



Memorandum from the Office of the Inspector General

September 29, 2009

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**FINAL REPORT – INSPECTION 2009-12695-09 – REVIEW OF WATAUGA DAM
TAILWATER 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 Watauga Dam Tailwater 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 24 of the 28 campsites were occupied.¹ We found that the basic operating controls were the functions of a Maintenance Foreman for Facilities at Watauga Dam and the volunteer Campground Host.² 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 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

¹ At Watauga Dam Tailwater Campground there are a total of 29 campsites. However, one of these sites is occupied by the Campground Host, so there are only 28 rentable sites.

² The Campground Host is an individual who is allowed to stay at the campground free of charge in exchange for providing some oversight functions.

- Stewardship Guideline 7.1.1 - Administration of Fee Campgrounds and Pavilion Reservations
- Campground Host Procedures and Campground Regulations Handbook (2008 Edition) (Host Handbook)
- 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.

Watauga Dam Tailwater Campground contains 28 campsites with electric hookups. The campground also has several amenities including (1) restrooms with heated showers and flush toilets, (2) a dump station,³ (3) a public phone, (4) picnic tables and grills, (5) canoe access, (6) boat ramps which are located above and below the Watauga Dam, (7) lake and river fishing, (8) a hiking trail, (9) a walking trail, (10) wildlife viewing area, and (11) bird watching.

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 programs⁴ 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 Watauga Dam Tailwater Campground.

³ A dump station is a place where camper wastewater may be discharged into a sanitary sewer system in a safe and responsible way.

⁴ 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.

Table 1

	2004	2005	2006	2007	2008
Revenue	\$ 35,918	\$ 44,221	\$ 34,933	\$ 49,608	\$ 53,467
Expense	\$ 28,080	\$ 11,931	\$ 6,000	\$ 25,516	\$ 28,247
Occupancy	2569	3880	4162	3823	4560

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. The Resident Manager is responsible for registering campers, operating the gates, providing information to campers, picking up litter, and various other tasks. Watauga Dam Tailwater Campground is a self-service⁵ campground and does not have a Resident Manager, but utilizes a Maintenance Foreman to provide oversight. In addition to the Maintenance Foreman, Watauga Dam Tailwater Campground also uses a volunteer Campground Host to provide oversight, and TVA Facilities Management takes care of maintenance and upkeep, such as lawn care and bathhouse repairs.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of our review of Watauga Dam Tailwater 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.

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-managed campground assessments as prepared by Land and Water Stewardship and Facilities, including scorecards, assessment briefing papers, and electrical reports to identify potential areas of concern.
- Conducted a walkdown of Watauga Dam Tailwater Campground to determine whether guidelines are being followed and controls are functioning as intended. During the walkdown, we reviewed daily pay envelopes and receipts to verify payment by all campers identified during the walkdown. We also checked some randomly selected pay envelopes to determine if campers paid appropriately.
- Compared a sample of remittance registers for June 2009 submitted to Facilities for deposit with records maintained at Watauga Dam Tailwater Campground to determine whether revenue was accurately reported or discrepancies exist.

⁵ These are campgrounds without a Resident Manager which operate on the honor system. Fees are placed in a lockbox and collected by the designated campground attendant and forwarded on to TVA.

- 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 Watauga Dam Tailwater Campground. This Inspection was conducted in accordance with the "Quality Standards for Inspections."⁶

FINDINGS

We found that Watauga Dam Tailwater Campground was operating in accordance with the program intent, which is to provide recreation for the public. Additionally, we found that the basic operating controls were the functions of the Maintenance Foreman and the volunteer Campground Host. The operating controls appear to be functioning as intended. Furthermore, the campground guidelines were generally being complied with. However, we did note some inconsistencies among applicable TVA guidelines.

PROGRAM INTENT

We observed campers in 24 of the 28 campsites during our visit to Watauga Dam Tailwater Campground. The Maintenance Foreman commented that during the busy season all campsites were normally fully occupied, with the exception of tent sites. We viewed campers enjoying their campsites and public use areas, including using the river for recreation. The campground appeared to be well maintained and in good condition. Figures 1 and 2 show some of the campers enjoying the river.

Figure 1



⁶ 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.

Figure 2



OPERATING CONTROLS

At Watauga Dam Tailwater Campground, the Maintenance Foreman collects money, provides oversight, and functions as the operating controls for the campground. There are no guidelines documenting the duties and responsibilities of this individual; however, from discussions with the Maintenance Foreman, the following processes are to be completed:

- Unlock vault and collect payment envelopes.
- Review amount of money submitted for accuracy.
- Verify all occupied campsites have been paid for.
- Convert all cash collected to money orders and forward all payments (including checks) to TVA with a remittance report detailing weekly total.

Watauga Dam Tailwater Campground also relies on their volunteer Campground Host to fulfill some of the campground duties and help provide oversight. Based upon our review of key guidelines, along with discussions with the Campground Host, the duties and responsibilities of the Campground Host are as follows:

- Tracks and fills out occupancy reports.
- Tracks the campers' length of stay.
- Replaces bathroom paper products and supplies.
- Informs the Recreation Representative of any disturbance, misuse, or accident.

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

Camper Payments

During our walkdown, we noted that 24 of the 28 campsites were occupied. The Maintenance Foreman opened the vault and showed us the envelopes that had been submitted. For the campsites without corresponding pay envelopes, the Maintenance Foreman was able to provide us documentation showing advance payments, with one exception. He also showed us another unidentified payment that could have been for the exception. We spot checked four envelopes from the vault and three contained the correct amount for the indicated days of stay. Since the other envelope did not note the length of stay, the Maintenance Foreman determined the length of stay for tracking purposes by dividing the total amount enclosed in the envelope by the daily fee.

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 Maintenance Foreman. In addition, our review of documentation and discussion with the Maintenance Foreman and Campground Host found that length of stay guidelines are being monitored and enforced.

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

Campground Guideline Compliance

We performed a walkdown of Watauga Dam Tailwater 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. It is provided for informational purposes only and it does not require a response or actions from management. The only noncompliance found was one minor instance where trash was outside of designated disposal areas.

In addition, per discussions with the Maintenance Foreman, we were told that the payment vault is checked once a week during busy seasons and once every two weeks the rest of the year. However, according to Policy 7.1.1, the fees are to be submitted to the watershed office at least once a week and twice a week during busy seasons.

Guideline Alignment and Clarity

During our review 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.

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Based on the results of this review and since the findings and recommendations regarding overall program guideline inconsistencies were addressed in a separate report, this report does not include any recommendations and is to be used for informational purposes only. Accordingly, no response is necessary.

Information contained in this report may be subject to public disclosure. Please advise us of any sensitive information in this report which you 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.



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Attachment

cc (Attachment):

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- John E. Long, Jr., WT 7B-K
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- Ronald J. Williams, CTR 2C-M
- OIG File No. 2009-12695-09