BRAND USA BOARD OF DIRECTORS

Audit Committee Meeting

October 30, 2020
4:00pm – 5:30pm ET
FY 2020 Preliminary Financial Statement Results

• Travel Promotion Fund
  - We met our FY 2020 match goal of $100M in March 2020, which is earlier than ever before.

• Partner Revenue
  Total partner cash contributions and in-kind contributions were $32.1M for FY 2020, which is $7.4M less than revised budget and $69.5M less than FY 2019.
  - Partner Cash Contributions – we received $20.2M in partner contributions ($3.1M above FY 2020 Revised Budget and $24.9M below original budget).
  - In-Kind Contributions – we received $11.9M in in-kind contributions ($10.5M less than FY 2020 Revised Budget and $18.9M below original budget).
  - Partner Programs – we received $0.7M of Sponsorship revenue and Partner Programs ($0.1M less than FY 2020 Revised Budget and $5.3M below original budget).

• Expenses
  - Expenses are currently $21.8M below revised budget for FY 2020, primarily due to reduced spending as a result of COVID-19.
  - Significant reduction of $61.8M from original budget of $149M.
FY 2021 Outlook

• FY 2021 Headwinds
  • FY 2021 Revenue will continue to be significantly less than prior years.
  • Recovery date of international travel is unknown (Legal Restrictions and Health Considerations).
  • Contributions time table will be delayed mostly until after recovery begins in 2nd half of FY 2021.
    • Majority of Partner Cash Contributions for FY 2021 will be received in Q4.
  • Managing our spend and prioritizing our ability to positively influence potential travelers
  • FY 2021 ESTA match funds will be received mainly in Q4 2021 onwards into FY 2022.
Annual Policies and Procedure Review

• Accepting Gifts and Gift Report Form
• Business Ethics & Standards of Conduct
• Cash Management, Operating Reserves & Investments
• Conflict of Interest Policy
• Record Retention Policy & Schedule
• Whistleblower Policy
• Cash and In-Kind Policies and Guidelines
• Procurement Policy
• Employee Handbook (Contains Travel and Expense Management Policy)
Thank You!