*Welcome to LLA Reports, a podcast produced by the Louisiana Legislative Auditor’s office. This podcast is intended to be an oral representation of the written report it highlights and is primarily for the use of the Louisiana Legislature.*

This is Krista Baker-Hernandez. I’m a manager with LLA Performance Audit Services. This episode of LLA Reports focuses on our new report titled “Louisiana Office of Tourism.”

The purpose of this audit was to evaluate the Office of Tourism’s management of tourism dollars.

The office is housed within the Department of Culture, Recreation, and Tourism – or CRT – and is responsible for managing an average of $28.1 million dollars in tourism funds each year.

We conducted this audit because tourism is a key part of Louisiana’s economy. State law authorizes the Office of Tourism to enhance Louisiana’s economy by encouraging tourism, and the office tries to obtain the maximum return on investment from dollars invested in tourism, advertising, and promotion.

In addition, the office works to increase the number of visitors to Louisiana, as well as the number of jobs in the tourism industry.

This report is the first in a series of reports on CRT.

We found that the Office of Tourism could better measure the effectiveness of its advertising dollars by using an independent vendor to review its advertising campaigns. From fiscal year 2016 to fiscal year 2021, the office spent on average $9.5 million dollars a year on advertising contract costs.

While the office already monitors its advertising campaigns, in part, through analyses of different industry metrics, engaging an independent vendor to conduct additional research would help the office better meet the requirements in state law, provide information to help it make future advertising decisions, and ensure it is receiving a positive return on its investment.

In our research, we identified at least 11 other states that contract with independent vendors to measure the effectiveness or return on investment of specific advertising campaigns.

In addition, we found the Office of Tourism could increase the transparency surrounding how it spends tourism dollars by reporting publicly on what entities receive grants and sponsorships and by developing clear criteria for sponsorship awards. During fiscal years 2016 through 2021, the office spent $12.6 million dollars on sponsorships and $3.7 million dollars on its two primary tourism grants.

While the office annually reports some information to the legislature, it does not publicly report which entities receive grants and sponsorships and the amount each receives. In contrast, other states publish annual reports or lists of grant recipients.

Establishing sponsorship eligibility parameters also could help entities that wish to apply for tourism funding understand whether they are eligible and help the office make consistent funding decisions, as well as increase transparency.

We found, too, that the Office of Tourism could improve its internal controls and overall documentation for tourism grants and sponsorships.

While the office has grant application guidelines that delineate eligibility criteria and maximum award amounts for grantees, it does not have policies and procedures in place for maintaining grant and sponsorship documentation.

We found that during fiscal years 2016 through 2021, different staff members were assigned to manage the grant programs, and they did not always maintain documentation in a similar fashion. For example, we examined 90 awarded grants and sponsorships and found the documentation was not consistent.

As a result of our audit, we developed seven recommendations.

Among them – we recommended the Office of Tourism consider engaging an outside, independent vendor to measure the effectiveness of its advertising campaigns.

We also recommended the office list on its website the entities and events it provides grants and sponsorships to, establish policies that specify the criteria for sponsorship funding, and develop a formal process to determine whether to grant sponsorship funding requests.

We recommended as well that the office resume use of a scoring committee for the Competitive Grant Program, develop policies and procedures to consistently manage grants and sponsorships, and document the specific individuals or entities who receive tickets provided as part of sponsorship packages.

As part of its response, which is included in the report as Appendix A, the Office of Tourism agreed with all seven of our recommendations.

*We hope you found this podcast informative, and that you’ll follow future episodes of LLA Reports.*

*This podcast was created as part of the audit report just discussed and is intended primarily for the use of the Louisiana Legislature. Both the full report and the podcast can be found on the LLA’s website at* [*www.lla.la.gov*](http://www.lla.la.gov)*.*

*Thank you for listening.*