



Resources, Community, and  
Economic Development Division

B-281665

January 27, 1999

Congressional Requesters

Subject: National Park Service: Flood Recovery Efforts at Yosemite National Park, California

This letter is in response to your June 3, 1998, request that we review the use of the disaster recovery funds provided for Yosemite National Park by Public Law 105-18, following the January 1997 flood that damaged much of the park's buildings and infrastructure. The park received \$176 million as emergency funds to pay for flood damages. The funds provided were to be used for expenses related to construction including improvements, repairs, or replacement of physical facilities. Accordingly, some of the funds were used for previously planned park facilities damaged or affected by the flood. Because of the large amount of money involved and recent incidents of questionable spending on construction by the National Park Service (NPS),<sup>1</sup> such as the \$330,000 outhouse that was built at the Delaware Water Gap National Recreation Area, you asked us to address the following questions:

- Are planned and actual expenditures consistent with the park's planning documents?
- Do the costs of the disaster recovery projects appear reasonable?
- Is there any merit to the allegations that we received about the misuse of some of the disaster recovery funds?

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<sup>1</sup>See our report entitled *National Park Service: Efforts to Identify and Manage the Maintenance Backlog* (GAO/RCED-98-143, May 14, 1998) and *Cost of Construction of Employee Housing at Grand Canyon and Yosemite National Parks, National Park Service, Office of Inspector General, Department of the Interior* (No. 97-I-224, Dec. 11, 1996).

On November 17 and December 4, 1998, we briefed your staff on the results of our review and agreed to provide you with this report summarizing our findings. In brief, the following are our answers to the specific questions you raised:

- To date, we have not identified any inconsistencies between planned and actual expenditures and the park's planning documents.
- At the time of our review, only about one-third of the funds (about \$60 million) had been obligated or spent, and the costs for the disaster recovery projects that we sampled appeared to be reasonable. However, the park did not sufficiently justify its plan to use flood recovery funds to construct additional office space.
- We received allegations from a variety of sources, which included, for example, concerns about the misuse of flood recovery funds to purchase vehicles and computer equipment. The allegations that we reviewed about the misuse of flood recovery funds, however, could not be substantiated.

It should be noted that our review provides a snapshot of the flood recovery obligations and expenditures made between the time of the January 1997 flood and September 30, 1998. To address your first two questions, we randomly sampled 21 of the 213 projects that the park officials had identified as being part of their flood recovery effort. The 21 projects represented over 80 percent of the obligations and expenditures made as of September 30, 1998. In addition, to determine if the allegations made had merit, we discussed them with appropriate individuals and reviewed pertinent documentation that was available. We also discuss in this report the two lawsuits against NPS that may delay the completion of some flood recovery projects.

#### SAMPLED PROJECTS WERE CONSISTENT WITH PARK'S PLANS

As of September 30, 1998, the park had obligated about \$60 million, or one-third, of the \$176 million it received. The Congress provided the park with \$176 million to repair damages from the flood as well as to improve the park in accordance with current planning documents, which include the General Management Plan, Housing Plan, Concession Services Plan, Yosemite Lodge Development Concept Plan, and Valley Implementation Plan. Of the 213 disaster recovery projects, 27 relate to at least one of these plans. One hundred eighty-six projects do not relate to these planning documents primarily because they involve normal park operations that were damaged by the flood and required flood-recovery funding for repair.

With regard to our sample, we found that 12 of the 21 projects related to the park's planning documents and were consistent with them. For example, the Yosemite Lodge projects are consistent with the General Management Plan and

Concession Services Plan, and the Annex/Ozone and Camp Six concessionaire employee housing projects are discussed in the Housing Plan. The remaining nine sampled projects were not related to specific planning documents. These included items such as repairing damage to the El Portal road, electrical lines under the river, and Yosemite Creek Lift Station.

#### SAMPLED PROJECTS' COSTS APPEAR REASONABLE

We found that the estimated costs for the 21 sampled projects appear reasonable. However, it should be noted that final costs have not been determined because most projects are not yet completed. As a result, obligations for most of the sampled projects have been higher for planning and designing the work to be performed than for the actual construction. Several factors may also affect the final costs. All projects are being or will be "value engineered," which should also help ensure their reasonableness.<sup>2</sup> Projects estimated to cost over \$500,000 are being reviewed by an NPS Servicewide Development Advisory Board to help ensure that they are consistent with congressional committee and policy guidance. And, in response to a National Academy of Public Administration study, NPS is making changes to its cost-estimating procedures, which may result in changes to the projects' costs.

One of the park's approved projects was to construct a new building to provide office space for 12 Resource Management staff who were occupying a building damaged by the flood. Initially, the park planned to replace the flooded building with a one-story building with comparable square footage. After this project was approved, the park decided to add a second story to the new building instead of leasing a modular building at an estimated cost of \$500,000. The second story space is to be temporarily used by Office of Flood Recovery staff and later by Resource Management staff. The new building would provide office space for about 50 Resource Management staff.

In our opinion, the park did not sufficiently justify its plan to use flood recovery funds to construct the second story to this new building. The park plans to use \$500,000 in flood recovery funds to provide office space for Office of Flood Recovery staff. According to NPS, the cost of managing the projects was part of the gross estimate for all of the projects; therefore, the \$500,000 is not an increase to the original estimate. In justifying its use of these funds to construct a second story to a new building, the park determined that it would

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<sup>2</sup>Office of Management and Budget Circular No. A-131 defines value engineering as an organized effort directed at analyzing the function of systems, equipment, facilities, services, and supplies for the purpose of achieving the essential functions at the lowest life-cycle cost consistent with required performance, reliability, quality, and safety.

(1) need office space for 30 employees; (2) lease rather than purchase a modular building for office space; and (3) locate the building at its El Portal, California, warehouse site. The Office of Flood Recovery staff plan to use the new space until they complete their work. At that time, employees from the Resources Management Division, who are currently working in an interior area of the park—known as the valley—will move into the offices. Moving such employees out of the valley is consistent with the park's objective to do so.

However, we question the park's justification for the following reasons:

- First, in October 1997, the park determined that it would cost \$500,000 to lease a temporary modular building for office space for 30 authorized Office of Flood Recovery staff. In August 1998, the park requested and obtained approval from its regional office to use \$500,000 of the park's flood recovery funds to cover the costs of building a second floor rather than lease. However, as of September 30, 1998, the actual number of employees in the Office of Flood Recovery was 18; for the most part, these employees were working in an area that was formerly used for training.
- Second, the park received a single cost estimate to (1) lease 5,760 square feet of modular office space for 4 years for \$500,000 or (2) purchase the same space for \$400,000. The park decided to apply the full \$500,000 leasing-cost estimate to add a 4,300-square-foot second story to a new structure to be built. Thus, the park justified the use of \$500,000 to build the additional square footage on the basis of leasing 33-percent more square footage of office space (1,460 square feet—the difference between 5,760 and 4,300 square feet) than it plans to actually build for the Office of Flood Recovery staff.
- Last, the park considered alternatives for providing the office space only at its El Portal warehouse. The park did not consider acquiring office space at other locations to determine whether sufficient space was available elsewhere and its related lease or purchase price.

**ALLEGATIONS REGARDING MISUSE OF FLOOD  
RECOVERY FUNDS NOT SUBSTANTIATED**

We could not substantiate any of the allegations we received about the misuse of disaster recovery funds. We received allegations from several sources who claimed, for example, that flood recovery funds were misused for purchasing new vehicles and computer equipment or for retaining campgrounds in the floodplain. We met with the individuals making the allegations to better understand the basis for the allegations and to acquire specific information to substantiate their claims. However, the information provided by these

individuals in support of their allegations either did not contain specific details, addressed their claims only partly, or was incorrect.

ACTION TAKEN TO ADDRESS LAWSUITS MAY DELAY  
COMPLETING SOME FLOOD RECOVERY PROJECTS

NPS was recently the defendant in two lawsuits that, according to NPS, have been dropped. Actions taken to address the issues raised in these lawsuits, however, may delay completing some of the disaster relief projects at Yosemite. Such delays could increase the cost associated with the park's flood recovery projects. One lawsuit concerned constructing buildings in or adjacent to an area that has historically been used by rock climbers. The lawsuit contended that, among other things, NPS failed to prepare an environmental impact statement, failed to consider alternative sites, and violated the NPS Organic Act and Administrative Procedures Act.

The second lawsuit challenged the 1997 Yosemite Lodge Development Concept Plan. This lawsuit contended that, among other things, the park failed to consider all significant environmental impacts, failed to evaluate other reasonable alternatives, and should have prepared a full environmental impact statement rather than an environmental assessment.

NPS informed us that in December 1998, the park announced that it would conduct an environmental impact statement for Yosemite Valley development, which will ensure a full assessment of cumulative impacts and avoid claims of fragmented planning. NPS anticipates that the draft environmental impact statement will be available for release to the public in May 1999 and finalized later in the year.

AGENCY COMMENTS AND OUR EVALUATION

We obtained agency comments on a draft of this report from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior. (See enc. I.) The agency said that it generally agreed with the findings in the draft report and provided several comments for our consideration. We have revised the report where appropriate to address these comments.

The agency had several specific comments on our findings about the park's plan to build new space for the Office of Flood Recovery staff. Specifically, the agency commented on (1) its need for office space for 30 employees, (2) its justification to build rather than lease the office space, and (3) its decision to locate the office space at its El Portal warehouse.

The agency commented that it still plans to increase the Office of Flood Recovery staff from its current level of 18 employees to 30 employees and place

them in the new office space. Hiring the additional employees has been delayed about 1 year by legal challenges to Yosemite Lodge construction, which led the park to postpone filling some flood recovery positions, especially those related to the supervision of construction. Also, upon anticipated approval of a comprehensive environmental impact statement for Yosemite Valley development, over \$90 million worth of construction will begin, and the Office of Flood Recovery plans to provide up to the programmed number of staff and remain at that level through its 3-year construction period. However, we continue to believe that there are uncertainties about whether staffing at the full authorized level of 30 positions will be necessary. Work that is currently being done by the existing 18 staff has continued while the environmental impact statement is being prepared. As such, projects that are not affected by the delay could be completed, thus freeing up the time of existing staff to work on the delayed Yosemite Valley development projects. Also, according to Yosemite officials, the supervision of construction may be contracted out rather than done in-house. Finally, some of the work associated with Yosemite Valley's development has already been undertaken, specifically that related to the planning and design as well as the demolition work needed in preparation for the delayed projects' construction, which should reduce the need for additional staff.

The agency commented that, if modular office units had been leased for the Office of Flood Recovery, 5,760 square feet of space would have been required. However, the agency said that the space can be reduced to 4,300 square feet if built as part of the Resource Management building by allowing common use of rest rooms, meeting rooms, copying and faxing machines, et cetera. It also said that the \$500,000 estimate for the office space is based on what would have been needed if modular units were leased; therefore, it is appropriate to apply that amount toward the construction of the new Resource Management building because building a permanent structure is a better use of the money. However, the agency's explanation does not clearly show how the agency has reduced the space requirement by over 1,400 square feet as a result of common uses. For example, the designs for both the first and second floors of the new building had rest rooms and copy rooms identified. Also, space savings do not appear to result from the common use of a 400-square-foot conference room on the second floor. The design plan for the leased space included 400 square feet for a conference room and a separate break room, whereas the new space does not include a break room. Therefore, there is no net change in the square footage. In addition, we understand that the park used its estimate for leasing the modular units to justify its expenditures. Our point is that, in doing so, the park justified the expenditure to build additional square footage on the basis of leasing more space than it plans to build.

The agency commented that the General Management Plan calls for the majority of Yosemite's administrative and maintenance support facilities to be located in

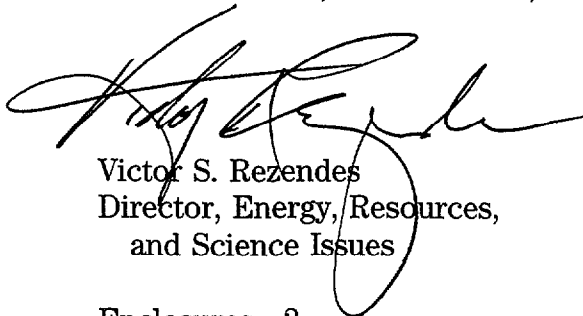
El Portal. The agency said that it evaluated five possible alternative sites in El Portal and that the preferred building site best meets established criteria (proximity to existing infrastructure, interface with existing offices, least disruption to on-site operations, and minimized impact to a sensitive resource area) and offers the additional benefit of removing more Resource Management offices from Yosemite Valley once the flood recovery staff vacate the space. We believe that the park could have explored other potentially more cost-effective alternatives, even within El Portal, for housing staff temporarily assigned to the Office of Flood Recovery. We do not question the need for the additional office space for permanent employees at El Portal or the plan to relocate employees according to the General Management Plan. However, in evaluating the five alternatives, the park only considered locating this office's staff outside the park at the warehouse in El Portal. For example, a draft report of a recently completed study of the park's housing, done at the request of NPS, indicated that there are excess employee housing units in El Portal. Thus, since the park already uses former employee housing as office space, excess employee housing might have provided an option for consideration.

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We conducted our review from June 1998 through January 1999 in accordance with generally accepted government auditing standards. A discussion of our scope and methodology appears in enclosure II.

As agreed with your offices, unless you publicly announce its contents earlier, we plan no further distribution of this report until 30 days from the date of this letter. At that time, we will make copies of this report available to others upon request.

If you have any questions or need additional information, please contact me on (202) 512-3841. Major contributors to this report were Cliff Fowler, Roy Judy, Richard Kasdan, Kenneth Kurz, Diane Lund, and William Temmler.



Victor S. Rezendes  
Director, Energy, Resources,  
and Science Issues

Enclosures - 2

List of Congressional Requesters

The Honorable Slade Gorton  
Chairman, Subcommittee on Interior  
and Related Agencies  
Committee on Appropriations  
United States Senate

The Honorable Craig Thomas  
Chairman, Subcommittee on National Parks,  
Historic Preservation, and Recreation  
Committee on Energy and Natural Resources  
United States Senate

The Honorable Ralph Regula  
Chairman, Subcommittee on Interior  
and Related Agencies  
Committee on Appropriations  
House of Representatives





## United States Department of the Interior

OFFICE OF THE SECRETARY  
Washington, D.C. 20240

January 11, 1999

Mr. Barry T. Hill  
Associate Director, Energy, Resources,  
and Science Issues  
U. S. General Accounting Office  
441 G Street, NW  
Washington, DC 20548

Dear Mr. Hill:

The Department of the Interior has reviewed the General Accounting Office's (GAO) draft report entitled, "National Park Service: Flood Recovery Efforts at Yosemite National Park, California" (GAO/RCED-99-50R). We are generally pleased with the findings in the draft report, and offer the following comments regarding a few specific issues:

Page 4, Paragraph 1: This paragraph states that "final project costs have not been determined because obligations for most of the sampled projects have been higher for planning and design work to be performed...than for actual construction." This is a confusing statement. It seems to suggest that planning and design will cost more than construction. Actually, the obligations at this point for planning and design are higher only because they happened first, and much of the construction costs have not yet been incurred. It may be clearer to state that final costs are unknown because most projects are not yet completed.

Page 4, Paragraph 1: Although the National Park Service (NPS) is making changes to its cost-estimating procedures in response to the National Academy of Public Administration study, it is not true that flood recovery project estimates may change. In quarterly progress reports to Congress, the park is required to compare the original estimates to actual obligations. Therefore the original estimates will be retained.

Page 4, Paragraph 2: In this section, where the use of flood recovery funds to construct additional office space is first questioned, we believe it would be helpful to clarify the intent of the new construction. The main purpose of the new

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building is to replace Resource Management Division offices destroyed by the flood. The replacement of those offices was a specific component (package number 903) of the funding request that was sent to and approved by Congress. Adding square footage within the replacement building for the Flood Recovery Office staff's temporary use is secondary. This distinction is not clear in the current draft, and readers may incorrectly infer that the building is being constructed primarily for flood recovery office space.

Page 5, Paragraph 2: This paragraph says that the \$500,000 for flood recovery office space was not part of the park's initial cost estimate. Actually, the cost of managing the projects, including flood recovery space needs, was part of the gross estimate for all of the projects. It has not resulted in an increase to the original request.

Page 5, Paragraph 2: This section mentions that the actual number of flood recovery employees using office space is 18 instead of the approved 30. As described in a November 1998 letter from the park to GAO, this difference is only temporary. Legal challenges over the Yosemite Lodge project that includes guest lodging and employee housing have delayed Lodge construction by approximately one year. The park has postponed filling some flood recovery positions, especially those related to construction supervision. Upon anticipated approval of a comprehensive Environmental Impact Statement for Yosemite Valley development, over \$90 million worth of construction will begin, and flood recovery will staff up to the programmed number and remain at that level through its three-year construction period. Therefore there is a legitimate need for the office space requested.

Page 5, Paragraph 3: This section states that the park justified using \$500,000 on the basis of leasing 33% more square feet of office space than it actually will build. If modular office units had been leased, the full 5,760 square feet of space would have been required. However, the space can be reduced to 4,300 square feet if built as part of the Resource Management building, allowing common use of restrooms, meeting rooms, copying and faxing machines, etc. The \$500,000 estimate is based on what would have been needed if modular units were leased; therefore it is appropriate to apply that amount toward construction of the new Resource Management building. It is more responsible to construct permanent office space and reuse it when flood recovery is complete than to spend an equivalent amount of money purchasing modular units that quickly deteriorate to an eyesore or leasing units that need to be returned.

Page 5, Paragraph 4: This paragraph says that the park did not consider providing office space at locations other than its El Portal warehouse. The General Management Plan calls for the majority of Yosemite's administrative and

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maintenance support facilities to be located in El Portal. In the value analysis for the project, five possible site alternatives in El Portal were evaluated against the desirable criteria established for this project: proximity to existing infrastructure; interface with existing offices; least disruption to on-site operations; and minimized impact to a sensitive resource area. The preferred building site best meets those criteria, and offers the additional benefit of removing more Resource Management offices from Yosemite Valley once the flood recovery staff vacates the space.

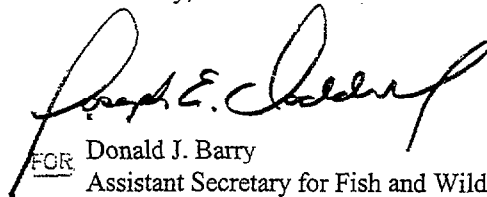
Page 6, Paragraphs 2 and 3; and Page 7 Paragraph 1: The statement that lawsuits may delay completing flood recovery projects still is true. This additional information is offered just as an update on the lawsuit status: In December of 1998, the park announced that it would include National Environmental Policy Act compliance for the Yosemite Lodge site in a more comprehensive Environmental Impact Statement (EIS) for Yosemite Valley development. This EIS will insure a full assessment of cumulative impacts and avoid claims of fragmented planning. The plaintiffs have dropped their pending lawsuits. The draft of the Valley Plan EIS should be released to the public in May, with a Record of Decision anticipated late in 1999.

Page 7, Paragraph 2: This paragraph indicates that the review was conducted from June 1998 through January 1998. The second date appears to have a typographical error and should read "1999" instead.

Page 7, Paragraph 4: When major contributors to the report were mentioned, we believe that Kenneth Kurz, with whom the park had considerable interaction, was inadvertently left off of the list.

Thank you for the opportunity to review and comment on the draft GAO report.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald J. Barry".

FOR Donald J. Barry  
Assistant Secretary for Fish and Wildlife and Parks

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GAO **Briefing for Congressional  
Requesters**

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Flood Recovery Efforts at Yosemite  
National Park, California

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**GAO      Background**

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- In January 1997, Yosemite National Park experienced a major flood that damaged much of its buildings and infrastructure.
  - In March 1997, park officials estimated that about \$176 million was needed to recover from the flood.
  - The \$176 million included both repair items and costs to improve the park.
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**GAO Background (con't)**

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- In June 1997, P. L. 105-18 provided the funds for disaster recovery at various locations. Yosemite received the full \$176 million requested.
  - Legislation provides wide latitude for the use of appropriated funds.
  - As of September 30, 1998, about \$60 million had been obligated--roughly one-third of the total provided.
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**GAO Objectives**

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- Because of the large amount of money involved and recent incidents involving questionable spending on construction by the National Park Service (NPS), we were asked to answer the following questions:
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**GAO Objectives (con't)**

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--Are planned and actual expenditures consistent with the park's planning documents?

--Do the costs of the disaster recovery projects appear reasonable?

--Is there any merit to the allegations about the misuse of some of the disaster recovery funds?

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GAO **Results in Brief**

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- We did not identify any inconsistencies between the park's planning documents and planned and actual expenditures as of September 30, 1998.
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**GAO Results in Brief (con't)**

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- At the time of our review, about one-third (about \$60 million) had been obligated, and the costs for the disaster recovery projects we sampled appeared to be reasonable. However, the park did not sufficiently justify its plan to use flood recovery funds for building new office space.
  - The allegations we reviewed about the misuse of flood recovery funds could not be substantiated.
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**GAO** **Scope and Methodology**

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- Our review provides a snapshot of flood recovery obligations and expenditures as of September 30, 1998.
  - To determine whether planned and actual expenditures are consistent with planning documents and whether the costs for the disaster projects are reasonable, we:
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**GAO Scope and Methodology (con't)**

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--reviewed applicable laws, regulations, and other relevant documentation;

--interviewed appropriate officials at NPS' headquarters, Denver Service Center, and Yosemite National Park;

--sampled 21 of the 213 flood-related projects representing over 80% of the total estimated costs and obligations;

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**GAO    Scope and Methodology (con't)**

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--reviewed and discussed project plans with project managers for each of the sampled projects; and

--conducted site inspections of flood-affected areas related to some of the sampled projects.

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**GAO Scope and Methodology (con't)**

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- To assess the merits of allegations about misusing disaster recovery funds, we
    - talked to or met with individuals making the allegations and asked for specific information to substantiate their claims,
    - discussed the allegations with Yosemite officials, and
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GAO **Scope and Methodology (con't)**

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--reviewed Yosemite's files for documentation pertinent to the allegations made.

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**GAO Scope and Methodology (con't)**

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- We did not assess or evaluate
    - the adequacy of the park's planning documents,
    - the need for projects, or
    - the appropriateness of existing policies.
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**GAO    Were Expenditures Consistent With  
Planning Documents?**

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- We did not identify any inconsistencies between the park's planning documents and planned and actual expenditures as of September 30, 1998.
  - The planning documents that the park related to the flood recovery effort are the Concession Services Plan (CSP), General Management Plan (GMP), Housing Plan, Lodge Development Concept Plan (DCP), and Valley Implementation Plan (VIP).
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GAO **Were Expenditures Consistent With  
Planning Documents? (con't)**

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- 186 of the 213 disaster projects do not relate to the park's planning documents primarily because they involved normal park operations that were damaged by the flood and required flood-recovery funding for repair.
  - 27 of the 213 projects relate to at least one of the park's planning documents.
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**GAO    Were Expenditures Consistent With  
Planning Documents? (con't)**

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- We sampled 21 disaster projects to track consistency with the park's plans.
  - 12 of 21 sampled projects related to the park's planning documents and were consistent with them. These 12 projects represented about 50% of the total estimated expenditures for the flood recovery effort. Among these, for example, are changes to:
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**GAO    Were Expenditures Consistent With  
Planning Documents? (con't)**

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- Yosemite Lodge that are related to the GMP, CSP, and DCP;
  - Annex/Ozone and Camp Six concessionaire employee housing projects that are discussed in the Housing Plan; and
  - Lower Pines Campground that is included in the GMP and VIP.
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**GAO    Were Expenditures Consistent With  
Planning Documents? (con't)**

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- Nine of the sampled projects were not related to the park's planning documents. However, they generally contributed to the park's normal operations and were damaged by the flood, thus requiring funds for repair. These projects represented about 36% of the total estimated expenditures for the flood recovery effort.
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GAO **Were Expenditures Consistent With  
Planning Documents? (con't)**

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- These included, for example, repairs to the
  - El Portal road,
  - Yosemite Creek Lift Station, and
  - electrical lines under the river.

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**GAO    Do the Costs for Projects Appear Reasonable?**

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- The estimated costs for the 21 sampled projects appear to be reasonable.
  - However, final costs have not been determined because most projects are not yet completed. As a result, obligations for most of the sampled projects have been higher for planning and designing the work to be performed than for actual construction.
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GAO **Do the Costs for Projects Appear Reasonable? (con't)**

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- Projects are being or will be value engineered.
  - Projects costing over \$500,000 are reviewed by the NPS Servicewide Development Advisory Board to help ensure that they are consistent with congressional committee and policy guidance.
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GAO **Do the Costs for Projects Appear Reasonable? (con't)**

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- In response to a National Academy of Public Administration study of NPS' construction program, NPS is making changes to its cost-estimating procedures.
  - The changes that NPS is making may result in modifications to existing project costs, particularly those that have not yet begun or are in the early stages of project design.
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**GAO    Do the Costs for Projects Appear  
Reasonable? (con't)**

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- In our opinion, the park's planned use of flood recovery funds for building new office space was not sufficiently justified.

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**GAO Do the Costs for Projects Appear Reasonable? (con't)**

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--The park plans to use \$500,000 from its flood recovery funds to build new office space for Office of Flood Recovery staff. While, in our opinion, the additional \$500,000 has not been sufficiently justified, the additional space, once vacated, will allow more employees to work outside of the valley, which is consistent with park's objective to do so.

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GAO **Is There Merit to Allegations About Misusing Funds?**

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- We received allegations concerning the misuse of disaster recovery funds at Yosemite from a variety of sources.
- We could not substantiate the allegations about the misuse of disaster recovery funds.

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**GAO** **Is There Merit to Allegations About Misusing Funds? (con't)**

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- The allegations involved
    - the misuse of funds to purchase new vehicles and computer equipment,
    - inflated cost estimates based on the assumption that work would be contracted out,
    - inflated costs for constructing trail bridges, and
    - NPS' decision to spend appropriated funds to retain and redesign campgrounds in the flood plain.
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**GAO    Is There Merit to Allegations About  
Misusing Funds? (con't)**

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- We discussed the allegations with those making them and sought specific information that we could use in an attempt to substantiate their claims.
- However, on the basis of additional documentation we obtained, the information provided by these individuals in support of their allegations either:

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GAO **Is There Merit to Allegations About  
Misusing Funds? (con't)**

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- contained no specific details,
- addressed their claims only partly, or
- was incorrect.

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GAO **Actions Taken to Address Lawsuits  
May Delay Flood Projects**

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- NPS was recently the defendant in two lawsuits that have been dropped. Actions taken to address the issues raised in the lawsuits may delay completing the Yosemite Lodge project and some projects in the VIP, such as campgrounds, for several months. Such delays could increase the cost associated with the park's flood recovery projects.
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**GAO Agency Comments**

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- NPS officials generally agreed with the findings in this report.
  - NPS offered several comments for our consideration, and we revised the report where appropriate.
  - NPS did not agree that it did not sufficiently justify using \$500,000 of flood recovery funds for building new office space for Office of Flood Recovery staff.
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