

***GREATER CINCINNATI CONVENTION AND  
VISITORS BUREAU***

***HAMILTON COUNTY, OHIO***

***SINGLE AUDIT***

***FOR THE YEARS ENDED DECEMBER 31, 2021 & 2020***







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Board of Directors  
Greater Cincinnati Convention and Visitors Bureau  
525 Vine Street Suite 1200  
Cincinnati, OH 45202-3174

We have reviewed the *Independent Auditor's Report* of the Greater Cincinnati Convention and Visitors Bureau, Hamilton County, prepared by Charles E. Harris & Associates, Inc., for the audit period January 1, 2021 through December 31, 2021. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Greater Cincinnati Convention and Visitors Bureau is responsible for compliance with these laws and regulations.

Keith Faber  
Auditor of State  
Columbus, Ohio

September 02, 2022

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**GREATER CINCINNATI CONVENTION AND VISITORS BUREAU, INC.  
HAMILTON COUNTY**

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**INDEPENDENT AUDITOR'S REPORT**

Greater Cincinnati Convention and Visitors Bureau, Inc.  
Hamilton County  
525 Vine Street, Suite 1200  
Cincinnati, Ohio 45202

To the Board of Directors:

**Report on the Audit of the Financial Statements**

***Opinion***

We have audited the accompanying financial statements of the Greater Cincinnati Convention and Visitors Bureau, Inc., Hamilton County, Ohio (the Bureau), (a not-for-profit corporation), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Bureau, as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with the accounting principles generally accepted in the United States of America.

***Basis for Opinion***

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the Bureau, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bureau's ability to continue as a going concern for one year after the date that the financial statements are issued.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Bureau's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.


### ***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards (Schedule), as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule is fairly stated, in all material respects, in relation to the financial statements as a whole.



***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated July 28, 2022 on our consideration of the Bureau's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Bureau's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Bureau's internal control over financial reporting and compliance.



***Charles E. Harris & Associates, Inc.***  
July 28, 2022

Greater Cincinnati Convention and Visitors Bureau, Inc.  
Statements of Financial Position  
December 31, 2021 and 2020

Assets

	2021	2020
Cash and cash equivalents	\$ 9,570,749	\$ 8,798,795
County Hotel/Motel excise tax receivable	2,029,216	812,286
City/County residual fund receivable	-	455,112
Program receivables	146,211	-
Membership receivables	18,706	509
General and suppliers' current and prior year subscriptions and sundry advances	169,375	119,875
Total receivables	2,363,508	1,387,782
Less allowance for doubtful accounts	(21,833)	-
	2,341,675	1,387,782
Prepaid expenses	35,690	24,318
Total Current Assets	11,948,114	10,210,895
Equipment	769,439	766,081
Less accumulated depreciation	(653,642)	(592,423)
	115,797	173,658
Total Assets	\$ 12,063,911	\$ 10,384,553
 Liabilities and Net Assets		
Current liabilities:		
Current portion of capital lease	\$ -	\$ 15,318
Accounts payable	245,052	466,206
Accrued payroll	361,926	39,001
Accrued Interest	6,110	-
Loans payable	150,000	150,000
Current portion of Long Term Liability	500,000	500,000
Deferred rent expense	144,547	199,795
Deferred membership and other deferred revenue	92,098	1,502,215
Grants payable	1,136,099	-
Total Current Liabilities	2,635,832	2,872,535
Long Term Obligations:		
Long Term Liability, net of current portion	1,000,000	1,500,000
Total Liabilities	3,635,832	4,372,535
Net Assets:		
Without Donor Restrictions	6,340,144	4,501,279
With Donor Restrictions	2,087,935	1,510,739
Total net assets	8,428,079	6,012,018
Total Liabilities and Net Assets	\$ 12,063,911	\$ 10,384,553

Greater Cincinnati Convention and Visitors Bureau, Inc.  
Statements of Activities  
Years Ended December 31, 2021 and 2020

	2021			2020		
	Without Donor Restriction	With Donor Retriktion	Total	Without Donor Restriction	With Donor Retriktion	Total
<b>Revenues:</b>						
Gross County Hotel/Motel excise tax revenue	\$ 5,940,423	-	5,940,423	3,238,431	-	3,238,431
Government Funding		1,000,000	1,000,000	-	1,455,112	1,455,112
Income from members' subscriptions	47,200	-	47,200	105,821	-	105,821
Registration services	4,040	-	4,040	-	-	-
Passkey	17,412	-	17,412	9,624	-	9,624
Corporate sponsorships	30,000	-	30,000	30,000	-	30,000
Interest income	4,218	-	4,218	2,150	-	2,150
Other income	328,752	-	328,752	13,074	-	13,074
Grant - Hamilton County Cares Act	-	1,415,736	1,415,736	-	497,785	497,785
Net assets released from restrictions	1,838,540	(1,838,540)	-	796,597	(796,597)	-
<b>Total revenues</b>	<b>8,210,585</b>	<b>577,196</b>	<b>8,787,781</b>	<b>4,195,697</b>	<b>1,156,300</b>	<b>5,351,997</b>
<b>Expenses:</b>						
<b>Convention related expenditures:</b>						
Convention sales and destination services	1,471,180	-	1,471,180	1,318,721	-	1,318,721
Convention services	77,530	-	77,530	127,740	-	127,740
Public relations and marketing	1,981,360	-	1,981,360	996,777	-	996,777
	3,530,070	-	3,530,070	2,443,238	-	2,443,238
General and administrative	1,352,251	-	1,352,251	1,286,465	-	1,286,465
<b>Initiatives:</b>						
Grant to Greater Cincinnati Sports Corporation	-	-	-	50,394	-	50,394
Grant to Regional Tourism Alliance	1,389,399	-	1,389,399	-	-	-
Grant to Source Cincinnati	100,000	-	100,000	-	-	-
	1,489,399	-	1,489,399	50,394	-	50,394
<b>Total expenses</b>	<b>6,371,720</b>	<b>-</b>	<b>6,371,720</b>	<b>3,780,097</b>	<b>-</b>	<b>3,780,097</b>
Change in Net Assets	1,838,865	577,196	2,416,061	415,600	1,156,300	1,571,900
Net Assets at Beginning of Year	4,501,279	1,510,739	6,012,018	4,085,679	354,439	4,440,118
Net Assets at End of Year	\$ 6,340,144	2,087,935	8,428,079	4,501,279	1,510,739	6,012,018

Greater Cincinnati Convention and Visitors Bureau, Inc.  
Statements of Cash Flows  
Years Ended December 31, 2021 and 2020

	<u>2021</u>	<u>2020</u>
Cash flows from operating activities:		
Change in net assets	\$ 2,416,061	1,571,900
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Depreciation	61,219	97,974
Bad debt recovery	21,833	(51,208)
Changes in net assets and liabilities:		
Accounts receivable and advances-net	(975,726)	887,651
Prepaid expenses	(11,372)	52,475
Accounts payable	(221,154)	225,812
Accrued payroll	322,925	(410,920)
Accrued interest	6,110	-
Deferred rent expense	(55,248)	51,396
Deferred membership & other income	(1,410,117)	1,496,216
Grants payable	1,136,099	(415,342)
	<u>1,290,630</u>	<u>3,505,954</u>
Net cash provided by operating activities		
Cash flows from investing activities:		
Purchase of equipment, leasehold improvements	<u>(3,358)</u>	<u>(3,698)</u>
Cash flows from financing activities:		
Advance on TOT from Hamilton County	(500,000)	2,000,000
EIDL Loan	-	150,000
Payments on capital lease obligation	<u>(15,318)</u>	<u>(14,220)</u>
	<u>(515,318)</u>	<u>2,135,780</u>
Net cash provided (used) by financing activities		
Net increase (decrease) in cash and cash equivalents	771,954	5,638,036
Cash and cash equivalents at beginning of year	<u>8,798,795</u>	<u>3,160,759</u>
Cash and cash equivalents at end of year	\$ <u><u>9,570,749</u></u>	<u><u>8,798,795</u></u>
Supplemental information:		
Interest paid	\$ <u><u>2,100</u></u>	<u><u>2,280</u></u>

See accompanying notes to the financial statements.

**1. SUMMARY OF ACCOUNTING POLICIES:**

Greater Cincinnati Convention and Visitors Bureau, Inc. (the Bureau) is a sales, marketing, and service organization and impacts the Greater Cincinnati area economy through convention, trade show, and visitor expenditures.

**Cash and cash equivalents**

Cash and cash equivalents include highly liquid investments with a maturity of three months or less when purchased. The Bureau maintains its cash balances in demand deposit accounts, money market funds, and certificates of deposit primarily with commercial banks in Ohio that, at times, may exceed federally insured limits. The Bureau has not experienced any losses in such accounts and the Bureau believes it is not exposed to any significant credit risk on cash.

**Allowance for doubtful accounts**

The allowance is determined by considering the length of time receivable balances are outstanding and the companies' ability to pay. The outstanding balances are reviewed monthly and ability to collect is determined. The allowance is decreased when receivables are deemed to be uncollectible, and payments subsequently received on such receivables restore the allowance for doubtful accounts. The allowance for doubtful accounts was \$21,833 at December 31, 2021 and \$0 at December 31, 2020.

**Revenues**

The Bureau receives revenues generated from a 3% excise tax on hotel rooms in Hamilton County, Ohio and other governmental funds. These revenues are authorized under regulations approved by the Hamilton County Board of Commissioners under legislation approved by the Ohio legislature. Membership and other fees are recognized as earned. Contributions and grants are recognized when awarded. Sponsorships for various programs are deferred and recognized when the event or program has occurred.

**Equipment**

Equipment is recorded at cost at the date of purchase. Costs of maintenance and repairs are charged to expense as incurred. Assets are depreciated over their estimated useful lives using the straight-line method.

The following is a summary of property and equipment at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Furniture and equipment	\$551,078	\$547,720
Leasehold improvements	<u>218,361</u>	<u>218,361</u>
Total	\$769,439	\$766,081
Less: accumulated depreciation	<u>(653,642)</u>	<u>(592,423)</u>
Net property and equipment	\$115,797	\$173,658

Depreciation expense was \$61,219 and \$97,974 in 2021 and 2020, respectively.

## 1. SUMMARY OF ACCOUNTING POLICIES (CONTINUED):

### **Deferred membership income**

Deferred membership income represents collections in the current year that pertains to billings of membership revenues attributable to the following year.

### **Grants payable**

As a part of their mission to support the region, the Bureau has pledged to support certain organizations and initiatives. Amounts pledged to these organizations are recorded when the pledge or grant is made.

The Financial Accounting Standards Board issued ASU 2-16-2014, Not for Profits Entities (Topic 958) – *Presentation of Financial Statements of Not for Profit Entities*. Under ASU 2016-2014, nonprofits are required to report information regarding its financial position and activities according to the following net classifications:

**Net assets without donor restrictions:** Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the organization. These net assets may be used at the discretion of Bureau's management and the Board of Directors.

### **Net assets with donor restrictions**

The Bureau reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. When a donor restriction expires, that is, when a stipulated time restriction or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

The Bureau reports gifts of land, buildings, and equipment as unrestricted support unless explicit donor stipulations specify how the donated assets must be used. Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used, and gifts of cash or other assets that must be used to acquire long-lived assets are reported as restricted support. Absent explicit donor stipulations about how long those long-lived assets must be maintained, the Bureau reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

### **Donated materials and services**

The Bureau records donated services, including donated rent, as revenue in the financial statements at their estimated fair value with a corresponding charge to donated services. Donated services are not recorded if no objective basis is available to measure the value received by the Bureau.

### **Income tax status**

The Internal Revenue Service has ruled that the Bureau qualified under Section 501(c)(6) of the Internal Revenue Code (IRC). Once qualified, the Bureau is required to operate in conformity with the IRC to maintain its qualification. Management is not aware of any course of action or series of events that have occurred that might adversely affect the Bureau's exempt status. The Bureau has not engaged in any activity which would expose it to unrelated business income taxes.

**Uncertain tax positions**

The Bureau follows the provisions for *Accounting for Uncertainty in Income Taxes*. Those provisions clarify the accounting and recognition for income tax positions taken or expected to be taken in the Bureau's income tax returns. The Bureau's income tax filings are subject to audit by various taxing authorities. The Bureau's open audit periods are 2018-2020. The Bureau's policy with regard to interest and penalties is to recognize interest through interest expense and penalties through other expense. In evaluating the Bureau's tax provisions and accruals, future taxable income, and the reversal of temporary differences, interpretations and tax planning strategies are considered. The Bureau believes their estimates are appropriate based on current facts and circumstances.

**Use of estimates in financial statements**

In preparing financial statements in conformity with generally accepted accounting principles, management makes estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements, as well as the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Subsequent events**

The Bureau evaluates events and transactions occurring subsequent to the date of the financial statements for matters requiring recognition or disclosure in the financial statements. The accompanying financial statements consider events through July 28, 2022, the date on which the financial statements were available to be issued.

**2. REVENUE CONCENTRATION:**

The Bureau is dependent upon the Hotel/Motel excise tax revenue levy. Tax levy revenues were 68% and 61% of total revenue for the years ended December 31, 2021 and 2020, respectively. The receivables from the County were 86% and 59% for the years ended December 31, 2021 and 2020, respectively. A discontinuance of this tax levy would severely affect the operation of the Bureau.

**3. EMPLOYMENT AGREEMENT:**

The Bureau signed an employment agreement with its CEO effective June 1, 2018 through May 31, 2021 that was extended to December 31, 2022. The agreement provides for base and incentive compensation.

**4. OPERATING LEASES:**

The Bureau has operating leases for office space, furniture and office equipment which expire at various dates through 2028. The future minimum rental commitments as of December 31, 2021 for the non-cancellable leases are as follows:

2022	\$ 254,369
2023	259,478
2024	264,620
2025	269,893
2026	275,297
Thereafter	<u>494,633</u>
	\$1,818,280

Total rental expense was \$244,993 and \$266,541 in 2021 and 2020, respectively.

In 2018, the Bureau acquired equipment under a capital lease agreement. The lease expired in 2021. Capital leased assets included in equipment have costs totaling \$58,874 and accumulated depreciation totaling \$58,874 and \$49,062 at December 31, 2021 and 2020, respectively.

**5. LOANS:**

During 2020, the Bureau obtained a Covid-19 Economic Injury Disaster Loan (EIDL) from the U.S. Small Business Administration for \$150,000 at a fixed interest rate of 2.75%. The purpose of this loan is to provide the Bureau with working capital for normal operating expenses. There is no set payment, however the loan is due in 30 years. There is no pre-payment penalty or fees. There is accrued interest of \$6,110 at December 31, 2021.

The Bureau, during 2020, obtained a 4-year \$2,000,000 advance from future Hamilton County Transient Occupancy Tax payments. This advance is to be repaid \$500,000 per year.

**6. RETIREMENT PLAN:**

The Bureau has a defined contribution 401(k) savings plan. The defined contribution 401(k) savings plan allows the Bureau to make matching contributions. The plan covers substantially all employees who meet certain eligibility requirements as to age and length of service. Bureau matching contributions are provided up to 3% for the first 3% and 1.5% of the next 3% of eligible employee compensation with certain limitations. The expenses for 2021 and 2020 were \$58,644 and \$33,604, respectively.



**7. FUNCTIONAL EXPENSES:**

The Bureau promotes the Greater Cincinnati are economy through its sales and marketing efforts. Expenses related to providing these program services and supporting functions for the year ended December 31 are as follows:

	<u>2021</u>	<u>2020</u>
Program Services	\$5,528,949	\$3,108,623
General and administrative	<u>842,771</u>	<u>671,474</u>
	<u>\$6,371,720</u>	<u>\$3,780,097</u>

**8. RELATED PARTY:**

The Bureau is affiliated with the Spirit of Cincinnati (Spirit) which is an organization committed to education programs concerning the City of Cincinnati. At December 31, 2021 and 2020, the Bureau had a receivable from Spirit of \$169,375 and \$119,875, respectively.

**9. NET ASSETS WITH DONOR RESTRICTIONS:**

Net assets with donor restrictions were \$2,087,935 and \$1,510,739 at December 31, 2021 and 2020, respectively.

During 2021 and 2020, net assets released from restriction were \$1,838,540 and \$796,597, respectively.

**10. LIQUIDITY AND AVAILABILITY OF FINANCIAL ASSETS:**

The following reflect the Bureau's financial assets as of the balance sheet date, reduced by amounts not available for general use because of contractual or donor-imposed restrictions within one year of the balance sheet date.

	<u>2021</u>	<u>2020</u>
<b>Total Assets, at year end</b>	\$12,063,911	\$10,384,533
Less: Fixed and Non-Financial Assets	<u>320,862</u>	<u>317,851</u>
<b>Financial Assets, at year end</b>	11,743,049	10,066,702
Less those unavailable for general expenditures within one year due to contractual or donor-imposed restrictions	-	-
Financial assets available to meet cash needs for general expenditure within one year	<u>\$11,743,049</u>	<u>\$10,066,702</u>

## **11. COVID-19**

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June, 2021 while the national state of emergency continues. The financial impact of COVID-19 and the continuing emergency measures will impact subsequent periods of the Bureau. The impact on the Bureau Board's future operating costs, revenues, and additional recovery from emergency funding, either federal or state, cannot be estimated.

During 2020, the Bureau received CARES Act funding through a grant from Hamilton County in the amount of \$ 2,000,000 for the purpose of developing and implementing a marketing campaign to demonstrate that Cincinnati is a clean and safe destination to dine, visit attractions, and host conventions. Of the amounts received, \$497,785 was spent in 2020, and \$ 1,415,736 spent in 2021. Total expenditures from the CARES Act funding were \$1,913,521 for this designated purpose. Remaining funds at December 31, 2021 were \$86,479, and were reimbursed to Hamilton County in January 2022. These amounts are reflected as Donor Restricted expenditures on the accompanying financial statements.

**Greater Cincinnati Convention and Visitors Bureau, Inc.  
Hamilton County**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE YEAR ENDED DECEMBER 31, 2021**

<b>FEDERAL GRANTOR</b>	Federal	Pass Through	
<i>Pass through Grantor</i>	ALN	Entity Identifying	Total Federal
<b>Program/Cluster Title</b>	Number	Number	Expenditures
<b>Federal Coronavirus Aid, Relief, and Economic Security Act (CARES Act)</b>			
<i>Passed Through Hamilton County</i>			
Convention and Tourism Recovery:			
Development and execution of remarketing campaign to publicize the safe resumption of activities and steps taken to ensure a safe experience in Hamilton County	21.019	ZC2HNMHB1RJ5	<u>\$ 1,415,736</u>
<b>Total Expenditures of Federal Awards</b>			<u><u>\$ 1,415,736</u></u>

*The accompanying notes are an integral part of this schedule.*

**GREATER CINCINNATI CONVENTION AND VISITORS' BUREAU, INC.  
HAMILTON COUNTY**

**Notes to the Schedule of Expenditures of Federal Awards  
2 CFR 200.510(b)(6)  
For the Year Ended December 31, 2021**

**NOTE A – Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Greater Cincinnati Convention and Visitors Bureau, Inc, Hamilton County (the Bureau) under programs of the federal government for the year ended December 31, 2021. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the Bureau, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Bureau.

**NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in Uniform Guidance wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

**NOTE C – INDIRECT COST RATE**

The Bureau has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

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***Charles E. Harris & Associates, Inc.***  
***Certified Public Accountants***

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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL  
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON  
AN AUDIT OF FINANCIAL STATEMENTS PERFORMED  
IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Greater Cincinnati Convention and Visitors Bureau, Inc.  
Hamilton County  
525 Vine Street, Suite 1200 Cincinnati, Ohio 45202  
To the Board of Directors:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Greater Cincinnati Convention and Visitors Bureau, Inc. (the Bureau) (a nonprofit organization), which comprise the statement of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements, and have issued our report thereon dated July 28, 2022. We noted the financial impact of COVID-19 and the ensuing emergency measures will impact subsequent periods of Bureau.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Bureau's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Bureau's internal control. Accordingly, we do not express an opinion on the effectiveness of Bureau's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of Bureau's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

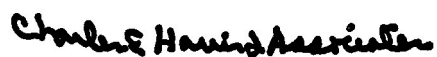
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether Bureau's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Bureau's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Bureau's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



***Charles E. Harris & Associates, Inc.***  
July 28, 2022

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO THE MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

Greater Cincinnati Convention and Visitor's Bureau, Inc.  
Hamilton County  
525 Vine Street, Suite 1200  
Cincinnati, Ohio 45202

To the Board of Directors:

**Report on Compliance for the Major Federal Program**

***Opinion on the Major Federal Program***

We have audited the Greater Cincinnati Convention and Visitor Bureau's (the Bureau) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on the Bureau's major federal program for the year ended December 31, 2021. The Bureau's major federal program is identified in the *Summary of Auditor's Results* section of the accompanying Schedule of Findings.

In our opinion, the Greater Cincinnati Convention and Visitor's Bureau, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major federal program for the year ended December 31, 2021.

***Basis for Opinion on the Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the Bureau and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major federal program. Our audit does not provide a legal determination of the Bureau's compliance with the compliance requirements referred to above.

***Responsibilities of Management for Compliance***

The Bureau's management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Bureau's federal programs.

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Bureau's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Bureau's compliance with the requirements of the major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Bureau's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Bureau's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the Bureau's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

### ***Report on Internal Control Over Compliance***

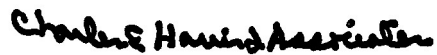
A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.



Our consideration of internal control over compliance was for the limited purpose described in the *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



**Charles E. Harris & Associates, Inc.**  
July 28, 2022

**GREATER CINCINNATI CONVENTION AND VISITORS BUREAU, INC.**  
**HAMILTON COUNTY**  
 Schedule of Findings  
 2 CFR § 200.515  
 December 31, 2021

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unmodified
<i>(d)(1)(ii)</i>	<b>Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iii)</i>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any material weaknesses in internal control reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any significant deficiencies in internal control reported for major federal programs?</b>	No
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unmodified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under 2 CFR § 200.516(a)?</b>	No
<i>(d)(1)(vii)</i>	<b>Major Programs (list):</b>	ALN #21.019 – Federal Coronavirus Aid, Relief, and Economic Security Act (Cares Act)
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A\B Programs</b>	Type A: > \$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee under 2 CFR §200.520?</b>	No

**2. FINDINGS RELATED TO THE FINANCIAL STATEMENTS  
 REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS**

None.

**3. FINDINGS FOR FEDERAL AWARDS**

None.

# OHIO AUDITOR OF STATE KEITH FABER



**GREATER CINCINNATI CONVENTION AND VISITORS BUREAU**

**HAMILTON COUNTY**

**AUDITOR OF STATE OF OHIO CERTIFICATION**

This is a true and correct copy of the report, which is required to be filed pursuant to Section 117.26, Revised Code, and which is filed in the Office of the Ohio Auditor of State in Columbus, Ohio.



**Certified for Release 9/15/2022**

88 East Broad Street, Columbus, Ohio 43215  
Phone: 614-466-4514 or 800-282-0370

This report is a matter of public record and is available online at  
[www.ohioauditor.gov](http://www.ohioauditor.gov)