



United States
General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

B-257620

June 22, 1994

The Honorable Jim Sasser
Chairman, Subcommittee on
Military Construction
Committee on Appropriations
United States Senate

Dear Mr. Chairman:

This correspondence responds to the requirement contained in Senate Report 102-355, dated July 31, 1992. In the report, the Senate Appropriations Committee requires GAO to perform an annual review of the base closure (BRAC) accounts and provide the results to the Committee prior to markups on the annual appropriations bills.

As agreed with your office, we are providing information on the amount of appropriations that have been obligated for both the BRAC (encl. 1.) and Homeowners Assistance Program (encl. 2.) accounts. In summary, as of March 31, 1994, DOD reported it had obligated about \$3.6 billion of the \$6.7 billion it had been appropriated through fiscal year 1994 for BRAC I, BRAC II, and BRAC III. The Homeowners Assistance Program expects to have an unobligated balance of about \$210.7 million by the end of fiscal year 1994. DOD is not requesting an appropriation for this program in fiscal year 1995.

We are also sending a copy of this correspondence to the Honorable Slade Gorton, the Ranking Minority Member. Should you need further assistance, please contact Kenneth Knouse, Assistant Director, at (202) 512-9280.

Sincerely yours,

Donna Heivilin
Director, Defense Management
and NASA Issues

Enclosures - 2

**DOD'S REPORTED BASE REALIGNMENT AND CLOSURE (BRAC) FUNDING VERSUS
CUMULATIVE OBLIGATED FUNDS (AS OF 3/31/94)**

Dollars in millions

	Appropriated	Land sales revenue	Obligated	Percentage obligated	Unobligated
BRAC I					
FY 1990	\$469.0		\$432.3	92	\$36.7
FY 1991	985.1 ^a		774.9	79	210.2
FY 1992	658.6	\$40.6 ^b	376.2	57	282.4
FY 1993	415.7		190.4	46	225.3
FY 1994	12.8		0.0	0	12.8
Total	\$2,541.2	\$40.6	\$1,773.8	70	\$767.4 ^c
BRAC II					
FY 1992	\$344.7 ^a		\$236.5	69	\$108.2
FY 1993	1,618.6		1,059.6	65	559.0
FY 1994	1,526.3		303.7	20	1,222.6
Total	\$3,489.6		\$1,599.8	46	\$1,889.8 ^d
BRAC III					
FY 1994	\$636.3 ^a		\$195.1	31	\$441.2
Total	\$636.3 ^a		\$195.1	31	\$441.2
Total I - III	\$6,667.1	\$40.6	\$3,568.7	54 ^e	\$3,098.4
FY 1995 request					
BRAC I	\$87.6				
BRAC II	398.7				
BRAC III	2,322.9				
Total	\$2,809.2				

^a Reflects \$13.0 million transferred from BRAC I to BRAC II for BRAC Commission expenses.

^b Reflects land sales revenue available for obligation; however, it is not included in calculating percentage of obligated appropriations or unobligated appropriations.

^c BRAC I funds cannot be used to support BRAC II and BRAC III programs. BRAC II and BRAC III account funds are fungible, however.

^d In late May 1994, DOD reprogrammed \$538.3 million of this BRAC II unobligated balance to BRAC III. DOD officials said this was done to mitigate the impact of the fiscal year 1994 BRAC III rescission identified in note e below and to fund BRAC III requirements, which DOD had intended to fund with unobligated balances of prior years when the fiscal year 1994 budget was formulated.

^e Initial appropriation was \$1.144 billion; however, \$507.7 million was later rescinded.

^f When we briefed Committee staff on September 8, 1993, on BRAC appropriations and obligations, we noted that, as of July 31, 1993, 49 percent of cumulative BRAC appropriations had been obligated.

Source: DOD, Office of the Comptroller.

DOD'S REPORTED HOMEOWNERS ASSISTANCE PROGRAM (HAP) FUNDING
VERSUS FUND USES (AS OF 4/30/94)

Dollars in millions

Program funding	FY 1990	FY 1991	FY 1992	FY 1993	FY 1994
Appropriations	\$5.100	\$5.100	\$84.000	\$133.000	\$151.400
Appropriation transfer from BRAC	20.000	11.000	0	0	0
Indefinite borrowing authority used	1.827	1.131	0	0	0
Reimbursable HAP authority	.005	.007	.001	0	0
Revenue from home sales	4.983	2.505	11.908	27.727	34.138*
Prior fiscal year unobligated balance brought forward	1.023	20.433	7.477	74.575	171.532
Deobligation of prior years obligations	.183	.053	.032	1.723	-
Total funds available	\$33.121	\$40.229	\$103.418	\$237.025	\$357.070*
Use of funds					
Borrowing authority and mortgage debt payments	\$4.574	\$1.570	\$1.370	\$1.211	0
Expired unobligated balance from BRAC appropriation transfer		4.633			
Non-BRAC DOD HAP obligations	4.776	1.239	6.814	16.795	\$36.752 ^b
BRAC I HAP obligations	3.333	25.101	9.365	5.662	.736 ^b
BRAC II HAP obligations	0	.202	11.235	41.708	13.614 ^b
BRAC III HAP obligations	0	0	.058	.117	.869 ^b
Total BRAC I, II, and III	3.333	25.303	20.658	47.487	15.219^b
Total funds used	\$12.683	\$32.745	\$28.842	\$65.493	\$51.971^b
Estimated FY 1994 HAP expenses not yet incurred or obligated					\$94.405*
Reimbursable HAP program	\$.005	\$.007	\$.001	0	0
Unobligated balance forward	\$20.433	\$7.477	\$74.575	\$171.532	\$210.694*

Note: HAP is not requesting a FY 1995 appropriation. It estimates bringing a \$210.694 million unobligated balance forward from FY 1994 and \$91.490 million in revenues from the sale of homes. HAP estimates that its FY 1995 obligations will be \$169.184 million. DOD is asking for legislation that allows transferring \$133 million of HAP's obligational authority to BRAC II to help finance FY 1995 requirements.

* Estimated for FY 1994 program year.

^b Actual amount for FY 1994 through April 30.

Source: U.S. Army Corps of Engineers, Directorate of Real Estate, Realty Services Division.

