Internal Audit Report

Visit Aurora

Contents

Auditor's Conclusion   June 13, 2022

Internal Audit has completed the Visit Aurora engagement. We conducted this engagement at the request of former Council Member Allison Hiltz, and with the approval of the Audit Committee and City Manager.

The audit objectives were to:

- Ascertain the level of Visit Aurora's compliance with the current City agreement.
- Assess Visit Aurora's stewardship over the City's direct financial investment and the apportionment of the Lodgers' Tax.
- Review the adequacy of the Visit Aurora performance metrics.
- Assess the City of Aurora's return on investment.

To these ends, Internal Audit:

- Researched leading practices for the visitor and tourism industry as well as reviewed the results of similar audits conducted in other municipalities.
- Interviewed key staff.
- Identified the key deliverables specified in the current agreement between Visit Aurora and the City and ascertained the degree of compliance with them.
- Identified the marketing practices employed and examined samples of actual marketing materials for compliance with the agreement.
- Examined the reports to the City required under the current agreement to determine whether the City is receiving a reasonable return on its financial investment in Visit Aurora's activities.
- Sampled expenses throughout the scope period and examined supporting documentation to ensure they comply with Visit Aurora policies and procedures.
- Sampled event bookings throughout the scope period and examined supporting documentation to ensure the economic impact of the bookings was reported accurately.
- Applied other methods as necessary.

Based upon the results of our engagement procedures, we conclude the following:

- City of Aurora and Visit Aurora are in partial compliance with the current agreement.
- Visit Aurora is exercising good stewardship over the City's direct financial investment and the apportionment of the Lodger's Tax.
- Visit Aurora adequately utilizes and reports on best practice performance measures; however, City of Aurora and Visit Aurora have not mutually agreed upon meaningful performance measures.
- There is no agreed upon measure of return on investment.

We have detailed our issues and recommendations in the milestone and fieldwork reports included below.

Wayne Sommer

Wayne C. Sommer, CPA, CGMA
Internal Audit Manager

Audit Profile

Audit Team
Wayne Sommer, CPA, CGMA – Internal Audit Manager
Sheree Van Buren, CIA – Lead Auditor

Background
As Aurora's convention and visitors' bureau, Visit Aurora's mission is grounded in showcasing Aurora as a premier destination for meetings, business, and leisure travel. Visit Aurora represents more than 65 hotel properties with 13,000+ guestrooms, and more than one million square feet of meeting space, including Colorado's largest and newest resort, Gaylord Rockies Resort & Convention Center.

Visit Aurora follows Destinations International[1] (DI) best practices for reporting and calculating economic impact. Broadly defined, economic impact is an estimate of average daily spending rates multiplied by event attendance and duration. Average daily spending rates vary depending on event type (i.e., conventions and meetings, spectator sports and demonstrations, and participant sports and competitions) and attendee type (i.e., local/social visitors, out-of-town visitors, and exhibitors).

DI provides a performance reporting foundation on which convention and visitors bureaus (CVB) and destination marketing organizations (DMO) can build. In the performance reporting handbook, DI acknowledges that, "in a perfect world, a DMO would know exactly how many of its destination's visitors were motivated to come solely by the DMO's efforts. And further, the DMO would be able to pinpoint exactly which of its sales and marketing effort(s) was responsible for that visitor."[2] As such, many CVBs and DMOs will use discretion in measuring performances, return on investment (ROI), and economic impact.

Scope
Our scope period for this engagement covered January 1, 2019 – September 30, 2021. This allowed us to review Visit Aurora performance pre- and post-pandemic.

Milestone Reports	Issued Date
Milestone 1 Engagement Letter	July 23, 2021
Milestone 2 Client Evaluation	October 26, 2021
Milestone 3 Process Controls and Efficiency	November 17, 2021
Milestone 4 Risks	December 15, 2021
Fieldwork	June 13, 2022

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[1] "As the world's largest and most reliable resource for destination organizations, we inform, connect, inspire and educate our members with the goal to drive destination economic impact, job creation, community sustainability and quality of life through travel." (https://destinationsinternational.org/)

[2] Destinations International: *Standard DMO Performance Reporting: A Handbook for DMOs,* 1

BACKGROUND

In Milestone 2, we gain a deeper understanding of the client's operating environment and client issues that may affect the engagement objectives as well as influence subsequent engagement procedures. We accomplish this by reviewing policies and procedures, performance measures, and administering a culture survey.

PROCEDURES	CONCLUSIONS
• *Review policies and procedures*	Based on our review of relevant policies and procedures and discussions with management, the Partner Program is not in a policy. Internal Audit has made a recommendation to that end.
• *Review performance measures*	Visit Aurora has various performance measures in place. As performance measures are a key engagement objective, Internal Audit will perform testwork and examine performance trends in a subsequent engagement milestone (Fieldwork).
• *Issue culture survey*	The survey results point to an overall positive culture within Visit Aurora. There are areas where the organization can build upon the current environment. The culture assessment follows this report in an appendix.

Issue Details

ISS.1 – Undocumented Partner Program Procedures

The Partner Program is a collection of hotels, restaurants, businesses, attractions, etc. throughout Aurora that pay an annual membership fee. This membership includes access to meeting organizers, promotion of their business through Visit Aurora website and promotional materials, quarterly networking sessions, among other perks. Destination Services is responsible for maintaining the Partner Program. Per discussion with management, the program operational procedures are not formally documented.

Policies identify the key activities and provide a general strategy to decision-makers on how to handle issues as they arise. This is accomplished by providing staff with limits and a choice of alternatives that can be used to guide their decision-making process as they attempt to overcome problems. Procedures explain the "how" and provides step by step instructions for completing tasks. Well-constructed and documented policies and procedures ensure consistent operations during periods of staff turnover.

As an external facing, fee collecting initiative, the Partner Program should have policy and procedure documents that address key activities for both Visit Aurora staff and participating partners.

Recommendation

Develop and document Partner Program policy and procedure. These documents can include details about Visit Aurora staff responsibilities, how business and organizations can become members, cost of membership, benefits of membership, membership requirements, etc.

Management Response

Agree – Recommendation implemented. Visit Aurora Management combined documents that include details about how businesses and organizations can become members, the cost of membership, benefits of membership, and a partnership guide.

Internal Controls

In Milestone 3, we determine whether appropriate process controls exist for key processes and whether processes are efficient. We accomplish this by flowcharting and performing walkthroughs of key processes and identifying missing controls and process inefficiencies.

PROCEDURES	*CONCLUSIONS*
• *Flowchart of key processes. Evaluate key processes for missing or weak internal controls, efficiency issues, and IT-related issues.*	Our review did not identify missing or weak internal controls or inefficient processes. Internal Audit will test controls for reliance during fieldwork.
• *Determine any impact on fieldwork procedures.*	There is no impact on the planned fieldwork procedures.

Risk

In Milestone 4, we assess the impact of identified risks on the engagement objectives, scope, and planned test work procedures. We accomplish this by discussing risk in critical areas with the client and comparing it to leading practices.

PROCEDURES	*CONCLUSIONS*
• *Assess IT Risk*	Internal Audit did not identify any IT related issues during this procedure that would impact the engagement objectives.
• *Assess Governance Risk*	There are formal and comprehensive governance processes in place for Visit Aurora.
• *Assess Fraud Risk*	Based on results of the fraud risk interview and brainstorming, no additional testing needed.
• *Additional Interviews*	We identified the need to refine the Agreement measures; a recommendation will be included in the Fieldwork report.

Fieldwork
In Fieldwork, we seek to obtain sufficient competent evidential matter to afford a reasonable basis for conclusions on the engagement objectives. We accomplish this by performing tests, data analysis, and any other means necessary.

Objectives	***Conclusions***
• *Ascertain the level of Visit Aurora's compliance with the current City agreement.*	• *City of Aurora and Visit Aurora are in partial compliance with the current agreement.*
• *Assess Visit Aurora's stewardship over the City's direct financial investment and the apportionment of the Lodgers' Tax.*	• *Visit Aurora is exercising effective stewardship of the City's direct financial investment and the apportionment of the Lodger's Tax.*
• *Review the adequacy of the Visit Aurora performance metrics. Assess the City of Aurora's return on investment.*	• *Visit Aurora adequately utilizes and reports on best practice performance measures; however, City of Aurora and Visit Aurora have not mutually agreed upon meaningful performance measures.* • *There is no agreed upon measure of return on investment.*

Issue Details

Issues 1-3 were included in Milestone 2.

The recommendations below illustrate an overall need for enhanced agreement oversight and organizational accountability. Intentional oversight leads to clear expectations, agreement compliance, meaningful performance reports, two-way feedback, and increased collaboration and interaction. Closely monitoring agreements with business partners ensures greater adherence to agreed upon terms and conditions. It also increases partnership, collaboration, and interaction among the parties.

While a strong commitment to Aurora and the partnership currently exists, to successfully implement the recommendations and build on the existing foundation, the City should enhance its agreement monitoring efforts. Internal Audit provides the following recommendations to that end.

ISS.4 - Agreement Noncompliance

Internal Audit obtained the signed agreement from Visit Aurora and reviewed criteria from the agreement to assess Visit Aurora and City of Aurora compliance.

The City of Aurora and Visit Aurora comply with eight of ten agreement criteria[3]. There is partial compliance with section C.1:

C.1 – …CITY will appoint two CITY staff representatives and one CITY Council Member of its choice to serve on VISIT AURORA's Board of Directors.

Currently, there is only one City of Aurora representative on the Visit Aurora Board of Directors.

Internal Audit also noted that there is partial compliance with section 5:

> 5. VISIT AURORA shall formally acknowledge CITY as a sponsor of major events that VISIT AURORA produces, such as its Annual Meeting, and shall offer all related rights and benefits, including presence on the VISIT AURORA website and in all promotions, advertising, and publicity concerning each event.

There is no City of Aurora acknowledgement on the Visit Aurora website.

Agreements ensure that organizations have a clear set of mutually agreed upon terms and conditions with which to comply. This sets clear performance expectations and measures of success.

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[3] These 10 criteria were drawn from the 'CITY'S PROMISES 1: a-b' and 'VISIT AURORA PROMISES 1-8' section of the agreement.

Recommendation

Visit Aurora: We recommend Visit Aurora add the City of Aurora acknowledgement to the Visit Aurora website.

City of Aurora: We recommend the City of Aurora identify an additional staff representative to serve on the Visit Aurora Board.

Management Response

Visit Aurora: Visit Aurora agrees to acknowledge the City of Aurora as a sponsor at Visit Aurora's major ticketed events, such as the Visit Aurora Annual Meeting. Visit Aurora agrees to place a link on the Visit Aurora website to the City of Aurora website.

City of Aurora: C.1 of the recommendation is implemented. On 4/7/2022, in a written letter, City Manager Jim Twombly assigned Aurora Deputy City Manager, Laura Perry, as the second City staff representative.

ISS.5 - Revisiting Marketing Expectations

During the pandemic, Visit Aurora shifted its marketing efforts to include more local and regional campaigns, marketing to residents, and to visitors that can drive to Colorado. Through discussion with City of Aurora, this was initially helpful as the CoA Communications Department did not have capacity to fulfill certain marketing responsibilities, due to decreased staffing levels. The CoA Communications Department has since regained adequate staffing and have resumed much of the local marketing efforts. Consequently, both organizations have been using resources to market to the same audience. The agreement outlines Visit Aurora's responsibility but there is a need for the organizations to revisit and refine expectations.

According to the Visit Aurora agreement section titled "Visit Aurora's Promises", it reads:

3. Visit Aurora shall use it best efforts to promote City as a preferred travel destination and to increase **visitor spending** with City. Visit Aurora's efforts will primarily focus on **regional** and **national** audiences. Visit Aurora will **coordinate** its work with City's marketing program.

4. Visit Aurora shall market City as a desirable travel destination to meeting and conference planners, tournament directors, and potential business and leisure travelers in the **region** and throughout the **nation**, with a focus on attracting targeted travel markets. Visit Aurora will also participate in City marketing partnerships, with a focus on attracted targeted travel markets, addressing shared target audiences, and **maximizing resources**. (**emphasis added**)

Refining the local, regional, and national marketing responsibilities between Visit Aurora and City of Aurora would aid in decreasing duplication of marketing efforts. Additionally, clearly defined and written marketing expectations from the City of

Aurora management would highlight opportunities for further collaboration and may uncover new target audiences.

Recommendation

Visit Aurora & *City of Aurora*: We recommend both organizations revisit the marketing expectations and strategies. This should include strategies for Visit Aurora to return their focus to regional and national audiences. Going forward, Visit Aurora and CoA may benefit from developing jointly an inventory of marketing efforts, detailing the types of advertisements and locations targeted locally, regionally, and nationally to avoid duplication of effort and maximize spend.

Management Response

Visit Aurora: Visit Aurora has reviewed the items in *Appendix B and* will meet with the Communications Department in a separate meeting to define mutually agreed upon modifications to the existing agreement.

City of Aurora: Director of Communications (Visit Aurora Liaison) agrees and has provided additional agreement refinement criteria in Appendix B. These refining criteria have been shared with and incorporate feedback from the Communications Department, Communications, Deputy City Manager, and the City Council Visit Aurora Representative. It includes guidance on how the organizations enhance their marketing collaboration.

ISS.6 – Visit Aurora Reporting Improvements

The City of Aurora and Visit Aurora have not identified or agreed upon performance measures or trends that are most meaningful to City stakeholders (contract liaison, city council, city management, etc.).

In line with Destinations International[4] (DI) best practices, Visit Aurora's quarterly and annual reports detail numerous performance measures and trends for each Visit Aurora function (Sales, Marketing, Destination Services, etc.)[5]. These reports include pages of performance measures, economic impact measures[6], marketing and website data, and general industry data. The reports, however, do not explicitly explain or define the various performance measurement interpretations or calculations. This makes it difficult to determine which measures are meaningful and impairs the recipient's understanding of Visit Aurora's performance reports. In addition, Internal Audit identified an instance of supporting documentation that did not agree to what was reported on the cover page.

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[4] "As the world's largest and most reliable resource for destination organizations, we inform, connect, inspire and educate our members with the goal to drive destination economic impact, job creation, community sustainability and quality of life through travel." (https://destinationsinternational.org/)

[5] Visit Aurora provides these reports to the Board, which includes the CoA liaison.

[6] Events generate secondary spending (*indirect* and *induced*) on the host destination's local economy over and above the original direct spending. These secondary impacts, when combined with the original direct spending, result in the economic impact of an event. (Destinations International: *Standard DMO Performance Reporting: A Handbook for DMOs)*

DI provides convention and visitors bureaus (CVB) and destination marketing organizations (DMO) with suggested performance measures, benchmarks, and methods to demonstrate economic impact. According to DI, "if a municipality contracts with a DMO to report results based on a set of performance measures, those measures should be mutually agreed upon and consistent with the mission of the DMO."[7]

Selecting a set of mutually agreed upon performance measures and reporting them in a meaningful manner, will help CoA stakeholders focus on the data that best demonstrates Visit Aurora's effectiveness. The measures should illustrate Visit Aurora's contribution to increased visitor spending and the economic impact of booking conventions, meetings, and tournaments in Aurora.

Recommendation

Visit Aurora: We recommend Visit Aurora utilize their expertise in helping to determine mutually agreed upon performance goals, measures, and trends to report. For those performance measures reported, Visit Aurora should consider including a definition of how each factor is calculated. We also recommend Visit Aurora redistribute the September 2021 quarterly report to the Board with the revised supporting documentation.

City of Aurora: We recommend formal City approval of the identified performance goals, measures, and trends to be reported. This would help to reduce and refine the required number of performance measures to those that are most relevant to demonstrating Visit Aurora's effectiveness in the eyes of the City.

Management Response

Visit Aurora: Visit Aurora agrees to work with our City of Aurora board representatives, Deputy City Manager, Laura Perry, and Director of Communications, Kim Stewart, to establish agreed upon annual performance goals and measurements.

City of Aurora: We agree to establish and formally approve recommended performance goals and measures.

ISS.7 – No Determination of Return on Investment (ROI)

Visit Aurora and City of Aurora have not agreed upon a measure for determining return on investment and have not determined related yearly benchmarks.

As noted in ISS.6, DI provides a performance reporting foundation on which CVBs and DMOs can build. In the performance reporting handbook, DI acknowledges that, "in a perfect world, a DMO would know exactly how many of its destination's visitors were motivated to come solely by the DMO's efforts. And further, the DMO would be able to pinpoint exactly which of its sales and marketing effort(s) was

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[7] Destinations International: _Standard DMO Performance Reporting: A Handbook for DMOs_

responsible for that visitor."[8] As such, many CVBs and DMOs will use discretion in measuring performances, return on investment (ROI), and economic impact.

DI recommends that DMOs use standard business ROI approaches to quantify its financial impact on its local community. ROI formulas examine the return from the investment made by an organization, conceptually represented by the simple ROI formula below:

Return on Investment =

$$\frac{Amount\ of\ Return\ (Income)}{Amount\ of\ Investment\ (Expense)}$$

For a DMO, the amount of return is typically what the DMO returned to the destination measured in visitor spending, economic impact, tax dollars, etc., clearly and significantly generated through its sales and marketing efforts.[9]

DI provides four formulas for a DMO to determine ROI. To provide an example, Internal Audit used one of the suggested formulas shown below. This calculation is illustrated by the blue bar in the chart.

Return on Total Operating Costs:

$$\frac{Visitor\ spending\ generated\ by\ the\ DMO's\ efforts\ (Economic\ Impact)}{Total\ DMO\ operating\ costs}$$

However, based on the traditional calculation to determine the City's ROI, we used the below formula:

Return on Investment:

$$\frac{Visitor\ spending\ generated\ by\ the\ DMO's\ efforts\ (Economic\ Impact)}{City\ of\ Aurora's\ investment}$$

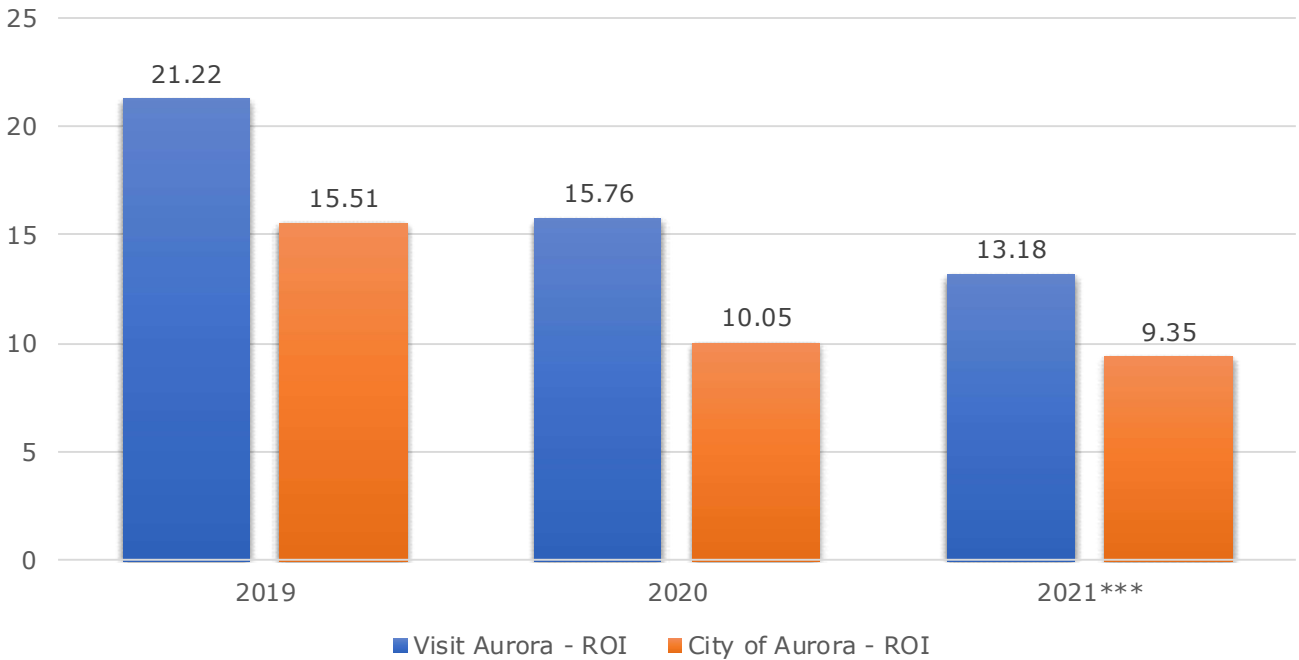This calculation is illustrated by the red bar in the below chart[10].

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[8] Ibid, 1
[9] Ibid, 37
[10] Please see calculation detail in Appendix C.

Return on Investment

Year	Visit Aurora - ROI	City of Aurora - ROI
2019	21.22	15.51
2020	15.76	10.05
2021***	13.18	9.35

■ Visit Aurora - ROI ■ City of Aurora - ROI

Source: Auditor analysis of Visit Aurora's profit and loss statements and sales reports for scope period.
*Notes: ***Through the end of September 2021*

Although the traditional ROI is an efficient way to determine success of an investment, it may not fully capture a DMO's efforts, therefore, Visit Aurora utilizes suggested performance measure best practices and tracks various other performance trends to demonstrate their contributions and return to the City of Aurora. Using the Visit Aurora marketing plans and sales reports, Internal Audit calculated performance trends and included comparative charts in Appendix D.

Selecting a set of mutually agreed upon performance measures and reporting them in a meaningful manner, will help CoA stakeholders focus on the data that best demonstrates the City's return on investment.

We did not find any benchmark standards for ROI against which to measure success. CoA and Visit Aurora will need to establish which calculation(s) they prefer to see. Developing a benchmark standard also helps clarify expectations. One approach to consider would be to calculate ROI using the agreed upon formula(s) and historical data. The trends from these calculations could be used to help establish a future benchmark. This benchmark could be adjusted prospectively using an agreed upon targeted growth factor.

Recommendation

Visit Aurora: We recommend Visit Aurora utilize their expertise in identifying the preferred definition(s) and calculation(s) for ROI and develop a benchmark standard against which to measure success. It may be helpful for the determination to include whether year over year trends are more helpful than point in time or single year results.

City of Aurora: We recommend formal City approval of the mutually agreed upon definition(s), calculation(s), and benchmark standard for ROI.

Management Response

Visit Aurora: Visit Aurora agrees to work with our City of Aurora board representatives, Deputy City Manager, Laura Perry, and Director of Communications, Kim Stewart, to establish mutually agreed upon definitions, calculations, and benchmark standards for ROI.

City of Aurora: We agree to establish and formally approve recommended benchmarks and ROI.

ISS.8 – Improving Organizational Collaboration

According to the Visit Aurora CEO there is a lack of interaction and collaboration with Aurora Chamber of Commerce and Aurora Economic Development Center.

The agreement states in C.6. that Visit Aurora is to:

    f. Coordinate activities, as appropriate, with other organizations and partners when related to tourism, including City, the Aurora Economic Development Council, Aurora Sister Cities International, and the Aurora Chamber of Commerce.

Although the agreement provides the above detail, the coordination is not occurring. Increased interaction and collaboration can reduce the risk of duplicating efforts (and duplicating spending) between Visit Aurora and other organizations with similar tourism goals. The organizations listed above work to generate revenue through tourism, to promote the quality of life for residents, or promote Aurora as a place to live and do business. Interaction, coordination, and collaboration among the organizations would further that mission.

Recommendation

Visit Aurora & _City of Aurora_: We recommend CoA and Visit Aurora actively work together to increase collaboration among the Aurora Economic Development Center, and any other organizations with similar goals. While VA and CoA cannot compel action, the organizations can identify and present benefits to collaboration that outweigh any hinderances.

Management Response

Visit Aurora & *City of Aurora*: Both organizations agree to implement the recommendation.

ISS.9 – Prior Survey Results Not Shared with City

Visit Aurora has performed surveys of Aurora hotels, however, has not shared the written survey results with the City of Aurora. Without this information, the City is not obtaining important information about Visit Aurora's services provided to Aurora hotels and efforts to promote all Aurora hotels for events, meetings, and conferences.

Surveying hotels gives the City and Visit Aurora invaluable, actionable guidance as they review their customer service to ensure Visit Aurora is meeting all Aurora hotel needs.

Recommendation

Visit Aurora: We recommend Visit Aurora share the written prior and future survey results with the City of Aurora. To elevate the importance of customer feedback, we also recommend including survey results as a performance measure.

City of Aurora: We recommend the City agree on a target percentage of customer satisfaction or other customer service criteria for Visit Aurora to meet each year.

Management Response

Visit Aurora: Visit Aurora has shared all survey results and will continue to do so into the future.

City of Aurora: Management agrees to implement the recommendation.

Appendix A – Visit Aurora Culture Assessment

Internal Audit offered the culture survey to the Visit Aurora team and they all agreed it would be beneficial to administer.

Throughout the report, content borrowed from external research is in italics and, when in the body of the text, is indented and referenced in footnotes.

The Culture: Background and Survey

Corporate culture refers to the shared values, attitudes, standards, and beliefs that characterize members of an organization and define its nature.

> *Culture resides in the perception of employees. If employees believe the culture is x, y, or z, that's what it is, and they will act accordingly.[11] What is typically called a "toxic culture" is most often a confused culture. Culture becomes confusing when different aspects of your organization communicate conflicting messages. For example, onboarding information for employees does not match guidance given in management training; or, leaders' behaviors do not match expected employee behaviors.*

To assess the culture within a department or division, Internal Audit employs a survey based on Rensis Likert's Four Systems of Management.[12] (See graphic below.) We designed the questions to capture staff's perceptions along a sliding scale about various aspects of organization culture.

The survey questions fall within the following categories and offer opportunities for elaboration.

- Leadership
- Motivation
- Teamwork
- Communication / Interaction
- Decision Making
- Goal Setting
- Control
- Team Work
- Motivational Factors
- Diversity, Equity, and Inclusion
- Other Matters (These questions were not part of Likert's original work; some are from Gallup's Employee Engagement Survey.)

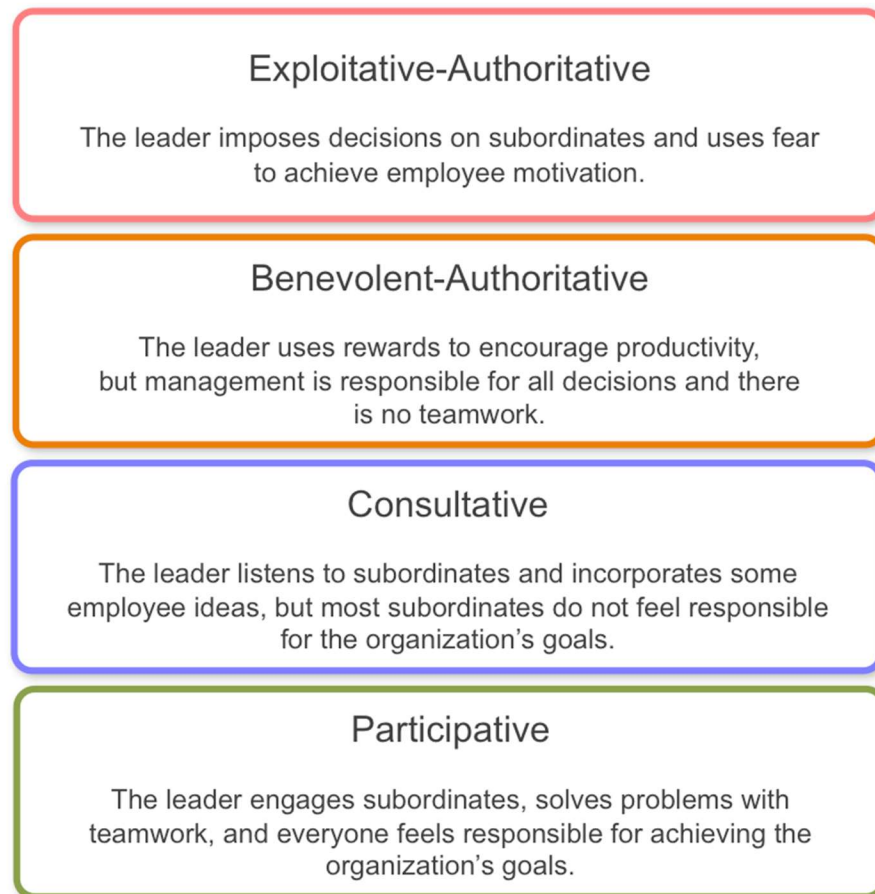[11] https://iaonline.theiia.org/2019/Pages/Auditing-Culture-History-and-Principles.aspx
[12] https://www.pocketbook.co.uk/blog/tag/likerts-four-management-systems/; we also adapted the survey from work performed by the Commonwealth Centers for High-Performance Organizations (CCHPO).

Likert advocated for the Participative management system. "*Participative management is based on trust and confidence in employees. Goals are determined collectively and form a basis for motivation and rewards. This fosters a collective sense of responsibility for meeting company goals and incentivizes collaborative teamwork and open communication.*"[13] These attributes contribute to staff having positive attitudes and producing quality work.

The Four Systems of Management
Rensis Likert

Exploitative-Authoritative

The leader imposes decisions on subordinates and uses fear to achieve employee motivation.

Benevolent-Authoritative

The leader uses rewards to encourage productivity, but management is responsible for all decisions and there is no teamwork.

Consultative

The leader listens to subordinates and incorporates some employee ideas, but most subordinates do not feel responsible for the organization's goals.

Participative

The leader engages subordinates, solves problems with teamwork, and everyone feels responsible for achieving the organization's goals.

We issued the survey to nine Visit Aurora employees—staff—and received eight complete responses, a completion rate of 88%[14]. We would like to emphasize that the survey results and comments reflect the staff's perceptions. The survey included opportunities for respondents to provide feedback or further explanations for their answers. Where applicable, we have included them in the appropriate section.

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[13] Ibid.
[14] One staff member was on an extended leave during the survey.

Perception is not reality, but, admittedly, perception can become a person's reality (there is a difference) because perception has a potent influence on how we look at reality.[15] By identifying and addressing staff perceptions and misperceptions, management can take steps to establish a culture that can improve its effectiveness and increase employee satisfaction and engagement. Our analysis of the survey results follows.

Our Analysis of the Survey Results

Healthy organizations have several common cultural characteristics[16].

> *(1)   Positive tone at the top: Executive Management works to define the organization's values and proactively emphasizes and models those values, ensuring strategies are consistent with the values, and holding management accountable to executing their duties within the organization's risk appetite.*
>
> *(2)   Clear communication: Management reinforces the values and culture through clear communication of expectations across the organization. Methods include formal communications, day-to-day interactions, and meetings with employees.*
>
> *(3)   Open dialogue: Management actively gathers and listens to feedback. All levels are open to constructive criticism and problem solving. Methods for obtaining information from second- and third-line functions include inputs from well-received and acknowledged employee suggestion/question programs, ethics hotlines, open door policies, employee events and meetings, and more.*
>
> *(4)   Employee engagement: All employees (to the extent possible) are engaged in objective setting and strategy discussions. In larger organizations this may be accomplished through two primary methods: input into setting their own personal goals and objectives; and understanding of how those individual goals and objectives align with the overall organization's strategy and objectives. When employees are engaged in objective setting it improves the probability that they are supportive of the objectives and strategies.*
>
> *(5)   Incentives aligned with core values: All employees' compensation, variable compensation, promotions, and other talent management are governed by a clear understanding of the organization's core values and its risk appetite.*

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[15] https://www.psychologytoday.com/us/blog/the-power-prime/201908/perception-is-not-reality
[16] Auditing Culture Practice Guide, International Professional Practices Framework, The Institute of Internal Auditors Global, November 2019, page 5

These characteristics contribute to a positive and open culture. One that clearly defines the beliefs, values, and norms of the organization. The Visit Aurora results demonstrate a positive work culture, with a strong commitment to teamwork, participation, and communication.

Leadership

Survey questions in the Leadership section focused on staff's perceptions regarding management's confidence in their work and their comfort level in discussing job-related issues with management. It also included how often their ideas and opinions were sought and used by management.

The respondents perceive that management shows complete confidence in all matters, usually seeks their ideas and tries to use them constructively. Staff is comfortable talking to management about issues related to their jobs.

Listed below are some of the additional comments from these survey questions.

- "I would say I am highly trusted, but my supervisor is appropriately involved and provides valuable insights."
- "I have never felt more comfortable asking for guidance."
- "I feel I am given great constructive advice."
- "I am asked for my opinion when relevant and it is always met with kindness and support regardless of whether it's used or not."

Motivation & Motivational Factors

Motivation questions targeted methodologies for motivating and recognizing staff.

Staff perception is that rewards and some involvement in decision-making are the predominant methods used for motivation on the job. Staff perceive that management mostly has the responsibility for achieving department goals; however, staff should have a substantial portion of responsibility. The goal would be that management and staff share the responsibility for achieving department goals equally.

> The principle of supportive relationships is a general principle which the members of an organization can use to guide their relationships with one another. The more fully this principle is applied throughout the organization, the greater will be the extent to which (1) the motivational forces arising from noneconomic motives of members and from their economic needs will be harmonious and compatible and (2) the motivational forces within each individual will result in cooperative behavior focused on achieving organizational goals.[17]

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[17] Ibid, page 47.

Recognition plays a central role in building supportive relationships. Beyond communicating appreciation and providing motivation to the recognized employee, the act of recognition also sends messages to other employees about what success looks like. In this way, recognition is both a tool for personal reward and an opportunity to reinforce the desired culture of the organization to other employees. The best managers promote a recognition-rich environment, with praise coming from every direction and everyone aware of how others like to receive appreciation.[18]

People who are working toward a mutually agreed upon objective require less external motivation.[19]

When asked if they had been recognized or praised for good work during the last 30 days, 100% of respondents answered, "Yes".

Visit Aurora has a unique relationship with the City and plays a significant role in introducing Aurora to many visitors for meetings, business, and leisure travel. Each respondent expressed that the Visit Aurora vision and purpose makes them feel their job is important.

"This team is constantly motivational through words and actions daily. I am constantly told that I am doing a good job, so a lot of my motivation comes from the inside as I do not want to disappoint."
- *Survey Respondent*

Diversity, Equity, and Inclusion

The diversity, equity, and inclusion (DEI) survey questions assess perceptions about having a diverse workforce, walking and talking a commitment to DEI, and staff perceptions about respect for all cultures and backgrounds. "There is strong evidence that more attention to DEI in organizations can improve innovation and creativity, problem solving, employee engagement and trust, and financial performance[20]".

Based on the results staff expressed a strong commitment to DEI, as shown in the chart below.

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[18] Ibid.

[19] Auditing Culture Practice Guide, International Professional Practices Framework, The Institute of Internal Auditors Global, November 2019, page 5

[20] https://www.forbes.com/sites/eddiecomeaux/2021/06/24/doin-work-dei-implementation-strategies-for-leadership-teams/?sh=4efc749a7774
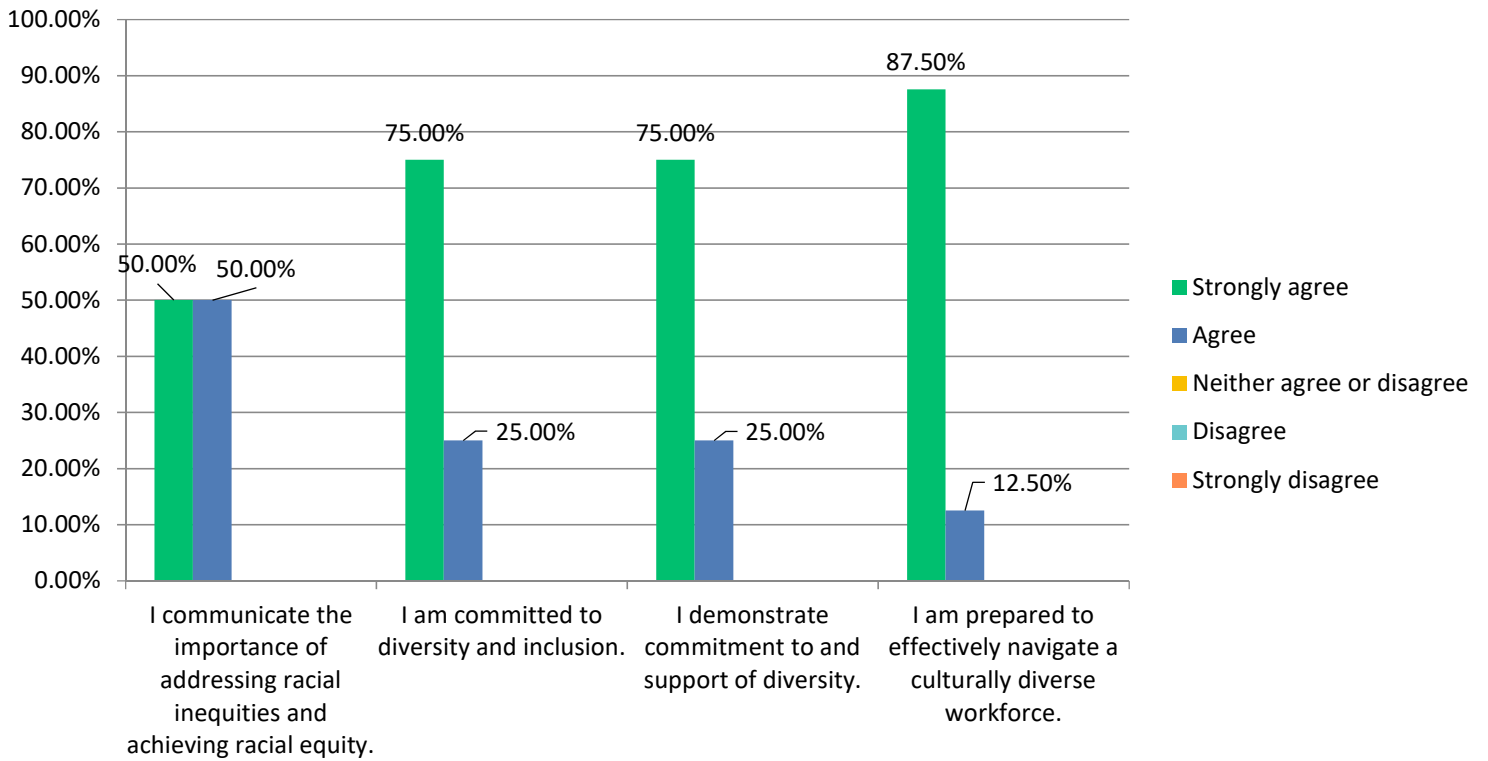
Even though staff individually have a strong commitment, the results indicate that more could be done throughout the organization. For each statement, 37.5% of staff strongly disagreed. (See chart below.) A concerted effort to communicate and demonstrate a commitment to DEI and addressing racial inequities can lead to the organization, especially those in management, being able to manage a culturally diverse workforce.

Chart showing survey responses:

Statement	Strongly agree	Agree	Strongly disagree
My organization leadership (those above me) communicates the importance of addressing racial inequities and achieving racial equity.		62.50%	37.50%
My organization leadership (those above me) is committed to diversity and inclusion.	25.00%	37.50%	37.50%
My organization leadership (those above me) demonstrates a commitment to and support of diversity.	12.50%	50.00%	37.50%
My organization leadership (those above me) is prepared to effectively manage a culturally diverse workforce.	25.00%	37.50%	37.50%

Legend: Strongly agree, Agree, Neither agree or disagree, Disagree, Strongly disagree

"Leaders and communicators are increasingly expected by a broad variety of stakeholders to communicate around diversity, equity and inclusion (DEI) issues. In the wake of world and local events that disproportionately impact underrepresented communities, internal and external communications can provide clarity, support and a sense of safety and belonging.[21]"

Visit Aurora plays a pivotal role in highlighting the City of Aurora as a premiere meetings, events, and destination location. Operating in and for a city that is known as the most diverse city in Colorado, Visit Aurora leadership may want to ensure its staff and visitors, many of which include residents, observe a commitment to DEI.

Staff strongly agree that they can bring their whole and authentic self[22] to work and be successful as their authentic self. Staff strongly agree that all cultures and backgrounds are respected, valued, and encouraged to apply for higher positions. These are all very positive measures.

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[21] https://university-relations.umn.edu/resources/tools-communicating-about-diversity-equity-and-inclusion
[22] Authenticity means having a keen awareness of who you are and what you stand for and expressing yourself honestly and consistently to the world.

Communication

Questions for this section focused on perceptions of cooperation within the organization and between each division (sales, marketing, services, etc.). They also addressed communication flow and quality, as well as the degree of interaction between staff and the Visit Aurora Board.

Perceptions about communication and interaction can be gauges of the level of trust between staff and management. Staff perception is that they provide accurate information to those above them whether it is good or bad. Staff perception is that information flows mostly from the top down and bottom up. Ideally, the information should flow freely from the top-down, from the bottom-up, horizontally across the organization.

Staff perception is that communication from management is generally accepted, but if not, openly and candidly questioned. Staff also perceive that those above them have a fair level of knowledge and understanding of their problems. Staff perceive extensive and friendly interaction with a high degree of trust shared between them and management. Trust was also indicated in the survey by staff's strong agreement that if they raised a concern about discrimination or harassment, they were confident their Supervisor would follow up.

Staff also report only occasionally communicating and interacting with the Visit Aurora Board. However, open-ended comments for this question highlight a plan to increase this interaction.

Decision-making

We designed the decision-making questions to ascertain staff's perceptions about how and where management makes decisions and the impact on organization operations.

Staff perceives that in their divisions and in the organization that policy and general decisions are made at the top and more specific decisions are made at staff levels. Staff observe that management generally consults them regarding decisions related to their work.

Staff are often the best individuals to be involved in decision-making since they are most often in direct contact with those they serve or with specific issues. While it is not necessary to engage staff in making all decisions, management can improve performance by involving them in as many decisions as possible. The most effective models range from soliciting staff input and then informing them of management's reasoning for a decision to management facilitating staff in a consensus decision-

> *"Our ideas are always welcomed as a team."*
> *"My ideas and opinions are sought in the areas I'm directly involved."*
> - *Survey Respondent*

making approach. In the latter model, management uses its expertise and experience to ensure the decision made is workable. Visit Aurora staff are moderately motivated by the decision-making process.

> *Ethical leadership behaviors help to increase trust among peers. Ethical leaders demonstrate moral and fair behaviors and decision-making. This ties back to communication — leaders must communicate ethical standards to employees and include <u>why</u> certain decisions are made. And they have to be held to those standards themselves and hold other employees to those standards as well. Maintaining these moral standards is crucial to instilling trust in employees.[23]*

Goal Setting & Control

Overall, staff perceive that management establishes the goals and an opportunity to comment may or may not exist. However, staff accepts the goals and tries to achieve most of them. Increased staff participation in setting goals is an area in which management might improve.

Staff perceives that work review and control functions are mostly concentrated with management. Staff regards performance data as being used for self-guidance and team problem solving and guidance.

Teamwork

Staff report that they are effective working together as a team. The staff holds a perception that their teammates are usually committed to doing quality work. They also state their teammates' contributions are of high quality.

> **"I have never been involved in a more collaborative team. Everyone's ideas are appreciated, and all seem comfortable sharing."**
> **"Our team works very well together and cohesively."**
> - **Survey Respondent**

Other Matters

Management demonstrates support for staff by encouraging them and providing growth opportunities. Eighty-seven and one-half percent of staff believe there is someone at work that encourages them. When asked if someone has talked to them about their progress in the last six months, 75% of staff responded, "Yes."

> *"…employees who don't feel supported in their professional goals are three times more likely to be looking for a new job, according to the research."[24]*

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[23] https://www.forbes.com/sites/forbeshumanresourcescouncil/2019/09/04/four-ways-to-build-trust-between-your-organization-and-employees/#44e45c445ea1
[24] https://www.inc.com/marcel-schwantes/why-do-people-quit-their-jobs-exactly-new-research-points-finger-at-5-common-reasons.html

When asked in the last year, if they have had opportunities to grow and learn, 100% of staff responded, "Yes". Staff also responded that they usually have the opportunity to do what they do best every day. These are all positive observations.

Additional noteworthy survey comments:

- "This is honestly the most non-toxic place I have ever worked. I see diversity, inclusion and encouragement daily."
- "I feel fortunate every day to work for such a progressive organization. I feel we have the ability to showcase our city to those outside the state and help provide such an economic impact. I feel that my Visit Aurora Team is our family."
- "Although there are limited opportunities to 'move up' since we are a small company, there is still a strong growth culture."
- "We have a great team of passionate people working together to achieve our goals of making sure all people know that Aurora, CO is a great place to live, work, do business, and visit."

Audit Recommendations

Increase Staff Participation in Goal Setting and Execution

Staff perceive that management establishes the goals and an opportunity to comment may or may not exist. Staff also perceive that management mostly has the responsibility for achieving department goals; however, staff should have a substantial portion of responsibility. As noted above, in a participative environment, staff and management share equally in the responsibility to achieve goals.

We recommend management develop ways to increase two-way feedback and staff participation in goal-setting. We recommend management ensure there is clear communication regarding the goal setting processes and the reasons for establishing certain goals. It will help to increase staff's understanding of their role and responsibility in achieving goals.

Management Response

Agree – Visit Aurora agrees to have staff leadership develop ways to increase two-way feedback and staff participation in annual goal-setting.

Improve DEI Communication

Thirty-seven and a half percent of staff strongly disagreed on each of the organization DEI questions. The results indicate a lack of collective, organization wide efforts. Organization culture shifts require top-down awareness and active participation from all staff.

We recommend management develop a DEI communications strategy, to include appropriate messaging, measures of success, and actions that demonstrate an overall commitment to DEI. This may include the need to introduce DEI training to ensure the organization is prepared to lead a culturally diverse workforce.

Management Response

Agree – DEI should always be a focus and top priority for Visit Aurora. I did want to mention some of the ways we addressed DEI last year. Visit Aurora provided two DEI training sessions last year. One on September 25, 2020, and a follow-up session on March 8, 2021. Both classes were facilitated by Omar Montgomery, President of the Aurora Branch of the NAACP. Omar Montgomery also presented to the Visit Aurora Board of Directors at our November 2020 Board Meeting. Additionally, Randi Morritt and I are both enrolled and have participated in an Equity, Diversity & Inclusion Leadership Masterclass through Destinations International.

Survey Scores and Auditor Conclusions

The weighted average scores of 3.0 or higher are highlighted green, 2.50 to 2.99 are highlighted yellow, 2.49 or below are highlighted red. Internal Audit considers scores below 2.5 indicators of areas requiring further attention. The closer a department can get to the top of the scale, the better.

Section	Question	2021 Weighted Average	2021 Conclusion:
Leadership	How much confidence is shown in you by those who oversee your work?	3.75	Staff perceive that those who oversee their work shows complete confidence in them in all matters.
	How comfortable do you feel talking to those who oversee your work about issues related to your job?	3.88	Staff feels completely comfortable discussing any issues.
	How often are your ideas and opinions sought and used constructively by those above you?	3.25	Staff perception is that those above them usually seeks their ideas and tries to use them constructively.
Motivation	What are the predominant methods used to motivate you in your job?	3.38	Staff perception is that rewards and some involvement in decision-making are the predominant methods used for motivation on the job.
	Where do you believe the responsibility should be for achieving your departments goals?	2.63	Staff perceive that Management mostly has responsibility for achieving Visit Aurora goals, but staff should have a substantial portion of responsibility.

Communication / Interaction			
How much cooperative teamwork occurs within Visit Aurora?	3.88	Staff perception is that there is as much cooperative teamwork within the organization as could be expected.
How much cooperative teamwork occurs within your division (sales, marketing, services, etc.)?	4.00	Staff perception is that there is as much cooperative teamwork within each division as could be expected.
What is the usual direction of information flow?	3.25	Staff perception is that information flows mostly from the top down and bottom up.
How do you view communications from those above you in the organization hierarchy?	4.00	Staff perception is that communications from management is generally accepted, but if not, openly and candidly questioned.
How accurate is what you communicate to those above you in the organization?	3.75	Staff perception is that they provide accurate information whether it is good or bad.
How well do those above you know the problems you face in your job?	3.38	Staff perception is that those above them have a fair level of knowledge and understanding of their problems.
How would you characterize the interactions between management and staff?	3.75	Staff perception is extensive, friendly interaction with high degree of trust.
How is your ability to communicate and interact with the Visit Aurora Board?	2.50	Staff perception is that they occasionally communicate and interact the Board.

Decision Making	At what level are decisions made in your division?	3.38	Staff perception is that policy and general decisions made at top; more specific decisions made at staff levels.
	At what level are decisions made in your organization?	3.13	Staff perception is that policy and general decisions made at top; more specific decisions made at staff levels.
	Are you involved in decisions related to your work?	3.50	Staff perception is that they are generally consulted about decisions related to their work.
	Does the decision-making process used in your department/division contribute to your motivation?	3.38	Staff perception is that the decision-making process has some contribution to their motivation.
	To what extent are decision-makers aware of problems, particularly those at the staff level?	3.63	Staff perception is that decision-makers are generally quite well aware of problems that staff face.
Goal Setting	How are your area goals established?	2.63	Staff perception is that goals are established by management; an opportunity to comment may or may not exist.
	How are goals received and treated?	3.63	Staff perception is that they publicly accept the goals and try to achieve most of them.

Control	Where is work controlled and reviewed in your department?	3.00	Staff perception is that work review and control functions are mostly concentrated with top management with some delegated to middle managers and some staff.
	What is performance data used for in your area?	3.75	Staff perception is that performance data is used for self-guidance and team problem solving and guidance.
Team Work	How would you describe "teamwork" with your teammates (same department/division?)	3.50	Staff perception is that they are effective working together as a team.
	Are your teammates committed to doing quality work?	3.25	Staff perception is that their teammates are usually committed to doing quality work.
	How would you describe the quality of your teammates' contributions to your department's work?	6.00	Staff perception is that their teammates' contributions are of high quality.
DEI	I communicate the importance of addressing racial inequities and achieving racial equity.	Strongly agree: 50% Agree: 50%	Staff agree that they communicate the importance of addressing racial inequities and achieving racial equity.
	I am committed to diversity and inclusion.	Strongly agree: 75% Agree: 25%	Staff strongly agree that they are committed to diversity and inclusion.
	I demonstrate commitment to and support of diversity.	Strongly agree: 75% Agree: 25%	Staff strongly agree that they demonstrate a commitment to and support diversity.

I am prepared to effectively navigate a culturally diverse workforce.	Strongly agree: 87.5% Agree: 12.5%	Staff strongly agree that they are prepared to effectively navigate a culturally diverse workforce.
My organization leadership (those above me) communicates the importance of addressing racial inequities and achieving racial equity.	Agree: 62.5% Strongly disagree: 37.5%	Staff agree that organization leadership communicate the importance of addressing racial inequities and achieving racial equity.
My organization leadership (those above me) is committed to diversity and inclusion.	Strongly agree: 25% Agree: 37.5% Strongly disagree: 37.5%	Staff neither agree or disagree that organization leadership is committed to diversity and inclusion.
My organization leadership (those above me) demonstrates a commitment to and support of diversity.	Strongly agree: 12.5% Agree: 50% Strongly disagree: 37.5%	Staff agree that organization leadership demonstrates a commitment to and support of diversity.
My organization leadership (those above me) is prepared to effectively manage a culturally diverse workforce.	Strongly agree: 25% Agree: 37.5% Strongly disagree: 37.5%	Staff neither agree or disagree that organization leadership is prepared to effectively manage a culturally diverse workforce.
I can bring my whole and authentic self to work. (Authenticity means having a keen awareness of who you are and what you stand for, and expressing yourself honestly and consistently to the world.)	4.50	Staff strongly agree that they can bring their whole and authentic self to work.
In my organization, I can be successful as my authentic self.	4.50	Staff strongly agree that they can be successful as their authentic self.

	Staff of all cultures and backgrounds are respected and valued within our organization.	4.75	Staff strongly agree that all cultures and backgrounds are respected and valued within the organization.
	Staff of all cultures and backgrounds are encouraged to apply for higher positions.	4.50	Staff strongly agree that all cultures and backgrounds are encouraged to apply for higher positions.
	If I raised a concern about discrimination or harassment, I am confident my Supervisor would follow up.	4.88	Staff strongly agree that if they raised a concern about discrimination or harassment, they are confident their Supervisor would follow up.
Other Matters	Do you know what is expected of you at work as it relates to your position/title?	Yes: 100%	Staff know what is expected of them at work as it relates to their position/title.
	At work, do you have the opportunity to do what you do best every day?	3.63	Staff perception is that they usually have the opportunity to do what they do best every day.
	In the last 30 days, have you received recognition or praise for doing good work?	Yes: 100%	Staff have received recognition or praise for doing good work.
	Is there someone at work who encourages your development?	Yes: 87.50% No: 12.50%	Staff perceive that there is someone at work who encourages their development.
	Does the mission/purpose of Visit Aurora make you feel your job is important?	Yes: 100%	Staff agree that the mission/purpose of Visit Aurora makes them feel their job is important.
	In the last six months, has someone at work talked to you about your progress?	Yes: 75.00% No: 25.00%	Seventy-five percent of staff has had someone at work talk to them about their progress.
	In the last year, have you had opportunities to learn and grow?	Yes: 100%	Staff have had the opportunities to learn and grow.

Appendix B – City of Aurora Recommended Agreement Additions
(provided by Kim Stuart, CoA Director of Communications)

Visit Aurora Scope of Work - Destination Marketing

- Visit Aurora is contracted through a Professional Services Agreement to serve as the city of Aurora Destination Marketing Organization. Visit Aurora acts as the primary liaison between meeting planners and hotel partners.

- Visit Aurora's mission is to showcase Aurora as a premier visitor destination for meetings, business, and leisure travelers.

- Visit Aurora's marketing and outreach is directed to regional and national travel markets, and meeting and event planners who bring visitors to Aurora and partner hotels. The city of Aurora marketing focuses primarily on local and metro-area audiences.

- To provide strategic and consistent messaging and resource management on behalf of the city of Aurora, the official contact for Visit Aurora for all marketing, sponsorship, advertising and donation requests of any city of Aurora department or program is the Aurora Director of Communications and Marketing or their designee. Requests from Visit Aurora should be directed to the official contact.

- Visit Aurora also gathers and analyzes data from various sources to show the economic impact of visitors to Aurora, in addition to the greater metro area or state. They also conduct surveys and other research to guide their work. All this information and documents will be shared with the city of Aurora upon request.

City Identity on all Visit Aurora Events, Programs and Materials

- The city of Aurora will be recognized and have a presence on all Visit Aurora marketing materials—print, video and digital—and event materials, signage, and programs inclusive of all formats. The city of Aurora logo or other identity provided by the city marketing staff will be featured on all Visit Aurora events, programs and materials at no additional cost to the city. The city marketing staff will provide the city logo, identities, and style guide.

Advertising and Paid Media

- The city of Aurora will pay 25% of the established rate for a full-page advertisement in yearly Visit Aurora Guide and will have placement on the first page (not internal cover). The city of Aurora will have access to and pay a 25% discounted rate to advertise in other publications, marketing collateral, video, and digital promotions produced by Visit Aurora. These discounted rates will also extend to other city of Aurora departments and programs.

Visit Aurora Website

- The Visit Aurora website will include the city of Aurora logo on their website that links to the GoAurora.org and/or AuroraGov.org website as determined by the city. The preference would be that the city's logo and link will live in the footer on each page of the Visit Aurora website. If this is not possible because of design limitations, the city should be represented on the following pages:
  - Homepage
  - Plan Your Visit
  - Events
  - Things to Do
  - Food and Drink
    - Visit Aurora will link back to the city's Aurora Eats.

The city of Aurora includes links to Visit Aurora's website as shown by the example below.

CITY OF AURORA » CITY HALL » ABOUT AURORA

☰ ABOUT AURORA LINKS

About Aurora

Data & Demographics	Historic Aurora	Building Great Places	Medical and Innovation Campuses
Quality Schools	Great Neighborhoods	Public Safety in Aurora	Visit Aurora

Once a budding frontier town of farmers and ranchers just east of the state's capital, Aurora is Colorado's third largest city with a diverse population of more than 386,000. From agricultural outpost to military bastion, Aurora established its foundation as a driving force in the west. And the rest is **history**.

City of Aurora and Visit Aurora Partnership and Marketing Collaboration

- The city of Aurora and Visit Aurora marketing staffs will work collaboratively on mutually beneficial marketing campaigns and advertising, creation of shared messaging and visual resources, and to maximize both organizations' budgets.

- **Creation of Shared Messaging and Visual Resources**

- Shared strategic messaging will be developed collaboratively by the city of Aurora and Visit Aurora marketing staff. Overarching campaign and advertising themes and taglines to be used by both will be reviewed and approved by the City Communications and Marketing Director and Visit Aurora CEO.

- The city of Aurora and Visit Aurora will have a joint photoshoot and a joint video shoot on an annual or agreed-upon frequency. The city and Visit Aurora will share in the cost of these photo and video shoots and the scope and price share will be agreed upon in advance. Both organizations will collaborate on artistic and creative vision and direction of the photoshoots. All photo and video assets will be shared across the two organizations but will not be accessible to extended partners for marketing or any other purposes.
    - Both parties will agree to:
        - A set of "select" photos and video images that will be set aside for exclusive use by Visit Aurora and the city of Aurora.
        - A set of agreed-upon photos that can be available for partner and public use.
    - All assets will be owned outright by the city and Visit Aurora.
    - The city and Visit Aurora marketing teams will mutually agree upon terms and content.

- **City and Community Marketing Meetings**

The city of Aurora and Visit Aurora will co-plan and co-host marketing meetings with city stakeholders and partners including but not limited to: Aurora Chamber of Commerce, Havana Business Improvement District, Aurora Economic Development Council, Aurora Sister Cities International, Stanley Marketplace, Southlands, Gaylord Rockies and other related groups.

Appendix C – ROI Calculation Detail

Destinations International provides four formula suggestions for a DMO to use to calculate return on investment. To provide an example, Internal Audit used one of the suggested formulas shown below to illustrate Visit Aurora ROI.

Return on Total Operating Costs= $\dfrac{\text{Visitor spending generated by the DMO's efforts (Economic Impact)}}{\text{Total DMO operating costs}}$

Year	Economic Impact of Definite Bookings During Scope	Total Expense from P&L	ROI
2019	67,135,639.25	3,163,995.79	21.22
2020	34,701,119.00	2,201,805.38	15.76
2021*	27,541,195.95	2,089,785.45	13.18

Source: Auditor analysis of Visit Aurora's profit and loss statements and sales reports for scope period.
*Notes: ***Through the end of September 2021*

Using the traditional calculation to determine the City's ROI, produces the following results:

Return on Investment= $\dfrac{\text{Visitor spending generated by the DMO's efforts (Economic Impact)}}{\text{City of Aurora's investment}}$

Year	Economic Impact of Definite Bookings During Scope	City Funding	ROI
2019	67,135,639.25	4,329,159.12	15.51
2020	34,701,119.00	3,453,047.27	10.05
2021*	27,541,195.95	2,945,025.83	9.35

Source: Auditor analysis of Visit Aurora's profit and loss statements and sales reports for scope period.
*Notes: ***Through the end of September 2021*

Appendix D – Comparative Performance Charts

The pandemic and the reduction of regional and national marketing campaigns in 2020 impacted goal progress, however, 2021 data (through Q3) demonstrate Visit Aurora's efforts to rebound.

To interpret the below charts, Internal Audit has included the DI definitions:

Qualified leads: When an inquiry by an event planner includes a request for a minimum of 10 sleeping rooms per night (peak rooms) over a specific set or range of dates.
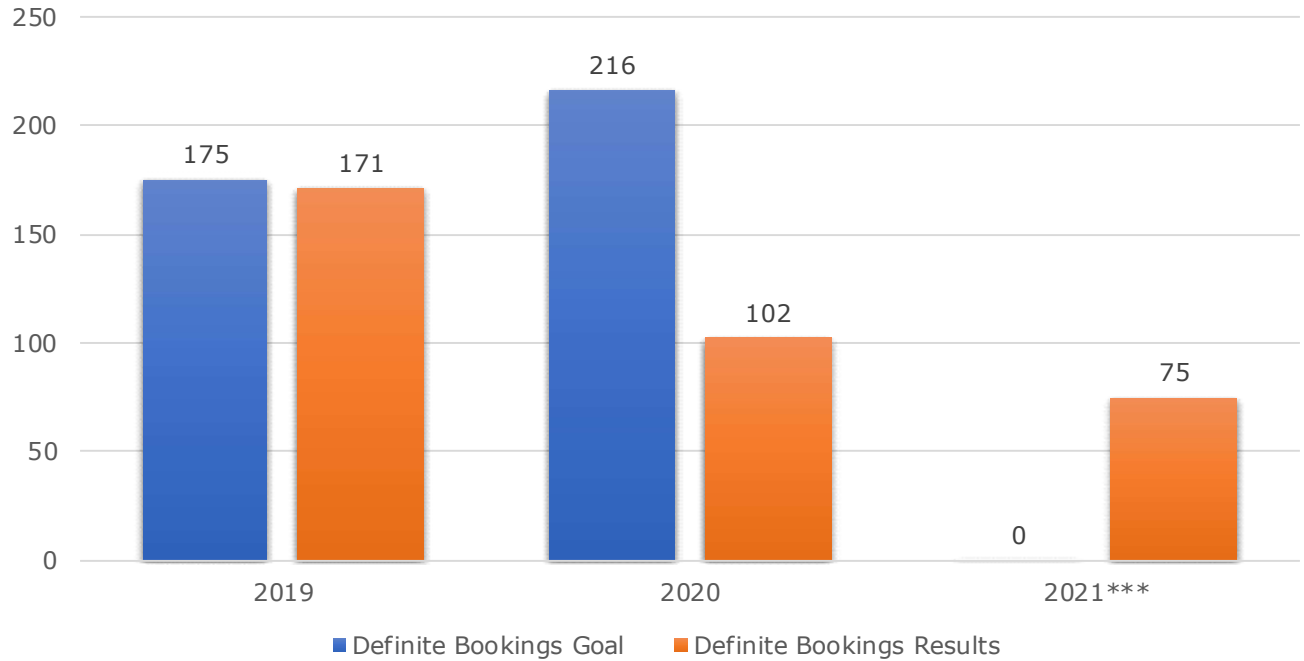
Qualified Leads

Source: Auditor analysis of Visit Aurora's profit and loss statements and sales reports for scope period.
*Notes: ***Through the end of September 2021*

Definite booking: A future event contracted in writing by the event organization with the hotel.

Definite Bookings

Bar chart showing Definite Bookings Goal (blue) and Definite Bookings Results (orange):

Year	Definite Bookings Goal	Definite Bookings Results
2019	175	171
2020	216	102
2021***	0	75

Source: Auditor analysis of Visit Aurora's profit and loss statements and sales reports for scope period.
*Notes: (1) ***Through the end of September 2021*
       (2) There was no goal set for 2021

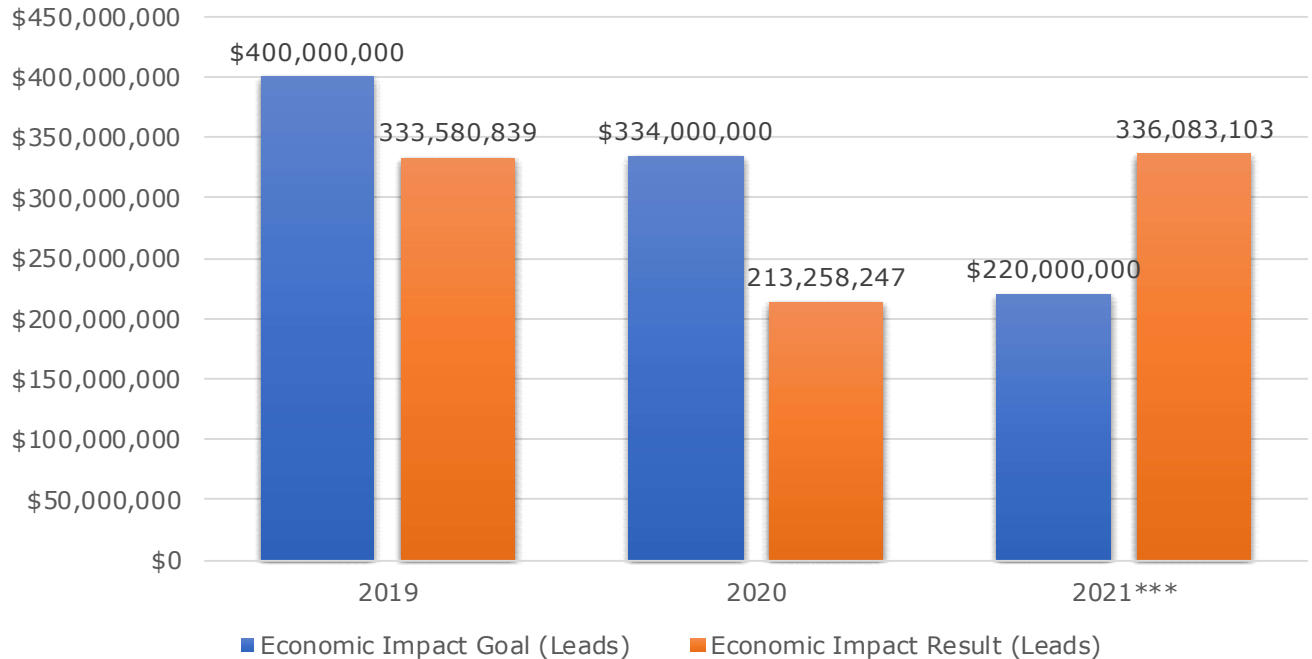**Site visits**: Familiarizes travel and event coordinator professionals with the offerings of a destination.

Site Visits
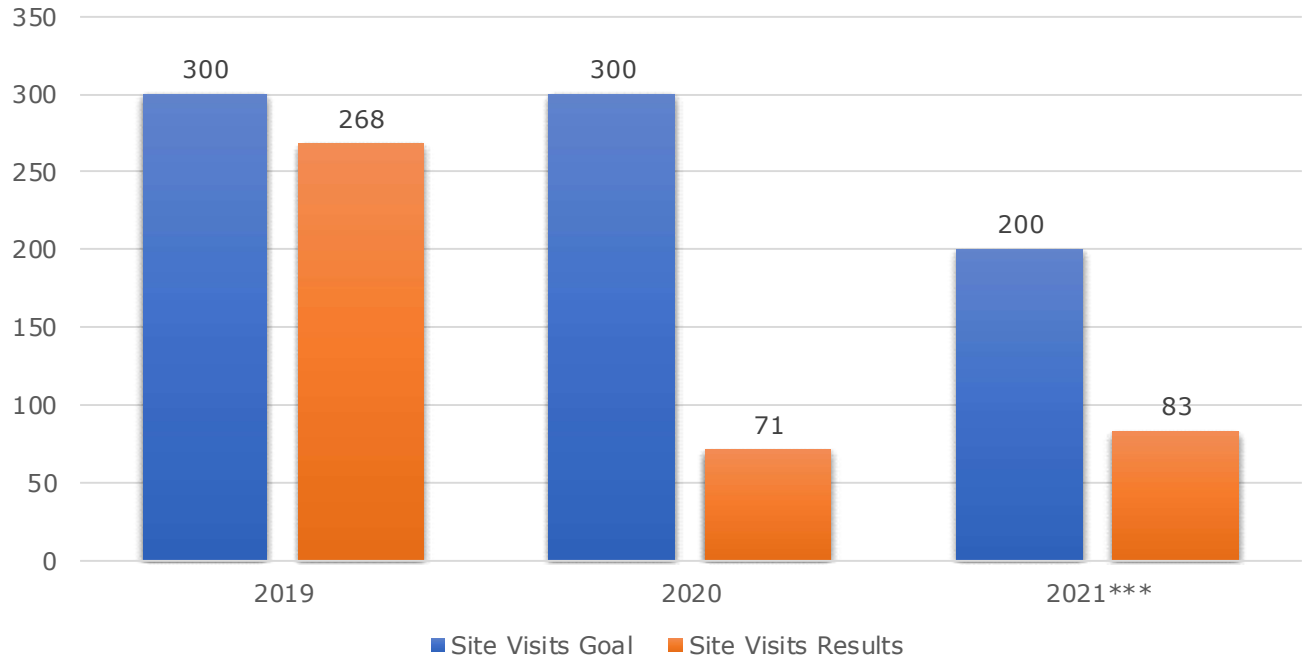
Source: Auditor analysis of Visit Aurora's profit and loss statements and sales reports for scope period.
*Notes: ***Through the end of September 2021*

Economic impact of qualified leads: An estimate of average daily spending rates multiplied by potential event attendance and duration.
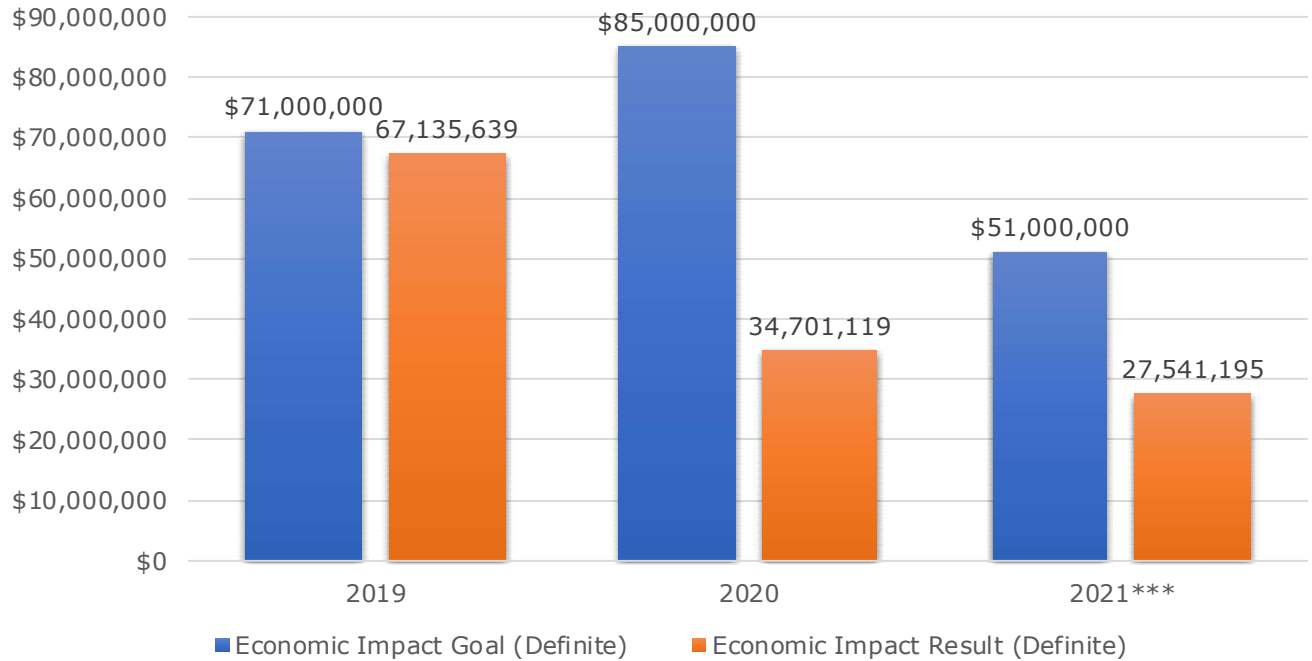
Economic Impact - Qualified Leads

	2019	2020	2021***
Economic Impact Goal (Leads)	$400,000,000	$334,000,000	$220,000,000
Economic Impact Result (Leads)	333,580,839	213,258,247	336,083,103

Source: Auditor analysis of Visit Aurora's profit and loss statements and sales reports for scope period.
*Notes: ***Through the end of September 2021*

Economic impact of definite bookings: An estimate of average daily spending rates multiplied by contracted event attendance and duration.

Economic Impact - Definite Bookings

	2019	2020	2021***
Economic Impact Goal (Definite)	$71,000,000	$85,000,000	$51,000,000
Economic Impact Result (Definite)	67,135,639	34,701,119	27,541,195

■ Economic Impact Goal (Definite) ■ Economic Impact Result (Definite)

Source: Auditor analysis of Visit Aurora's profit and loss statements and sales reports for scope period.
*Notes: ***Through the end of September 2021*