157284

GAO

United States
General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

B-272914

July 29, 1996

The Honorable James M. Inhofe
The Honorable Don Nickles
United States Senate

This responds to your June 20, 1996, request relating to several issues associated with the 1995 Base Closure Commission recommendation to close Fort McClellan, Alabama, and transfer the Military Police and Chemical schools to Fort Leonard Wood, Missouri. The Army's scenario for this move initially included relocating three basic training battalions from Fort Leonard Wood to three other Army posts You were particularly concerned whether the Department of Defense's (DOD) 199 request for $58 million to build enlisted personnel housing at Fort Leonard Wood, Missouri, was partly necessitated by the Army's subsequent decision not to transfe the three basic training battalions from Fort Leonard Wood. You asked that we provide a report to you by July 20, 1996.

On June 26, 1996, we met with members of your staff and agreed that because of the short time frame, we would focus our work on the need for constructing unaccompanied enlisted personnel housing at Fort Leonard Wood and provide an oral briefing. On July 19, 1996, we briefed your staff on our work. This letter provides the results of our work.

BACKGROUND

The 1995 Defense Base Closure and Realignment Commission recommended the closure of Fort McClellan and the relocation of the Army's Military Police and Chemical schools to Fort Leonard Wood. Although not included in the Commission's recommendation, Army's initial closure scenario provided to the commission included the transfer of three basic training battalions from Fort Leonard Wood to Forts Knox, Kentucky; Sill, Oklahoma; and Jackson, South Carolina. The vacated basic training barracks at Fort Leonard Wood would then have been renovated to provide housing for incoming unaccompanied enlisted personnel from the Fort McClellan schools. However, during implementation planning, the Army's Training and Doctrine Command (TRADOC) base closure sta determined it was better to construct a new unaccompanied enlisted personnel housing complex at Fort Leonard Wood to meet part of the housing requirement. This was based on a determination that the cost of a new building was about equa

to the cost of renovating the old basic training barracks. The remainder of the housing requirement would be met by renovating old unoccupied family housing. Also, during implementation planning, the TRADOC Commanding General decided not to relocate the three basic training battalions.

NEW BUILDING CONSTRUCTION HAS BEEN JUSTIFIED

The need to construct new unaccompanied enlisted personnel housing resulting from the Fort McClellan closure has been justified. The relocation of the schools resulted in a housing requirement for about 1200 additional unaccompanied enlisted personnel at Fort Leonard Wood. According to TRADOC officials, these personnel will be a mix of temporary duty students and permanent personnel. Fort Leonard Wood does not have sufficient unaccompanied enlisted personnel housing to meet the additional requirement; in fact, it has a shortage.

Build Versus Renovation Decision

TRADOC's plan to build, rather than renovate, was developed soon after the Army forwarded its base closure recommendations to DOD in March 1995 and was based on experience at three other TRADOC posts--Forts Eustis, Virginia; Jackson, South Carolina; and Gordon, Georgia. For example, old barracks at Fort Eustis were to be renovated to meet new Army standards. However, after completing 35 percent of the renovation design phase, the estimated cost to renovate was determined to be about equal to the cost of new construction. TRADOC subsequently decided not to renovate at Fort Eustis and requested funding for new construction. According to TRADOC officials, this situation was directly comparable to Fort Leonard Wood.

In a March 5, 1996, report, the Army Audit Agency stated that TRADOC "adequately supported the requirement for constructing housing for unaccompanied personnel" (resulting from the closure of Fort McClellan). Its February 21, 1996, report to the Assistant Secretary of the Army (Installations, Logistics, and Environment) on retaining basic training at Fort Leonard Wood states that "Command (TRADOC) adequately supported its determination that renovation of barracks wasn't economically feasible."

Troop Movement Decision

The TRADOC Commanding General decided in June 1995 not to transfer basic training from Fort Leonard Wood. However, at Army headquarters direction, TRADOC analyzed two Fort McClellan closure scenarios: (1) to retain three basic training battalions at Fort Leonard Wood and (2) to relocate those battalions to other posts. Both scenarios assumed new construction of unaccompanied enlisted personnel housing because, as stated earlier, prior experience showed construction

and renovation costs would be about the same. TRADOC used the cost of base realignment actions (COBRA) model that was used throughout the base closure process to analyze the scenarios, and it conducted an additional study using Army economic analysis software. The COBRA model and the Army's economic analysis both showed that the greater cost savings came from leaving the basic training at Fort Leonard Wood.

The Army Audit Agency's February 1996 report stated that TRADOC's analysis was reliable for decision-making, the methodology was reasonable, and data used were adequately supported.

Future Plans

Concerning the status of modification or modernization projects underway or planned for the Fort Leonard Wood basic training barracks, we identified about $41 million in upgrading projects. However, the projects are on a Fort Leonard Wood planning list and, according to Fort Leonard Wood officials, the projects are not part of a formal budget request. TRADOC officials also informed us that the projects were submitted by TRADOC to the Army for consideration and given the Army's focus on improving permanent party barracks these projects have a low priority.

SCOPE AND METHODOLOGY

Our work was based primarily on a review of documents obtained during meetings with officials from the Department of Army, TRADOC headquarters, Fort Leonard Wood, the Army Audit Agency, and DOD Inspector General officials. We reviewed documents on Army and Base Closure and Realignment Commission work relating to the 1995 decision to close Fort McClellan, the Fiscal Year 1997 Army base closure budget submissions, Army Audit Agency audit reports and selected workpapers supporting its reports. We generally reviewed the Army Audit reports and relied on their analyses and conclusions. We did not independently verify their supporting data. We also discussed these reports with officials involved with the work. In addition, we met with TRADOC Base Realignment and Closure Office officials and reviewed the TRADOC studies supporting the decision not to move basic training from Fort Leonard Wood. Also, we visited Fort Leonard Wood, Missouri, met with officials responsible for supporting the housing requirements, and toured all relevant facilities. We also interviewed a Fort Eustis engineer about the ongoing enlisted housing construction at that base.

We conducted our audit during the month of July 1996 in accordance with generally accepted government auditing standards.

- - - -

As agreed with your staff, we are sending a copy of this letter to Representative J.C. Watts Jr. We will also make the report available to other interested parties. Should you need further assistance please contact me at (202) 512-8412. Major contributors to this report were John Klotz, Stephen DeSart, and Raymond Cooksey.

David R. Warren
Director, Defense Management Issues

(709208)

Ordering Information

The first copy of each GAO report and testimony is free. Additional copies are $2 each. Orders should be sent to the following address, accompanied by a check or money order made out to the Superintendent of Documents, when necessary. VISA and MasterCard credit cards are accepted, also. Orders for 100 or more copies to be mailed to a single address are discounted 25 percent.

Orders by mail:

U.S. General Accounting Office
P.O. Box 6015
Gaithersburg, MD 20884-6015

or visit:

Room 1100
700 4th St. NW (corner of 4th and G Sts. NW)
U.S. General Accounting Office
Washington, DC

Orders may also be placed by calling (202) 512-6000
or by using fax number (301) 258-4066, or TDD (301) 413-0006.

Each day, GAO issues a list of newly available reports and testimony. To receive facsimile copies of the daily list or any list from the past 30 days, please call (202) 512-6000 using a touchtone phone. A recorded menu will provide information on how to obtain these lists.

For information on how to access GAO reports on the INTERNET, send an e-mail message with "info" in the body to:

info@www.gao.gov

United States
General Accounting Office
Washington, D.C. 20548-0001

Bulk Rate
Postage & Fees Paid
GAO
Permit No. G100

Official Business
Penalty for Private Use $300

Address Correction Requested