



I n t e r n a l A u d i t D e p a r t m e n t

O R A N G E C O U N T Y

AUDIT HIGHLIGHT SEPTEMBER 4, 2013

REVENUE GENERATING LEASE AGREEMENT AUDIT JOHN WAYNE AIRPORT VANGUARD CAR RENTAL USA, LLC Audit No. 1230

WHY IS THIS AUDIT IMPORTANT?

Vanguard Car Rental USA, LLC operates on-site airport car rental agencies, Alamo Rent-A-Car and National Rental Car, at John Wayne Airport under a lease agreement with the County of Orange (County). We audited the underlying books and records to ensure reported gross receipts are supported and rent is properly paid as defined by the lease agreement. During the twelve-month audit period from June 1, 2012 through May 31, 2013, Vanguard reported approximately **\$28 million** in gross receipts and the County received approximately **\$2.8 million** in rent. The current lease is expected to generate over **\$15 million** in rent in the next five years. The prior lease agreement generated approximately **\$14.8 million** in rent to the County over a six-year period.

WHAT THE AUDITORS FOUND?

Successes

We found that Vanguard Car Rental's records adequately supported gross receipts of approximately \$28 million and rent of approximately \$2.8 million was properly paid to the County in accordance with the lease agreement.