

GAO Highlights

Highlights of [GAO-18-230](#), a report to congressional committees

Why GAO Did This Study

DOD has used the Base Realignment and Closure (BRAC) process primarily to reduce excess infrastructure capacity, transform the force, and produce cost savings. DOD completed hundreds of base closures and realignments in previous BRAC rounds and intends to work with Congress to address remaining excess capacity. The NDAA for Fiscal Year 2016 required DOD to submit, among other things, a force structure plan and a categorical infrastructure inventory of worldwide military installations. In response, DOD submitted its infrastructure capacity report to Congress in October 2017.

The NDAA included a provision for GAO to evaluate DOD's report for accuracy and analytical sufficiency. In this report, GAO evaluates the extent to which (1) DOD's report included the required elements, and (2) DOD's methodology and analysis result in accurate and analytically sufficient information on excess capacity. To conduct this work, GAO reviewed DOD's 2017 report and compared it with the statutory requirements and generally accepted research standards. GAO also interviewed DOD and military service officials.

What GAO Recommends

GAO is making three recommendations to DOD to update the baseline; use reasonable assumptions; and develop guidance to improve its methods for estimating excess capacity. In comments on a draft of this report, DOD concurred with one recommendation, partially concurred with two recommendations, and plans to incorporate them in any future capacity analysis.

View [GAO-18-230](#). For more information, contact Brian Lepore at (202) 512-4523 or leporeb@gao.gov.

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DEFENSE INFRASTRUCTURE

DOD Needs to Improve the Accuracy of Its Excess Capacity Estimates

What GAO Found

The Department of Defense's (DOD) 2017 infrastructure capacity report addressed four of five required elements from section 2815 of the National Defense Authorization Act (NDAA) for Fiscal Year 2016. Specifically, DOD's report addressed the elements requiring it to submit

- a force-structure plan,
- a categorical inventory of worldwide military installations,
- a discussion of categories of excess infrastructure, and
- an assessment of the value of retaining certain excess infrastructure.

DOD's report partially addressed the element to include a description of the infrastructure capacity required to support the force structure. Specifically, DOD's report did not provide a complete picture of the infrastructure needed. For example, infrastructure at Air Force large aircraft installations was described by square yards of apron space, but did not include other infrastructure needs such as aircraft hangars and maintenance facilities.

DOD's excess capacity methodology and analysis has three key limitations that affect the accuracy and analytical sufficiency of the estimate. Specifically:

- DOD used a 1989 baseline for excess capacity that may lead to inaccurate results. This 1989 baseline does not reflect updates in DOD facility standards and requirements or requirements associated with new weapon systems.
- DOD's excess capacity methodology includes assumptions, such as not accounting for potential shortfalls—not having enough infrastructure to support the mission—that may not be reasonable. Specifically, when DOD's calculation identifies shortfall in capacity, DOD concludes that no excess capacity exists. As a result, DOD's analysis identifies no excess capacity in nearly half (14 of 32) mission categories. However, most installations support more than one mission and have more infrastructure present than the installation category metric measures. Thus, including potential capacity shortfalls could provide DOD and Congress with a more accurate estimate of excess capacity upon which to base decisions concerning the management of base infrastructure and excess capacity.
- DOD's method for estimating excess capacity is not always sufficient because the installation selection process does not result in a generalizable sample. Furthermore, DOD's method is not always implemented effectively because the military departments did not follow a consistent approach.

According to DOD officials, specific department-wide guidance concerning DOD's methods for selecting installations in its analysis does not exist. Moreover, without developing guidance, the estimate of excess capacity may not be based on consistent methods across the department, resulting in inaccurate estimates. Furthermore, neither DOD nor Congress will have the necessary information to make decisions concerning the management of excess infrastructure capacity across the department.