

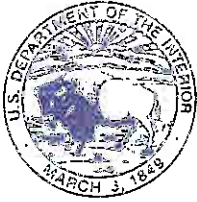


**U.S. DEPARTMENT OF THE INTERIOR
OFFICE OF INSPECTOR GENERAL**

AUDIT REPORT

**DEPARTMENT OF THE INTERIOR
CONCESSIONS MANAGEMENT**





United States Department of the Interior

OFFICE OF INSPECTOR GENERAL
Washington, D.C. 20240

JUN 15 2005

Memorandum

To: Secretary

From: Earl E. Devaney
Inspector General

Subject: Department of the Interior Concessions Management
(Report No. C-IN-MOA-0049-2004)

The attached report presents the results of our audit to determine whether the concession program in the Department of the Interior was managed effectively. We concluded that the Department needs to make significant improvements to maximize the program's effectiveness. Our report presents recommendations that are designed to assist the Department in furthering its efforts to maximize program effectiveness.

In the March 18, 2005 response to the draft report, the Assistant Secretary concurred with six of the report's nine recommendations. In addition, the Assistant Secretary concurred in part with the remaining three recommendations. However, the response did not provide sufficient information for us to consider any of the recommendations resolved. Accordingly, we are requesting that the Department provide us with the information indicated in Appendix 6 to the report. We would appreciate your response to this report by July 15, 2005.

The legislation, as amended, creating the Office of Inspector General requires that we report to Congress semiannually on all audit reports issued, actions taken to implement our recommendations, and recommendations that have not been implemented.

We appreciate the cooperation provided by the Department and agency staff during our audit. If have any questions regarding this report, please call me at (202) 208-5745.

Attachment

EXECUTIVE SUMMARY

WHY WE DID THIS AUDIT

We audited concessions management because of its importance to the Department's strategic goal of providing recreation opportunities to visitors of public lands. The Department has also established a goal of providing for and receiving fair value in recreation. The OIG has never conducted a Department-wide review of this program. Prior audits of the individual bureaus' programs have identified weaknesses in the area of concessions management. Our audit objective was to determine whether the concessions program in the Department of the Interior was managed effectively. To achieve our objective, we reviewed pertinent information and activities in four bureaus and surveyed 251 employees with concession responsibilities. Thirty-three percent of the employees responded.

WHAT WE FOUND

The Department of the Interior needs to implement an effective concessions program—not doing so puts the Department in jeopardy of failing to achieve its strategic goals and missions.

Although concessions play a major role in the Department's goal of providing recreation opportunities for America, the Department has not focused sufficient attention or taken an active role in concessions management. For example, we found insufficient management support, employees discouraged by a limited career path, a lack of information available to make decisions, and no comprehensive policy for capital improvements or concession agreements. Because its concession program is ineffective and does not follow sound business principles and practices, the Department is not receiving fair value for concession activities. While states such as California and Florida receive concession fees as high as 16 and 18 percent of concessioner revenue, the Department's concession fees average less than 6 percent. Although the Department may not be able to reach percentages as high as California and Florida, we believe the Department could increase its average concession fees. By not maximizing the program's effectiveness, the Department risks:

- Not achieving future revenue goals for the program, resulting in fewer dollars available for needed facilities maintenance and repair.
- Not meeting the demand for public recreation services without significant investment.
- Destruction or degradation of natural resources.

Concessioners are the main providers of commercial services to the almost 473 million people who visit the Department's recreational sites each year. The Department has well over 600 concession agreements administered by four bureaus.

Our conclusions are not new or unfamiliar. Previous reports

identified significant management issues at least as far back as 1990. Our audit results showed the same conditions still exist. In addition, program employees' responses to our survey emphasized these very same management issues as significant problems. Without Departmental emphasis, this program will continue to struggle. We are recommending that the Department provide leadership in:

- Implementing an effective concessions program.
- Building a human capital strategy that addresses training and career development for concessions program employees.
- Implementing a management information system to collect and report comprehensive data for concessions management.
- Establishing comprehensive policies including addressing all aspects of concessioners' capital improvements.

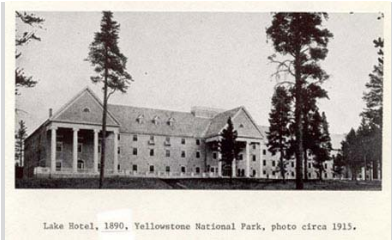
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INTRODUCTION

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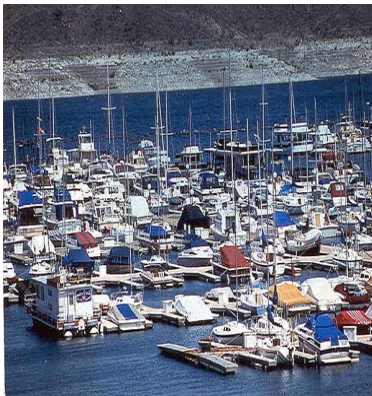
America has turned to public lands for recreation and inspiration since 1872 when Congress created Yellowstone National Park. To enhance the visitors' experience, the Department of the Interior (Department or DOI) authorizes commercial services on public lands through concession agreements. Concessioners provide facilities and services, such as lodging, food, shops, marinas, guides, and outfitters to millions of visitors annually.

The Department's management of concessions faces many challenges. Despite multiple studies and numerous recommendations, the Department has not developed a proactive and cohesive plan to improve concessions management. Rather, DOI bureaus have continued to operate the program as independent entities and have not been able to optimize program results.

Our report will give the Department insight into some of the key issues and present strategies for improvement. For information on the objective, scope, and methodology of our audit, please see Appendix 1.

BACKGROUND

LAKE MEAD MARINA



Providing visitor services is a fundamental mission for the Department. Within the Department, the National Park Service (NPS), the Bureau of Land Management (BLM), the Bureau of Reclamation (BOR), and the Fish and Wildlife Service (FWS) use concessions to help accomplish this mission. Each bureau has its own specific authorizing legislation and its own policies and processes to manage concessions.

None of the bureaus were able to provide complete and current data on the concessions program. Some bureaus were unable to provide an accurate count of concession agreements. Based on the information the bureaus provided, we estimate there are well over 600 concession agreements.

In 2003, concession operations on DOI lands generated at least \$850 million in annual gross receipts to concessioners from which the Department received approximately \$26.7 million in fees. Another approximately \$22.7 million was retained in concessioner special accounts. Concessioners are responsible for maintaining and using the funds in these accounts for capital improvement projects for facilities used in concession

operations. Concessions at NPS locations are responsible for most of DOI's concession revenue, bringing in approximately \$25 million of the \$26.7 million. The NPS Concessions Management Improvement Act of 1998 requires 80 percent of the concessions revenue received by NPS to be used for visitor services and high-priority projects, such as facility maintenance.

The individual bureaus and the Department cannot accurately identify the costs of the concessions program. NPS estimates that it spent approximately \$11.2 million of appropriated funds on the concessions program in FY 2003, mainly for employee salaries and benefits. In FY 2003, NPS also spent approximately \$39.6 million of accumulated concessions program revenue for consulting services and various projects at individual parks. The other three bureaus could not estimate the annual costs of the program.

RESULTS OF AUDIT

“...respect and funding for the program, and recognition from upper management that the program is important would be a good start in turning it around.” – from employee survey¹

We concluded that the management of the concessions program is not effective because the Department has not taken an active role in leading the program. We defined an effective concessions program as one that operates using sound business principles and practices, including:

- Receiving fair return for its investment, including recouping program expenses.
- Satisfying customers with availability of service and type of product as well as price.
- Providing a safe and healthy environment for visitors and employees.
- Basing management decisions on complete, accurate, and timely information.
- Providing employees opportunities for training and advancement in the program.
- Providing proper oversight to ensure the program is effective.

GRAND CANYON



The bureaus have focused primarily on satisfying customers in a safe and healthy environment leaving these other business principles mostly unaddressed. We found the concessions program lacks management support and effective policy and guidance. Additionally, the program does not have a strong human capital strategy and does not have an integrated management information system. In this regard, the respondents to our survey opined that the best ways to provide organizational support for concession operations are to improve management information (80 percent) and to provide additional and better training (83 percent).

The Department has established, as part of its strategic plan, a goal of providing for and receiving fair value in recreation. However, in our opinion the Department is not receiving a fair return in its concessions program. Although the Department has

¹ We conducted a survey of employees in all four bureaus working with the concessions program. Throughout the report we will use some of the comments provided in the employee responses to help illustrate the issues. Additional information about the employee survey is presented in Appendix 2.

some of the most spectacular resources and wilderness areas in the world, it is still receiving a very low rate of return (about 5.7 percent) in comparison to other federal and state agencies operating concession programs.

The Department only controls \$26.7 million of fees generated by the concessions program. (This amount excludes fees held in concessioner special accounts.) Thus the program return is even lower than the estimated 5.7 percent. If we were to subtract the program cost (at least \$11 million for NPS salaries and benefits), the Department actually nets less than \$15 million from a program that grosses over \$850 million to concessioners.

Two task force reports, at least nine OIG reports, numerous GAO reports and testimony, as well as several consulting studies have pointed out problems with concessions management and offered solutions. Despite these efforts, the Department has yet to take effective action to improve this program. For example, in 1991 the Secretary established a Concessions Management Task Force (Task Force) to examine the Department's concessions management and suggest improvements. The Task Force made many recommendations including establishing central coordination and focus for concessions management at the Department. This recommendation and others requiring Departmental involvement were never implemented.

Currently, all the four bureaus' concessions programs have problems and NPS' program is facing critical issues. At the same time, BLM and FWS are making efforts to expand their programs. Based on existing problems and impending expansion, it is imperative that the Department take the lead in implementing an effective concessions program. In doing so, it also needs to address three critical areas: human capital, management information, and policy and guidance.

Our report also contains information about the concession agreement backlog at NPS and the Department's performance plan and measures for the concessions program and presents an alternative organizational structure for the Department's consideration.

LEADERSHIP

An effective concessions program must be based on sound business principles and practices. Departmental leadership is necessary to improve business practices by leveraging expertise, providing consistency of operations, and establishing a knowledge base for the future.

“..concessions management needs to be actively supported by management all the time.... it should be considered a responsibility not just another inconvenience.” – from employee survey

Many superintendents do not understand the nuances of business operations. A former concessioner stated that he was able to “rule over any park superintendent.”

Historically, the Department’s bureaus have operated programs (including concessions) independently without cooperative planning, shared responsibilities, or common goals. There is very little coordination and communication between the bureaus that have concession programs and virtually no communication with the Department about concessions management.

The disjointed approach has failed to establish accountability and oversight within the Department, perpetuating poor business operating practices. For example, we found poor business practices in the areas of revenue collection and inspections.

Revenue Collection

- Many bureau locations were not reconciling concessioner gross sales to concession fees paid. Consequently, bureaus had no assurance that all the fees that were due were remitted. No one was held accountable for ensuring that all fees due were collected. Where reconciliations are performed the process identifies underpayments and additional revenues are collected.
- At one location the audit team conducted a reconciliation which disclosed that the concessioner had, without bureau knowledge or approval, excluded certain gross receipts from the concession fee calculation. The local office was not conducting reconciliations because it believed that the regional office was performing the reconciliations. Again, no one was held accountable for ensuring that all fees were being collected.

Inspections

- BOR policy requires periodic external reviews of all its concessions. At the time of our audit, BOR was able to provide documentation on only one external review. This review identified 221 violations, and officials expressed concerns for the welfare of employees, visitors, and the environment. No one in BOR is ensuring these reviews are conducted or holding officials accountable for the lack of reviews. In its response to our draft report, the Department identified two other reviews that have been completed.

- At NPS, field offices are required to evaluate and report annually on the concessioners' performance to ensure the concessioners are delivering good quality services. We reviewed a summary document of concessioner annual ratings maintained by one regional office. Of the 28 offices listed, 22 offices (79 percent) had not reported the concessioners' annual ratings for 2003 to the regional office. Neither regional nor headquarters officials followed up on missing reports.

Insufficient oversight of these areas puts the Department at risk. Lack of oversight for revenue collection increases the risk of concessioner underpayments. At least two OIG investigations have identified fraudulent record keeping resulting in underpayments of concession fees. Also, lack of oversight or inspections of concessioner operations heightens the risk of damage or degradation to natural resources.

For example, one external review that was conducted identified several contract, environmental, health, and safety violations. The review team consisted of BOR personnel from other locations and private contractors. The review team found a "milk truck" being used for temporary sewage storage that was not secured and at risk for potential failure. Because the tank truck was located close to the lake (which is used for drinking water), the review noted that "there is a high potential for



significant environmental and health risks in the event of a release." In addition, the review team found that the truck used to transport the sewage from the "milk truck" to permanent storage

appeared run down and "operation of safety systems (lights, brakes, seat belts, engine) could not be verified." The review team stated failure of the vehicle could "lead to loss of life and significant environmental damage to the lake." These reviews can act as deterrents to concessioner fraud; detect environmental, safety, and health hazards; and prevent damage and destruction to public lands. In its March 18, 2005 response, the Department reported that contract, environmental, and health and safety

issues associated with this example have been resolved.

The Department could help the bureaus improve concessions program business practices by leveraging the expertise that is already available at certain recreation units and within the NPS' Concessions Program Center. Also, to improve knowledge sharing, the Department could adopt some innovative approaches that have been used in other organizations. For example, the U.S. Forest Service has created a regional concessions team to help create consistency in operations and consolidate functions. California is implementing similar practices for its parks based on recommendations from outside experts. During our audit, we found the Pacific West Region of NPS has implemented a network of parks to provide various expertise and assistance to each other. Because of the historic lack of coordination and consistency between bureaus and offices, the Department's leadership would be necessary to apply these approaches across bureaus.

We recommend the Department:

“...this program is both misunderstood and lacking support at the highest level of the organization.” – from employee survey

- Establish a Departmental level official with oversight responsibilities for the concessions program.
- Establish a Departmental working group to standardize policies and improve business practices.
- Take steps to improve overall program performance. For example:
 - Create a formal structure for providing technical assistance and sharing knowledge.
 - Establish a Departmental level team for processing and monitoring complex, high-dollar concession agreements.

INVESTMENT IN HUMAN CAPITAL

The Department lacks an effective human capital strategy for the concessions program. The first priority of the strategy should be to design a career path for concessions program management. This strategy must also support training efforts, identify and address recruitment and retention issues, and limit concession activities handled by collateral duty employees. In addition, training should be provided to NPS park superintendents who have authority over concessions program activities and personnel at the field level.

“The lack of communications, lack of current policies and regulations, and lack of leadership are causing people to want to leave the program – that’s bad news.” – *from employee survey*

There is a strong perception that concessions management is an unwanted stepchild in NPS and the other bureaus. Discouraged employees are unlikely to optimize this program’s performance. Skilled employees have been leaving the program for other career opportunities. Our survey of employees working in the concessions management field identified career development as critical and particularly emphasized deficiencies in training. In our survey, 83 percent of the respondents identified training as one of the best ways to support and improve concessions management.

“There is no defined career path in concessions management and it has always been an unwanted stepchild....” - *from employee survey*

As early as 1992 the Task Force recommended that the Department design a training program and develop a career path for concessions program employees. In 2000, GAO reported that NPS should address the area of inadequate qualifications and training for concessions program personnel. NPS did establish a training program in 2001. However, to date most of its concessions personnel have not attended this training. The other bureaus have not developed a formalized training program, and as a result many employees may lack the basic business skills needed for concessions management.

Collateral duty personnel are not the best choice for managing concessions. They generally do not possess the business skills needed to effectively oversee the concessions program. The Department should seek to reduce the use of collateral duty personnel and centralize concessions management functions among bureaus into fulltime regional positions. Regionalization should be designed based on such things as proximity, similarity in concession activities, and size and complexity of concessions, rather than the traditional bureau or regional structure. Any remaining collateral duty employees must be supported by access to a network of technical experts. In response to our survey, 71 percent of the respondents believed that establishing a circuit rider position to provide business/contract expertise and support of field offices would improve concession operations.

We recommend that the Department:

- Develop and implement a comprehensive human capital strategy that focuses on recruiting, supporting, and promoting employees with the expertise and skills to accomplish the current objectives and long-term program goals, including:
 - A defined career path.

- A comprehensive training program.
- A defined plan to recruit and retain individuals with appropriate business skills.
- Regionalizing concessions functions and limiting the use of collateral duty personnel.
- A network of technical experts to support any remaining collateral duty employees.

MANAGEMENT INFORMATION SYSTEM – TO CAPTURE AND REPORT INFORMATION

“We are stymied in our attempts to share information....” –from employee survey

The Department does not have an integrated management information system for concessions. An integrated management information system to collect and report comprehensive data for concessions management should include information on concession agreements, concessioner performance evaluations, financial reports, facility ownership, and capital improvement projects.

We were unable to obtain a timely or complete database of concessions information from any single source within the bureaus or the Department. We determined that data entry is often duplicated, data are not always accurate, and information is not readily available to managers. NPS and BOR have information systems in varying stages of development, but there are no plans for an integrated system for the concessions program.

As far back as 1992, the Task Force report identified the need for a common data system that would provide easily obtainable concessions information for the Department. An outside consultant reiterated the need for an integrated information system within NPS in its 2001 study. Also, 80 percent of the employees responding to our survey identified a need to improve management information.

An integrated information system would provide information at all levels needed to make informed decisions. For example:

- Reconciling reported gross revenues to concession fees paid.
- Tracking concessioner ownership interest to successfully negotiate concession agreement renewals.

- Tracking concessioner reviews to ensure public safety and contract performance.

The Forest Service has successfully implemented an integrated information system that provides Service-wide information for its concessions program. The Department may be able to use this system as an example of a promising practice.

We recommend the Department:

- Develop and implement an integrated management information system for maintaining and reporting concession data.

POLICY AND GUIDANCE

“...parks and regions are struggling to develop their own way of doing business and also interpretation of laws and policy. This causes a lot of wasted time and a program with little consistency....” – from employee survey

There is a lack of Department-wide program guidance for concessions management. The bureaus’ efforts to issue guidance have often faltered and much of this guidance is still incomplete. For example, BOR developed draft guidance in response to a May 2000 OIG report; however, as of December 2004 this guidance had not been issued. In 1998, the NPS Concessions Management Improvement Act made fundamental changes to the NPS concessions program including how to handle concessioner capital investments. Six years later, NPS has still not issued complete guidance on valuing concessioner ownership in capital investments or using Commercial Use Authorizations (a simplified tool for issuing concession agreements).

Without support from the Department, and with only incomplete guidance from bureaus, individual concession managers must interpret laws and regulations to develop business procedures and methodologies. This has caused inconsistency within the program and exposes the Department to risks in critical areas. This is especially apparent in the area of concessioner capital improvements and concession agreements.

Concessioner Capital Improvements

Neither the Department nor the bureaus have policies or guidelines that address the valuation and tracking of concessioner capital improvements. Concessioner capital improvements are projects funded by the concessioner to construct or improve facilities on public lands. The costs of capital improvements are critical in determining the value of concession facilities. By not tracking capital improvements, DOI runs the risk of concessioners inflating ownership interest values for future concession agreement negotiations. As part of the contract, any new concessioner or the Department would have to buyout the

previous concessioner's interest in the facilities. The result could be a lack of competition for future contracts and a possible decrease in revenues received from the concessioner.

Failure to track improvements has made the valuation and contract process more difficult, and in at least two contract renewals resulted in restricted competition and static rather than increased concession fees.

For example, in conjunction with issuing a new concessions agreement at a park, NPS could not defend its appraisal of the value of capital improvements in arbitration. The arbitration panel set the value at \$165 million, more than triple the \$49 million the NPS had estimated. Because a new concessioner is required to purchase the previous owner's interest in these facilities at the value set by the arbitrator, the high arbitrated value of the facilities would logically result in a limited pool of prospective bidders. In an attempt to get additional bidders, NPS chose only a minimal (0.1 percent) increase in concession fees. In the end, only the current concessioner submitted a responsive bid. As a result, NPS is getting a 3.8 percent concession fee. NPS estimated that, at the original appraisal value of \$49 million, NPS might have received a concession fee as high as 17 percent of gross revenues. In other words, NPS received \$2.7 million in concession fees in 2002, when it could have received as much as \$11.6 million, if a 17 percent rate had been obtained. Had NPS tracked capital improvements to these facilities, it would have been in a stronger position to defend its appraisal.

As of November 2004, NPS still lacks clear policy on establishing and tracking improvement values. In our opinion, NPS needs to do more to prevent repetition of the problem described above.

Other bureaus have not yet suffered a financial loss as a result of the lack of concessioner capital improvements policies. However, as concession agreements terminate these bureaus potentially face this situation. Further, BLM and FWS are planning to expand their programs but do not have adequate policies and guidance in place to manage the issue of concessioner capital improvements. This will inevitably create additional problems unless the Department takes action.

Policy on Concession Agreements

Currently, the Department has no guidance regarding the appropriate methodologies and requirements for concession

agreements. With the exception of NPS, we found the bureaus' guidance on concession agreements insufficient and outdated. During our audit we identified potential problems with the agreements currently in place.

At BLM, at least three concession leases contain provisions which appear to violate current statutes. One of these leases had been awarded for a period of 50 years and was renewable in perpetuity. This appears to establish a preferential right of renewal which would be inherently anti-competitive and violate the Competition in Contracting Act.

In the same lease, the concessioner was allowed to reduce amounts owed based on the costs of capital improvements. BLM may have adopted this clause from NPS concession practices. However, while NPS had specific authority to accept this kind of payment, the other bureaus did not. Accepting capital improvements in lieu of fees is an apparent violation of the Economy Act. This Act requires the Government to collect fair market value in exchange for a lease of Government property. BLM is currently working with the Office of the Solicitor to evaluate and resolve these issues on the leases we identified.

Because the Department lacks policy and guidance, bureaus are forced to develop their own ways of doing business. As a result, inconsistencies are common, and the Department is exposed to risks, including litigation, loss of revenue, and restricted competition which may impact the quality of services provided to visitors.

We recommend the Department:

- Develop and implement standard policies and guidance for the concessions program, including:
 - A system for monitoring and tracking the value of concessioner capital improvements.
 - A standard template for each type of concession agreement within the bureaus.
 - A single point of contact within the Department to review concession agreements for legal sufficiency.
- Review all current concession agreements for legal sufficiency and take remedial action where necessary.

CONCESSION AGREEMENT BACKLOG AT NPS

NPS does not have a comprehensive plan to reduce the backlog of concession agreements operating under extensions. In April 2004, NPS reported that 256 concession agreements (43 percent) were operating under extensions. Many of the concession agreements operating under extensions are receiving significantly lower fees in comparison to what NPS receives on newly issued contracts. NPS may be able to increase revenues as it resolves the concession agreement backlog. Resolving the backlog could also result in more dollars available for facilities maintenance.

During our review, concession officials identified the following obstacles to timely reduction of the backlog:

- Lack of qualified staff.
- Lengthy solicitor review periods.
- Lack of funds available for prospectus development.
- Lengthy timeframe for prospectus development.
- Other priorities.

The NPS concessions program “lacks a contract rollover strategy for the ‘tidal wave’ of contracts that need to be relet over the next two to three years.” – Consultant’s Report, July 2001

The concession agreement backlog has been a major issue since at least 1999. Both the OIG and GAO have made recommendations to address this issue. Further, both an outside consultant and the Concessions Management Advisory Board have urged NPS to take action and increase its tempo in resolving this issue. A plan was developed, including outsourcing of some concession contracting activities, but it was never finalized. The plan did not contain target dates or designate a responsible official to ensure timely completion of the plan.

We recommend the NPS:

- Develop and implement a comprehensive plan to reduce the backlog of concession agreements operating under extensions. Identify a responsible official to ensure timely completion of the plan.

PERFORMANCE PLAN AND MEASURES

In its strategic plan, the Department has two outcome goals related to recreation:

- Provide for a quality recreation experience.

- Provide and receive fair value in recreation.

Achievement of these goals relies on a strong concessions program, with which the Department continues to struggle. The Department does not have accurate information to measure its performance against these goals. For example, information to report on the measure of fair value relies on the collection of revenue data. However, the bureaus could not accurately identify concessions activity or report revenue in a timely manner.

Currently, NPS has a significant backlog of concession agreements operating under extensions. This backlog impedes the Department's efforts to achieve its goal of receiving fair value in recreation. We believe the Department should consider adding a key measure tracking the reduction of this backlog as part of the strategy to achieve this goal.

We also noted that concession personnel in the field are unaware of the importance of this program to the Department's strategic plan. For example, an FWS manager told us FWS has no strategic goals for the concessions program. If the Department is to achieve its strategic recreation goals, the Department must emphasize the importance of this program to the individual bureaus.

**ALTERNATIVE
ORGANIZATIONAL
STRUCTURE**

An option the Department should consider in seeking to improve the program, in consultation with appropriate Congressional staff, is the implementation of a non-appropriated fund instrumentality (NAFI) structure. A NAFI presents a proven concept for managing a concessions program. The concept has been used successfully at the Department of Defense, the Department of Veterans Affairs, and other federal agencies. The use of a NAFI would solve many of the existing problems within the Department's program. For example, a NAFI would have the authority to borrow funds which could facilitate buyout of concessioner ownership interest and provide capital for facility improvements. Implementation of a NAFI has been recommended by a business consultant and the NPS Concessions Management Advisory Board. For additional information about a NAFI structure, please see Appendix 3.

RECOMMENDATIONS, ASSISTANT SECRETARY RESPONSE, AND OFFICE OF INSPECTOR GENERAL REPLY

In the March 18, 2005 response (Appendix 5), the Assistant Secretary generally agreed with the nine recommendations. The response also included suggested changes to the report and additional information that we considered and included as appropriate.

Based on the Department's response, we classified Recommendations 2, 3, 4, 5, 7, 8, and 9 as management concurs but additional information required and Recommendations 1 and 6 as unresolved. Although the Department agreed in part with the recommendations, we considered the two recommendations unresolved because the proposed actions did not meet the intent of the recommendations as discussed below.

We recommend that the Assistant Secretary for Policy, Management and Budget:

- 1.** Establish a Departmental level official with oversight responsibilities for the concessions program.

DOI Response

The Department concurs in part with the recommendation. The Department believes that an approach emphasizing coordination and periodic Departmental review is more suitable for most aspects of the program, with the exception of appraisals. The Department offered an alternative action in response to Recommendation 2, to establish a working group to enhance Departmental coordination.

OIG Conclusion

While we agree that a working group will enhance Departmental coordination, the response does not provide for a responsible official with the authority to ensure coordination among the bureaus and implementation of any recommendations for program improvements. In 1991, the Secretary established a Concessions Management Task Force to examine the Department's concessions management and suggest improvements. As noted in our report, the Task Force

identified many of the same issues, but its recommendations were never implemented. Without a responsible official at the Departmental level, a working group may again develop recommendations for improvements without implementation. We request the Department to reconsider its response and provide a corrective action plan including target dates and title of official responsible for implementation.

2. Establish a Departmental working group to standardize policies and improve business practices.

DOI Response

The Department concurs with this recommendation. The Department will establish a working group composed of members from each relevant bureau to share information, improve business practices, and identify the circumstances where standardization might be appropriate. This group will be directed to complete its initial analysis by December 2005.

OIG Conclusion

Although the Department concurred with the recommendation, additional information is needed (please provide the title of the responsible official).

3. Take steps to improve overall program performance. For example:
 - Create a formal structure for providing technical assistance and sharing knowledge.
 - Establish a Departmental level team for processing and monitoring complex, high-dollar agreements.

DOI Response

The Department concurs in part with the recommendation and indicated the working group referenced above will be responsible for making recommendations to improve program performance. In addition, the group will evaluate the extent to which additional review of certain high dollar agreements would be useful and how such reviews could be accomplished.

OIG Conclusion

We agree with the Department's response indicating the use of the working group to evaluate ways to improve program performance. Please provide additional information identifying the title of the responsible official and target completion dates.

4. Develop and implement a comprehensive human capital strategy that focuses on recruiting, supporting, and

promoting employees with the expertise and skills to accomplish the current objectives and long-term program goals, including:

- A defined career path.
- A comprehensive training program.
- A defined plan to recruit and retain individuals with appropriate business skills.
- Regionalizing concession functions and limiting the use of collateral duty personnel.
- A network of technical experts to support any remaining collateral duty employees.

DOI Response

The Department concurs with the recommendation. Departmental and bureau human resource staffs will be asked to develop human capital strategies responsive to the recommendation with input from the working group. Bureaus will be requested to complete this work by September 2005.

OIG Conclusion

The Department concurred with the recommendation and has provided for the strategies to be developed by the bureaus. Please provide the titles of officials responsible for each bureau's efforts, and the title of the official responsible for coordinating the working groups input.

5. Develop and implement an integrated management information system for maintaining and reporting concession data.

DOI Response

The Department concurs with the recommendation. The Department agrees that no enterprise IT system currently exists and will analyze the capacity for the Financial and Business Management System to provide the management information needed. The recommendation will be considered by the working group during the next full budget cycle for planning IT investments (FY 2007), and the group will provide a recommendation as appropriate to the Chief Information Officer.

OIG Conclusion

The Department agreed with the recommendation, but additional information is required. Please provide the title of the responsible official and target completion date.

6. Develop and implement standard policies and guidance for the concessions program, including:
 - A system for monitoring and tracking the value of concessioner capital improvements.
 - A standard template for each type of concession agreement within the bureaus.
 - A single point of contact within the Department to review concession agreements for legal sufficiency.

DOI Response

The Department concurs with the recommendation. The working group process will be used to develop some standard elements for concession agreements. The Department will also work with the Solicitor to assure that a clear point of contact is designated within the Office of the Solicitor to ensure consistency where appropriate.

OIG Conclusion

We agree with the response to designate a point of contact within the Office of the Solicitor; however, the response did not provide sufficient information for us to consider the recommendation resolved. The response did not address monitoring and tracking the value of concessioner capital improvements and did not identify a responsible official. Please reconsider the recommendation and provide a corrective action plan, including target dates and title of responsible official.

7. Review all current concession agreements for legal sufficiency and take remedial action where necessary.

DOI Response

The Department concurs in part with the recommendation. The Department does not agree that a comprehensive review as proposed in the recommendation is likely to yield information that will improve program management. Alternatively, the Department is proposing that each bureau, in conjunction with the Office of the Solicitor, review a subset of concession agreements that represent about 50 percent of the total returns to that bureau by December 2005.

OIG Conclusion

We agree with the Department's proposed solution of conducting legal reviews of a representative subset of concession agreements. However, additional information is needed. Please provide the title of the responsible official at each bureau.

8. Develop and implement a comprehensive plan to reduce the backlog of concession agreements operating under extensions. This plan should identify a responsible official to ensure timely completion of the plan.

DOI Response

The Department concurs with the recommendation. Each bureau will be requested to identify a schedule to eliminate its backlog and track its progress. Thus bureaus will be responsible for implementation and tracking. However, the working group will also track the progress in reducing the backlog.

OIG Conclusion

The Department concurred with the recommendation; however, additional information is needed. The Department assigned responsibility to the bureaus but did not provide responsible official(s) or target dates for implementation and tracking of the backlog of concession agreements operating under extensions. Please provide the titles of responsible officials and target dates for completion.

9. Consider adding a key performance measure tracking the reduction of the backlog of concession agreements operating under extensions as part of the strategy to achieve this goal.

DOI Response

The Department concurs with the recommendation. Bureaus will be asked to consider adding a performance measure to track progress in reducing backlogs. The working group will be tasked to develop alternative measures for consideration.

OIG Conclusion

The Department assigned responsibility to the bureaus but did not provide responsible official(s) or target dates for ensuring consideration of adding a key performance measure. Please provide the additional information indicated.

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OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of our audit was to determine whether the Department's management practices promote an effective concessions program. We examined concession management activities at the National Park Service (NPS), Bureau of Land Management (BLM), Bureau of Reclamation (BOR), and Fish and Wildlife Service (FWS). We evaluated the management of concession agreements between bureaus and concessioners. We excluded agreements that BOR entered into with state and local governments to manage recreation, including concession agreements, on BOR project lands.

To accomplish our objective we:

- Reviewed laws, regulations, policies, and guidance relating to the concessions management process.
- Obtained and analyzed data available on the number and location of concessions, revenue generated, fees received, capital investments, and other data available.
- Interviewed concessions program officials to obtain information on the processes and controls in place for procuring and monitoring concession agreements. We developed flowcharts of the procurement and contract oversight processes for each bureau and for various fee collection processes at sites visited. We also obtained information on agreement provisions, contracting mechanisms, capital investments, staff qualifications, training, concession inspections, and other concessions-related information.
- Examined prior audit reports, Government Performance and Results Act goals, Departmental Performance and Accountability Reports, Congressional testimony, and various reports issued by advisory groups providing suggested improvements on concessions management.
- Reviewed and considered concessions management practices used by the U.S. Forest Service, U.S. Department of Defense, State of California, and State of Florida.
- Developed and distributed a survey questionnaire to concession/recreation employees. See Appendix 2 for the results of the survey.

During the audit, we judgmentally selected the locations listed below for audit site visits.

National Park Service

Concession Program Center	Denver, CO
Concession Program Division	Washington, D.C.
Golden Gate National Recreation Area	San Francisco, CA
Grand Canyon National Park	Grand Canyon, AZ
Intermountain Region Office	Denver, CO
Midwest Region Office	Omaha, NE
National Capital Region Office	Washington, D.C.
Northeast Region Office-Philadelphia	Philadelphia, PA
Pacific West Region Office	Oakland, CA
Petrified Forest National Park	Petrified Forest, AZ
Southeast Region Office	Atlanta, GA

Bureau of Land Management

Lake Havasu Field Office	Lake Havasu City, AZ
Washington Office	Washington, D.C.

Bureau of Reclamation

Central California Area Office	Folsom, CA
Lake Berryessa Field Office	Napa, CA
Mid-Pacific Region Office	Sacramento, CA
Montana Area Office	Billings, MT
Office of Program and Policy Services	Lakewood, CO

Fish and Wildlife Service

Crab Orchard National Wildlife Refuge	Marion, IL
Division of Visitor Services & Communications	Arlington, VA
J.N. "Ding" Darling National Wildlife Refuge	Sanibel, FL
Southeast Region Office	Atlanta, GA

We performed our audit from March 2004 to December 2004 in accordance with the Government Auditing Standards issued by the Comptroller General of the United States. Accordingly, we included such tests of records and other auditing procedures that we considered necessary under the circumstances. We included tests of internal controls and compliance with laws and regulations to the extent necessary to satisfy the audit objective. Internal control and compliance weaknesses identified during our audit are discussed in the Results of Audit section of this report. The recommendations, if implemented, should improve the internal controls in these areas. Because our review was limited, it would not necessarily have disclosed all internal control deficiencies or noncompliance with laws and regulations that may have existed at the time of our audit.

RESULTS OF EMPLOYEE SURVEY

As part of our audit, we conducted an employee survey reaching out to National Park Service, Bureau of Land Management, Bureau of Reclamation, and Fish and Wildlife Service employees involved at all levels of concessions program management. The purpose of the survey was to identify existing practices and processes used for concessions management. We sent questionnaires to 251 employees with concession responsibilities and 83 (33 percent) responded. Listed below are the results of selected questions from the survey.

Concession Responsibilities	
What are your concessions program responsibilities? Please select those that apply:	
Prospectus development	75%
Contract development and/or negotiation	73%
Setting concession fees	36%
Monitoring/processing concession fee collections	69%
Performing evaluations of concessioner operations	82%
Performing health and safety inspections of concession facilities	51%
Performing condition assessments of concession facilities	46%
Other(s) Identified	58%
No option selected by respondent	1%
If concessions management/oversight is a collateral duty, what estimated percent of your time per pay period is usually spent on concession-related activities? Please select one:	
1-9%	36%
10-24%	11%
25-49%	11%
50-74%	6%
75-99%	1%
Not applicable – full-time employee	33%
No option selected by respondent	2%
Concessions Program Training	
How much concession-specific training have you received during the last two years? Please select one:	
0 hours	36%
1-8 hours	8%
9-24 hours	5%
25-40 hours	16%
Over 40 hours	35%

Concessions Management Information	
Does your office maintain an electronic database of concessions management information?	
No	40%
Yes	50%
Not applicable-not needed	5%
No options selected by respondent	5%
Would an electronic management information system be helpful to you for the following purposes?	
Concession fee determination	53%
Concessioner bid selections	47%
Determine capital improvement needs for concession facilities	59%
Monitor concessioner performance and adequacy of services	57%
Determine how concession fee collections are used	58%
Construction project priority setting	51%
GPRA reporting	42%
Activity Based Costing	36%
No options selected by respondent	16%
Internal Reviews	
Is there a process for performing independent internal reviews of concession management activities in your agency/office?	
No	49%
Yes	33%
Not Applicable	7%
No options selected by respondent	11%
Other	
In your opinion, what is the best way to provide organizational support for concession operations? Please select all that apply:	
Improving management information	80%
Providing more/better training	83%
Contracting with private firms to provide business/contract expertise	36%
Establishing a “circuit rider” position to provide business/contract expertise and support to field offices.	71%
Re-structure lines of authority to provide increased centralization of concession operations.	31%
Other(s) identified	39%
No options selected by respondent	4%

NON-APPROPRIATED FUND INSTRUMENTALITY

A non-appropriated fund instrumentality (NAFI) is a possible organizational option for the Department of the Interior's concessions program. Implementation of a NAFI has been recommended by a business consultant and the National Park Service Concessions Management Advisory Board.

A NAFI is an organizational and fiscal entity that performs an essential government function as a public trust, specifically using non-appropriated funds. Non-appropriated funds are cash and other assets received from sources other than monies appropriated by Congress. For Departmental bureaus, these funds may be generated by activities such as concessions, entry fees, and other user fees such as campground or transit fees.

A NAFI has its own funding system and its own accounting system. One of the key benefits of a NAFI is that funds are not required to be maintained in a treasury account. Instead, funds can be maintained in a secured private sector account, earning interest, which can then be used by the NAFI. A NAFI maintains custody and control over its non-appropriated funds and any appropriated funds made available to carry out its function. NAFIs are required to use industry standard generally accepted accounting principles. Among the key distinctions of a NAFI is the authority to use debt in a similar fashion to private sector businesses.

Although the use of a NAFI is something the Department may wish to consider, the bureaus do not currently have the authority to implement a NAFI. To effectively establish a NAFI, the Department needs to acquire necessary authorizations and develop the institutional support structure required for successful implementation. Further, start-up capital would be required and stakeholder support would be necessary. NAFI is a potential long-term solution but would require time and expertise to implement.

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PRIOR AUDITS

In the past five years, the OIG issued six audit reports and GAO issued one report related to DOI concession program issues.

- “Collection and Use of Franchise Fees, National Park Service,” OIG Report No. 2003-I-0034, March 2003 and “Survey Report Collection and Use of Franchise Fees, National Park Service,” OIG Report No. 01-I-116, January 2001.
 - The 2003 report concluded that NPS had not effectively implemented the prior recommendations from the 2001 audit report on revising guidelines on the use of franchise fees. Further, the report found that improvements were needed over the collection, deposit, and use of franchise fees.
- “Advisory Report on Evaluation of Concessioner Special Accounts,” OIG Report No. 2002-I-0032, June 2002.
 - This report concluded that special account expenditures for fiscal year 2000 generally complied with contract provisions and NPS concession procedures. However, some weaknesses were noted that increased the opportunity for errors and irregularities, such as NPS concessions staff did not consistently obtain or review all of the documentation necessary to ensure that expenditures were appropriate and most parks did not reconcile invoice costs to expenditures shown on bank statements.
- “Audit Report on Concession Contracting Procedures,” OIG Report No. 99-I-626, June 1999.
 - This report disclosed that NPS did not reissue expired concession contracts and permits in a timely manner, periodically adjust concessioners’ fees as required by the Concessions Policy Act, establish special accounts in accordance with NPS guidance, or compute fees for the use of park facilities, including housing, that were assigned to concessioners. As a result, concessioners operated under expired concession contracts and permits that contained provisions which were not advantageous to NPS. Additionally, the Government lost or delayed opportunities to gain additional revenues, and NPS may not have received an adequate return from concessioners’ special accounts or from their use of park facilities.

- “Concessions Managed by the Bureau of Reclamation,” OIG Report No. 00-I-376, May 2000.
 - In 2000, the OIG issued a report that found BOR had not effectively managed its existing concessions operations, primarily at the Canyon Ferry Reservoir and Lake Berryessa. This was the result of inadequate contract provisions and a failure to enforce existing contract provisions. In addition, BOR had not developed procedures to implement new policies, directives, and standards. One recommendation to complete and issue detailed guidance and procedures to fully implement new policies, directives, and standards has not been implemented.
- “Proposed Contract No. 8-07-30-L0470 with Dynasim for the Design, Installation, and Operation of a Water Education Theater at Hoover Dam, Bureau of Reclamation,” OIG Report No. 99-I-308, March 1999.
 - In 1999, the OIG issued a report that concluded BOR’s Lower Colorado Region did not plan and develop the proposed contract for the virtual reality motion simulation attraction at Hoover Dam in compliance with BOR’s requirements for concessions management. BOR personnel had not demonstrated that a new concession was needed by the public; determined that the concession operation was economically viable; or developed a request for proposal to allow other interested parties to participate in bidding for the new concession. The proposed contract also did not include required standard contract provisions.
- “Park Service: Need to Address Management Problems That Plague the Concessions Program,” GAO Report No. RCED-00-70, March 2000.
 - GAO issued an audit report on NPS concessions concluding that NPS management problems center on three areas: inadequate qualifications and training of the agency’s concessions specialists and concessions contracting staff; out-of-date practices in handling its contracting workload chronic backlog of expired contracts; and a lack of accountability within the concessions program. GAO stated that, for the most part, these problems are long-standing and are consistent with similar concerns raised by the Department, its Office of Inspector General, and NPS concessions staff. Because of these problems, NPS frequently has difficulty managing the performance of its concessioners to ensure a consistent level of quality in the services and facilities they provide.



United States Department of the Interior

OFFICE OF THE ASSISTANT SECRETARY
POLICY, MANAGEMENT AND BUDGET
Washington, DC 20240



MAR 18 2005

Memorandum

To: Roger LaRouche
Assistant Inspector General for Audits

From: Assistant Secretary - Policy, Management and Budget *PLS*

Subject: Draft Audit Report - Concessions Management, Audit No. C-IN-MOA-0049-2004

Thank you for the opportunity to comment on the draft report. We agree that concessions management must be improved. In response to the report, we intend to address your recommendations through enhanced Departmental coordination and periodic Departmental review to achieve improved program management and policy direction. Such efforts will build on the Department's efforts to date in improving its overall management of assets, including concessions. For example, the Park Service will soon be conducting a business process "reengineering" aimed at streamlining and improving the process by which concession contracts are developed, solicited, reviewed, approved, and awarded.

As part of the Department's November 2003 initiative to reform appraisal functions, appraisers specializing in concessions who were formerly located in the National Park Service (NPS) were transferred to the Department's new Appraisal Services Division (ASD) in the National Business Center (NBC). This transfer ensures that concessions appraisals are now carried out in a manner consistent with nationally recognized appraisal standards. Further, the expertise in concessions appraisals that was formerly restricted to the National Park Service is now available on a Department-wide basis. We believe that this integration of concession appraisal functions will improve the consistency of appraisals and elevate overall standards. The appraisal reorganization will enhance the Department's ability to oversee concessions appraisals carried out both in-house and those executed by contract. In addition, the ASD is now identifying and addressing concerns related to the valuation implications of the different mandates that govern concessions programs across the Department.

Regarding franchise fees, the report might consider a more analytic approach. For example, a simple average return across all bureaus is probably not the most appropriate measure. At a minimum, a weighted average, reflecting the relative dollar importance of each concession as a portion of bureau and Departmental totals, may be more appropriate.

In contrast to appraisal functions, concessions are not governed by uniform mandates that apply to all bureaus. While there are some common directives, many are bureau-specific. The

following response endorses an approach and related practices to enhance the Departmental coordination of concessions functions and periodic Departmental review of bureau practices.

The Department's responses to the recommendations in the draft report are as follows.

Recommendation 1. Establish a Departmental level official with oversight responsibilities for the concessions program.

Concur in part: We believe that an approach emphasizing coordination and periodic Departmental review is more suitable for most aspects of the program, appraisals being an obvious exception. Our response to recommendation 2 (below) proposes the creation of a working group to enhance Departmental coordination. To the extent that this group identifies policies and practices that require Departmental oversight of certain program elements, these may be recommended for consideration.

Recommendation 2. Establish a Departmental working group to standardize policies and improve business practices.

Concur: While it may not be possible – or desirable – to standardize all policies across all bureaus, coordination can be improved and some standardization of policies and business practices is feasible. The Department will establish a working group composed of members from each relevant bureau to share information, improve business practices, and identify the circumstances where standardization might be appropriate. This group will be directed to complete its initial analysis by December 2005.

Recommendation 3. Take steps to improve overall program performance. For example: create a formal structure for providing technical assistance and sharing knowledge; and establish a Departmental level team for processing and monitoring complex, high-dollar agreements.

Concur in part: The working group referenced above will be responsible for making recommendations to improve program performance. In addition, the group will be asked to evaluate the extent to which additional review of certain “high-dollar” agreements would be useful and how such reviews could be accomplished.

Recommendation 4. Develop and implement a comprehensive human capital strategy that focuses on recruiting, supporting, and promoting employees with the expertise and skills to accomplish the current objectives and long-term program goals, including: a defined career path; a comprehensive training program; a defined plan to recruit and retain individuals with appropriate business skills; regionalizing concession functions and limiting the use of

collateral duty personnel; and a network of technical experts to support any remaining collateral duty employees.

Concur: Departmental and bureau human resource staffs will be tasked to develop human capital strategies responsive to the recommendation. Some variation is to be expected among bureaus given the different missions and number of concessions administered by each bureau. Bureaus will be requested to complete this work by September 2005. The working group discussed in recommendation 2 above will provide input to bureau resource staffs as the latter develop strategies, especially with respect to common elements that may need to be included in each bureau's strategy.

Recommendation 5. Develop and implement an integrated management information system for maintaining and reporting concession data.

Concur: We agree that no enterprise IT system exists at this time for concessions, but we will analyze the capacity for the Financial and Business Management System to provide the management information needed relating to concessions. The Department has an established process for completing such analyses and determining which IT investments are to be pursued. This recommendation will be considered by the working group during the next full budget cycle for planning IT investments (FY 2007), and it will provide a recommendation as appropriate to the Chief Information Officer.

Recommendation 6. Develop and implement standard policies and guidance for the concessions program, including: a system for monitoring and tracking the value of concessioner capital improvements; a standard template for each type of concession agreement within the bureaus; and a single point of contact within the Department to review concession agreements for legal sufficiency.

Concur: The process outlined above in recommendation 2 to improve Departmental coordination across bureaus may result in the development of some standard elements for concession agreements. We will work with the Solicitor to assure that a clear point of contact is designated within the Office of the Solicitor to ensure consistency where appropriate.

Recommendation 7. Review all current concession agreements for legal sufficiency and take remedial action where necessary.

Concur in part: A comprehensive review such as proposed in this recommendation is unlikely to yield information that will improve program management. However, each bureau will be asked, in conjunction with the Office of the

Solicitor, to review a subset of concession agreements that represent 50% of the total returns to that bureau by December 2005.

Recommendation 8. Develop and implement a comprehensive plan to reduce the backlog of concession agreements operating under extensions. This plan should identify a responsible official to ensure timely completion of the plan.

Concur: Each bureau will be requested to identify a schedule to eliminate its backlog and track its progress. Thus, bureaus will be responsible for implementation and tracking. However, tracking will also occur through the working group referenced in recommendation 2.

Recommendation 9. Consider adding a key performance measure tracking the reduction of the backlog of concession agreements operating under extensions as part of the strategy to achieve this goal.

Concur: See the response to recommendation 8. Bureaus will be asked to consider adding a performance measure to track progress in reducing backlogs. The working group referenced in recommendation 2 will be tasked to develop potential alternative measures for consideration.

Specific Comments

Page 1: While providing visitor services is an important aspect of managing public lands, for FWS it is not a "fundamental mission." Also note that concessioners operating on FWS lands do not have the responsibility for maintaining and using funds for capital improvements.

Page 2, paragraph 2: The last sentence states that three bureaus (BLM, Fish and Wildlife Service, and the Bureau of Reclamation) could not estimate annual costs of the program. The BLM-Lake Havasu Field Office concession management program is funded through lease fees, which are retained by the Field Office. Expenditures are tracked in the BLM's Management Information System (MIS). The cost to administer the program can be estimated through an analysis of historical expenditures. Information from MIS was shared with the auditors during their site visit.

Page 5 under "Inspections:" The report states that Reclamation has only conducted one required external review. There have been three such reviews: one at New Melones in California, one at Tiber Reservoir in Montana, and one at Canyon Ferry in Montana, which included the review of all three concession areas. At most concession areas, Reclamation conducts cursory reviews at least annually to ensure that health and safety inspections are conducted by local authorities.

Page 6, second paragraph: For the record, the contract, environmental, health, and safety violations associated with the pictured "milk truck" have been resolved. We request that the report acknowledge that those issues have been resolved.

Page 10: Note that FWS does track concessions facilities. Facilities are owned by FWS and are valued and tracked in the Service's Real Property Management Information System.

Page 11, paragraph 5: The report indicates that the BLM concession leases reviewed "establish a preferential right of renewal" in violation of the Competition in Contracting Act. The preferential right of renewal is clearly established at 43 CFR 2920.5-4 and 2920.7(I). Pursuant to the Federal Land Policy and Management Act of 1976, a recreation concession is not a context where the government is procuring a service from the private sector; in a concession, the government authorizes a private entity to provide commercial/recreational services to the public.

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STATUS OF AUDIT RECOMMENDATIONS

<u>Recommendation</u>	<u>Status</u>	<u>Action Required</u>
1 and 6	Unresolved.	Reconsider the recommendation, and provide a corrective action plan that includes target dates and titles of officials responsible for implementation.
2, 4, and 7	Management concurs but additional information needed.	Provide titles of the officials responsible for implementation.
3, 5, 8, and 9	Management concurs but additional information needed.	Provide target dates for completion and titles of officials responsible for implementation.

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PHOTOS COURTESY OF:

IN ORDER OF APPEARANCE:

“El Tovar Hotel,” National Park Service, Grand Canyon Photo Gallery

“Canyon Ferry Marina,” Bureau of Reclamation Concessions Web Site

“Lake Lodge, History on Line: Rustic Architecture 1916-1942,” National Park Service, Yellowstone National Park Web Site

“Lake Mead Marina,” National Park Service, Lake Mead National Park Photo Gallery

“Grand Canyon,” National Park Service, Grand Canyon National Park Photo Gallery

“Milk Truck,” Bureau of Reclamation, New Melones Lake Marina, Concession Program Review

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