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SONOMA COUNTY TOURISM

Sonoma County Tourism Bureau, Inc.

*Agreed- Upon Procedures
Performed by Independent Accountant*

Year Ended June 30, 2023



PISENTI & BRINKER LLP
Certified Public Accountants & Advisors

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Independent Accountant's Report on Applying Agreed-Upon Procedures

Board of Directors
Sonoma County Tourism Bureau, Inc.

We have performed the procedures enumerated below on compliance with applicable laws and the travel and entertainment expense reimbursement policy of Sonoma County Tourism Bureau, Inc. ("the Organization"), for the year ended June 30, 2023. The Organization is responsible for complying with the travel and entertainment expense reimbursement policy.

The Organization has agreed to and acknowledged that the procedures performed are appropriate to meet the intended purpose of testing compliance with applicable laws and the travel and expense reimbursement policy of Sonoma County Tourism Bureau, Inc. for the year ended June 30, 2023. 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 this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes.

We performed agreed-upon procedures as follows:

1. Obtain an understanding of the Organization's employee travel and entertainment expense reimbursement policies and procedures.
2. Select a sample of expenditures spanning July 1, 2022 to June 30, 2023 from a population consisting of all the Organization's employee held credit cards and expenditures reimbursed through payroll. From this sample, determine whether the expenditure would be subject to the policy. If subject to the policy, ensure the expense complies with the reimbursement policy. If the expenditure is not subject to the policy, determine whether it appears to have a valid business purpose and whether the price appears reasonable.
3. Determine whether the reimbursement expenses comply with applicable laws, specifically Chapter 33 Section 4 of the Sonoma County Municipal Code (authorized uses of business improvement funds) and Article XVI, section 6 of the California Constitution (prohibition against making a gift of public funds).

Below is a summary of results based on the documentation reviewed.

Procedure 1:

Pisenti & Brinker LLP ("P&B") obtained an understanding of the policy by reviewing the Organization's travel and entertainment expense – policies and reporting procedures manual effective July 1, 2019.

Procedure 2:

P&B selected a sample of expenditures from July 1, 2022 to June 30, 2023 and determined whether each expenditure was in compliance with the travel and entertainment expense reimbursement policy or, if this was not applicable, appeared to have a valid business purpose. P&B selected all expenditures incurred by the CEO and CFO and 25% of all other employee expenditures for the period under review. The total number of expenditures tested was 699. Please see the attached schedule of findings for results of our procedures.

Procedure 3:

P&B determined whether the expenses complied with applicable laws, specifically Chapter 33 Section 4 of the Sonoma County Municipal Code (authorized uses of business improvement funds) and Article XVI, section 6 of the California Constitution (prohibition against making a gift of public funds). P&B noted no instances where expenditures did not comply with applicable laws.

We were engaged by the Organization to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants. We were not engaged to and did not conduct an examination or review engagement, the objective of which would be the expression of an opinion or conclusion, respectively, on compliance with applicable laws and the travel and entertainment expense reimbursement of Sonoma County Tourism Bureau, Inc. for the year ended June 30, 2023. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

We are required to be independent of Sonoma County Tourism Bureau, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

This report is intended solely for the information and use of management and directors of Sonoma County Tourism Bureau, Inc. and the County of Sonoma, and is not intended to be and should not be used by anyone other than these specified parties.

Pisenti & Brinkman LLP

Santa Rosa, California
February 20, 2024

June 30, 2023

Finding #2023-001:

For expense report dated December 2022 receipt No. 8, we noted that this expense related to alcohol, and broke down to be approximately \$57 per person. Additionally, we noted that the breakdown under entertainment expense on the expense report did not properly account for the alcohol purchased from this receipt. The expense report indicated only \$44 of the meal was alcohol related, but after review of the receipt it was noted approximately \$170 was alcohol related. Based on our understanding this amount was over the \$35 limit for purchase of alcohol per person.

Management Response - This was a birthday dinner for one of our board members at a restaurant in Healdsburg. Management agrees that the alcohol was not properly noted in the expense report. Because of the special event status of the meal and that we dined in Healdsburg, the cost was higher than usual.

Finding #2023-002

For the expense report dated April 2023 receipt No. 6, we noted that this expense related to alcohol, and broke down to be approximately \$49 per person. Based on our understanding this amount was over the \$35 limit for purchase of alcohol per person

Management Response - This was following a successful partner interaction at the SXSW event in Austin, TX for which partners paid their travel expenses and took time from work to participate. Wink is a noted restaurant and both food and alcohol are expensive. The options for wine did not include inexpensive options that fit the occasion.

Finding #2023-003

For the expense report dated April 2023 receipt No. 15, we noted that this expense related to alcohol, and broke down to be approximately \$58 per person. Based on our understanding this amount was over the \$35 limit for purchase of alcohol per person

Management Response – John Rissi purchased a trip to Sonoma County as part of the US Travel Summer Board meeting auction. (The charge for lodging at The Madrona \$2,092.72, was also for this trip.) The charges at Jordan winery were for a winery visit and tasting. This is not all alcohol related, but is for the experience selected.