

EXECUTIVE DIGEST

PARKS AND RECREATION DIVISION

INTRODUCTION

This report contains the results of our performance audit of the Parks and Recreation Division, Department of Natural Resources, for the period October 1, 1993 through January 31, 1996.

AUDIT PURPOSE

This performance audit was conducted as part of the constitutional responsibility of the Office of the Auditor General. Performance audits are conducted on a priority basis related to the potential for improving effectiveness* and efficiency*.

BACKGROUND

The Parks and Recreation Division was established in 1993 by a Director's Order combining the former State Parks and Recreation Divisions into a single entity. The Division is responsible for planning, developing, and managing State parks and operating public access sites and State harbors.

The Division's mission* is to acquire, protect, and preserve the natural, historic, and cultural features of Michigan's

unique resources and to provide public recreational and educational opportunities.

The Division had 402 permanent and 94 seasonal employees as of January 31, 1996 and was appropriated approximately \$51 million for operations for fiscal year 1995-96.

**AUDIT OBJECTIVE,
CONCLUSION, AND
NOTEWORTHY
ACCOMPLISHMENTS**

Audit Objective: To assess the effectiveness and efficiency of the Division's State Park, Boating Access, and Dock and Harbor Development Programs.

Conclusion: The Division's State Park, Boating Access, and Dock and Harbor Development Programs were generally effective and efficient. Although we found no material conditions*, we identified four reportable conditions*. The Division should utilize State park activity information for allocating staff and other resources to State parks (Finding 1), update its policy for concession operations (Finding 2), improve its monitoring of concession operations (Finding 3), and conduct on-site inspections of harbors and boating access sites to ensure contract compliance (Finding 4).

Noteworthy Accomplishments: During 1995, the Division contracted with a private firm to provide an automated reservation system for State park campsites. Initially, the system experienced problems as a result of insufficient phone lines and operators to answer calls for reservations. However, during the year, these problems were generally resolved and, effective October 1995, the reservation system began taking reservations for the 1996 camping season.

During our audit, we noted that the Division conducted user surveys at State-sponsored marinas during the 1993 and 1995 boating season. The Division uses these surveys to monitor harbormaster performance, user satisfaction, trends, and needs. The Division also uses surveys to monitor dockage rates at private marinas to ensure that rates at State-sponsored marinas are competitive.

**AUDIT SCOPE
AND
METHODOLOGY**

Our audit scope was to examine the program and other records of the Parks and Recreation Division for the period October 1, 1993 through January 31, 1996. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

To evaluate the effectiveness and efficiency of the State Parks, Boating Access, and Dock and Harbor Development Programs, we compared State park operating costs and staffing with attendance and revenue data. We reviewed Division policies and procedures for concession operations.

We analyzed the Division's procedures for establishing and maintaining boating access sites and docks and harbors. In addition, we surveyed privately operated marinas and analyzed surveys the Division conducted of publicly operated marinas.

**AGENCY
RESPONSES
AND PRIOR AUDIT
FOLLOW-UP**

Our audit report includes 4 findings and 4 corresponding recommendations. The agency preliminary response indicated agreement with these recommendations.

The Parks and Recreation Division had complied with 6 of the 8 prior audit recommendations included within our current scope of audit. One recommendation was no longer applicable, and 1 was rewritten and included in this report.