

Inspector General's Report On Hubbell Trading Post Fiasco Cites National Park Service Errors

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In its long-hidden report on the National Park Service's mistake-prone investigation of the business side of Hubbell Trading Post National Historic Site the Interior Department's investigative arm cites significant missteps by Park Service investigators and raises questions of the propriety of both the Park Service and Inspector General's probes.

Among those questions:

- Why was no legal action taken against Park Service Special Agent Clyde Yee after it was determined that he "submitted false information on (the) search warrant affidavit and did not properly account for cash and evidence seized"?
- Why did the assistant U.S. attorney general in Arizona who was handling the case decline to prosecute the special agent, and what "administrative remedies" did the Park Service take against him?
- What has the Park Service's Intermountain Regional Office done to remedy what the Inspector General's report termed "an inappropriate relationship between NPS and WNPA (the Western National Parks Association) during the NPS investigation"?
- Why did it take a lawsuit to get the Inspector General's office, which finished its investigation in 2008, to release its final report (attached below)?

The case dates to early 2004, when the WNPA approached Intermountain Region officials with concerns that Billy Malone, the resident Indian trader at Hubbell Trading Post, might be embezzling from the trading post.

Those charges were never substantiated. Instead the Park Service conducted an investigation of its own initial Hubbell investigation, and then the Inspector General's office conducted yet another investigation of the investigation. In the end, it's been estimated that more than \$1 million was spent by the Park Service on the matter.

Through its investigation the Inspector General's Office "determined that the NPS failed to protect the confidentiality of the investigation, and we found that an improper relationship existed between NPS and WNPA, a nonprofit organization that operates the Hubbell Trading Post under a cooperative agreement with NPS."

What the case also seems to indicate is that Intermountain Region officials didn't fully appreciate how Indian traders worked, nor recognize that in 1967, when the trading post was added to the National Park System, then-Park Service Director George Hartzog Jr. told Congress he wanted it to be run as an authentic trading post, with an Indian trader who did business in the traditional manner.

For instance, the investigations portray curious bookkeeping at the trading post, one in which some paychecks went uncashed, others were signed with little more than an 'X', accounting of inventory and sales was irregular, and more than a few items were kept at Mr. Malone's residence.

However, interviews neglected during the initial Park Service investigation but later pursued showed that it wasn't unusual for an Indian trader to endorse a check made out to a weaver or artisan. Often these individuals didn't read, speak, or write English and so could do little more than make their "mark" on a check, which the trader in turn would routinely endorse for them so they could be cashed, one interview noted.

Mr. Malone also had permission to keep many trading post items in his home -- both consignment articles and those belonging to the trading post, the investigation found.

Park Service officials in Washington, D.C., and the Intermountain Region have declined to discuss the case over the years, citing ongoing legal action in the case by Mr. Malone, who has a civil suit pending in the matter.

The agency did, however, respond to the Inspector General's final report. In that response -- sent 18 months after the Inspector General filed its report on the matter -- the Park Service acknowledged that those initial investigators and managers who looked into the business operations at Hubbell Trading Post exhibited "poor case management" and "poor judgment and performance.

That June 2009 letter to Inspector General also noted that the Park Service "took significant actions to address the agent's performance issues...", but did not mention whether those who supervised the special agent were disciplined, nor whether any of the top managers in the Intermountain office were reprimanded.

The Inspector General's report, obtained through a Freedom of Information Request filed by Public Employees for Environmental Responsibility (a similar request by the Traveler has been ignored), provides more details on the matter, including the opinion of the trading post's superintendent at the time that the Intermountain office's investigation was "a rush to judgment" and that it was driven by a desire "to find fault."

Nancy Stone also told investigators for the Inspector General's office that neither the WNPA nor the NPS "foresaw the implications to NPS, WNPA, and the reputation of the park."

"She described the investigation of Malone as a 'wave uncontrolled' and stated that the investigation 'was never objective,'" the report stated.

During her interview with the Inspector General's staff, Ms. Stone also voiced her opinion that the Park Service's Intermountain Region wrongly allowed the WNPA to take control of the trading post operations. The Park Service, she said, "should have stepped up and pushed back" out of its mission to protect parks.

The documents obtained by PEER also show that the assistant U.S. attorney assigned to defend against the lawsuit filed by Mr. Malone specifically told the Inspector General's Office that he

did not want a copy of its investigation sent to him out of concerns he in turn would have to provide it to Mr. Malone's attorneys as part of discovery in the case.

On April 22, 2009, Alan Boehm, the Inspector General's chief of "program integrity," sent an email on the investigation to OIG General Counsel Bruce Delaplaine that said, in part, "I talked with him [the AUSA] last night and asked that he talk with you. He does not want a copy sent to him. (Our report will not help him but it will help the plaintiff)."

The probe into the operations of the Hubbell Trading Post, and the subsequent investigations by the Park Service and the Inspector General's office, have been turned into a book by Paul Berkowitz, another special agent for the Park Service at the time who was called in to investigate the Park Service's initial investigation of the trading post. What he discovered prompted him to go over his boss's head and report his findings directly to the Inspector General's office.

In assessing the Inspector General's report, Jeff Ruch, executive director of PEER, lamented the Park Service's handling of the matter from start to finish.

"Through its own ineptitude, the Park Service destroyed what it was supposed to preserve – the authentic Indian trader tradition," Mr. Ruch said. "Instead of serving as an object lesson, the Hubbell Trading Post fiasco became a dirty little secret.

"What went wrong at the Hubbell Trading Post could happen again tomorrow," he added. "This case illuminates the steep integrity challenges that remain unmet inside both the National Park Service and the Office of the Inspector General."