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**The HTA
"marketing plan"
consists of 15
documents and
578 pages.**

Audit of Major Contracts and Agreements of the Hawai'i Tourism Authority

Report No. 13-09, December 2013

*State tourism marketing would benefit from improved plans,
reporting, and oversight*

The authority's incohesive, self-described "marketing plan" and poor reporting on measures of effectiveness impede transparency

By law, the Hawai'i Tourism Authority (HTA) has taken steps to address previously identified planning and performance monitoring deficiencies. However, more progress is needed to ensure transparency and accountability of tourism marketing efforts targeted at a visitor industry that generates \$14.4 billion in economic activity yearly and represents 20 percent of Hawai'i's economy.

The authority is responsible for developing an annually updated tourism marketing plan that identifies marketing efforts and targets, and for establishing measures of effectiveness and documenting the progress of the marketing plan in meeting strategic plan goals. This provision is designed to hold HTA accountable for State tourism marketing efforts and, among other things, requires coordination of marketing plans of all destination marketing organizations that receive state funding prior to finalization of the authority's marketing plan. We found that HTA's "marketing plan" is nearly 600 pages, spread across more than a dozen documents, and falls short of statutory requirements. Monitoring HTA's progress against measures of effectiveness required reviewing even more documents and was slowed by missing targets, outdated benchmarks, and a lack of analysis by the authority.

Contract monitoring needs improvement to ensure compliance with deliverables and performance expectations

A lack of formal written policies, procedures, and training has contributed to weaknesses and inconsistencies in HTA's monitoring of nearly \$59 million spent on marketing contracts and on Access and Signature Event agreements during 2012. For example, HTA does not ensure that contractors submit final reports nor routinely conduct final evaluations of contractors. Contract files were also missing key reports. Without improved contract monitoring, HTA cannot ensure contractors are held accountable for the use of those taxpayer funds.

The HTA's lack of policies, procedures, and training and its incomplete contract files are troubling since we found similar problems in our 2002 report.

Agency response

The authority responded that it appreciated our feedback. It did not disagree with nor dispute any of our findings. Although the authority did not specifically address how it plans to address all of our findings, it said our recommendations would be integrated into a work plan with specific actions and timelines to be presented to its Board of Directors on December 19, 2013.