



Memorandum from the Office of the Inspector General

September 29, 2009

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## FINAL REPORT – INSPECTION 2009-12695-10 – REVIEW OF MALLARD CREEK 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 Mallard Creek 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 23 of the 56 campsites were 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 campground program guideline and contract 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)

- 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.

Mallard Creek Campground is located on Wheeler Reservation in Hillsboro, Alabama. The campground contains 56 campsites with water and electric hook ups. Three of the 56 campsites were constructed to meet former accessibility guidelines.<sup>1</sup> Mallard Creek contains many amenities including (1) restrooms with heated showers and flush toilets, (2) a dump station,<sup>2</sup> (3) children's play equipment, (4) picnic tables, (5) a group pavilion which is available by reservation, (6) a swimming beach, (7) a boat ramp, (8) lake fishing, and (9) bird watching. Mallard Creek has an electronic gate with key card access to the overnight camping area. This can be seen in Figure 1 below.

**Figure 1**



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:

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<sup>1</sup> 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.

<sup>2</sup> A dump station is a place where camper wastewater may be discharged into a sanitary sewer system in a safe and responsible way.

- 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 programs<sup>3</sup> 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 Mallard Creek Campground.

**Table 1**

	2004	2005	2006	2007	2008
<b>Revenue</b>	\$ 99,703	\$ 94,662	\$ 100,940	\$ 105,770	\$ 102,404
<b>Expense</b>	\$ 23,137	\$ 37,160	\$ 47,863	\$ 58,347	\$ 56,990
<b>Occupancy</b>	9106	9958	10565	9687	10311

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. Mallard Creek Campground has an on-site Resident Manager. TVA Facilities Management takes care of maintenance and upkeep, such as lawn care and bathhouse repairs, at Mallard Creek Campground.

### **OBJECTIVES, SCOPE, AND METHODOLOGY**

The objectives of our review of Mallard Creek 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 contracts with Resident Managers to identify additional operational controls.

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<sup>3</sup> 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.

- 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 Mallard Creek Campground to determine whether guidelines are being followed and controls are functioning as intended.
- Compared a sample of remittance registers for June 2009 submitted to Facilities for deposit with records maintained by the Resident Manager at Mallard Creek 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 related to Mallard Creek Campground. This inspection was conducted in accordance with the "Quality Standards for Inspection."<sup>4</sup>

## **FINDINGS**

We found that Mallard Creek 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 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 minor inconsistencies when we (1) reviewed applicable TVA guidelines and (2) compared the Resident Managers' contracts for four campgrounds with the Resident Manager Manual.

## **PROGRAM INTENT**

We observed campers in 23 of the 56 campsites during our visit to Mallard Creek Campground. We viewed campers enjoying their campsites and public use areas, including the beach area. We found the campground to be well maintained. Figures 2 and 3 show children playing in the beach area and the Mallard Creek Campground dock and boat ramp.

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<sup>4</sup> 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**



**Figure 3**



## **OPERATING CONTROLS**

Oversight at Mallard Creek Campground is provided by a Resident Manager. The duties of the Resident Manager are laid out in the Resident Manager's contract with TVA and Resident Manager Manual.

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

### **Camper Payments**

During our walkdown, we noted 23 out of 56 campsites were occupied. The Resident Manager uses a white board to keep track of which campsites are occupied and which sites have paid. In addition, the Resident Manager keeps daily index cards to keep track of which campers (1) should be leaving, (2) need to rotate campsites, and (3) need to make a payment. Mallard Creek has an electronic gate with key card access to the overnight campground area.

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 Resident Manager.

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

### **Campground Guidelines Compliance**

We performed a walkdown of Mallard Creek Campground, and we found it to be generally 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 the following noncompliance. It is provided for informational purposes only and does not require a response or actions from management. The only noncompliance we noted was one minor instance where an electrical light was hanging from a tree which could be a fire hazard.

**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.

### **Contract/Manual Alignment**

During our reviews of the four TVA-managed campgrounds that have oversight provided by a Resident Manager, we found the Resident Manager Manual contains three specific deliverables which are not specifically addressed in the Resident Manager contracts. The detailed findings, recommendations, and management's planned actions were addressed in Inspection Report 2009-12695-04 – Review of Foster Falls 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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