

Army Regulation 210–27

Installations

**Basic
Policies and
Principles
for Carrying
Out an
Economic
Adjustment
Program**

**Headquarters
Department of the Army
Washington, DC
14 June 2017**

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SUMMARY of CHANGE

AR 210–27

Basic Policies and Principles for Carrying Out an Economic Adjustment Program

This revision, dated 14 June 2017—

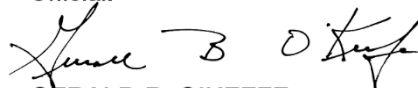
- o Changes the publication series from “logistics” to “installations” (cover).
- o Adds an internal control evaluation (appendix B).
- o Updates the regulation to reflect changes in Army structure and responsible organizations (throughout).

Basic Policies and Principles for Carrying Out an Economic Adjustment Program

By Order of the Secretary of the Army:

MARK A. MILLEY
General, United States Army
Chief of Staff

Official:



GERALD B. O'KEEFE
Administrative Assistant to the
Secretary of the Army

History. This publication is a major revision.

Summary. This regulation promulgates policies and procedures established by OSD and HQDA for minimizing the economic impact on communities resulting from closures, reductions, or realignments of military installations and activities.

Applicability. This regulation applies to the Active Army, the Army National Guard/Army National Guard of the United States, and the U.S. Army Reserve, unless

otherwise stated. Also, it applies to all activities and installations of the Army located in the 50 states, the District of Columbia, Puerto Rico, the Virgin Islands, and Guam.

Proponent and exception authority.

The proponent of this regulation is the Assistant Chief of Staff for Installation Management. The proponent has the authority to approve exceptions or waivers to this regulation that are consistent with controlling law and regulations. The proponent may delegate this approval authority, in writing, to a division chief within the proponent agency or its direct reporting unit or field operating agency, in the grade of colonel or the civilian equivalent. Activities may request a waiver to this regulation by providing justification that includes a full analysis of the expected benefits and must include formal review by the activity's senior legal officer. All waiver requests will be endorsed by the commander or senior leader of the requesting activity and forwarded through their higher headquarters to the policy proponent. Refer to AR 25–30 for specific guidance.

Army internal control process. This regulation contains internal control provisions in accordance with AR 11–2 and identifies key internal controls that must be evaluated (see appendix B).

Supplementation. Supplementation of this regulation and establishment of command and local forms are prohibited without prior approval from the Assistant Chief of Staff for Installation Management (DAIM–OD), 600 Army Pentagon, Washington, DC 20310–0600.

Suggested improvements. Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) directly to Headquarters, Department of the Army, Assistant Chief of Staff for Installation Management (DAIM–OD), 600 Army Pentagon, Washington, DC 20310–0600.

Distribution. This publication is available in electronic media only and is intended for the appropriate command levels of the Active Army, the Army National Guard/Army National Guard of the United States, and the U.S. Army Reserve.

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Glossary

*This regulation supersedes AR 700-113, dated 30 August 1973.

1. Purpose

This regulation prescribes policies and responsibilities for participation in an Economic Adjustment Program to minimize the economic impact on communities, due to changes in Army programs resulting from new or amended laws, such as a base realignment and closure (BRAC), reduction in force, or utilization of existing legal authorities, such as non-BRAC closure, force realignment, transfer of function, and reduction in force. DOD Directive 5410.12 is the guiding directive for this regulation. DOD Manual 4165.66M prescribes the procedures on how to reuse and redevelop military bases. It also provides specific information on the redevelopment process.

2. References

See appendix A.

3. Explanation of abbreviations and terms

See the glossary.

4. Responsibilities

a. Assistant Secretary of the Army for Installations, Energy, and Environment. The ASA (IE&E) will act as the Army's representative, to provide policy and assistance for Community Economic Adjustment Programs.

b. Assistant Chief of Staff for Installation Management. The ACSIM will--

(1) Act as the Army's representative, to provide liaison and coordination between the Director, Office of Economic Adjustment (OEA), the Army's land holding commands, and the local community and/or local redevelopment authority (LRA).

(2) Liaise and coordinate with the affected communities and assist the Director, OEA, in administering community programs initiated in response to the closure or realignment of military installations.

(3) Coordinate with OEA on the Community Growth Management Plan.

(4) Provide, through the Army land holding command and installation commander, maximum advance information to support state and local government plan for changes in local facilities and public services, workforce training program and local economic development (potential reuse of real and personal property) due to Army program changes.

c. The Commanders, U.S. Army Installation Management Command, U.S. Army Materiel Command, Army National Guard Bureau, and U.S. Army Reserve Command. These commanders of land holding commands will--

(1) Provide the installation commander with Economic Adjustment Program guidance on local press interviews and releases, briefings for community leaders and installation personnel, and the reporting of real and personal property for transfer or disposition.

(2) Provide, through the installation commander, approved planning information resulting from Army program change(s) to the local community and state representatives. This planning information includes personnel, local procurement and regulatory environmental requirements for construction.

5. Policy overview

The OEA has the lead in planning and executing economic adjustment efforts. The Army will cooperate and assist the OEA, as appropriate, to minimize or alleviate the economic impacts of program changes such as closures, reductions, or realignments of installations and activities.

6. Procedures

If the ACSIM determines that the closure, reduction, or realignment of Army installations and activities will seriously affect the economy of a community or region, the Army land holding command will direct the commander of the installation or activity involved to designate a base transition coordinator (BTC). The BTC will communicate with community leaders and representatives of OEA, coordinating through the ACSIM to the Army Staff and ASA (IE&E).

Appendix A

References

Section I

Required Publications

DOD Directive 5410.12

Economic Adjustment Assistance to Defense-Impacted Communities (Cited in para 1.)

DOD Manual 4165.66M

Base Redevelopment and Realignment Manual (Cited in para 1.)

Section II

Related Publications

A related publication is a source of additional information. The user does not have to read it to understand this publication. Unless otherwise indicated, all publications are available on the APD website, at <http://www.apd.army.mil>. DOD publications are available at <http://www.dtic.mil/whs/directives>.

AR 11–2

Managers' Internal Control Program

AR 25–30

Army Publishing Program

DA Pam 210–3

Commander's Handbook for Installation and Activity Consolidations, Realignments, Reductions and Closures

DODD 3030.01

Office of Economic Adjustment (OEA)

Section III

Prescribed Forms

This section contains no entries.

Section IV

Referenced Forms

Unless otherwise indicated, DA Forms are available on the APD website (<http://www.apd.army.mil>).

DA Form 11–2

Internal Control Evaluation Certification

DA Form 2028

Recommended Changes to Publications and Blank Forms

Appendix B

Internal Control Evaluation

B–1. Function

The function covered by this regulation is the management of the Economic Adjustment Program.

B–2. Purpose

The purpose of this evaluation is to help Economic Adjustment Program stakeholders evaluate the key internal controls, via the assessment questions listed below. It is not intended to cover all controls.

B–3. Instructions

These key internal controls must be formally evaluated by ACSIM at least once every 5 years. Certification that evaluation has been conducted must be accomplished on DA Form 11–2 (Internal Control Evaluation Certification). Answers must be based on the actual testing of internal controls (such as document analysis, direct observation, sampling, and simulation). Answers that indicate deficiencies must be explained and corrective action indicated in supporting documentation.

B–4. Test questions

- a.* Was the decision on the closure, reduction, or realignment of the Army installations or activity made public in a timely manner?
- b.* Were the local community and/or local redevelopment authority (LRA) stakeholders identified within 90 days of the public announcement of the closure, reduction, or realignment?
- c.* Was the local community and/or LRA provided information on programs available to assist in its economic adjustment?
- d.* Did the Army, through ASA (IE&E), submit timely reports to Congress?

B–5. Supersession

Not applicable.

B–6. Comments

Help to make this a better tool for evaluating internal controls. Submit comments to the Assistant Chief of Staff, Installation Management (DAIM–OD), 600 Army Pentagon, Washington, DC 20310–0600.

Glossary

Section I

Abbreviations

ACSIM

Assistant Chief of Staff for Installation Management

ASA (IE&E)

Assistant Secretary of the Army for Installations, Energy and Environment

BRAC

base realignment and closure

BTC

base transition coordinator

DOD

Department of Defense

DODD

Department of Defense Directive

LRA

local redevelopment authority

OEA

Office of Economic Adjustment

SECARMY

Secretary of the Army

Section II

Terms

Base transition coordinator (BTC)

In accordance with provisions of Section 2915 of the National Defense Authorization Act for Fiscal Year 1994, Public Law 103–160, the Army must appoint a BTC for each closing installation. The BTC assists in coordinating many of the installation closure actions that have implications for the LRA's redevelopment plan.

Community Economic Adjustment Program

This is a joint effort by local leaders and an Economic Adjustment Committee (EAC) Team (a task force selected from the interagency EAC) to plan and carry out an adjustment strategy and a series of actions designed to alleviate the effects of a Defense economic impact on a community.

Economic Adjustment Programs

The Defense Economic Adjustment Program was established in 1961 to help communities respond to economic impacts caused by significant defense program changes, including major base realignments and closures. OEA implements the provisions of this program in cooperation with the Military Departments.

Economic impact

Relates to the adverse effect on the economy of a community or geographical area that may result from:

- Complete or partial closure of a military installation.
- Reduction in DOD personnel (civilian or military).
- Termination or cancellation of major military procurement contracts.
- A general decline in the level of military prime and subcontract awards.
- The establishment or expansion of a military installation that causes a substantial increase in demand for local facilities and public services.

Land holding commands

U.S. Army land holding commands are: U.S. Army Installation Management Command (IMCOM), U.S. Army Materiel Command (AMC), Army National Guard Bureau (ARNG), and the U.S. Army Reserve Command (USAR).

Local redevelopment authority (LRA)

Any entity (including an entity established by a State or local government) recognized by the Secretary of Defense as the entity responsible for developing the redevelopment plan with respect to the installation or for directing the implementation of such plan.

Office of Economic Adjustment (OEA)

An organization within the Department of Defense that is in charge of helping communities plan for base closure and realignments. The agency also provides planning grants to impacted communities.

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