



**DISCOVER SANTA CLARA®
BOARD OF DIRECTORS
MEETING AGENDA**

**October 15, 2026, 1:00 p.m.
Santa Clara Marriott – Salon E, Grand Ballroom
2700 Mission College Boulevard, Santa Clara, CA 95054**

*The public can participate remotely via Zoom: <https://us06web.zoom.us/j/87937243476>
Meeting ID: 879 3724 3476*

CALL TO ORDER

ROLL CALL

PUBLIC COMMENT

For public comment on items on the agenda that are within the subject matter jurisdiction of the Board.

CONSENT AGENDA

Matters listed in the Consent Agenda section will be considered routine by the Board and will be enacted by one motion. There will be no separate discussion of the items on the Consent Calendar unless the discussion is requested by a member of the Board, staff, or public. If discussion is requested, that item will be removed from the section entitled Consent Agenda and will be considered under Consent Items Pulled for Discussion.

1. Action on the Minutes of the Discover Santa Clara® Board of Directors – September 17, 2026

Recommendation: Note and file meeting minutes.

CONSENT ITEMS PULLED FOR DISCUSSION

PUBLIC PRESENTATIONS

This item is reserved for persons to address the Board on any matter not on the agenda that is within the subject matter jurisdiction of the Board. The law does not permit action on, or extended discussion of, any item not on the agenda except under special circumstances. The Board or staff may briefly respond to statements made or questions posed and may request staff to report back at a subsequent meeting.

GENERAL BUSINESS – ITEMS FOR DISCUSSION

2. Discussion and Action on the Correction to the FY 2025/26 Amended Budget and Source & Use of Funds

Recommendation: Approve a correction to the FY 2025/26 Amended Budget and Source & Use of Funds, reducing the total Amended Budget from \$4,652,912 to \$4,602,265, to reflect \$404,353 in SBLX/FWC26 Activation Plan expenditures attributable to FY 2025/26 rather than the previously reflected \$455,000, recognizing that \$50,647 of the Board-approved Activation Plan was expended and reported in FY 2024/25.

3. Discussion and Action on the Agreement with CFO by Design to Conduct a Comprehensive Financial Assessment and Financial Policy & Procedure Development Project

Recommendations:

A). Approve and authorize the Chief Executive Officer to execute an agreement with CFO by Design to conduct a comprehensive Financial Assessment and Financial Policy & Procedure Development project for Discover Santa Clara® for a four-month term beginning upon execution of the agreement and ending January 31, 2027, in an amount not to exceed \$24,500, subject to the appropriation of funds, with the expense funded from the FY 2026/27 Contingency budget.

B). Authorize the Chief Executive Officer to execute any minor or administrative amendments to the agreement which do not increase the compensation for the agreement.

4. Discussion and Action on the Artificial Intelligence + Cybersecurity Policy, Establishing the Organization's Formal Framework for Responsible AI Use and Cybersecurity Practices

Recommendation: Approve the Artificial Intelligence + Cybersecurity Policy as presented, establishing the organization's formal framework for responsible AI use and cybersecurity practices.

5. Discussion and Action on the Appointment of Scott Wintner, Deputy Director of Aviation, San José Mineta International Airport, as an Ex Officio Advisor

Recommendation: Approve the appointment of Scott Wintner, Deputy Director of Aviation, San José Mineta International Airport, as an Ex Officio Advisor to the Discover Santa Clara® Board of Directors.

6. Discussion and Action on the Appointment of Reena Brilliot, Director of Economic Development and Sustainability, City of Santa Clara, as an Ex Officio Advisor

Recommendation: Approve the appointment of Reena Brilliot, Director of Economic Development and Sustainability, City of Santa Clara, as an Ex Officio Advisor to the Discover Santa Clara® Board of Directors.

7. Discussion and Action on the Appointment of Nany Fullmore, General Manager of Santa Clara Marriott, to the Board of Directors for Another Three-Year Term Ending October 2029

Recommendation: Approve the appointment of Nany Fullmore, General Manager of Santa Clara Marriott, to the Board of Directors for another three-year term through October 2029.

8. Discussion and Action on the Election of Officers of the Board of Directors for Terms Ending October 2027

- a. **Chair:** Catherine Lentz, Senior Director, Levi's® Stadium Event Services, Forty-Niners Stadium Management Company.
- b. **Vice Chair:** Erin Henry, General Manager, Hyatt Santa Clara.
- c. **Treasurer:** Nany Fullmore, General Manager, Santa Clara Marriott.
- d. **Secretary:** Christine Lawson, President & CEO, Discover Santa Clara®.

Recommendation: Elect the following individuals to serve as Officers of the Board of Directors for one-year terms ending October 2027:

- a. Catherine Lentz as Chair.
- b. Erin Henry as Vice Chair.
- c. Nany Fullmore as Treasurer.
- d. Christine Lawson as Secretary.

9. Discussion and Action on the Appointment of Board Committee Chairs and Members for Terms Ending October 2027

a. Nominating Committee

- **Chair:** Billy Mendez Moreno, General Manager, Delta Hotels by Marriott Santa Clara-Silicon Valley.
- **Member:** Jack Bloom, General Manager, Embassy Suites by Hilton.
- **Member:** Farshad Mayezadeh, General Manager, Hilton Santa Clara.

b. Audit Committee

- **Chair:** Nany Fullmore, General Manager, Santa Clara Marriott.
- **Member:** Catherine Lentz, Senior Director, Levi's® Stadium Event Services, Forty-Niners Stadium Management Company.
- **Member:** Mario Lopez, Area General Manager, AC Hotel by Marriott San Jose Santa Clara.

c. Bylaws Review Committee

- **Chair:** Samuel Florio, Associate Vice President of Auxiliary Services, Santa Clara University.
- **Member:** Scott Wintner, Deputy Director of Aviation, San José Mineta International Airport.

- **Member:** Raul Gutierrez, General Manager, Santa Clara Convention Center.
- **Member:** Erin Henry, General Manager, Hyatt Santa Clara.

d. Organizational Hiring Committee

- **Chair:** Kevin Dominguez, General Manager, Element Santa Clara.
- **Member:** Scott Wintner, Deputy Director of Aviation, San José Mineta International Airport.
- **Member:** Billy Mendez Moreno, General Manager, Delta Hotels by Marriott Santa Clara–Silicon Valley.

Recommendation: Appoint the individuals listed above to serve as the respective Chairs and Members of the Nominating Committee, Audit Committee, Bylaws Review Committee, and Organizational Hiring Committee for terms ending October 2027.

10. Discussion on Board Retreat Date

11. Discussion on Board Meeting Cadence

COMMITTEE UPDATES

12. Audit Committee Update on Financial Statement Auditor Selection Process

BOARD MEMBER OPEN FORUM

This item is reserved for Board Members to present additional agenda items for future discussion.

GENERAL ANNOUNCEMENTS

ADJOURNMENT

The next regularly scheduled meeting is on November 19, 2026.

Brown Act

Government Code 54950 et seq. (the Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. Action may not be taken on items not posted on the agenda. Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Discover Santa Clara® at dscadmin@discoversantaclara.org prior to the meeting.

Notice to Public

The public is welcomed and encouraged to participate in this meeting. Public comment (3 minutes maximum per person) on items listed on the agenda will be heard at the meeting as noted on the agenda. Public comment on items not listed on the agenda will be heard at the meeting as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select one or two speakers to represent the opinion of the group. The order of agenda items is listed

for reference and may be taken in any order deemed appropriate by the Board of Directors. The agenda provides a general description and staff recommendation; however, the Board of Directors may take action other than what is recommended.

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), Discover Santa Clara® will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. Discover Santa Clara® will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in Discover Santa Clara® programs, services, and activities. Discover Santa Clara® will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by Discover Santa Clara® in an appropriate alternative format. Contact Discover Santa Clara® at dscadmin@discoversantaclara.org with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of Discover Santa Clara® should contact Discover Santa Clara® at dscadmin@discoversantaclara.org as soon as possible before the scheduled event.

ATTACHMENTS



**DISCOVER SANTA CLARA®
BOARD OF DIRECTORS
MEETING AGENDA**

**September 17, 2026, 3:00 p.m.
San Jose Mineta International Airport – Admin Office Suite B1130
1701 Airport Blvd, San Jose, CA 95110**

*The public can participate remotely via Zoom <https://us06web.zoom.us/j/87937243476>
Meeting ID: 879 3724 3476*

CALL TO ORDER

Chair Lentz called the meeting to order at 3 :21 PM.

ROLL CALL

Present: 5 Chair Catherine Lentz, Forty-Niners Stadium Management Company
 Treasurer Nany Fullmore, Marriott Santa Clara
 Member Samuel Florio, Santa Clara University
 Member Jack Bloom, Embassy Suites by Hilton (left early at 4:15 P.M.)
 Member Farshad Mayelzadeh, Hilton Santa Clara

Secretary Christine Lawson, Discover Santa Clara® (Ex-Officio)
Member Scott Wintner, San José Mineta International Airport (Ex-Officio)

Absent: 4 Vice Chair Erin Henry, Hyatt Santa Clara
 Member Billy Mendez Moreno, Delta Hotels Santa Clara
 Member Reena Brilliot, City of Santa Clara
 Member Kevin Dominguez, Element Santa Clara

Staff: Jiawei Tang, Discover Santa Clara®

A Quorum of 5 has been met.

PUBLIC COMMENT

For public comment on items on the Agenda that are within the subject matter jurisdiction of the Board.

There were no public comments.

CONSENT AGENDA

Matters listed in the Consent Agenda section will be considered routine by the Board and will be enacted by one motion. There will be no separate discussion of the items on the Consent Calendar unless the discussion is requested by a member of the Board, staff, or public. If discussion is requested, that item will be removed from the section entitled Consent Agenda and will be considered under Consent Items Pulled for Discussion.

1. Action on the Minutes of Discover Santa Clara® Board of Directors – August 20, 2026

Recommendation: Note and File Meeting Minutes.

A motion was made by Member Florio, seconded by Treasurer Fullmore to approve the Consent Agenda.

Ayes: Chair Lentz, Treasurer Fullmore, Member Bloom, Member Florio, Member Mayelzadeh

Absent: Vice Chair Henry, Member Mendez Moreno, Member Brilliot, Member Dominguez.

Motion passes 5 to 0.

CONSENT ITEMS PULLED FOR DISCUSSION

PUBLIC PRESENTATIONS

This item is reserved for persons to address the Board on any matter not on the agenda that is within the subject matter jurisdiction of the Board. The law does not permit action on, or extended discussion of, any item not on the agenda except under special circumstances. The Board or staff may briefly respond to statements made or questions posed and may request staff to report back at a subsequent meeting.

There were no public presentations.

GENERAL BUSINESS – ITEMS FOR DISCUSSION

2. Consideration and Action on Appointment of Raul Gutierrez, General Manager – Santa Clara Convention Center, to the Board of Directors

Recommendation: Approve the appointment of Raul Gutierrez to serve on the Discover Santa Clara® Board of Directors.

A motion was made by Treasurer Fullmore, seconded by Member Bloom to approve the Consent Agenda.

Ayes: Chair Lentz, Treasurer Fullmore, Member Bloom, Member Florio, Member Mayelzadeh

Absent: Vice Chair Henry, Member Mendez Moreno, Member Brilliot, Member Dominguez.

Motion passes 5 to 0.

3. Consideration and Action on Appointment of Mario Lopez – Area General Manager – AC Hotel by Marriott, San Jose Santa Clara, Sunnyvale Cupertino, to the Board of Directors

Recommendation: Approve the appointment of Mario Lopez to serve on the Discover Santa Clara® Board of Directors.

A motion was made by Member Florio, seconded by Chair Lentz to approve the Consent Agenda.

Ayes: Chair Lentz, Treasurer Fullmore, Member Bloom, Member Florio, Member Mayelzadeh

Absent: Vice Chair Henry, Member Mendez Moreno, Member Brilliot, Member Dominguez.

Motion passes 5 to 0.

4. Discussion on the October Annual Meeting and Election

Director of Business Operations Jiawei Tang led a discussion regarding the upcoming October Annual Board Election. Jiawei presented an overview of the roles and responsibilities of each Board officer and committee position and facilitated a discussion to identify Board members interested in serving in these roles. Expressions of interest were noted for consideration during the October Annual Meeting and election.

5. CEO Verbal Update

The CEO provided a verbal update on the organization's marketing and sales activities for the month, highlighting ongoing initiatives and key developments.

COMMITTEE UPDATES

BOARD MEMBER OPEN FORUM

This item is reserved for Board Members to present additional Agenda items for future discussion.

GENERAL ANNOUNCEMENTS

ADJOURNMENT

Chair Lentz adjourned the meeting at 4:32 PM. The next regularly scheduled meeting is on October 15, 2026

Brown Act: Government Code 54950 et seq (the Brown Act) requires that a brief description of each item to be transacted or discussed be posted at least 72 hours prior to a regular meeting. Action may not be taken on items not posted on the agenda. Meeting facilities are accessible to persons with disabilities. If you require special assistance to participate in the meeting, notify Discover Santa Clara® at dscadmin@discoversantaclara.org prior to the meeting.

Notice to Public: The public is welcomed and encouraged to participate in this meeting. Public comment (3 minutes maximum per person) on items listed on the agenda will be heard at the meeting as noted on the agenda. Public comment on items not listed on the agenda will be heard at the meeting as noted on the agenda. Comments on controversial items may be limited and large groups are encouraged to select one or two speakers to represent the opinion of the group. The order of agenda items is listed for reference and may be taken in any order deemed appropriate by the Board of Directors. The agenda provides a general description and staff recommendation; however, the Board of Directors may take action other than what is recommended.

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 ("ADA"), Discover Santa Clara® will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities, and will ensure that all existing facilities will be made accessible to the maximum extent feasible. Discover Santa Clara® will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities including those with speech, hearing, or vision impairments so they can participate equally in Discover Santa Clara® programs, services, and

activities. Discover Santa Clara® will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all its programs, services, and activities.

Agendas and other written materials distributed during a public meeting that are public record will be made available by Discover Santa Clara® in an appropriate alternative format. Contact Discover Santa Clara® at dscadmin@discoversantaclara.org with your request for an alternative format copy of the agenda or other written materials.

Individuals who require an auxiliary aid or service for effective communication, or any other disability-related modification of policies or procedures, or other accommodation, in order to participate in a program, service, or activity of Discover Santa Clara® should contact Discover Santa Clara® at dscadmin@discoversantaclara.org as soon as possible before the scheduled event.



REPORT TO THE BOARD OF DIRECTORS

DATE: October 15, 2026

TO: Discover Santa Clara® Board of Directors

FROM: Christine Lawson, President & CEO

SUBJECT: Correction to FY 2025/26 Amended Budget – SBLX/FWC26 Activation Plan

BACKGROUND

The Discover Santa Clara® Board of Directors previously approved a **\$455,000 SBLX/FWC26 Activation Plan** to support strategic marketing and destination activation surrounding Super Bowl LX and FIFA World Cup 2026. The investment was approved in FY 2024/25 with the intent that the funds be expended in FY 2025/26. Based on guidance received at the time, the **\$455,000** was held as restricted funds and was not incorporated into the original FY 2025/26 Adopted Budget.

In June 2026, as part of the FY 2026/27 budget approval process, the Board approved an FY 2025/26 Amended Budget totaling **\$4,652,912** and corresponding Source & Use of Funds. The amendment formally incorporated two previously approved investments that were not included in the original FY 2025/26 Adopted Budget:

- **\$455,000** – SBLX/FWC26 Activation Plan
- **\$150,000** – Bay Area Host Committee Strategic Partnership

The full \$455,000 Activation Plan was reflected as restricted funding and expenditure within FY 2025/26.

FY 2025/26 YEAR-END RECONCILIATION

As part of the FY 2025/26 year-end financial reconciliation and preparation of the DMO's Annual Report, staff confirmed that **\$50,647** of the **\$455,000 SBLX/FWC26 Activation Plan** was expended and reported in FY 2024/25.

Accordingly, the portion of the Activation Plan attributable to FY 2025/26 is **\$404,353**.

SBLX/FWC26 Activation Plan	Amount
Total Board-Approved Activation Plan	\$455,000
Expended and Reported in FY 2024/25	(\$50,647)
Amount Attributable to FY 2025/26	\$404,353

The revised Source & Use of Funds therefore reduces both the **FY 2025/26 Beginning Restricted Fund Balance** and the **FY 2025/26 SBLX/FWC26 expenditure allocation** by \$50,647.

This correction does not change the total **\$455,000** Activation Plan previously approved by the Board and has **no net impact on the FY 2025/26 Ending Fund Balance**. It corrects the allocation of the previously approved investment between FY 2024/25 and FY 2025/26.

FINANCIAL IMPACT

The correction results in the following changes to the FY 2025/26 Amended Budget and Source & Use of Funds:

SBLX/FWC26	Previously Approved Amended Budget	Revised Amended Budget
Beginning Restricted Fund Balance	\$455,000	\$404,353
SBLX/FWC26 Expenditure	\$455,000	\$404,353
Total FY 2025/26 Amended Budget	\$4,652,912	\$4,602,265
Impact on FY 2025/26 Ending Fund Balance		\$0

Amounts are rounded to the nearest whole dollar for presentation purposes.

This adjustment does not represent a reduction in the overall **\$455,000** cost of the Activation Plan, budget savings, or a change in the Board's previously approved investment. Rather, it ensures that the **\$50,647** already expended and reported in FY 2024/25 is not also reflected as a FY 2025/26 budgeted expenditure.

CONCLUSION

Approval of the correction will ensure that the FY 2025/26 Amended Budget and Source & Use of Funds accurately reflect the fiscal-year allocation of the Board-approved SBLX/FWC26 Activation Plan, revise the total FY 2025/26 Amended Budget to **\$4,602,265**, and align with the DMO's FY 2024/25 and FY 2025/26 financial records and FY 2025/26 Annual Report.

RECOMMENDED ACTION

Approve a correction to the FY 2025/26 Amended Budget and Source & Use of Funds, reducing the total Amended Budget from **\$4,652,912** to **\$4,602,265**, to reflect **\$404,353** in SBLX/FWC26 Activation Plan expenditures attributable to FY 2025/26 rather than the previously reflected **\$455,000**, recognizing that **\$50,647** of the Board-approved Activation Plan was expended and reported in FY 2024/25.

Attachment:

A. Revised FY 2025/26 Source & Use of Funds.

A	B	C	D	E	F	G	DMO FUNDS	As of	Balance Post
			FY 2025/26 Amended – REVISED 10/15/2026	YTD 07/01/25– 03/31/2026 (Actuals)	FY 2025/26 Estimate	FY 2026/27 Proposed		07/01/2025	Transfer
Beginning Fund Balance	FY 2025/26 Approved	FY 2025/26 Amended						City – TID Account	3,065,554
Operations Reserve	1,619,165	1,619,165	1,619,165	1,619,165	1,619,165	1,619,165	DMO – Bridge Bank	1,387,234	4,125,677
Restricted – BAHC Alliance Sponsorship	–	–		–	–	–	Total Beginning Fund Balance	4,452,788	4,452,788
Restricted – SBLX/FWC26	455,000	455,000	404,353	404,353	404,353	–			
Unrestricted	3,093,318	3,093,318	3,093,318	3,093,318	3,093,318	3,850,453			
Total Beginning Fund Balance	5,167,483	5,167,483	5,116,836	5,116,836	5,116,836	5,469,618			
City transfer of \$2,738,443 to DMO									
Revenue									
Interest	175,000	175,000	175,000	79,559	97,500	105,000			
Assessment	3,500,000	3,500,000	3,500,000	3,168,724	4,200,000	4,200,000			
Levy Marketing Investment	30,000	30,000	30,000	–	–	–			
OVG Marketing Investment	36,000	36,000	36,000	–	–	–			
Other Revenue	–	–		20	20	–			
Total Revenue	3,741,000	3,741,000	3,741,000	3,248,303	4,297,520	4,305,000		FY 2026/27 Projected Revenue 2% SCTID Hotel Assessment	
Total Source of Funds	8,908,483	8,908,483	8,857,836	8,365,139	9,414,356	9,774,618			
Expenditures									
Marketing, Comms, SCCC + Partner Sales	2,816,525	2,816,525	2,816,525	1,675,480	2,260,430	2,938,525			
Administration	1,056,387	1,056,387	1,056,387	778,229	1,045,422	1,066,238			
Contingency	105,000	105,000	105,000	–	–	126,000			
City Administration Fee	70,000	70,000	70,000	63,399	84,533	84,000			
Restricted – BAHC Alliance Sponsorship	–	150,000	150,000	150,000	150,000	–			
Restricted – SBLX/FWC26	455,000	455,000	404,353	288,977	404,353	–		FY 2026/27 Proposed Reserves	
Total Expenditures	4,502,912	4,652,912	4,602,265	2,956,085	3,944,738	4,214,763			
Ending Fund Balance									
Operations Reserve	1,619,165	1,619,165	1,619,165	1,619,165	1,619,165	1,685,905		FY 2025/26 Forecasted Ending Fund Balance	
Restricted – BAHC Alliance Sponsorship		–	–	–	–				
Restricted – SBLX/FWC26		–	–	166,023	–				
Unrestricted	2,786,406	2,636,406	2,570,406	3,623,866	3,850,453	3,873,950			
Total Ending Fund Balance	4,405,571	4,255,571	4,189,571	5,409,054	5,469,618	5,559,855		FY 2026/27 Available Funds \$5,469,618 + \$4,305,000 +(\$1,685,905) = \$8,088,713	1
Total Use of Funds	8,908,483	8,908,483	8,791,836	8,365,139	9,414,356	9,774,618			



REPORT TO THE BOARD OF DIRECTORS

DATE: October 15, 2026

TO: Discover Santa Clara® Board of Directors

FROM: Christine Lawson, President & CEO

SUBJECT: Financial Assessment and Financial Policy & Procedure Development Services.

BACKGROUND

Discover Santa Clara® is entering an important next phase of organizational maturity. Following renewal of the Santa Clara Tourism Improvement District and DMO for an additional five-year term, the organization is preparing to assume custody of SCTID assessment funds currently held by the City of Santa Clara, complete its first independent financial audit, and strengthen the financial infrastructure needed to support the organization moving forward.

A critical component of this work is ensuring that the DMO has accurate, current, and well-aligned Financial Policies and corresponding Financial Procedures.

The Board of Directors approved the DMO's Financial Policies in January 2024. The DMO recently received a draft of the accompanying Financial Procedures from its contracted accounting firm. Management's review identified areas where the two documents are not fully aligned, largely due to changes in organizational roles, operating practices, and financial and reporting requirements established since the Financial Policies were originally adopted.

Given the importance of these documents to the organization's internal controls, financial management, governance, and upcoming audit, management believes an independent and comprehensive review is warranted.

DISCUSSION

Management engaged **CFO by design**, a financial consulting firm built specifically to support Destination Marketing Organizations and organizations funded through tourism improvement districts. CFO by design brings direct experience with DMO financial structures, public funding, Board governance, internal controls, audit readiness, assessment-based funding models, and financial transitions.

The proposed engagement goes beyond simply editing the DMO's existing Financial Policies and Procedures.

CFO by design will first conduct a comprehensive financial assessment of Discover Santa Clara's current operations, including accounting practices, internal controls, financial reporting, systems, segregation of duties, compliance, forecasting, and overall financial health. The assessment will identify potential gaps, risks, inefficiencies, and opportunities for improvement and provide a strategic roadmap for the organization.

This assessment is particularly important as Discover Santa Clara enters its sixth year of operations. To date, the organization has not completed a comprehensive independent assessment of its overall financial structure and practices. Conducting this review now will provide the Board and management with greater visibility into potential areas of financial exposure while helping ensure that the organization's financial infrastructure is appropriate for its next stage of operations.

Following the assessment, CFO by design will review, update, and develop the DMO's Financial Policies and Procedures to ensure alignment with the organization's current operating structure, generally accepted accounting principles, DMO and nonprofit best practices, and the current Agreement to Administer with the City of Santa Clara.

SCOPE OF WORK

The engagement includes two primary areas of work:

Financial Assessment

- Review financial operations, accounting and closing processes, approval thresholds, segregation of duties, and system permissions;
- Review agreements, contracts, policies, procedures, bylaws, and delegations of authority;
- Assess financial systems, financial statements, reporting tools, and the Chart of Accounts;
- Evaluate internal controls and compliance practices;
- Benchmark current practices against DMO and nonprofit best practices;
- Conduct interviews and listening sessions with key staff, Board officers, stakeholders, and the DMO's outsourced accounting provider, as appropriate;
- Identify financial risks, gaps, inefficiencies, and opportunities for improvement; and
- Develop a strategic roadmap with recommendations for financial operations, reporting, controls, staffing, systems, and overall financial health.

Financial Policy & Procedure Development

CFO by design will review, update, or develop policies and procedures addressing areas including:

- Approval amounts and levels of authority;
- Check signing requirements;
- Wire and electronic payment processing;
- Procurement and quote/bid/RFP requirements;
- Segregation of duties and internal controls;
- Accounts receivable and collections;
- Revenue recognition;
- Auditor selection and rotation;

- Capital asset capitalization;
- Internal and external financial reporting requirements and timelines;
- Records retention;
- Cash handling;
- Policy and process review schedules;
- Tracking of group commitments;
- Travel and client development; and
- Other financial requirements contained in the current Agreement to Administer.

The engagement also includes development of proposed Reserve and Investment, Conflict of Interest, Whistleblower, and Transparency policies for Board consideration, as well as one training session for key staff following approval of the updated policies and procedures.

PROJECTED PROJECT TIMELINE

October 2026: Agreement Execution & Document Review

Execution of the Letter of Agreement and delivery of requested documents for CFO by design's review. CFO by design will begin reviewing materials and may schedule virtual meetings for clarification.

November 2026: Stakeholder Interviews & Listening Sessions

CFO by design will conduct interviews and listening sessions with key staff members and stakeholders.

December 2026: Report, Policy & Procedure Review

The first draft of the financial roadmap, Financial Policies, and Financial Procedures will be provided for executive review. CFO by design will review feedback and incorporate requested changes.

January 2027: Final Report of Findings, Policies & Procedures

Final documents will be provided to the executive team in time for the **January 21, 2027, Board meeting**. Following Board approval, CFO by design will provide training for key personnel.

TERM OF AGREEMENT

The anticipated term of the engagement is **October 2026 through January 2027**, beginning upon execution of the Letter of Agreement and concluding with delivery of the final Financial Assessment, Financial Policies, and Financial Procedures, followed by staff training after Board approval.

The proposed schedule is dependent upon timely execution of the agreement, availability of key personnel, and access to requested documents and supporting materials. CFO by design notes that the project timeline may be adjusted based on resource availability if the engagement is not executed within the proposed timeframe.

WHY THIS WORK IS IMPORTANT NOW

This engagement will help position the DMO to:

- Prepare for its **first independent financial audit**;
- Establish the financial controls needed as the organization prepares to assume **custody of SCTID assessment funds**;
- Align Board-approved Financial Policies with clear and corresponding operating Procedures;
- Identify potential financial, control, compliance, or operational risks before they become larger issues;
- Strengthen transparency, accountability, and financial stewardship; and
- Establish an appropriate financial foundation for the DMO's next five-year term.

FINANCIAL IMPACT

The FY 2026/27 Operating Budget includes **\$138,000 for Accounting Services** associated with the DMO's current contracted financial services, as well as **\$126,000 in Contingency funding** for unforeseen organizational needs not anticipated at the time the budget was adopted.

The proposed **\$24,500 CFO by design engagement** is a separate, one-time project focused on financial assessment and Financial Policy and Procedure development. Management recommends funding the engagement from the FY 2026/27 Contingency budget, as the work was not contemplated when the budget was adopted and is distinct from the DMO's ongoing contracted accounting services.

If approved, the engagement would leave **\$101,500 remaining in the FY 2026/27 Contingency budget**, before any other contingency expenditures.

CFO by design requires a **50% deposit when services begin**, with the remaining 50% due in November 2026. Travel is not anticipated; if required, travel expenses would be billed separately in accordance with the proposal.

CONCLUSION

As Discover Santa Clara moves into its next five-year term, assumes greater financial responsibility, and prepares for its first independent audit, management believes this is the appropriate time to conduct a comprehensive review of the organization's financial foundation.

The proposed engagement with CFO by design provides the DMO with specialized DMO financial expertise to identify potential risk, strengthen financial practices and internal controls, and establish updated, aligned, and audit-ready Financial Policies and Procedures.

RECOMMENDED ACTION

1. Approve and authorize the Chief Executive Officer to execute an agreement with CFO by Design to conduct a comprehensive Financial Assessment and Financial Policy & Procedure Development project for Discover Santa Clara® for a four-month term beginning upon execution of the agreement and ending January 31, 2027, in an amount not to exceed \$24,500, subject to the appropriation of funds, with the expense funded from the FY 2026/27 Contingency budget;

2. Authorize the Chief Executive Officer to execute any minor or administrative amendments to the agreement which do not increase the compensation for the agreement.

Attachment: CFO by design Financial Assessment & Policy and Procedure Development Proposal, October 7, 2026.

October 7, 2026

Christine Lawson
Chief Executive Officer
5001 Great America Parkway
Santa Clara, CA 95054

Dear Christine,

On behalf of CFO by design (CFObd), I am pleased to submit our proposal in response to your request for a Financial Assessment that will inform the development of policies and procedures for Discover Santa Clara. We are enthusiastic about the opportunity to support your efforts to strengthen financial practices in alignment with your mission to promote and drive impact to Santa Clara as the Silicon Valley destination of choice for meetings, business, and leisure travel.

The team at CFObd was assembled with the belief that financial operations are most effective when they align with Discover Santa Clara's strategic priorities, incorporate insights from a broad range of stakeholders, and deliver measurable value to both the organization and the wider Santa Clara community.

Our approach is built on a series of integrated steps designed to directly address the key outcomes outlined in our discussions regarding your needs, including:

- Conducting a comprehensive review of Discover Santa Clara's accounting practices, internal controls, reporting, analysis, and forecasting against industry standards, identifying gaps, inefficiencies, risks, and opportunities for improvement.
- Holding listening sessions with key stakeholders to understand current practices, address roadblocks, and develop recommendations that work for the team.
- Recommending DMO-specific best practices, including enhanced forecasting and analysis to support strategic planning and stakeholder engagement.
- Reviewing and updating existing policies and procedures for alignment with generally accepted accounting principles, DMO and nonprofit best practices, and the updated Administration Agreement.
- Assisting in drafting missing policies and procedures, including:
 - Financial policies covering check signing, procurement, and asset capitalization
 - Travel and Client Development Policy
 - Reserve and Investment Policy
 - Whistleblower Policy
 - Conflict of Interest Policy
 - Transparency Policy

We are confident that our experience, specialized expertise, and collaborative approach make us a strong partner for Discover Santa Clara. Thank you for the opportunity to submit our proposal. We look forward to the possibility of working together.

Sincerely,



Julie Hart
President & CEO

Proposal Response

October 7, 2026

Submitted by:
CFO by design



Financial Assessment & Policy and Procedure Development Proposal



Table of Contents

Firm Overview.....Page 4

Consortium Partners.....Page 5

Team Bios.....Page 6

DMOs are the Heart of Our Business.....Page 7

Proposed Services.....Page 8

- Financial Assessment
- Policy & Procedure Development

Project Timeline.....Page 10

Assumptions and Dependencies.....Page 11

Pricing.....Page 11

Case Studies.....Page 12

- Destinations International
- Destination Augusta
- Visit Fort Collins

Client Testimonials.....Page 16

References.....Page 17

Who We Are

CFO by design (CFObd) is focused on developing organizational excellence in destination marketing organizations (DMOs). In our world, that means that the numbers are just the beginning.

Our work is designed to align resources to the key objectives of the organization, provide strategic counsel, and enhance processes and outcomes all with an eye on stewardship and transparency.

We are a specialized, nimble firm focused on bringing the best talent to our engagements through collaborative, aligned partnerships targeted to ensure that you have best counsel available.

Our team has over 35 years of combined experience working with and in destination marketing organizations. We speak your language and understand your industry and your needs.

Our proprietary process is designed to identify gaps, strengthen practices, and deliver customized financial policies that support operational excellence. This work will focus on the review and development of policies and procedures that govern financial activities, ensuring consistency, accountability, and transparency across the organization. The discovery phase will include listening sessions with staff, Board Officers, stakeholders, and others to understand current practices and challenges. These insights will guide the drafting and refinement of policies that align with best practices for Destination Marketing Organizations and support long-term organizational success.

Firm Overview

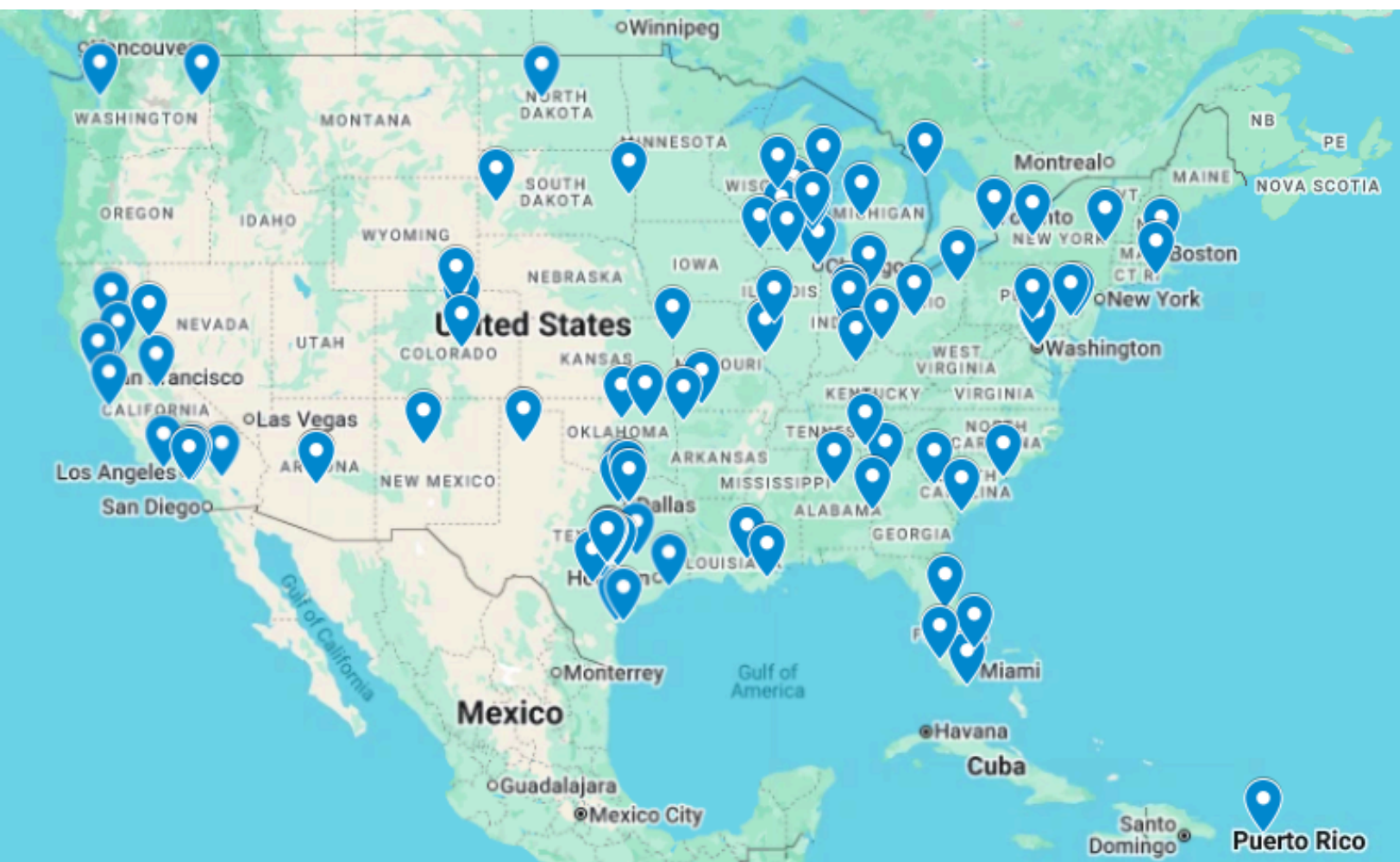
At CFO by design, we specialize in providing strategic financial and operational leadership to Destination Marketing Organizations (DMOs). We understand the unique challenges and opportunities you face—whether it's navigating public funding, demonstrating ROI to stakeholders, or aligning financial strategy with your destination's long-term vision.

As a virtual CFO and financial consulting firm, we offer customized financial assessments, proprietary reporting tools, and turnkey executive level accounting support designed specifically for the DMO environment. Our goal is to bring clarity, structure, and confidence to your financial operations—so your team can focus on driving visitation, economic impact, and community value.

With deep experience in the destination marketing space, we don't just manage your numbers—we help you tell your financial story in a way that builds trust and drives results. Whether you need expert consulting services, outsourced CFO support, guidance through a financial transition, or ongoing accounting leadership, we act as an extension of your team and a champion for your mission.

Let's work together to build a stronger financial foundation for Discover Santa Clara. Learn more at cfobydesigntx.com.

DMO Clients



Consortium Partners

CFO by design has partnered with four well-respected companies in the Destination Marketing Organization industry to better serve our clients with collaboration and alignment of industry leading services.



SearchWide Global

SearchWide Global is a full-service executive search firm primarily for companies in the travel, tourism, hospitality, convention, trade association, venue management, experiential marketing, sports and entertainment industries. We specialize in C-level and Director level executive searches for companies ranging in size from Fortune 500 corporations to mid-sized public and private companies and associations.



Civitas is a full-service firm that specializes in developing and advocating for unique tourism and travel promotion funding strategies. We provide non-profit and legal consulting services, legislative support, and help with unique funding solutions for destinations. Working with over 200 destinations worldwide, we are the leading international firm specializing in the research and implementation of tourism-related levies.



Fired Up! Culture provides timely, strategic and supportive consultation in the areas of inclusion, engagement, people alignment, organizational change and leadership development. Assisting to shape the philosophies, practices and skills of thousands of dynamic leaders, managers and teams, Fired Up! Culture works alongside your leadership team with a proven, data-driven suite of solutions to produce business breakthroughs like never before.

ZEITGEIST CONSULTING



DMOproz—formerly Zeitgeist Consulting—is a boutique but influential consulting practice focusing exclusively on destination marketing and community development. Through deep expertise in strategic planning, enterprise governance, and leadership training, the firm—anchored by founder Bill Geist—supports DMOs in leading their communities' visitor economies more effectively.

Team Bios

Below are the team members who will execute the project



Julie Hart
President & CEO

Julie is a nationally recognized expert in DMO financial operations and a trusted advisor to destinations across the country. Since founding CFO by design in 2012, she has partnered with leading organizations including Visit Austin, Destinations International, Visit Dallas, Visit Seattle, and Meet Boston to strengthen financial systems, build accountability and transparency, and give leaders confidence in their financial future. Previously serving as CFO for Visit Austin, she discovered her passion for the DMO industry and, combined with her experience as a Bastrop city council member, developed a unique perspective that goes far beyond the numbers. A sought-after speaker and executive educator—and a proud graduate of the University of Texas at Austin—Julie is widely respected for her blend of financial expertise, operational insight, and passion for destination stewardship.



Kimberly Hill
Chief Operations Officer

Kimberly is an accomplished professional with more than 20 years of leadership experience across destination marketing, attractions, and the oil and gas industry. As the former CEO of a Destination Marketing Organization (DMO) overseeing six city enterprise facilities, she brings firsthand expertise in the operational, political, and strategic challenges unique to destination organizations. A trusted leader and communicator, Kimberly has extensive experience aligning organizational strategy, developing high-performing teams, and fostering stakeholder engagement to drive long-term success. She holds a degree from Texas A&M University and combines strategic vision with practical leadership to help organizations strengthen operations and achieve sustainable growth.



Kevin Smith
Senior Controller

Kevin is a seasoned finance and accounting executive with more than 30 years of experience in financial leadership, accounting operations, and strategic planning. A Certified Public Accountant (CPA) and graduate of The Ohio State University, Kevin spent nearly 28 years with Cardinal Health, a Fortune 500 healthcare company, where he held senior leadership roles overseeing financial shared services, accounting operations, financial reporting, budgeting, and strategic financial planning. Today, as a Senior Controller with CFO by design, he partners with destination organizations and hospitality industry associations to provide experienced accounting leadership, financial clarity, and strategic financial oversight.

**Staffing is subject to change at the discretion of CFO by design, in alignment with the evolving needs of both the client organization and our firm.*

DMOs are at the Heart of our Business

DMO Experience

Founded in 2012 by Julie Hart, former CFO of Visit Austin, CFO by design was built specifically to serve destination marketing organizations. Our work is grounded in firsthand experience with the financial structures, governance models, funding mechanisms, and public accountability requirements unique to DMOs.

Our team brings a combination of direct destination organization leadership experience (including previous COO and CEO roles) and extensive consulting experience supporting DMOs across the country. This blend of operational insight and industry specialization allows us to advise from experience—not theory—with a practical understanding of how destination organizations operate, lead, evolve, and are held accountable.

Across our DMO engagements, we support organizations through periods of growth, transition, increased scrutiny, and ongoing operational evolution—strengthening financial controls, improving transparency, modernizing reporting, and aligning financial strategy with destination goals. Our team understands the complexities of public funding, board governance, stakeholder expectations, and audit readiness, and we design practical, defensible solutions that support long-term sustainability and build credibility.

Improvement District Experience

In addition to our deep DMO expertise, CFO by design has extensive experience supporting tourism organizations funded through Improvement Districts across the country. We work, and have worked, directly with destination organizations supported by assessment-based districts, providing financial and operational consulting tailored to the unique governance, accountability, and public-private partnership structures these districts require.

Our team understands the distinct characteristics of tourism and improvement districts, including assessment-driven funding models, contractual relationships with municipalities, service plan compliance, and heightened transparency expectations from lodging partners and public stakeholders. We regularly assist organizations in aligning financial reporting, controls, and processes with district ordinances, service plans, and board oversight requirements, while navigating applicable public funds and compliance standards.

Through this work, we help Improvement District-supported organizations strengthen stewardship of assessed funds, improve clarity and confidence in reporting to stakeholders and governing bodies, and ensure financial practices are defensible, auditable, and aligned with both statutory obligations and destination goals.

Financial Assessment

At CFO by design, our proven methodology begins with a comprehensive review of existing financial policies and practices, designed to highlight strengths, identify gaps, and ensure alignment with organizational needs. This structured approach provides the foundation for drafting and refining policies that promote financial clarity, operational efficiency, and long-term accountability.

PHASE I: DISCOVERY & ASSESSMENT

We begin with a comprehensive discovery process to understand your organization's financial operations, policies, procedures, systems, and reporting. This phase includes:

- Financial Operations & Process Review: Analyze recordkeeping, accounting, and closing processes, including approval thresholds, segregation of duties, and system permissions.
- Policy & Document Review: Evaluate existing agreements, contracts, policies, procedures, bylaws, and delegations of authority, including Board oversight of reserves, investments, and other financial activities.
- Systems & Reporting Analysis: Assess financial systems, reporting tools, financial statements, the chart of accounts, and other reporting dimensions for accuracy, timeliness, and usefulness to internal and external stakeholders.
- Internal Controls & Compliance Review: Evaluate controls and practices related to procurement, conflicts of interest, sponsorships and donations, restricted funds, and grants for alignment with generally accepted accounting principles and applicable requirements.
- Industry Benchmarking: Compare practices with DMO and nonprofit best practices, tailoring recommendations to your organization's size and complexity.

To understand the nuances of your operations, we conduct interviews and listening sessions with executive leadership and key team members, as well as Board officers, relevant community or funding partners, and your current outsourced accounting provider, as appropriate. These conversations help identify cultural, communication, and structural challenges affecting financial effectiveness.

Our findings guide customized recommendations and the development or refinement of policies and procedures that support your team, strengthen financial operations, and align with DMO industry benchmarks and best practices.

PHASE II: PLANNING & ROADMAP DEVELOPMENT

Following the assessment, we develop a clear and actionable plan that aligns financial strategy with organizational goals. This includes:

- A strategic roadmap report identifying key findings and recommendations.
- Recommendations for system improvements, staffing structure, policy updates, and reporting enhancements.
- A plan to strengthen transparency and accountability, especially in communicating with boards, city/county partners, and other community stakeholders.
- Identification of quick wins for immediate impact, as well as deeper changes that may require phased implementation.
- Evaluation of financial health and recommendations to ensure financial stability.

Policy and Procedure Development

Following the assessment, we develop policies and procedures in alignment with our findings, DMO best practices, and the Administration Agreement for Discover Santa Clara.

- Provide written policies and procedures for the following:
 - Approval amounts by position, levels of authority
 - Check signing requirements
 - Processing of Wires and Electronic Payments
 - Procurement policy to outline the requirements for obtaining a quote, bid or RFP (request for proposal)
 - Segregation of Duties and Internal Controls
 - Accounts Receivable/Collections
 - Revenue Recognition
 - Auditor Selection and Rotation
 - Capitalization of Assets
 - Financial Reporting, both internally and externally, along with monthly due dates
 - Record Retention Schedule
 - Cash Handling
 - Policy and Process Review Schedule
 - Tracking of group commitments
 - Travel and Client Development
 - All other policies and procedures as outlined and required in the current Administration Agreement to include:
 - Campaign Contributions
 - Lobbying
 - Minimum Wage
 - Business Tax Certificates
- Provide draft policies for Board review and approval for the following:
 - Reserve and Investment Policy
 - Conflict of Interest
 - Whistleblower Policy
 - Transparency Policy
- Training: One (1) session of staff training for key personnel on the utilization and importance of adherence to existing, updated and newly created policies and procedures



Proposed Timeline

October 2026 – Agreement Execution & Document Review

- Execution of Letter of Agreement. Discover Santa Clara will begin gathering and delivering requested documents for review (complete list will be sent upon execution of the LOA). CFObd will begin reviewing documents and may schedule virtual meetings for clarification.

November 2026 – Stakeholder Interviews & Listening Sessions

- CFObd team will conduct interview and listening sessions with key staff members and stakeholders.

December 2026 – Report, Policy & Procedure Review

- The first draft of roadmap report as well as policies and procedures will be provided for executive review. CFObd will review feedback and incorporate requested changes.

January 2027 – Final Report of Findings, Policies & Procedures

- The final report as well as policies and procedures will be provided to the executive team in time for the January 21st board meeting. Once approved, CFObd will provide training of key personnel.



To ensure we can dedicate the appropriate resources to your engagement, project dates are reserved upon execution of the Letter of Agreement. If the agreement is not executed within the timeframe outlined above, the proposed schedule may no longer be available, and the project timeline will be adjusted based on CFObd's resource availability.

Assumptions and Dependencies

KEY REQUIREMENTS FOR ENGAGEMENT SUCCESS

Availability of Key Personnel:

- The success of this engagement is dependent on the timely availability of internal stakeholders, audit staff, and Board members.

Access to Documents:

- Full access to relevant documents, audit reports, and supporting materials will be required to perform a comprehensive review.

Pricing

Based on the needs and services outlined above, we propose a project fee of \$24,500 for these services. We request a 50% deposit when service begins and then the final 50% will be due in November 2026.

Invoices are issued at the end of the month and payment within 15 days is appreciated.

We do not anticipate travel for this engagement. Travel expenses, should they be necessary, will be billed at cost for all hard costs (standard airfare, ground transportation, hotel, etc.), and a per diem of \$85/day will be charged for meals and incidentals.

Case Studies



Destinations International

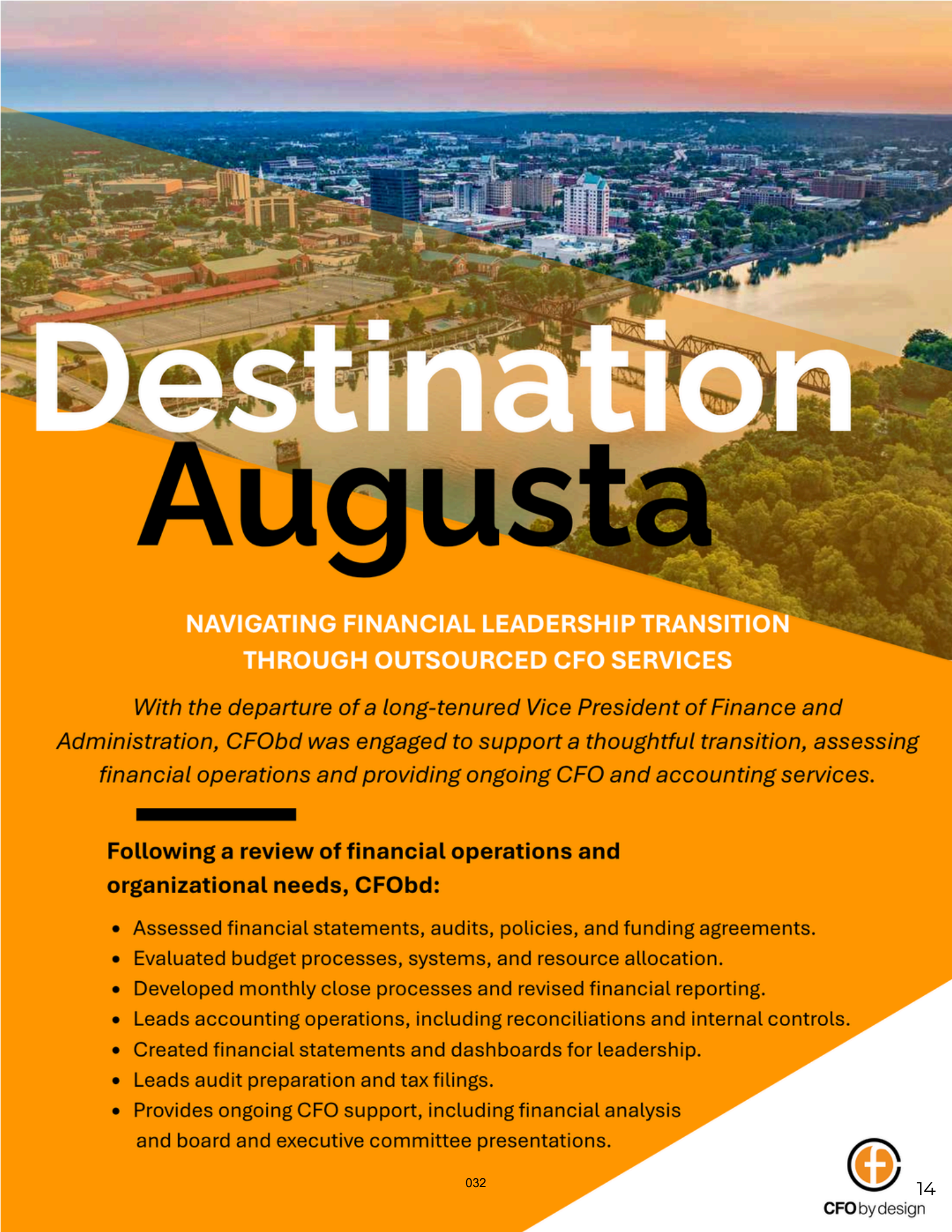
TRANSITION OF CEO AND LEADERSHIP TEAM WHILE NAVIGATING FINANCIAL CHALLENGES

CFObd was engaged during the CEO transition to evaluate financial operations, providing the board with clarity to allow for informed decision making.

CFObd was subsequently engaged to provide complete outsourced financial services, in addition to accounting services, this engagement included:

- Managing staff transition with legal team.
- Consultation on financial implications of legal situations.
- Debt reduction plan, including identifying cost savings and developing revenue generation plans.
- Correcting financial statements that had been misstated.
- Developing and enforcing appropriate financial policies and internal controls.
- Developing dashboards to ensure board understanding of finances.
- After year one, obtained a “clean” audit with no adjusting entries.
- Developed internal staffing structure, built job descriptions and assisted in screening, interviewing and hiring in-house accounting staff.
- Developing budgets to ensure long-term organizational viability.

Continued engagement to provide quality control and strategic consultation



Destination Augusta

NAVIGATING FINANCIAL LEADERSHIP TRANSITION THROUGH OUTSOURCED CFO SERVICES

With the departure of a long-tenured Vice President of Finance and Administration, CFObd was engaged to support a thoughtful transition, assessing financial operations and providing ongoing CFO and accounting services.

Following a review of financial operations and organizational needs, CFObd:

- Assessed financial statements, audits, policies, and funding agreements.
- Evaluated budget processes, systems, and resource allocation.
- Developed monthly close processes and revised financial reporting.
- Leads accounting operations, including reconciliations and internal controls.
- Created financial statements and dashboards for leadership.
- Leads audit preparation and tax filings.
- Provides ongoing CFO support, including financial analysis and board and executive committee presentations.



Visit Fort Collins

Tourism Improvement District Growth Drove Expanded Financial Oversight and Strategic CFO Support

Following the successful implementation of a Tourism Improvement District, Visit Fort Collins engaged CFObd to help strengthen financial operations, improve internal controls, and support the organization through a period of rapid budget growth and increasing operational complexity.

Following an initial assessment, CFObd:

- Evaluated financial processes, policies, reporting, and internal controls.
- Supported annual budgeting, cash flow planning, and financial governance.
- Assisted with annual audits, board reporting, and TID financial oversight.
- Enhanced financial reporting and dashboards for leadership and board oversight.
- Strengthened accounting procedures, reconciliations, and financial best practices.
- Provided outsourced CFO and accounting support to supplement the internal team.

What They Say...



"When I became CEO of Visit Seattle two years ago, the long-time CFO had already decided she wanted a career change and vacated her position within a couple of months of my arrival. With a background and deep knowledge of DMO finances and operations, CFO by design helped us do a deep dive on our structure, policies, and systems, and came alongside us to develop the foundation necessary to efficiently run our finance department. We now have rebuilt our accounting team, established solid policies, modernized our technology, forged stronger banking relationships, streamlined our financial reporting systems, expanded our team's financial literacy and established confidence of our Board – we could not have done this without the superhero-level support of Julie Hart, and her team at CFO by design."

— TAMMY CANAVAN, FCDME, PRESIDENT & CEO, VISIT SEATTLE



"Julie Hart and her team at CFO by design have played an instrumental role in the successful turnaround of Destinations International. Julie's long tenure as the CFO for Visit Austin has translated to understanding the financial responsibilities for our members. Julie continues to be a trusted and valuable resource to myself, our senior management team, and equally important, our Board of Directors and Trustees."

— DON WELSH, PRESIDENT/CEO, DESTINATIONS INTERNATIONAL



"The team at CFO by design is the finance partner that you have been looking for your organization. Not only are they great with the numbers, but they are great with telling your story to your board members, elected officials and community partners. In my 30 years in the DMO world this has been the best financial support team that I have had the pleasure of counting on. Finally, you will also find their fee structure to be a better financial model than having a robust department in house."

— TOM NOONAN, PRESIDENT & CEO, VISIT AUSTIN



"The team at CFO by design has been invaluable at both Visit San Antonio and Visit Orlando. At Visit San Antonio, Julie and her team assisted in various areas, including sourcing and establishing our accounting system, developing robust policies, consulting and planning, board relations, financial management and even served as the organization's CFO. When I arrived at Visit Orlando, one of my first calls was to the CFObd team. Their assistance was instrumental in ensuring that Visit Orlando operated at its best by streamlining processes, updating policies, and providing guidance on organizational structure to maximize efficiency. The combination of expertise, client service and genuinely caring about your DMO cannot be beat."

— CASANDRA MATEJ, PRESIDENT & CEO, VISIT ORLANDO



"Please stop reading this testimonial, pick up the phone and get the CFO by design Team into your destination as quickly as possible. They are experts in the DMO space and will help you read between the lines on things you sense but can't see. They will also help present your financial information in a way that your staff, board and stakeholders can digest and actually use to make decisions. They have YOUR best interest in mind and are relentless in their pursuit of excellence on your behalf. This will be one of the BEST calls you ever make."

— BROOK KAUFMAN, PRESIDENT & CEO, VISIT RAPID CITY

References

Don Welsh, President & CEO

Destinations International

Phone: 202.835.4219

Email: dwelsh@destinationsinternational.org

Bennish Brown, President & CEO

Destination Augusta

Phone: 706.724.4067

Email: bennish@visitaugusta.com

Marla Roe, President & CEO

Visit Frisco

Phone: 972.292.5252

Email: marla@visitfrisco.com

Bruce Dalton, President & CEO

Visit Aurora

Phone: 720.484.8902

Email: brucedalton@visitaaurora.com

Brook Kaufman, President & CEO

Visit Corpus Christi

Phone: 361.881.1877

Email: brook@visitcorpuschristi.com





REPORT TO THE BOARD OF DIRECTORS

DATE: October 15, 2026

TO: Discover Santa Clara® Board of Directors

PREPARED BY: Jiawei Tang, Director of Business Operations

C: Christine Lawson, President & CEO

SUBJECT: Proposed Artificial Intelligence + Cybersecurity Policy

RECOMMENDED ACTION

Discover Santa Clara® leadership recommends that the Board of Directors review and approve the Discover Santa Clara® Artificial Intelligence + Cybersecurity Policy as presented.

BACKGROUND

Artificial intelligence (AI) is rapidly becoming part of everyday business operations, offering opportunities to improve productivity, creativity, research, communication, data analysis, and operational efficiency. At the same time, its use introduces new considerations related to privacy, confidentiality, cybersecurity, intellectual property, accuracy, employee use, vendor risk, and organizational reputation.

Recognizing both the opportunity and the responsibility that comes with the use of AI, leadership developed a formal Artificial Intelligence + Cybersecurity Policy to establish clear organization-wide guardrails for how AI may be used in connection with Discover Santa Clara (DMO) business.

The policy has been reviewed by the DMO's legal consultants and is being presented to the Board for formal review and approval.

POLICY OVERVIEW

The policy is intended to support the thoughtful and responsible use of AI while maintaining clear human accountability. It reinforces that AI is a support tool and does not replace professional judgment, required approvals or organizational accountability. Individuals remain responsible for the accuracy, quality, legality, confidentiality, and appropriateness of work produced with AI assistance.

The policy applies broadly to individuals performing work for or on behalf of the organization, including employees, contractors, consultants, temporary staff, interns, volunteers, Board Members, and other authorized users with access to DMO systems, information, or data.

Key areas addressed include:

- **Human Accountability + Accuracy.** Requires human review and independent verification of AI-assisted work and prohibits reliance on AI as a substitute for professional judgment or required approvals.
- **Privacy + Confidentiality.** Establishes restrictions around entering confidential, proprietary, personal, financial, or otherwise sensitive information into AI tools.
- **Approved AI Tools.** Limits business use to AI tools approved by DMO leadership and accessed through authorized business or enterprise environments; personal AI accounts may not be used for DMO business information.
- **Risk-Based AI Decision Matrix.** Provides a practical Green/Yellow/Red framework distinguishing appropriate, cautionary, and prohibited uses of AI.
- **Cybersecurity Responsibilities.** Establishes expectations around passwords, multifactor authentication, approved systems, suspicious communications, payment-change verification, data storage, and incident reporting.
- **AI-Enabled Threats + Incident Reporting.** Addresses emerging risks such as sophisticated phishing, impersonation, fraudulent payment requests, and deepfakes, and establishes clear escalation and reporting requirements.
- **Training + Compliance.** Provides for periodic training on AI, privacy, cybersecurity, fraud prevention, intellectual property, bias, accessibility, and related topics, with consequences for policy violations.

GOVERNANCE & OVERSIGHT

Board approval is recommended because the responsible use of AI intersects with several areas of legitimate Board oversight, including:

Data + Privacy | Confidentiality | Cybersecurity | Intellectual Property | Vendor Risk | Employee Use | Organizational + Reputational Risk

Formal adoption provides a clear governance framework while allowing management to administer the policy and respond to the rapidly evolving nature of AI and cybersecurity.

The policy assigns administration and periodic review to the Director of Business Operations, in consultation with the President & CEO, department leaders, IT provider, legal counsel and other advisors as appropriate. Operational items, including approved AI tools, procedures, training requirements, and technical safeguards may be updated without requiring formal amendment of the Board-approved policy, provided those changes do not materially alter its purpose or employee responsibilities. The policy will be reviewed annually at minimum.

WHY IT MATTERS

The intent of this policy is not to discourage the use of AI. Rather, it establishes a responsible framework that allows the DMO to embrace innovation while protecting the organization, its culture, people, systems, partners, vendors, stakeholders, and the public.

RECOMMENDATION

Staff recommends that the Board of Directors approve the Artificial Intelligence + Cybersecurity Policy as presented, establishing the organization's formal framework for responsible AI use and cybersecurity practices.

Attachment:

A. Artificial Intelligence + Cybersecurity Policy.



TO: Discover Santa Clara Team
FROM: Jiawei Tang, Director of Business Operations
C: Christine Lawson, Chief Executive Officer
Re: Artificial Intelligence and Cybersecurity Policy

Contents

Purpose:	2
Scope:	2
Definition of Artificial Intelligence (AI):	2-3
Guiding Principles:	3-4
Approved AI Tools:	4
Use of AI Decision Matrix:	4-5
Cybersecurity Responsibilities:	6
AI Enabled Cybersecurity Threats:	6
Reporting Security or AI Incidents:	7
Training:	7
Violations:	7
Policy Administration and Review:	8
Employee Acknowledgement:	9

I. Purpose

Discover Santa Clara® recognizes that artificial intelligence can improve productivity, creativity, research, communication, data analysis, and operational efficiency. The organization encourages the thoughtful and responsible use of approved artificial intelligence tools when they support legitimate business purposes.

Artificial intelligence is a support tool. It does not replace human judgment, professional expertise, accountability, or decision-making. Employees remain responsible for the accuracy, quality, legality, confidentiality, and appropriateness of all work created or completed with artificial intelligence assistance.

This policy establishes practical requirements for:

- Responsible use of artificial intelligence;
- Protection of confidential and sensitive information;
- Review and approval of AI-assisted work;
- Cybersecurity awareness and incident reporting;
- Protection of Discover Santa Clara's reputation, systems, employees, partners, vendors, stakeholders, and the public.

II. Scope

This policy applies to all individuals performing work for or on behalf of Discover Santa Clara®, including employees, contractors, consultants, temporary staff, interns, volunteers, board members, and any other individuals authorized to access Discover Santa Clara® systems, information, or data.

This policy applies regardless of whether work is performed:

- On or off Discover Santa Clara® premises;
- On a Discover Santa Clara®-owned or personal device;
- Through an organization-provided or personal account;
- Through a website, application, browser extension, plug-in, chatbot, software feature, or any other artificial intelligence-enabled platform.

For purposes of this policy, the term "employee" shall refer collectively to all individuals covered by this section, unless a provision specifically states otherwise. References to "employee" throughout this policy should therefore be interpreted to include contractors, consultants, temporary staff, interns, volunteers, board members, and other authorized users acting on behalf of Discover Santa Clara®

III. Definition of Artificial Intelligence

For purposes of this policy, Artificial Intelligence (AI) refers to computer systems, software applications, or technologies that are designed to perform tasks that typically require human intelligence. These tasks may include learning from data, recognizing patterns, generating or analyzing content, making predictions or recommendations, translating languages, automating workflows, solving problems, or assisting with decision-making.

This policy applies to both generative AI (tools that create new content such as text, images, audio, video, computer code, or presentations) and non-generative AI (tools that analyze data, automate processes, identify patterns, make recommendations, or support business operations). Examples include conversational AI, content generation tools, AI assistants, AI-powered search, meeting transcription, predictive analytics, and AI features embedded in business software

As AI technologies continue to evolve, this policy applies to any current or future AI-enabled technology used in connection with Discover Santa Clara® business, regardless of whether the technology is specifically identified in this policy.

IV. Guiding Principles

- **People Remain Accountable**

AI may assist with ideas, drafts, analysis, and recommendations, but authorized personnel must make the final decision. Employees remain responsible for all work they create, review, approve, publish, distribute, or rely upon, regardless of whether AI contributed to the work. No employee may rely on AI as a substitute for professional judgment, required approvals, or appropriate consultation with management, legal counsel, accounting professionals, information technology professionals, or other qualified advisors.

- **Accuracy Must Be Verified**

AI-generated information may be incorrect, incomplete, outdated, misleading, biased, or fabricated. Employees must independently verify facts, including but not limited to names and titles; dates and deadlines; financial figures; statistics; citations and links; laws and regulations; hotel, attraction, venue, and event information; public-safety information; and statements attributed to another person or organization.

- **Confidentiality and Privacy Must Be Protected**

Employees must not enter confidential, privileged, proprietary, personal, financial, or otherwise sensitive information into an AI tool unless the tool has been specifically approved for that type of information and the proposed use complies with all applicable organizational requirements.

Removing a person's name may not be enough to protect the information if the person, vendor, hotel, employee, transaction, or matter could still reasonably be identified from the surrounding details.

- **AI Should Support Innovation**

Employees are encouraged to explore approved AI tools to improve efficiency, creativity, communication, and service delivery. Employees are also encouraged to share useful practices, prompt techniques, risks, and lessons learned with the team.

- **AI Must Not Mislead**

AI must not be used to create false, deceptive, manipulative, discriminatory, or misleading content. AI-assisted work must accurately represent Discover Santa Clara®, the destination, its hotels, attractions, venues, events, partners, and visitor experiences.

- **Accessibility, Inclusion, and Fairness Matter**

Employees must review AI-assisted content for: bias; stereotypes; discriminatory language; exclusionary assumptions; inaccessible formatting; inappropriate tone; and cultural inaccuracies. Public-facing content should use clear language and follow applicable accessibility and brand standards.

V. Approved AI Tools

Employees may use AI tools for business purposes only when those tools have been approved by Discover Santa Clara® and are accessed through the organization's authorized business account or enterprise environment.

At this time, the employer-paid ChatGPT business account is the only AI tool approved for use by Discover Santa Clara®. This policy will be reviewed at least annually, and the list of approved AI tools will be re-evaluated and updated as appropriate through written notice to employees.

Employees may not use personal AI accounts or personal subscriptions to process, store, analyze, or generate work-related content or any Discover Santa Clara® information.

Employees may not independently purchase, subscribe to, install, connect, integrate, or expense any AI platform, application, browser extension, plug-in, or service for work purposes without prior written approval from Discover Santa Clara®.

Approval to use an AI tool does not authorize the entry of all types of information. Employees must continue to comply with all data security, confidentiality, privacy, and information handling requirements outlined in this policy.

VI. Use of AI Decision Matrix

The following AI Decision Matrix is intended as a quick-reference guide to help employees determine the appropriate use of AI for Discover Santa Clara® business. It summarizes the requirements of this policy using a simple risk-based approach:

- **Appropriate Uses (Green Light):** Routine business tasks that may be performed using approved AI tools, subject to human review and verification.
- **Cautionary Uses (Yellow Light):** Higher-risk or high-impact activities that require additional review, independent verification, and, when applicable, supervisory or professional approval before use or publication.
- **Prohibited Uses (Red Light):** Activities that are not permitted under this policy because they present unacceptable legal, security, privacy, ethical, or operational risks.

Category	Examples	Employee Responsibilities
Appropriate Uses	• Brainstorming ideas and creative concepts • Drafting documents • Improving grammar, tone, and clarity • Creating outlines, checklists, and templates • Summarizing public or non-confidential information • Developing spreadsheets, formulas, or basic technical solutions	• Use only approved AI tools through Discover Santa Clara®'s authorized business account. • Review, edit, verify, and approve all AI-generated content before use or sharing.
Cautionary Uses	• Public-facing communications and marketing materials • Board agendas, reports, minutes, and presentations • Financial analysis, budgets, and audit-related materials • Contracts, procurement documents, and legal or regulatory research • Human resources, strategic recommendations, or important translations • AI-generated images, audio, or video intended for public use	• Verify all facts and information. • Obtain any required supervisory, departmental, legal, financial, HR, or marketing review before use. • Scrub all identifying information before using AI, including personal identifiers (e.g., names, phone numbers, Social Security numbers) and organizational identifiers (e.g., Discover Santa Clara®, hotel names, vendor names, project names, logos, account numbers, and confidential business information), unless specifically authorized. • Ensure compliance with confidentiality, copyright, privacy, and organizational policies.
Prohibited Uses	• Uploading confidential/sensitive information • Using personal or unapproved AI accounts for business purposes • Publishing AI-generated content without human review • Making final employment, financial, procurement, legal, or board decisions using AI • Creating fake, misleading, or deceptive content, including deepfakes or impersonation • Uploading copyrighted, proprietary, or licensed materials without authorization • Bypassing security controls or connecting unapproved AI tools to Discover Santa Clara® systems	Do not proceed. These activities are prohibited under this policy. Immediately report any suspected or actual prohibited use of AI, data exposure, or policy violation to your supervisor. Supervisors must promptly notify the President and CEO and the organization's IT team so appropriate action can be taken.

VII. Cybersecurity Responsibilities

All employees and authorized users must follow Discover Santa Clara's cybersecurity requirements. At a minimum, users must:

- Use strong, unique passwords.
- Use multifactor authentication (MFA) when available or required.
- Never approve MFA requests you did not initiate.
- Never share passwords, authentication codes, access tokens, or login credentials.
- Lock devices when unattended.
- Install required operating-system, browser, software, and security updates.
- Use approved software, devices, storage systems, and communication platforms for organizational work.
- Exercise caution with links, attachments, QR codes, shared documents, login pages, and payment instructions.
- Independently verify requests to change payment information, bank accounts, wire instructions, direct-deposit information, passwords, access privileges, or vendor contact information.
- Verify unusual or urgent requests through a known and trusted communication method.
- Report suspected phishing, business email compromise, credential theft, malware, unauthorized access, or data exposure promptly.
- Avoid conducting confidential business over unsecured public Wi-Fi unless using appropriate security protections.
- Store organizational information only in approved locations.
- Follow instructions from Discover Santa Clara®'s information technology and cybersecurity providers.
- Never disable antivirus, security, monitoring, access-control, or device-management tools without authorization.
- Protect printed materials, portable storage devices, laptops, and mobile devices from loss or unauthorized access.

VIII. AI-Enabled Cybersecurity Threats

Employees should recognize that AI may be used by criminals or other bad actors to create highly convincing phishing emails, text messages, fake invoices, payment requests, voice recordings, video calls, fraudulent websites, malicious attachments, and other communications designed to impersonate employees, executives, board members, vendors, applicants, or trusted organizations.

Employees must not rely solely on the appearance, tone, urgency, or apparent sender of a message when determining its legitimacy. Any unusual or unexpected request involving money, banking information, confidential or sensitive information, passwords or system access, personnel records, gift cards, wire transfers, tax information, or requests to bypass

established procedures must be independently verified through a trusted communication method before any action is taken.

IX. Reporting Security or AI Incidents

Employees must immediately report any suspected or actual cybersecurity incident, phishing attempt, unauthorized account access, malware infection, lost or stolen device, accidental disclosure of confidential or sensitive information, upload of restricted information into an AI platform, fraudulent payment request, unauthorized AI integration, misleading AI-generated public content, deepfake or impersonation involving Discover Santa Clara®, material error in published AI-assisted content, or any suspected violation of this policy.

Reports should be submitted using the **Report** button in Microsoft Outlook and reported to the employee's supervisor. Supervisors must follow up with the President and CEO and the organization's IT team so appropriate action can be taken. When warranted, Discover Santa Clara® may also notify legal counsel, its insurance carrier, law enforcement, or other appropriate parties.

X. Training

Employees may be required to complete periodic training on the responsible use of AI, data privacy, confidentiality, cybersecurity awareness, phishing and social engineering, password security, fraud prevention, incident reporting, copyright and intellectual property, bias, accessibility, and other topics related to the secure and ethical use of AI.

Employees authorized to use Discover Santa Clara's approved AI tools are expected to remain informed about updates to this policy and any related procedures. Employees who are uncertain whether an AI tool, prompt, file, data set, integration, or proposed use complies with this policy must seek guidance from their supervisor before proceeding.

XI. Violations

Violations of this policy may result in additional guidance or training, removal of AI-generated content, suspension or revocation of AI, software, system, or device access, corrective action, or disciplinary action, up to and including termination of employment or a contractual relationship, consistent with applicable Discover Santa Clara® policies, agreements, and applicable law.

In determining the appropriate response, Discover Santa Clara® will consider the nature, intent, frequency, severity, and impact of the violation. Intentional misconduct, fraud, unauthorized disclosure of confidential or sensitive information, attempts to bypass security controls, or repeated violations of this policy may result in more severe disciplinary action.

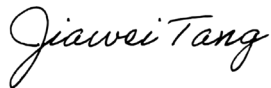
XII. Policy Administration and Review

The Director of Business Operations is responsible for administering this policy and coordinating its periodic review in consultation with the President and CEO, department leaders, the organization's IT service provider, legal counsel, and other advisors, as appropriate.

Approved AI tools, procedures, training requirements, technical safeguards, and related guidance may be updated without formally amending this policy, provided such changes are operational in nature and do not materially alter the policy's purpose or employee responsibilities.

This policy will be reviewed at least annually and may be updated more frequently to address changes in technology, cybersecurity risks, legal or regulatory requirements, organizational systems, business operations, audit findings, security incidents, contractual obligations, insurance requirements, or other organizational needs.

Best,

A handwritten signature in black ink that reads "Jiawei Tang".

Jiawei Tang
Director of Business Operations

Employee Acknowledgment

I acknowledge that I have received, read, and understand Discover Santa Clara®'s Artificial Intelligence and Cybersecurity Policy.

I understand that AI is intended to support, not replace, professional judgment and that I remain responsible for all work I create, review, approve, publish, distribute, or rely upon with AI assistance.

I agree to protect confidential and sensitive information, use only authorized systems, follow cybersecurity requirements, and promptly report suspected incidents or accidental disclosures.

I understand that questions concerning this policy should be directed to my supervisor or the Director of Business Operations before proceeding with an uncertain or potentially sensitive use.

I understand that failure to comply with this policy may result in disciplinary action, up to and including termination of employment or a contractual relationship.

Employee Name: _____

Signature: _____

Date: _____