



Highlights of [GAO-05-905](#), a statement before the Defense Base Closure and Realignment Commission

Why GAO Did This Study

On May 13, 2005, the Department of Defense (DOD) submitted 222 base realignment and closure (BRAC) recommendations, involving an unprecedented 837 BRAC actions, to the Defense Base Closure and Realignment Commission for its review. DOD expects the proposals, if approved, would generate net annual recurring savings of about \$5.5 billion beginning in fiscal year 2012 and net savings of nearly \$50 billion over a 20-year period, despite an expected cost of over \$24 billion to implement the recommendations. The Commission is charged with reviewing these proposals and submitting its own list to the President by September 8, 2005. The Commission requested GAO to provide testimony before the Commission summarizing the results of its report, issued on July 1, 2005, on the 2005 BRAC process. This statement presents GAO views on (1) whether DOD's selection process in developing BRAC actions was logical and reasoned, (2) selected issues regarding the recommendations, and (3) certain challenges associated with implementing the BRAC recommendations, if approved.

What GAO Recommends

GAO is not making new recommendations in this statement. However, in its July 1, 2005 report on the BRAC process ([GAO-05-785](#)), GAO recommended that DOD establish mechanisms for tracking and updating BRAC savings estimates. DOD agreed.

www.gao.gov/cgi-bin/getrpt?GAO-05-905.

To view the full product, click on the link above. For more information, contact Barry W. Holman at (202) 512-5581 or holmanb@gao.gov.

MILITARY BASES

Observations on DOD's 2005 Base Realignment and Closure Selection Process and Recommendations

What GAO Found

DOD established and generally followed a logical and reasoned process for assessing its bases and considering potential BRAC actions. The process was organized in a largely sequential manner with an emphasis on ensuring that reliable data were obtained and used, with special audit assistance from military service audit agencies and the DOD Inspector General. Despite some overlap in data collection and other phases of the process, the three military departments and seven joint cross-service groups generally followed the sequential BRAC process to evaluate facilities and functions, and identify recommendations in their respective areas. DOD's analytical process also addressed requirements of the BRAC legislation regarding the certification of data, basing its analysis on its 20-year force structure plan and emphasizing use of military value criteria as a primary basis for decision making—including consideration of such facets as homeland defense and surge capabilities—which the Congress added for emphasis in 2005.

GAO did, however, identify a number of issues with the proposed recommendations that may warrant attention by the BRAC Commission. For example, while GAO believes savings could be achieved from DOD's proposals, there are certain limitations associated with the magnitude of the savings projected by DOD. About 47 percent, or \$2.5 billion of DOD's projected net annual recurring savings is associated with eliminating jobs currently held by military personnel. However, rather than reducing end-strength, DOD indicates the positions are expected to be reassigned to other areas, which may enhance capabilities but also reduce or eliminate dollar savings available for other uses. Sizeable savings are also projected from efficiency measures and other actions related to a variety of recommendations, but underlying assumptions have not been validated and may be difficult to track and achieve over time. GAO also identified many recommendations requiring far longer periods of time for savings to offset the costs associated with implementing the recommendations than was typical in the 1995 BRAC round, raising questions about the cost/benefit ratio of selected recommendations.

There are significant implementation challenges that lie ahead, to the extent proposed recommendations are approved, which could have a bearing on the ultimate savings realized and overall success of the BRAC round. They include the need for (1) transition planning to minimize the adverse impacts on operations, including steps to mitigate the potential loss of specialized human capital skills; (2) mechanisms to monitor implementation of recommendations in line with approved actions, along with mechanisms to ensure the tracking and periodic updating of savings that DOD expects from implementing the recommendations; (3) plans to address and adequately fund environmental restoration of unneeded property in order to expedite property transfer and put property to productive reuse; and (4) assistance for both losing and gaining communities affected by BRAC recommendations, including costs to DOD and other federal agencies.