

Follow-up Audit of Orange County Convention Center Event Utilities Revenue



**Phil Diamond, CPA
County Comptroller
Orange County, Florida**

www.occompt.com



Report No. 523
May 2026

County Audit Division

Wendy Kittleson, CPA, CIA
Assistant Comptroller

Lisa Fuller, CIA, CISA, CGAP
Director

Erin Boley, CPA, CIA
Deputy Director

Audit Team

Brenda Feliciano, CPA
Audit Supervisor

Jessica Davila
Senior Auditor

Orange County Comptroller's Office

Mission

The mission of the Orange County Comptroller's Office is to serve the citizens of Orange County and our customers by providing responsive, ethical, effective, and efficient protection and management of public funds, assets, and documents, as specified in the Florida Constitution and Florida Statutes.

Vision

The vision of the Orange County Comptroller's Office is to be recognized as a highly competent, cohesive team leading the quest for continuing excellence in the effective safeguarding and ethical management of public funds, assets, and documents.



OFFICE OF THE COMPTROLLER

**ORANGE
COUNTY
FLORIDA**

PHIL DIAMOND, CPA
County Comptroller
County Audit Division
Post Office Box 38
Orlando, FL 32802
Telephone: (407) 836-5775
Web page: www.occompt.com

May 21, 2026

Jerry L. Demings, County Mayor
and
Board of County Commissioners

We have performed a follow-up audit of Orange County Convention Center Event Utilities Revenue (Report No.488). The prior audit, issued in October 2020, reviewed the period from October 2017 through August 2018. We reviewed the period from July 2024 through December 2024 to test the status of the previous recommendations.

This report summarizes the status of the previous recommendations, including implementation status and remaining recommended work. The Convention Center management response follows these recommendations.

We appreciate the cooperation of Convention Center personnel during the audit.

Phil Diamond, CPA
County Comptroller

c: Byron W. Brooks, County Administrator
Mark Tester, Executive Director, Convention Center
Ray Walls, Deputy Director of Fiscal and Operational Support/Strategic Planning,
Convention Center

ORANGE COUNTY CONVENTION CENTER EVENT UTILITIES REVENUE FOLLOW-UP AUDIT

Audit Period
July 2024 – December 2024

We conducted a follow-up audit of our October 2020 Audit of Orange County Convention Center Event Utilities Revenue (Report No. 488). The prior audit report can be viewed at <https://www.occompt.com/186/Audits-Investigations>.

The previous report contained two recommendations. The statuses of those recommendations are summarized below.

RECOMMENDATION STATUS



BACKGROUND

The Orange County Convention Center (Convention Center) is one of the largest convention centers in the United States, offering more than 2 million square feet of exhibition space. In Fiscal Year 2024, the Convention Center hosted 189 events and welcomed over 1.7 million attendees.

Fiscal Year 2024 Total Events



Source: Convention Center's 2023-2024 Annual Report

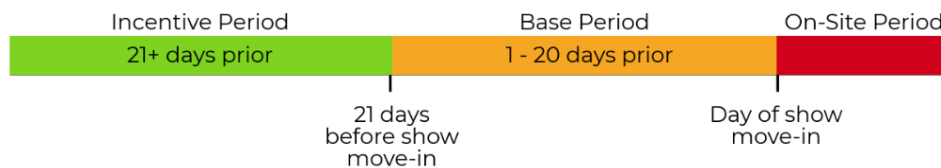
For each of these events, the Convention Center is the exclusive provider of event utility services, including electricity, water, and natural gas. These services are essential to event



operations and are coordinated by the Exhibitor Services team. Orders are submitted by either the show manager hosting an event or an exhibitor attending the event.

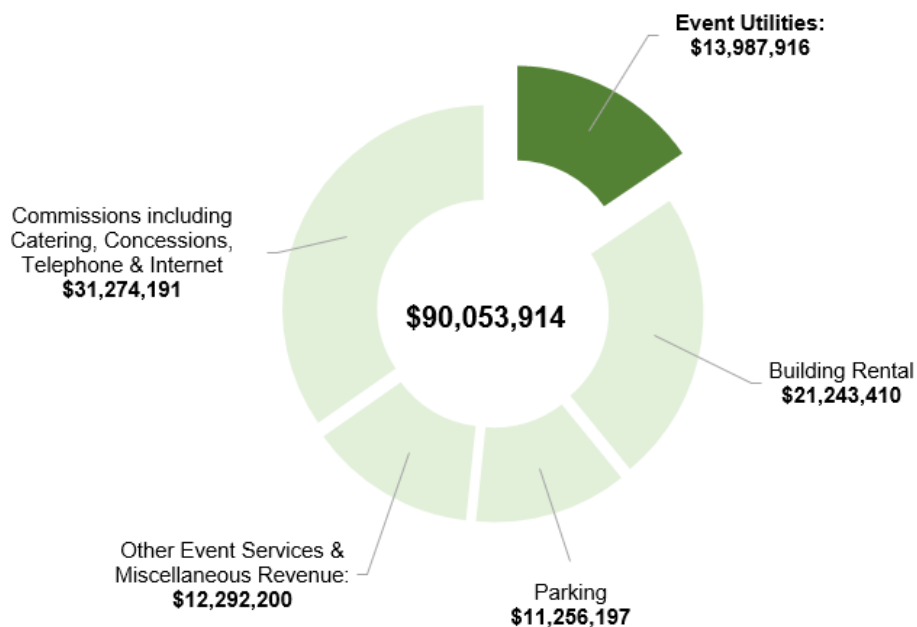
The Convention Center publishes its event utility rates annually. There are three rate tiers for equipment and service orders — incentive rate, base rate, and on-site rate. The incentive rate applies to orders received 21 or more days before the event move-in. The higher on-site rate is applied once move-in for an event begins. These pricing options help keep utility services accessible while supporting efficient operations.

Tiered Rate Structure Timeline



Utility charges were the Convention Center's third largest source of revenue accounting for 16% of the Convention Center's annual operating revenue in Fiscal Year 2024. The following graphic highlights the operational and financial importance of effective utility service management at the Convention Center.

Convention Center Operating Revenue FY 2024



PRIOR RECOMMENDATIONS

**Prior
Recommendation 1**

The Convention Center should follow pricing schedules published in its *Event Planning Guide* and *Exhibitor Ordering & Payment Guidelines*. In the event it is necessary to deviate from established rates, the Convention Center should implement procedures to ensure all modifications are properly authorized and documented. In addition, we recommend that procedures are developed to review negotiated show rates prior to recording any orders.



The Convention Center publishes event utility rate lists annually. Event utility rates are based on the type of rental (exhibitor or show manager), services ordered, and the order date. The order date determines whether the incentive, base, or on-site rates will be charged. Orders placed at least 21 days before the first move-in date are discounted. Orders placed 20 days or less before the first move-in date are charged the base rate. Finally, orders placed during move-in or on event days are subject to higher, on-site rates.

Additionally, Convention Center management may negotiate alternate rates or discounts for specific events. When an entire rate list is adjusted, the Finance Department reviews the adjustments for reasonableness and consistency. When rate adjustment requests are received for exhibitor utility orders, the Convention Center has procedures that require documentation and approval by appropriate personnel. Procedures have not been developed for modifications to show manager orders.

System Event Utility Rate Lists

To test system billing rates, we compared the October 2024 approved rates to rates entered in the event utilities online ordering system. We identified two items where the system rate was higher than the approved rates. Convention Center management should have procedures in place to ensure rates in the online ordering system match the published rates to avoid incorrect billing.



Rate Variances

16,786 event utility equipment/services were ordered during the audit period. We identified 799 of those items that deviated from published utility rates. We reviewed a sample of 397 items,¹ approximately half, to ensure required documentation and approvals were obtained to support the rate adjustments.

After reviewing the supporting documentation, we noted that 85 of 397 (21%) items sampled had inadequate documentation for rate variance. This caused approximately \$8,000 in lost revenue to the Convention Center. Specifically,

- 70 items were charged incorrectly because the wrong pricelist was selected.
- 9 items were charged incorrectly based on a lack of appropriate approvals for the applied rate adjustments.
- 6 items were affected by a system issue.

Deviations from established rate guidelines should be documented and approved by appropriate personnel. In response to our prior audit, the Convention Center has made significant improvements to its event utilities operations that have addressed our original concerns. However, there are minor improvements to be made that would strengthen controls and policy compliance.


WHAT REMAINS TO BE DONE

Convention Center management should:

- Implement validation procedures to ensure event utility rates entered in the online ordering system agree with the final, approved event utility rate lists;
- Develop and implement written procedures for show manager utility orders to clearly define approval authority, documentation standards, and procedures for handling rate variances;
- Perform periodic rate variance reviews to confirm policy compliance; and,
- Continue coordinating with the system vendor to address online ordering portal issues.

¹ Samples were selected judgmentally for review.



<p>Prior Recommendation 2</p>	<p>Convention Center management should develop and implement policies and procedures for deleted orders. The procedures should include an appropriate level of review and approval of deleted orders. In addition, security access controls should be reviewed and employees with access to cash should be prevented from deleting orders.</p>
	<p>Although the Convention Center no longer accepts cash, management has not developed policies and procedures detailing required review and approval of deleted orders. We identified orders deleted during the audit period and reviewed a sample of eight deleted orders for reasonableness.² All eight deleted orders in the sample appeared reasonable based on notes recorded in the system.</p> <p>After we identified deleted orders, we reviewed system access and determined that 33 users could delete orders. We reviewed all 33 users and determined that three users — a Financial Analyst and two Financial Administrators — posed a segregation of duties risk due to their competing responsibilities in revenue reconciliation and financial reporting. Proper segregation of duties reduces the risk of inappropriate transactions by ensuring that no single user can control all critical steps of a process.</p> <p>Following discussions with Convention Center management, deletion privileges were removed for 11 users, including the three users who posed a segregation of duties risk. The remaining users can still delete orders based on operational necessity as determined by the Convention Center.</p> <p>Effective internal controls are critical to ensure transparency and accountability in financial operations.</p>

² Samples were judgmentally selected for review.

**WHAT REMAINS TO
BE DONE**

Convention Center management should:

- Develop and implement policies and procedures that define required review, approval, and documentation standards for deleted orders;
- Periodically review deleted orders to ensure that policies and procedures developed are followed; and,
- Conduct periodic user-access reviews to ensure that deletion privileges are restricted to roles with a clear operational need that do not pose segregation of duties risks.



AUDIT SCOPE, PERIOD, AND OBJECTIVES

The scope of this follow-up audit was limited to the Convention Center’s event utility revenue, focusing on the recommendations outlined in the previous audit (Report No. 488). The follow-up audit period covered July 2024 through December 2024.

The objective of the follow-up audit was to determine the implementation status of the recommendations from our previous audit of Orange County Convention Center Event Utilities Revenue.

METHODOLOGY

To determine the implementation status of our prior recommendations, we conducted the following procedures:

- Identified the population of event utility orders during the audit period, including any deleted event utility orders;
- Reviewed a sample of eight deleted orders to evaluate whether the order was deleted for a valid business reason;
- Reviewed the job responsibilities for all users capable of deleting event utility orders to determine whether proper segregation of duties was in place;
- Identified any event utility charges that varied from the applicable rate lists in effect at the time of service; and,
- Reviewed a sample of 397 utility rate variances identified to confirm the rate adjustments were adequately documented.




APPENDIX – MANAGEMENT RESPONSE



Interoffice Memorandum

May 4, 2026

TO: Phil Diamond, CPA, Orange County Comptroller
Orange County Comptroller's Office

FROM: Mark Tester, Executive Director 
Orange County Convention Center

SUBJECT: **Response to Follow-up Audit of Orange County Convention Center Event Utilities Revenue**

The Orange County Convention Center appreciates the opportunity to respond to the follow-up audit of event utilities revenue. We value the Comptroller's Office partnership in identifying opportunities to strengthen internal controls, safeguard County assets, and enhance operational efficiency. Below is our detailed response to each recommendation.

Prior Recommendation No. 1:

"The Convention Center should follow pricing schedules published in its Event Planning Guide and Exhibitor Ordering & Payment Guidelines. In the event it is necessary to deviate from established rates, the Convention Center should implement procedures to ensure all modifications are properly authorized and documented. In addition, we recommend that procedures are developed to review negotiated show rates prior to recording any orders."

Recommendation Status: Fully Implemented

Convention Center management should:

- Implement validation procedures to ensure event utility rates entered in the online ordering system agree with the final, approved event utility rate lists;
- Develop and implement written procedures for show manager utility orders to clearly define approval authority, documentation standards, and procedures for handling rate variances;
- Perform periodic rate variance reviews to confirm policy compliance; and,
- Continue coordinating with the system vendor to address online ordering portal issues.

Convention Center Response to Recommendation No. 1 Status:

Concur. The Convention Center concurs that this recommendation has been fully implemented, and we have moved to address the audit team's few remaining findings even before the release of this report.

As noted in the audit report, two (2) minor rate entry errors were identified in the online ordering system. For example, the late rate for Cam Lock Tail 4/0 Rental was





entered as \$97.94 and should have been \$97.74. However, neither error resulted in financial impact, as the affected items were not ordered during the audit period. These discrepancies were due to manual data entry requirements, as the system does not allow price list uploads. To mitigate this risk, the Convention Center has implemented validation procedures and periodic reviews to identify and correct discrepancies before price lists go into effect.

The audit also identified 85 of 16,786 utility orders (0.4%) with rate variances. Of these, 70 were the result of incorrect price list selection during manual order entry. While most utility orders are placed online, this is not the case for Show Management, the Center's direct client. These orders are handled by our Utilities team who review event specifications, assess power needs, and then manually enter them, which makes these transactions more susceptible to error. Although a small fraction of orders had the wrong price list resulting in minimal fiscal impact, the Convention Center is evaluating transitioning Show Management to the online ordering portal which would further reduce this type of staff error.

Additionally, nine (9) orders (0.1%) were found to be undercharged due to missing approval documentation. This occurred because existing policy states that supervisor approval is needed if extending a rate deadline results in a price difference over \$500. However, the policy does not address instances where existing orders are modified. For example, in several cases an exhibitor contacted staff to upgrade or change the type of outlet ordered, and the new items were priced based on when the original order was submitted.

The Convention Center is updating its policies to allow this regardless of price difference, as the primary purpose of incentive rates is to encourage early orders for effective labor and operational planning, not to increase revenue for late orders. When order quantities remain substantially the same, but outlet types change after the incentive deadline, this objective has still been achieved. Such changes do not materially impact labor or logistics, and the Center collects the same revenue that would have been received had the correct outlet type been selected initially.

Finally, six (6) items (0.04%) were affected by a system issue within the online ordering portal. This issue was identified and reported prior to the audit and promptly corrected by the software provider. A credit was then issued for revenue loss incurred prior to the fix. Convention Center staff will continue to perform periodic reviews to detect system issues like this and to confirm that staff comply with departmental policy.

Prior Recommendation No. 2:

"Convention Center management should develop and implement policies and procedures for deleted orders. The procedures should include an appropriate level of review and approval of deleted orders. In addition, security access controls should be reviewed and employees with access to cash should be prevented from deleting orders."





Recommendation Status: Partially Implemented

Convention Center management should:

- Develop and implement policies and procedures that define required review, approval, and documentation standards for deleted orders;
- Periodically review deleted orders to ensure that policies and procedures developed are followed; and,
- Conduct periodic user-access reviews to ensure that deletion privileges are restricted to roles with a clear operational need that do not pose segregation of duties risks.

Convention Center Response to Recommendation No. 2 Status:

Concur. Since the original audit in 2020, the Convention Center has made significant progress in strengthening controls over deleted orders and supports the audit team's guidance for continued improvement.

Immediately following the original audit, the Convention Center reviewed the capabilities of the software, as well as internal procedures for how orders are handled. As a result, deletion access was removed for staff who process service orders or handle cash. In 2023, the Convention Center also transitioned to a fully cashless operation, eliminating a key risk identified in the initial recommendation.

Deletion privileges were further restricted based on job function. Only 10 of 33 users retained the ability to delete utility service orders, all within the Fiscal & Operational Support division to support accurate client billing. All other users were limited to deleting pre-contract booking orders (tentative space reservations) and only for events without an executed lease.

Being able to delete pre-contract booking orders is necessary because proposals and quotes are developed years in advance, requiring multiple revisions before a client ever signs a lease. When potential clients do not move forward with a lease, their event's status is updated to "Lost" in the system, providing documentation for associated deletions. Executed leases similarly document final space allocations and explain the deletion of unused bookings.

Despite these controls, the audit identified two (2) unauthorized deletions of service orders, one of which involved utilities:

- Order #1087535 – The employee accidentally created a copy of a utility order she was attempting to add interest to and then deleted the duplicate order instead of cancelling it.
- Order #1070907 – An order for riser equipment was deleted to align with the Convention Center's complimentary riser policy.

In both instances, the orders should have been canceled rather than deleted. To address this, we have further restricted post-contract deletion privileges to four (4) staff within the Lease Administration section. While the Convention Center develops





a formal policy regarding cancellations and deletions, these staff have been instructed that they are only authorized to delete orders when the change is supported by amendments to clients' leases.

In closing, I would like to note that it was a pleasure working with the audit team involved with this report. Their professionalism and thoroughness throughout the process was greatly appreciated. Their work and resulting recommendations will support our continued efforts to be exemplary stewards of taxpayer dollars.

cc: Byron W. Brooks, AICP, County Administrator
Anthony Camarillo, General Manager, Orange County Convention Center
Ray Walls, Deputy Director, Orange County Convention Center
Heather Peeples, FOS Manager, Orange County Convention Center
Wendy Kittleson, Assistant Comptroller, Orange County Comptroller's Office
Erin Boley, Deputy Director, Orange County Comptroller's Office
Brenda Feliciano, Audit Supervisor, Orange County Comptroller's Office
Jessica Davila, Sr. Auditor, Orange County Comptroller's Office

