



Highlights of [GAO-05-785](#), a report to congressional committees

## Why GAO Did This Study

On May 13, 2005, the Secretary of Defense submitted proposed base realignment and closure (BRAC) actions to an independent commission for its review. The Commission must submit its recommendations to the President by September 8, 2005, for his acceptance or rejection in their entirety. Congress has final action to accept or reject these recommendations in their entirety later this year. The law requires that GAO issue a report on the Department of Defense's (DOD) recommendations and selection process by July 1, 2005. GAO's objectives were to (1) determine the extent to which DOD's proposals achieved its stated BRAC goals, (2) analyze whether the process for developing recommendations was logical and reasoned, and (3) identify issues with the recommendations that may warrant further attention. Time constraints limited GAO's ability to examine implementation details of most of the individual recommended actions.

## What GAO Recommends

GAO is making a recommendation to DOD aimed at tracking and periodically updating savings, and is highlighting issues for the BRAC Commission's consideration.

In providing oral comments on a draft of this report, DOD concurred with the recommendation to establish a system to track and periodically update BRAC savings estimates.

[www.gao.gov/cgi-bin/getrpt?GAO-05-785](http://www.gao.gov/cgi-bin/getrpt?GAO-05-785).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Barry W. Holman at (202) 512-5581 or [holmanb@gao.gov](mailto:holmanb@gao.gov).

## MILITARY BASES

# Analysis of DOD's 2005 Selection Process and Recommendations for Base Closures and Realignment

## What GAO Found

DOD had varying success in achieving its 2005 BRAC goals of (1) reducing excess infrastructure and producing savings, (2) furthering transformation, and (3) fostering jointness. While DOD proposed a record number of closures and realignments, exceeding all prior BRAC rounds combined, many proposals focused on reserve bases and relatively few on closing active bases. Projected savings are almost equally large, but most savings are derived from 10 percent of the recommendations. While GAO believes savings would be achieved, overall up-front investment costs of an estimated \$24 billion are required, and there are clear limitations associated with DOD's projection of nearly \$50 billion in savings over a 20-year period. Much of the projected net annual recurring savings (47 percent) is associated with eliminating jobs currently held by military personnel. However, rather than reducing end-strength levels, DOD indicates the positions are expected to be reassigned to other areas, which may enhance capabilities but also limit dollar savings available for other uses. Sizeable savings were projected from efficiency measures and other actions, but underlying assumptions have not been validated and could be difficult to track over time. Some proposals represent efforts to foster jointness and transformation, such as initial joint training for the Joint Strike Fighter, but progress in each area varied, with many decisions reflecting consolidations within, and not across, the military services. In addition, transformation was often cited as support for proposals, but it was not well defined, and there was a lack of agreement on various transformation options.

DOD's process for conducting its analysis was generally logical, reasoned, and well documented. DOD's process placed strong emphasis on data, tempered by military judgment, as appropriate. The military services and seven joint cross-service groups, which focused on common business-oriented functions, adapted their analytical approaches to the unique aspects of their respective areas. Yet, they were consistent in adhering to the use of military value criteria, including new considerations introduced for this round, such as surge and homeland defense needs. Data accuracy was enhanced by the required use of certified data and by efforts of the DOD Inspector General and service audit agencies in checking the data.

Time limitations and complexities introduced by DOD in weaving together an unprecedented 837 closure and realignment actions across the country into 222 individual recommendations caused GAO to focus more on evaluating major cross-cutting issues than on implementation issues of individual recommendations. GAO identified various issues that may warrant further attention by the Commission. Some apply to a broad range of recommendations, such as assumptions and inconsistencies in developing certain cost and savings estimates, lengthy payback periods, or potential impacts on affected communities. GAO also identified certain candidate recommendations, including some that were changed by senior DOD leadership late in the process that may warrant attention.