



STATE OF ILLINOIS  
**OFFICE OF THE  
 AUDITOR GENERAL**

Frank J. Mautino, Auditor General

**SUMMARY REPORT DIGEST**

**ILLINOIS STATE FAIR**

Compliance Examination  
 For the Two Years Ended September 30, 2019

Release Date: April 22, 2020

FINDINGS THIS AUDIT: 3	AGING SCHEDULE OF REPEATED FINDINGS						
	New	Repeat	Total	Repeated Since	Category 1	Category 2	Category 3
<b>Category 1:</b>	<b>0</b>	<b>0</b>	<b>0</b>	2017		19-1, 19-3	
Category 2:	0	3	3	2011		19-2	
Category 3:	<u>0</u>	<u>0</u>	<u>0</u>				
<b>TOTAL</b>	<b>0</b>	<b>3</b>	<b>3</b>				
FINDINGS LAST AUDIT: 3							

**SYNOPSIS**

- (19-2) Noncompliance with provisions of the Illinois Horse Racing Act.

**Category 1:** Findings that are **material weaknesses** in internal control and/or a **qualification** on compliance with State laws and regulations (material noncompliance).  
**Category 2:** Findings that are **significant deficiencies** in internal control and **noncompliance** with State laws and regulations.  
**Category 3:** Findings that have **no internal control issues but are in noncompliance** with State laws and regulations.

**ILLINOIS DEPARTMENT OF AGRICULTURE  
ILLINOIS STATE FAIR  
COMPLIANCE EXAMINATION  
For the Two Years Ended September 30, 2019**

REVENUE AND EXPENDITURE STATISTICS	2019	2018
<b>Total Revenue.....</b>	<b>\$ 6,579,082</b>	<b>\$ 5,765,594</b>
Tickets.....	\$ 4,715,396	\$ 3,989,704
% of Total Revenue.....	71.7%	69.2%
Space Rental: Fair.....	\$ 1,105,776	\$ 1,095,422
% of Total Revenue.....	16.8%	19.0%
Entry Fees.....	\$ 382,819	\$ 448,182
% of Total Revenue.....	5.8%	7.8%
Sponsorship.....	\$ 375,091	\$ 232,286
% of Total Revenue.....	5.7%	4.0%
<b>Total Expenditures (All Funds).....</b>	<b>\$ 8,410,085</b>	<b>\$ 7,662,119</b>
Personal Services.....	\$ 159,784	\$ 148,398
% of Total Expenditures.....	2.0%	2.0%
Other Payroll Costs (FICA, Retirement).....	\$ -	\$ 101,168
% of Total Expenditures.....	0.0%	1.3%
Contractual Services .....	\$ 4,952,168	\$ 4,212,230
% of Total Expenditures.....	58.8%	55.0%
Allocated Costs.....	\$ 1,668,262	\$ 1,695,820
% of Total Expenditures.....	19.8%	22.1%
Premiums and Awards.....	\$ 590,372	\$ 676,817
% of Total Expenditures.....	7.0%	8.8%
All Other Operations Items * .....	\$ 1,039,499	\$ 827,686
% of Total Expenditures.....	12.4%	10.8%
<b>(Deficiency) of Revenues Under Expenditures.....</b>	<b>\$ (1,831,003)</b>	<b>\$ (1,896,525)</b>
* Contractual payroll is included in All Other Operations Items		

SUPPLEMENTARY INFORMATION	2019	2018
<b>Employment Statistics (Approximate) (Not Examined)</b>		
Full Time Employees.....	7	7
October through May (Temporary).....	24	19
June (Temporary).....	84	83
July through September (Temporary).....	192	169
<b>Selected Activity Measures</b>		
Gate Admissions - Tickets Sold (Not Examined).....	212,064	181,640
Estimated Attendance (Not Examined).....	508,901	369,144
Grandstand Shows - Tickets Sold (Not Examined).....	72,675	52,919
Grandstand Show Revenues.....	\$ 2,631,883	\$ 1,878,039
Grandstand Show Expenditures.....	\$ 2,680,003	\$ 2,334,764
Competitive Events Revenues.....	\$ 179,825	\$ 185,415
Competitive Events Expenditures.....	\$ 796,960	\$ 795,585
Pari-mutuel Wagering Receipts.....	\$ 29,941	\$ 22,287
Pari-mutuel Wagering Expenditures.....	\$ 126,070	\$ 119,436

AGENCY DIRECTOR
During Examination Period: Raymond Poe (through 12/31/18); Warren Goetsch, Acting (1/1/19 to 1/20/19); John Sullivan, Acting (1/21/19 to 4/11/19); John Sullivan (effective 4/12/19) Currently: Jerry Costello II (effective 2/28/20)

**FINDINGS, CONCLUSIONS, AND  
RECOMMENDATIONS**

**NONCOMPLIANCE WITH THE ILLINOIS HORSE  
RACING ACT**

The Illinois State Fair (ISF) was not in compliance with the Illinois Horse Racing Act of 1975.

**Not all races required by Statute  
were held by the Fair**

During testing, we noted the ISF provided only a 4 day racing program in both Fiscal Years 2019 and 2018. The Illinois Horse Racing Act (Act) (230 ILCS 5/31(j)(3)) requires at least a 5 day racing program be conducted. (Finding 2, page 14)  
**This finding has been repeated since 2011.**

We recommended the ISF hold a 5 day racing program or seek legislative remedy.

**Fair officials agreed with auditors**

Fair officials accepted the finding and noted that legislative remedy was obtained when the Act was amended by P.A. 101-157.

**OTHER FINDINGS**

The remaining findings pertain to weaknesses in receipt and expenditure reconciliations and weaknesses in contract administration. We will review the ISF's progress towards the implementation of our recommendations in our next compliance examination.

**ACCOUNTANT'S OPINION**

The accountants conducted a compliance examination of the ISF for the two years ended September 30, 2019, as required by the Illinois State Auditing Act. The accountants stated the ISF complied, in all material respects, with the requirements described in the report.

This compliance examination was conducted by Adelfia LLC.

**SIGNED ORIGINAL ON FILE**

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JANE CLARK  
Division Director

This report is transmitted in accordance with Section 3-14 of the Illinois State Auditing Act.

**SIGNED ORIGINAL ON FILE**

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FRANK J. MAUTINO  
Auditor General

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