Transmittal to Louisiana Legislative Auditor of Comprehensive Budget Information

Transferring Agency: Office of the Lt. Governor/Department of Culture, Recreation & Tourism

Agency #: 267 **Program #: CFMS 675331**

Receiving Agency or Entity

Name	Type	$ Amount
Tangipahoa Tourist Commission	~Amendment #2	~~$17,065.00~~ $4,705.00 increase
	~	
	~	
* original contract	~budget &	amendment #1
were submitted 10/-1/10.		Amendment #2 is
attached.	~	
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Please attach email submission/documentation.

Submitted by: _____ **Date Submitted:** 10/26/10

OCR # 267-900566
DCRT-OT-09-71B
CFMS # 675331
Amendment # 2

AMENDMENT TO THE COOPERATIVE ENDEAVOR AGREEMENT BETWEEN
STATE OF LOUISIANA
DEPARTMENT OF CULTURE, RECREATION AND TOURISM, OFFICE OF TOURISM
AND
TANGIPAHOA PARISH CONVENTION & VISITORS BUREAU
13143 WARDLINE RD., HAMMOND, LA 70401
Phone #985-542-7520 Tax ID # 720949236

Amendment Provisions
This amendment to Contract CFMS #675331 between the Department of Culture, Recreation and Tourism, Office of Tourism and Tangipahoa Parish Convention & Visitors Bureau, extends the term and increases the amount payable under the contract to allow continued marketing support throughout fiscal year 2010-2011.

Change #1
Delete from page 1, Paragraph 7, the following language:
Whereas, the LTPA has created 2009 - 2010 Marketing Plans, which offer lower rates than buying directly through the publications on print and web advertising for over 50 publications and media outlets and also includes buy-in opportunities for participation in trade and consumer shows; and

Add to page 1, Paragraph 7, the following language:
Whereas, the LTPA has created 2009-2010 and 2010-2011 Marketing Plans, which offer lower rates than buying directly through the publications on print and web advertising for over 50 publications and media outlets and also includes buy in opportunities for participation in trade and consumer shows; and

Change #2
Delete from Page 2, Paragraph 2, the following language:
Whereas, in calendar years 2009 and 2010 and as described in greater detail below, the State will reimburse the Contractor up to 50% of the Contractor's cost of purchasing media, pre-selected by the State, through the LTPA 2009 -2010 Marketing Programs, up to a maximum of $12,360.00; and

Add to Page 2, Paragraph 2, the following language:
Whereas, in calendar years 2009, 2010 and fiscal year 2011 and as described in greater detail below, the State will reimburse the Contractor up to 50% of the Contractor's cost of purchasing media, pre-selected by the State, through the LTPA 2009-2010 and 2010-2011 Marketing Programs, as well as other media approved by the State, up to a maximum of $17,065.00; and

Change #3
Delete from Page 2, Paragraph 5, Under Scope of Services, the following language:
As provided in greater detail in the attached Exhibit A which is incorporated herein by reference, the State agrees to remit to the Contractor payment in the amount of 50% of the cost incurred for purchasing media pre-selected by the State, up to a maximum amount of $12,360.00, subject to the following terms and conditions:

A.) The State will provide the contractor with the eligible programs within the 2009-2010 LTPA Marketing Plans.
B.) The contractor must purchase the media by or before October 31, 2010. The media must run by or before December 31, 2010.

Add to Page 2, Paragraph 5, Under Scope of Services, the following language:
As provided in greater detail in the attached Exhibit A which is incorporated herein by reference, the State agrees to remit to the Contractor payment in the amount of 50% of the cost incurred for purchasing media pre-selected by the State, up to a maximum amount of $17,065.00 subject to the following terms and conditions:

A.) The State will provide the contractor with the eligible programs within the 2009-2010 and 2010-2011 LTPA Marketing Plans, and well as other media approved by the State.
B.) The media must run by or before June 30, 2011.

Change #4

Delete from Page 3, Under Payment Terms, the following language:
In consideration of the services described above and upon receipt of the deliverables and fulfillment of all requirements set forth herein, the State agrees to reimburse the Contractor for 50% of the cost of purchasing media up to a maximum amount of Twelve Thousand Three Hundred Sixty Dollars ($12,360.00). Payments shall be made upon receipt of these invoices. Invoices and all supporting documentation must be received by the State no later than February 28, 2011.

Add to Page 3, Under Payment Terms, the following language:
In consideration of the services described above and upon receipt of the deliverables and fulfillment of all requirements set forth herein, the State agrees to reimburse the Contractor for 50% of the cost of purchasing media up to a maximum amount of Seventeen Thousand Sixty Five Dollars ($17,065.00). Payments shall be made upon receipt of these invoices. Invoices and all supporting documentation must be received by the State no later than July 11, 2011.

Change #5

Delete from Page 5, Under Term of Contract, the following language:
This agreement shall begin on **December 1, 2008,** and shall terminate on **February 28, 2011.**

Add to Page 5, Under Term of Contract, the following language:
This agreement shall begin on **December 1, 2008,** and shall terminate on **August 15, 2011.**

Change #6

Delete from Page 7, Exhibit A, Detailed Goals and Objectives, the following language:
The Office of Tourism will supplement the Contractor's purchase of targeted, pre-selected media outlined in the 2009-2010 Louisiana Travel Promotion Association Marketing Plans to promote and market the region's tourism resources.

Add to Page 7, Exhibit A, Detailed Goals and Objectives, the following language:
The Office of Tourism will supplement the Contractor's purchase of targeted, pre-selected media outlined in the 2009-2010 and 2010-2011 Louisiana Travel Promotion Association Marketing Plans, as well as other media approved by the State to promote and market the region's tourism resources.

Justification for the Amendment:

The LOT is specifically authorized to establish and support cooperative advertising programs (La. R.S. 51:1255). Cooperative advertising is a system by which advertising costs are divided between two or more parties. In this cooperative advertising program, the state LOT encourages local tourism convention and visitor bureaus and tourist commissions ("CVBs") to advertise the local tourism "product."

CVBs are political subdivisions of the state, statutorily authorized to "do all things necessary for the promotion and the advertisement and publication of information relating to tourist attractions within its jurisdiction" (La. R.S. 33:4574).

The tourism product is any activity or experience a tourist may participate in. For the LOT, the tourism product includes all of the communities, attractions, features, experiences, and events in the entire state of Louisiana. For a local CVB, the tourism product includes the communities, attractions, features, experiences, and events within its jurisdiction.

The LOT cooperative advertising program is administered in part through the nonprofit travel industry association, Louisiana Travel Promotion Association (LTPA). The LOT is statutorily directed to cooperate with governmental agencies (e.g., CVBs) and nonprofit associations (e.g., the LTPA) to market Louisiana as a tourism destination. CVBs can select media offered in LTPA marketing plans, plus additional media that is approved by the State. The media plan offered by the LTPA is a result of LTPA's media research which identified media outlets appropriate for tourism promotion. The media placement rates offered through the LTPA media plans were negotiated by LTPA, and therefore reflect discounts below published rates for placing media in the selected outlets. However, it is in the best interest of the state and local communities to allow CVBs to purchase State-approved media that is not included in LTPA's marketing plans.

Media research and negotiation of media placement rates are valuable services provided by advertising agencies and marketing firms to entities that promote their products through advertising. The LOT cooperative advertising program cuts out the advertising agencies (and their hourly rates and/or media commissions) and allows the local CVBs to purchase the pre-negotiated, pre-selected media offered through the state's non-profit travel association, as well as approved media outside the LTPA marketing plans.

Revenues generated by the LTPA are re-invested in activities that complement and enhance the statutory duties and public purposes of the LOT and the CVBs, namely the promotion and expansion of tourism in Louisiana.

The 2009-2010 cooperative advertising programs proved to be an effective and efficient use of public funds. It is more efficient for the state LOT to encourage local CVBs to advertise their own tourism product (which is part of the state's "tourism product") and then provide a 50% rebate to the CVB for those ads, than it would be for the state LOT to buy an ad to promote the local CVB's tourism product (again, which is part of the state's "tourism product") at the full price of the ad plus fees for media research and/or media commissions.

Based on that success and due to the availability of funds, the LOT allowed CVBs to apply to continue participating in this program through fiscal year 2011. The Contractor was awarded the opportunity to participate in this program for FY 2011. This amendment is intended to continue the Contractor's participation in the program through fiscal year 2011.

Amendment becomes effective: July 1, 2010

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the dates indicated below:

Emily McKneely, Director of Sales
Tangipahoa Parish Tourist Commission

8-4-10
Date

Jim Hutchinson, Assistant Secretary
Louisiana Office of Tourism

7-29-10
Date

Pam Breaux, Secretary
Department of Culture, Recreation and Tourism

8-2-10
Date

APPROVED
Office of the Governor
Office of Contractual Review

SEP 27 2010

Sandra G. Gillen
DIRECTOR