



**2017-19
Governor's
Budget**

Oregon Parks
and Recreation
Department

February 2017



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A. Overview

1. **Mission**

The Oregon Parks and Recreation Department (OPRD) protects and provides outstanding natural, scenic, cultural, historic and recreational sites for the enjoyment and education of present and future generations. Through a world-famous state park system and by directly supporting local community heritage and outdoor recreation, we deliver great experiences in special places and help Oregonians develop a deeper connection to their state. Outdoor recreation is more than **fun**, more than an **economic driver**, and more than a **healthy** way to occupy free time: it's **central to the Oregon identity**. In the long run, we will succeed connecting Oregonians—especially our children—to the outdoors by investing in Oregon's park system and allowing it to innovate.

We deliver service through two main programs:

- Our **Direct Services** program is anchored by the Oregon State Park system, one of the most popular in the nation.
- Through the **Community Support and Grants** program, we serve Oregon communities with grants and expertise related both to outdoor recreation, and heritage services such as the State Historic Preservation Office.

Three other supporting programs aid these two main programs:

- **Park Development** focuses on maintenance and improvement of the state park system.
- **Central Services** serves agency staff with accounting, payroll, procurement, IT, park reservations, and budget management.
- Finally, the **Director's Office** leads these programs to execute directives of the Oregon State Parks and Recreation Commission—our oversight body made of volunteers appointed by the Governor and confirmed by the Senate.

The state park system has served Oregonians for 95 years, and has not used tax funding since 1999. At key moments along the way, legislators and other Oregonians have made choices about how to improve the park experience. With an aging system, changing population, and increasing use, staff and facilities are beginning to buckle, and the decision to increase staff delivering service has been put off for a decade. We can choose now to invest more in the people who create park experiences, or we can once again wait and leave the system's future to chance.

2. Goals

Oregon is fortunate when it comes to outdoor recreation and heritage. **We have abundance**—special places that capture our hearts and fire the imagination. There is no better example than the Oregon Coast, protected and public through a landmark law passed by the legislature 50 years ago. **We have people** who hold our history and pre-history in high regard. They proved it when they voted twice to dedicate Lottery funding for parks and heritage. **We have leaders** who choose to protect the public investment in these traditions, even when such protections demand brave choices. This budget is one of those choices, finally acknowledging that Oregon’s needs have grown and changed, especially in the last 10 years when park visits have increased nearly 20%. In that time, we’ve not made a parallel investment in the people who work in the trenches delivering the service. We’ve squeezed more benefits from the places and people to the point of breaking them. This budget reverses the trend and adds staff to protect the system’s future.

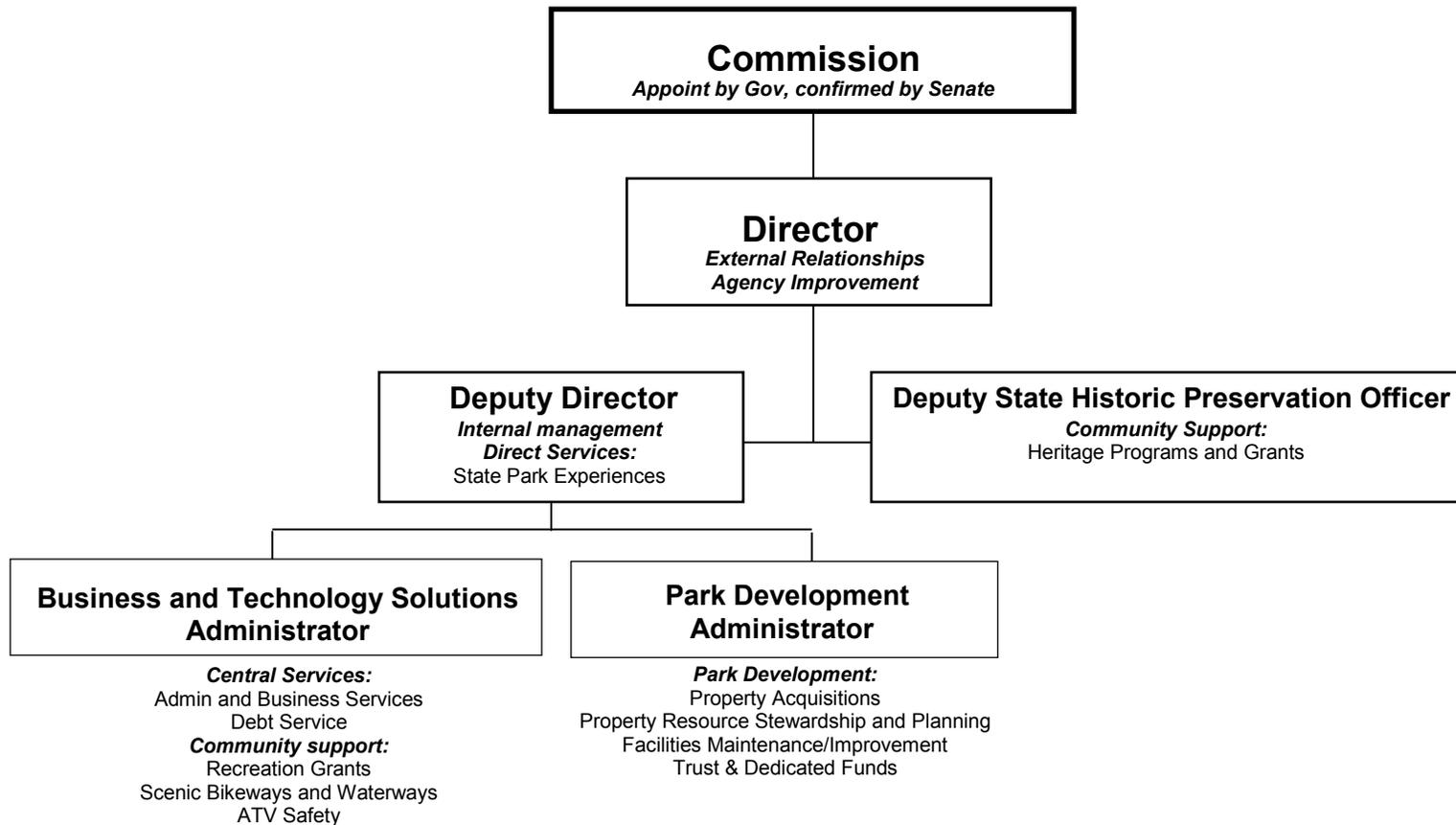
The agency pursues its mission through three broad goals, expressed in the agency’s Centennial Horizon vision (<http://www.oregon.gov/oprd/Pages/centennial.aspx>):

- I. **Save Oregon’s Special Places.** Policymakers, politicians, and Oregonians in general take bold actions that protect priceless pieces of Oregon. OPRD builds on that legacy and passes it forward by maintaining and improving parks and community heritage programs.
- II. **Connect People to Meaningful Experiences.** OPRD fulfills its mandate by investing in the right number of well-trained people to deliver outdoor recreation and heritage experiences, and by leading others to work cooperatively to meet Oregon’s total recreation and heritage needs.
- III. **Take the Long View.** As we build and maintain parks and protect Oregon heritage, we balance the needs of today with the need for longevity. Not only do we need to conserve resources by using sound methods of construction and maintenance, but we also must anticipate future costs to operate and maintain the park system and plan the system’s course.



These ideals are embodied by the staff and partners who work to fulfill them.

3. Agency Organization Chart





Cottonwood Canyon State Park

4. Whom we serve

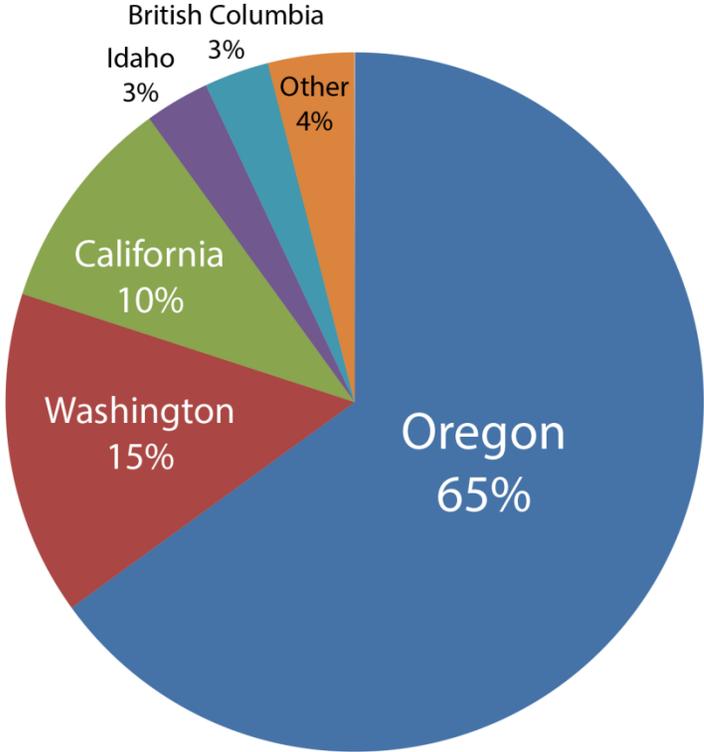
Direct Services and Park Development: delivers consistent, high quality recreation services to more than 47 million state park visitors each year. An estimated 70% of Oregonians visit a state park at least once each year. Most state park visitors—approximately 65%—are from Oregon, but 15% are from Washington, 10% from California, 3% each from Idaho and British Columbia, and the 4% friends and relatives from other states and international destinations such as Europe and Asia. Visits from outside the state are a multi-million dollar economic infusion for rural communities where most state parks are located.

Community Support and Grants: serves property owners, local governments, nongovernmental organizations, and land managers by assisting them to follow laws related to historical and archaeological resources, and by providing recreation and heritage grants to fund community needs.

Director’s Office: provides statewide leadership on outdoor recreation and heritage stewardship.

Outdoor recreation and heritage services affect people living in every Oregon county. Our staff deliver satisfying experiences, improve community quality of life, and support rural economies.

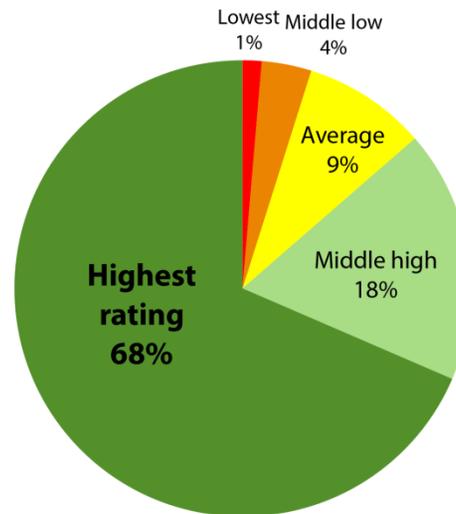
State park visitors in a typical year



5. Performance

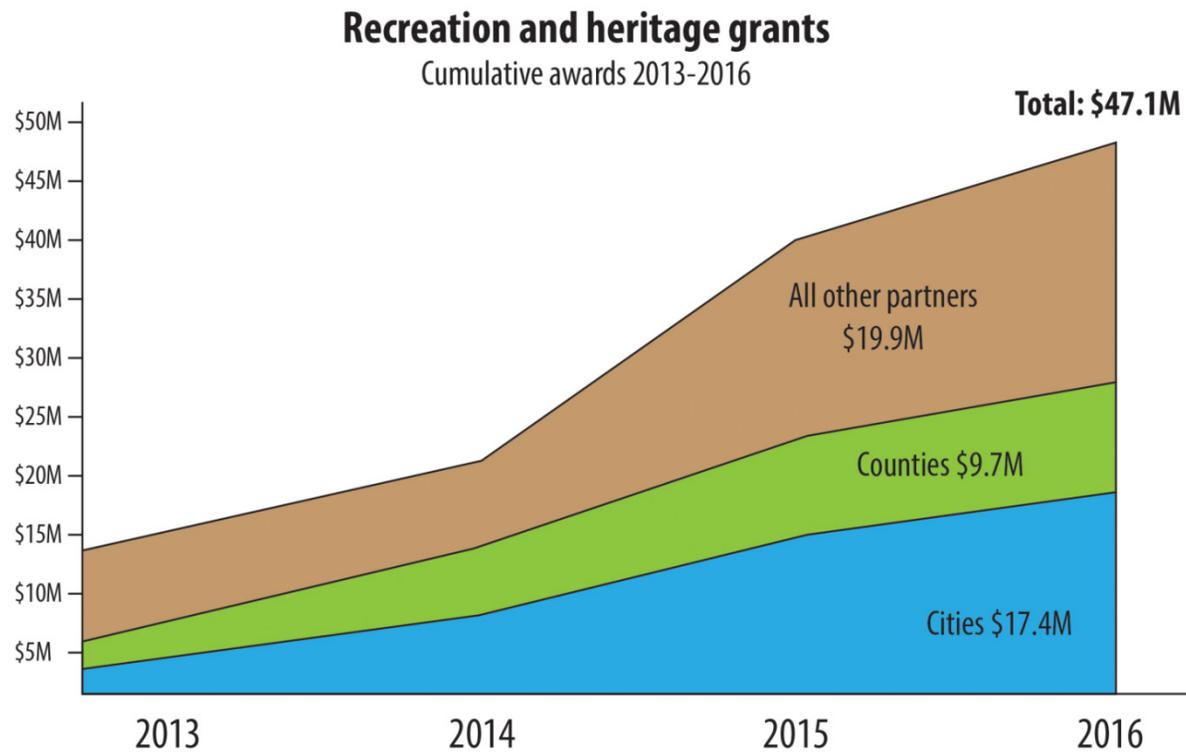
- a. *Outdoor recreation:* Oregon is renowned for its affinity with the outdoors. Oregon’s state parks feature natural and historic resources that have been developed just enough to serve families and casual, enthusiastic recreational interests. Thanks to clean and safe facilities, friendly and professional staff, and a strong corps of volunteers, the state park system has a track record of earning high visitor satisfaction. There is room for improvement, though, and recent increases in visitor numbers have revealed worrisome cracks in the facilities built to support the experience. Our field staff have opened nine new parks since 2005 and are serving 20 percent more visitors than they did 10 years ago. The wear is showing. Campers still rate their experiences positively, but the highest category has dropped from 70-plus percent.

2015 State Park camper satisfaction

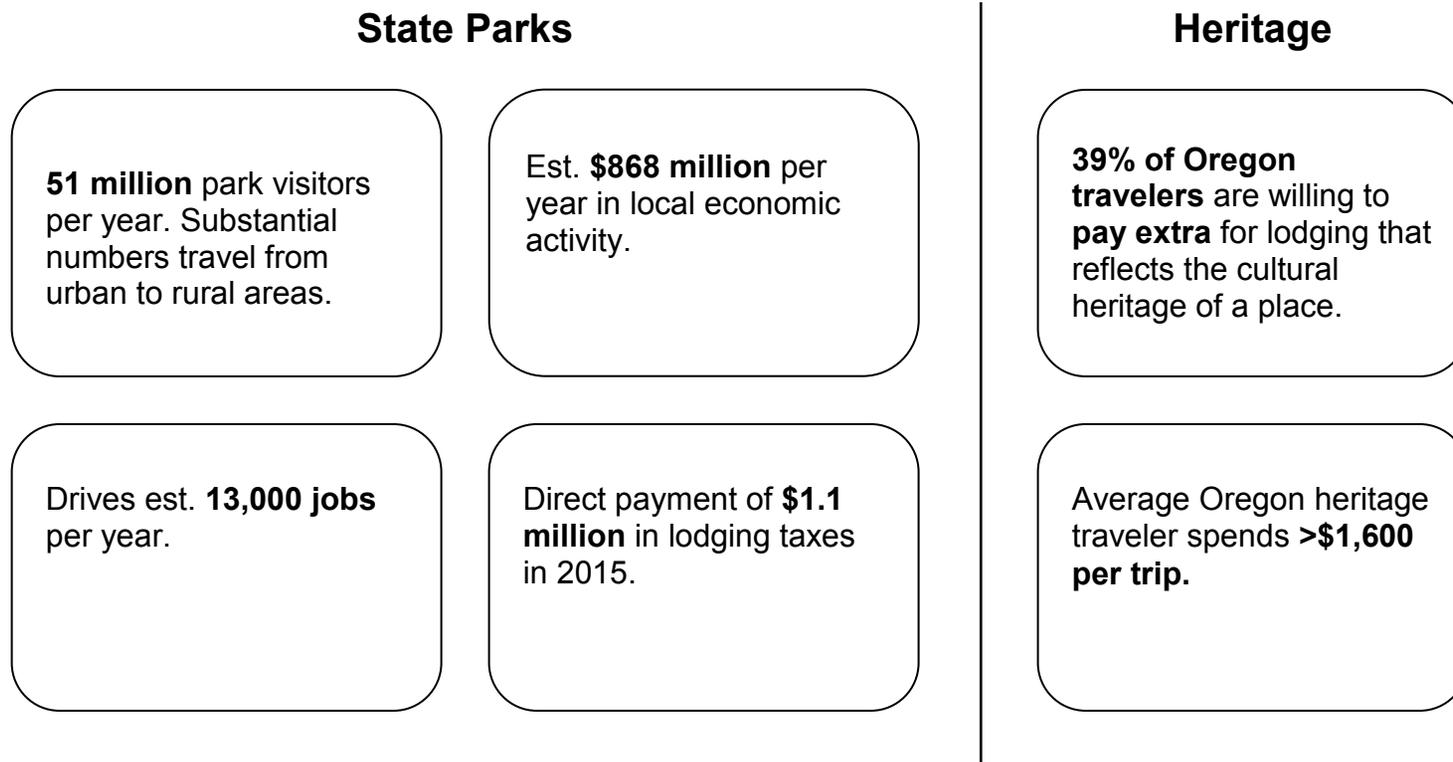


- b. *Community support:* Recreation and heritage expertise is available to all Oregon communities through the department’s Community Support and Grants program. Expert staff help communities find funding and design projects so they are more likely to earn local and regional support, and navigate state and federal laws as smoothly as possible. A community’s identity is created by its history, and our staff help nonprofits and governments preserve historic sites and records to educate the public and promote heritage tourism, revitalizing historic downtowns and local economies.

- c. *Outreach through grants:* Since 1999, hundreds of recreation and heritage grants worth more than \$120 million have been awarded to cities, counties, nonprofits and other groups, \$50 million since 2013 alone. Funds come from Oregon Lottery, RV license fees, federal pass-through dollars, and in the case of ATV grants, from gas tax dollars. Because ATV operators buy gas but do not drive on public roads, the gas tax they pay is returned to the program for a variety of safety programs, grants, law enforcement and more.

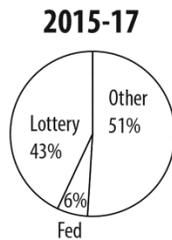
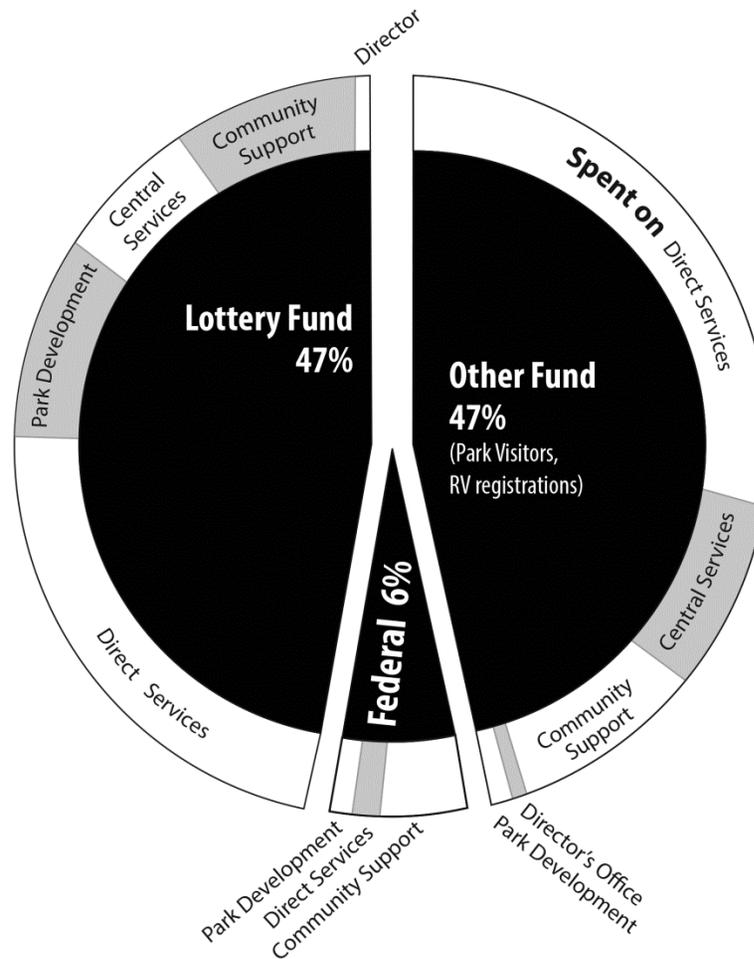


- d. *Economic role:* The purpose of a state park system is to satisfy a basic human need for recreation, and the reason we safeguard crucial elements of our history is to protect our sense of identity and build a better future from our past. The economic return derived from a strategically supported parks and heritage system is secondary, but unmistakably significant.



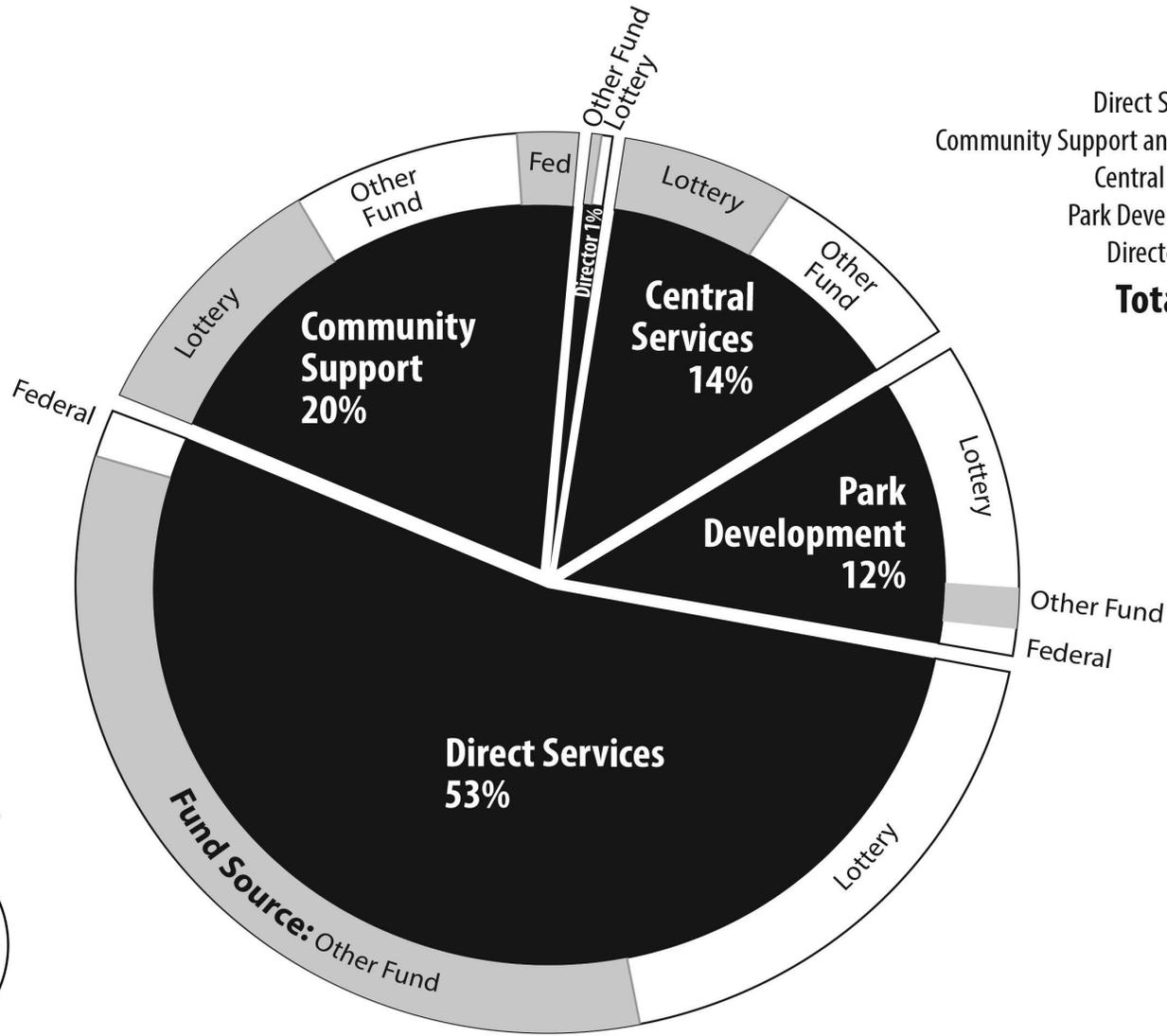
B. Budget Pie Charts

2017-2019 Projected Revenues



Lottery: \$122.2M
 Other Fund: \$124M
 Federal: \$16.4M
Total: \$262.6M
 Positions: 889
 FTE: 612.10

2017-2019 Projected Expenditures



Direct Services: \$116.2M
 Community Support and Grants: \$42.9M
 Central Services: \$33.0M
 Park Development: \$25.5M
 Director's Office: \$1.9M
Total: \$219.5M
 Positions: 889
 FTE: 612.10

846 Positions, 575.26 FTE



Banks-Vernonia State Trail

C. Overall Trends and Issues

1. Revenue drivers

- The state park system does not receive any General Fund, but instead depends on **revenue by human choices**: choosing to camp, to own an RV, to play the Lottery.
- For a family already bitten by the outdoor recreation bug, the frequency with which they visit a state park is affected by the amount of free time they have, distance from home, and weather. Their willingness to spend time and money on outdoor recreation is also driven by **economic conditions**.
- Oregonians are consistently willing to pay a fair price to visit state and local parks. State parks take a balanced approach to user rates—from free, to low cost, to the mid-range. But rates require regular, small adjustments to cover increasing costs and to stay current with the market. To use rates strategically and fairly, and to reach underserved groups, fees-for-service must be **flexible enough to change throughout the year**. House Bill 2318 allows the state park system to fund discounts at some parks via revenue from more profitable parks.
- All three major sources of funding—Other, Lottery, and Federal Funds—are **volatile**. RV registration funds have declined 17% percent since their peak in 2005. Lottery has fallen 15 percent since 2007-09. Funding from the Oregon Department of Transportation to cover paving expenses on park public roads is also declining when adjusted for inflation.
- People must choose to visit a park. If they enjoy their visit, they return and spread the word. **Good facilities and the right number of well-trained, friendly, visible staff drive revenue up**. Even with nine new parks since 2005, field staff numbers have remained virtually unchanged since 2007.

2. Expense drivers

- Increasing costs to maintain aging parks poses a serious threat: deferred maintenance is the bane of every park system. We have made real progress on nearly \$100 million in maintenance projects deferred before 1999—successfully reducing the cost of that historic list to less than \$25 million—but we must address the **separate, growing maintenance needs** of aging facilities, which are accumulating new costs at an estimated rate of \$4 million a year as of 2015.
- Visits are up thanks to a growing population, good weather, affordable transportation, and nine new state parks in the last 12 years. Increased visits **do not mean a corresponding, or even proportionate, rise in revenue** to offset inflation and the snowballing effect of wear-and-tear.



The rangers were great ... wish they were there at night!
~ September camper

3. Key long-term issues

- **Rebuild the corps of field staff who deliver state park services.** For a decade or more, visits have climbed steadily with no relief for the frontline public servant, and that trend is not sustainable. While the vast majority of state park customers find their experience to be above average to excellent (see page A-5), we face an increasing risk of slipping behind when staff are forced to choose between maintaining the park and serving our visitors. They should do both.
- Address the **funding and social purpose** of Oregon's state park and heritage systems to ensure their long-term sustainability.
- Learn how to create recreation and heritage experiences that meet people's needs, **particularly among groups that have not been intentionally served** by either the park or heritage programs. Use more flexible fees (House Bill 2318) to target services.
- Build stronger relationships with Oregon communities through grants and expertise so we can **connect Oregonians to a more complete recreational experience closer to home**. Community parks are critical in Oregon's recreation spectrum, both for their direct value, and as stepping stones to state park experiences.
- Create **partnerships** with other state, federal and local agencies, tribal governments, communities, service groups, volunteer organizations and private businesses. Strengthen those that exist already.
- Maintain current service levels in the state park and heritage systems **without expanding agency responsibilities** into new areas.

Create Value

Protect special places and provide great experiences to keep pace with changes in demographics, and public needs and wants. **Rebuild and retrain staff to serve more people.**

Improve and Protect Revenue

Grow recreation and heritage services to match Oregon's growth in last 25 years. Avoid new unfunded add-ons outside of mission. Earn more revenue by serving a broader range of Oregonians.

Control costs

Improve efficiency, reduce acquisition to small number of key projects, and take a hard look at which parts of the current system can be scaled back.



D. Program Detail: Direct Services

1. Mission

The mission of Direct Services is to deliver outstanding natural, historic, and recreational state park experiences to today's visitor in a way that allows us to do the same for tomorrow's visitor. If adequately funded and staffed, we can balance the demands of increased visits with the needs of an aging system. To do this, we need:

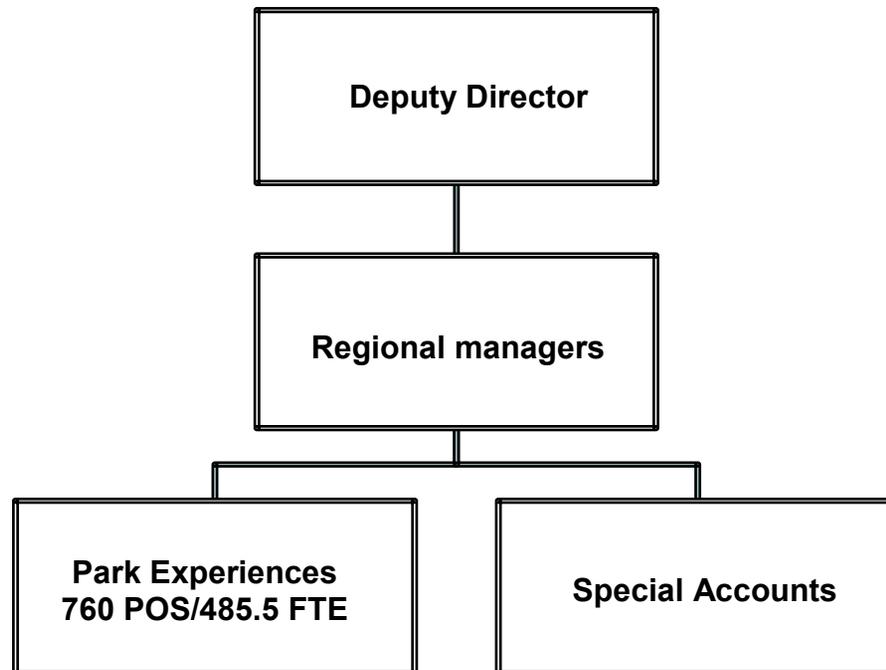
- Just enough well-trained staff to meet the growing demands on park property.
- Systematic and efficient choices in facility operation, management, and maintenance so that visitors continue to have unique and outstanding experiences.
- Regular conversations with visitors, stakeholders, and Oregon communities to make sure park experiences remain strong and relevant.

1. Programs

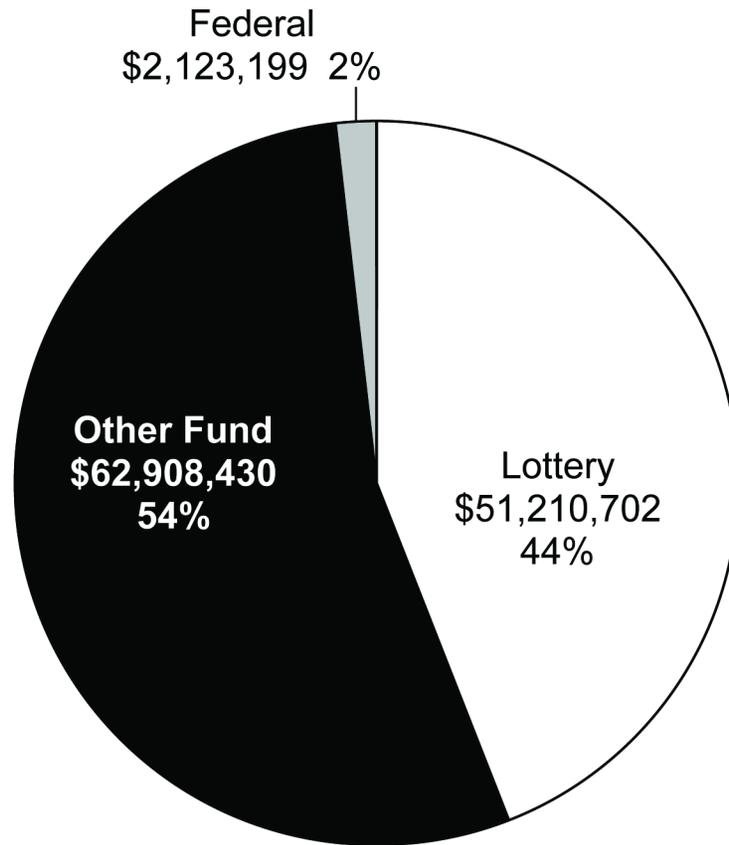
This program consists of *State Park Operations* directly serving Oregonians and tourists, and a planning division to plot our course to meet public needs, and *Special Accounts* for donations, interest, and maintenance. It delivers direct overnight and day-use services at more than 250 state park properties and the ocean shore.

- *State Park Operations* (\$108.6M, Other Fund, comprising park visitor fees and RV registration funds, Lottery Fund, and a very small amount of Federal Fund) provides staff and services necessary to manage and protect 109,000 acres of Oregon state park properties. The program is also responsible for natural resource stewardship. Planning is responsible for developing comprehensive plans for each state park area, guiding resource management and facility development to meet changing, growing public needs for cultural and recreational experiences, and natural resource protection.
- *Special Accounts* (\$7.6M, Other and Lottery funds) track funds from donations, interest earnings, business endeavors, store operations, and income dedicated to reinvestment into facility repair and maintenance.

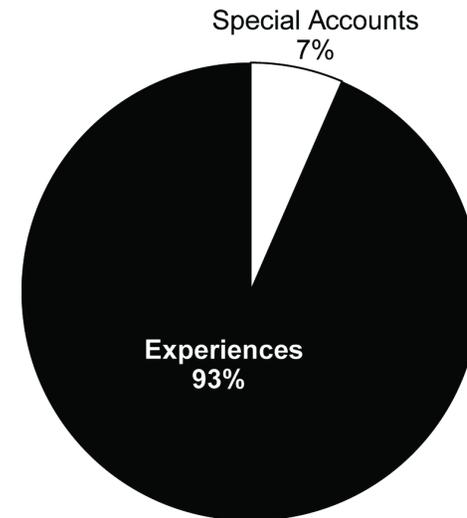
3. Direct Services Organization Chart



4. Direct Services 17-19 Budget



Total: \$116.2M / 53% of Agency
Positions: 760
FTE: 485.50
Within this program ...



5. Outcomes for biennium

- Provide 100 million quality park experiences to visitors (95M day trips, 5M camper nights).
- Generate more than \$1.5 billion in environmentally-based economic activity at or near state parks.
- The agency performance measure that relates most directly to this program is Park Visitation (Appendix 3-3). The goal for this measure is to maintain a high degree of use on state park properties while keeping a fair balance between recreation and natural resource protection. Although Oregon still ranks second highest in number of visitors per park acre in the U.S., park enhancements over the past several years have slightly mitigated pressure on park lands. Enhancement usually means “making better use of property already in the system,” but occasionally, acquisition is the best way to protect landscapes and provide more park experiences.

6. Contain costs

Costs are driven by increases in visits, labor expenses, inflation (fuel, water, sewer, power), natural conditions (severe weather and natural disasters), and aging facilities which require expensive upkeep. Increases in visitation and the resulting impact on available staff can undermine the job we do. To serve the immediate needs of visitors, we generally redirect staff time from maintenance and improvement projects. Those delays ultimately cause problems for future visitors.

7. Key Issues

- Visitors to Oregon’s state parks help fund them. A poll of park visitors shows 75% support for increasing rates to maintain services, a number that climbs to 84% among Oregon campers. As rates have increased from substantially below market to just under average, campers have advised—strongly—that rates should be raised in small increments more regularly. This budget includes a small fee increase to address this need to constantly evaluate the value of park sites.
- The inflexibility of the rate structure also impedes the agency’s efforts to balance use and offer fair access to the system. Rate changes occur only every few years through the budget and subsequent rulemaking process. The business function of the agency is hampered by this rigidity, and makes creative, timely marketing efforts and cost recovery almost impossible.
- The central challenge remains being nimble and efficient, balancing the costs of current operations against the needs of the future. Public investment in the system through the Parks and Natural Resources Fund (Lottery Funds ORS 541.940) allows the agency to consistently meet basic service levels. Future demands—changing recreation patterns and the need to serve a broader range of Oregon communities, trends in the natural environment, and the sheer demand for service—require constant and continual investment and evaluation of the system’s performance.
- Attendance has increased. This provides some needed revenue, but it also creates management challenges. Recreation platforms across the state are responding to overcrowding, inappropriate visitor behavior, and increased costs due to facility maintenance.

Swings in visitor numbers have unpredictable effects on agency revenue and costs. Small drops—due primarily to weather—can immediately affect revenue, and temporarily reduce service. Significant increases in visitors also happen due to good weather, lower gas prices, and tourism and marketing efforts. These increases can happen quickly, and **because staff levels have been stagnant for 10 years, morale, maintenance, and improvement projects all suffer**, leading to lower service levels. Reduced service can depress visitor satisfaction, erodes repeat business, and lowers the value of the state park system to local communities. Policy Packages 103 and 105 begin to reverse 10 years of stagnation in field staffing, and HB 2318 will give us much-needed flexibility on rates to help Oregonians discover lesser-known parks.

- Three percent of revenue from visitors is set aside to fund ongoing maintenance. Together with the major maintenance budget in Park Development (see page E-1), these funds will keep the system performing, though maintenance costs are increasing faster than park visitation.



*Such nice park hosts! And the check-in process was quick and the park ranger was incredibly friendly and informative. Can't wait to stay there again!
~ Bullards Beach camper*

8. Packages

Essential Packages	Lottery	Other Fund	Federal	Total
010: Non-PICS Psn; Svc / Vacancy Factor	130,539	198,542	1,587	330,668
022: Phase-out Pgm & One-time Costs		(11,207)	(179,000)	(190,207)
031: Standard Inflation	332,442	754,445	72,763	1,159,650
032: Above Standard Inflation	104,568	162,595		267,163
050: Fund Shift	8,720,067	(8,720,067)		0
060: Technical Adjustments	25,196	(15,466)		9,730
Direct Services Policy Packages				
101: Standard Operational Needs	153,861	1,061,557		1,215,418
103: Update Camping Rates (16 POS, 14.08 FTE)	1,106,235	1,204,477		2,310,712
104: Flex Fees in Limited Way to Earn Average Rates	735,996	800,840		1,536,836
105: Invest In People Who Serve (26 POS, 21.32 FTE)	1,766,598	1,854,946		3,621,544



E. Program Detail: Park Development

1. Mission

This program prepares Oregon’s state park system for sustainable operations and growth in the face of changing societal needs, increasing expenses, and decreasing state resources. The program defines success through:

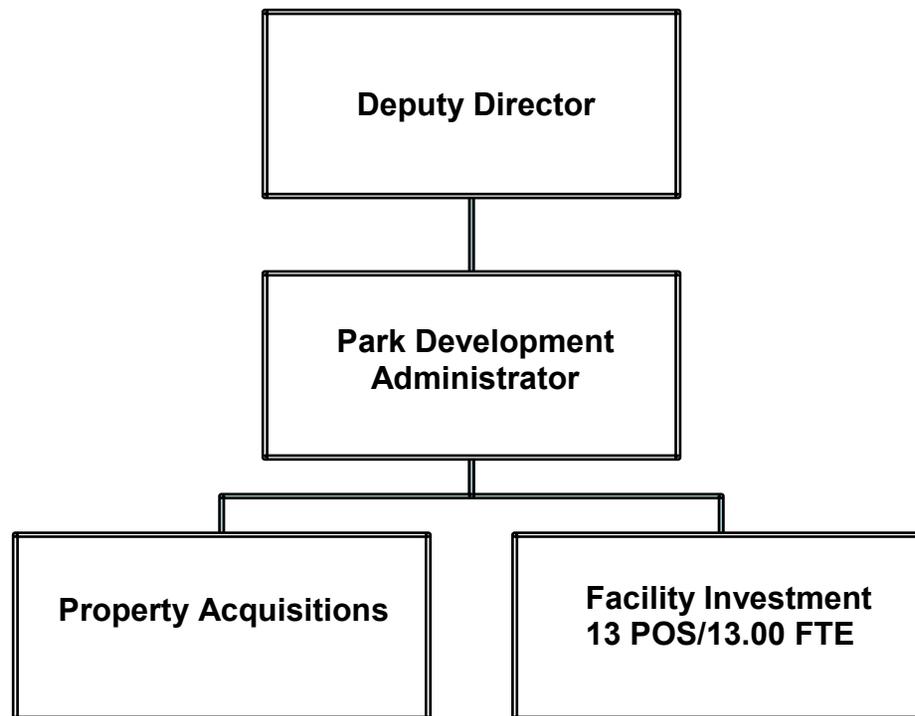
- Strategic park acquisitions.
- Applying improvements in design and engineering technologies to improve efficiency.
- Major maintenance and enhancement of parks and park facilities.

2. Programs

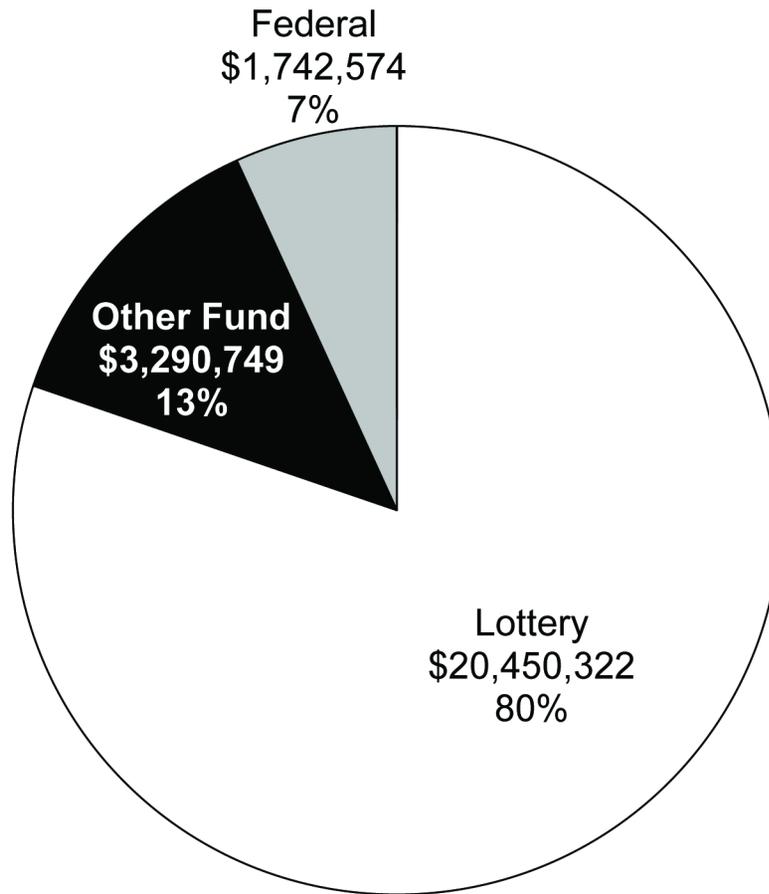
This program contains two key areas: property acquisitions (strategically increasing the capacity of the state park system), and facility investments (to address overdue maintenance and improve parks).

- *Property acquisition* (\$2.5M, Lottery funds) is responsible for the negotiation and purchase of new park properties to keep pace with changes in Oregon demographics, recreational habits and conservation priorities. Acquisitions—trades, easements, donations and purchases—are informed by state documents such as the Statewide Comprehensive Outdoor Recreation Plan and Oregon Plan for Salmon and Watersheds. Acquisitions are balanced with outgoing trades and transfers of property to refine the state park portfolio, focusing on retaining properties that contribute to the mission.
- *Facility investment* (\$22.9M, Lottery, Other, and Federal funds) addresses needs for long-term investment in park infrastructure by making repairs from deferred maintenance lists, improving, expanding, and developing a few new parks to meet future needs, and applying value-added facility designs that use long-life, efficient fixtures and techniques.

3. Park Development Organization Chart



4. Park Development 17-19 Budget

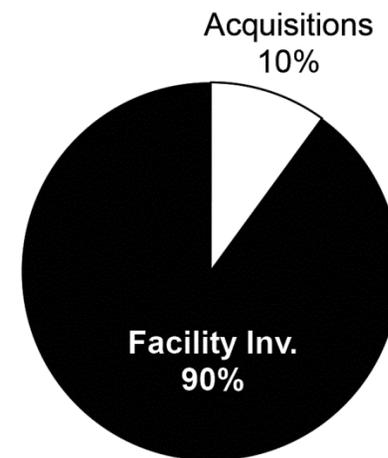


Total: \$25.5M / 12% of Agency

Positions: 13

FTE: 13

Within this program ...



5. Outcomes

Facility Investment:

- Complete 30-35 of the top priority maintenance and enhancement projects in the state park system. Maintain the \$456 million investment in 1,900 park buildings, approximately 600 major utility systems, and 45 million square feet of roads, parking lots, and other transportation infrastructure.

Acquisitions:

- Advance 1-2 initiatives on key properties, and focus on inholdings, access improvements, and/or additions to existing parks through trades or outside grant funds.

6. Cost containment

Overall program costs are driven by the real estate market, visitor expectations, and the increasing cost to repair or replace facilities built in the last 90 years. Many facilities were designed 50 years ago to serve a fraction of the number of visitors who visit today. Of the ~1,900 structures in the state park system, 26 would take more than \$1 million dollars to replace. Nearly one in 10 is more than 70 years old, and nearly 50 are more than 100 years old.

7. Key Issues

- The department leverages acquisitions funding with grants and creative mechanisms (such as trades) to fulfill the direction of the Oregon State Parks and Recreation Commission. Focus on fewer but more iconic places, especially on the coast. Acquisition criteria must consider the cost of maintaining a recreational property, or preserving an historic one.
- Between 2004 and 2013, OPRD added nine new parks under Gov. Kulongoski's Park a Year program. The department must concentrate on maintenance and operation of new and existing properties.
- Other funding sources augment the investment funding, including other agency transfers, grants, and donations.

9. Packages

Essential Packages	Lottery	Other Fund	Federal	Total
010: Non-PICS Psn; Svc / Vacancy Factor	(13,409)	(28,083)	280	(41,212)
022: Phase-out Pgm & One-time Costs	(970,000)	(405,000)	(980,000)	(2,355,000)
031: Standard Inflation	575,209	98,336	63,416	736,961
Direct Services Policy Packages				
106: Invest in New & Expanded Parks for Oregonians	1,000,000			1,000,000
107: Invest to Maintain Parks	992,811			992,811



1883 Ladd Carriage House, Portland

F. Program Detail: Community Support and Grants

1. Mission

This program assists local and regional partners who provide recreation services and to protect and enhance Oregon’s heritage resources. It aids Oregon property owners, local governments and organizations, tribal governments, and land managers by helping them navigate state and federal laws related to historical and archaeological resources. It also offers matching grants to meet Oregonians’ needs for local park and recreation services, and for improvements to historic sites and museums. Recreation Grants, the ATV program, and scenic bikeways/scenic waterways are budgeted here, but managed by Central Services (page G-1).

2. Programs

Recreation Grants & Community Programs (\$24.6M, Lottery, Federal, and Other funds): General duties include grant administration, assistance to applicants and recipients, project inspections, and processing reimbursement payments for the following:

- Local Government (Lottery funds): Acquire, develop, or upgrade city, county, or regional parks. The Oregon Constitution directs this program receive a minimum 12 percent of total dedicated Lottery Funds that the agency receives overall.
- Land and Water Conservation Fund (Federal funds): Acquire, develop, or upgrade outdoor recreation facilities.
- Recreation Trails Program (Federal funds): Acquire, develop, and maintain motorized and non-motorized trails.
- County Opportunity (RV funds): Acquire, develop, plan, or upgrade county-owned campgrounds.
- Veterans and War Memorials (Lottery funds): Construct and restore memorials honoring military veterans.
- Scenic Bikeways: A collection of high-quality cycling routes.
- Scenic Waterways: Recognizes portions of Oregon rivers for their outstanding natural qualities, scenic beauty, and recreational value.

Heritage Grants (\$4.2M, Lottery, Federal and Other funds): General duties include grant administration, assistance to applicants and recipients, project inspections, and processing reimbursement payments for the following grant programs:

- Certified Local Government (Federal): Support city or county historic preservation programs.
- Heritage (Lottery): Support a broad range of local history and heritage activities.
- Historic Cemetery (Lottery and Other): Stabilize and upgrade officially designated historic cemeteries.
- Museum (Lottery): Support projects related to history museum collections and operations.
- Preserving Oregon (Lottery and Other): Rehabilitate historic buildings and document archaeological sites.
- Main Street Revitalization (Other): Acquisition, rehabilitation, and construction of buildings in designated downtown areas.

All-Terrain Vehicle Program (\$9.7M Other funds):

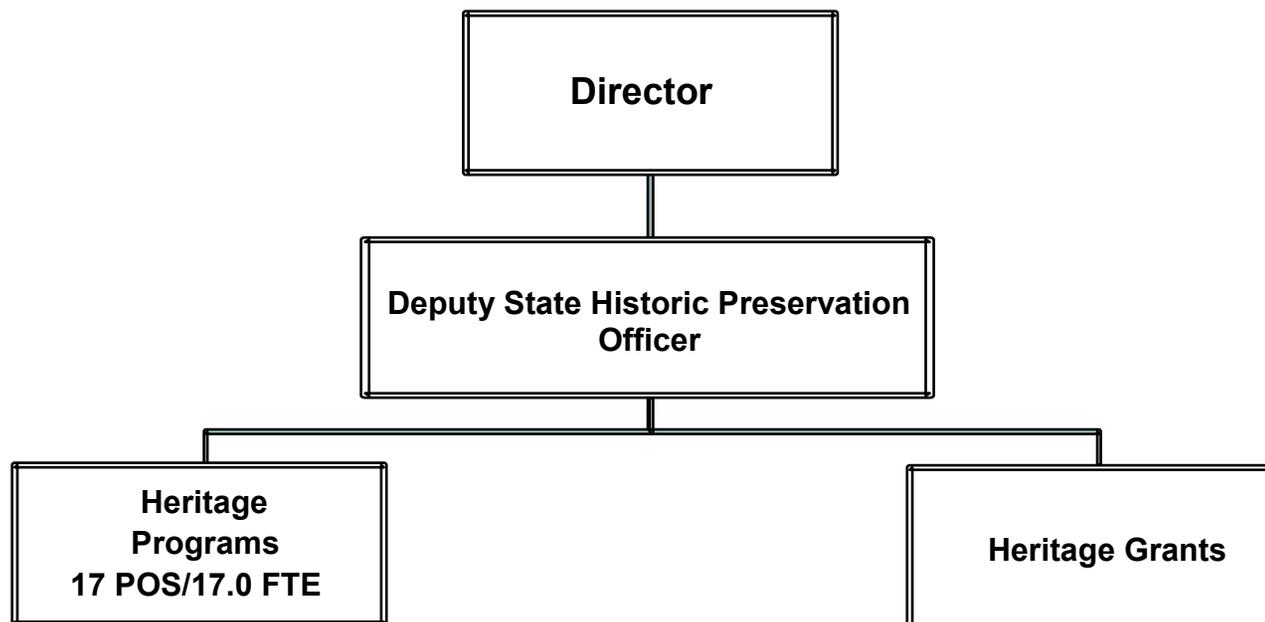
- Issue biennial permits required for all ATVs ridden on public land.
- All-Terrain Vehicles (ATV funds): Acquire, develop, or maintain ATV areas, including law enforcement and emergency services.
- Manage a statewide safety certification program for ATV riders, and coordinate and conduct ATV education and training.

Heritage Program (\$4.4M, Lottery, Federal, and Other funds): General roles include assisting local and tribal governments, state and federal agencies, local historical societies, museums, and preservation organizations to preserve their historic sites and records, and educate the public, promote heritage tourism, and revitalize historic districts and local economies.

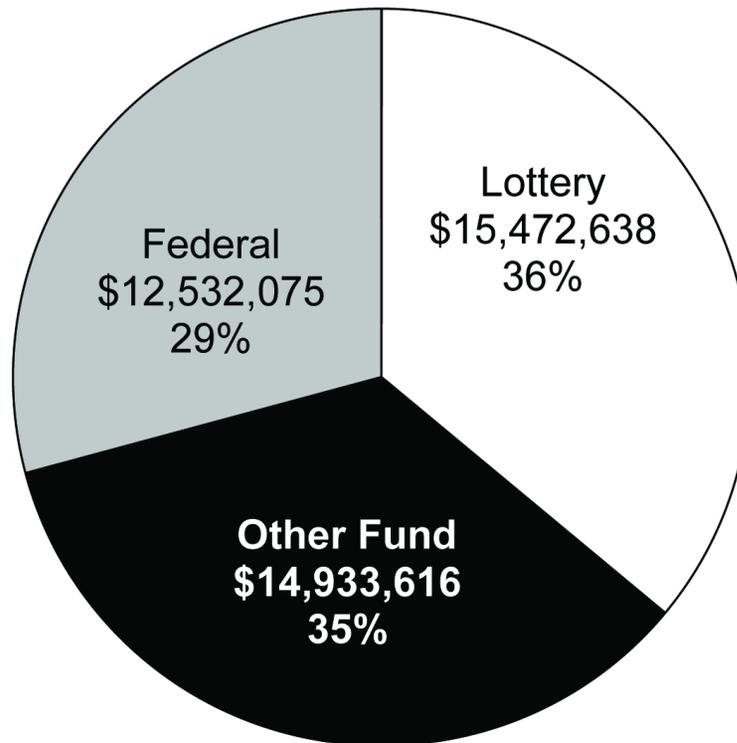
- Maintain, and make public as appropriate, records of all known historic structures and archaeological sites in Oregon.
- Administer the National Register of Historic Places program.
- Issue permits required by state law for archaeological site excavation and testing.
- Coordinate statewide heritage-related commemorations, events, and activities, including the annual Heritage Conference.
- Administer state and federal tax incentive programs for historic building rehabilitation.
- Conduct or oversee surveys to identify historic and archaeological sites throughout the state.
- Provide staff support for several advisory heritage boards.
- Prepare and implement the Historic Preservation Plan and the Heritage Plan (five year cycle for each).
- Train and assist local heritage partner organizations so they can succeed with their projects and programs.
- Assist government agencies and others in complying with state and federal cultural resource laws and regulations.

3. Heritage and Grants Org Chart

Note: Recreation, ATV grants, and the scenic bikeway and waterway programs are managed in Central Services (page G-1)



4. Community Support 17-19 Budget

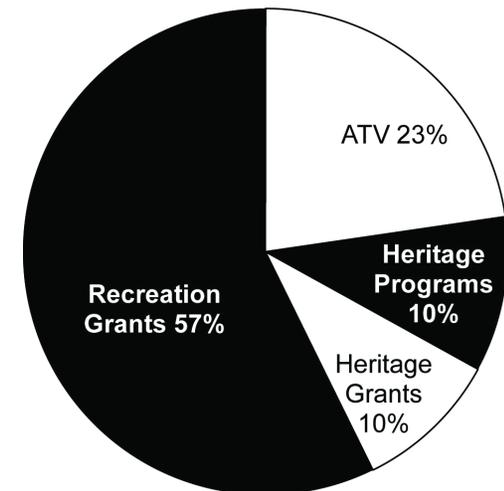


Total: \$42.9M / 20% of Agency

Positions: 29

FTE: 29

Within this program ...



5. Outcomes

Recreation Grants and Heritage Grants

- Assist communities and other partners to improve parks, outdoor recreation facilities, and heritage offerings throughout the state.
- Streamlined processes that make it easier for applicants to apply for and manage their grants, and more efficient for staff to administer.
- Continued support of the Scenic Bikeway Program and support of future Scenic Waterway designations.
- Increase local government participation in the grant programs.

ATV Program

- Increased number of ATV riders who have completed the safety certification. The percentage increased from 58% to 75% last biennium, and staff will focus on continuing that trend.
- Maintain or improve the number and quality of training and education programs.

Heritage Program

- Increase number of local heritage partner organizations and improve their effectiveness in preserving—and putting to useful purpose—the state’s heritage resources.
- Increase in the number of historic properties listed in the National Register of Historic Places (typically 20-25 per year).
- Improve tracking and impact of economic benefits of heritage-related activities, especially in the areas of heritage tourism and historic downtown revitalization.

6. Cost containment

Staff will invest time and money to improve internal recordkeeping systems to continually push down the cost to administer grant-making systems, and at the same time streamline services to improve system responsiveness to community needs.

7. Key Issues

- The grant programs and the outreach programs to local partners remain popular and effective.
- The grants provide critical funding for local governments, which are especially strapped in the current economic climate.
- The agency’s staff expertise is also valuable to grant recipients and local partners, given that they do not typically have heritage, grant, or recreation specialists on their staffs.
- Federally funded programs are being watched carefully, given the potential volatility (mostly on the reduction side) in federal funding, but for now they are relatively stable.

8. Packages

Essential Packages	Lottery	Other Fund	Federal	Total
010: Non-PICS Psn; Svc / Vacancy Factor	(3,421)	(5,590)	724	(8,287)
022: Phase-out Pgm & One-time Costs		(2,500,000)	(1,668,292)	(4,168,292)
031: Standard Inflation	402,181	417,022	180,710	999,913
032: Above Standard Inflation	671,591			671,591
Direct Services Policy Packages				
070: Revenue Shortfalls	(129,923)	(1,045,273)		(1,175,196)
090: Analyst Adjustments	8,877			8,877
102: Honor Grant Award Obligations		2,604,154	6,526,505	9,130,659
105: Invest In People Who Serve	460,555	(460,555)		0



G. Program Detail: Central Services

1. Mission

The Central Services program provides legally necessary administrative support—budgeting, accounting, contracting, human resources, information technology—so all other agency programs can serve their constituents efficiently, accurately and effectively. It also includes a major customer service division, providing year-round phone and online support for state park visitors. This program is funded with revenue from park visitors and constitutionally-dedicated Lottery Funds.

2. Programs

OPRD is dispersed over every region of the state, from Lake Owyhee in Malheur County to Harris Beach in Curry County to Fort Stevens in Clatsop County. Central Services coordinates and maintains various department-wide programs, including record management, cash and credit card handling, and purchasing practices, including the Small Purchase Order Transaction System (SPOTS). Recreation Grants, the ATV program, and scenic bikeways and waterways are budgeted in Community Support (page F-1), but managed here. In a similar vein, the External Relations program is budgeted here, but managed in the Director's Office (page H-1). In this budget:

Administrative Services (\$19.6M, Other and Lottery Funds)

- Accounting
- Budget
- Payroll
- Contracts and Procurement
- Information Services
- Human Resources, including Safety and Risk (budgeted here, but managed in the Director's Office, see page H-1)

Communications and Research/External Relations (\$10.3M, Other and Lottery Funds)

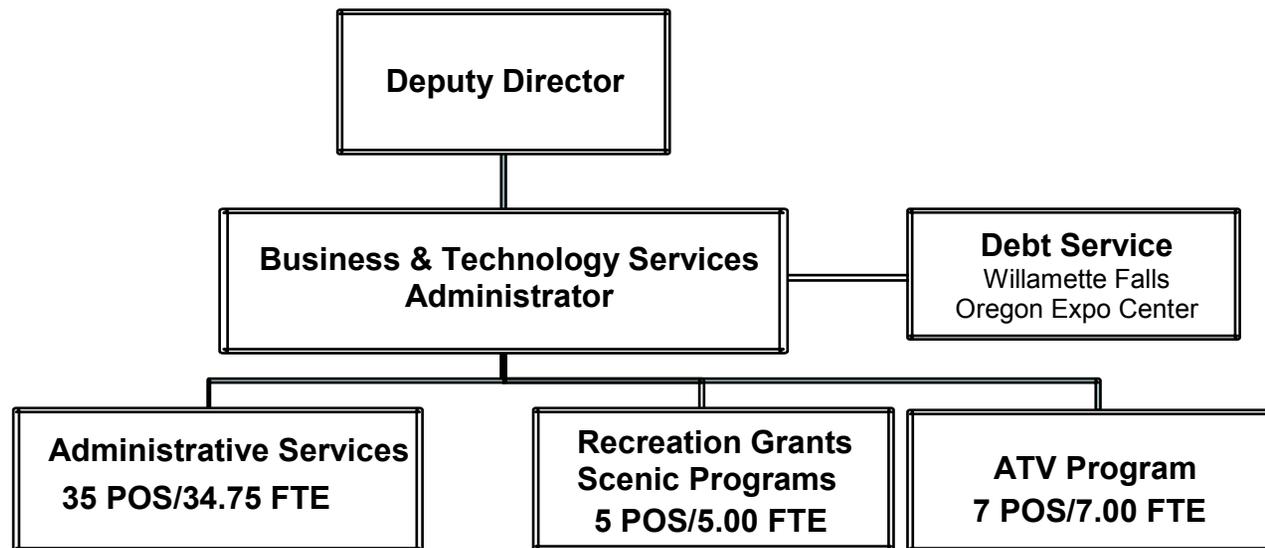
- This unit is budgeted here, but managed by the Director's Office (see page H-1)

Debt Service (\$3M, Lottery Funds)

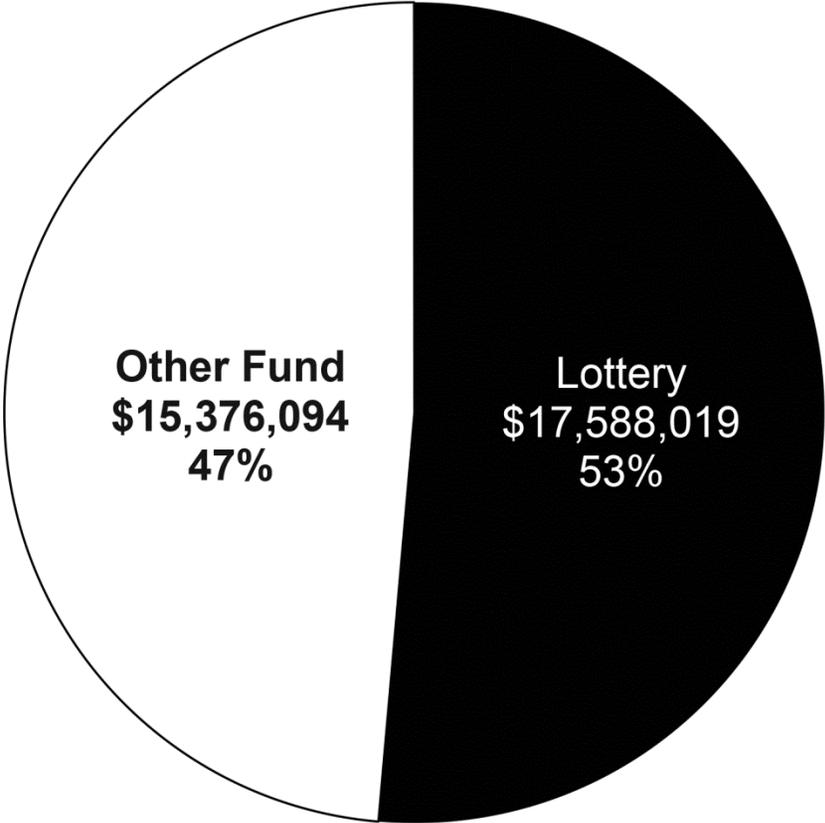
- Payments for debt associated with the Oregon State Fair, Willamette Falls, Main Street grants, and Forest Park lottery-backed bond pass-thru.

3. Central Services Org Chart

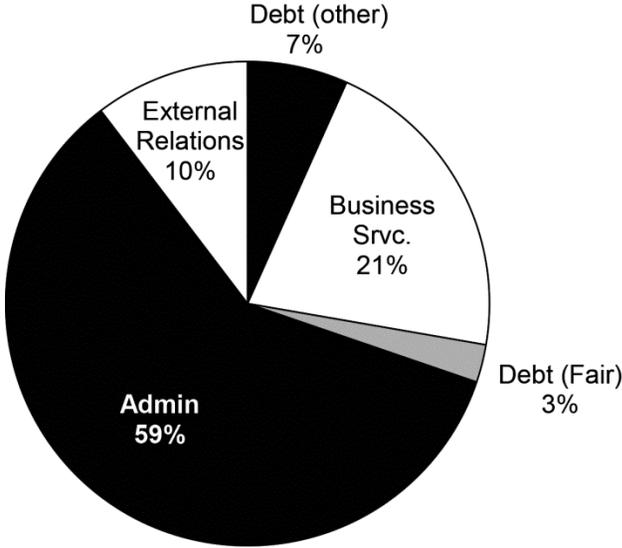
Note: Recreation Grants and ATV Program are managed here, but budgeted through Community Support (page F-4). Human Resources and Communications are budgeted in here, but managed in the Director's Office (page H-1)



4. Central Services 17-19 Budget



Total: \$33.0M / 15% of Agency
Positions: 83
FTE: 80.60
Within this program ...



5. Outcomes

- Improve overall agency efficiency related to business practices and back-office support.
- Fully comply with all state and federal laws and best practices.
- Deliver accurate, timely, and complete service to all park visitors through reservation and information services.

6. Cost containment

Costs are heavily driven by new state and federal regulatory requirements (especially those related to privacy and data security), labor expenses, and the need to update and replace outdated computer technology. This program helps contain agency-wide costs by:

- Maintaining a high degree of staff skill and readiness through rigorous training and adherence to industry standards.
- Improving reliability and speed of information technology systems.
- Encouraging staff relationships and communications across all programs and functions to ensure the best cost-containment ideas are explored and adopted.

7. Key Issues

- This budget includes debt service on a \$7.5 million Lottery-backed bond sold authorized by the 2015 Legislative Assembly to support the Willamette Falls redevelopment project, plus debt service for Forest Park (a \$1.5 million bond), and the Main Street grant program (\$2.5 million). **More than two-thirds of the \$3 million in debt service is funded by nondedicated Lottery revenue**, not the share of Lottery dedicated to the state park system by Oregon voters. Dedicated Lottery Funds do pay for slightly more than \$800,000 in state fair debt payments, an obligation left over from OPRD's role managing the Oregon State Fair and Exposition center from 2006-2015.
- This unit's budget centralizes the entire agency's State Government Service Charges payment. These payments total about \$5.6 million a biennium and cover insurance, assessments and other charges required of all state agencies.

8. Packages

Essential Packages	Lottery	Other Fund	Federal	Total
010: Non-PICS Psn; Svc / Vacancy Factor	(1,793)	1,407		(386)
022: Phase-out Pgm & One-time Costs	(9,216,804)			(9,216,804)
031: Standard Inflation	251,691	398,262		649,953
032: Above Standard Inflation	3,710	5,566		9,276
050: Fund Shift	2,505,334	(2,505,334)		0
060: Technical Adjustments (8 POS, 8 FTE)	1,587,194	1,682,918		3,270,112
Direct Services Policy Packages				
091: Statewide Adjustment DAS Chgs	(329,069)	(345,530)		(674,599)
105: Invest In People Who Serve (2 POS, 1.5 FTE)	149,651	157,134		306,785



H. Program detail: Director's Office

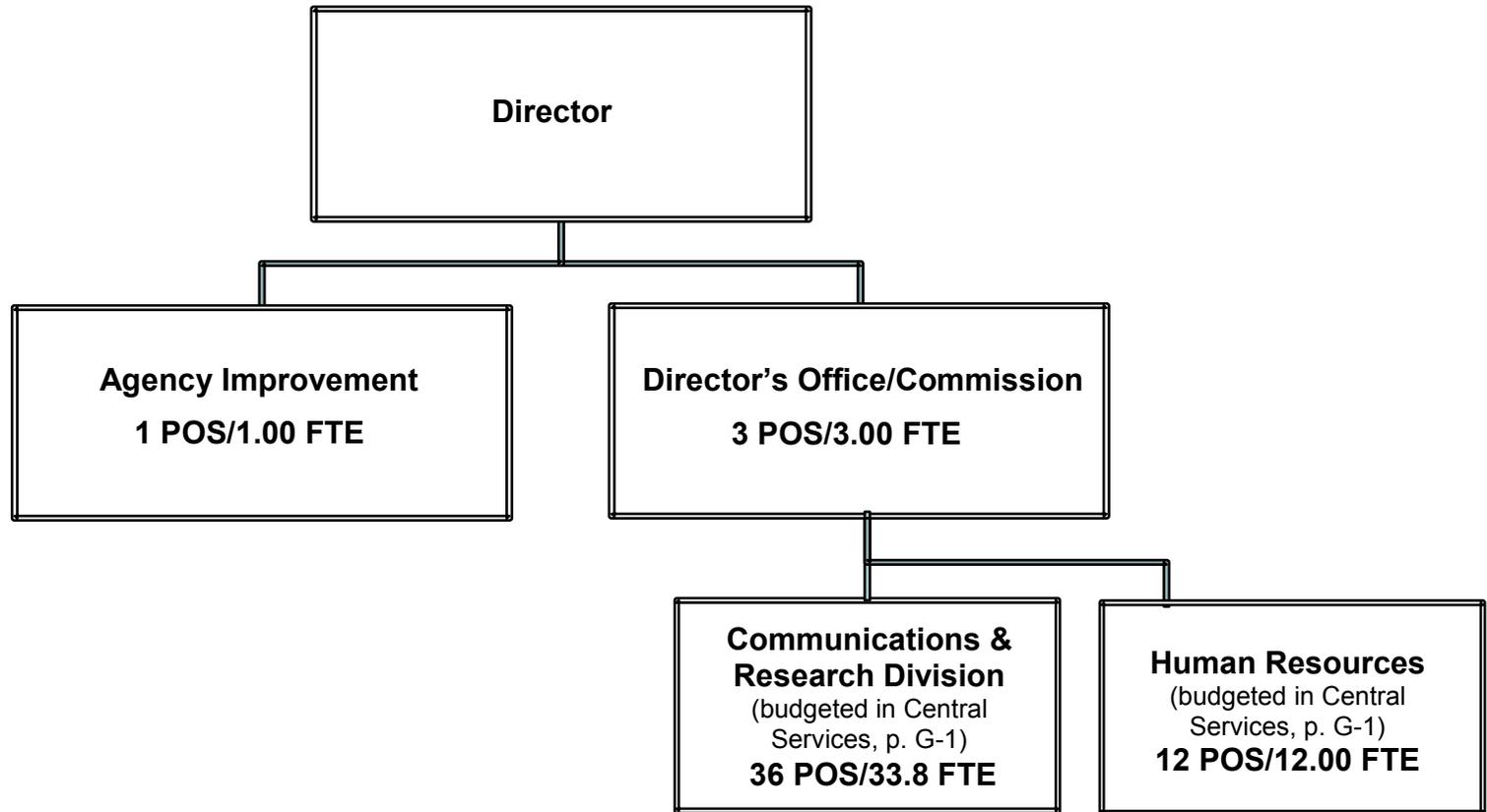
1. Mission

The Director's Office is responsible for executive leadership, the proper functioning of various official commissions, overall evaluation and internal auditing of the agency's performance through a quality assurance function, and essential agency communications.

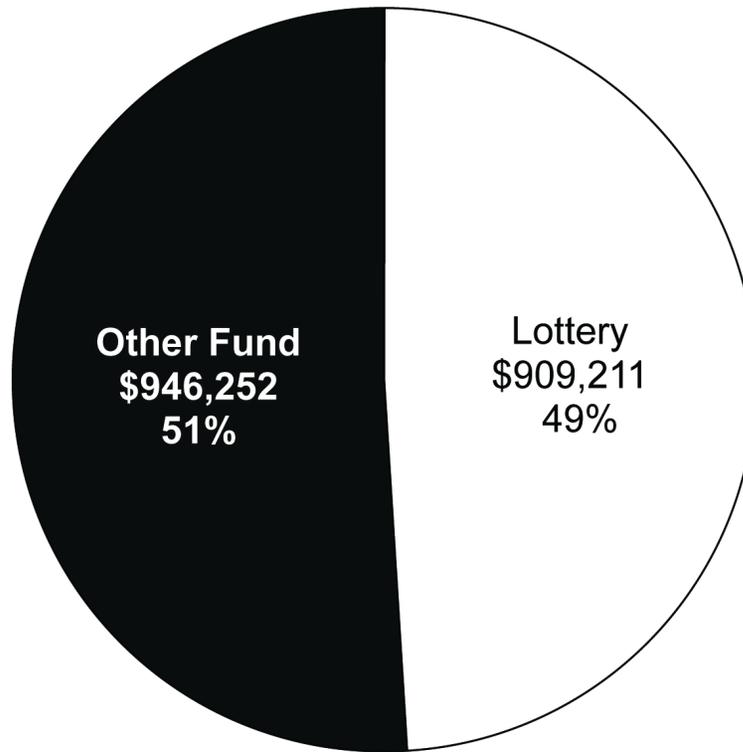
2. Programs

- *Director's Office/Commission* (\$1.6M, Other and Lottery funds): Supplies strategic direction to department programs and operations. The Director also represents the department in cooperative efforts with other state natural resource agencies, and administers several official commissions, including the Governor-appointed Oregon State Parks and Recreation Commission, created by the State Legislature in 1989 to establish policies, adopt rules necessary to execute the duties of the department, set fees, acquire property, promote the state's outdoor recreation policy, and appoint the OPRD Director.
- *Agency Improvement* (\$278K, Other and Lottery funds): Reviews agency programs and conducts annual internal audits.
- *Communications and Research*: Manages media and public communications, conducts basic customer and market research, and coordinates key agency policies, procedures and rules. On-line and by phone support services to park visitors and park staff. The budget for this unit is listed in Central Services (page G-1).
- *Human Resources*: Recruit, hire, and provide human resource training and consulting, and safety and risk management. The Director's Office manages the unit, but this program's budget is listed in Central Services (page G-1).

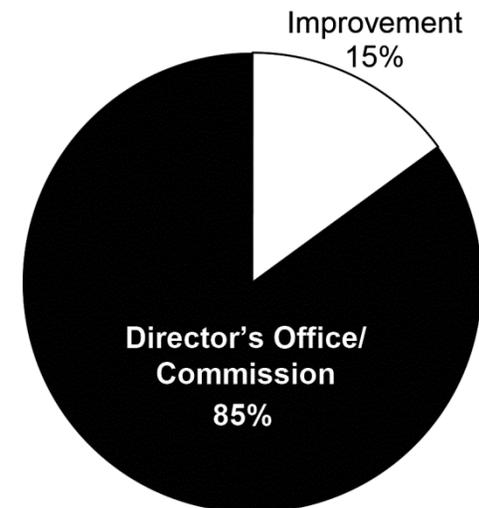
3. Director's Office Organization Chart



4. Director's Office 17-19 Budget



Total: \$1.9M/ 1% of Agency
Positions: 4
FTE: 4
Within this program ...



5. Outcomes

- Fulfill each part of the agency mission with equal vigor and success.
- Ensure each executive understands and contributes to constant improvement of Oregon's heritage and state park resources.
- Manage agency practices to the highest ethical and legal standards.
- Maintain strong relationships with stakeholders, public constituents and other governments to achieve commonly-held goals.

6. Cost containment

The Agency Improvement program reviews agency practices and reports directly to an oversight committee chaired by members of the Oregon State Parks and Recreation Commission.

7. Key Issues

- Since losing regular gas tax funding in the 1980s and General Fund in the 1990s, **state parks have struggled to find adequate, stable funding** to satisfy Oregonians' demand for accessible outdoor recreation. Lottery funding has helped, but not resolved, this need.
- **Lottery is basically flat.** RV funds have trended down for more than a decade, and while there is some sign of a slight recovery, recent reallocations have reduced the state park share.
- OPRD, like many state, local, and national park systems, is struggling to maintain adequate funding. Most park systems pursue a dual mission, protecting and maintaining special places while simultaneously providing relevant recreational opportunities for current and future people. Most other park systems deal with inadequate resources by restricting public service, but the outdoor experience is so integral to the Oregon identity that we aim to confront these problems head-on. **More flexible authority to set fees**, putting in place agile business functions to operate competitively in the tourism arena, and reaching out aggressively to underserved communities are key parts of a strategy to achieve financial stability.
- Park visitation is up over 10% during prime season and nearly 45% during the adjacent seasons. After only minor state park development in the preceding thirty years, OPRD spent 2004-2013 adding nine new parks and 16,000 acres to Oregon's system. No new staff were added as the system grew. **Rebuilding frontline staff to serve visitors** and maintain the system is vital to future success of Oregon's state parks. The system is capable of earning more of its keep, but not without the people who directly serve visitors.
- The department's focus is to **hold the acquisition budget steady** this budget cycle to provide time for the Oregon State Parks and Recreation Commission to develop a legacy acquisition strategy that focuses on system gaps and needs to allow OPRD to

seize key future-minded opportunities, especially on coast. Outside funds will supplement state funding. The agency dedicates the vast majority of its funds to operate, maintain, and improve existing parks.

- Many of the agency’s costs are associated with parks that don’t generate revenue. The agency will study which parks are really needed to serve Oregon’s current and projected needs, and also find better, broader ways to **fund all parks** by tying them to a **reliable, outside-the-system revenue stream that grows as Oregon does.**
- Tens of millions of dollars have been spent on programs added to the agency list of responsibilities since 1998, when voters first approved Lottery funding for state parks. Although there is no way to undo that spending, it is possible for this and future legislatures to **prevent future reductions** in state funding for state parks.
- Other park systems—city, county, special districts—need support, and it should be the department’s role to **help them find it without degrading the recreation and economic strength of a state park system** that’s still trying to build its own stable future.
- The department can succeed and provide better service while controlling costs, but only if it is permitted to maintain a disciplined **focus on its mission**, rather than being handed new responsibilities or mandates. The mission: protect special places, provide great experiences, take the long view.

8. Packages

Essential Packages	Lottery	Other Fund	Federal	Total
010: Non-PICS Psn; Svc / Vacancy Factor	4,410	6,881		11,291
031: Standard Inflation	30,192	45,474		75,666
050: Fund Shift	283,719	(283,719)		0
060: Technical Adjustments (8 POS/8 FTE)	(1,410,583)	(1,869,259)		(3,279,842)
Direct Services Policy Packages				
092: Statewide Attorney General Adjustment	(4,670)	(4,904)		(9,574)

I. Reduction Options

Reduction Options

The Oregon Parks and Recreation Department modified current service level budget includes \$97,376,603 Parks and Natural Resource Funds (Lottery), \$2,213,444 Lottery Funds, \$90,583,022 Other Funds, and \$9,871,343 Federal Funds. Major business activities supported by these funds are: Operations, Facility Investment Program, Grant Programs, Heritage and Community Programs, and Administration. These activities include: 1) Legislatively established parks and recreation programs, including Historic and Cultural preservation, Scenic Waterways, Willamette Greenway, Ocean Shores, Recreational Trails and; 2) essential operating services including personnel, payroll, accounting, reporting, budgeting, information services, publicity and publications, purchasing, fleet, property management and operation of the state park system. The department's operating budget is 71.72% of the total current service level budget. The remainder is a combination of pass-through funds to local governments, non-profit groups, and other government entities; acquisition, development and facility investment funds; debt service costs; and charges from other state agencies. The proposed reductions options are as follows, by priority and fund type:

Rank and activity	Description	Amount/ Fund Type	Comments
1. Reduce Lottery-funded grants	Reduce LGGP to required 12% of OPRD's constitutionally dedicated Lottery Funds based on the December 2016 forecast. Included in the Governor's Budget.	\$129,923, LF	
2. Eliminate standard inflation: Director's Office	Eliminate standard inflation allowed during budget development. Costs to operate the park system will continue to rise.	\$38,841, LF; \$47,885, OF	Will reduce services available to visitors. May impact KPM #6 Customer Satisfaction.
3. Eliminate standard inflation: Administration	Eliminate standard inflation allowed during budget development. Costs to operate the park system will continue to rise.	\$149,651, LF; \$157,137, OF	Will reduce services available to visitors. May impact KPM #6 Customer Satisfaction.
4. Eliminate standard inflation: Heritage Programs/Grants	Eliminate standard inflation allowed during budget development. Costs to provide service will continue to rise.	\$24,213, LF	Will reduce services available to communities. May impact KPM #2 Heritage Program Benefits and #3 Grants.

Rank and activity	Description	Amount/ Fund Type	Comments
5. Eliminate standard inflation: Grant Administration	Eliminate standard inflation allowed during budget development. Costs to offer service will continue to rise.	\$4,192, LF	Will reduce services available to communities. May impact KPM #3 Grants.
6. Eliminate standard inflation: Acquisitions	Eliminate standard inflation allowed during budget development. Costs to acquire property will continue to rise.	\$55,500, LF	May impede the Department's efforts to acquire additional recreational opportunities and require the Department to forgo opportunities to meet current and future needs, to protect significant resources, scenic and historic areas when they become available. Impacts KPM #4 Property Acquisition.
7. Eliminate standard inflation: Facilities Maintain/Construct	Eliminate standard inflation allowed during budget development. Costs to repair park system will continue to rise.	\$52,0637, LF	This program's purpose is to complete major maintenance, preventive maintenance and repairs to park facilities. The program also includes enhancements and upgrades that coincide with major maintenance and repairs. Program reductions will hinder the agency's efforts to reduce deferred maintenance projects. This action will not result in any long term savings. Delays in maintenance could actually result in higher overall costs. Impacts KPM #5 Facilities Backlog.
8. Eliminate standard inflation: Park Operations	Eliminate standard inflation allowed during budget development. Costs to operate the park system will continue to rise.	\$625,101, LF; \$857,249, OF	Will reduce services available to visitors. May impact KPM #6 Customer Satisfaction.
9. Reduce acquisitions	Reduces funding available to the Department for the purchase of property. This reduction may impede the Department's efforts to acquire additional recreational opportunities and require the Department to forgo opportunities to meet current and future needs, to protect significant resources, scenic and historic areas when they become available. Impacts KPM #4 Property Acquisition.	\$555,500, LF	May impede the Department's efforts to acquire additional recreational opportunities and require the Department to forgo opportunities to meet current and future needs, to protect significant resources, scenic and historic areas when they become available. Impacts KPM #4 Property Acquisition.

Rank and activity	Description	Amount/ Fund Type	Comments
10. Reduce Service/Supplies: Director's Office	Reduce S&S across the board by 6%.	\$147,735, LF; \$155,597, OF	A reduction to these programs will impact all field operations, reservation and information services (brochures, maps, etc.) and will impact customer service. Will reduce maintenance and cleaning of park facilities, provision of information to potential park visitors and marketing efforts. Could result in loss of revenue to the Department. Impact KPM #6 Customer Satisfaction.
11. Reduce Service/Supplies: Administration	Reduce S&S across the board by 6%.	\$778,979, LF; \$823,466, OF	A reduction to these programs will impact all field operations, reservation and information services (brochures, maps etc) and will impact customer service. Will reduce maintenance and cleaning of park facilities, provision of information to potential park visitors and marketing efforts. Could result in loss of revenue to the Department. Impact KPM #6 Customer Satisfaction.
12. Reduce Service/Supplies: Heritage	Reduce S&S across the board by 6%.	\$181,117, LF; \$58,345, OF	A reduction to these programs will impact all community services. May impact KPM #2 Heritage Program Benefits and #3 Grants.
13. Reduce Service/Supplies: Grants Admin	Reduce S&S across the board by 6%.	\$52,408, LF; \$34,872, OF	A reduction to these programs will impact all community services. May impact KPM #3 Grants.
14. Reduce Service/Supplies: Park Operations	Reduce S&S across the board by 6%.	\$1,722,252, LF; \$1,902,778, OF	A reduction to these programs will impact all field operations, reservation and information services (brochures, maps, etc.) and will impact customer service. Will reduce maintenance and cleaning of park facilities, provision of information to potential park visitors and marketing efforts. Could result in loss of revenue to the Department. Impact KPM #6 Customer Satisfaction.
15. Reduce Service/Supplies: Park Operations	Reduce S&S across the board by 6%.	\$1,058,222, LF; \$1,169,747, OF	A reduction to these programs will impact all field operations, reservation and information services (brochures, maps, etc.) and will impact customer service. Will reduce maintenance and cleaning of park facilities, provision of information to potential park visitors and marketing efforts. Could result in loss of revenue to the Department. Impact KPM #6 Customer Satisfaction.

Rank and activity	Description	Amount/ Fund Type	Comments
16. Reduce funding for park maintenance	Reduce funding available to the Department for maintenance, repair and enhancement of park properties.	\$3,927,827, LF	This program's purpose is to complete major maintenance, preventive maintenance and repairs to park facilities. The program also includes enhancements and upgrades that coincide with major maintenance and repairs. Program reductions will hinder the agency's efforts to reduce deferred maintenance projects. This action will not result in any long term savings. Delays in maintenance could actually result in higher costs overall. Impacts KPM #5 Facilities Backlog.
17. Reduce funding for park maintenance	Reduce funding available to the Department for maintenance, repair and enhancement of park properties.	\$4,986,049, LF	This program's purpose is to complete major maintenance, preventive maintenance and repairs to park facilities. The program also includes enhancements and upgrades that coincide with major maintenance and repairs. Program reductions will hinder the agency's efforts to reduce deferred maintenance projects. This action will not result in any long term savings. Delays in maintenance could actually result in higher costs overall. Impacts KPM #5 Facilities Backlog.

J. Reviewing Major Budget and Legislative Issues

This agency is not supported by the general fund.

Major revenue—from Lottery, RV registrations—is essentially flat or down compared with inflation.

Park system is getting busier even as it ages.

Control costs by improving efficiency, reducing acquisition, and taking a hard look at which parts of the current system can be scaled back.

Improve and protect revenue by adapting recreation and heritage services to match ways Oregon has changed in last 25 years. Avoid new add-ons outside mission. Obtain more authority to set fees to promote system fairly.

Provide value by reinvesting in staff—a long overdue step given how much visitor numbers have increased 20% in the last decade—and use that success to make the system more self-supporting.

Appendix 1: Audit Results

1. Statewide Audit of Selected Financial Accounts for the Year Ended June 30, 2015

The audit was conducted to determine that selected accounts were presented fairly in accordance with generally accepted accounting principles in relation to the statewide financial statements. This report was issued January 22, 2016.

Audit Results. Auditors found that the department had significant deficiencies in internal control in the following:
Transaction Entry and Review Procedures Need Improvement

The Audits Division Recommends: Management revisit state accounting policies related to recording transactions and ensure the transaction review process includes examination of proper coding and effective dates.

Agency Response: OPRD agrees with the recommendation and appreciates the audit team bringing to our attention an opportunity to strengthen our internal controls. Management will revisit the state accounting policies related to recording transactions and ensure the transaction review process includes examination of proper coding and effective dates. We will work to document review procedures and then ensure review processes are followed.

2. Statewide Audit of Selected Financial Accounts for the Year Ended June 30, 2014

The audit was conducted to determine that selected accounts were presented fairly in accordance with generally accepted accounting principles in relation to the statewide financial statements. This report was issued January 22, 2015.

Audit Results: No deficiencies in internal control were identified that would be considered material weaknesses.

3. Statewide Audit of Selected Financial Accounts for the Year Ended June 30, 2013

The audit was conducted to determine that selected accounts were presented fairly in accordance with generally accepted accounting principles in relation to the statewide financial statements. This report was issued February 18, 2014.

Audit Results: Evidence of Internal Controls could be strengthened. The department uses the Outdoor Recreation Management Suite (ORMS) system to facilitate the reservation of its camping sites at numerous parks throughout the state. ORMS allows reservations to be made up to nine months in advance; full payment is required at the time the reservation is made. The department appropriately defers this revenue until the period in which the camping stay occurs. A portion of deferred revenue is recognized each month using a customized report generated automatically by ORMS. At the time the report was developed, tests were completed to verify the reliability and integrity of the data. However, over time, system changes (i.e. additional parks) have been made and subsequent testing has not been performed. A number of other controls, cited by management, provide limited assurance that ORMS data is correct. Those controls include daily inventory of occupied campsites, management understanding of ORMS reports, and the knowledge, skills, and ability of department IT staff in relation to ORMS. These controls are not documented in a way that facilitates subsequent review, testing, or analysis for effectiveness; which raises the risk that ORMS data, which is relied on for financial reporting, could be inaccurate or unreliable.

The Audits Division Recommends: Management ensure adequate documentation is retained to enable subsequent review and testing of control effectiveness. For example, the daily inventory of occupied campsites could be retained and used to verify that ORMS accurately reflects the number of nights campsites are occupied and the amount of revenue to recognize.

Agency Response: OPRD agrees with the recommendation and appreciates the audit team bringing to our attention an opportunity to strengthen our internal controls. We are planning on working with our staff to document data validation processes and reasonableness tests on the Outdoor Recreation Management System (ORMS).

4. **Agreed Upon Procedures for Reviewing Specified Asset Transfers to the State Fair Council**

An Independent Auditor's Report on Applying Agreed Upon Procedures for Reviewing Specified Asset Transfers to the State Fair Council. The auditors performed procedures to assist the agency in connection with the Oregon State Fair transition of financial assets to the State Fair Council. Department management is responsible for ensuring State Fair assets are reasonably conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and generally accepted government auditing standards. The auditors reviewed the department's methodology for the following:

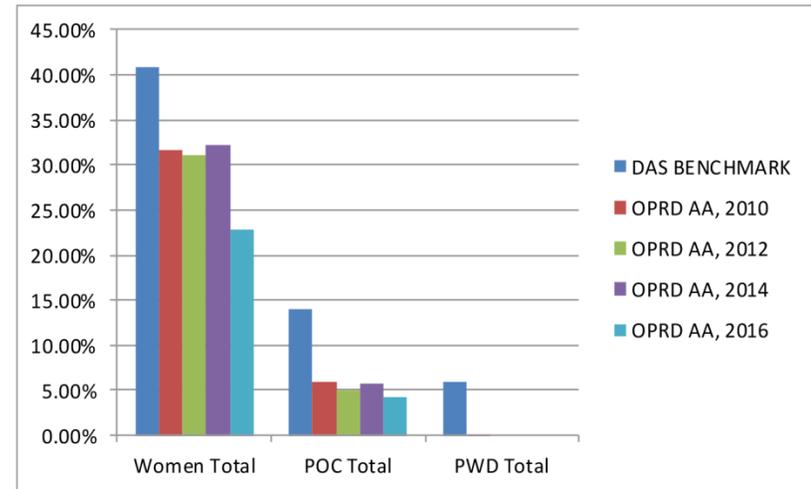
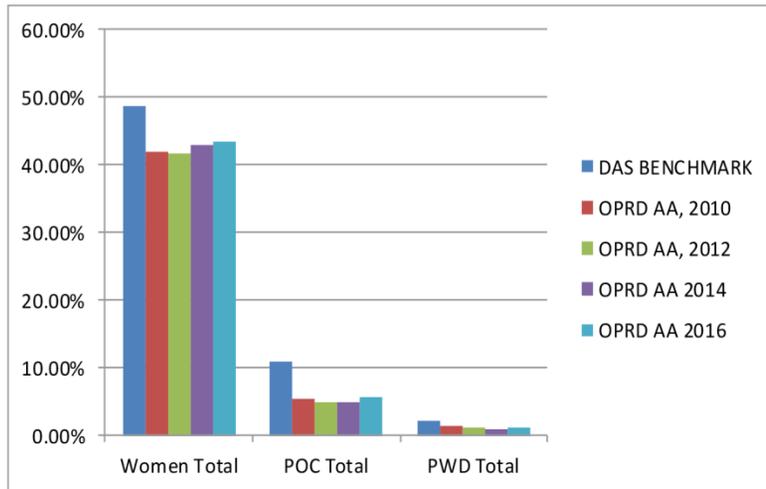
- Determining the value of State Fair fixed assets at January 1, 2015, and the subsequent transfer to the council.
- The auditors found the department's methodology and subsequent transfers of fixed assets to the council appeared reasonable with the exception of the department expensing a full year of depreciation.
- Determine the value of State Fair cash balances at March 1, 2015, and the subsequent transfer to the council.
- Auditors found the department's methodology and subsequent transfer of the State Fair cash balances appeared reasonable.
- Determine the value of accounts receivable assigned to the State Fair Council as of March 1, 2015, and the subsequent transfer to the council.
- Auditors found the department's methodology and subsequent transfer of the identified accounts receivable appeared reasonable.

5. AFFIRMATIVE ACTION REPORT

Below are comparison charts of the OPRD Affirmative Action percentages based upon the 06/30/16 report distributed by DAS. Chart 1 summarizes the hiring percentage based upon OPRD as a whole with the benchmark established by DAS indicated by the line. Chart 2 reflects hiring percentages of OPRD Management only with the benchmark established by DAS indicated by the line.

EEO CATEGORY TOTAL AGENCY %	WOMEN TOTAL	POC* TOTAL	PWD** TOTAL
DAS BENCHMARK	48.64%	11.00%	2.23%
OPRD AA, 2010	41.95%	5.36%	1.39%
OPRD AA, 2012	41.76%	4.91%	1.22%
OPRD AA 2014	42.96%	4.93%	0.98%
OPRD AA 2016	43.34%	5.74%	1.04%

EEO CATEGORY TOTAL MGMT %	WOMEN MGMT	POC* MGMT	PWD** MGMT
DAS BENCHMARK	40.86%	13.97%	5.86%
OPRD AA, 2010	31.70%	5.98%	0.08%
OPRD AA, 2012	31.00%	5.00%	0%
OPRD AA, 2014	32.18%	5.75%	0%
OPRD AA, 2016	22.85%	4.28%	0%



*POC Persons of Color

**PWD Persons with Disabilities

EEO Equal Employment Opportunity

AA Affirmative Action

Action plan for 2017 - 2019

- Provide regular on-going training and education opportunities to managers and employees agency-wide.
- Reinforce management responsibility to OPRD's goal of promoting a diverse workforce.
- Market OPRD as an employer of choice – one who is committed to a diverse work environment and employee retention.

OPRD's on-going plan

- Foster principles of the employer of choice through diversity education and enhanced equal employment opportunities. Proactively lead on issues of equality and diversity and on the promotion of EEO/AA. This includes:
 - Ensure that all executive and management service employees have appropriate affirmative action and diversity responsibilities included in their position descriptions and annual performance evaluations;
 - Communicate and display the Affirmative Action Policy;
 - Distribute Human Resources updates including diversity topics.
- Create an environment of increased cultural awareness including internal and external training opportunities and outreach. This includes:
 - Active participation in the Department of Human Services (DHS) and Oregon Department of Transportation (ODOT) Annual Diversity Conference;
 - Make certain that all employees are aware and encouraged to participate in diversity training and activities.
 - Seek out new diversity opportunities to engage and attract youth, people of color, people with disabilities and women to work for OPRD.
 - Continue the Director's Inclusion Initiative work started in 2015 to foster and grow awareness of inclusion and diversity internally and externally.
- Address recruitment and retention issues through outreach to local community groups and resources. This includes:
 - Increase career fair participation, utilization of web sites, community agencies, community leaders and schools to improve minority outreach to youth, people of color, people with disabilities and women;
 - Further develop college and high school internship program to bring young people into the Park system to experience the potential career opportunities, improving outreach efforts, and bridge the gap expected due to future retirements.

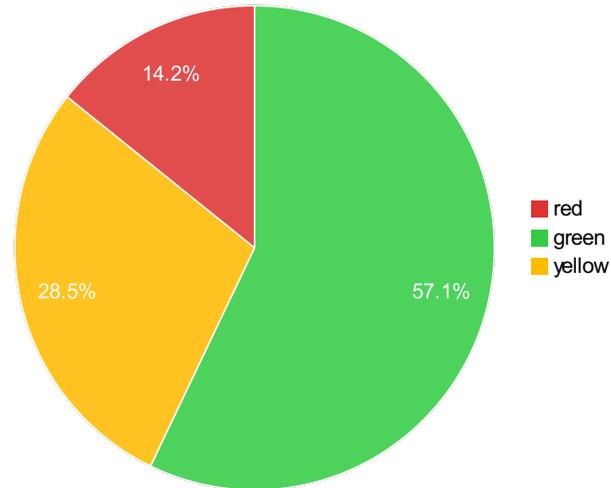
Appendix 2: Vacancies as of 12/31/2016

Vacant position number	Appt Type (P)ermanent (S)easonal (L)imited Dur.	Comment	Months vacant
4701184	P	Interviews scheduled. In Reclass package submitted to CFO SABRS 11.30.16.	7-11
4712045	S	Filled 12/1/16	12+
4712080	S	In Reclass package submitted to CFO SABRS 11.30.16., will fill for summer season	12+
4771068	P	In Reclass package submitted to CFO SABRS 11.30.16. Will be abolished in reclass package.	12+
4721002	P	Has been rotation - currently being recruited for.	7-11
4721171	P	Filled 12/1/16	12+
4711181	P	Reclass package pending. Agency is reviewing business needs related to reservations/call center and move of operation to Salem.	7-11
4711184	P	“	7-11
4711194	P	“	12+
4711195	P	“	7-11
4711199	P	“	12+
4712122	S	“	12+
4712130	S	“	12+
4712132	S	“	12+
4771006	P	Interviews scheduled. In Reclass package submitted to CFO SABRS 11.30.16.	12+
4732004	S	Filled 12/7/16	7-11
4771008	P	Recruitment scheduled after Governor requested holding period ends. In Reclass package submitted to CFO SABRS 11.30.16.	7-11
4731028	S	Seasonal Position - funding used for Temps, will fill next season	12+
4751061	S	Position Authority granted for 15-17 biennium - will fill this season	7-11
4751063	S	Funding used for Temps, will fill next season	12+
4751064	S	Funding used for Temps, will fill next season	12+
4701185	L	LD position. Funding used to cover permanent employee doing the work.	12+

Appendix 3: Performance Measures

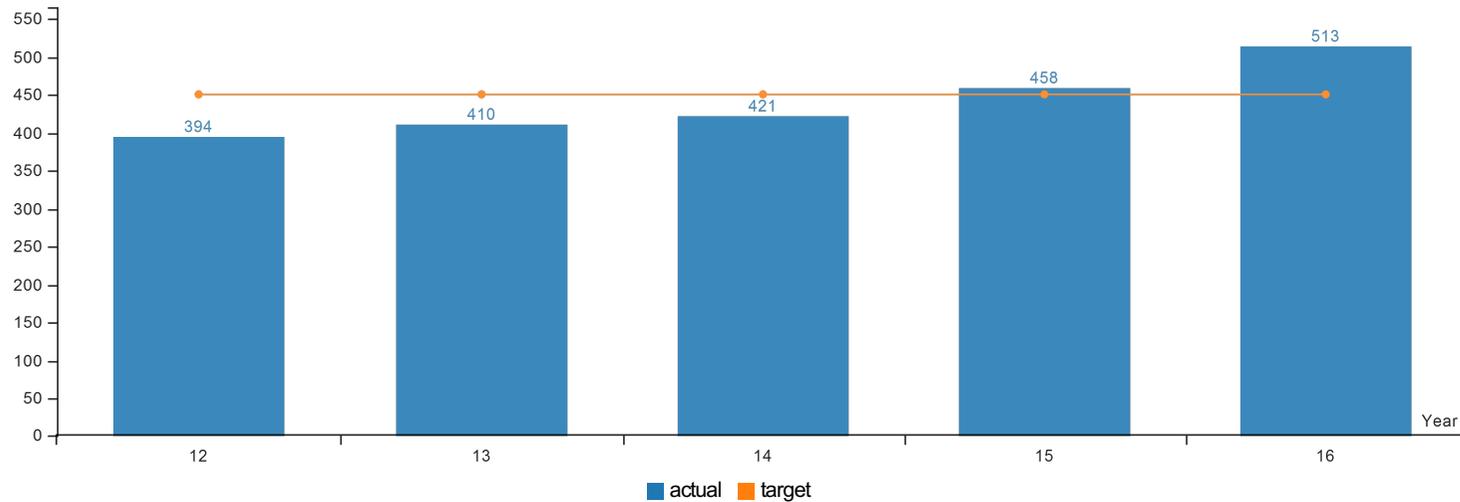
Annual Performance Progress Report
Reporting Year 2016
Published: 8/18/2016 2:20:58 PM

KPM #	Approved Key Performance Measures (KPMs)
1	PARK VISITATION - Visitors per acre of Oregon Parks and Recreation Department property.
2	HERITAGE PROGRAM BENEFITS - Number of properties, sites, or districts that benefit from an OPRD-managed heritage program
3	Grant Programs - Percent of Oregon communities that benefit from an OPRD-managed grant program
4	PROPERTY ACQUISITION - Recreation lands index: Park lands and waters acquired by OPRD as a percentage of total goal. (Linked to Oregon Benchmark #91)
5	FACILITIES BACKLOG - Percent reduction in facilities backlog since 1999.
6	CUSTOMER SATISFACTION - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.
7	COMMISSION BEST PRACTICES - Percent of total best practices met by the State Parks and Recreation Commission.



	Green	Yellow	Red
	= Target to -5%	= Target -6% to -15%	= Target > -15%
Summary Stats:	57.14%	28.57%	14.29%

KPM #1	PARK VISITATION - Visitors per acre of Oregon Parks and Recreation Department property.
	Data Collection Period: Jul 01 - Jun 30



Metric	2012	2013	2014	2015	2016
Visitors Per Acre of Oregon Parks and Recreation Department Property					
Actual	394	410	421	458	513
Target	450	450	450	450	450

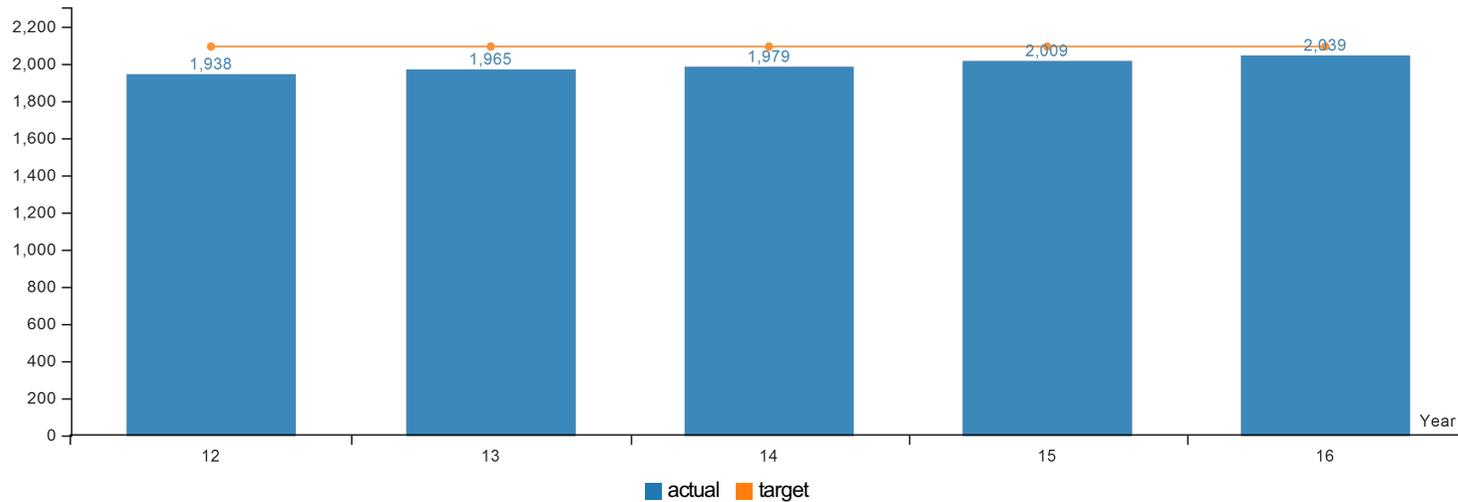
How Are We Doing

FY 2016 results are 513 visitors per acre which is a 12.0% increase from 458 visitors per acre in FY 2015, and is above target. The main contributing factors to this increase are improved weather and park development resulting in increased usage. The Department has continued to increase park acreage in order to best serve an increasing population while maintaining a quality visitor experience. The total visitation in FY 2016 was 56.2 million, a 12% increase from FY 2015.

Factors Affecting Results

Factors affecting the numerator (visitor attendance) include weather, economic conditions, perceived attractiveness of the recreational offering, and park closures (e.g., due to construction, etc.). Factors affecting the denominator (acreage) include availability of land for acquisition (e.g., willing sellers) and availability of funds for purchase.

KPM #2	HERITAGE PROGRAM BENEFITS - Number of properties, sites, or districts that benefit from an OPRD-managed heritage program.
	Data Collection Period: Jul 01 - Jun 30



Metric	2012	2013	2014	2015	2016
Number of Properties, Sites, or Districts That Benefit From an OPRD-Managed Heritage Program					
Actual	1,938	1,965	1,979	2,009	2,039
Target	2,087	2,087	2,087	2,087	2,087

How Are We Doing

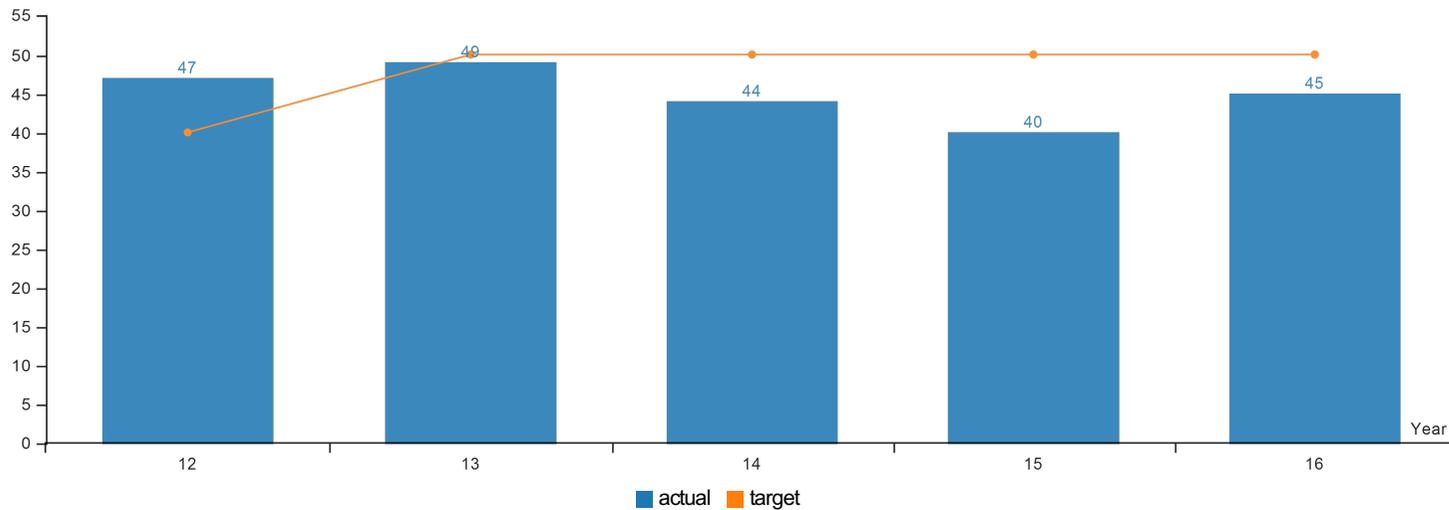
The Heritage Division continues to focus on expanding and strengthening local government and federal agency partners whose activities account for much of the work reflected by this performance measure. In addition, new initiatives are aimed at increasing the relevance of our programs to non-traditional customers and underrepresented populations through targeted outreach.

Oregon continues to perform well when compared against neighboring western states, listing as many or more properties in the National Register of Historic Places. Priorities for the Division continue to focus on integrating our various program areas to provide consistent delivery of services across the state.

Factors Affecting Results

The overall numbers of new designations is down across the comparative states for the last year, with the notable exception of California and a very modest increase in Nevada. In Oregon, fewer nominations have been proposed by federal and local agencies, which is typically a major driver for the program. However, the trend appears to be a temporary. The office is currently on track to list at least 20 properties in the National Register next year.

KPM #3	Grant Programs - Percent of Oregon communities that benefit from an OPRD-managed grant program.
	Data Collection Period: Jul 01 - Jun 30



Metric	2012	2013	2014	2015	2016
Percent of Oregon communities that benefit from an OPRD-managed grant program					
Actual	47	49	44	40	45
Target	40	50	50	50	50

How Are We Doing

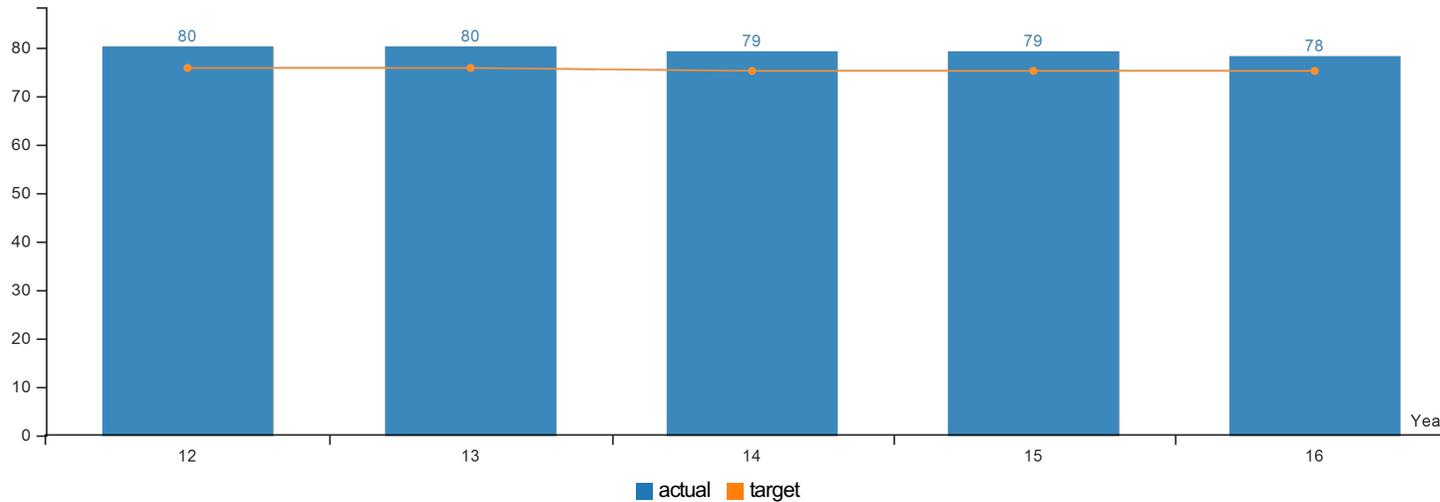
FY 2016 results include an unduplicated count of the number of communities that were awarded Department grants for FY 2015 and FY 2016. Results show that 45% of Oregon communities (126 of 278) have benefited from an OPRD-managed grant program over this time period. This year's percentage is higher than the 40% reported last year.

Grant projects typically take more than one fiscal year to complete, especially under grant programs that have only one round of grant awards per biennium. Therefore the "benefit" to grantee communities is not just a single year. Counting two fiscal years of grants - the most recently completed year and the previous year - provides a more accurate measurement of the extent to which the Department's grant programs reach communities throughout the state. It also provides more consistent data from year to year by moderating the "peaks"; of grant awards in the first year of a biennium and the "valleys" of second-year awards.

Factors Affecting Results

Availability of grant funding, grant program requirements for local match and other local commitments, maximum allowable grant award amounts, number of grant applicants and geographic distribution of grant applicants are the factors that affect results.

KPM #4	PROPERTY ACQUISITION - Recreation lands index: Park lands and waters acquired by OPRD as a percentage of total goal. (Linked to Oregon Benchmark #91)
	Data Collection Period: Jul 01 - Jun 30



Metric	2012	2013	2014	2015	2016
Park Lands and Waters Acquired by OPRD as a Percentage of Total Goal					
Actual	80%	80%	79%	79%	78%
Target	75.60%	75.60%	75%	75%	75%

How Are We Doing

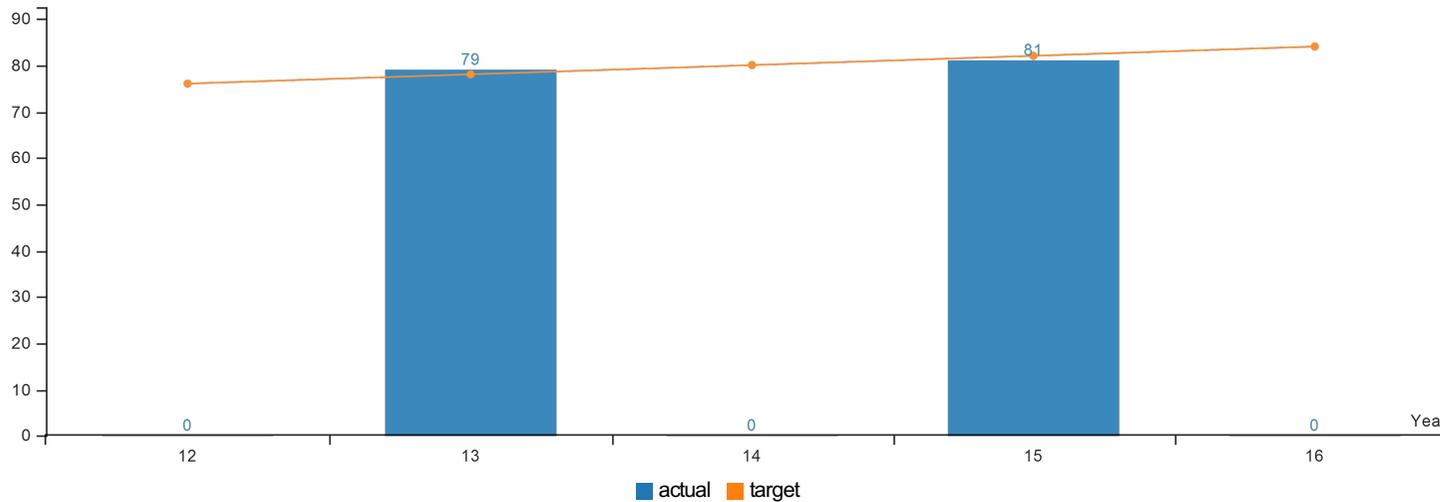
Targets for this measure indicate the desire of moving towards a total goal of approximately 35 acres per 1,000 population. The data are measured and reported by Fiscal Year. The information assists the Department in making decisions about future expansion of the system as park areas reach capacity, and keeping the balance between recreation opportunities and natural resource protection.

FY 2016 results indicate that the agency was at 78% of the total goal, and above the target of 75%. Results decreased slightly from last year since Oregon's population increased faster than park acreage was acquired.

Factors Affecting Results

Oregon's population has been increasing at a higher rate than many states, thus impacting the denominator in calculating results. Acquisition is affected by the availability of land meeting agency criteria, the availability of adequate funds for purchase, and real estate prices.

KPM #5	FACILITIES BACKLOG - Percent reduction in facilities backlog since 1999.
	Data Collection Period: Jul 01 - Jun 30



Metric	2012	2013	2014	2015	2016
Percent Reduction in Facilities Backlog					
Actual	No Data	79%	No Data	81%	No Data
Target	76%	78%	80%	82%	84%

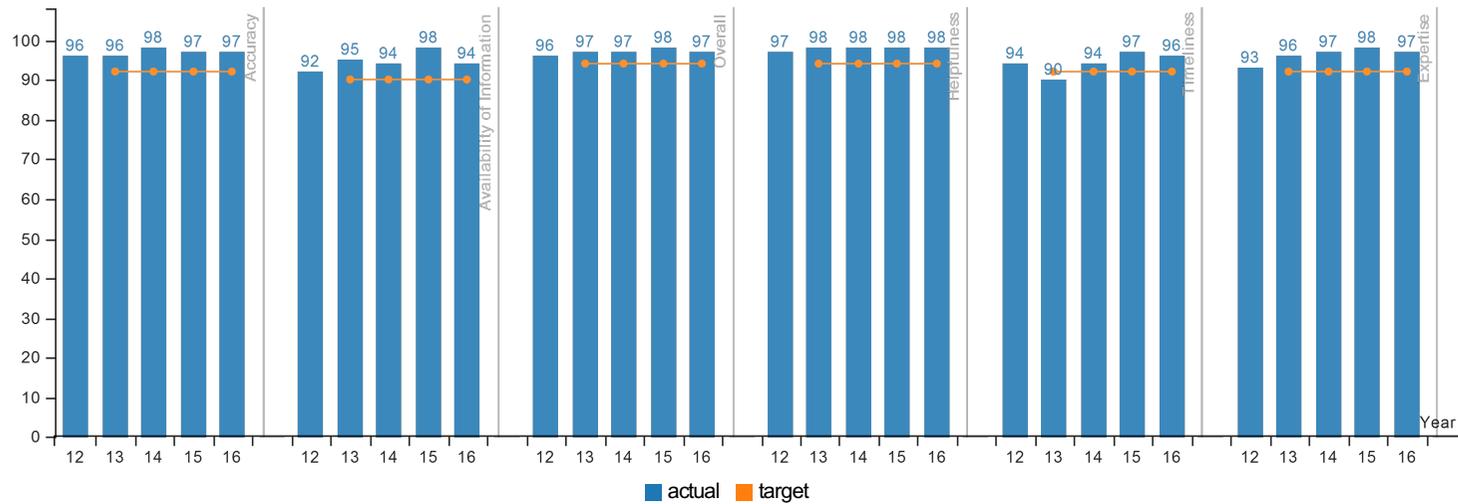
How Are We Doing

While data is tracked continuously, it is reported biennially, with the next reporting of data to be done at the end of FY 2017. FY 2015 data shows that progress continues to be made in reducing the maintenance backlog. Efforts are continuing to re-assess additional maintenance backlog and deferred maintenance that has accrued since 1999.

Factors Affecting Results

The Park Construction Priorities are funded each biennium from the Parks and Natural Resources Fund. Investments are made in two areas: 1) major maintenance to reduce backlogged repairs and deferred maintenance, including improvements in efficiency and sustainability; and 2) enhancements to meet future needs. The backlog reduction could be impacted by decisions to increase or decrease the focus of resources on the enhancement projects. The Department continues an emphasis on buying down of the original backlog. Emergent maintenance issues arise that compete for funding.

KPM #6	CUSTOMER SATISFACTION - Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall customer service, timeliness, accuracy, helpfulness, expertise and availability of information.
	Data Collection Period: Jul 01 - Jun 30



Metric	2012	2013	2014	2015	2016
Accuracy					
Actual	96%	96%	98%	97%	97%
Target	TBD	92%	92%	92%	92%
Availability of Information					
Actual	92%	95%	94%	98%	94%
Target	TBD	90%	90%	90%	90%
Overall					
Actual	96%	97%	97%	98%	97%
Target	TBD	94%	94%	94%	94%
Helpfulness					
Actual	97%	98%	98%	98%	98%
Target	TBD	94%	94%	94%	94%
Timeliness					
Actual	94%	90%	94%	97%	96%
Target	TBD	92%	92%	92%	92%
Expertise					
Actual	93%	96%	97%	98%	97%
Target	TBD	92%	92%	92%	92%

How Are We Doing

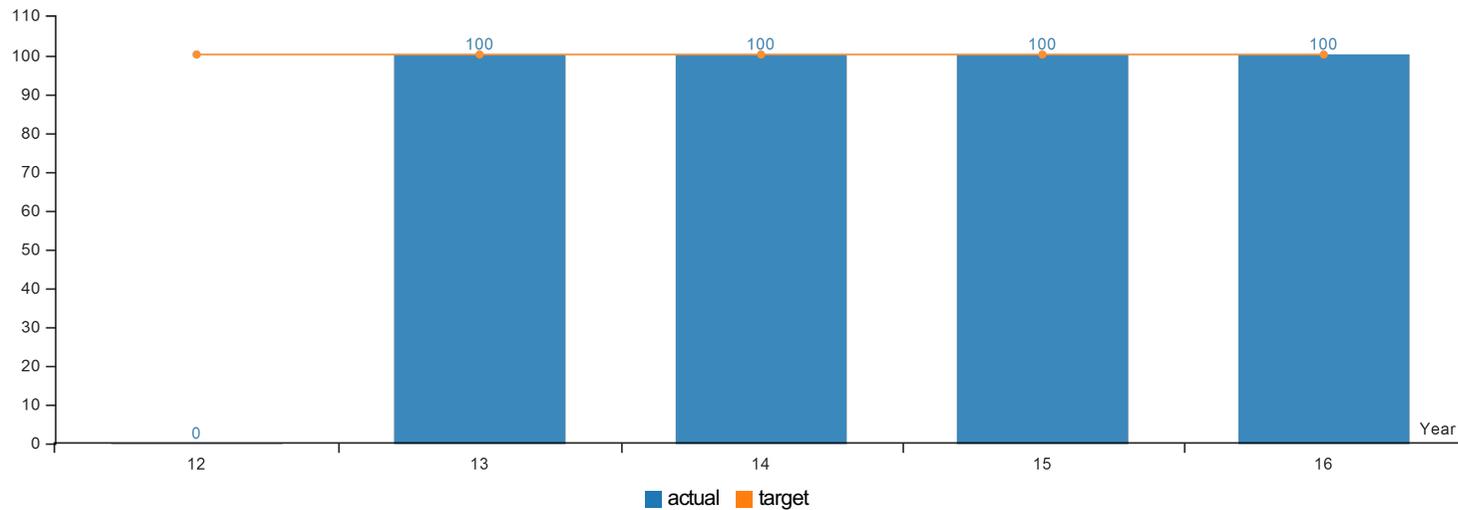
For the preceding 12 months, customer satisfaction data was collected through a random phone survey of the department's state park reservation customers. This measure is required of all agencies by the Department of Administrative Services. Of the 50+ million customers served by the Oregon Parks and Recreation Department, the vast majority contact staff in connection with campground and day-use park services. Accordingly, customer satisfaction measures focus primarily on park customers, though results from other customer satisfaction surveys gathered in other units are also used when available. Satisfaction levels should be increased to, or maintained at, an acceptably high level.

The department consistently meets or exceeds targets for this measure. As with any survey, there is a margin of error estimated at approximately 2%. Results that are within 2% of the target could reasonably be viewed as on target.

Factors Affecting Results

Satisfaction dips when parks are crowded, even if the quality of service remains high.

KPM #7	COMMISSION BEST PRACTICES - Percent of total best practices met by the State Parks and Recreation Commission.
	Data Collection Period: Jul 01 - Jun 30



Metric	2012	2013	2014	2015	2016
Percent of Commission Best Practices Met					
Actual	No Data	100%	100%	100%	100%
Target	100%	100%	100%	100%	100%

How Are We Doing

This measure is required of all agencies by the Department of Administrative Services. A list of 15 mandated best practices include business processes, oversight duties, budgeting and financial planning, and training.

Annual self-evaluation by members of the Oregon State Parks and Recreation Commission where commissioners independently evaluate group performance, then collectively discuss their findings to produce a consensus report. The process for self-evaluation and discussion will be improved over time.

The first data was available in November, 2007. The most recent data applies to FY 2016.

Factors Affecting Results

Many measures are subjective, and require experienced Commissioners to develop reasoned answers. Newly-appointed Commissioners can affect the results.

Appendix 4: “Other Fund” Ending Balance Form

The “Treasury Fund Number and Name” for nearly all entries is “6340000650 State Parks and Recreation Department Fund” except for the Main Street Grant program, where the number and name are “6340000653 State Parks and Recreation Department Fund.” All Fund Types are “Limited.”

OPRD is **required** to set aside funds to create ending balance for the next budget to meet cash flow and grant-making obligations.

Program Area (SCR)	Category /Description	Constitutional and/or Statutory reference	2015-17 Ending Balance		2017-19 Ending Balance		See notes on next page
			In LAB	Revised	In Modified CSL	Revised	
200-10-00-00000 Central Services	Operations	ORS 390.134 (Operating Cash)	4,475,911	16,117,698	14,013,176	14,013,176	1
400-10-00-00000 Direct Services	Trust Fund	ORS 390.153 (Trust and Dedicated Funds)	4,481,569	6,543,474	6,454,533	6,454,533	2
400-10-00-00000 Direct Services	Operations	ORS 390.848 (Deschutes Boater)	693,187	693,187	693,187	693,187	
400-10-00-00000 Direct Services	Operations	ORS 390.134 (Operating Cash)	0	0	2,210,806	2,210,806	3
500-10-00-00000 Comm Supp/Grants	Operations	ORS 390.134 (Operating Cash)	0	0	(460,555)	(460,555)	4
500-10-00-00000 Comm Supp/Grants	Operations	ORS 358.480/690 (Ore Prop Mgmt Acct)	505,270	510,877	430,663	430,663	
500-10-00-00000 Comm Supp/Grants	Grant Funds	ORS 390.262/264 Main Street Grant Program		2,500,000	2,500,000	2,500,000	5
500-10-00-00000 Comm Supp/Grants	Grant Funds	ORS 390.555/560 (ATV)	5,633,343	5,355,779	5,360,117	5,360,117	6, 7
500-10-00-00000 Comm Supp/Grants	Grant Funds	ORS 390.134 (RV County Opportunity)	622,709	179,491	210,875	210,875	8
		Totals	16,411,989	31,900,506	31,412,802	31,412,802	
			16,411,989	31,900,506	31,412,802	31,412,802	

Ending Balance Notes

1. Operating Cash, in the Central Services SCR, is up \$11,641,787. There are several reasons for the increase: \$3,982,454 of unanticipated cash was carried over from the 2013-15 biennium due to prudent spending, \$1,883,393 is available from the 2015-17 reserve for salary and wages - more was reserved than granted in the salary package limitation, \$4,819,918 is from higher than budgeted Park User Fees in 2015-17 and RV revenues are trending higher than anticipated.
2. Trust and Dedicated Funds, in the Direct Services SCR, is up \$2,061,905 primarily due to unanticipated cash from the previous biennium. The camping season enjoyed good weather and there was a corresponding increase in activity in park business accounts.
3. Direct Services: This structure would not normally have an ending balance. However, at CSL, it does because revenue needed to cover expenditures in policy packages is included in Base Budget. A portion of Pkg 101 and all of Pkg 105 are covered by Park User Fees reflected in the base, and therefore in the ending balance at CSL.
4. Line 13 Community Support and Grants - The negative Other Funds shown here is due to a fund shift occurring in Pkg 105. Two positions are being shifted from Other to Lottery funds in the Heritage Division. Revenues reflected in the Base Budget accommodate this change.
5. Main Street Grants, in the Community Support and Grants SCR, is reflecting a balance of \$2.5M. The 2015-17 biennium assumed that all the funds would be spent in 2015-17. With the bond sale in the spring of 2017, grants won't be awarded, work complete or payments made by the end of the biennium.
6. ATV Fund, in the Community Support and Grants SCR, is down \$277,564 from the ORBITS ending balance. OPRD carried over \$215K less in cash than anticipated from the previous biennium. This is the result of higher than anticipated grant payments. In addition, there has been a slight slowdown in permit sales.
7. Modified CSL: The ATV program, part of Community Support and Grants structure, required expenditure reductions in an 070 package to match revenues with expenditures while maintaining appropriate reserves for cash flow and potential wage increases.
8. RV County Opportunity Grants, in the Community Support and Grant SCR, is down \$443,218 as a result of carrying forward \$443K less than anticipated from the previous biennium. This is the result of higher than anticipated grant payments.

TOTAL SOLAR ECLIPSE

The logo for Oregon State Parks is a shield-shaped emblem. It features a landscape scene with a mountain range, a lake, and evergreen trees. The word "OREGON" is written in an arc above the scene, and "STATE PARKS" is written in an arc below it. The shield is surrounded by a jagged, sunburst-like border.

AUGUST 21 • 2017

On August 21, 2017 tens of thousands of Oregonians and visitors from the world over will descend on Oregon's state parks to witness a total solar eclipse. We're rolling out the welcome mat and shifting staff from other areas to provide service along the path of the eclipse from Newport to Ontario. State Parks—Oregon's gathering place since 1922.