

be submitted with appropriate explanation of the basis for the Navy's determination to the Comptroller General for a decision.

Since the Navy plans to phase out the dairy at the Naval Academy, we made no recommendations.

[Index No. 13—B-133102, Mar. 24, 1966]

REVIEW OF THE MANAGEMENT AND UTILIZATION OF CAPEHART, WHERRY, AND OTHER GOVERNMENT-OWNED FAMILY HOUSING, DEPARTMENT OF THE ARMY

Available family housing remained vacant or was being used for other than its intended purpose at Army installations while servicemen were being paid quarters allowances to provide their own housing. In order to estimate the amount of increased annual expenditures for quarters allowances in the Department of the Army, we applied the increased rate of such expenditures, as disclosed in our review, to the total expenditures for basic allowance for quarters, as paid by the Army, for fiscal year 1964. On the basis of this calculation, we estimated that the Army's increased expenditures for quarters allowances would amount to approximately \$3 million annually because of the unutilized available housing.

Had the Government-owned family housing been occupied by eligible personnel, the Government's cost of family housing could have been offset by the resultant reductions in quarters allowance payments as intended by the Congress. We found during our review that Government-owned family housing remained vacant or was used for other than its intended purpose for excessive periods because installation officials responsible for the management of family housing did not (1) control the time taken to process and renovate family housing for reoccupancy, (2) maintain complete listings of personnel eligible for family housing, (3) direct eligible personnel to occupy available family housing, and (4) redesignate excess available officer housing to meet the housing needs of enlisted men.

The Deputy Assistant Secretary of Defense (Family Housing) concurred in general with the findings, conclusions, and proposals contained in our draft report and outlined to us a series of corrective actions being taken Army-wide. He stated that our findings had been and continued to be of valuable assistance to the Department of Defense in the administration of the family housing program. He stated that, at the specific installations concerned, corrective action had been initiated on deficiencies uncovered by the General Accounting Office as rapidly as they were identified and that conditions noted for periods prior to fiscal year 1964 did not continue to exist throughout fiscal year 1964. Furthermore, a Department of the Army letter dated September 10, 1964, notified all commands of the deficiencies noted by the General Accounting Office.

It was not our intention to indicate that all the deficiencies disclosed during the period of our review continued to exist at those specific installations after corrective actions had been taken. The purpose of our estimate was to show the increase in the Army's annual expenditures for quarters allowances in terms of 1 fiscal year's expenditures. An audit report issued by the Army Audit Agency dated