

## Arizona State Parks Board

**Board developed standardized State Park system operations guidance and multilevel grant award review process but did not comply with some State cash-handling and conflict-of-interest requirements and lacked comprehensive capital project management and grant timeliness policies**

### Audit purpose

To determine if the Board complied with State requirements for safeguarding cash receipts, review its practices related to park operations, grants administration, capital projects management, and State conflict-of-interest law compliance, and provide responses to the statutory sunset factors.

### Key findings

The Board:

- Manages the State Parks system comprising 33 State Parks and more than 61,000 acres of land with approximately 3.1 million visitors and \$22 million in State Park revenues in fiscal year 2022.
- Developed standardized guidance for park operations and a multilevel review process for awarding monies from 15 grant programs it administers, including grants to improve recreation opportunities and preserve/restore historic lands or property; in fiscal year 2022, the Board awarded more than \$9 million consistent with statutory requirements for 2 grant programs we reviewed.
- Relies on State Park revenues to pay for State Park system operations and estimated it annually collects \$5 million in cash, but had not implemented policies for complying with some State requirements to help prevent and detect loss and theft of cash.
- Lacked comprehensive policies for capital project management and tracking grant project completion and closeout, impacting its ability to report on capital project status to stakeholders such as the Legislature and make unspent grant monies available for use on other grant projects.
- Did not comply with some State conflict-of-interest requirements and is at risk that employees and public officers had not disclosed and refrained from participating in matters relating to substantial interests that might influence their official conduct.

### Key recommendations

The Board should:

- Develop and implement policies for complying with State cash-handling requirements.
- Complete development of and implement project management guidance documents.
- Develop and implement policies and procedures for tracking grant project completion timeliness and closeout.
- Develop and implement conflict-of-interest policies and procedures to help ensure compliance with State conflict-of-interest requirements.