



**Justin P. Wilson, Comptroller**

October 18, 2017

## **More Control Over Spending Needed at Chattanooga CVB**

The Comptroller's Office is recommending the Chattanooga Convention and Visitors Bureau (CVB) board of directors take steps to adopt detailed policies concerning how the CVB spends its money.

The Comptroller's Office has completed a review of Hamilton County's hotel/motel taxes which are all forwarded to the CVB. The annual report is required by Public Chapter 170, Public Acts of 2017.

The report contains three findings and some observations related to the CVB's expenditures from July 1, 2015 through June 30, 2016. One of the findings reveals the CVB did not maintain detailed receipts for 36% of the credit card charges examined by auditors.

Other findings disclose the CVB is not making written reports to the Hamilton County Mayor and Board of Commissioners as required by Resolution 207-27, and the CVB is not adequately documenting how gifts cards received by local businesses are used.

Overall, the CVB's operational policies and procedures are very general. The Comptroller's Office believes more detailed policies should be adopted by the board to specify valid expenditures. Examples of items to address in the policies are if and when local meals are allowable, a reasonable amount for employee retirement gifts, and the appropriateness of other miscellaneous expenses.

While some CVB expenses may appear lavish or questionable compared to county government departments, they might be considered reasonable or necessary within the tourism promotion and recruitment industry.

The Comptroller's Office also recommends the Hamilton County Commission require transparency from the CVB and any other non-profit organization that receives county funds.

"The Chattanooga CVB receives nearly all of its funding from hotel and motel taxes," said Comptroller Justin P. Wilson. "It's vital that taxpayers have confidence that this money is used to promote the CVB's mission. That assurance can be achieved if employees are following detailed policies on how money should be spent."

To view the Chattanooga CVB report, click [here](#).

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