



Highlights of [GAO-04-760](#), a report to congressional committees

Why GAO Did This Study

The Defense Base Realignment and Closure Act of 1990, as amended, required the Department of Defense (DOD) to address several base realignment and closure (BRAC) issues in 2004 for the 2005 BRAC round to proceed. The requirements included reporting on a 20-year force structure plan, an inventory of military installations, and separately adopting selection criteria for the upcoming round. The legislation also required DOD to certify whether an additional BRAC round was needed, and, if so, that annual net savings would be realized not later than fiscal year 2011. If the certifications were provided, GAO was required to evaluate DOD's submissions and report to Congress. DOD reported on March 23, 2004, and provided the certifications.

In this report GAO evaluates (1) DOD's responsiveness to legislative requirements; (2) the force structure plan, infrastructure inventory, and selection criteria; (3) other key issues included in DOD's report; and (4) DOD's certification regarding the need for an additional BRAC round.

What GAO Recommends

This report includes a recommendation for executive action by DOD and a matter for congressional consideration to strengthen the BRAC process.

In commenting on a draft of this report, DOD agreed with the report contents.

www.gao.gov/cgi-bin/getrpt?GAO-04-760.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Barry W. Holman at (202) 512-8412 or holmanb@gao.gov.

MILITARY BASE CLOSURES

Assessment of DOD's 2004 Report on the Need for a Base Realignment and Closure Round

What GAO Found

DOD's report to Congress generally addressed all legislative reporting requirements in section 2912 of the Defense Base Realignment and Closure Act of 1990, as amended, and separately complied with requirements under Section 2913 in adopting selection criteria to guide BRAC decision making. The degree of coverage on some reporting requirements was limited to avoid prejudging the ongoing analytical process for the 2005 round.

As directed, GAO analyzed DOD's worldwide installation inventory, force structure plan, and selection criteria. While all three are important in setting a framework for the BRAC process, the latter two figure prominently in guiding DOD's analyses for the 2005 round. The unclassified portion of the 20-year force structure plan, extending through 2009, provides a macro-level focus (e.g., number of Army divisions), and reflects limited changes across the military services, even though the services have initiatives under way that could affect future force structure and infrastructure requirements. Today's security environment is evolving, as are force structure requirements along with technology advancements, and defense transformation efforts. The department must consider these factors in its BRAC analyses with appropriate allowances for future uncertainties. DOD's selection criteria closely parallel criteria used in previous rounds, while incorporating the provisions required by legislation authorizing the 2005 round. The analytical sufficiency of the criteria will best be assessed through their application in the ongoing BRAC process.

GAO addressed other BRAC-related issues such as excess defense infrastructure capacity and BRAC savings because of their importance to DOD's certification of need for the 2005 BRAC round. DOD's excess capacity analysis, completed for the 2004 report, has some limitations that could result in either overstating or understating excess capacity across various functional areas, and make it difficult to project a total amount of excess capacity across DOD. While the analysis gives some indications of excess capacity within the department, the issue warrants a more complete assessment in the BRAC process. That process will also consider joint base use with the potential for better identifying excess capacity. DOD's historical financial data suggest that, assuming conditions similar to those in the 1993 and 1995 rounds, each of the military departments could achieve annual net savings by 2011, as stipulated by the mandate. While the potential exists for substantial savings from the upcoming round, it is difficult to conclusively project the expected magnitude of the savings because there are too many unknowns at this time. Additionally, improvements are needed in DOD's accounting for savings after BRAC decisions are made.

GAO found no basis to question DOD's certification of the need for an additional BRAC round. While clear limitations exist in DOD's assessment of excess capacity, it does point to some areas that warrant additional analysis-and the current BRAC process is an appropriate forum for doing so.