

# **Metro**

## **The Oregon Zoo**

### ***Service Efforts and Accomplishments***

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**August 2000**

A Report by the Office of the Auditor



**METRO**

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**Alexis Dow, CPA**  
**Metro Auditor**

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**METRO**

## Office of the Auditor

August 15, 2000

To the Metro Council and Executive Officer:

This is our first report on Metro Service, Efforts and Accomplishments (SEAs) – performance measures that describe an organization’s resources, work efforts and accomplishments in meeting its mission, goals and objectives. This report focuses on SEAs at the Oregon Zoo. The objective of reporting SEAs is to provide more complete information about an organization’s performance and effectiveness than can be provided by financial statements. SEAs can assist managers and others assess the efficiency and effectiveness of programs and services.

The report has two purposes – describing the status of SEAs at zoo divisions, and analyzing and commenting on implications of certain SEA measures. The report contains information regarding zoo-wide and division-specific missions, long-term goals, short-term objectives, work activities and effectiveness – elements to which SEA measures should often be linked. We compare the zoo’s FY 1999 financial and performance data to the prior five years. We also compare goals and objectives to work activities and accomplishments. Lastly, we broadly compare the zoo’s attendance and other factors to nine similar zoos.

The Oregon Zoo’s SEA measures show a mix of positive and negative indicators. Some divisions have established meaningful measures and made the link between stated mission, goals and objectives to priority SEA measures. Other divisions need more emphasis on measurements. We believe that further analysis of and action on these measures can lead to enhancements in operational efficiency and effectiveness.

The report also identifies certain issues that need specific attention, such as stagnant attendance that appears to be improving at the time we issue this report and lack of preventative maintenance.

The last section of this report presents the Executive Officer’s written response to a draft of this report.

We sincerely appreciate the cooperation and assistance provided by Oregon Zoo staff during our review.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alexis Dow'. The signature is fluid and cursive, written over a faint circular watermark of the Oregon state seal.

Alexis Dow, CPA  
Metro Auditor

Auditor: Joe Gibbons

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## Executive Summary

Today's emphasis on results-oriented government places a premium on information that can help agency managers and executives assess what programs are accomplishing. This report takes a systematic look at such information in one of Metro's departments – the Oregon Zoo.

Of course, gathering information about programs is nothing new. Agencies have done so for years. What differentiates this approach is the degree to which the information is tied to measuring an agency's reasons for being – its progress in meeting goals and objectives. The approach focuses on what are called Service Efforts and Accomplishments, or SEAs.

SEAs are performance measures that, in the context of an organization's defined goals and objectives, describe its resources, work efforts and accomplishments. Although the Oregon Zoo has no official SEA effort, it is a good candidate for SEA measures, because it is a major cultural and recreational resource and a large business enterprise. It is the leading paid attraction in the state, with over 1 million visitors a year. We looked at two issues: the degree to which the zoo's seven divisions are able to generate and use SEAs and the kinds of issues that are highlighted from an analysis of SEAs.

The zoo's divisions vary greatly in the degree to which they are using SEAs. Several divisions have essentially been doing so for years. For example, the Facilities Management Division, which manages the zoo's physical assets, surveys zoo visitors and workers in other divisions to gauge the quality and efficiency of its efforts. Divisions that use SEAs to a limited degree or not at all tended to feel that meaningful aspects of their jobs could not be readily captured using SEAs. After working with division managers to develop goals and objectives and to explore ways to measure them, we think all divisions have an opportunity to define and establish at least some SEAs that provide meaningful information for managers, the Metro Council and others.

In reviewing available SEA measures, we did not attempt to analyze every potential issue that emerged. However, two such issues demonstrate that reviewing SEAs could help highlight areas of success or concern:

- Zoo attendance From FY 1994 through FY 1999, attendance declined 5 percent despite the region's growth. In a comparison group of nine other zoos around the country, attendance rose during a similar period. Oregon Zoo attendance rebounded in FY 2000 to a record high. Due to the inherent importance of attendance this SEA merits regular monitoring.
- Preventive maintenance shortfalls Available data show declining hours devoted to maintaining buildings, vehicles and infrastructure. The zoo director and deputy director stated that total hours devoted to maintenance is just one indicator of zoo efforts to preserve the entire facility as a premier attraction. They documented that effort in terms of \$2.3 million expended as part of the zoo's capital repair and replacement program in FY 1999 and FY 2000. During that period the zoo repaired and replaced many facilities, such as buildings' roofs and water pump stations.

Our recommendations for addressing these issues are on the following page.

## Recommendations

The following recommendations address issues related to the Oregon Zoo's development and application of SEA measures.

1. **As part of its effort to develop, enhance and apply SEA measures, zoo management should work with divisions to establish SEAs and assure their consistent linkage with divisions' mission, goals and objectives.** The Oregon Zoo's mission and values are defined in what is essentially its 1995 strategic planning document: "A Great Zoo – Framework for the Future." Divisions have progressed to varying degrees in establishing SEA measures in the past several years. Developing relevant and useful SEA measures is a dynamic process that managers frequently revise and improve. Some divisions use measures to demonstrate what they do and how effectively they do it. Other divisions, however, struggle to establish meaningful measures. We are not suggesting that each division develop numerous SEA measures, measure for the sake of measuring, or establish measures for all objectives and goals. Such SEAs are not necessary and would be counterproductive. However, for those select goals and objectives that are most relevant to a division, managers should establish the most important workload and effectiveness measurements that clearly link a division's missions, goals and objectives. We provide division-specific examples in the report and Part 3.
2. **Based on indications from existing SEA measures, zoo management should:**
  - **Analyze the implications of and develop strategies to deal with relatively flat attendance.** After six years of relatively stagnant attendance, FY 2000 attendance rebounded to a record high. The rebound may be due to the opening of recently completed Great Northwest Project exhibits. Static attendance may have been attributable to construction of the project. Of course, future attendance numbers cannot be predicted. We believe that zoo managers should monitor this issue because, although considering construction impacts during the six year period, offsetting factors such as a booming area economy, increased population and more visitors to the area should lead to increased attendance.
  - **Establish a program to provide a means to deal with declines in preventive maintenance efforts.** Available data indicates a continuing decline in hours devoted to maintaining zoo buildings, vehicles and infrastructure. The zoo director and deputy director stated that the total hours devoted to maintenance is just one indicator of zoo efforts to preserve the entire facility as a premier attraction. They documented that effort in terms of \$2.3 million expended as part of the zoo's capital replacement and repair program in FY 1999 and FY 2000. During that time the zoo replaced and repaired many facilities, such as replacement of roofs and pump stations. We agree that the zoo has performed well in its repair and replacement efforts. Still, that issue is related to but not the same as preventive maintenance. We believe that declining hours for maintenance data should be monitored and further evaluated.

## Part 1

### Introduction and Background

Public officials are responsible for providing quality services at reasonable costs. Unlike private enterprises, however, public agencies usually do not have a financial “bottom line” that can function as a measure of success. Instead, public officials need other kinds of information about how well their programs perform. Moreover, the performance of many government agencies and programs is often difficult to measure with just one or two indicators, because goals and objectives are broad and complex, and because desired outcomes are generally not well defined.

Over the past decade, governments at all levels have turned increasingly to assessing performance using what are called Service Efforts and Accomplishments, or SEAs. The City of Portland and State of Oregon have been at the forefront of such developments. As part of our responsibility for auditing and evaluating Metro programs, we examined whether SEAs could also be a helpful management tool for overseeing Metro operations – in this case, the Oregon Zoo.

#### **SEAs: A Tool for Managing Resources, Activities and Results**

SEAs represent an extension of previous efforts to develop performance indicators, benchmarks, or other ways to measure government programs. In this report, we use the term “SEAs” to describe three types of measurements:

- Resource measures that include such things as expenditure levels and staffing levels.
- Workload measures that show the type and amount of effort expended and the target of that effort, such as the number of visitors served.
- Effectiveness measures that indicate how well the agency or program meets its long-term goals (to be achieved in about 5 years) and short-term objectives (to be achieved in about one year), such as attendance levels and profitability of programs.

To use SEAs, an agency or program needs to have goals and objectives that are clear, relevant and measurable. SEAs should link to and indicate success in meeting goals and objectives. SEAs themselves must also have several important characteristics, as shown in Table 1. SEAs are not intended as “data for data’s sake,” but rather as useful diagnostic tools for managers and for other officials who have oversight responsibilities.

**Table 1 Key Characteristics of Good SEA Measures**

<b>Characteristic</b>	<b>Explanation</b>
<b>Relevance</b>	Information should include data that are essential to provide a basis for understanding the accomplishment of goals and objectives of the division that have potentially significant decision-making or accountability implications.
<b>Understandability</b>	Information should be communicated in a readily understandable manner. It should communicate the performance of the division to any reasonably informed interested party.
<b>Comparability</b>	Information should provide a clear frame of reference for assessing the performance of the division and its programs and services.
<b>Timeliness</b>	Information should be reported in a timely manner so that it will be available to users before it loses its capacity to be of value in assessing accountability and making decisions.
<b>Consistency</b>	Information should be reported consistently from period to period to allow users to have a basis for comparing performance over time and to gain an understanding of the measures being used and their meaning. However, performance measures also need to be reviewed regularly and modified or replaced as needed to reflect changing circumstances.
<b>Reliability</b>	Information should be verifiable and free from bias and should faithfully represent what it purports to represent. Therefore, performance information should be derived from systems that produce controlled and verifiable data.

**Use of SEAs Is Growing Across Many Types of Jurisdictions**

A growing number of federal, state and local governments are developing and using SEAs to evaluate and improve their performance, improve control and accountability mechanisms, assist budget processes and motivate staff. Here are examples of the kinds of SEA use under way at all three government levels:

- **Federal government** In the Government Performance and Results Act of 1993, the U.S. Congress directed agencies to establish measurable goals and monitor progress toward them. Congress passed the Act to shift the focus of government decision making and accountability away from a historic preoccupation with the activities that are undertaken – such as grants dispensed or inspections made – to a focus on the results of those activities, such as real gains in employability, responsiveness, or program quality. Agency progress in establishing and reaching these goals has become a standard part of congressional oversight.

- State government At the state level, Oregon’s program – called Oregon Benchmarks – has been a very visible and effective program of SEAs within the state. Several state programs have used performance measures to focus their resources on specific targeted results, such as reduction in the number of people on welfare and their placement in jobs. The results achieved so far show that the use of performance measurement, which has been modified in recent years, is beginning to accomplish the intended results of improved performance and better accountability.
- Local government At the local level, the City of Portland effectively uses SEAs for decision making, strategic planning, performance improvement, and accountability. The City Auditor’s Office issues annual SEA reports that incorporate a citizen survey as well as performance reports on major city programs. In general, the City has found SEAs to be useful in raising questions about performance and results, focusing on what government is trying to accomplish, monitoring contractor performance and terminating contracts when performance is inadequate. While SEAs are still evolving, such efforts are becoming part of the culture of city government, particularly in terms of focusing on the desires of citizens for program improvement and achievement of goals.

**The Oregon Zoo Is a Good Candidate for SEA Measures**

The Oregon Zoo is a good candidate for SEA measures for many reasons. It is a significant part of Metro and the local community. It is a major Portland area cultural and recreational resource. It is the leading paid attraction in Oregon, attracting a yearly average of one million zoo visitors from FY 1994 through FY 1999. The zoo has defined its mission and values in a document, “A Great Zoo – Framework for the Future”, that was developed essentially as a strategic plan. Although, this document did not specify performance measures for the objectives it established, it establishes a framework for establishing and using SEAs as a means to specifically track accomplishments to stated goals and objectives.

The zoo is also a large business enterprise. From FY 1994 through FY 1999, its operating budget has averaged \$14 million a year, and capital improvements have averaged \$5 million a year. The zoo employs more than 220 full-time equivalent positions and has a volunteer program now encompassing more than 2,400 volunteers. Its catering department does more business than any other zoo in the country. It sponsors entertainment concerts and other events.

The zoo is organized into seven divisions<sup>1</sup> (see Table 2). They range in size from 6 to 83 full-time-equivalent positions. The major operating divisions cover animal management, facilities management and visitor services. Other divisions contribute marketing, education and other support services.

**Table 2 Overview of the Oregon Zoo's Divisions**

<u>Division</u>	<u>Operating Budget</u> (FY 99)	<u>Responsibility</u>
Administration	\$975,374	Overall leadership and coordination of all zoo programs (includes Office of the Director)
Animal Management	\$3,080,621	Animal acquisition, animal care, veterinary services and research activities
Design Services	\$650,332	Project planning, design and construction of exhibits, and providing signs, print materials and graphics for other divisions
Education	\$915,729	Educational and volunteer programs
Facilities Management	\$4,304,964	Maintenance and repair of the zoo's buildings, grounds, railroad, fleet and equipment
Marketing	\$1,234,273	Promotional efforts to encourage zoo attendance and support
Visitor Services	\$4,144,826	Food services, retail sales, gate admissions and railroad ticketing (the major revenue-producing activities)

### **Objectives, Scope and Methodology**

Although we have reviewed many Metro programs to determine how well they are working, we had not specifically reviewed an agency or program from the perspective of developing an SEA system. Such a system can be useful because it provides a specific framework for an agency or program to take responsibility for determining how to measure what it is doing, where it is making notable progress, and where matters exist that may need more attention. This report represents our first effort at determining the usefulness of this approach for program managers, the Metro Council and the public at large. Our specific objectives were:

- to determine the degree to which the zoo's seven divisions are able to generate and use SEAs

<sup>1</sup> Subsequent to the completion of our analysis, in April 2000 zoo management restructured the functions and names of some divisions. Although certain functions have been transferred to newly named divisions, essentially the same goals, objectives, resources, workloads and desired accomplishments within those divisions have not changed. Moreover, the issue of SEAs' relevance remains.

- to analyze available SEAs for issues that merit attention by zoo and Metro management.

Major parts of our work included:

- Establishing appropriate SEA measures for each zoo division. We did this in consultation with division managers, refining existing measures as needed and developing new ones where few or no SEAs exist. The completed lists included all three types of SEAs described earlier – resource measures, workload measures and effectiveness measures. To ensure that SEAs provided information that was directly related to the division’s mission, we also worked with division managers to develop or clarify a set of goals and objectives. Part 3 contains the goals, objectives and SEAs for each division.
- Collecting and analyzing available information for these SEAs. This included data that zoo managers have gathered and reported over the past several years. We also gathered and analyzed additional data. We reviewed existing workload and effectiveness data from each zoo division to determine consistency, accuracy and reasonableness. This data primarily covered the period from FY 1994 through FY 1999. To assure year-to-year consistency and adjust for inflation in our comparisons, we state all dollar amounts as FY 1999 dollars.
- Analyzing SEA data to identify a cross-section of management-related issues. Because each division may have a large number of SEAs, providing information about all of them in this report would likely overwhelm many users of this report. We therefore judgmentally selected two issues for discussion that appeared most significant. These are not the only management-related issues that could be discussed, but they will provide users with a perspective as to whether SEA-related initiatives are relevant to overseeing program operations.
- Gathering and comparing data from nine other zoos. We determined the nine zoos in consultation with zoo officials and officials at the American Zoo and Aquarium Association (AZA).<sup>2</sup> We used relevant parts of this information in our discussions of management-related issues and also present the information in more detail in Part 4.

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<sup>2</sup> The Association’s responsibilities include acting as an oversight organization for 182 North American zoos and aquariums. The nine zoos are listed in Part 4.

- Preparing the report and reviewing it with zoo officials. We provided a draft report to the Oregon Zoo Director, zoo division managers and the Metro Executive Officer to get comments and suggestions on the accuracy and completeness of the report. We present the Executive Officer's comments at the end of this report.

We performed our work in accordance with applicable generally accepted government auditing standards.

## Part 2

### Greater Opportunity Exists to Develop and Use SEA Measures

The zoo’s seven divisions vary greatly in the degree to which they have developed and are using SEAs as part of their management efforts. Some divisions have years of experience in doing so. Essentially, these divisions use SEAs to demonstrate what they do and how effectively they do it. Other divisions have made less progress. Table 3 summarizes our judgment about the extent to which divisions already have SEAs in place.

**Table 3 Extent to Which Zoo Divisions Have SEAs in Place**

<u>Divisions that use SEAs extensively</u>	<u>Divisions that use SEAs to a limited degree or not at all</u>
Education	Administration
Facilities Management	Animal Management
Marketing	Design Services
Visitor Services	

Divisions that use SEAs to a limited degree or not at all tended to feel that some meaningful aspects of their jobs could not readily be captured using SEAs. After working with division managers to develop long-term goals and short-term objectives and to explore ways to measure these goals and objectives, we think all divisions have an opportunity to define and establish at least some SEAs that provide meaningful information for managers, the Metro Council and others.

#### **Some Divisions Have Advanced Considerably in Using Performance Measures**

The Facilities Management Division is an example of a division that already makes extensive use of SEAs. The division’s basic mission is management of the zoo’s physical assets. The division manages the operation and maintenance of property items in the equivalent of a 64-acre “mini-city.” These properties comprise 64 buildings (including 3 restaurants and 2 large banquet facilities), 55 vehicles, 3 railroad locomotives, 10 railroad passenger cars and 3.1 miles of railroad track.

The division’s functions lend themselves to quantification and analysis. As part of its basic management system, the division has collected and analyzed a large amount of data related to managing zoo facilities. For about six years the division has used this data as a management tool to gauge work performed and results achieved. These measures show both positive and negative trends – and therefore items that managers can monitor and address.

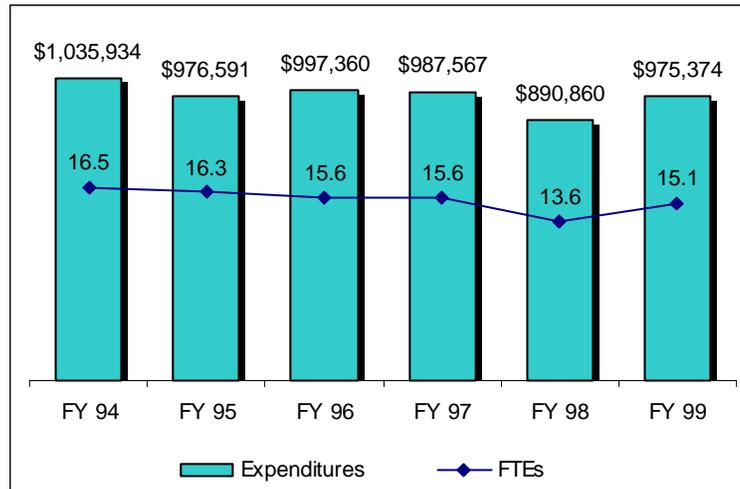
Our work with the Facilities Management Division basically involved refining its approach to SEA measures and helping make the division’s efforts somewhat more systematic. For example, SEAs are most effective when they are tied clearly to a set of long-term goals and short-term objectives. We therefore worked with the division manager to identify the division’s customer-driven mission, goals and objectives (see Table 4). We then worked with the manager to determine existing measures that are relevant to those goals and objectives.

**Table 4 Facilities Management Division Goals and Objectives**

<b><u>Long-Term Goals</u></b>	<b><u>Short-Term Objectives</u></b>
<b>Support enterprise activities</b>	<ul style="list-style-type: none"> <li>• Provide effective railroad operations</li> <li>• Manage zoo assets with reduced operational funds</li> <li>• Assist creating new revenue opportunities</li> </ul>
<b>Enhance visitor experiences</b>	<ul style="list-style-type: none"> <li>• Assist Visitor Services Division to assure clean grounds</li> </ul>
<b>Improve internal operations</b>	<ul style="list-style-type: none"> <li>• Develop schedules, reports and budgets from work management system</li> <li>• Improve benchmarking and performance measurement processes</li> <li>• Promote continuous improvement on effectiveness of work schedules emphasizing buildings and grounds care</li> <li>• Maintain quality standards while integrating zoo-wide project management</li> </ul>
<b>Promote resource conservation</b>	<ul style="list-style-type: none"> <li>• Provide staff and volunteer training on conservation and recycling opportunities</li> <li>• Decrease use of zoo vehicles</li> <li>• Facilitate conservation options for volunteers and community groups</li> </ul>
<b>Provide a safe, comfortable and stimulating environment for the animals</b>	<ul style="list-style-type: none"> <li>• Continue walk-through and quality assurance programs</li> <li>• Provide opportunities for intra-divisional cooperation on projects</li> <li>• Facilitate animal-related training opportunities</li> </ul>

**Resource measures** In the division’s case, the limited number of resource-related SEAs we jointly developed show that resources have changed little over the past several years. Expressed in constant FY 1999 dollars, the division’s expenditures dropped slightly in FY 1995 and FY 1996 and rose slightly in recent years (see Figure 1). Staffing remained relatively unchanged.

**Figure 1 Division Expenditures and Staffing**



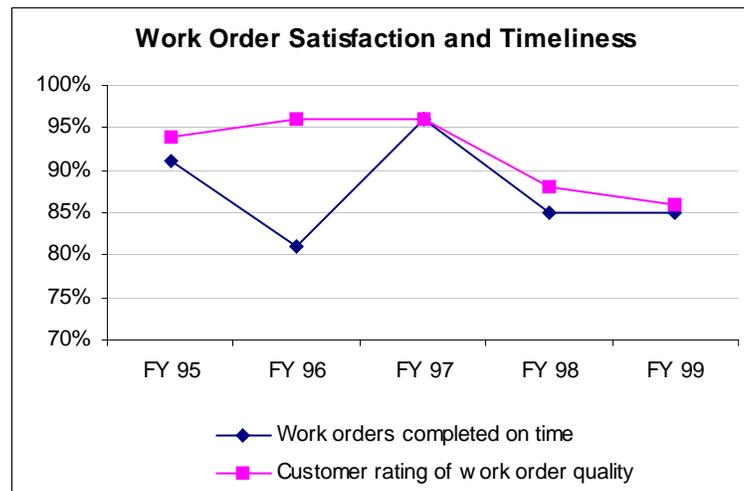
**Workload measures** The division has a number of workload measures that relate to its goals and objectives. Here are two examples:

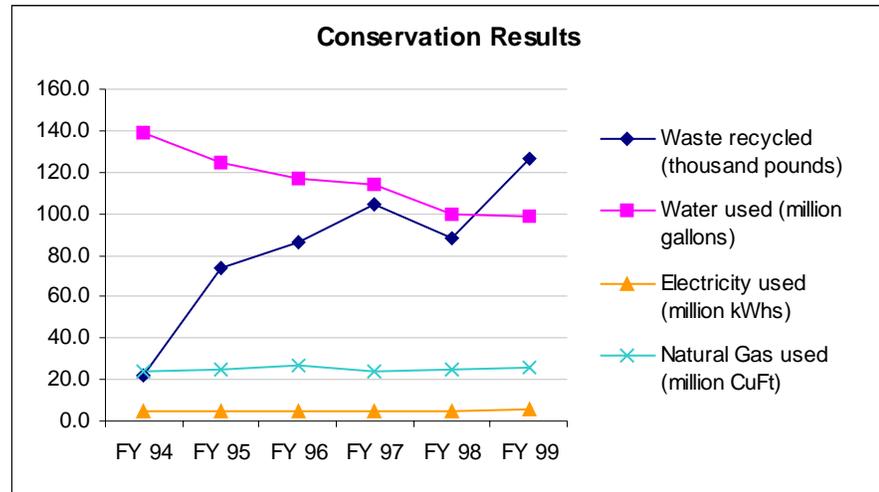
- **Reducing on-site vehicle use.** One division objective is to decrease the on-grounds use of zoo vehicles, thereby limiting the public’s exposure to vehicles and enhancing the visiting experience. Information collected by the division shows that effort and emphasis on this measure has led to a consistent reduction in the number of hours that vehicles are used.
- **Emphasizing preventive maintenance for equipment and buildings.** Another objective calls for developing schedules, reports and budgets from the work management system in order to help improve internal operations. One of the workload measures related to this objective is the number of staff hours devoted to preventive maintenance on equipment and infrastructure items. These measures signal a cause for concern, because division data show that the number of hours devoted to preventive maintenance has slipped by about 75 percent between FY 1994 and FY 1999. We discuss this point in greater detail in the next section of the report, where we present some of the most significant issues which existing SEAs identified zoo-wide.

**Effectiveness measures** Division managers have gathered a large amount of data on the extent to which its activities are effective with external and internal customers – that is, people who visit the zoo and other zoo units that rely on the division’s work. They gather this information in such ways as conducting surveys at zoo gates, conducting interviews with employees of other divisions and reviewing quality assurance reports. Here are examples, all of which are tied to division goals and objectives:

- **Establishing high customer satisfaction for appearance of grounds and buildings.** Surveys conducted at zoo exit gates indicated that more than 95 percent of visitors rated building cleanliness as good or excellent. Visitors gave similar ratings to the zoo’s landscaping.
- **Delivering consistently fast turn-around on work orders.** The division documents its performance using work logs and customer questionnaires. In this case, as Figure 2 shows, work orders completed on time slipped from FY 1995 to FY 1999, as have customer satisfaction levels on work orders. Division officials believe this occurred primarily because the number of work orders and amount of in-house project work increased while the number of staff stayed the same.
- **Maintaining positive recycling and conservation trends.** The division documents its performance through recycling and utilities records. As Figure 3 shows, pounds of trash recycled grew 485 percent to 127,000 pounds per year from FY 1994 through FY 1999. Water use declined 29 percent to 99 million gallons per year. Electricity and natural gas use remained about the same.

**Figure 2 Trends on Selected Effectiveness Measures**



**Figure 3 Trends on Selected Effectiveness Measures**

While our illustrations here focus on Facilities Management, other divisions also had useful SEAs in place. For example:

- The Education Services Division documented that from FY 1994 through FY 1999 the division created the largest volunteer corps in the country and that revenue from fee-based education programs increased 72 percent to more than \$581,000.
- The Visitor Services Division documented that over the same period, revenue from regular and catered food service increased 22 percent to \$3.1 million, food service revenue per attendee increased 28 percent to \$2.93, and retail sales revenue increased 7 percent to \$998,000. At the same time, railroad ridership and revenue decreased 17 percent.

### **Some Divisions Have Made Relatively Little Progress**

The Animal Management, Design Services and Administration divisions had not proceeded as far with developing meaningful measures of their efforts, accomplishments and effectiveness. In each case, we worked with division managers to clarify goals and objectives and establish a possible set of SEAs that related to these objectives. For example, the Animal Management Division manager defined a set of potential SEA measures, based on Metro budget documents that mostly related to the division's goals and objectives and to the budget process.

His work in defining SEA measures showed that SEAs are easier to establish in some divisions than in others. Primary problems encountered included:

Lack of a clear tie to expectations or targets. For example, the manager of the Animal Management Division said neither he nor other managers and policy makers have determined expectations or targets for the SEA measures he drafted. He also said that if zoo management were to institutionalize SEA measures, more precise targeting of performance standards would help him manage the division and report on its accomplishments.

Coping with objectives and accomplishments that are difficult to measure. The manager of the Administration Division, in particular, felt that the division could not readily establish SEA measures because its work and effectiveness do not lend themselves to measurement. However, based on our work in all divisions and analysis of SEA applications in other jurisdictions, we believe this difficulty can be overcome. For example:

- As part of measuring workload or effort, the division might measure activities such as the steps taken to enhance relationships and steps taken to develop corporate and other sponsors. Steps may include sponsoring informative dinners or other get-togethers and mailings of promotional materials. As part of measuring the efficiency of work efforts, the division could establish a relationship between expended resources and results. Such measures might include safety-training staff hours expended per lost-time accident or security training/awareness training hours per security incidents.
- As part of measuring effectiveness or accomplishment, the division might measure such items as: visitors' overall satisfaction with the zoo experience, the significance of effective partnerships in meeting zoo objectives, and what specific operational improvements result from SEA measures.

Ensuring that measures meet key characteristics of good SEAs. SEAs also need to be continually evaluated against the characteristics listed early in this report: relevance, understandability, comparability, timeliness, consistency and reliability. In this regard, we identified some ways in which the workload measures developed by the Animal Management Division can be strengthened. The workload measures were sometimes too vague to be measured. The division could better define its priorities and measurable efforts in terms of such measures as: how many animal collection plans are developed, how recommendations from Species Survival Plans are actually implemented, and how many specific opportunities are developed to use endangered species for education.

Establishing additional ways to measure and evaluate some accomplishments. The manager of the Animal Management Division rightly pointed out that quantifying certain accomplishments does not adequately indicate the work that went into the achievement. To the extent such efforts represent high priorities that need to be measured and evaluated, they may need to be separated out in some way. For example:

- Regarding workload measures, the fact that many experts and organizations recognize the zoo for its special expertise on a number of conservation matters is exemplary. The division may need to define, measure and build upon the work steps involved in achieving recognition. Potentially measurable work may specify activities related to hosting various forums, such as promotional contacts to assure adequate attendance.
- Regarding effectiveness measures, the division has relevant data on such items as morbidity rates and number of animals born in captivity. These may be good measures of effectiveness and ones that the division could logically link to the zoo's acclaimed research projects. Effectiveness also may be measured through other means. For example, it may include its recent recognition from the American Zoo Association for its long-term propagation activities on the Humboldt Penguin, an endangered species. In this case, the division received substantial recognition for its hand rearing techniques on 150 chicks hatched, leading to substantially reduced chick mortality.

### **Conclusions on SEA Status**

Divisions have made varying degrees of progress in establishing SEA measures. Some divisions use measures to demonstrate what they do and how effectively they do it. Other divisions, however, struggle to establish meaningful measures. As part of its effort to develop, enhance and apply SEA measures, zoo management should work with divisions to establish meaningful SEAs and assure their consistent linkage with divisions' mission, goals and objectives.

We agree that some divisions' work processes and accomplishments are more measurable than others. However, all divisions can develop SEA measures that are unique to their operations and present a useful picture of what they have done and accomplished. Zoo management should work with divisions to improve existing SEA measures, especially in divisions that believe their efforts and effectiveness are not measurable.

### Available SEA Measures Point to Two Areas Needing Attention

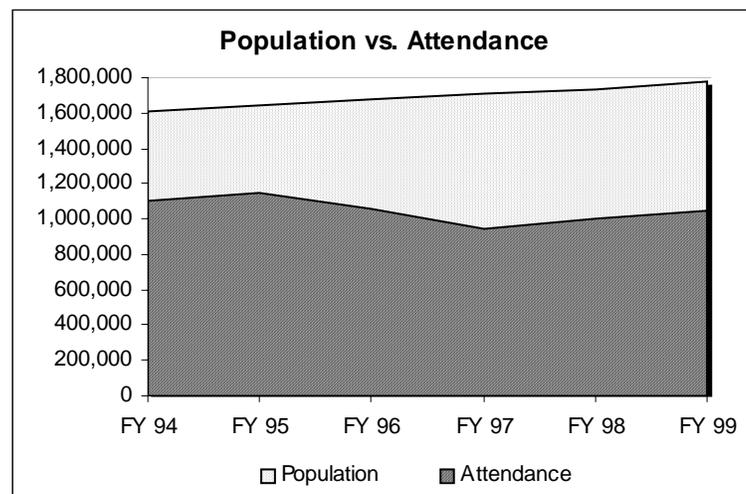
Although the zoo has not instituted a formal program for developing and reviewing SEAs, our analysis of available SEA information shows that reviewing SEAs could help highlight areas of success or concern. The SEA measures we reviewed raised potential concerns in two main areas:

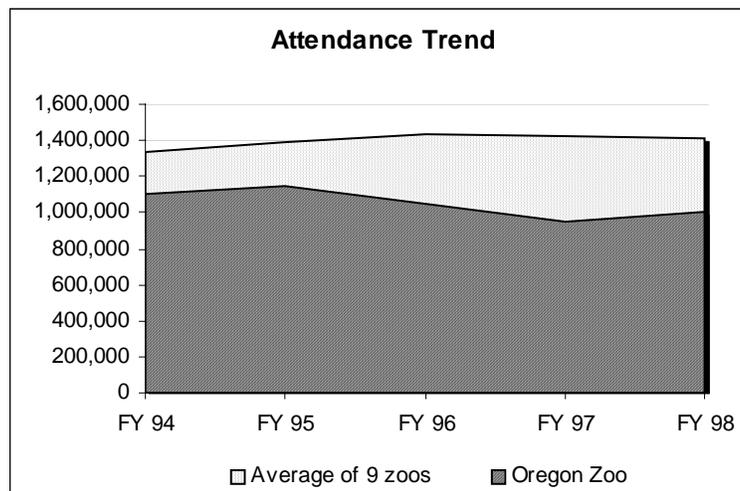
- **Zoo attendance** Attendance declined 5 percent between FY 1994 and FY 1999, despite the region's growth. At the nine zoos we selected for comparison, attendance was up an average of 6 percent during a similar period. Oregon Zoo attendance rebounded to a record high in FY 2000, although perhaps not to a level consistent with the metro area's growth in population and visitors.
- **Maintenance shortfalls** Available data indicates a several-year decline in hours devoted to preventive maintenance on vehicles and infrastructure, although offsetting expenditures on facilities' repair and replacement may mitigate the issue to some degree. This issue appears to be a potentially long-term problem that could have expensive consequences.

### Attendance Has Leveled Off

SEA measures show a potentially disconcerting trend in zoo attendance from FY 1994 through FY 1999. During the period, zoo attendance declined 5 percent to 1,047,000 (see Figure 4). However, the FY 2000 attendance rose to a record 1.2 million. Still, the six-year trend we analyzed is not consistent with the area's growth in residents and visitors. The rate of attendance by local residents fell from 69 to 59 percent, and the rate of attendance from area visitors fell from 18 to 14 percent. As Figure 5 shows, this attendance trend is not consistent with attendance at the nine zoos we contacted that were similar to the Oregon Zoo. Average attendance at those locations increased 6 percent between FY 1994 and FY 1998.

**Figure 4 Attendance Trends – Oregon Zoo and Nine Other Zoos**



**Figure 5 Attendance Trends – Oregon Zoo and Nine Other Zoos**

The Administration Division manager believes that a combination of factors led to declines, including the following:

- Decreased zoo appeal because of light rail station and Great Northwest Project construction. In FY 1998, the zoo began construction of the \$29-million Great Northwest Project. Among other things, this project expands collection of animals native to Oregon, improves conditions for animals and improves visitor access. These construction activities may have discouraged visitors, according to the some division managers.
- Lack of new exhibits or facilities. The Great Northwest Project represents the first major new exhibits since 1989. Zoo officials expect the Great Northwest Project, once completed, to increase attendance and retail sales.
- Increased competition from other attractions. The Administration Division manager singled out such examples as Newport's aquarium featuring Keiko, the killer whale and, major attractions at the Portland Art Museum.

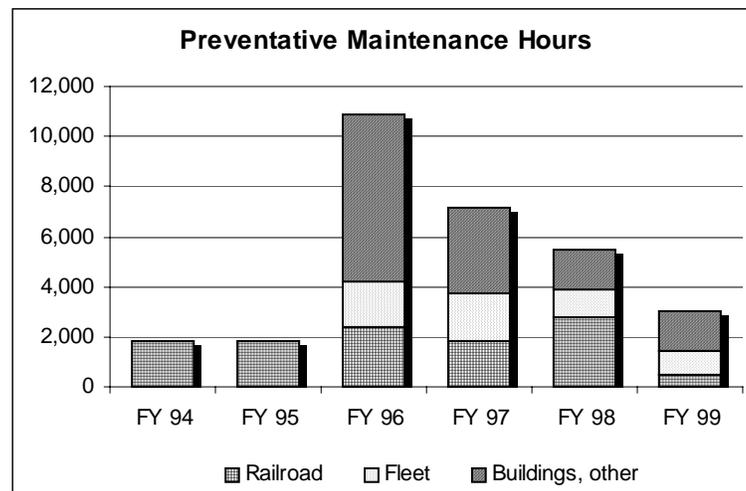
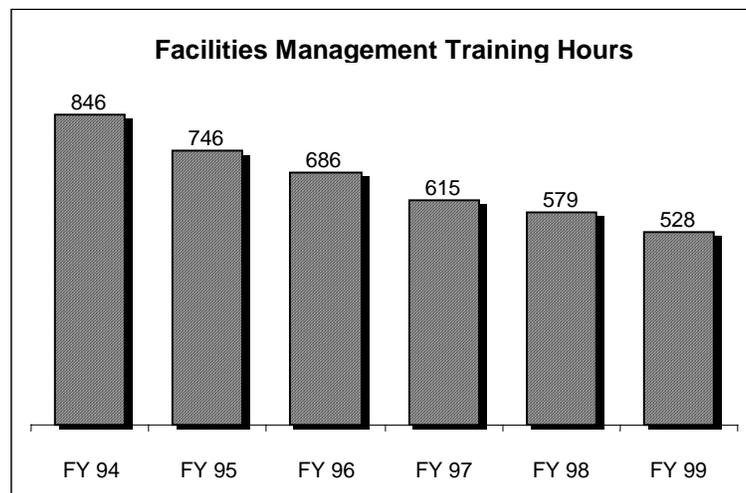
This is one SEA that zoo managers should monitor closely. They should also begin developing strategies for addressing attendance issues. Although negative factors like construction were possibly at work, positive factors like increased numbers of tourists and residents did not produce an offsetting benefit. The zoo needs to be prepared if attendance does not continue its current upward trend.

### Resources Devoted to Preventive Maintenance Have Declined

Deferring preventive maintenance is sometimes referred to as a “ticking time bomb,” because experience shows that insufficient preventive maintenance often leads to negative long-term consequences. Last minute or emergency repairs and overhauls are generally more expensive than consistent preventive maintenance.

SEAs related to preventive maintenance and related staff training show that the zoo may be on this course. Data compiled by the Facilities Management Division show substantial declines in staff hours devoted to preventive maintenance and training (see Figure 6). Maintenance figures for the zoo railroad, which are available from FY 1994 through FY 1999 show a 76-percent decline in the number of hours spent on preventive maintenance. As Figure 7 shows, declines are similar for maintenance on buildings and fleet (these numbers were not available for FY 1994 and FY 1995). In all, staff time devoted to maintenance activities declined 75 percent.

**Figures 6 and 7 Maintenance Trends**



The manager of the Facilities Management Division said that hours devoted to maintenance declined primarily because the division's workload increased while the number of staff stayed the same. Additional duties included design work on the Great Northwest Project and construction of small exhibits, such as koala, lorikeet and meerkat displays. She believes the division has either too many "top priorities" or not enough resources to routinely perform this important function.

The zoo director and deputy director stated that extensive repair and replacement efforts mitigate the preventive maintenance. They noted that during FY 1999 and FY 2000 the zoo spent \$2.3 million on maintenance-type projects, such as replacements of roofs, sidewalks and parts of buildings. This effort is similar to preventive maintenance and represents a significant investment in zoo upkeep. We believe that that the resource and work effort measures related to "replacement" and "repair" should be better distinguished from preventive maintenance because the two issues are distinct. For example, yearly maintenance work on roofs and gutters should be distinguished from repair and replacement of roofs and gutters. This issue represents a significant opportunity for zoo managers to develop appropriate SEAs that distinguish between replacement, repair and scheduled preventive maintenance.

**Conclusions on  
SEA Application**

Attention to SEAs at the zoo-wide and division level can help zoo managers, the Metro Council and the public become aware of what the zoo is accomplishing and what key issues the zoo and its divisions need to address to meet goals and objectives. SEAs can help stimulate discussion about what, if anything, needs to be done to better prepare for the future. For example, careful monitoring of maintenance figures over the next several years can help identify whether the downward trend continues or whether it was an aberration. If the trend continues, the zoo will need a more specific program for preventive maintenance. We are making specific recommendations for action in two of the areas – attendance and maintenance. These are in the front of this report.

## **Part 3**

### **Summary of SEAs for Oregon Zoo Divisions**

This Part summarizes SEA measurement activities in the seven divisions of the zoo. For each division, it contains the following information:

- overview, long-term goals and short-term objectives
- SEA measures for resources, workload and effectiveness
- our observations on SEA measurement within the division.

The seven divisions are:

- Administration
- Animal Management
- Design Services
- Education
- Facilities Management
- Marketing
- Visitor Services.

## Administration Division

This division leads, manages and coordinates all other zoo divisions, activities and functions. It is primarily geared to overseeing the effectiveness of other divisions and the “bottom line” of the total organization. Division services include such things as executive leadership, financial management and administration of safety and security services. The division manager believes the division’s work and effectiveness are not easily measured.

**Table 5 Administration Division’s Goals and Objectives**

<u>Long-Term Goals</u>	<u>Short-Term Objectives</u>
<b>Form effective partnerships to meet mission</b>	<ul style="list-style-type: none"> <li>Enhance relationships with Metro managers, Metro Council, public and private entities and the regional community</li> </ul>
<b>Enhance an effective fundraising program through the Oregon Zoo Foundation (OZF)<sup>3</sup></b>	<ul style="list-style-type: none"> <li>Develop corporate and other supporters</li> <li>Expand donor cultivation and individual giving</li> <li>Increase financial support</li> </ul>
<b>Demonstrate effective leadership for all zoo functions and responsibilities</b>	<ul style="list-style-type: none"> <li>Establish and implement performance measures</li> <li>Lead development of the Great Northwest Project</li> </ul>
<b>Establish and implement effective fiscal monitoring programs</b>	<ul style="list-style-type: none"> <li>Monitor expenditures, revenues and program effectiveness</li> <li>Provide financial reports</li> <li>Implement PeopleSoft programs</li> </ul>
<b>Enhance an effective safety and security program</b>	<ul style="list-style-type: none"> <li>Minimize staff and visitor accidents</li> <li>Provide a safe and secure environment for staff, visitors and animals</li> </ul>

### Division SEAs

*Resource Measures* The division had 7 percent of the total zoo budget and 8 percent of the zoo’s full-time-equivalent (FTE) positions from FY 1994 through FY 1999. During this period, division spending decreased 6 percent and staffing decreased 9 percent (1.5 positions).

<sup>3</sup> The Oregon Zoo Foundation is a non-profit organization that contributes to zoo resources. Its membership arm, Friends of the Zoo, has about 30,000 member households and offers benefits, including free admission to the zoo and 125 reciprocal zoos. The foundation supports the zoo through membership drives, fund-raising, promotions and special projects.

- Workload Measures* The division’s primary work activities include:
- delivering briefings and communications to Metro Council, Executive Officer, media and others
  - working with the Oregon Zoo Foundation to enhance financial support
  - implementing performance measures for all divisions
  - keeping the Great Northwest Project on time and on budget
  - monitoring costs and benefits of critical programs
  - providing analysis and reports on zoo safety and security program.

Generally, the division has not quantified the work steps for accomplishing its goals and objectives. The division manager believes that because the division has overall responsibility for management and effectiveness of all divisions, there is essentially no need for SEAs specifically related to the division’s own work activities. She believes this is especially the case with constrained budgets the zoo has experienced. She provided descriptions of selected work activities.

Although not consistently measured, division workload appears to have increased over 6 years. For example, the number of briefings, correspondence and related policy work, and oversight of capital improvement projects increased significantly.

- Effectiveness Measures* The division measures its effectiveness primarily in terms of how well other divisions collectively meet their goals and objectives. Its primary measures of accomplishment include:
- increasing attendance
  - visitors highly rating the quality of the zoo experience
  - increasing levels of donations and sponsorships
  - increasing OZF contributions
  - maintaining zoo operations that lead to enhanced public image
  - establishing performance measures as “way of business”
  - keeping Great Northwest Project on time and on budget
  - enhancing safety and security.

Besides attendance, as discussed on pages 16 and 17, these measures show such trends as the following over the six-year period reviewed:

- Expenditures for zoo operations increased 11 percent to \$15.3 million. Staffing expenses increased 9 percent to \$9.1 million as FTE positions increased 14 percent to 222. Overall, FTE positions per 10,000 attendees increased 20 percent.
- Operating expenditures per FTE increased 11 percent to \$464,000. The zoo's operating expenditures per zoo visitor increased 17 percent to \$14.60.
- Friends of the Zoo memberships increased 8 percent to 24,482 in FY 1999. Memberships further increased to about 30,000 in FY 2000. Donations and bequests to the zoo increased 28 percent to \$1.1 million. Corporate sponsorships increased 116 percent to \$774,000. Contributions from private foundations increased 264 percent to \$176,000. However, Friends of the Zoo donations declined 59 percent to \$120,000.

### **Auditor Observations**

We agree with the division manager's position that some current workload and effectiveness measures (for example, numbers of meetings held and briefings) do not meaningfully portray what work the division does or how well it performs. However, we believe the division could develop division-specific quantifiable and relevant SEA measures that are linked more to mission, goals and objectives. As noted above, a potential SEA workload measure would be to quantify certain activities, such as steps taken to develop corporate and other sponsors. A potential effectiveness measure would be visitors' overall satisfaction with the zoo experience and specific operation improvements that result from SEA measures.

## Animal Management Division

The division maintains, propagates, researches and exhibits a healthy representative collection of exotic, native and domestic animals. We worked with the division manager to create the division's first set of performance measures. He itemized potential SEA measures, based on Metro budget documents, that relate to the division's mission, activities and effectiveness.

**Table 6 Animal Management Division's Goals and Objectives**

<u>Long-Term Goals</u>	<u>Short-Term Objectives</u>
<b>Enhance expertise on breeding programs</b>	<ul style="list-style-type: none"> <li>• Develop and maintain animal collection plan activities</li> <li>• Incorporate recommendations from Species Survival Plans (SSP) into animal collection plans</li> <li>• Sponsor meetings to monitor collection plans and other issues</li> </ul>
<b>Effectively use endangered and threatened species collections</b>	<ul style="list-style-type: none"> <li>• Provide coordination of animal keepers to insure proper care of animals</li> <li>• Develop opportunities to use animals for education</li> <li>• Initiate and participate in conservation research and collaborate with other conservation organizations</li> <li>• Administer full range of veterinary care</li> </ul>
<b>Comply with government regulations on humane care, acquisition and disposition of animals</b>	<ul style="list-style-type: none"> <li>• Review and implement USDA, AZA and related certification and accreditation criteria</li> </ul>
<b>Exhibit animals in a manner that attracts viewers and provides for their best care</b>	<ul style="list-style-type: none"> <li>• Review and implement policies and protocols for animal care</li> <li>• Implement and monitor environmental enrichment programs to increase animals' natural behavior</li> </ul>

### Division SEAs

*Resource Measures* The division has had 22 percent of the total zoo budget and 24 percent of the zoo's FTEs from FY 1994 through FY 1999. Division spending has not changed. However, staffing decreased 3 percent by 2 positions.

- Workload Measures* The division's primary work activities include the following:
- monitoring safety practices to ensure a safe environment and to minimize on-the-job injuries
  - completing design work for exhibits and holding facilities for the Great Northwest Project
  - monitoring construction of exhibits (mountain goats, waters, bears, etc.)
  - completing Species Survival Plans for elephants
  - updating collection plans for all 232 species
  - improving ability to freeze/thaw elephant semen
  - publishing studbooks for zebra, fruit bat, langur, cougar and Asian elephants.

The division manager stated that workload has increased significantly from FY 1994 through FY 1999. He noted that increased workload is evidenced on many issues, such as: developing work teams to plan and implement new exhibits, mostly with no additional internal resources or outside contractors; implementing Great Northwest exhibits that are part of the Great Northwest Project; interfacing with a growing number of local, national and international entities that participate with the zoo on animal conservation issues; and assuring compliance with USDA and AZA standards on animals that include 232 species and 1,200 specimens. However, the division was unable to provide quantifiable data on most of its activities.

- Effectiveness Measures* The division's primary measures of accomplishment are:
- receiving recognition for special expertise in breeding programs and environmental enrichment leadership
  - complying with government regulations and AZA accreditation standards
  - completing Species Survival Plan (SSP) master plans for multiple species on time
  - managing elephant semen, leading to enhanced species populations and health
  - updating collection plans for zoo species, leading to enhanced conservation

- completing studbooks for various species, leading to enhanced conservation
- promoting conservation message to audiences through zoo visitor education and graduate training programs.

It generally appears that the division has been effective in meeting significant parts of its mission, goals and objectives.

Division officials believe that the SEA effectiveness measures cited above do not fully reflect what they do and how well they do it. They believe that precise quantification of their overall achievements is difficult to capture with numbers or checkmarks. For example, the division manager stated:

- The Asian Elephant SSP required coordinating people and animals at 84 zoos around the world in order to successfully determine genetically desirable and physically practical elephant relocations as part of a plan to facilitate reproduction. As part of the accomplishment, the division hosted an international elephant foot care conference attended by 100 delegates from 23 states and 3 continents. The division will publish a book based on the conference to share the information and help elephants suffering from foot disease. However, managers find that they cannot easily define or quantify the accomplishments that follow from the large amount of related work.
- The division hosted monthly “zoo research group” meetings for dozens of zoo-affiliated researchers to discuss current conservation and research projects. Many of the participants are faculty at universities and other institutions that inform and involve undergraduate and graduate students. Likewise, from FY 1994 through FY 1999 division staff has held more than 100 workshops that served nearly 2,500 schoolteachers. Although the division designs classes to improve the quality of science teaching, the division also exposes educators from many disciplines to conservation and research messages. In such cases, most participants who receive presentations from the division know that the division’s effectiveness is significant. Again, managers find that they cannot easily define or quantify these accomplishments.

### **Auditor Observations**

The division has made strides to establish SEA measures. As part of its continued work, the division should build on these to establish more measures that are useful. This may include making closer links between quantified workload measures and mission, goals and objectives. Examples of steps the division could undertake to measure its own activities are cited on pages 13 through 15.

## Design Services Division

The division is responsible for creating a stimulating environment that inspires and educates zoo visitors by providing leadership for project planning, designing and constructing exhibits and new facilities, designing and publishing interpretive materials, and establishing the “look and feel” of the zoo. The division had two managers during the course of our work. We worked primarily with the former division manager as we developed the division’s first set of SEA measures. We updated division information with the current manager toward the conclusion of our work. The former manager stated that the performance measure concepts have been a low priority due to a combination of factors, primarily inadequate resources and inconsistent management directives that often shift division priorities. Such factors have forced the division to operate in a reactive mode.

**Table 7 Design Services Division’s Goals and Objectives**

<u>Long-Term Goals</u>	<u>Short-Term Objectives</u>
<p><b>Improve the look and feel of zoo exhibits to establish a rich environmental experience for guests</b></p>	<ul style="list-style-type: none"> <li>Establish development plans for exhibit facilities and a style standard for exhibit areas</li> </ul>
<p><b>Improve awareness of zoo enrichment and conservation efforts as a reflection of the regional culture and as an outgrowth of zoo vision and values</b></p>	<ul style="list-style-type: none"> <li>Establish a signage system that creates a consistent “voice of the zoo” identity</li> <li>Implement exhibit improvements on new projects, including upgrades to the wayfinding system and interactive interpretives at exhibits</li> </ul>
<p><b>Serve as interdepartmental artistic advisor in order to maintain consistent design and production of communications media</b></p>	<ul style="list-style-type: none"> <li>Develop and communicate to other divisions zoo-wide standards for communication media</li> </ul>

### Division SEAs

*Resource Measures* The division has had 4 percent of the total zoo budget and 3 percent of the zoo’s FTEs from FY 1994 through FY 1999. Division spending declined 20 percent. Staffing decreased 8 percent (one position).

- Workload Measures* The division’s primary work activities include:
- developing design standards for division work as the “voice of the zoo”
  - repairing and maintaining all exhibit interpretives and other signs
  - establishing informational, directional, event and activity signage for specified areas
  - updating division operations plan and budget proposals for FY 2000 and FY 2001.

Work related to the division’s responsibilities could be measured, including SEAs linked to efforts for developing wayfinding signage, and designing and maintaining interpretive graphics for animal exhibits.

The former and current managers believe there has been a significant reduction in the division’s ability to repair and maintain signs and exhibits throughout the zoo. Current data that compare available staff time to planned project work show that the division has about half the needed staffing to perform its prescribed work. The zoo director and deputy director believe that the issue has been lessened in FY 2000 because some of the work is now being contracted and the division has an additional FTE – thereby closing the work-resource gap to some degree.

- Effectiveness Measures* The division’s primary measures of accomplishment are:
- visitors’ ratings for signage at wayfinding and exhibit interpretives
  - peers and other independent reviewers’ ratings for division graphics, in terms of quality and effectiveness
  - implementing interactive technologies that are proven effective
  - ratings from other divisions’ for quality of work and turnaround time on work orders.

The division determines customer satisfaction from surveys conducted by the Marketing Division. These surveys generally rate visitors’ zoo experience as “very good.” Specific customer comments have led to product redesign and helped the division identify areas of need, such as improvements in the elephant and primate facilities. The division has essentially no other data on how customers view the impact of its products and services.

## **Auditor Observations**

Developing SEA measures is a new function for the division. Due to a combination of factors, it had not established measures for its work activities or effectiveness. Therefore, the division has little data to help it evaluate workload trends, efficiency, effectiveness or the extent to which its accomplishments tie to its mission, goals and objectives.

We believe the division can improve its SEA measurements by:

- Establishing a minimal number of meaningful measures that demonstrate links between mission-goals-objectives and its work and accomplishments. The current division manager has accomplished some of this. The division should continue to establish measures related to specific work that leads to designing and producing communications media and creating exhibit-based products. For example, the division may measure its training hours invested in creative education courses that identify effective design and communication approaches.
- Quantifying more of its efforts and accomplishments, primarily in terms of efficiency measures. For example, the division provides support services and products to other divisions and could meaningfully measure its work in terms of efficiencies. Similar measures exist in the Facilities Management Division and may include turnaround times to complete work specific orders and monthly averages of work order cycles.
- Soliciting peer reviewers and customers comments regarding the effectiveness or outcomes of products and services, such as designs for wayfinding systems.

## Education Division

The division develops educational programs that support the zoo's vision and values, provide learning experiences, prompt positive action, provide diversity and establish a balance between its expenditures and benefits. The division historically has quantified many aspects of its operations and effectiveness.

**Table 8 Education Service Division's Goals and Objectives**

<b><u>Long-Term Goals</u></b>	<b><u>Short-Term Objectives</u></b>
<b>Develop and implement a consistent, dynamic educational message</b>	<ul style="list-style-type: none"> <li>• Provide program materials, staff and volunteer resources to educate on conservation</li> <li>• Establish a vital educational resource for the community</li> <li>• Evaluate program effectiveness</li> <li>• Communicate the zoo's mission and messages at events</li> <li>• Provide training for staff and volunteers to enthusiastically impart education messages</li> </ul>
<b>Establish the division as a community leader in nurturing a conservation ethic and building science literacy</b>	<ul style="list-style-type: none"> <li>• Provide opportunities that result in knowledge about the zoo, animals, conservation and how individuals can take action</li> <li>• Partner with the education community</li> <li>• Use technology to communicate conservation</li> <li>• Create funding opportunities</li> </ul>
<b>Establish the division as a center for life-long learning for staff, zoo visitors, students and the community</b>	<ul style="list-style-type: none"> <li>• Provide an environment for visitors to explore and understand the natural world</li> <li>• Work with volunteers to enhance programs</li> <li>• Provide services to teachers and students through outreach programs, training and curriculum</li> </ul>

### Division SEAs

*Resource Measures* The division has had 6 percent of the total zoo budget and 9 percent of the zoo's FTEs from FY 1994 through FY 1999. Division spending declined 1 percent, although its staffing increased 20 percent by 4 positions. Spending for materials and services, such as printing and supplies, decreased 16 percent.

*Workload Measures* The division's primary work activities include:

- increasing attendance in summer camps, holiday camps, overnight programs and other classes
- initiating partnership opportunities with educational community
- developing education programs for zoo visitors
- recruiting, training and organizing volunteers
- implementing youth volunteer program to include interns, summer programs and counselors
- providing volunteer hours of support for services.

The division's workload has grown from FY 1994 through FY 1999. Such work has led to enhancements in its operations and program effectiveness. The division organizes and presents various educational fee-based classes, primarily for school-age children. Attendance at summer camps increased 92 percent to 3,200 during the period. Attendees occupied about 95 percent of available spaces. Similarly, holiday camps enrollment increased 80 percent to 1,600 and overnight program enrollment increased 154 percent to 3,800. However, total enrollment at educational classes declined 7 percent to 1,700. The number of new interns recruited within the division increased 326 percent to 64. New volunteers accepted and trained within the division also increased.

*Effectiveness Measures* The division's primary measures of accomplishment include:

- improving effectiveness of working partnerships with the educational community
- educating customers through training programs
- increasing customers and profits at fee-based programs
- maintaining volunteer program at consistently high numbers of volunteers and hours.

Division officials have gathered a large amount of data that demonstrate aspects of its effectiveness. From FY 1994 through FY 1999, the division created the largest volunteer corps in the country. Volunteers increased 23 percent, and volunteer hours increased 26 percent. The division established working partnerships with 9 outside organizations, such as the Audubon Society. Revenue from tuition and lectures increased 40 percent to \$476,000. Revenues from all programs increased 72 percent to \$581,000.

### **Auditor Observations**

The division's mission, goals and objectives readily lend themselves to SEA measurements. The division gathers and analyzes large amounts of data that generally demonstrate continued effectiveness.

## Facilities Management Division

The division manages the physical assets of the zoo. It is responsible for maintaining and repairing buildings, grounds, railroad, fleet and equipment; planning, managing and implementing capital repair and replacement plan projects; and coordinating zoo-wide conservation efforts. The division has collected and analyzed a large amount of data related to managing zoo facilities for about six years. Division officials have used measurement data for several years as a management tool to gauge work performed and results achieved. We worked with the division manager to identify the division's customer-driven mission, goals and objectives. We then worked with her to determine existing measures that are relevant and identified new measures that may be appropriate.

**Table 9 Facilities Management Division's Goals and Objectives**

<u>Long-Term Goals</u>	<u>Short-Term Objectives</u>
<b>Support enterprise activities</b>	<ul style="list-style-type: none"> <li>• Provide effective railroad operations</li> <li>• Manage zoo assets with reduced operational funds</li> <li>• Assist creating new revenue opportunities</li> </ul>
<b>Enhance visitor experiences</b>	<ul style="list-style-type: none"> <li>• Assist Visitor Services Division to assure clean grounds</li> </ul>
<b>Improve internal operations</b>	<ul style="list-style-type: none"> <li>• Develop schedules, reports and budgets from work management system</li> <li>• Improve benchmarking and performance measurement processes</li> <li>• Promote continuous improvement on effectiveness of work schedules emphasizing buildings and grounds care</li> <li>• Maintain quality standards while integrating zoo-wide project management</li> </ul>
<b>Promote resource conservation</b>	<ul style="list-style-type: none"> <li>• Provide staff and volunteer training on conservation and recycling opportunities</li> <li>• Decrease use of zoo vehicles</li> <li>• Facilitate conservation options for volunteers and community groups</li> </ul>
<b>Provide a safe, comfortable and stimulating environment for the animals</b>	<ul style="list-style-type: none"> <li>• Continue walk-through and quality assurance programs</li> <li>• Provide opportunities for intra-divisional cooperation on projects</li> <li>• Facilitate animal-related training opportunities</li> </ul>

## Division SEAs

*Division Resources* The division has had 28 percent of the total zoo budget and has 20 percent of the zoo's FTEs from FY 1994 through FY 1999. Division spending increased 12 percent to \$4.3 million. Division capital expenditures increased 477 percent to \$532,000. This included expenditures for items such as buildings, vehicles and railroad equipment. Division staffing increased 2 percent or 1 position.

*Workload Measures* The division's primary work activities include:

- emphasizing preventive maintenance program for equipment and buildings
- completing scheduled capital improvements plus unbudgeted projects
- establishing measures to quantify zoo visitor and staff awareness on resource conservation
- enhancing benchmarking and performance measures through collection of division-specific data and measure against past performance and other institutions.

The division's workload has grown in recent years, as evidenced by its work in completing projects, such as the Koala, Meerkat and Lorikeet exhibits. The division's workload measures from FY 1994 through FY 1999 showed that:

- Staff hours invested in preventive maintenance for the railroad decreased 76 percent.
- Preventive maintenance hours applied to the vehicle fleet, buildings and other facilities decreased about 60 percent.
- Staff time devoted to all maintenance activities slipped 75 percent.
- Staff training hours declined 38 percent.

*Effectiveness Measures* The division's primary measures of accomplishment include:

- completing priority projects
- establishing high customer and staff satisfaction for appearance of grounds and buildings
- exceeding standards on quality of work products/services
- establishing performance standards as a way of business
- decreasing on-grounds use of service vehicles
- increasing railroad ridership and income

- maintaining a positive recycling trend
  - reducing backlog of preventive maintenance requirements.
- Division officials have a large amount of data on satisfaction levels of external and internal customers. They gathered customer satisfaction data from various sources, including gate surveys, quality assurance reports and employee interviews. This information for FY 1994 through FY 1999 shows such trends as:

- work orders completed on time slipped 7 percent
- quality ratings on work orders slipped 9 percent
- division officials believe that internal customers' satisfaction is below desired effectiveness
- over 95 percent of visitors rated building cleanliness as good or excellent. Visitors gave similar ratings to the zoo's landscaping.
- pounds of trash recycled within the zoo grew 485 percent to 127,000 pounds per year
- water use declined 29 percent to 99 million gallons per year
- electricity and natural gas use increased slightly.

### **Auditor Observations**

The division has established meaningful measures of its work and effectiveness. It has monitored such data and used it for planning and management purposes. In particular – and as discussed in the body of this report – the data on declining hours applied to preventive maintenance merits attention by zoo management.

## Marketing Division

The division demonstrates the energy of the zoo and generates dividends that improve the zoo. The division is in the competitive business of attracting paying customers to a cultural and recreational resource. Many of its activities and outcomes are measurable. It has defined SEA measures and collected and analyzed workload and performance data for about six years. We reviewed the division's data. However, despite our repeated requests, the division did not provide measurement data for FY 1999, nor did it comment on the accuracy and completeness of this section of the report.

**Table 10 Marketing Division's Goals and Objectives**

<u>Long-Term Goals</u>	<u>Short-Term Objectives</u>
<b>Increase attendance to 1.25 million by 2004</b>	<ul style="list-style-type: none"> <li>• Enhance attendance through publicity, promotions and advertising</li> <li>• Enhance working relationship with the news media</li> <li>• Delight zoo visitors with events that generate profits to fund programs</li> </ul>
<b>Ensure public support</b>	<ul style="list-style-type: none"> <li>• Maintain high visibility</li> <li>• Continue to use marketing research to measure progress toward goals and visitor satisfaction</li> <li>• Refine the zoo's web page</li> </ul>
<b>Increase the reach of the zoo's vision and values</b>	<ul style="list-style-type: none"> <li>• Satisfy corporate event sponsors</li> <li>• Cooperate with the hospitality industry and others on promotional activities</li> </ul>
<b>Ensure that other divisions are satisfied</b>	<ul style="list-style-type: none"> <li>• Support photography, videography and event set-up needs</li> <li>• Conduct marketing research</li> <li>• Assist planning and publicizing the Great Northwest Project</li> <li>• Use volunteers and interns to minimize expenses</li> <li>• Provide advice to other divisions on public relations and marketing issues</li> </ul>

### Division SEAs

*Division Resources* The division has had 9 percent of the total zoo budget from FY 1994 through FY 1999. It has 5 percent of the zoo's FTEs and its staffing increased one position. Division spending increased 15 percent.

- Workload Measures* The division's primary work activities include:
- presenting zoo promotional information and slide shows in community
  - enhancing media relations through press releases, talk show appearances and brochures
  - producing major entertainment events and other shows
  - conducting zoo visitor surveys
  - maintaining an up-to-date marketing plan.

The division's many activities lend themselves to relatively easy measurement. The division has collected and analyzed a large amount of workload data as management tools. For example, from FY 1994 to FY 1998:

- promotional brochures increased 39 percent to 197,000
- press releases increased 18 percent to 40 per year
- talk show appearances increased 25 percent to 75 per year
- community presentations and slide shows declined from 37 to 13
- entertainment events increased 18 percent to 40 (from FY 1996 to FY 1998).

- Effectiveness Measures* The division's primary measures of effectiveness include:
- ensuring that advertising reaches a wide audience
  - increasing event attendance and revenue
  - enhancing show attendance
  - increasing event sponsorships
  - using volunteers for events
  - maintaining strong audience satisfaction levels.

The division has a large amount of data that addresses quantitative and qualitative aspects of its effectiveness for external customers and other zoo divisions. The division determines satisfaction from visitor comment cards and gate surveys, surveys at events, surveys on new topics (such as ideas on renaming the zoo), and debriefing sessions with partners and sponsors (such as media representatives) to discuss effectiveness, problems and recommendations for future events.

This information shows such trends as the following from FY 1995 to FY 1998:

- Attendance at division events slipped 15 percent to 182,000.
- Gross revenue from events increased 2 percent to \$1,273,000.
- Sponsorships for events, in terms of percent of costs contributed, increased from 27 to 112 percent.
- Increased use of volunteers, who performed 63 percent of the work, enhanced profitability of events.
- Advertising “reach” remained stable--About 70 percent of area residents have seen zoo ads.
- Overall satisfaction levels for events remained steady with ratings between 4.3 and 4.6 on a 5.0 scale.

### **Auditor Observations**

The division has established meaningful measures of its work and effectiveness.

## Visitor Services Division

The division functions as a profitable enterprise, providing customers with products and services that create unique and quality experiences. The division is a “profit and loss” enterprise through its operation of food and catering services, retail sales, train rides and other services. It has collected and analyzed results-related data for at least six years because the division manager believes that measurements of performance and effectiveness in the business environment are imperative. Division officials manage division work through SEA measures to the financial “bottom line.” Accordingly, the division has established more effectiveness measures than workload or output measures.

**Table 11 Visitor Services Division’s Goals and Objectives**

<u>Long-Term Goals</u>	<u>Short-Term Objectives</u>
<b>Effectively provide operating revenue</b>	<ul style="list-style-type: none"> <li>• Increase spending per zoo visitor</li> <li>• Maintain current staffing while opening new facilities</li> <li>• Expand seasonal outlets</li> <li>• Decrease cash outages</li> <li>• Hire and train management and line staff to operate new facilities</li> </ul>
<b>Introduce new products and increase customer service levels</b>	<ul style="list-style-type: none"> <li>• Create new training programs</li> <li>• Take action on visitor comments</li> <li>• Work with vendors to increase product appeal</li> <li>• Budget for product development, such as clothing with the zoo logo</li> </ul>
<b>Increase training and reduce labor costs</b>	<ul style="list-style-type: none"> <li>• Increase “train the trainer” support</li> <li>• Emphasize safety</li> <li>• Evaluate programs through “mystery shopper” service and customer comments</li> <li>• Cross-train seasonal staff</li> <li>• Emphasize productivity</li> </ul>

### Division SEAs

*Resource Measures* The division has had 24 percent of the total zoo budget and 32 percent of the zoo’s FTEs from FY 1994 through FY 1999. Spending increased 36 percent, mostly for staffing, materials and contracted services, including cleaning, point-of-sale maintenance and catering area design. Staffing increased 37 percent to 83 positions, primarily due to

the addition of expanded food and catering facilities, new retail facilities and an expanded visitor entrance area. Most of the facilities are part of the Great Northwest Project expansion program. Spending per zoo visitor increased 43 percent to \$4.00, primarily because of Oregon law requiring that minimum wages increase from \$5.00 to \$6.50 between FY 1997 and FY 1999.

*Workload Measures*

The division's primary work activities include:

- enhancing profitability--opening new facilities, expanding seasonal outlets, training management and staff to operate new facilities
- ensuring cost-effective productivity--increasing contract purchasing of food products, decreasing cash outages and cross-training seasonal staff
- ensuring cleanliness and safety in visitor facilities--evaluating customer comments and holding regular safety awareness sessions
- ensuring customer satisfaction on critical items--evaluating and responding to customer comments, and working with vendors to increase product appeal.

The division's workload increased significantly over six years. Much of the increased workload is due to expanded food and catering areas and facilities associated with the Great Northwest Project.

The division has assumed a number of new responsibilities in recent years, such as performing litter patrol (requiring 5,200 and 9,300 staff hours in FY 1998 and FY 1999 respectively), operating new exhibits such as the lorikeet display (requiring 6,900 staff hours in FY 1999), and operating the "Zoomer" (a free on-grounds transportation system requiring 2,600 hours in FY 1999). Information collected by the division for FY 1994 through FY 1999 shows such trends as:

- Catering-related staff hours increased 123 percent to 19,600.
- Staff hours for regular food sales increased 1 percent to 59,400.
- Staff hours for retail sales and rental staff hours decreased 4 percent to 15,600.
- Staff hours for admissions increased 21 percent to 14,200.
- From FY 1998 to FY 1999, seasonal staff hiring increased 19 percent to 455. The hiring created more work, such as interviewing, tracking disciplinary actions and processing payroll.

- Staff hours for training increased 99 percent between FY 1998 and FY 1999 to 4,900. The emphasis on training was part of the division manager’s commitment to enhance customer satisfaction before opening new facilities.

*Effectiveness Measures* The division’s primary measures of accomplishment include:

- ensuring the profitability of critical division functions
- ensuring cost-effective productivity of division operations
- ensuring cleanliness in all facilities
- ensuring customer satisfaction on critical measures
- increasing per-visitor spending
- increasing catering sales.

From FY 1994 to FY 1999:

- Total revenues from admissions, food, retail and railroad activities increased 1 percent to \$7.3 million.
  - Total food service revenue increased 22 percent to \$3.1 million. Food service revenue per attendee increased 28 percent to \$2.93.
  - Admissions revenues declined 13 percent to \$2.8 million
  - Retail and rental revenue increased 7 percent to \$998,000.
  - Railroad revenue slipped 17 percent to \$472,000.
- Catered event attendees increased 84 percent to 29,000.
- Railroad riders decreased 17 percent to 248,000.

The cost effectiveness (“profitability”) of certain operations, as measured by gross revenue per labor hour, was mixed. For example:

- Food service and catering revenue produced per employee hour rose from \$37 to \$39.
- Retail sales productivity increased from \$58 to \$64 per hour.
- Admission productivity fell 28 percent from \$275 to \$197 per hour.

- Customer satisfaction on the division’s products and services generally increased. On a 10 point scale:
  - the division’s management ratings averaged 9.4
  - overall satisfaction with service ratings averaged 9.6
  - overall indoor food service ratings averaged 9.2
  - overall outdoor food service ratings averaged 9.0.
- Overall service and products averaged 9.4.

County Health Department ratings for restaurant facilities remained steady at about 98.5 percent.

### **Auditor Observations**

The division has a great deal of performance-related measurements, especially those relating to its profitability. The division generally does not gather or analyze measurements related to day-to-day work activities, such as hours per location by each employee, or time spent on specific activities. Gathering such data into report form has not been a priority for the division because of other assignments for staff resources.

## Part 4

### Comparisons Between the Oregon Zoo and Nine Other Zoos

We made selected comparisons between the Oregon Zoo and other zoos. In consultation with Oregon Zoo management and officials at the American Zoo and Aquarium Association<sup>4</sup> (AZA) in Bethesda, MD, we gathered data from the following zoos:

- Cleveland (Ohio) Metroparks Zoo
- Columbus (Ohio) Zoo
- Denver (Colorado) Zoo
- Detroit (Michigan) Zoological Park
- Lincoln Park Zoo (Chicago, IL)
- North Carolina Zoological Park (Asheboro, NC)
- Omaha's Henry Doorly Zoo (Nebraska)
- Phoenix (Arizona) Zoo
- Woodland Park Zoological Gardens (Seattle, WA).

These zoos have demographics, such as local populations, service areas, attendance, governance and income sources that generally compare to the Oregon Zoo. They also represent a broad geographic distribution. We sent to the zoos a questionnaire requesting comparative data. We also contacted personnel at some zoos to verify certain information. We analyzed statistics and converted financial data to current dollars. We summarize the comparisons in Table 12.

We believe that our comparisons are fair, but we also acknowledge that any comparisons must be viewed with caution. The purpose of comparing the Oregon Zoo to other zoos is to give the reader broad perspective on selected measures, such as attendance trends and expenditures. Deviations in expenditures, attendance and other measures may be attributable to factors our review did not identify. Therefore, readers should not draw precise conclusions about large deviations from averages. Rather, deviations should be a starting point for discussion and more analysis.

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<sup>4</sup> Founded in 1924, the AZA mission is conservation of the natural world. Among its responsibilities, AZA acts in a clearinghouse and oversight role for 182 North American zoos and aquariums. Through an extensive accreditation program, it supports membership accomplishments in conservation, education, science and research.

The comparison shows:

- The Oregon Zoo is the only zoo that is owned and managed by a regional government. Of nine others, city or county governments own seven, a state government owns one and a private organization owns one.
- The Oregon Zoo has generally lower numbers of animal species (232) and specimens (1,193). Nine other zoos average 310 species and 1,739 specimens.
- As of July 1, 1999, the admission price at the Oregon Zoo was relatively low-priced at \$5.50.<sup>5</sup> The Lincoln Park Zoo does not charge admission. The average admission price for the other zoos is \$7.50.
- The Oregon Zoo attendance has been stable from FY 1994 through FY 1999, averaging about 1.1 million attendees. Most of the other zoos showed attendance growth, averaging about 1.4 million attendees.
- The Oregon Zoo was slightly high in its operating expenses, averaging \$13.7 million from FY 1994 through FY 1999. Nine other zoos averaged \$12.6 million. Additionally, the Oregon Zoo averaged 200 FTEs over the period. Nine other zoos averaged 185 FTEs.
- The Oregon Zoo averaged \$4.9 million in capital expenditures from FY 1994 through FY 1999. Nine other zoos averaged \$4.7 million.
- The Oregon Zoo excelled in its volunteer program, averaging 2,100 volunteers and 120,000 volunteer hours from FY 1994 through FY 1999. Nine other zoos averaged 530 volunteers and 49,000 volunteer hours.

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<sup>5</sup> In October 1999 the zoo increased adult admission to \$6.50.

**Table 12 Data for Comparative Zoos as of July 1, 1999**

	Oregon Zoo	Cleveland	Columbus	Denver	Detroit	Lincoln Park	North Carolina	Omaha	Phoenix	Woodland Park
<b>Area Population</b>	1,700,000	2,800,000	1,300,000	2,200,000	4,500,000	7,800,000	1,000,000	670,000	2,000,000	2,200,000
<b>Owned By</b>	Regional Government	City Government	City/County Government	City/County Government	City Government	City Government	State Government	City Government	Private	City Government
<b>Managed By</b>	Regional Government	City Government	Columbus Zoological Parks Association	Denver Zoological Foundation	City Government	Lincoln Park Zoological Society	State Government	City Government	Arizona Zoological Society	City Government
<b>Support Organization</b>	Oregon Zoo Foundation	Cleveland Zoological Society	Columbus Zoological Parks Association	Denver Zoological Foundation	Detroit Zoological Society	Lincoln Park Zoological Society	North Carolina Zoological Society	Omaha Zoological Society	Arizona Zoological Society	Woodland Park Zoological Society
<b>Parking Spaces</b>	840	2,442	3,400	650	2,200	710	2,600	2,900	1,576	500
<b>Acres</b>	64	165	100	80	125	35	550	130	125	90
<b>Adult Admission</b>	\$5.50	\$7.00	\$7.00	\$7.00	\$7.50	Free	\$8.00	\$7.25	\$8.50	\$8.00
<b>Attendance</b>	<b>FY 99</b>	1,047,279	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>FY 98</b>	1,004,795	1,100,000	1,200,000	1,650,000	1,485,000	3,000,000	788,000	1,168,299	1,175,000
	<b>FY 97</b>	945,013	1,247,125	1,160,733	1,560,134	1,392,485	3,000,000	782,016	1,215,083	1,210,000
	<b>FY 96</b>	1,052,810	1,101,178	1,204,087	1,756,373	1,217,575	3,000,000	788,043	1,602,831	1,165,064
	<b>FY 95</b>	1,151,444	1,183,775	1,103,240	1,958,842	1,192,977	3,000,000	934,455	1,086,789	1,117,034
	<b>FY 94</b>	1,104,369	1,262,059	1,249,470	1,721,170	1,134,655	3,000,000	604,677	1,095,386	1,018,817
<b>Operating Expenses</b>	<b>FY 99</b>	\$15,306,119	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>FY 98</b>	\$13,741,112	10,412,000	17,487,000	13,750,000	14,137,101	14,036,300	14,121,063	11,660,000	12,000,000
	<b>FY 97</b>	\$13,126,697	\$10,385,490	\$17,145,413	\$12,603,020	\$15,087,596	\$13,412,660	\$12,536,820	\$11,876,767	\$12,385,750
	<b>FY 96</b>	\$13,243,970	\$9,830,440	\$16,961,936	\$12,109,811	\$12,307,273	\$13,465,498	\$12,973,028	\$11,740,194	\$12,357,480
	<b>FY 95</b>	\$13,231,270	\$9,440,280	\$15,397,583	\$11,037,673	N/A	\$10,879,920	\$13,577,241	\$9,631,031	\$10,156,320
	<b>FY 94</b>	\$13,812,151	\$9,246,300	\$14,527,913	\$9,996,588	N/A	\$9,449,097	\$11,842,396	\$9,043,949	\$9,749,130
<b>Capital Expenses</b>	<b>FY 99</b>	\$13,670,054	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>FY 98</b>	\$10,237,483	\$3,483,000	\$10,000,000	\$2,540,000	\$3,152,435	\$7,736,300	\$1,597,757	\$6,322,000	\$2,000,000
	<b>FY 97</b>	\$2,304,825	\$1,906,530	\$9,310,782	\$5,029,737	\$2,697,157	\$17,224,896	\$331,687	\$6,766,250	\$2,270,120
	<b>FY 96</b>	\$118,378	\$2,620,320	\$5,316,803	\$5,715,326	\$4,182,950	\$8,488,480	\$471,322	\$2,544,988	\$1,751,120
	<b>FY 95</b>	\$435,483	\$1,175,173	\$1,715,684	\$11,886,967	N/A	\$567,540	\$1,492,593	\$17,710,391	\$2,130,840
	<b>FY 94</b>	\$2,726,827	\$873,429	\$2,107,660	\$3,232,348	N/A	N/A	\$5,039,196	\$1,259,339	\$1,014,540
<b>Funding Sources*</b>	B(27%) D(3%) E(33%) L(30%) M(1%) O(6%)	E(51%--M&D) L(49%)	D(7%) E(38%) L(47%) M(8%)	D(16%) E(26%) M(13%) O(20%) S(25%)	B(6%) D(14%) E(45%) L(15%) M(15%) O(5%)	D(44%) E(10%) O(46%--Park Dist.)	N/A	D(9%) E(50%) M(21%) O(20%)	E(65%) D(16%) M(17%) O(2%)	E(30%) L(19%) D(36%) B(15%)
<b>FTEs</b>	<b>FY 99</b>	222	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>FY 98</b>	193	195	187	185	154	154	345	189	181
	<b>FY 97</b>	196	191	181	181	145	151	N/A	170	185
	<b>FY 96</b>	195	190	176	169	144	150	N/A	151	180
	<b>FY 95</b>	198	190	166	160	141	150	N/A	136	180
	<b>FY 94</b>	195	185	157	155	140	63	N/A	120	170
<b>Volunteers/Hours</b>	<b>FY 99</b>	2,450/117,640	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	<b>FY 98</b>	2,450/127,357	520/49,810	450/31,500	450/67,000	450/34,000	1,070/80,000	100/14,000	400/37,500	673/ N/A
	<b>FY 97</b>	2,025/127,084	470/47,091	425/30,746	402/60,839	400/30,000	860/73,000	100/14,001	220/21,628	660/ N/A
	<b>FY 96</b>	2,025/125,536	402/48,840	410/31,045	390/65,541	325/25,000	730/71,300	150/11,762	270/23,686	623/ N/A
	<b>FY 95</b>	2,025/115,336	450/45,679	400/31,644	347/59,527	N/A	770/79,800	150/14,227	296/28,003	612/ N/A
	<b>FY 94</b>	2,000/101,147	461/49,044	395/29,325	328/55,833	N/A	780/76,900	N/A	225/33,896	594/ N/A
<b>Species/Specimens</b> <small>(includes invertebrate species)</small>	<b>Mammals</b>	55/337	110/445	81/286	122/655	62/338	97/488	65/276	117/648	90/404
	<b>Birds</b>	77/310	147/551	80/175	167/510	96/604	95/323	82/341	189/881	148/559
	<b>Reptiles</b>	21/46	55/129	134/803	94/317	74/245	68/240	53/200	80/623	59/220
	<b>Amphibs.</b>	8/20	25/162	25/152	24/102	36/283	16/58	17/81	38/850	16/2,743
	<b>Total</b>	232/1,193	617/3,072	618/5,816	685/3,437	269/1,470	289/1,297	239/1,149	636/19,202	363/18,607
<b>* Funding Sources</b> B=bonds D=donations E=earned revenue L=local prop. tax M=memberships O=other S=sales tax	N/A = not available Admission: \$8.00 summer \$6.00 winter All food, gift and ride concessions are contract. Concession staff not included. About 30 interns not included. Some figures for three combined facilities: Detroit Zoo, Belle Isle Zoo, and Belle Isle Aquarium Attendance is estimated, zoo has no gate count. \$1.00 admission reduction for King County Residents. Fiscal and Calendar years the same.									

# **Appendix A**

## **Acknowledgements**

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## Appendix A

### Acknowledgements

As we performed this project, we patterned much of our approach and work from various sources, all of which have successfully established or reported on SEA measurements. In particular, we recognize the following for their help on our work:

- The Governmental Accounting Standards Board (GASB) developed standards for SEAs that are designed to improve the ability of government reports to present information to monitor and assess the results of operations of governmental entities. We applied GASB standards.
- Richard Tracy, Director of Audits, Office of the City Auditor in Portland, Oregon, is a member of GASB and nationally recognized for his achievements reporting annually on the city's SEAs. We patterned much of our work and report format on his undertakings.
- Anthony Rainey, former Administrator of Benchmarks and Strategic Planning, City of Gresham, Oregon, is a recognized expert on benchmarking and performance measures. We relied on his instruction and materials regarding SEAs for a community-focused city government.
- Jeffrey Tryens, Executive Director of the Oregon Progress Board, has been instrumental in successfully implementing the acclaimed Oregon Benchmarks and Performance Measures program. We drew on his presentations and publications as part of our SEA analysis. Additionally, we relied on SEA reports by the Oregon Secretary of State Audits Division.
- We relied on many publications for knowledge and approaches to our work. Such sources included: Government Finance Review publications; The Oregon Certified Public Accountant publications; U.S. General Accounting Office analyses and reports on the Government Performance and Results Act; the International Federation of Accountants publication on Performance Reporting by Government Business Enterprises; the Office of the City Auditor in Austin, Texas reports on Performance Measurement and Reporting; National Performance Review studies on benchmarking and performance measures; American Productivity and Quality Center publications on benchmarking; and American

Society for Public Administration publications on performance measurement.

We especially recognize the managers and staff of the Oregon Zoo. In the face of increasing duties and responsibilities, they helped us establish SEA measures, collect a great deal of data and prepare the report.

## **Response to the Report**

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METRO

TO: Alexis Dow, Metro Auditor

FROM: Mike Burton, Executive Officer

DATE: August 14, 2000

SUBJECT: RESPONSE TO SERVICE EFFORTS AND ACCOMPLISHMENTS REPORT –  
THE OREGON ZOO, JULY, 2000

Thank you for the opportunity to respond to the Zoo's Benchmarking report. The report reflects a considerable amount of research on service efforts and accomplishments (SEAs) that can be helpful to the Zoo.

I believe it very important to identify, measure and record key performance indicators for all Metro departmental programs and services. This is especially true with our enterprise activities. They rely heavily on being efficient and effective. With some facilities, such as the Zoo, customer satisfaction can be measured easily by attendance figures. I am pleased to report that substantial progress has occurred since your initial research on this report.

In the following portion of my response, I have restated your specific recommendations with my response as follows:

- 1. As part of its effort to develop, enhance and apply SEA measures, Zoo management should work with divisions to establish SEAs and assure their consistent linkage with divisions' mission, goals and objectives.**

Agreement with Recommendation: I agree.

Proposed Action Plan: As you note, the Zoo already uses meaningful measurements very successfully and to a large extent throughout the organization. This, however, is an ongoing process that should be reviewed regularly. The Zoo will identify and implement SEA measures for those divisions that use SEAs to a limited degree. In those divisions where SEAs are already being used extensively, the Zoo will continually review and update the measures already in place.

Proposed Timetable: This is an ongoing effort for those divisions that currently use SEAs and it will continue. The Zoo will identify and implement SEAs in other divisions by January 2001.

**2. Based on indications from existing SEA measures, Zoo management should:**

- **Analyze the implications of and develop strategies to deal with relatively flat attendance.**

Agreement with Recommendation: I agree.

Proposed Action Plan: Attendance is the major indicator in the overall success of the Zoo. Your report notes that Zoo attendance declined over the past few years. It was assumed that during construction of the new exhibits, and knowing that existing exhibits had been decreased that attendance would stagnate or decrease slightly. That assumption proved to be correct. I'm pleased to report that Zoo attendance in FY 99-00 reached an all-time record high level. The attendance during July, 2000, immediately after the opening of the new Steller Cove Exhibit, was the highest month on record at the Zoo. This attendance surpassed even the furor and worldwide attention that surrounded Packy's historic birth in the early 1960's. The Zoo will continue to monitor attendance very closely. The Zoo will also carefully plan activities, including new exhibits, events, advertising and access to continue to grow attendance levels.

Proposed Timetable: Ongoing

- **Establish a program to provide a means to deal with declines in preventive maintenance efforts.**

Agreement with Recommendation: I agree.

Proposed Action Plan: The Zoo has gained additional knowledge and insight since establishment of the preventive maintenance program. We plan to use this knowledge and insight and our annual budget process to properly address the Zoo's preventative maintenance activity levels. With this information, the standing work orders will be reviewed to ensure that they accurately reflect the preventative maintenance needs of the facilities.

As noted in your report, the Zoo has committed considerable resources towards maintaining its infrastructure, over \$2.3 million in the last two years alone. The Zoo has also been able to perform some limited "repair by replacement" by reconstructing some facilities that are encompassed in the Great Northwest exhibit, which is funded through a voter-approved bond measure.

Proposed Timetable: Ongoing with annual reviews during the normal Metro budget process.

**General Observations about Report**

You and your audit team have focused upon an area that is a priority for Metro and me. Our success as an agency depends upon our ability to be as effective and efficient as possible. I concur with your assessment that measuring our performance in a limited number of key factors is critical. My Chief Operating Officer has been working with each Metro department to identify and begin measuring a set of individual departmental measures that will help us monitor our efficiency, effectiveness, and level of customer satisfaction. The Zoo has been one of the leaders in this effort.



# Metro Auditor Report Evaluation Form

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Please rate the following elements of this report by checking the appropriate box.

	<b>Too Little</b>	<b>Just Right</b>	<b>Too Much</b>
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Details	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Length of Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Clarity of Writing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Potential Impact	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Suggestions for our report format: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Suggestions for future studies: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Other comments, ideas, thoughts: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Name (optional): \_\_\_\_\_

**Thanks for taking the time to help us.**

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