



OFFICE OF THE AUDITOR GENERAL

The Navajo Nation

A Follow-up Review of the Monument Valley Tribal Park Corrective Action Plan Implementation

**Report No. 23-04
December 2022**


**Performed by:
HEINFELD, MEECH & CO., P.C.**



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

TO : Adeline Tohannie, Park Manager
MONUMENT VALLEY TRIBAL PARK

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

FROM : 
Helen Brown, CFE, Principal Auditor
Delegated Auditor General
OFFICE OF THE AUDITOR GENERAL

DATE : December 30, 2022

SUBJECT : Audit Report No. 23-04, A Follow-up Review of the Monument Valley Tribal Park Corrective Action Plan Implementation

BACKGROUND

In 2018, the Office of the Auditor General finalized an internal audit over the Monument Valley Tribal Park. The internal audit was performed to determine whether the Monument Valley Tribal Park and tour operators were prepared to respond to an emergency on park premises and where cash collected was accounted for, deposited daily, and safeguarded. The internal audit report number 18-10 was issued February 9, 2018, and Monument Valley Tribal Park developed a corrective action plan (CAP) to address the audit findings and to continue to improve the cash handling procedures within the park. The internal audit report and CAP were approved on September 18, 2018 with resolution BFS-38-18 by the Budget and Finance Committee of the Navajo Nation Council.

OBJECTIVE AND SCOPE

The objective of the follow-up review is to determine the status of the corrective action plan implementation based on a nine-month review period of October 1, 2021 through June 30, 2022. The review consisted primarily of inquiries of Monument Valley Tribal Park and Navajo Parks and Recreation Department personnel and also the examination of documents and records provided by Monument Valley Tribal Park. Heinfeld, Meech & Co., was engaged to perform the follow-up review of the Monument Valley Tribal Park corrective action plan implementation.

SUMMARY

Of 31 total corrective measures, the Monument Valley Tribal Park implemented 25 (81%) corrective measures, with the remaining 6 (19%) not implemented. See attached Exhibit A for the detailed explanation of the follow-up results.

CONCLUSION

Although the Monument Valley Tribal Park did not fully implement the corrective action plan, the measures implemented to date allowed for the reasonable resolution of the audit findings. Therefore, we do not recommend sanctions to be imposed on the Monument Valley Tribal Park.

We thank the Monument Valley Tribal Park for assisting in this follow-up review.

xc: Mike Halona, Division Director
DIVISION OF NATURAL RESOURCES
Sara Kirk, Partner
HEINFELD, MEECH & CO.
Chrono

December 30, 2022

Office of the Auditor General of the Navajo Nation
P.O. Box 708
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We have completed our engagement to perform a follow-up review of the Monument Valley Tribal Park corrective action plan implementation and have provided the results in this report for your consideration. Our review consisted primarily of inquiries of Monument Valley Tribal Park and Navajo Parks and Recreation Department personnel and also the examination of documents provided by Monument Valley Tribal Park personnel. The accompanying report includes the following:

- A table summarizing the number of audit issues that are resolved or not resolved
- Narrative explanations on the status of the corrective measures
- An overall conclusion on whether Monument Valley Tribal Park resolved issues and made improvements through the implementation of its corrective action plan

To the extent we have performed our review using data and information obtained from the Monument Valley Tribal Park, we have relied upon such information to be accurate, and no assurances are intended, and no representation or warranties are made with respect thereto or the use made therein.

We would like to thank everyone at the Office of the Auditor General and the Monument Valley Tribal Park for their assistance and cooperation.

Sincerely,

Heinfeld Meech & Co. PC

Heinfeld, Meech & Co., P.C.
Phoenix, Arizona

Table of Contents

	<u>Page</u>
Executive Summary	2
Background.....	2
Objective and Scope.....	3
Summary.....	3
Conclusion.....	3
Exhibit A - Review Results.....	4
Attachment A	5
Attachment B.....	12

Executive Summary

Background

The Monument Valley Tribal Park was established in 1958 and is considered the largest tribal park. The park is located on the Arizona-Utah border in Monument Valley, Arizona. Park amenities include lodging, dining, gift shop, tour guides, RV parking, and hiking trails. The main attraction of the park is the 17-mile scenic drive among the unique rock structures and landscapes.



The Monument Valley Tribal Park operates under the Navajo Parks and Recreation Department (NPRD) along with six (6) other tribal parks on the Navajo Nation. Each park operates under the Park Manager who in turn reports directly to the Department Manager of the Parks and Recreation Department. The Parks and Recreation Department operates within the Division of Natural Resources.

In 2018, the Office of the Auditor General of the Navajo Nation finalized an internal audit over the Monument Valley Tribal Park. The internal audit was performed to determine whether the Monument Valley Tribal Park and tour operators were prepared to respond to an emergency on park premises and whether cash collected was accounted for, deposited daily, and safeguarded. The internal audit report number 18-10 resulted in nine (9) findings with six (6) of the findings related to safety and three (3) of the findings related to cash collection. As a result of the audit, the Monument Valley Tribal Park developed a corrective action plan (CAP) to address the audit findings and to continue to improve the safety of its park for the visitors and to continue to improve the cash handling procedures within the park. The Monument Valley Tribal Park internal audit report and CAP were approved on September 18, 2018 with resolution BFS-38-18 by the Budget and Finance Committee of the Navajo Nation Council.

HeinfeldMeech was awarded a proposal issued by the Office of the Auditor General of the Navajo Nation to conduct the follow-up review and issue a written follow-up review report. The Office of the Auditor General commenced with this follow-up based on the tribal park's claim that it had implemented its corrective action plan.

Objective and Scope

The objective of the follow-up review is to determine the status of the corrective action plan implementation based on a 9-month review period of October 1, 2021 through June 30, 2022. The review consisted primarily of inquiries of Monument Valley Tribal Park and Navajo Parks and Recreation Department personnel and also the examination of documents and records provided by Monument Valley Tribal Park.

HeinfeldMeech would like to express appreciation to Monument Valley Tribal Park and the Navajo Parks and Recreation Department personnel for their cooperation and assistance through the performance of this review.

Summary

Monument Valley Tribal Park did not fully implement the corrective action plan. As outlined in *Exhibit A – Review Results* of this report, of the 31 corrective measures identified in the corrective action plan, Monument Valley Tribal Park implemented 25 (81%), with the remaining 6 (19%) not implemented.

Conclusion

Although the Monument Valley Tribal Park did not implement all corrective measures, the measures implemented allowed for the reasonable resolution of the audit findings. Therefore, we do not recommend sanctions to be imposed on the Monument Valley Tribal Park.

Exhibit A - Review Results

Monument Valley Tribal Park Corrective Action Plan Implementation Review Period: October 1, 2021 to June 30, 2022

Audit Issues	Total of Corrective Measures	# of Corrective Measures Resolved	# of Corrective Measures Not Resolved	Audit Issue Resolved?	Review Details	
1	Monument Valley Tribal Park emergency action plan needs improvement to ensure the park is adequately prepared to respond to any potential emergency	4	3	1	Yes	Attachment A
2	Monument Valley Tribal Park public safety is an ongoing concern shared by emergency management and safety departments	4	3	1	Yes	
3	Monument Valley Tribal Park needs to do more to alert park visitors about potential hazards on park premises and the need for safety precautions	2	2	0	Yes	
4	Monument Valley Tribal Park monitoring of tour operators for compliance with safety requirements needs to be strengthened	6	6	0	Yes	
5	Monument Valley Tribal Park recordkeeping of park employee safety credentials needs to be improved	2	2	0	Yes	
6	Cash collection shortage and overages is an ongoing issue for the Monument Valley Tribal Park due to poor controls	5	5	0	Yes	
7	Monument Valley Tribal Park deposits of cash revenues need to be timely to minimize risk exposure to theft	2	2	0	Yes	
8	Monument Valley Tribal Park needs to strengthen security controls to properly safeguard revenues	3	2	1	No	Attachment B
9	The increasing number of tour operators at Monument Valley Tribal Park affects public safety	3	0	3	No	
Total		31	25	6	8 - Yes 1 - No	

Corrective Measure Evaluation Criteria

Implemented: Monument Valley Tribal Park provided sufficient and appropriate evidence to support all elements of the implementation of the corrective measure.

Not Implemented: Monument Valley Tribal Park did not provide evidence to support meaningful movement towards implementation, and/or where no evidence was provided.

Attachment A

REVIEW RESULTS		
Review Issue	Issue Description	2022 Status
1	Monument Valley Tribal Park emergency action plan needs improvement to ensure the park is adequately prepared to respond to any potential emergency	Resolved

The following was noted in resolution of the issue:

- Park personnel participated in an emergency action planning meeting with a Loss Prevention Specialist from the Navajo Nation Safety Loss Control Program on March 22, 2018
- Navajo Occupational Safety and Health Administration (NOSHA) performed a site inspection of the Monument Valley Tribal Park on October 1, 2019 and provided the Park Manager with written inspection notes
- The Emergency Action Plan was updated on October 11, 2022

Although the Navajo Nation Department of Emergency Management did not perform a site inspection as requested by the Park Manager, a request was made on March 19, 2018 that the Emergency Services Liaison at the Department review the Emergency Action Plan to provide assistance and feedback. Recommendations and edits were provided to the Park Manager by the Emergency Services Liaison on March 26, 2018. The Park Manager indicated the Emergency Action Plan was reviewed by the Ranger Sergeant, although documentation of the review was not provided.

A monitoring form to track Parks and Recreation Department site visits was not created as noted in the corrective action plan by the Park Manager. The Park Manager indicated that site visits were tracked on a calendar. There is evidence of Parks and Recreation Department site visits to the Monument Valley Tribal Park on sign in sheets at various meetings and trainings.

Lastly, the corrective measure indicated training would be provided annually on the comprehensive Emergency Action Plan. In April 2019, a Senior Safety Technician with Navajo Nation Safety Loss Control Program conducted a Safety & Health Training for the personnel at the Monument Valley Tribal Park. The agenda notated three hours of discussion on the Emergency Action Plan.

As a result of the above efforts, this audit issue was deemed reasonably resolved.

To achieve full resolution of the finding, the park should do the following:

- Continue to solicit feedback and coordinate with local law enforcement agencies or emergency responders and update the Emergency Action Plan as necessary.
- Provide training on the Emergency Action Plan annually to include local emergency responders and departments such as the Department of Emergency Management.

REVIEW RESULTS		
Review Issue	Issue Description	2022 Status
2	Monument Valley Tribal Park public safety is an ongoing concern shared by emergency management and safety departments.	Resolved

The following was noted in resolution of the issue:

- A visitor's safety orientation meeting was held at the Welcome Center for park personnel and tour operators. A Program Supervisor I from Navajo Nation Risk Management – Safety Loss Control Program attended and presented at the meeting.
- The park continues to implement inspection note items from the NOSHA site inspection including relocating rocks and remarking roads.
- The park implemented an incident reporting process to monitor tour operator compliance with the Tour and Guide Service Act and tour permit application requirements.
- The Parks and Recreation Department currently employs 4 Park Rangers, 1 Park Ranger recruit, and 1 Park Ranger Sergeant. Park Rangers were assigned to duty at the Navajo Tribal Parks on a rotational basis by the Ranger Sergeant to respond to emergencies and help monitor public safety.

As a result of the above efforts, this audit issue was deemed reasonably resolved.

To achieve full resolution of the finding, the park should ensure semi-annual or annual walkthroughs of the park by the Navajo Nation Department of Emergency Management or Navajo Nation Risk Management – Safety Loss Control Program to continue to address potential issues. The park is unable to identify and respond to issues impacting public safety if walkthroughs do not occur as outlined in the corrective measure.

REVIEW RESULTS		
Review Issue	Issue Description	2022 Status
3	Monument Valley Tribal Park needs to do more to alert park visitors about potential hazards on park premises and the need for safety precautions	Resolved

New signage was purchased and installed throughout the park such as:

- Park Rules
- No Climbing on Rocks
- It Is Unlawful To Mark or Deface Rocks
- Trail ↑

The navajonationparks.org website includes information on:

- Tribal Park Rules and Regulations
- Hiking & Camping Rules
- Areas of Trails and Routes
- Emergency Contact Information

Additionally, the park specific webpage was reviewed. The webpage contained current information important to visitors including information about COVID protocols, reminders to obey signs, to stay on the designated route and to stay hydrated.

A new park brochure was developed that includes information on park rules and emergency phone numbers.

Lastly, a monitoring form to track Parks and Recreation Department site visits was not created as noted in the corrective action plan. As an alternative, the Park Manager utilized a calendar to track visits. Visits were not made specifically related to providing sufficient public information; however, the Park Manager would discuss anything topical with the Department Manager during a site visit.

As a result of the above efforts, this audit issue was deemed reasonably resolved.

REVIEW RESULTS		
Review Issue	Issue Description	2022 Status
4	Monument Valley Tribal Park monitoring of tour operators for compliance with safety requirements needs to be strengthened	Resolved

A *Tour Operator Safety Checklist* was developed for use in monitoring tour operators. The Park Manager indicated that tour operators are inspected on a random basis. Completed *Tour Operator Safety Checklists* were reviewed for various tour operators over six days. Missing items or other notations were documented on the checklists and maintained at the Visitor Center. The Park Manager and Community Center Supervisor at the Welcome Center communicate regarding issues that require addressing with the tour operators.

Mandatory quarterly meetings were held with park tour operators at the Welcome Center. Concerns were included on the agenda to be discussed with the tour operators at the meetings. The Park Manager indicated this agenda item encompassed reminders to tour operators regarding items required as well as the review of incident reports.

The park implemented an incident reporting process to monitor tour operator compliance with the Tour and Guide Service Act and tour permit application requirements. A *Corrective Action Plan for Violations/Incidents* document was utilized to summarize key information regarding each incident. The document was reviewed with the tour operator by the Community Center Supervisor. A *Violations and Penalties for Permittees* table was utilized to determine the penalty to be assessed for each type of violation.

The Park Manager participated in discussions regarding necessary revisions to authoritative guidance impacting park operations. The *Tour Permit Application* was updated to require “vehicles to be inspected by a certified automotive technician to ensure good mechanical condition and that safety equipment is provided and available. The inspection must occur yearly and records must be provided to the permittor for recordkeeping”. The Tour and Guide Service Act does not yet include this language. Revisions to authoritative guidance would enable the Park Manager to better enforce the requirements.

Lastly, a Park Ranger was assigned to the park on a rotational basis. The Park Manager requested that a Park Ranger be present when performing safety inspections of tour operators.

As a result of the above efforts, this audit issue was deemed reasonably resolved.

To achieve full resolution of the finding, the park should:

- Have the *Tour Operator Safety Checklist* reviewed by the Department of Emergency Management and Department of Justice.
- Develop a weekly monitoring schedule of tour operators to ensure all are monitored for adherence to the guidelines on a regular basis.

- Encourage participation by the Navajo Nation Department of Emergency Response and Navajo Nation Risk Management – Safety Loss Control Program in the regularly scheduled tour operator meetings.

REVIEW RESULTS		
Review Issue	Issue Description	2022 Status
5	Monument Valley Tribal Park recordkeeping of park employee safety credentials needs to be improved	Resolved

The Park Manager maintained a document tracking the following credentials for park employees:

- Drivers license number and expiration date
- Navajo Nation permit number and expiration date
- Defensive driving course expiration date
- First Aid/CPR training and expiration date
- OSHA training date
- Sexual harassment training completion date
- COVID vaccination and booster dates

Employee files containing the information above were stored in a locked filing cabinet. The key is maintained by the Office Specialist.

Overall, as a result of the above efforts, this audit issue was deemed reasonably resolved.

It is recommended that the Park Manager better define the credentials required and ensure all park personnel receive any missing certifications. The Park could implement a checklist within the employee files to better organize and track compliance, as of the eleven (11) individuals employed during the review period, eight (73%) had current first/aid CPR documentation on file and three (27%), did not. Further, first aid/CPR training certifications were not provided to the Administrative Services Officers as noted in the corrective measure.

REVIEW RESULTS		
Review Issue	Issue Description	2022 Status
6	Cash collection shortage and overages is an ongoing issue for the Monument Valley Tribal Park due to poor controls	Resolved

The Monument Valley Tribal Park procured and installed a new point of sale (POS) system on January 21, 2022. Backup systems, including a handheld credit card machine or a manual ticketing system have been established in the event the POS system cannot be operated. Cash is only accepted at the Visitor Center in rare instances (power outages, internet outages, international credit card issues) and is not accepted at the Welcome Center under any circumstance.

A binder was maintained at the Visitor Center for all cash receipts collected for the year. The binder contained a *Justification Log* of all overages and shortages, deposit slips for cash deposits, and a weekly log that indicated the amount of cash and credit card payments and the type of fee received. The weekly logs were sent to the Navajo Nation Cashier’s office each week by the Park Manager or the Office Specialist. The *Justification Log* was a running list of all overages or shortages that were reported on the *Revenue Count* forms. The Office Specialist compiles the *Justification Log* and obtains the overage or shortage justifications noted on the *Revenue Count* sheet. *Revenue Count* sheets are completed after each shift by the Fee Collector Supervisor as the cash receipts received during the shift by a Fee Collector are reviewed and reconciled. In the event of an overage or shortage during a shift, the Fee Collector is required to include a written statement directly on the *Void/Refund Statement* Form. The Fee Collector Supervisor then documents the over/short on the *Revenue Count* sheet, signs off as evidence of review, and then the Office Specialist will review and add to the running *Justification Log*. Beginning October 1, 2022, the Welcome Center implemented a *Fee Collecting Statement* form to document overages/shortages/voids/refunds. Prior to this, the Welcome Center did not have a form in place to do this.

Both the Visitor Center and the Welcome Center have segregated the duties of collecting, reconciling, and depositing cash receipts. Compensating controls were implemented at the Welcome Center due to limited personnel, including the prohibition of cash payments.

The *Revenue Collection Policy & Procedures* were revised, with the most recent version dated October 6, 2022.

The park should continue to be diligent with collecting and reconciling cash collections to mitigate the risk of misappropriation. The following was noted during the nine-month period of review:

- The park collected \$1,858,332 in revenues. Thirty-seven (37) cash receipt transactions were reviewed totaling \$172,250, 32 of which were credit card only transactions totaling \$169,783, and 5 of which included cash totaling \$2,467. Of the thirty-seven (37) selected, 7 (19%) had an overage or shortage noted. For 4 of the 7 (57%), a clear justification was not documented by the Fee Collector. The Fee Collector Supervisor or the Park Manager noted the justification, rather than the Fee Collector.

- All six (100%) of receipts totaling \$4,191 reviewed at the Welcome Center did not include evidence of review by a second individual. The implementation of the *Revenue Verification* form on October 1, 2022 should remedy the issue.

Based on the sample selection results, review of standard forms, and updates made to the policies and procedures, this audit issue was deemed reasonably resolved.

REVIEW RESULTS		
Review Issue	Issue Description	2022 Status
7	Monument Valley Tribal Park deposits of cash revenues need to be timely to minimize risk exposure to theft	Resolved

A set deposit schedule was not established due to the limited amount of cash collected at the Visitor Center. However, procedures require cash collected to be deposited the same day by either the Fee Collector Supervisor or Park Manager. Based on the timing of deposits, night deposits were not utilized. During our review, we tested 37 cash receipts, 5 (14%) of which included cash and 4 (80%) were deposited the same day as collected.

We also reviewed the *Sign-in Tamper Resistant Bag Drop* deposit log for the duration of the review period containing all deposits and noted all cash was deposited the same day as collected with the exception of the receipt from the first bullet below.

The park should continue to be diligent with depositing cash collections timely to mitigate exposure to theft. The following was noted during the nine-month period of review:

- For 1 of 5 cash transactions reviewed including cash, the deposit was made two days after received
- For 2 of 37 cash receipt transactions reviewed, the cash received for the day based on the *Revenue Count* forms was not included on the *Sign-in Tamper Resistant Bag Drop* deposit log
- For 2 of 37 cash receipt transactions reviewed, cash included on the *Sign-in Tamper Resistant Bag Drop* deposit log could not be traced to the *Revenue Count* forms for the day
- There were 9 instances where the Park Manager or another employee did not review the deposit per review of the *Sign-in Tamper Resistant Bag Drop* deposit log. For two, a second employee signed off in the absence of the Park Manager.

As a result of the above efforts, the issue was deemed reasonably resolved.

Attachment B

REVIEW RESULTS		
Review Issue	Issue Description	2022 Status
8	Monument Valley Tribal Park needs to strengthen security controls to properly safeguard cash revenues	Not Resolved

Security cameras were procured and installed at the Visitor Center in 2017; however, the cameras are no longer operational. The Visitor Center or Welcome Center do not have operating security camera systems. Parks and Recreation Department personnel indicated a plan to pilot a new security camera system at the Lake Powell Tribal Park location and then implement the same system at the other tribal parks if successful. The timeline for the commencement of the project is unknown. A *Security Camera Use Policy and Regulations* document was also created and available for use by park personnel once a security camera system is reinstated.

The safe lock combination is updated quarterly and only the Park Manager and Fee Collector Supervisor can access the safe. The lock combination is also changed when there is turnover in personnel for added security.

Cash revenues cannot be effectively safeguarded if all recommended security controls are not established.

REVIEW RESULTS		
Review Issue	Issue Description	2022 Status
9	The increasing number of tour operators at Monument Valley Tribal Park affects public safety	Not Resolved

An assessment was not performed, nor laws and regulations changed, to limit the number of tour operators or number of vehicles allowed on the scenic drive and backcountry area and to better enforce tour operator compliance. Further, a meeting was not held with the Navajo Nation Risk Management Department to discuss this matter. The park did develop a *Daily Bookers Log* that only allows each tour operator to provide tours within the park every third day.

During the review, the calendar year 2022 permit applications and related documentation was reviewed for 6 tour operators. All vendors were permitted to operate tours although the following was noted:

- Four (67%) *Tour Guide Services Permit Applications* were not signed by the Department Manager
- One (17%) did not have a fully executed *2022 Grazing Permittee Consent Form*. The form was not signed by the area Grazing Official.
- One (17%) did not have procurement clearance. The vendor was not registered and was not in compliance with the Navajo Tax Commission sales tax and possessory interest tax requirements.

Failure to assess the appropriate number of tour operators and vehicles that can operate within the park affects public safety and prevents management from applying fact-based decision making to the determination of whether new tour operator permits can and should be issued.