



Memorandum from the Office of the Inspector General

September 29, 2009

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FINAL REPORT – INSPECTION 2009-12695-03 – REVIEW OF DOUGLAS 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 Douglas Dam Tailwater Campground (Douglas 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 30 of the 62 campsites were occupied with families enjoying the various amenities the campground has to offer. Additionally, we found that the basic operating controls were the functions of the campground attendant, who is provided by the Retiree Resources Corporation.¹ 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 Retiree Resources Corporation provides experienced retirees to support TVA projects and programs.

- 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.

Douglas Tailwater Campground is located on the Douglas Reservoir adjacent to TVA's Douglas Dam in Sevierville, Tennessee. It contains 62 campsites which provide water and electric hookups. Two of the 62 campsites were constructed to meet former accessibility guidelines.² Douglas Tailwater Campground contains many amenities including (1) restrooms with heated showers and flush toilets, (2) a dump station,³ (3) picnic tables, (4) a fishing pier, (5) a bait and tackle shop, (6) a boat ramp, and (7) grills. A pavilion is also located at the campground which is available for public use.

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.

² 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.

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.

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 Douglas Tailwater Campground.

Table 1

	2004	2005	2006	2007	2008
Revenue	\$ 73,466	\$ 67,799	\$ 88,322	\$ 104,581	\$ 105,405
Expense	\$ 49,829	\$ 67,227	\$ 46,665	\$ 68,944	\$ 84,147
Occupancy	6646	5988	8175	8812	9469

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. Douglas Tailwater Campground is a self-service⁵ campground and does not have a Resident Manager, but utilizes a Retiree Resources Corporation employee to collect money and provide oversight. TVA Facilities Management takes care of maintenance and upkeep, such as lawn care and bathhouse repairs, at Douglas Tailwater Campground.

OBJECTIVES, SCOPE, AND METHODOLOGY

The objectives of our review of Douglas 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 Douglas 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.

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.

- Compared a sample of remittance registers for June 2009 submitted to Facilities for deposit with records maintained at Douglas Tailwater 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 Douglas Tailwater Campground. This Inspection was conducted in accordance with the "Quality Standards for Inspections."⁶

FINDINGS

Our review found that Douglas Tailwater 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 campground attendant, who is provided by the Retiree Resources Corporation. The operating controls appeared 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 30 of the 62 campsites during our visit to Douglas Tailwater Campground. The campground appeared to be well maintained. The landscaping was nicely kept and appeared to have recently been updated. We viewed campers enjoying their campsites and public use areas. Also, we observed children riding their bicycles, people fishing along the reservoir, and many people making use of the boat ramp. The fishing pier, well manicured landscaping, and a campground area are shown in Figures 1 and 2.

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

Douglas Tailwater Campground utilizes a Retiree Resources Corporation employee to act as a campground attendant, to collect money, and provide oversight. The functions of this campground attendant act as the operating controls for the campground. From a reviewing of the campground attendant's job description and discussions with the campground attendant, the following processes are to be completed:

- Unlocks vault and collects payment envelopes multiple times weekly.
- Reviews amount of money submitted for accuracy.
- Verifies occupied campsites have been paid for.
- Approaches campers that have not paid and collects money owed.
- Tracks and fills out occupancy reports.
- Tracks the campers' length of stay.
- Converts all cash collected to money orders and forwards all payments (including checks) to TVA with a remittance report detailing weekly total.

In prior years at Douglas Tailwater Campground, and at other campgrounds, TVA has hired an intern to complete the processes currently being completed by the campground attendant at Douglas Tailwater Campground. The Retiree Resources Corporation employee only works at Douglas Tailwater Campground for 6 months out of the year.⁷ For the rest of the camping season, the maintenance supervisor for Facilities at Douglas Dam completes the camper attendant's processes to keep the operating controls functioning continuously.

⁷ The campground attendant performs the same duties at Douglas Dam Headwater Campground and all duties related to revenue collection at Cherokee Dam Campground.

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 the operating controls were generally functioning as intended, some control improvement opportunities may exist pertaining to overall program guideline inconsistencies.

Camper Payments

During our walkdown, we noted that 30 of the 62 campsites were occupied. The designated campground attendant opened the vault and showed us that 28 pay envelopes had been submitted. The campground attendant noted that he found one of the pay envelopes to be short by \$2 and had left the camper at that campsite a note to pay the remaining \$2. We spot checked five envelopes and all contained the correct payment amount. For the two exceptions (i.e., missing envelopes), the designated campground attendant stated:

- One camper always pays on Thursday and back pays for the unpaid days. We noted that the designated campground attendant tracks the unpaid amount due.
- The campground attendant talked to the camper and found out that the camper's husband had the envelope and forgot to drop it in the vault on his way to work, but that it would be paid when he returns.

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

Campground Guideline Compliance

We performed a walkdown of Douglas 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. 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 a few noncompliances. They are provided for informational purposes only, and they do not require a response or actions from management. The only noncompliances found were (1) trash outside of designated disposal areas in two of the 62 campsites; (2) a dog that was not on a leash, as shown in Figure 3; and (3) materials outside of the designated camping area, including a lantern hanging from a nail in a tree, as shown in Figure 4.

Figure 3



Figure 4



Guideline Alignment and Clarity

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.

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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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