

TVA RESTRICTED INFORMATION



Memorandum from the Office of the Inspector General

September 29, 2009

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FINAL REPORT – INSPECTION 2009-12695-04 – REVIEW OF FOSTER FALLS CAMPGROUND

At the request of the Senior Vice President, Office of Environment and Research, we initiated reviews of the 11 Tennessee Valley Authority (TVA) managed campgrounds to determine if (1) campgrounds are being operated in accordance with the program intent and (2) campgrounds' operating controls are functioning as intended. This report addresses our findings pertaining to the Foster Falls Campground.

We found that the campground was operating under the program intent, which is to provide public areas for recreation. During our walkdown, we noted that one of the 26 campsites was occupied. Additionally, we found the basic operating controls were the functions of the Resident Manager. In summary, we found the operating controls appear to be functioning as intended and campground guidelines were generally being complied with. However, we did note some minor overall program contract and guideline inconsistencies.

BACKGROUND

TVA operates some 100 public recreation areas throughout the Tennessee Valley, including campgrounds, day-use areas, and boat launching ramps. TVA manages 11 campgrounds throughout the Valley and has set out specific campground rules in various TVA documents to help guide the maintenance and operation of these campgrounds. These documents include:

- Stewardship Guideline 7.2.1 - TVA's Recreation Areas
- Stewardship Guideline 7.1.4 - Developed Recreation Area Rules and Regulations
- Stewardship Guideline 7.1.1 - Administration of Fee Campgrounds and Pavilion Reservations
- Campground Host Procedures and Campground Regulations Handbook (2008 Edition) (Host Handbook)

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TVA RESTRICTED INFORMATION

- Resident Manager Procedures and Campground Regulations Manual (2009 Edition) (Resident Manager Manual)
- Campground Fee Process provided by Facilities

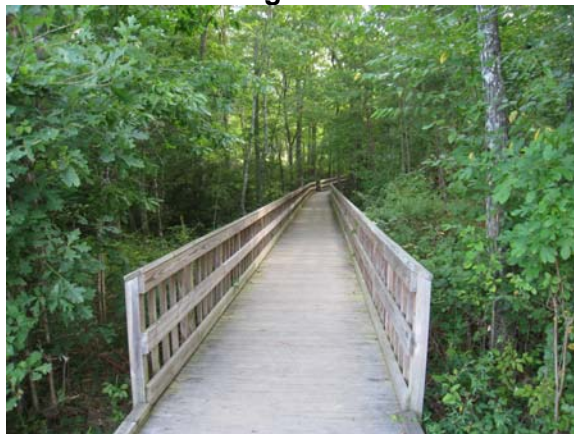
According to Stewardship Guideline 7.2.1, the 11 TVA-managed campgrounds help provide opportunities for public access to and enjoyment of the river system.

Foster Falls Campground is located in Sequatchie, Tennessee. The campground contains 26 campsites which do not have water and electric hookups. One of the 26 campsites was constructed to meet former accessibility guidelines.¹ Foster Falls Campground contains many amenities including (1) heated showers and flush toilets, (2) picnic tables and grills, (3) a group pavilion which is available by reservation, and (4) hiking trails. Foster Falls Campground also has a newly added handicap-accessible trail to an overlook of the waterfall. The waterfall and handicap trail are shown in Figures 1 and 2.

Figure 1



Figure 2



¹ We were told by Land and Water Stewardship personnel that campground assessments have been completed and plans are being developed pertaining to the update of campgrounds to current Americans with Disabilities Act guidelines.

All of the 11 TVA-managed campgrounds are available on a first-come, first-serve basis; except for Barton Springs, Cherokee Dam, Mallard Creek, Loyston Point, and Melton Hill campgrounds that operate on a lottery system to initially allocate campsites on opening day at the start of camping season and then manage the remaining season on a first-come, first-serve basis. TVA campgrounds charge the same camping rates and fees. Specifically, during the time period we reviewed, TVA daily and monthly rates were:

- For a campsite without water and electric hookups, \$16 daily and \$240 monthly.
- For a campsite with water and/or electric hookups, \$20 daily and \$300 monthly.
- For a campsite with water, electric, and sewer hookups, \$24 daily and \$360 monthly.

America the Beautiful Pass and older Golden Age and Golden Access Passport programs² can be used at TVA campgrounds to obtain half-price rentals on daily campsites only.

Facilities Management provided us certain revenue, expense, and occupancy information (i.e., the number of days the campsites were occupied) for fiscal years 2004 – 2008 for the TVA managed campgrounds, and that information is summarized in Table 1 for Foster Falls Campground.

Table 1

	2004	2005	2006	2007	2008
Revenue	\$ 11,388	\$ 14,028	\$ 13,805	\$ 14,772	\$ 14,831
Expense	\$ 11,520	\$ 11,116	\$ 12,000	\$ 19,875	\$ 28,340
Occupancy	908	913	929	802	887

Four of the 11 TVA-managed campgrounds have a Resident Manager because the campground is not located on a dam reservation. The Resident Manager is to assist TVA in supplying a safe, hazard-free environment for persons using the campgrounds. Resident Manager is responsible for registering campers, operating the gates, providing information to campers, picking up litter, and various other tasks. Foster Falls Campground has an on-site Resident Manager. TVA Facilities Management takes care of maintenance and upkeep, such as lawn care and bathhouse repairs, at Foster Falls Campground.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of our review of Foster Falls Campground were to determine if (1) the campground is being operated in accordance with TVA's program intent and (2) the campground's operating controls are functioning as intended.

² America the Beautiful Access Passes and older Golden Access Passes are for U.S. Citizens or permanent residents with permanent disabilities. America the Beautiful Senior Passes and older Golden Age Passes are for U.S. Citizens or permanent residents age 62 or over. These passes can be purchased through the National Park Service and are lifetime passes.

To achieve our objectives, we:

- Interviewed key TVA personnel and reviewed related TVA policies, processes, procedures, and guidelines to identify program intent and operational controls.
- Reviewed TVA contracts with Resident Managers to identify additional operational controls and whether standardization opportunities exist.
- Reviewed TVA-managed campground assessments as prepared by Land and Water Stewardship and Facilities, including scorecards and assessment briefing papers to identify potential areas of concern.
- Conducted a walkdown of Foster Falls Campground to determine whether guidelines are being followed and controls are functioning as intended. During the walkdown, we reviewed receipts to verify payment by all campers identified during the walkdown.
- Compared a sample of remittance registers for June 2009 submitted to Facilities for deposit with records maintained at Foster Falls Campground to determine whether revenue was accurately reported or discrepancies exist.
- Reviewed historical occupancy reports and revenue information to identify any potential control weaknesses.

The scope of this inspection included activities and operating controls as related to Foster Falls Campground. This Inspection was conducted in accordance with the "Quality Standards for Inspections."³

FINDINGS

We found Foster Falls Campground was operating in accordance with the program intent, which is to provide recreation for the public. Additionally, we found the basic operating controls were the functions of the Resident Manager. The operating controls appear to be functioning as intended. Furthermore, the campground guidelines were generally being complied with. However, we did note some inconsistencies in the Foster Falls Campground's Resident Manager's contract when it was compared to other Resident Managers' contracts. We also noted some other minor inconsistencies when we (1) reviewed applicable TVA guidelines and (2) compared the Resident Managers' contracts for four campgrounds with the Resident Manager Manual.

³ The Quality Standards for Inspections issued by the President's Council on Integrity and Efficiency, Executive Council on Integrity and Efficiency, provide standards for conducting inspections in the Inspector General community.

PROGRAM INTENT

We observed campers in one of the 26 campsites during our visit to Foster Falls Campground. We viewed campers enjoying the campground for recreation, including hiking by day-use visitors. We found the campground to be well maintained. Figure 3 shows a picture of campers utilizing Foster Falls Campground for recreation.

Figure 3



We also noted that Foster Falls Campground had signs to help visitors find their way to the different recreation areas, such as the overlook and hiking trails, as shown in Figure 4.

Figure 4



OPERATING CONTROLS

Oversight for Foster Falls Campground is provided by a Resident Manager. The duties of the Resident Manager are laid out in (1) the Resident Manager's contract with TVA and (2) the Resident Manager Manual.

As part of our review, we (1) reviewed camper payments, (2) performed a walkdown of the campground to assess compliance with campground guidelines, (3) compared Resident Manager contracts, (4) compared all identified manuals and guidelines for consistency, and (5) compared the Resident Manager Manual to the Resident Manager contracts. We found the operating controls were functioning as intended, but some control improvement opportunities may exist pertaining to overall program contract and guideline inconsistencies.

Camper Payments

During our walkdown, we noted that one of the 26 campsites was occupied. For the occupied campsite, the Resident Manager was able to show us the camper permit that was completed, and we were able to verify payment.

No discrepancies were identified when we compared our judgmentally selected sample of remittance registers from June 2009, provided by Facilities, to the documentation maintained with the campground attendant. In addition, our review of documentation and discussions with the campground attendant found that the length of stay guidelines are being monitored and enforced.

These observations indicated that the operating controls tested are meeting their intended function.

Campground Guideline Compliance

We performed a walkdown of Foster Falls Campground, and we found it to be operating in accordance with the guidelines. We created a checklist based upon (1) Stewardship Guideline 7.1.4 - Developed Recreation Area Rules and Regulations, (2) Host Handbook, and (3) Resident Manager Manual. We used the checklist during our walkdown to identify whether the campground was in compliance with the guidelines. We found the campground to be clean, well-maintained, and, based on our walkdown, operated effectively. Based on the specific criteria in the guidelines, we identified one noncompliance. This is provided for informational purposes only and does not require a response or actions from management. The only noncompliance found was one instance of trash outside of designated disposal areas.

Additional Walkdown Observation

We noted during our walkdown of Foster Falls Campground some pot holes in the road to the parking lot and two dead trees. A picture of the pot holes can be seen in Figure 5, and one of the trees can be seen in Figure 6.

Figure 5



Figure 6



We discussed the issues with the Resident Manager while on-site. Subsequent to our walkdown, we have been told by the Resident Manager that the pot holes have been repaired and the dead trees removed.

Contract Standardization

We reviewed four contracts between campground Resident Managers and TVA and noted some inconsistencies in the Foster Falls Campground Resident Manager's contract.⁴ While the four contracts were generally consistent, the Resident Manager contract for Foster Falls Campground contained differences when compared to the other three Resident Manager contracts. Specifically, the Foster Falls Campground Resident Manager contract differs from the other three in that it:

- Does not call for the campsite to be managed 24 hours a day during the recreation season, but states the Resident Manager is to "properly maintain the facilities 7 days a week between 8:00 a.m. - 9:00 a.m. and 4:00 p.m. - 5:00 p.m. The Resident Manager at Foster Falls Campground stated that she is at the campsite 24 hours a day. Furthermore, 24-hour management is a requirement in the Resident Manager manual.
- States the Resident Manager is to make reservations and collect fee deposits for the pavilion and does not address camping fees. The other Resident Manager contracts only require the collection of camping fees and do not address pavilion fees. The Resident Manager at Foster Falls Campground stated she is only collecting camping fees. We found her actions are in compliance with what is specified in the Resident Manager Manual.
- Does not contain a provision that the Resident Manager register campers daily at 2:00 p.m., although the Resident Manager stated she completes this process as part of her daily routine. Her actions would be consistent with what is specified in the Resident Manager Manual.
- Does not specify that the Resident Manager should mail camper permits and fees to TVA each Monday or more often if the funds collected exceed \$500 within the week.

Guideline Alignment and Clarity

During our walkdown of Foster Falls Campground, the Resident Manager noted that the instructions on the back of the TVA camping permit state that checkout is 5:00 p.m.; however, checkout time is actually 2:00 p.m. according to Stewardship Guideline 7.1.4 and the Resident Manager. The Resident Manager informed us that this has caused questions from campers on the correct checkout time. The Resident Manager was not sure if the permit book she was currently using was the most recent book available. We followed-up with Facilities and found that campground permit books were last updated approximately 5 years ago. At this time, Facilities has not been notified to order new camper permit books with the correct verbiage.

⁴ The other three campgrounds with a Resident Manager in addition to Foster Falls Campground are Loyston Point Campground, Mallard Creek Campground, and Barton Springs Campground.

During our reviews of the 11 TVA-managed campgrounds, we noted some inconsistencies among the various TVA guidelines utilized for the campgrounds. The detailed findings, recommendations, and management's planned actions were addressed in Inspection 2009-12695-02 – Review of Douglas Dam Headwater Campground.

Contract/Manual Alignment

We compared the Resident Manager contracts for all four campgrounds with a Resident Manager to the Resident Manager Manual. We found the manual contains three guidelines which are not in the Resident Manager contracts. Specifically, the Resident Manager:

- Is responsible for informing campers of and providing copies of TVA's rules and regulations and handing out pamphlets and other general information at the time of rental.
- Shall assist campers in locating their campsite if needed and answer questions of campers and visitors.
- Should notify the Recreation Planner and Facility Management Maintenance Foreman, if planning to be away for a length of time.

In addition, we noted that there were extra details on responsibilities in the manual that were not in the Resident Manager contracts. The manual adds these extra details for the duties of cleaning the restroom and cleaning the grounds. For example, the Resident Manager Manual states the Resident Manager should clean the restrooms "no less than twice a day between 8:00 a.m. and 10:00 a.m. and again between 3:00 p.m. and 5:00 p.m.," where the contract is not that specific.

RECOMMENDATIONS

We recommend the Senior Vice President, River Operations:

- Standardize the contracts where possible to promote consistent oversight among campgrounds.
- Update camper permit booklets to contain correct checkout time when reorder of new permit books is required and in the meantime clearly inform campers of correct check-out time when they register.
- Update the Resident Manager contracts to mirror the Resident Manager Manual or clearly reference the additional responsibilities prescribed in the Resident Manager Manual.

TVA management reviewed a draft of this report and plans to take corrective actions. Specifically, they will (1) where possible, standardize language in all four Resident Manager contracts to promote consistent oversight among campgrounds, (2) work with Facilities Management and provide correct checkout times or remove checkout times from the camper permit receipts as found in the camper permit booklets, and (3) update the four Resident Manager contracts to promote consistency with the Resident Manager Manual and to reflect process accuracy, alignment, and clarity.

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This final report is for your review and final action. Please advise us of your planned actions (i.e., management decision) in response to our findings within 60 days of the date of this report.

Information contained in this report may be subject to public disclosure. Please advise us of any sensitive information in this report that your recommend be withheld.

If you have any questions or wish to discuss our observations, please contact Gregory C. Jaynes, Deputy Assistant Inspector General, Inspections, at (423) 785-4810. We appreciate the courtesy and cooperation received from your staff during the inspection.



(For) Robert E. Martin
Assistant Inspector General
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ET 3C-K

JSB:SDB
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