

OFFICE OF THE AUDITOR GENERAL

The Navajo Nation

**Internal Audit
of
Little Colorado River Tribal Park
Navajo Parks and Recreation Department**



**Report No. 18-12
February 2018**

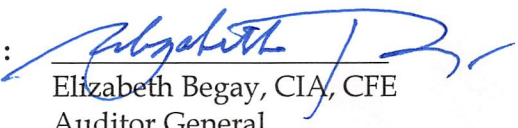
**Performed by:
Beverly Tom, Senior Auditor**



M-E-M-O-R-A-N-D-U-M

TO : Helen Webster, Park Manager
LITTLE COLORADO RIVER TRIBAL PARK

: Martin L. Begaye, Department Manager III
PARKS AND RECREATION DEPARTMENT

FROM : 
Elizabeth Begay, CIA, CFE
Auditor General
OFFICE OF THE AUDITOR GENERAL

DATE : February 9, 2018

SUBJECT : Internal Audit of the Little Colorado River Tribal Park

The Office of the Auditor General herewith transmits Audit Report No. 18-12, Internal Audit of the Little Colorado River Tribal Park. The internal audit was conducted to determine whether the Little Colorado River Tribal Park personnel are prepared to respond to an emergency on park premises and whether cash collected by park staff is accounted for, deposited daily and safeguarded.

The auditors reported five (5) findings:

- Little Colorado River Tribal Park emergency action plan needs improvement to ensure the park is adequately prepared to respond to any potential emergency.
- Little Colorado River Tribal Park needs to do more to alert park visitors about potential hazards on park premises and the need for safety precautions.
- Little Colorado River Tribal Park deposits of cash revenues need to be timely to minimize risk exposure to theft.
- Little Colorado River Tribal Park needs to strengthen security controls and oversight to properly safeguard cash revenues.
- Little Colorado River Tribal Park does not properly reconcile its cash receipts.

The audit report provides recommendations to correct the reported findings. The Little Colorado River Tribal Park has agreed to resolve the audit findings.

If you have any questions about this report, please contact our office at (928) 871-6303.

xc: Bidtah Becker, Division Director
DIVISION OF NATURAL RESOURCES
Chrono

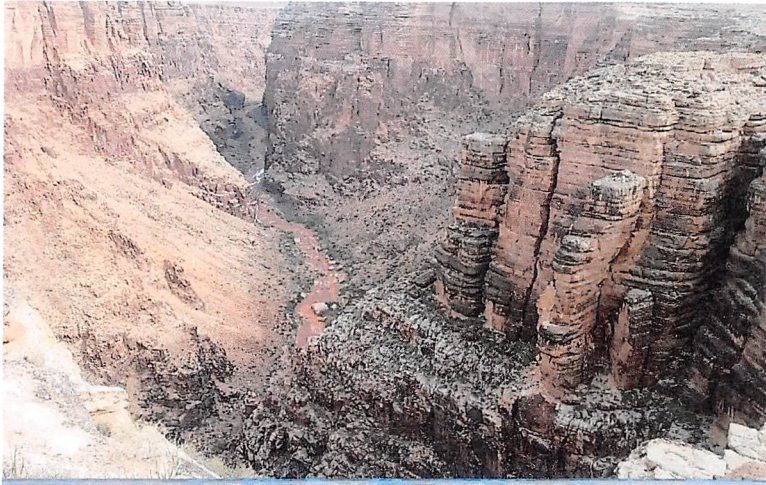
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INTRODUCTION AND BACKGROUND

The Office of the Auditor General conducted an internal audit of the Little Colorado River Tribal Park. The audit addressed concerns over the emergency preparedness and responsiveness, and the accountability and safeguarding of cash revenues. The audit was requested by the Resources and Development Committee of the Navajo Nation Council.

Little Colorado River Tribal Park



- Established in 1962
- Open year round
- Located in western Arizona near the Grand Canyon National Park
- Amenities include a hiking trail, picnic area, and arts & craft vending
- Attracts over 80,000 visitors annually

The Little Colorado River Tribal Park is one of the smaller tribal parks on the Navajo Nation. Established in 1962 by the Navajo Nation Council, the park is located approximately one mile from the Cameron Chapter. The park's main attraction is two overlooks showing the Little Colorado River gorge. The overlooks are located on State Road 64, the highway that leads to the Grand Canyon South Rim. The overlooks allow visitors to park and view the jagged canyon edge from a designated walkway. There are also picnic tables available to visitors and areas designated for local vendors to sell their crafts/merchandise. The park employs five permanent year-round personnel and hires additional temporary employees during their peak season which is typically from March to October.

This park generates revenues primarily from donations from park visitors. Although the park does not charge a standard entrance fee, park visitors are given the option to provide monetary donation to enter the park premises. Based on park records, there were over 80,000 visitors to the park in fiscal year 2016.

Parks and Recreation Department

The Parks and Recreation Department manages the Little Colorado River Tribal Park along with all the other tribal parks on the Navajo Nation. The department was established in 1964 under the Executive Branch within the Division of Natural Resources with a primary mission to protect, preserve and manage tribal parks, monuments and recreation areas for the perpetual enjoyment and benefit of visitors to the Navajo Nation. The department currently manages

seven tribal parks throughout the Navajo Nation. Each park is managed by a designated park manager who reports directly to the department manager. The division director supervises the department manager and legislative oversight is provided by the Resources and Development Committee.

Parks and Recreation Enterprise Fund

All park revenues are deposited into the Parks and Recreation Enterprise Fund. This is a proprietary fund that was established based on a fund management plan for funding the operations of the Parks and Recreation Department to achieve its purpose. Table 1 summarizes the Little Colorado River Tribal Park revenues generated for fiscal year 2016 by revenue source:

Table 1
Little Colorado River Tribal Park Revenues
Fiscal Year 2016

Revenue Source	Amount
Donations	\$101,891
Backcountry permits	\$17,507
Vendor Fee	\$19,016
Filming/Photography permits	\$3,641
Food vendor	\$1,330
Filming permit processing fee	\$1,321
Resale-books/postcards	\$214
Bank interest/Bank Adjustment	\$10
Other	\$2
TOTAL:	\$144,932

Note: Auditor General compilation of the cash receipt reports.

Objective, Scope and Methodology

Our objectives in conducting this audit were to:

- Determine whether the Little Colorado River Tribal Park personnel are prepared to respond to an emergency on park premises.
- Determine whether cash collected is accounted for, deposited daily and safeguarded.

The special review covers Little Colorado River Tribal Park operations from October 01, 2015 to September 30, 2016.

In meeting our objectives, we performed the following procedures:

- 1) Reviewed Little Colorado River Tribal Park records including but not limited to, the plan of operation, fund management plan, policies and procedures, and correspondences.
- 2) Reviewed financial records of the Little Colorado River Tribal Park such as weekly cash deposit reports, bank statements, deposit slips, and daily cash counts.
- 3) Conducted observation of Little Colorado River Tribal Park activities.
- 4) Researched, via the internet, and inquired with other state/national parks for information regarding emergency planning, preparedness, response and enforcement. These parks included: a) Grand Canyon National Park, b) Montana State Park, c) Jordanelle State Park (located in Utah), d) Yellowstone National Park and e) Canyon De Chelly National Park. We also researched the National Park Service website.
- 5) Used the ACL data analysis software to randomly select 20 dates during the park's peak season which was between March 1, 2016 and September 30, 2016. For each date, there were one fee collector shift and per each shift, the fee collector remitted a money bag of cash and corresponding receipts. The 20 dates comprised of 20 total money bags.
- 6) Performed test work of all cash receipts for the 20 money bags selected to verify adequate cash controls. The total cash receipts tested was \$11,444.
- 7) Used the ACL data analysis software to randomly select 20 dates during fiscal year 2016 to verify full deposits of cash receipts. The total deposit tested was \$53,064.
- 8) Selected all audit test work samples in accordance with the established sampling guidelines for low level of control risk.
- 9) Interviewed tribal park staff and Parks and Recreation Department staff.
- 10) Obtained and reviewed budgetary and accounting records from the Financial Management Information System, Office of the Controller cashier's office and Office of Management and Budget.
- 11) Interviewed staff within the Department of Emergency Management and the Safety/Loss Program to obtain their feedback on the tribal park emergency management plans, their working relationships with the parks and what would be important safety measures at the tribal parks.

Government Auditing Standards

This audit was conducted in accordance with government auditing standards. Those standards require that we plan and perform the audit to afford a reasonable basis for our judgments and conclusions regarding the program under audit. An audit also includes assessments of applicable internal controls and compliance with requirements of laws and regulations when necessary to satisfy the audit objectives. We believe that our audit provides a reasonable basis for our conclusions.

The Office of the Auditor General and staff express their appreciation to the Little Colorado River Tribal Park staff, Navajo Parks and Recreation Department staff, and all other entities who contributed to this audit for their cooperation and assistance throughout the audit.

REVIEW RESULTS

I. EMERGENCY PREPAREDNESS

The Little Colorado River Tribal Park attracts thousands of visitors annually. During peak season, the park has a large influx of visitors and it also manages a large number of vendors who rely on the park to sell their arts and crafts. As such, the park's preparedness with regards to emergency response is very important. Although, the park did not document accidents on park premises, it does not negate the park's overall responsibility to maintain a proactive approach with its emergency planning and responsiveness.

FINDING: Little Colorado River Tribal Park emergency action plan needs improvement to ensure the park is adequately prepared to respond to any potential emergency.

Criteria: The Parks and Recreation Department requires each tribal park to maintain an emergency action plan to safely and effectively manage emergency situations within their respective park.

Condition: The Little Colorado River Tribal Park has an emergency action plan but the plan is not comprehensive in addressing all aspects of the park. In reviewing the plan against information obtained through research of other national and state parks regarding emergency planning and preparedness, we found the following missing key information to safely and effectively manage emergency situations:

- Emergencies that may occur outside of the park buildings and those that may impact park visitors and vendors rather than just employees.
- All potential hazards that may place park visitors and employees at risk for injury such as public health emergencies, criminal activities, dangerous wildlife, motor vehicle accidents, etc.
- Requirements to provide public information via signposts or website on potential hazards and safety precautions.
- The type of emergency supplies and equipment that should be kept on hand and readily available during emergencies.
- Requirements to document incidents that occur on park premises and follow up on reports for proper recordkeeping and remedial actions.
- Guidelines on how to respond to a lost or missing person on park premises.
- Requirements to keep the emergency action plan on hand and readily available for staff to utilize during an emergency, and conduct periodic staff training implementing the plan.
- The purpose of the plan, what authority the park has to implement the plan and listing of the roles and responsibilities of the park staff to carry out the plan.
- The reporting of incidents to applicable Navajo Nation Departments such as the Risk Management Department, Department of Emergency Management

and Navajo Occupational Safety and Health Administration office for reporting purposes and assistance with remedial actions.

Effect: Without a comprehensive emergency action plan that is specific to the Little Colorado River Tribal Park, the park cannot provide assurance that it can safely and effectively manage emergency situations within park premises.

Cause:

- The park manager has not fully assessed potential hazards that may occur on the park premises. As a result, the park manager was unable to prepare a plan that would address all these hazards.
- The park manager did not follow the department's instructions for establishing a plan that will effectively address all emergencies at the park.
- The park manager did not coordinate the development of the emergency action plan with local emergency response agencies and does not seek local law enforcement feedback to improve emergency efforts at the park.
- The Parks and Recreation Department did not follow up with the park manager to make sure its requirements for the emergency action plan were met.
- The park manager does not train on the emergency action plan, at least annually, for park staff and all individuals who would assist with emergency responses.

Recommendations:

- 1) The park manager should conduct a full assessment of potential hazards that affect the Little Colorado River Tribal Park to identify the safety precautions needed to establish a comprehensive emergency action plan that is specific to the Little Colorado River Tribal Park.
- 2) The park manager should coordinate with local law enforcement agencies and emergency responders to assist the park in developing a comprehensive emergency action plan.
- 3) The Parks and Recreation Department should make routine visits to the park to ensure the park manager is following instructions and meeting requirements for a comprehensive emergency action plan.
- 4) The park manager, in coordination with the Parks and Recreation Department, should provide annual training of the comprehensive emergency action plan.

FINDING: Little Colorado River Tribal Park needs to do more to alert park visitors about potential hazards on park premises and the need for safety precautions.

Criteria: The Parks and Recreation Department requires each tribal park to maintain and implement a general management plan to manage the park operations. The general management plan authorizes the park manager to implement services to

ensure visitors remain safe while visiting the park. Such services would include the dissemination of safety information to park visitors.

Condition: The Little Colorado River Tribal Park provides hiking precautions and uses a sign to caution visitors while on the walkway to view the canyon gorge. However, the park could implement other safety measures that would help ensure the safety of its visitors. During our field visit to the park, we noted the following:

- There were limited signs to inform park visitors of potential hazards or safety precautions needed to avoid such hazards. The entrance booth and entrance of the walkway to the scenic site are void of safety signage.
- Contact number for emergency responders such as local police, fire department, and paramedics were not clearly posted on signs or provided in brochures to make such information readily available to park visitors.
- Although the park has evacuation plans in place for park buildings, there are no evacuation routes posted to inform park visitors how to safely exit the park during an emergency.
- Park brochure informing park visitors of potential hazards and the required safety precautions to ensure a safe visit to the park.
- Although the park has a website that serves as the primary source of information about the park to people who are interested in visiting, the site does not address: a) potential hazards found at the park, b) safety precautions, c) emergency contact information, d) evacuation/alternate routes to exit the park during an emergency, and e) weather alerts that may impact park visitation.

Effect: The lack of sufficient public safety information could lead to injury among park visitors.

Cause: The Parks and Recreation Department does not monitor the park to make sure the park staff is providing sufficient public safety information.

Recommendations:

- 1) The park should install visible signs, create a park brochure and update the website to provide park visitors with important information on potential hazards at the park and the safety precautions they need to take to have a safe park visit.
- 2) The Parks and Recreation Department should monitor the park manager to make sure the park is providing sufficient safety information.

II. CASH CONTROLS

The Little Colorado River Tribal Park located near the Grand Canyon National Park attracts thousands of visitors and generates thousands of revenues. As noted in Table 1 of this report, the park generated over \$144,000 in revenues in fiscal year 2016. Most of the revenues (about 70%) were generated from donations. A fee collection stationed at the entrance booth records the monetary donation on the electronic ticketing machine and issues a ticket. Records showed that all of the donations were paid in cash which means the park staff is handling large amounts of cash revenues. To ensure proper accountability of such revenues, strong internal controls over cash activities are needed.

FINDING: Little Colorado River Tribal Park deposits of cash revenues need to be timely to minimize risk exposure to theft.

Criteria: The enterprise fund management plan requires all receipts to be deposited in appropriate accounts on a daily basis if practical.

Condition: Our examination of a sample of 20 deposits totaling approximately \$53,000 revealed that all of these deposits (100%) were not deposited on the same day cash was received. Rather, it took the park, on average, five days to make a deposit at the nearest bank. This is contrary to the park's policy which requires daily deposits of cash revenues.

Since there are no daily deposits, the park is maintaining large amounts of cash on hand on at the park office, especially during the peak season. The nearest bank is approximately 28 miles from the park office and there is no night deposit set up for the park.

Effect: There is risk that cash could be stolen from park premises and park staff could be harmed in the process.

Cause:

- The park does not have a night deposit agreement established with their financial institution to facilitate deposits after business hours.
- There is no deposit schedule that designates a specific staff member to make the daily deposits.
- The park manager does not adequately monitor the staff in making daily deposits.

Recommendations:

- 1) The park manager should work with the Navajo Nation Cashier's office to establish a night deposit agreement with the bank and thereafter, monitor

deposits to make sure staff complies with deposit schedules and utilize the night deposit.

- 2) The park manager should develop a deposit schedule that specifies the staff member(s) responsible for making the daily deposits including any after business hours deposits.
- 3) The park manager should monitor deposits to make sure staff complies with deposit schedules and utilize the night deposit.

FINDING: Little Colorado River Tribal Park needs to strengthen security controls and oversight to properly safeguard cash revenues.

Criteria: The general management plan authorizes the park manager to receive, verify, control and otherwise be responsible for all revenues generated and ensure proper accounting and disposition of such funds. This responsibility includes the safeguarding of cash revenues before bank deposits are made.

Condition: During its peak season in fiscal year 2016, the Little Colorado River Tribal Park collected \$125,939 in cash revenues. This averaged to over \$3,000 per day which is cash kept on hand on park premises waiting deposit. Until the cash revenues are actually deposited, the park is responsible for safeguarding the revenues. However, a visit to the park revealed poor security controls:

- No oversight: There are no security cameras set up for the park office and at the entrance booth to monitor cash handling activities. Further, there is no close supervision of the fee collector at the entrance booth and no surprise cash counts which could detect misuse/theft of funds.
- Out-of-date combination number for safe: The park does not periodically change the combination numbers for the safe maintained at the park office.
- Conspicuous storage of cash: Although the park maintains a safe at the park office, there is no safe at the entrance booth to safeguard cash donations during business hours. The entrance booth is located at the overlook approximately one mile from the park office.

Effect: There is risk that cash could be stolen without detection.

Cause: Aside from the cash receipts policies and procedures, the park does not have security policies and procedures that would address how the park safeguards its property and assets including its cash on hand.

Recommendations:

- 1) The park manager should develop security policies and procedures based on the needs of the park. Thereafter, the park should consider installing security cameras at the office building that maintains the safe and at the entrance booth.

- 2) The park should install a safe at the entrance booth and the park manager should establish a process to routinely change passwords for the safe to prevent unauthorized access.
- 3) The Parks and Recreation Department should make monthly visits to the park to ensure security and cash receipt policies and procedures are practiced by the park staff.

FINDING: Little Colorado River Tribal Park does not properly reconcile its cash receipts.

Criteria: The general management plan authorizes the park manager to verify all revenues generated and ensure proper accounting of such funds.

Condition: During our visit to the park, we found the fee collector supervisor was not reconciling the daily cash count reports against the computerized ticketing machine daily reports. As a result, cash shortages and overages were not being detected. Of 20 money bags tested, 14 bags (70%) revealed shortages and overages based on our reconciliation of daily cash count reports for these money bags against the corresponding ticketing machine reports. These shortages and overages were not properly justified.

Effect: There is risk that cash could be stolen without detection.

Cause:

- The park manager does not monitor the cash receipt process to make sure the fee collector supervisor is properly reconciling the cash receipts collected against applicable reports.
- The park does not have a standard form to document and justify cash shortages/overages.
- The park's cash receipt policies and procedures have not been updated to reflect current activities and to address all critical controls such as segregation of duties, reconciliation, oversight and verification of transactions.

Recommendations:

- 1) The park manager should investigate any discrepancies found with the cash receipt activities in a timely manner. Fee collectors should be required to justify any cash shortages or overages.
- 2) The park manager should monitor the cash receipt process to make sure all staff responsible for the process are performing their duties properly.
- 3) The park manager should implement a refund/void report to record cash shortages/overages by the fee collectors and the approval of such transactions by the fee collection supervisor.
- 4) The park manager should update the cash receipt policies and procedures to address key cash controls such as the segregation of duties, reconciliation, oversight and verification of transactions.

CONCLUSION

The Little Colorado River Tribal Park emergency action plan needs improvement to ensure the park is adequately prepared to respond to any potential emergency. In addition, the Little Colorado River Tribal Park needs to do more to alert park visitors about potential hazards and the need for safety precautions.

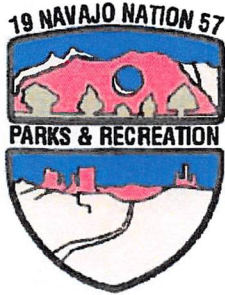
In addition, the Little Colorado River Tribal Park needs to strengthen cash controls. Little Colorado River Tribal Park deposits of cash revenues need to be timely to minimize risk exposure to theft. Further, the Little Colorado River Tribal Park needs to strengthen security controls and oversight to properly safeguard cash revenues. Lastly, the Little Colorado River Tribal Park does not properly reconcile its cash receipts.

Overall, Little Colorado River Tribal Park is one of the tribal parks that attracts a large number of visitors annually and generates revenues for the Parks and Recreation Department. These funds are to ensure the Little Colorado River Tribal Park continues to attract tourists from all parts of the world and to ensure a safe visit for all park visitors. Therefore, it is the responsibility of the Parks and Recreation Department and the Little Colorado River Tribal Park to preserve, protect, and manage the park for the benefit of the Navajo Nation.

CLIENT RESPONSE

Russell Begaye
President

Jonathan Nez
Vice-President



MEMORANDUM

THE NAVAJO NATION
PARKS & RECREATION
DEPARTMENT

Martin L. Begaye
Department Manager III

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TO : Elizabeth Begaye, CIA, CFE
Auditor General
Office of the Auditor General

FROM :
Helen Webster, Program Supervisor
Little Colorado River Tribal Park/NPRD

DATE : December 19, 2017

SUBJECT : Little Colorado River Tribal Park Audit Response

I. EMERGENCY PREPAREDNESS

I. FINDING:

Little Colorado River Tribal Park Emergency Action plan needs improvement to ensure the park is adequately prepared to respond to any potential emergency.

1) Recommendation:

The park manager should conduct a full assessment of potential hazards that affect the Little Colorado River Tribal Park and identify the safety precautions needed.

Management Response:

With this Finding, recommending #1, we disagree. LCRTP encompasses 360,000+ acres and we try our best with limited staff with no assigned Rangers/Security positions. However, we have worked with the appropriate law enforcement, Navajo Police, Navajo Rangers, Coconino County DPS, Coconino County Search and Rescue, Fire Department, EMS on all the incidents/accidents that took place within the boundaries of the LCRTP. We as staff are not expertise in this area, so once we learn of an accident we contact Navajo Police, they make the assessment and make contact with all other entities if need be. All the accidents we had throughout the years such as a lost person and death and in all these cases we never provided a permit to any of them, they were trespassing; most of the death was due to base jumping which is prohibited within the Park(s). One person was missing and never found; another person fell off the cliff and his body was never recovered although search and rescue found him, it was too dangerous for them to remove the body. This is the extent of our assessment, if there were other accidents it may have been recorded by appropriate law enforcement but are kept confidential or are archived and usually no one has the time to search for the files, I say this because I once asked for an accident report that I know they took and their response was it's in the archive somewhere and don't have time to look for it.

PROGRAMS & PARKS

ADMINISTRATION

MONUMENT VALLEY
TRIBAL PARK

LAKE POWELL TRIBAL
PARK

LITTLE COLORADO
RIVER TRIBAL PARK

FOUR CORNERS
MONUMENT

MARBLE CANYON
TRIBAL PARK

CANYON DE CHELLY

TSE BONITO TRIBAL
PARK

BOWL CANYON
RECREATION AREA

WINDOW ROCK TRIBAL
PARK and NAVAJO
VETERANS MEMORIAL

TSEYI DINE' HEP TAGE
AREA

However, we will certainly make the effort to make contact with all these entities and collaborate with them to incorporate their policies in the process in incidents like I mentioned because they use their process and all we can do is make contact with them on any accident and from there they take over. We don't get involve and they write up the accident reports. We feel that safety precautions is emphasis if the person comes in and purchases a permit, we take their name, their phone number, vehicle information, where they are going, and we always inform them to call us when they leave to know they got out safe; still some do and most of them do not call to let us know. We definitely make an effort to call them if they don't call us back and this is just to make sure they are out safely, but at time we still fail to make the call due to being too busy with work.

2) **Recommendations:**

After making a full assessment, the park manager should revise its emergency action plan as needed.

Management Response:

After collaboration with the appropriate law enforcement, etc. the possibility is revision will be appropriate and positive that something productive will come out of this base on some assessment, they as enforcement officers can think of as it is their profession.

3) **Recommendation:**

The park manger should coordinate with local law enforcement agencies and emergency responders to assist the park in revising its emergency action plan.

Management Response:

It will be done and to start it off LCRTP will make contact requesting for their assistance, input toward this effort is by a letter of request.

4) **Recommendation:**

The park manager, in coordination with the Parks and Recreation Department, should provide annual training of the emergency action plan.

Management Response:

As Navajo Parks and Recreation in coordination can only request of the appropriate law enforcement, etc. to provide us training on their emergency plan, they will help us put together what will be appropriate in our emergency plan but they will be the main ones that will carry out the process of an emergency plans as our first contact on any accidental situations.

II. FINDING:

Little Colorado River Tribal Park needs to do more to alert park visitors about potential hazards on park premises and the need for safety precautions.

1) Recommendation:

The park should install visible signs, create a park brochure and update the website to provide park visitors with important information on potential hazards at the park and the safety precautions they need to take to have a safe park visit.

Management Response:

The LCRTTP is in agreement with this recommendation and we will do some research on signs for safety that will be appropriate for our park; when these signs are determined we will order them and post them where appropriate. For our brochures, on our next orders we will revised and include all important information on potential hazards and emergencies contact phone numbers; including safety precautions. As for the website, we at the Parks do not develop the website, the central NPRD office's responsibility but will certainly inform them.

2) Recommendation:

The Parks and Recreation Department should monitor the park manager to make sure the park is providing sufficient safety information.

Management Response:

I believe this recommendation should be directed at the NPRD Central Office.

II. CASH CONTROLS

I. FINDING:

Little Colorado River Tribal Park deposits of cash revenues need to be timely to minimize risk exposure to theft.

1) Recommendation:

The park manager should work with the Navajo Nation Cashier's office to establish a night deposit agreement with the bank and thereafter, monitor deposits to make sure staff complies with deposit schedules and utilize the night deposit.

Management Response:

Agree, on October 4, 2017 we had a meeting with Cashier's office at MV Welcome Center and during that time Roberta Holyan, Accountant informed us she was meeting with each bank regarding the daily night deposit and when she completes that she would inform us. To date we have not heard back from her on LC RTP. But we have now been depositing every two days, or whenever we have cash on hand since we are in slow season. We definitely should be depositing daily once we open our booth up for the season in March, 2018.

2) Recommendation:

The park manager should develop a deposit schedule that specifies the staff member(s) responsible for making the daily deposits including any after business hours deposits.

Management Response:

Due to limited staff, there is only two person that will be allowed to deposit, since it was stated the Fee Collector Supervisor (FCS) cannot make deposit it will have to be myself or the Office Assistant. During the days I am not available due to business travel or on leave, the Office Assistant is the only person that can make deposits, and if both of us are not available it will have to be the FCS that will make the deposit. We did develop a "Bank Deposit Log" and each person depositing input their name, amount being deposit, date deposit, day of week, location of bank, Initial, and time. This will suffice a schedule because of not knowing who will actually be in the office the day of, instead they fill in the bank deposit log.

3) **Recommendation:**

The park manager should monitor deposits to make sure staff complies with deposit schedules and utilize the night deposit.

Management Response:

Agree, to ensure that deposits are made on a timely base a form was develop to record depositor's name, amount deposit, day, time, location, and date; for now we are depositing Monday, Wednesday, and Friday; awaiting Cashier's Office to get back with us after Ms. Holyan, Accountant has a meeting with Wells Fargo Bank in Tuba City for our daily night deposit drop.

II. **FINDING:**

Little Colorado River Tribal Park needs to strengthen security controls and oversight to properly safeguard cash revenues.

1) **Recommendation:**

The park manager should develop security policies and procedures based on the needs of the park. Thereafter, the park should consider installing security cameras at the office building that houses the safe and at the entrance booth.

Management Response:

Presently, nor in the past, LCRTTP never had Security(s)/Rangers as part of personnel therefore, we never developed a security policy and procedures but we had expressed the need for it and even at times put in the budget. The issue behind hiring Rangers is a long story so I won't go into that. Finally, there are some Rangers that are hired but currently they are going through training to get certified first before they start working with the Parks. The Rangers we understand will be stationed in Window Rock, going out daily to Parks and don't think that will be effective because of distance, etc. However, we feel this would be up to whoever is supervising them on developing these policies and procedures on how they will manage overseeing parks safety issues. As for installing security cameras we will be looking into it for the office building, as for the Fee Station there is no electricity, nearest electricity is 10 miles away.

2) **Recommendation:**

The park should install a safe at the fee booth and the park manager should establish a process to routinely change passwords for the safe to prevent unauthorized access.

Management Response:

Agree, LCRTTP has already placed an order for a safe with combination for the Fee Booth and we hope to have that installed by the time the season starts. As for the office we did get a new

heavy duty safe with combination. There will be changing combination numbers periodically for the safe to prevent unauthorized access.

III. FINDING:

Little Colorado River Tribal Park does not properly reconcile its cash receipts.

1) Recommendation:

The park manager should monitor the cash receipt process to make sure all staff responsible for the process are performing their duties properly.

Management Response:

Agree, however, this is hard to do on a daily basis because on some days as Park Manager I am on travel days at a time, at those times it's the Fee Collector Supervisor's responsibility to do so, but then again sometimes when I am not in the office she might be on her regular day off during the week because she works weekends. It's unfortunate for us on this audit too because the FCS due to emergency situation had took leave most of the 2016 season opening of Fee Station and on top of that I only had two Fee Collectors. When I was out of the office there was really no one to take up the responsibility of reconciling for making deposit and that's the reason for these findings we are sited for. However, we hope to get back on track of our monitoring this coming season and will ensure the proper reconciliation of cash receipts are made by the staff and monitoring will improve.

2) Recommendation:

The park manager should investigate any discrepancies found with the cash receipt activities in a timely manner. Fee collectors should be required to justify any cash shortages or overages.

Management Response:

Disagree, we had always recorded the overage or shortage on the daily cash deposit count, but there was no notation of why there was overage or shortage. Most overage was due to books that are sold in the office, most books are for example \$5.95 and the buyer would give us \$6.00 and would say keep the change, so we record the \$0.05 as overage on our daily cash receipt. Shortage, I agree that needs to be more closely monitored at the end of the day and be handled right away by FCS who reconciles before I do, then as a second person I verify all the reconciliation and if I find an error I mark them with red ink and return it for correction. If shortage I collect that shortage from the FC that worked that day. But, again this goes back for not having my Fee Collection Supervisor working most of the summer in 2016. But we plan on improving on this issue.

3) Recommendation:

The park manager should implement a refund/void report to record cash shortages/overages by the fee collectors and the approval of such transactions by the fee collection supervisor.

Management Response:

Disagree, LCRTTP never did a refund within a day, unless when permit was filled out and customer might find out we don't accept credit cards, or for some reason doesn't have enough cash then we just immediately void the permit (only) if we never received cash for. Only twice, within the time I've been here did we do a refund and since cash is already deposited, then we have to request for a written request, and base on that letter including proof of sold permits we process an RDP for refund through the Nation with justification; we don't do refund from cash register. So these type of refunds is documented. If ever we need to void a permit that's been sold, and before end of the day a request for refund is made we can go into the cash register and void a permit that's been sold already which will reflect in the end of the day register tape; but we've never done one; if this refund was asked for the next day then we have to go through the process of request in writing and refund it through NN RDP process.

4) **Recommendation:**

The park manager should update the cash receipt policies and procedures to address key cash controls such as the segregation of duties, reconciliation, and verification of transactions.

Management Response:

Agree, LCRTTP realized the cash receipt policies and procedures was outdated and this audit prompt us to update it which is in the process.

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