



State Fair Park

Background

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. State Fair Park's [operating expenditures](#) increased from \$17.4 million in fiscal year (FY) 2012-13 to \$20.8 million in FY 2016-17, or by 20.1 percent. Over this period, [expenditures for capital projects](#) increased from \$0.6 million to \$2.0 million. In FY 2015-16, State Fair Park was authorized [48.0 full-time equivalent positions](#). State Fair Park also employs [limited-term employees](#), which in 2016 ranged from 154 in December to 1,898 in August due to the amount of work associated with operating the State Fair.

Key Findings

During our audit, we found that:

- State Fair Park procures its own goods and services valued at more than \$50,000, but it was [not officially delegated this authority](#) by the Department of Administration.
- 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.
- Since 2012, State Fair Park has [independently managed midway operations](#) during the State Fair, but it has [not maintained adequate information](#) needed to assess the financial effects of continuing to independently manage the midway.
- The operations of State Fair Park are 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.
- 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](#).

Key Recommendations

We make [recommendations](#) for State Fair Park to improve its procurement practices, improve the amount and type of management information it maintains, ensure its limited-term employees do not exceed the 1,039-hour yearly limit, undertake a comprehensive review of its grounds and facilities, improve contract oversight and cash management procedures, enter into a statutorily required memorandum of understanding with the Department of Tourism, and consider whether it is appropriate to enter into contracts in which it forgoes revenue and instead directs payments be made to the State Fair Park Foundation. We also recommend that State Fair Park report to the Joint Legislative Audit Committee by June 1, 2018, on its progress in addressing our recommendations.