

**STATE OF ILLINOIS
METROPOLITAN PIER AND EXPOSITION AUTHORITY
SPECIAL LIMITED SCOPE STATE COMPLIANCE EXAMINATION**

For the Two Years Ended June 30, 2023

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TABLE OF CONTENTS

<i>State Compliance Examination Report</i>	<u>Page</u>
Authority Officials	1
Management Assertion Letter	3
State Compliance Report	
Summary	5
Independent Accountant's Report on State Compliance and on Internal Control over Compliance	6

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AUTHORITY OFFICIALS

Chair of the Board (2/23/21 – Present)	Mr. Jeffrey J. Bethke
Chief Executive Officer (1/28/20 – Present)	Ms. Larita D. Clark, CPA
Chief Financial Officer (2/18/20 – Present)	Mr. Jason Bormann
General Counsel	Mr. Matthew Simmons
Director of Internal Audit	Ms. Jeanette Swan

GOVERNING BOARD MEMBERS¹

Appointed by the Governor of the State of Illinois

Director	Ms. Nina Grondin
Director	Mr. Terrance McGann
Director	Mr. Don Villar
Director	Mr. Sherman Wright
Director (2/10/23 – 6/30/23)	Vacant

Appointed by the Mayor of the City of Chicago

Director	Dr. Sonat Birnecker Hart
Director (3/5/12 – 6/22/22)	Mr. Roger J. Kiley, Jr.
Director (5/12/23 – 2/4/24)	Mr. Samir Mayekar
Director (6/23/22 – Present)	Ms. Michelle Mills Clement
Director	Mr. Juan Morado, Jr.
Director	Mr. Jorge Ramirez

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AUTHORITY OFFICES

The Authority's offices are located at:

McCormick Place
2301 S. Lake Shore Drive
Chicago, Illinois 60616

Corporate Center
301 E. Cermak Road
Chicago, Illinois 60616

Footnotes:

¹Public Act 102-1129 amended the Metropolitan Pier and Exposition Authority Act (70 ILCS 210/14) to require the Board to increase the number of Board members from 9 to 11 members as of February 10, 2023. The Governor shall appoint 5 members to the Board, subject to the advice and consent of the State Senate. The Mayor shall appoint 5 members to the Board. Board members serve terms of up to four years. The Board shall appoint an eleventh member to serve as the Chairperson of the Board with a four-year term.

MANAGEMENT ASSERTION LETTER

April 10, 2024

Honorable Frank J. Mautino
Auditor General
State of Illinois
400 West Monroe, Suite 306
Springfield, Illinois 62704

Auditor General Mautino:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Metropolitan Pier and Exposition Authority (Authority) for appropriations made by the General Assembly to the Authority from the McCormick Place Expansion Project Fund, the Chicago Travel Industry Promotion Fund, and the Metropolitan Pier and Exposition Authority Incentive Fund and expenditures certified by the Authority as authorized by the General Assembly from the Metropolitan Pier and Exposition Authority Grants Fund. We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Authority's compliance with the following specified requirements during the two-year period ended June 30, 2023. Based on this evaluation, we assert that during the years ended June 30, 2022, and June 30, 2023, the Authority has materially complied with the specified requirements listed below.

- A. The Authority has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Authority has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Authority has submitted its annual certifications of debt service requirements to the State Comptroller and State Treasurer as required by State law.



Yours truly,

Metropolitan Pier and Exposition Authority

SIGNED ORIGINAL ON FILE

Larita D. Clark, Chief Executive Officer

SIGNED ORIGINAL ON FILE

Jason Bormann, Chief Financial Officer

SIGNED ORIGINAL ON FILE

Matthew Simmons, General Counsel



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STATE COMPLIANCE REPORT

SUMMARY

The State compliance testing performed during this examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide*.

ACCOUNTANT’S REPORT

The Independent Accountant’s Report on State Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report</u>
Findings	0	0
Repeated Findings	0	0
Prior Recommendations Implemented or Not Repeated	0	0

EXIT CONFERENCE

This report was discussed with Metropolitan Pier and Exposition Authority personnel at an exit conference on April 8, 2024.

Attending were:

Metropolitan Pier and Exposition Authority
Jason Bormann, Chief Financial Officer

Office of the Auditor General
Megan Green, Senior Audit Manager

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OFFICE OF THE AUDITOR GENERAL
FRANK J. MAUTINO

INDEPENDENT ACCOUNTANT'S REPORT
ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE

Honorable Frank J. Mautino
Auditor General
State of Illinois

and

Governing Board
State of Illinois, Metropolitan Pier and Exposition Authority

Report on State Compliance

We have examined compliance by the State of Illinois, Metropolitan Pier and Exposition Authority (Authority) with the specified requirements listed below, as more fully described in the *Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide)* as adopted by the Auditor General, during the two years ended June 30, 2023. Management of the Authority is responsible for compliance with the specified requirements. Our responsibility is to express an opinion on the Authority's compliance with the specified requirements based on our examination.

The specified requirements are:

- A. The Authority has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Authority has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Authority has submitted its annual certifications of debt service requirements to the State Comptroller and the State Treasurer as required by State law.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Illinois State Auditing Act (Act), and the *Audit Guide*. Those standards, the Act, and the *Audit Guide* require that we plan and perform the examination to obtain reasonable assurance about whether the Authority complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Authority complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance with the specified requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Authority's compliance with the specified requirements.

In our opinion, the Authority complied with the specified requirements during the two years ended June 30, 2023, in all material respects.

The purpose of this report is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Report on Internal Control Over Compliance

Management of the Authority is responsible for establishing and maintaining effective internal control over compliance with the specified requirements (internal control). In planning and performing our examination, we considered the Authority's internal control to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Authority's compliance with the specified requirements and to test and report on the Authority's internal control in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the specified requirements on a timely basis. A material weakness in internal control is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our examination we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

There were no immaterial findings that have been excluded from this report.

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing based on the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

JANE CLARK, CPA
Director of Financial and Compliance Audits

Springfield, Illinois
April 10, 2024