



DATE: January 7, 2019
TO: Greg Smith, Audit Committee Chairman
FROM: Kimberly L Houston, Interim City Auditor

AU18-001 Corpus Christi Convention and Visitors Bureau, Contract Compliance Audit

CAPTION: Motion to accept AU18-001 Corpus Christi Convention and Visitors Bureau, Contract Compliance audit report.

PURPOSE: Discuss audit results and recommendations.

BACKGROUND: In accordance with the 2018 Annual Audit Plan, we conducted an audit of the City of Corpus Christi's (City) contract with the Corpus Christi Convention and Visitors Bureau (CVB).

The original scope period of this audit was the October 2016 through June 2018; however, significant issues were discovered, and we expanded the scope as needed.

Audit Objective: The objectives of this audit are as follows:

1. Is the City's relationship and oversight structure with the CVB comparable to that of peer cities?
2. Is there adequate oversight over the CVB's use of Hotel Occupancy Tax (HOT) revenues and performance of driving overnight visitors to Corpus Christi?

Audit Conclusion: The City's relationship and oversight structure is comparable to peer cities; however, greater contract oversight is needed over the CVB's use of HOT revenues and performance measures.

ALTERNATIVES: N/A

OTHER CONSIDERATIONS: N/A

CONFORMITY TO CITY POLICY: N/A

RECOMMENDATION: Staff recommends that the Audit Committee accept this audit.

LIST OF SUPPORTING DOCUMENTS: N/A