



**Phil Diamond, CPA
Orange County Comptroller**

**Audit of Visit Orlando's
Compliance with the
2019 Tourism Promotion
Agreement**

**Board of County Commissioners
August 26, 2025**



Audit Objective

Audit Scope

Visit Orlando's revenues and expenditures from January to December 2023

Audit Objective

The objective of the audit was to determine whether VO complied with the 2019 Tourism Promotion Agreement

Transparency in public spending is essential to maintaining the trust and confidence of taxpayers



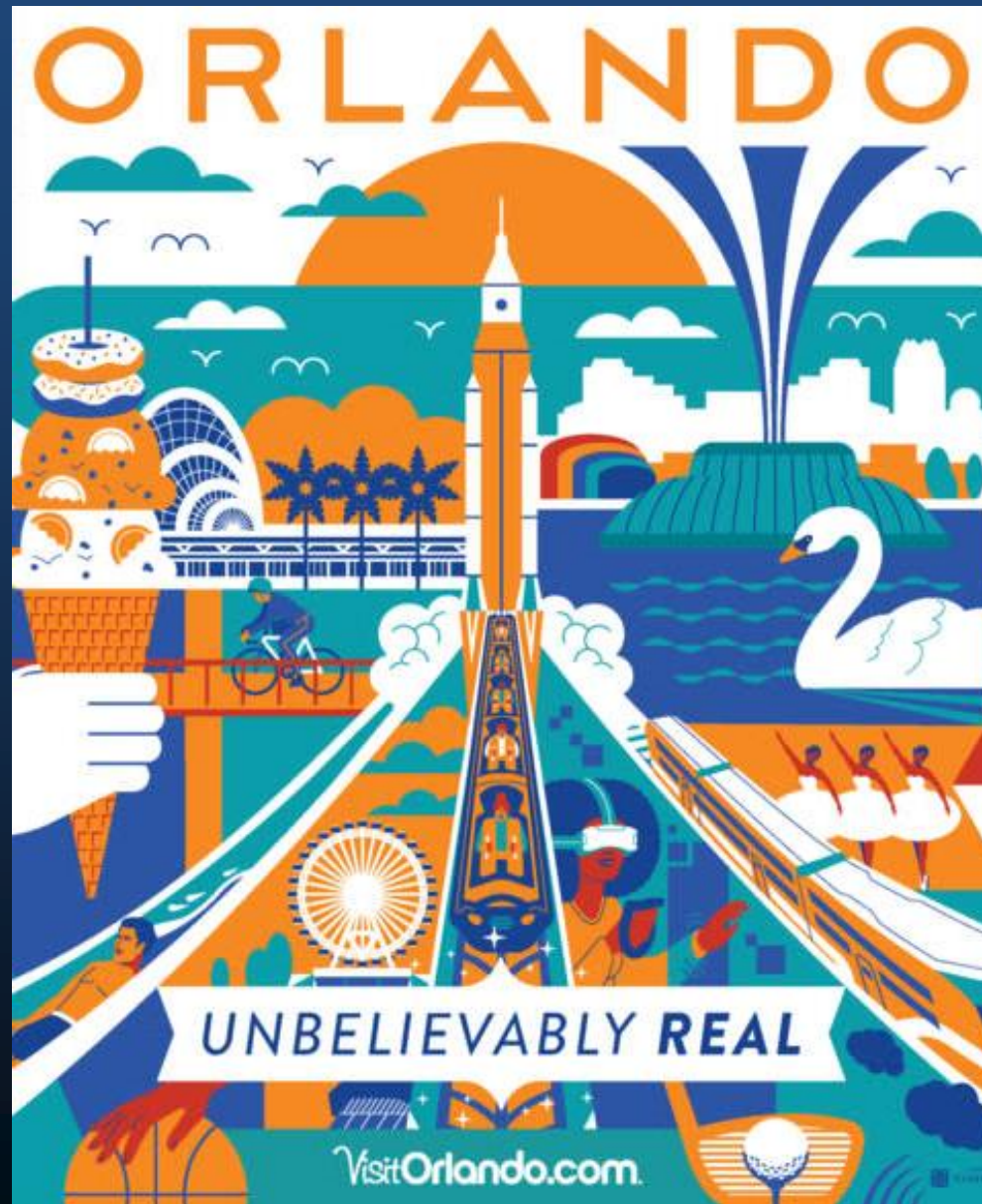
Overall Evaluation

We have identified violations of the current Agreement. Additionally, we have found material concerns related to revenues and expenditures of TDT Funds, which can be remedied by VO's actions and through an amendment to the Agreement.

Our report has recommendations to both VO and County Administration. Both agree that the current Agreement is vague and requires clarification.



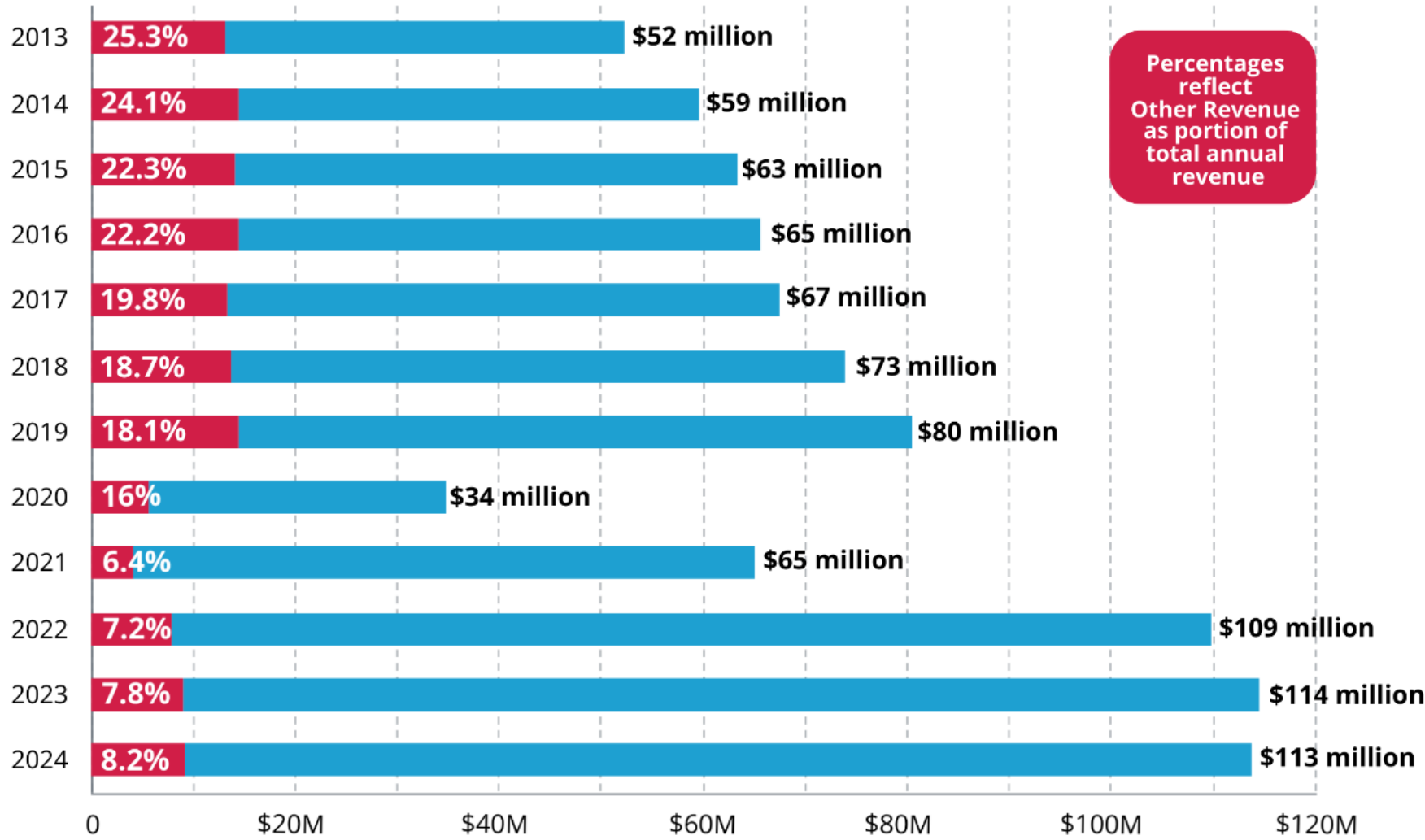
Visit Orlando Agreement



- Visit Orlando is the official destination marketing organization for Orange County
- In 2023, Orange County collected more than **\$353 million** of TDT
- Under the 2019 Tourism Promotion Agreement, VO receives 30% of all TDT collections annually — **\$105 million in 2023**
- According to the Agreement, “VO shall use its best commercially reasonable efforts to advertise, sell, promote, and market the tourism attractions, accommodations and amenities in Orange County.”



Visit Orlando Revenues



Percentages reflect Other Revenue as portion of total annual revenue

Source: Orange County Comptroller Office analysis of VO federal tax returns, 2013-2024

Other Revenue TDT Revenue

- Distinction between TDT and Private Funds is very important
- TDT Funds have spending restrictions under Florida law and the Agreement
- **Private Funds do not have such restrictions**
- Revenue from other sources, which includes Private Funds, has declined in the past decade while TDT funding has increased



TDT vs. Private Funds

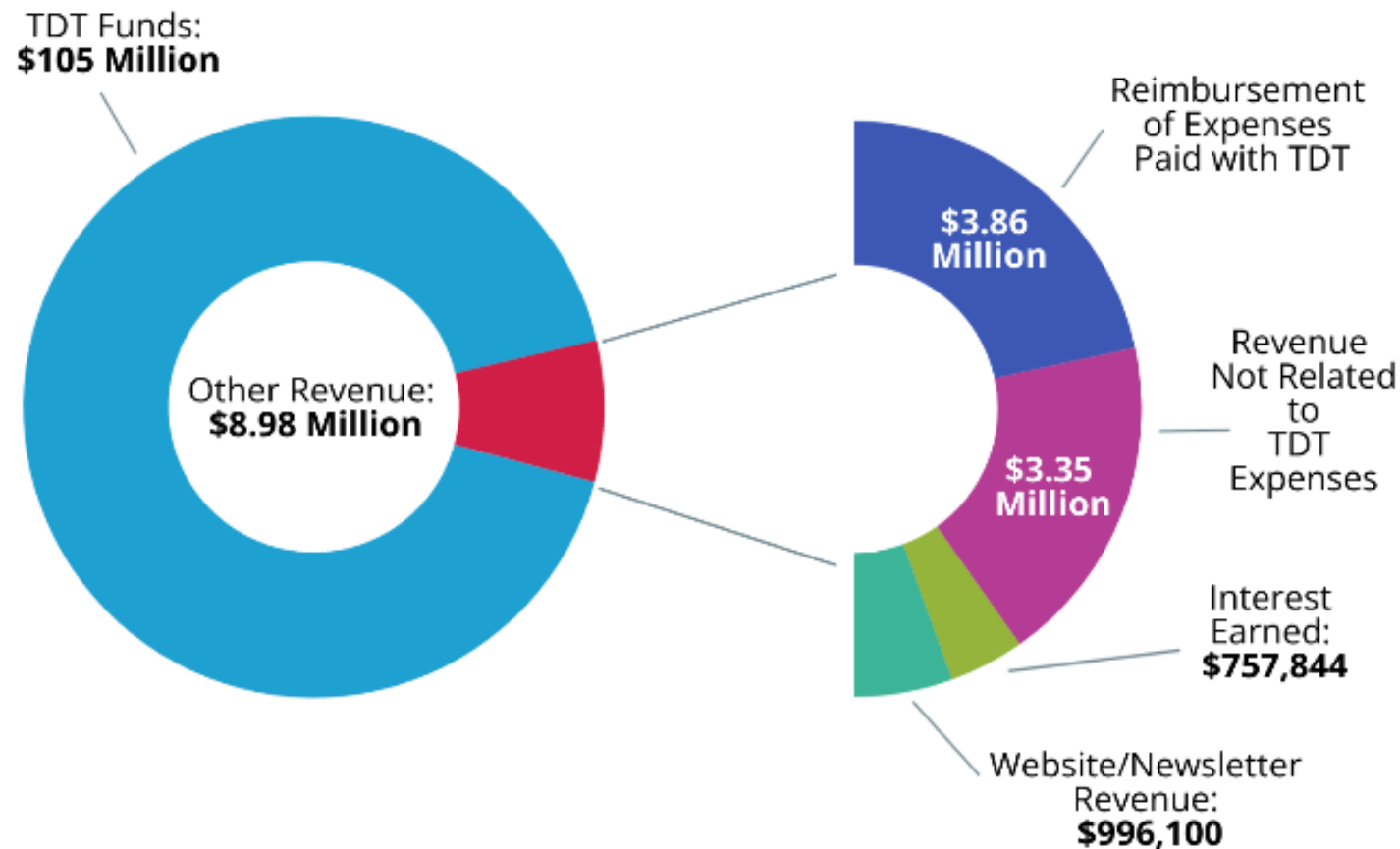
- According to VO, “A few of the findings may stem from differing interpretations of Visit Orlando’s role as a private, non-profit destination marketing organization, which differs in some important respects from a county agency.”
- This audit focused on spending related to \$105 million of TDT funds — 92% of VO’s funding
- Private Funds can be spent on any expenditures
- None of the reported issues were related to unrestricted Private Fund spending



Recommendation No. 1

Visit Orlando Incorrectly Classified and Deposited TDT Revenues as Private Funds

2023 Revenue Breakdown



- VO collected about \$8.98 million in revenue from other sources
- VO deposited the entire \$8.98 million in its Private Funds bank account. However, at least **\$3.54 million** of that amount should have been reimbursed to VO's TDT Funds — not Private Funds
- Based on the Agreement's terms, it's unclear whether an additional \$996,100 from website/newsletter advertising revenue should be reimbursed. If so, the total amount due to TDT Funds would be **\$4.54 million**



Recommendation No. 1

A. Reimburse TDT Funds for \$3,436,243 of revenues generated from TDT Funds. Payment should be made from its Private Funds to its TDT bank account;

Advertising and Marketing Cooperatives*	\$ 857,165
Tourism Economics Report	\$ 35,000
Federal Employee Retention Tax Credit	\$ 1,396,584
Credit Card Rebate	\$ 13,537
Participation Fees	\$ 608,263
<hr/>	
Reimbursement of Expenses Paid with TDT Funds	\$2,910,549
Interest on TDT Funds	\$ 525,694
<hr/>	
Total Other Revenue That Should be Reimbursed to TDT	\$3,436,243

*Advertising co-ops partially reimbursed



Recommendation No. 1

Advertising Cooperatives

- This is not a new issue — it was identified in the 2019 audit
- After VO concurred in 2019 with our prior audit recommendation, the following clause was added to the 2019 Agreement:

“Visit Orlando will treat reimbursements from advertising partners for **cooperative marketing, promotional, and advertising opportunities (co-ops) or similar arrangements, where the Tax was used to cover the cost of the program** as being subject to all restrictions and all requirements of this Agreement applicable to Tax funds and will provide reporting for these expenditures/reimbursements in a format acceptable to the County.”
- 100% of expenses for advertising cooperatives were paid with TDT
- In 2023, the majority was not reimbursed until the audit started in 2024
- In 2022, VO elected not to reimburse TDT because management stated Private Funds were used for TDT-eligible expenses



Recommendation No. 1

Participation Fees

VO collected **\$1.32 million** from members to attend events hosted by VO. These events included expenses paid with both Private and TDT Funds. However, VO classified 100% of reimbursements as Private Funds only. This was addressed in the 2019 Agreement.



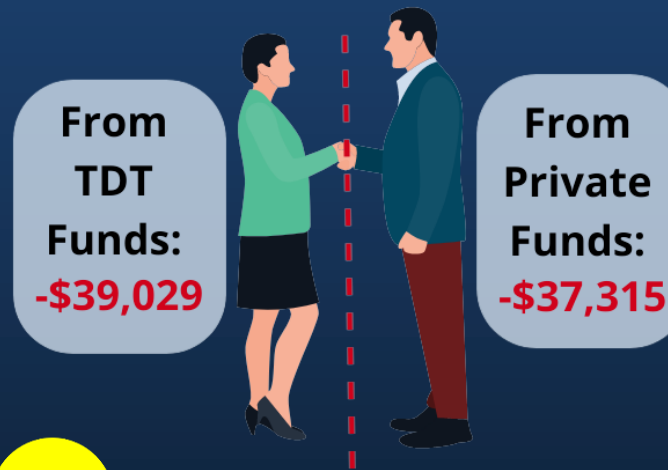
1

VO collected **\$63,525** in participation fees to attend the Tallahassee Winter Mingle



2

VO deposited the fees into Private Funds



3

VO paid **\$76,344** for the Winter Mingle event, splitting the cost between public and private funds



4

VO kept **\$63,525** in participation fees, gaining **\$26,210** in surplus revenue



Recommendation No. 1

IPW 2024, GLOBAL

Dates: May 3, 2024 - May 7, 2024

Recurrence: Recurring daily

U.S. Travel Association's IPW, the world's leading inbound travel trade show, provides an unmatched platform to conduct business, forge new connections and renew relationships around the world.

With past IPWs powering more than \$5.5 billion in future travel to the U.S., IPW connects travel buyers and media with America's top travel exhibitors through an efficient and effective face-to-face show format.

Attracting thousands of delegates from global markets, trade shows provide a unique opportunity to meet, network, negotiate and conduct business with key decision-makers in the travel industry, which is why Visit Orlando puts a premium on having a robust presence at key events.

- Branded section within the Orlando booth for appointments
- Assistance in sourcing delegates and arranging appointments
- One-on-one appointment slots to establish or consolidate your presence internationally

Participation Fee: \$1,500 per 10' x 10' booth

To Register: Participants must register their booth space and show badge(s) through U.S. Travel from the Exhibitor section of the IPW show website. Please request to be placed in the Visit Orlando section.

Additional Participation Fee Example

- 19 members paid for a 10x10 booth
- VO paid almost \$12,000 per booth in décor costs from TDT Funds for each of the 19 member booths
- All revenues were recorded by VO as private

Total Revenue: \$47,315

Expenses Paid TDT: \$744,166

Expenses Paid Private: \$146,804



Recommendation No. 1

B. Perform a retrospective review of revenues received since 2019 to identify additional TDT reimbursements that may have been misclassified and deposited into its Private Funds

	Total Private Revenue	Potential TDT Revenue Misclassified as Private at 39% Rate
2019	\$14,577,353	\$5,747,906
2020	\$5,552,312	\$2,192,305
2021	\$4,196,158	\$1,656,834
2022	\$7,945,289	\$3,137,162
2023	\$8,976,766	\$3,544,436
2024	\$9,297,822	\$3,671,203
ESTIMATED MISCLASSIFIED TOTAL (2019-2024)		= \$19,949,848

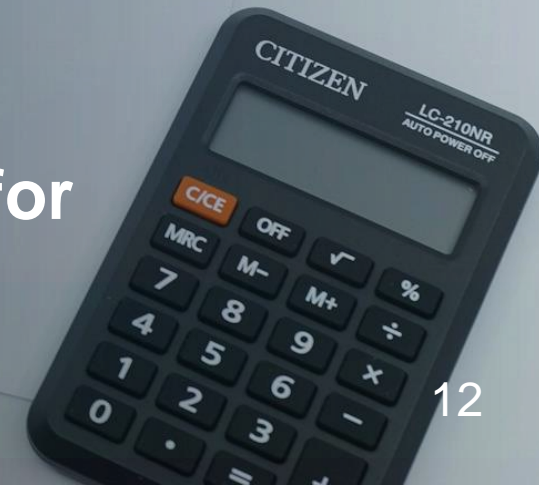
- This is not a new issue — it was identified in the 2019 audit and VO concurred
- VO elected not to reimburse 2022 Advertising cooperatives
- This audit did not review other revenues. However, additional amounts could be due from 2019 – 2022
- VO collected \$8.98 million in other revenue during 2023 and audit determined \$3.54 million due to TDT Funds — 39%
- ESTIMATE ONLY — Based on 39% in 2023, VO could potentially owe approximately **\$20 million** to TDT Funds



Recommendation No. 1

C. In collaboration with County Administration, determine how the undocumented reserve funds of \$6,367,794 should be classified and recommend its proposed plan to the Board of County Commissioners for review and approval;

- VO commingled TDT and Private Funds in one reserve account. As of December 31, 2023, the account had a \$15 million balance, composed of:
 - \$3,878,603 – TDT Funds deposit (January 2023)
 - \$3,878,603 – TDT Funds deposit (December 2022)
 - \$875,000 – Private Funds deposit (2014)
 - \$6,367,794 – Source of funds undetermined
- VO has not provided documentation to evidence the source of the remaining \$6,367,794. TDT and Private Funds must be accounted for separately by VO as required by the Agreement





Recommendation No. 1

Visit Orlando should:

- A. Reimburse TDT Funds for \$3,436,243 of revenues generated from TDT Funds. Payment should be made from its Private Funds to its TDT bank account;
- B. Perform a retrospective review of revenues received since 2019 to identify additional TDT reimbursements that may have been misclassified and deposited into its Private Funds;
- C. In collaboration with County Administration, determine how the undocumented reserve funds of \$6,367,794 should be classified and recommend its proposed plan to the Board of County Commissioners for review and approval;
- D. Develop and implement clear policies and procedures to ensure accurate classification and reporting of revenue sources — particularly for co-op revenues, interest income, and shared-cost activities;
- E. Deposit all revenues generated from TDT expenditures into its TDT bank account promptly after receipt; and,
- F. Evaluate participation fees charged to members to ensure that revenues better align with costs.



Recommendation No. 1

As we have identified a material finding involving the inaccurate classification of millions of dollars of TDT, County Administration should:

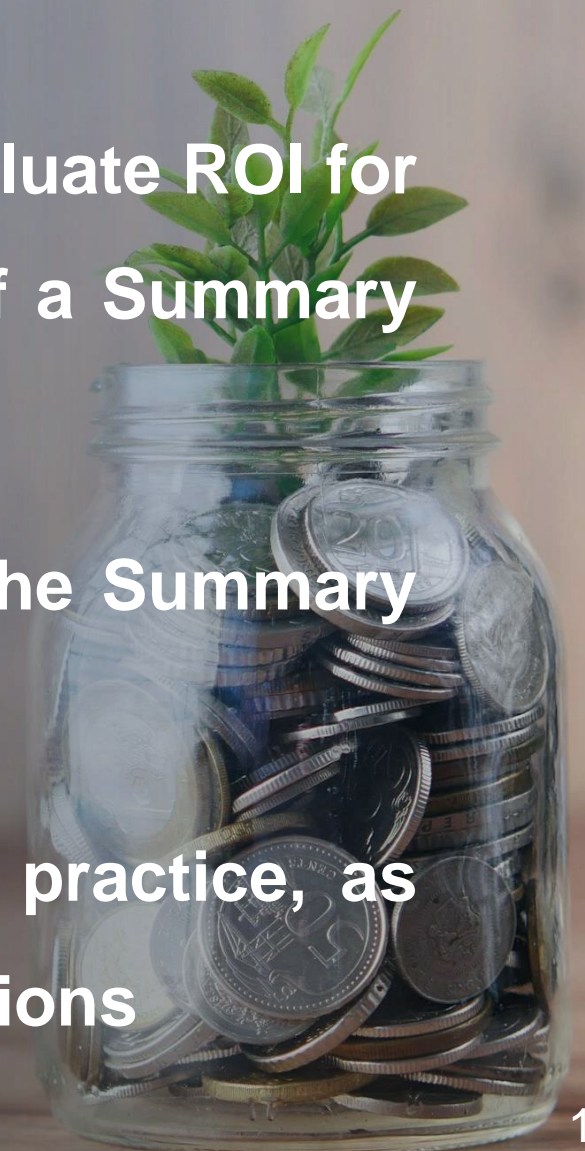
- A. Consider invoking the “material concern” provision of the Agreement to address and correct these issues with Visit Orlando. Remedies include amending the Agreement to address ambiguities in the contract related to revenue generated from programs and events funded by TDT Funds; and,**
- B. Increase its oversight of Visit Orlando and require periodic revenue reconciliations to ensure TDT Funds are managed in compliance with all contractual requirements.**



Recommendation No. 2

Return on Investment Analysis Was Not Performed to Determine if TDT Funds Were Spent Appropriately

- VO's internal expense reporting policy requires its staff to evaluate ROI for hosted events and business travel exceeding \$500 as part of a Summary Report
- However, VO management stated costs are not included in the Summary Reports
- As a result, there is a gap between VO's policy and actual practice, as none of the Summary Reports reviewed included ROI calculations





Recommendation No. 2

DINING OUT 1 minute 18 MAY 2023



When Stars Align—Orlando's Capa Comes to New York's Musket Room

A meeting of the culinary minds between the gastronomy world's fabulous females.

Editor's Pick New York City Florida Orlando



- We identified several events where the ROI was unclear, including a New York City dinner paid for with TDT Funds intended to promote tourism by showcasing Capa, a Michelin-starred Orlando restaurant
- The **\$75,000** dinner for 40 guests — **\$1,875 per guest** — at The Musket Room primarily featured dishes from The Musket Room's chefs
- In response, VO said the event was “not a dinner,” but an “expansive media event in partnership with Michelin to increase destination exposure and specifically to highlight the elevated culinary arts in Orange County.”



Recommendation No. 2

COVERAGE REPORT

2023 Michelin Dinner Results

Generated on July 2, 2025 at 4:45 PM ET

LINKS	TOTAL ENGAGEMENT	AVG. ENGAGEMENT
8	1,256	157
JOURNALIST REACH	UVM	TOTAL AVE
2,172	620,460,403	\$5,739,258.74

Insights by similarweb

According to VO: “The event resulted in multiple influencer and media stories that promoted Orlando ... The results equate to a **\$5.7 million media value.**”

This City Was Just Named the 'Best Foodie City in America You Expect

Yahoo Entertainment | By Lizzy Rosenberg | Oct. 3, 2023

SIMILARWEB UVM	SENTIMENT	AVE
372,878,377	Positive	\$3,449,124.99

- VO provided a report generated on Muck Rack showing eight articles associated with the dinner with a Total Advertising Value Equivalency (AVE) of \$5.7 million.
- AVE is a controversial metric that has been described as “evaluating a concert by measuring the size of the stage, not the crowd’s reaction.”
- Muck Rack’s AVE Formula:
(Unique Site Visitors Per Month) x 0.025 x \$0.37
- The calculation Muck Rack uses to obtain AVE can be manually adjusted by clients based on how much an organization values a particular outlet
- For one article posted to Yahoo, Muck Rack reported an AVE of \$3.4 million — a calculation based on how many unique users visit Yahoo in a month, not how many users read the article:
(372 million Unique Site Visitors Per Month) x 0.025 x \$0.37



Recommendation No. 2

Visit Orlando should:

- A. **Revise its internal expense reporting policy to include a standardized methodology for calculating ROI. The guidance should clearly define required inputs (e.g., direct costs, attributable returns), appropriate timeframes for measuring outcomes, and documentation standards. This will help ensure consistency, accuracy, and transparency in ROI reporting across all events and initiatives;**
- B. **Provide additional training for employees on the requirement to include both costs and the calculated ROI for each applicable event or travel activity in Summary Reports, as stated in the current policy. Reports lacking this information should be considered incomplete and returned for revision; and,**
- C. **Implement a review process to verify the accuracy of ROI/return calculations, including validation of both cost and return components.**



Recommendation No. 2

VISIT FLORIDA Direct Influencer Study Results 2021-22	
Direct Visit Florida Influencers	
The VISIT FLORIDA Website	5.4%
A Stop at an Official Florida Welcome Center on a previous trip to Florida	5.0%
A VISIT FLORIDA publication	0.0%
VISIT FLORIDA social media	5.3%
VISIT FLORIDA radio, TV, online, magazine/newspaper ad, not destination specific	4.7%
A sweepstakes/contest by VISIT FLORIDA heard or seen on radio, TV, or online	4.5%
Other Influencers	
A previous trip to Florida	8.0%
Have family or friends to visit	6.8%
Any advertising for a specific FL theme park	6.1%
Information from the Internet other than VISIT FLORIDA	6.1%
A hobby, pastime, or passion followed (golf, nature, small towns, spring training)	5.8%
Information about special events or festivals in FL	6.0%
Any advertising for a specific FL location, excluding theme parks	5.9%
A travel article in a newspaper or magazine about a FL vacation experience	5.4%
Any information from social media	5.8%
The vacation in Florida was in connection with a cruise using FL port	4.9%
The recommendation of a travel agent	5.0%
Brochures obtained at consumer trade shows	4.9%
Went on a business trip that was extended into a vacation	4.5%

ROI results can vary widely depending on assumptions and inputs, especially when parties with a vested interest commission studies.

Florida's Office of Economic & Demographic Research conducted a similar study to measure the economic impact of Visit Florida.

EDR report stated that in 2022, “It was projected that the three major theme park companies — Disney, Universal Studios, and Sea World — were responsible for \$787.9 million in marketing during the review period.”



Recommendation No. 2

County Administration should periodically commission an independent ROI assessment to evaluate the overall effectiveness of its tourism promotion strategies and investments.



Recommendation No. 3

TDT Funds Were Used to Pay for Ineligible Expenses

Our review of a sample of TDT-funded expenditures identified **\$379,780** in expenses that do not appear to promote tourism, which violates the terms of the Agreement and Florida law.



Recommendation No. 3

Local Events:

VO hosted luncheons for local attendees in 2023, using **\$161,541** in TDT Funds for audiovisual and décor costs for two events.

Sustainability Strategy Contract:

VO signed a \$427,700 multi-year agreement (with **\$137,500** paid in 2023) to develop an environmental sustainability plan.

Sky Boxes:

VO spent **\$20,600** on two Kia Center sky boxes at the 2023 NCAA March Madness tournament. Only eight of the 48 attendees were potential clients. The rest were VO staff, VO members, and elected officials.





Recommendation No. 3

Personal Item Purchases:

VO used TDT Funds to purchase the following items that had no demonstrated connection to tourism promotion:

- Orange Vans sneakers (\$1,821)
- Christmas sweaters and card (\$417)
- Tuxedo (\$310)

Executive Car Allowance:

VO paid its CEO \$12,210 from TDT Funds for a car allowance without the contractually required approval and notification.

Office Décor and Design:

VO spent \$6,505 of TDT Funds on architectural design, a personal refrigerator for its COO's office, and posters and window clings for non-client-facing areas.





Recommendation No. 3

Visit Orlando should strengthen its oversight processes to ensure that all TDT expenditures strictly comply with the terms of the Agreement and Florida law. Specifically, Visit Orlando should:

- A. Implement a formal review process for all TDT expenditures to ensure they are allowable uses under the Agreement;
- B. Conduct periodic training for its finance and program staff on allowable TDT Fund uses to ensure compliance with the Agreement's spending restrictions; and,
- C. Repay \$341,911 in unallowable TDT expenditures identified in this audit. Payment should be made from its Private Funds to its TDT bank account.



Recommendation No. 4

Orange County Should Enhance Contract Monitoring and Enforcement

No County employee or department is currently responsible for monitoring VO's Agreement compliance or overseeing overall performance. This led to several instances where VO has failed to meet contractual requirements that the County did not identify. For example:

- VO did not submit the program-area based budget in 2023. While the expense budget on VO's website totaled **\$72.5 million**, the financial statements reflected actual expenditures of **\$121 million** — an overage of **\$48.5 million**
- VO did not submit an annual marketing plan and budget to the Orange County Convention Center (OCCC) for approval from 2021 to 2024
- We identified unreported disbursements totaling more than **\$6 million**
- Nine of 38 contracts reviewed were not submitted



Recommendation No. 4

County Administration should:

- A. Designate an individual responsible for overseeing Visit Orlando's performance under the Agreement. This individual should track compliance with all contractual requirements, including the timely submission of reports, budgets, and other documents, and promptly address any issues; and,
- B. Develop monitoring procedures for the employee(s) assigned this responsibility.



Recommendation No. 4

Visit Orlando should submit a complete marketing plan and budget (the "Work Plan") to the Orange County Convention Center for approval, as required by the Agreement. This should include a clear budget to allow OCCC to evaluate whether funds are aligned with its priorities and ensure that unused funds are carried over as stipulated.



Recommendation No. 5

Inappropriate Use of TDT Funds for Member-Related Overhead Costs

Per the Agreement, using TDT Funds to support member-related activities is limited to helping members market themselves to tour operators and travel agencies, as well as paying for trade show costs over and above member contributions.

However, VO paid all overhead expenses — including member-related costs with TDT Funds:

- **\$1.19 million** for rent, utilities, and commercial insurance — expenses that also support the Membership group
- **\$5.5 million** in salaries and benefits for administrative support staff (e.g., Finance, HR, and IT) that serve the entire organization, including the Membership group
- **\$164,826** in compensation for the Senior Vice President of Membership and Support Services, who oversees the Membership group and other client-related departments



Recommendation No. 5

Visit Orlando should develop and implement a cost allocation methodology to ensure that overhead expenses benefiting member-related activities are appropriately charged to Private Funds, rather than to TDT Funds. This methodology should:

- A. Identify shared overhead costs (e.g., rent, administrative salaries, utilities) that support both TDT-funded and member-related functions; and,
- B. Allocate those costs proportionally based on reasonable and supportable criteria, such as staff time, square footage usage, or departmental budgets.



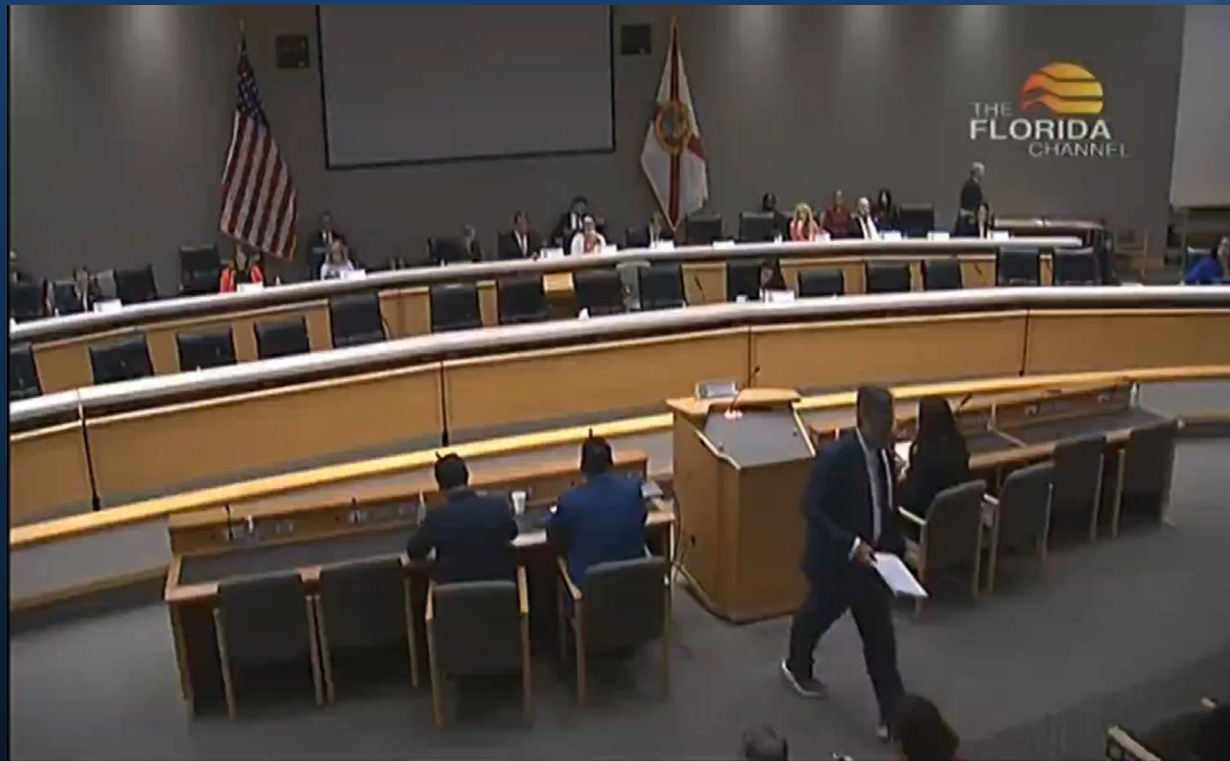
Recommendation No. 5

County Administration should consider invoking the “material concern” provision of the Agreement to address and correct these issues with Visit Orlando. Remedies could include amending the Agreement to address the allocation of overhead expenses and clearly outlining how overhead expenses should be allocated. Additionally, the County should periodically review Visit Orlando’s cost allocation practices to ensure continued adherence to TDT spending restrictions.



Recommendation No. 6

Visit Orlando Engaged in Lobbying Activities Without BCC Approval



The Agreement explicitly prohibits VO from engaging in state legislative lobbying activities without prior approval from the BCC.

Our review of VO's website identified instances where VO staff engaged in activities that appear to be lobbying without BCC approval.

VO said its meetings with legislators were educational in nature and did not constitute lobbying. However, educational meetings could easily influence legislative decisions and be confused with lobbying.

Engaging in lobbying without BCC authorization is prohibited and may conflict with the County's legislative priorities.



Recommendation No. 6

Visit Orlando should obtain BCC approval before discussing potential legislative matters with state legislators that could be perceived as lobbying.



Recommendation No. 7

Visit Orlando Did Not Comply With Its Procurement Policies

The Agreement requires VO to adopt procurement policies that encourage competitive bidding and requests for proposals (RFPs).

We reviewed a sample of 42 purchases — **33%** did not comply with the Procurement Policy:

- **Outdated RFP:** Four vendors with total purchases from \$400,000 to \$3.7 million with outdated RFPs — one from 2014
- **Improper Sole Source Justification:** Eight purchases — totaling over \$1 million — incorrectly classified as sole source
- **Recurring Purchases Should Have an RFP:** Two sets of purchases totaling \$200,139 (47 checks) and \$158,289 (44 checks) were not competitively bid. The policy requires an RFP for goods or services with annual or aggregate spending over \$100,000 in a two-year period

Non-competitive procurement can create the appearance of favoritism, bias, or conflicts of interest, undermining confidence in the procurement process.




Recommendation No. 7

Visit Orlando should:

- A. Re-communicate the Procurement Policy to all relevant staff, with emphasis on key thresholds, documentation requirements, and the consequences of noncompliance; and,**
- B. Conduct mandatory training sessions for all employees and reviewers involved in procurement, focusing on Procurement Policy requirements and proper procedures.**

Summary

Visit Orlando:

- **Incorrectly classified and deposited TDT revenues as Private Funds**
 - **Did not comply with internal policies for evaluating the return on events hosted by VO**
 - **Used TDT Funds to pay for ineligible expenses**
 - **Engaged in lobbying activities without BCC approval**
 - **Did not comply with its procurement policies**
- 

Summary

County Administration should:

- Amend the Agreement to clarify vague language
- Periodically commission an independent ROI assessment
- Designate an individual responsible for monitoring the VO Agreement to ensure compliance





**Phil Diamond, CPA
Orange County Comptroller**

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**Board of County Commissioners
August 26, 2025**