

REPORT OF INDEPENDENT ACCOUNTANTS
ON APPLYING AGREED-UPON PROCEDURES

Metropolitan Pier and Exposition Authority
Management and Advisory Council
Chicago, Illinois

We have performed the procedures enumerated below, which were agreed to by Metropolitan Pier and Exposition Authority (“MPEA”) management and Advisory Council solely to assist you with respect to evaluating compliance with the MPEA Act 70 ILCS 2010, as amended by Public Acts 096-0898 and 096-0899 (“Legislative Reforms”). MPEA's management is responsible for compliance with the Legislative Reforms. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in this report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

The agreed-upon-procedures were as follows:

1. Procedure: For the Rockwell Automation Automation Fair (RAAF) 2015 Show (which took place November 18 – 19, 2015), we identified that the show kit contained language that specifically allows exhibitor and exhibitor employees under Sections 5.4(c) (1) - (5) of the Legislative Reforms to perform certain activities themselves and to load and unload their materials from privately owned vehicles, as published in the kits provided to exhibitors.

Results:

We obtained the show kit, referred to above, from the general show contractor, Valley Expo Displays (Valley Expo), and identified that the allowed activities listed in Sections 5.4(c)(1)- (5) of the Legislative Reforms were communicated in the published kit.

2. Procedure: We selected a sample of 20 exhibitors, including 15 with the highest amount of labor billed by Valley Expo, plus 5 other exhibitors, which in total consisted of 69% of the total labor costs billed by Valley Expo. For the sample of exhibitors related to the RAAF 2015 show, by inspecting bills from the general show contractor, we identified any crew sizes larger than two individuals consisting of riggers, teamsters, or decorators, billed to exhibitors by the general show contractor. In the instance that crew sizes were larger than two individuals, we inspected evidence of communications made by the general show contractor to the exhibitor to determine whether the exhibitor was informed of and approved the larger crew size.

Results:

We obtained bills from the general show contractor and inspected evidence of approval by the exhibitor for any crew sizes greater than 2 individuals consisting of riggers, teamsters, or decorators. There were no crew sizes greater than 2 individuals consisting of these types of labor within our sampled exhibitors.

3. Procedure: For the RAAF 2015 show, we obtained a listing from the show manager, Valley Expo, of the exhibitor appointed contractors (“EAC”s) that were utilized by the exhibitors. Based on the

information provided there were a total of 37 EACs, 17 of which we have performed procedures on in the past. For RAAF testing, we selected the remaining 20 EACs that have not been subject to previous procedures before plus 1 additional EAC for a total of 21 EACs. We requested billing details from the EACs and calculated the total costs billed to the exhibitors.

For the EAC billings subject to this procedure, we agreed the amounts billed to the exhibitors for labor to underlying work orders. We agreed the hourly rates billed to rates published by EACs to Sections 5.4(c) (6) – (11) of the Legislative Reforms, which set forth certain time windows for straight-time, over-time, and double-time wages for union contractors, for the exhibitors selected.

In addition, for the sample of 20 exhibitors outlined in procedure #2 related to the RAAF 2015 show, we obtained billing information from the general show contractor and agreed the amounts billed for labor to underlying work orders. We agreed the hourly rates billed to rates published by the general show contractor and to Sections 5.4(c) (6) – (11) of the Legislative Reforms, which set forth certain time windows for straight-time, over-time, and double-time wages for union contractors, for the sample of shows and exhibitors selected.

Results:

- For the 21 EACs selected, we noted the following:
 - For 9 of the 21 EACs, the EACs contracted a 3rd Party EAC that was included in prior procedures (recurring EACs), no further procedures performed
 - For 6 of the 21 EACs, the EAC did not provide Labor Services, and we confirmed this with the General Show Contractor, no further procedures performed
 - For 1 of the 21 EACs, the EAC contracted a 3rd Party EAC that was included in our sample of 5 described below, no additional procedures performed
- For 5 of the 21 EACs, we received invoices, which included 5 different exhibitors. These remaining 5 EACs included:
 1. Hamilton
 2. Ion Exhibits
 3. RTI Design with a third-party provider of Elden
 4. MC Squared
 5. Czarnowski
- For these 5 EACs, we agreed the hourly rates billed to the rates published and to the time windows in the Legislative Reforms, through inspection of invoices and supporting work orders. There were no exceptions noted during these procedures.
- For the 20 exhibitors selected in procedure #2, we agreed the hourly rates billed to the rates published and to the time windows in the Legislative Reforms, through inspection of invoices and supporting work orders.
- During the procedures enumerated above, we noted one difference resulting in an under billing of \$3 to the exhibitor as a result of an incorrect rate used for the over-time billing rate. Per discussion and confirmation from the contractor, this under billing was result of an entry error.

We were not engaged to, and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the Legislative Reforms. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of Metropolitan Pier and Exposition Authority management and Advisory Council and is not intended to be and should not be used by anyone other than these specified parties.



Crowe Horwath LLP

Chicago, Illinois
January 20, 2017