



# City of Virginia Beach

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August 12, 2015

James B. Ricketts, Director  
Convention and Visitors Bureau  
TowneBank Building, Suite 500  
Virginia Beach, VA 23451

**Subject: Results of the Agreed-Upon Procedures for Convention and Visitors Bureau FY 2015 Procurement Card Transactions**

Dear Mr. Ricketts,

We have reviewed the FY 2015 procurement card transactions of the Convention and Visitors Bureau (CVB).

This review was an agreed-upon procedures engagement conducted in accordance with Government Auditing Standards (GAS). GAS incorporates financial and attestation standards established by the American Institute of Certified Public Accountants. These standards also provide guidance for performing and reporting the results of agreed-upon procedures. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described herein either for the purpose for which this report has been requested or for any other purpose.

The Office of the City Auditor reports to City Council through the Audit Committee and is organizationally independent of all City Departments. This report will be distributed to the City's Audit Committee, City Council, City Manager, and appropriate management within the City.

We were not engaged to perform and did not perform an examination or GAS review of the subject matter, the objective of which would have been the expression of an opinion or limited assurance. Had we performed additional procedures, other matters may have come to our attention that would have been reported to you. We completed the agreed-upon procedures on July 22, 2015.

This report is intended solely for the information and use of the Audit Committee and management of CVB. It is not intended to be and should not be used by anyone other than these specified parties. However, this report is a matter of public record and its distribution is not limited.

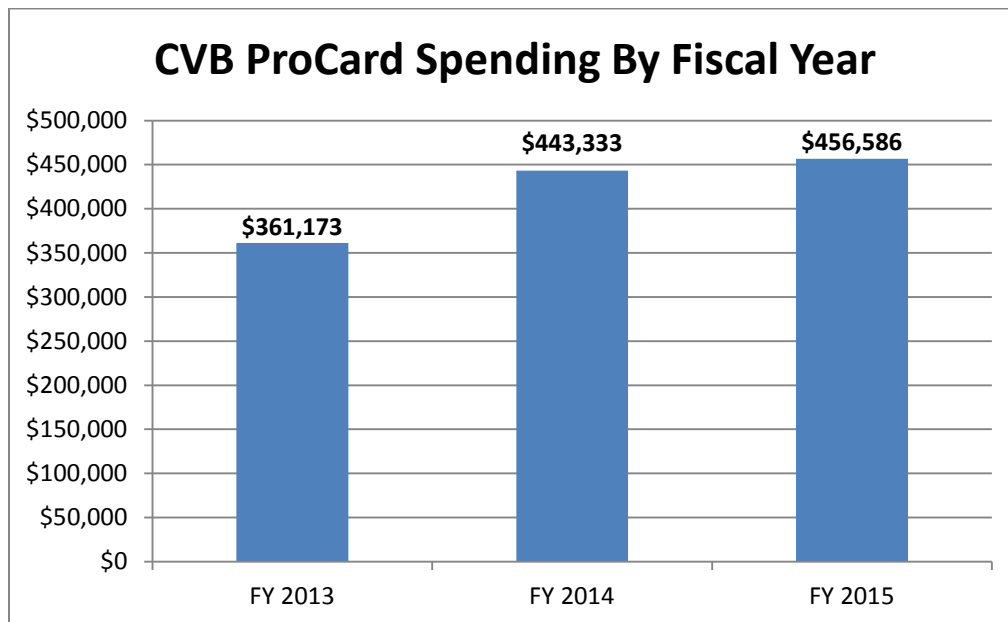
The procedures we agreed to perform were a review of CVB's procurement card transactions during FY 2015 for reasonableness and compliance with the City's procurement card policies and procedures as well as the City's administrative directives governing travel and purchases.

The procedures performed were as follows:

- (1) We obtained all 2,662 procurement card transactions from June 28, 2014 through June 27, 2015 totaling \$456,585.77;
- (2) We examined each CVB cardholder's transaction log to:
  - A) Agree the cardholder's Pro Card billing statement with his/her transaction log;
  - B) Determine if the cardholder, immediate supervisor and the program manager signed the transaction log and billing statement;
  - C) Determine if applicable backup documentation of each transaction is included with the transaction log (including detailed receipts for meals);
  - D) Determine if transactions comply with VII. *Credit Card Application and Use Procedures, of the Virginia Beach Pro Card Manual*;
  - E) Further review transactions for meals at local restaurants, large purchase amounts, and other reasonableness criteria.

**Results:**

Overall, we found the CVB procurement card transactions for FY 2015 to be in compliance with the City's policies and procedures and minor exceptions were verbally discussed with management and considered closed. For your information, we provide the past three fiscal years' total ProCard spending charges:



James B. Ricketts, Director, Convention and Visitors Bureau  
Results of the Agreed-Upon Procedures for Convention and Visitors Bureau FY 2015  
Procurement Card Transactions  
August 12, 2015  
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We would like to thank CVB management for their courteous assistance during the course of our engagement. Should you have any questions, please do not hesitate to contact me at 385-5872 or via e-mail at [lremias@vbgov.com](mailto:lremias@vbgov.com).

Sincerely,

Lyndon S. Remias, CPA, CIA, CRMA  
City Auditor

cc: City Council  
Audit Committee  
Douglas Smith, Deputy City Manager, City Manager's Office  
James Ricketts, Director, Convention and Visitors Bureau  
Patricia Phillips, Director, Department of Finance



# City of Virginia Beach


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## INTER-OFFICE MEMORANDUM

**DATE:** August 12, 2015

**TO:** Lyndon Remias, City Auditor

**FROM:** James B. Ricketts, Director Convention and Visitors Bureau 

**SUBJECT:** Results of Agreed-Upon Procedures for Convention and Visitors Bureau  
FY 2015 Procurement Card Transactions

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The City Auditor's staff is to be commended for their time and efforts in conducting the FY 2015 Convention and Visitors Bureau agreed-upon procedures engagement. This engagement was a very thorough and extensive examination of 100% of CVB's credit card transactions during the period of June 28, 2014 to June 27, 2015.

The positive results of the engagement show that the CVB is adhering to City policies and that our enhanced and additional internal control procedures are effective and working as intended to mitigate fraud, waste and abuse.

I want to thank you and your staff for their dedicated efforts in performing this engagement and in discussing the outcome at the exit conference. As discussed, we will look forward to next year's Pro Card agreed-upon procedures engagement.

C: Douglas Smith, Deputy City Manager