

9th-11th Floors, Citicorp Centre, 18 Whitfield Road, North Point, Hong Kong
Telephone +852 2807 6543 Facsimile +852 2806 0303 Website DiscoverHongKong.com E-mail info@hktb.com

香港北角威非路道十八號萬國寶通中心九樓至十一樓
電話 +852 2807 6543 傳真 +852 2806 0303 網址 DiscoverHongKong.com 電郵 info@hktb.com

HONG KONG TOURISM BOARD 香港旅遊發展局

Your Ref: CB(3)/PAC/R49

17 December 2007

By Hand

Public Accounts Committee
Legislative Council
G/F., Legislative Council Building
8 Jackson Road, Central HK
Attn: Ms Miranda Hon



Dear Ms Hon,

Re: The Director of Audit's Report on the results for value for money audits (Report No. 49) Chapter 5

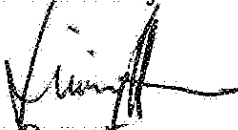
We refer to your letter of 17 December 2007 and would like to provide the following additional information:

- a) summary of Mrs Grace Lee's employment history with the Hong Kong Tourist Association (HKTA)/ Hong Kong Tourism Board together with attachments as indicated in the summary. Please refer to attachment 16 i.e. Board minute dated 5 September 2002 for record of Board meeting considering her promotion to Deputy Executive Director. We cannot find any other minutes of meetings considering her prior promotion.
- b) Annual premium of HKTB medical & dental insurance scheme for FY04/05 and FY05/06.
- c) HKTB has no record showing that Ms Clara Chong was acquainted with Mrs Grace Lee before Ms Chong joined in 2001. We attach Mrs Grace Lee curriculum vitae prior to her joining HKTA we have in file for your reference.

All of the above are personal data and we appreciate the same not be included in the appendix of the PAC report and identities of individual mentioned in those documents or information be masked. We are not copying any other parties except Mrs Grace Lee the enclosures for the same personal data confidentiality reason.

Thank you for your attention.

Yours sincerely



Mrs Daisy Lam
Deputy Executive Director
Enc.

Cc Secretary for Commerce and Economic Development (without enc)
Commissioner for Tourism (without enc)
Secretary for Financial Services and the Treasury (without enc)
Director of Audit (without enc)
Hon Mrs Selina Chow (without enc)
Ms Clara Chong (without enc)
Mrs Grace Lee (with enc)

***Note by Clerk, PAC:** (a) *Attachments 1 to 18 not attached.*
(b) *Mrs Grace LEE's curriculum vitae prior to her joining the Hong Kong Tourist Association not attached.*

Employment History of Mrs Grace Lee

Date Join Company: 8 May 1986

Date Left Company: 1 Jun 2007

Effective Date	Description	Attachement
8-May-86	Appointment to Internal Auditor with Job Description	1 & 2
1-Jul-87	Appointment to Management Accountant with Job Description	3 & 4
10-Dec-87	Appointment to Chief Accountant with Job Description	5 & 6
1-Oct-91	Appointment to Senior Manager, Finance & Planning with Job Description and PMS	7, 8 & 9
1-Apr-94	Appointment to General Manager, Finance & Administration with PMS	10 & 11
1-Jan-96	Appointment to Finance & Administration Director with Job Description and PMS	12, 13 & 14
16-Aug-01	Organization Restructuring - Job Description for Director, Corporate Support	15
1-Jan-03	Appointment to Deputy Executive Director with Job Description and Board Paper	16, 17 18 & 19



HONG KONG TOURISM BOARD

JOB DESCRIPTION

Job Title : Deputy Executive Director **Date** : March 2002

Incumbent : Grace Lee **Approval** : _____
(Superior)

Location : HKTB – Hong Kong **Approval** : _____
(Incumbent)

Purpose of the Job :

Establish short to long-term strategies to establish an efficient operating environment to the organization and direct delivery of corporate support and high-level commercial direction to all of the departments and offices around the world, which enables them to achieve their strategic objectives on time and within budget, in a cost efficient environment. Lead the ongoing development of best practice, business process across all departments and overseas offices.

As Deputy Executive Director take on the operational management of the organization, perform executive oversight of overseas offices and deputize the Executive Director as and when necessary. Be one of the key External Representatives for the HKTB.

Develop and maintain strong working relationships with government bodies including the Tourism Commission, ESB to facilitate operational support, negotiating annual budgets and act as the operating focal point for the HKTB and also key trade associations.

Lead and direct ad-hoc projects that may arise from time to time.

As the Secretary to the Board, support with full “company secretarial” services: ensure the Board operates within corporate governance and interpret the board discussions into succinct minutes, identify items of a procedural nature as well raise operational matters that require the attention and review of the Board.



HONG KONG TOURISM BOARD

Dimensions

- HKTB's total income including subvention \$534.03 million
- HKTB's total expenditure \$534.03 million
- Ad-hoc project funding \$20 million
- 13 Worldwide offices with 94 staff
- 6 Representative offices
- 316 headcount worldwide
- number of direct reports – 7 and dotted line from 7
- number of indirect reports - 41

Internal Relationships

Reports to	Executive Director
Direct Reports	General Manager, Human Resources Senior Manager, Systems Senior Manager, Business Process Management Manager, Financial Management Manager, Business Performance Monitoring Legal Counsel Manager, Tourism Orientation Programme Regional Directors dotted line reporting relationship
Other:	Audit Committee Staff & Finance Committee Task Forces and Committees set up from time to time

External Relationships

- Government bodies (primarily Tourism Commission, Economic Services Bureau and other Bureaux having a regard for tourism)
- External Auditor – for annual audit of financial accounts and internal control reviews
- Government Internal Audit – review of control processes and overall adherence to the Boards Ordinance
- Trade bodies and associations
- ICAC – liaison point for regular reviews
- Media (on functional issues)
- Ex-officio on trade associations bodies – BBTS, HARTCO
- Training Boards of educational / training institutions



HONG KONG TOURISM BOARD

Context of the Position

The position of Deputy Executive Director is comprised of three main threads: Head of Operational Support, Executive oversight of overseas marketing offices and as one of the key External Representatives for the HKTB.

Operational support comprises finance, legal, business efficiency, day-to-day control of internal audit and Human Resource management. This support provided by the sections of the department provide the usual operational platform for the organization to function. The incumbent, on the other hand, is far more integrated into the activities and decision-making process of the other departments. Utilizing the very deep and broad knowledge base of the incumbent, the HKTB departments have a very strong partner in the incumbent who provides high-level commercial and legal direction to the marketing activities. That knowledge base comprises strong working relations in various government departments, and the ability to gain action, as well as working relationships with a vast number of organizations, both in and outside the tourism industry, in Hong Kong.

The operational support portfolio under the incumbent's direction and management include human resource management, financial management, accounting systems and control, budgetary control, business performance monitoring and reporting, IT systems support and control, business process management, office administration, legal matters, insurance matters, board secretariat matters, compliance with HKTB Ordinance and all regulations. The incumbent is accountable for delivering the full range of corporate and commercial support to the various marketing departments and overseas offices of the HKTB. To ensure that the support services are in place on time to meet the future needs of the HKTB the incumbent must take a long term strategic view for developing the services and identify additional services which will be required.

The Legal Counsel forms part of the incumbent's goalkeeper role, whereby all commercial documents are vetted for exposure of the HKTB by either in-house counsel or external depending on the nature of the item. Similarly the need to monitor the performance of the strategic marketing activities and budgetary control round out this important goalkeeper role - a role that permits the Executive Director to focus on the internal and external marketing programs. Given that the Executive Director is out of Hong Kong for a large proportion of the time, the incumbent is deputizing for much of the time and needs to drive the ongoing operations. As DED, the incumbent is required to represent the HKTB on a number of professional and trade associations to advocate for the HKTB and identify key areas of concern facing those bodies.



HONG KONG TOURISM BOARD

The incumbent maintains strong working relationship with a number of government bodies so as to smooth the operations of the Board. This includes driving the budget annual process and also shaping the project based budgets in a way that is more agreeable to the reviewers to ensure successful authorization.

The incumbent ensures that the financial support is in place as and when it is needed. With almost half of the budgeted expenditure taking place overseas there is a clear need to hedge the FX exposure. Also, with funds on hand the incumbent establishes the ability to invest in proscribed financial tool after gaining acceptance and authority from the appropriate government departments.

There is a need to be fully conversant with the operating environment of HKTB (a Government subvented organization) as well as the rules, regulations and policies that govern the HKTB. As the HKTB operates in a global environment, the incumbent needs to be conversant with the rules and regulations of the countries that the HKTB operates in.

As the Secretary to the Board, the incumbent needs to work closely with the Chairman and Board members on matters that concern the Board, preparation of Board meetings and conduct follow up action and to facilitate Board members to discharge their duties. As Head of Operations, the incumbent is well placed to be able to deal with high level information needs form the Board and its members.

Main Accountabilities and Responsibilities

Deputized Head of HKTB

1. As Deputy Executive Director, maintain the overall operational management of the HKTB during the absences of the Executive Director by taking an executive oversight of ongoing marketing operations as well as represent the HKTB at external functions and events etc.

Corporate Governance

2. Act as the main point of contact with Government on HKTB's governance matters including such matters as yearly application of subvention, policies and procedures on the use of subvention, operational guideline of HKTB to operate within the framework of a subvented organisation.
3. Ensure that all corporate activities and operations are carried out in compliance with HKTB Ordinance, corporate governance, laws and regulations as well as best business practices by developing and monitoring policies and procedures that most aptly ensure adherence.



HONG KONG TOURISM BOARD

External Relationships

4. Ensure that the image and strategic business position of the HKTB is maintained by representing the views of HKTB on various committees set up by external parties including the travel trade, training and education institutions, professional bodies, the government and agencies.
5. Be one of the key External Representatives for the HKTB.

Executive oversight of International Offices

6. Ensure that the overseas offices operate as a cohesive part of the HKTB and maximize the contribution to achieving the strategic business plan by directing and monitoring their performance against planned results and assess the need for restructuring/reshaping/re-staffing to ensure goal achievement.

Operational Efficiency and Effectiveness

7. Ensure the operational efficiency and effectiveness of the HKTB is on par with world best practice through benchmarking and by directing regular reviews of all aspects operations, assessing centralized vs. decentralized processes (finance, control, legal, tendering, supplier management, etc) and define new standardized processes and guidelines which streamline the efficiency of the HKTB

Develop Strategies, Operational Policies and Procedures

8. Develop strategies, policies and operational procedures for the finance, legal, systems, internal audit, corporate support functions to create an environment which ensures achievement of the Board's global marketing strategies by analyzing the strategic business plan and marketing plans of HKTB.

Financial Control and Budget Development and Monitoring

9. Set policies and guidelines on the use of financial resources. Define the guidelines for the preparation of budgets to ensure a cohesive approach and regularly monitor the use of resources during the year and pursuing swift rectification of exceptions that arise during the year.

Business Performance Monitoring

10. Monitor the overall performance of the organisation against plan and the performance of business units against corporate policies and procedures. Recommend corrective actions as appropriate.

Human Resource Management

11. Formulate and direct implementation of strategies for attracting, retaining and developing the necessary human capital and organizational design, in the HK and overseas offices, through reward policies, performance management and training programs to meet the short to long term strategic objectives of the Board.



HONG KONG TOURISM BOARD

Advisory and Gatekeeper role for Commercial issues

12. Ensure that all commercial transactions and contracts safeguard the interests of the HKTB by establishing strong internal control policies, reviewing all commercial contracts for potential liability and providing other departments with high level technical advice on finance and commercial considerations.

Industry Training Programs

13. Represent the HKTB on various tourism training boards of educational institutes to provide input to academia on the manpower needs of the industry, particularly in terms of service quality.

14. Develop strategy and direct Industry Training Programs initiated by HKTB.

Oversee the operation of trade associations subsidised by HKTB

15. Approve the business plan of the trade associations and monitor the deliverables throughout the year.

Lead and direct ad-hoc projects initiated by Government from time to time

16. Develop strategy and lead the implementation of ad-hoc projects initiated by Government or HKTB from time to time.

Job Requirements :

- Extensive financial and management experience on a corporate level in a multi national organization
- Professional accounting qualification
- Experience in overseeing the general operations of a multi national organization
- Experience in managing the resources of an organization across many countries
- Seasoned professional with at least 15 years experience in overseeing the multi-jurisdiction regulatory and compliance functions of an organization which has offices throughout the world
- Highly conversant with government financial management system and procedures
- Sound understanding of the dynamic drivers operating the travel and tourism-related industry in order to be able to represent the HKTB to the trade associations.
- Conversant with company secretariat matters
- Excellent analytical, interpersonal and communication skills to be able to persuade others, at all levels, to take on board changes in processes and thought.

Premium of Medical and Dental Insurance Plans			
		2004-05	2005-06
Category		Annual Premium	
Executive Medical Plan (including Dental)		HK\$	HK\$
Ex-ED	Staff, Spouse & 1 Child (a single amount quoted for the 3 persons)	84,921	92,483
Standard Handbook Medical Plan			
Band A	Staff (Male)	5,078	5,424
	Staff (Female)	5,728	5,944
	Dependent - Spouse (Male)	6,244	6,672
	Dependent - Spouse (Female)	6,894	7,192
	Dependent - Child	6,244	6,672
Band B	Staff (Male)	3,814	4,032
	Staff (Female)	4,464	4,552
	Dependent - Spouse (Male)	4,692	4,962
	Dependent - Spouse (Female)	5,342	5,482
	Dependent - Child	4,692	4,962
Band C	Staff (Male)	2,994	3,146
	Staff (Female)	3,644	3,666
	Dependent - Spouse (Male)	3,684	3,870
	Dependent - Spouse (Female)	4,334	4,390
	Dependent - Child	3,684	3,870
Band D	Staff (Male)	2,716	2,818
	Staff (Female)	3,366	3,338
	Dependent - Spouse (Male)	3,340	3,466
	Dependent - Spouse (Female)	3,990	3,986
	Dependent - Child	3,340	3,466
Standard Handbook Dental Plan			
Band A to D	Staff	400	380
	Dependent - Spouse	400	380
	Dependent - Child	360	380