



Report Highlights

Louisiana Office of Tourism

Department of Culture, Recreation, and Tourism

MICHAEL J. "MIKE"
WAGUESPACK, CPA

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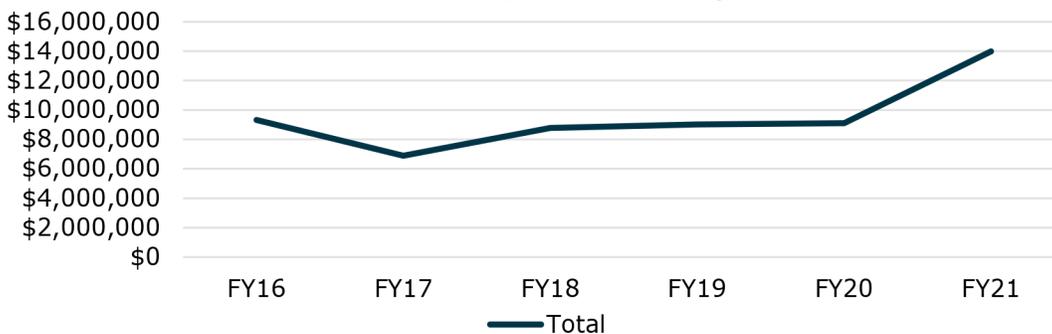
Why We Conducted This Audit

We evaluated the Louisiana Office of Tourism’s (LOT) management of tourism dollars. LOT is housed within the Department of Culture, Recreation, and Tourism (CRT) and is responsible for managing \$28.1 million in tourism dollars on average each year. We conducted this audit because tourism is an integral part of Louisiana’s economy. State law authorizes LOT to enhance the state’s economy by encouraging tourism, and LOT strives to derive the maximum return on investment from dollars invested in tourism, advertising, and promotion. In addition, LOT’s goals include increasing the number of visitors to Louisiana and number of jobs in the tourism industry. This report is the first in a series of reports on CRT.

What We Found

- **LOT could better measure the effectiveness of its advertising contracts. From fiscal year 2016 to fiscal year 2021, LOT spent on average \$9.5 million a year on advertising contract costs.** Independent reviews of advertising campaigns could help LOT ensure it is receiving a positive return on its investment. While LOT regularly collects overall Louisiana tourism statistics and receives industry metrics on advertisement campaigns from its contractor, LOT could better evaluate specific advertisement campaigns by engaging an independent vendor to evaluate their effectiveness.

**Advertising Contracts Expenditures
Fiscal Years (FY) 2016 through 2021**



Source: Prepared by legislative auditor's staff using information provided by LOT.

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What We Found (Cont.)

- **To improve transparency on how tourism dollars are spent, LOT should publicly report on what entities receive grants and sponsorships.** During fiscal years 2016 through 2021, LOT spent \$12.6 million on sponsorships and \$3.7 million on its two primary tourism grants.

Number of Grants and Total Grant Spending Fiscal Years 2016 through 2021						
Fiscal Year	Cooperative Marketing Grant		Competitive Grant Program		Total	
	Number	Total Spent	Number*	Total Spent	Number	Total Spent
FY 16	27	\$455,489	24	\$151,500	51	\$606,989
FY 17	25	\$409,416	30	\$127,359	55	\$536,775
FY 18	30	\$475,849	35	\$138,353	65	\$614,202
FY 19	33	\$535,257	40	\$198,988	73	\$734,245
FY 20	33	\$542,074	32	\$114,138	65	\$656,212
FY 21	33	\$526,468	24	\$35,332	57	\$561,800
Total	181	\$2,944,553	185	\$765,670	366	\$3,710,223

*Fifty-five of the total awarded CGP grants were cancelled or withdrawn, most due to COVID-19.
Source: Prepared by legislative auditor's staff using information provided by LOT.

- **To increase transparency surrounding funding decisions, LOT should develop a structured process for awarding sponsorships.** This process should include clear eligibility criteria and how LOT determines which sponsorships are funded.
- **LOT could improve internal controls and overall documentation for tourism grants and sponsorships, including policies and procedures and record keeping.** In addition, LOT could better track the use of tickets provided to LOT as part of sponsorship deliverables as required by its Standard Operating Procedure.

Number and Amount of Sponsorships Fiscal Years 2016 through 2021		
Fiscal Year	Number	Total
FY 16	24	\$2,950,856
FY 17	24	\$3,046,569
FY 18	29	\$2,535,750
FY 19	40	\$2,154,325
FY 20	28	\$1,443,701*
FY 21	19	\$427,500*
Total	164**	\$12,558,701

*Twenty-four sponsorships were cancelled in FYs 2020 and 2021 due to COVID-19, which would have totaled \$1.6 million.
 **Seven sponsorships were in-kind agreements.
Source: Prepared by legislative auditor's staff using information provided by LOT.