

A REPORT
TO THE CITIZENS OF SALT LAKE COUNTY
BEN McADAMS, MAYOR



An Audit of the Key Controls of
Salt Lake Convention and Visitor Bureau

September 04, 2014

GREGORY P. HAWKINS

SALT LAKE COUNTY AUDITOR

Audit reports are available at
<http://www.saltlakecountyauditor.org/site/audit/>



September 04, 2014

Ben McAdams, Mayor
Salt Lake County
2001 S State St #N2100
Salt Lake City, UT 84114-4575

Re: An Audit of the Key Controls of Salt Lake Convention and Visitor Bureau

GREGORY P. HAWKINS
Salt Lake County Auditor

LONN LITCHFIELD, JD, LL.M.
Chief Deputy Auditor

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Dear Mayor McAdams:

We recently completed an analysis of the financial records of Salt Lake Convention and Visitor Bureau in compliance with Utah Code Ann. § 17-19a-204. Our purpose was to verify the accuracy and completeness of selected financial records and to assess compliance with certain internal controls that we have identified as key to good financial management. We also sought to identify areas of material risk to determine whether we should commit more of our limited resources in further auditing or investigation.

Our work was designed to provide reasonable but not absolute assurance that records were accurate and complete and that the system of internal controls was adequate. There may be inaccurate or incomplete financial records that were not selected for review. Further, there may also be instances of noncompliance in areas not examined.

We appreciate the time spent by the staff at Salt Lake Convention and Visitor Bureau and the cooperation from Cliff Doner, Executive President/Chief Financial Officer, Tammie Wallace, Controller, Tamara England, Salt and other assigned staff members for answering our questions, gathering the necessary documents and records, and allowing us access to Salt Lake Convention and Visitor Bureau during our audit. The staff was friendly, courteous, and very helpful. Please feel free to contact me with any questions.

Sincerely,

Gregory P. Hawkins
Salt Lake County Auditor

By Scott Ball
Deputy Auditor

cc: Erin Litvack, Director Community Services
Lori Okino, Community Services Fiscal Administrator
Cliff Doner, Executive Vice President - Visit Salt Lake



Objectives

Pursuant to § 17-19a-204, we analyzed the financial records and internal controls of Salt Lake Convention and Visitor Bureau. Our purpose was to verify the accuracy and completeness of selected financial records and to assess compliance with certain internal controls that are key to good financial management. We also sought to identify areas of material risk.

Conclusion

The Salt Lake Convention and Visitors Bureau operations are overseen by Visit Salt Lake. Visit Salt Lake has put into place several key controls for managing public funds and safeguarding public assets. A prior audit conducted November 2013 resulted in recommendations associated with four findings. A follow up of the prior findings found that Visit Salt Lake had implemented the recommendations into the control process, therefore, we have no findings to report.

Background

Visit Salt Lake, the Salt Lake Convention and Visitor's Bureau, is a private, non-profit organization that contracts with Salt Lake County to promote tourism. The contract requires primary focus on attracting conventions to the Calvin L. Rampton Salt Palace Convention Center. Slightly more than half of Visit Salt Lake's funding comes from Salt Lake County, with the remainder from other sources, including membership dues from businesses and community organizations. Its membership elects a board of trustees, and the board of trustees in turn elects the executive board. The contract requires two Salt Lake County officials on the executive board. From January 2014 through June 2014, Salt Lake County paid about \$4.2 million to Visit Salt Lake, money comprised mostly of Transient Room (Hotel) taxes, but also Tourism, Recreation, Cultural, and Convention (TRCC) Facilities funds. The County paid them an additional \$350,000 in TRCC money for Ski Salt Lake, a program to promote County ski resorts through tourist packages, including discounted ski passes. As one of its more visible functions to the public, Visit Salt Lake operates the tourist information center and gift shop.

Scope

Our work included a formal examination of financial records related to the following key internal controls, to the degree applicable:

- Change fund
- Petty Cash and Imprest Accounts
- Cash Receipting
- Cash Depositing
- Credit / Debit Card
- Capital and Controlled Assets and Software Inventory
- Financial Computer Controls
- Purchasing Card Use
- Payroll Practices

Our examination period covered up to twelve months ending July 31, 2014. In addition to reviewing financial records, we reviewed and examined current practices through observation. Sampling of daily cash deposits, where applicable, was performed to assess compliance with Countywide policy and standard business and internal control practices.