

Acadia's Business Plan

An Assessment of
the Park's Operational Needs



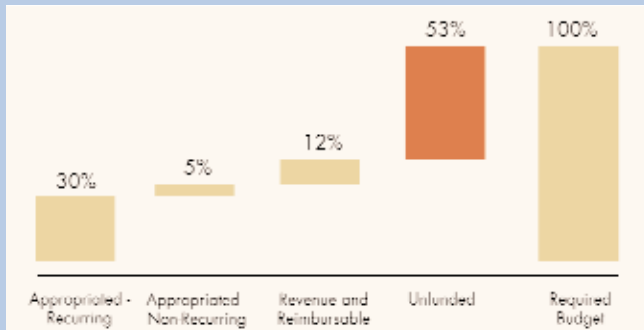
2001 ■ ACADIA NATIONAL PARK MAINE

Summary

In cooperation with the National Parks Conservation Association and Friends of Acadia, the National Park Service has prepared a business plan for Acadia National Park to better understand and communicate its budget and staffing needs. The analysis is based on Acadia's fiscal year (FY) 2000 budget and staffing levels, and highlights are provided below:

Budget and Staffing Shortfall: Acadia has a staffing and budget shortfall of 53%. This translates to a deficit of approximately \$7.3 million with a need to increase staff by 109 Full-Time Equivalent (FTE) employees. Acadia requires a total of \$13.8 million and 230 FTE to achieve its operational standards.

Financial Information



Historical Funding Analysis: From FY 1980 to FY 2000, base funding increased by 280% in nominal dollars. However, when the dollars are adjusted for inflation, the budget only increased by 82% in real dollars. This increase has not kept pace with the rising cost of operating the park caused, in part, by increased visitation, broader responsibilities, and unfunded mandates at the park.

Fund Sources: Acadia must rely on nearly half of its funding from non-recurring, unreliable sources. In FY 2000, the total spending for the park was \$7.3 million. Of this amount, only 55% was base funding. The remaining 45% of the budget was comprised of revenues (30%), projects (12%), and reimbursable accounts (3%).

Funding for Park Operations: Park operations spending (not including one-time projects) for FY 2000 totaled \$6.5 million. This funding was allocated among the five functional areas for park operations as follows: Facility Operations — \$1.7 million (26%), Visitor Experience and Enjoyment — \$1.7 million (26%), Maintenance — \$1.2 million (19%), Management and Administration — \$1.0 million (15%), and Resource Protection — \$0.9 million (14%).

Investment Needs: The park's necessary one-time investments are listed in the National Park Service's Project Management Information System database. The highest priorities include upgrading utilities and campgrounds (\$5.3 million), rehabilitating bridges (\$3.3 million), and rehabilitating trails system (\$4.1 million). Resource protection investments include completing boundary surveys (\$1.0 million), carrying capacity studies (\$0.8 million), and the restoration of disturbed habitats (\$1.8 million).

Financial Strategies: Acadia plans to explore the following strategies to reduce the budget shortfall: visitor use studies, benchmarking, revenue optimization, improved technology, and sharing resources. Increases in congressional appropriations and permanent fee demonstration funding will also be vital to meeting the park's needs.

Government Performance and Results Act (GPRA): 51% of the park's operational spending is focused on achieving the Public Enjoyment and Visitor Experience Goal.



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Business Plan Initiative

Business Plan Objective

The National Park Service's Business Plan Initiative is a creative public/private partnership developed to improve NPS's ability to address full operational costs for parks and communicate park responsibilities and financial needs to outside audiences.

Acadia National Park prepared a business plan as part of the nationwide Business Plan Initiative (BPI), which is a partnership effort of the National Park Service and National Parks Conservation Association. The purpose of the BPI is to prepare individual business plans for national parks to articulate how they spend their money and where funding shortfalls may exist. The BPI process has been reviewed and certified as a sound process by PricewaterhouseCoopers LLP.

For each national park, the BPI process involves recruiting two graduate students from among the leading business schools in the United States to complete the necessary data collection and financial analysis over a three-month period. The graduate students gather information on the use of park funds, standards needed to maintain desired resource and visitor experience conditions, and gaps between existing park funding and justified needs. Once the analysis is finished, the information is organized into a business plan to identify, explain, and communicate its budget and staffing needs, and recommend strategies to address funding shortfalls. The financial information for Acadia's Business Plan is primarily based on figures for FY 2000, which ran from October 1, 1999, to September 31, 2000.

One of the goals of the BPI is to analyze park operations in a manner that is comparable across parks nationwide. To make this comparison possible, all of the park's operations were divided into universal "Functional Areas" and "Programs." Each of the five Functional Areas contain Programs, which are subdivisions that describe all of the park's operations. Each Program represents a collection of tasks that focus on what the park needs to accomplish to meet its goals. Dividing the park's operations into activity-based programs and identifying how much each activity costs to perform helps to explain how the park's funds are spent.

Information in the business plan is supported with databases, background information, and other documentation, including a set of detail sheets that summarizes and describes the business of the park. Each detail sheet includes a description of the resources required to perform the park's Programs at an acceptable level by listing its operational standards. Detail sheets form the quantitative and qualitative foundation for the summary information presented in the business plan. These data, never before assembled at the park, provide a basis for charting Acadia's financial future.

For more information on the BPI, please visit the web site at:
www.npca.org/across_the_nation/funding_and_management

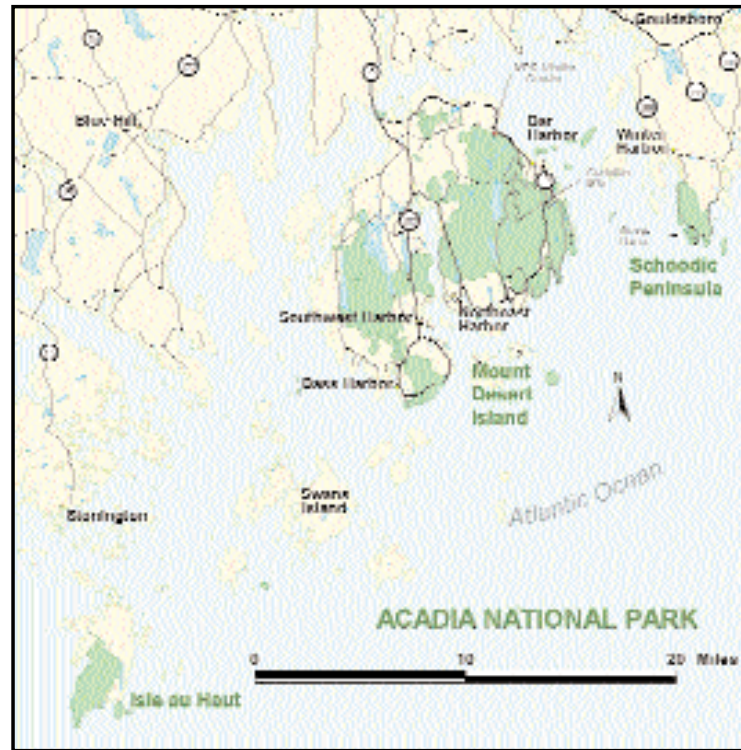
Acadia National Park

Acadia National Park is located along the coast of Maine approximately 265 miles northeast of Boston, Massachusetts. The park contains approximately 35,000 acres, 30,000 of which are located on Mount Desert Island, constituting nearly half of the island's landmass. The park also includes approximately 3,000 acres on Isle au Haut and 2,000 acres on Schoodic Peninsula. The park holds more than 165 conservation easements totaling approximately 11,000 acres on private lands throughout Mount Desert Island and neighboring islands.

The park was originally established as Sieur de Monts National Monument by Presidential Proclamation in 1916. Congress incorporated the national monument into the Lafayette National Park when it was established in 1919 as the first national park east of the Mississippi River. In 1929, Congress changed the name to Acadia National Park and authorized the park to expand by accepting donations of property throughout Hancock County and certain islands in Knox County. The donation of separate properties over the years has created a matrix of private and public lands with a complex and irregular park boundary.

From its rocky coast to granite mountaintops, Acadia's landscape provides habitat for a variety of plants and animals, including many of national and state significance. Mountains, lakes, and glaciated valleys highlight the scenery. At 1,530 feet, Cadillac Mountain is the park's centerpiece and the highest point on the east coast of the United States. Acadia also possesses exceptional resources related to Native American culture, the arrival of French and British settlers to North America, and the "cottage era" when wealthy Americans of the late 19th and early 20th centuries summered in the area. The hiking trails, carriage roads, and scenic drives that were developed during this period contribute to the historical significance of the park's cultural landscape.

Acadia is one of the most visited units in the National Park System. The park receives approximately 2.8 million visitors a year with 70% of the visitation occurring between June and September. Visitation during the park's shoulder seasons continues to grow in both number and duration. Acadia offers superb recreational and educational opportunities to visitors. Resource-based recreational activities include camping, hiking, horseback and carriage riding, bicycling, kayaking, canoeing, and sightseeing. People of all ages participate in a variety of interpretive activities, including guided walks, amphitheater presentations, environmental education programs, and outreach activities.



Mission

The mission of Acadia National Park is to protect and preserve outstanding scenic, natural, scientific, and cultural values for present and future generations through programs, facilities, and services. The park also provides programs and opportunities for non-consumptive, resource-based recreation and education.

Acadia National Park Inventory

Natural Resources

35,000 acres of land
11,000 acres in conservation
easement
26 mountain peaks
272 species of resident birds
44 species of mammals
44 species of fish
8 species of reptiles
11 species of amphibians
982 species of native plants
206 non-native species of plants
22 threatened or endangered
plant species
4 threatened or endangered
animal species

Cultural Resources

Park Loop Road
Carriage Road System
Historic Trail System
10 historic structures
48 historic buildings
45 historic bridges
37 historic markers
5 historic landscapes
36 historic cultural landscapes
111 archeological sites
1.3 million objects in park collection

Human Resources

46 permanent employees (year-round)
39 permanent employees
(not year-round)
142 seasonal employees
37,000 annual volunteer hours

Roads and Trails

101 miles of paved roads
19 miles of gravel roads
45 miles of carriage roads
118 miles of hiking trails
19 road bridges
27 carriage road bridges
45,000+ roadside coping stones

Fleet

147 vehicles
4 fire fighting trucks
1 water tender
6 boats

Visitor Facilities, Buildings, and Utilities

1 visitor center
1 information center
1 museum
1 nature center
1 collections and research center
33 comfort stations
46 housing units
116 other buildings, including
headquarters complex
6 picnic areas
2 campgrounds with 523 sites
5 remote campsites on Isle au Haut
2 amphitheatres
43 heating systems
32 water systems
26 sewer systems

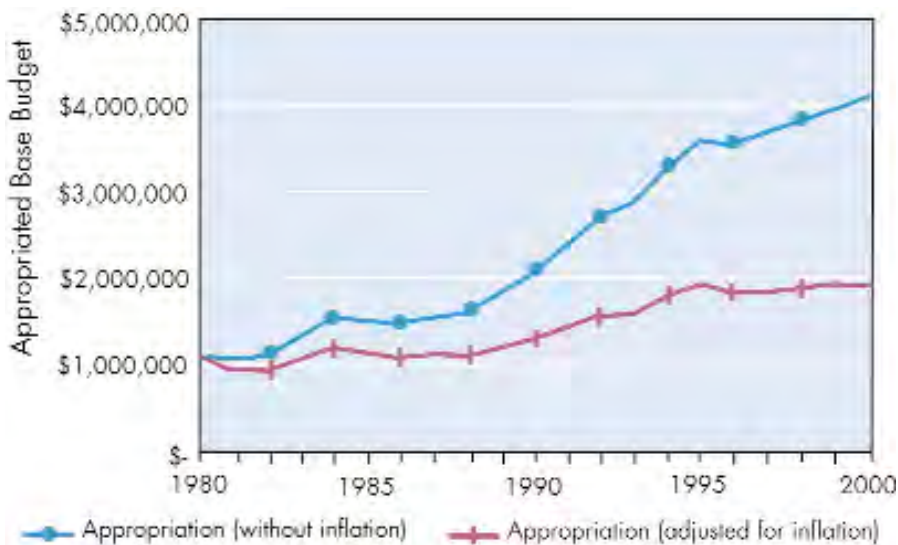




Historical Background and Analysis

The chart below shows the historical trend for park base funding (adjusted for inflation) since 1980. While the park's budget has increased by \$3.0 million, or 280%, over the past two decades, the increase is far less dramatic when adjusted according to the Consumer Price Index. The adjusted increase is \$0.9 million, or 82%, in 1980 dollars at an average increase of 3% per year. Still, this adjusted figure does not adequately compensate for the park's increasing visitation and complexity since 1980.

Historical Funding Analysis



The financial effect of the added complexity is striking, even over the past five years. In 1995, the average cost of an employee at Acadia was \$31,000, while in 2000, that figure climbed to \$34,900 after adjusting for inflation. This increase was largely driven by changes in employee compensation rules as described below. When combined with an increase in the total number of Full Time Equivalent (FTE) employees from 101 in 1995 to 121 in 2000, this translates into a deficit of 29% in real dollar terms.

Increased operating costs have been driven by new legal mandates ranging from Federal laws to Department of the Interior directives. Some mandates have been implemented with budget increases, but many have not. The estimated cost of these mandates to Acadia, as shown in the Gap Analysis table, is \$386,859. Some mandates that directly increased the cost of staffing to the park include the following:

- Implementation of Federal Employee Retirement System in 1984
- Execution of Ranger Careers Initiative in 1994 and subsequent position upgrades, law enforcement pay, retirement benefits, medical certification, and background checks
- Office of Personnel Management's mandate that changed employment rules regarding seasonal versus career seasonal status in 1994
- Implementation of Administrative Careers Initiative in 1994
- Implementation of Resource Careers Initiative in 1999

A number of new responsibilities for the park staff have added to this deficit. These include, for example, longer and busier seasons, public safety laws, and National

Environmental Policy Act compliance. To compensate for this deficit, the park has been forced to shift its spending priorities. Examples of this shift include: reducing maintenance spending, reducing training and travel costs, not replacing needed equipment, and relying on seasonal employees or volunteers instead of permanent park staff for essential duties.

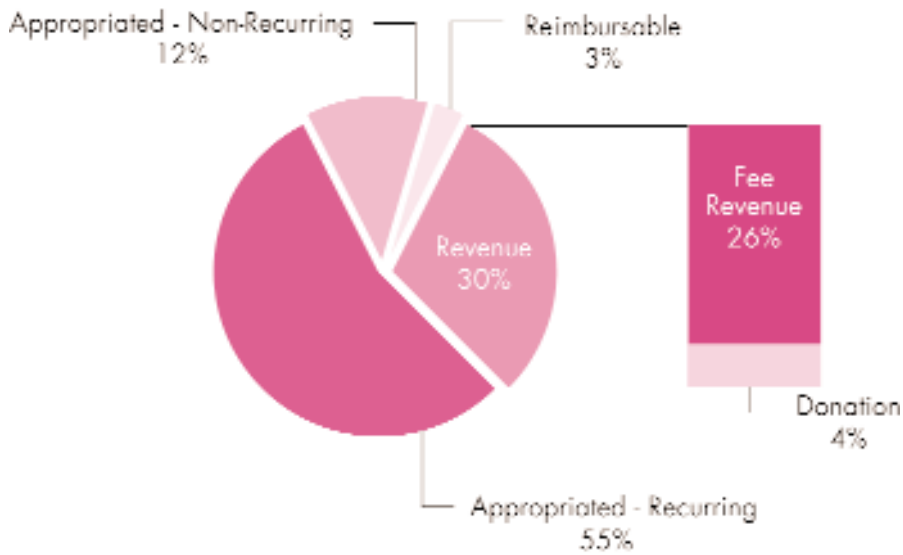
In FY 2000, Acadia's total spending budget was \$7.3 million. Of this amount, only 55% came from base funding. The rest of the funding came from revenues, donations, and project money. The increased reliance on these non-secure funds to the park may prove problematic because they cannot be used to fund the permanent positions that make up the core of the park staff. In addition, many of the park's other sources of funds are dedicated to specific purposes, which restricts the flexibility of the park's spending even further.

1995-2000 Gap Analysis

Actual 2000 Base Budget: (121 FTE)	\$4,081,000
CPI Deflator	88.5%
Adjusted 2000 Base Budget	\$3,611,756
Actual 1995 Base Budget (101 FTE)	\$3,585,000
<hr/>	
Net Base Increase	\$26,756
Increased Cost of Staffing	\$386,859
Additional Workload (20 FTE)	\$686,621
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Total Staff Cost Increase	\$1,073,480
Effective Base Increase (Decrease)	(\$1,046,724)
Net Deficit % of 1995 Real \$	-.29%

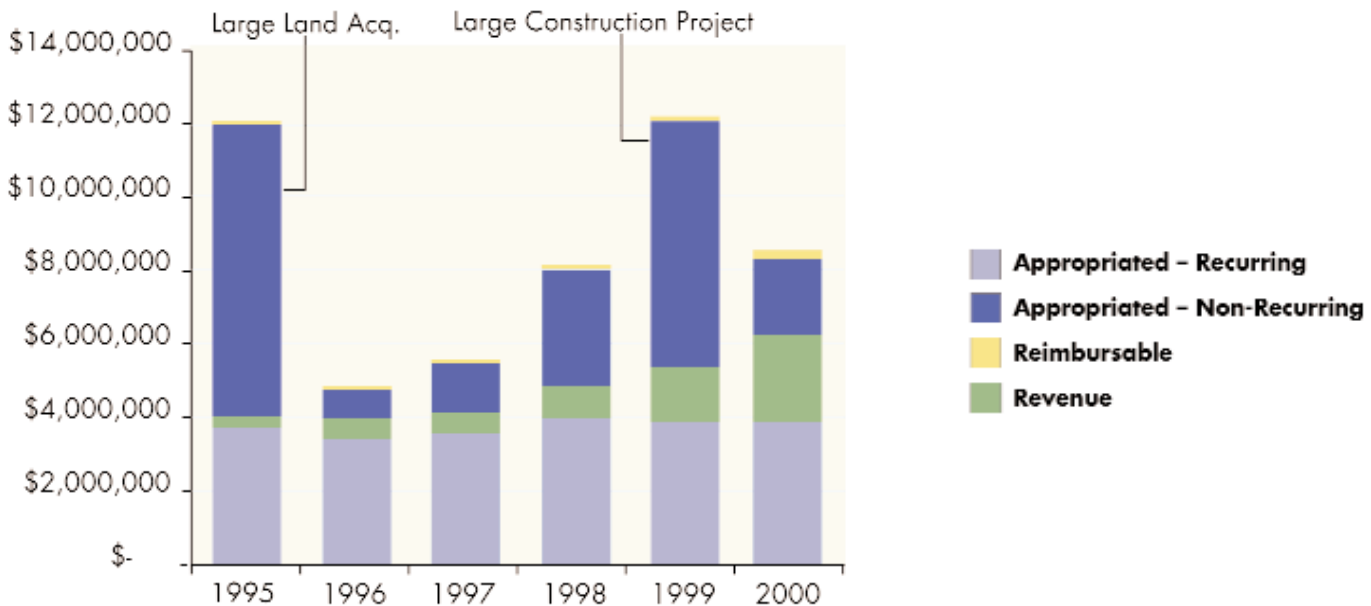


2000 Park Expenditures by Fund Source



This trend of reliance on non-base dollars has increased sharply over the past several years, as shown below. Over the years, the situation has progressed to one where the park sees nearly 50% of its total funding come from non-base funding. This makes the year-to-year management of these dollars very difficult since there is no guarantee that they will be available. Yet, these funds support vital ongoing operations of the park.

Park Expenditures by Fund Source





Functional Areas

The Business Plan analyzed park operations by first dividing them into the following Functional Areas: Resource Protection; Visitor Experience and Enjoyment; Facility Operations; Maintenance; and Management and Administration.

The Functional Areas were further divided into a total of 35 Program Areas, which more precisely describe the park's operations. Under each Program Area, park managers established Operational Standards to determine what resources (funding, staff, materials, etc.) are required to properly perform park functions. Operational Standards indicate of the type, frequency, and quality of work that needs to be accomplished. Operational Standards provide a baseline for determining whether the park is accomplishing its goals in each Program Area. The allocation of funds and staff can be identified according to Program Area and shortfalls may be determined.

Funding for park operations (not including one-time projects) in FY 2000 totaled \$6.5 million. The funding was allocated among the five Functional Areas for park operations as follows:

Facility Operations - \$1.7 million (26%)

Visitor Experience and Enjoyment - \$1.7 million (26%)

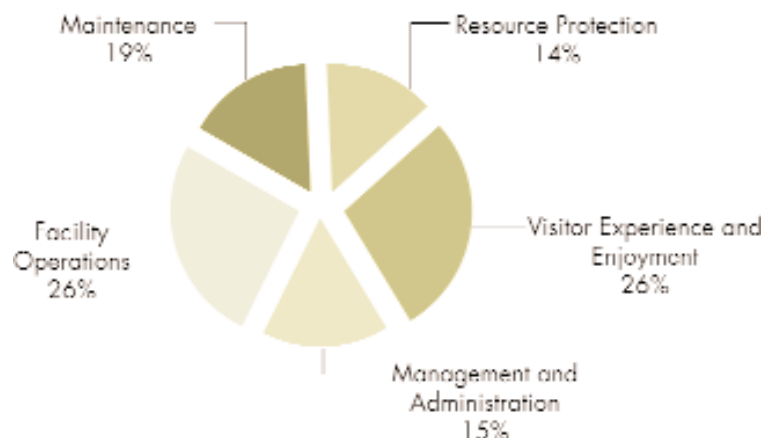
Maintenance - \$1.2 million (19%)

Management and Administration - \$1.0 million (15%)

Resource Protection - \$0.9 million (14%)

A detailed discussion of each Functional Area follows.

Spending by Function





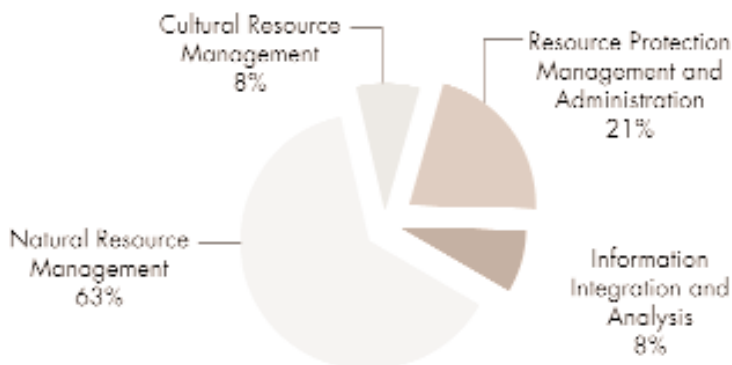
Resource Protection

Resource Protection strives to understand and protect the natural and cultural resources at Acadia National Park. Natural resource management comprises inventories, long-term monitoring, research, and data and information management. Cultural resource management ensures that cultural and historic resources are documented and protected. In addition, resource protection involves marking and surveying park boundaries, managing and preventing wildland fire, patrolling parklands, and investigating resource crimes.

Among Acadia's natural and cultural resources are: 22 threatened and endangered plant species, 4 threatened and endangered animal species, 206 invasive non-native plant species, numerous historic structures, 111 archeological sites, and 1.3 million objects in the park museum collection.

Nearly half the expenditures in this functional area were specifically for the protection of the resources. This reflects the substantial amount of time spent by rangers in ensuring resource protection and relates to the high visitation pressure and the numerous commercial activities within the park. Given the mission of the park is to allow the public to enjoy the resources unimpaired, significant effort will be needed in the future to ensure that scientific data and protective measures are in place to allow informed decisions regarding Acadia's resources. This research and monitoring is currently not being done due to lack of funding and staff. The park also lacks a complete curatorial staff, which has left one million museum objects uncataloged.

Resource Protection Expenditures



Acadia's resources require ongoing management due to its patchwork of privately donated land, complicated boundaries and conservation easements within the area. For example, there are numerous offshore islands under Acadia's care that represent very fragile and important landscapes. The park lacks the staff to patrol these islands, and illegal use of these islands often occurs.

Key Operational Gaps

- Develop carrying capacity standards and monitor visitor use trends
- Conduct baseline surveys and long term monitoring to assess the condition of natural resources
- Ensure the protection of natural resources with adequate staffing
- Manage 16 priority invasive plant species
- Survey and monitor boundaries and conservation easements
- Catalog one million objects in museum collection

Resource Protection Summary					
Available		Unfunded		Total Requirements	
FTE	\$	FTE	\$	FTE	\$
18.5	931,501	25.7	1,678,494	44.2	2,609,995





Visitor Experience and Enjoyment

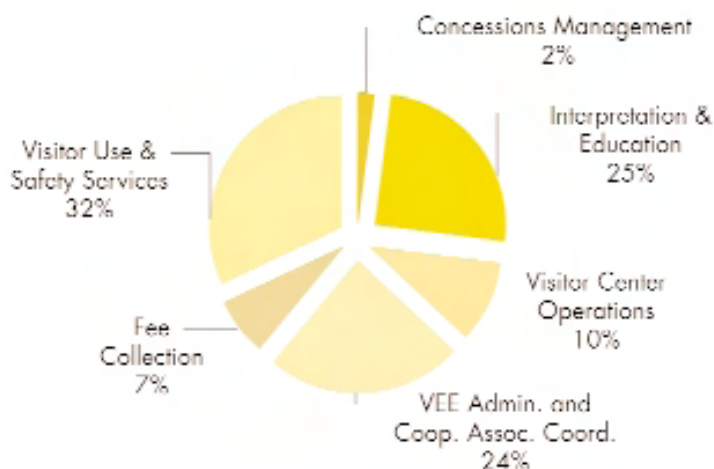
Visitor Experience and Enjoyment comprises all park activities that are directly related to visitor experience at Acadia National Park. The primary goal of this Functional Area is to provide the visitor with an educational, pleasurable, and safe park experience. Activities range from interpretive services, guided hikes, and curriculum-based school programs to law enforcement, search and rescue, and emergency medical response. Through interpretation, visitors can be enlisted as allies in accomplishing the mission of the National Park Service. The visitor who is inspired by seeing the sunrise from Cadillac Mountain's summit and learns of the fragile alpine plants at their feet will stay on designated trails. The visitor who understands the intricacy of tide pools along the rocky coast sees the connections between human land-based actions and the health of the coastal marine ecosystem.

Managing visitor interaction and impact on resources is a key component of the operations at Acadia, as demonstrated by its significant expenditures in FY 2000. The current interpretive staff presents 94 programs per week (down from 130 per week in 1995), yet still, as in all years since 1990, turns away increasing numbers of visitors due to lack of capacity.

Demand for park generated publications has ballooned with increased visitation and renewed emphasis on cultural resources and resource protection. Information requests continue to grow through new sources (web pages and electronic mail) as well as the visitor center, where information desk rangers greet over 10,000 people per day.

Rangers in the Division of Resource and Visitor Protection are responsible for the protection of visitors. With the current high levels of visitation to the park, and

Visitor Experience and Enjoyment Expenditures



increases in crimes committed inside the park, the current visitor and resource protection staff cannot adequately meet the demands of the workload. At their present staffing levels, Rangers have extremely long response times (45-60 minutes) or are sometimes unable to respond to visitor requests for assistance. They have also been tasked with the need to respond to incidents associated with increased winter recreational use of the park as well as significant increases in visitation to the Schoodic Peninsula, Isle au Haut, and the 79 remote islands. These tasks have even further strained their capabilities due to lack of funding for additional staff. For example, the Isle au Haut ranger position was lapsed when housing burned and could not be rebuilt for lack of funds. Without park staff on site, this valuable resource cannot be protected effectively.

Key Operational Gaps

- Provide visitor center staffing seven days a week year round
- Re-establish the lapsed Isle au Haut position
- Provide adequate staffing of visitor protection rangers in frontcountry
- Establish concessions management position to manage current program of four concessionaires and 145 commercial use authorizations
- Develop park-specific information with a permanent writer/editor

Visitor Experience and Enjoyment Summary					
Available		Unfunded		Total Requirements	
FTE	\$	FTE	\$	FTE	\$
41.3	1,690,769	24.1	1,239,432	65.4	2,930,201





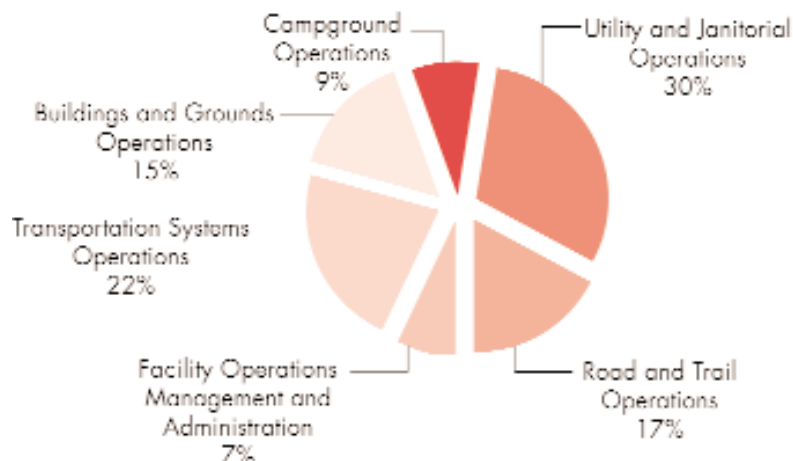
Facility Operations

Facility Operations are defined as those activities that must be undertaken on a regular basis to ensure smooth operation of park facilities. Facility Operations include recurring activities that occur anywhere from daily to annually to keep the park's facilities, grounds, and trails functional. The park manages 116 buildings, including 48 historic buildings, for public, administrative, and housing functions, with over 151,000 square feet of floor space. There are three maintained campgrounds with over 500 sites. The park maintains 101 miles of paved roads, including the 26 mile historic Loop Road System, and 45 miles of historic carriage roads. The park also maintains 118 miles of historic trails for visitor use and enjoyment.

Adequate facility operations at Acadia have suffered due to limited base funding. Vital parts of the park, such as the signature carriage road and trail systems must rely on inconsistent and competitive Federal sources. In recent years, Friends of Acadia (FOA) has been a critical source of supplemental, non-Federal funding. Over the past several years, FOA and the National Park Service have formed a partnership called ACADIA TRAILS FOREVER. The \$13 million program, which includes \$4 million in federal funds, will rehabilitate the park's 118-mile trail system. Acadia is the first national park to have a privately endowed trail system.

One of the park's most popular assets is its 45-mile carriage road system, used by over 150,000 visitors in 2000. A similar FOA program was successful in donating a \$5 million endowment for carriage road maintenance. The park employs the Youth Conservation Corps and volunteers to supplement staff efforts to keep the carriage roads open and safe.

Facility Operations Expenditures



FOA has also played a key role in establishing the Island Explorer bus transportation system, in conjunction with the park and Downeast Transportation, Inc. While the system has seen fantastic initial results, with 239,000 riders in 2001, both a permanent transportation planner and base funding for the partnership are needed to provide for continued success.

A critical issue for Acadia is that investments in facilities have been funded while the associated operational needs have not. For example, over the past several years, the construction of 16 new bathroom facilities was successfully funded. However these new bathrooms were matched with a zero increase in funding to pay for the janitorial service needed to clean and maintain them.

Key Operational Gaps

- Ensure environmental and safety compliance with dedicated staff
- Prevent overgrowth of scenic vistas/hazard trees removal
- Improve drainage on carriage and motor roads to prevent major repairs
- Operate facilities/restrooms for longer visitor seasons
- Accomplish routine facility needs (cleaning, lubricating, painting) to prevent replacement later

Facility Operations Summary					
Available		Unfunded		Total Requirements	
FTE	\$	FTE	\$	FTE	\$
31.9	1,622,352	17.9	1,004,239	49.8	2,626,591





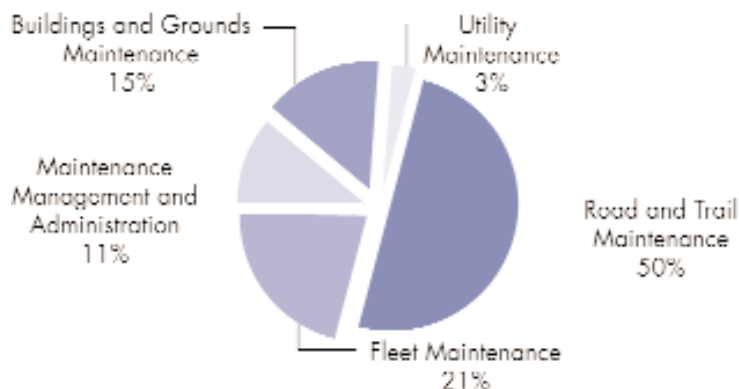
Maintenance

The Maintenance Functional Area includes programs specifically devoted to prolonging the useful life of park assets. These are usually projects that occur infrequently and require an investment of time, effort, and funding. Many of these projects are listed among the backlog of maintenance in the National Park System. Depending on available funds from programs like Fee Demonstration, the park undertakes a finite number of projects to invest in assets such as buildings, trails, carriage roads and exhibits.

Park sites such as trailheads and restrooms are being enhanced to better serve park visitors and partners. Frequently sewer, water, electrical, gas, and HVAC repairs, and one-time utility investments are financed through repair/rehabilitation, cyclic maintenance, and other Federal funds outside of normal park operating funds. All of these activities allow for the enjoyment and safety of park visitors with minimum impact to the resources.

The financial summary shows that the park's maintenance is significantly less funded than the operations (18% vs. 27% of total spending). This translates to a park that keeps its day-to-day operations running, while the long-term infrastructure of the park degrades. Unfortunately, this results in a much higher future rehabilitation or replacement cost and increasingly higher operational needs, and results in a downward spiral of spending.

Maintenance Expenditures



Key Operational Gaps

- Repoint masonry on bridges and buildings
- Restore vistas, social trails, and disturbed areas
- Replace vehicles and equipment when past useful life
- Train employees to improve skills
- Make routine repairs on buildings and roads before they fail

Maintenance Summary					
Available		Unfunded		Total Requirements	
FTE	\$	FTE	\$	FTE	\$
15.5	1,171,097	20.2	1,936,314	35.7	3,107,411





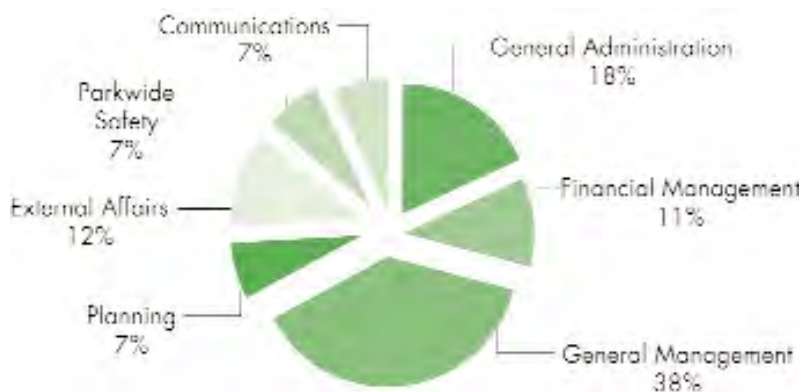
Management and Administration

The management of Acadia National Park is dedicated to ensuring that the park is maintained to the highest level of care. Management defines clear goals to promote and communicate the park mission to staff, and sets out management systems to ensure orderly implementation, timely completion, and superior results from the work undertaken. This includes accountability to all park stakeholders, partners, and the public. Accomplishing the park's stewardship mission also requires adopting a proactive outreach approach with local communities and partnerships.

Administratively, many programs are necessary to carry out this function including budget and financial management, personnel, contracting, procurement, property management, government housing, GSA fleet coordination, and information management. Management also maintains one of the National Park Service's most effective volunteer programs with some 37,000 hours donated in 2000.

The Management and Administration Functional Area of the park is been faced with shortfalls in key areas for Acadia. The park currently has only one budget analyst who must deal with the spending of all functions of the park, leaving little time for any planning. There is also no dedicated concessions manager, even though Acadia has four concessionaires, which gross over \$4 million in revenue per year inside the park. The park also has a complete lack of communications support, with no park voice mail and no dedicated information technology staff.

Management and Administration Expenditures



Key Operational Gaps

- Monitor fiscal information monthly
- Provide seasonal human resources support
- Provide year-round dispatch
- Establish environmental management and safety program
- Establish external affairs staff
- Provide a full planning and compliance staff

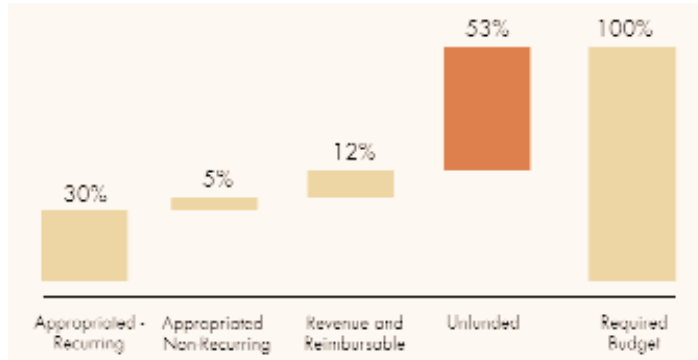
Management and Administration Summary					
Available		Unfunded		Total Requirements	
FTE	\$	FTE	\$	FTE	\$
14.0	956,374	21.0	1,278,810	35.0	2,235,184



Summary Financial Information

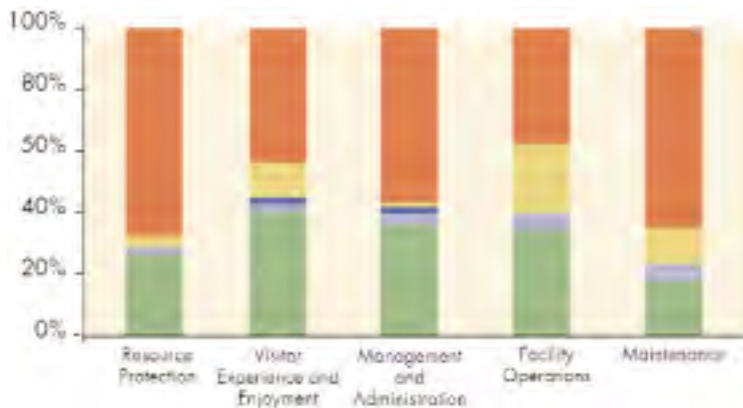
The results of the Business Plan analysis show that Acadia has a staffing and budget shortfall of 53%. This translates to a deficit of approximately \$7.3 million with a need to increase staff by 109 Full-Time Equivalent (FTE) employees. Acadia requires a total of \$13.8 million and 230 FTE to achieve its operational standards. Overall, the current funding that Acadia receives is only sufficient to cover 47% of the true need, as demonstrated below. Many of the day-to-day visitor needs are met. However, there are significant shortfalls associated with protecting the park's resources.

Financial Information

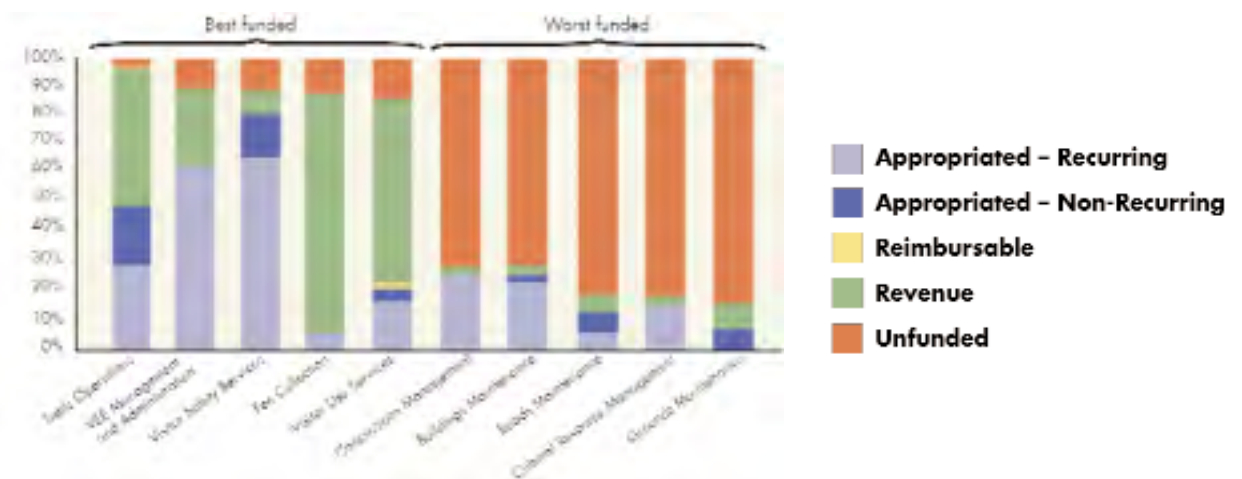


The charts below show the fund source and the gap that exists for each of the Functional Areas, and Programs that are in the best and the worst financial shape. Resource Management and Maintenance are the two least funded Functional Areas, with money typically being spent on more pressing day-to-day operations.

Shortfalls and Funding Source by Function



Funding Comparison



Financial Summary Notes

Note 1: Basis of Accounting

The financial summary has been prepared from the books and records of the National Park Service in accordance with its accounting policies. The resources available reflect the total operations and maintenance costs incurred by the park during FY 2000. The resources required are intended to represent the funding needed to operate the park while fully meeting park defined operational standards. Program requirements are presented as a 5-year planning tool based on FY 2001 salary & wage tables; inflating non-labor operating costs using the Congressional Budget Office's FY 2001 inflation estimate of 2.8%; and the park resource inventories and infrastructure as of August 2001. Changes resulting from one-time projects and capital improvements (e.g., investments) will have a resulting impact on the operational requirements presented.

Note 2: Total Dollars Available

The amount shown for Total Dollars Resources Available in FY 2000 represents spending on operational programs. One-time project spending totaled \$808,149 in FY 2000. The total of these two numbers (\$7,347,550) was the park's total expenditures in FY 2000.

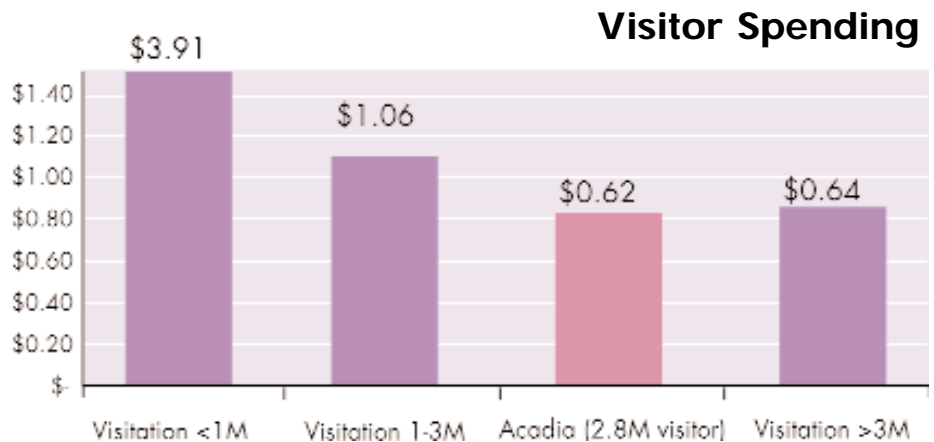
Financial Summary Table

The financial summary table describes the park operating budget of \$6.5 million dollars for FY 2000. This is the sum of direct congressional appropriation funded through the Operation of the National Park System (\$4.1 million) and a variety of other fund sources (\$2.4 million). The table shows five Functional Areas that are further divided into 35 park Programs. For each Program, the table shows the current level of spending, source of funds, and allocation of staff (FTE). Each Program also identifies the total funding required for operation. In most cases, gaps exist between the required and available resources, which show the amount of funding needed to meet the park's operational standards.

The financial summary table does not include information on operational needs or shortfalls pertaining to the acquisition of the Schoodic Naval Base. There are separate needs associated with that effort, which are described later in the plan. This plan also does not include the operations and needs of the St. Croix Island International Historic Site, a separate national park unit managed by Acadia National Park. The funding for St. Croix Island was \$60,000 in FY 2000.

Comparative Analysis

The chart below demonstrates that Acadia has been very effective with its spending despite its funding shortfall. The analysis looks at the amount that Acadia spent on Visitor Experience and Enjoyment per visitor compared with other BPI parks. In comparison to parks with similar size and visitation, Acadia has received significantly less funding and has struggled to keep up with the growing demands on its resources and services.



Financial Summary Table

Program	Resources Available FY 2006			Resources Available FY 2007			Resources Available FY 2007			Summary Detail		
	Approved Recurring	Approved Non-Recurring	Non-Appropriate Recurring	Approved Recurring	Approved Non-Recurring	Non-Appropriate Recurring	Total \$	FTE	Total FTE	Total \$	FTE	Total FTE
Resource Production												
Resource Production and Administration	\$ 162,531	\$ -	\$ -	\$ 43,723	\$ -	\$ 0,734	\$ 192,711	2.4	\$ 360,000	2.4	\$ 767,216	6.3
Resource Production and Admin	69,081	-	-	22	-	1,914	71,016	1.1	261,251	4.1	330,266	6.1
Animal Services Management	264,325	29,144	342	29,144	242	142,231	597,155	7.4	1,643,326	27.4	2,240,481	44.7
Animal Services Management	69,932	-	-	-	-	11,222	72,881	1.1	269,926	2.1	339,856	6.1
Subtotal	\$ 107,602	\$ 16,633	\$ 342	\$ 16,633	\$ 342	\$ 153,931	\$ 437,511	5.6	\$ 1,093,103	10.3	\$ 1,537,062	25.7
Visitor Experience & Employee												
Concessions Management	\$ 23,536	\$ -	\$ -	\$ 23	\$ 11,636	\$ 2,601	\$ 25,202	0.3	\$ 69,216	1.1	\$ 194,452	1.4
Concessions Management	4,925	-	-	-	-	22	5,146	0.1	9,727	0.2	24,654	0.2
Environmental Education	113,212	-	-	82	-	6,172	123,465	2.8	273,422	2.8	712,312	6.9
Environmental Education	164,622	284	19,667	284	19,667	18,922	201,493	2.5	466,670	2.5	769,249	6.2
Visitor Center Operations	153,203	51	16,174	16,174	16,174	16,174	331,726	4.1	811,333	4.1	1,090,218	6.3
Visitor Center Operations	209,737	232	22	232	22	16,601	246,592	3.0	451,423	3.0	742,826	4.9
Visitor Center	3,346	102	22	102	22	12,254	15,724	0.2	257,422	0.2	717,326	0.7
Visitor Use Services	14,734	4,632	1,692	1,692	1,692	93,559	111,619	1.4	269,219	1.4	399,718	1.7
Visitor Use Services	309,331	19,624	2,623	19,624	2,623	46,523	467,501	5.7	863,374	5.7	1,166,933	10.3
Subtotal	\$ 1,122,516	\$ 24,973	\$ 26,912	\$ 26,912	\$ 26,912	\$ 123,271	\$ 1,275,701	15.2	\$ 2,923,324	15.2	\$ 4,126,244	25.4
Management & Administration												
General Administration	\$ 156,302	\$ -	\$ -	\$ 492	\$ 5,632	\$ 16,232	\$ 173,626	2.4	\$ 269,370	4.4	\$ 417,216	6.2
General Administration	59,327	-	-	592	372	12,132	72,831	1.0	167,620	2.4	247,486	3.7
General Management	344,222	10,931	2,622	10,931	2,622	5,600	362,375	4.3	539,228	7.5	769,379	9.7
General Management	29,716	25,026	-	25,026	-	1,231	54,763	0.6	200,246	2.3	265,969	3.2
Salaries & Benefits	115,968	22	-	22	-	463	116,453	1.3	163,617	1.7	217,229	1.7
Salaries & Benefits	63,742	102	0	102	0	63,242	127,086	1.5	169,320	1.6	236,618	2.3
Seasonal Employees	34,352	19,667	2,622	19,667	2,622	6,643	62,682	0.7	416,744	4.8	526,373	5.7
Subtotal	\$ 1,526,071	\$ 13,602	\$ 16,524	\$ 16,524	\$ 16,524	\$ 46,631	\$ 1,589,226	18.3	\$ 2,335,134	18.3	\$ 3,173,316	20.3
Facility Operations												
July Operations	\$ 165,946	\$ -	\$ -	\$ 491	\$ -	\$ 16,171	\$ 182,607	1.7	\$ 266,922	2.6	\$ 403,966	4.0
July Operations	23,624	-	-	23,624	-	24,232	47,856	0.4	116,479	0.4	182,624	1.8
Facility Operations Management and Administration	64,856	22	-	22	-	16,937	81,815	0.8	242,123	2.4	352,429	3.4
Facility Operations	154,345	16,137	-	16,137	-	21,133	191,615	1.8	493,698	1.8	719,771	6.9
Transportation Systems Operations	4,342	17,792	-	17,792	-	230,623	252,757	2.4	464,211	4.3	669,386	6.0
General Operations	29,022	11,633	-	11,633	-	16,677	57,332	0.6	206,246	1.9	293,326	2.8
General Operations	209,322	16,192	-	16,192	-	49,992	275,506	2.5	459,428	2.5	641,279	6.4
Salaries & Benefits	117,822	-	-	-	-	28,932	146,754	1.6	256,271	2.6	367,326	3.4
Salaries & Benefits	62,372	2,693	22	2,693	22	50,134	65,221	0.7	223,312	2.2	306,624	2.9
Subtotal	\$ 366,354	\$ 17,627	\$ -	\$ 17,627	\$ -	\$ 22,133	\$ 386,114	3.6	\$ 5,623,322	3.6	\$ 8,166,346	3.6
Maintenance												
July Maintenance	\$ 26,211	\$ -	\$ -	\$ -	\$ -	\$ 4,622	\$ 31,237	0.3	\$ 79,121	0.3	\$ 103,626	0.3
July Maintenance	9,772	-	-	-	-	18,637	28,409	0.3	66,824	0.3	90,329	0.3
Maintenance Management and Administration	6,721	18,632	-	18,632	-	26,622	53,975	0.5	159,671	0.5	219,326	1.1
Maintenance Management	6,366	74,292	-	74,292	-	111,634	190,282	2.0	1,066,422	2.0	1,477,426	17.9
Facilities Maintenance	265,442	15,438	-	15,438	-	20,642	241,522	2.7	569,211	4.0	711,325	4.9
Subtotal	\$ 173,621	\$ 25,694	\$ -	\$ 25,694	\$ -	\$ 42,467	\$ 241,782	1.5	\$ 599,321	1.5	\$ 756,246	1.6
Subtotal	\$ 173,621	\$ 25,694	\$ -	\$ 25,694	\$ -	\$ 42,467	\$ 241,782	1.5	\$ 599,321	1.5	\$ 756,246	1.6
TOTAL	\$ 2,693,123	\$ 252,631	\$ 49,601	\$ 252,631	\$ 49,601	\$ 1,767,271	\$ 6,312,401	212.2	\$ 15,167,717	212.2	\$ 21,522,116	212.2
FY 2007 Budget Increase												
FY 2007 - 2006	\$ 2,238,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,238,000	3	\$ 2,238,000	3	\$ 2,238,000	3



Investments

Investments are one-time strategic expenditures. Each item below would further one or more of the mission goals of the National Park Service and the park. This list shows only the park's most urgent priorities. Many more projects will require funding from a variety of sources each year.

FACILITY INVESTMENT NEEDS: \$48,659,000

Upgrade Utilities and Campgrounds: \$11,515,000

Rehabilitate the most important existing infrastructure deficiencies (utilities, restrooms, campgrounds) needed to provide basic visitor services to primary visitor use sites.

Rehabilitate Historic Bridges: \$3,351,000

Rehabilitate the historic granite carriage road bridges. Correct problems of 17 concrete arched stone faced bridges and 12 steel stringer bridges.

Rehabilitate Historic Trails System: \$4,000,000

Over a 10-year period, rehabilitate and expand the 118-mile park trail system, re-establish trail connectors to local villages, and restore currently unmaintained trails. This project represents the proposed NPS commitment to an unprecedented public-private partnership to rehabilitate and perpetually maintain Acadia's hiking trails. The project is matching \$4 million of NPS funds with \$9 million of private funds (including \$6.5 million for a permanent endowment).

Implement Public Transit System: \$12,750,000

Provide essential facilities and equipment to significantly expand operations of the Island Explorer park and regional transportation system. Purchase additional buses. Construct operational and maintenance facilities. Improve bicycle carrying capacity.

Rehab/Replace Operational Facilities at Park Headquarters: \$17,043,000

Rehabilitate or replace inadequate, inefficient, and, in some cases, dangerous work environments. Staff are using 1960's Job Corps buildings creating safety, crowding, and efficiency problems. Provide adequate central facilities for park operations and offices. Incorporate sustainable design concepts and handicapped access in all construction.



RESOURCE MANAGEMENT INVESTMENT NEEDS: \$5,850,000

Survey and Mark Park Boundaries: \$1,000,000

Survey and mark approximately 100 miles of park boundary. Surveying and marking the boundary will reduce incidents of encroachment, tree cutting, and dumping on parklands as landowners will be able to clearly identify the legal park boundary.

Improve Understanding about Park Visitors and Develop Carrying Capacities: \$750,000

Fund social science research and initiate appropriate planning processes, such as Visitor Experience and Resource Protection, to establish park visitor capacities. Visitation pressure has resulted in resources and visitor experience suffering. This work will provide information that will be used to protect park resources and visitor experiences.

Restore Disturbed Habitats and Cultural Landscapes: \$1,800,000

Restore three significant disturbed lands in the park: rehabilitate visitor-caused damaged areas using native vegetation, restore park cultural landscapes, and manage sixteen high-priority invasive non-native plant species and a non-native fire ant species.

Protect Museum Collections: \$1,500,000

Improve care, long-term preservation, and access to 1.3 million objects in the park's museum collection. Only about 1% of the collection has been processed according to NPS standards. This will ensure that important cultural and natural resources will be protected before they deteriorate.

Assess Significance of Cultural Resource Properties: \$800,000

The first step in protecting historic properties is to determine their historic significance. This project will identify cultural resources that are eligible for the National Register of Historic Places. The park contains 18th and 19th century farmsteads and estates, hiking trails, motor roads, campgrounds, picnic area, and prehistoric archeological sites.



Financial Strategies

Visitor Use Studies

The park needs to implement a system to collect accurate data on visitor use. The park will implement traffic counters and expand fee collection sites to increase fee revenue and accurately capture use data. Having this data will allow for a clearer understanding of park visitors and their needs. Additionally, the park should actively educate visitors on the fee system and the transportation system available to the public. Acadia should also conduct carrying capacity studies to improve management of the park's facilities and visitors.

Benchmarking

One strategy that the park is now in a position to implement is effective benchmarking. A real strength of the BPI process is dividing the park into activities that are common across all business plan parks. Acadia and all parks have a great deal that they can learn from each other. Many parks face the same issues and pressures. They are now in a position to communicate and find ways to improve on their current operations. Park managers should have open lines of communication with different parks to learn ways to improve operations with a limited staff. This practice is commonplace in the private sector and makes sense for Acadia.

Improved Technology

Acadia should explore the potential that new technologies can provide. Using computer kiosks in the visitor center to answer routine questions would allow interpretive staff more time to offer formal programs. The park web site could be expanded and improved to aid with visitors planning trips. These steps would both improve the visitor experience in the park and free up valuable staff time.

Revenue Optimization

There is a need for more formal analysis of many activities that take place in the park. This would include analyzing concession contracts and operations, commercial use contracts, special use permits and fee structures, campground fee structures, as well as a more in depth financial analysis and planning function to analyze all areas of the park's operations.

Sharing Resources

The park should continuously seek the most efficient and effective way to carry out its operations. This includes looking at opportunities to outsource tasks or to share resources with partners and other parks. Regional offices, for example, could have an employee to work on financial planning and analysis for a number of regional parks. Opportunities may exist for seasonal summer staff at Acadia to rotate positions at parks with reverse seasonal patterns to help increase retention and reduce hiring costs.



Managing for Results

Government Performance and Results Act of 1993 (GPRA)

GPRA directs federal agencies to join the performance management revolution already embraced by private industry. GPRA divides park operations into four main Service-wide goals, which are listed below. For the purpose of the plan, budget dollars for each program and subprogram were allocated to each subgoal. The park breakdown of funds spent on each goal is shown below.

GPRA Long-Term Goals

I. Preserve Park Resources:

- a. Natural and cultural resources and associated values are protected, restored, and maintained in good condition.
- b. The National Park Service contributes to knowledge about natural and cultural resources and associated values.

II. Provide for the Public Enjoyment and Visitor Experience of Parks:

- a. Visitors safely enjoy and are satisfied with park facilities.
- b. Park visitors and the public understand and appreciate the preservation of park.

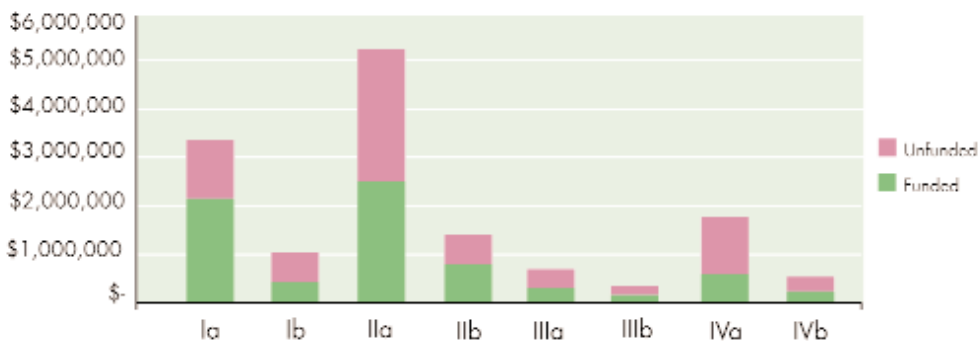
III. Strengthen and Preserve Natural and Cultural Resources and Enhance Recreational Opportunities Managed by Partners:

- a. Natural and cultural resources are conserved through formal partnership programs.
- b. Through partnerships with other organizations, a nationwide system of parks, open space, rivers, and trails, provides benefits for the American people.

IV. Ensure Organizational Effectiveness:

- a. The National Park Service uses current management practices, systems, and technologies to accomplish its mission.
- b. The National Park Service increases its managerial resources through support from other agencies, organizations, and individuals.

Funding by GPRA Goal





Impacts of the Schoodic Navy Base Closure

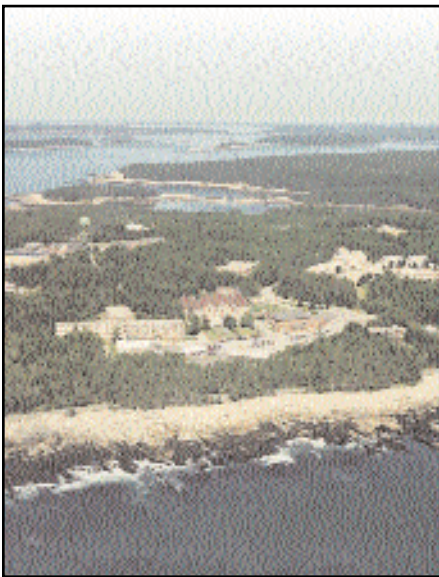
Acadia National Park includes more than 2,000 acres on Schoodic Peninsula. In 1935, the Navy agreed to move its radio communications station from Otter Cliffs on Mount Desert Island to Schoodic to allow for the expansion of the Park Loop Road. The National Park Service originally transferred 26 acres of park land to the Navy, but the Navy acquired additional park lands during the Cold War. Today, the base at Schoodic contains nearly 100 acres.

The Navy now plans to close the base in June 2002, and the land that is located within the park boundary will return to the NPS. The land contains 40 major buildings, utility systems, and other infrastructure. The facilities include a dormitory, galley, townhouse apartments, offices, medical clinic, fire station, commissary, gymnasium, maintenance facility, campground, warehouse, salt/sand storage, and various other structures. The original Navy apartment and operations building and its generator house are eligible for the National Register of Historic Places.

The National Park Service will need significant operating and development funds to reuse the facilities for park purposes. The National Park Service is preparing a General Management Plan amendment to identify an appropriate reuse for the base facilities and address the impacts of the reuse on the park's resources and visitor experiences at Schoodic. At this time, the preferred alternative is to develop a research and education center at the base.

The National Park Service's preliminary cost estimates are approximately \$7.7 million for development and \$3.7 million annually for operations. Initially, up to 25 FTE are required to provide essential maintenance and protection of the base facilities and surrounding park. The NPS has requested base funding increases over the next three years to fund the operation of the property once it returns to the park, as well as funds for its development.

Because the long-term needs for the development and operation of the research and education center are unknown, the park's reuse of the Schoodic Navy base was not addressed in the Business Plan. However, the NPS recognizes its enormous impact on the staff and financial resources of the park. In the future, a separate Business Plan analysis of FTE and investment funding needs for Schoodic will be warranted.



Superintendent's Afterword

Every superintendent is concerned with his or her park budget. How can we make this program work; who is able to take on a little bit more; can we defer this project until next year; how can we fill key permanent positions; and, always, how can we reduce costs? We have reacted to special initiatives, budget calls, regional and service wide priorities, restrictions on the use of funds and the vagaries of park base budgets. Interestingly the bottom line, i.e. what does it really take to effectively manage this park, has not been examined – until now. We thank the National Parks Conservation Association, Friends of Acadia, and the NPS Comptrollers Office for making this Business Plan possible. Our two consultants were inquisitive and unbiased. The financial picture they have composed of Acadia National Park is telling.

Intuitively we know this is a complex park with a relatively small, talented, and dedicated permanent park staff that is currently stretched thin. While we know that the park is a better place because of the efforts of our staff and partners, we also realize that there are serious gaps in our capability to address overall park needs. Our work on this business plan brings this intuition to reality.

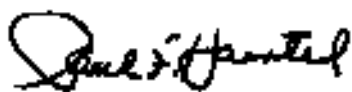
This plan has identified some key issues that Acadia faces every day. They relate to our dependence on soft money to fill the park's needs, our significant operational gaps, and our ability to convey that need to our stakeholders. These are all significant hurdles that must be crossed if we are to succeed. But where do we start?

We can start by considering our dependence upon soft money. Currently, only half of the park's spending is funded from base money. This spending goes only part way toward rehabilitating deteriorated facilities and operating essential programs. That means project money, fee money, and donations are absolutely essential now and in the future. This is challenging. Will it be possible to keep soft money coming to the park, or should we rely on some modicum of soft money and a substantially increased base budget?

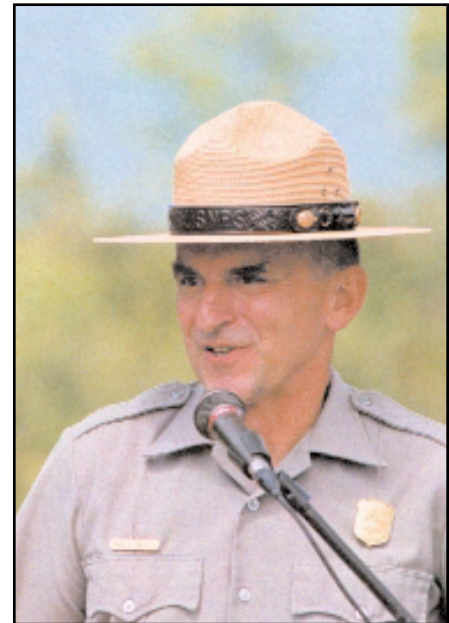
I mentioned gaps; let's consider a few of these. We currently spend 27% of our budget on facilities operations and only 18% on rehabilitating worn out facilities. The apparent need is for future maintenance programs that can prevent increased operational needs in the future. Other important gaps exist in cultural resources and natural resources. We need dedicated staff to assure their future care. We need staff members to monitor the commercial businesses operating within the park to assure protection of resources and quality service to park visitors. We also talk a great deal about protecting resources. The best way to make it happen is to have rangers fully inform visitors and establish a presence in the park. That takes staff. The list goes on.

With park budgets, there is always a suspicion of game playing, which leads to a lack of trust. This is especially true when we manage by program areas, special funds, and inadequate base budgets. This plan, I believe, is real. Throughout this process, and with the help of NPCA and our consultants, we have presented a clear and unbiased picture of the park and its current needs. It is not an easy path, but this plan can and should be implemented for the sake of Acadia's future.

Thank you,



Paul Haertel
Superintendent
Acadia National Park





Glossary of Funding Terms

I. Appropriated — Funding that Congress appropriates:

- a. Recurring – Reliable, annual base funding, known as “Operation of the National Park Service” in the Federal budget.
- b. Non-recurring – Competitive funding for construction, land acquisition, equipment replacement, roads, and special projects that is available for one or multiple years; also includes emergency funds, which parks can request to pay for emergencies, such as storm damage, search and rescue, fires, etc.

II. Non-appropriated — Funding that is not appropriated by Congress:

- a. Reimbursable – Funding that parks collect to cover costs for providing a service, including concession maintenance and employee quarters rental.
- b. Revenue – Funding that parks collect through entry fees, permits, concessions, and donations:
 - 1. Fees – Revenue collected from issuance of special use permits.
 - 2. Fee Demonstration – Funding from park entrance and activity fees collected under the authority of the Recreation Fee Demonstration Program.
 - 3. Donations – Funding from money donated to a park by non-government sources.
 - 4. Franchise Fee – Funding from fees paid by concessionaires.

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Acadia National Park, Maine

National Park Service
U.S. Department of the Interior

“Its impressive headlands give Mount Desert Island the distinction of combining sea and mountain. These headlands are by far the loftiest on our Atlantic Coast... and the forests are largely primeval.”

Secretary of the Interior
Franklin Lane
May 15, 1918

