DEFENSE REAL PROPERTY

DOD Needs to Take Additional Actions to Improve Management of Its Inventory Data

Why GAO Did This Study

DOD manages a portfolio of real property assets that as of fiscal year 2016 reportedly included about 568,000 facilities with a combined plant replacement value of about $1 trillion and 27.2 million acres of land. DOD requires the military services and Washington Headquarters Services to collect and maintain information about each of the assets in their inventories to assist the department with management decision making.

In May 2017, the House Armed Services Committee, Subcommittee on Readiness, asked GAO to review DOD's management and use of its real property data. This report evaluates (1) how accurately and completely RPAD reflects DOD's real property assets, (2) DOD's processes to ensure accuracy and completeness in recording and reporting real property data, and (3) DOD's actions to ensure it has addressed risks that may affect the use of real property information for managing its assets. GAO analyzed the RPAD and military services' data for fiscal years 2014-2016; reviewed documentation; conducted site visits; and interviewed DOD officials.

What GAO Recommends

GAO is making six recommendations to improve DOD's real property data, including fully monitoring recording processes; developing and implementing corrective actions for identified data discrepancies; and developing a strategy to address risks associated with data quality and information accessibility. DOD concurred or partially concurred with all draft recommendations. In response, GAO agreed to combine two recommendations.

View GAO-19-73. For more information, contact Brian J. Lepore at (202) 512-4523 or leporeb@gao.gov or William J. Cordrey at (404) 679-1873 or cordreyw@gao.gov.

What GAO Found

GAO found that the Department of Defense's (DOD) Real Property Assets Database (RPAD) contained inaccurate data and lacked completeness, although certain data that GAO reviewed had improved their accuracy since fiscal year 2014. RPAD is a department-wide database of real property data annually compiled by the Office of the Secretary of Defense from the inventories of the military services and DOD's Washington Headquarters Services, which manages real property in the National Capital region. DOD uses RPAD to report on DOD's real property to Congress and other federal agencies, such as the Office of Management and Budget and the General Services Administration to assist in managing federal real property.

DOD has weaknesses in its processes for recording and reporting real property data that have led to inaccurate and incomplete information. GAO and others found military services have not consistently recorded real property transactions (i.e., acquisition of, change to, and disposal of a real property asset) and physical inventories of assets. GAO also found that the military services have not corrected identified discrepancies in their data systems, such as missing entries for utilization and facility condition and overdue asset reviews. GAO reviewed records of 120 facilities with identified discrepancies in fiscal year 2015 RPAD data and compared them to the records in the respective data system in 2017 and found that 61 discrepancies remained. The military services had corrected the data in the remaining 59 reviewed facilities in their data systems. DOD's efforts to prepare for an upcoming financial audit have helped identify issues and improve accuracy of some data. However, if DOD does not require the military services to fully monitor recording processes and implement corrective actions to resolve data discrepancies, the department will continue to have incomplete and inaccurate real property data and unreliable RPAD information.

DOD has not addressed three risks that can adversely affect its ability to use its information to manage its real property. Specifically, DOD (1) has unfilled real property positions limiting its capacity to manage its data, (2) lacks a department-wide approach to improving its data quality, and (3) has not identified how it will complete implementation of an effort to improve access to data. These risks exist, in part, because DOD has not developed a strategy that identifies and addresses risks with accompanying time frames and performance metrics. If DOD does not develop a strategy that identifies and addresses risks to data quality and information accessibility, DOD may miss the opportunity to reasonably ensure that the information needed for effective decision making by DOD, Congress, and other federal agencies is available to meet real property accountability and reporting objectives.