United States Government Accountability Office

GAO

Report to Congressional Requesters

March 2006

NATIONAL PARK SERVICE

Major Operations Funding Trends and How Selected Park Units Responded to Those Trends for Fiscal Years 2001 through 2005

Accountability * Integrity * Reliability

GAO-06-431

GAO Accountability·Integrity·Reliability

Highlights

Highlights of GAO-06-431, a report to congressional requesters

Why GAO Did This Study

In recent years, some reports prepared by advocacy groups have raised issues concerning the adequacy of the Park Service's financial resources needed to effectively operate the park units.

GAO was asked to identify (1) funding trends for Park Service operations and visitor fees for fiscal years 2001-2005; (2) specific funding trends for 12 selected high visitation park units and how, if at all, the funding trends have affected operations; and (3) recent management initiatives the Park Service has undertaken to address fiscal performance and accountability of park units.

What GAO Recommends

GAO recommends that Interior allow park units to use visitor fee revenues to pay the costs of permanent employees administering projects funded by visitor fees.

In commenting on the draft report, Interior suggested the recommendation be modified to dictate that visitor fee revenue be used to fund only a limited number of employees and to specific projects. GAO believes its recommendation, as written, provides the latitude sought.

Interior also commented that it believes the report creates a misleading impression of the state of park operations.

www.gao.gov/cgi-bin/getrpt?GAO-06-431.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Robin Nazzaro at (202) 512-3841 or nazzaror@gao.gov.

March 2006

NATIONAL PARK SERVICE

Major Operations Funding Trends and How Selected Park Units Responded to Those Trends for Fiscal Years 2001 through 2005

What GAO Found

Overall, amounts appropriated to the National Park Service (Park Service) in the Operation of the National Park System account increased from 2001 to 2005. In inflation-adjusted terms, amounts allocated by the Park Service to park units from this appropriation for daily operations declined while project-related allocations increased. Project-related allocations increased primarily in (1) cyclic maintenance and repair and rehabilitation programs to reflect an emphasis on reducing the estimated $5 billion maintenance backlog and (2) the inventory and monitoring program to protect natural resources through the Natural Resource Challenge initiative. Also, on an average annual basis, visitor fees collected increased about 1 percent, a 2 percent decline when adjusted for inflation.

All park units we visited received project-related allocations but most of the park units experienced declines in inflation-adjusted terms in their allocations for daily operations. Each of the 12 park units reported their daily operations allocations were not sufficient to address increases in operating costs, such as salaries and new Park Service requirements. In response, officials reported that they either eliminated or reduced services, or relied on other authorized sources to pay operating expenses that have historically been paid with allocations for daily operations. Also, implementing important Park Service policies, without additional allocations, has placed additional demands on the park units and reduced their flexibility. For example, the Park Service has directed its park units to spend most of their visitor fees on deferred maintenance projects. While the Park Service may use visitor fees to pay salaries for permanent staff that administer projects funded with these fees, it has a policy prohibiting such use. To alleviate the pressure on daily operations allocations, we believe it would be appropriate to use visitor fees to pay the salaries of employees working on visitor fee-funded projects. Interior believes that while employment levels at individual park units may have fluctuated for many reasons, employment servicewide was stable, including both seasonal and permanent employees.

GAO identified three initiatives--Business Plan, Core Operations Analysis, and Park Scorecard--to address park units' fiscal performance and operational condition. Of the park units we visited with a business plan, officials stated that the plans, among other things, have helped them better identify future budget needs. Due to its early development stage, only a few park units have participated in the Core Operations Analysis; for those we visited who have, officials said that they are better able to determine where operational efficiencies might accrue. Park Service headquarters used the Scorecard to validate and approve increases in funding for daily operations for fiscal year 2005.

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Abbreviations

BCP	Budget Cost Projection
BPI	Business Plan Initiative
COA	Core Operations Analysis
CSRS	Civil Service Retirement System
FERS	Federal Employee Retirement System
FMSS	Facility Maintenance Software System
FTE	Full Time Equivalent
GDP	Gross Domestic Product
ONPS	Operation of the National Park System

United States Government Accountability Office
Washington, D.C. 20548

March 31, 2006

The Honorable Charles Taylor
Chairman, Subcommittee on Interior, Environment,
and Related Agencies
Committee on Appropriations
House of Representatives

The Honorable Norman Dicks
Ranking Member, Subcommittee on Interior, Environment,
and Related Agencies
Committee on Appropriations
House of Representatives

The National Park Service (Park Service) manages 390 park units covering over 84 million acres that provide recreational and educational opportunities—and numerous other benefits—to millions of visitors each year. From 2001 to 2005, park units averaged a total of about 274 million recreation visits per year. Visitors come to the park units to experience such features as grand waterfalls, mountain vistas, canyons and gorges, giant redwood trees, wildlife, historical landmarks such as Revolutionary and Civil War battlefields, Native American dwellings and artifacts, and memorials honoring veterans. Within its mandate to conserve park resources and to provide for their enjoyment in a manner that leaves them unimpaired for future generations, the Park Service provides a variety of visitor services such as interpretative education films, guided tours, and information centers where visitors can learn about the unique features of the park units.

Congress provides funding for the Park Service through a number of appropriations accounts; the largest is the Operation of the National Park System (ONPS), which funds the management, operations, and maintenance of park areas and facilities and the general administration of the Park Service.[1] Congress has made additional funding available by permitting the Park Service to charge and retain recreation fees, referred to in this report as "visitor fees." The Park Service also has, among other

[1]The Park Service has a separate appropriation account for construction, which includes major improvements and repairs; an appropriation account for the U.S. Park Police; and other appropriation accounts, such as National Recreation and Preservation, Historic Preservation Fund, and Land Acquisition and State Assistance. However, they are not the subject of this report.

things, authority to charge and retain concessions fees and to accept donations and voluntary services. As with any federal program, the Park Service is expected to manage within whatever level of funding is provided and to allocate resources to its park units in a way that is both efficient and effective in delivering services. The Park Service has chosen to allocate funds to its park units in two categories—for daily operations, and for specific, non-recurring projects. Park managers use funding for daily operations to pay for visitor and resource protection, interpretation and education, and facilities operations, among other things. About eighty percent or more of the park units' daily operations funds pay for salaries and benefits for staff to carry out these mission components, while the remainder is used for overhead expenses such as utilities, supplies, and training. The project-related portion provides funds for non-recurring projects such as replacing roofs on park facilities or rehabilitating campgrounds. Park managers generally use these project funds to pay temporary employees or contractors to complete these projects.

In addition to providing the funding for daily operations and projects, the Congress has enacted legislation authorizing park units to collect visitor fees to provide additional funds to use for specified park operations. Visitor fees have been used, for example, to construct roadside exhibits and to rehabilitate boat launch facilities. The Park Service has recently set a goal to spend the majority of its visitor fees on reducing its estimated $5 billion deferred maintenance backlog. The Congress also authorizes the Park Service to receive revenues from other sources to assist it in performing its mission. These can include fees from concessionaires under contract to perform services at park units, such as operating a lodge, and cash or non-monetary donations from non-profit organizations or individuals, among others.

In recent years, concerns over the deteriorating condition of the national parks have received increasing attention. Some reports prepared by advocacy groups cite a lack of sufficient staff and financial resources necessary to effectively operate park units. They report problems such as dwindling visitor services, crumbling buildings, and threatened resources at many park units including the Everglades, Gettysburg, Great Smoky Mountains, Olympic, Yellowstone, and others. Some of these reports argue that the purchasing power of the park units' funding has been weakened due to inflation and required employee pay and benefit increases that were not accounted for in their daily operations funding. Some contend that other funds, such as donations, are being used to fund operational activities that they believe should be paid with funding for daily operations.

However, the Department of the Interior stated that the Park Service's operating funds have increased significantly from 1980 through 2005, particularly when compared to other domestic federal agencies.

To gain a better understanding of funding issues and their effects on the park units, you asked us to identify (1) funding trends for Park Service operations and visitor fees for fiscal years 2001 through 2005; (2) specific funding trends for several high-visitation park units and how, if at all, these funding trends have affected operations, including the park units' ability to provide services, for fiscal years 2001 through 2005; and (3) recent management initiatives the Park Service has undertaken to address the fiscal performance and accountability of park units.

To identify funding trends for Park Service operations and visitor fees from fiscal years 2001 through 2005, we obtained and analyzed appropriations legislation, data on the Park Service's allocation of funds from the ONPS Account, and data on visitor fees. We analyzed the data in both nominal (actual) and real (adjusted for inflation) terms.[2] A "nominal dollar" is the value of a dollar in the prices of the current year, or for purposes of this analysis, the year in which a dollar is appropriated. A "real dollar" is a dollar that has been adjusted to remove the effects of inflation by dividing the nominal dollar by a price index. Appropriations are made in nominal, or current-year, dollars. The purpose of showing dollars in inflation-adjusted terms is to permit comparisons of purchasing power. To determine funding trends for selected individual park units and how these trends affected the park units' ability to provide services to visitors, we selected 12 park units based on visitation, regional diversity, and preliminary data on allocations for daily operations. We visited the 12 park units, gathered and analyzed nominal and real funding and cost data and interviewed park officials to determine allocation trends and their impact on operations (including visitor services). Our analysis represents our findings at these 12 parks units and the results may or may not be representative of the individual experiences of other park units or the experience of the National Park System as a whole. To identify recent management initiatives the Park Service has under way to address fiscal performance and accountability for fiscal years 2001 to 2005, we gathered and reviewed documentation on several management initiatives and interviewed Park Service headquarters,

[2]We adjusted nominal dollars using the Gross Domestic Product (GDP) Price Index for Government Consumption Expenditures and Gross Investment (federal nondefense sector), with 2001 as the base year.

regional office, and individual park unit officials. We assessed the reliability of the data by reviewing the methods of data collection for relevant Park Service databases. We also sent uniform data requests to the 12 park units, provided uniform guidance, and interactively worked with park officials to compile the data. We determined that the data are sufficiently reliable for the purposes of this report. A more detailed description of our scope and methodology is presented in appendix I. We performed our work from January 2005 to March 2006 in accordance with generally accepted government auditing standards.

Results in Brief

Overall, amounts appropriated to the Park Service in the Operation of the National Park System account increased from fiscal years 2001 through 2005. The amounts appropriated rose from about $1.4 billion in fiscal year 2001 to almost $1.7 billion in fiscal year 2005—an average annual increase of about 5 percent, or about 1 percent when adjusted for inflation. The Park Service makes this appropriation available to park units by allocating amounts for daily operations and for projects. In inflation-adjusted terms, the Park Service's allocation for daily operations declined slightly while the project-related allocations increased. The amount the Park Service allocated for daily operations for park units rose from about $903 million in fiscal year 2001 to almost $1.03 billion in fiscal year 2005—an average annual increase of about 3 percent, but a slight decline of 0.3 percent when adjusted for inflation. The fiscal year 2005 appropriation for the Operation of the National Park System Account included an additional $37.5 million over the amounts proposed by the House and Senate for the Operation of the National Park System Account, to be used for daily operations. The conference report accompanying the appropriation stated that the additional amount was to be used for (1) a service-wide increase of $25 million and (2) $12.5 million for visitor services programs at specific park units. Allocations for daily operations varied across parks. Allocations to 212 of the 380 units fell in inflation-adjusted terms by an average of about 2 percent annually while the other 168 remained level or increased. In allocating resources to park units, the Park Service increased funding for project-related activities at a higher rate than for park daily operations. Project-related allocations increased overall in both nominal and inflation-adjusted dollars. Total project-related allocations rose from $478 million in 2001 to $641 million in 2005, an average annual increase of about 8 percent, or about 4 percent in inflation-adjusted dollars. Three programs that provide project funding for individual park units—Cyclic Maintenance, Repair and Rehabilitation, and Inventory and Monitoring—account for over half of the increase for the project and support program allocations.

Increases in cyclic maintenance and repair and rehabilitation programs reflect an emphasis on the effort for the Park Service to reduce its estimated $5 billion deferred maintenance backlog. Increases in inventory and monitoring program reflect an emphasis to protect natural resources primarily through an initiative called the Natural Resource Challenge. In addition to this funding, the Park Service collected a total of about $717 million in visitor fees from fiscal years 2001 through 2005—or about $670 million when adjusted for inflation. On an average annual basis, visitor fees collected increased about 1 percent, a 2 percent decline in inflation-adjusted dollars.

All park units that we visited received project-related allocations between fiscal years 2001 through 2005 but for most park units the allocations for daily operations fell in inflation-adjusted terms. Allocations of project-related funds at the 12 high-visitation park units we visited varied from year-to-year. For example, at Grand Canyon National Park allocations increased (in nominal dollars) from $824,000 in 2001 to $1.9 million in 2004, and then declined to $914,000 in 2005. Although funds allocated for daily operations increased from 2001 through 2005 at all 12 park units we visited, 8 of the 12 experienced a decline, and 4 experienced an increase, in daily operations allocations when adjusted for inflation. Park managers at all 12 reported their allocations were not sufficient to address increases in operating costs, such as salary and benefit increases and rising utility costs; and new Park Service requirements directed at reducing its deferred maintenance needs, implementing its asset management strategy, and maintaining law enforcement levels. Officials also stated that these factors reduced their management flexibility. As a result, park unit managers reported that, to varying degrees, they made trade-offs among the operational activities which, in some cases, resulted in reducing services in areas such as education, visitor and resource protection, and maintenance activities; managers also increasingly relied on volunteers and other authorized funding sources to provide operations and services that were previously paid with allocations for daily operations. In commenting on a draft of this report, the Department of Interior said that the report creates a misleading impression concerning the state of park operations in that (1) record high levels of funds are being invested to staff and improve parks, and (2) the report does not examine the results achieved with these inputs. The department also believes that while employment levels at individual park units may have fluctuated for many reasons, employment servicewide was stable, including both seasonal and permanent employees. We believe, however, that the report provides a detailed analysis of the major funding trends affecting Park Service operations, including those at the 12 park units we visited, as well as Interior's initiatives and efforts to achieve results.

In an effort to reduce its estimated $5 billion maintenance backlog, the Park Service set a goal to spend a majority of its visitor fees on deferred maintenance projects. While the Park Service could use visitor fees to pay salaries for permanent staff that manage and administer projects funded with visitor fees, it has a policy prohibiting such use. Instead, these salaries are paid using allocations for daily operations, which reduces the amount of the allocation available for visitor services and other activities and limits the park units' ability to maintain these services and activities. Park Service headquarters officials recognize the strain that its policy has had on daily operations funding. Park Service headquarters officials said that its policy was first established under the original visitor fee program because the authority was temporary and it did not want park units to hire more permanent staff than were needed. In addition, officials stated that it wanted visitor fees to go towards projects that provided visible results rather than permanent staff. However, given that Congress has recently provided longer-term authority (10 years) for collecting visitor fees, headquarters officials stated that they are considering changing this policy. To alleviate the pressure on allocations for daily operations, we believe it would be appropriate for the Park Service to follow through with revising this policy. In commenting on a draft of this report, the Department of the Interior suggested the recommendation be modified to clearly dictate that fee revenues be used to fund only a limited number of permanent employees and be specifically defined for the sole purpose of executing projects funded from fee revenues. We believe that the recommendation, as written, provides sufficient latitude for the department to define how to implement the recommendation.

In response to daily operations allocation trends, increased costs, and new policy requirements, parks reported that they either eliminated or reduced services, or relied on other authorized funding sources to pay operating expenses that have historically been paid for from the allocations for daily operations. Because allocations for daily operations did not increase commensurately with rising costs, officials at the park units we visited stated that they absorbed these additional costs by reducing spending on personnel and other expenditures. Since personnel costs account for a large percentage of a park's daily operations budget, officials told us they have refrained from filling vacant positions or have filled them with lower-graded or seasonal employees. Park officials also told us that they reduced services including, reducing visitor center hours, educational programs, basic custodial duties, and law enforcement operations, such as back-country patrolling. Officials at park units also stated that they increasingly relied on volunteers and nonprofit partner organizations to provide information and educational programs to visitors; traditionally these activities were offered by park rangers. For example, at Badlands National Park, officials stated that approximately 65 percent of visitor contacts in 2004 were provided by employees of the park's nonprofit partner—the Badlands Natural History Association—compared to 45 percent in 2001. Park unit officials explained, however, that relying on volunteers and other authorized funding sources such as donations can be problematic because there is no guarantee that funds and staff from these sources will be available in the future, and partner priorities could change from year to year.

We identified three management initiatives that the Park Service has undertaken to address fiscal performance and accountability and to better manage within their available resources: the Business Plan Initiative (BPI), the Core Operations Analysis (COA), and the Park Scorecard. These initiatives are in varying stages of development and implementation. Specifically:

- Through the BPI process, park unit managers—with the help of outside business interns—identify all sources and uses of park funding to determine levels needed to operate and manage their park units. Using this information, park unit managers develop a business plan to address any gaps between available funds and park unit needs. The Park Service does not require park units to participate, but about 25 percent of all park units have participated in the process. All 12 of the park units we visited have completed a business plan, and many officials stated that the plans are useful, by helping them better identify future budget needs. Park Service officials stated that they are still refining their processes for developing these plans.

- The COA was developed in 2004 to assist park unit managers in identifying efficiencies for carrying out their core mission. Through a step-by-step process, park unit, regional, and headquarters officials evaluate the park unit's core mission, and identify essential park unit activities and associated funding levels. Although the COA is in the early stages of development, the Park Service plans to have all units complete an analysis by the end of fiscal year 2011. Three of the 12 park units we visited have completed—or are in the process of completing—a COA. Park unit officials noted that the preliminary results have helped them better determine where efficiencies in operations might accrue, but it is too early to determine what benefits their park units will realize from the process.

- Park Service headquarters developed the Park Scorecard in 2004 to provide an overarching summary of each park unit's fiscal and operational condition and managerial performance. The Park Scorecard analyzes individual park units by comparing them to one another based on broad financial-, organizational-, recreational-, and resource-management criteria. Although it is still being developed, the Park Service budget office stated that the Park Scorecard played a role in allocating the $12.5 million that the conference report accompanying the fiscal year 2005 ONPS Account had directed at visitor service programs. The Park Service plans to refine the Park Scorecard to better identify, evaluate, and support future budget increases for park units.

Background

The Park Service is the caretaker of many of the nation's most precious natural and cultural resources. Today, more than 130 years after the first national park was created, the National Park System has grown to include 390 units covering over 84 million acres in 49 states, the District of Columbia, American Samoa, Guam, Puerto Rico, Saipan, and the Virgin Islands. The Park Service manages its responsibilities through headquarters, seven regional offices, and its individual park units. These units include a diverse mix of sites—now in more than 20 different categories. These include (1) national parks, such as Yellowstone in Idaho, Montana, and Wyoming; Yosemite in California; and Grand Canyon in Arizona; (2) national historical parks, such as Harper's Ferry in Maryland, Virginia, and West Virginia; and Valley Forge in Pennsylvania; (3) national battlefields, such as Antietam in Maryland; (4) national historic sites such as Ford's Theatre in Washington, D.C.; and Carl Sandburg's home in North Carolina; (5) national monuments, such as Fort Sumter in South Carolina; and the Statue of Liberty in New York and New Jersey; (6) national preserves, such as Yukon-Charley Rivers in Alaska; and (7) national recreation areas, such as Lake Mead in Arizona and Nevada. Some of these park units, such as Yellowstone, cover millions of acres and employ hundreds of employees. Other units, such as Ford's Theatre which encompasses two historic structures, are small and have few employees.

The Park Service's mission is to preserve unimpaired the natural and cultural resources of the National Park System for the enjoyment of this and future generations. Its objectives include providing for the use of the park units by supplying appropriate visitor services and infrastructure (e.g., roads and facilities) to support these services. In addition, the Park Service protects its natural and cultural resources (e.g., preserving wildlife habitat and Native American sites) so that they will be unimpaired for the enjoyment of future generations. Due to the complexity of its mission, large land area, and the number and diversity of its park units, the Park Service faces many challenges—including a deteriorating infrastructure (due in part to an estimated $5 billion maintenance backlog), threats to preserving natural and cultural resources, and challenges to maintaining visitor services. Moreover, despite fiscal constraints facing all federal agencies, the number of park units continues to expand—12 units, mostly small units, have been authorized since fiscal year 2001.

The Park Service receives its main source of funds to operate park units through appropriations from the ONPS account. The Park Service chooses to allocate funds to its park units in two categories—allocations for daily operations, and allocations for specific, non-recurring projects. Daily operations allocation levels for individual park units are built on park units' allocation level for the prior year. Park units receive an increased allocation for required pay increases and request specific increases for new or higher levels of ongoing operating responsibilities, such as adding additional law enforcement rangers for increased homeland security protection. Park Service headquarters takes the initiative in requesting the funding for all required employee pay increases on a service wide basis. However, for park-specific increases, once funding is appropriated, park units compete against one another through their regional office and headquarters for the available funds.

As is true for other government operations, the cost of operating park units will increase each year due to required pay increases, the rising costs of benefits for federal employees, and rising overhead expenses such as utilities. The Park Service may provide additional allocations for daily operations to cover all or part of these cost increases. If the continuation of operations at the previous year's level would require more funds than are available, park units must adjust either by identifying efficiencies within the park unit, use other authorized funding sources such as fees or donations to fund the activity, or reduce services. Upon receiving their allocations for daily operations each year, park unit managers exercise a great deal of discretion in setting operational priorities. Typically, these decisions involve trade-offs among four categories of spending: (1) visitor services (e.g., opening a campground or adding law enforcement staff), (2) resource management (e.g., monitoring the condition of threatened species or water quality), (3) maintenance needs (e.g., repairing a trail), and (4) park administration and support (e.g., updating computer systems or attending training). Generally, about 80 percent of each park unit's allocation for daily operations is used to pay the salaries and benefits of permanent employees (personnel costs). Park units use the remainder of their allocations for daily operations for overhead expenses such as utilities, supplies, and training, among other things.

In addition to daily operations funding, the Park Service also allocates project-related funding to park units for specific purposes to support its mission. For example, activities completed with Cyclic Maintenance and Repair and Rehabilitation funds include re-roofing or re-painting buildings, overhauling engines, refinishing hardwood floors, replacing sewer lines, repairing building foundations, and rehabilitating campgrounds and trails. Park units compete for project allocations by submitting requests to their respective regional office and headquarters. Regional and headquarters officials determine which projects to fund. While an individual park unit may receive funding for several projects in one year, it may receive none the next.

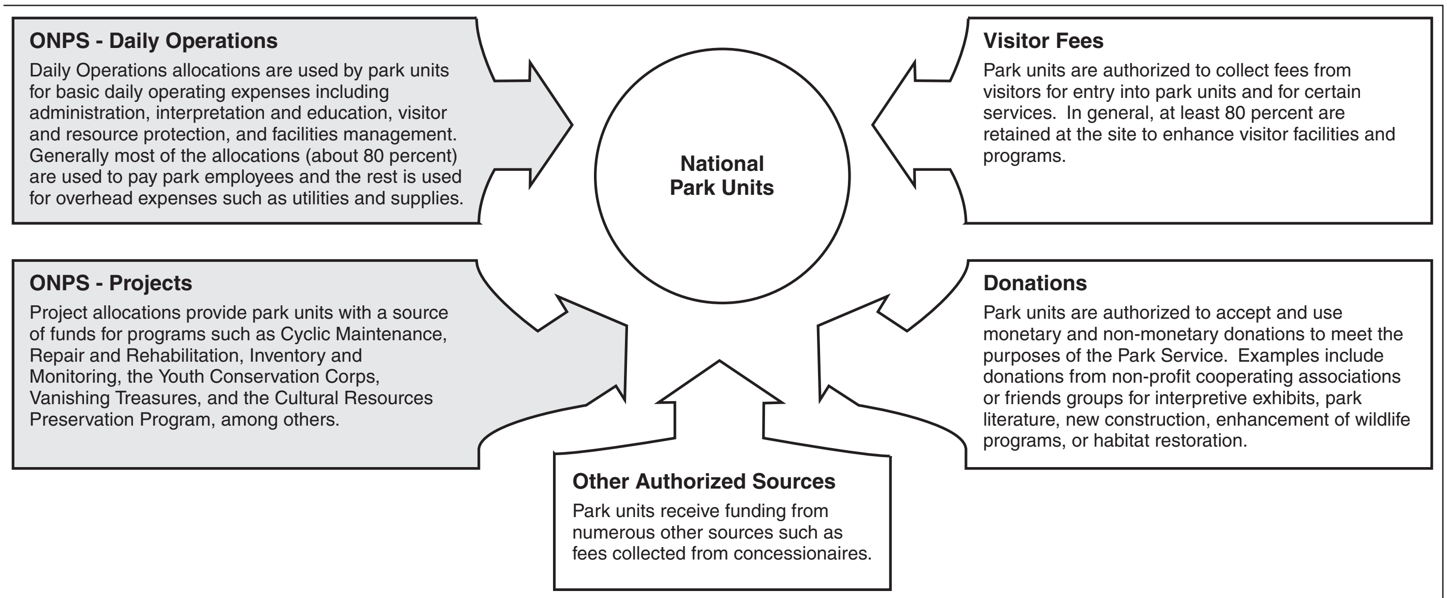
Park units may also receive revenue from outside sources such as visitor fees and donations—although there are often limitations on how these revenues may be used. Since 1996, the Congress has provided the park units with authority to collect fees from visitors and retain these funds for use on projects to enhance recreation and visitor enjoyment, among other things.[3] Since 2002, the Park Service has required park units to spend the majority of their visitor fees on deferred maintenance projects, such as road or building repair. The Park Service also receives revenue from concessionaires under contract to perform services at park units—such as operating a lodge—and cash or non-monetary donations from non-profit organizations or individuals, among others. For example, as we reported in July 2003, about 200 cooperating associations and "friends groups" helped

[3]During the period of this review, the Park Service collected fees, referred to as offsetting collections, under the Recreational Fee Demonstration Program authorized by Pub. L. No. 104-134, as amended, which stipulated that uses for these funds include backlogged repair and maintenance projects, interpretation, signage, habitat or facility enhancement, resource preservation, annual operation (including fee collection), maintenance, and law enforcement relating to public use. Under this program at least 80 percent of the fees are to be retained by park units and 20 percent go to a central fund managed by the Park Service. Under current legislation, the Federal Lands Recreation Enhancement Act, Pub. L. No. 108-447, enacted December 8, 2004, park units are allowed to collect and use visitor fees in a generally similar fashion.

support 347 park units, contributing over $200 million from 1997 to 2001.[4] These funds may vary from year to year and, in the case of donations, may be accompanied by stipulations on how the funds may be used.

Figure 1 illustrates the principal funding sources used by park units to perform operations.

Figure 1: Principal Operations Funding Sources for National Park Units



Source: GAO.

Note: Offsetting collections, such as the fees that park units collect and retain, reimbursables, and the gift authority authorizing the park units to retain donations and contributions, are a form of appropriation.

[4]U.S. General Accounting Office, *Park Service: Agency Needs to Better Manage the Increasing Role of Nonprofit Partners*, GAO-03-585 (Washington, D.C.: July 18, 2003).

Appropriations for the Operation of the National Park System Account Increased Overall from Fiscal Years 2001 to 2005; the Total Allocation for Daily Operations Declined Overall and the Total Allocation for Projects Increased Overall When Adjusted For Inflation

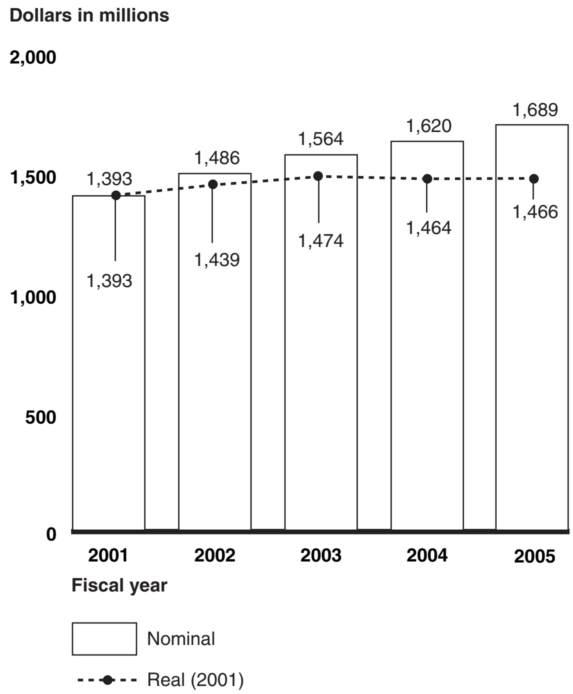
Total appropriations for the ONPS account increased overall in both nominal and inflation-adjusted dollars from fiscal year 2001 through 2005. However, the agency allocated funds such that, in inflation-adjusted terms, the total allocation for daily operations from these appropriations fell slightly overall, while the total allocation for projects increased overall. About 56 percent of the individual park units and about 74 percent of the more highly visited parks experienced an overall decline in their allocation for daily operations when adjusted for inflation during this period. The agency allocated funding for projects at a higher rate than for daily operations.

Appropriations for the Operation of the National Park System Account Increased Overall from Fiscal Years 2001 to 2005

As shown in figure 2, overall appropriations for the ONPS account—including the amounts the Park Service allocated for daily operations and projects—rose in both nominal and inflation-adjusted dollars overall from fiscal years 2001 through 2005. Nominal dollars increased from about $1.4 billion in fiscal year 2001 to almost $1.7 billion in fiscal year 2005, an average annual increase of about 4.9 percent (i.e., about $68 million per year). After adjusting these amounts for inflation, the average annual increase was about 1.3 percent or almost $18 million per year.[5] By contrast, the Park Service's overall budget authority increased to about $2.7 billion in 2005 from about $2.6 billion in 2001, an average increase of about 1 percent per year. In inflation adjusted dollars, the total budget authority fell by an average of about 2.5 percent per year.

[5]For more specific data on appropriations for the ONPS account, funding for daily operations, projects, and other support programs, see appendix II.

Figure 2: Appropriations for the Operation of the National Park System Account from Fiscal Years 2001 through 2005



Source: GAO analysis of Park Service data.

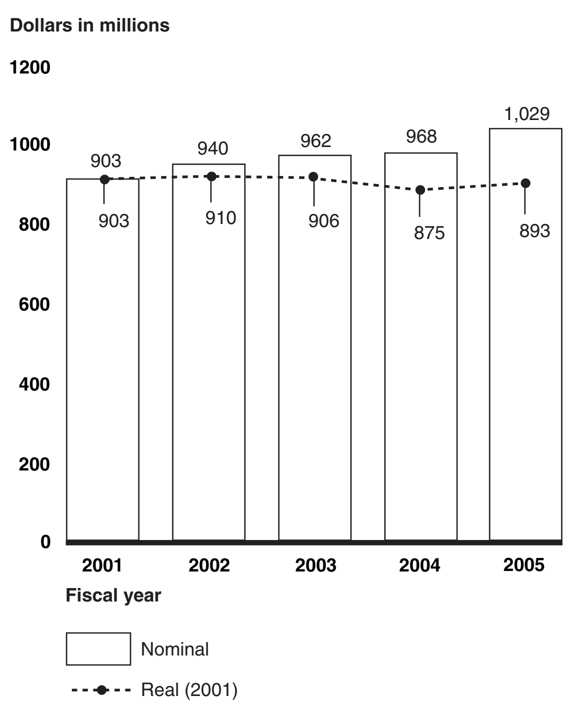
Note: Totals for ONPS do not include Park Service spending authority for offsetting collections, in nominal terms, of $17 million in fiscal year 2001, $18 million in fiscal year 2002, $17 million in fiscal year 2003, $21 million in fiscal year 2004, and $21 million in fiscal year 2005.These offsetting collections are reimbursements from other federal or state entities that are credited to this account. Visitor fee revenues, which are deposited in a separate account, are included in figure 7.

With the increases in appropriations for the ONPS account, the Park Service increased allocations for projects and other support programs such as the Repair and Rehabilitation, Cyclic Maintenance, and Inventory and Monitoring programs, among others. The overall allocation for daily operations, on the other hand, declined slightly on average when adjusted for inflation.

Overall Allocations for Daily Operations for Park Units Declined Slightly When Adjusted For Inflation

The Park Service's total allocation for daily operations for park units increased overall in nominal dollars but the total allocation fell slightly when adjusted for inflation from fiscal years 2001 through 2005. As illustrated in figure 3, overall allocations for daily operations for park units rose from about $903 million in fiscal year 2001 to almost $1.03 billion in fiscal year 2005—an average annual increase of about $30 million, or about 3 percent. After adjusting for inflation, the allocation for daily operations fell slightly from about $903 million in 2001 to about $893 million in 2005—an average annual decline of about $2.5 million, or 0.3 percent. The fiscal year 2005 appropriation for the ONPS account included an additional $37.5 million over the amounts proposed by the House and Senate for the ONPS account, to be used for daily operations. The conference report accompanying the appropriation stated that the additional amount was to be used for (1) a service-wide increase of $25 million and (2) $12.5 million for visitor services programs at specific park units.

Figure 3: Overall Allocations for Daily Operations for Park Units from Fiscal Years 2001 through 2005



Source: GAO analysis of Park Service data.

Note: Funding for daily operations include amounts for park units only, and do not include allocations for the national trail system, other field offices, and affiliated areas. Appendix II contains figures for daily operations for these.

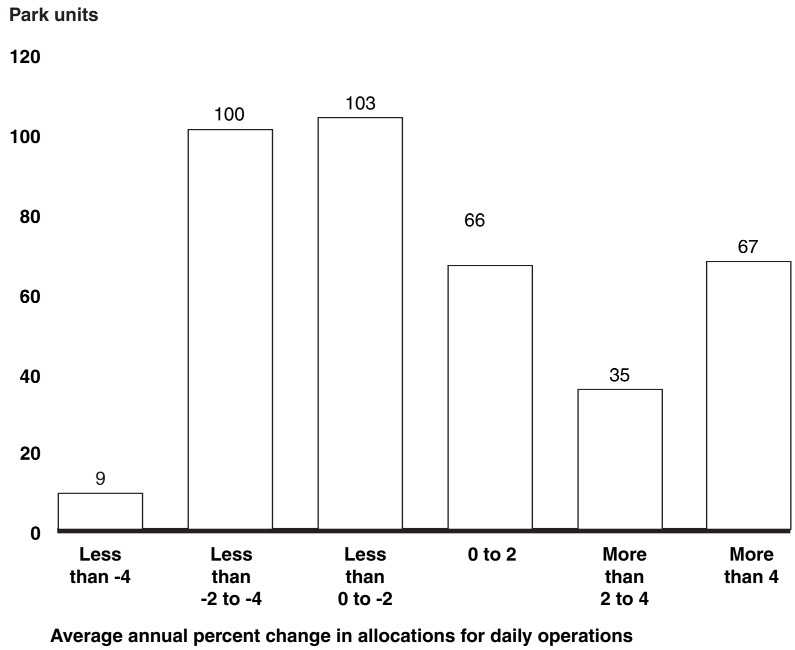
Daily Operations Allocations for Many Park Units Declined after Adjusting for Inflation

Of the 380 park units that received funding for daily operations for the entire period of our review, 212 (or about 56 percent), saw an average annual decline in inflation-adjusted terms of about 2 percent.[6] The declines ranged from less than 0.1 percent at the Mary McLeod Bethune Council House National Historic Site to about 5.2 percent at Petroglyph National Monument.[7] The remaining 168 park units' daily operations funding trends were either flat or increasing from 2001 through 2005, with the largest increase being about 39 percent at Rosie the Riveter/WWII Home Front National Historic Park. Figure 4 shows the number of park units and their respective average annual percent changes in daily operations allocations from 2001 through 2005.

[6]Of the 390 park units, 8 were not in existence from fiscal years 2001 through 2005 and therefore did not receive daily operations funding. In addition, two park units were in existence but did not receive funding for daily operations.

[7]The 5.2 percent decline for Petroglyph National Monument was due to moving an information management position to the regional office. Minuteman Missile National Historic Site, which was authorized by the Congress on November 29, 1999, with its first year of base appropriations in 2001, showed a 42.6 percent average annual decline between fiscal year 2001 to 2005. However, the trend was an anomaly due to its start-up costs in fiscal year 2001—almost $5 million—compared to $335,000 in fiscal year 2002.

Figure 4: Number of Park Units for Different Average Annual Percent Changes in Inflation-Adjusted Terms in Allocations for Daily Operations from Fiscal Years 2001 through 2005



Source: GAO analysis of Park Service data.

Note: This analysis includes 380 park units of varying sizes; therefore, the average annual change in daily operations allocations from fiscal year 2001 to 2005 may affect park units differently.

The park units for which figure 4 shows declines in inflation-adjusted dollars allocated for daily operations include most of the park units with large allocations for daily operations. These 212 park units represented about 69 percent of the total allocation for daily operations for all park units in fiscal year 2001 and about 64 percent in fiscal year 2005. Conversely, the 168 park units for which figure 4 shows increases in inflation-adjusted terms in allocations for daily operations represented about 31 percent of the total allocations for daily operations for all units in fiscal year 2001 and about 36 percent in fiscal year 2005.

Most of the Highly Visited Park Units Saw a Decline in Allocations for Daily Operations after Adjusting for Inflation

About seventy-four percent of the 83 most highly visited park units—over one million recreation visits per year—showed an average annual decline in inflation-adjusted terms in daily operations allocations from fiscal years 2001 through 2005.[8] For example, allocations for daily operations at Lake Meade National Recreation Area (includes Parashant National Monument), Hawaii Volcanoes National Park, and Olympic National Park fell in real terms by about 4 percent, 3 percent, and 2 percent, respectively. In contrast, about 47 percent of the park units with less than 200,000 recreation visits per year saw declines in real terms of the allocations for daily operations. Table 1 shows the number and percentage of park units receiving average annual percentage increases and declines in inflation adjusted allocations for daily operations by categories of average annual recreation visits.

Table 1: Number and Percentage of Park Units with Overall Declines or Increases in Allocations for Daily Operations when Adjusted for Inflation Based on Average Recreation Visits from Fiscal Years 2001 through 2005

		Park units with overall declines in inflation-adjusted terms in daily operations allocations		Park units with overall increases in inflation-adjusted terms in daily operations allocations	
Recreation visits	**Total number**	**Number**	**Percent**	**Number**	**Percent**
More than 1 million	**83**	61	74	22	27
200,001 to 1,000,000	**106**	63	59	43	41
0 to 200,000	**169**	80	47	89	53
Total	**358**	**204**	**57**	**154**	**43**

Source: GAO analysis of Park Service data.

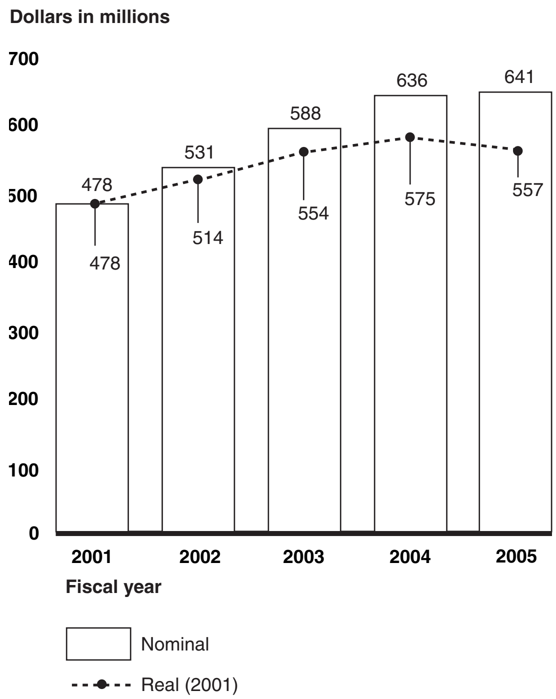
Note: Of the 380 park units in existence from fiscal years 2001 through 2005, 22 do not keep statistics on visitation for the 5-year period of our analysis, so they were excluded from this analysis. Recreation visits are based on park units' reported annual averages from fiscal years 2001 through 2005. Changes in funding for daily operations are based on the average annual change in funding levels from fiscal years 2001 through 2005 adjusted for inflation.

[8]These 83 park units represent the top 21 percent of the most highly visited park units in the National Park System. The Park Service defines a recreation visit as the entry of a person onto lands or waters administered by the Park Service for recreational purposes excluding government personnel, through traffic (commuters), trades-persons, and persons residing within park unit boundaries.

Allocations for Projects and Other Support Programs Increased Overall Even after Adjusting for Inflation

Allocations for projects and other support programs increased overall in both nominal and inflation-adjusted dollars.[9] As figure 5 illustrates, these allocations rose from about $478 million in 2001 to about $641 million in 2005—an average annual increase of about 7.7 percent, or about $36.5 million. When adjusted for inflation, the increase was 3.9 percent, or about $18.7 million per year. Figure 5 shows allocation trends of projects and other support programs for the Park Service from fiscal years 2001 through 2005.

Figure 5: Project and Other Support Program Allocations from Fiscal Years 2001 through 2005



Source: GAO analysis of Park Service data.

[9]Projects and other support programs include allocations from the ONPS account other than allocations for daily operations. It includes overall funding for numerous project-related sources such as Cyclic Maintenance, Repair and Rehabilitation and other support programs such as allocations for central offices (seven regional offices and the headquarters office), field resource centers, and other external administrative costs such as telecommunications and unemployment compensation payments.

Three programs that include project funding for individual park units—Cyclic Maintenance, Repair and Rehabilitation, and Inventory and Monitoring—account for over half of the increase for the project and support program allocations. As a percentage of total project and support program funding, funding for these programs rose to 31 percent in 2005 from 23 percent in 2001. For example, cyclic maintenance program funding increased from $34.5 million in 2001 to $62.8 million in 2005—an average annual increase of 16.2 percent in nominal terms or 12.1 percent when adjusted for inflation. Increases in the Cyclic Maintenance and Repair and Rehabilitation programs reflect an emphasis on the effort for the Park Service to reduce its estimated $5 billion maintenance backlog. Increases in the Inventory and Monitoring Program reflect an emphasis on protecting natural resources primarily through an initiative called the Natural Resource Challenge.[10] Table 2 shows funding for these three programs from fiscal years 2001 through 2005.

Table 2: Allocations for Cyclic Maintenance, Repair and Rehabilitation, and Inventory and Monitoring Programs from Fiscal Years 2001 through 2005

In millions

		2001	2002	2003	2004	2005	Average annual change (percent)
Cyclic Maintenance[a]	Nominal	$34.5	$32.3	$51.9	$65.1	$62.8	16.2%
	Inflation-adjusted	34.5	31.3	48.9	58.8	85.4	12.1
Repair and Rehabilitation[b]	Nominal	58.5	72.6	84.4	94.4	95.1	12.9
	Inflation-adjusted	58.5	70.3	79.5	85.4	82.6	9.0
Inventory and Monitoring Program	Nominal	17.5	21.8	32.4	36.9	39.6	22.6
	Inflation-adjusted	17.5	21.1	30.5	33.4	34.4	18.3

Source: GAO analysis of Park Service data.

[a]Cyclic Maintenance figures include those for both the regular Cyclic Maintenance program and the Cyclic Maintenance for Historic Properties program.

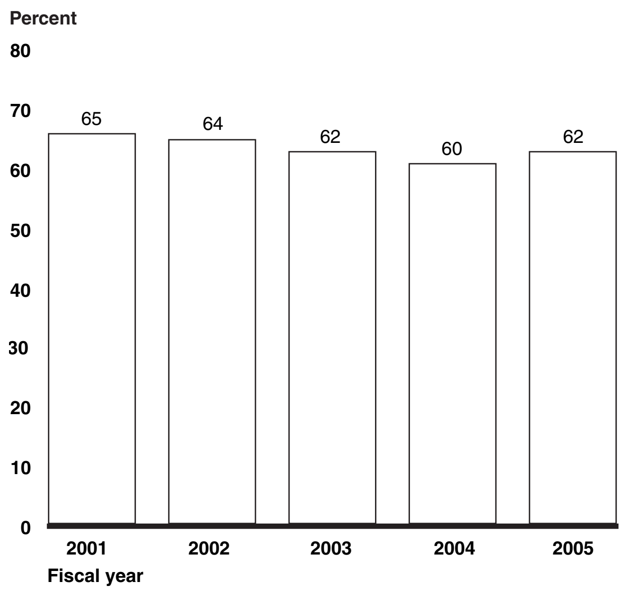
[b]Repair and Rehabilitation figures include those for projects and for maintenance systems.

[10]From 2001 through 2005, the Park Service allocated a total of about $62 million to Natural Resource Challenge related-programs from its ONPS lump-sum appropriation, the majority of which was project-related funding.

Allocations for other support programs had smaller increases or declined. For example, allocations for central offices—seven regional offices and the headquarters office—increased by less than 1 percent on an average annual basis when adjusted for inflation.

Between fiscal years 2001 and 2005, the share of the ONPS account allocated to daily operations fell slightly, indicating a slight change in emphasis toward project-related programs for park units. In fiscal year 2001, about 65 percent of the Park Service's appropriations from the ONPS account were allocated for daily operations. By 2004, the allocation for daily operations had fallen to about 60 percent, increasing slightly to about 62 percent for fiscal year 2005. Figure 6 shows the trend for the ratio of daily operations allocations to overall funding for operations for fiscal years 2001 through 2005.

Figure 6: Park Service Allocations for Daily Operations as a Percent of the Operation of the National Park System Account from Fiscal Years 2001 through 2005

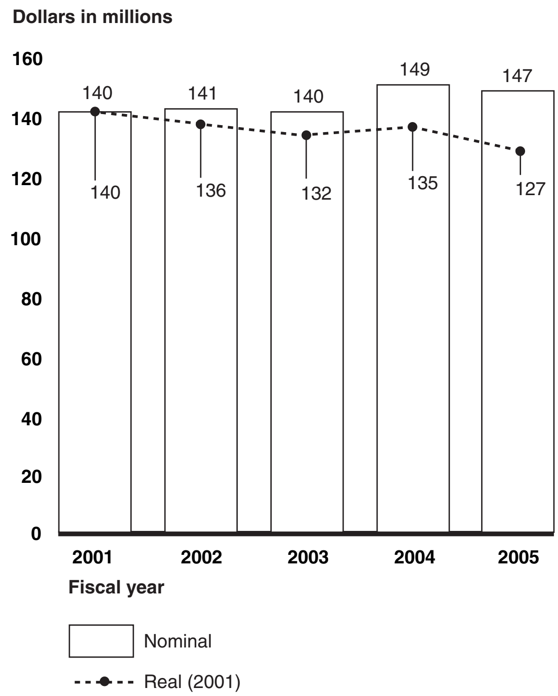


Source: GAO analysis of Park Service data.

Visitor Fees Also Used to Support Park Units

As shown in figure 7, total visitor fees collected by the Park Service increased from about $140 million in 2001 to about $147 million in 2005 (an average annual increase of about 1 percent); however, in inflation-adjusted dollars, the fees fell to about $127 million in 2005 (an average annual decline of over 2 percent). Overall, the Park Service collected about $717 million in visitor fees in addition to their annual appropriation for operations from 2001 through 2005—an average of about $143 million per year. When adjusted for inflation, these visitor fees total about $670 million—an average of about $134 million per year. Visitor fee revenue depends on several factors, including the number of visitors to each park unit, the number of national passes purchased, and the amount each park charges for entry and services.

Figure 7: Park Service Visitor Fee Revenue from Fiscal Years 2001 through 2005



Source: GAO analysis of Park Service data.

Note: Visitor fee revenues include revenue collected from the Recreational Fee Program and the National Parks Passport program.

Allocation Trends for Projects and Daily Operations at 12 High-Visitation Park Units Varied, but All 12 Parks Reported Reduced Services and an Increasing Reliance on Other Authorized Sources to Supplement Daily Operations Allocations

All 12 park units we visited received allocations for projects from fiscal years 2001 through 2005 that varied among years and among park units. Allocations for daily operations for the 12 park units we visited also varied. On an average annual basis, each unit experienced an increase in daily operations allocations, but most experienced a decline in inflation-adjusted terms. Officials at each park believed that their daily operations allocations were not sufficient to address increases in operating costs and new Park Service management requirements. To manage within available funding resources, park unit managers also reported that, to varying degrees, they made trade-offs among the operational activities—which in some cases resulted in reducing services in areas such as education, visitor and resource protection, and maintenance activities. Park officials also reported that they increasingly relied on volunteers and other authorized funding sources to provide operations and services that were previously paid with allocations for daily operations from the ONPS account.

All 12 Park Units Received Allocations For Projects

Each of the 12 park units received allocations for projects from 2001 through 2005.[11] Park units use project-related allocations for such things as rehabilitating structures, roads, and trails and inventorying and monitoring natural resources. The allocations for projects at the 12 park units totaled $76.8 million from 2001 through 2005. Allocations varied from park to park and year to year because these allocations support non-recurring projects for which park units are required to compete and obtain approval from Park Service headquarters or regional offices. For example, at Grand Canyon National Park, allocations for projects between 2001 and 2005 totaled $6.7 million. However during that time the amount fluctuated from $824,000 in 2001 to $1.9 million in 2004 and $914,000 in 2005. Table 3 shows project-related allocations and their fluctuations from fiscal years 2001 through 2005 for the 12 park units we visited.

[11]Eleven park units received allocations for projects for each year between 2001 and 2005. Zion National Park received allocations for projects from 2002 through 2005, but did not receive allocations for projects in 2001.

Table 3: Project Allocations for 12 Selected Park Units, Fiscal Years 2001 through 2005

Dollars in thousands

Park unit		Fiscal years 2001	2002	2003	2004	2005	Total
Acadia NP	Nominal	$385	$772	$699	$1,237	$481	$3,574
	Inflation-adjusted	385	747	659	1,119	417	3,327
Badlands NP	Nominal	217	130	689	647	1,394	3,077
	Inflation-adjusted	217	126	649	585	1,210	2,787
Bryce Canyon NP	Nominal	531	365	357	433	402	2,088
	Inflation-adjusted	531	353	336	391	349	1,960
Gettysburg NMP	Nominal	7,551	638	753	1,296	1,324	11,562
	Inflation-adjusted	7,551	618	709	1,172	1,150	11,200
Grand Canyon NP	Nominal	824	1,550	1,173	2,125	1,053	6,725
	Inflation-adjusted	824	1,500	1,106	1,922	914	6,266
Grand Teton NP	Nominal	861	423	1,327	1,233	2,070	5,914
	Inflation-adjusted	861	409	1,250	1,115	1,797	5,432
Mount Rushmore NMem	Nominal	271	118	113	146	696	1,344
	Inflation-adjusted	271	114	107	132	604	1,228
Shenandoah NP	Nominal	1,409	781	647	862	2,393	6,092
	Inflation-adjusted	1,409	756	610	779	2,078	5,632
Sequoia and Kings Canyon NP	Nominal	2,038	2,859	3,364	2,927	2,760	13,948
	Inflation-adjusted	2,038	2,768	3,171	2,647	2,396	13,020
Yellowstone NP	Nominal	43	4	9	12	3,128	3,196
	Inflation-adjusted	43	4	8	11	2,716	2,782
Yosemite NP	Nominal	3,620	2,718	4,034	3,532	3,778	17,682
	Inflation-adjusted	3,620	2,631	3,802	3,194	3,280	16,527
Zion NP	Nominal	0	103	310	195	1,000	1,608
	Inflation-adjusted	0	100	292	176	868	1,436

Legend

NP = National Park
NMP = National Military Park
NMem = National Memorial

Source: GAO analysis of Park Service data.

The following examples illustrate projects that have been completed using these funds:

- Grand Canyon National Park received a total of $6.7 million in project allocations. Projects included $494,000 to repair and rehabilitate the North Bass trail; $175,000 to rehabilitate the Mather Amphitheater, which hosts evening ranger programs; and $31,000 to survey the declining northern leopard frog population.

- Grand Teton National Park received a total of $4.4 million in project allocations. Projects included $40,600 to perform cyclic maintenance on three historic log cabins; $280,000 for bison demographic disease surveillance; and $313,800 to rehabilitate a water sewer line.

- Acadia National Park received a total of $3.6 million in project allocations. In 2002, the park obtained $17,800 through the Natural Resource Preservation Program to work with the U.S. Fish and Wildlife Service and others to determine baseline information about the ecology and to assess the population status of wintering purple sandpipers.

- Gettysburg National Military Park received a total of $11.6 million in project allocations. Projects included $444,000 to replace failing septic systems in the park; $129,000 to replace water lines in historic structures; $385,000 to repair observation towers; and $92,000 to repair historic fences on Little Roundtop—a highly-visited civil war battle site.

- Yellowstone National Park received a total of $3.2 million in project allocations. Projects included $170,000 to repair thermal area walkways, and $290,000 to rehabilitate roads in the Madison area of the park.

As with allocations for projects from fiscal years 2001 through 2005, allocations for daily operations for the 12 park units we visited also varied.

Allocations for Daily Operations at Most Park Units Declined When Adjusted For Inflation

All 12 park units experienced an annual average increase in allocations for daily operations, however when adjusted for inflation, 8 of the 12 parks we visited experienced a decline ranging from less than one percent to approximately 3 percent. For example, Yosemite National Park's daily operations allocations increased from $22,583,000 in 2001 to $22,714,000 in 2005, less than an average of 1 percent per year. However, when adjusted for inflation, the park's allocation for daily operations fell by about 3 percent per year. Daily operations allocations at the remaining four parks increased after adjusting for inflation, ranging from less than 1 percent to about 7 percent. For example, Acadia National Park's daily operations allocations increased from $4,279,000 in fiscal year 2001 to $6,498,000 in fiscal year 2005, an average annual increase of about 11 percent in nominal terms and about 7 percent when adjusted for inflation. Park officials explained that although the daily operations allocation substantially increased over this period, most of the increase was for new or additional operations. To illustrate, in 2002, Acadia acquired the former Schoodic Naval Base. The increases in allocations for daily operations were to accommodate this added responsibility rather than for maintaining operations that were in existence prior to the acquisition. In addition, park officials at Mount Rushmore National Memorial reported that most of their increases for daily operations were to increase law enforcement staff to address new homeland security measures following the September 11, 2001, attacks. Tables 4 and 5 show allocations for daily operations and average annual increases or declines for the 12 park units we visited, from fiscal years 2001 through 2005.

Table 4: Daily Operations Allocations at Selected Park Units from Fiscal Years 2001 through 2005 in Nominal Dollars

Dollars in thousands

	Daily operations allocations					
Park unit	**2001**	**2002**	**2003**	**2004**	**2005**	**Average annual change (percent)**
Acadia NP	$4,279	$5,708	$6,386	$6,349	$6,498	11.0%
Badlands NP	2,996	3,055	3,063	3,056	3,417	3.3
Bryce Canyon NP	2,607	2,671	2,681	2,674	2,768	1.5
Gettysburg NMP	5,044	5,177	5,195	5,174	5,483	2.1
Grand Canyon NP	18,199	18,594	18,916	18,567	18,921	1.0
Grand Teton NP	8,559	8,670	9,082	9,258	10,290	4.7
Mt. Rushmore NMem	2,473	2,532	2,903	3,315	3,727	10.8
Sequoia and Kings Canyon NP	12,234	13,039	13,018	12,903	13,308	2.1
Shenandoah NP	10,253	10,488	10,535	10,169	10,406	0.40
Yellowstone NP	25,122	27,112	27,669	28,116	29,845	4.4
Yosemite NP	22,583	23,142	23,142	23,128	22,714	0.14
Zion NP	5,605	5,978	6,014	6,008	6,153	2.4

Legend

NP=National Park
NMP=National Military Park
NMem=National Memorial

Source: GAO analysis of Park Service data from 12 selected park units.

Table 5: Daily Operations Allocations at Selected Parks Units from Fiscal Years 2001 through 2005 in Inflation-Adjusted Dollars

Dollars in thousands

	Daily operations allocations					
Park unit	2001	2002	2003	2004	2005	Average annual change (percent)
Acadia NP	$4,279	$5,525	$6,019	$5,741	$5,041	7.2%
Badlands NP	2,996	2,957	2,887	2,880	2,966	-0.25
Bryce Canyon NP	2,607	2,586	2,527	2,418	2,403	-2.0
Gettysburg NMP	5,044	5,011	4,896	4,679	4,760	-1.4
Grand Canyon NP	18,199	17,999	17,828	16,790	16,426	-2.5
Grand Teton NP	8,559	8,393	8,560	8,372	8,933	1.1
Mt. Rushmore NMem	2,473	2,451	2,736	2,998	3,236	7.0
Sequoia and Kings Canyon NP	12,234	12,622	12,269	11,668	11,553	-1.4
Shenandoah NP	10,253	10,152	9,929	9,196	9,034	-3.1
Yellowstone NP	25,122	26,245	26,078	25,426	25,910	0.78
Yosemite NP	22,583	22,402	21,811	20,915	19,719	-3.3
Zion NP	5,605	5,787	5,668	5,433	5,342	-1.2

Legend

NP=National Park
NMP=National Military Park
NMem=National Memorial

Source: GAO analysis of Park Service data from 12 selected park units.

Increases in Operating Costs and New Park Service Management Requirements May Affect Daily Operations

Despite increases in inflation-adjusted allocations for daily operations at 4 of the 12 park units visited, officials at all 12 park units explained that this funding did not increase commensurately with increases in operating costs and new management requirements. Park unit officials explained that these factors have reduced their flexibility in addressing other park priorities.

Operating Cost Increases

Park unit officials reported that required salary increases exceeded the allocation for daily operations, and rising utility costs have reduced their flexibility in managing daily operations allocations. Park Service headquarters officials reported that from 2001 through 2005, the Park Service paid personnel cost increases enacted by the Congress. For example, from fiscal years 2001 through 2005, Congress enacted salary increases of about 4 percent per year for federal employees. Park Service officials reported that the Park Service covered these salary increases with appropriations provided in the ONPS account. The Park Service allocated amounts to cover about half of the required increases and park units had to reduce spending to compensate for the difference. The consequence of the increases was that park units had to eliminate or defer spending in order to accommodate the increases. For example, officials at Gettysburg National Military Park stated that they achieved personnel cost savings by taking a number of actions to reduce spending, including refraining from filling—and delaying filling—several permanent and seasonal vacancies. Park officials said they estimate the personnel cost savings from 2002 through 2005 was about $1,434,781, in inflation-adjusted terms. Total personnel expenditures at the park unit declined from $4,460,000 in 2001 to $4,143,000 in 2005—an average annual decline of about 2 percent, in inflation-adjusted terms.[12] In contrast, at Mount Rushmore National Memorial, total personnel expenditures increased from $2,014,000 in 2001 to $2,552,000 in 2005—or an average of about 6 percent per year. Officials said that the increase was due to required salary increases for permanent staff and expenditures on new personnel hired for homeland security measures. As shown in table 6, expenditures for personnel from 2001 through 2005 increased for seven park units, and declined for the other five units, after adjusting for inflation.

[12]Tables 13 and 14 in appendix III show personnel expenditures at the 12 park units we visited in both nominal and inflation-adjusted terms. Table 15 in appendix III shows personnel (FTEs) by funding source at the 12 park units we visited.

Table 6: Average Annual Change in Personnel Expenditures and Personnel Funded with Allocations from Daily Operations from Fiscal Years 2001 through 2005 in Inflation-Adjusted Dollars

Dollars in thousands

	Personnel expenditures (in thousands)			Personnel (FTEs[a])		
Park units	**2001**	**2005**	**Average annual change (percent)**	**2001**	**2005**	**Average annual change (percent)**
Acadia NP	$3,524	$4,613	7.0	69	83	4.7%
Badlands NP	2,273	2,256	-0.2	48	41	-3.7
Bryce Canyon NP	2,204	2,002	-2.4	40	35	-3.0
Gettysburg NMP	4,460	4,143	-1.8	84	69	-4.7
Grand Canyon NP	13,409	12,614	-1.5	231	227	-0.4
Grand Teton NP	6,509	6,724	0.8	132	121	-2.2
Mt. Rushmore NMem	2,014	2,552	6.1	42	42	0.1
Sequoia and Kings Canyon NP	9,164	9,202	0.1	201	188	-1.6
Shenandoah NP	8,578	7,617	-2.9	180	133	-7.3
Yellowstone NP	17,587	19,161	2.2	338	351	1.0
Yosemite NP	17,602	17,748	0.2	361	317	-3.2
Zion NP	4,268	4,422	9.0	83	90	2.1

Source: GAO analysis of Park Service data from 12 selected park units.

[a]A full-time equivalent (FTE) is a workforce measure equal to one work year.

Personnel costs (salaries and benefits) comprised an average of 74 to 89 percent of the total operating expenses at these 12 park units; therefore officials said that it is difficult to offset increases in personnel costs without reducing personnel. Officials at several park units told us that since 2001, they have refrained from filling vacant positions or have filled them with lower-graded or seasonal employees. For example, in an effort to continue to perform activities that directly impact visitors—such as cleaning restrooms and answering visitor questions—officials at Sequoia and Kings Canyon National Parks stated that they left several high-graded positions unfilled in order to hire a lower graded workforce to perform these basic operational duties. Officials at most park units also told us that when positions were left vacant, the responsibilities of the remaining staff generally increased in order to fulfill park obligations.

Park Service budget officials told us that they expect personnel costs to continue to grow faster than any increases in allocations for personnel in fiscal years 2006 and 2007. As a result, they said that in some cases the parks may choose to hire seasonal employees or contract out more duties than fill vacant positions. Table 7 shows the average annual percentage of daily operations funding that the 12 park units we visited spent on personnel costs.

Table 7: Percentage of Allocations for Daily Operations Spent on Personnel from Fiscal Years 2001 through 2005

Park unit	2001	2002	2003	2004	2005	Average 2001-2005
Acadia NP	84%	75%	77%	81%	84%	80%
Badlands NP	77	79	82	87	80	81
Bryce NP	86	82	78	83	85	83
Gettysburg NP	89	90	87	89	88	89
Grand Canyon NP	71	72	77	79	79	76
Grand Teton NP	79	77	76	85	78	79
Mt. Rushmore NMem	83	80	81	81	82	81
Sequoia and Kings Canyon NP	78	79	81	83	81	80
Shenandoah NP	85	85	86	87	85	86
Yellowstone NP	72	71	75	77	76	74
Yosemite NP	79	86	86	90	90	86
Zion NP	81	81	85	84	86	83

Source: GAO analysis of Park Service data from 12 selected park units.

In addition, Park Service budget officials said that park units' personnel costs have also increased because they pay more of the costs of benefits for employees under the newer Federal Employee Retirement System (FERS) than they do for employees under the older Civil Service Retirement System (CSRS). As a result, the officials said that total compensation (salary and benefits) is higher for a FERS employee at the same salary level as a CSRS employee. Unlike CSRS, for example, FERS requires federal agencies to match up to 5 percent of employees' contributions to their retirement account. In addition, as CSRS employees retire and are replaced by FERS employees, the officials said that the Park Service's personnel costs will increase, when all else remains the same.

At the park units we visited, benefits paid to FERS employees rose at a faster rate and were generally higher on average than those for CSRS employees. At almost all the park units, average total compensation for a

CSRS employee exceeded that for a FERS employee.[13] For instance, at Shenandoah National Park, average benefits for a FERS employee increased at an annual rate of about 3 percent from 2001 through 2005 compared with about 2 percent per year for a CSRS employee (adjusted for inflation). In 2005, the average FERS total compensation was $44,242, including $11,713 for benefits, compared to an average CSRS total of about $54,134, including $9,401 for benefits. Tables 16 and 17 in appendix III show nominal and inflation-adjusted personnel costs per retirement system at the 12 park units we visited.

In addition to increasing personnel costs, officials at many of the park units we visited explained that rising utility costs caused parks to reduce spending in other areas. For example, at Grand Teton National Park, park officials told us that to operate the same number of facilities and assets, costs for fuel, electricity, and solid waste removal increased from $435,010 in 2003 to $633,201 in 2005—an increase of 46 percent, when adjusted for inflation. Officials told us that, as a result, their utility budget for fiscal year 2005 was spent by June 2005—three months early. In August, the park accepted the transfer requests of two division chiefs and used the salaries from these vacancies to pay for utility costs for the remaining portion of the year.

Officials at some parks attributed increased utility costs to new construction that was generally not accompanied with a corresponding increase to their allocation for daily operations. In 2003, Yellowstone National Park constructed The Heritage Center with line item construction appropriations to house 5.3 million artifacts of natural and cultural significance. In 2001, the park officials requested but did not receive an additional $250,000 that they estimated was required to pay for the center's costs for power, water, sewer, and information technology. A Park Service headquarters official told us that while there is a need to replace old facilities with new construction, it is unlikely—given the overall fiscal demands on the federal government—that park units will receive corresponding increases in funding for daily operations necessary to operate new facilities.

[13]Although the average cost for a CSRS employee was greater at 11 of the 12 park units for 2005, at the other park—Mt. Rushmore National Memorial—the average cost of a FERS employee was greater.

New Park Responsibilities Affected Management Flexibility

Officials at most of the park units we visited also told us that their units generally did not receive additional allocations for administering new Park Service policies directed at reducing its maintenance backlog, implementing a new asset management strategy, or maintaining specified levels of law enforcement personnel (referred to as its no-net-loss policy) which has reduced their flexibility in addressing other park priorities. While officials stated that these policies were important, implementing them without additional allocations reduced their management flexibility. Over the years, the estimates of the amount of the agency's deferred maintenance backlog have varied widely—sometimes by billions of dollars. Since 1998, we have issued several reports on the agency's efforts to reduce its backlog.[14] Since 2001, the Park Service has placed a high priority on reducing its currently estimated $5 billion maintenance backlog. In response, the Park Service, among other things, set a goal to spend the majority of its visitor fees on deferred maintenance projects—$75 million in 2002 increasing to $95 million in 2005.[15] Officials at several park units report that they have used daily operations allocations to absorb the cost of salaries for permanent staff needed to oversee the increasing number of visitor fee-funded projects. Park officials reported that the additional administrative and supervisory tasks associated with these projects add to the workload of an already-reduced permanent staff. For example, at Acadia National Park, officials told us that although visitor fee-funded projects have benefited the park, supervisors have reduced the extent to which they supervise their existing daily operating staff in order to manage temporary staff working on visitor fee-funded projects.

While the Park Service may use visitor fees to pay salaries for permanent staff that manage and administer projects funded with visitor fees, it has a policy prohibiting such use. Instead, these salaries are paid using allocations for daily operations which reduce the amount of the allocation available for visitor services and other activities and limit the park units' ability to maintain these services and activities. Park Service headquarters officials recognize the strain that its policy has had on allocations for daily operations. Park Service headquarters officials said that its policy was first established under the original Recreational Fee Demonstration Program

[14]Pages 97 through 100 of this report list our related reports and testimonies including those addressing the Park Service's approach to addressing its maintenance backlog.

[15]In both 2001 and 2005, visitor fee spending goals for deferred maintenance were not met. In fiscal year 2001, the amount of visitor fees obligated for deferred maintenance was $61 million. In fiscal year 2005, the amount was $73.1 million.

and provided several reasons for doing so. First, it did not want park units to use the revenue to hire more permanent staff than the park units needed. In addition, the Park Service wanted the revenue to be used for projects that provided visible results, such as rehabilitating a visitor facility, rather than on salaries for permanent employees. It also did not want to use visitor fee revenue to hire permanent staff because the recreational fee demonstration authority was temporary, therefore forcing park units to find another funding source to pay permanent employee salaries if the authority was discontinued. However, due to the strain this policy has had on allocations for daily operations combined with the recent passage of the Federal Lands Recreation Enhancement Act, which provides longer-term authority (10 years) for collecting visitor fees, Park Service headquarters officials stated that they are considering changing this policy. To alleviate the pressure on funds for daily operations, we believe it would be appropriate for the Park Service to follow through with revising this policy.

In an effort to better manage its maintenance backlog and improve asset management, the Park Service implemented a new asset management initiative in 1998. As a part of this initiative, park units are required to complete condition assessments and maintain this data in the Facility Maintenance Software System (FMSS), a system-wide, integrated software management tool to track parks' assets, their condition, and the costs needed to keep each asset in a good operating condition. Overall, park managers viewed this new system as a worthwhile endeavor. However, park officials explained that their units were not provided additional funds needed to implement this new responsibility. As a result, most of the parks used existing staff to inventory assets and enter the data into the software system at the expense of their primary duties. According to officials at many of the park units we visited, staff no longer had sufficient time to perform primary duties and responsibilities, such as regularly scheduled preventative maintenance or bathroom cleaning. The effect of implementing FMSS was particularly problematic for park units whose maintenance divisions were already operating with a reduced staff. For example, Badlands National Park, which has lost seven maintenance division employees since 2001, used the equivalent of two full time employees and two seasonal employees to enter data and work on other duties related to FMSS. Because the park had to use existing staff to comply with new asset-management requirements, regularly scheduled activities such as painting buildings and other structures were deferred, thus adding to its maintenance backlog.

Another new Park Service policy impacting park units relates to its law enforcement personnel. In response to studies that described the level of law enforcement personnel as approaching a level for which basic resource and visitor protection may be in jeopardy, the Park Service, in 2002, implemented a no-net-loss policy for law enforcement personnel. Accordingly, Park Service headquarters directed the park units to not fall below 2002 law enforcement employee levels. Thus, unlike other divisions, when law enforcement positions become vacant, officials are required to fill the vacancy or request a waiver of the policy. For those park units that have adhered to the policy, officials told us that they have had to forgo hiring what they consider other priority vacant positions in other divisions in order to comply with the no-net-loss policy. Officials at other park units have been unable to maintain 2002 levels, either because they were unable to afford to re-hire vacant positions or because other vacant positions were deemed by park management to also be a priority.

Park Units Have Taken Various Actions to Address Trends in Allocations for Daily Operations

In response to allocations for daily operations trends, increased costs, and new policy requirements, park officials at the 12 park units we visited said that activities funded with daily operations have been reduced or eliminated, delayed until other authorized funding sources became available, or performed with the use of other authorized funding sources. Park managers reported that because they have to manage within available funding resources, they make trade-offs among the operational activities such as education, visitor and resource protection, and maintenance activities. The extent and type of such responses vary among the park units.

Park Units Reduced or Eliminated Some Services

To address differences between allocations for daily operations and expenses, officials at the park units we visited reported that they reduced or eliminated some services paid with daily operations allocations—including some that directly affected visitors and park resources.[16] Park officials at some of the park units we visited told us that before reducing services that directly affect the visitor; they first reduced spending for training, equipment, travel, and supplies paid from daily operations

[16]Table 20 in appendix IV shows visitation trends for the 12 park units we visited and for the Park Service as a whole.

allocations.[17] However, most park units reported that they did reduce services that directly affect the visitor including reducing visitor center hours, educational programs, basic custodial duties, and law enforcement operations, such as backcountry patrolling. To illustrate:

- Shenandoah National Park reduced the number of days the Loft Mountain Visitor Contact Station operated in 2004 and then closed it entirely in 2005. This station offered the only interpretive services at the south end of the park; thus, visitors entering the park at the south end have to drive 50 miles to reach another contact station. In addition, because the park was not able to afford to fill vacancies in 2002, the park had to close all ranger programs at Mathews Arm campground in the north district (which contains 179 campsites) beginning in 2003. A park official said that as of the beginning of 2006, there continues to be no ranger programs offered at the Mathews Arm campground.

- Grand Teton National Park reduced the interpretive division's staffing level that was paid out of daily operations funding, from 17 FTEs in 2001 to 12 FTEs in 2005. Because fewer staff were available, the park reduced the operating hours of the Colter Bay Visitor Center by one hour per day and reduced the number of times they offer the Tour of the Indians Art Museum and the Teton Highlights programs.

- At Bryce Canyon National Park, law enforcement officials told us that, since 2001, in order to maintain patrols in high-visitor-use areas, they reduced backcountry patrolling. As a result, the park has very little backcountry resource protection capability. For example, while park officials are aware of poaching in the park, they told us that they do not have the capability to prevent or investigate this illegal activity.

- Acadia National Park closed all seven restrooms along roads and trailheads in the park's popular winter-use areas during the 2004-2005

[17]While these reductions do not directly affect a visitor's experience, they also may hinder the park's ability to carry out operational duties. For example, officials at several park units explained that equipment, such as maintenance trucks, were old and in need of replacement. For several of the park units, certain divisions' personnel costs account for such a large percentage of their allocation for daily operations; therefore, reductions in other areas are not an option. At Grand Canyon National Park, for instance, the interpretive division had approximately $75,000 available in their allocation for daily operations in 2001 to pay for non-personnel costs such as travel and supplies. By 2005, approximately 99 percent of the division's allocation for daily operations was spent on personnel, relying on other authorized funding sources to make up the difference.

winter season. Park officials told us that they chose to close the restrooms in the winter in order to have sufficient resources to keep them open in the summer.

- Grand Canyon National Park reduced interpretive programs available to visitors from 35 in 2001 to 23 in 2005.

- Zion National Park reduced cleaning of a heavily used restroom facility at a popular visitor destination from twice per day to once per day in 2004. Maintenance officials told us that, after reducing the cleaning frequency, they received several complaints about the condition of the facilities.

- At Gettysburg National Military Park, the Maintenance Division has lost one of its key preservation specialist positions responsible for the technical repair and restoration of cannon carriages. According to park officials, the lack of daily operations funds to hire a replacement has impaired the park's cannon carriage restoration project as the first attempt to restore carriages dating from the 1890s. The inability to fill this position has limited the restoration effort, requiring the storage of previously stripped and primed carriages in inadequate storage areas throughout the park. Most carriages will require efforts to reverse the rust damage while in storage. As a result, the estimated completion of the project increased to 15 years from 10 years. The personnel costs required for this extended time period plus the need to re-work the previously readied carriages is estimated to increase the overall costs of the project by approximately $260,000.

- At Yellowstone National Park, the permanent law enforcement staffing level that was paid from daily operations funding was reduced from 51 FTEs in 2001 to 45 FTEs in 2005. Park officials told us that this resulted in fewer back-and front- country patrols, and a reliance on less experienced and less trained personnel to perform these duties.

- At Yosemite National Park, park officials told us that, as a result of reduced funding levels, four vacant dispatcher positions can not be replaced—threatening the park's ability to provide 911 services 7 days per week and 24 hours per day. In order to fill the key deputy chief ranger and fire chief vacancies, park officials have had to forgo re-filling several law and non-law enforcement positions. As a result, remaining staff worked overtime to perform the added responsibilities. With expected retirements, officials said that a critical branch chief position will be unfilled, as will several patrol positions and positions to staff the jail. However, the Department of the Interior stated that Yosemite National Park is working with Lassen Volcanic National Park and Whiskeytown-Shasta-Trinity National Recreation Area to provide joint services and that Yosemite is in full 911 compliance.

- Law enforcement officials at Acadia National Park and Grand Canyon National Park explained that after accounting for personnel costs, little is left to pay for equipment and supplies. For example, officials at Acadia National Park told us that they are unable to replace emergency response equipment, such as vehicles and boats. The park's law enforcement division lost two patrol cars in the last three years and has been unable to replace the vehicles. Officials at the park told us that to be able to afford to replace one vehicle, they would have to forgo hiring a seasonal ranger—a position that park officials say they must maintain for the safety of park visitors and resources. At Grand Canyon National Park, 1.4 percent of the law enforcement division's funding for daily operations is available for law enforcement supplies and training. Officials at this park told us that this amount is not sufficient to pay for supplies such as first-aid provisions, ammunition, and bullet-proof vests.

Park Units Used Other Authorized Funding Sources to Support Park Service Operations

When funds allocated for daily operations were not sufficient to pay for activities that were previously paid with this source, the park units we visited reported that they deferred activities or relied on other authorized funding sources such as allocations for projects, visitor fees, donations from cooperating associations and friends groups, and concessions fees. Table 8 shows funding from other authorized sources at four of the 12 park units we visited. Tables 18 and 19 in appendix III show funding from other authorized sources for all 12 of the park units we visited.

Table 8: Other Funding Source Amounts from Fiscal Years 2001 through 2005 in Nominal Dollars

Dollars in thousands

Park unit	Other funding source type	2001	2002	2003	2004	2005
Acadia NP						
	Visitor fees	$1,843	$2,011	$1,907	$2,165	$1,870
	Concession fees	105	109	164	381	350
	Donations	395	313	368	514	291
	Other revenue	132	136	180	192	66
Grand Canyon NP						
	Visitor fees	16,661	14,558	13,702	14,425	13,927
	Concession fees	5,750	4,091	3,591	3,337	5,787
	Donations	176	254	301	287	227
	Other revenue	2,766	2,850	2,581	2,731	3,216
Grand Teton NP						
	Visitor fees	4,602	4,755	4,840	4,626	3,475
	Concession fees	0	0	1,208	1,557	930
	Donations	188	125	457	402	8,744
	Other revenue	107	137	165	158	163
Sequoia Kings Canyon NP						
	Visitor fees	2,151	2,395	2,458	2,474	2,154
	Concession fees	1	2	0	7	150
	Donations	69	131	24	29	51
	Other revenue	1,174	1,451	1,394	1,331	1,266

Source: GAO analysis of Park Service data from selected park units.

Note: The other revenue category includes authorized revenue collected from various other miscellaneous sources. Examples of other revenue include rent collected through employee housing, transportation fees, cell tower permits, boat permits, and outfitter permits.

From 2001 to 2005, some parks delayed performing certain preventative maintenance activities formerly paid with allocations for daily operations until other authorized funding sources, such as project funds (including funds for cyclic maintenance, repair and rehabilitation, and visitor fees) could be found and approved. Park officials explained that, when preventative maintenance is deferred, the integrity of an asset is reduced—which can lead to replacing the asset at a greater cost than repairing it. Park Service headquarters officials told us that they are concerned about this decreased capacity and have reacted to the problem by requesting increases in project funding, such as cyclic maintenance, over the past few years. The following examples illustrate delayed activities that occurred at the park units we visited.

- Shenandoah National Park reduced maintenance staffing levels paid from daily operations funding from 67 FTEs in 2001 to 44 FTEs in 2005, which decreased the park's ability to perform routine maintenance of trails and scenic overlooks. This work was traditionally considered a recurring operational activity paid for on an annual basis through funding for daily operations. In 2002, as a result of limited funding for daily operations, the park did not have the staff or resources to do this work annually and instead began performing the tasks once every 2 or 3 years. The park currently uses cyclic maintenance project funding to carry out this work and plans to use visitor fees to pay for this activity in the future.

- At Grand Teton National Park, officials told us that the road striping and chip sealing process—which should be performed annually to extend the life of a road 10 to 15 years—can no longer be paid with funding for daily operations. Consequently, officials told us that they have had to delay the maintenance activity and rely on less frequently available project funds.

Rather than eliminating or not performing daily operational activities, some park units used volunteers and funding from authorized sources such as donations from non-profit partners and concessionaires' fees to accomplish activities that were formerly paid with daily operations funds.[18] Officials at several park units said that they increasingly depend on donations from cooperating associations to pay for training and equipment and rely on their staff and volunteers to provide information and educational programs to visitors that were traditionally offered by park rangers. Funds from these sources can be significant, but they are subject to change from year to year. For example, park officials explained that donations at Grand Teton fluctuated from about $188,000 in 2001 to over $400,000 in 2004, and then increased to over $8 million in 2005 when the park received a substantial gift for a new visitor center from their non-profit park partners. For the most part, funding from these sources is intended to supplement, rather than replace, daily operations funds. However, officials told us that these funds are being used to pay for

[18]Tables 18 and 19 in appendix III show nominal and inflation-adjusted funding for other authorized funding sources for the 12 park units we visited.

activities that were formerly paid with funding for daily operations. To illustrate:

- Officials at Sequoia and Kings Canyon National Parks told us that 60 percent of all visitor center staffing hours in 2005 were provided by their cooperating association compared to approximately 10 percent in 2001.

- At Grand Canyon National Park, the interpretive division had approximately $75,000 available in daily operations funding in 2001 to pay for non-personnel costs such as travel and supplies. By 2005, approximately 99 percent of the division's funds were spent on personnel, and the park relied on their cooperating association to pay for non-personnel costs.

- In 2003, Yellowstone National Park constructed The Heritage Center with line item construction appropriations to house 5.3 million artifacts of natural and cultural significance. In 2001, the park requested but did not receive $807,000 in its park's daily operations funds to pay for the center's operating costs. While the park absorbed an estimated utility cost of $250,000 per year, they relied on their non-profit partners—the Yellowstone Foundation and the Yellowstone Cooperative Association—to help staff, furnish, and support museum and archive acquisitions.

- Badlands National Park officials stated that approximately 65 percent of visitor contacts in 2004 were provided by employees of the park's nonprofit partner—the Badlands Natural History Association—compared to 45 percent in 2001.

- At Grand Teton National Park and Gettysburg National Military Park, park partners are paying for the construction of a new visitor center and are creating endowments to operate the new facilities for a set number of years.

- In 2005, Grand Teton National Park turned over operations of five campgrounds to concessionaires. Park officials reported that by transferring these campgrounds, they reduced personnel and maintenance costs associated with operating the campgrounds. However, officials stated that a reduction in park-funded seasonal custodians has meant that fewer staff are available to clean restrooms and pick up litter. Officials said there was a noticeable increase in litter in the park in 2005.

- Acadia National Park's partner, The Friends of Acadia, has supplied support in the form of funding and volunteer hours to maintain the park's trail system. Other parks, including Grand Teton National Park and Yellowstone National Park, are considering similar options to maintain their trail systems because funding for daily operations is no longer available to cover all operational needs.

Officials at several park units expressed concern about using funding from other authorized sources to address shortfalls—not only because the funds can vary from year to year, but also because these partners' stipulations on how their donations can be used may differ from the parks' priorities. As a result, relying on these sources for programs that require a long-term funding commitment could be problematic. For example, until 2004 the Natural Resources Division at Badlands National Park used visitor fees to pay for natural resource programs (e.g., bighorn sheep restoration and non-native plant control). However, to meet deferred maintenance spending goals, the park could no longer submit projects for approval to use visitor fee revenue to support natural resource programs. Officials at several park units also told us that, as they increasingly rely on such sources, more of their time must be spent cultivating relationships and applying for grants, rather than performing their regular duties.

The Park Service Has Undertaken Three Management Initiatives to Address Fiscal Performance and Accountability of Park Units

The Park Service identified three management initiatives that it has undertaken to address the fiscal performance and accountability of park units and to better manage within their available resources: the Business Plan Initiative (BPI), the Core Operations Analysis (COA), and the Park Scorecard. Each initiative operates independently and they are at various stages of development and implementation. In addition, the Department noted in its comments to us that there are other efforts such as the Office of Management and Budget's analysis under the Program Assessment Rating Tool (PART) that contribute to park unit and departmental efforts to achieve more effective programs and efficient operations. Table 9 summarizes each of the three initiatives that we reviewed and their stages of implementation.

Table 9: Park Service Management Initiatives to Address Park Units' Fiscal Performance and Accountability

Management initiative	Description	Development and implementation
Business Plan Initiative	Park managers, with the help of business interns, identify all sources and uses of park funding and operational requirements to determine levels needed to operate and manage their park. From this, a plan is developed to address any gaps between available funds and park unit needs.	• Park Service headquarters and regional offices seek voluntary participation in the BPI process • First BPI was prepared in 1997 by Yellowstone National Park • About 12 park units participate in a BPI every year • As of January 2006, 25 percent of all park units have participated
Core Operations Analysis	A step-by-step process where park unit, regional, and headquarters officials evaluate the park unit's core mission and identify essential park unit activities and associated funding needs.	• Developed in 2004 • The Park Service intends to have all park units complete a COA by 2011 • To achieve this goal, the Park Service will select 50 park units per year to participate
Park Scorecard	Headquarters officials use a series of indicators to compare each park unit's fiscal and operational condition, and managerial performance.	• Is in the development stage • Used to justify park units' budget increases for daily operations in 2005 • To be used to support and evaluate park operations in the future

Source: GAO analysis of Park Service data.

Business Plan Initiative

Through the BPI process, park unit staff—with the help of business interns from the Student Conservation Association—identify all sources and uses of park funds to determine funding levels needed to operate and manage park units.[19] Using this information, park unit managers develop a 5-year business plan to address any gaps between available funds and park unit operational and maintenance needs. The process used in the BPI involves 6 steps, completed over an 11-week period. Park staff and the business interns (1) identify the park unit's mission; (2) conduct an inventory of park assets; (3) analyze park funding trends; (4) identify sources and uses of park funding; (5) analyze park operations and maintenance needs; and (6) develop a strategic business plan to address gaps between funds and park needs. The BPI began in 1997 as a result of a partnership between the Park Service and the National Parks Conservation Association. Their goals were to ensure that superintendents of park units had the knowledge and data to develop cost-reducing strategies and make a rational case for funding proposals.

[19]The Student Conservation Association provides high school and college students (among others) with conservation service internships and volunteer opportunities in the National Parks, National Forests, and other public lands.

Yellowstone National Park completed the first business plan in 1997.[20] Since then, about 25 percent of all park units have participated in the process. Most of the participation has come from smaller park units—those with a budget for daily operations under $2 million per year. The Park Service selects about 12 park units per year to participate in the BPI process, but their participation is voluntary. Park units are selected based on a number of factors including (1) geographic diversity, (2) unit types (e.g., national park, national historic site, national recreation area, national monument), (3) whether the park units have sufficient staffing and funding resources to conduct the BPI process, and (4) whether the timing for the park unit to conduct a BPI is appropriate. For instance, in some cases, park units selected for the BPI are subsequently unable to participate because they are undergoing major management initiatives or changes (e.g., preparing a general management plan or changing park superintendents); a park unit may also hold an event that represents an anomaly and may skew the financial condition of the park unit . For example, the Canaveral National Seashore was scheduled to complete the BPI process in fiscal year 2005 but did not due to damage to some of the park unit's assets caused by hurricanes in 2004.

All 12 of the park units we visited have completed a business plan.[21] Many officials—both at the unit level and headquarters—stated that business plans are, among other things, useful in helping them identify future budget needs. Once completed, park managers often issue a press release to announce its completion. Park managers may also send copies to their legislators, local community councils, and park unit partners (such as cooperating associations) to communicate the results. A Park Service official stated, however, that the Park Service is still working to refine how these business plans can serve as a better tool for justifying funding needs.

Core Operations Analysis

The COA was developed in 2004 to help park unit managers evaluate their park unit's core mission, identify essential park unit activities and associated funding levels, and make fully informed decisions on staffing

[20]In 1996, Yellowstone National Park made a decision to close the Norris Campground and a nearby museum to decrease costs. Following complaints from visitors, Congress asked Yellowstone to account for the savings, which proved a difficult task.

[21]Park Service officials said that two out of the twelve park units we visited (Grand Canyon and Yosemite National Parks) completed a BPI through contracting external consultants on their own.

and funding. The COA is part of a broader Park Service-wide effort to integrate management tools to improve park efficiency. Park Service headquarters and regional officials and park unit staffs work together in a step-by-step process to conduct the analysis. These steps include preparing a 5-year budget cost projection (BCP) to establish baseline financial information and help project future park needs, defining core elements of the park unit's mission, identifying park priorities, reviewing and analyzing activities and associated staff resources, and identifying efficiencies. Budget staff for each park unit first complete a 5-year BCP that uses the current year's funding level for daily operations as a baseline, and estimates future levels, increases in non-personnel costs, and fixed costs such as salaries and benefits. The general target of the analysis is to adjust personal services and fixed costs at or below 80 percent of the unit's funding levels for daily operations.

The BCP model relies heavily on fixed costs, however the Park Service has not developed a servicewide standard definition of fixed costs so individual park units may calculate fixed costs differently. For example, fixed costs at some of the park units we visited included the costs of both personnel and utilities, whereas at other park units it only included personnel costs. As such, fixed costs used in the BCP model vary among park units. Although the COA is in the development stage, the Park Service plans to have all units complete an analysis by the end of fiscal year 2011. To achieve this goal, the Park Service will select 50 parks per year to participate.

Three of the 12 park units we visited have completed (or are in the process of completing) a COA, and 3 will begin the COA in fiscal year 2006. The remaining 6 park units we visited have yet to be selected. Park unit officials told us that the preliminary results have helped them determine where efficiencies in operations might accrue. A Park Service regional official told us that the core operations process is still in its early development, noting that preliminary results are useful but too early to determine results to be realized by the park units.

Park Scorecard

Park Service headquarters developed the Park Scorecard beginning in fiscal year 2004 to serve as an indicator of each park unit's fiscal and operational condition, and managerial performance. The Scorecard is intended to provide an overarching summary of each park unit's condition by offering a way to analyze individual park unit needs. It also provides Park Service officials with information needed to understand how park units compare to one another based on broad financial, organizational, recreational, and resource-management criteria. The Park Scorecard uses data from Park Service-wide databases already used by all park units. Park Service headquarters uses over 30 separate indicators as measures of the condition of park units. Examples of these indicators include personnel costs as a percentage of daily operations allocations, average overtime costs, the ratio of volunteer hours to total Park Service hours, operational and maintenance costs per square foot, and annual growth in visitation, to name a few. The result of the analysis using these indicators is a numerical value that is assigned to each measure leading to an assessment of being in poor, fair, good, or excellent operational condition.

Although the Park Scorecard is still under development, the Park Service's headquarters budget office used it to validate and approve requests for increases in daily operations allocations for the highest priorities among park units to be funded out of a total of $12.5 million that was provided in 2005 for daily operations directed at visitor service programs. The Park Service approved requests for funding at three out of the twelve parks we visited (Badlands National Park, Grand Teton National Park, and Yellowstone National Park). Park Service officials explained that while Park Scorecard figures can generate useful park unit comparisons, regional policies can also influence the indicators; while these numbers provide a good starting point for analysis, park unit staff input must be a consideration in determining park priorities. Park officials further explained that it is difficult to develop a set of common indicators that can be used for parks units with different characteristics, such as Yellowstone National Park and Carl Sandburg Home National Historic site. Park Service headquarters officials, with the assistance and input of park unit managers, plan on refining the Park Scorecard to more accurately capture all appropriate park measurements and to identify, evaluate, and support future budget increases for park units. The Park Service also intends for park managers to use the Park Scorecard to facilitate discussions about their needs and priorities.

Conclusions

From 2001 through 2004, the Park Service increased allocations for support programs and project funding while placing less of an emphasis on allocations for daily operations. In 2005, however, the agency emphasis shifted toward an increase in allocations for daily operations. As evidenced by our visits to 12 park units, this later shift appears to be going in the direction needed to help the park units overcome some of the difficulties they have recently experienced in meeting operational needs—particularly as they relate to maintaining visitor services and protecting resources. In responding to these trends, park unit officials found ways to reduce spending on their allocations for daily operations and identify and use authorized sources other than these allocations to minimize some impacts on park operations and visitor services. While park units are relying more on other authorized sources to perform operations, using such funds has its drawbacks because it usually takes park units longer, with more effort from park employees, to obtain and use these sources. In the case of donations, for example, park officials spend more time grooming relationships with donors to obtain the funds. Visitor fees have been an important and significant source of funds for park units to address high-priority needs, such as reducing its maintenance backlog. However, Park Service policy prohibiting the use of visitor fees to pay salaries of permanent employees managing projects may reduce the flexibility in managing the use of funding for daily operations. While Park Service officials stated that they are embarking upon three management initiatives to improve park performance and accountability—and to better manage within available resources—it is too early to assess the effectiveness of these initiatives.

Recommendation for Executive Action

To reduce some of the pressure on funding for daily operations, we are recommending that the Secretary of the Interior direct the Park Service Director to follow through in revising Park Service policy to allow park units to use visitor fee revenues to pay the costs of permanent employees administering projects funded by visitor fees to the extent authorized by law.

Agency Comments and Our Response

We provided the Department of the Interior with a draft of this report for review and comment. The department provided written comments that are included in appendix V. The following represents a summary of the major comments made by the department and our response. Additional comments and our response are also provided in appendix V. With regard to our recommendation, the department stated that we should clearly state that visitor fee revenue (and not other sources) be used to fund only a limited number of permanent employees and be specifically defined for the sole purpose of executing projects funded from fee revenue. Our recommendation was specifically directed at using visitor fee revenues for paying the salaries of permanent employees who administer projects funded with such revenues and provides the Park Service with the flexibility to define how the visitor fee revenues should be applied.

Accordingly, we have not modified our recommendation in response to the department's comment.

The department appreciated the diligent work of the team that prepared the report and the large amount of data collected, but had concerns that the presentation of the data in the report creates a misleading impression concerning the state of park operations for several reasons. The department said our report provided an incomplete analysis of the financial status of the park units and left the impression that park budgets have not been emphasized. We disagree with this view. We conducted a detailed analysis of the major funding trends for park operations. For example, we reported the overall funding trends for operations, including appropriations from the ONPS account, in relation to the Park Service's total budget authority. As the report indicates, this trend showed that appropriations to the ONPS account increased overall during our study time frame at a higher rate than the Park Service's total budget authority. We also analyzed the trends in both allocations for daily operations and projects for the park service as a whole and for each of the 12 high-visitation park units we visited. Moreover, the report showed that the fiscal year 2005 appropriation for the ONPS account included an additional $37.5 million over the amounts proposed by the House and Senate for the Operation of the National Park System account, to be used for daily operations. Furthermore, the report discusses the impacts that these trends have had on operations at the 12 parks we visited. In response to the department's comments, we have included more examples in the report showing where project funds have been used by park units.

The department also commented that within a constrained fiscal environment, park operations have been a high priority for both the Administration and the Congress. Such an analysis would require a much broader review comparing the Park Service's budget with budgets of other federal agencies, which was beyond the scope of our review. The department commented that the report draws a "false dichotomy" between operations and project funding. Specifically, it said that the visitor experience at national parks is shaped not only by direct visitor services activities such as ranger interpretive programs, but also by the condition of park facilities and the natural resources. We agree that daily operations allocations—which funds activities such as ranger interpretive programs—and project allocations—which funds facility improvements—are both important to park operations and visitor experiences. Furthermore, we believe there is an important distinction between how park units can use daily operations allocations as opposed to allocations for projects. In fact, the Park Service itself allocates ONPS appropriations in these distinct categories. Daily operations allocations are used to pay for operating expenses such as permanent and temporary employees to perform day to day activities such as interpretive programs and cleaning restrooms. In contrast, Park Service procedures require that project-related allocations are to be used only for projects and not for day to day activities. The report recognizes this distinction by presenting these trends separately and by providing examples of how park units are using these two sources of allocations to conduct operations.

The department also stated that the report's use of several park anecdotes concerning reduced allocations for daily operations is misleading. Specifically, the department stated that the anecdotes within the report highlight only certain divisions or programs in which a park significantly reduced staffing in isolation from the park unit's overall staffing, allocations for daily operations, and allocations for projects, as well as the overall employment levels at the Park Service as a whole. While the department noted in its comments that overall the balance of seasonal and permanent employees remained stable in 2005 compared to 2001, we found that for most of the 12 high-visitation park units we visited, that ratio of seasonals to permanent employees increased. We believe that these park specific FTE trends are better indicators of an individual park unit's ability to maintain services at the park units than servicewide FTE trends. Analysis of activities at 12 specific park units was one of our report objectives and we continue to believe that the specific park examples adds to the report by illuminating the issues identified at the 12 park units that we visited—namely that officials at the park units reported that their daily operations allocations have not kept pace with increasing personnel costs, rising utility costs, and increased responsibilities. We provided examples of the tradeoffs park managers made to manage within their available resources that illustrate what park managers consistently told us about their ability to maintain park operations such as visitor service levels. In addition, we provided overall FTE trends for the park units we visited, including those FTEs paid with allocations for daily operations and those paid with other authorized sources. These trends show that most of the park units are increasingly relying on sources other than daily operations allocations to maintain FTE levels.

In addition, the department said that the report relies on the use of budget and financial data but does not examine performance information, the trends in accomplishments, or efforts to improve service delivery over the time period of our study. Specifically, it mentioned the Park Service's and the administration's measurement of performance and related cost information, the analysis of allocations for daily operations through the PART process, and efforts in management excellence. It said that all of these efforts, including Park Service-specific tools such as the Core Operations Analysis are yielding results in achieving more effective programs and more efficient operations. In addition, the department states that the Park Service has adopted new ways of doing business including centralizing some services and systems under the department. Specifically, the comments describe a department-wide effort to purchase information technology hardware and software and other consumables, as well as Park Service efforts to limit travel, provide more efficient training, and use volunteers. We added additional information to the report to reflect these efforts. As recognized by the department, the report provides information on the major management initiatives that the Park Service has undertaken, such as COA, BPI, and the Park Scorecard, which are designed to assist managers to develop fully informed decisions which direct park resources toward functions that are essential to achieving mission goals and also serve as a part of management planning efforts.

With regard to the department's comment regarding accomplishments, we point out that for the most part, the initiatives underway were in their early stages of development and it was too soon to determine results. We did however, identify several examples of how park managers at the parks we visited reported that they are increasingly relying on volunteers to perform activities that were previously funded through allocations for daily operations and their efforts to limit travel and training, among other expenses, to reduce impacts on visitor services.

Finally, the department commented that, although there is not a perfect inflation adjustment index available to accurately determine an index of Park Service operating costs, the specific price index we used for deflating Park Service funding and operating costs—Gross Domestic Product (GDP) Price Index for Government Consumption Expenditures and Gross Investment (federal nondefense sector)—measures changes in the value of government output using the cost of inputs such as compensation of employees. The department said that it believes it might be more appropriate to use the GDP (Chained) Price Index because it is based upon costs of goods and services in the marketplace and it therefore considers productivity and other management enhancements; the department also said that this broader price index is not a perfect index either. The department added that using the broader index would provide significantly different results; that is, the inflation-adjusted trends in funding for daily operations would generally be more positive. We agree that there is not a perfect index available to accurately determine an index of Park Service operating costs, and we agree that using a broader index would yield different results. Nonetheless, we believe that using the GDP Price Index for Government Consumption Expenditures and Gross Investment (federal nondefense sector) better represents the real quantity of services that the agency's budget provides over time. In general, when removing the effects of price changes, it is preferable to use a specific price index that matches the composition of the nominal dollar amounts under consideration. As we noted in the report, this price index reflects changes in the value of government output, as measured by the cost of inputs such as compensation of employees and purchases of goods and services. Input costs are used in constructing the index because most government output is not sold in the market place. For the Park Service, most of the operating costs consist of employee compensation. As a result, the specific price index we used assigns greater weight to changes in federal workers' compensation than does the more general GDP (Chained) Price Index. While the GDP (Chained) Price Index reflects productivity improvements in the overall economy, it is partly based on input costs and a large portion of the basket of goods it represents reflects personal consumption, including food, clothing, and housing, which are less relevant for assessing real trends in the Park Service's operating costs.

As agreed with your office, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies of this report to the Secretary of the Interior and other interested parties. We will also make copies available to others upon request. In addition, the report will be available at no charge on the GAO Web site at http://www.gao.gov.

If you or your staff have questions about this report, please contact me at (202) 512-3841 or nazzaror@gao.gov. Contact points for our offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report are listed in appendix VI.

Robin M. Nazzaro

Robin Nazzaro
Director, Natural Resources
and Environment

Scope and Methodology

This appendix presents the methods we used to gather information on National Park Service (Park Service) funding trends, their impacts on selected park units, and management initiatives under way to address fiscal performance and accountability.

To identify funding trends for Park Service operations and visitor fees from fiscal years 2001 through 2005, we obtained and analyzed appropriations legislation, including appropriations for the Operation of the National Park System account (consisting of funding for daily operations, projects, and other support programs), and visitor fees. We analyzed the data in both nominal (actual) and real (adjusted for inflation) terms. To remove the effects of inflation, we adjusted nominal dollars using the Gross Domestic Product (GDP) Price Index for Government Consumption Expenditures and Gross Investment (federal nondefense sector), with 2001 as the base year. The price index reflects changes in the value of government output, measured by the cost of inputs, including compensation of employees and purchases of goods and services. Consistent with the proportion of the Park Service's operating expenditures on personnel, this price index is more heavily weighted by changes in federal workers' compensation than the overall GDP price index. We gathered funding data from the Park Service Budget Office on allocations from the ONPS account for daily operations, projects, and other support programs. In addition to obtaining data on allocations for daily operations on a servicewide level, we also gathered data on the allocations for daily operations for individual park units to determine how many have received operating increases or decreases, and how many have remained relatively constant.[1] We also obtained data on recreation visits from the Park Service's Public Use Statistics Office for park units to analyze allocations for daily operations in relation to visitation rates.[2] We also interviewed agency officials at Park Service Headquarters, the Pacific West Region, the Intermountain Region, and individual park units in addition to those listed below, including Mount Rainier National Park, Olympic National Park, Point Reyes National

[1]The Park Service currently has 390 park units. Some of these units are managed together and have combined budgets. We eliminated ten units from our analysis because these units did not receive funding for daily operations each year during our 5-fiscal-year time frame.

[2]The Park Service defines a recreation visit as the entry of a person onto lands or waters administered by the Park Service for recreational purposes excluding government personnel, through traffic (commuters), trades-persons and persons residing within park unit boundaries. Twenty-two of the remaining 380 park units do not report recreation visitation statistics for the 5 fiscal years in our analysis. Consequently, we analyzed 358 park units for visitation and daily operations funding trends.

Seashore, and the San Francisco Maritime National Historical Park. We assessed the reliability of the data by reviewing the methods of data collection for relevant Park Service databases. We determined that the data were sufficiently reliable for the uses in this report.

To determine the funding trends for certain individual park units and how the trends affected their ability to provide services to visitors, we collected and analyzed data and reviewed operational impacts at the nonprobability sample[3] of 12 park units visited; we also interviewed park unit officials about their funding trends, operational impacts, and policy requirements. The 12 park units represent a cross-section of high-visitation parks (greater than 500,000 visits per year) with potentially a large number of visitor services, regional diversity, and a range of allocations for daily operations. In addition, based on preliminary figures, we sought a cross-section of parks that had sustained varying levels of growth in their allocations for daily operations. Table 10 lists the 12 parks we visited, their primary features, and their location.

[3]Results from a nonprobablility sample cannot be used to make inferences about a population, because in a nonprobability sample some elements of the population being studied have no chance—or an unknown chance—of being selected as part of the sample.

Table 10: Park Service Units that GAO Visited

Park unit	Primary features	Region and location
Acadia NP	Mountains, woodlands, lakes and ponds, and ocean shoreline, historic roads	Northeast Region, Maine
Badlands NP	Buttes, pinnacles and spires, mixed grass prairie, wildlife	Midwest Region, South Dakota
Bryce Canyon NP	Limestone amphitheaters, canyons and spires	Intermountain Region, Utah
Gettysburg NMP	Civil war battlefield	Northeast Region, Pennsylvania
Grand Canyon NP	Canyons, river, geologic features	Intermountain Region, Arizona
Grand Teton NP	Mountains, lakes, wildlife	Intermountain Region, Wyoming
Mt. Rushmore NMem	Granite memorial	Midwest Region, South Dakota
Sequoia and Kings Canyon NP	Mountains, canyons, giant sequoias, rivers	Pacific West Region, California
Shenandoah NP	Mountains, valleys, historic drive, wildlife	Northeast Region, Virginia
Yellowstone NP	Thermal features, wildlife, lakes, rivers, mountains	Intermountain Region, Wyoming, Montana, Idaho
Yosemite NP	Waterfalls, mountains, wildlife, giant sequoias	Pacific West Region, California
Zion NP	Canyons, cliffs, river, wildlife	Intermountain Region, Utah

Legend

NP = National Park
NMP = National Military Park
NMem = National Memorial

Source: GAO.

For each of the 12 park units, we collected data on funding trends, and park operations including visitor services. We collected park data on budget formulation, budget allocation, expenditures, and staffing trends. We sent uniform data requests to the 12 park units, provided uniform guidance and interactively worked with park officials to compile the data.[4] We also obtained information on operations such as (1) visitor and resource protection (e.g. law enforcement rangers), (2) facilities operation and maintenance (e.g. opening a campground or a visitor center and maintaining a building or trail), (3) resource management (e.g. monitoring the condition of threatened species or water quality), (4) interpretation and

[4]We provided the park units with standard data requests and standard instructions on how to compile the data. We followed up with the park units to determine what assumptions were made during data collection and worked with park officials to try to ensure that the parks units made the same assumptions.

education (e.g. interpretive rangers to provide educational programs), and (5) park administration and support (e.g. updating computer systems or attending training). Each of these operational areas has some role in providing visitor services. We assessed the reliability of the data by reviewing the methods of data collection for relevant Park Service databases. We determined that the data are sufficiently reliable for the purposes of this report.

To identify recent management initiatives the Park Service has under way to address fiscal performance and accountability for fiscal years 2001 to 2005, we gathered and reviewed documentation on several management initiatives including the Business Plan Initiative, the Core Operations Analysis, and the Park Scorecard. For the Business Plan initiative, we interviewed park service officials at headquarters and individual park units on the content of the analysis, procedures, and final plans. For the Core Operations Analysis, we interviewed park officials in the Intermountain Region and at individual park units that are in the process of performing the analysis including Grand Canyon National Park, and Yellowstone National Park. For the Park Scorecard, we reviewed documentation and interviewed Park Service Headquarters officials on the development and implementation of the initiative.

We conducted our work from January 2005 to March 2006 in accordance with generally accepted government auditing standards.

Operation of the National Park System Account and Visitor Fee Revenue, Fiscal Years 2001 through 2005

Tables 11 and 12 show trends in appropriations in both nominal and inflation-adjusted terms for the Operation of the National Park System Account, including allocations for daily operations and support programs. In addition, the tables show the trends for visitor fees collected by the Park Service from fiscal years 2001 through 2005.

Table 11: Operation of the National Park System Account and Visitor Fee Revenue, in Nominal Dollars, Fiscal Years 2001 through 2005

Dollars in thousands

	Fiscal years					
Operation of the National Park System Account	**2001**	**2002**	**2003**	**2004**	**2005**	**Average annual change (%)**
Daily operations allocations						
Park units	$903,149	$940,063	$961,665	$968,095	$1,028,649	3.31
National trail system	4,758	5,108	5,049	5,458	5,925	5.64
Other field offices and affiliated areas	7,607	9,854	10,071	10,502	12,732	13.74
Total allocations for daily operations	**$915,514**	**$955,025**	**$976,785**	**$984,055**	**$1,047,306**	**3.42**
Projects and other support programs						
Support programs						
Cyclic Maintenance[a]	$34,534	$32,302	$51,866	$65,083	$62,842	16.15
Repair and Rehabilitation	58,453	72,640	84,353	94,423	95,100	12.94
Central offices	119,379	130,710	130,306	136,916	139,116	3.90
Field resource centers	3,954	4,185	4,229	4,250	4,147	1.20
Other support programs	8,655	10,855	10,847	3,044	3,050	-22.95
Subtotal support programs	**$224,975**	**$250,692**	**$281,601**	**$303,716**	**$304,255**	**7.84**
Servicewide programs						
Training programs	$8,701	$12,232	$14,153	$13,893	$12,532	9.55
Cooperative programs	8,145	10,146	15,044	18,220	10,796	7.30
Information technology programs	0	0	0	797	5,120	n/a
Other servicewide programs	136,330	152,791	169,216	185,996	189,792	7.90
Subtotal servicewide programs	**$153,176**	**$175,169**	**$198,413**	**$218,906**	**$213,240**	**8.62**
Subtotal external administrative costs	**$99,408**	**$105,312**	**$107,532**	**$112,951**	**$123,935**	**5.67**
Total projects and other support programs	**$477,559**	**$531,173**	**$587,546**	**$635,573**	**$641,430**	**7.65**
Total for Operation of the National Bank System account	**$1,393,073**	**$1,486,198**	**$1,564,331**	**$1,619,628**	**$1,688,736**	**4.93**
Visitor fee revenue[b]	**$140,413**	**$140,997**	**$140,403**	**$148,952**	**$146,805**	**1.12**

Source: GAO analysis of National Park Service data.

[a]Cyclic Maintenance allocations include both Regular Cyclic Maintenance and Cyclic Maintenance for Historic Properties program.

[b]Visitor fee revenue include revenue collected from the Recreational Fee Program and the National Parks Passport Program.

Table 12: Operation of the National Park System Account and Visitor Fee Revenue, in Inflation-Adjusted Dollars, Fiscal Years 2001 through 2005

Dollars in thousands

	Fiscal years					
Operation of the National Park System Account	**2001**	**2002**	**2003**	**2004**	**2005**	**Average annual change (%)**
Daily Operations Allocations						
Park units	$903,149	$910,032	$906,376	$875,312	$892,924	-0.28
National trail system	4,758	4,945	4,759	4,935	5,143	1.97
Other field offices and affiliated areas	7,607	9,539	9,492	9,495	11,052	9.79
Total	**$915,514**	**$924,516**	**$920,627**	**$889,742**	**$909,120**	**-0.18**
Projects and other support programs						
Support programs						
Cyclic Maintenance[a]	$34,534	$31,270	$48,884	$58,845	$54,550	12.11
Repair and Rehabilitation	58,453	70,319	79,503	85,373	82,552	9.01
Central offices	119,379	126,534	122,814	123,794	120,760	0.29
Field resource centers	3,954	4,051	3,986	3,843	3,600	-2.32
Other support programs	8,655	10,508	10,223	2,752	2,648	-25.63
Subtotal support programs	**$224,975**	**$242,683**	**$265,411**	**$274,608**	**$264,110**	**4.09**
Servicewide programs						
Training programs	$8,701	$11,841	$13,339	$12,561	$10,878	5.74
Cooperative programs	8,145	9,822	14,179	16,474	9,372	3.57
Information technology programs	0	0	0	721	4,444	n/a
Other servicewidepPrograms	136,330	147,910	159,487	168,170	160,410	4.15
Subtotal servicewide programs	**$153,176**	**$169,573**	**$187,006**	**$197,926**	**$185,104**	**4.85**
Subtotal external administrative costs	**$99,408**	**$101,948**	**$101,350**	**$102,126**	**$107,582**	**2.00**
Total projects and other support programs	**$477,559**	**$514,204**	**$553,766**	**$574,659**	**$556,797**	**3.91**
Total for Operation of the National Park System account	**$1,393,073**	**$1,438,720**	**$1,474,393**	**$1,464,401**	**$1,465,917**	**1.28**
Visitor fee revenue[b]	**$140,413**	**$136,493**	**$132,331**	**$134,676**	**$127,435**	**-2.40**

Source: GAO analysis of National Park Service data.

Note: Inflation adjusted figures are in 2001 dollars.
[a]Cyclic Maintenance allocations include both Regular Cyclic Maintenance and Cyclic Maintenance for Historic Properties allocations.
[b]Visitor fee revenue include revenue collected from the Recreational Fee Program and the National Parks Passport Program receipts.

Summary of Funding and Personnel Trends for 12 Selected Park Units

The following tables summarize the data collected from 12 selected park units including 2001 through 2005 total park unit labor expenditures; personnel levels by funding source; employee and labor cost per retirement system (CSRS and FERS); and funding levels by other funding source types.

Table 13: Total Personnel Expenditures at 12 Selected Park Units, in Nominal Dollars, Fiscal Years 2001 through 2005

Dollars in thousands

	Total personnel expenditures[a]					
Park unit	**2001**	**2002**	**2003**	**2004**	**2005**	**Average annual change (%)**
Acadia NP	$3,524	$4,278	$4,796	$5,060	$5,313	10.8
Badlands NP	2,273	2,417	2,453	2,635	2,598	3.4
Bryce Canyon NP	2,204	2,165	2,028	2,101	2,306	1.1
Gettysburg NMP	4,460	4,593	4,537	4,574	4,772	1.7
Grand Canyon NP	13,409	13,413	14,226	14,286	14,529	2.0
Grand Teton NP	6,509	6,566	6,669	7,762	7,746	4.4
Mount Rushmore NMem	2,014	1,906	2,263	2,601	2,939	9.9
Sequoia and Kings Canyon NP	9,164	10,011	10,216	10,361	10,600	3.7
Shenandoah NP	8,578	8,889	9,047	8,865	8,774	0.6
Yellowstone NP	17,587	19,011	20,113	21,069	22,071	5.8
Yosemite NP	17,602	19,858	20,616	20,248	20,444	3.8
Zion NP	4,268	4,648	4,866	4,862	5,094	4.5

Legend

NP = National Park
NMP = National Military Park
NMem = National Memorial

Source: GAO analysis of National Park Service data.

[a]Personnel costs include salaries and benefits for permanent employees and salaries for seasonal employees.

Table 14: Total Personnel Expenditures at 12 Selected Park Units, in Inflation-Adjusted Dollars, Fiscal Years 2001 through 2005

Dollars in thousands

	Total personnel expenditures[a]					
Park unit	**2001**	**2002**	**2003**	**2004**	**2005**	**Average annual change (%)**
Acadia NP	$3,524	$4,141	$4,520	$4,576	$4,613	7.0
Badlands NP	2,273	2,340	2,312	2,383	2,256	-0.2
Bryce Canyon NP	2,204	2,096	1,911	1,900	2,002	-2.4
Gettysburg NMP	4,460	4,446	4,276	4,137	4,143	-1.8
Grand Canyon NP	13,409	12,983	13,407	12,919	12,614	-1.5
Grand Teton NP	6,509	6,356	6,285	7,019	6,724	0.8
Mount Rushmore NMem	2,014	1,845	2,133	2,352	2,552	6.1
Sequoia and Kings Canyon NP	9,164	9,691	9,628	9,369	9,202	0.1
Shenandoah NP	8,578	8,605	8,526	8,017	7,617	-2.9
Yellowstone NP	17,587	18,403	18,957	19,053	19,161	2.2
Yosemite NP	17,601	19,223	19,430	18,310	17,748	0.2
Zion NP	4,268	4,500	4,586	4,397	4,422	0.9

Legend

NP = National Park
NMP = National Military Park
NMem = National Memorial

Source: GAO analysis of National Park Service data.

[a]Personnel costs include salaries and benefits for permanent employees and salaries for seasonal employees.

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Table 15: Personnel (Full Time Equivalent) by Funding Source at 12 Selected Park Units, Fiscal Years 2001 through 2005

		2001	
Park unit	Employee type	Daily operations	Other
Acadia NP	Total	69	44
	Permanent	51	16
	Seasonal	18	28
Badlands NP	Total	48	16
	Permanent	39	9
	Seasonal	8	7
Bryce Canyon NP	Total	40	18
	Permanent	36	6
	Seasonal	4	12
Gettysburg NMP	Total	84	5
	Permanent	75	2
	Seasonal	9	3
Grand Canyon NP	Total	231	183
	Permanent	205	119
	Seasonal	25	64
Grand Teton NP	Total	132	26
	Permanent	95	10
	Seasonal	37	17
Mount Rushmore NMem	Total	42	3
	Permanent	32	1
	Seasonal	9	2
Sequoia and Kings Canyon NP	Total	201	128
	Permanent	155	49
	Seasonal	46	79

2002		2003		2004		2005	
Daily operations	Other	Daily operations	Other	Daily operations	Other	Daily operations	Other
80	43	83	45	82	48	83	44
56	14	59	15	62	14	64	12
24	29	24	30	20	34	19	32
50	24	46	23	45	24	41	26
43	6	41	7	42	7	36	6
7	18	5	16	4	17	5	20
44	13	33	23	34	19	35	16
37	5	29	4	28	5	30	5
7	8	4	19	5	14	5	11
80	9	74	9	69	15	69	11
71	2	66	2	66	2	64	2
9	6	8	7	3	13	5	9
269	178	243	208	230	219	227	193
209	123	210	126	203	131	203	109
60	54	32	83	27	88	25	85
132	71	119	24	132	100	121	72
97	30	86	2	99	44	93	26
35	41	33	22	33	57	28	46
36	11	40	9	39	17	42	18
30	2	33	2	36	4	40	3
7	9	7	7	4	13	2	15
208	131	201	133	196	137	188	135
156	45	153	47	150	50	144	52
53	86	48	86	47	87	45	84

(Continued From Previous Page)

		2001	
Park unit	**Employee type**	**Daily operations**	**Other**
Shenandoah NP	Total	180	51
	Permanent	141	27
	Seasonal	39	24
Yellowstone NP	Total	338	219
	Permanent	253	99
	Seasonal	85	120
Yosemite NP	Total	361	206
	Permanent	318	105
	Seasonal	43	101
Zion NP	Total	83	76
	Permanent	69	32
	Seasonal	13	44

2002		2003		2004		2005	
Daily operations	Other	Daily operations	Other	Daily operations	Other	Daily operations	Other
171	47	181	27	150	52	133	51
145	23	147	15	131	33	123	31
26	24	34	12	19	19	10	20
350	225	338	242	336	251	351	228
258	110	259	109	263	117	257	110
92	114	79	133	73	133	94	119
367	206	348	238	340	236	317	250
316	82	310	105	298	113	286	119
50	124	37	132	42	123	31	130
87	73	87	76	83	77	90	86
75	30	76	32	67	35	73	42
11	43	11	45	16	42	17	44

Legend

NP = National Park
NMP = National Military Park
NMem = National Memorial

Source: GAO analysis of National Park Service data from 12 selected park units.

Note: We provided each park with uniform instructions for completing our data request. However, each park is unique and some parks had to make assumptions and estimates to produce their data, particularly when source data for a specific data request from GAO could not be retrieved directly from a database. For example, AFSIII did not provide a breakdown of FTE by permanent and seasonal for ONPS costs versus all other funds for all 5 years. In addition, some parks had to make assumptions about which FTEs should or should not be included in their answers to GAO. A particular issue was that due to the fire season, fire personnel (FTE) were shared among some parks, making the calculations difficult. GAO did some follow up work to better understand the decisions that individual parks made with regard to reporting FTEs.

Table 16: Employee Numbers and Nominal Personnel Costs Per Retirement System at 12 Selected Park Units, Fiscal Years 2001 through 2005

Dollars in thousands

	2001			2002		
Park unit	**CSRS**	**FERS**	**Total**	**CSRS**	**FERS**	**Total**
Acadia NP						
Employees	20	44	**64**	21	51	**72**
Salaries	$975	$1,349	**$2,324**	$1,130	$1,573	**$2,702**
Benefits	175	411	**587**	205	504	**709**
Total personnel cost	**$1,151**	**$1,760**	**$2,911**	**$1,334**	**$2,077**	**$3,411**
Badlands NP						
Employees	7	43	**50**	7	44	**51**
Salaries	$382	$1,213	**$1,595**	$369	$1,368	**$1,737**
Benefits	69	374	**443**	68	431	**499**
Total personnel cost	**$451**	**$1,587**	**$2,038**	**$437**	**$1,800**	**$2,236**
Bryce Canyon NP						
Employees	5	35	**40**	6	38	**44**
Salaries	$318	$1,441	**$1,760**	$220	$1,267	$1**,487**
Benefits	54	389	**444**	38	400	**438**
Total personnel cost	**$373**	**$1,831**	**$2,204**	**$258**	**$1,667**	**$1,925**
Gettysburg NMP						
Employees	30	47	**77**	32	46	**78**
Salaries	$1,544	$1,966	**$3,510**	$1,659	$2,004	**$3,663**
Benefits	298	553	**851**	308	576	**884**
Total personnel cost	**$1,842**	**$2,519**	**$4,361**	**$1,967**	**$2,581**	**$4,548**
Grand Canyon NP						
Employees	59	307	**366**	51	341	**392**
Salaries	$2,965	$10,279	**$13,245**	$2,744	$11,807	**$14,551**
Benefits	484	2,892	**3,377**	459	3,395	**3,854**
Total personnel cost	**$3,450**	**$13,172**	**$16,621**	**$3,203**	**$15,201**	**$18,405**

2003			2004			2005		
CSRS	FERS	Total	CSRS	FERS	Total	CSRS	FERS	Total
21	60	**81**	19	56	**75**	21	56	**77**
$1,070	$1,933	**$3,002**	$1,165	$2,218	**$3,383**	$1,260	$2,284	$**3,544**
200	625	**826**	220	748	**967**	215	836	**1,051**
$1,270	**$2,558**	**$3,828**	**$1,385**	**$2,965**	**$4,350**	**$1,475**	**$3,120**	**$4,595**
6	47	**53**	6	47	**53**	7	39	**46**
$370	$1,429	**$1,798**	$441	$1,439	**$1,880**	$414	$1,416	**$1,830**
64	476	**540**	75	502	**577**	71	488	**559**
$434	**$1,904**	**$2,338**	**$516**	**$1,941**	**$2,457**	**$485**	**$1,904**	**$2,389**
3	30	**33**	3	31	**34**	4	32	**36**
$207	$1,220	**$1,427**	$195	$1,247	**$1,442**	$258	$1,367	**$1,624**
34	415	**449**	28	407	**435**	41	471	**512**
$240	**$1,636**	**$1,876**	**$223**	**$1,654**	**$1,877**	**$299**	**$1,838**	**$2,136**
32	40	**73**	28	45	**72**	28	43	**71**
$1,799	$1,871	**$3,670**	$1,601	$2,160	**$3,761**	$1,563	$2,057	**$3,621**
326	540	**865**	293	625	**918**	313	636	**949**
$2,124	**$2,411**	**$4,535**	**$1,894**	**$2,785**	**$4,679**	**$1,876**	**$2,694**	**$4,570**
51	331	**382**	50	315	**365**	58	303	**361**
$2,744	$12,910	**$15,654**	$3,052	$13,565	**$16,618**	$3,329	$13,156	**$16,485**
459	3,785	**4,244**	555	4,028	**4,583**	645	4,053	**4,698**
$3,203	**$16,695**	**$19,898**	**$3,607**	**$17,594**	**$21,201**	**$3,973**	**$17,210**	**$21,183**

(Continued From Previous Page)

Dollars in thousands

	2001			2002		
Park unit	**CSRS**	**FERS**	**Total**	**CSRS**	**FERS**	**Total**
Grand Teton NP						
Employees	30	89	**119**	26	90	**116**
Salaries	$1,632	$1,999	**$3,632**	$1,349	$2,909	**$4,258**
Benefits	306	613	**919**	260	926	**1,185**
Total personnel cost	**$1,938**	**$2,612**	**$4,550**	**$1,609**	**$3,835**	**$5,444**
Mount Rushmore NMem						
Employees	8	38	**46**	7	37	**44**
Salaries	$209	$991	**$1,201**	$283	$1,087	**$1,369**
Benefits	43	348	**391**	45	393	**438**
Total personnel cost	**$253**	**$1,339**	**$1,592**	**$328**	**$1,479**	**$1,807**
Sequoia and Kings Canyon NP						
Employees	33	158	**191**	33	165	**198**
Salary	$1,581	$4,449	**$6,030**	$1,712	$5,001	**$6,713**
Benefit	275	1,293	**1,569**	329	1,506	**1,835**
Total personnel cost	**$1,857**	**$5,742**	**$7,599**	**$2,042**	**$6,507**	**$8,549**
Shenandoah NP						
Employees	62	117	**179**	57	141	**198**
Salaries	$2,669	$3,704	**$6,373**	$2,730	$3,768	**$6,498**
Benefits	531	1,201	**1,732**	559	1,243	**1,802**
Total personnel cost	**$3,200**	**$4,905**	**$8,105**	**$3,289**	**$5,011**	**$8,299**
Yellowstone NP						
Employees	55	185	**239**	53	195	**247**
Salaries	$3,082	$7,625	**$10,707**	$3,194	$8,402	**$11,596**
Benefits	511	2,473	**2,984**	561	2,798	**3,359**
Total personnel cost	**$3,593**	**$10,099**	**$13,692**	**$3,755**	**$11,200**	**$14,955**

2003			2004			2005		
CSRS	FERS	Total	CSRS	FERS	Total	CSRS	FERS	Total
24	83	**107**	20	101	**121**	17	106	**123**
$1,282	$3,094	**$4,376**	$1,072	$4,019	**$5,091**	$889	$4,196	**$5,084**
233	993	**1,227**	180	1,305	**1,484**	163	1,461	**1,624**
$1,516	**$4,087**	**$5,603**	**$1,251**	**$5,324**	**$6,575**	**$1,051**	**$5,657**	**$6,708**
6	46	**52**	5	52	**57**	2	55	**57**
$268	$1,401	**$1,669**	$264	$1,727	**$1,991**	$60	$2,133	**$2,193**
46	451	**497**	37	613	**649**	10	694	**703**
$314	**$1,852**	**$2,165**	**$301**	**$2,340**	**$2,640**	**$70**	**$2,827**	**$2,897**
29	162	**191**	25	162	**187**	23	163	**186**
$1,646	$5,207	**$6,853**	$1,528	$5,608	**$7,136**	$1,242	$5,752	**$6,994**
312	1,660	**1,972**	291	1,813	**2,103**	223	1,911	**2,134**
$1,957	**$6,867**	**$8,824**	**$1,818**	**$7,421**	**$9,239**	**$1,466**	**$7,663**	**$9,128**
53	136	**189**	44	123	**167**	43	110	**153**
$2,538	$3,913	**$6,452**	$2,288	$4,132	**$6,420**	$2,216	$4,122	**$6,337**
496	1,335	**1,831**	467	1,445	**1,912**	466	1,484	**1,950**
$3,034	**$5,249**	**$8,282**	**$2,756**	**$5,577**	**$8,332**	**$2,681**	**$5,606**	**$8,287**
51	208	**259**	45	209	**255**	38	214	**252**
$3,180	$9,482	**$12,663**	$3,002	$10,076	**$13,078**	$2,766	$10,928	**$13,694**
534	3,221	**3,756**	497	3,496	**3,993**	453	3,910	**4,363**
$3,715	**$12,704**	**$16,419**	**$3,499**	**$13,571**	**$17,071**	**$3,219**	**$14,837**	**$18,057**

(Continued From Previous Page)

Dollars in thousands

	2001			2002		
Park unit	**CSRS**	**FERS**	**Total**	**CSRS**	**FERS**	**Total**
Yosemite NP						
Employees	109	336	**445**	105	349	**454**
Salaries	$5,668	$7,344	**$13,012**	$5,223	$7,691	$**12,914**
Benefits	1,114	2,288	**3,403**	1,043	2,489	**3,532**
Total personnel cost	**$6,783**	**$9,632**	**$16,415**	**$6,266**	**$10,180**	**$16,446**
Zion NP						
Employees	15	62	**77**	15	64	**79**
Salaries	$739	$2,579	**$3,318**	$775	$2,887	**$3,661**
Benefits	125	824	**949**	132	856	**987**
Total personnel cost	**$864**	**$3,404**	**$4,268**	**$906**	**$3,742**	**$4,648**

2003			2004			2005		
CSRS	FERS	Total	CSRS	FERS	Total	CSRS	FERS	Total
95	351	**446**	89	351	**439**	64	368	**439**
$5,245	$8,627	**$13,872**	$4,366	$9,213	**$13,579**	$4,029	$9,607	**$13,637**
1,016	2,810	**3,826**	806	3,112	**3,918**	741	3,339	**4,080**
$6,262	**$11,436**	**$17,698**	**$5,172**	**$12,325**	**$17,497**	**$4,770**	**$12,947**	**$17,717**
12	67	**79**	11	67	**78**	11	67	**78**
$699	$3,140	**$3,839**	$678	$3,141	**$3,820**	$871	$3,078	**$3,949**
115	912	**1,027**	109	933	**1,042**	158	987	**1,145**
$814	**$4,052**	**$4,866**	**$788**	**$4,074**	**$4,862**	**$1,029**	**$4,065**	**$5,094**

Legend

NP = National Park

NMP = National Military Park

NMem = National Memorial

CSRS = Civil Service Retirement System

FERS = Federal Employee Retirement System

Source: GAO analysis of National Park Service data from 12 selected park units.

Table 17: Employee Numbers and Inflation-Adjusted Personnel Costs Per Retirement System at 12 Selected Park Units, Fiscal Years 2001 through 2005

Dollars in thousands

	2001			2002		
Park unit	**CSRS**	**FERS**	**Total**	**CSRS**	**FERS**	**Total**
Acadia NP						
Employees	20	44	**64**	21	51	**72**
Salaries	$975	$1,349	**$2,324**	$1,093	$1,523	**$2,616**
Benefits	175	411	**587**	198	488	**686**
Total personnel cost	**$1,151**	**$1,760**	**$2,911**	**$1,292**	**$2,011**	**$3,302**
Badlands NP						
Employees	7	43	**50**	7	44	**51**
Salaries	$382	$1,213	**$1,595**	$357	$1,324	**$1,682**
Benefits	69	374	**443**	65	418	**483**
Total personnel cost	**$451**	**$1,587**	**$2,038**	**$423**	**$1,742**	**$2,165**
Bryce Canyon NP						
Employees	5	35	**40**	6	38	**44**
Salaries	$318	$1,441	**$1,760**	$213	$1,226	**$1,439**
Benefits	54	389	**444**	37	387	**424**
Total personnel cost	**$373**	**$1,831**	**$2,204**	**$250**	**$1,613**	**$1,863**
Gettysburg NMP						
Employees	30	47	**77**	32	46	**78**
Salaries	$1,544	$1,966	**$3,510**	$1,606	$1,940	**$3,546**
Benefits	298	553	**851**	298	558	**856**
Total personnel cost	**$1,842**	**$2,519**	**$4,361**	**$1,904**	**$2,498**	**$4,402**
Grand Canyon NP						
Employees	59	307	**366**	51	341	**392**
Salaries	$2,965	$10,279	**$13,245**	$2,656	$11,429	**$14,085**
Benefits	484	2,892	**3,377**	444	3,286	**3,730**
Total personnel cost	**$3,450**	**$13,172**	**$16,621**	**$3,101**	**$14,715**	**$17,816**

2003			2004			2005		
CSRS	**FERS**	**Total**	**CSRS**	**FERS**	**Total**	**CSRS**	**FERS**	**Total**
21	60	**81**	19	56	**75**	21	56	**77**
$1,008	$1,821	**$2,830**	$1,054	$2,005	**$3,059**	$1,094	$1,983	**$3,077**
189	589	**778**	199	676	**875**	187	726	**913**
$1,197	**$2,411**	**$3,608**	**$1,252**	**$2,681**	**$3,934**	**$1,280**	**$2,709**	**$3,989**
6	7	**53**	6	47	**53**	7	39	**46**
$348	$1,346	**$1,695**	$399	$1,301	**$1,700**	$360	$1,229	**$1,589**
61	448	**509**	68	454	**522**	61	424	**485**
$409	**$1,795**	**$2,204**	**$466**	**$1,755**	**$2,222**	**$421**	**$1,653**	**$2,074**
3	30	**33**	3	31	**34**	4	32	**36**
$195	$1,150	**$1,345**	$176	$1,128	**$1,304**	$224	$1,187	**$1,410**
32	391	**423**	25	368	**394**	36	409	**444**
$226	**$1,541**	**$1,768**	**$202**	**$1,496**	**$1,697**	**$259**	**$1,595**	**$1,855**
32	40	**73**	28	45	**72**	28	43	**71**
$1,695	$1,764	**$3,459**	$1,448	$1,953	**$3,401**	$1,357	$1,786	**$3,143**
307	509	**816**	265	565	**830**	272	553	**824**
$2,002	**$2,272**	**$4,274**	**$1,713**	**$2,518**	**$4,231**	**$1,629**	**$2,338**	**$3,967**
51	331	**382**	50	315	**365**	58	303	**361**
$2,586	$12,167	**$14,754**	$2,760	$12,267	**$15,027**	$2,890	$11,422	**$14,311**
433	3,567	**4,000**	502	3,643	**4,145**	560	3,519	**4,078**
$3,019	**$15,735**	**$18,753**	**$3,262**	**$15,910**	**$19,172**	**$3,449**	**$14,940**	**$18,390**

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Dollars in thousands

	2001			2002		
Park unit	**CSRS**	**FERS**	**Total**	**CSRS**	**FERS**	**Total**
Grand Teton NP						
Employees	30	89	**119**	26	90	**116**
Salaries	$1,632	$1,999	**$3,632**	$1,306	$2,816	**$4,122**
Benefits	306	613	**919**	251	896	**1,147**
Total personnel cost	**$1,938**	**$2,612**	**$4,550**	**$1,558**	**$3,712**	**$5,270**
Mount Rushmore NMem						
Employees	8	38	**46**	7	37	**44**
Salaries	$209	$991	**$1,201**	$274	$1,052	**$1,325**
Benefits	43	348	**391**	44	380	**424**
Total personnel cost	**$253**	**$1,339**	**$1,592**	**$317**	**$1,432**	**$1,749**
Sequoia and Kings Canyon NP						
Employees	33	158	**191**	33	165	**198**
Salaries	$1,581	$4,449	**$6,030**	$1,658	$4,841	**$6,498**
Benefits	275	1,293	**1,569**	319	1,458	**1,777**
Total personnel cost	**$1,857**	**$5,742**	**$7,599**	**$1,976**	**$6,299**	**$8,275**
Shenandoah NP						
Employees	62	117	**179**	57	141	**198**
Salaries	$2,669	$3,704	**$6,373**	$2,643	$3,647	**$6,290**
Benefits	531	1,201	**1,732**	541	1,203	**1,744**
Total personnel cost	**$3,200**	**$4,905**	**$8,105**	**$3,184**	**$4,850**	**$8,034**
Yellowstone NP						
Employees	55	185	**239**	53	195	**247**
Salaries	$3,082	$7,625	**$10,707**	$3,092	$8,133	**$11,225**
Benefits	511	2,473	**2,984**	543	2,709	**3,252**
Total personnel cost	**$3,593**	**$10,099**	**$13,692**	**$3,635**	**$10,842**	**$14,477**

	2003			2004			2005	
CSRS	FERS	Total	CSRS	FERS	Total	CSRS	FERS	Total
24	83	**107**	20	101	**121**	17	106	**123**
$1,209	$2,916	**$4,125**	$969	$3,634	**$4,604**	$772	$3,643	**$4,414**
24	83	**107**	162	1,180	**1,342**	141	1,268	**1,410**
$1,209	**$2,916**	**$4,125**	**$1,132**	**$4,814**	**$5,946**	**$913**	**$4,911**	**$5,824**
6	46	**52**	5	52	**57**	2	55	**57**
$252	$1,320	**$1,573**	$239	$1,562	**$1,801**	$52	$1,852	**$1,904**
43	425	**468**	33	554	**587**	8	602	**611**
$296	**$1,745**	**$2,041**	**$272**	**$2,116**	**$2,388**	**$61**	**$2,454**	**$2,515**
29	162	**191**	25	162	**187**	23	163	**186**
$1,551	$4,907	**$6,459**	$1,382	$5,071	**$6,453**	$1,078	$4,994	**$6,072**
294	1,565	**1,858**	263	1,639	**1,902**	194	1,659	**1,853**
$1,845	**$6,472**	**$8,317**	**$1,644**	**$6,711**	**$8,355**	**$1,272**	**$6,652**	**$7,925**
53	136	**189**	44	123	**167**	43	110	**153**
$2,392	$3,688	**$6,080**	$2,069	$3,736	**$5,806**	$1,923	$3,578	**$5,502**
467	1,259	**1,726**	423	1,307	**1,729**	404	1,288	**1,693**
$2,859	**$4,947**	**$7,806**	**$2,492**	**$5,043**	**$7,535**	**$2,328**	**$4,867**	**$7,194**
51	208	**259**	45	209	**255**	38	214	**252**
$2,997	$8,937	**$11,934**	$2,715	$9,111	**$11,826**	$2,402	$9,487	**$11,888**
504	3,036	**3,540**	450	3,161	**3,611**	393	3,394	**3,788**
$3,501	**$11,973**	**$15,474**	**$3,165**	**$12,273**	**$15,437**	**$2,795**	**$12,881**	**$15,676**

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Dollars in thousands

	2001			2002		
Park unit	**CSRS**	**FERS**	**Total**	**CSRS**	**FERS**	**Total**
Yosemite NP						
Employees	109	336	**445**	105	349	**454**
Salaries	$5,668	$7,344	**$13,012**	$5,056	$7,445	**$12,501**
Benefits	1,114	2,288	**3,403**	1,010	2,409	**3,419**
Total personnel cost	**$6,783**	**$9,632**	**$16,415**	**$6,066**	**$9,854**	**$15,920**
Zion NP						
Employees	15	62	**77**	15	64	**79**
Salaries	$739	$2,579	**$3,318**	$750	$2,794	**$3,544**
Benefits	125	824	**949**	127	828	**956**
Total personnel cost	**$864**	**$3,404**	**$4,268**	**$877**	**$3,623**	**$4,500**

2003			2004			2005		
CSRS	FERS	Total	CSRS	FERS	Total	CSRS	FERS	Total
95	351	**446**	89	351	**439**	64	368	**439**
$4,944	$8,131	**$13,075**	$3,948	$8,331	**$12,279**	$3,498	$8,341	**$11,839**
958	2,648	**3,606**	729	2,814	**3,543**	643	2,899	**3,542**
$5,901	**$10,779**	**$16,680**	**$4,677**	**$11,145**	**$15,823**	**$4,141**	**$11,240**	**$15,381**
12	67	**79**	11	67	**78**	11	67	**78**
$659	$2,959	**$3,618**	$614	$2,841	**$3,454**	$756	$2,673	**$3,429**
108	860	**968**	99	843	**942**	137	857	**994**
$767	**$3,819**	**$4,586**	**$712**	**$3,684**	**$4,397**	**$893**	**$3,529**	**$4,422**

Legend

NP = National Park
NMP = National Military Park
NMem = National Memorial
CSRS = Civil Service Retirement System
FERS = Federal Employee Retirement System

Source: GAO analysis of National Park Service data from 12 selected park units.

Table 18: Other Authorized Funding Source Amounts for 12 Selected Park Units, in Nominal Dollars, Fiscal Years 2001 through 2005

Dollars in thousands

Park unit	Other authorized funding source type	2001	2002	2003	2004	2005
Acadia NP						
	Visitor fees	$1,843	$2,011	$1,907	$2,165	$1,870
	Concession fees	105	109	164	381	350
	Donations	395	313	368	514	291
	Other revenue	132	136	180	192	66
Badlands NP						
	Visitor fees	1,166	1,278	1,304	1,291	1,277
	Concession fees	22	0	0	0	0
	Donations	42	3	8	9	3
	Other revenue	2	1	1	2	3
Bryce Canyon NP						
	Visitor fees	1,538	1,563	1,285	1,415	1,359
	Concession fees	0	0	0	0	2
	Donations	100	8	21	4	104
	Other revenue	1,062	1,106	1,084	1,105	1,097
Gettysburg NMP						
	Visitor fees	132	120	0	0	0
	Concession fees	0	0	0	0	0
	Donations	239	214	169	463	236
	Other revenue	137	155	155	182	200
Grand Canyon NP						
	Visitor fees	16,661	14,558	13,702	14,425	13,927
	Concession Fees	5,750	4,091	3,591	3,337	5,787
	Donations	176	254	301	287	227
	Other revenue	2,766	2,850	2,581	2,731	3,216
Grand Teton NP						
	Visitor fees	4,602	4,755	4,840	4,626	3,475
	Concession fees	0	0	1,208	1,557	930
	Donations	188	125	457	402	8,744
	Other revenue	107	137	165	158	163

(Continued From Previous Page)

Dollars in thousands

Park unit	Other authorized funding source type	2001	2002	2003	2004	2005
Mount Rushmore NMem						
	Visitor fees	$0	$3	$3	$4	$8
	Concession fees	0	361	238	843	648
	Donations	66	197	261	236	274
	Other revenue	184	183	170	176	173
Shenandoah NP						
	Visitor fees	3,051	3,105	2,695	2,828	2,777
	Concession fees	185	166	133	189	210
	Donations	8	64	41	8	39
	Other revenue	7	5	3	7	7
Sequoia and Kings Canyon NP						
	Visitor fees	2,151	2,395	2,458	2,474	2,154
	Concession fees	1	2	0	7	150
	Donations	69	131	24	29	51
	Other revenue	1,174	1,451	1,394	1,331	1,266
Yellowstone NP						
	Visitor fees	5,027	5,185	4,667	4,180	4,053
	Concession fees	547	521	829	267	297
	Donations	207	445	650	1,578	2,200
	Other revenue	5,529	5,584	6,416	5,823	5,817
Yosemite NP						
	Visitor fees	15,330	14,559	14,263	15,521	14,246
	Concession fees	134	154	1,576	969	1,001
	Donations	848	777	974	1,940	1,601
	Other revenue	7,692	9,177	8,529	10,776	10,012
Zion NP						
	Visitor fees	4,542	3,022	2,921	3,355	3,902
	Concession fees	4	4	3	6	11
	Donations	0	14	0	0	1
	Other revenue	379	475	499	559	719

Legend

NP = National Park
NMP = National Military Park
NMem = National Memorial

Source: GAO analysis of National Park Service data from 12 selected park units.

Note: The other revenue category includes authorized revenue collected from various other miscellaneous sources. Examples of other revenue include rent collected through employee housing, transportation fees, cell tower permits, boat permits, and outfitter permits.

Table 19: Other Authorized Funding Source Amounts for 12 Selected Park Units, in Inflation-Adjusted Dollars, Fiscal Years 2001 through 2005

Dollars in thousands

Park unit	Other authorized funding source type	2001	2002	2003	2004	2005
Acadia NP						
	Visitor Fees	$1,843	$1,947	$1,798	$1,958	$1,623
	Concession Fees	105	106	154	345	304
	Donations	395	303	346	465	252
	Other Revenue	132	131	170	173	57
Badlands NP						
	Visitor Fees	1,166	1,237	1,229	1,168	1,108
	Concession Fees	22	0	0	0	0
	Donations	42	3	7	9	2
	Other Revenue	2	1	1	2	3
Bryce Canyon NP						
	Visitor Fees	1,538	1,513	1,211	1,280	1,179
	Concession Fees	0	0	0	0	2
	Donations	100	8	19	4	91
	Other Revenue	1,062	1,071	1,021	999	952
Gettysburg NMP						
	Visitor Fees	132	116	0	0	0
	Concession Fees	0	0	0	0	0
	Donations	239	208	159	419	205
	Other Revenue	137	150	146	165	174
Grand Canyon NP						
	Visitor Fees	16,661	14,092	12,914	13,045	12,091
	Concession Fees	5,750	3,960	3,385	3,018	5,024
	Donations	176	246	284	255	197
	Other Revenue	2,766	2,759	2,432	2,469	2,792
Grand Teton NP						
	Visitor Fees	4,602	4,603	4,561	4,183	3,017
	Concession Fees	0	0	1,139	1,408	807
	Donations	188	121	431	364	7,591
	Other Revenue	107	133	156	143	141

(Continued From Previous Page)

Dollars in thousands

Park unit	Other authorized funding source type	2001	2002	2003	2004	2005
Mount Rushmore NMem						
	Visitor Fees	$0	$3	$3	$3	$7
	Concession Fees	0	350	224	763	562
	Donations	66	190	246	213	237
	Other Revenue	184	177	161	159	150
Shenandoah NP						
	Visitor Fees	3,051	3,005	2,540	2,557	2,411
	Concession Fees	185	160	125	171	183
	Donations	8	62	39	8	34
	Other Revenue	7	5	3	7	6
Sequoia and Kings Canyon NP						
	Visitor Fees	2,151	2,319	2,317	2,238	1,870
	Concession Fees	1	2	0	6	130
	Donations	69	127	22	26	44
	Other Revenue	1,174	1,404	1,314	1,204	1,099
Yellowstone NP						
	Visitor Fees	5,027	5,020	4,398	3,780	3,519
	Concession Fees	547	504	782	242	258
	Donations	207	431	613	1,427	1,910
	Other Revenue	5,529	5,405	6,047	5,266	5,050
Yosemite NP						
	Visitor Fees	15,330	14,093	13,443	14,036	12,367
	Concession Fees	134	149	1,485	876	869
	Donations	848	752	918	1,755	1,390
	Other Revenue	7,692	8,883	8,039	9,745	8,692
Zion NP						
	Visitor Fees	4,542	2,926	2,754	3,033	3,388
	Concession Fees	4	4	3	5	9
	Donations	0	13	0	0	1
	Other Revenue	379	460	471	506	623

Legend

NP = National Park
NMP = National Military Park
NMem = National Memorial

Source: GAO analysis of National Park Service data from 12 selected park units

Note: The other revenue category includes authorized revenue collected from various other miscellaneous sources. Examples include rent collected through employee housing, transportation fees, cell tower permits, boat permits, and outfitter permits.

Recreation Visitation Trends for the Park Service and 12 Selected Park Units, Fiscal Years 2001 through 2005

Table 20 shows, for fiscal years 2001 through 2005, recreation visitation trends for the 12 selected park units we visited compared to the entire Park Service.

Table 20: Recreation Visitation Trends for the Park Service and 12 Selected Park Units, Fiscal Years 2001 through 2005

	Fiscal years						
Park unit	**2001**	**2002**	**2003**	**2004**	**2005**	**Average**	**Average annual change FYs 2001 - 2005 (%)**
Acadia NP	2,504,708	2,550,589	2,433,494	2,219,891	2,103,398	2,362,416	-4.3
Badlands NP	956,268	906,869	872,968	921,755	924,354	916,443	-0.8
Bryce Canyon NP	1,076,895	899,221	883,170	1,006,471	1,005,957	974,343	-1.7
Gettysburg NMP	1,779,610	1,829,794	1,753,412	1,756,451	1,716,467	1,767,147	-0.9
Grand Canyon NP	4,219,726	3,936,828	4,102,541	4,334,614	4,367,932	4,192,328	0.9
Grand Teton NP	2,531,844	2,606,497	2,466,543	2,287,662	2,459,508	2,470,411	-0.7
Mt Rushmore NMem	1,862,674	2,159,718	2,212,178	2,045,798	2,052,967	2,066,667	2.5
Sequoia and Kings Canyon NP	1,419,075	1,418,519	1,552,258	1,531,947	1,556,547	1,495,669	2.3
Shenandoah NP	1,514,739	1,511,020	1,127,958	1,290,812	1,141,102	1,317,126	-6.8
Yellowstone NP	2,769,775	2,969,876	2,995,640	2,900,971	2,828,536	2,892,960	0.5
Yosemite NP	3,453,345	3,305,636	3,380,038	3,356,028	3,212,295	3,341,468	-1.8
Zion NP	2,269,328	2,510,630	2,451,977	2,684,977	2,587,781	2,500,939	3.3
Subtotal, 12 selected park units	**26,357,987**	**26,605,197**	**26,232,177**	**26,337,377**	**25,956,844**	**26,297,916**	**-0.4**
Total for entire Park Service	**284,267,032**	**274,202,072**	**265,470,541**	**276,363,931**	**271,196,534**	**274,300,022**	**-1.2**

Source: GAO analysis of Park Service data.

Note: The Park Service defines a recreation visit as the entry of a person onto lands or waters administered by the Park Service for recreational purposes excluding government personnel, through traffic (commuters), trades-persons and persons residing within park unit boundaries.

Comments from the Department of the Interior

Note: GAO comments supplementing those in the report text appear at the end of this appendix.

United States Department of the Interior

OFFICE OF THE SECRETARY
Washington, D.C. 20240

MAR 2 7 2006

Ms. Robin M. Nazzaro
Director, Natural Resources
and Environment
U.S. Government Accountability Office
441 G Street, NW
Washington, D.C. 20548

Dear Ms. Nazzaro:

Thank you for the opportunity to review your draft report on the National Park Service Fiscal Year 2001 through 2005 Funding Trends and Impacts on Operations.

We appreciate the diligent work of the team that prepared the report and the large amount of data that they collected. We are concerned, however, that the presentation of data in the report creates a misleading impression concerning the state of park operations.

Record high levels of funds are being invested to staff and improve our parks. The 2005 operations budget provided, in the aggregate, record levels of funding on a per acre, per employee and per visitor basis although funding at individual parks and for individual programs varied.

See comment 1.

The overall 2005 Operations of the National Park System appropriation account of $1.7 billion was 21 percent higher than the enacted 2001 appropriation. Over time, the national parks have received significantly more funding increases than most non-defense government programs. Through 2005, national park operating funds had increased 352 percent since 1980 compared to overall domestic increases of 138 percent.

See comment 2.

The draft report, by focusing only on selected aspects of the park budget, fails to adequately recognize this broader picture. The draft also focuses almost exclusively on financial inputs and does not examine the results achieved with these inputs. Set forth below are several areas of concern with the report.

See comment 3.

<u>Provides Misleading Impression that Park Budgets Have Not Been Emphasized</u>
The GAO Report is an incomplete analysis of the financial status of the national park units. Neither the analysis nor the anecdotal evidence from the several parks which were visited is presented within the full context of the operational needs and priorities of the National Park Service. The report gives a misleading impression that park operational funding has not been emphasized over the past 5 years. Within a constrained fiscal environment, park operations have been a high priority for both the Administration and the Congress:

- Park base operations funding increased by $128.6 million from 2001 to 2005, an increase of 14 percent.
- Funding for the visitor services subactivity of the NPS budget increased by $50 million, an increase of 17 percent.

See comment 4.

Within the Park Service budget, the total for park base operations increased more in dollar terms than for any other single NPS program between 2001 and 2005. Putting these increases in context, funding for Department of the Interior programs in the Interior and Related Agencies appropriations acts from 2001 to 2005 (excluding contingent emergency appropriations) increased by a net amount of $542 million. The increase for park base operations amounts to 24 percent of this net increase.

See comment 5.

Presents False Dichotomy Between Operations and Project Funding

The report draws a false dichotomy between operations and project funding. Operations funding is used for activities including ranger interpretive programs, staffing at visitor centers, daily maintenance activities, and other programs designed to enhance visitor services. However, the visitor experience at national parks is shaped not only by direct visitor services activities, such as interpretation, but also by the condition of park facilities and park natural resources.

See comment 6.

Over the last decade, a consensus emerged that the National Park Service had not invested adequately in either the maintenance of its facilities or the monitoring and protection of the natural resources in its charge. In the case of facilities, several GAO reports highlighted the critical importance of facilities maintenance. GAO report RCED-98-143, for example, stated, "The proper care and maintenance of the national parks and their supporting infrastructure are essential to the continued use and enjoyment of our great national treasures by this and future generations."

See comment 6.

Recognizing these deficiencies, budgets from 2002 through 2005 included significant new investments above 2001 in facilities and natural resources. FY 2005 funding for repair and rehabilitation was increased by $39.6 million (71.5%) compared to FY 2001 and funding for cyclic maintenance critical to maintaining the condition of park facilities was increased by $30.5 million (94.5%) over 2001. In addition, budgets from 2002 through 2005 continued funding for construction and major maintenance at levels double those of the mid-1990s. Since 2001, the National Park Service has undertaken nearly 6,000 facility improvement projects, resulting in improved roads and trails, rehabilitated visitor centers, more accessible campgrounds, stabilized historic structures, and visitor satisfaction rates that are consistently high. Maintenance of park roads is also funded through the Federal Highways program. From 2002 through 2005, FHWA allocated $675.0 million to NPS for road maintenance.

See comment 7.

Natural resource concerns are being addressed by project funding from the NPS Natural Resource Challenge. First funded in 2000, this is a program to substantially improve how the NPS manages the natural resources under its care. In 2001, the Challenge was funded at $29.5 million. The funding for the program in 2005 was $77.6 million, an increase of more than 250 percent. By the end of 2007, the National Park Service will have in place inventory and monitoring programs for all 272 natural resource parks, equipping managers with critical information about the parks they manage.

See comment 8.

Including these additional sources of funding, operational funding for the 388 national park units increased by 20 percent in nominal dollars between 2001 and 2005. Among the various sources, funding was allocated to individual units within the parameters and priorities established by the Administration and subsequent Congressional direction. For the twelve parks mentioned in the report, the attached table details the allocation of funds available to the park units.

See comment 9.

Ignores Relationship Between Significant Funding Increases and Park Visitation

The report fails to examine the relationship of the significant increases in both operations and project funding to park visitation levels. Funding per visit to the national park system in 2001 (including funding in the two NPS operating accounts and funding from recreation and concessions fees) was $5.60. By 2005, funding per visit had grown to $7.05—an increase of 26 percent. Even adjusting for increased costs of doing business, funding per visit increased 93 cents or 17 percent.

The Focus on Anecdotal Evidence Is Misleading

See comment 10.

The GAO report also makes use of several park anecdotes concerning reduced base funding. The anecdotes within the report highlights only certain divisions or programs in which a park has significantly reduced staffing in isolation from the park's overall staffing, park base budget, and non-base project funding. This limited approach also presents a skewed picture of the park's financial condition. For example, the GAO reports states on page 39 that at Grand Teton National Park, "a reduction in park funded seasonal custodians has meant less staff available to clean restrooms and pick-up litter." However, the GAO FTE data indicates that the overall number of seasonal employees, funded by base and non-base funding, at the park has increased by 20 during the same period.

See comment 11.

By focusing on anecdotes concerning employment levels, the report fails to present an accurate picture of overall employment levels in the National Park Service. Over the period 2001 to 2005, employment levels at individual parks may have fluctuated. This is attributable to many factors, of which operational funding is one. Other factors include workload, management decisions on allocation of resources, and year-to-year availability of project funding. For the system as a whole, employment over the 2001 to 2005 period was remarkably stable. FTE usage in 2005 totaled 20,485, including both permanent and seasonal employees. FTEs in 2001 totaled 20,289.

See comment 12.

The draft report states that " Officials at several parks explained that since 2001, as positions have become vacant, they have refrained from filling them or have replaced them with lower graded or seasonal employees. " For the period FY 2001 through 2005, system-wide FTE remained stable, and the balance of seasonal and permanent employees also remained stable. Seasonal employment represented 25 percent of FTE usage in both 2001 and 2005.

See comment 13.

Management Improvements Are Yielding Tangible Results
The information included in the report relies on the use of budget and financial data. It does not examine performance information, the trends in accomplishments, or efforts to improve service delivery over the time period examined. One important area of emphasis for the department and the Park Service during this Administration, and the timeframe being examined, is the measurement of performance and related cost information, the analysis of base programs through the PART process, and efforts in management excellence. All of these efforts, including Park Service-specific tools such as the Core Operations Analysis, are yielding results in achieving more effective programs and more efficient operations.

See comment 14.

Park management decisions are made within a dynamic environment of shifting priorities and resources. Rather than provide individual comments on each park anecdote, it is important to note that NPS has worked consistently to accommodate the impact of pay increases and across-the-board reductions while maintaining high-levels of visitor satisfaction. The GAO report accurately identifies a number of innovative management approaches the Park Service has undertaken to identify management improvements and efficiencies that will result in improved visitor services and more cost-effective operations, including the Park Scorecard, the Core Operations Analysis, and the Business Plan Initiative. These tools are designed to assist managers within the individual park unit, and at the regional and headquarters levels to develop fully informed management decisions, which direct park resources toward functions that are essential to achieving mission goals and can also serve as a precursor to other management planning efforts.

See comment 14.

The National Park Service has worked consistently to accommodate the impacts of absorbed pay and across-the-board reductions, while successfully delivering a suite of high-level services to park visitors. NPS has adopted new ways of doing business, including centralizing some services and systems under the Department of the Interior. Of particular note are Department-wide purchases of IT hardware and software and other consumables, as well as NPS efforts to limit travel, provide more efficient training operations, and more effectively use its impressive network of volunteers, who provide an estimated five million hours of service nationwide, at an estimated value of over $130 million.

See comment 15.

However, the draft report does not discuss the results of these efforts. For example, work on the Core Operations Analysis has been completed in the Intermountain Region. As a result of the COA, Rocky Mountain National Park developed a five-year plan that will lead to more effective mix of personnel and discretionary support costs for park management. This will give the park greater operational flexibility and management capacity to meet emergency needs and provide for increased service levels for essential activities.

See comment 16.

Similarly, at Zion National Park, which was cited in the report, COA led to reduced overtime and premium pay for savings of $30,000. While this is a single example, the Park Service expects that tools such as the COA will continue to help park managers direct resources more effectively and efficiently.

See comment 17.

In addition to using management tools such as the Core Operations Analysis, the Park Service has undertaken changes in business practices, management of common services, and employed strategic changes in operations to improve operational support for parks and realize efficiencies that have resulted in savings in individual park units and can result in savings in the park system as a whole. These improvements are demonstrated by the efforts that Everglades National Park in improved vehicle management. With improved management of owned and leased vehicles the park demonstrated short and long-term savings and improved vehicle deployment for park needs. Other examples include the deployment of the Enterprise Services Network. This network that is being deployed throughout the Department's agencies will provide to parks a secure, more reliable, and faster connection to the internet and intranet. The Park Service has equipped its maintenance cadre with IT tools that have vastly improved their ability to track and report maintenance work including the use of hand-held technology. The Park Service has evaluated and continues to work toward more effective use of training resources, relocation funding, and partnership efforts.

See comment 18.

Index Used in Study Does Not Consider Outputs

The study uses the Gross Domestic Product (GDP) price Index for Government Consumption Expenditures and Gross Investment (federal non-defense sector), on the basis that the index is more heavily weighted to Federal workers compensation than the overall GDP index. There is not a perfect index available to accurately determine an index of NPS costs. This index includes not only NPS costs, but also those of the Coast Guard, National Aeronautics and Space Administration, and other civilian non-defense agencies. More importantly, because the products and services of the government are not sold in the marketplace, the Bureau of Economic Analysis calculates this index based upon the assumption that the cost of inputs equals the value of outputs. It therefore assumes that there have been no productivity improvements.

See comment 19.

The Department believes that it might be more appropriate to use the GDP (Chained) Price Index. While it may not be based upon Federal specific spending, it is an index based upon costs of goods and services in the market place, and therefore considers productivity and other management enhancements. While it too is not a perfect index, the fact that it is based on value of goods and services in the marketplace might make it a more preferable index. Use of this index would produce significantly different results. For example, under the GDP (Chained) Index, funding for daily operations of Park Units shows an increase from 2001 to 2005 in inflation adjusted dollars of $37.6 million from the 2001 level of $903.1 million (2005 inflated -- $940.7 million). Using the Government Consumption Expenditures and Gross Investment Index, results in a 2001 to 2005 decrease of $10.1 million – a $47.8 million difference from the GDP (Chained) Price Index.

See comment 20.

See comment 21.

See comment 21.

Specific Comments on the Report and Recommendation
NPS takes special exception to the anecdote on page 35, which claims that at Yosemite National Park, "four vacant dispatcher positions can not be replaced-threatening the park's ability to provide 911 services 7 days per week and 24 hours per day." Yosemite National Park is in full 911 compliance and has coverage 7 days per week and 24 hours per day. Yosemite National Park is working with Lassen and Whiskeytown parks to provide joint services, which will create substantial savings and dramatically increase services. The statement about a loss of 911 coverage was mentioned to GAO by park management as a hypothetical measure that could be taken in the future and was taken out of context by GAO.

In addition to the need to discuss operational funding within a dynamic context, we have concerns specific to the one recommendation:

"To reduce some of the pressure on operating funds, GAO recommends that the Secretary of the Interior direct the Park Service Director to follow through in revising Park Service policy to allow park units to use visitor fee revenues to pay the costs of permanent employees administering projects funded by visitor fees."

As stated in the report, the National Park Service is currently considering a change in the use of fee revenue, but we remain concerned that the proposed change should not affect other funding sources. We believe that such a recommendation should clearly dictate that fee revenue be used to fund only a limited number of permanent employees and be specifically defined for the sole purpose of executing projects funded from fee revenue.

Comments on specific statements in the GAO report are provided in the enclosure. Thank you for the opportunity to provide comments on this report.

Sincerely,

Matthew J. Hogan
Acting Assistant Secretary for Fish and Wildlife and Parks

Enclosure

Park Funds from Multiple Sources

Park Units			FY 2001 Enacted	FY 2002 Enacted	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Enacted	% Change
			$000's					
Acadia NP			**6,474**	**8,665**	**17,914**	**16,385**	**9,515**	
	Park Ops	Base	4,207	5,631	6,314	6,277	6,424	53%
	Project Funding	Maintenance	185	71	43	184	120	
		Rec. Fees/Golden Eagle/Park Passport	1,883	2,011	1,907	2,165	2,140	
		Concessions	133	109	255	333	221	
		Natural Resource Challenge Programs	66	739	507	448	442	
		CCI/Challenge Cost Share Programs	0	0	0	0	0	
		Repair & Rehab	0	104	422	47	168	
		Subtotal w/o Construction	[6,474]	[8,665]	[9,448]	[9,454]	[9,515]	47%
		Construction	0	0	8,466	6,931	0	
Badlands NP			**4,069**	**4,740**	**4,612**	**8,792**	**5,836**	
	Park Ops	Base	2,996	3,052	3,063	3,056	3,417	14%
	Project Funding	Maintenance	129	84	98	131	452	
		Rec. Fees/Golden Eagle/Park Passport	762	1,284	979	943	943	
		Concessions	33	2	0	0	0	
		Natural Resource Challenge Programs	149	315	424	454	270	
		CCI/Challenge Cost Share Programs	0	3	48	137	13	
		Repair & Rehab	0	0	0	124	741	
		Subtotal w/o Construction	[4,069]	[4,740]	[4,612]	[4,845]	[5,836]	43%
		Construction	0	0	0	3,947	0	
Bryce Canyon NP			**4,138**	**5,050**	**4,323**	**5,124**	**4,528**	
	Park Ops	Base	2,607	2,668	2,681	2,674	2,768	6%
	Project Funding	Maintenance	50	61	68	213	154	
		Rec. Fees/Golden Eagle/Park Passport	1,368	1,988	935	987	1,359	
		Concessions	0	0	2	0	2	
		Natural Resource Challenge Programs	50	91	176	229	196	
		CCI/Challenge Cost Share Programs	0	0	0	0	0	
		Repair & Rehab	63	242	461	173	49	
		Subtotal w/o Construction	[4,138]	[5,050]	[4,323]	[4,276]	[4,528]	9%
		Construction	0	0	0	848	0	
Gettysburg NMP			**7,780**	**8,419**	**9,260**	**8,105**	**17,086**	
	Park Ops	Base	5,069	5,172	5,195	5,174	5,483	8%
	Project Funding	Maintenance	50	156	193	120	250	
		Rec. Fees/Golden Eagle/Park Passport	40	80	0	0	1	
		Concessions	0	0	0	0	0	
		Natural Resource Challenge Programs	78	105	87	126	195	
		CCI/Challenge Cost Share Programs	0	0	0	0	0	
		Repair & Rehab	1,223	406	369	710	548	
		Subtotal w/o Construction	[6,460]	[5,919]	[5,844]	[6,130]	[6,477]	0%
		Construction	1,320	2,500	3,416	1,975	10,609	
Grand Canyon NP			**41,161**	**39,254**	**38,051**	**39,166**	**37,839**	
	Park Ops	Base	18,199	18,577	18,916	18,567	18,921	4%
	Project Funding	Maintenance	60	332	430	437	0	
		Rec. Fees/Golden Eagle/Park Passport	16,358	14,557	13,646	14,426	13,900	
		Concessions	5,750	4,091	4,284	3,919	3,910	
		Natural Resource Challenge Programs	426	517	292	395	352	
		CCI/Challenge Cost Share Programs	23	20	310	678	0	
		Repair & Rehab	345	173	173	744	756	
		Subtotal w/o Construction	[41,161]	[38,267]	[38,051]	[39,166]	[37,839]	-8%
		Construction	0	987	0	0	0	

Park Units			FY 2001 Enacted	FY 2002 Enacted	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Enacted	% Change
			$000's					
Grand Teton NP			**13,530**	**13,998**	**14,498**	**17,947**	**20,658**	
	Park Ops	Base	8,559	8,749	9,082	9,351	10,175	19%
	Project Funding	Maintenance	194	65	225	847	734	
		Rec. Fees/Golden Eagle/Park Passport	3,099	3,688	3,061	3,137	2,693	
		Concessions	633	579	580	793	518	
		Natural Resource Challenge Programs	341	435	857	731	715	
		CCI/Challenge Cost Share Programs	0	25	121	0	0	
		Repair & Rehab	704	457	572	125	893	
		Subtotal w/o Construction	[13,530]	[13,998]	[14,498]	[14,984]	[15,728]	16%
		Construction	0	0	0	2,963	4,930	
Mount Rushmore NMem			**2,735**	**3,194**	**3,397**	**4,162**	**5,025**	
	Park Ops	Base	2,473	2,529	2,903	3,315	3,727	51%
	Project Funding	Maintenance	114	76	82	121	172	
		Rec. Fees/Golden Eagle/Park Passport	0	186	3	4	8	
		Concessions	0	361	339	662	648	
		Natural Resource Challenge Programs	18	42	70	60	74	
		CCI/Challenge Cost Share Programs	0	0	0	0	0	
		Repair & Rehab	130	0	0	0	396	
		Subtotal w/o Construction	[2,735]	[3,194]	[3,397]	[4,162]	[5,025]	84%
		Construction	0	0	0	0	0	
Sequoia NP & Kings Canyon NP			**23,779**	**18,803**	**17,873**	**19,262**	**18,123**	
	Park Ops	Base	12,234	13,026	13,018	12,903	13,308	9%
	Project Funding	Maintenance	359	410	456	589	811	
		Rec. Fees/Golden Eagle/Park Passport	2,151	2,395	2,458	2,475	2,212	
		Concessions	1	2	157	18	0	
		Natural Resource Challenge Programs	162	216	471	539	551	
		CCI/Challenge Cost Share Programs	0	0	0	0	0	
		Repair & Rehab	509	1,274	1,313	555	1,241	
		Subtotal w/o Construction	[15,416]	[17,323]	[17,873]	[17,079]	[18,123]	18%
		Construction	8,363	1,480	0	2,183	0	
Shenandoah NP			**14,521**	**14,683**	**13,916**	**14,292**	**15,254**	
	Park Ops	Base	10,253	10,478	10,535	10,169	10,377	1%
	Project Funding	Maintenance	217	75	133	255	453	
		Rec. Fees/Golden Eagle/Park Passport	3,051	3,309	2,696	2,828	2,777	
		Concessions	185	165	0	147	144	
		Natural Resource Challenge Programs	631	311	396	441	791	
		CCI/Challenge Cost Share Programs	11	19	0	95	3	
		Repair & Rehab	173	326	156	357	118	
		Subtotal w/o Construction	[14,521]	[14,683]	[13,916]	[14,292]	[14,663]	1%
		Construction	0	0	0	0	591	
Yellowstone NP			**37,592**	**45,491**	**46,070**	**47,450**	**51,921**	
	Park Ops	Base	25,122	27,043	27,669	28,093	29,845	19%
	Project Funding	Maintenance	545	732	1,058	1,055	892	
		Rec. Fees/Golden Eagle/Park Passport	5,153	5,135	4,743	4,741	4,487	
		Concessions	547	521	829	96	219	
		Natural Resource Challenge Programs	227	508	661	633	700	
		CCI/Challenge Cost Share Programs	30	21	54	0	0	
		Repair & Rehab	902	2,299	3,950	3,199	1,043	
		Subtotal w/o Construction	[32,526]	[36,259]	[38,964]	[37,817]	[37,186]	14%
		Construction	5,066	9,232	7,106	9,633	14,735	

		$000's					
Park Units		FY 2001 Enacted	FY 2002 Enacted	FY 2003 Enacted	FY 2004 Enacted	FY 2005 Enacted	% Change
Yosemite NP		**35,748**	**38,220**	**38,715**	**38,431**	**38,995**	
Park Ops	Base	22,533	23,115	23,128	22,714	23,550	5%
Project Funding	Maintenance	586	662	734	1,321	1,222	
	Rec. Fees/Golden Eagle/Park Passport	11,037	12,963	11,229	11,859	11,547	
	Concessions	123	123	1,261	695	703	
	Natural Resource Challenge Programs	152	334	431	621	588	
	CCI/Challenge Cost Share Programs	0	0	119	30	0	
	Repair & Rehab	1,317	1,023	1,813	1,191	1,385	
	Subtotal w/o Construction	[35,748]	[38,220]	[38,715]	[38,431]	[38,995]	9%
	Construction	0	0	0	0	0	
Zion NP		**8,150**	**11,324**	**9,500**	**9,979**	**10,980**	
Park Ops	Base	5,605	5,971	6,014	6,008	6,153	10%
Project Funding	Maintenance	0	0	0	0	320	
	Rec. Fees/Golden Eagle/Park Passport	2,491	5,106	2,922	3,355	3,902	
	Concessions	4	4	5	12	11	
	Natural Resource Challenge Programs	50	128	249	301	325	
	CCI/Challenge Cost Share Programs	0	0	0	108	51	
	Repair & Rehab	0	115	310	195	218	
	Subtotal w/o Construction	[8,150]	[11,324]	[9,500]	[9,979]	[10,980]	35%
	Construction	0	0	0	0	0	

The following are GAO's comments on the Department of the Interior's letter dated March 27, 2006

GAO Comments

1. We agree that the overall 2005 ONPS account was $1.7 billion—an increase of about 21 percent higher than in 2001. We reported this increase on an average annual basis of about 4.9 percent per year from 2001 through 2005, which is equivalent to about 21 percent from 2001 to 2005 in nominal terms. In addition, we added information on the department's comment that the Park Service has received significant operating increases since 1980, particularly compared to other domestic agencies.

2. For the park units we visited, we provided data and analysis on the major funding trends for the park units, namely, allocations for daily operations, project related allocations, visitor fees, concessions fees and others. We added examples of specific project allocations to the park units we visited and how they were used as reported by the park units.

3. On page 12 of the report, we provided information on the park service's overall budget authority. In addition, we agree that the allocations for daily operations increased by about 14 percent from 2001 through 2005. However, we believe it is also important to look at the change in inflation-adjusted terms. We believe the information we provided in the report fairly describes the emphasis placed by the Congress and the Administration on Park Service operations over our 5-year study time frame.

4. According to the Department of the Interior, the allocation for daily operations increased more in dollar terms than any other Park Service program between 2001 and 2005. However, on an average annual basis, the percentage increase over this period was less than for other programs. In addition, after adjusting for inflation, the allocation for daily operations fell slightly from about $903 million in 2001 to about $893 million in 2005—an average annual decline of about $2.5 million, or 0.3 percent.

5. We disagree with the assertion that our analysis presents a "false dichotomy between operations and project funding." This is addressed more fully on pages 46 and 47.

6. On page 19 of the report, we include allocations for cyclic maintenance, repair and rehabilitation, and the inventory and monitoring programs from fiscal years 2001 through 2005. We believe this reflects the Park Service's continued emphasis on efforts to reduce its deferred maintenance backlog and the monitoring and protection of the natural resources in its charge.

7. The report provides the allocation trends for existing programs such as the Inventory and Monitoring program, which is a large component of the Natural Resource Challenge. To provide additional information on this effort, we added information in the report on the total allocations from fiscal years 2001 through 2005—$62 million in nominal dollars. We also added examples of specific projects at park units we visited, some of which were funded through project allocations under the Natural Resource Challenge.

8. See comment 1 above and the table attached to the department's comments.

9. Although analyzing Park Service spending per visit is an indicator, we believe such analysis is of limited use because it does not indicate how the expenditures are used.

10. See page 47 for our response. In addition, we used examples from park unit divisions that we visited in an effort to illustrate specific impacts on park operations. As the department pointed out, Grand Teton National Park's, overall FTE data indicates that seasonal employees increased from 54 to 73 from 2001 through 2005. However, this increase was mostly due to additional seasonal employees that were hired with other authorized funding sources—from 17 to 46. The seasonal FTEs paid for through daily operations allocations, in fact, decreased from 37 to 28. Employees paid for through project-related allocations are hired to conduct work on specific projects, while those funded through daily operations allocations can be used more flexibly within a division to carry out operational activities such as cleaning restrooms and picking-up litter.

11. We agree that operational funding is one of several factors that contribute to employment levels at individual park units. Because management at the park unit level has discretion to manage within available resources, we asked park unit officials to report the level of FTEs funded per division, per funding source, and per employee type.

In this way, we were better able to substantiate the anecdotes we chose to use in the report and to determine the parks' staffing composition. For example, at Grand Teton National Park, the number of permanent FTEs funded through daily operations allocations, from 2001 through 2005 decreased by 2, while those funded through project allocations and other authorized funding sources increased by 16.

12. See page 47 which discusses our response to this comment.

13. We noted these additional non-park specific efforts on page 40 of the report.

14. We agree that management decisions are made within a dynamic environment of shifting priorities and resources. The specific examples we provide highlight projects and activities that were accomplished, or were not accomplished given the resources available to individual park units. We agree that the Park Service has worked to accommodate the impact of pay increases and across-the-board reductions; however, we did not study the level of visitor satisfaction throughout this time frame. Many of the park unit officials we spoke with explained that in an effort to manage within available resources, certain activities that directly affect the visitor can no longer be provided for with daily operation allocations. The activities must then either be reduced, eliminated or paid for using other authorized funding sources. For instance, we found that some activities traditionally provided by a Park Service employee, were now being provided by volunteers.

15. See page 48, which discusses our response to this comment.

16. At the time we visited Zion National Park, it had not yet completed it's COA. Since they completed their analysis, we have not had the opportunity to validate the department's claim that Zion National Park achieved an overtime and premium pay for savings of $30,000 as a result of the COA.

17. We added additional information on page 40 of the report to reflect these efforts.

18. See pages 48 and 49, which discuss our response to this comment.

19. See pages 48 and 49, which discuss our response to this comment.

20. We added additional information in the report to address this comment.

21. See pages 45 and 46, which discusses our response to this comment.

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