Audit Results. The need for project VNVP953015, "Renovate Roads," at Sheppard Air Force Base was questionable and was not related to Defense base realignment and closure. As a result, the Air Force overstated Defense base realignment and closure funding requirements by \$1.8 million. See Part I for a discussion of the finding. See Appendix D for a summary of potential benefits of the audit. The review of the management control program will be discussed in a summary report on Defense base realignment and closure military construction budget data.

Summary of Recommendations. We recommend that the Under Secretary of Defense (Comptroller) cancel funding for project VNVP953015. We also recommend that the Assistant Secretary of the Air Force (Financial Management and Comptroller) cancel project VNVP953015 and resubmit a new Defense base realignment and closure project if a valid requirement is identified.

Management Comments. The Under Secretary of Defense (Comptroller) concurred with the report. The Air Force also concurred with the report and stated that the project and its funding have been canceled. A discussion of the responsiveness of management comments is in Part I, and the complete text of management comments is in Part III of the report.

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Part I - Audit Results

Audit Results

Audit Background

The Inspector General, DoD, is performing various audits of the Defense base realignment and closure (BRAC) process. This report is one in a series of reports about FY 1996 BRAC military construction (MILCON) costs. For additional information on the BRAC process and the overall scope of the audit of BRAC MILCON costs, see Appendix C.

Audit Objectives

The overall audit objective was to determine the accuracy of Defense BRAC MILCON budget data. The specific objectives were to determine whether the proposed projects were valid BRAC requirements, whether the decision for MILCON was supported with required documentation including an economic analysis, and whether the economic analysis considered existing facilities. The audit also assessed the adequacy of the Sheppard Air Force Base management control program as it applied to the overall audit objective.

This report provides the results of the audit of one BRAC MILCON project, valued at \$1.8 million, for repair of Bridwell and Missile Roads on Sheppard Air Force Base, Wichita Falls, Texas. See Appendix A for a discussion of the scope and methodology and Appendix B for a summary of prior coverage related to the audit objectives. The management control program will be discussed in a summary report on BRAC MILCON budget data. Therefore, this report does not discuss our review of management controls.

Renovate Roads

The Air Force did not have accurate BRAC budget data for project VNVP953015, "Renovate Roads," at Sheppard Air Force Base. The BRAC budget data were not accurate because Sheppard Air Force Base could not demonstrate that the roads needed repair as a direct result of BRAC construction. As a result, the Air Force overstated BRAC MILCON funding requirements by \$1.8 million.

History of BRAC Construction at Sheppard Air Force Base

The 1991 Commission on Defense Base Closure and Realignment recommended closing Lowry Air Force Base, Denver, Colorado. As a result, a munitions training facility, an aircraft armament training facility, a nuclear weapons training facility, and a fuels training complex transferred from Lowry Air Force Base to Sheppard Air Force Base. In February 1994, construction at Sheppard Air Force Base began on new buildings for the aircraft armament training facility, the munitions training facility, and the nuclear weapons training facility. Construction on the new fuels training complex began in May 1994. Sheppard Air Force Base expects the new buildings to be available in the fall of 1995.

Description of Work to be Performed

The Air Force submitted DD Form 1391, "FY 1996 Military Construction Program," September 1994, to repair portions of Bridwell and Missile Roads, two major thoroughfares on Sheppard Air Force Base. The project included removing the existing surface, repairing base course and sub base, replacing surface treatment, providing drainage structures and curb and gutter where required, and restriping and painting, as required.

The Air Force stated that Bridwell and Missile Roads needed repair because of damage generated during construction of new training facilities resulting from the closing of Lowry Air Force Base. Specifically, the Air Force stated that the extensive traffic by heavy construction equipment, the delivery of materials by the heavy trucks, and the paving cuts required for extension of underground utilities to the work site accelerated the deterioration of the pavement.

Renovate Roads

Condition of Bridwell and Missile Roads Before Training Facility Construction

Sheppard Air Force Base pavement maintenance plans prepared in the springs of FYs 1991 through 1994 list the condition of both Bridwell and Missile Roads as fair to good. Sheppard Air Force Base sealed small cracks in the roads with asphalt sealant in 1991.

The pavement maintenance plans for FYs 1992 through 1994 recommended that in-house maintenance be completed as required and that contract work be delayed until the completion of all MILCON projects. A March 1994 Commander's Facility Assessment review, however, rated base roads as degraded.

In June 1994, Sheppard Air Force Base requested Operations and Maintenance funding for repair of portions of Bridwell and Missile Roads in addition to the BRAC MILCON request. The DD Form 1391 stated that the street surfaces were cracking and failing to provide a watertight surface. The Air Force stated in the DD Form 1391 that heavy truck traffic from new facility construction not related to the Lowry base realignment caused considerable damage to Bridwell and Missile Roads.

Inspector General, DoD, Inspection of Bridwell and Missile Roads

Inspector General, DoD, auditors visually inspected Bridwell and Missile Roads in April 1995. The auditors observed cracks in the roads that had been filled with asphalt sealant in 1991.

There was no significant damage, such as potholes or breaks in the pavement, to either Bridwell or Missile Roads near the construction of the realigned training facilities. Both Bridwell and Missile Roads appeared to be in fair to good condition.

Status of Funding

On May 18, 1995, the Air Force BRAC Construction Chief informed the Inspector General, DoD, that funding for project VNVP953015, "Renovate Roads," will be deferred to FY 1997. According to the Air Force BRAC Construction Chief, our observation that the requirements identified in project VNVP953015 do not exist at the present time is valid and accurate.

The Air Force BRAC Construction Chief also informed us that, because construction is ongoing at other locations on Sheppard Air Force Base, the scope of the project will be reevaluated on completion of the BRAC-funded projects, and only if major damage occurs will project VNVP953015 be authorized.

Conclusion

Repair of Bridwell and Missile Roads was delayed from FYs 1992 through 1994 pending completion of all MILCON projects, including both Operations-and-Maintenance-funded construction and BRAC MILCON construction. The Air Force could not demonstrate that the condition of Bridwell and Missile Roads:

- o did not unnecessarily deteriorate because the Air Force delayed repair work for 3 years until all construction projects were completed, including non-BRAC construction;
- o did not result from normal use;
- o was a direct result of construction of new BRAC training facilities; or
- o required repair.

Because the Air Force can not demonstrate a valid requirement for project VNVP953015, the Air Force should cancel the project and resubmit a new project if a valid requirement is identified. The Under Secretary of Defense (Comptroller) should cancel BRAC funding for project VNVP953015 for \$1.8 million.

Recommendations and Management Comments

1. We recommend that the Under Secretary of Defense (Comptroller) cancel funding of \$1.8 million for project VNVP953015, "Renovate Roads."

2. We recommend that the Assistant Secretary of the Air Force (Financial Management and Comptroller) cancel project VNVP953015, "Renovate Roads," and resubmit a new Defense base realignment and closure project if a valid requirement for repair of the roads is identified.

Under Secretary of Defense (Comptroller) Comments. The Under Secretary of Defense (Comptroller) concurred with the report and agreed to place FY 1996 funds on administrative withhold and to reprogram the savings to support other valid Defense base realignment and closure requirements.

Renovate Roads

Department of the Air Force Comments. The Air Force concurred with the report and stated that it had canceled FY 1996 funds and canceled project VNV953015, "Renovate Roads."

Part II - Additional Information

Appendix A. Scope and Methodology

Scope of This Audit. We examined the FY 1996 BRAC MILCON budget request and related documentation for the renovation of roads at Sheppard Air Force Base, Wichita Falls, Texas. The Air Force estimated the project cost at \$1.8 million.

Audit Period, Standards, and Locations. This economy and efficiency audit was made from April through May 1995 in accordance with auditing standards issued by the Comptroller General of the United States as implemented by the Inspector General, DoD. Accordingly, we included tests of management controls considered necessary. The audit did not rely on computer-processed data or statistical sampling procedures. See Appendix D for the potential benefits resulting from the audit. Appendix E lists the organizations visited or contacted during the audit.

Appendix B. Summary of Prior Audits and Other Reviews

Since 1991, numerous audit reports have addressed DoD BRAC issues. This appendix lists selected DoD and Air Force BRAC reports.

Inspector General, DoD

| <u>Report No.</u> | <u>Report Title</u> | <u>Date</u> |
|-------------------|--|---------------|
| 95-247 | Defense Base Realignment and Closure Military Construction Budget Data for the Naval Aviation Depot North Island, California | June 23, 1995 |
| 95-226 | Defense Base Realignment and Closure Budget Data for the Realignment of Rickenbacker Air National Guard Base, Ohio | June 8, 1995 |
| 95-223 | Defense Base Realignment and Closure Budget Data for the Closure of Marine Corps Air Stations El Toro and Tustin, California, and Realignment to Naval Air Station Miramar, California | June 8, 1995 |
| 95-222 | Defense Base Realignment and Closure Budget Data for the Proposed Construction of the Automotive Vehicle Maintenance Facility, Guam | June 7, 1995 |
| 95-221 | Defense Base Realignment and Closure Budget Data for the Closure of Naval Training Center San Diego, California | June 6, 1995 |
| 95-213 | Defense Base Realignment and Closure Budget Data for the Naval Training Center Great Lakes, Illinois | June 2, 1995 |
| 95-212 | Defense Base Realignment and Closure Budget Data for Fort Jackson, South Carolina | June 2, 1995 |
| 95-208 | Defense Base Realignment and Closure Budget Data for Realignment of Construction Battalion Unit 416 from Naval Air Station Alameda, California, to Naval Air Station Fallon, Nevada | May 31, 1995 |

Appendix B. Summary of Prior Audits and Other Reviews

Inspector General, DoD (cont'd)

| <u>Report No.</u> | <u>Report Title</u> | <u>Date</u> |
|-------------------|--|----------------|
| 95-205 | Defense Base Realignment and Closure Budget Data for the Relocation of Marine Corps Manpower Center at Marine Corps Combat Development Command, Quantico, Virginia | May 26, 1995 |
| 95-203 | Defense Base Realignment and Closure Military Construction Budget Data for the Army Reserve Center, Sacramento, California | May 25, 1995 |
| 95-198 | Defense Base Realignment and Closure Budget Data for the Closure of the Underway Replenishment Training Facility, Treasure Island, California, and Realignment to the Expeditionary Warfare Training Group Atlantic, Norfolk, Virginia | May 19, 1995 |
| 95-196 | Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Alameda, California, and Realignment to Puget Sound Naval Shipyard, Washington | May 17, 1995 |
| 95-191 | Defense Base Realignment and Closure Budget Data for the Closure of Naval Reserve Readiness Center San Francisco, California, and Realignment to Naval and Marine Corps Reserve Center Alameda, California | May 15, 1995 |
| 95-172 | Defense Base Realignment and Closure Budget Data for Griffiss Air Force Base, New York | April 13, 1995 |
| 95-154 | Audit of Construction Budget Data for Realigning Naval Training Centers Orlando and San Diego to Various Locations | March 21, 1995 |
| 95-150 | Defense Base Realignment and Closure Budget Data for Closing Naval Station Charleston, South Carolina, and Realigning Projects to Various Sites | March 15, 1995 |

Appendix B. Summary of Prior Audits and Other Reviews

Inspector General, DoD (cont'd)

| <u>Report No.</u> | <u>Report Title</u> | <u>Date</u> |
|-------------------|--|-------------------|
| 95-051 | Defense Base Realignment and Closure Budget Data for Closing Mare Island Naval Shipyard, California, and Realigning Projects to Various Sites | December 9, 1994 |
| 95-041 | Defense Base Realignment and Closure Budget Data for the Closure of Marine Corps Air Stations El Toro and Tustin, California, and the Realignment to Naval Air Station Miramar, California | November 25, 1994 |
| 95-039 | Defense Base Realignment and Closure Budget Data for Naval Air Station Miramar, California, and Realigning to Naval Air Station Fallon, Nevada | November 25, 1994 |
| 95-037 | Realignment of the Fleet and Mine Warfare Training Center from Naval Station Charleston, South Carolina, to Naval Station Ingleside, Texas | November 23, 1994 |
| 95-029 | Defense Base Realignment and Closure Budget Data for Naval Air Station Miramar, California, and Realigning Projects to Various Sites | November 15, 1994 |
| 95-010 | Defense Base Realignment and Closure Budget Data for Marine Corps Air Station Tustin, California, and Realignment to Marine Corps Air Station Camp Pendleton, California | October 17, 1994 |
| 94-179 | Defense Base Realignment and Closure Budget Data for McGuire Air Force Base, New Jersey; Barksdale Air Force Base, Louisiana; and Fairchild Air Force Base, Washington | August 31, 1994 |
| 94-146 | Defense Base Realignment and Closure Budget Data for Closing Naval Air Station Cecil Field, Florida, and Realigning Projects to Various Sites | June 21, 1994 |

Appendix B. Summary of Prior Audits and Other Reviews

Inspector General, DoD (cont'd)

| <u>Report No.</u> | <u>Report Title</u> | <u>Date</u> |
|-------------------|---|---------------|
| 94-141 | Defense Base Realignment and Closure Budget Data for Naval Air Stations Dallas, Texas, and Memphis, Tennessee, Realigning to Carswell Air Reserve Base, Texas | June 17, 1994 |
| 94-127 | Defense Base Realignment and Closure Budget Data for the Realignment of the Defense Personnel Support Center to the Naval Aviation Supply Office Compound in North Philadelphia, Pennsylvania | June 10, 1994 |
| 94-126 | Defense Base Realignment and Closure Budget Data for the Closure of Naval Air Station Glenview, Illinois, and Realignment Projects at Fort McCoy, Wisconsin, and Carswell Air Reserve Base, Texas | June 10, 1994 |
| 94-125 | Defense Base Realignment and Closure Budget Data for the Naval Medical Center Portsmouth, Virginia | June 8, 1994 |
| 94-121 | Defense Base Realignment and Closure Budget Data for Naval Air Technical Training Center, Naval Air Station Pensacola, Florida | June 7, 1994 |
| 94-109 | Quick-Reaction Report on the Audit of Defense Base Realignment and Closure Budget Data for Naval Training Center Great Lakes, Illinois | May 19, 1994 |
| 94-108 | Quick-Reaction Report on the Audit of Defense Base Realignment and Closure Budget Data for Naval Station Treasure Island, California | May 19, 1994 |
| 94-107 | Griffiss Air Force Base, New York, Defense Base Realignment and Closure Budget Data for Military Construction at Other Sites | May 19, 1994 |

Appendix B. Summary of Prior Audits and Other Reviews

Inspector General, DoD (cont'd)

| <u>Report No.</u> | <u>Report Title</u> | <u>Date</u> |
|-------------------|--|-------------------|
| 94-105 | Defense Base Realignment and Closure Budget Data for a Tactical Support Center at Naval Air Station Whidbey Island, Washington | May 18, 1994 |
| 94-104 | Defense Base Realignment and Closure Budget Data for the Defense Contract Management District-West | May 18, 1994 |
| 94-103 | Air Force Reserve 301st Fighter Wing Covered Aircraft Washrack Project, Carswell Air Reserve Base, Texas | May 18, 1994 |
| 94-040 | Summary Report on the Audit of Defense Base Closure and Realignment Budget Data for FYs 1993 and 1994 | February 14, 1994 |
| 93-100 | Summary Report on the Audit of Defense Base Closure and Realignment Budget Data for Fiscal Years 1992 and 1993 | May 25, 1993 |

Air Force Audit Agency

| <u>Report No.</u> | <u>Report Title</u> | <u>Date</u> |
|-------------------|---|-------------------|
| 95-052027 | Review of Revalidated Air Provided to the Joint Cross-Service Groups | January 19, 1995 |
| 95-052029 | Review of the Air Force Base Realignment and Closure Automated Information System | January 13, 1995 |
| 95-052028 | Review of Air Force Processing of Depot, Laboratory, and Test and Evaluation Joint Cross-Service Data | December 22, 1994 |
| 95-052026 | Advisory Audit Results, Facility Condition Codes Reported for the 1995 Base Closure | December 22, 1994 |
| 95-052024 | Review of the Air Force Base Realignment and Closure Automated Information System | November 17, 1994 |
| 95-052023 | Review of Selected Responses to Base Questionnaire for Laughlin Air Force Base | November 8, 1994 |

Appendix B. Summary of Prior Audits and Other Reviews

Air Force Audit Agency (cont'd)

| <u>Report No.</u> | <u>Report Title</u> | <u>Date</u> |
|-------------------|--|--------------------|
| 94-052025 | Review of Documentation Supporting Air Force 1993 Base Closure and Realignment Recommendations | August 26, 1994 |
| 94-052026 | Management of Air Force Base Closure and Realignment Evaluation Process - Phase I | May 5, 1994 |
| 93-052017 | Review of the Base Closure Accounts, Parts 1 and 2, Obligations and Outlays | January 31, 1994 |
| 92-052012 | Review of the Air Force 1993 Base Closure and Realignment Evaluation Process - Phase 2 | August 13, 1993 |
| 92-052009 | Review of the Air Force FY93 Base Closure and Realignment Process - Phase 1 | June 29, 1992 |
| 91-053012 | Air Force Administration of the Department of Defense (DOD) Base Closure Account | September 10, 1991 |

Appendix C. Background of Defense Base Realignment and Closures and Scope of the Audit of FY 1996 Defense Base Realignment and Closure Military Construction Costs

Commission on Defense Base Closure and Realignment. On May 3, 1988, the Secretary of Defense chartered the Commission on Defense Base Closure and Realignment (the Commission) to recommend military installations for realignment and closure. Congress passed Public Law 100-526, "Defense Authorization Amendments and Base Closure and Realignment Act," October 24, 1988, which enacted the Commission's recommendations. The law also established the DoD Base Closure Account to fund any necessary facility renovation or MILCON projects associated with BRAC. Public Law 101-510, "Defense Base Closure and Realignment Act of 1990," November 5, 1990, reestablished the Commission. The law also chartered the Commission to meet during calendar years 1991, 1993, and 1995 to verify that the process for realigning and closing military installations was timely and independent. In addition, the law stipulates that realignment and closure actions must be completed within 6 years after the President transmits the recommendations to Congress. The following table summarizes the current estimated costs and net savings for the previous three BRAC actions and the actions recommended in the 1995 Commission decisions:

BRAC Costs and Savings
(Billions of FY 1996 Dollars)

| | BRAC Actions | | Closure Costs | 6-Year Net Savings | Recurring Annual Savings | Total Savings |
|----------|--------------|-----------|------------------|-----------------------|--------------------------------|------------------|
| | Realignments | Closures | | | | |
| 1988 | 86 | 59 | \$ 2.2 | \$0.3 | \$0.7 | \$ 6.8 |
| 1991 | 34 | 48 | 4.0 | 2.4 | 1.6 | 15.8 |
| 1993 | <u>130</u> | <u>45</u> | <u>6.9</u> | <u>.4</u> | <u>1.9</u> | <u>15.7</u> |
| Subtotal | 250 | 152 | 13.1 | 3.1 | 4.2 | 38.3 |
| 1995 | <u>113</u> | <u>33</u> | <u>3.8</u> | <u>4.0</u> | <u>1.8</u> | <u>18.4</u> |
| Total | 363 | 185 | \$16.9 | \$7.1 | \$6.0 | \$56.7 |

Required Defense Reviews of BRAC Estimates. Public Law 102-190, "National Defense Authorization Act for Fiscal Years 1992 and 1993," December 5, 1991, states that the Secretary of Defense shall ensure that the authorization amount that DoD requested for each MILCON project associated with BRAC actions does not exceed the original estimated cost provided to the Commission. Public Law 102-190 also states that the Inspector General, DoD, must evaluate significant increases in BRAC MILCON project costs over the estimated costs provided to the Commission and send a report to the congressional Defense committees.

Appendix C. Background of Defense Base Realignment and Closures and Scope of the Audit of FY 1996 Defense Base Realignment and Closure Military Construction Costs

Military Department BRAC Cost-Estimating Process. To develop cost estimates for the Commission, the Military Departments used the Cost of Base Realignment Actions computer model (COBRA). COBRA uses standard cost factors to convert the suggested BRAC options into dollar values to provide a way to compare the different options. After the President and Congress approve the BRAC actions, DoD realigning activity officials prepare a DD Form 1391, "FY 1996 Military Construction Project Data," for each individual MILCON project required to accomplish the realigning actions. COBRA provides cost estimates as a realignment and closure package for a particular realigning or closing base. The DD Form 1391 provides specific cost estimates for an individual BRAC MILCON project.

Limitations and Expansion to Overall Audit Scope. Because COBRA develops cost estimates as a BRAC package and not for individual BRAC MILCON projects, we were unable to determine the amount of cost increases for each individual BRAC MILCON project. Additionally, because of prior audit efforts that determined potential problems with all BRAC MILCON projects, our audit objectives included all large BRAC MILCON projects.

Overall Audit Selection Process. We reviewed the FY 1996 BRAC MILCON \$1.4 billion budget submitted by the Military Departments and the Defense Logistics Agency. We excluded projects that were previously reviewed by DoD audit organizations. We grouped the remaining BRAC MILCON projects by location and selected groups of projects that totaled at least \$1 million for each group.

Appendix D. Summary of Potential Benefits Resulting From Audit

| Recommendation Reference | Description of Benefit | Amount and Type of Benefit |
|--------------------------|---|---|
| 1. | Economy and Efficiency. Cancels all funding for BRAC MILCON project VNVP953015. | FY 1996 Base Closure Account Funds of \$1.8 million put to better use.* |
| 2. | Economy and Efficiency. Cancels BRAC MILCON project VNVP953015. | Undeterminable.* |

*Exact amount of additional benefits to be realized will be determined by future budget decisions and budget requests.

Appendix E. Organizations Visited or Contacted

Office of the Secretary of Defense

Under Secretary of Defense (Comptroller), Washington, DC

Department of the Air Force

Assistant Secretary of Air Force (Financial Management and Comptroller),
Washington, DC

Auditor General, Department of the Air Force, Washington, DC

Deputy Assistant Secretary of the Air Force (Installations), Washington, DC

Air Education Training Command, Randolph Air Force Base, San Antonio, TX
Sheppard Air Force Base, Wichita Falls, TX

Appendix F. Report Distribution

Office of the Secretary of Defense

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Assistant Secretary of Defense (Economic Security)
Assistant to the Secretary of Defense (Public Affairs)
Director, Defense Logistics Studies Information Exchange

Department of the Army

Auditor General, Department of the Army

Department of the Navy

Assistant Secretary of the Navy (Financial Management and Comptroller)
Auditor General, Department of the Navy

Department of the Air Force

Assistant Secretary of Air Force (Financial Management and Comptroller)
Auditor General, Department of the Air Force
Deputy Assistant Secretary of the Air Force (Installations)
Commander, Air Education Training Command
Commander, Sheppard Air Force Base

Defense Organizations

Director, Defense Contract Audit Agency
Director, Defense Logistics Agency
Director, National Security Agency
Inspector General, National Security Agency
Inspector General, Central Imagery Office

Appendix F. Report Distribution

Non-Defense Federal Organizations and Individuals

Office of Management and Budget
Technical Information Center, National Security and International Affairs Division,
General Accounting Office

Chairman and ranking minority member of each of the following congressional committees and subcommittees:

Senate Committee on Appropriations
Senate Subcommittee on Defense, Committee on Appropriations
Senate Subcommittee on Military Construction, Committee on Appropriations
Senate Committee on Armed Services
Senate Committee on Governmental Affairs
House Committee on Appropriations
House Subcommittee on Military Construction, Committee on Appropriations
House Subcommittee on National Security, Committee on Appropriations
House Committee on Government Reform and Oversight
House Subcommittee on National Security, International Affairs, and Criminal
Justice, Committee on Government Reform and Oversight
House Committee on National Security

Honorable Phil Gramm, U.S. Senate
Honorable Kay Bailey Hutchison, U.S. Senate
Honorable William M. Thornberry, U.S. House of Representatives

Part III - Management Comments

Under Secretary of Defense (Comptroller) Comments



OFFICE OF THE UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100



COMPTROLLER
(Program/Budget)

MAY 30 1995

MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL FOR AUDITING, DOD IG

SUBJECT: Audit Report on Defense Base Realignment and
Closure Military Construction Budget Data for
Sheppard Air Force Base, Wichita Falls, Texas
(Project No. 5CG-5017.36)

This responds to your May 22, 1995 memorandum requesting
our comments on the subject report.

The audit recommends that the USD (Comptroller) cancel
funding of \$1.8 million for project VNVP953015, Renovation of
Roads on Sheppard Air Force Base since the project was not a
valid BRAC requirement.

The funding for this project is included in the FY 1996
BRAC budget request. We generally agree with the audit and
recommendations and will place funds associated with the project
on administrative withhold if the issue is not resolved by the
start of the fiscal year. Further, any savings resulting from
the audit will be reprogrammed to other valid BRAC requirements
as appropriate.


B. R. Paseur
Director for Construction



Department of the Air Force Comments



DEPARTMENT OF THE AIR FORCE
HEADQUARTERS UNITED STATES AIR FORCE



112 JUN 1985

MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL FOR AUDITING
OFFICE OF THE INSPECTOR GENERAL
DEPARTMENT OF DEFENSE

FROM: IIQ USAF/RT
1670 Air Force Pentagon
Washington DC 20330-1670

SUBJECT: Draft Audit Report, Construction Budget Data for Sheppard Air Force Base, Wichita Falls, Texas (Project No. 5CG-5017.36)

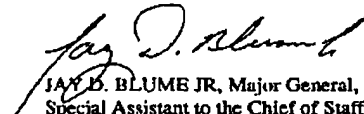
1. This is in reply to your Memorandum to the Assistant Secretary of the Air Force (Financial Management and Comptroller) requesting Air Force comments on the report.
2. The first DoD (IG) recommendation is to cancel all funding of \$1.8 Million for project VNVP 953015, Renovations of Roads.

AIR FORCE COMMENTS: Concur. This action has already been completed.

3. The second DoD (IG) recommendation is cancel the BRAC MILCON Project VNVP 953015, Renovations of Roads, and resubmit a new Base Realignment and Closure Project if and when a valid requirement for repair of the roads is identified.

AIR FORCE COMMENTS: Concur. Cancellation of the project has already been completed.

4. Our point of contact for this report is Mr. Lester R. Schauer, HQ USAF/CEC, DSN 227-6559.


JAY D. BLUME JR, Major General, USAF
Special Assistant to the Chief of Staff
for Realignment and Transition

Audit Team Members

This report was produced by the Contract Management Directorate, Office of the Assistant Inspector General for Auditing, DoD.

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INTERNET DOCUMENT INFORMATION FORM

A. Report Title: Defense Base Realignment and Closure Military Construction Budget Data for Sheppard Air Force Base, Wichita Falls, Texas

B. DATE Report Downloaded From the Internet: 01/11/99

C. Report's Point of Contact: (Name, Organization, Address, Office Symbol, & Ph #): OAIG-AUD (ATTN: AFTS Audit Suggestions)
Inspector General, Department of Defense
400 Army Navy Drive (Room 801)
Arlington, VA 22202-2884

D. Currently Applicable Classification Level: Unclassified

E. Distribution Statement A: Approved for Public Release

F. The foregoing information was compiled and provided by:
DTIC-OCA, Initials: __VM__ Preparation Date 01/11/99

The foregoing information should exactly correspond to the Title, Report Number, and the Date on the accompanying report document. If there are mismatches, or other questions, contact the above OCA Representative for resolution.