FRESH START FOR TOURISM

Group adopts new name, hires new chief

By Jeff Wilkinson
The State

John Durst, the new head of the newly named South Carolina Restaurant and Lodging Association, said reforms stemming from the suicide of its former chief executive after a staff member embezzled nearly $500,000 will mean a stronger tourism industry in the state that will create more jobs.

In addition to new financial accounting measures, Durst, a former head of the state Department of Parks Recreation and Tourism, said the association will partner more closely with that state agency to match the needs of visitors with hospitality services. And he said he will visit tourism officials and professionals in every county in South Carolina over the next three months to make sure their needs are being met.

"We are going to be working more closely as a team to strengthen tourism in all parts of the state," said Durst, of Columbia. "And the stronger the tourism industry is, the more jobs you'll create. It's all interdependent."

The state Hospitality Association — as the organization was known before Thursday — was rocked in February when its longtime chief executive, Tom Sponseller, shot himself in a locked room in a parking garage adjacent to its offices on Lady Street in Columbia. In a three-page suicide note Sponseller said he took his life because he was despondent that staff accountant Rachel Duncan was being investigated for stealing hundreds of thousands of dollars from 2006 until 2012.

Duncan was sentenced earlier this year to 2½ years in federal prison after pleading guilty to tax evasion and wire fraud charges. Authorities have not tied Sponseller to the missing money.

The state Hospitality Association was formed in 1993 when, largely due to Sponseller's efforts, the state Hotel & Motel Association and the state Restaurant Association merged under one banner. The resulting Hospitality Association became the only statewide trade association for the lodging and food-service industries.

The association has 1,300 members statewide, from fast-food restaurants to the finest dining establishments, from small motels to luxury resorts.

See GROUP, Page 3B

GROUP

Continued from Page 1B

It lobbies lawmakers at the State House, offers training and educational programs and serves as the voice of the state's $15 billion tourism industry, which employs about 200,000 people statewide.

Despite the size of the industry, Sponseller ran just about every aspect of the organization with a staff of fewer than five people. He lobbied the State House, ran the office, communicated with members and handled media contacts. And he did so with very little oversight from the association's board.

On Thursday, the board, led by the association's outgoing chairman, Rick Erwin, a Greenville restaurateur, and joined by Senate President Pro Tem John Courson, R-Richland, Parks Tourism and Recreation chief Duane Parrish and S.C. Chamber of Commerce chief executive Otis Rawl, announced financial reforms. They included:

» Hiring an outside accounting firm to provide the board with quarterly financial reports;

» Forming a finance committee of board members to review those reports;

» Establishing a separate audit committee to conduct an annual comprehensive audit;

» Setting policies that call for check logs, separate check writers, dual check signers and bank account and statement control;

» And changing the name of the organization.

"We have a distinguished past, but this last year was filled with tragedy," said new board chairman David McMillan, a Murrells Inlet restaurateur, at Thursday's press conference to announce Durst's hiring.

"New policies have been put in place to make sure it never happens again."

Durst, a former chairman of the Midlands Authority for Convention, Sports and Tourism, said that the association is set to rebuild the trust of its membership and become a more productive advocate for tourism in the state.

"Whatever happened in the past speaks for itself," he said. "You've got to be financially strong to be able to meet your strategic goals. The financial ship has been righted and we are headed in the right direction."