



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

NATIONAL PARK SERVICE VISITOR DONATION BOXES



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Memorandum

To: Jonathan B. Jarvis
Director, National Park Service

From: Kimberly Elmore *Kimberly Elmore*
Assistant Inspector General for Audits, Inspections, and Evaluations

Subject: Inspection – National Park Service Visitor Donation Boxes
Report No. ER-IS-NPS-0014-2011

This memorandum transmits the findings of our inspection report to determine whether National Park Service (NPS) internal controls over cash collected in visitor donation boxes are adequate, and whether the parks spent donated funds appropriately. We visited 14 parks in 5 states and 1 territory and reviewed NPS visitor donation box policies and procedures for fiscal years 2010 and 2011.

We found that, with few exceptions, park employees and authorized nonprofit organizations practiced adequate internal controls and security procedures for visitor donation boxes as outlined in NPS policy. We also found that the parks appropriately restricted use of donation box funds to park purchases and activities, such as trail maintenance, educational materials, and structural improvements.

We did find, however, that select improvements in NPS internal controls are necessary to ensure the continued integrity of cash collected from visitor donation boxes at national park locations. Our recommendations address these internal control improvements.

Please provide us with your written response to this report within 30 days. The response should provide information on actions taken or planned to address the recommendations, as well as target dates and title(s) of the official(s) responsible for implementation. Please address your response to:

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If you have any questions regarding this memorandum or the subject report, please do not hesitate to contact me at 202-208-5512.

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Results in Brief

We inspected 14 national parks in 5 states and 1 territory to determine whether National Park Service (NPS) internal controls for managing visitor donation boxes are adequate, and whether parks spent donated funds appropriately.

We found that, generally, NPS employees and authorized nonprofit organizations practiced adequate internal controls and security procedures as outlined in NPS policy for visitor donation boxes. We also found that the parks appropriately restricted use of donation box funds to park purchases and activities—donations were spent on park enhancements like trail maintenance, educational materials, and structural improvements.

We did find, however, that donation box theft occurred in almost 30 percent of parks we inspected. Enforcement of internal control policies and procedures at each park, timely retrieval and deposit of cash collections, and increased frequency and comprehensiveness of NPS internal controls reviews are needed to minimize recurrences.

Introduction

Objective

We conducted this inspection using a judgmental sample of 14 NPS parks to determine the adequacy of internal controls for managing visitor donation boxes, and to assess whether the parks spent donated funds appropriately.

Background

The national park system includes 397 parks and other sites visited by approximately 275 million visitors annually. National parks receive Federal funding but also rely on direct donations, such as funds from visitor donation boxes. According to NPS policy, donations are used to enhance NPS programs and help achieve excellence. NPS states that “one of the most convenient ways for park visitors to express their support is through on-site donation boxes. Twenty-five years ago donation boxes were an exception in parks. Today, most parks have one or more donation boxes, and they are an integral part of a park’s fundraising strategy.” For the 14 national parks visited during our inspection, the donation box cash collections produced 4 percent to 100 percent of total park donation dollars received. The amounts of donation box cash collected in fiscal year 2011 at these 14 parks ranged from \$1,263 to \$54,213 (see figure 1).

Park Inspected and Location	Donation Box Collections	Percent of Total Park Donations
Manassas National Battlefield Park, VA	\$3,099	20%
Chesapeake & Ohio Canal National Historical Park, MD	\$5,885	15%
Fredericksburg Military Park, VA	\$18,779	48%
Canyon de Chelly National Monument, AZ	\$3,314	47%
Grand Canyon National Park, AZ	\$25,111	12%
Chaco Culture National Historic Park, AZ	\$1,833	35%
Rocky Mountain National Park, CO	\$32,067	18%
Great Sand Dunes National Park, CO	\$5,508	72%
Black Canyon of the Gunnison National Park, CO	\$1,643	100%
Golden Gate National Recreation Area, CA	\$54,213	73%
San Francisco Maritime National Historical Park, CA	\$14,727	66%
Point Reyes National Seashore, CA	\$14,382	28%
Virgin Islands National Park, St. John, VI	\$2,913	41%
Christiansted National Historic Site, St. Croix, VI	\$1,263	4%

Figure 1. Donation box funds collected and the percentage of total park donations in fiscal year 2011 for the 14 parks visited.

NPS policy allows installation of visitor donation boxes on park property either by the park or by an authorized park fundraising partner, as long as NPS receives 100 percent of the donations. Donation boxes may only be placed on NPS property or on jointly administered property for NPS benefit. NPS must account for donation boxes on jointly administered property, such as joint visitor centers, heritage areas, or leased facilities outside of parks, in the same manner as those located on NPS-controlled property, and NPS may authorize the placement of an authorized fundraising partner's donation box within the park through a written agreement. An authorized fundraising partner is typically a nonprofit organization that enters into an agreement with the park to provide resources that further the park's mission.

In addition, NPS policy requires that the park superintendent approve the text on donation box signs as well as the location of the donation box. Donation boxes must clearly advise the public how the park will use funds collected. Policy does not, however, specifically address oversight or monitoring of nonprofit donation boxes, and any oversight performed results from the terms of the written agreement between each park and its respective partner.

In June 2009, the Government Accountability Office (GAO) issued GAO-09-386, "Donations and Related Partnerships Benefit Parks, but Management Refinements Could Better Target Risks and Enhance Accountability." According to the report, NPS annually receives hundreds of millions of dollars in donated funds, goods, and services to support national parks and other sites. GAO cited average annual cash donations to parks nationwide ranged from less than \$10 to more than \$4.5 million over the last 10 years, with the majority of parks receiving less than \$50,000 a year.

Findings

We found that in most instances NPS effectively manages cash collections from its donation boxes at the parks we inspected. The parks appropriately restricted use of donation box funds to park purchases and activities, and spent donation box funds on park enhancements such as trail maintenance, interpretive displays, promotional brochures, and visitor center improvements. We did find, however, that theft of cash from donation boxes is a recurring problem. Improving internal controls relative to monitoring, retrieving, and depositing cash, and enforcing internal control policies could further ensure the integrity of the cash collection process for donation boxes.

Internal Control Procedures

During our inspection, we found that not all park employees understood and followed all internal control procedures. Eight of the 14 parks visited had inadequate or missing written internal control procedures for visitor donation box collections and deposit functions. NPS policy requires parks administering visitor donation boxes to maintain an official list of designated collection officers and for all employees handling cash to undergo special background checks. We found, however, that the policy was not well understood by park supervisory personnel and other responsible officials.

At Rocky Mountain National Park, the partner organization—Rocky Mountain Nature Association (RMNA)—manages the park’s visitor donation boxes. At the time of our visit, RMNA officials told us that the internal control procedures were incomplete and were being revised. Written procedures specifically addressing handling and depositing of donation box receipts were subsequently forwarded to OIG.

Departmental policy, cited in NPS’s internal control questionnaire (2011), requires that parks administering visitor donation boxes designate collection officers and maintain supporting documentation, but neither Canyon de Chelly National Monument nor Chaco Culture National Historical Park has documentation identifying collection officers.

NPS policy requires employees handling cash to obtain a special security clearance. In addition to the Special Agency Check, which is a prerequisite for Federal employment, all park officials handling cash must undergo a Minimum Background Investigation (MBI) to ensure that he or she is trustworthy and does not have a criminal background. We learned that some collection officers at the Chesapeake & Ohio Canal National Historical Park (C&O) have not obtained MBIs. The C&O supervisory park ranger explained that MBIs are typically not completed at parks that do not collect entry fees.

Weak enforcement of existing policy creates vulnerabilities and threatens the integrity of cash donations, especially in remote locations.

Recommendation

- I. Enforce existing policy requiring:
 - a. written internal control policies at each park;
 - b. parks administering visitor donation boxes to designate collection officers and to maintain supporting documentation; and
 - c. employees handling cash to undergo a Minimum Background Investigation.

Cash Controls

NPS can also improve the process of retrieving and depositing cash from donation boxes. We found that parks do not regularly remove cash from visitor donation boxes or deposit funds on a weekly basis as required, which creates a greater opportunity for theft. We learned that 4 of the 14 parks, or almost 30 percent of the parks, we inspected experienced visitor donation box theft in the last 5 years. None of these four parks removed funds on a weekly basis.

We learned that money was stolen from a donation box at Chaco Culture National Historical Park. Park officials installed a temporary security camera that later identified the culprit in an attempt to steal additional cash. We learned that the park does not deposit donation box monies until cash amounts, including park fees, equals \$5,000. U.S. Treasury Department regulations require weekly deposits or when \$5,000 is reached, whichever comes first.

In addition, officials at Grand Canyon National Park suspected a Grand Canyon Association (GCA) seasonal employee of stealing from the visitor donation box. GCA, the park's fundraising partner, installed a temporary security camera, which later verified the identity of the thief. GCA appoints GCA employees to empty and deposit funds from all Grand Canyon donation boxes, but the boxes are emptied and deposited only on a monthly basis.



Figure 2. Donation box in Grand Canyon National Park.

Canyon de Chelly National Park also reported theft. The park's visitor center was broken into, the donation box was smashed, and the cash was taken. Park officials typically collect donation box money on a monthly basis, but do not make deposits regularly and can take up to 3 months to make a deposit.

Finally, Fredericksburg and Spotsylvania National Military Park reported two recent thefts, one from its indoor visitor center and the other from an outdoor donation box. Park officials installed a temporary security camera inside the visitor center and identified the thief—a maintenance employee with access to the building before opening hours. On a separate occasion, a park employee, known to park officials, also stole from the outdoor donation box. We learned that donation box collections at and deposits from this park typically occur on a monthly basis but less frequently during the off-season.

Recommendation

2. Require NPS collection officers to remove cash from donation boxes and to make deposits on a weekly basis, as required by policy, to reduce the incentive and opportunity for theft.

NPS Internal Control Reviews

NPS targets internal control reviews at large parks on a 2- to 4-year rotating schedule. It does not, however, conduct these reviews at every park and rarely reviews smaller parks. The reviews also do not always address cash collected from visitor donation boxes. We found that since 2003, when NPS began conducting internal reviews, 5 of the 14 parks we visited have been reviewed by NPS. The internal control review questionnaire provides only a limited assessment of the visitor donation box collection process, and it is sometimes skipped altogether. According to NPS, “Given that donations received via donation boxes are not material to the NPS financial statements, the audit of the process during our park audits is not always accomplished due to the need to focus on higher priority risks.”

We learned that although NPS performed internal control reviews at Golden Gate National Recreation Area in 2008 and Grand Canyon National Park in 2011, donation box management was not assessed. Donation boxes at both of these parks are managed by nonprofit entities. At Grand Canyon National Park, NPS officials stated that “due to the donation boxes being under the Association’s responsibilities, the outlying geographic locations of the donation boxes, and our restricted time constraints, we did not examine the donation boxes as part of our review.”

NPS’s donation account shows annual donation information per park, but it does not separately track donation box funds or any money obtained through authorized nonprofit entities. For example, Grand Canyon National Park’s partner, GCA, manages the park’s 27 donation boxes, including outdoor trail boxes. GCA collected \$25,111 from visitor donation boxes and a total of approximately \$750,000 from all sources in fiscal year (FY) 2011. Grand Canyon National Park’s donation account for FY 2011 only reflected a total of \$205,992, which was obtained entirely from donations paid directly to Grand Canyon National Park. The account did not include any of the donation money collected by GCA. Absent NPS reviews, NPS must rely solely on information provided to them by its partners regarding the cash value collected from visitor donation boxes managed by nonprofit entities.

Great Sand Dunes National Park and Preserve also partners with a nonprofit organization, Friends of the Dunes, which provides a forum for citizen involvement and financial aid for the park. During our visit, we learned that a Friends of the Dunes employee manages the visitor center donation box process, including collecting the cash, counting the cash unsupervised at home, and later depositing the cash. This absence of appropriate separation of duties and physical controls over cash donations presents an opportunity for theft.

Recommendation

3. Consider revising internal control review procedures to require a review of park visitor donation box collections, including those managed by authorized nonprofit entities.

Conclusion and Recommendations

Conclusion

OIG found that, with few exceptions, NPS employees and authorized nonprofit organizations practiced adequate internal controls and security procedures for visitor donation boxes as specified in NPS policy. We also found that parks appropriately restrict use of donation box cash collected to appropriate park purchases and activities related to park enhancements. Select improvements, however, are necessary to ensure the continued integrity of cash collected from visitor donation boxes at national park locations.

Recommendation Summary

We recommend that NPS:

1. Enforce existing policy requiring:
 - a. written internal control policies at each park;
 - b. parks administering visitor donation boxes to designate collection officers and to maintain supporting documentation; and
 - c. employees handling cash to undergo a Minimum Background Investigation.
2. Require NPS collection officers to remove cash from visitor donation boxes and to make deposits on a weekly basis, as required by policy, to reduce the incentive and opportunity for theft.
3. Consider revising internal control review procedures to require a review of park visitor donation box collections, including those managed by authorized nonprofit entities.

Appendix I: Scope and Methodology

Scope

We performed our inspection in accordance with the Council of the Inspectors General on Integrity and Efficiency “Quality Standards for Inspections.” We reviewed NPS visitor donation box policies and procedures for fiscal years 2010 and 2011. We interviewed responsible officials in NPS’s Accounting Operations Center and at each park inspected, as well as authorized nonprofit organizations managing visitor donation boxes. OIG physically inspected visitor donation boxes during site visits performed between October 6, 2011, and November 15, 2011.

Methodology

We judgmentally selected 14 parks for inspection across the country, including several parks with several million visitors, parks with a quarter of a million to a million visitors, and parks with fewer than a quarter of a million visitors. We developed a questionnaire that covered the following areas: physical placement of donation boxes, collection and counting of donation cash by park or authorized personnel, cash security, use of monies and donation accounts, and signs on donation boxes. OIG inspectors administered the questionnaires during park site visits.

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