Audit Report

OFFICE OF THE INSPECTOR GENERAL

AUDIT OF CONSTRUCTION BUDGET DATA FOR REALIGNING NAVAL TRAINING CENTERS ORLANDO AND SAN DIEGO TO VARIOUS LOCATIONS

Report No. 95-154 March 21, 1995

Department of Defense

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Acronyms

BEQ	Bachelor Enlisted Quarters
BRAC	Base Realignment and Closure
COBRA	Cost of Base Realignment Actions
MILCON	Military Construction
NETC	Naval Education and Training Command
NTC	Naval Training Center

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

March 21, 1995

MEMORANDUM FOR UNDER SECRETARY OF DEFENSE (COMPTROLLER)
ASSISTANT SECRETARY OF THE NAVY (FINANCIAL MANAGEMENT)

SUBJECT: Audit of Construction Budget Data for Realigning Naval Training Centers Orlando and San Diego to various Locations (Report No. 95-154)

We are providing this final report for your review and comment. This report is one in a series of reports about FYs 1994 and 1995 base realignment and closure military construction costs. The report provides the audit results of the review of 19 base realignment and closure projects. Comments on a draft of this report were considered in preparing the final report.

DoD Directive 7650.3 requires that all audit recommendations be resolved promptly. The Navy Comments disagreed with our recommendations. Therefore, the Navy is requested to provide comments on the unresolved recommendations and monetary benefits by May 22, 1995. See the table at the end of the finding for the recommendations requiring additional comments.

The courtesies extended to the audit staff are appreciated. If you have any questions on this audit, please contact Mr. Terry L. McKinney, Audit Program Director, at (703) 604-9288 (DSN 664-9288) or Mr. Bruce A. Burton, Audit Project Manager, at (703) 604-9282 (DSN 664-9282). Appendix E lists the distribution of the report. The audit team members are listed inside the back cover.

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Office of the Inspector General, DoD

Report No. 95-154 **March 21, 1995**
(Project No. 4CG-5008.22)

Audit of Construction Budget Data for Realigning Naval Training Centers Orlando and San Diego to Various Locations

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 base realignment and closure does not exceed the original estimated cost provided to the Commission on Defense Base Closure and Realignment. If the requested budget amounts exceed the original project cost estimates provided to the Commission on Defense Base Closure and Realignment, the Secretary of Defense is required to explain to Congress the reasons for the differences. The Inspector General, DoD, is required to review each 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 FYs 1994 and 1995 base realignment and closure military construction costs.

Objectives. The overall audit objective was to determine the accuracy of Defense base realignment and closure military construction budget data. This report provides the audit results of 19 base realignment and closure projects. Of the 19 base realignment and closure projects, 18 projects, valued at $104.9 million, were associated with the realignment of the Service School Command and Recruit Training Command from Naval Training Centers Orlando, Florida, and San Diego, California, to Naval Training Center Great Lakes, Illinois, and Naval Air Station Pensacola, Florida. One project, valued at $0.5 million, was associated with the realignment of the Naval Education and Training Center Newport, Rhode Island. We also reviewed internal controls applicable to the audit objectives.

Audit Results. The Navy did not accurately determine the requirements for 13 of 19 base realignment and closure military construction projects, resulting in overstated costs of $72.2 million. In addition, the costs of the Rhode Island project were unsupported. The Navy adequately supported the requirements for five projects valued at $1.4 million.

Internal Controls. Inspector General, DoD, Report No. 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, identified material internal control weaknesses. Internal controls were not effective in that they did not detect inaccuracies in the base realignment and closure military construction projects at Naval Training Center Great Lakes. Because we identified overstated requirements in significant amounts, we believe that the internal control weaknesses had not been corrected when the FYs 1994 and 1995 budgets were formulated. However, the Commander, Naval Facilities Engineering Command, issued guidance establishing a requirement at all

Naval Facilities Engineering Command field activities to validate Defense base realignment and closure military construction requirements and improve the budget estimating process. That policy, when fully implemented, should strengthen controls over base realignment and closure project estimates and should correct the internal control weaknesses related to base realignment and closure project planning at all Naval Facilities Engineering Command field activities. See Part I for details on internal controls reviewed.

Potential Benefits of the Audit. Implementation of the recommendations will allow DoD to put to better use at least $72.2 million. Additional monetary benefits will also occur; however, we could not quantify the amounts. Appendix C summarizes the potential benefits resulting from the audit.

Summary of Recommendations. We recommend that the Under Secretary of Defense (Comptroller) delete, reduce, and suspend as appropriate military construction funding for base realignment and closure projects. We recommend that the Navy delay award of any base realignment and closure military construction contracts until final decisions on the projects are made, change funding of two projects, and prepare revised DD Forms 1391 with adequate supporting data for eight projects.

Management Comments. The Under Secretary of Defense (Comptroller) agreed that estimates for those projects should be supported by adequate documentation and funds reduced where warranted. Funds will be administratively withheld pending resolution of the issues associated with the projects. The Navy nonconcurred with the recommendations to reduce funding by $72.2 million. For the recommendations on the 13 different projects, the Navy agreed to some, and nonconcurred with others. A summary of management comments is at the end of the finding in Part II. The complete text of management comments is in Part IV.

Audit Response. We accepted or partially accepted the Navy comments on 4 projects valued at $14.2 million and fully disagree with the comments on 10 projects valued at $89.8 million. We accepted some answers and relented on some so the Navy would not delay getting projects done. Documentation provided by the Navy was not convincing for us to change our conclusions that projects are not valid, have overstated costs, or are unsupported. We request additional comments from the Navy on the unresolved recommendations by May 22, 1995.

Table of Contents

Executive Summary i

Part I - Introduction

Background 2
Objectives 3
Scope and Methodology 3
Internal Controls 4
Prior Audits and Other Reviews 5
Other Matters of Interest 5

Part II - Finding and Recommendations

Base Realignment and Closure Military Construction Requirements and Costs 8

Part III - Additional Information

Appendix A. Description of Deficiencies Noted in Base Realignment and Closure Military Construction Projects 20
Appendix B. Summary of Prior Audits and Other Reviews 34
Appendix C. Summary of Potential Benefits Resulting From Audit 38
Appendix D. Organizations Visited or Contacted 42
Appendix E. Report Distribution 43

Part IV - Management Comments

Office of the Under Secretary of Defense (Comptroller) Comments 46
Department of the Navy Comments 47
Chief of Naval Education and Training Comments 87

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

Part I - Introduction

Background

Initial Recommendations of the 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. Using cost estimates provided by the Military Departments, the Commission recommended 59 base realignments and 86 base closures. On October 24, 1988, Congress passed, and the President signed, Public Law 100-526, "Defense Authorization Amendments and Base Closure and Realignment Act," which enacted the Commission's recommendations. Public Law 100-526 also established the DoD Base Closure Account to fund any necessary facility renovation or military construction (MILCON) projects associated with base realignments and closures (BRAC).

Subsequent Commission Requirements and Recommendations. Public Law 101-510, "Defense Base Closure and Realignment Act of 1990," November 5, 1990, reestablished the Commission. Public Law 101-510 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. The law also stipulated that realignment and closure actions must be completed within 6 years after the President transmits the recommendations to Congress.

The 1991 Commission recommended that 34 bases be closed and 48 bases be realigned, resulting in an estimated net savings of $2.3 billion during FYs 1992 through 1997, after a one-time cost of $4.1 billion. The 1993 Commission recommended closing 130 bases and realigning 45 bases, resulting in an estimated net savings of $3.8 billion during FYs 1994 through 1999, after a one-time cost of $7.4 billion.

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 DD Form 1391, "FY 1994 Military Construction Project Data," for individual MILCON projects 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.

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 requests for each MILCON project associated with BRAC actions does not exceed the original estimated cost provided to 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. Also, Public Law 102-190 prescribes that the Inspector General, DoD, must evaluate significant increases in MILCON project costs over the estimated costs provided to the Commission and send a report to the congressional Defense committees.

Objectives

Overall 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 evaluated the implementation of the DoD Internal Management Control Program and reviewed the adequacy of applicable internal controls.

Scope and Methodology

Limitations to Overall Audit Scope. COBRA develops cost estimates as a BRAC package for a particular realigning or closing base and does not develop estimates by individual BRAC MILCON project. Therefore, we were unable to determine the amount of cost increases for each individual MILCON project related to a BRAC.

Overall Audit Selection Process. We compared the total COBRA cost estimates for each BRAC package with the Military Departments' and the Defense Logistics Agency's FYs 1994 through 1999 BRAC MILCON $2.6 billion budget submission. We selected BRAC packages for which the package had an increase of more than 10 percent from the total COBRA cost estimates to the current total package budget estimates or for which the submitted FYs 1994 and 1995 budget estimates were more than $21 million.

Scope of the Audit. We examined the FYs 1994 and 1995 BRAC MILCON budget requests and related documentation regarding:

o 18 projects, valued at $104.9 million, relating to the closures of NTCs San Diego and Orlando and the realignment of dedicated personnel, equipment, and support services to NTC Great Lakes and Naval Air Station Pensacola and

o 1 project, valued at $0.5 million, relating to the realignment of NETC Newport.

Audit Standards, Potential Benefits, and Locations. This economy and efficiency audit was made from May through September 1994 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 internal controls considered necessary. The audit did not rely on computer-processed data or statistical sampling procedures. See Appendix C for the potential benefits resulting from the audit. Appendix D lists the organizations visited or contacted during the audit.

Internal Controls

Internal Controls Reviewed. The audit reviewed internal controls over validating BRAC MILCON requirements. Specifically, we reviewed Navy procedures for planning, programming, budgeting, and documenting BRAC MILCON requirements applicable to:

o 18 projects associated with the closures of NTCs Orlando and San Diego and the realignment of dedicated personnel, equipment, and support services to NTC Great Lakes and Naval Air Station Pensacola and

o 1 project associated with the realignment of NETC Newport.

Adequacy of Internal Controls. Inspector General, DoD, Report No. 94-108, "Quick-Reaction Report on the Audit of Defense Base Realignment and Closure Data for the Naval Station Treasure Island, California," May 19, 1994, identified material internal control weaknesses. The internal controls were not effective, in that they did not detect inaccuracies in BRAC MILCON projects at Naval Training Center Great Lakes.

As a result of having identified significant overstatements of requirements during our audit, we believe internal control weaknesses have not been corrected and still exist.

Command Efforts to Improve Internal Controls. The Commander, Naval Facilities Engineering Command, issued guidance establishing a requirement to all Naval Facilities Engineering Command field activities to validate BRAC MILCON requirements and to improve the budget estimating process. Naval Facilities Engineering Command field activities' full implementation of this policy should enhance controls over BRAC MILCON project estimates because the policy provides for applying the existing criteria to validate regular MILCON project requirements. Implementation of the DoD Internal Management Control Program will also be strengthened by including the validation of BRAC MILCON project requirements as an assessable unit. Because of the Commander, Naval Facilities Engineering Command, efforts, we made no recommendations concerning internal controls.

Prior Audits and Other Reviews

Since 1991, numerous audit reports have addressed DoD BRAC issues. Appendix B lists selected DoD and Navy BRAC reports.

Other Matters of Interest

Class scheduling at the Pattern Maker and Molders School does not make efficient use of training facilities and does not fully take advantage of the economies of sharing classrooms. As an example, the Pattern Maker and Molders School has planned no more than one session annually for future outyears for two apprentice and journeyman classes, a total of four classes. The classes range from 6 weeks to 16 weeks, and portions of the classes are conducted in a separate laboratory area, which shortens the amount of time spent in the classroom. As a result, 31 percent is the maximum amount that any classroom will be used during the year. Actual use could be less than 10 percent. Yet, the Navy facility plans call for dedicating four separate classrooms and nine full-time instructors to meet the needs for those classes. The Navy reasoned that some overlap for each session will occur and that the Navy needs four separate classrooms. Budget limitations make that planning approach unrealistic. The Navy needs to develop an approach that allows efficient scheduling not only within a school, but across schools to maximize space sharing. Instructor budgeting needs to be evaluated for the same type of economies.

The above concerns and our suggestions for improvement were conveyed to the Chief of Naval Education and Training, Pensacola, Florida. We received feedback from the Chief of Naval Education and Training that the project to move the Patternmaker and Molder "A" and "C" has been canceled.

The 1993 Commission recommended, as part of the closure of NTC Orlando, that the Naval Nuclear Power Training Command relocate from NTC Orlando to the Naval Submarine Base New London, Connecticut. The Commission's recommendation was based on cost estimates totaling approximately $86 million. However, the estimated costs for the relocation have increased to $168 million and may reach $192 million when costs are added for permanent change of station for military personnel and costs for equipment and furnishings. The Navy would save approximately $5 million per year in operating and personnel costs if it was to relocate from NTC Orlando to the Naval Submarine Base New London. Based on the additional cost of $106 million ($192 million less $86 million) to complete the relocation, recovering that additional investment would take more than 20 years with an annual recurring savings of $5 million.

Part II - Finding and Recommendations

Base Realignment and Closure Military Construction Requirements and Costs

The Navy did not accurately determine the MILCON requirements for 13 of 18 BRAC MILCON projects resulting from the closures of NTCs Orlando and San Diego and did not adequately support the costs of 1 BRAC MILCON project associated with the realignment of NETC Newport. Those conditions occurred because the Navy:

o did not adequately consider existing facilities for six projects;

o included two projects, portions of which were not valid BRAC MILCON requirements;

o included work in one project that was outside the authorized scope;

o included two projects that should be canceled because, upon further evaluation, the Navy developed better and less costly options;

o did not fully justify the requirements for two projects; and

o did not have sufficient time to prepare adequate supporting documentation for one project.

As a result, 11 projects, valued at about $90.8 million, had overstated requirements of $72.2 million; 2 projects, valued at $12.7 million, had overstated costs that could not be quantified at the time of our audit; and 1 project, valued at $0.5 million, was unsupported. The Navy also overstated additional requirements, but we could not quantify the amount of those overstatements.

Accurate Determination of BRAC MILCON Requirements

The Navy did not adequately determine BRAC MILCON requirements resulting from the closures of NTCs Orlando and San Diego. The Navy overstated the requirements and associated costs for 13 of the 18 projects we reviewed. The overstatements occurred for the following reasons.

Using Existing Space. The Navy did not adequately consider the use of existing space for six projects, valued at $64.6 million, resulting in overstated costs of $51.9 million. Of the six projects, three projects, valued at $9.5 million, contained additional overstated costs. The amounts of the overstatement could not be quantified at the time of our audit. Table 1 lists the six projects and overstated cost for each project. The specific description and details of each project are discussed in Appendix A.

Table 1. Projects Developed Without Fully Considering Existing Facilities

Project	Description	Project Cost	Overstated Cost
P-515T	Small Arms Range	$ 4,600,000	$ 4,600,000
P-550T	Mess Hall Modernization	8,000,000[1]	2,800,000
P-581T	Jobs Oriented Basic Skills, Instructor Training, and Navy Leadership Training	3,250,000	688,557[2]
P-593T	Data Processing "A" Schools	1,050,000	227,507[2]
P-598T	Radioman "A" and "C" Schools	5,150,000	1,097,263[2]
P-599T	New Bachelor Enlisted Quarters (BEQs)	42,500,000	42,500,000
Total		**$64,550,000**	**$51,913,327**

[1]The project includes an additional $7 million of FY 1992 MILCON funds, bringing the total cost to $15 million.

[2]Additional overstated costs existed, but could not be quantified at the time of our audit.

Validity of BRAC MILCON Requirements. Two projects, valued at $13.7 million, included work outside the scope of the valid BRAC MILCON requirement. The only valid BRAC MILCON work involved asbestos abatement in the 630s BEQ complex. The remaining work entailed operation and maintenance type repairs and improvements to 23 BEQs, 19 of which were open and operating in August 1994. During the audit, the Public Works office at NTC Great Lakes was performing a review of the heating and ventilation system in four of the BEQs being renovated under project P-588T. Therefore, $2.1 million should be suspended from the FY 1994 BRAC MILCON budget, pending the results of that review. The balance of operation and maintenance type repairs and improvements costing $7.7 million, are not valid BRAC MILCON requirements and should not be funded with BRAC MILCON funds. The specific details of each project are in Appendix A. Table 2, which follows, lists the two projects and overstated costs associated with each.

Table 2. Projects That are not Valid BRAC MILCON as Proposed

Project	Description	Project Cost	Overstated Cost
P-582T	BEQ Reactivation	$10,020,000	$6,120,000
P-588T	BEQ Renovations	3,650,000	1,600,000
Total		**$13,670,000**	**$7,720,000**

Work Outside the Project Scope. Project P-585T, "BEQ Modifications," valued at $2.6 million, was developed to modify 15 Recruit Training Command BEQs for female occupancy. NTC Great Lakes used BRAC funds of $1.9 million to modify BEQ facilities not included in the project scope. Additionally, NTC Great Lakes officials used the remaining $0.7 million in BRAC funds to perform work not involving modification of BEQ facilities. Therefore, all work performed under project P-585T was outside the authorized scope of the project. The Navy should determine the appropriate funding source and refund $2.6 million to BRAC funds. In addition, the project should be deleted. The specific details of that project are shown in Appendix A.

Project Cancellation Because Better Options Developed. Project P-671T, "Mess Specialist 'A' School," valued at $3.9 million, and project P-674T, "Mess Specialist 'A' School BEQs," valued at $6.1 million, should be canceled because the Navy further evaluated both projects and developed better and less costly options. The projects were to be relocated from NTC San Diego to the Naval Air Station Pensacola. The specific details of each project are shown in Appendix A.

Justification of BRAC MILCON Requirements. The Navy was unable to fully justify the requirements of BRAC MILCON projects P-595T, "Machinery Repair 'A' and 'C' School," valued at $8 million, and P-596T, "Pattern Maker/Molder 'A' and 'C' School," valued at $4.7 million. The Navy could not justify the need for the classroom space as proposed on the DD Form 1391. The Navy should reevaluate its approach to class scheduling and revise and resubmit the DD Forms 1391. The reevaluation should consider efficiency in classroom use (see Other Matters of Interest). Specific details of each project are also shown in Appendix A.

Adequate Supporting Documentation of BRAC MILCON Costs

The Navy did not have adequate supporting documentation for the costs of one BRAC MILCON project resulting from the realignment of NETC Newport.

The one project reviewed, project P-426T, "Pier Fire Protection System," valued at $0.5 million, did not have supporting documentation explaining how the costs were derived. The project was for the installation of a fire protection system on the pier at NETC Newport. The DD Form 1391 should be revised and resubmitted with adequate supporting documentation for the requirements and costs of the fire protection system. The specific details of the project are shown in Appendix A.

Conclusion

As a result of the Navy not accurately determining its requirements, 11 projects were overstated by $72.2 million, 2 projects had overstated costs that could not be quantified at the time of our audit, and the costs for one project valued at $0.5 million were unsupported. See Table 3 for the amounts overstated and the adjustment needed to the Navy's FYs 1994 and 1995 BRAC MILCON budget.

Table 3. Summary of Adjustments Needed*

Project	Description	Delete/Reduce Overstated Costs	Suspended Cost
P-426T	Pier Fire Protection System		$ 500,000
P-515T	Small Arms Range	$ 4,600,000	
P-550T	Mess Hall Modernization	2,800,000	
P-581T	Jobs Oriented Basic Skills, Instructor Training, and Navy Leadership Training	688,557	
P-582T	BEQ Reactivation	6,120,000	3,900,000
P-585T	BEQ Modifications	2,600,000	
P-588T	BEQ Renovations	1,600,000	2,100,000
P-593T	Data Processing "A" School	227,507	
P-595T	Machinery Repair "A" and "C" School		814,200
P-596T	Pattern Maker/Molder "A" and "C" School		262,318
P-598T	Radioman "A" and "C" School	1,097,263	
P-599T	Construction of New Bachelor Enlisted Quarters	42,500,000	
P-671T	Mess Specialist "A" School	3,850,000	
P-674T	Mess Specialist "A" School Bachelors Enlisted Quarters	6,100,000	
Total		**$72,183,327**	**$7,576,518**

*Recommendations in this report are to delete, reduce, or suspend funding.

The remaining five projects reviewed were determined to be valid. Table 4 lists the five valid projects and their estimated costs.

Table 4. Valid BRAC MILCON Projects

Project	Description	Project Cost
P-575T	Electric Technician "A" and Electric Technician "C" Schools	$ 210,000
P-576T	Radiac Calibration Range	400,000
P-589T	Mess Hall Upgrade	19,000
P-591T	Small Arms Range Upgrade	420,000
P-592T	Drill Field Upgrade	362,000
Total		**$1,411,000**

Recommendations, Management Comments, and Audit Response

1. We recommend that the Under Secretary of Defense (Comptroller):

a. Adjust the funding in the Navy's FYs 1994 and 1995 base realignment and closure budget for Naval Training Center Great Lakes, Illinois, as follows:

(1) Delete funds for project P-515T, "Small Arms Range," in the amount of $4,600,000.

(2) Delete funds for project P-550T, "Mess Hall Modernization," in the amount of $2,800,000.

(3) Reduce funds for project P-581T, "Jobs Oriented Basic Skills, Instructor Training, and Navy Leadership Training," in the amount of $688,557.

(4) Reduce funds for project P-582T, "Bachelor Enlisted Quarters Reactivations," in the amount of $6,120,000.

(5) Delete funds for project P-585T, "Bachelor Enlisted Quarters Modifications," in the amount of $2,600,000.

(6) Delete funds for project P-588T, "Bachelor Enlisted Quarters Renovations," in the amount of $1,600,000.

(7) Reduce funds for project P-593T, "Data Processing 'A' School," by $227,507.

(8) Reduce funds for project P-598T, "Radioman 'A' and 'C' School," by $1,097,263.

(9) Delete funds for project P-599T, "Construction of New Bachelor Enlisted Quarters," in the amount of $42,500,000.

(10) Delete funds for project P-671T, "Mess Specialist 'A' School," in the amount of $3,850,000.

(11) Delete funds for project P-674T, "Mess Specialist 'A' School Bachelor Enlisted Quarters," in the amount of $6,100,000.

b. Suspend the funding in the Navy's FYs 1994 and 1995 base realignment and closure military construction budget for Naval Training Center Great Lakes for the following:

(1) Project P-426T, "Pier Fire Protection System," in the amount of $500,000, until the Commander, Naval Facilities Engineering Command, provides sufficient supporting documentation that can be reconciled to the cost estimate shown on the DD Form 1391.

(2) Project P-581T, "Jobs Oriented Basic Skills, Instructor Training, and Navy Leadership Training," in the amount of $2,561,443, until the Commander, Naval Facilities Engineering Command, provides a revised DD Form 1391, the costs of which reflect a more economical utilization of building 2B that would not include gutting building 2B.

(3) Project P-582T, "Bachelor Enlisted Quarters Reactivation," in the amount of $3,900,000, until the Commander, Naval Facilities Engineering Command, provides a revised DD Form 1391 with adequate supporting documentation for the requirement and costs associated with the abatement of asbestos in the 630 Bachelor Enlisted Quarters complex.

(4) Project P-588T, "Bachelor Enlisted Quarters Renovation," in the amount of $2,100,000, until the Commander, Naval Facilities Engineering Command, provides a revised DD Form 1391 with adequate supporting documentation for the requirement and costs associated with the renovation of the heating and ventilation system in buildings 920 through 923 at the Naval Training Center Great Lakes.

(5) Project P-593T, "Data Processing 'A' School," in the amount of $822,493, until the Commander, Naval Facilities Engineering Command, provides a revised DD Form 1391, the costs of which reflect a more economical utilization of building 2B that would not include gutting building 2B.

(6) Project P-595T, "Machinery Repair 'A' and 'C' School," in the amount of $814,200, until the Commander, Naval Facilities Engineering Command, provides a revised DD Form 1391 with adequate supporting documentation for the requirement and costs associated with providing classroom and high bay laboratory space for the Machinery "A" and "C" School.

(7) Project P-596T, "Pattern Maker/Molder 'A' and 'C' School," in the amount of $262,318, until the Commander, Naval Facilities Engineering Command, provides a revised DD Form 1391 with adequate supporting documentation for the requirement and costs associated with providing classroom and high bay laboratory space for the Pattern Maker/Molder "A" and "C" School.

(8) Project P-598T, "Radioman 'A' and 'C' School," in the amount of $4,052,737, until the Commander, Naval Facilities Engineering Command, provides a revised DD Form 1391, the costs of which reflect a more economical utilization of building 2B that would not include gutting building 2B.

c. Adjust the Navy's FYs 1994 and 1995 base realignment and closure budget for Naval Training Center Great Lakes as appropriate based on the revised DD Forms 1391 submitted by the Naval Facilities Engineering Command, as directed in Recommendation 3.

Under Secretary of Defense (Comptroller) Comments. The Under Secretary of Defense (Comptroller) agreed to place funds for the projects in Recommendation 1 on administrative hold pending resolution of the issues. The complete test of the comments of the Under Secretary of Defense (Comptroller) is in Part IV.

Audit Response. The actions proposed by the Under Secretary of Defense (Comptroller) met the intent of our recommendations.

Navy Comments. The Navy nonconcurred with the recommended $72.2 million of reductions.

In response to the recommendation regarding project P-599T, "New Bachelor Enlisted Quarters," the Navy disagreed with our suggestion to accommodate 165 "C" school students, grades E-5 to E-6 in BEQ 837. The Navy commented that BEQ 837 consisted of semi-open bay berthing areas and was designed for "A" school students. The complete test of the Navy's comments is in Part IV.

Audit Response. We disagree with the Navy comments. For example, in response to project P-515T, "Small Arms Range," the Navy voiced safety concerns with the existing small arms range. However, BRAC project P-591T, "Small Arms Range Upgrade," addresses those concerns. The Navy also stated a requirement for a daily throughput of 672 students to justify the need for a larger small arms range. That number of students per day would equate to 168,000 students per year (using a 250 day year). Actual accessions estimated by the Navy total only 58,000 students per year.

We agree with the Navy that BEQ 837 was designed for "A" school students and therefore is not suitable for berthing grades E-5 to E-6 "C" school students as was suggested in our discussion of project P-599T in the draft report. However, other BEQS can be used. In example, BEQs 431 and 435 have 60 rooms and 48 rooms, respectively, suitable for accommodating 216 grades E-5 to E-6 "C" school students (2 students per room).

We have released funds totaling $7.4 million for projects P-581T, P-593T, and P-598T, although the Navy was unable to support the requirement to gut building 2B. Our action was prompted by the Navy's need for this training space which could not be delayed without costly consequences.

2. We recommend that the Assistant Secretary of the Navy (Financial Management) direct the Naval Training Center Great Lakes, Illinois, to delay awarding any base realignment and closure military construction contracts until final decisions on the projects are made.

Navy Comments. The Navy did not provide comments to this recommendation. We request that the Navy comment on the final report.

3. We recommend that the Comptroller of the Navy:

a. Do an accounting adjustment to project P-550T, "Mess Hall Modernization," deobligating $5,133,000 of FY 1992 military construction funds and obligating $5,133,000 of FY 1994 base realignment and closure military construction funds.

b. Determine the appropriate funding source for project P-585T "BEQ Modifications" and obligate that fund and deobligate FY 1994 base realignment and closure military construction funds by $2.6 million.

Navy Comments. The Navy nonconcurred with our recommendations stating that the conjunctive use of FY 1992 MILCON funds with BRAC funds for project P-550T, "Mess Hall Modernization," was proper and beneficial to the Navy. The Navy also stated that the work performed under project P-585T, "Bachelor Enlisted Quarters Modifications," was not out of scope of its revised DD Form 1391 dated May 27, 1994.

Audit Response. We disagree with the Navy comments. The conjunctive use of FY 1992 MILCON funds with BRAC MILCON funds, although beneficial to the Navy in accomplishing its desired modifications to galley 928, is improper and a funding violation. Also, the work performed under project P-585T was not within the scope of the authorized DD Form 1391. The revised DD Form 1391, dated May 27, 1994, changed the scope of work to be accomplished, and therefore, needed to be resubmitted and approved through proper Navy channels to the Under Secretary of Defense (Comptroller) for reauthorization.

4. We recommend that the Commander, Naval Facilities Engineering Command:

a. Provide supporting cost estimate documentation that can be reconciled to the DD Form 1391 for project P-426T, "Pier Fire Protection System," and revise the DD Form 1391 accordingly.

b. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-581T, "Jobs Oriented Basic Skills, Instructor Training and Navy Leadership Training," excluding unsupported requirements and non-base realignment and closure requirements, and accounting for the most economical utilization of building 2B at Naval Training Center Great Lakes, Illinois.

c. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-582T, "Bachelor Enlisted Quarters Reactivation," to cover asbestos abatement in the 630 Bachelor Enlisted Quarters complex, and to reflect the budget reduction in Recommendation 1.a.

d. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-588T, "Bachelor Enlisted Quarters Renovation," to cover renovation of the heating and ventilation system in buildings 920 through 923 at the Naval Training Center Great Lakes.

e. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-593T, "Data Processing 'A' School," excluding unsupported requirements and non-base realignment and closure requirements, and accounting for the most economical utilization of building 2B at Naval Training Center Great Lakes, Illinois.

f. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-595T, "Machinery Repair 'A' and 'C' School." The revised DD Form 1391 should consider maximizing the use of existing classroom space through more efficient scheduling of schools.

g. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-596T, "Pattern Maker/Molder 'A' and 'C' School." The revised DD Form 1391 should consider maximizing the use of existing classroom space through more efficient scheduling of schools.

h. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-598T, "Radioman 'A' and 'C' School," excluding unsupported requirements and non-base realignment and closure requirements, and accounting for the most economical utilization of building 2B at Naval Training Center Great Lakes, Illinois.

Navy Comments. The Navy nonconcurred with the recommendations, with the exception of Recommendation 4.a., involving project P-426T, "Pier Fire Protection System," and Recommendation 4.g., involving project P-596T, "Pattern Maker/Molder 'A' and 'C' School." The Navy stated that

project P-596T, in the amount of $262,318, was canceled by the Navy in October 1994. For BEQ-related projects, they commented that the planned work was necessary to bring the BEQs up to minimum habitability standards. They also commented that the decision to completely renovate building 2B was made after evaluating all options.

Audit Response. We disagree with Navy comments to Recommendation 4., with the exception of their comments to Recommendation 4.g. which we consider to be responsive. The Navy did not officially respond to Recommendation 4.a., but instead included all comments concerning project P-426T in its response to Recommendation 1.b.(1). The Navy comments were not fully responsive to Recommendation 4.a. The Navy provided a further breakdown of its cost estimate for the pier fire protection system, but still has not provided supporting documentation. We also disagree that planned renovations to BEQs are for the purpose of bringing them up to minimum habitability standards. In addition, Navy comments that all options were evaluated prior to its decision to renovate building 2B were not supported during our audit. The Navy has not provided any written documentation that total renovation of building 2B was required or that it was the most cost effective alternative.

Management Comments Required

Management is requested to comment on the items indicated with an X in Table 5 below.

Table 5. Management Comments Required on the Finding

		Response Should Cover:		
Number	Addressee	Concur/ Nonconcur	Proposed Action	Completion Date
2.	Navy	X	X	X
3.	Navy	X	X	X
4.a.	Navy	X	X	X
4.c.	Navy	X	X	X
4.d.	Navy	X	X	X
4.f.	Navy	X	X	X
4.g.	Navy	X	X	X

Part III - Additional Information

Appendix A. Description of Deficiencies Noted in Base Realignment and Closure Military Construction Projects

Project P-515T, "Small Arms Range," Valued at $4.6 Million

Requirement for a Small Arms Range. The purpose of this project is to construct a 32,851-square-foot, 40-position small arms qualification range at Recruit Training Command Great Lakes. Upon closure of NTC Orlando, recruit training will relocate to NTC Great Lakes. No adequate weapons qualification training facilities exist to accommodate the additional recruits.

Criteria. The Naval Facilities Engineering Command Publication P-80, "Facility Planning Criteria for Navy and Marine Corps Shore Installations," October 1982, states that the number of firing points for an indoor small arms range should be calculated upon efficient arrangement of the size and schedules of the training groups. In the absence of detailed information, the number of firing points should be based upon the number of military personnel requiring weapons qualification in accordance with the following tabulation:

Military Strength	Number of Firing Points
Up to 2,000	6
3,500	10
5,000	13
7,000	15

Small Arms Range Training Methodology. Small arms familiarization training consists of three parts: classroom, dry fire, and live fire. Training is conducted 5 days per week, 50 weeks per year. The existing small arms training building at Recruit Training Command Great Lakes contains 20 firing positions, whereas the small arms training building at Recruit Training Command Orlando has 18 firing positions.

Classroom, dry fire, and live fire training at Recruit Training Command Great Lakes are all conducted in the small arms building. That differs from the small arms training methodology at Recruit Training Command Orlando in that the classroom and dry fire parts of the class are taught in different buildings. That method of training makes better use of the small arms facility by allowing more time to do live fire training, the intended purpose of the small arms range.

The current Navy training methodology results in only minimal use of training facilities (see Other Matter of Interest.) Classroom space will be available to move classroom and dry fire portions of the training out of the small arms training building.

Adequacy of Existing Small Arms Range at Recruit Training Command Great Lakes. The existing 18,056-square-foot small arms range at Recruit Training Command Great Lakes has the capacity to accommodate the additional recruits resulting from the closure of NTCs Orlando and San Diego. The Navy projections for recruit accessions totals about 58,000 recruits per year. Based on a yearly input of 58,000 recruits, the average on-board population would total about 8,580 recruits per month. The existing small arms training building at Recruit Training Command Great Lakes should be able to accommodate a recruit population of this size.

By implementing a training methodology similar to that at Recruit Training Command Orlando, which conducts classroom and dry fire training in other buildings, Recruit Training Command Great Lakes should be able to train four companies of recruits in about 8 hours, as is being done at Recruit Training Command Orlando. That would give the capability to train approximately 88,000 recruits per year, 30,000 more than the 58,000 recruit accessions projected by the Navy.

Conclusion. The existing small arms range at NTC Great Lakes is adequate to train the projected recruit accessions of 58,000 in live fire training. The classroom and dry fire portions of the class can be held in available space in other training buildings. Therefore, the requirement to construct a new small arms range is not a valid BRAC MILCON requirement and should be deleted.

Project P-550T, "Mess Hall Modernization," Valued at $8 Million

Requirement For Modernization of Recruit Training Command Galley. The project is to reactivate Recruit Training command galley 928 to accommodate the additional recruits to be trained at NTC Great Lakes, resulting from the closure of NTCs Orlando and San Diego. The estimated project costs on the latest DD Form 1391, November 3, 1993, totaled $15 million ($8 million of FY 1994 BRAC MILCON funds and $7 million of FY 1992 MILCON funds). NTC Great Lakes officials considered the galley in use at Recruit Training Command, galley 1128, inadequate to handle the increase in recruits, thereby necessitating the reactivation of galley 928, which had been closed since 1979. Once galley 928 is operational, galley 1,128 will be kept in a mothball status, available for reactivation if necessary with minimal time and costs.

The $7 million of FY 1992 MILCON funds was originally for a project created in 1988 to support accession plans for a 600-ship Navy. Following authorization and appropriation of the FY 1992 MILCON program in

October 1991, Navy plans changed to require support for only 350 ships. For that reason, the FY 1992 MILCON project was placed on hold and not executed.

Use of FY 1992 MILCON Funds. The use of FY 1992 MILCON funds to help subsidize the cost of the project was improper. The FY 1992 MILCON funds were for a requirement (a 600-ship Navy) that no longer exists. The current requirement for a larger galley is solely the result of BRAC actions, and, therefore, should be funded in its entirety with BRAC MILCON funds. However, an economic analysis was required, and should have been performed by the Navy, to determine the most cost-effective way to satisfy the requirement.

Performing an Economic Analysis. The Navy did not perform an economic analysis to determine the most cost effective way to satisfy the requirement to provide adequate messing capability to accommodate the transfer of recruits from NTCs Orlando and San Diego. The decision to reactivate galley 928 by NTC Great Lakes was based on the Navy's determination that galley 1128 was inadequate to handle the increased number of recruits resulting from the consolidation of recruit training at NTC Great Lakes. The designed feeding capacities for galleys 1128 and 928 are 7,834 and 11,200 personnel, respectively.

The justification for reactivating and modernizing galley 928 was based on an average on-board recruit population of over 10,000. However, the Navy currently projects recruit accessions of 58,000, which translates to an average on-board recruit population at NTC Great Lakes of 8,580 recruits per month, almost 2,000 fewer than initially anticipated. That number exceeds the designed feeding capacity of galley 1128 by only 746 personnel. With the lower projected recruit population, an economic analysis performed by the Navy might have shown that galley 1128 could have been modified to handle the additional recruits, or that a less costly alternative to modernizing galley 928 might have been possible. The project to modernize galley 928 is too far along to recommend the Navy perform an economic analysis at this time. However, the performance of such an analysis prior to initiation of the project might have resulted in significant dollar savings to the DoD.

Contracted Cost to Modernize Galley 928. The modernization of galley 928 began in March 1994 and is scheduled to be completed in March 1995. The contracted amount totaled $11 million, of which $5.1 million was obligated from FY 1992 MILCON funds and $5.9 million was obligated from FY 1994 BRAC MILCON funds. With the addition of 5 percent contingency and 6 percent supervision, inspection, and overhead, the total project cost is about $12.2 million. Therefore, the project cost of $15 million was overstated by $2.8 million.

Conclusion. The Navy should do an accounting adjustment changing the $5.1 million of FY 1992 MILCON funds to FY 1994 BRAC MILCON funds. In addition, the DD Form 1391 should be revised and resubmitted to account

for the $2.8 million reduction in costs. The use of FY 1992 MILCON funds was improper, and the revised DD Form 1391 should be funded solely with FY 1994 BRAC MILCON funds.

Three Projects To Provide Training Space From Renovation of Building 2B

Renovation of Building 2B. The purpose of project P-581T, "Jobs Oriented Basic Skills, Instructor Training and Navy Leadership Training;" project P-593T, "Data Processing 'A' School;" and project P-598T, "Radioman 'A' and 'C' School," with a combined value of $9.5 million, was to provide training space to accommodate the above schools by renovating building 2B, a vacant training building at NTC Great Lakes. Although the three projects would not encompass the entire space of the building, the plan was to renovate the whole building. Building 2B had 95,213 square feet of space, while the three projects only required 80,530 square feet. The excess classroom space could be available for use by other schools. The renovation was to include gutting building 2B. However, the Navy overstated the cost to renovate the building. Additionally, building 2B did not require complete renovation.

Total Square Feet. The building cost summary prepared by the Southern Division, Naval Facilities Engineering Command, on March 18, 1994, listed the total square feet of building 2B as 98,212 square feet. However, scale drawings, confirmed by Great Lakes personnel, listed 95,213 square feet total for building 2B, 2,999 square feet less than the Southern Division summary.

Actual Cost Versus DD Form 1391 Cost to Renovate Building 2B. The DD Form 1391 cost summary was for approximately $9.5 million for the three projects to renovate building 2B. The cost was developed by multiplying the unit cost of $80.40 times 98,212 square feet, adding facility support, and then applying factors for contingency and costs of supervision, inspection and overhead. The Navy's cost summary is overstated because the training facilities for three projects will only occupy 80,530 square feet. The cost summary included renovation of 17,682 (98,212 less 80,530) square feet that was not required for the three projects. Overstated costs are $1,421,633, which represents 17,682 square feet multiplied by $80.40. Overstated costs also includes additional costs from applying the factors for contingency and costs of supervision, inspection, and overhead.

Contingency Factor. The Navy incorrectly used a 10-percent contingency factor while preparing the DD Forms 1391, resulting in overstated contingency costs of $406,650. The correct contingency factor is 5 percent. The 10-percent factor was applied to primary and facility support costs of approximately $8.2 million. In addition to the overstated costs from use of the incorrect factor, $71,082 of contingency was overstated due to the overstated primary costs of $1,421,633. Total overstated contingency costs are $477,732.

Supervision, Inspection and Overhead. The Navy used a factor of 6 percent for supervision, inspection and overhead applied to primary, support facility and contingency costs. Overstatements were computed by multiplying the overstated base costs by 6 percent. Table A-1 lists the overstated costs associated with each project. The total overstated amount was allocated among the projects based on the planned square footage for each project.

Table A-1. Overstated Costs Related to Renovation of Building 2B

	Costs Per DD Forms 1391	Overstated Amounts P-581T	P-593T	P-598T	Total
Primary cost	$7,976,000	$486,198	$160,645	$ 774,790	$1,421,633
Support facility	151,000	0	0	0	0
Contingency	813,000	163,384	53,984	260,364	477,732
Supervision, inspection, and overhead	536,000	38,975	12,878	62,109	113,962
Total	**$9,476,000**	**$688,557**	**$227,507**	**$1,097,263**	**$2,013,327**

Service School Command Planned Use of Building 2B. The Service School Command planned to gut building 2B to reconfigure it to the desired architectural plan. After gutting the building, Service School Command planned to configure the building such that 95,213 square feet, all of the floor space, would be used by the three schools, although the requirement for the three schools was only 80,530 square feet. As a result, the Navy has either added requirements to use the additional space or included renovated space without a planned use.

Using the existing space. Building 2B had ample space available for the three training schools. Our tour of the building showed that much of the space as configured as of August 1994 would meet the needs of the schools. In fact, many classrooms contained similar dimensions to the planned classrooms. In addition, student lounges, teachers' lounges, and administrative offices were in the existing facility.

NTC Great Lakes could not provide any documentation to show that a cost analysis had been done to determine the effectiveness of fully or partially using the existing design instead of the completely reconfigured one. Some rework of the building was required because it had been vacant for 2 to 3 years, but it was not apparent why the entire interior of the building needed to be gutted and reconfigured to meet the Navy's requirement for classroom, laboratory, and administrative space, especially because building 2B is currently configured as a

training facility. Furthermore, the Navy planned to use the entire facility, 95,213 square feet, for the three projects, although the requirement of the three schools totaled only 80,350 square feet.

Conclusion. Although projects P-581T, P-593T, and P-598T are valid BRAC requirements, the associated costs are not. The Navy should reduce the cost of project P-581T by $688,557, project P-593T by $227,507, and project P-598T by $1,097,263. In addition, the Navy should revise and resubmit the DD Forms 1391, excluding all costs associated with gutting building 2B. The costs to be excluded would include interior demolition, interior walls, and door replacements. Also, the portion of costs associated with stairs, plumbing, interior finishes, lighting, specialities, and power should be excluded because the building will not require complete reconfiguration. The scope of the work for the revised DD Forms 1391 should reflect work that is required to put the building in an operational state.

Two Projects To Construct a Training Facility for Machinery Repair and Pattern Makers and Molders

Space Requirement For High Bay Facility. The purpose of projects P-595T, "Machinery Repair 'A' and 'C' School," valued at $8 million, and P-596T, "Pattern Maker/Molder 'A' and 'C' School", valued at $4.7 million, was to construct a training facility that contained classrooms and high bay laboratories (rooms with high ceilings to facilitate the hoists and monorails in heavy machine and milling areas) for both schools that were relocating from NTC San Diego to NTC Great Lakes. Construction was required because NTC Great Lakes had insufficient high bay space.

Classroom Use. The DD Form 1391 cost summary is based on the Machinery Repair School with 10 classrooms occupying 5,084 square feet and the Pattern Maker and Molder School with 4 classrooms occupying 1800 square feet. The Navy could not support the need for the classroom space proposed (see Other Matters of Interest, Part I). The Navy needs to reevaluate the need for classroom space for the Machinery Repair School and the Pattern Maker and Molder School.

High Bay Facilities. NTC San Diego staff stated that the two schools may be merged into the same school. In addition, personnel at NTC Great Lakes indicated that the Navy may possibly use high bay facilities off base instead of constructing a new on-base facility. We believe those issues should be resolved before BRAC funds are spent and the DD Forms 1391 should be revised to reflect the outcome of those decisions.

Project P-599T, "New Bachelor Enlisted Quarters," Valued at $42.5 Million

Project P-599T, estimated to cost $42.5 million, was for construction of a 290,000-square-foot BEQ that will house the increased population of "C" School students resulting from BRAC. The project was intended to house 200 grades E-1 through E-4 "C" School students and 398 grades E-5 through E-6 "C" School students.

Current Personnel Estimates. NTC Great Lakes personnel inflated data from the Navy Information Training Resource and Analysis System when computing projected base populations. The Navy Information Training Resource and Analysis System is a data base that contains training information. One aspect of the system is that it estimates the number of students that will attend each school for every year through FY 1998. The number of students is determined by the Navy Bureau of Personnel and NTC officials, then input into the system.

NTC Great Lakes personnel, using Navy Information Training Resource and Analysis System data, calculated the average on-board student population to determine student bunk space. In addition to the average on-board student population, Great Lakes personnel also projected the number of permanent staff, transients, and international military students to determine the total bunk space requirement for NTC Great Lakes. However, in determining the bunk space requirement for the students, NTC Great Lakes personnel inappropriately increased the average on-board student populations of "A" School by a surge factor of 20 percent and increased the average on-board student population of "C" School by a factor of 23 percent. The increase resulted in a deficiency of bunk space for certain ranks, even after including the bunk space of the proposed construction of a new BEQ.

Naval Facilities Engineering Command Publication P-80. Naval Facilities Engineering Command Publication P-80 states that an average of the student population should be used to determine required bunk space. The Naval Facilities Engineering Command Publication P-80 does not include an additive factor in calculating bunk space. Moreover, NTC Great Lakes personnel did not know how the factors were derived. Eliminating the factors from the average on-board student populations will result in an overall surplus of bunk space available in February 1997, 1 month before the opening of the new BEQ. Table A-2 breaks down by grade excesses and deficiencies of bunk space that will occur for the enlisted personnel of the "C" schools, permanent staff, transients, and international military students as of February 1997. In addition, the table illustrates the projected excess bunk space for the "A" Schools.

Table A-2. Projected Excesses and Deficiencies of Bunk Space for NTC Great Lakes

Grade or School	Excess/ (Deficiency)
E-1 through E-4*	699
E-5 through E-6*	(165)
"A" Schools	769

*Encompasses "C" schools, permanent staff, transients, and international military students.

Adequacy of Existing Bunk Space to Meet Requirement. Existing bunk space is available at NTC Great Lakes to meet the requirement for housing 200 E-1 through E-4 students and 398 E-5 through E-6 students, thereby eliminating the need for constructing a new BEQ. As shown in Table A-2, there is an excess of 699 bunk spaces for E-1 through E-4 students and a deficit of only 165 bunk spaces for E-5 through E-6 students. Additional space is needed only to accommodate the deficit of 165 bunk spaces for the E-5 through E-6 students. However, space can be made available in building 837 to accommodate the 165 E-5 through E-6 students. Building 837 currently provides bunk space for up to 540 "A" school students. The building is comprised of 180 rooms, each with a private bath. The rooms are 243 square-feet and are suitable for E-5 through E-6 students. The excess of 769 bunk spaces for "A" school students, as shown in Table A-2, would provide more than enough bunk space to accommodate the "A" school students being displaced from building 837 by the move.

Conclusion. Although deficiencies were projected for grades E-5 through E-6, the excess of the "A" schools and grades E-1 through E-4 provide ample space to redistribute the personnel so that space requirements for all ranks are met without constructing a new BEQ. Therefore, the project is not a valid BRAC MILCON requirement, and $42.5 million should be deleted from the FY 1995 BRAC MILCON budget.

Project P-582T, "BEQ Reactivation," Valued at $10 Million

Requirement For Reactivation Of BEQs. The purpose of Project P-582T was to reactivate 19 Service School Command BEQs at NTC Great Lakes, as shown in Table A-3. The estimated project costs on the latest DD Form 1391, January 17, 1994, totaled $10 million ($9 million excluding costs for contingency and supervision, inspection, and overhead). The scope of the

project included asbestos abatement and various repairs and improvements to heating, ventilation, electrical, plumbing, and miscellaneous items. Most of the repairs appeared to be normal maintenance that should have been accomplished on an ongoing basis, or represented unnecessary upgrades such as new doors and lockers.

Table A-3. BEQ Reactivation per Project P-582T

Building Complex	BEQ Buildings	Cost Per DD Form 1391	Revised Cost Estimate*
170	177, 178,179	$1,300,000	$ 995,000
330	331, 332, 333, 334	1,100,000	764,000
530	531, 532, 533, 534	1,200,000	904,000
630	631, 632, 633, 634, 635	4,450,000	6,250,000
Not applicable	837	200,000	52,000
Not applicable	1015, 1016	750,000	0
Total		**$9,000,000**	**$8,965,000**

*Cost estimate per Knight Architects Engineers Planners, Incorporated, conference report, May 16, 1994.

Reactivation of BEQs. Of the 19 BEQs being reactivated, 5 BEQs (the 630 complex) were unoccupied during our visit in August 1994. The remaining 14 BEQs were being used during FY 1994.

The five buildings comprising the 630 complex were vacated because of asbestos problems caused by water infiltration resulting from deteriorated roofs. One building closed in October 1992 and the remaining four closed in February 1994.

The remaining 14 BEQs were all occupied as of our visit to NTC Great Lakes in August 1994 and had been occupied for most of FY 1994 with the exception of building 534 which was closed from September 1993 until June 1994. Therefore, the repairs and improvements were not for the purpose of reactivating the BEQs, because they were already activated, but were for the purpose of upgrading the existing living conditions of the BEQs. Although the repairs and upgrades would improve the living standards within the BEQs, they are not necessary to make the BEQs usable as evidenced by current and recent BEQ occupancy.

Scope of Repairs and Upgrades. The proposed repairs and upgrades primarily involved heating and ventilation; electrical, plumbing, and bathroom renovations; asbestos removal; and replacement of floor and ceiling tiles related to the asbestos problem. In most of the BEQs, the replacement of floor and

ceiling tiles was to be done on an as-needed basis, where the tiles had been so damaged that they were allowing asbestos to leak out and contaminate the air. However, Navy officials planned the replacement of the floor and ceiling tiles on a much wider basis in the 630 complex. They were also planning to correct miscellaneous problems such as inadequate lighting, broken hardware on the doors, and deteriorated windows and lockers.

Touring the BEQs showed that the proposed work, with the exception of the asbestos abatement in the 630 complex, was to correct deficiencies that had existed in the past, during periods when the BEQs were occupied and functioning. For example, smoke detectors were battery operated and were to be replaced in all the BEQs with smoke detectors hard-wired into the fire alarm system to conform to the fire code. However, the fire code had been in effect for more than 10 years, when the BEQs were occupied and using battery-operated smoke detectors. Another example is the planned installation of waterproof shower lighting fixtures in building 178, because the existing fixtures are not waterproof.

Other planned repairs and upgrades did not appear to be warranted. One example was the painting of walls and doors in building 178. Our tour of building 178 did not indicate the need for such painting. The walls and doors appeared to be in adequate condition.

Change in Project Scope. The scope of the project has changed somewhat from the scope as delineated on the January 17, 1994, DD Form 1391. Knight Architects Engineers Planners, Incorporated, the architectural firm handling the project design, issued a conference report on May 16, 1994, resulting from a conference between Knight Architects Engineers Planners, Incorporated, and NTC personnel regarding final project scope definition. The report states that BEQs 1015 and 1016 were to be deleted from the scope of the project. In addition, the asbestos abatement was to be deleted from the scope in all of the BEQs except the 630 complex. The costs for the 630 complex increased from $4.5 million to $6.3 million; however, the reductions in scope and cost for complexes 170, 330, 530 and buildings 837, 1015, and 1016 offset the increases in the 630 complex to the extent that total project cost decreased by $35,000 from the original estimate of $9 million.

Conclusion. The scope of work planned under project P-582T is not a valid BRAC requirement with the exception of the asbestos-related work to be done in the 630 complex. The 630 complex was closed because of the asbestos problem. The replacement of floor and ceiling tiles related to the asbestos problem should, however, be limited to those tiles that are damaged to the extent that they allow asbestos to leak out and contaminate the air. The abatement of the asbestos would then return the BEQs to the habitable state that they were in when last used in January 1994. The additional work slated for the 630 complex, as well as the work planned for the remaining 14 BEQs, should not be funded with BRAC MILCON funds, as the BEQs were all occupied and functioning in their present condition. We agree that the BEQs are in need of much repair and improvements, but such work should not be done with BRAC funds.

According to the DD Form 1391, the abatement of asbestos in the 630 complex, including the removal and replacement of ceiling and floor tiles, totaled $1.6 million ($1.8 million including 5 percent contingency and 6 percent supervision, inspection, and overhead). However, the change in project scope has increased this cost to $3.5 million ($3.9 million including 5 percent contingency and 6 percent supervision, inspection, and overhead). The revised scope, if valid, must be incorporated into a new DD Form 1391.

The DD Form 1391 for project P-582T totaled $10 million; therefore, based on the revised cost associated with the asbestos abatement in the 630 complex of $3.9 million, $6.1 million should be deleted from the project with the balance of funds suspended until such time as a revised DD Form 1391 is prepared, with adequate supporting documentation for the requirement and costs associated with the abatement of asbestos in the 630 complex.

Project P-588T, "BEQ Renovations," Valued at $3.7 Million

Requirement for Renovation of BEQs. The primary purpose of project P-588T is to renovate four Recruit Training Command BEQs at NTC Great Lakes. The estimated BRAC MILCON project cost as described on DD Form 1391 dated June 1, 1994, is $3.7 million. The BEQs located in buildings 920 through 923 were vacated in March 1988 and mothballed in March 1992. They were reopened in June 1994 to accommodate existing and incoming recruits as a result of the closure of NTCs Orlando and San Diego.

Project Scope. Knight Architects Engineers Planners, Incorporated, performed a cost study for buildings 920 through 923. The cost analysis included items such as roofing repairs, exterior and interior walls, interior finishing, doors, plumbing, lighting, and heating and ventilation. Heating and ventilation and lighting estimates alone for this project account for $2.7 million of the total estimated project cost of $3.7 million.

Current Condition of BEQs. Recruit Training Command officials stated that buildings 920 through 923 were old and that normal maintenance and repair work had not been performed on a regular basis since the buildings were mothballed in March 1992. Recruit Training Command officials added that buildings 920 through 923 were reactivated in June 1994. Funds totaling $300,000 were obligated for Recruit Training Command Great Lakes Public Works Office to perform work to reactivate the buildings. NTC Great Lakes Public Works Office used $200,000 of BRAC MILCON funds obligated against project P-588T to perform work necessary to reactivate the BEQs.

When asked what type of work was performed to reactivate buildings 920 through 923, Recruit Training Command Great Lakes Public Works Office officials stated that the work consisted of general cleanup, removal of asbestos tile, and painting. Recruit Training Command Great Lakes Public Works Office officials had not determined the condition of the heating

systems in the individual buildings as of September 1994. They added that a group from within the Public Works Office is currently in the process of going through the buildings to determine the condition of the heating systems.

Tour of BEQs. Recruit Training Command officials also provided the audit team with a tour of the individual BEQs. At the time of the tour, 10 of the 12 compartments comprising each BEQ were occupied by recruits. The tour did not reveal the need for the repair work planned under project P-588T. Although the Public Works Office had not determined the condition of the heating and ventilation system, Navy personnel at the BEQs were not aware of any problems with the system. According to Navy personnel, the system was working satisfactorily. Also, the lighting in the BEQs appeared to be adequate.

Conclusion. Funds of $2.1 million should be suspended from the FY 1994 BRAC MILCON budget, pending the results of the review being performed by the Public Works Office on the condition of the heating and ventilation systems in buildings 920 through 923. Excluding the heating and ventilation system work, the remaining work planned under project P-588T, is not a valid BRAC MILCON requirement because the work is not needed to make the BEQs habitable. Therefore, funds of $1.6 million should be deleted from the FY 1994 BRAC MILCON budget. If the review of the heating and ventilation system by the Public Works Office finds that the system needs repair, then a revised DD Form 1391 should be submitted for the needed work.

Project P-585T, "BEQ Modifications," Valued at $2.6 Million

Requirement For Modifications of BEQs. The Southern Division, Naval Facilities Engineering Command, developed project P-585T to modify 15 Recruit Training Command BEQs at NTC Great Lakes. The estimated project cost according to DD Form 1391, November 3, 1993, was $2.6 million. The project scope included modifications to walls in locker rooms; heating, ventilation, and air conditioning modernization; and toilet facilities added to accommodate female recruits. NTC Great Lakes Public Works Office had been tasked to perform the work for the project.

Change in Project Scope. NTC Great Lakes officials decided against completion of the modifications as described on the Form DD 1391 and subsequently decided to use the BRAC funds for requirements that were not within the scope of the project, an apparent funding violation by the Navy. They decided against renovating the BEQs on the basis that male recruits may be berthed in these BEQs in the future. Table A-4 lists the specific BEQs on which the work was supposed to be performed and the training buildings on which the work was actually performed.

Table A-4. Work Performed Outside of Project P-585T Scope

Location of Intended Work (BEQ) - Building	Location of Actual Work	
	Building	Description
920 through 926	910	Small Arms Range
1120 through 1126	927	"A" School
1420	1127	General Training Facility
	1128	Galley
	1312	Clothing and Issue Warehouse
	1400	Drill Hall
	1405	Recruit Processing Center
	1410	Fire Fighter Training

Estimated Costs Versus Actual Costs for Project P-585T. Recruit Training Command Great Lakes officials stated that work for project P-585T had been completed at a cost of $1.9 million. The cost at completion was $0.4 million lower than the $2.3 million obligated for the project. However, based on the DD Form 1391 estimated cost of $2.6 million, we determined the excess to be $0.7 million. Recruit Training Command Great Lakes officials added that a portion of the $0.7 million had been used to install toilet facilities for females in a galley located in building 1128 and to construct a room in building 1312 for females to change clothing.

Conclusion. NTC Great Lakes did not perform the work stated in project P-585T, but instead used $1.9 million of the total of $2.6 million obligated for project P-585T to perform work outside the scope of the project resulting in an apparent funding violation by the Navy. The Navy should determine the appropriate funding source and refund BRAC MILCON funds. In addition, the entire $2.6 million should be deleted from the BRAC MILCON budget.

Project P-671T, "Mess Specialist 'A' School," Valued at $3.9 Million, and Project P-674T, "Mess Specialist 'A' School Bachelor Enlisted Quarters," Valued at $6.1 Million

The purpose of projects P-671T, "Mess Specialist 'A' School", and P-674T, "Mess Specialist 'A' School BEQ," combined value of $10 million, was to relocate the Mess Specialist "A" School and its BEQs from NTC San Diego to Naval Air Station Pensacola. Information contained in a Navy budget review and other information received from NTC San Diego recommended that the projects be canceled based on a recommendation by the Interservice Training Review Organization that the schools be collocated at Lackland Air Force Base,

Texas. The Office of the Navy Comptroller indicated that the planned collocation is less costly than the planned BRAC MILCON projects. Because of the Interservice Training Review Organization recommendation and the uncertainty of the final location for the two projects, the Navy has recommended that the funding for the projects be deleted until the Navy decides where to relocate the projects. As a result, the projects should be deleted.

Project P-426T, "Pier Fire Protection System," Valued at $0.5 Million

Requirement. Project P-426T, valued at $500,000, is for installation of a fire protection system along the southern side of Pier 2, NETC Newport. Ships homeported at NETC Newport previously provided fire protection on the southern side of the pier. However, the ships were reassigned to other homeports because of BRAC, and as a result, a fire protection system is required to protect the southern side of the pier and a building located on the pier.

Supporting Documentation. The installation of the fire protection system is a valid requirement; however, the Navy had no supporting documentation explaining how the costs for the project were derived. Navy officials stated that the lack of documentation occurred because of the short time frame in which the Public Works Center, NETC Newport, had to prepare the DD Form 1391.

Conclusion. Funding for this project in the amount of $0.5 million should be suspended until such time as the DD Form 1391 is resubmitted with sufficient supporting documentation that can be reconciled to the cost estimate shown on the DD Form 1391.

Appendix B. Summary of Prior Audits and Other Reviews

Inspector General, DoD

Report Number	Report Title	Date
95-039	Defense Base Realignment and Closure Budget Data for Naval Air Station Miramar, California, 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

Inspector General, DoD (cont'd)

Report Number	Report Title	Date
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
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

Inspector General, DoD (cont'd)

Report Number	Report Title	Date
94-109	Quick-Reaction Report on the Audit of Defense Base Realignment and Closure Budget Data for the 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
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

Naval Audit Service

Report Number	Report Title	Date
041-S-94	FY 1995 Military Construction Projects From Decisions of 1993 Base Closure and Realignment Commission	April 15, 1994
023-S-94	Military Construction Projects Budgeted and Programmed for Bases Identified for Closure or Realignment	January 14, 1994
028-C-93	Implementation of the 1993 Base Closure and Realignment Process	March 15, 1993

Appendix C. Summary of Potential Benefits Resulting From Audit

Recommendation Reference	Description of Benefit	Amount and Type of Benefit
1.a.(1)	Economy and Efficiency. Reduces the FY 1994 BRAC MILCON budget.	FY 1994 Base Closure Account funds of $4.6 million put to better use.
1.a.(2)	Economy and Efficiency. Reduces the FY 1994 BRAC MILCON budget.	FY 1994 Base Closure Account funds of $2.8 million put to better use.
1.a.(3)	Economy and Efficiency. Reduces the FY 1995 BRAC MILCON budget.	FY 1995 Base Closure Account funds of $688,557 put to better use.
1.a.(4)	Economy and Efficiency. Reduces the FY 1995 BRAC MILCON budget.	FY 1995 Base Closure Account funds of $6.12 million put to better use.
1.a.(5)	Economy and Efficiency. Reduces the FY 1994 BRAC MILCON budget.	FY 1994 Base Closure Account funds of $2.6 million put to better use.
1.a.(6)	Economy and Efficiency. Reduces the FY 1994 BRAC MILCON budget.	FY 1994 Base Closure Account funds of $1.6 million put to better use.
1.a.(7)	Economy and Efficiency. Reduces the FY 1995 BRAC MILCON budget.	FY 1995 Base Closure Account funds of $227,507 put to better use.

Recommendation Reference	Description of Benefit	Amount and Type of Benefit
1.a.(8)	Economy and Efficiency. Reduces the FY 1995 BRAC MILCON budget.	FY 1995 Base Closure Account funds of $1,097,263 put to better use.
1.a.(9)	Economy and Efficiency. Reduces the FY 1995 BRAC MILCON budget.	FY 1995 Base Closure Account funds of $42.5 million put to better use.
1.a.(10)	Economy and Efficiency. Reduces the FY 1995 BRAC MILCON budget.	FY 1995 Base Closure Account funds of $3.85 million put to better use.
1.a.(11)	Economy and Efficiency. Reduces the FY 1995 BRAC MILCON budget.	FY 1995 Base Closure Account funds of $6.1 million put to better use.
1.b.	Compliance With Regulations or Laws. Suspends funding until adequately supported.	Undeterminable.*
1.c.	Compliance With Regulations or Laws. Adjusts funding for BRAC MILCON projects to reflect revised requirements and costs.	Undeterminable.*
2.	Economy and Efficiency. Delays awarding BRAC MILCON projects until final decisions regarding projects are made.	Nonmonetary.

*The amount of monetary benefits will be determined after the Navy determines the actual requirements and revises and documents the DD Forms 1391.

Appendix C. Summary of Potential Benefits Resulting From Audit

Recommendation Reference	Description of Benefit	Amount and Type of Benefit
3.a.	Compliance With Regulations or Laws. Initiates accounting adjustment changing funding appropriation from FY 1992 MILCON funds to FY 1994 BRAC MILCON funds.	FY 1992 MILCON funds of $5.133 million properly charged to FY 1994 BRAC MILCON appropriation.
3.b.	Compliance With Regulations or Laws. Initiates accounting adjustment changing funding appropriation from BRAC MILCON to an appropriate funding source.	FY 1994 BRAC MILCON funds of $2.6 million properly charged to other funds.
4.a.	Compliance With Regulations or Laws. Revises BRAC MILCON estimates to reflect valid, justifiable requirements and costs.	Undeterminable.*
4.b.	Compliance With Regulations or Laws. Revises BRAC MILCON estimates to reflect valid, justifiable requirements and costs.	Undeterminable.*
4.c.	Compliance With Regulations or Laws. Revises BRAC MILCON estimates to reflect valid, justifiable requirements and costs.	Undeterminable.*
4.d.	Compliance With Regulations or Laws. Revises BRAC MILCON estimates to reflect valid, justifiable requirements and costs.	Undeterminable.*
4.e.	Compliance With Regulations or Laws. Revises BRAC MILCON estimates to reflect valid, justifiable requirements and costs.	Undeterminable.*

*The amount of monetary benefits will be determined after the Navy determines the actual requirements and revises and documents the DD Forms 1391.

Recommendation Reference	Description of Benefit	Amount and Type of Benefit
4.f.	Compliance With Regulations or Laws. Revises BRAC MILCON estimates to reflect valid, justifiable requirements and costs.	Undeterminable.*
4.g.	Compliance With Regulations or Laws. Revises BRAC MILCON estimates to reflect valid, justifiable requirements and costs.	Undeterminable.*
4.h.	Compliance With Regulations or Laws. Revises BRAC MILCON estimates to reflect valid, justifiable requirements and costs.	Undeterminable.*

*The amount of monetary benefits will be determined after the Navy determines the actual requirements and revises and documents the DD Forms 1391.

Appendix D. Organizations Visited or Contacted

Office of the Secretary of Defense

Office of the Under Secretary of Defense for Acquisition and Technology, Washington, DC
Under Secretary of Defense (Comptroller), Washington, DC

Department of the Navy

Chief of Naval Operations, Washington, DC
Deputy Chief of Naval Operations (Logistics), Washington, DC
Office of the Comptroller of the Navy, Washington, DC
Chief of Naval Education and Training, Pensacola, FL
- Naval Training Center San Diego, CA
  - Service School Command, Naval Training Center San Diego, CA
- Naval Training Center Orlando, FL
  - Recruit Training Command, Orlando, FL
  - Service School Command, Orlando, FL
- Naval Training Center Great Lakes, IL
  - Recruit Training Command, Great Lakes, IL
  - Service School Command, Great Lakes, IL
- Naval Nuclear Power Training Command, Naval Training Center Orlando, FL
- Naval Education Training Center Newport, RI

Naval Submarine Base New London, CT
Naval Facilities Engineering Command, Alexandria, VA
- Southern Division, Charleston, SC
- Northern Division, Lester, PA

Naval Audit Service, Arlington, VA

Appendix E. Report Distribution

Office of the Secretary of Defense

Under Secretary of Defense for Acquisition and Technology
  Assistant Secretary of Defense (Economic Security)
    Deputy Assistant Secretary of Defense (Economic Reinvestment and BRAC)
Under Secretary of Defense (Comptroller)
Under Secretary of Defense for Personnel and Readiness
Deputy Under Secretary of Defense (Acquisition Reform)
Assistant to the Secretary of Defense (Public Affairs)

Department of the Army

Auditor General, Department of the Army

Department of the Navy

Secretary of the Navy
Assistant Secretary of the Navy (Financial Management)
Assistant Secretary of the Navy (Installations and Environment)
Comptroller of the Navy
Deputy Chief of Naval Operations (Logistics)
Chief of Naval Education and Training
  Commander, Naval Training Center Great Lakes
  Commander, Naval Training Center Orlando
  Commander, Naval Training Center San Diego
  Commander, Naval Education Training Center Newport
Commander, Naval Facilities Engineering Command
  Commanding Officer, Southern Division
  Commanding Officer, Northern Division
Auditor General, Department of the Navy

Department of the Air Force

Auditor General, Department of the Air Force

Defense Organizations

Director, Defense Contract Audit Agency
Director, Defense Logistics Agency
Director, National Security Agency

Defense Organizations (cont'd)

Inspector General, Central Imagery Office
Inspector General, National Security Agency
Director, Defense Logistics Studies Information Exchange

Non-Defense Federal Organizations

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 Committee on Armed Services
Senate Committee on Governmental Affairs
House 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 John H. Chafee, U.S. Senate
Honorable Bob Graham, U.S. Senate
Honorable Connie Mack, U.S. Senate
Honorable Carol Moseley-Braun, U.S. Senate
Honorable Claiborne Pell, U.S. Senate
Honorable Paul Simon, U.S. Senate
Honorable Bill McCollum, U.S. House of Representatives
Honorable Patrick J. Kennedy, U.S. House of Representatives
Honorable John E. Porter, U.S. House of Representatives

Part IV - Management Comments

Office of the Under Secretary of Defense (Comptroller) Comments

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

COMPTROLLER
(Program/Budget)

FEB 7 1995

MEMORANDUM FOR ASSISTANT INSPECTOR GENERAL FOR AUDITING, DOD IG

SUBJECT: Quick Reaction Report on the Audit of Defense Base Realignment and Closure Budget Data for Naval Training Center Orlando, Florida, and Naval Training Center San Diego, California (Project No. 5008.22)

This responds to your January 10, 1995, memorandum requesting our comments on the subject report.

The audit recommends that funding for 11 projects be reduced by $72 million and these funds reprogrammed to other base realignment and closure requirements. The audit also recommends suspension of $15.0 million for eight projects because the IG believes that the Navy did not consider existing facilities and/or did not provide adequate justification.

We agree that estimates for these projects should be supported by adequate documentation and funds reduced where warranted. We will administratively withhold funding pending resolution of the issues associated with these projects.

BRUCE A. DAUER
ASSISTANT DEPUTY COMPTROLLER
(PROGRAM/BUDGET)

cc:
Navy (FM)

Department of the Navy Comments

DEPARTMENT OF THE NAVY
OFFICE OF THE ASSISTANT SECRETARY
(INSTALLATIONS AND ENVIRONMENT)
1000 NAVY PENTAGON
WASHINGTON, D.C. 20350-1000

1 February 1995

MEMORANDUM FOR THE DEPARTMENT OF DEFENSE ASSISTANT INSPECTOR GENERAL FOR AUDITING

Subj: DODIG DRAFT QUICK-REACTION REPORT ON THE AUDIT OF DEFENSE BASE CLOSURE AND REALIGNMENT BUDGET DATA FOR NAVAL TRAINING CENTER ORLANDO, FLORIDA AND NAVAL TRAINING CENTER SAN DIEGO, CALIFORNIA (PROJECT NO. 4CG-5008.22)

Ref: (a) DODIG memo of 10 Jan 1995

I am responding to the draft quick-reaction audit report, reference (a), concerning base closure and realignment budget data for the Naval Training Center Orlando, Florida and Naval Training Center San Diego, California. The Department of the Navy response is provided as TAB (A).

Several of these projects (581T, 593T, 598T and 515T), packaged into two separate contracts, need to be resolved prior to February 3, 1995 in order for the contract to be advertised. These projects are on the critical path for training realignments, therefore, any delays will result in fleet training readiness impacts on a day for day basis.

DUNCAN HOLADAY
Deputy Assistant Secretary
(Installations and Facilities)

Copy to:
NAVINSGEN
NAVCOMPT (NCB-53)

TAB A - DON Response to Draft Quick-Reaction Audit Report

DEPARTMENT OF THE NAVY RESPONSE
TO
DODIG QUICK-REACTION REPORT
ON THE AUDIT
OF
DEFENSE BASE REALIGNMENT AND CLOSURE BUDGET DATA FOR NAVAL TRAINING CENTER ORLANDO, FLORIDA, AND NAVAL TRAINING CENTER SAN DIEGO, CALIFORNIA
(PROJECT 4CG-5008.22)

Executive Summary

The overall audit objective was to determine the accuracy of Defense base realignment and closure military construction budget data. This report provides the audit results of 19 base realignment and closure projects. Of the 19 base realignment and closure projects, 18 projects, valued at $104.9 million, are associated with the realignment of the Service School Command and Recruit Training Command from NTC, Orlando, Florida, and NTC San Diego, California, to NTC Great Lakes, Illinois and Naval Air Station, Pensacola, Florida. One project is associated with the realignment of Naval Education and Training Center (NETC) Newport, Rhode Island.

Five projects valued at $1.4M were found to be valid. Eight projects valued at $44.1 million were found to be partially valid. DODIG cites six projects valued at $59.9 million as invalid.

The audit was conducted during the period May to October 1994. The DODIG forwarded a quick-reaction report on January 1995. The draft DOD IG audit report primarily targets baseline planning figures claiming they were overstated and not accurately determined. Consequently, the audit recommends reduction or deletion of over $72M of funding for 14 construction projects.

The basis of all planning for the BRAC program is the expected Average on Board (AOB) recruit and student population after migration and closure of NTCs Orlando and San Diego. Average on Board is calculated as the Annual Input (AI) times the duration in days (DD) of the training divided by 365 days per year. Thus AOB is expressed as:

AOB = (AI x DD)/365 (for messing and berthing purposes only) For NTC Great Lakes, the planning figures used were based on latest information available (FY 1994) for recruits and students (AOB with a 20% surge factor) which were:

Recruits:10,601
Students:7,100

Another distinction is necessary concerning loading figures used during the development of these projects. Recruits and students do not enter Great Lakes or the Navy at a fixed rate. Training commands, including RTC have been directed by OPNAV (N7) to plan for their predicted requirements plus a 20% surge. The level of fluctuation experienced for 1994 exceeded 64%. This fluctuation is based on the recruitment of about 50% of the Navy's recruits during the four summer months (two cycles of 25%), and 50% during the remaining eight months (four cycles of 12.5%). This recruiting cycle passes through the "A" schools in roughly the same proportion and is illustrated in the attached graph and Student Data table.

The actual number of recruits processed during the surge period of 1994 exceeded planning figures as the first test of the projected loading after the closure of Recruit Training Commands in San Diego and Orlando.

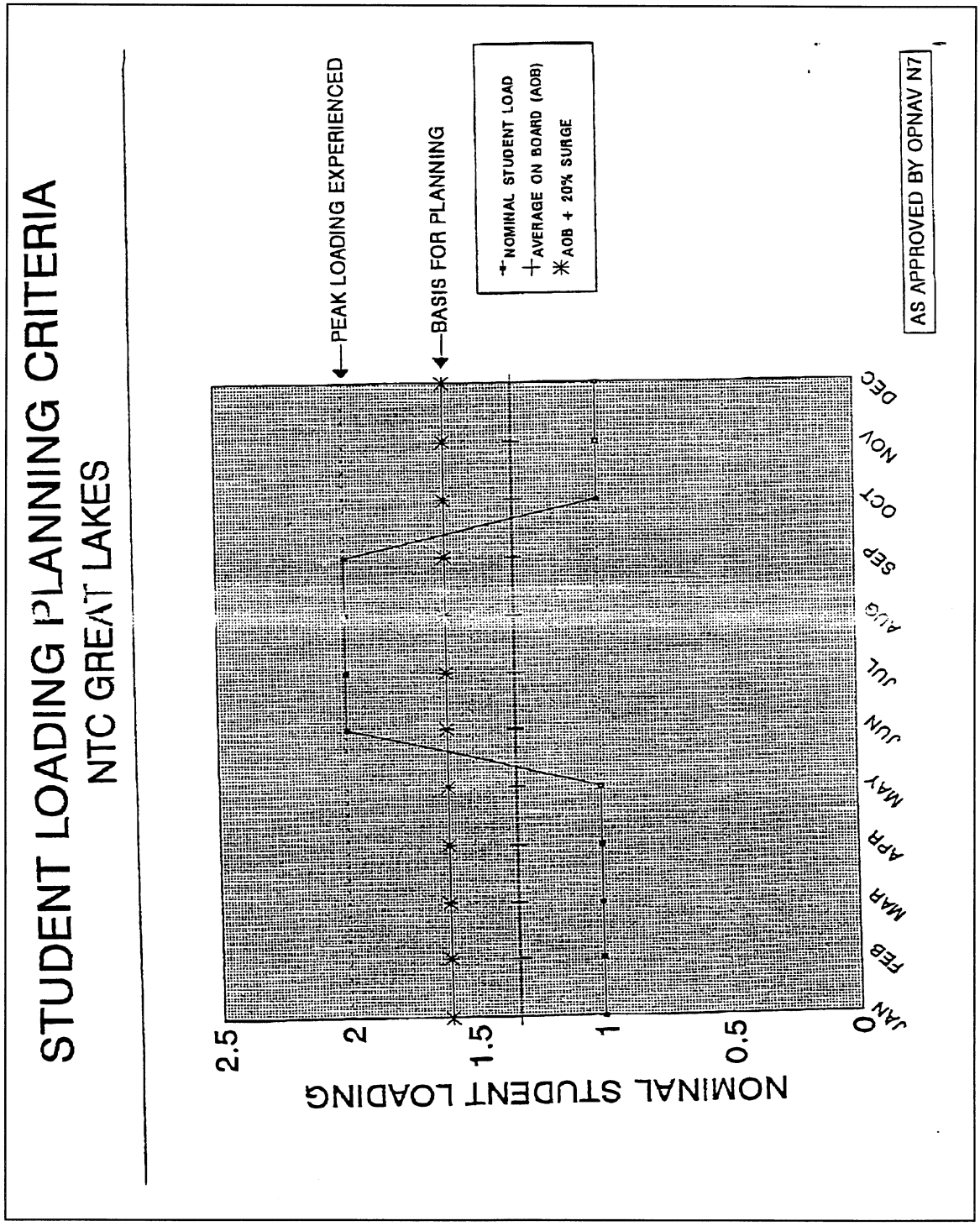
The NTC decision to use student loading plus a 20% surge factor was based on OPNAV's FY 1995 objective to limit the fluctuation to 20%. The fact that recruiting peaks just after high school graduation makes level loading impossible. Thus the 20% figure for AOB is conservative and remains OPNAV official policy. A copy of the policy letter explaining the CNET accessions plan is attached.

The training pipeline is not 100% efficient because students arrive earlier than the class start dates, personnel get sick, transfer orders are late; completion dates and follow-on course start dates are not perfectly matched. This results in supernumeraries, students who are not in class. Historically, the number of students in supernumerary status [Awaiting Transfer (AT), Awaiting Instruction (AI), Interrupted Instruction (II)] has varied from 15% to 23% of the student population. The Navy Information Training Resource Analysis System (NITRAS) data does not address either student load fluctuation or supernumerary numbers.

In developing the BRAC program for Great Lakes, gaps in the training pipeline which would not impact fleet readiness were established during the initial Surface Migration Team planning meetings. These gaps were reviewed by all parties involved (CNET(T23), BUPERS(22/40), EPMAC and the Systems Commands) and approved by the Chief of Naval Operations.

Based upon these approved training gaps, Beneficial Occupancy Dates (BOD's) and Readiness For Training Dates(RFTDs) were established for completion of the training facilities at Great Lakes and closure dates for losing activities were approved. Subsequently, these losing activities have over the past 18 months substantially

executed closure plans and have gone beyond the point of no return. Wide-scale drawdown in staff personnel, excessing of capital equipment, deactivation of facilities and real property (land) disposal processes have been initiated. NTC Great Lakes has already begun the execution phase of its construction program to support single site training of all Navy recruits and expanded apprentice and journeyman training.


STUDENT LOADING PLANNING CRITERIA
NTC GREAT LAKES
PEAK LOADING EXPERIENCED
BASIS FOR PLANNING
NOMINAL STUDENT LOAD
AVERAGE ON BOARD (AOB)
AOB + 20% SURGE
AS APPROVED BY OPNAV N7
NOMINAL STUDENT LOADING
2.5
2
1.5
1
0.5
0
JAN
FEB
MAR
APR
MAY
JUN
JUL
AUG
SEP
OCT
NOV
DEC

Great Lakes Student Data
(for period 10/93-9/94)

RECRUIT	Plan	Actual	AOB	Monthly Peak	Range	% Peak of AOB
Great Lakes	37305	35853	5555	9004	(3435-9004)	162%
San Diego	0	3389	293	2575	(0-2575)	XXXX
Orlando	18668	19437	3583	4333	(3242-4333)	121%
TOTAL	55973	58679	9431	12766	(Aug '94)	135%

APPRENTICE	Plan	Actual	AOB	Monthly Peak	Range	% Peak of AOB
Great Lakes	16436	12121	848	1771	(465-1770)	208%
San Diego	1280	1942	157	808	(0-808)	XXXX
Orlando	7044	5896	438	702	(209-702)	160%
TOTAL	24760	19959	1443	2062	(Sept '94)	143%

"A" SCHOOLS	Plan	Actual	AOB	Monthly Peak	Range	% Peak of AOB
Great Lakes	6649	5293	2212	2869	(1623-2869)	130%
San Diego	4000	3818	1078	1188	(979-1188)	110%
Orlando	2315	1943	372	546	(152-546)	147%
TOTAL	13764	11054	3662	4286	(Nov '93)	117%

DEPARTMENT OF THE NAVY
CHIEF OF NAVAL EDUCATION AND TRAINING
250 DALLAS ST
PENSACOLA FLORIDA 32508-5220

1133
Ser T2421/0648
20 DEC 1994

From: Chief of Naval Education and Training
To: Chief of Naval Personnel (Pers-2)

Subj: FY95 RECRUIT TRAINING ACCESSION PLAN

Ref: (a) CHNAVPERS ltr 1133 Ser 222C/199 of 27 Sep 94
(b) PHONECON3 BUPERS (PERS-22) LCDR Thomlison/CNET T242 Dr. Schile of 3 Nov 94
(c) PHONECON BUPERS (PERS-22) LCDR Thomlison/CNET (T24211) Ms. Webb of 17 Nov 94

Encl: (1) FY95 Accession Implementation Plan with Monthly Average Onboard (AOB) Recruit Population of 2 Nov 94

(2) Modified FY95 Accession Implementation Plan with Monthly Average Onboard (AOB) Recruit Population of 9 Dec 94

1. Reference (a) is a Pers-22 revision of FY95 enlisted recruiting goals and policies addressed to Commander, Navy Recruiting Command (COMNAVCRUITCOM), copy to Chief of Naval Education and Training (CNET). Projected monthly average onboard recruit populations that exceed Recruit Training Command (RTC) Great Lakes berthing capacity and company commander billets authorized were discussed during references (b) and (c).

2. The FY95 Accession Implementation Plan with monthly AOB recruit population, enclosure (1), shows the AOB resulting from the implementation plan provided by reference (a). Enclosure (2) is a monthly AOB recruit population spreadsheet for FY95 modified not to exceed RTC Great Lakes' berthing and manning capacity for Recruit Training. Berthing capacity equals eleven barracks times twelve compartments per barracks times 84 recruits per compartment; 11,088 recruits. The 11,088 recruits comprise 132 recruit companies which is consistent with current RTC Great Lakes company commander billets authorized (BA).

3. Enclosures (1) and (2) were generated using Quattro Pro software. The total time onboard for each company is nine weeks and two days. This includes time for the new curriculum, service week and two observed holidays. The total time onboard for each company would be eight weeks, two days if a decision is made to contract service week.

4. The projected monthly AOB recruit population is computed by adding the current month's and the previous month's recruit

Subj: FY95 RECRUIT TRAINING ACCESSION PLAN

accession input to .1455 times the recruit accession input of two month's prior to the current month.

5. Specific monthly AOB recruit population computations:

a. Recruits are in Recruit Training for two full months and a portion of a third month.

b. Each month has 4.33 weeks (52 weeks per year divided by 12 months per year equals 4.33 weeks per month).

c. The new RTC curriculum is 9.2857 weeks long (i.e. 9 weeks and 2 days; 2 days divided by 7 days per week equals .2857 weeks).

d. The portion of the third month in weeks, 9.2857 weeks minus 8.66 weeks, is 0.6257 weeks.

e. .6257 weeks divided by 4.33 weeks per month equals .1455 months, i.e. the portion of the third month recruits are onboard RTC.

6. The projected monthly AOB is a capacity planning estimate that varies from an actual onboard count due to fluctuating company attrition and setback rates. However, these projected monthly AOB computations are reliable for determining barthing space and recruit company commander requirements at the single-site recruit training facility.

7. As shown in enclosure (1), the AOB is in excess of RTC barthing capacity and company commander billets authorized during July, August and September 1995. As discussed during references (b) and (c), request rephasing of monthly input as shown in enclosure (2).

8. CNET point of contact is CDR K. C. Sapp, DSN 922-4911, commercial (904) 452-4911.

R E Th

Rear Admiral, U.S. Navy
Vice CNET

Copy to:
CNO (N71J)
COMNAVCRUITCOM (CNRC 222/23)
NTC Great Lakes
NAVCRUITRACOM Great Lakes

2

JAN-24-'95 TUE 10:35 ID:OPNAV N71C N71D N71K TEL NO:7036955698 DSN 225 #135 P01
01/09/95 11:47 ☎703 614 8302 PERS 22 ☑004

11/2/94
11/2/94

27 SEP 1994

FY-95 ACCESSION IMPLEMENTATION PLAN

TITLE	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
USN NPS	2979	3593	2395	2495	2492	2490	2391	2689	3582	3584	3584	3750	36024
USNR NPS	829	829	909	1037	1037	1037	1037	1037	1557	1557	1557	1553	13976
TOTAL MPN ACCESSIONS	3808	4422	3304	3532	3529	3527	3428	3726	5139	5141	5141	5303	50000
MINIMUM NPS FEMALES	849	849	566	566	566	566	566	566	849	849	850	848	8490
TEP	49	69	74	74	74	75	128	128	128	128	128	130	1185
MINIMUM TEP FEMALES	20	28	30	30	30	31	52	52	52	52	52	53	482
TOTAL CNRC ACCESSIONS	3857	4491	3378	3606	3603	3602	3556	3854	5267	5269	5269	5433	51185
AOD AT 9.2	10513	9185	8430	7637	7700	7730	7682	7934	9638	11097	11304	11469	

OPTIONAL FORM 89 (7-90)
FAX TRANSMITTAL
# of pages ▸ 2
To Diane Burke
Dept/Agency NAVPAC
Fax # 325-0979
From Dr. Iden
Phone # 697-3253
Fax # 695-5698
NSN 7540-01-317-7368 5089-101 GENERAL SERVICES ADMINISTRATION

JAN-24-'95 TUE 10:32 ID:OPNAV N71C N71D N71K TEL NO:7036955698 DSN 225 #134 P01 005

01/09/95 11:48 703 614 6502 PERS 22

Enclosure [1]

12/9/94

12/9/94

FY95 ACCESSION IMPLEMENTATION PLAN

27 SEP 1994 MODIFIED

TITLE	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
USN NPS	2979	3591	2395	2415	2492	[illegible]	2591	2689	3582	3584	3584	3750	36081
USNR NPS	829	829	909	1037	1037	1037	1037	1037	1557	1557	1557	1553	13975
TOTAL MPN ACCESSIONS	3808	4422	3304	3532	3529	3527	3478	3726	5139	5141	5141	5303	50001
MINIMUM NPS FEMALES	849	849	566	565	566	566	566	566	849	849	850	848	8490
TEP	49	69	74	74	74	75	128	128	128	128	128	130	1181
MINIMUM TEP FEMALES	20	28	34	34	30	31	32	32	52	52	52	53	482
TOTAL CNRC ACCESSIONS	3857	4491	3378	3604	3603	3611	3766	4050	5245	5354	5078	5253	51185
AOB AT 9.2	10513	9185	8430	7637	7703	7729	7901	8311	9643	11088	11088	11088	

FY93 ACCESSIONS — 12 MONTHS OF ACTUALS

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
TOTALS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USN NPS	3,178	3,148	3,235	3,324	4,344	4,548	3,741	3,062	5,771	5,578	5,108	4,108	49,744
male	2,745	2,745	2,832	2,814	4,311	4,102	3,190	2,525	5,000	4,813	4,342	3,336	42,753
female	433	403	401	510	533	546	551	537	[illegible]	[illegible]	[illegible]	[illegible]	6,991
2 YO	768	786	708										12,890
male	738	752	768										11,890
female	27	28	29										710
3 YO	0	0	0										0
male	0	0	0										0
female	0	0	0										0
TARs	81	47	43										890
male	66	32	28										374
female	15	15	15										222
SAM I	196	218	182										2,582
male	152	178	125	170	158	151	179	229	211	211	158	154	2,091
female	24	30	30	24	36	42	43	45	61	17	13	14	379
SAM II	8	12	7	9	22	26	33	2	3	0	0	0	122
PS	3	3	2	5	0	2	2	2	1	3	1	0	24

OPTIONAL FORM 99 (7-90)

FAX TRANSMITTAL

# of pages ▸ 4

To: Diane Burke

Dept./Agency: NAVFAC

Fax #: (703) 325-0979

From: Dr. Jan

Phone #: (703) 697-3253

Fax #: (703) 695-5658

NSN 7540-01-317-7368 5099-101 GENERAL SERVICES ADMINISTRATION

BUDGET PLAN (OSD)

FY94

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
TOTALS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USN NPS	2,702	3,004	2,773	3,042	2,678	2,702	2,208	2,409	3,829	3,739	3,444	3,550	35,959
male	2,377	2,683	2,447	2,728	2,353	2,104	1,682	1,714	2,045	2,174	2,826	3,071	30,064
female	325	321	326	334	325	598	524	695	584	525	618	479	5,895
2 YO	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	2,217
male	23	14	2	0	188	173	78	78	257	252	257	598	[illegible]
female	13	7	3	3	28	28	28	28	38	38	29	29	275
3 YO	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	1,693	15,851
male	578	1,017	1,082	[illegible]	391	[illegible]	[illegible]	457	[illegible]	[illegible]	[illegible]	[illegible]	12,707
female	134	135	143	140	140	143	215	212	264	279	214	214	[illegible]
TARs	98	94	94	95	95	95	95	85	65	88	65	61	725
male	60	38	37	38	38	38	38	35	35	38	39	33	380
female	28	28	27	28	28	28	25	28	28	27	26	28	316
SAM I	179	200	180	218	198	208	181	259	280	240	181	144	2,400
male	156	158	181	181	172	171	157	222	209	202	120	117	2,016
female	23	42	14	37	23	37	24	37	51	38	31	27	384
SAM II	0	0	0	0	0	0	0	0	0	0	0	0	0
PS	5	5	4	1	2	3	5	6	6	4	0	0	41

56.+

BUDGET PLAN (OSD)

FY95

	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
TOTALS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
USN NPS	3,590	3,597	2,388	2,397	2,393	2,390	2,390	2,388	3,587	3,584	3,586	3,722	38,006
male	3,003	3,020	2,015	2,014	2,010	2,007	2,007	2,005	2,006	3,007	3,007	3,141	30,241
female	577	577	383	383	383	383	383	383	577	577	577	581	5,764
2 YO	0	0	0	0	0	0	0	0	0	0	0	0	0
male	0	0	0	0	0	0	0	0	0	0	0	0	0
female	0	0	0	0	0	0	0	0	0	0	0	0	0
3 YO	729	829	1,018	1,037	1,037	1,037	1,037	1,037	1,557	1,557	1,557	1,582	13,976
male	457	557	837	855	855	855	855	855	1,285	1,285	1,284	1,285	11,260
female	272	272	182	182	182	182	182	182	272	272	273	273	2,726
TARs	72	71	67	68	72	69	106	133	133	138	138	123	1,138
male	42	41	37	38	42	39	76	79	76	79	79	76	704
female	30	30	30	30	30	30	30	54	57	57	57	47	442
SAM I	0	0	0	0	0	0	0	0	0	0	0	0	0
male	0	0	0	0	0	0	0	0	0	0	0	0	0
female	0	0	0	0	0	0	0	0	0	0	0	0	0
SAM II	0	0	0	0	0	0	0	0	0	0	0	0	0
PS	0	0	200	200	200	200	200	200	200	200	200	200	2,000

55.1

BUDGET PLAN (OSD)													
FY36													
TOTALS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
USN NPS	2,700	2,715	1,521	2,417	2,360	2,350	2,344	2,338	3,575	4,488	4,482	4,375	35,875
male	2,193	2,193	1,280	2,030	2,024	2,014	2,008	2,002	2,996	3,762	3,786	3,643	29,911
female	507	522	241	387	336	336	336	336	579	726	726	732	5,764
2 YO	0	0	0	0	0	0	0	0	0	0	0	0	0
male	0	0	0	0	0	0	0	0	0	0	0	0	0
female	0	0	0	0	0	0	0	0	0	0	0	0	0
3 YO	970	970	745	1,197	1,187	1,187	1,187	2,073	1,780	2,230	2,230	2,244	17,990
male	788	788	605	955	955	955	955	1,685	1,447	1,812	1,812	1,823	14,620
female	182	182	140	222	222	222	222	388	333	418	418	421	3,370
TARs	123	118	118	118	118	118	177	177	172	172	172	171	1,754
male	102	97	97	97	97	97	147	147	142	142	142	147	1,454
female	21	21	21	21	21	21	30	30	30	30	30	24	300
SAM I	0	0	0	0	0	0	0	0	0	0	0	0	0
male	0	0	0	0	0	0	0	0	0	0	0	0	0
female	0	0	0	0	0	0	0	0	0	0	0	0	0
SAM II	0	0	0	0	0	0	0	0	0	0	0	0	0
PS	21	21	107	169	221	221	221	221	169	213	212	203	2,000

BUDGET PLAN (OSD)													
FY37													
TOTALS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
USN NPS	2,641	2,649	1,464	2,406	2,402	2,396	2,393	2,391	3,579	4,507	4,504	4,475	35,206
male	2,214	2,222	1,231	2,023	2,019	2,012	2,010	2,008	3,002	3,780	3,777	3,743	30,041
female	427	427	233	383	383	383	383	383	577	727	727	732	5,165
2 YO	0	0	0	0	0	0	0	0	0	0	0	0	0
male	0	0	0	0	0	0	0	0	0	0	0	0	0
female	0	0	0	0	0	0	0	0	0	0	0	0	0
3 YO	1,205	1,205	755	1,192	1,192	1,192	1,192	1,192	1,207	2,276	2,278	2,268	17,390
male	1,077	1,077	593	961	961	961	961	961	1,457	1,836	1,836	1,828	14,509
female	258	258	142	231	231	231	231	231	350	440	440	438	3,431
TARs	0	0	0	0	0	0	0	0	397	398	398	395	1,584
male	0	0	0	0	0	0	0	0	321	320	320	323	1,284
female	0	0	0	0	0	0	0	0	75	78	78	72	300
SAM I	0	0	0	0	0	0	0	0	0	0	0	0	0
male	0	0	0	0	0	0	0	0	0	0	0	0	0
female	0	0	0	0	0	0	0	0	0	0	0	0	0
SAM II	0	0	0	0	0	0	0	0	0	0	0	0	0
PS	21	21	107	169	221	221	221	221	169	213	213	203	2,000

BUDGET PLAN (OSD)													
FY38													
TOTALS	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	TOTAL
USN NPS	2,640	2,621	1,445	2,309	2,342	2,369	2,375	2,379	3,576	4,503	4,507	4,588	35,634
male	2,212	2,204	1,212	1,928	1,979	1,986	1,983	1,996	2,999	3,776	3,780	3,866	29,918
female	428	427	233	383	383	383	383	383	577	727	727	732	5,766
2 YO	0	0	0	0	0	0	0	0	0	0	0	0	0
male	0	0	0	0	0	0	0	0	0	0	0	0	0
female	0	0	0	0	0	0	0	0	0	0	0	0	0
3 YO	1,232	1,230	735	1,202	1,202	1,202	1,202	1,202	1,801	2,270	2,270	2,247	17,990
male	1,058	1,056	630	955	955	955	955	955	1,430	1,803	1,803	1,782	14,287
female	274	274	180	247	247	247	247	247	371	467	467	465	3,703
TARs	155	154	154	155	152	154	154	154	154	154	154	157	1,851
male	130	129	129	130	127	129	129	129	129	129	129	132	1,551
female	25	25	25	25	25	25	25	25	25	25	25	25	300
SAM I	0	0	0	0	0	0	0	0	0	0	0	0	0
male	0	0	0	0	0	0	0	0	0	0	0	0	0
female	0	0	0	0	0	0	0	0	0	0	0	0	0
SAM II	0	0	0	0	0	0	0	0	0	0	0	0	0
PS	21	21	167	167	240	240	241	241	167	107	167	161	2,000

Project P-515T, "Small Arms Range"

Recommendation 1. We recommend that the Under Secretary of Defense (Comptroller):

a. Adjust the funding in the Navy's FYs 1994 and 1995 base realignment and closure budget for Naval Training Center Great Lakes, Illinois, as follows:

(1) Delete funds for project P-515T, "Small Arms Range," in the amount of $4,600,000.

Project No.: P-515
Description: Small Arms Range
Location: Recruit Training Command, Great Lakes, Illinois

Department of the Navy response:

Do not concur. The NAVFAC P-80 provides guidance for the development of a generic small arms range on a generic base. The P-80 does not address the special training requirements nor the high safety standards associated with training recruits. Safe and efficient small arms training requirements in the remaining RTC require a daily throughput of 672 students, averaging 5.5 hours per student in a range that is 75 feet to the target line. This is a 100% growth over the capacity of the existing range which has inherent safety issues. Total training time required to train the 672 recruits each day is as follows: (of which 8.4 hours is specifically required to be conducted in the range for live fire).

Transit Time	30 Minutes
Training Record Review	30 Minutes
Classroom	40 Minutes
Dry Fire Demo/Range Safety Review	60 Minutes
Dry Fire	80 Minutes
Live Fire	8.4 Hours
TOTAL TIME	12.4 Hours

The time requirement for live fire is calculated based on 20 shooting positions at the existing range necessitating 34 firing cycles of 15 minutes each to complete training for each of the 672 trainees. Recruits currently waste valuable training time waiting for an available shooting position. This contributes to an inefficient training day. The 40 position shooting range will require only 17 cycles to complete the throughput. This will shorten the training day at the range from 12.4 hours to 8.4 hours, thus allowing additional company training to occur.

Existing classroom space is not available in other training facilities for the classroom portions of the Small Arms Range training event. Experience during the summer months of 1994 is that trainee population during peak recruiting periods exceeded the capacity of existing classrooms. NTC Great Lakes can not implement a training methodology similar to NTC Orlando without constructing additional classroom facilities.

A critical portion of the dry fire demonstration and practice includes vital range safety procedures. OPNAVINST 3591.C details specific safety precautions to be adhered to while conducting Small Arms Training. The cornerstone of these safety rules is that each weapon be treated as if it were loaded and that no weapon will be pointed at anything not intended to be fired upon. The conduct of dry fire training in a classroom off-range introduces significant safety concerns and unsafe practices to recruits, many of whom are handling a weapon for the very first time. The Navy believes strongly that range safety and dry fire training is technical vice academic and needs to be accomplished in the actual shooting environment.

The existing range was constructed in 1942 and is undergoing modification to correct significant NAVOSH deficiencies including replacement of bullet traps to reduce stray bullet hazards and improvements in ventilation to reduce the content of airborne lead contamination.

The distance from the shooting positions to the targets is 45 feet. This distance is not adequate to meet weapons qualification standards required by the fleet as contained in OPNAVINST 3591.1C. Standard firing distance for weapons is 75 feet, which is incorporated into the new range design.

Shorter shooting distance increases the concern for shooter safety resulting from back splatter from higher caliber .45 caliber and 9-MM pistol ammunition. Back splatter occurs when the bullet breaks apart upon impact with the trap; firing range experts assert that it can and will occur to some degree on all ranges. Shorter firing distances between the shooter and bullet trap increase the probability that broken pieces of the bullet and jacket material will reach the shooter at sufficient velocity to be dangerous.

In summary, the existing range is grossly undersized and as a facility, inadequate both in capacity and safety concerns to handle the current training requirement. The most economical solution is to construct a modern, properly sized facility.

Project P-550T, "Mess Hall Modernization"

Recommendation 1. We recommend that the Under Secretary of Defense (Comptroller):

a. Adjust the funding in the Navy's FYs 1994 and 1995 base realignment and closure budget for Naval Training Center Great Lakes, Illinois, as follows:

(2) Delete funds for project P-550T, "Mess Hall Modernization," in the amount of $2,800,000.

Recommendation 3. We recommend that the Comptroller of the Navy:

a. Do an accounting adjustment to Project P-550T "Mess Hall Modernization", deobligating $5,133,000.00 of FY 1992 military construction funds and obligate $5,133,000.00 of FY 1994 base realignment and closure military construction funds.

Project No: P-550T
Description: Mess Hall Modernization (Galley 928)
Location: Recruit Training Command, Great Lakes, Illinois

Department of the Navy response to recommendations 1.a (2) and 3. a:

Do not concur. This project is to reactivate Recruit Training Command (RTC) Galley 928 to accommodate the additional recruits arriving as a result of BRAC 93 decisions consolidating all recruit training into a single site.

Galley 928 was closed in 1979 since its capacity for feeding was no longer required; galley 1128 provided mess facilities for all RTC. A FY 1992 MILCON project was developed in 1988 to reactivate galley 928 to accommodate increased recruit loading. However, with BRAC III actions anticipated, a Navy decision was made to delay the MILCON project temporarily. When BRAC III actions were recommended in July of 1993, it was determined that RTC Great Lakes would realize an increased recruit loading resulting from the NTC Orlando and NTC San Diego closure. Revisions were made to the existing MILCON design to incorporate the additional BRAC loading which saved BRAC design funds and more importantly, helped expedite the design and construction schedules. This was achieved by combining the two program requirements into a single construction contract. This was a prudent Navy decision to minimize excess cost and redundancy of effort.

The reactivation and modernization of this galley is now required since the population projections for Recruit Training Command swing from a low of approximately 7,300 in

January to a high of 13,400 from July to December time frames. Due to extreme time constraints it was necessary to expedite the planning process for the galley reactivation. Subsequently, a decision was made in conjunction with NAVCOMPT, NAVFACENGCOM and CNET, to use the design and planning material previously developed for the FY 1992 MILCON project. Since the reactivation of this galley was previously identified as a MILCON project and considered a pre-existing condition NAVCOMPT negotiated a $7,000,000 (MILCON)/ $8,000,000 (BRAC) split and the project was funded in this manner. We believe that the pre-existing condition warranted conjunctive funding. Thus, deobligation of FY 1992 MILCON funds is not warranted.

We disagree with the draft audit report concerning the total project cost. Our funding requirement for P550T and P-550 was $12.64 million ($5.89 milion FY 1992 MILCON and $6.75 million FY 94 BRAC III). This realized a savings of $2.36 million, not $2.8 million cited. DD Form 1391s are utilized as programming documents, not obligation documents. There is no requirement to change 1391s after contract award. It must be recognized that programming amounts are estimates. Therefore, some projects are awarded for more and some for less than the programmed amounts. Of the $2.36 million difference, $1.25 million in BRAC funds were put to other use within the Navy's BRAC 93 program. The remaining $1.11 million was put to better use in the Navy's FY 1992 MILCON program.

Three Projects to Provide Training Space from Renovation of Building 2B

Recommendation 1. We recommend that the Under Secretary of Defense (Comptroller):

a. Adjust the funding in the Navy's FY 1994 and 1995 base realignment and closure budget for the Naval Training Center Great Lakes, Illinois as follows:

(3) Reduce funds for project P-581T, "Jobs Oriented Basic Skills, Instructor Training and Navy Leadership Training" in the amount of $688,557.

(7) Reduce funds for project P-593T, Data Processing "A" School, by $227,507.

(8) Reduce funds for project P-598T, Radioman "A" and "C" School, by $1,097,263.

b. Suspend the funding in the Navy's FY 1994 and 1995 base realignment and closure military construction budget for Naval Training Center Great Lakes for the following:

(2) Project P-581T "Jobs Oriented Basic Skills, Instructor Training and Navy Leadership Training" in the amount of $2,561,443 until the Commander, Naval Facilities Engineering Command provides a revised DD Form 1391, the cost of which reflect a more economical utilization of Building 2B that would not include gutting Building 2B.

(5) Project P-593T, Data Processing "A" School, in the amount of $822,493, until the Commander, Naval Facilities Engineering Command provides a revised DD Form 1391, the cost of which reflect a more economical utilization of Building 2B that would not include gutting Building 2B.

(8) Project P-598T, Radioman "A" and "C" School, in the amount of $4,052,737, until the Commander, Naval Facilities Engineering Command provides a revised DD Form 1391, the cost of which reflect a more economical utilization of Building 2B that would not include gutting Building 2B.

Recommendation 4. We recommend that the Commander, Naval Facilities Engineering Command:

b. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-581T "Jobs Oriented Basic Skills, Instructor Training and Navy Leadership Training" excluding unsupported requirements and non-base realignment and closure requirements and accounting for the most economical utilization of building 2B at Naval Training Center Great Lakes, Illinois.

e. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-593T "Data Processing 'A' School," excluding unsupported requirements and non-base realignment and closure requirements and accounting for the most economical utilization of building 2B at Naval Training Center Great Lakes, Illinois.

h. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-593T "Radioman 'A' and 'C' School," excluding unsupported requirements and non-base realignment and closure requirements and accounting for the most economical utilization of building 2B at Naval Training Center Great Lakes, Illinois.

Project No: P-581T, P-593T, P-598T
Description: JOBS/CC/IT/NAVLEAD, DP "A", RM "A" & "C"
Location: Naval Training Center, Great Lakes, Illinois

Department of the Navy Response to recommendations 1.a (3), (7), (8), 1. b(2), (5), (8), and 4.b, e, h:

Do not concur. Building 2B was selected for renovation after carefully evaluating all options. This building most closely matched the requirements for these three projects in terms of size. Complete renovation of the building's systems (roof, electrical, HVAC, etc) was considered essential and the minimum possible work to deliver a complete and usable facility.

We agree that the total area allowed for these projects is 80,530 sf vice the 95,213 sf contained in building 2B. However, we believe it is a greater economy of scale to renovate complete systems inside 2B rather than try to exclude those portions of the building that are greater than the allowed. Due to the nature of the work contained in these projects, partial removal of asbestos and lead paint would be difficult to accomplish and ultimately cost more than complete removal. This is borne out by the type of handling procedures required. Completely segregating the facility provides an easier methodology than limiting the work. The contractor would also not be required to establish and protect the boundary between the "cleaned areas" and the those where possibly friable and air borne contaminates reside.

Prior to any costing for the BRAC 93 Great Lakes Proposal, CNET, and NAVFACENGCOM agreed in principle to develop projects that would completely renovate the facility where BRAC would occupy most, but not all, of the available square footage. Renovation would be linked to all building systems and spaces required in order to have a complete and useable facility. This meant that items essential to the buildings operation and safety such as HVAC, roofing, electrical, plumbing and asbestos/lead paint abatement would

be completed for the entire building.

Following this principle, the current plan to renovate all of Building 2B will provide a complete and usable facility that is configured to support the modern technical and academic training required of each of the three schools slated for occupancy. Instructor manning and training equipment and curriculums have been developed which require specific facilities. These construction projects have been developed to maximize utilization of both instructors and equipment. The existing configuration does not match Navy requirements. Our plan includes the following work for the entire building:

Demolition of all: asbestos plaster walls and floors, old HVAC system, and old electrical system; lead paint removal.

Construction, to include: HVAC, windows, unfinished walls and floors, and electrical systems. We intend to finish out only those spaces necessary to support BRAC moves.

We agree with the draft audit report that the 10% contingency factor utilized on the original 1391 for P-581T is incorrect. It had already been revised to 5% on the 1391 dated 26 May 1994. Based on the recommendation, funds will be removed from project and reprogrammed to other supported and unfunded base realignment and closure military construction projects.

In summary, we feel the most cost effective solution is to renovate the entire building. Capping off, severing, re-routing, and walling off utilities to those areas in excess of the authorized scope is inefficient. Costs would be greater than the complete renovation proposed. This project is 100 percent designed and currently in the bidding process. It is a critical project to the migration plan and any delay in award to redesign would have significant cost and delay impact to the total migration plan. Additionally, redesign would cost more than any savings could achieve and result in unacceptable interruption and impact to fleet readiness. These projects are part of two proposed contracts that directly impact NTC Great Lakes ability to meet the closure deadlines. Therefore, any delays will have a significant impact on fleet training readiness.

Project P-595T "MR 'A' and 'C' School"

Recommendation 1. We recommend that the Under Secretary of Defense (Comptroller):

b.Suspend the funding in the Navy's FY 1994 and 1995 base realignment and closure military construction budget for Naval Training Center Great Lakes for the following:

(6) Project P-595T, "Machinery Repair 'A' and 'C' School, in the amount of $814,200, until the Commander, Naval Facilities Engineering Command provides a revised DD Form 1391 with adequate supporting documentation for the requirement and costs associated providing classroom and high bay laboratory space for the Machinery "A" and "C" school.

Recommendation 4. We recommend that the Commander, Naval Facilities Engineering Command:

f. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-595T, "Machinery Repair "A" and "C" School". The revised DD Form 1391 should consider maximizing the use of existing classroom space through more efficient scheduling of schools.

Project No. P-595T
Description: MR A" and "C" Schools
Location: Great Lakes Naval Training Center, Great Lakes IL.

Department of the Navy response to recommendations 1. b (6) and 4. f:

Do not concur. MR "A" School has a projected throughput of 329 trainees, 14 classes convenings per year at 74 days per class, with an average on board of 68 (FY-96 MCRF). This will require all five classrooms to be fully utilized for the entire 250 calendar training days. MR "C" School has a projected throughput of 354 trainees. It encompasses five courses with four of them convening seven times a year at an average course length of 47 days and one course convening five times a year with a 53 day course length with an average onboard of 79 trainees. This requires use of five dedicated classrooms.

Both the "A" and "C" schools require dedicated classrooms and laboratory equipment to support student projects. The current plan provides the minimum area necessary to effectively carry out the training. Each school has dedicated training equipment that is required to be in the classroom to illustrate work in progress such as milling techniques. These items are bulky, not easily transportable and often remain in the classroom for long

periods of time. Students daily refer to these devices to learn the required material. Students are also required to precisely set their individual stock metal pieces in their assigned laboratory equipment. Removal of the work from the milling machine is only done when the project is completed, usually after several days or weeks. As an example, "A" school students must achieve tolerances ranging from + or - 1/64th of an inch in length measurements, and + or - 0.002 inches for turned diameter pieces. Since precision of work is a course requirement, students could not effectively remove the work from the machine and reset it prior to each class. It is impossible to duplicate the precision required when the material is reset each day. This precludes sharing of classrooms or high bay laboratory space as suggested by the audit. Additionally, Both "A" and "C" school courses are in session concurrently, thereby further eliminating sharing.

The use of high bay facilities off-base for the training of military members has never been a viable option for MR "A" and "C" Schools. The possibility of utilizing off base facilities applied to discussions about PM/ML Schools only.

Due to PM/ML project cancellation (Chief of Naval Operations-N-869, Ser N869/4U653316 DTD 13 October 1994) DOD IG recommendation of co-utilizing classrooms is no longer an option. Regarding co-utilization of classroom spaces by MR school students with another school- classroom work in the MR "A" and "C" schools is rate and technical training specific. This item was mentioned in "Other Matters of Interest".

In summary, construction of a new facility to support this new school is required and valid as currently planned.

Project P-596T "PM/ML School"Project P-596T "PM/ML School"
Project P-596T PM/ML School

Recommendation 1. We recommend that the Under Secretary of Defense (Comptroller):

b.Suspend the funding in the Navy's FY 1994 and 1995 base realignment and closure military construction budget for Naval Training Center Great Lakes for the following:

(7) Project P-596T "Pattern Maker/Molder "A" and "C" School", in the amount of $262,318, until the Commander, Naval Facilities Engineering Command, provides a revised D Form 1391 with adequate supporting documentation for the requirement and cost associated with providing classroom and high bay laboratory space for the Pattern Maker/Molder "A" and "C" School.

Recommendation 4. We recommend that the Commander, Naval Facilities Engineering Command:

g. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-596T, "Pattern Maker/Molder "A" and "C" School". The revised DD Form 1391 should consider maximizing the use of existing classroom space through more efficient scheduling of schools.

Project No. P596T
Description: Pattern Maker/Molder "A" and "C" School
Location: Great Lakes Naval Training Center, Great Lakes IL.

Department of the Navy response to recommendations 1. b (7) and 4. g:

Concur. Independent of this audit, the project was canceled by CNO on 13 October 1994. CNO directed discontinuation of planning for the move of Patternmaker (PM) and Molder (ML) "A" and "C" School from San Diego to Great Lakes as originally directed by the Base Realignment and Closure (BRAC) Commission. This decision resulted in downsizing the new facility to accommodate just the requirements of MR "A" and "C" Schools. The $4.7M was removed from project P-596T and reprogrammed to other supported and unfunded base realignment and closure military construction projects.

Project P-599T "New Bachelor Enlisted Quarters"

Recommendation 1. We recommend that the Under Secretary of Defense (Comptroller):

a. adjust the funding in the Navy's FY 1994 and FY 1995 base realignment and closure budget for Naval Training Center Great Lakes.

(9) Delete funds for project P-599T, "Construction of New Bachelor Enlisted Quarters," in the amount of $42,500,000.

Project No: P-599T
Description: Bachelor Enlisted Quarters
Location: Naval Training Center, Great Lakes, Illinois

Department of the Navy response:

Do not concur. We disagree with the audit report concerning project scope. The draft report states that the original project was intended to berth 200 "C" school students paygrades E-1 to E-4 and 398 "C" school students grades E-5 to E-6. However, the current scope contained on the 1391 dated 15 December 1994 (attached) will construct quarters to berth 182 "C" school students grades E-1 to E-4 and 364 "C" school students grades E-5 to E-6.

We disagree with the audit report concerning calculation of the average on board student population. Projected loading results in a severe deficit of bachelor enlisted berthing for all paygrades.

We agree that NTC utilized the Navy Information Training Resource Analysis System (NITRAS) to compute annual student loading for "A" school, and "C" school populations and applied surge factor of 20% to determine total projected berthing requirements. This is in keeping with OPNAV (N7) guidance. In planning for P-599T, NTC analyzed the data from the June 1993 Final Determination of Bachelor Housing Requirements (report R-19). These figures indicate a severe shortage of berthing spaces for all paygrades. The attached spreadsheet from the June 1993 R-19 illustrates these shortages. In planning for the expected loading, NTC developed the attached berthing plan which shows all 31 BEQs in use. Therefore, there were no other alternatives except new construction.

As is the case for all student populations, the loading fluctuates throughout the year. We do not agree with the finding that NTC Great Lakes "inappropriately increased the average on-board student populations of "A" School by a surge factor of 20 percent and increased the average on-board student population of "C" School by a factor of 23

surge factor of 20 percent and increased the average on-board student population of "C" School by a factor of 23 percent." Seasonal fluctuation is recognized by the OPNAV staff and has been directed to be included in planning figures. The attached chart illustrates the seasonal fluctuation. The attached letter also states OPNAV policy to use 20% surge factor for all planning figures.

Additionally, the training pipeline is not 100% efficient because students arrive earlier than the class start dates; personnel get sick; transfer orders are late; completion dates and follow-on course start dates are not perfectly matched. This results in supernumeraries, students who are not in class. Historically, the number of students in supernumerary status [Awaiting Transfer (AT), Awaiting Instruction (AI), Interrupted Instruction (II)] has varied from 15% to 23% of the student population. The NITRAS projected data does not address either student load fluctuation or supernumerary numbers.

We do not agree with draft audit report concerning use of P-80 planning criteria. We do agree that P-80 recommends use of the average student population to determine required bunk space. However, in situations where there is significant and known seasonal fluctuation, P-80 recommends use of "the projected average daily strength of the highest six month period." We feel that our planning figures meet the intent of P-80.

The Navy disagrees with the draft report that adequate space can be made available in building 837 to accommodate the deficit 165 (as calculated by DOD IG) "C" school students grades E-5 to E-6 and moving the "A" school students elsewhere. BEQ 837 consists of 160 semi-open bay berthing areas with 3 "A" schools students enclosed within each 3 wall complex and each wing having central bath facilities. In conclusion, BEQ 837 was designed for "A" school students and does not meet P-80 criteria for berthing grades E5-E6. The NTC berthing Plan utilizes building 837 as as "A" school BEQ. It will not be available to berth E5-E6 students.

In view of the stated requirements and available assets, the only viable option is to construct a new BEQ as planned.

1. Component	FY 1995 MILITARY CONSTRUCTION PROGRAM	2. Date
NAVY		12/15/94

3. Installation and Location/UIC: N00210	4. Project Title
NAVAL TRAINING CENTER, GREAT LAKES, ILLINOIS	BACHELOR ENLISTED QUARTERS

5. Program Element	6. Category Code	7. Project Number	8. Project Cost ($000)
0805796N	721.11	P-599T	43,300

9. COST ESTIMATES

Item	U/M	Quantity	Unit Cost	Cost ($000)
BACHELOR ENLISTED QUARTERS	SF	285,130	-	29,140
BACHELOR ENLISTED QUARTERS	SF	253,360	101.00	(25,590)
ADDITIONAL FUNCTIONAL FEATURES (CHILLER)	SF	31,770	101.00	(3,210)
BUILT-IN EQUIPMENT	LS	-	-	(340)
SUPPORTING FACILITIES	-	-	-	9,730
UTILITIES	LS	-	-	(3,740)
PAVING AND SITE IMPROVEMENT	LS	-	-	(4,290)
DEMOLITION	LS	-	-	(1,700)
SUBTOTAL	-	-	-	38,870
CONTINGENCY (5.0%)	-	-	-	1,940
TOTAL CONTRACT COST	-	-	-	40,810
SUPERVISION, INSPECTION, & OVERHEAD (6.0%)	-	-	-	2,490
TOTAL REQUEST	-	-	-	43,300
EQUIPMENT PROVIDED FROM OTHER APPROPRIATIONS	-	-	(NON-ADD)	(0)

10. Description of Proposed Construction

Multi-story concrete masonry building, reinforced concrete slab floors and roof, pre-cast exterior wall panels, elevators, laundry rooms, recreation rooms, fire protection system, utilities, heating, ventilation, air conditioning, demolition and parking.
Grade mix: 182 E1-E4, 364 E5-E6, Total: 546.

11. Requirement: 285,130 PN Adequate: 0 PN Substandard: (0) PN

PROJECT:
Constructs a bachelor enlisted quarters.

REQUIREMENT:
Adequate and properly-configured bachelor enlisted quarters to accommodate bachelor students and staff from various schools. Because of actions authorized by Public Law 101-510, Defense Base Closure and Realignment Act of 1990, the Naval Training Center, Orlando, Florida, will close and training schools will be relocated to this center.

CURRENT SITUATION:
Upon closure of NTC Orlando, various schools will relocate to this center. Several existing barracks buildings wil be reactivated in order to partially provide support for the relocating units. However, the reactivation program will not provide enough housing to accommodate the required number of students that are programmed to be at NTC Great Lakes in fiscal years 1995, 1996, 1997 and 1998.

IMPACT IF NOT PROVIDED:
Without this project, berthing facilities will not be available for bachelor students and staff. This station will not be able to support the closure of NTC Orlando.

DD FORM 1 DEC 76 1391

Final Determination of Bachelor Housing Requirements

Programming Requirements	R-19 Line Nr	"A" & "AT" School	C School, Permanent Party, Reserves & Transients E-1-E4	E5-E6	E7-E9	Total
Pre BRAC (June 93)	29.00	4016.00	2862.00	777.00	226.00	7881.00
Post BRAC (July 1993)	29.00	6,667.00	3,064.00	1,145.00	285.00	11,161.00
Adequate Assets						
Pre BRAC (June 93)	30.00	6,456.00	1,302.00	588.00	184.00	8,530.00
Post BRAC (July 1993)	30.00	6,456.00	1,302.00	588.00	184.00	8,530.00
Programming Deficit						
Pre BRAC (June 93)	38.00	(2,440.00)	1,560.00	189.00	42.00	(649.00)
Post BRAC (July 1993)	38.00	264.00	1,762.00	557.00	101.00	2,684.00

NTC GREAT LAKES BEQ CAPACITY

based on R19 & R21 data of 4 Jun 93

BEQ		72111	72112	72113	72114	72140
177	S	171				42
178	S	261				
179	S	156				
331	S				363	
332	S				366	
333	S				360	
334	S				363	
430			56			
431		120				
432			60			
433			48			
434			48			
435		96				
436			44			
438			60			
439				100		
531	S				454	
532	S				474	
533	S				456	
534	S				448	
631	S				404	
632	S				392	
633	S				344	
634	S				324	
635	S				384	
833			30	77		
834		60	77			
837					540	
913			29			
1015		125				
1016		126				
TOTAL		1,115	452	177	5,732	42
	S	588	0	0	5,192	
	A	527	452	177	540	42

Notes

72111 E1 – E4
72112 E5 – E6
72113 E7 – E9
72114 "A" school students
72140 Restricted personnel

A – Adequate
S – Substandard

Project P-582T, "BEQ Reactivation (NTC)"

Recommendation 1. We recommend that the Under Secretary of Defense (Comptroller):

a. Adjust the funding in the Navy's FYs 1994 and 1995 base realignment and closure budget for Naval Training Center Great Lakes, Illinois, as follows:

(4) Reduce funds for project P-582T, "Bachelor Enlisted Quarters Reactivation," in the amount of $6,120,000.

b. Suspend the funding in the Navy's FYs 1994 and 1995 base realignment and closure budget for Naval Training Center Great Lakes, Illinois, for the following:

(3) Project P-582T, "Bachelor Enlisted Quarters Reactivation" in the amount of $3,900,000, until the Commander, Naval Facilities Engineering Command, provides a revised DD Form 1391 with adequate supporting documentation for the requirement and costs associated with abatement of asbestos in the 630 Bachelor Enlisted Quarters Complex.

Recommendation 4. We recommend that the Commander, Naval Facilities Engineering Command:

c. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-582T, "Bachelor Enlisted Quarters Reactivation," to cover asbestos abatement in the 630 Bachelor Enlisted Quarters complex, and to reflect the budget reduction in Recommendation 1.a.

Project No: P-582T
Description: Bachelor Enlisted Quarters Reactivation
Location: Naval Training Center, Great Lakes, Illinois

Department of the Navy response to recommendations 1.a (4), 1.b (3) and 4.c:

Do not concur. All work planned under P-582T is required to bring 19 barracks at Naval Training Center, Great Lakes up to minimum habitability standards. BRAC funds are required to return all 19 BEQs to their original maximum design capacity required to house the significantly increased student population resulting from BRAC 93 decisions.

During the early 1990's, as a result of the lower student population, most of the BEQs were occupied significantly below capacity and several BEQs were shut down in order to consolidate students into the minimum number of BEQs. The BRAC 93 decision established Great Lakes as the Navy's single site for recruit training and directed relocation of numerous schools, thereby increasing the student population dramatically to a steady state of 7,100.

To accommodate the increased student population, these BEQs had to be reactivated. Reactivation requires repair of the deteriorated building systems (principally mechanical, electrical and architectural systems or components), and elimination of life safety hazards such as deteriorated, friable asbestos.

We agree with the draft audit finding that 14 of the BEQs were occupied or in use at the time of the audit. All five buildings of the 630 barracks complex are currently vacant and buildings 531 and 534 were also vacant until January 1994. Due to the early BRAC loading in 1994 from the closure of NTC Orlando, it was necessary to berth students in facilities prior to starting the reactivation work. To accommodate "work arounds" and support the BRAC student population and training schedules, it was necessary to berth the students in BEQs that had yet to be properly reactivated.

Prior to BRAC, Great Lakes had a surplus of BEQ capacity. They therefore, did not have justification to expend scarce repair dollars on vacant BEQs. The BRAC decision makes repair and refurbishment of these inadequate and unoccupied rooms necessary. The cost of this refurbishment is a legitimate BRAC cost. Also, necessary work required to bring these facilities up to life safety code is also a legitimate BRAC cost. Repairs have been made to rooms and wings that were occupied.

We disagree with the draft audit finding concerning the scope of repairs required. The draft audit report questions the requirement to replace all floor and ceiling tiles instead of only the damaged tiles containing asbestos. The report contends that replacement should only be "limited to those tiles that are damaged to the extent that they allow asbestos to leak out and contaminate the air." We believe this is inaccurate. If the floor or ceiling tile contains asbestos, the danger of it "leaking out," or becoming friable, and endangering personnel will always be a possibility unless it is removed or encapsulated. In the case of the 630's complex, which has sprayed on asbestos acoustic ceiling insulation, the only solution is complete removal of all contaminated material. The complete removal of this hazardous material is necessary to meet minimum OSHA standards.

We also disagree with the draft audit report finding concerning facility upgrades. Life safety improvements to an existing facility are a legitimate BRAC cost if the facility is used to support BRAC. The Navy contends that these facilities would not have been reactivated if not for BRAC 93. Therefore, even though the battery operated smoke detectors were a violation before BRAC, our current use of the facility is a BRAC related decision. In the event that

an existing asset was not available, we would have to construct to the current life safety code. Therefore, costs related to bringing facilities back on line to the current standard are BRAC related.

The BRAC related increase at Great Lakes requires that all BEQs operate at their "original maximum design capacity". The 630's required a complete reactivation including, heating, ventilation, plumbing, doors, floors, ceiling, electrical, lighting, and asbestos removal. The asbestos removal cost of $2,412K for the 630 complex was simply higher than originally estimated, and does not reflect any change in scope. Due to our inability to obtain additional BRAC funding, the reactivation of buildings 1015 and 1016 were deleted (since they were the least critical projects). Currently, these BEQs are occupied, and necessary funds are being pursued for adequate reactivation. The deletion of these two buildings from the scope of work has reduced the number of BEQs to 17 (vice 19), as shown on the revised 01 June 1994 DD form 1391. In all BEQ's effected by P-582, (except for 630's) the scope of work is primarily plumbing and ventilation to bring individual rooms and wings back to minimum habitable condition and original design capacity.

We believe that NTC acted correctly to activate only those BEQs as necessary to meet the increased population. The fact that some of these barracks were occupied prior to start of reactivation work is strictly due to operational necessity and has no bearing on the legitimacy of this project. We believe the work planned is the minimum necessary to accomplish the consolidation of apprentice and journeymen training at NTC Great Lakes. We believe these projects should proceed as planned.

1. Component	FY 1995 MILITARY CONSTRUCTION PROGRAM	2. Date
NAVY		06/01/94

3. Installation and Location/UIC: N00210	4. Project Title
NAVAL TRAINING CENTER, GREAT LAKES, ILLINOIS	BACHELOR ENLISTED QUARTERS RENOVATION

5. Program Element	6. Category Code	7. Project Number	8. Project Cost ($000)
0805796N	721.11	P-582T	10,020

9. COST ESTIMATES

Item	U/M	Quantity	Unit Cost	Cost ($000)
BACHELOR ENLISTED QUARTERS RENOVATION	SF	998,838	-	9,020
170 COMPLEX BEQ	SF	128,902	7.00	(900)
330 COMPLEX BEQ	SF	253,076	3.00	(760)
530 COMPLEX BEQ	SF	268,284	5.00	(1,340)
630 COMPLEX BEQ	SF	236,276	25.00	(5,910)
837 BEQ	SF	112,300	1.00	(110)
SUBTOTAL	-	-	-	9,020
CONTINGENCY (5.0%)	-	-	-	450
TOTAL CONTRACT COST	-	-	-	9,470
SUPERVISION, INSPECTION, & OVERHEAD (6.0%)	-	-	-	550
TOTAL REQUEST	-	-	-	10,020
EQUIPMENT PROVIDED FROM OTHER APPROPRIATIONS	-	-	(NON-ADD)	(0)

10. Description of Proposed Construction

Renovations to existing bachelor enlisted quarters to include new finishes, replacement of built-in equipment and toilet accessories, toilet and shower repairs, plumbing upgrades, window and door replacement, roof repairs, mechanical and electrical repairs, asbestos removal and energy conservation upgrade.

11. Requirement: 998,838 SF Adequate: 0 PN Substandard: (0) PN

PROJECT:
Renovates 17 bachelor enlisted quarters at the Service School Command.

REQUIREMENT:
Adequate and properly configured housing to accommodate bachelor enlisted students and staff being transferred to this center from Naval Training Center (NTC) Orlando. Because of actions authorized by Public Law 101-510, Defense Base Closure and Realignment Act of 1990, NTC Orlando will close and the Recruit Training Command will relocate to this center.

CURRENT SITUATION:
Existing barracks have deficiencies making much of them unsuitable for housing. Upon closure of NTC Orlando, the Recruit Training Command will relocate to this center. No facilities exist to accommodate the relocation of the additional personnel.

IMPACT:
Without this project, bachelor enlisted quarters will not be available for students and staff being relocated. NTC Great Lakes will not be able to support the closure of NTC Orlando because of a lack of adequate housing facilities.

DD FORM 1 DEC 76 1391

Project P-588T, "Barracks Renovations,"

Recommendation 1. We recommend that the Under Secretary of Defense (Comptroller):

a. Adjust the funding in the Navy's FY 1994 and 1995 base realignment and closure budget for the Naval Training Center Great Lakes, Illinois as follows:

(6) Delete funds for project P-588T, "Bachelor Enlisted Quarters Renovation," in the amount of $1,600,000.

b. Suspend the funding in the Navy's FY 1994 and 1995 base realignment and closure military construction budget for Naval Training Center Great Lakes for the following:

(4) Project P-588T, "Bachelor Enlisted Quarters Renovation," in the amount of $2,100,00, until the Commander, Naval Facilities Engineering Command provides a revised 1391 with adequate supporting documentation for the requirement and costs associated with the renovation of the heating and ventilation system in buildings 920 through 923attheNavalTrainingCenter,GreatLakes.

Recommendation 4. We recommend that the Commander, Naval Facilities Engineering Command:

d. Prepare a revised DD Form 1391 with adequate supporting documentation for project P-588T, "Bachelor Enlisted Quarters Renovation; to cover renovation of the heating and ventilation system in buildings 920 through 923 at the Naval Training Center, Great Lakes.

Project No: P-588T
Description: BEQ Reactivation (RTC)
Location: Recruit Training Command, Great Lakes, Illinois

Department of the Navy response to recommendations 1. a (6) and 1.b (4), and 4. d:

Do not concur. All work planned under P-588T is required to bring previously mothballed BEQ's 920 through 923 up to minimum habitability standards. Vacated in March 1988, these buildings would still be boarded-up if BRAC 93 decisions had not increased recruit loading at Great Lakes. Due to the timing of closures at San Diego and Orlando, Great Lakes was forced to house recruits in these inadequate and deficient BEQ's before the reactivation projects could be completed.

The BEQ's located in buildings 920 through 923 at Recruit Training Command (RTC) were vacated in March 1988 and mothballed in March 1992. Prior to BRAC 93, Recruit Training Command, Great Lakes was required to support an Average On Board (AOB) population of 3,999.
In the summer of 1994, as RTC's San Diego and Orlando closed, Great Lakes was required to house and feed a steadily increasing population. Current projections show a recruit population in September 1995 of 13,200 personnel.

The attached graph depicts the growth in number of basic military training companies that was experienced in 1994. In June 1994, as the population approached 84 companies, there was no other viable option to house recruits, so it became necessary to open the 920 series barracks.

Recruits are housed in open bay barracks with some training occurring in the barracks. With all existing barracks space filled at RTC (except the 920's), several alternatives were considered and rejected as inadequate. With no other reasonable alternative available, we were forced to re-occupy these buildings. The fact that these barracks were occupied prior to completion of reactivation work is strictly due to operational necessity and has no bearing on the legitimacy of this project.

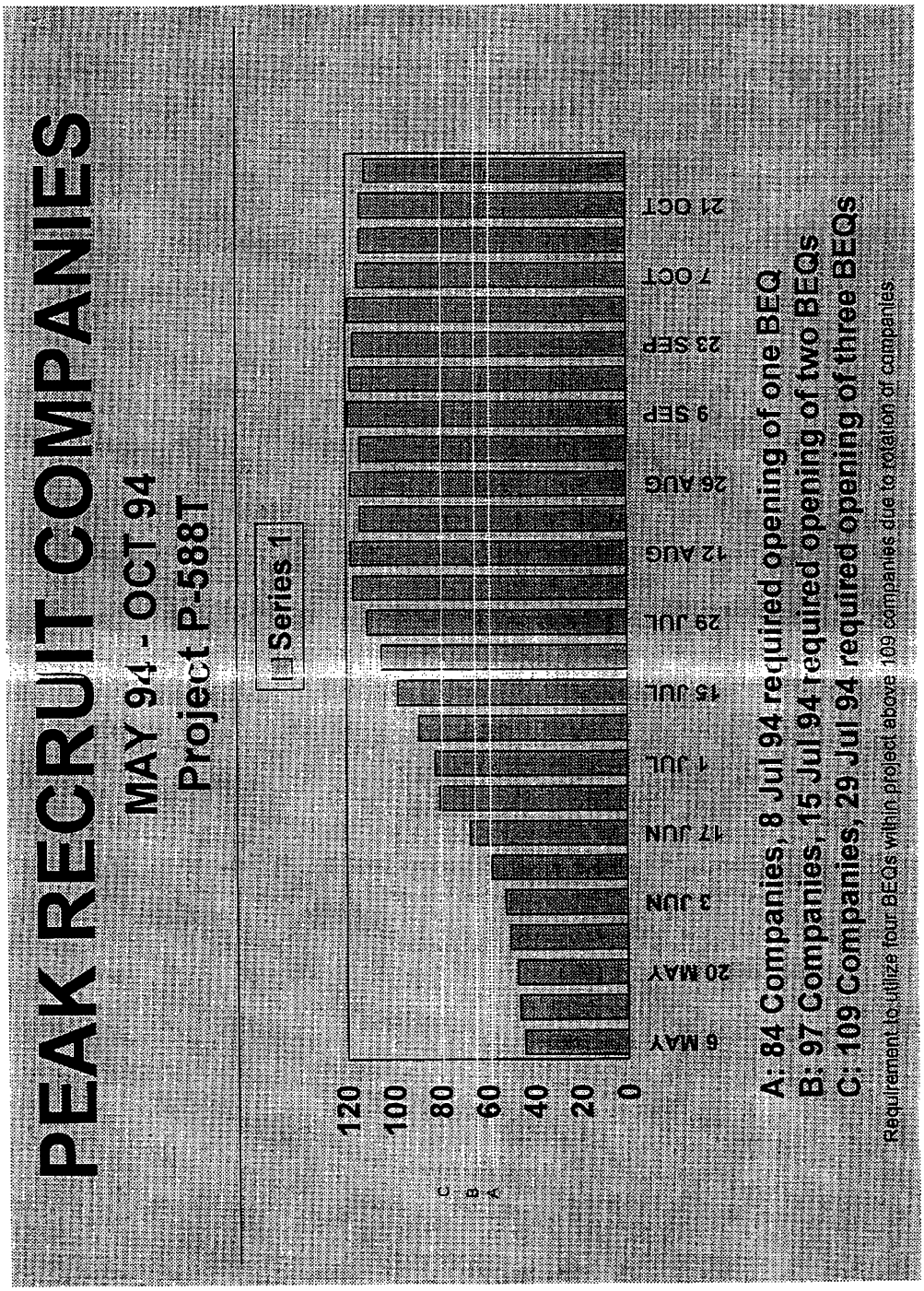
We disagree with the draft audit report concerning the condition of the barracks. In planning the reactivation, an Engineering Study was conducted by Knight Architects Engineers Planners, Inc. to determine what needed to be repaired or replaced in order to attain minimum standards of habitability and to utilize these facilities at their maximum design capacity. The results of this study are reflected in the project DD Form 1391 dated 1 June 1994.

During the reactivation, PWC Great Lakes was utilized to further study the heating system in anticipation of the winter heating season of 1994/1995. The study is now complete and recommends replacement of the steam condensate return system. These repairs are within the project scope as listed on the DD Form 1391 dated 1 June 1994.

We agree with the draft audit report concerning the scope of work performed by the Navy Public Works Center Great Lakes. The decision to utilize PWC was made to minimize the amount of time necessary to reactivate the buildings and perform only the minimum work necessary to safely house recruits. We intend to complete the remaining reactivation work by contract while the barracks complex is partially occupied. This will allow RTC to maintain the necessary berthing spaces available and achieve minimum modern habitability requirements. Four critical examples of work included in the proposed project include improved

lighting to the required 50 foot candles of light at 36 inches above the deck and improved ventilation in the heads. The current air flow is substantially below the habitability requirements. The existing system moves approximately one-third the amount of air required for an acceptable system (Supply: 7,860 CFM provided vs. 23,100 CFM required; Exhaust: 8,550 CFM provided vs. 25,440 CFM required). Installation of backflow preventers on the domestic water system and exit lighting are both required by code. Temperature controls capable of maintaining at least 68 degrees Fahrenheit are also required.

We disagree with the draft audit report concerning their evaluation of the barracks. We contend that the type of work identified requires specific engineering expertise. We believe our engineering study provided detailed and thorough knowledge on which to adequately plan our course of action. We believe that the Navy has developed properly documented projects to achieve our goals for single site training of all Navy recruits.


PEAK RECRUIT COMPANIES
MAY 94 - OCT 94
Project P-588T
Series 1
120
100
80
60
40
20
0
C
B
A
6 MAY
20 MAY
3 JUN
17 JUN
1 JUL
15 JUL
29 JUL
12 AUG
26 AUG
9 SEP
23 SEP
7 OCT
21 OCT
A: 84 Companies, 8 Jul 94 required opening of one BEQ
B: 97 Companies, 15 Jul 94 required opening of two BEQs
C: 109 Companies, 29 Jul 94 required opening of three BEQs
Requirement to utilize four BEQs within project above 109 companies due to rotation of companies.

Project P-585T "Facility Upgrades for Females"

Recommendation 1. We recommend that the Under Secretary of Defense (Comptroller):

a. Adjust the funding in the Navy's FYs 1994 and 1995 base realignment and closure budget for Naval Training Center Great Lakes, Illinois, as follows:

(5) Delete funds for project P-585T, "Bachelor Enlisted Quarters Modifications," in the amount of $2,600,000.

Recommendation 3. We recommend that the Comptroller of the Navy:

b. Determine the appropriate funding source for project P-585T, "BEQ Modifications" and obligate that fund and deobligate base realignment and closure military construction funds by $2.6 million.

Project No: P-585T
Description: Bachelor Enlisted Quarters Modifications
Location: Naval Training Center Great Lakes, Illinois

Department of the Navy response to recommendations 1. a (5) and 3. b:

Do not concur. The scope of work for P-585T includes modifications to berthing, training and processing facilities for females at the Recruit Training Command (RTC). We disagree with the draft audit finding that no work was performed on BEQs and that $1.9M was performed outside the scope of the project resulting in an apparent funding violation. Modifications (not merely "renovations") to all RTC BEQs (920-926, 1120-1126, and 1420) were performed to accommodate female recruits. This work amounted to $1,574.5k and included:

a. removal of deteriorating asbestos floor tile in BEQs 921, 922, 924, and 1420,

b. installation of panic hardware on compartment doors (where doors are locked from outside of compartment, but are always able to be opened from the inside for emergency egress) in all RTC BEQs for privacy between male and female berthing/head areas, and

c. sandblasting of windows on all RTC BEQs, which are in close proximity to each other, for privacy between male and female berthing/head areas.

We agree with the draft audit finding that work was done on training buildings. We contend that these facility modifications were directly related to the valid BRAC

requirement (as stated on the DD Form 1391) for "adequate and properly-configured facilities to accommodate female recruits" at the RTC. This work valued at $454k includes addition of female heads and conversion of some male heads to female heads in various training facilities (buildings 910, 927, 1127, 1128, 1312, 1400, 1405, and 1410) and alterations to the uniform issue building (1312) for a female issue line and dressing area.

BRAC 93 actions introduced the female recruits to RTC Great Lakes for the first time. Accordingly, these modifications are essential to maintain CNET's training mission and fleet support. The DD Form 1391 is used as a programming document and had been revised to incorporate all modifications for female recruits, as shown in DD Form 1391 dated on 27 May 1994.

In addition, CNET funded related work in the amount of $405k early to get work started in time to accommodate the initial arrival of female recruits at Great Lakes. This work included relocation of utilities in all RTC BEQs to accommodate washers and dryers for female recruits and removal of deteriorating asbestos floor tile in BEQs 924 and 925.

We disagree with the draft audit finding that P-585T work was not "completed at a cost of $1.9 million". Work has been progressing and work valued at approximately $300K remains to be completed. Thus total facilities modifications for females funded by P-585T amounts to approximately $2.32M not including the additional work funded by CNET.

We believe that the Navy acted correctly in completing the facility modifications to accommodate female recruits at Great lakes. The project as executed is a valid BRAC requirement, since the introduction of females at Great Lakes is a result of BRAC closure of NTC San Diego and Orlando. We do not believe that revised funding source is necessary.

1. Component	FY 1994 MILITARY CONSTRUCTION PROGRAM	2. Date
NAVY		05/27/94

3. Installation and Location/UIC: N00210	4. Project Title
NAVAL TRAINING CENTER, GREAT LAKES, ILLINOIS	FACILITY UPGRADES FOR FEMALES

5. Program Element	6. Category Code	7. Project Number	8. Project Cost ($000)
0805796N	721.11	P-585T	2,600

9. COST ESTIMATES

Item	U/M	Quantity	Unit Cost	Cost ($000)
FACILITY UPGRADES	LS	-	-	2,330
BEQ UPGRADES	LS	-	-	(1,400)
TRAINING FACILITY UPGRADES	LS	-	-	(480)
PROCESSING UPGRADES	LS	-	-	(450)
SUBTOTAL	-	-	-	2,330
CONTINGENCY (5.0%)	-	-	-	120
TOTAL CONTRACT COST	-	-	-	2,450
SUPERVISION, INSPECTION, & OVERHEAD (6.0%)	-	-	-	150
TOTAL REQUEST	-	-	-	2,600
EQUIPMENT PROVIDED FROM OTHER APPROPRIATIONS	-	-	(NON-ADD)	(0)

10. Description of Proposed Construction

Modifies Recruit Training Command's berthing, training and processing facilities including lavatory modifications, concrete masonry walls, additions and modernizations, relocation of existing walls, window and door modifications; heating, ventilation, air conditioning, asbestos removal and utilities.

11. Requirement: 0 PN Adequate: 0 PN Substandard: (0) PN

PROJECT:
Modifies Recruit Training Center (RTC) bachelor enlisted quarters, training and processing facilities for females.

REQUIREMENT:
Adequate and properly-configured facilities to accommodate female recruits. Because of actions authorized by Public Law 101-510, Defense Base Closure and Realignment Act of 1990, NTC Orlando, which previously trained all female recruits, will close and recruit training will be relocated to this center.

CURRENT SITUATION:
Upon closure of NTC Orlando, recruit training, including females, will relocate to this center. No adequate facilities exist to accommodate the female recruits.

IMPACT:
Without this project, housing, training and processing facilities will not be able to accommodate female recruits. This center will not be able to support the closure of NTC Orlando because of a lack of adequate facilities.

DD FORM 1 DEC 76 1391

Project P-671T, "Mess Specialist "A" School
Project P-674T, "Mess Specialist "A" School Bachelor Enlisted Quarters"

Recommendation 1. We recommend that the Under Secretary of Defense (Comptroller):

a. Adjust the funding in the Navy's FYs 1994 and 1995 base realignment and closure budget for Naval Training Center Great Lakes, Illinois, as follows:

(10) Delete funds for project P-671T, "Mess Specialist "A" School," in the amount of $3,850,000.00.

(11) Delete funds for project P-674T, "Mess Specialist "A" School Bachelor Enlisted Quarters," in the amount of $6,100,000.00.

Project No: P-671T, P-674T
Description: Mess Specialist "A" School, Mess Specialist "A" School Bachelor Enlisted Quarters
Location: Recruit Training Command, Great Lakes, Illinois

Department of the Navy response to recommendations 1. a (10) and (11):

Partially concur. BRAC 93 directed the migration of the Mess Specialist (MS) "A" School to NAS Pensacola. The Interservice Training Review Organization later recommended collocation of the MS "A" School at Lackland Air Force Base, Texas. Migration of the MS "A" School to any location other than Pensacola, however, requires a BRAC 95 redirection.

Projects P-671T and P-674T are currently not programmed. Until BRAC 95 recommendations are completed. Planning for the migration of MS "A" School to Pensacola must continue. If BRAC 95 does not redirect MS "A" School to Lackland, migrations to Pensacola must be implemented. The Navy contends that while a decision is pending on redirection, no programming of this valid BRAC requirement will occur. Once a decision is made concerning the site for P671T and P-674T, these projects can be changed if necessary to reflect that decision. Following that decision, programming will proceed. Thus, Projects P-671T and P-674T must remain as FY 1996 unfunded requirements until final migration recommendations are made.

Project P-426T, "Pier Fire Protection System"

Recommendation 1. We recommend that the Under Secretary of Defense (Comptroller):

b. Suspend the funding in the Navy's FYs 1994 and 1995 base realignment and closure military construction budget for Naval Training Center, Great Lakes for the following:

(1) Project P-426T, "Pier Fire Protection System," in the amount of $500,000, until the Commander, Naval Facilities Engineering Command, provides sufficient supporting documentation that can be reconciled to the cost estimate shown on the DD Form 1391.

Project No: P-426T
Description: Pier Fire Protection System
Location: Naval Education and Training Center, Newport, Connecticut

Department of the Navy response:

Partially concur. P-426T installs piping, heat tracing and hydrants with a potable water connection required for an adequate fire protection system for Pier 2 and the vicinity at NETC Newport. The draft audit report incorrectly sites this project at NTC Great Lakes. Correct location is Naval Education and Training Center, Newport.

The following is provided as supporting documentation to explain how the project cost of $500,000 was derived:

FIRE HYDRANTS	70,000.00
PIPING	140,000.00
CORROSION PROTECTION	10,000.00
FIRE PUMPS	105,000.00
DETECTOR CHECK	5,000.00
HEAT TRACE	40,000.00
DEMOLITION AND REPAIR	80,000.00
SUBTOTAL	450,000.00
CONTINGENCY (5%)	22,500.00
SUPERVISION, INSPECTION & OVERHEAD	27,500.00
TOTAL	$ 500,000.00

Costs were taken from an A/E cost estimate dated 22 July 1994. Therefore, we are satisfied that the most cost effective alternative has been identified and that this project is properly funded to meet the Navy's operational needs.

Chief of Naval Education and Training Comments

DEPARTMENT OF THE NAVY
CHIEF OF NAVAL EDUCATION AND TRAINING
250 DALLAS ST
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11001
Ser N443/ 0 130
FEB 0 8 1995

From: Chief of Naval Education and Training
To: Inspector General, Department of Defense

Subj: CIRCUMSTANCES NOTED DURING THE AUDIT OF DEFENSE BASE CLOSURE AND BUDGET REALIGNMENT DATA FOR NAVAL TRAINING CENTER, ORLANDO, FL, AND NAVAL TRAINING CENTER, SAN DIEGO, CA, (PROJECT NO. 4CG-5008.22)

Ref: (a) DoD IG memo of 31 Oct 94

1. Thank you for the suggested actions and recommendations forwarded in reference (a). The Navy shared your concerns regarding the Pattern Maker/Molder and Torpedoman schools. While the DoD IG was reviewing the BRAC construction projects associated with these schools, the Navy was concurrently reviewing curriculum requirements, training mission, and training efficiencies. As a result of our findings, the Pattern Maker/Molder "A" and "C" school training requirement has been canceled and the Torpedoman "C" School curriculum modified.

2. The BRAC construction associated with these schools has been adjusted accordingly. The construction project for the PM/ML school has been canceled. The construction project for the TM "C" school is unprogrammed and project planning has been placed on hold. The Navy is reviewing additional options to reduce the scope of the TM "C" facility requirements as well as utilizing existing facilities in other locations.

3. The Navy training program is dynamic! We remain in a constant state of program development, planning, and review in order to allow for the most economic implementation and efficient class schedules that meet fleet requirements. Thank you for your concerns.

T. W. Wright
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