

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 Chicago Auto Show (Auto Show) in 2014 (which took place February 6 – 17, 2014), 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 show website, 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: From the Auto Show manager, we obtained a listing of the contractors that were utilized by all exhibitors, along with the square footage of exhibit space each exhibitor occupied. In this listing, the show manager identified the contractors who served as the primary contractor for each exhibitor. The primary contractor is the party who billed the exhibitor and directly managed their exhibit. These contractors may have had one or more subcontractors providing services to them which then are invoiced by the primary contractor to the exhibitor. There were 12 distinct primary contractors in the listing. This included the General Show Contractor for the show as well as Exhibitor Appointed Contractors (EACs).

From the listing of 12 primary contractors, we selected four (4) EACs that serviced 70% of the total square footage utilized by the exhibitors. Based on this sample, we requested invoices from the EACs to their exhibitors. We calculated the total costs billed to the exhibitors in the sample and then haphazardly selected a sample of exhibitors to cover 60% of the costs billed by the 4 EACs to the exhibitors.

Results:

- The four EACs selected included:
 1. Automotive Marketing Consultants, Inc. (AMCI)
 2. EWI Worldwide (EWI)
 3. Dimensional Communications
 4. George P. Johnson
- The four EACs selected above utilized the following subcontractors, who were also therefore included in the procedures that follow:
 1. Installation Group
 2. National Convention Services
 3. ShoLink
- In addition, the General Show Contractor, GES, was used as a subcontractor by certain of the EACs selected, and as such was also included in the procedures that follow.
- From the invoice details provided by the 4 EACs, we selected a total of 12 exhibits.
- The following issue was noted:
 - We requested invoices from one of the four EACs selected for one exhibitor. Based on conversations with this EAC, we noted that the EAC has an overall lump sum, fixed price contract for this exhibitor for shows across the country. Therefore, we would not be able to see an invoice for detailed Chicago billings (or even an invoice with just Chicago). Furthermore, we could not view the hourly billings to the exhibitor. As a result, we could not perform procedures on one of the four EACs listed above. The EAC provided a copy of the fixed price agreement with the exhibitor.

3. Procedure: For the sample of exhibitors outlined in procedure #2 related to the Auto Show, by inspecting bills from the general show contractor, we sought to identify any crew sizes larger than two individuals consisting of riggers, teamsters, or decorators billed to exhibitors (either directly or via EACs) by the general show contractor and inspect 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 for evidence of crew sizes greater than 2 consisting of riggers, teamsters, or decorators. There were no crew sizes greater than 2 consisting of these types of labor, and no exceptions noted.

4. Procedure: For the sample of exhibitors outlined in procedure #2 related to the Auto Show, we obtained billing information from the EACs and General Show Contractor (collectively, "Contractors") 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. We also agreed the type of hourly rates used 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 one of the Contractors, we noted the following:
 - There were certain missing work tickets for five exhibitors. In total, we were unable to compare \$5,300 of services billed to the five exhibitors to underlying work tickets.
 - One exhibitor was billed by \$16 less in comparison to the work tickets. The Contractor informed us the error was in the exhibitor's favor, so they were not going to re-invoice the customer.
- For one Contractor, one exhibitor was billed by one hour less of overtime, or an amount of \$155.50, in comparison to the work tickets. The Contractor informed us the error was in the exhibitor's favor, so they were not going to re-invoice the customer.
- For one Contractor, one exhibitor was billed by one hour less of overtime, or \$139.00, compared to the work tickets. Also for this Contractor, another exhibitor was billed by .9 hours more of straight time, or \$83, in comparison to the work tickets. The Contractor told

us the exhibitors are both billed to the same manufacturer, and that the total error was in the manufacturer's favor, so they were not going to re-invoice the customer.

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

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Chicago, Illinois
January 24, 2015