



WISCONSIN STATE LEGISLATURE

Joint Audit Committee

Committee Co-Chairs:

State Senator Robert Cowles

State Representative Samantha Kerkman

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Audit Recommends Improvements to Management of State Fair Park

MADISON – Today, the nonpartisan Legislative Audit Bureau (LAB) released its audit of Wisconsin State Fair Park (report 18-1). State Fair Park, the State’s 190-acre fairgrounds located in the cities of West Allis and Milwaukee, has operated as a separate state agency since 1990. The primary responsibility of State Fair Park is to administer the annual 11-day State Fair each August. LAB found the operations of State Fair Park to be consistent with several best practices in the industry, including routinely reviewing whether adjustments are needed to the price of admission, measuring the effects of its promotional efforts, developing a safety inspection program for its rides, and reviewing historical sales information for those vendors not using cash registers.

LAB found State Fair Park lacks complete and accurate management information needed to effectively oversee its contracting processes, and it has not consistently followed proper procurement procedures. For example, State Fair Park procures its own goods and services valued at more than \$50,000, but was not officially delegated this authority by the Department of Administration. From January 2013 through June 2017, LAB identified 9 expense contracts totaling \$1.3 million for which State Fair Park sought approval from its Board after the contracts had already been executed. LAB indicates it will be important for State Fair Park to follow state procurement rules and maintain accurate, comprehensive, and easily accessible electronic contract information that facilitates its ability to adequately oversee its contracting practices.

“While I’m glad that this audit shows that the Wisconsin State Fair is running in a safe and satisfying manner, based on the audit the financial management of State Fair Park is clearly deficient. The recommendations of this audit will help to strengthen the oversight and procedures surrounding procurement and contracting practices. This will aid in avoiding potential financial mismanagement in the future,” said Senator Robert Cowles (R-Green Bay).

Since 2012, State Fair Park has independently managed its midway, rather than contract for midway management services. In two prior audit reports (report 12-10 and report 13-8), LAB noted that it is important for State Fair Park to track its revenues and expenditures in order to determine and evaluate the financial effects of its decision to independently manage its midway. However, LAB found State Fair Park does not maintain the information needed to do so. State Fair Park has not estimated net revenues for its midway since 2015, and the validity of its prior estimates is in question because no supporting documentation for them could be provided to LAB.

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LAB also found that State Fair Park does not have a comprehensive, long-term plan for assessing the condition of its primary grounds and facilities or a formal plan for the future use of the Milwaukee Mile racetrack, which is located at State Fair Park.

“This is the first time in over a decade that a program audit has been done of State Fair Park,” said Rep. Samantha Kerkman (R-Salem Lakes). “The report certainly reveals that there is work to be done to with regard to contract & procurement oversight, and the several recommendations provide a guide map for improvement. I look forward to an update in June from State Fair Park on their progress.”

LAB makes several recommendations to improve management of State Fair Park. Copies of report 18-1 may be obtained from LAB’s website at www.legis.wisconsin.gov/lab or by calling (608) 266-2818. Report concerns related to state government activities to LAB by calling the toll-free hotline at 1-877-FRAUD-17.

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