

**STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
PREMIUM and REHABILITATION REIMBURSEMENT AGREEMENT**

This agreement is hereby made and entered into by and between the State of Illinois, Department of Agriculture, Bureau of County Fairs, hereinafter called the DEPARTMENT, and the _____ COUNTY FAIR at _____ (TOWN), hereinafter called the FAIR, and such parties agree to the following:

1. **PURPOSE OF THE AGREEMENT:** a) The FAIR agrees to utilize the funds disbursed by the Department to the FAIR as reimbursement for premiums and for approved state aid in excess of the FAIR's authorized base, pursuant to Sections 10(b) and 10(c) of the Agricultural Fair Act (the "Act"), 30 ILCS 120/10(b) and 10(c), and the Department's rules. b) The FAIR agrees to utilize the funds disbursed by the DEPARTMENT to the FAIR as reimbursement for approved rehabilitation claims and expenses, pursuant to Section 13 of the Agricultural Fair Act (the "Act"), 30 ILCS 120/13, and the Department's rules.
2. **AMOUNT:** The dollar amount received by the FAIR is determined by the amount of funds appropriated annually by the Illinois General Assembly and Section 10 and Section 13 of the Act. Fair will receive an estimated amount (based on the current appropriation—amount would fluctuate somewhat if appropriation changes) for premium reimbursement based on eligible receipts under Section 10 (b) and (c) of the Act and an estimated amount for rehabilitation reimbursement not to exceed \$45,000 based on eligible receipts under Section 13 of the Act.
3. **PERMISSIBLE REIMBURSEMENT:** a) Permissible reimbursements under Section 10(b) and (c) of the Act are for premiums paid by the FAIR. Permissible reimbursements for state aid claims include premiums, awards, judge's fees, and other expenses incurred by the FAIR, which are directly related to the operation of the fair and approved by regulation of the Department. The funds may NOT be used for the payment of the salary of any officer, employee or any personnel of the FAIR. The funds also may NOT be used for acts which are solely for the entertainment of persons attending the fair or for acts which have been hired or contracted for by the Fair, except events related to agriculture, including tractor pulls, truck pulls, rodeos and other acts which may be exempt in the judgment of the Director of the Department. FAIR shall submit claims to the Department for reimbursement of such expenditures. b) Permissible reimbursements under Section 13 of the Act are for rehabilitation include liability and casualty insurance and rehabilitation of the FAIR's grounds, including major construction projects and minor maintenance and repair projects, pursuant to Section 13 of the Act and Section 260.210 of the rules. FAIR shall submit claims to the Department for reimbursement of such expenditures. If FAIR files a claim for more than the Department approves in any year for approved projects, then the excess claim may be carried over for up to 7 years.
4. **TERM:** The term of this agreement shall be for the period commencing upon execution of this agreement and shall terminate on **June 30, 2011**.
5. **FISCAL FUNDING:** Obligations of the DEPARTMENT shall cease immediately and without penalty or the requirement of further payment if in any fiscal year the Illinois General Assembly, federal funding source, or other funding source fails to appropriate or otherwise make available funds for this Agreement.
6. **RELEASE AND INDEMNITY:** FAIR, for it and its employees, agents and representatives, and their heirs, successors, assigns, executors and administrators, agrees to fully and forever release and discharge the DEPARTMENT and its officers, employees and agents, and their heirs, successors, assigns, executors and administrators, from any and all claims, demands, rights of action or causes of action, present or future, whether the same be known, unknown or anticipated, resulting from or arising in connection with the FAIR which are the subject of this agreement. FAIR further agrees to assume all risk of loss and to indemnify and hold the DEPARTMENT and its officers, employees and agents, harmless from and against any and all liabilities, demands, claims, suits, losses, damages, causes of action, fines or judgments, including costs, attorneys and witness fees, and expenses incident thereto, for injuries to persons, including death and mental anguish, and for loss of, damage to, or destruction of property, including property of the DEPARTMENT, or any other injury, including infringement of the patent, copyright, trademark, service mark or trade secret, resulting from or arising out of any negligent or intentional act or omission of FAIR, or of any employee, agent or representative of FAIR.
7. **REPORTING under Section (10) (b) and (c) of the Act:**
 - (a) **Declaration of Intent.** To qualify for disbursements by the Department from an appropriation made under the Act, the FAIR must notify the Department in writing of its declaration of intent to participate by December 31 of the year preceding the year in which such distribution shall be made to the FAIR. The notice must include the following: the facts of FAIR's organization, location, officers, dates of exhibitions, approximate amount of premiums to be offered, the estimated amounts to be expended, and the purpose for the expenditures.
 - (b) **Accounting.** On or before October 15 of each year, the president and secretary of FAIR shall have post marked to or shall file with the Department a sworn statement of the actual amount of cash premiums paid at the fair that year. The sworn statement shall comply with the requirements of Section 12 of the Act and Section 260.100 of the rules and shall correspond with the published offer of premiums. Also, the statement shall be accompanied by an itemized list of all premiums paid upon the basis of the premiums provided, a copy of the published premium list of the fair, and a full statement of receipts and expenditures for the current year that has been duly verified by the president and secretary of the FAIR. If a fiscal accounting cannot be timely filed, then a report describing the status of efforts to complete the fiscal accounting shall be filed by the fair president with the Department by December 31 of the year of this contract. If the accounting is NOT filed by the deadline, no money will be reimbursed for the fair under this signed contract unless otherwise approved by the bureau chief of this Department. Under no circumstances will reimbursement be approved unless a fiscal accounting is filed with the Department. A signed copy of this contract must also be on file with the Department before any reimbursement can be made for any show during this current fiscal year.
8. **REPORTING under Section 13 of the Act:** Before June 30 of each year, the president and secretary of FAIR shall file with the Department a sworn statement of the amount expended during the period July 1 to June 30 of the State's fiscal year, accompanied by itemized receipted bills and other evidence of expenditures, pursuant to Section 13 of the Act and Section 260.220 of the Department's rules. If a fiscal accounting cannot be timely filed, then a report describing the status of efforts to complete the fiscal accounting shall be filed by the fair president with the Department by December 31 of the year of this contract. If the accounting is NOT filed by the deadline, no money will be reimbursed for the fair under this signed contract unless otherwise approved by the bureau chief of this Department.

Under no circumstances will reimbursement be approved unless a fiscal accounting is filed with the Department. A signed copy of this contract must also be on file with the Department before any reimbursement can be made for rehabilitation during this current fiscal year.

9. **ADA AND PREVAILING WAGE LAW COMPLIANCE:** FAIR shall be responsible for assuring that all activities conducted by the FAIR will comply with the Americans with Disabilities Act of 1990 and the prevailing wage laws.
10. **RECOVERY OF FUNDS:** Any funds that have been misspent or are being improperly held or the expenditure of which is not in compliance with applicable federal and state laws or DEPARTMENT rules and regulations will be subject to recovery by the DEPARTMENT.
11. **BREACH:** Failure of FAIR to perform as specified is cause for immediate termination of this Agreement at the option of the DEPARTMENT, without limitation upon any other relief available to the DEPARTMENT.
12. **MAINTENANCE OF RECORDS:** FAIR shall maintain, for a minimum of three years after the completion of the Agreement, adequate books, records, and supporting documents to verify the amounts, recipients, and uses of all disbursements of funds passing in conjunction with the contract; the contract and all books, records, and supporting documents related to the contract shall be available for review and audit by the Auditor General and the DEPARTMENT; and the FAIR agrees to cooperate fully with any audit conducted by the Auditor General or the DEPARTMENT and to provide full access to all relevant materials. Failure to maintain the books, records, and supporting documents required by this Section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under the contract for which adequate books, records, and supporting documentation are not available to support their purported disbursement.
13. **HORSE DRUG TESTING:** The Department may require Fair to perform drug testing on horses entered in any race at a county fair sponsored by Fair. The Department shall notify Fair of the Department's drug testing requirements for a county fair at least 30 days prior to the county fair. Fair shall be reimbursed by the Department for the cost of any drug testing required by the Department pursuant to this provision. Fair shall notify participants of horse races of the possibility of drug testing of horses at the county fair prior to the entry of the participant in any race. Fair shall provide for the disqualification of horses that test positive for substances that are prohibited by FAIR or the rules for the race.
14. **REGISTRATION OF PREMISES:** The Fair shall register the fairgrounds premises with the Department as part of the Department's implementation of the National Animal Identification System. Also, the Fair shall encourage all participants (parents of minor participants) in every livestock contest, event, or race at a county fair to register with the Department **the premises where the animal is kept** as part of the Department's implementation of the National Animal Identification System. The Fair shall notify the participants of the methods for registering the premises, which includes the following: (a) participants may call the Department at (866)-299-9256, (b) participants may register on the internet at www.agr.state.il.us/premiseid or (c) participants may request forms from the Department by writing to the Department at Bureau of Animal Health, P.O. Box 19281, Springfield, Illinois 62794-9281 and returning the completed forms to the Department.
15. **CERTIFICATIONS:** FAIR certifies it is under no legal prohibition on contracting with the State of Illinois, has no known conflicts of interest and further specifically certifies that:
 - a) FAIR, its employees and subcontractors will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and applicable rules in performance under this Contract.
 - b) FAIR is not in default on an educational loan (5 ILCS 385/3).
 - c) FAIR has informed the director of the Department in writing if he/she was formerly employed by that agency and has received an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, and acknowledges that contracts made without the appropriate filing with the Auditor General are not payable from the "contractual services" or other appropriation line items. FAIR has not received an early retirement incentive in or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, and acknowledges that contracts in violation of Section 15a of the State Finance Act are not payable from the "contractual services" or other appropriation line items (30 ILCS 105/15a).
 - d) FAIR has not been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor has made an admission on the record of having so bribed or attempted to bribe (30 ILCS 500/50-5).
 - e) If FAIR has been convicted of a felony, at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business (30 ILCS 500/50-10).
 - f) If FAIR, or any officer, director, partner, or other managerial agent of FAIR, has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, at least 5 years have passed since the date of the conviction. FAIR further certifies that it is not barred from being awarded a contract and acknowledges that the Department shall declare the contract void if this certification is false (30 ILCS 500/50-10.5).
 - g) FAIR and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and FAIR and its affiliates acknowledge the Department may declare the contract void if this certification is false (30 ILCS 500/50-11) or if FAIR or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt (30 ILCS 500/50-60).
 - h) FAIR and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act (30 ILCS 500/50-12) and acknowledge that failure to comply can result in the contract being declared void.

- i) FAIR certifies that it has not committed a willful or knowing violation of the Environmental Protection Act (relating to Civil Penalties under the Environmental Protection Act) within the last five (5) years, and is therefore not barred from being awarded a contract. If the State later determines that this certification was falsely made by the FAIR, the FAIR acknowledges that the contracting State Agency/Buyer may declare the contract void (30 ILCS 500/50-14).
- j) FAIR has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has FAIR accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).
- k) FAIR is not in violation of the “Revolving Door” section of the Illinois Procurement Code (30 ILCS 500/50-30).
- l) FAIR will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, 50-45, 50-50).
- m) FAIR will, pursuant to the Drug Free Workplace Act, provide a drug free workplace, and if an individual shall not engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance in the performance of the Contract. This certification applies to contracts of \$5000 or more with: individuals; and to entities with twenty-five (25) or more employees (30 ILCS 580).
- n) Neither FAIR nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This certification applies to contracts that exceed \$10,000 (30 ILCS 582).
- o) FAIR has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any State or of the United States (720 ILCS 5/33E-3, 5/33E-4).
- p) FAIR complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).
- q) FAIR does not pay dues to, or reimburse or subsidize payments by its employees for, any dues or fees to any “discriminatory club” (775 ILCS 25/2).
- r) FAIR complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been or will be produced in whole or in part by forced labor, convict labor, or indentured labor under penal sanction (30 ILCS 583).
- s) FAIR certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor of any child under the age of 12 (30 ILCS 584).
- t) FAIR certifies that it is not in violation of Section 50-14.5 of the Illinois Procurement Code that states: “Owners of residential buildings who have committed a willful or knowing violation of the Lead Poisoning Prevention Act (410 ILCS 45) are prohibited from doing business with the State of Illinois or any State agency until the violation is mitigated”.
- u) FAIR, if applicable, hereby certifies that any steel products used or supplied in accordance with this contract for a public works projects shall be manufactured or produced in the United States per the requirements of the Steel Products Procurement Act (30 ILCS 565).
- v) FAIR warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits vendors and subcontractors from hiring the then-serving Governor’s family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments, if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity (**EO No. 1 (2007)**).
- w) **CONFLICTS OF INTEREST:** FAIR has disclosed, and agrees it is under a continuing obligation to disclose to the Department, financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest or which would prohibit FAIR from having or continuing the Contract. This includes, but is not limited to conflicts under the “Infrastructure Task Force Fee Prohibition” section of the State Finance Act (30 ILCS 105/8.40), Article 50 of the Illinois Procurement Code (30 ILCS 500/50), or those which may conflict in any manner with the FAIR’s obligation under this Contract. FAIR shall not employ any person with a conflict to perform under this Contract. If any conflict under Section 50-13 exists no contract may be issued without an exemption from the Governor pursuant to Section 50-20 of the Illinois Procurement Code. An exemption is necessary if:
 - 1) the person intending to contract with the State, their spouse or child: (i) holds an elective office in Illinois; (ii) holds a seat in the Illinois General Assembly; (iii) is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority; or holds an appointed position or is employed in any of the offices or agencies of the State government and who receives compensation for such employment in excess of 60% of the salary of the Governor (currently \$90,414.60). (The conflict of interest threshold of 60% of the Governor’s salary set forth in Section 50-13 does not apply to elective office holders, legislators, and officers or employees of the Capital Development Board or the Illinois Toll Highway Authority.);
 - 2) the contract is with a firm, partnership, association or corporation in which a person referenced in 1) above receives more than 7.5% of the total distributable income or an amount in excess of the salary of the Governor (currently \$150,691.00).
 - 3) the contract is with a firm, partnership, association or corporation in which a person referenced in 1) above, together with their spouse or minor child, receives more than 15% in the aggregate of the total distributable income or an amount in excess of 2 times the salary of the Governor (currently \$301,382.00) from the firm, partnership, association or corporation.

16. **TAXPAYER IDENTIFICATION NUMBER:** Fair certifies that:

The number shown on this form is the fair's correct taxpayer identification number (or I am waiting for a number to be issued); and it is not subject to backup withholding because: (a) it is exempt from backup withholding, or (b) has not been notified by the Internal Revenue Service (IRS) that it is subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified it that it is no longer subject to backup withholding; and it is a U.S. person (including a U.S. resident alien).

PLEASE COMPLETE THIS SECTION

Employer Identification Number: _____

LEGAL STATUS (check one):

- | | |
|---|---|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Governmental |
| <input type="checkbox"/> Sole Proprietorship | <input type="checkbox"/> Nonresident alien |
| <input type="checkbox"/> Partnership/Legal Corporation | <input type="checkbox"/> Estate or Trust |
| <input type="checkbox"/> Tax-exempt | <input type="checkbox"/> Pharmacy (non-corporate) |
| <input type="checkbox"/> Corporation providing or
billing medical and /or
health care services | <input type="checkbox"/> Pharmacy/Funeral Home/Cemetery
(Corp) |
| <input type="checkbox"/> Corporation NOT providing
or billing medical and / or
health care services | <input type="checkbox"/> Other |

17. **LAWS OF ILLINOIS CONTROL:** This Agreement shall be governed by Illinois law and administrative rule.
18. **ASSIGNMENT:** This Agreement shall not be assigned or otherwise transferred without the prior written consent of the DEPARTMENT.
19. **ENTIRE AGREEMENT:** This Agreement, including all attachments hereto, constitutes the entire agreement between the DEPARTMENT and FAIR. Any modifications must be in writing signed by both parties. If any provisions of the Agreement should be found illegal, invalid, or void, said provisions shall be considered severable. The remaining provisions shall not be impaired, and the Agreement shall be interpreted to the extent possible to give effect to the parties' intent.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized representatives.

FY11 Contract Year
PLEASE COMPLETE THIS SECTION AND SUBMIT PAGE 4 TO COUNTY FAIR OFFICE

_____ COUNTY FAIR

at _____ TOWN

Signature: _____

President

Date: _____

DEPARTMENT OF AGRICULTURE

Signature: _____

Thomas E. Jennings, Director

Signature: _____

Dominic J. Saebeler, General Counsel

Date: _____