



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

# **ALLEGATIONS OF ETHICAL VIOLATIONS AND MISCONDUCT BY NPS SUPERINTENDENT**

**This is a revised version of the report prepared for public release**

## **SYNOPSIS**

We investigated allegations that James Milestone, Superintendent of California's Whiskeytown National Recreation Area (WHIS), National Park Service (NPS), solicited donations and inappropriately collected funds for Friends of Whiskeytown (FOW), the park partner organization. We also investigated allegations that Milestone had park employees working on FOW projects while on duty, misused deferred maintenance project funds, disregarded cultural compliance process rules and other requirements for a trail project, engaged in gender discrimination and sexual harassment, and misused a Government-owned vehicle.

We interviewed 33 current and former park and regional office employees, as well as representatives of the FOW and local businesses. Our investigation substantiated that Milestone routinely violated various Federal regulations and NPS policies and demonstrated questionable leadership practices during his tenure as WHIS superintendent.

Milestone admitted that he had solicited and collected donations for the FOW and asked his subordinates and a park concessionaire to do the same, a violation of NPS policy; we found that many of those employees and the concessionaire told Milestone that such practice and asking them to be involved in it was improper. We also found that he violated ethics regulations when he inappropriately offered the services of the park's employees and its lodging accommodations to the FOW's fundraising events. Furthermore, we determined that Milestone ignored departmental policy and compliance requirements and improperly redirected funding for a proposed trail project.

We also found that Milestone demonstrated unprofessional conduct when communicating with his staff, which negatively affected the morale of those we interviewed. Thirteen employees provided instances of inappropriate comments based on gender.

Finally, we identified 12 NPS employees who witnessed Milestone routinely misuse a Government-owned vehicle. Given the credibility of testimonial evidence, we determined that Milestone demonstrated a lack of candor when he denied the misuse.

We provided this report to the NPS Deputy Director for any action deemed appropriate.

## **DETAILS OF INVESTIGATION**

We initiated this investigation on August 23, 2017, after receiving allegations that James Milestone (GS-14), the National Park Service's (NPS') Superintendent of Whiskeytown National Recreation Area (WHIS), CA, had solicited donations and collected funds for the park partner organization, Friends of Whiskeytown (FOW). The complainant also alleged that Milestone had park employees working on FOW projects during duty hours, misused deferred maintenance project funds, disregarded cultural compliance process rules and other requirements for the construction of a trail, engaged in unprofessional behavior, and misused a Government-owned vehicle.

Specifically, the complainant told us that after WHIS received the Region's lowest results on the 2016 Federal Employee Viewpoint Survey, the complainant met with park staff members who expressed their concerns about Milestone's actions. The complainant forwarded those concerns to our office.

The FOW is a 501(c)(3) nonprofit organization formed in 2002 that provides supplemental funding to support various activities at WHIS through fundraising and its receipt of donations and grants.

### **Milestone Improperly Solicited and Collected Donations for the FOW**

Twenty-five current and former park employees and one FOW representative told us that Milestone solicited and collected donations on behalf of the FOW, and a local business owner recalled an NPS employee soliciting donations while in his NPS uniform. Six of those we interviewed said they told Milestone it was improper for him or his staff to solicit or collect donations.

The staff members and concessionaires who confronted Milestone about his solicitation and collection of money described to us numerous instances in which he either personally solicited and collected money or directed the collection even after being told it was inappropriate to do so. Two WHIS employees, one of whom worked with a concessionaire, the Western National Parks Association (WNPA), said that in the spring of 2017, Milestone asked his staff and visitor center concessionaires to solicit donations to the FOW. In addition, we obtained a memorandum that Milestone had sent to his staff, wherein he directed the rangers to solicit donations. In response, a WHIS employee and the WNPA informed Milestone that they were not allowed to solicit donations.

Milestone acknowledged that for the last 7 years he had solicited money and auction items, such as a hot tub and hotel stays in Hawaii and San Francisco, CA, from local businesses and had requested that park staff do the same. He said he believed that soliciting donations was a legitimate activity, and that he could assist the FOW board in requesting funds for certain approved projects. Though Milestone said he was not certified to collect money for the NPS, he acknowledged that supporters had given him donation checks in the past and that he had deposited the checks in the FOW's bank account and provided the deposit slips to the board's treasurer or co-president. Though we told him that staff members told us that they notified him

of the impropriety, Milestone insisted that he could not recall if his management staff had informed him that NPS policy prohibited soliciting donations.

An NPS regional management official said that superintendents could not solicit donations on behalf of friends' groups. Whether the project was approved by the group did not provide an exception to NPS policy. The official provided an email chain between Milestone and the FOW which indicated that Milestone had deposited an FOW donation check and the FOW asked him to stop doing so.

Federal ethics regulations prohibit employees from fundraising in their official capacity, unless it is authorized by statute, executive order, regulation, or agency policy (5 C.F.R. § 2635.808). According to NPS Director's Order No. 21, NPS employees are prohibited from soliciting donations, even those that benefit philanthropic park partner organizations.

NPS Director's Order No. 21 also states that a concessionaire may participate in donation checkout campaigns in which patrons can donate to friends' organizations as they pay for their purchases, but the concessionaire is required to first establish an agreement with the NPS Office of Partnerships and Philanthropy. The agreement ensures the superintendent's impartiality when renegotiating a concessions contract and that collected funds are properly disbursed and accounted for in the concessionaire's financial reports. An NPS official told us that the WNPA did not have such an agreement in place with the NPS and, therefore, was not authorized to participate in a donation checkout campaign on behalf of the FOW.

### **Milestone Inappropriately Offered Park Services and Resources to FOW Fundraising Events**

Thirteen park employees informed us that, from 2010 to 2017, Milestone had asked them to use park employee resources and/or park property to assist with FOW events. None told Milestone that he should not have his personnel use Government time and resources for such purposes, but many expressed to us that they felt it was not a good use of their time. Employees told us that, at Milestone's request, they took time away from WHIS-related work to focus on preparing for the FOW's events, such as by helping to set up events, creating brochures and signage, and completing other clerical duties.

One WHIS employee recalled attending an FOW meeting with Milestone in the summer of 2017, to discuss the FOW's annual luau fundraiser scheduled for the following month. During the meeting, Milestone offered three items for the auction: an evening cruise on his personal sailboat, a superintendent-guided waterfall hike at the park, and a weekend at the NPS cabin.

Milestone acknowledged that he directed employees to help the FOW prepare for events and that some did so during duty hours and after hours, using Government equipment and supplies. He believed that this was a legitimate use of WHIS personnel and resources because it resulted in a positive experience for park visitors. Milestone said he was cognizant of how much assistance the FOW needed and the impact on his staff's schedules, and he tried to mitigate any overtime costs by offering his employees compensatory time off.

Milestone said he had donated a superintendent-guided hiking tour to the FOW luau, which he would lead on his day off. He acknowledged that the NPS offered the same guided hiking tours to the public, but that he conducted the hike on the weekend and it was “special” because the superintendent led it. Milestone also said he donated the park’s cabin to be auctioned off on two occasions, and he believed this was within the scope of his authority. He saw no cost to the Government in the winner’s use of the cabin.

The regional management official said Milestone did not coordinate with NPS regional officials and did not have the authority to use park property or personnel for the FOW fundraisers. The official said she did not know where in NPS policy Milestone would have found the basis for being able to donate the park’s cabin to the FOW fundraising auction.

Federal regulation states that employees are to protect and conserve Government property and not use it for other than authorized activities (5 C.F.R. § 2635.101(b)(9)). It also states that an employee shall not encourage, direct, coerce, or request a subordinate to use official time to perform activities other than those required in the performance of official duties or authorized in accordance with law or regulation (5 C.F.R. § 2635.705(b)).

### **Milestone Improperly Used Deferred Maintenance Project Funding for the High Route Trail**

According to the people we interviewed, Milestone improperly diverted funds that were restricted for trail maintenance to a separate project that was his priority, which is against departmental policy (U.S. Department of the Interior *Departmental Manual* Part 328).

We interviewed a WHIS employee who said the Region had funded a project in 2015 through Centennial Challenge funding, in which the NPS matched funds donated by partner organizations, to complete deferred maintenance for the Crystal Creek Water Ditch Trail project. This was an ongoing project to restore a damaged historic trail that used youth crews from such organizations as Student Conservation Association (SCA) and AmeriCorps to work on the trails. The employee said that Milestone diverted the SCA workers to the High Route Trail (HRT), a proposed trail linking the west side of Whiskeytown high country with the east side of the park along a high elevation, that allowed for deep forest hiking and views from the park’s ridgeline. The employee said that the Region also approved \$30,000 in fiscal year 2017 to complete the Crystal Creek Water Ditch Trail project and that Milestone intended to use a portion of that money for a feasibility study and other HRT work. When the 2017 funding came in, the employee mentioned to Milestone that the project would be heavily scrutinized and audited, but according to the employee, Milestone said that \$10,000 of the \$30,000 would go toward the deferred maintenance trails as indicated so he anticipated no problems.

A WHIS supervisory employee said that during the 2015 summer season, WHIS hired four or five SCA college students to work on the Crystal Creek Water Ditch, a high-priority trail deferred maintenance project funded with the \$30,000 allotment. The employee said that Milestone directed that the students work on the HRT, even though compliance for the HRT had not been completed. According to the employee, there was a “hostile exchange” during a project meeting, when Milestone yelled and said, “I told you to work on that trail!” Milestone ignored

the employee when he told Milestone that the students were funded to work on deferred maintenance, not new construction. The employee said that ultimately the students worked on the HRT for a week or two.

Another WHIS employee said Milestone had requested that this employee's crew go up to the HRT location on about three occasions to cut out brush and logs.

When asked about the Crystal Creek Water Ditch repair project, Milestone stated that the SCA youth crew worked at Crystal Creek 99 percent of the time, but that for 2 days he had them clear several hundred yards of brush for the HRT. Milestone stressed that the crew was not building part of the trail, just clearing vegetation and logs to identify known archeological sites to support the trail planning process. He said the staff had only made a pass-through, which they did regularly. When asked about his alleged comment to the WHIS employee regarding \$10,000 of the \$30,000 going toward deferred maintenance trails, Milestone said he did not recall the comment.

The regional management official said that Milestone's use of the SCA youth crew created two primary concerns. The first was that Milestone did not follow NPS compliance regulations, which required that the area be surveyed so that environmental and historical considerations could be addressed in advance of disturbing the area. The second concern was that the HRT project had not been approved or funded. She said NPS rigorously tracked funding on park assets. By taking funding from one project and giving it to another without authorization, Milestone did not accurately account for the allocated funds authorized for WHIS.

### **Milestone Ignored Cultural Compliance and Other Requirements for the High Route Trail**

Fifteen employees knew that Milestone directed work to be conducted on the HRT prior to obtaining the required NPS National Environmental Protection Act (NEPA) and cultural compliance requirements.

According to 36 C.F.R. § 800.1, Federal agencies are required to consider the effects of their undertakings on historic properties. Moreover, both the NPS Director's Order No. 12 and the NEPA Handbook state that park superintendents are responsible for day-to-day implementation of conservation planning and impact analysis activities related to parks under their administration.

One WHIS employee recalled meeting with Milestone in June 2016 regarding compliance for approving the creation of the HRT. The employee told Milestone that a project plan would require consultation with not only the California State Historical Preservation Office (SHPO), but also multiple tribal groups because the area was part of a traditional ethnographic cultural area. Milestone said that he would call the local Tribe, but the employee told him the contact needed to be made in writing. The employee explained that the Tribe was the primary federally recognized Native American group in the Region, but that the consultation needed to be properly documented. The employee believed that Milestone had ignored this advice and telephonically contacted the Tribe to request its support because, in August 2016, WHIS received a letter of support from the Tribe for the HRT project that had not been formally solicited in writing.

The WHIS employee then consulted with the regional archeologist and the coordinator for National Historic Preservation Act Section 106. They both told the employee that the letter from the Tribe was not considered consultation because it was not initiated properly and did not include consultation with the SHPO. The SHPO provided the employee with a list of 17 area tribes requiring consultation. The employee told us that Milestone had said that sending that many letters would be overkill and time consuming, and that even the Tribe had no interest in what the park was doing.

In the spring of 2017, the employee sent an official consultation letter to SHPO and the 17 tribes. Afterward, however, Milestone changed the HRT scope of work. When the SHPO concurred, Milestone considered the compliance complete. The employee told him that, since he changed the scope of the project, they would have to restart the process. Councils for two tribes, were the only tribal representatives to respond to the letters.

The employee also discovered that an environmental assessment (EA) needed to be done as part of the HRT approval process. According to the employee, Milestone objected to this and spoke to the regional office, which agreed that an EA was needed. Milestone wrote the EA and provided a draft to the employee for review. The employee recalled having to rewrite the cultural resource section of the EA because what Milestone had written was “false”; he had, the employee said, also misrepresented the facts in other sections of the EA. After making changes and comments, the employee returned the draft EA to Milestone, but later learned that he had ignored the suggestions and submitted the draft to the Region for review.

In early 2017, a WHIS park ranger recalled attending a compliance meeting during which tribal consultation was discussed—specifically, the potential of identifying Native American archeological sites in the HRT area. Milestone verbally expressed disappointment with how long the compliance process would take. Milestone shared his frustration and said that the “whole compliance thing . . . really shouldn’t take that much time,” and was not a big deal. The ranger said the statement alarmed him because Milestone dismissed the rules and conveyed his intent to bypass the process.

Milestone said he did not believe that he violated any compliance policies regarding the HRT. He acknowledged receiving pushback from his staff on the project but noted that he felt they were not considering the long-term benefit to the park and the community of people who wanted the trail developed. Milestone said he had been tasked to figure out ways to promote the park, and the HRT seemed to be a way to continue park development by making its higher elevations accessible to the public.

Milestone said that the EA was supposed to be short and that the employee who reviewed it had added a lot of unnecessary information. He said that he incorporated some of the information but removed what he felt was unnecessary.

The regional management official said she and other regional staff rejected Milestone’s EA for the HRT because it was poorly written and missing key information and documentation.

We found that Milestone completed a course on the basics of compliance that included NEPA and Section 106 of the National Historic Preservation Act in January 2017. An employee who attended this training with Milestone noted that Milestone did not fully participate in the class: he would disappear for several hours or spend time on his telephone and other activities. The staff was surprised that Milestone did not appear to take the training seriously.

### **Milestone Demonstrated Unprofessional Conduct**

We found that Milestone demonstrated unprofessional conduct when communicating with his staff. Thirteen park employees provided instances of Milestone making inappropriate comments or showing unprofessional conduct. The comments included:

- Condescending references regarding female employees' uniform appearance but not that of male employees
- A derogatory remark about a female employee's haircut during a meeting
- A remark during a management team meeting cautioning a female employee who was going through a divorce not to turn into "one of those old maids that never have children"
- A statement during a hiring board that he did not need another "strong willed woman" on the team
- References to overweight employees not looking good in their uniforms
- A comment saying a female employee should sit up straight because he liked when women sit up straight (gesturing to the employee's chest)
- A comment to a female employee that she should go look at some recent graffiti vandalism—numerous paintings of penises—because she would like it
- He routinely told a story of a woman being raped and murdered in 2006 during his safety briefings as an example of the reason for maintaining situational awareness

When asked specifically about the alleged comments, Milestone either denied the behavior or said he could not recall making the comments in the context that we provided. He also said that no one had ever informed him that his comments made them uncomfortable.

Milestone said that he routinely spoke to his staff about personal or personnel issues, and this was not limited to the female employees. He did not recall making the derogatory haircut or "old maid" comments.

Milestone admitted that he rejected a female chief ranger's application and may have stated that he did not need another strong-willed woman working for him. He said he wanted a female chief ranger because there had never been one in that position. He removed her application, though,



because she had never been a chief ranger or conducted drug interdiction and eradication, which was very prevalent at WHIS. He said that after interviewing several people, he hired the acting chief ranger, who was highly experienced. Milestone said he had hired several of the females on his management team.

Milestone said he did not recall making the statement that the female employee would like the explicit graffiti but added that he did warn his management team about graphic and explicit graffiti when giving them a tour of the camp.

Milestone said that when an employee told him that a story he told at an all-employee meeting was inappropriate, he stopped telling it. He said that it was a true story and was related to the topic of safety.

### **Milestone Misused a Government-Owned Vehicle**

Twelve park staff members informed us that they had witnessed Milestone continually misuse a Government-owned vehicle (GOV). All told us Milestone used the GOV for personal errands unrelated to WHIS business, such as transporting family members and park visitors. In one case, a staff member said that in 2015, she questioned Milestone directly about the inappropriateness of him transporting a family member in a GOV when she saw the family member getting out of the car. The staff member told us that Milestone said the family member was a park volunteer and could ride in the car; however, there were no records that indicated the family member had been a volunteer.

Another WHIS employee said she witnessed Milestone use the GOV to give rides to this family member in 2015 and 2016, but by mid-2017 she had noticed a decrease in the number of times Milestone drove his family member in the GOV.

A third staff member described a firsthand account of driving with Milestone in the GOV in 2010 and Milestone stopping to pick up his family member in the nearby town of Redding, CA. He had also noticed accumulated dog hair in the GOV and believed that Milestone had transported his dog in the car as well.

Milestone said that his family member had only ridden in the GOV with him while in a volunteer capacity. Milestone acknowledged knowing that NPS policy identified GOVs as to be used for official business only and said he had not violated that policy. Milestone said he had only transported park volunteers or dignitaries who came to the park on official travel. He considered leaders of the local Tribe or those who donated to the park as dignitaries. Milestone said he “probably did” transport the auction winners of the superintendent’s hiking tour in his assigned GOV.

Milestone added that he was not surprised by the absence of his family member’s volunteer forms because the park routinely lost forms. When informed that employees had seen him driving the family member, Milestone still maintained that he did not misuse the GOV.

We interviewed another employee, who recalled witnessing Milestone use his assigned GOV to run personal errands to Redding and to his home, and to give rides to family members. The employee added that Milestone would pick his family member up almost every day in Redding, and that Milestone occasionally used his personal vehicle but took the GOV approximately “95 percent” of the time. The employee said that the official use of GOVs had been brought up in a management team meeting in approximately 2014 or 2015. After the topic of Milestone picking up his family member in the GOV had been brought up in the meeting, Milestone had the family member fill out a volunteer form to justify riding in the GOV.

According to NPS Director’s Order No. 7, NPS employees and family members may serve as park volunteers if the duties performed are not in violation of approved DOI ethical standards and/or the Fair Labor Standards Act. The posted NPS Reference Manual No. 7 further states that the NPS employee cannot sign the voluntary service agreement for an immediate family member and that family members should never be signed up for the sole purpose of being permitted to use Government equipment, such as driving or riding in Government vehicles.

### **SUBJECT**

James Milestone, Superintendent (GS-14), Whiskeytown National Recreation Area, NPS.

### **DISPOSITION**

The U.S. Attorney’s Office for the Northern District of California declined to prosecute Milestone for providing false statements.

We provided this report to the NPS Deputy Director, who is exercising the authority of the NPS Director, for any action deemed appropriate.

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