DOCUMENT RESUME

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[Administration of the Military Minor Construction Program Requires Compliance with Rather Than Amendment of 10 U.S.C. 2674]. LCD-78-324; B-133316. March 30, 1978. 2 pp.

Report to Sen. Gary Hart, Chairman, Senate Committee on Armed Services: Hilitary Construction and Stockpiles Subcommittee: .

Issue Area: Facilities and Material Management (700). Contuct: Logistics and Communications Div.

Budget Function: National Defense: Department of Defense - Hilitary (except producement 6 contracts) (051).

Organization Concerned: Department of Defense.

Congressional Relevance: Senate Committee on Armed Services: Hilitary Construction and Stockpiles Subcommittee. Sen. Gary Hart.

Authority: Military Construction Authorisation Act [of] 1978. 10 U.S.C. 2674.

The report, "Questionable Practices of the Hilitary Hinor Construction Program," noted that the new legislative language in 10 U.S.C. 2674 is comparable to the language of existing Department of Defense (DOD) regulations. Previous recommendations regarding the administration of the program have not affected DOD compliance. The success of the new legislation depends on DOD's administration of the new authority, especially amendments establishing congressional prenotification and defining the term "project." Further changes to the legislation would be premature until the effect of the amendments can be determined. The Committee should emphasize to DOD officials that correction of past practices requires clear administrative guidance, command emphasis, and a strong and continuing internal audit program. (HTW)

COMPTROLLER GENERAL OF THE UNITED STATES WASHINGTON, D.C. 20048

B-133316

March 30, 1978

The Honorable Gary Hart
Chairman, Subcommittee on Military
Construction and Stockpiles
Committee on Armed Services
United States Senate

Dear Mr. Chairman:

Reference is made to your letter of February 17, 1978, requesting any suggestions we may have for strengthening 10 U.S.C. 2674, as passed during the last session. You referred to our letter of February 14, 1978, transmitting our report on the "Questionable Practices of the Military Minor Construction Program" (LCD-77-356, Feb. 14, 1978).

We stated that previous congressional and General Accounting Office recommendations regarding the administration of the military minor construction program have not effected Department of Defense compliance. As discussed on page 22 of our report, the new legislative language in 10 U.S.C. 2674 is comparable to the language of existing Department of Defense regulations.

As noted in both our February 14, 1978, letter and our report, the success of the new legislation depends on the Department's administration of the new authority. In particular, the amendments establishing congressional prenotification (paragraph (f)) and defining the term "project" (paragraph (g)) could, if effectively administered by the Department of Defense, alleviate many of the previous abuses.

We believe that further changes to 10 U.S.C. 2674 would be premature until the effectiveness of the amendments scheduled to take effect October 1, 1978, can be determined. Pursuant to the Conference Report on the Military Construction Authorization Act, 1978, the Department of Defense is to report to your Committee, with its fiscal year 1979 budget submission, the procedures that will be used to implement the amended authority. This appearance affords the Committee an opportunity to emphasize to Department officials that, as stated in our report, clear administrative guidance, command emphasis, and a strong and continuing internal audit program—by the services' and departmental internal audit organizations—is necessary if past practices are to be corrected.

In conclusion, we believe that currently the best remedy is not to amend 10 U.S.C. 2674, but to effect compliance with the law by the Department of Defense.

Sincerely yours,

Comptroller General of the United States