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## **Recreation Program Performance-Based Budgeting Process**

**Operations Project Manager Prospect  
Course, Washington, DC July 2008**

**Pep Persio, HQ  
Recreation Program / Business Line Manager**

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## **Budget Process Overview**

- **How did we get here?**
- **Who is doing what?**
- **Where are we?**
- **How are we doing?**
- **What is Budget Development Process and Procedure?**
- **Where are we going?**
- **How do we get there?**
- **Question & Answer**

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## Background How Did We Get Here?

- **Requirements**
  - **Legislative Mandate**
    - **Government Performance & Results Act - 1993**
  - **Administration Mandate**
    - **President's Management Agenda - 2002**
  - **Agency Mandates**
    - **Budget by Business Program**
    - **FY 06 Budget Development – Rec-BEST**

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## Organization Who Is Doing What?

- **Office of Management & Budget (OMB)**
  - **Articulates Administration's Budget Philosophy**
  - **Wants President's Vision Realized**
- **Congress**
  - **Represents Constituency**
  - **Wants Accountability**
- **Assistant Secretary Army, Civil Works ASA(CW)**
  - **Wants to deliver budget per OMB's direction**
  - **Wants to execute program per Congress's direction**
- **Corps**
  - **Satisfy OMB / Congress / ASA(CW) / Customers**
  - **Execute Missions**

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## Budget Development Team Approach Who Is Doing What?

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- **Recreation Leadership Advisory Team (RLAT)**
  - MSC, District and Project membership
  - Provides strategic direction
- **Recreation Business Program Team**
  - Recreation Business Program Managers at Major Subordinate Commands
  - Provides direction for budget development
  - Met July 07 to go through FY 09 Budget
- **Recreation Evaluation System Coach, Assist & Train Team (RB-CATT)**
  - Established to:
    - Provide technical assistance to field users of Rec-BEST
    - Identify issues and make recommendations for improvements
    - Improve data accuracy and consistency
    - Has 2 members per MSC, plus a team coordinator
- **Project/District Recreation Program Managers**
  - Enter budget request into Rec-BEST

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## Current Status Where are we?

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- **Perceived as “Having our act together”**
- **Results of Business Program Process**
  - Increased visibility
  - Improved access to ASA(CW) and OMB
  - Ownership of budget
  - Maintain Budget Ground
- **Challenges**
  - Communication within recreation program
  - Coordination with other business programs

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## Current Status How Are We Doing?

- **Coherent Performance Based Program**
  - **Solid Strategic Foundation**
    - [Mission Statement](#)
    - [Program Goals and Objectives](#)
  - **Credible Performance Based Budget Concept**
    - [Recreation Budget EC 11-2-193, Appendix VI](#)
  - **Reliable Automated Budget Development and Evaluation System (Rec-BEST)**
    - [User's Guide](#)                      [Cliff Notes](#)
    - [FAQs](#)                                      [Help Desk](#)
    - [Rec CATT](#)                                [Web Cast Training](#)

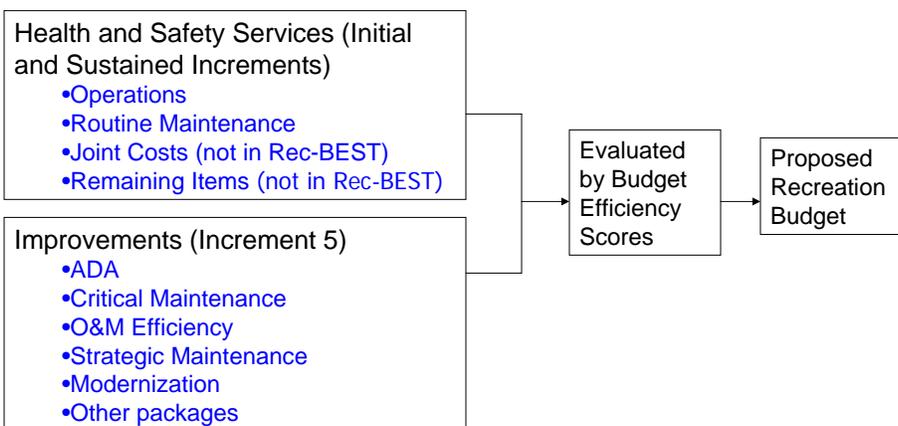
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## FY 10 Recreation Program Budget Components



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## FY10 Recreation Program Budget Development

### Schedule

- |                     |  |
|---------------------|--|
| ➤ April 8 to 11     | Web Cast, Launch Rec-BEST  |
| ➤ May 23            | Rec-BEST Closes to Field<br>Data Upload to OFA                       |
| ➤ May 23 to June 13 | Division/District Data Review  |
| ➤ June 27           | Division Final Upload to OFA   |
| ➤ July 09 – 10      | National Budget Development<br>Meeting                               |
| ➤ September 4       | Budget Briefing - ASA(CW)<br>Assistant Secretary Army<br>Civil Works |
| ➤ None in FY10      | Budget Briefing - OMB<br>Office of Management and Budget             |

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## Recreation Program Challenges

- Achieve consistent health and safety services at acceptable levels to all recreation visitors.
- Maintain existing serviceable facilities at high performing parks. Replace worn out facilities that have reached or exceeded their operational lives.
- Pursue legislation authorizing the retention of recreation use fees at projects to finance recreation infrastructure maintenance and improvements.
- Implement budget development strategy over the next 1 to 3 years:
  - address predicted downward changes in funding nationwide
  - develop a communications strategy to address those changes
  - address minimum levels of service for all recreation areas – establish a baseline for the national program
  - develop an action plan; may result in shifting of resources across the program
- Address what we do when there is a budget shortfall - e.g.. close parks, reduce services, use funds from other business lines.

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## Recreation Program Initiatives and Priorities

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- Water Safety Initiatives - increase water safety programs and park ranger patrols in beach areas and Corps operated parks.
- Execute Critical Health and Safety maintenance that will otherwise result in the loss of necessary components of recreation infrastructure.
- Provide Health and Safety services at acceptable levels to 75% of visitation (program's standard/target).
- Complete Accessibility Improvements for legal compliance.
- Implement Efficiency Improvements and other Modernization Strategies such as provide minimal acceptable electrical service
  - minimize claims made by customers whose equipment is damaged by power surges and/or drops caused from inadequate infrastructure
- Provide Health and Safety services at acceptable levels to 100% of visitation.
- Execute Backlog Maintenance critical to visitor safety to avoid further degradation and eventual closure of recreation infrastructure.

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## Initial/Ceiling Program Funding \$271 Million

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### Performance Results:

- \$260 Provides Health and Safety Services at acceptable levels to 47% of existing visitation (60 million visits)
- \$6 Funds Remaining Item Activities
- \$5 Funds Joint Cost Activities (Recreation Business Line portion)

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## Recommended Program Funding \$304 Million

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### Performance Results:

- **\$5 Increases Water Safety Initiatives (Park Ranger Visitor Assistance Services)**
- **\$9 Achieves FY08 Health and Safety Services Levels**
- **\$8 Executes Critical Health and Safety Maintenance**
  - Prevent closure of recreation infrastructure at 43 top performing projects that serve 23 million visits

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## Optimal Program Funding \$432 Million

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### Performance Results:

- **\$3 Increases Water Safety Initiatives (Park Ranger Visitor Assistance Services)**
- **\$21 Provides Health and Safety services at acceptable levels to 75% of visitation (111 million visits)**
- **\$2 Completes Accessibility Improvements**
  - Bring 17 top performing projects into legal compliance that serve 8 million visits
- **\$15 Accomplishes Recreation Area/Facility Modernization**
  - At 36 top performing projects that serve 23 million visits
  - Implements efficiency improvements and other modernization strategies such as provide minimal acceptable electrical services (transformers, power lines, 50 amp breakers)
- **\$59 Provides Health and Safety services at acceptable levels to 100% of visitation (151 million visits)**
- **\$20 Executes Backlog Maintenance**
  - At 81 top performing projects that serve 49 million visits to avoid further degradation and eventual closure of recreation infrastructure
  - Completes 4.6% of \$434 million FY09 total backlog maintenance requirement

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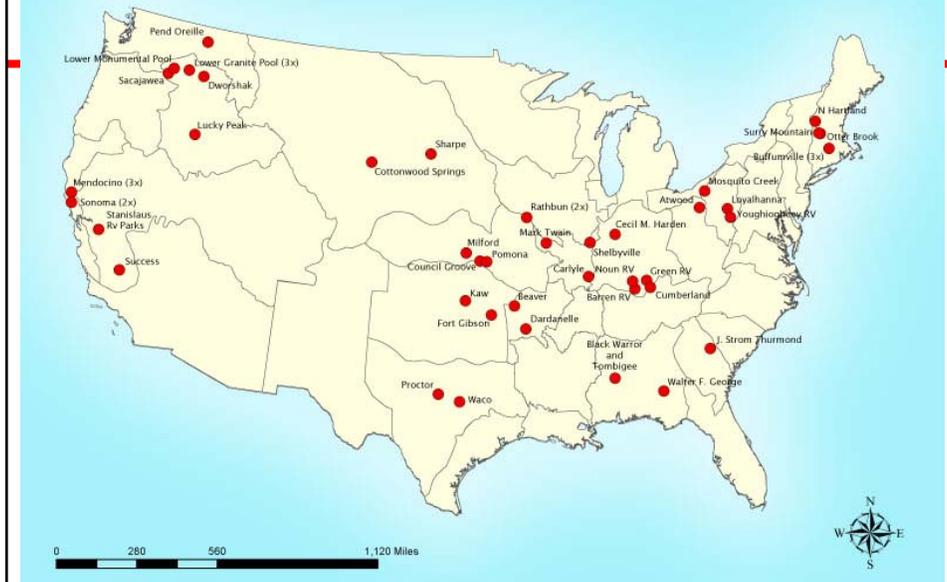
## FY 10 Performance Measures by Budget Items

| Recreation Business Program Performance Measures  | Ceiling Program (\$271M)         | Recommended Program (\$304M)     |   |                      |                                  | Optimal Program (\$432M)         |               |                          |  |  |
|---|----------------------------------|----------------------------------|---|----------------------|----------------------------------|----------------------------------|---------------|--------------------------|--|--|
|   | Health - Safety Services (Inc 1) | Water Safety Initiatives (Inc 1) | FY 2009 Health - Safety Services Levels (Inc 2) | Critical Maintenance | Water Safety Initiatives (Inc 2) | Health - Safety Services (Inc 3) | Accessibility | Recreation Modernization | Full Health - Safety Services Levels (Inc 4) | Highest Performing Backlog Maintenance |
| Budget (\$ millions)  | \$260                            | \$5                              | \$9   | \$8                  | \$3                              | \$21                             | \$2           | \$15                     | \$59   | \$20                                   |
| Visitation: #Visits/Year (Corps managed areas - millions)   | 127*                             | 132*                             | 132*  | 133                  | 133                              | 133                              | 133           | 135                      | 151  | 154                                    |
| Visitor Health and Safety Services (provided at acceptable levels to % of visitation)                 | 47%                              | 49%                              | 49%   | 75%                  | 75%                              | 75%                              | 75%           | 75%                      | 100%   | 100%                                   |
| # visitation (millions) served at acceptable levels of service  | 59.7                             | 65.0                             | 65.0  | 99.8                 | 99.0                             | 99.0                             | 99.8          | 101.3                    | 151.4  | 153.8                                  |
| # visitation (millions) served below acceptable service levels  | 67.3                             | 67.0                             | 67.0  | 33.3                 | 33.0                             | 33.0                             | 33.3          | 33.8                     | -  | -                                      |
| Park Capacity (site days/nights of recreation opportunities, in millions)                             | 60*                              | 60*                              | 60*   | 74                   | 74                               | 74                               | 74            | 74                       | 75   | 76                                     |
| Facility Conditions (1 = poor to 7 = excellent) Acceptable condition standard = 4.0 or better         | 3.6 (Fair)                       | 3.6 (Fair)                       | 3.6 (Fair)                                      | (Fair)               | 3.8 (Fair)                       | 3.8 (Fair)                       | (Fair)        | (Fair)                   | 3.9 (Fair)                                   | (Fair)                                 |
| % visitation served with facilities at acceptable condition standards                                 | 44%                              | 45%                              | 45%   | 47%                  | 47%                              | 47%                              | 47%           | 51%                      | 53%  | 55%                                    |
| # visitation (millions) served with facilities at acceptable condition standards                      | 55.9                             | 59.4                             | 59.4  | 62.5                 | 62.0                             | 62.0                             | 62.5          | 68.9                     | 80.0   | 84.7                                   |
| # visitation (millions) served below acceptable condition standards                                   | 71.1                             | 72.6                             | 72.6  | 70.5                 | 70.0                             | 70.0                             | 70.5          | 66.2                     | 71.0   | 69.3                                   |
| National Economic Development Benefits (NED) (\$ million, contribution of Corps managed parks to NED) | 1,107                            | 1,171                            | 1,171   | 1,342                | 1,372                            | 1,379                            | 1,379         | 1,566                    | 1,718  | 2,004                                  |
| Benefits/Cost Ratio (ratio NED benefits to actual expenditures or program budget)                     | 4.26                             | 4.26                             | 4.26  | 4.38                 | 4.38                             | 4.38                             | 4.48          | 4.85                     | 4.50   | 4.98                                   |
| Cost Recovery (% O&M spending paid thru user fees: recreation receipts/budget)                        | 16%                              | 16%                              | 16%   | 16%                  | 16%                              | 16%                              | 16%           | 17%                      | 19%  | 20%                                    |

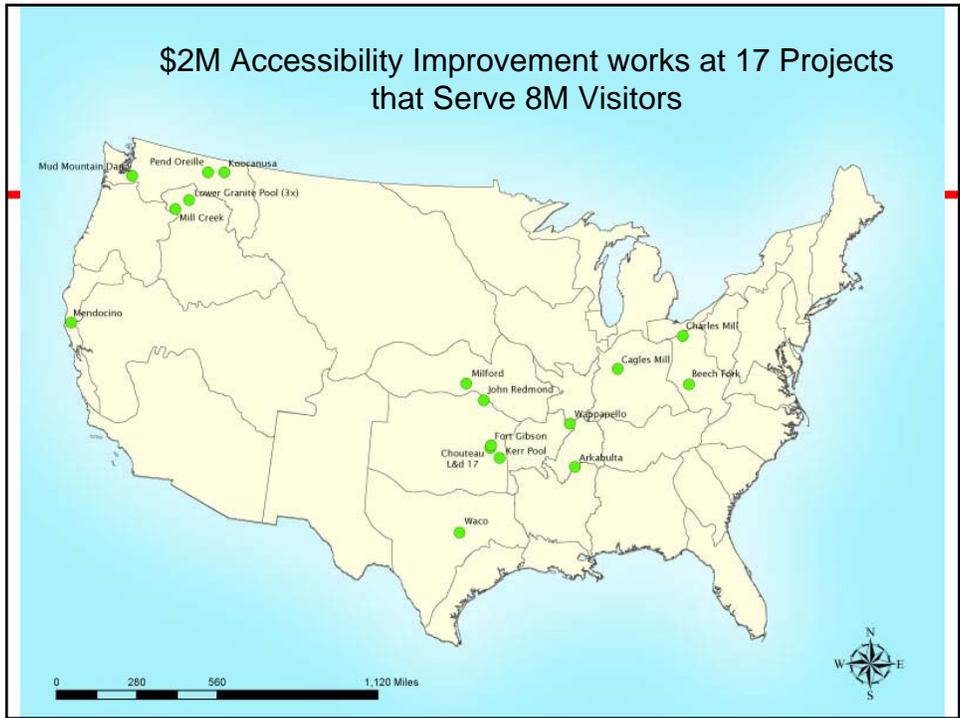
\*Reduced visitation due to budget short fall. Strategy includes a combination of reduced service levels and reduced recreation opportunities implemented through partial complete park closures.

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### \$8M Critical Maintenance works at 43 Projects that Serve 23M Visitors



**\$2M Accessibility Improvement works at 17 Projects that Serve 8M Visitors**



**\$15M Recreation Modernization works at 36 Projects that Serve 23M Visitors**







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## Next Steps How do we get there?

- **Look at service levels and other performance measures for allocating health and safety service budget**
- **Better communicate the budget allocation methods and process with all parties involved**
- **Carry out Recreation Strategy Implementation Plan, May 2008**
  - Shifts in budget allocations
  - New operational policies and programs
  - Improved processes to evaluate needed changes
- **Work together to achieve positive changes**
  - Requires excellent coordination, communication and collaboration at all levels

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## Q & A

### Performance-Based Budgeting Process

**Pep Persio, HQ**

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