THE DEPUTY SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

7 JAN 1994

MEMORANDUM FOR SECRETARIES OF THE MILITARY DEPARTMENTS
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DIRECTOR, ADMINISTRATION AND MANAGEMENT
DIRECTORS OF THE DEFENSE AGENCIES

SUBJECT: 1995 Base Realignments and Closures (BRAC 95)

Reducing the Department's unneeded infrastructure through base closures and realignments is a top Defense priority. We have made good progress so far, but there are more reductions we can and must accomplish. The 1995 round of base realignments and closures (BRAC 95) is the last round of closures authorized under Public Law 101-510. Hence, our efforts to balance the DoD base and force structures, and preserve readiness through the elimination of unnecessary infrastructure, are critical. Consequently, we must begin the BRAC 95 process now.

I look to you, individually and collectively, to recommend further infrastructure reductions consistent with the Defense Guidance and DoD's planned force reductions. The Defense Guidance BRAC 95 goal of an overall 15% reduction in plant replacement value should be considered a minimum DoD-wide goal.

Significant reductions in infrastructure and overhead costs can only be achieved after careful studies address not only structural changes to the base structure, but also operational and organizational changes, with a strong emphasis on cross-service utilization of common support assets.

The attached guidance establishes policy, procedures, authorities and responsibilities for selecting bases for realignment or closure under Public Law 101-510, as amended by Public Law 102-190 and Public Law 103-160. This guidance supersedes Deputy Secretary of Defense memoranda of May 5, 1992, and all other Office of the Secretary of Defense guidance issued regarding making recommendations for the 1993 round of base realignments and closures.

William J. Perry

Attachment

1995 Base Realignments and Closures (BRAC 95)
Policy, Procedures, Authorities and Responsibilities

Purpose

Part A, Title XXIX of Public Law 101-510, as amended by Public Law 102-190 and Public Law 103-160, establishes the exclusive procedures under which the Secretary of Defense may pursue realignment or closure of military installations inside the United States, with certain exceptions. The law established independent Defense Base Closure and Realignment Commissions to review the Secretary of Defense's recommendations in calendar years 1991, 1993 and 1995.

The guidance herein establishes the policy, procedures, authorities and responsibilities for selecting bases for realignment or closure for submission to the 1995 Defense Base Closure and Realignment Commission (the 1995 Commission).

This guidance supersedes Deputy Secretary of Defense memoranda of May 5, 1992, and all other Office of the Secretary of Defense Guidance for the 1993 round of closures.

Goals

DoD Components must reduce their base structure capacity commensurate with approved roles and missions, planned force drawdowns and programmed workload reductions over the FYDP. For BRAC 95, the goal is to further reduce the overall DoD domestic base structure by a minimum of 15 percent of DoD-wide plant replacement value. Preserving readiness through the elimination of unnecessary infrastructure is critical to our national security.

It is DoD policy to make maximum use of common support assets. DoD Components should, throughout the BRAC 95 analysis process, look for cross-service or intra-service opportunities to share assets and look for opportunities to rely on a single Military Department for support.

Applicability

This guidance applies to those base realignment and closure recommendations which must, by law, be submitted to the 1995 Defense Base Closure and Realignment Commission (the 1995 Commission) for review. This guidance also applies to recommendations which are forwarded to the 1995 Commission for review, though not required to be forwarded under the law.

This guidance does not apply to implementing approved closures and realignments resulting from the recommendations of the 1991 and 1993 Defense Base Closure and Realignment Commissions.

Public Law 101-510, Numerical Thresholds

Public Law 101-510 stipulates that no action be taken to close or realign an installation that exceeds the civilian personnel numerical thresholds set forth in the law, until those actions have obtained final approval pursuant to the law. The numerical thresholds established in the law require its application for the closure of installations with at least 300 authorized civilian personnel. For realignments, the law applies to actions at installations with at least 300 authorized civilian personnel which reduce and relocate 1000 civilians or 50% or more of the civilians authorized.

DoD Components must use a common date to determine whether Public Law 101-510 numerical thresholds will be met. For BRAC 95, the common date will be September 30, 1994. Nonappropriated fund employees are not direct hire, permanent civilian employees of the Department of Defense, as defined by Public Law 101-510, and therefore should not be considered in determining whether the numerical thresholds of the law will be met.

Exceptions

Public Law 101-510, as amended, does not apply to actions which:

o Implement realignments or closures under Public Law 100-526, relating to the recommendations of the 1988 Defense Secretary's Commission on Base Realignment and Closure (the 1988 Commission);

o Study or implement realignments or closures to which Section 2687 of Title 10, United States Code, is not applicable;

o Reduce force structure. Reductions in force structure may be made under this exception even if the units involved were designated to relocate to a receiving base by the 1988, 1991, or 1993 Commission; or

o Impact any facilities used primarily for civil works, rivers and harbor projects, flood control, or other projects not under the primary jurisdiction or control of the Department of Defense.

Activities in Leased Space

DoD Component activities located in leased space are subject to Public Law 101-510, as amended. Additional guidance on how to apply this requirement will be issued by the Under Secretary of Defense for Acquisition and Technology.

Policy Guidance

Basis for Recommendations

Base realignment, closure or consolidation studies that could result in a recommendation to the 1995 Commission of a base closure or realignment must meet the following requirements:

o The studies must have as their basis the Force Structure Plan required by Section 2903 of Public Law 101-510;

o The studies must be based on the final criteria for selecting bases for closure and realignment required by Section 2903; and

o The studies must be based on analyses of the base structure by like categories of bases using: objective measures for the selection criteria, where possible; the force structure plan; programmed workload over the FYDP; and military judgement in selecting bases for closure and realignment.

o The studies must consider all military installations inside the United States (as defined in the law) on an equal footing, including bases recommended for partial closure, realignment, or designated to receive units or functions by the 1988, 1991 or 1993 Commissions.

Cross-Service Opportunities

DoD Components and BRAC 95 Joint Cross-Service Groups should, where operationally and cost effective, strive to: retain in only one Service militarily unique capabilities used by two or more Services; consolidate workload across the Services to reduce capacity; and assign operational units from more than one Service to a single base.

Changes to Previous Recommendations

DoD components may propose changes to previously approved designated receiving base recommendations of the 1988, 1991 and 1993 Commissions provided such changes are necessitated by revisions to force structure, mission or organization, or significant revisions to cost effectiveness that have occurred

since the relevant commission recommendation was made. Documentation for such changes must involve clear military value or significant savings, and be based on the final criteria, the force structure plan and the policy guidance for the BRAC 95 process.

Authorities

The BRAC 95 process must enhance opportunities for consideration of cross-service tradeoffs and multi-service use of the remaining infrastructure. Since BRAC 95 is the last round of closures authorized under Public Law 101-510, these efforts are critical to balancing the DoD base and force structures and to preserving readiness through the elimination of unnecessary infrastructure. Sharing authority among the Military Departments, Defense Agencies and the Office of the Secretary of Defense is essential to sound decision making and taking advantage of available cross-service asset sharing opportunities. The authorities of the DoD Components and the joint groups established by this policy guidance follow and are depicted in Appendix A.

BRAC 95 Review Group

The Under Secretary of Defense for Acquisition and Technology (USD(A&T)) will chair a senior level BRAC 95 Review Group to oversee the entire BRAC 95 process. The members of the BRAC 95 Review Group will be: a senior level representative from each Military Department; the chairperson of the BRAC 95 Steering Group; the chairperson(s) of each BRAC 95 Joint Cross-Service Group; senior representatives from the Joint Staff, DoD Comptroller (COMP), Program Analysis and Evaluation (PA&E), Reserve Affairs (RA), General Counsel (GC), Environmental Security and the Defense Logistics Agency (DLA); and such other members as the USD(A&T) considers appropriate. The BRAC 95 Review Group authorities include, but are not limited to: reviewing BRAC 95 analysis policies and procedures; reviewing excess capacity analyses; establishing closure or realignment alternatives and numerical excess capacity reduction targets for consideration by the DoD Components; reviewing BRAC 95 work products of the DoD Components and BRAC 95 Joint Cross-Service Groups; and making recommendations to the Secretary of Defense, including cross-service tradeoff recommendations and recommendations on submission of below-threshold actions to the 1995 Commission.

BRAC 95 Steering Group

The Assistant Secretary of Defense for Economic Security (ASD(ES)) will chair a BRAC 95 Steering Group of study team leaders from: the Military Departments; DLA; each Joint Cross-Service Group; representatives from the Joint Staff, COMP, PA&E, RA, GC and Environmental Security; and such other members as the ASD(ES) considers appropriate. The purpose of the BRAC 95 Steering Group is to assist the BRAC 95 Review Group in exercising its authorities and to review DoD Component supplementary BRAC 95 guidance.

BRAC 95 Joint Cross-Service Groups

BRAC 95 Joint Cross-Service Groups are hereby established in six areas with significant potential for cross-service impacts in BRAC 95.

The purpose of the five functional area joint cross-service groups is: to determine the common support functions and bases to be addressed by each cross-service group; to establish the guidelines, standards, assumptions, measures of merit, data elements and milestone schedules for DoD Component conduct of cross-service analyses of common support functions; to oversee DoD Component cross-service analyses of these common support functions; to identify necessary outsourcing policies and make recommendations regarding those policies; to review excess capacity analyses; to develop closure or realignment alternatives and numerical excess capacity reduction targets for consideration in such analyses; and to analyze cross-service tradeoffs.

The purpose of the economic impact joint cross-service group is: to establish the guidelines for measuring economic impact and, if practicable, cumulative economic impact; to analyze DoD Component recommendations under those guidelines; and to develop a process for analyzing alternative closures or realignments necessitated by cumulative economic impact considerations, if necessary.

BRAC 95 Joint Cross-Service Groups shall complete the analytical design tasks above and issue guidance to the DoD Components, after review by the BRAC 95 Review Group, no later than March 31, 1994. The six BRAC 95 Joint Cross-Service Groups are:

o Depot Maintenance: The group will be chaired by the Deputy Under Secretary Defense for Logistics (DUSD(L)) with members from each Military Department, the Joint Staff and DLA, and other offices as considered appropriate by the DUSD(L). The DASD(ER&BRAC) and the Deputy Assistant Secretary of Defense for Production Resources will also serve as members.

o Test and Evaluation: The group will be jointly chaired by the Director, Test and Evaluation (D,T&E) and the Director, Operational Test and Evaluation (D,OT&E) with members from each Military Department, Defense Research and Engineering (DR&E), and other offices as considered appropriate by the chairpersons. The DASD(ER&BRAC) will also serve as a member.

o Laboratories: The group will be chaired by the Director, Defense Research and Engineering (D,DR&E) with members from each Military Department, T&E, OT&E and other offices as considered appropriate by the D,DR&E. The DASD(ER&BRAC) will also serve as a member.

o Military Treatment Facilities including Graduate Medical Education: The group will be chaired by the Assistant Secretary of Defense for Health Affairs (ASD(HA)) with members from each Military Department and other offices as considered appropriate by ASD(HA). The DASD(ER&BRAC) will also serve as a member.

o Undergraduate Pilot Training: The group will be chaired by the Assistant Secretary of Defense for Personnel and Readiness (ASD(P&R)) with members from each Military Department and others as considered appropriate by the ASD(P&R). The DASD(ER&BRAC) will also serve as a member.

o Economic Impact: The group will be chaired by Deputy Assistant Secretary of Defense for Economic Reinvestment and BRAC (DASD(ER&BRAC)) with members from each Military Department, the Office of Economic Adjustment (OEA) and other offices as considered appropriate by the DASD(ER&BRAC).

DoD Components

The Secretaries of the Military Departments, the Directors of the Defense Agencies, and the Heads of other DoD Components shall (without delegation) submit their recommendations for base realignments or closures under Public Law 101-510, as amended, to the Secretary of Defense. Recommendations and supporting documentation shall be delivered to the Assistant Secretary of Defense for Economic Security for appropriate processing and forwarding to the Secretary of Defense.

Heads of DoD Components will designate the individuals to serve on the joint groups as described above.

Coordination

The joint groups and DoD Components, in pursuing their BRAC 95 work, should coordinate with each other and should take into account other analyses or studies external to the BRAC process which may impact their deliberations. For example, the Test and Evaluation joint group should consider input from the Test and Evaluation Executive Agent Board of Directors.

USD(A&T) -- Additional Guidance

The Under Secretary of Defense for Acquisition and Technology (USD(A&T)) may issue such instructions as may be necessary: to implement these policies, procedures, authorities and responsibilities; to ensure timely submission of work products to the BRAC 95 Review Group and Joint Cross-Service Groups, the Secretary of Defense and the 1995 Commission; and, to ensure consistency in application of selection criteria, methodology and reports to the Secretary of Defense, the 1995 Commission and the Congress. The authority and duty of the Secretary of Defense to issue regulations under Title XXIX of Public Law 101-510, as amended, is hereby delegated to the USD(A&T). The USD(A&T) should exercise this authority in coordination with other DoD officials as appropriate.

Responsibilities

Selection Criteria

The BRAC 95 Review Group, chaired by the USD(A&T), will make a recommendation to the Secretary of Defense on whether an amendment to the selection criteria is appropriate no later than January 31, 1994. If the recommendation is to amend the criteria, the recommendation will include the proposed amendment.

If the Secretary of Defense approves amending the criteria, USD(A&T) will publish the proposed amendment in the Federal Register by February 15, 1994, for a 30 day public comment period. The BRAC 95 Review Group will review the public comments received, incorporate appropriate comments and make a recommendation to the Secretary of Defense on the final criteria no later than March 31, 1994.

Force Structure Plan

The Chairman of the Joint Chiefs of Staff, in coordination with the Under Secretary of Defense for Policy (USD(P)), the Under Secretary of Defense for Acquisition and Technology (USD(A&T)), the Assistant Secretary of Defense for Reserve Affairs, General Counsel, DoD Comptroller, Director Program

Analysis and Evaluation, and such other officials as may be appropriate, shall develop the force structure plan in accordance with Public Law 101-510, as amended, and submit it to the Secretary of Defense for approval. Pending issuance of the final force structure plan by the Secretary of Defense, DoD Components shall use an interim force structure plan to be developed and issued in accordance with the above coordination procedures by the Chairman of the Joint Chiefs of Staff. The interim force structure guidance shall be issued no later than January 31, 1994. Additional force structure guidance shall be issued as soon as practicable after the FY96-FY01 Program Review is completed in the Summer of 1994. The final force structure plan shall be issued as soon as possible after final force decisions are made during the preparation of the FY96 budget, but no later than December 15, 1994. The interim and final force structure plans must include guidance on overseas deployed forces.

Nominations

Public Law 101-510, as amended, requires that commissioners be nominated by the President no later than January 3, 1995, or the 1995 base closure process will be terminated. The Counselor to the Secretary of Defense and Deputy Secretary of Defense will coordinate all matters relating to the Secretary's recommendations to the President for appointments to the 1995 Commission. All inquires from individuals interested in serving on the Commission should be referred to the Counselor.

Commission Support

The Under Secretary of Defense for Acquisition and Technology (USD(A&T)), assisted by the Director of Administration and Management (D,A&M), will provide the Department's support to the 1995 Commission.

Primary Point of Contact

The USD(A&T) shall be the primary point of contact for the Department of Defense with the 1995 Commission and the General Accounting Office (GAO). Each DoD component shall designate to USD(A&T) one or more points of contact with the 1995 Commission and the GAO. The USD(A&T) shall establish procedures for interaction with the 1995 Commission and the GAO.

Internal Controls

The DoD Inspector General shall be available to assist the DoD Components in developing, implementing and evaluating internal control plans.

Depot Maintenance Outsourcing and Industrial Base Considerations

USD(A&T) is currently analyzing depot maintenance outsourcing considerations and is assessing public and private industrial base capabilities. Key policy decisions resulting from this review should be promulgated, if practicable, by March 1, 1994, in order to maximize possible efficiencies in maintenance depot infrastructure.

Procedures

Record Keeping

DoD Components and joint groups empowered by this memorandum to participate in the BRAC 95 analysis process shall, from the date of receipt of this memorandum, develop and keep:

o Descriptions of how base realignment and closure policies, analyses and recommendations were made, including minutes of all deliberative meetings;

o All policy, data, information and analyses considered in making base realignment and closure recommendations;

o Descriptions of how DoD Component recommendations met the final selection criteria and were based on the final force structure plan; and

o Documentation for each recommendation to the Secretary of Defense to realign or close a military installation under the law.

Internal Controls

DoD Components and joint groups empowered by this memorandum to participate in the BRAC 95 analysis process must develop and implement an internal control plan for base realignment, closure or consolidation studies to ensure the accuracy of data collection and analyses.

At a minimum, these internal control plans should include:

o Uniform guidance defining data requirements and sources;

o Systems for verifying the accuracy of data at all levels of command;

o Documentation justifying changes made to data received from subordinate commands;

o Procedures to check the accuracy of the analyses made from the data; and

o An assessment by auditors of the adequacy of each internal control plan.

Data Certification

Public Law 101-510, as amended, requires specified DoD personnel to certify to the best of their knowledge and belief that information provided to the Secretary of Defense or the 1995 Commission concerning the closure or realignment of a military installation is accurate and complete.

DoD components shall establish procedures and designate appropriate personnel to certify that data and information collected for use in BRAC 95 analyses are accurate and complete to the best of that person's knowledge and belief. DoD Components' certification procedures should be incorporated with the required internal control plan. Both are subject to audit by the General Accounting Office.

Finally, Secretaries of the Military Departments, Directors of Defense Agencies, and heads of other DoD Components must certify to the Secretary of Defense that data and information used in making BRAC 95 recommendations to the Secretary are accurate and complete to the best of their knowledge and belief.

Criteria Measures/Factors

DoD Components and BRAC 95 Joint Cross-Service Groups must develop one or more measures/factors for applying each of the final criteria to base structure analyses. While objective measures/factors are desirable, they will not always be possible to develop. Measures/factors may also vary for different categories of bases. DoD Components and BRAC 95 Joint Cross-Service groups must document the measures/factors used for each of the final criteria.

Categories of Bases

One of the first steps in evaluating the base structure for potential closures or realignments must involve grouping installations with like missions, capabilities, or attributes into categories, and when appropriate, subcategories. Categorizing bases is the necessary link between the forces described in the Force Structure Plan, programmed workload, and the base structure. Determining categories of bases is a DoD

Component and BRAC 95 Joint Cross-Service Group responsibility. DoD Components and BRAC 95 Joint Cross-Service Groups should avoid over-categorization in order to maximize opportunities for cross-service or intra-service tradeoffs.

Reserve Component Impacts

Considerable overall DoD savings can be realized through maximizing the use of Reserve component enclaves and through joint use of facilities by the Reserve components. However, these overall DoD savings may not be identified during the BRAC 95 process. Consequently, DoD Components should look for opportunities to consolidate or relocate Reserve components onto active bases to be retained in the base structure and onto closing or realigning bases.

DoD Components must complete Reserve component recruiting demographic studies required by DoD Directive 1225.7 to ensure that the impact on the Reserve components of specific closures and realignments are considered.

Cost of Base Realignment Actions (COBRA) Cost Model

DoD Components must use the COBRA cost model to calculate the costs, savings and return on investment of proposed closures and realignments. The Army is executive agent for COBRA and model improvements are underway.

Community Preference

DoD Components must document the receipt of valid requests received from communities expressing a preference for the closure of a military installation under Section 2924 of Public Law 101-510. DoD components will also document the steps taken to give these requests special consideration. Such documentation is subject to review by the General Accounting Office, the Commission and the Congress.

Release of Information

Data and analyses used by the DoD Components to evaluate military installations for closure and realignment will not be released until the Secretary's recommendations have been forwarded to the 1995 Commission on March 1, 1995, unless specifically required by law. The 1995 Commission is required to hold public hearings on the recommendations.

The General Accounting Office (GAO), however, has a special role in assisting the Commission in its review and analysis of the Secretary's recommendations and must also prepare a report detailing the Department of Defense's selection process. As

such, the GAO will be provided, upon request, with as much information as possible without compromising the deliberative process. The DoD Components must keep records of all data provided to the GAO.

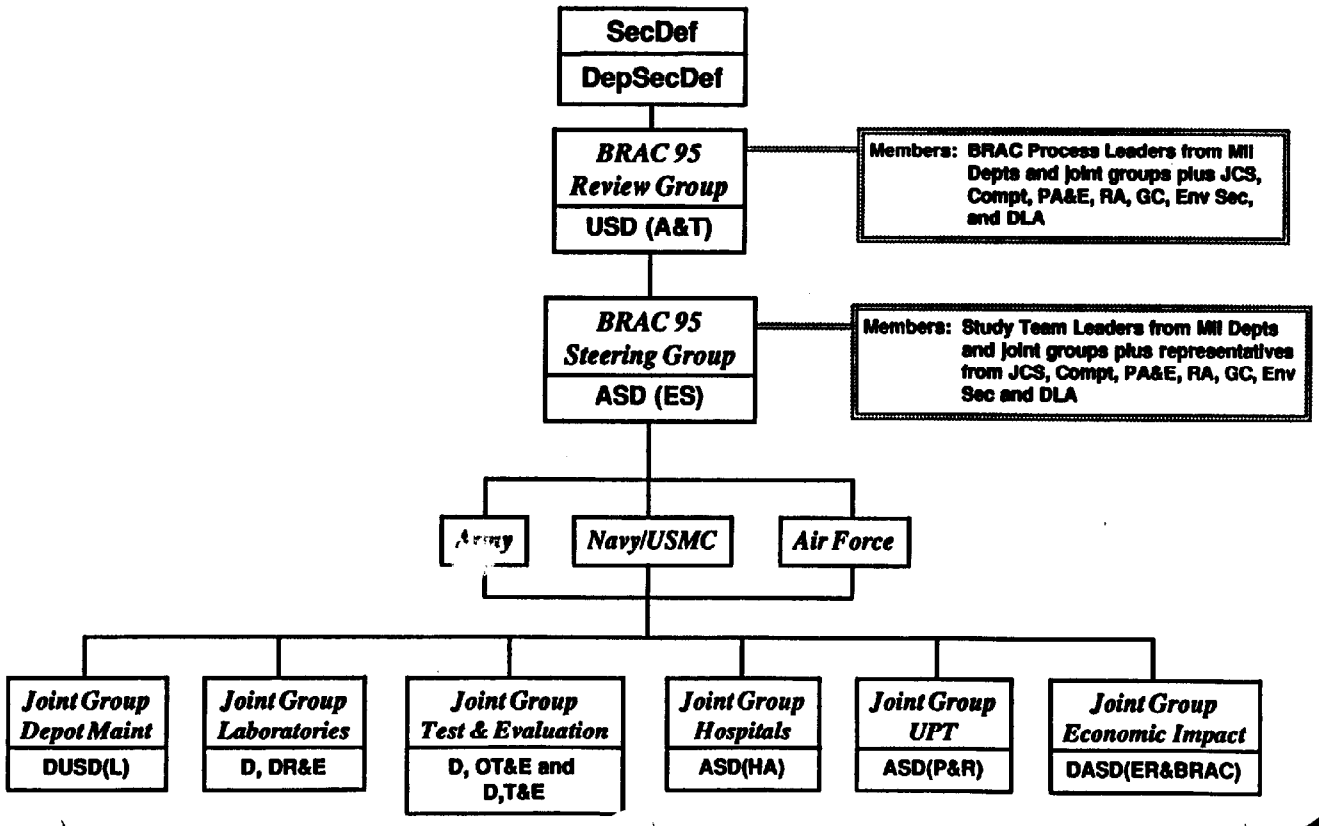
Dissemination of Guidance

DoD Components shall disseminate this guidance and subsequent policy memoranda as widely as possible throughout their organizations. The BRAC 95 Steering Group will review DoD Component supplementary guidance.

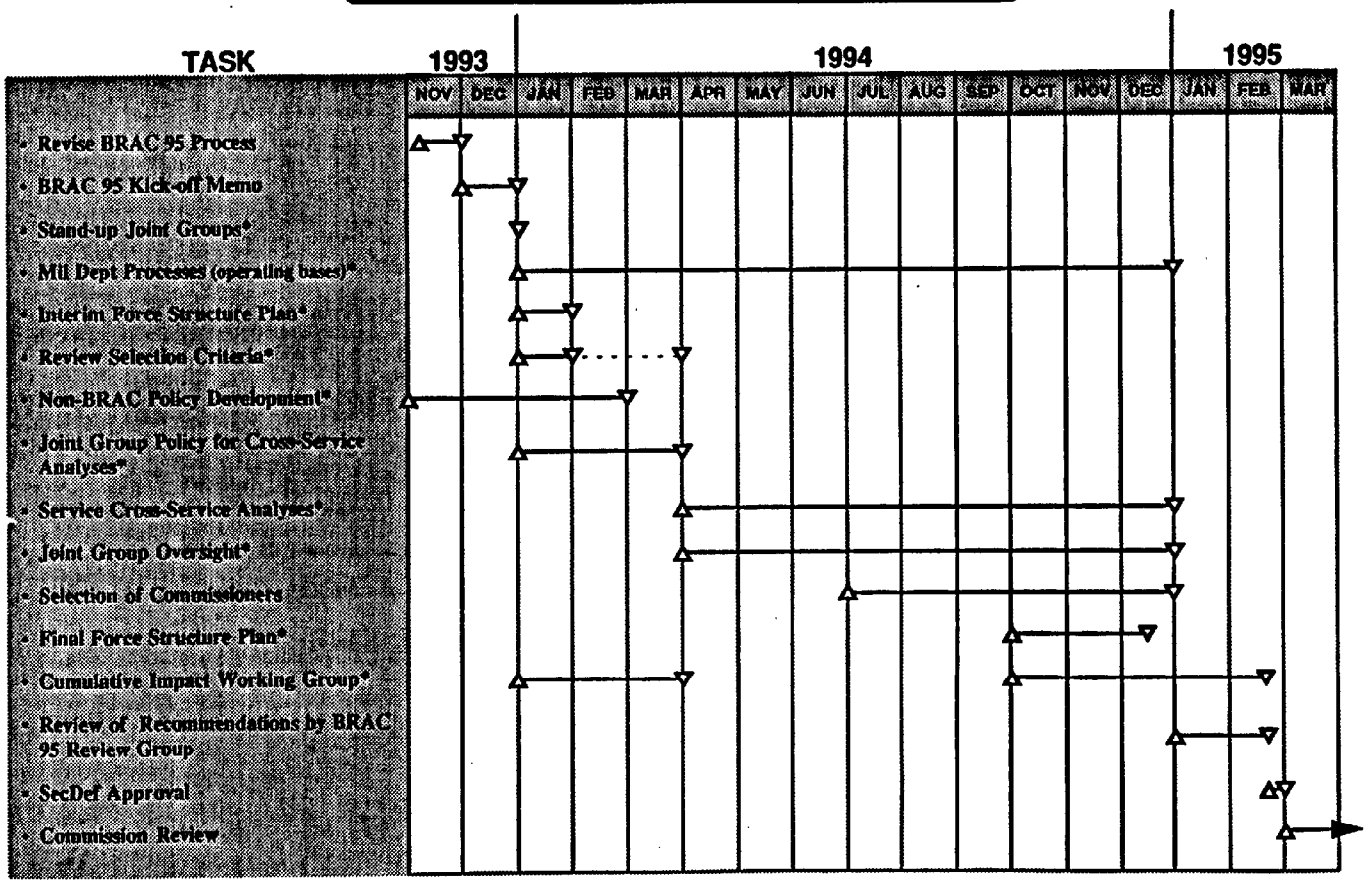
Timelines

The timelines described in this memorandum are depicted at Appendix B.

BRAC 95 Organization for Analysis



BRAC 95 Timeline



* Work products reviewed by BRAC 95 Review Group