

MONTANA

OFFICE OF TOURISM

REGULATIONS AND PROCEDURES FOR REGIONAL/CVB TOURISM ORGANIZATIONS USE OF LODGING FACILITY USE TAX REVENUE

February 2014

April 2016

Contact Information:
Barb Sanem
Montana Office of Tourism
and Business Development
301 South Park
PO Box 200533
Helena, MT 59620
406-841-2769
(Fax) 406-841-2871
E-mail: bsanem@mt.gov

Table of Contents

1	Montana Code Annotated	3
2	Definitions/Terms	5
3	Eligible Organizations	6
4	Open Meeting Requirements	6
5	Council Endorsed Programs	7
5.1	Opportunity Marketing	7
5.2	Cooperative Marketing	7
5.3	Joint Ventures	8
5.4	Budget Projections	9
6	Marketing Plan Overview	10
7	Marketing Plan Narrative.....	11
8	Budget Overview.....	11
9	Marketing Segments, Strategy Methods and Budgets	12
10	All Marketing Methods Used Shall	13
11	Council Considerations in Review Process	13
12	Method Evaluation Considerations.....	13
13	Eligible Marketing Expenditures	14
14	Ineligible Marketing Expenditures	15
15	Allowable Administrative Expenses.....	16
16	Ending Dates.....	17
17	Miscellaneous	17
18	Bidding and Request for Proposal (RFP) Processes	17
19	Fund Management and Fiscal Responsibilities	19
19.1	Disbursement of Funds	19
19.2	Budget/Financial Regulations.....	19
19.3	Compliance Requirements and Reporting.....	20
19.4	Audit	22
19.5	Bookkeeping Regulations.....	23
Appendix A	Travel Counselor	25
Appendix B	Marketing Segment Examples.....	26
Appendix C	Marketing Methods and Requirements.....	29

REGIONAL/CVB TOURISM REGULATIONS FOR USE OF LODGING FACILITY USE TAX REVENUE

1 .MONTANA CODE ANNOTATED

MCA 2-15-1816 Tourism advisory council.

- (1) There is created a tourism advisory council.
- (2) The council is composed of not less than 12 members appointed by the governor from Montana's private sector travel industry and includes at least one member from Indian tribal governments, with representation from each tourism region initially established by executive order of the governor and as may be modified by the council under subsection (5).
- (3) Members of the council shall serve staggered 3-year terms, subject to replacement at the discretion of the governor. The governor shall designate four of the initial members to serve 1-year terms and four of the initial members to serve 2-year terms.
- (4) The council shall:
 - (a) oversee distribution of funds to regional nonprofit tourism corporations for tourism promotion and to nonprofit convention and visitors bureaus in accordance with Title 15, chapter 65, part 1, and this section;
 - (b) advise the department of commerce relative to tourism promotion;
 - (c) advise the governor on significant matters relative to Montana's travel industry;
 - (d) prescribe allowable administrative expenses for which accommodation tax proceeds may be used by regional nonprofit tourism corporations and nonprofit convention and visitors bureaus;
 - (e) direct the university system regarding Montana travel research;
 - (f) approve all travel research programs prior to their being undertaken; and
 - (g) encourage regional nonprofit tourism corporations to promote tourist activities on Indian reservations in their regions.
- (5) The council may modify the tourism regions established by executive order of the governor.
- (6) The department of commerce shall adopt such rules as may be necessary to implement and administer Title 15, chapter 65, part 1, and this section.

15-65-121. Distribution of tax proceeds. (1) The proceeds of the tax imposed by 15-65-111 must, in accordance with the provisions of 17-2-124, be deposited in an account in the state special revenue fund to the credit of the department. The department may spend from that account in accordance with an expenditure appropriation by the legislature based on an estimate of the costs of collecting and disbursing the proceeds of the tax. Before allocating the balance of the tax proceeds in accordance with the provisions of 17-2-124 and as provided in subsections (2)(a) through (2)(f) of this section, the department shall determine the expenditures by state agencies for in-state lodging for each reporting period and deduct 4% of that amount from the tax proceeds received each reporting period. The department shall deposit 30% of the amount deducted in the state general fund and distribute the portion of the amount deducted that was paid with federal funds to the department of administration for return to the federal government as provided in 17-3-106(2). The amount of \$400,000 each year must be deposited in the Montana heritage preservation and development account provided for in 22-3-1004.

(2) The balance of the tax proceeds received each reporting period and not deducted pursuant to the expenditure appropriation, deposited in the state general fund, distributed to the department of administration, or deposited in the heritage preservation and development account must be transferred to an account in the state special revenue fund to the credit of the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials, to the Montana historical interpretation state special revenue account, to the Montana historical society, to the university system, and to the department of fish, wildlife, and parks, as follows:

(a) 1% to the Montana historical society to be used for the installation or maintenance of roadside historical signs and historic sites;

(b) 2.5% to the university system for the establishment and maintenance of a Montana travel research program;

(c) 6.5% to the department of fish, wildlife, and parks for the maintenance of facilities in state parks that have both resident and nonresident use;

(d) 64.9% to be used directly by the department of commerce;

(e) (i) except as provided in subsection (2)(e)(ii), 22.5% to be distributed by the department to regional nonprofit tourism corporations in the ratio of the proceeds collected in each tourism region to the total proceeds collected statewide; and

(ii) if 22.5% of the proceeds collected annually within the limits of a city, consolidated city-county, resort area, or resort area district exceeds \$35,000, 50% of the amount available for distribution to the regional nonprofit tourism corporation in the region where the city, consolidated city-county, resort area, or resort area district is located, to be distributed to the nonprofit convention and visitors bureau in that city, consolidated city-county, resort area, or resort area district; and

(f) 2.6% to the Montana historical interpretation state special revenue account established in 22-3-115.

(3) If a city, consolidated city-county, resort area, or resort area district qualifies under this section for funds but fails to either recognize a nonprofit convention and visitors bureau or submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds must be allocated to the regional nonprofit tourism corporation in the region in which the city, consolidated city-county, resort area, or resort area district is located.

(4) If a regional nonprofit tourism corporation fails to submit and gain approval for an annual marketing plan as required in 15-65-122, then those funds otherwise allocated to the regional nonprofit tourism corporation may be used by the department of commerce for tourism promotion and promotion of the state as a location for the production of motion pictures and television commercials.

(5) The tax proceeds received that are transferred to a state special revenue account pursuant to subsections (2)(a) through (2)(e) are statutorily appropriated to the entities as provided in 17-7-502.

(6) The tax proceeds received that are transferred to the Montana historical interpretation state special revenue account pursuant to subsection (2)(f) are subject to appropriation by the legislature.

15-65-122. Qualification of nonprofit entities for receipt of funds -- limitation on administrative costs. (1) The department of revenue shall provide the council with quarterly reports of regional tax proceeds and tax proceeds of cities, consolidated city-counties, resort areas, and resort area districts that qualify for disbursement of funds under 15-65-121.

(2) Funds may not be disbursed to a regional nonprofit tourism corporation or nonprofit convention and visitors bureau until that entity has submitted an annual marketing plan to the council and that plan has been approved by the council.

(3) A maximum of 20% of the funds received by a regional nonprofit tourism corporation or nonprofit convention and visitors bureau may be used for administrative purposes as defined by the council.

2 . DEFINITIONS/TERMS

"**Council**" refers to the Tourism Advisory Council (TAC).

"**Department**" refers to Department of Commerce.

"**Organization**" refers to the nonprofit regional/CVB organizations, which meet legal requirements and guideline requirements to be formally recognized by the Council.

"**Authorized Representative**" refers to the elected president of the governing body of the regional tourism organization, and the top elected official of the governing body or the employed executive director/president of the city organization.

"**Underlined Text**" designates the most current changes to the Regulations.

"**Lodging Facility**" refers to a building, a group of buildings, or an area recognized as a single entity used for lodging accommodations. The term includes a hotel, motel, campground, resort, dormitory, condominium, inn, dude ranch, guest ranch, outfitter, hostel, public lodging house, or bed and breakfast facility.

(DOR Lodging Facility Use and Sales and Use Tax Guide 12-2003)

Note: The defined term for 'Lodging Facility' also includes vacation rentals and cabins.

All lodging facilities are required to get a lodging facility use tax identification number.

3 . ELIGIBLE ORGANIZATIONS

By law, only one nonprofit organization within each tourism region or eligible city, consolidated city/county, resort area, or resort area district can be approved to receive available lodging facility use tax revenue. Organizations will submit the following documentation to the Council for approval and recognition.

1. Proof of registration as a not-for-profit corporation, with active standing, registered with the Montana Secretary of State.
2. Proof of not-for-profit exempt status from the Internal Revenue Service.
3. Federal identification number.
4. Copy of bylaws and articles of incorporation. Bylaws shall reveal that tourism is the purpose or part of the purpose of the organization.
5. Open access to all meetings related to any expenditures of lodging facility use tax revenue, as required by law.
6. CVB's shall present a duly passed resolution from the governing body of their city, city/county government, resort area, or resort area district giving support to the CVB for recognition by the Council.

Funds are awarded only to organizations, which meet the requirements of the Lodging Tax Law and have been formally recognized by the Council.

Organizations are expected to have one ~~representative~~ **paid staff or board member** at each Council meeting. This representative is to be the individual who works most closely with the Department.

Recognition may be revoked of any organization, which fails to comply with the law/rules/regulations governing the distribution of lodging tax revenue.

4 . OPEN MEETING REQUIREMENTS

The Organization shall conduct all meetings in accordance with the open meeting statutes and regulations, pursuant to Title 2, Chapter 3 MCA, (http://leg.mt.gov/bills/mca_toc/2_3.htm) and the public's constitutional right to know and to participate pursuant to Article II, Montana Constitution (http://leg.mt.gov/bills/mca_toc/CONSTITUTION_II.htm)

“Meeting” is defined as the convening of a quorum of the constituent membership of a public agency or association described in 2-3-203, whether corporal or by means of electronic equipment, to hear, discuss, or act upon a matter over which the agency has supervision, control, jurisdiction, or advisory power.

- All meetings must:
 1. Be open to the public. (see MCA 2-3-203 for exceptions)

2. Maintain a current list of interested persons and organizations and distribute notices within the notice period.
3. Be noticed in a reasonable period prior to the meeting. 48-hours is the recommended minimum.
4. Notice meeting time, location and agenda.
5. Provide opportunity for public comment on each agenda item.
6. Include a Public Comment period for items that are not on the agenda.
7. Keep meeting minutes and make them available for public inspection.
8. Minutes must be approved by the governing body.

5 . COUNCIL ENDORSED PROGRAMS

SIGNATURE TO SUBMIT

Additions or changes to marketing segments and methods may be submitted under the signature of the executive director of a regional tourism or CVB organization if authorized annually to do so in writing by the president. This authorization is to be submitted with the annual marketing plan.

1. OPPORTUNITY MARKETING

Organizations may use up to 10% of their total budget for Opportunity Marketing. These funds are then available to implement marketing methods which were unknown at the time the marketing plan was approved by the Council. Up to 50% of Opportunity funds may be committed to Convention and/or Event Subsidies. These methods should maximize the goals of the organization's marketing plan.

2. COOPERATIVE MARKETING

The Regional/CVB Cooperative Marketing program is designed to allow organizations to promote an area or event on a cooperative basis with a nonprofit tourism-related organization. The intent of this program is to encourage the development of new or expanded marketing projects, thereby increasing the tourism appeal of the region or city.

Organizations may use up to 20% of their total annual budget for Cooperative Marketing with other nonprofit, non-lodging facility use tax funded, tourism-related organizations or associations. Lodging facility use tax funded organizations may use cooperative funds, but are not required to.

At least 50% of the marketing and production costs for a Cooperative Marketing project shall be financed by the nonprofit partner. Administrative and/or operational costs are not eligible for a match. Projects shall meet all regulations/requirements established by the Council for organizations.

PROGRAM REQUIREMENTS

Cooperative partners applying for regional/CVB funds shall have an active status as a nonprofit organization with the Montana Secretary of State.

Regional/CVB organizations may provide up to, but not more than, 50% of any one line item within a project. Under no circumstances may the Regional/CVB organization provide more than 50% of the total marketing budget or any line item within the project.

Cooperative Marketing funds are to be used solely for marketing projects.

Administrative expense is not eligible.

In-kind services are not eligible to be matched.

Cooperative marketing projects shall have a total budget of at least \$500 or \$250 per participant.

All regulations/rules/contracts to which Regional/CVB organizations shall adhere are relevant and required for the cooperative partner.

Cooperative partners are to present original invoices to the Regional/CVB organization for payment. In the case of invoices in an amount of \$100 or less, the cooperating partner may pay the bill in full, and submit an original invoice and a copy of their canceled check documenting payment to funded organization for 50% reimbursement. Postage costs may also be reimbursed in this manner.

Cooperative Marketing projects are not to be implemented until all requirements have been met. All Cooperative Marketing projects are subject to an annual review of compliance.

Regional/CVB organizations may include additional regulations for eligibility to participate in their Cooperative Marketing program.

Billboards may be constructed as a Cooperative Marketing project provided the following documentation has been submitted to the approved Regional/CVB organization prior to commitment of funds.

1. Written approval from the Department of Transportation for location.
2. Written permission from landowner to construct a board.
3. Signed agreement from the funding entity on method of maintenance.

3. JOINT VENTURES

The Department offers organizations the opportunity to partner in marketing projects (joint ventures) with the department and other lodging facility use tax funded entities. Organizations shall request approval of joint ventures budget from the council at the time of the approval of the annual marketing plan. Projects that are decided upon after the approval of the annual marketing

plan shall be funded through opportunity marketing, as a new project, or by transferring funds within the approved organization's budget into their joint venture line item.

4. **BUDGET PROJECTIONS**

Budget projections for marketing and administration are prepared by the Department based upon revenue generated during the previous year and anticipated growth for the coming year. The projected revenue amounts are provided only for planning purposes and are not guaranteed, therefore, up to 95% of projected annual revenue may be committed to the marketing plan approved by the Council.

ANNUAL MARKETING PLAN PROCESS

6 .MARKETING PLAN OVERVIEW

Prior to the release of any funds, organizations shall receive Council approval, on an annual basis of 1) a narrative marketing plan including marketing segments and methods and, 2) an annual budget.

The annual marketing plan and budget shall arrive at the Department at least three weeks prior to the scheduled June Council meeting. Funds will only be released upon approval at the June Council meeting.

Any time an organization is uncertain of eligibility of any expenditure, marketing or administrative, a representative may request approval from the Marketing Committee in writing.

COUNCIL REVIEW & ACTION

Prior to the full Council meeting, the marketing plan and budget will be reviewed by the Marketing Committee of the Council. Committee then recommends to the full Council to:

- approve as submitted
- approve with stipulations
- resubmit with clarification
- not approve based on eligibility or feasibility

The full Council and audience will be given the opportunity to discuss committee recommendations during Council meetings.

Organizations are notified in writing by the Chair of the Council of formal action by the Council, generally within two weeks.

Plans are to include the following elements. Further information and details on the Narrative, Budget Overview and Marketing Segments, Strategies and Methods are contained on the pages that follow.

All Marketing Plans are to be developed in the context of public involvement in the process and open meeting requirements.

1. Narrative.
2. Budget Overview.
3. Marketing Segments, Strategies, Methods and Budgets. See SECTION 13 for eligible marketing and administrative expenditures.

4. Marketing plans submitted are to have been approved by the governing body of the organization.
5. Cover pages are to have been signed by the authorized representative of the organization. The authorized representative for regions is the elected president of the organization; for chambers or CVBs, it is the elected president/chairman of the board or the employed president/executive director.
6. The plan will be presented at the June Council meeting. Funds will only be released upon approval at the June Council meeting.

7 .MARKETING PLAN NARRATIVE

The following questions/topics shall be answered in the narrative portion of the marketing plan.

Community and Brand Support (Who are we?)

1. Describe your destination (who you are, who you wish to attract and why would they come) addressing your strengths, opportunities and potential challenges. How does your destination align with Montana's Brand pillars?
2. How will your marketing plan address the three phases of the travel decision process of inspiration, orientation and facilitation?
3. Who is your market?
 - a. Define your target markets (demographic, geographic and psychographic).
 - b. What are your emerging markets?
 - c. What research supports your target marketing?
4. Overall Goals.
5. **Joint Ventures/Co-ops.**
 - a. In what types of **Joint Ventures** with **MOTBD** would you like to participate?
 - b. In what other types of **co-ops** would you like to participate? (Regions/CVBs, **community entities**, etc.)
 - c. What types of **co-ops** or **Joint Ventures** have you done in the past? Were they successful – why or why not?

8 .BUDGET OVERVIEW

1. Provide a budget amount for administration and each marketing segment.
2. Provide budget amount for each segment's method when providing the overall budget.
3. Use a pie chart to illustrate what percentage of your budget is being used in each marketing segment and method.
4. Marketing Method Evaluation will include:

An updated budget comparing estimated budget amounts versus actual expenditures for each marketing segment and method.

An updated pie chart showing a percentage break down comparing the budget versus actual expenditures for each marketing segment and method.

A pie chart showing percentage of budget spent used for partnering opportunities with MTOT and/or Regions/CVBs

9. MARKETING SEGMENTS, STRATEGY, METHODS AND BUDGETS

Use segments applicable to your goals

1. Marketing Segment

The addition of new marketing segments is allowed

- Consumer Leisure
- Publicity
- Groups
- Events
- Film
- Marketing Support

All marketing segments shall include the following:

Sufficient detail so those reviewing can comprehend or visualize the full scope providing a full overview yet explicit, concise, and to the point.

2. Strategy (method)

See Appendix C for examples and requirements

- Narrative describing your strategy.
- Describe supporting research/statistics to the extent it's available.
- How do you plan to measure success? (Include baseline information if applicable.)
- Methods used to implement strategy.
- Provide a brief rationale and estimated budget for each method used.

3. Budget

4. Marketing Method Evaluation

(Did you meet your objective - was your strategy successful) Yes/No

Explain

Any additional requirements requested by the Council or Department in writing shall be met by the organization.

10. ALL MARKETING METHODS USED SHALL:

1. Use the applicable reporting forms provided by the Department.
2. At a minimum, adhere to the requirements found in Appendix C. If it is an entirely new method, the council may set requirements.
3. Support the marketing plan and may be denied approval by the Council if it is not perceived that they do so.
4. Be approved by the Council prior to the expenditure of lodging tax funds.

11. COUNCIL CONSIDERATIONS IN REVIEW PROCESS

Council will first consider if marketing plan is complete and if marketing methods and expenditures clearly fall within the list of eligible marketing methods. (see Pages 14-15 for eligible marketing expenditures.) Marketing methods will be reviewed against criteria such as outlined below.

1. Does the method support the goals and objectives of the approved marketing plan?
2. Does the method reach potential visitors outside of the vicinity being promoted?
3. Does the method meet a need of the traveling public?
4. Does this method deliver important information to the potential traveler?
5. Does this method stand on its own merit? (That is, would you pursue implementing it if only private funds were available, not tax dollars?)
6. Does the method have the potential to create or sustain tourism-related expenditures?
7. Does the method complement or enhance existing methods/programs and the approved marketing plan of the organization?
8. Does market research or previous experience support this type of method as viable?

12. METHOD EVALUATION CONSIDERATIONS

Some marketing methods used are for image and awareness building and are not measurable. If this is the case, what indicators were used to track success? All other marketing methods should include evaluation techniques that are measurable and quantifiable. The evaluation should have a basis to continue, discontinue or modify the marketing method.

Method evaluation information shall be provided at the conclusion of the marketing method and/or the evaluation period. All method evaluation information for the corresponding fiscal year should be reported for each marketing segment and method no later than January 1 of the next fiscal year unless the organization requests an extension in writing from the Department.

Method evaluations shall fulfill the requirements specified in these regulations and other requirements specified at the time of approval.

13. ELIGIBLE MARKETING EXPENDITURES

See APPENDIX C for requirements

1. Internet page/site development including hosting fees.
2. Regional or national print and electronic advertising campaigns.
3. Marketing plan development.
4. Strategic planning.
5. Market research, which may include conversion studies and focus groups, industry experts, educational entities such as Voices of Montana Tourism.
6. Film/video development and promotion.
7. Direct mail and electronic promotion campaigns including development and distribution costs.
8. Social media.
9. Public Relations.
10. Publicity and marketing personnel costs can include gross wages for hours worked only
11. Familiarization tours.
12. Consumer travel or travel trade shows including giveaway items.
13. Marketing display.
14. Solicitation to out-of-state businesses or groups for a convention or meeting in Montana.
15. Convention and/or event subsidies.
16. Promotion of special events.
17. Visitor information center (VIC) staffing and signage.
18. State sponsored VIC staff training.
19. Computer equipment.
20. Brochures, travel guides, image pieces, maps.
21. Contracted services for distribution costs.
22. Distribution costs with non-bed tax funded chambers.
23. Out-of-Home advertising.
24. Infrastructure that has the potential to increase the number of visitors or to extend visitor stays. This shall be targeted toward visitors outside the local community.
25. Travel, meals and lodging which are directly justifiable as a necessary component for the successful completion of an approved method. Up to the state allowable of \$24.99 in un-receipted expenses is allowable per day -- for example cab/taxi fare, set up assistance costs, tipping for food and beverage, housekeeping, baggage handling and guides (**See Section 20, Fund Management, #5 Bookkeeping Regulations) -- if it's under the state allowable

in un-receipted expenses a receipt is not needed; over the state allowable in un-receipted expenses requires a receipt. Every un-receipted expense shall be itemized with the amount. Maximum daily amount is subject to change. Please contact Montana Office of Tourism for current allowance.

26. Organization/association dues, which are required to implement a marketing method or dues which will result in a marketing savings greater than the cost of the membership.
27. Attendance at Tourism Advisory Council meetings, the annual Marketing Plan meeting with the Department and the annual Governor's Conference on Tourism & Recreation by the primary Region/CVB contact with the Department (transportation/mileage, meals and lodging only).
28. Montana Superhost Program.
29. Destination Marketing Association International (DMAI) membership and accreditation program.
30. Marketing methods not identified herein will be evaluated on a case-by-case basis by the Council.

14. INELIGIBLE MARKETING EXPENDITURES

1. Any expenditure which is made prior to Council approval or final approval from the Marketing Plan Committee on behalf of the Council, regardless of eligibility or nature of the method.
2. Convention marketing to in-state associations and businesses.
3. Alcoholic beverages.
4. Financial sponsorships, except as allowed under Opportunity Marketing.
5. Organization/association dues, which are not required for implementation of a method.
6. Membership solicitation literature.
7. Purchase of land; purchase and/or construction of buildings.
8. Items for resale.
9. Operation of events, except as allowed under Opportunity Marketing.
10. Program booklets, entry forms.
11. Administration costs incurred by other organizations in the implementation of cooperative projects.
12. Disbursement of funds to other promotional entities.
13. Radio/television/newspaper advertising that is primarily limited to the community of the event is not eligible.
14. Relocation information and services.

15. ALLOWABLE ADMINISTRATIVE EXPENSES

Up to, but not exceeding, 20% of the organization's new annual revenue may be designated to cover administrative expenses, which are identified below. New annual revenue shall be defined as any new lodging facility use tax collections that have not had administrative expenses deducted from it.

The intent of the administrative budget is to cover costs incurred in the implementation of approved marketing methods/ funded by the lodging facility use tax.

1. Accountant fees.
2. Bank charges.
3. Employer paid taxes and benefits including bonuses, holiday, sick and vacation compensation
4. Books and reference materials.
5. Commercial transportation tickets.
6. Equipment – such as adding machine, copying machine, phone, postage meter, camera, computer, peripheral equipment, software, Wi Fi Router, iPads, LCD projectors.
7. Janitorial services.
8. Legal fees.
9. Maintenance contracts for equipment.
10. Meeting rooms.
11. Office supplies.
12. Postage.
13. Reasonable costs for coffee breaks during meetings of the governing body (i.e. coffee, nonalcoholic beverages, doughnuts).
14. Registration fees for professional development.
15. Rent.
16. Salaries.
17. Storage.
18. Travel expenses -- Mileage and meals are eligible at current state rates. (See Addendum) Rooms are eligible at full cost. Mileage allowance may be applied to the rental, purchase and/or maintenance of a vehicle provided they can prove the mileage equation. Up to the state allowable of \$24.99 in un-receipted expenses is allowable per day -- for example cab/taxi fare, set up assistance costs, tipping for food and beverage, housekeeping, baggage handling and guides (**See Section 20, Fund Management, #5 Bookkeeping Regulations) -- if it's under the state allowable in un-receipted expenses a receipt is not needed; over the state allowable in un-receipted expenses requires a receipt. Every un-receipted expense shall be itemized with the amount. Maximum daily amount is subject to change. Please contact Montana Office of Tourism for current allowance.

19. Utilities, cell phone contracts, cloud data storage subscriptions.
20. Convention and/or Event Subsidies.

Items not included will be considered on a case-by-case basis annually by the TAC

16. ENDING DATES

Marketing methods which have been approved by the Council but are not underway by June 30 within that fiscal year will be considered closed by the Department.

Any fund balances which remain may be transferred to other marketing segments in that fiscal year or accrued for use the following year by notifying the Department. These balances will be verified by the Department at the time of the audit.

17. MISCELLANEOUS

Credit lines by publishers and printers may be included only on the inside of travel guides and the back panel of brochures. All other items are excluded.

Credit lines can include only the business name in a point size (font) no larger than the lodging facility use tax credit line.

Any material being distributed with lodging facility use tax funds shall meet the required criteria.

18. BIDDING AND REQUEST FOR PROPOSAL (RFP) PROCESSES

Services purchased from sheltered workshops are exempt from competitive bidding laws; however, contracts are required.

THE BIDDING PROCESS

1. A minimum of three original or faxed written bids and/or responses shall be obtained for
 - Printing and reprinting costs of more than \$2,000.
 - Portable media duplication costs of more than \$2,000.
 - The purchase of goods and equipment over \$2,000. Organizations may purchase goods and equipment using the State of Montana's term contracts, provided that they file a Cooperative Purchasing Agreement with the State Procurement Bureau of the Department of Administration. The use of term contracts exempt organizations from obtaining three bids.
2. All potential bidders shall receive identical project specifications in a standard format. This spec sheet is to be filed with the original bids.

3. Bid specs need to provide a closing date and time.
4. By law bids shall include delivery costs.
5. It is recommended that bids be presented to organization in a sealed envelope, to be opened at a specified time.
6. In no event may any bid be disclosed prior to the awarding of the bid.
7. The reciprocal preference shall be applied in awarding contracts. The reciprocal preference means that whatever amount of preference an out-of-state vendor may enjoy in their home state will be held against them when they submit bids in Montana. A list of applicable states is available at the State Procurement Bureau of the Department of Administration.
8. Bid shall be awarded to lowest, qualified bidder after taking into consideration the Montana Reciprocal Preference Law.
<http://data.opi.mt.gov/bills/mca/18/1/18-1-102.htm>
9. A bid may be rejected based upon product samples, provided that samples were requested in the request for bid. All samples shall be retained with bids, written documentation filed if low bid is not accepted, and record shall be available for public inspection.
10. Employee travel costs and geographic location cannot be a determining factor in selection.
11. The original or faxed bid requests and responses shall remain on file at the organization office.

REQUEST FOR PROPOSAL (RFP) REQUIREMENTS

Organizations, which annually pay costs for individual services of more than \$4,999, are required to select an agency or individual by a request for proposal (RFP) or bid process.

Organizations that choose to use an agency are required to select an agency or individual by a request for proposal process.

Contract can be for a minimum of one year with an annual renewal of up to six additional years.

RFP must meet the following requirements

1. Notice RFP in legal section a minimum of one day in local newspaper covering your geographical area.
2. RFP must include the Evaluation Process.
3. Attach sample contract to RFP.
4. Allow 30 days for RFP responses from first day of public notice.
5. Minutes and attendance must be kept for each meeting.
6. Maintain a current list of interested persons and organizations.
7. Distribute all meeting notices within the notice period.
8. Noticed oral presentations must be open to the public and noticed a minimum of 48-hours in advance.

9. Notice evaluation committee meetings a minimum of 48-hours in advance.
10. Meetings of the evaluation committee that involve an evaluation process or competing offers where the award of a contract is being considered must be open to the public.
11. A quorum of the evaluation committee must be present to take any official actions.
12. Scoring sheets become public record.

19. FUND MANAGEMENT & FISCAL RESPONSIBILITIES

1. DISBURSEMENT OF FUNDS

Funds are released only for the total amount allocated to marketing segments or methods approved by the Council. All available funds not committed to approved marketing segments or methods are held at the Department for the organization until the funds are allocated to marketing segments or methods.

Funds are disbursed quarterly to all eligible organizations who have a Council approved annual marketing plan and budget, and are based upon equal installments. Anticipated payment dates are the 25th of August, November,

February, and June 10. Disbursements cannot exceed collections reported by the Department of Revenue.

Funds may be withheld from organizations which fail to comply with the plan approved by the Council or with compliance/reporting regulations or fail to submit financial or marketing segment and method evaluation reports in a timely manner.

2. BUDGET/FINANCIAL REGULATIONS

GENERAL

A separate financial account(s) and accounting record is to be established for all tax funds.

Funds expended in one fiscal year may not exceed the total amount approved by Council for all marketing segments and methods.

Organizations shall retain at the organization office all original receipts and invoices related to approved marketing segments and methods. Expenditures, which cannot be substantiated by receipts, with the exception of per diem, are subject to repayment by the organization.

It is allowable to extend payments on approved methods with active status between fiscal years.

TRANSFER OF FUNDS

Funds may be transferred between approved marketing segments and methods providing the total budget of the organization is not exceeded and the marketing segment or method concept does not change. Department shall be notified in writing if concept does change. A review and a recommended action will be given by the Marketing Committee on behalf of the Council.

BUDGET INCREASES

Upon notification of increased revenue, organizations may increase the currently approved budgets not to exceed the allowable percentages.

INTEREST MONIES

Interest monies shall be retained in the tax account of the organization and can be used for eligible tourism promotion methods at the discretion of the organization. However, the organization shall present an accounting of interest monies, a delineation of expenditures, and samples of products at the time of audit. Up to 20% of interest accrued annually may be used for administrative costs.

3. COMPLIANCE REQUIREMENTS & REPORTING

CONTRACTS

Annually each organization enters into a contractual agreement with the Department. This is necessary for the release of funds and specifies the responsibilities of each party. All state and federal laws shall be adhered to. Failure to comply with these Rules & Regulations may result in penalties as specified in the organization's contract with the Department.

LETTER OF INTENT

Following approval of the annual marketing plan annual budget by the Council, the authorized representative of the organization will receive a Letter of Intent from the Council Chair. This Letter of Intent shall be signed by the authorized representative as identified on page 5 and returned to the Department. Signature acknowledges the stipulations, legal and contractual requirements, and regulations established by the Council relative to the use of lodging facility use tax revenue.

ACTIONS FOR NON-COMPLIANCE

Following the review of the annual audit by the Council, if an organization is found to be non-compliant with the requirements contained within this document, at a minimum, a warning letter from the Council Chair will be issued to the Organization.

If the Council finds an Organization to be non-compliant with the requirements contained within this document for the same or similar infraction within a 5-year period, the Organization will be assessed, at a minimum, a 10% penalty on the total expenditures paid by the Organization for the item in question.

In egregious circumstances, at the discretion of the Council, if an organization is found to be non-compliant with the requirements contained within this document, a fine may be assessed up to, and including, full repayment of expenditures paid by the Organization for the item in question.

The Department has the authority to terminate the annual contract if an Organization is found to be non-compliant with the requirements contained within this document.

FINANCIAL REPORTS

Organizations shall submit a quarterly report on forms provided to organizations during the months of July, October, January, and April. Completed reports shall be returned within 20 calendar days. Organizations which do not file required compliance reports by the required dates will not receive further payments until compliance reporting is current.

RECORDS RETENTION

Regional/CVB organizations shall retain all records relating to the contractual agreement with the Department for a minimum of three years following the Department's receipt and acceptance of the final marketing method evaluation for the corresponding fiscal year. Organizations shall adhere to all state and federal laws for the retention of records.

REGULATIONS REVIEW

At a minimum of every two years, a committee of Council members and interested parties will be formed to perform a complete review of the Rules & Regulations and bring recommended changes if any to the Council for their consideration.

4. AUDIT

All records shall be available for inspection at any time by authorized representatives of the Department, the Legislative Fiscal Analyst, or the Legislative Auditor. Organizations should anticipate an audit by the Department annually.

Audits will include a review of, but are not limited to, the following types of procedures:

1. Review of established office procedures -- signing of checks, filing of original invoices, bids, use of petty cash, filing of void checks, reconciliation of bank statements, etc.
2. Verification that invoices specify services received for all expenditures.
3. Verification that any stipulations by the Council at the time of approval have been fulfilled.
4. Verification that all expenditures meet regulations and are assigned to the appropriate approved project.
5. Review of bids on all print projects and supporting documents to verify that lowest bona fide bid was accepted.
6. Review of interest monies.
7. A complete financial summary of all lodging tax expenditures will be prepared which balances with tax revenue received, expended, and committed and uncommitted cash on hand.
8. Determination of committed funds and interest monies at fiscal year-end.
9. Violations or variances of regulations/contracts/requirements will be addressed by the Council.

BOOKKEEPING REGULATIONS

PER THE TOURISM ADVISORY COUNCIL

~~June 2004~~ **April 2016**

1. For every check have an invoice. On that invoice, write the check number and date paid and file in order of payment.
2. In some situations, an invoice just doesn't exist. Here are some options:
 - A. Conference registration -- copy your completed registration form and file.
 - B. Withholding, taxes -- copy the form you submit with payment.
 - C. Regular monthly payments, such as rent -- obtain a receipt.

If you have a contract, provide a copy of it at the time of audit.

3. Up to the state allowable of \$24.99 in un-receipted expenses is allowable per day -- for example cab/taxi fare, set up assistance costs, tipping for food and beverage, housekeeping, baggage handling and guides -- if it's under the state allowable in un-receipted expenses a receipt is not needed; over the state allowable in un-receipted expenses requires a receipt. Every un-receipted expense shall be itemized with the amount. Maximum daily amount is subject to change. Please contact Montana Office of Tourism for current allowance.
4. On your expense voucher itemize your trips with the location, purpose and days.
5. An itemized statement from a credit card is considered a sufficient invoice for reimbursement with the exception of hotel receipts. It shall list the company name, amount, and the services provided.
6. Restaurants often do not give an itemized bill when paying by credit card. You will simply need to request this. (Applies for fams, not your per diem.)
7. All invoices for fam expenses shall include a list of name and affiliation of participants. If you have more than one invoice per fam, attach to one bill only. On additional bills simply write "Participants -- see check #xxx." This includes fams in cooperation with The Department.
8. Out of country travel -- meals and lodging are reimbursed at full rate with reimbursement in US dollars. You shall have meal receipts for out of country travel.
9. Travel advances -- for reimbursement please summarize in one area, as follows:

Advance	\$xxxxx
Itemized expenses	(\$yyyyy)
Employee owes organization	\$zzzzzz
OR Employee receives	\$zzzzzz

An itemized list of expenses with invoices shall be attached.

10. Bids -- by regulations these are to be on file in the organization's office, not the agency. Staple bids along with submitted specs and a copy of the printer's invoice to the bill. If you hold payment until you have these items in hand from the agency or printer, it will make life easier at audit time.
11. Take extra caution to accurately categorize your expense. Example: You are approved for "Movie Promotions" by the Council at \$1,500 to attend Locations '95 and place an ad in a trade magazine. You get a request for photos and use Fed Ex to send out. Your Fed Ex expense is not allowable within Movie Promotions because shipping and postage were never requested, but it is clearly eligible under administration or postage.
12. Be cautious, too, about production charges for ads. Did your application request space only or were production charges approved?
13. Cooperative projects between two or more funded organizations. Obviously, only one organization can have an original invoice. Please just be consistent - one organization will have all originals; other organizations will have a copy with notation "Originals on file at _____." Same procedure on bids.
14. Payment to independent contractors for fulfillment services shall include an itemization of services they provide, i.e., number of packets prepared, or hours worked, etc.
15. Deposits other than state lodging tax revenue are to be noted in the checkbook or ledger identifying the source of funds.
16. Void checks are to be filed in a consistent manner -- checkbook, bank statement, etc.
17. Per diem is reimbursed at state rate at the time the expenditure occurred.
18. Mileage is reimbursed at state rate at the time the expenditure occurred.

APPENDIX A

Duties considered part of travel counselor manager/staffing may include but are not limited to:

1. Responding to tourism inquiries in person via phone, email, fax and letter.
2. Compiling and inputting data into the computer regarding information on visitors, calendar of events, local hotels & other tourism businesses
3. Making lists of businesses to contact about tourism concerns
4. Researching information for guests
5. Ordering / storing / stocking brochures and maps from attractions/hotels, etc
6. Maintaining the VIC area
7. Conceiving / developing area wide tours and support materials for same
8. Serving as support staff for the Montana information computer
9. VIC scheduling / payroll
10. Attending Superhost training and other familiarization activities with all the attractions in their area.
11. Studying all Montana guides and brochures which the VIC has in their rack and be able to intelligently converse with visitors of all ages. VIC staff should know road conditions any construction areas, alternate routes. Staff should also be aware of alternative things to do in case of weather conditions. Staff should be knowledgeable about all special events listed in the local newspaper and guides.

APPENDIX B

MARKETING SEGMENT EXAMPLES

See Appendix C for Marketing Method examples

1. Marketing Segment: Consumer - Leisure

Strategy

1. Narrative describing your strategy.
2. Describe supporting research/statistics to the extent it's available.
3. How do you plan to measure success? (Include baseline information if applicable.)

Methods used to implement strategy.

1. Provide a brief rationale and estimated budget for each method used.

Examples

- Website Development/updates
- Print Advertising
- Online Advertising
- Social Media
- E-newsletters
- Photo/Video Library
- Mobile Apps
- Travel Shows

Budget

Marketing Method Evaluation (Did you meet your objective - was your strategy successful) Yes/No Explain

2. Marketing Segment: Publicity

Strategy

1. Narrative describing your strategy.
2. Describe supporting research/statistics to the extent it's available.
3. How do you plan to measure success? (Include baseline information if applicable.)

Methods used to implement strategy. (Examples)

1. Provide a brief rationale and estimated budget for each method used.

Examples

- PR/Communications Personnel
- Reactive Press
- Proactive Press
- FAM Trips

Budget

Marketing Method Evaluation (Did you meet your objective - was your strategy successful) Yes/No Explain

3. Marketing Segment: Group Marketing

Group Tours & Meetings and Conventions

Strategy

1. Narrative describing your strategy.
2. Describe supporting research/statistics to the extent it's available.
3. How do you plan to measure success? (Include baseline information if applicable.)

Methods used to implement strategy.

1. Provide a brief rationale and estimated budget for each method used.

Examples

- Web site development/Updates
- Trade Shows
- FAM Trips

Budget

Marketing Method Evaluation (Did you meet your objective - was your strategy successful) Yes/No Explain

4. Marketing Segment: Events

Strategy

1. Narrative describing your strategy.
2. Describe supporting research/statistics to the extent it's available.
3. How do you plan to measure success? (Include baseline information if applicable.)

Methods used to implement strategy.

1. Provide a brief rationale and estimated budget for each method used.

Examples

- Print advertising
- Online advertising
- Radio advertising
- Television advertising

Budget

Marketing Method Evaluation (Did you meet your objective - was your strategy successful) Yes/No Explain

5. Marketing Segment: Film

Strategy

1. Narrative describing your strategy.
2. Describe supporting research/statistics to the extent it's available.
3. How do you plan to measure success? (Include baseline information if applicable.)

Methods used to implement strategy. (Example)

1. Provide a brief rationale and estimated budget for each method used.

Examples

- Trade Show (MOTBD Joint Venture)

Budget

Marketing Method Evaluation (Did you meet your objective - was your strategy successful) Yes/No Explain

6. Marketing Segment: Marketing Support

Strategy

1. Narrative describing your strategy.
2. Describe supporting research/statistics to the extent it's available.
3. How do you plan to measure success? (Include baseline information if applicable.)

Methods used to implement strategy.

1. Provide a brief rationale and estimated budget for each method used.

Examples

- Telemarketing/Call Center/Collateral Distribution Support
- Visitor Information Center Funding
- Opportunity Marketing

Budget

Marketing Method Evaluation (Did you meet your objective - was your strategy successful) Yes/No Explain

APPENDIX C

MARKETING METHODS & REQUIREMENTS

1. Internet Page/Site and Mobile Development

Method Requirements

1. A minimum of three bids or an agency of record previously selected by the RFP process need to be obtained for internet projects that are over \$4,999 prior to awarding a project to a particular designer. In addition to the price quotations, the designer will be required to provide the Web addresses for at least two other completed projects (this will allow an evaluation of the quality of work to be performed).
2. Internet site pages that are specific to categories such as film and conventions can list only businesses that service those categories. If a lodging facility fits within these categories and is not listed, the organization shall have documentation that the facility chose not to be listed.
3. Since the law states that revenue shall be used for “tourism promotions and promotion of the state as a location for the production of motion pictures and television commercials,” Internet pages/site shall only include activities and services that are beneficial to tourism promotion and film production/promotion as determined by the Marketing Committee. However, membership listings are allowable.
4. All lodging facility listings must at a minimum, include the property name, address, phone number and web address if available.
5. Privacy policy language is required on the organization’s website and on any correspondence that solicits Personally Identifiable Information (PII). Personally Identifiable Information (PII), as used in information security, refers to information that can be used to uniquely identify, contact, or locate a single person or can be used with other sources to uniquely identify a single individual. Examples of PII include but are not limited to name, address, phone numbers and email addresses.
6. Confirmed opt-in is required for collection of email addresses and other PII used for marketing purposes.
7. When a new subscriber asks to be subscribed to your mailing list a confirmation e-mail is sent to verify it was really them. Users will not be added to the mailing list unless this explicit step is taken. This can be achieved by clicking a special web link or sending back a reply e-mail. This ensures that no person can subscribe someone else out of malice or error.
8. Organizations are required to use the Department’s database for lodging facilities, outfitters and guides. However, the data can be customized to meet your Organization’s format.
9. All new websites developed should be mobile-friendly. Provide rationale if your website will not be mobile-friendly.

10. Any Internet pages/sites developed for funded Regions or CVBs utilizing lodging facility use tax funds may be hosted/maintained on one of the Department's servers.

Organizations that do not host their web site with the Department

1. All hosting networks will adhere to the Risk Management Framework outlined in the National Institute Standards and Technology. <http://csrc.nist.gov/publications/PubsDrafts.html#SP-800-39>.

Organizations that host their web site with the Department will be required to follow State of Montana policy. These regulations are applicable for the development of new pages/sites.

1. Regions or CVB's who have already implemented WWW sites using lodging facility use tax monies have the option of moving their sites to the Department's server, but will not be required to do so.
2. Development shall conform to Section 508 of the Americans with Disabilities Act (<http://itsd.mt.gov/policy/policies/default.mcp>), and the Montana State Internet & eGovernment policies including approved exceptions through the Department. If exceptions are granted to these policies to the Department, then the exceptions may also include the organizations. This requirement will still allow the use of local designers and developers.
3. State of Montana policy does not allow any advertising on Internet pages/sites hosted with the Department. Hot links and specific offerings will be allowable.
4. The Department will host these pages/sites at no charge. Content created for placement on the Department's server can be placed on other servers.
5. The Department requires a minimum of 10 business days to post new page content/changes upon receipt from developers. New websites shall require a minimum of 15 business days to post.

Evaluation Requirements

1. A short description of the site/page.
2. Marketing methods shall be evaluated by the means outlined in the marketing plan.
3. Provide a screenshot of your home page.
4. Will you continue using this marketing segment or method and why?

2. Electronic Material (Electronic Newsletters/Online Advertising)

Method Requirements

1. For electronic material that does not contain "pages" (i.e. online ads, etc.), "Montana," spelled out in its entirety, must accompany or otherwise be integrated into the Organization's name. For example, "Big Sky, Montana" or "Montana's Missouri River Country."

2. Any electronic piece, which provides a free listing of lodging facilities (i.e. hotels/ motels, campgrounds) must solicit an inclusive listing of those properties with a lodging facility use tax identification number within the identified geographic collection area. If a property is not listed, the organization must have documentation that the facility chose not to be listed.
3. All electronic projects shall conform to Section 508 of the Americans with Disability Act. It is the responsibility of the sponsoring organization to ensure compliance in cooperative projects.
4. Electronic messages that are specific to categories such as film and conventions shall list only businesses that service those categories. Organizations are encouraged to include locator maps whenever possible.
5. Electronic Newsletters may contain up to 25% advertising. Any revenue earned from ad sales on a lodging use tax funded project must first be applied towards the lodging use tax cost of that project.
6. Hot links are allowed.

Evaluation Requirements

1. A printed copy of the electronic newsletter that was sent as well as the number of people it was sent to.
2. All electronic advertising shall be evaluated by the means outlined in the marketing plan.
3. Banner ads shall include printed copies of the banner advertisements, click-through rates and number of impressions.
4. Will you continue using this marketing segment or method and why?

Electronic Advertising for sites NOT hosted with the Department

Method Requirements

1. A maximum of 25% of each website is allowed for advertising. Any revenue earned from ad sales on a lodging use tax funded project must first be applied towards the lodging use tax cost of that project.
2. Pop-ups and Cost-per-action (CPA) affiliate programs are not allowed. Cost-per-action affiliate programs are similar to Google AdSense. They are free programs that enable website publishers of all sizes to display ads and earn revenue from clicks and impressions.

Evaluation Requirements

1. Will you continue using this marketing segment or method and why?

3. Print Advertising

Method Requirements

1. Print advertising budget shall separate creative costs from placement costs.
2. Montana, spelled out in its entirety, shall appear at first glance on all print advertising.

3. Organizations are encouraged to include locator maps in print advertising if feasible.

Evaluation Requirements

1. Copy of ad
2. All print ads shall be evaluated by the means outlined in the marketing plan.
3. Will you continue using this marketing segment or method and why?

4. Traditional Broadcast Advertising (TV & Radio)

Method Requirements

1. Broadcast advertising projects shall include:
 - area of coverage
 - length of spot and/or fulfillment on pay per inquiry contract.
2. Broadcast media projects shall list production costs and placement costs separately. When appropriate, the word Montana shall be stated on all audio tracks produced which include speaking.
3. A copy of the audio/video recording shall be on file at the organization.

Evaluation Requirements

1. Affidavits of media purchased on file at the organization.
2. If the advertising was a call-to-action or requested a response, submit an analysis of response.
3. If the advertising was image, describe indicators and evaluation technique used to track success.
4. Will you continue using this marketing segment or method and why?

5. Out-of-Home Advertising

Evaluation Requirements

1. Photo or layout of finished product.
2. All out-of-home advertising shall be evaluated by the means outlined in the marketing plan.
3. Will you continue using this marketing segment or method and why?

6. Social Media

Examples of social media channels and sharing sites include, twitter, Facebook, flickr, pinterest, instagram,, blogging, tumblr, youtube.

Evaluation Requirements

1. All social media shall be evaluated by the means outlined in the marketing plan.

Examples include:

- Number of 'likes', number of shares, increase fan base, increase number of followers, increase impressions, increase mentions, achieve XX number of engagements, maintain XX% return visits, increase consideration mentions

2. How does using the social media channel/site extend your market?
3. Will you continue using this marketing segment or method and why?

7. Film/Video

Method Requirements

1. Montana, spelled out in its entirety, shall appear at first glance on all visual media and shall be stated on the sound track.
2. Distribution plan shall be included in method.

Evaluation Requirements

1. One copy on file at organization office.
2. Will you continue using this marketing segment or method and why?

8. Trade Show Promotion

Method Requirements

1. Any "opt in" leads from shows attended with funding from the lodging facility use tax revenue shall be made available to lodging facilities within the identified geographic collection area, if requested, at no charge in the format currently available. ("Opting in" is the process by which a subscriber requests - by submitting his or her e-mail address and/or any other required information - to receive information and/or advertising via mail or e-mail from your company or organization.)

Evaluation Requirements

2. Number of attendees.
3. Method used to distribute leads locally.
4. Qualification of contacts by level of interest in Montana, your region or community.
5. Will you continue using this marketing segment or method and why?

9. Consumer Exhibiting

Method Requirements

1. Any "opt in" leads from shows attended with funding from the lodging facility use tax revenue shall be made available to lodging facilities within the identified geographic collection area, if requested, at no charge in the format currently available. ("Opting in" is the process by which a subscriber requests - by submitting his or her e-mail address and/or any other required information - to receive information and/or advertising via mail or e-mail from your company or organization.)
2. An estimated quantity and cost per item for giveaway items shall be included with the budget.

Evaluation Requirements

1. Number of attendees.
2. List of brochures and number of each brochure distributed or inquiry cards collected.

3. Evaluation by staff concerning interest level of attendees, if repeat attendance is or is not recommended and why.
4. Will you continue using this marketing segment or method and why?

10. Marketing Display

Evaluation Requirements

1. Photo of the display.
2. Listing of uses during the first year.
3. Will you continue using this marketing segment or method and why?

11. Portable Media

Method Requirements

1. Portable Media duplication costs of less than \$2,000 are exempt from bidding requirements.
2. Montana, spelled out in its entirety, must appear on the first page of portable media content.
3. Any portable media which contains paid advertising must maintain a ratio of at least 50% or more editorial versus 50% or less advertising. Any revenue earned from ad sales on a lodging use tax funded project must first be applied towards the lodging use tax cost of that project.

Evaluation Requirements

1. One final product of the portable media.
2. All portable media shall be evaluated by the means outlined in the marketing plan.
3. Will you continue using this marketing segment or method and why?

12. Printed Material

Method Requirements

1. Print costs less than \$2,000 are exempt from bidding requirements.
2. Printed material projects shall separate production costs from printing costs and include print specifications:
 - size
 - quantity
 - distribution plan (areas and method)
 - percentage of advertising versus editorial
3. Organizations shall include the line "Printed for free distribution" on print publications.
4. As required by state law, 95% of all printing, paper and paper products shall maximize the use of recycled fiber. The use of the recycled symbol or the language "Printed on recycled paper is encouraged.
5. Montana, spelled out in its entirety, shall appear at first glance on all printed material.

6. The word Montana and locator map shall appear on regional travel guides in the format and style provided by the Department.
7. Organizations are encouraged to include locator maps in other print projects whenever possible.
8. Any printed material, which contains paid advertising, shall maintain a ratio of at least 50% or more editorial versus 50% or less advertising. Any revenue earned from ad sales on a lodging use tax funded project must first be applied towards the lodging use tax cost of that project.
9. Any printed piece, which provides a free listing of lodging facilities (i.e. hotels/ motels, campgrounds), shall solicit an inclusive listing of those properties with a lodging facility use tax identification number within the identified geographic collection area. If a property is not listed, the organization shall have documentation that the facility chose not to be listed.

Evaluation Requirements

1. One final product.
2. Will you continue using this marketing segment or method and why?

13. Publicity

Evaluation Requirements

1. List of press releases and/or samples.
2. List of media exposure received.
3. List of Press Trips.
4. Will you continue using this marketing segment or method and why?

14. Publicity/Marketing Personnel

Method Requirements

1. Job Description.
2. If an individual is compensated with lodging facility use tax funding for an administrative position and the publicity/marketing personnel position concurrently:
 - a. Compensation must be made on an hourly basis for administrative duties and publicity/marketing duties.
 - b. At the end of each pay period, to the payroll invoice
 - Attach a payroll summary showing the breakout of hours worked on administrative tasks versus publicity/marketing tasks during the pay period.
 - Attach a publicity/marketing report which includes the days or date ranges and number of hours worked and duties performed during the pay period.

Evaluation Requirements

1. Attach an annual publicity/marketing report which includes the days or date ranges and number of hours worked and duties performed during the pay period.
2. Will you continue using this marketing segment or method and why?

15. Press and Familiarization (FAM) Tours

Evaluation Requirements

1. List of participants and affiliation.
2. Itinerary.
3. List of earned media generated by Press Trip
4. Will you continue using this marketing segment or method and why?

16. Visitor Information Centers (VIC)

Method Requirements

1. All VICs requesting funding shall be non-profit tourism related organizations.
2. If the VIC currently exists, it shall be open at a minimum of 24 hours per week or a total of 300 hours within the Memorial Day to Labor Day time period. The lodging facility use tax revenue may be provided only to fund travel counselor manager/staffing. (For examples of travel counselor manager/staffing see Appendix A.) Requests for funding shall be accompanied by visitation figures and staffing for the previous two years or the first year of operation for the months that funding is being requested.
3. If a VIC is new, the VIC shall be staffed at a minimum by one travel counselor for a minimum of 24 hours per week or a total of 300 hours within the Memorial Day to Labor Day time period. Funding may be requested for travel counselor manager/staffing only. (For examples of travel counselor manager/staffing see Appendix A.) Requests for funding shall include anticipated visitation figures for the funding period and method used to estimate visitation.
4. The VIC will be responsible for an evaluation at the end of the staffing period if they wish to apply for funding in the future.
5. VIC signage shall include the words "Visitor Information."

Evaluation Requirements

1. Total number of visitors during the funding period.
2. Number of visitors from the top 10 states or points of origin.
3. Funding for VICs shall include a summary of total hours open and hours which are funded by lodging tax.
4. Postage reimbursements to unfunded chambers shall include post office receipts and breakdown of mailings -- bulk, first class, etc. This is to be used in response to travel inquiries, not other chamber

business. Additionally the top five states requesting information should be documented.

5. Will you continue using this marketing segment or method and why?

17. Montana Superhost Program

Evaluation Requirements

1. The total number of sessions and number of attendees in the area or region should be included.
2. Will you continue using this marketing segment or method and why?

18. Convention Promotion

Method Requirements

1. Lodging facility use tax revenue cannot be used for the promotion of conventions originating within the State of Montana. If tax dollars are used for the recruitment of conventions originating within the State of Montana, full restitution of project funds will be required.

Evaluation Requirements

1. Will you continue using this marketing segment or method and why?

19. Convention and/or Event Subsidies

Method Requirements

1. Funds may be allocated if the RFP for the convention or event states a subsidy is a requirement for hosting the convention/event. Funds may not be allocated if a subsidy is not a requirement in the RFP. Specifications shall be identified in the organization's RFP or stated on their letterhead.
2. Direct cash subsidy to an organization and/or purchasing of alcohol is not allowable.
3. Funds may only be used to support convention and/or events which have been provided an inclusive listing of those properties within the identified geographic collection area.
4. Funds are not available for Montana resident sponsored conventions and/or events (Examples include MT school sports tournaments and state organization conferences.)

Evaluation Requirements

1. Convention size.
2. Number of room nights – anticipated versus actual.
3. Estimated economic impact.
4. Will you continue using this marketing segment or method and why?

Index

Administration	9, 18, 24
Allowable Administrative Expenses	16
Audit	2, 22
Bids	24
Consumer Exhibiting	33
Convention and/or Event Subsidies	7, 17, 37
Convention Promotion	37
Cooperative Marketing	7, 8
Electronic Material	30
Familiarization Tours	23
Film/Video	33
Financial Reports	21
Ineligible Marketing	15
Internet Page	29
Lodging Facility	5, 6, 7, 17, 20
Marketing Display	34
Marketing Segment	2, 12, 26, 27, 28
Mobile	26, 29
Non-Compliance	21
Opportunity Marketing	7
Organization	5, 6, 7, 8, 10, 18, 19, 20, 24
Out-of-Home Advertising	32
Portable Media	34
Press and Familiarization (FAM) Tours	36
Print Advertising	26, 31
Printed Material	34
Publicity	12, 14, 26, 35
Publicity/Marketing Personnel	35
Radio	15, 27, 32
Records Retention	21
regulations review	21
RFP	2, 17, 18, 29, 37
Social Media	26, 32
Superhost	15, 25, 37
Tourism Advisory Council Meetings	6
Trade Show	28, 33
Travel expenses	16
TV	32
Visitor Information Center	25, 36