



OHIO AUDITOR OF STATE  
**KEITH FABER**





# OHIO AUDITOR OF STATE KEITH FABER



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## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Cuyahoga County  
2079 East Ninth Street  
Cleveland, Ohio 44115

The Convention and Visitors Bureau of Greater Cleveland, Inc. DBA Destination Cleveland and Spirit of Cleveland, Inc.  
334 Euclid Avenue  
Cleveland, Ohio 44114

We have performed the procedures enumerated below on the Convention and Visitors Bureau of Greater Cleveland, Inc. DBA Destination Cleveland and Spirit of Cleveland, Inc.'s ("Destination Cleveland"), certain transactions collected, remitted, and/or disbursed under Ohio Rev. Code §5739.09(Q) and the 2014 *Agreement Governing the Use of Extended Capital Improvement Bed Tax between the County of Cuyahoga, Positively Cleveland, and the Mayor of the City of Cleveland* and the 2017 *Addendum to the 2014 Existing Agreement* for the year ended December 31, 2022. The County and Destination Cleveland are responsible for recording transactions and balances and for complying with the agreements and statute.

The County Council and management of Cuyahoga County (the "County") and the Board of Directors and management of the Convention and Visitors Bureau of Greater Cleveland, Inc. DBA Destination Cleveland and Spirit of Cleveland, Inc. have agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of providing assistance in the evaluation of the Destination Cleveland's certain transactions collected, remitted, and/or disbursed under Ohio Rev. Code §5739.09(Q) and the 2014 *Agreement Governing the Use of Extended Capital Improvement Bed Tax between the County of Cuyahoga, Positively Cleveland, and the Mayor of the City of Cleveland* and the 2017 *Addendum to the 2014 Existing Agreement* for the year ended December 31, 2022. No other party acknowledged the appropriateness of the procedures. This report may not be suitable for any other purpose. The procedures performed may not address all the items of interest to a user of the report and may not meet the needs of all users of the report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. The sufficiency of the procedures is solely the responsibility of the parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

For the purposes of performing these procedures, this report only describes exceptions exceeding \$10.

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The procedures and the associated findings are as follows:

### **Cash Receipts**

We summarized extended capital improvement bed tax proceeds remitted by the County to Destination Cleveland from the County's Distribution Reports for Monthly Receipts, during the year ending December 31, 2022, which totaled \$7,304,934. We compared the summarized amount to the amount recorded as extended capital improvement bed tax by Destination Cleveland in the Accounts Receivable County / Bed Tax Revenue Report. We found no exceptions.

### **Cash Disbursements**

1. We inquired of County and Destination Cleveland management regarding sources describing allowable purposes or restrictions related to the Destination Cleveland's disbursements of extended capital improvement bed tax. We listed these sources and summarized significant related restrictions below:

#### **Source of Restrictions**

- a. Ohio Rev. Code § 5739.09(Q)
- b. 2014 *Agreement Governing the Use of Extended Capital Improvement Bed Tax between the County of Cuyahoga, Positively Cleveland, and the Mayor of the City of Cleveland* and the 2017 Addendum to the 2014 Existing Agreement.

"...the proceeds of the extended Capital Improvement Bed Tax shall be used for the direct and indirect costs of capital improvements, including the financing of capital improvements. Examples of such capital improvements include, but are not limited to, capital improvements through Positively Cleveland or other local organizations for the following: major political and/or other large conventions, Rock and Roll Hall of Fame Induction ceremonies and/or events, the support of tourism, and/or other major special events and/or other events".

2. We selected ten disbursements of extended capital improvement bed tax from the year ended December 31, 2022, and compared the purpose for these disbursements as documented on vendor invoices or other supporting documentation to the sources of restrictions listed in *Cash Disbursements Step 1* above. We found no instances where the purpose described on the invoice or other supporting documentation described a violation the restrictions listed above.

We were engaged by the County and/or Destination Cleveland to perform this agreed-upon procedures engagement and conducted our engagement in accordance with the attestation standards established by the AICPA and the Comptroller General of the United States' *Government Auditing Standards*. We were not engaged to, and did not conduct an examination or review engagement of the County and Destination Cleveland's extended capital improvement bed tax transactions for the year ended December 31, 2022, the objective of which would have been to opine on extended capital improvement bed tax transactions or provide a conclusion. Accordingly, we do not express an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that we would have reported to you.

We are required to be independent of the Destination Cleveland and to meet our ethical responsibilities, in accordance with the ethical requirements established by the Comptroller General of the United States' *Government Auditing Standards* related to our agreed upon procedures engagement.

A handwritten signature in black ink that reads "Keith Faber". The signature is written in a cursive, flowing style.

Keith Faber  
Auditor of State  
Columbus, Ohio

April 10, 2023

# OHIO AUDITOR OF STATE KEITH FABER



## CUYAHOGA COUNTY EXTENDED CAPITAL IMPROVEMENT BED TAX AGREED-UPON PROCEDURES

### 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 5/4/2023

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