



THE CONVENTION AND VISITORS BUREAU
OF GREATER CLEVELAND, INC.
DBA POSITIVELY CLEVELAND
AND SPIRIT OF CLEVELAND, INC.

COMBINED FINANCIAL STATEMENTS
DECEMBER 31, 2007 AND 2006



Mary Taylor, CPA

Auditor of State

Board of Trustees

The Convention and Visitors Bureau of Greater Cleveland, Inc.
DBA Positively Cleveland and Spirit of Cleveland, Inc.
3100 Terminal Tower
Cleveland, Ohio 44113-2290

We have reviewed the *Independent Auditors' Report* of The Convention and Visitors Bureau of Greater Cleveland, Inc., DBA Positively Cleveland and Spirit of Cleveland, Inc., Cuyahoga County, prepared by Cohen & Company, for the audit period January 1, 2007 through December 31, 2007. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

Our review was made in reference to the applicable sections of legislative criteria, as reflected by the Ohio Constitution, and the Revised Code, policies, procedures and guidelines of the Auditor of State, regulations and grant requirements. The Convention and Visitors Bureau of Greater Cleveland, Inc., DBA Positively Cleveland and Spirit of Cleveland, Inc., is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

August 20, 2008

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THE CONVENTION AND VISITORS BUREAU OF GREATER CLEVELAND, INC.
DBA POSITIVELY CLEVELAND

DECEMBER 31, 2007 AND 2006

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BOARD OF TRUSTEES
THE CONVENTION AND VISITORS BUREAU OF GREATER CLEVELAND, INC.
DBA POSITIVELY CLEVELAND AND
SPIRIT OF CLEVELAND, INC.

Independent Auditors' Report

We have audited the accompanying combined statement of financial position of The Convention and Visitors Bureau of Greater Cleveland, Inc. (DBA Positively Cleveland) and Spirit of Cleveland, Inc. as of December 31, 2007 and 2006, and the related combined statements of activities and cash flows for the years then ended. These combined financial statements are the responsibility of these organizations' management. Our responsibility is to express an opinion on these combined financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the combined financial statements referred to above present fairly, in all material respects, the financial position of Positively Cleveland and Spirit of Cleveland, Inc. as of December 31, 2007 and 2006, and the changes in their net assets and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 26, 2008, on our consideration of Positively Cleveland and Spirit of Cleveland, Inc.'s internal control over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Cohen & Company

June 26, 2008
Cleveland, Ohio

COMBINED STATEMENT OF FINANCIAL POSITION
DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006</u>		<u>2007</u>	<u>2006</u>
ASSETS			LIABILITIES AND NET ASSETS		
CURRENT ASSETS			CURRENT LIABILITIES		
Cash and cash equivalents	\$ 4,393,882	\$ 2,792,001	Accounts payable and accrued expenses	\$ 318,611	\$ 217,085
Amounts due from Cuyahoga County	1,132,709	1,036,293	Salaries and payroll taxes payable	177,302	293,895
Accounts receivable	325,320	36,035	Accrued pension	113,136	69,709
Prepaid expenses and other	<u>264,791</u>	<u>433,068</u>	Payables to Gateway Economic Development Corporation	<u>1,412,135</u>	<u>212,180</u>
	<u>6,116,702</u>	<u>4,297,397</u>		<u>2,021,184</u>	<u>792,869</u>
PROPERTY AND EQUIPMENT - AT COST			LONG-TERM LIABILITIES		
Office furniture, equipment, and leasehold improvements	412,934	204,613	Deferred compensation payable	<u>178,193</u>	<u>138,512</u>
Less: Accumulated depreciation and amortization	<u>118,844</u>	<u>87,031</u>		<u>2,199,377</u>	<u>931,381</u>
	<u>294,090</u>	<u>117,582</u>	COMMITMENTS AND CONTINGENCY		
OTHER ASSETS			UNRESTRICTED NET ASSETS		
Investments	178,193	138,512		<u>4,496,625</u>	<u>3,775,527</u>
Note receivable	<u>107,017</u>	<u>153,417</u>		<u>\$ 6,696,002</u>	<u>\$ 4,706,908</u>
	<u>285,210</u>	<u>291,929</u>			
	<u>\$ 6,696,002</u>	<u>\$ 4,706,908</u>			

The accompanying notes are an integral part of these combined statements.

COMBINED STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2007

REVENUES

Transient occupancy tax	\$ 8,082,318
Membership revenue	495,820
Investment income	150,697
Registration income	27,739
Event revenue	41,338
Visitor Information Centers	215
Miscellaneous income	35,607
In-kind contributions	130,727
	<u>8,964,461</u>

DEPARTMENTAL EXPENSES

Administrative	782,465
Marketing	2,368,992
Sales	2,646,548
Services	441,009
	<u>6,239,014</u>

OTHER EXPENSES

Community fund	53,250
Office relocation expense	35,935
Marketing grants	30,700
Gateway liability	1,418,500
Visitor Information Centers	135,099
Sponsorships	330,865
	<u>2,004,349</u>
	<u>8,243,363</u>

CHANGE IN NET ASSETS 721,098

UNRESTRICTED NET ASSETS - BEGINNING OF YEAR 3,775,527

UNRESTRICTED NET ASSETS - END OF YEAR \$ 4,496,625

The accompanying notes are an integral part of these combined statements.

COMBINED STATEMENT OF ACTIVITIES

YEAR ENDED DECEMBER 31, 2006*

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Total</u>
REVENUES			
Transient occupancy tax	\$ 7,504,517		\$ 7,504,517
Membership revenue	456,666		456,666
Investment income	156,654		156,654
Registration income	30,331		30,331
Event revenue	51,490		51,490
Visitor Information Centers	185		185
Miscellaneous income	9,266		9,266
In-kind contributions	104,885		104,885
Net assets released from restrictions	4,060	\$ (4,060)	
	<u>8,318,054</u>	<u>(4,060)</u>	<u>8,313,994</u>
DEPARTMENTAL EXPENSES			
Administrative	782,261		782,261
Marketing	2,020,031		2,020,031
Sales	2,170,645		2,170,645
Services	463,251		463,251
	<u>5,436,188</u>		<u>5,436,188</u>
OTHER EXPENSES			
Community fund	94,750		94,750
Office relocation expense	233,500		233,500
Convention Center balloon payment	1,200,000		1,200,000
Marketing grants	45,000		45,000
Gateway liability	198,536		198,536
Visitor Information Centers	101,082		101,082
Sponsorships	153,141		153,141
	<u>2,026,009</u>		<u>2,026,009</u>
	<u>7,462,197</u>		<u>7,462,197</u>
CHANGE IN NET ASSETS	855,857	(4,060)	851,797
NET ASSETS - BEGINNING OF YEAR	<u>2,919,670</u>	<u>4,060</u>	<u>2,923,730</u>
NET ASSETS - END OF YEAR	<u>\$ 3,775,527</u>	<u>\$</u>	<u>\$ 3,775,527</u>

*Reclassified to conform with current year's presentation

The accompanying notes are an integral part of these combined statements.

COMBINED STATEMENT OF CASH FLOWS
 YEARS ENDED DECEMBER 31, 2007 AND 2006

	<u>2007</u>	<u>2006*</u>
CASH FLOW PROVIDED FROM OPERATING ACTIVITIES		
Change in net assets	\$ 721,098	\$ 851,797
Noncash items included in activities		
Depreciation and amortization	61,989	72,224
Deferred compensation	25,956	35,919
Collection of note receivable via in-kind services	46,400	20,727
Loss on disposal of property and equipment		55,580
Gain on investments		(22,023)
Increase (decrease) in cash caused by changes in current items:		
Amounts due from Cuyahoga County	(96,416)	(145,000)
Accounts receivable - Net	(289,285)	(5,926)
Prepaid expenses and other	168,277	(229,971)
Accounts payable and accrued expenses	144,953	91,394
Salaries and payroll taxes payable	(116,593)	115,857
Deferred membership revenue		(750)
Amounts due to Gateway Economic Development Corporation	1,199,955	(13,644)
Net cash flow provided from operations	<u>1,866,334</u>	<u>826,184</u>
CASH FLOW (USED IN) PROVIDED FROM INVESTING ACTIVITIES		
Acquisition of property and equipment	(238,497)	(72,459)
Acquisition of investments	(25,956)	(269,470)
Sale of investments		1,038,025
	<u>(264,453)</u>	<u>696,096</u>
CASH FLOW USED IN FINANCING ACTIVITY		
Payments on Cleveland Convention Center liability		<u>(666,500)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,601,881	855,780
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>2,792,001</u>	<u>1,936,221</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 4,393,882</u>	<u>\$ 2,792,001</u>
NONCASH INVESTING AND FINANCING ACTIVITY		
Unrealized gain and interest on investments held for deferred compensation	<u>\$ 13,725</u>	<u>\$ 2,920</u>

*Reclassified to conform with current year's presentation

The accompanying notes are an integral part of these combined statements.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and Purpose

During 2007, the Convention and Visitors Bureau of Greater Cleveland, Inc. adopted a "doing business as" name of Positively Cleveland. The accompanying combined financial statements of Positively Cleveland include the accounts of its related entity, Spirit of Cleveland, Inc., combined on the basis of common management and mission. All intercompany transactions and balances are eliminated in combination.

The purpose of Positively Cleveland, a non-profit organization exempt from federal income tax under Section 501(c)(6) of the Internal Revenue Code, is to provide destination marketing of Greater Cleveland's facilities, attractions and events to the convention, trade show and tourism industries. Positively Cleveland takes an active part in servicing Greater Cleveland conventions, particularly in the matters of registration, housing and public relations.

The purpose of Spirit of Cleveland, Inc., a non-profit organization exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, is to promote the City of Cleveland and act as an educational and job training forum for the hospitality, tourism and restaurant industries.

Revenue Recognition

Revenue from membership dues is recognized as revenue in the year to which it applies. Dues received in advance are recorded as deferred revenue.

All contributions are considered available for unrestricted use, unless received with donor stipulations that limit the use of the assets. When a donor restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donations whose stipulations are met in the year received are recorded as unrestricted support.

A substantial portion of Positively Cleveland's revenue comes from occupancy tax, which is accounted for on the accrual basis based on reports from Cuyahoga County.

Use of Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Contributed Goods and Services

Positively Cleveland has recorded in-kind goods and services for travel and other expenses totaling approximately \$177,127 and \$125,600 during 2007 and 2006, respectively.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

Positively Cleveland considers all highly liquid debt instruments with a maturity of three months or less to be cash equivalents. In addition, Positively Cleveland maintains cash at major financial institutions which may, at times, exceed federally insured amounts.

Receivables and Credit Policies

Accounts receivable includes program service fees receivable. These amounts are due under various payment terms. Payments of receivables are allocated to the specific invoices identified on the remittance advice or, if unspecified, are applied to the earliest unpaid invoices.

Accounts receivable also includes a receivable due from the Cleveland Cuyahoga County Convention Facilities Authority (CFA). The CFA was dissolved in October 2007. Upon dissolution, all outstanding CFA obligations are to be paid and any remaining funds are to be paid to Positively Cleveland. At December 31, 2007, the remaining funds are estimated to be \$150,000.

The carrying amount of accounts receivable is reduced by a valuation allowance that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all receivable balances that exceed 90 days from invoice date and estimates the portion, if any, of the balance that will not be collected. Additionally, management estimates an allowance for the aggregate remaining receivables based on historical collectability.

As of December 31, 2007 and 2006, management believes that all receivables are collectible and therefore no valuation allowance is necessary.

Property and Equipment

Property and equipment is stated at cost at date of acquisition. Minor items of office furniture, equipment, and leasehold improvements are charged to expense as incurred. Depreciation and amortization are computed by the straight-line method over the lesser of the estimated useful lives of individual assets or the life of the lease of five to ten years.

Investments

Investments at December 31, 2007 and 2006, are carried at fair value and consist of marketable debt and equity securities. Investments in securities with readily determinable fair values are reported at published fair market values and realized and unrealized gains and losses are reflected in the statement of activities. Interest income earned on investments during 2007 and 2006 was \$150,697 and \$156,654, respectively. Net unrealized gains on investments held for deferred compensation during 2007 and 2006 were \$13,725 and \$2,920, respectively. Investments at December 31, 2007 and 2006, consist primarily of U.S. Treasury Bills and mutual funds with the balance invested in certificates of deposit.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Advertising

Advertising costs are expensed as incurred and amounted to \$1,026,776 and \$761,404 for 2007 and 2006, respectively.

2. PROPERTY AND EQUIPMENT

At December 31, 2007 and 2006, the cost of property and equipment consisted of the following:

	2007			2006		
	Positively Cleveland	Spirit	Total	Positively Cleveland	Spirit	Total
Leasehold improvements		\$ 239,034	\$ 239,034			
Office equipment	\$ 173,900		\$ 173,900	\$ 174,437	\$ 30,176	\$ 204,613
	<u>\$ 173,900</u>	<u>\$ 239,034</u>	<u>\$ 412,934</u>	<u>\$ 174,437</u>	<u>\$ 30,176</u>	<u>\$ 204,613</u>

At December 31, 2006, Positively Cleveland's management evaluated the recoverability of certain long-lived assets as a result of plans to sell or dispose of these assets during 2007. It was determined that the carrying value of certain long-lived assets would not be recovered. As a result, in 2006, the carrying value of certain furniture and equipment was reduced to zero and a \$10,191 loss was recorded in the accompanying financial statements.

3. AMOUNTS DUE FROM CUYAHOGA COUNTY

The amounts due from Cuyahoga County at December 31 of each year represent Positively Cleveland's unremitted share of that year's Transient Occupancy Taxes. The taxes are levied under state legislation enabling the County to impose the tax and enter into an agreement to remit a portion of the amounts collected to Positively Cleveland.

4. NOTE RECEIVABLE

In 2000, Positively Cleveland loaned the Greater Cleveland Sports Commission (GCSC) \$250,000. The GCSC and Positively Cleveland renegotiated the terms of the note on October 31, 2005. Cash or in-kind payments are payable annually at an amount to be determined. The note is secured by the GCSC's accounts receivable and other assets. Interest ceased to accrue on the note at October 31, 2005, provided the GCSC abides by the renegotiated terms of the note. During 2007 and 2006, the GCSC provided Positively Cleveland with in-kind payments in the amount of \$46,400 and \$20,727, respectively.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

5. LONG-TERM LIABILITIES

Cleveland Convention Center

Positively Cleveland entered into a debt service agreement (the Agreement) with the City of Cleveland for a city bond offering, the proceeds of which were used for major renovation of the Cleveland Convention Center.

Under the Agreement, Positively Cleveland is required to contribute \$1,200,000 annually to the City of Cleveland to assist with the debt service through December 2006, with a final additional payment of \$900,000. Positively Cleveland recorded a liability for the final payment over the four-year period of 2003 through 2006. The debt was paid in full during 2006.

Gateway Economic Development Corporation

Positively Cleveland entered into a Cooperative Agreement with Gateway Economic Development Corporation (Gateway) and the County of Cuyahoga (County). In that Cooperative Agreement, Positively Cleveland pledged two sources of revenue to help secure a loan from the County to Gateway to assist in financing the Arena Facility (Arena Bonds). The two sources of pledged revenues are: 1) the greater of \$200,000 indexed annually, using 1998 as a base year (limited to a 3% annual increase) to the "incremental amount" Positively Cleveland receives from the County Transient Occupancy Tax or the previous year's payment and 2) commencing in the year 2007, \$1,200,000 annually. These pledged amounts may only be called upon in any year if Gateway's net revenues in that year are insufficient to pay its obligation to the County for Arena Bond payments and its obligations higher in priority thereto. Positively Cleveland's obligation is severable, distinct and non-cumulative for each year. According to the agreement, these amounts are payable in the year following the year in which they are incurred. The Cooperative Agreement will remain in effect until the year 2023 or such earlier time as the Arena Bonds are paid in full.

The liability related to this agreement has been included in the financial statements as of December 31, 2007 and 2006.

6. PENSION AND DEFERRED COMPENSATION PLANS

Positively Cleveland has a defined contribution pension plan, with a 401(k) provision, which covers all employees who meet certain criteria as to age and years of service. Positively Cleveland may make matching contributions of 25% of employee deferrals up to 4% of compensation. Positively Cleveland may also make discretionary contributions to the plan. Positively Cleveland's policy is to fund the plan annually. The provisions for pension costs are included in benefits and amounted to approximately \$152,000 and \$110,000 (including matching contributions) during 2007 and 2006, respectively.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

6. PENSION AND DEFERRED COMPENSATION PLANS (Continued)

Positively Cleveland also maintains a non-qualified deferred compensation plan for certain employees. Under the plan, the employees' elective deferral is invested for their benefit by Positively Cleveland. The employees are entitled to the amounts in the plan including earnings thereon upon retirement, disability, or death. The assets of the plan can, however, be used in certain circumstances to satisfy the liabilities of Positively Cleveland. Compensation expense is recognized as amounts are deferred by the employees. The balance included in investments and in deferred compensation payable at December 31, 2007 and 2006, was \$74,041 and \$66,745, respectively.

Positively Cleveland has a qualified deferred compensation plan for certain key employees. Contributions made during 2007 and 2006 amounted to \$25,956 and \$35,919, respectively. Annuities which Positively Cleveland intends to use to fund this arrangement have been included in investments on the statement of financial position. Assets of the plan can be used in certain circumstances to satisfy liabilities of Positively Cleveland. The balance included in investments and in deferred compensation payable at December 31, 2007 and 2006, was \$104,152 and \$71,767, respectively.

7. COMMITMENTS AND CONTINGENCY

Leases

During 2006, Positively Cleveland entered into a fifteen-year sublease agreement which includes certain cancellable provisions, rent escalation clauses, and two five-year renewal options. Such sublease agreement includes monthly base rent and certain facility and occupancy charges. Positively Cleveland began to occupy the facility named in the sublease during the second half of 2007. The future rent expense under this sublease is included in the future minimum rental commitments below.

The future minimum rental commitments for non-cancelable operating leases for facilities are as follows:

2008	\$ 211,073
2009	211,073
2010	211,073
2011	211,073
2012	229,676
Thereafter	<u>2,537,518</u>
	<u>\$ 3,611,486</u>

Total rental expense for all leases (facilities and office equipment) amounted to approximately \$230,000 during 2007 and 2006.

NOTES TO THE COMBINED FINANCIAL STATEMENTS

7. COMMITMENTS AND CONTINGENCY (Continued)

Consulting Agreement

Positively Cleveland had a consulting agreement with a former executive which ended in September 2006. The amount paid was based on services to be performed not to exceed the executive's previous monthly salary. In addition, under this agreement a bonus was paid in 2006.

County Administrative Fees

During 2004, Positively Cleveland was notified by Cuyahoga County (the County) that an adjustment was being made to the amount of administrative fees due to the County for its processing of the occupancy tax revenue that is forwarded to Positively Cleveland. In 2004, the County began deducting a portion of this additional administrative charge from Positively Cleveland's occupancy tax audit revenue. The County's collection of these administrative charges is contingent upon the County's future occupancy tax audit revenues. At December 31, 2007, this additional administrative charge was satisfied.

Greater Cleveland Marketing Alliance

During 2006, Positively Cleveland signed a memorandum of understanding ("MOU") with two other organizations to enhance and promote the regional image of Greater Cleveland through a venture currently referred to as the Cleveland Plus Marketing Alliance ("CPMA"), formally known as the Greater Cleveland Marketing Alliance ("GCMA"). Positively Cleveland contributed \$100,000 during 2006 and 2007 to the CPMA.

8. UNRESTRICTED NET ASSETS

At December 31, 2007 and 2006, unrestricted net assets (deficiency) consisted of the following:

	<u>2007</u>	<u>2006</u>
Positively Cleveland	\$4,412,266	\$3,844,255
Spirit of Cleveland, Inc.	<u>84,359</u>	<u>(68,728)</u>
	<u>\$4,496,625</u>	<u>\$3,775,527</u>

BOARD OF TRUSTEES
THE CONVENTION & VISITORS BUREAU OF GREATER CLEVELAND, INC.
DBA POSITIVELY CLEVELAND AND
SPIRIT OF CLEVELAND, INC.

Report on Internal Control Over Financial Reporting and on Compliance
and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with Government Auditing Standards

We have audited the combined financial statements of The Convention and Visitors Bureau of Greater Cleveland, Inc. dba Positively Cleveland and Spirit of Cleveland, Inc. (the organizations) as of and for the year ended December 31, 2007, and have issued our report thereon dated June 26, 2008. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the organizations' internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the organizations' internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the organizations' internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the entity's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above. We noted other minor or immaterial matters involving the internal control over financial reporting that we have reported to the Organizations' management in a separate letter dated June 26, 2008.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the organizations' financial statements are free of material misstatement, we performed tests of their compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported herein under *Government Auditing Standards*.

This report is intended solely for the information and use of management, the Board of Trustees, others within the organizations, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.

Cohen & Company

June 26, 2008
Cleveland, Ohio



Mary Taylor, CPA
Auditor of State

CONVENTION AND VISITORS BUREAU OF GREATER CLEVELAND, INC.

CUYAHOGA COUNTY

CLERK'S CERTIFICATION

This is a true and correct copy of the report which is required to be filed in the Office of the Auditor of State pursuant to Section 117.26, Revised Code, and which is filed in Columbus, Ohio.

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
DECEMBER 31, 2009**