

MAINE TOURISM MARKETING PARTNERSHIP PROGRAM REGIONAL GRANT GUIDELINES

INTRODUCTION -- FY 2011

The first regular session of the 120th Maine legislature established the Tourism Promotion Marketing Fund in the Department of Economic and Community Development, Office of Tourism as a non-lapsing, dedicated account.

The source of the fund is an amount, as certified by the State Tax Assessor, that is equivalent to 5% of the 7% tax imposed on tangible personal property and taxable services pursuant to Title 36, section 1811, for the prior fiscal year after the reduction for the transfer to the Local Government Fund as described by Title 30-A, section 5681, subsection 5. The tax amount must be based on actual sales for the fiscal year and may not consider any accruals that may be required by law.

A minimum of 10% of the funds received by the Tourism Marketing Promotion Fund must be used for regional marketing promotion and regional special events promotion. [2001, c.439, Pt. UUUU, Para.1 (new).]

The regional funds made available by this new funding formula will be dispensed through the Maine Tourism Marketing Partnership Program (MTMPP).

The Maine Tourism Commission shall recommend rules and procedures necessary and appropriate to the proper operation of the MTMPP. These rules must establish eligibility requirements, allocation formulas, plan procedures and criteria subject to the final approval of the commissioner. The Maine Tourism Commission shall establish a schedule for review of the regional plans and make timely recommendations of awards to the Office of Tourism. Awards recommended by the Maine Tourism Commission to the Office of Tourism must be approved by the Director of the Office prior to disbursement of funds. [RR1995, c.2, Para.11 (ral).]

The purpose of this manual is to be a detailed reference that provides background information, guidelines for the program and instructions to the regional organizations. The areas covered in this manual include the goals and strategic objectives of this program, eligibility criteria, application requirements, and project requirements once funding has been approved. The region is encouraged to review this information thoroughly. The standardized contract requirements will become contractual obligations once a project is approved.

PLANNING GUIDELINES – FY 2011

I. LEGAL AUTHORITY

Tourism Promotion Marketing Fund: [2001, c.439, Pt. UUUU, Para. 1(new).]
Tourism Commission Responsible for Rules: [RR 1995, c.2, Para.11 (ral).]
[Para. 13090-F]

II. SCOPE

The primary objective of the Maine Tourism Marketing Partnership Program (MTMPP) is the creation and implementation of programs designed to stimulate and expand the travel industry within Maine's tourism regions while strengthening the State's image by coordinating the promotional efforts of the private sector with those of the Office of Tourism. A secondary objective is to support the development of special major events which will attract visitors to the State and which provide an impact on two or more regions. Programs must be aligned with and support the Five Year Plan developed by the Office of Tourism

III. TIMELINE

The Event and Regional Tourism Organizations will be sent these guidelines by e-mail **and** standard US Mail. In addition, they will be posted on the DECD website.

FY 2011 Regional Grant Timeline:

27 February 2009	FY 2010 Guidelines will be distributed on/before this date
3 April	MTMPP Regional Grant Application due at MOT by 2 PM
17 April	Technical Review
15 MAY	Plan Finalizations
29 MAY	FY 2010 Regional MTMPP Award Announcements

IV. REGIONAL GRANT ELIGIBILITY

The intent of the MTMPP Regional Grant is to distribute awards to the pre-established, permanent non-profit incorporated organizations which represent each of the eight (8) designated tourism regions, and whose primary purpose is to promote tourism. An affiliation with a profit-making organization could imply a conflict of interest. Such conflict may render the plan ineligible.

Organizations representing regions should meet the following minimum standards:

- 1) Maintain or maintain an arrangement for an office with scheduled staff, which is equipped at a minimum with the equipment necessary to respond to written, telephonic, fax and e-mail requests from the general public, the travel industry and the media. These organizations are encouraged to maintain regular office hours on a year-round basis. Have systems in place to ensure response (even if only partial) to requests for information from the OT, as well as from OT contractors.
- 2) Organizations should have on their board a significant number of individuals who are invested in the travel and tourism industry and who are participants in the activities of the organization. The operating guidelines or by-laws of the organization should provide for an annual election of officers and directors that allows an opportunity for new members to be voted onto the board.
- 3) The organization will produce and execute an annual marketing plan and budget. The Organizations Strategic plans should be consistent with the goals and objectives of the Office of Tourism's Five Year Plan which is available on-line at www.motpartners.com.
- 4) In conjunction with the OT, the organization will make a significant effort to obtain market research and data that measures the level of tourism within their region. This would include such traditional measures as hotel occupancy,

visitation levels at attractions, number of inquiries received, and residence of visitors and inquires.

- 5) Any sub-granting of an MTMPP Award will be subject to follow project requirements and match requirements these guidelines.
- 6) Organizations must prepare annual financial statements in accordance with Generally Accepted Accounting Principles (GAAP). A copy of the annual financial statements of the organization should be signed by an authorized individual of the organization and should be made available upon request by the OT for review.

Each plan must include (for the contracting entity and for all subcontractors):

- State of Maine Certificate of Incorporation and Articles of Incorporation from the Secretary of State or a letter of determination from the Internal Revenue Service.
- Notice of EIN assigned by the IRS.
- Certificate of good standing issued within 90 days by the Secretary of State.
- List of Board of Directors with contact information, tenure, and term limits

V. ELIGIBLE PROJECTS

The region must establish that their plan will attract more visitors to the region and/or keep them longer. All projects must identify Maine and market various attractions and events throughout the region. Plans must contain true region-wide promotions or activities spanning regions. Plans must include methodology for tracking appropriate projects (tracking items such as response rates, # of attendees, economic impact, website hits, etc.)

The following items are eligible projects:

1. Advertising
2. Public Relations
3. Website Development
4. Professional Photography
5. Market Research and development of Strategic and/or Marketing Plans
6. Fulfillment
7. Brochures with distribution plan
8. Travel Trade and Consumer Shows
9. Familiarization Tours for Tour Operators and Journalists.
(Must be coordinated through the OT and/or Discover New England)
10. Interpretive Programs
11. Hospitality and Technical Assistance Training
12. Signage
13. Tourism Product Development

Multi-regional promotions and partnerships are encouraged.

VI. REPETITIVE FUNDING OF PROJECTS

This program does not preclude the funding of repetitive projects. However, no region should ever conclude that a plan will be funded because it has been funded in the past. When a previously funded plan is submitted, the grantee must show what benefits

accrued from the first plan and state what new and additional benefits will accrue if the program is continued.

Regions that wish to apply for funding of existing projects over three years in duration must demonstrate expansion of the project in size and scope as well as increased benefits to the region.

VII. INELIGIBLE PROJECTS

The following will not be eligible for funding:

1. Printing of any material that does not deal strictly with travel and tourism promotion.
2. Activities or projects that may have been funded in the past from the region's own funds or from other sources.
3. Funding for partial projects. Projects must be completed during the contract period unless receiving prior MOT approval.
4. Capital outlays. Office equipment, furniture, fixtures, buildings or additions and improvements thereto. The following examples are not considered a Capital outlay: consumer/trade show booth or kiosk.
5. Event operation, production or entertainment costs.

VIII. PROJECT REQUIREMENTS

- Goals/Objectives: The project primary goals and objectives should be focused on increased visitation, either in number of visitors or length of stay, to the region and the state through effective marketing and advertising. All projects should reflect these goals and objectives.
- Adequate Management: A Grant Manager should be identified for each region. All communications will be through the Grant Manager and the Grant Manager shall be responsible for all reporting requirements. The regional entity assigned oversight of the program should have a proven history of successful management and fiscal responsibility.
- Prior Performance: When considering regions for funding, the TC will scrutinize the region's historic grant record in terms of timeliness and effectiveness of implementation. A previous unsatisfactory grant history, for any reason, could immediately disqualify a new MTMPP plan.
- Plan Completeness: Plans must be submitted on the appropriate forms supplied by the OT.
- Plan Withdrawal: Regions wishing to withdraw their plans must provide written notice to the OT ten (10) working days prior to the grant award deadline.
- Project Duration: Regions are encouraged to limit the duration of their plan to twelve months or less. This may be waived or modified only with prior MOT approval.
- Regional Support: Regions must demonstrate broad support of their plan by submitting no less than three, no more than five, letters of support from entities and/or tourism related businesses in the region.
- Maximum Allocation: Awards for any one region shall not exceed twelve and one half percent (12.5%) of the total funds available through the MTMPP for that fiscal year.
- Required Elements:

- a) Credit Statement - All programs funded by the MTMPP shall credit the Office of Tourism (OT). Acknowledgements (in print or broadcast) such as “paid for in part by the Maine State Office of Tourism” are appropriate. The exact wording shall be negotiated and pre-approved in writing with the OT.
 - b) Printing Identification - Include the OT fiscal year, and print quantity.
 - c) Maine Brand - The word “Maine” shall be prominent in all MTMPP media, in accordance with the design guidelines of the OT. The proper usage in other venues will be negotiated and pre-approved in writing with the OT.
 - d) Maine Logo - All printed materials, audio visual presentations, films or videos, television commercials, broadcast programs, websites and trade show materials must include the approved OT logo “Maine – There’s More to Maine” or “Maine – VisitMaine.com” in accordance with the design guidelines of the OT.
 - e) State Telemarketing Number and Website - Include the following: “For additional information on Maine, call 1-888-Maine45 or go to www.visitmaine.com.”
 - f) Familiarization Tours - Events funded by an OT award will credit the OT with the approved logo in materials appropriate to the event.
- Note: Failure to comply with these requirements elements will jeopardize payment for that project and future funding.
- Consultants: The following regulations must be observed when hiring a consultant:
 - a) All contracts between a region and a consultant must be pre-approved by the OT, and shall include language stating the contractor has sufficient worker’s compensation and liability insurance. Contract costs will not be eligible for reimbursement until the OT has approved the contract and itemized budget in writing.
 - b) Consultant’s billing must be itemized. Lump sum billings will not be reimbursed.
 - c) In such cases when Third Party purchases or services are required, a maximum mark-up of ten percent (10%) will be considered an allowable MTMPP expenditure.
 - d) When a region is contracting for specialized professional services under the MTMPP, such as tourism marketing and/or advertising assistance, the maximum Account Management fee allowed will be twelve percent (12%) of their total contract value.

IX. ADMINISTRATIVE EXPENSES

No more than twenty (20%) of the allocated MTMPP funds can be used for administrative expenses. Administrative expenses may not be built into any other section of the grant. The administrative allowance is intended to help Grantee meet and comply with all of the MTMPP Guidelines.

A full and detailed documentation of these administrative expenses will be required with both the interim and final reports. The OT has the right to withhold any and/or all administrative monies up to the full 20% allocation if the required eligibility items are not being met.

X. GENERAL CONTRACTUAL GUIDELINES

Upon approval of an award, grantee agrees to meet all contractual requirements of the OT, such as narrative progress reports, bid procedures, financial reports and subcontracting procedures.

XI. STATE LAWS AND REGULATIONS

Funds awarded must be used in accordance with all applicable state laws and subject to contracting requirements as specified in Riders A and B of the contract. Grantees are not exempt from paying sales tax.

XII. PROJECT LOSES VIABILITY

At any time a project loses its viability, it may be terminated. The OT and the Grantee will make this determination. If they mutually determine that the project should be terminated the region may request OT approval for reallocation of funds to a suitable project approved by the OT or the OT shall terminate the project and unspent funds will revert to the regional pool for distribution with the next round of awards.

XIII. BID PROCESS

Grantees must conform to the Maine Bureau of Purchases bid process for purchases or services over \$10,000.00. This requires written bids from a minimum of three vendors, if available. Copies of bids, together with justification indicating why the successful vendor was selected, must be made available for review by the OT and the Tourism Commission. When possible, it is encouraged that similar services for the same contract period are consolidated under one bid process. Successful vendors may be contracted with for a period of up to one year, and will be eligible for two additional one-year contract renewals before new bids must be entertained.

If a vendor is going to donate part of his/her charges as match, he/she shall have been the lowest bidder after considering all in-kind contributions.

For purposes of the application process, any purchases or services budgeted to exceed \$2,500.00 must include written preliminary cost estimates from three vendors, if available. These preliminary cost estimates must be included with the application.

XIV. REPORTING REQUIREMENTS

1. An interim narrative report including a financial summary to date will be required to update the OT on the progress of each of the projects of the MTMPP award.
2. A final report will be due no later than 60 days after the end of the current MTMPP Fiscal Year. For awards over \$25,000, an accountant's financial review of the project must be submitted no later than the subsequent MTMPP year interim report. Upon approval of the final report, the regions/events may invoice OT for the final \$5,000.00 balance.
3. Copies of checks and invoices must be kept on file by the fiscal agent for the region and made available to OT upon request.

4. Any revenues generated from cooperative advertising projects of the MTMPP award must be reported in full.
5. For projects that include website development, unique visitors to the website must be tracked and included in the final report.
6. For projects that include printed collateral materials, the inventory balance at the close of the MTMPP Fiscal Year must be reported.
7. When applicable and measurable, economic impact of the MTMPP award should be addressed.

XV. PLAN EVALUATION

- 1) Technical Review - Plans are submitted for an overall technical review. Only complete plans will be reviewed. Strict attention will be given to the following criteria, listed in order of priority:
 - a) Plan Design: Does the plan clearly identify the strategies and resources that will result in attainable goals and objectives within a specified time frame? Is there a proven track record for the projects identified? Is the plan in keeping with the Office of Tourism's Five Year Strategic Plan?
 - b) Regional Impact: How does the plan address identified needs of the tourism industry within the impacted region? Will the plan increase local/regional awareness, attract new visitors to the region, and encourage visitors to stay longer or promote intra-regional travel?
 - c) Financial Review: Does the financial commitment reflect an ability to successfully accomplish all of the defined objectives? Has sufficient effort been made to leverage private sector financial involvement in the plan?
 - Demonstrated Accounting and Management System: Does the organization have a successful history of an adequate accounting and management system for monitoring the type of plan?
 - Plan Evaluation: Does the project demonstrate a sound methodology for measuring achievement of the stated project objectives?
- 1) Plan Finalization – Based upon feedback gained during the Technical Review, and if deemed necessary by the committee, the OT will negotiate any final plan modifications directly with the regional/event organizations. The finalized plans will then be presented to the Maine Tourism Commission for their closing review and approval.
- 2) Division of Purchases – When approved by the Tourism Commission, the contracts will be completed and delivered to the Division of Purchases for closing review.

XVI. MATCHING FUNDS

- The MTMPP requires match from all organizations applying for funding to increase the regional/local commitment to the plan, to assist in generating more dollars for tourism promotion, and to allow the OT to participate in more promotional efforts.
- MTMPP funded projects require a fifty percent (50%) match. For every two dollars (\$2) of MTMPP monies, there must be a regional match of one dollar (\$1). Up to seventy-five percent (75%) of the regional dollars may be in-kind match. All matching funds, cash and in-kind, must be clearly outlined in both the scope of work and the budget.

- Financial reporting costs are exempt from match requirements.
- If the region has utilized the services of a small business economic development center/corporation, only project related expenses will be allowed as in-kind match.
- Expenditures claimed for projects funded previously will not be allowed as match.
- Administrative expenses, if recorded as part of the 20% Administrative Allocation are exempt from match requirements. **NOTE:** The expenses recorded within this 20% allocation cannot be claimed again as in-kind or cash match for the approved projects.
- Match defined:
 - e) Cash Match: Cash collected and expended by the region in the process of completing the approved grant projects. This includes money contributed to the region by private organizations, institutions, public agencies, private individuals, etc. Expenditures must be for project related costs and must be tied directly to the projects as outlined in the scope of work. **NOTE:** Credit for cash match is received when incurred as an actual expenditure. Documentation will be required.
 - f) In-kind Match: In-kind match represents the value of non-cash contributions (donated product and/or service) provided by the region, private organizations, institutions, public agencies, private individuals, etc. The non-cash contributions must be for project related costs and must be tied directly to the projects as outlined in the scope of work. **NOTE:** All in-kind contributions must be documented and may not also be claimed in any other Maine State Grant Program.

EXAMPLE OF MATCH REQUIREMENTS:

MTMPP Total Request - \$86,060

MTMPP Project Funds - \$68,848 (Project=Total-20% 17,212 Administrative Allocation)

MTMPP Project Funds	Regional Match Required*	Total Program Value
\$68,848	\$34,424	\$103,272

Minimum Cash Match (25%) = \$8,606

Potential In-Kind Match (75%) = 25,818

*Regional Match \$34,818

XVII. CONTRACT PREPARATION

- When the Maine Tourism Commission has confirmed the recommendations of the Technical Review Committee, the OT will notify all regions by letter of their plan status.
- All contracts will be signed for a period of no more than twelve (12) months unless otherwise stipulated in the contract.
- Four (4) copies of the contract will be mailed to award recipients for review and signatures. Contracts must be signed by an authorized individual. All copies must be returned to OT.

- Once the contract has been approved by the Division of Purchases, and the monies have been encumbered, the regions will be notified that work can begin. OT will send one copy of the approved contract to the award recipient.
NOTE: Potential awards cannot be obligated or expended until that date.
- For cash flow purposes, the OT will negotiate a suitable payment schedule. The final \$5,000 will be withheld until the final report has been received and approved by the OT and the Maine Tourism Commission. If applicable, special conditions of funding will be negotiated and outlined.
- Extensions and amendments will be reviewed on an individual basis.
- The successful completion of the FY 2010 MTMPP program, where applicable, will be a significant consideration for FY 2011.
- In the event a project can be completed for less than the award amount, the difference between actual plan costs and the award amount may be reallocated to a suitable replacement project approved by the OT or shall revert to the regional pool for the next fiscal year.