



*BY THE COMPTROLLER GENERAL
OF THE UNITED STATES*

B 1700 83

Disestablishment Of
The Air Force
Special Weapons Center

Department of Defense

The disestablishment of the Air Force Special Weapons Center, Kirtland Air Force Base, New Mexico, should produce annual recurring savings of about \$5.9 million and result in one-time costs of about **\$3.1** million.

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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON, D.C. 20548

B-170083

The Honorable Joseph M. Montoya
United States Senate

Dear Senator Montoya:

On April 22, 1975, you asked us to report on the disestablishment of the Air Force Special Weapons Center. We reviewed the savings and costs related to the disestablishment.

As you requested, we did not present this report to the Department of Defense for official comment. We did, however, discuss our findings with Department representatives.

Sincerely yours,

A handwritten signature in black ink that reads "James R. Abate".

Comptroller General
of the United States

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ABBREVIATIONS

ADTC	Armament Development and Test Center
AFCRL	Air Force Cambridge Research Laboratory
AFSWC	Air Force Special Weapons Center
GAO	General Accounting Office

COMPTROLLER GENERAL'S REPORT TO
THE HONORABLE JOSEPH M. MONTOYA
UNITED STATES SENATE

DISESTABLISHMENT OF THE
AIR FORCE SPECIAL WEAPONS
CENTER
Department of Defense

D I G E S T

On November 22, 1974, the Secretary of Defense announced the disestablishment of the Air Force Special Weapons Center, Kirtland Air Force Base, New Mexico, **as** part of the Department of Defense's continuing effort to shift resources from support to combat functions and to realine activities in line with today's force levels. (**See p. 1.**)

GAO believes that the disestablishment will produce annual recurring **savings** of about \$5.9 million and will result in one-time costs of about \$3.1 million. (See pp. 5 to 8.)

Existing organizations will absorb most of the Center's functions. (See **pp. 1 and 2.**) Most of the savings will result from eliminating headquarters positions. (See pp. 5 and 6.)

CHAPTER 1

INTRODUCTION

On November 22, 1974, the Secretary of Defense announced 111 base realignment actions to be completed by 1977. These actions are part of the Department of Defense's continuing effort to divert resources from support and overhead activities to combat capability and to realine activities in line with today's force levels.

It is anticipated that the 111 realignments will eliminate headquarters and other positions involving approximately 11,500 military and 11,600 civilian personnel. The military personnel will be reassigned to combat support. The Department of Defense estimates that support costs will be reduced by over \$3.3 billion in the 10 years after these actions are completed.

Included in the announcement was the closure of the Air Force Special Weapons Center (AFSWC) at Kirtland Air Force Base, New Mexico, and other actions affecting AFSWC and Kirtland, including consolidating Air Force Systems Command flight-test aircraft and aircraft modification resources and relocating the environmental research functions of the Air Force Cambridge Research Laboratory (AFCRL), L. G. Hanscom Air Force Base, Massachusetts, to Kirtland.

REALIGNMENT PLAN

The overall realignment plan provided that:

- The Commander of the Air Force Contract Management Division assume AFSWC's base operating support responsibilities for Kirtland.
- AFSWC's 6585th Test Group located at Holloman Air Force Base, New Mexico, be assigned in place to the Armament Development and Test Center (ADTC). ADTC, which is responsible for research and development of all Air Force nonnuclear munitions, is headquartered at Eglin Air Force Base, Florida.
- ADTC assume the role and responsibilities of Deputy for Air Force, White Sands, Missile Range, New Mexico.
- AFSWC F-4 and T-38 test and test-support aircraft be assigned, with associated test projects, to ADTC.

- AFSWC test-support T-39, C-130, and C-135 aircraft, with associated test projects and all AFSWC modification resources, be assigned to the Aeronautical Systems Division located at Wright-Patterson Air Force Base, Ohio. The Aeronautical Systems Division plans and manages the acquisition of aeronautical systems, subsystems, and associated equipment.
- AFSWC's C-131B aircraft, serial number 53-7810, modified for airborne frequency monitoring, be assigned to the Air Force Flight Test Center at Edwards Air Force Base, California. 1/
- AFSWC's 4905th Maintenance and Supply Group be closed and Kirtland's flight line and maintenance operations be reduced to provide transient aircraft turnaround capability only. Additional support for aircraft required to operate from Kirtland in support of specific test programs would be provided by the responsible test organizations.
- The environmental research functions of AFCRL be transferred to Kirtland as the Air Force Geophysics Laboratory.

AIR FORCE REEVALUATION

In December 1974 the Secretary of the Air Force decided that further study and examination of the realignment plan was warranted. He commissioned agencies outside the Air Force to evaluate the plan, to obtain an independent review. On July 31, 1975, the Secretary announced his reaffirmation of the decision to disestablish AFSWC but reversed the decision to move the environmental research functions of AFCRL from Hanscom to Kirtland. As a result, Kirtland is expected to lose 1,620 positions (849 military and 771 civilian), 566 more than the 1,054 it was expected to lose if the environmental research functions of AFCRL had been moved to Kirtland.

HISTORY OF THE AIR FORCE SPECIAL WEAPONS CENTER

AFSWC, a division of the Air Force Systems Command, was established on April 1, 1952, and evolved from Air Force

1/The airborne frequency monitoring mission has since been terminated and the aircraft has been removed from the Air Force inventory.

organizations at Kirtland dating back, to the early post-World War II period. These organizations all had one common purpose--to provide the Air Force with the best possible nuclear weapon capability.

AFSWC is the lead test center for special weapons and support equipment testing, airborne missile testing, nuclear testing air support, aerospace navigation and guidance system testing, high-speed track testing, radar target scatter testing, and terminal guidance subsystem testing. AFSWC also operates the central inertial guidance test facility, the Air Force Systems Command's high-speed test track, and the radar target scatter sites; supports the test and evaluation of selected aircraft reconnaissance systems and missile re-entry vehicles; provides target drone support for testing selected weapon systems; provides Department of Defense-directed representation and support to the White Sands Missile Range; and provides the management for test and evaluation systems development-acquisition as directed. AFSWC is also responsible for the general maintenance and housekeeping of Kirtland.

In November 1974 AFSWC's authorized projected personnel strength totaled 4,732--394 officers, 2,237 enlisted personnel, and 2,101 civilians. AFSWC's total obligation authority for fiscal year 1975 was about \$71.8 million.

KIRTLAND AIR FORCE BASE

Kirtland, located near the southeast section of Albuquerque, New Mexico, began as an Army Air Corps training field in the late 1930s. In February 1946 Kirtland was placed under the Air Materiel Command and became the center for flight-test activities for the Manhattan Engineering District. Kirtland's role in testing and evaluating special weapons increased in 1947 when the Army Air Corps became the U.S. Air Force and the base was renamed Kirtland Air Force Base.

On July 1, 1971, Sandia Air Force Base was merged with Kirtland. Kirtland occupies nearly 50,000 acres and has 766 buildings with more than 5.5 million square feet of floor space. The Department of Defense investment in real estate, equipment, supplies, and aircraft is estimated to be about \$355 million. The Department of Defense employs about 13,000 military and civilian personnel at Kirtland. Kirtland's population totals more than 19,000--about 13,000 military and civilian personnel of the Department of Defense and about 6,000 personnel of the Energy Research and Development Administration and its contractors.

SCOPE OF REVIEW

We made our review primarily at Kirtland, Wright-Patterson, and Eglin Air Force Bases and at the Department of the Air Force, Washington, D.C. We discussed with Air Force officials the cost and savings resulting from disestablishing AFSWC and examined records and documents supporting the Air Force's estimates.

The Employment Security Commission of New Mexico assisted us in estimating the costs of unemployment compensation for potentially qualifying AFSWC employees.

CHAPTER 2

SAVINGS AND COSTS ASSOCIATED WITH DISESTABLISHMENT

The Air Force estimated the disestablishment of AFSWC would result in annual recurring savings of about \$5.5 million, one-time costs of about \$4 million, and one-time cost avoidances of about \$3.5 million. We believe the Air Force underestimated annual recurring savings by about \$400,000 and overestimated one-time costs by about \$1 million.

We estimate that the disestablishment will produce annual recurring savings of about 55.9 million and will result in one-time costs of about \$3.1 million. We were unable to evaluate the accuracy of the major part of the Air Force's estimate for one-time cost avoidances.

The following sections compare the Air Force's estimates and our estimates for annual recurring savings and one-time costs.

ESTIMATED ANNUAL RECURRING SAVINGS

	<u>Air Force</u>	<u>GAO</u>	GAO over or <u>under (-)</u>
—————(000 omitted)—————			
Decreased annual costs:			
Military personnel costs	\$3,400	\$3,465	\$ 65
Civilian personnel costs	2,508	3,026	518
Vehicle operation and maintenance	100	45	-55
Facilities operation and maintenance	<u>341</u>	<u>259</u>	<u>-82</u>
Total estimated decrease in recurring costs	<u>6,349</u>	<u>6,795</u>	<u>446</u>
Less increased annual costs:			
Contract services	883	883	-
Army staging operation at Holloman	<u>-</u>	<u>50</u>	<u>-50</u>
Total estimated increase in recurring costs	<u>883</u>	<u>933</u>	<u>50</u>
Estimated annual recurring savings	<u>\$5,466</u>	<u>\$5,862</u>	<u>\$396</u>

The Air Force estimated that the disestablishment would eliminate 582 positions--372 military and 210 civilian. The Air Force's calculation of the related savings was based on fiscal year 1974 cost data.

The differences between our estimates and the Air Force's estimates for personnel savings were the net result of two factors.

--Because our analysis was done after the Air Force's, we were able to use fiscal year 1975 data to determine savings.

--In its calculations the Air Force included savings for eliminating 37 contract positions (mess attendants and shuttle-bus services) unrelated to the disestablishment.

The Air Force overestimated reduced operations and maintenance costs by about \$55,000 for vehicles and \$82,000 for facilities, because its estimates included labor costs already claimed in its estimates for personnel savings.

The Army's Missile Electronic Warfare Airborne Group will require an annual staging operation at Holloman at a cost of \$50,000, as a result of the anticipated transfer from Kirtland to Wright-Patterson of the NKC-135A airborne electronic laboratory. The Air Force did not include this cost in its estimate.

ESTIMATED ONE-TIME COSTS

	<u>Air Force</u>	<u>GAO</u>	GAO over or <u>under (-)</u>
	—————(000 omitted) —————		
Severance pay	\$ 561	\$ 241	\$ -320
Homeowners assistance	1,013	a/1,013	-
Unemployment compensation	-	88	88
New equipment to be purchased by ADTC to support require- ments of former AFSWC missions	-	300	300
Relocation of military personnel	963	963	-
Relocation of civilian personnel	1,370	255	-1,115
Facility preparation at Wright- Patterson	121	41	-80
Transfer of Army's Missile Elec- tronic Warfare Airborne Group to Wright-Patterson and Holloman	-	152	152
Transportation of equipment	21	21	-
Cost to place buildings in care- taker status	-	9	-9
Total	<u>\$4,049</u>	<u>\$3,083</u>	<u>\$ -966</u>

a/We were unable to evaluate Air Force's estimate for this category. Cost cannot be determined with reasonable accuracy until phasedown is completed.

The Air Force estimated that severance pay would be about \$561,000. We estimate it will be about \$241,000. The difference is accounted for largely by the fact that the Air Force assumed those expected to receive severance pay to have an average of 15 years' eligible service, whereas our analysis showed them to have an average of 9 years' eligible service.

The Air Force did not include an estimate of the Government's liability for unemployment compensation as a result of the closure. The AFSWC employees we estimated would be eligible for unemployment compensation could be entitled to maximum benefits totaling about \$531,000. The State is entitled to full reimbursement by the Federal Government for unemployment benefits paid to former Federal employees. We estimate that the amount actually paid will be about \$88,000. This is based on the number who would receive unemployment compensation and the length of time they would receive it, as estimated by the Employment Security Commission of New Mexico.

ADTC officials have identified about \$300,000 in new equipment requirements needed to support the AFSWC missions ADTC is gaining. These requirements, which are subject to Air Force Systems Command approval, were not included in the Air Force's estimate.

Using projections based on historical data, the Air Force estimated that 217 civilian employees would relocate as a result of the disestablishment. On the basis of the highest possible estimates for permanent-change-of-station allowances (about \$6,313 for each civilian **employee**), the Air Force estimated the cost would be about \$1,370,000.

On the basis of information obtained from personnel officials and records at Kirtland, it appears that only 102 civilian employees will relocate, at an average cost of about \$2,500 for each employee. We estimate that civilian relocation costs will total about \$255,000,

The Air Force estimated one-time costs include about \$121,000 for preparing facilities at Wright-Patterson. We estimated such costs at \$41,000, or about \$80,000 less than the Air Force's estimate. The difference in the two estimates is attributable to two factors.

--The Air Force erroneously included \$97,300 not applicable to Wright-Patterson or AFSWC. These costs are associated with the plan to transfer the environmental research functions of AFCRL from Hanscom to Kirtland, which plan the Secretary of the Air Force has canceled.

--Our estimate includes \$17,800 for facilities preparation largely accounted for by a revision to the Aeronautical Systems Division implementation plan.

On closing AFSWC, the Air Force plans to transfer the NKC-135A airborne electronic warfare laboratory from Kirtland to Wright-Patterson. As a result, the Army's Missile Electronic Warfare Airborne Group at Kirtland expects to move the bulk of its operation to Wright-Patterson. The group estimates that its one-time cost of moving will be about \$152,000. The Air Force did not include this cost in its estimate.

We estimate, on the basis of information provided by the Civil Engineering Division of the 4900th Air Base Group at Kirtland, that the Air Force will incur a one-time cost of about \$9,000 to place the vacated buildings in caretaker status. The Air Force did not include this cost in its estimate.

ESTIMATED ONE-TIME COST AVOIDANCES

	<u>Air Force</u>
Redistribution of:	
Equipment	\$2,344
Aircraft spare parts	342
Military construction and operation and maintenance projects to be canceled	<u>852</u>
Total estimated one-time savings	<u>\$3,538</u>

The Air Force estimated that AFSWC had about \$4,688,000 worth of equipment, of which about 50 percent (\$2,344,000) could be redistributed for use by other organizations. We were unable to evaluate the validity of this estimate because the Air Force could not identify either the specific equipment that would be redistributed or the recipients.

The Air Force was able to identify the aircraft spare parts that would be redistributed and the recipients. However, the Air Force's estimate of \$342,000 worth of spare parts **was** based on 1974 inventory values. By the end of fiscal year 1975, the inventory value of the spare parts had decreased to about \$226,000.

We were able to validate the Air Force's estimate of \$852,000 for the canceled projects.