



Highlights of GAO-06-631T, a statement for the record to the Subcommittee on Interior, Environment, and Related Agencies; Committee on Appropriations; U.S. House of Representatives

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.

This statement addresses (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. This statement is based on GAO's March 2006 report, *National Park Service: Major Operations Funding Trends and How Selected Park Units Responded to Those Trends for Fiscal Years 2001 through 2005*, GAO-06-431 (Washington, D.C.: March 31, 2006).

What GAO Recommends

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

www.gao.gov/cgi-bin/getrpt?GAO-06-631T.

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.

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 some 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 who 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 with a business plan we visited, officials stated that the plan, 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.