

Arkansas Livestock and Poultry Commission
Effective: April 1, 2002
Dewayne Kimbrell, Assistant Director

FINAL RULE

Act 317 of 1973

**REGULATIONS GOVERNING THE DISBURSEMENT OF
STATE FUNDS APPROPRIATED FOR THE PAYMENT OF PREMIUMS
AND CONSTRUCTION AT FAIRS AND LIVESTOCK SHOWS**

It is the purpose of this regulation to provide rules, set goals, and provide incentives for the greatest uniform good of the fairs and livestock shows in Arkansas. It is by this method of government providing goals, not solutions, that the best of the democratic free enterprise system is brought to reality. Each participating fair association, through its knowledge of local abilities, attributes and assets, is able to freely provide its own unique solutions to these problems.

I. APPLICATION FOR FUNDS

- A. Application forms prescribed and furnished by the Arkansas Livestock and Poultry Commission must be completed in full and contain all the information and submitted **NO LATER THAN MAY 30.**

- B. Applications received by the Livestock and Poultry Commission will be reviewed by an advisory committee, as provided by Section 6, for approval or disapproval of any classification with decision being made on the basis of descriptive title of such classification.

**II. LIVESTOCK SHOW AND FAIR ASSOCIATIONS SHALL BE CREDITED WITH
GRADE POINTS BASED ON THE FOLLOWING CRITERIA:**

- A. Duration of Fair:
 - 1. Thirty (30) points for a three-day fair.
 - 2. Forty (40) points for a four-day fair.

3. Fifty (50) points for a five-day fair.
 4. Sixty (60) points for a six-day fair or longer.
- B. One (1) point for each exhibitor from that county who, during the same fiscal year, enter an exhibit in both the Arkansas State Fair and their county and district fair.
- C. One (1) point for each One Hundred Dollars (\$100.00) or greater part thereof that the county or district association provided for paying premiums in addition to state funds appropriated for that purpose during a fiscal year, accounted for by canceled checks. State premiums shall not be used to compute these points. This claim shall be supported by canceled checks at the time of application. Fairs will furnish a list of all animals sold in the premium sale, indicating weight and market value. \$25,000.00 maximum allowable for points.
- D. Ten (10) points for publication of a fair catalog or commercially published tabloid.
- E. One hundred (100) points for verified attendance by at least one officer or representative of the county or district fair association at the Arkansas Fair Managers Association annual seminar. One hundred (100) points for each additional member up to five (5) members.
- F. Three (3) points for each voting member of the local applicant county or district fair managers association present at at least four meetings during the year. Twenty-seven (27) points maximum number to be awarded.
- G. Twenty (20) points if an admission fee (any amount) is charged or accepted for attendance to the fair. Other objective methods of attendance verification would be acceptable---subjective estimates not acceptable. The Arkansas Livestock and Poultry

Commission will be the final judge.

- H. Five (5) points if a statement appears in the published catalog that only purebred, pureblood (one purebred parent) livestock or animals equal to Breed Association Herd Book quality are admitted. (poultry and rabbits are excepted.)
- I. Five (5) points if numbered gate tickets with stubs are sold.
- J. Ten (10) points for a new exhibit never used at the applicant fair before. Not just a change in title or new description of an already existing exhibit. (Points awarded one time only.) (Limit of 5)
- K. Ten (10) points for each percentage increment of county population attending the fair up to 50%,
Fifteen (15) points 50% to 75%, and
Twenty (20) points 75% to a total of 100%
- L. One (1) point for each exhibitor, and one (1) point for each of the allowable classes entered in your fair. Three Hundred (300) points maximum allowable for clothes line art exhibitors. (See attached listing of allowable classes of exhibits.)
- M. No state premium shall be paid for baby shows, beauty contests, games of skill or gambling, horse or dog shows in which a human is judged in preference to a product or animal.
- N. Deduction of one hundred (100) points if fair does not publish the Livestock and Poultry Commission's Livestock Exhibition Regulations in catalog or tabloid and assist in the enforcement thereof. Deduction of 200 points if any livestock are allowed to be exhibited

without examination of health papers by a designated person and made available to Livestock and Poultry Commission personnel for approval.

- O. Deduction of one hundred (100) points for failure to file premium application along with canceled checks and listings by **MAY 30** of each year. If the application is not received by the Commission within 30 days after May 30, the fair will not receive any state premium funds.
- P. Each county fair will receive 4 points for each first and second place winners in the food preservation division that show at their district fair. Each district fair will receive 2 points for each 25 jars of food preservation entered at that level. District fairs will receive 5 points for each blue ribbon winner entered at the state fair.
- Q. County fairs will receive 10 points for entering rabbits at their district fair. District fairs will receive 5 points for each county entering rabbits at the district fair.
- R. County fairs that enter chickens at their district fair will receive 10 points.
- S. County fairs will receive 3 points for each head of livestock up to 25 head and 2 points for each for the next 25 head entering their district fair. Each district fair will receive one point for each head of livestock up to 100 head and one point for each 25 head thereafter entered at the district fair. Each district fair will receive 5 points for each of its respective counties that show junior livestock at the district fair.
- T. County and/or district fairs will receive one hundred and fifty (150) points if they appointed a delegate who attended the Arkansas Fair Managers Convention in January. An additional one hundred and fifty (150) points will be awarded to that county and/or district if its delegate attended the meeting with the Board of the Arkansas Fair

Managers and the General Session.

**MINIMUM STANDARDS FOR RECEIVING FUNDS FOR PREMIUM AND
CONSTRUCTION PURPOSES**

1. Must have a long-term lease of at least 10 years with a rollover clause or own fairgrounds. Must file a copy of lease or proof of ownership with the Livestock and Poultry Commission.
2. Fair must take place during the months of July-October of each year unless it is a Junior District Fair. All county fairs must be held prior to their district fair (effective in 1990).
3. Fair must have a duration of at least 3 days.
4. Fair must produce and circulate a catalog or tabloid.
5. Fair must have a fair board, elected on a countywide basis as called and presided over by fair board election procedures (procedure is to be in the association's by-laws), with officers consisting of president or chairman, vice-president or vice-chairman, secretary and treasurer. Fair board shall consist of no less than eight members. District fairs must have a voting board member from each county in their district, elected by that county. Copy of by-laws of each board must be filed with the Arkansas Livestock and Poultry Commission.
6. Fair must bear name of county, district, or state fair.
7. Each fair must offer at least 10 approved classifications of exhibits. One must be livestock, as offered in catalog or tabloid.
8. Must be able to document through point system that fair is continually improving and making progress or at least maintaining status quo.

9. Out-of-state junior exhibitors shall not be qualified to receive Arkansas state premium funds. If counties allow exhibitors from other counties or districts, they will only be able to pay premiums from that association's local funds or by approval of the Fair Administrator, unless that county does not have a fair. When out-of-state junior exhibitors are allowed to show with Arkansas junior exhibitors, the Arkansas junior exhibitors shall be placed in an Arkansas class regardless of how they place in overall competition. Arkansas junior exhibitors shall have priority over out-of-state junior exhibitors in entry or by barn space set aside for Arkansas exhibitors.

10. Must file as a non-profit organization as recorded by the by-laws of the association or other documents furnished to the Commission.

11. **Accounting Records** – Must establish and maintain proper internal controls to assure that all funds of the fair are properly receipted, recorded and disbursed with appropriate accounting records, reconciliations and source documents in support of transactions. Must adhere to the following procedures:
 - ? Maintain reconciled bank statements containing all cancelled checks.
 - ? Maintain supportive invoices and contracts for all construction expenditures to be attached to cancelled checks.
 - ? Maintain transaction ledger that is reconciliable to bank statements, i.e. deposits and expenditures.
 - ? Maintain separate bank accounts for local operating funds, state premiums and state construction.
 - ? Accounting duties must be separated so that no one individual has complete control or authority over financial transactions
 - ? Two signatures required on construction fund checks over \$100. One signature required on premium checks.

- ? Accurate method through numbered tickets to account for gate admission receipts and submission of 4 1/2% surcharge to the Livestock and Poultry Commission. Admission receipts must be documented through bank deposits reflecting such purpose.
- ? Officials handling financial matters must be covered by fidelity bond.
- ? File annual itemized listings of all premium and construction expenditures reflecting check numbers in sequence, payee, amount and premium classification or construction purpose.
- ? All records must be maintained for a period of five (5) years. Adhere to guidelines for the use of state premium and construction funds. (See attached)

Issued in Hot Springs, Arkansas on February 21, 2002.

Phil Wyrick, Executive Director
Ark. Livestock & Poultry Commission

ATTACHMENT NO. 1

ALLOWABLE EXHIBIT CATEGORIES

Beef Cattle-Senior	Handicraft or Crafts-Senior
Beef Cattle-Junior	Handicraft or Crafts-Junior
Dairy Cattle-Senior	Home Furnishings-Senior
Dairy Cattle-Junior	Home Furnishings-Junior
Swine-Senior	Art-Senior
Swine Junior	Art-Junior (300 points maximum for clothes line art)
Goats-Senior	Flowers-Senior
Goats-Junior	Flowers-Junior
Sheep-Senior	Floral Arrangements-Senior
Sheep-Junior	Floral Arrangements-Junior
Poultry-Senior	Educational Booths-Senior
Poultry-Junior	Educational Booths-Junior
Rabbits-Senior	Hobbies-Senior
Rabbits-Junior	Hobbies-Junior
Horses-Senior	Apiary-Senior
Horses-Junior	Apiary-Junior
Food Preservation-Senior	Aquaculture-Senior
Food Preservation-Junior	Aquaculture-Junior
Clothing-Senior	
Clothing-Junior	
Household Arts-Senior	
Household Arts-Junior	

Field Crops-Senior

Field Crops-Junior

Food Preparation-Senior

Food Preparation-Junior

ATTACHMENT 2

GUIDELINES FOR STATE FUNDS

PREMIUM FUNDS:

An "EXHIBITOR" is a person who enters a display or product in the fair. Each unit is not considered an exhibitor, but a person may be counted as an exhibitor in each classification in which he/she has an entry.

Funds disbursed by the Commission shall be used only for the purpose of paying awards on approved entry classifications. The exhibitors must be residents of this state.

Exhibitors shall be ineligible to receive funds from more than one (1) county association during any fiscal year.

Funds cannot be disbursed to county, district, state, and 4-States fairs until an officer of the respective association has furnished a bond to the Commission for the amount of funds due.

Each fair must complete check register from and forward to our office no later than 90 days after the conclusion of fair each year.

State premium funds are not approved for such classifications as beauty contests, baby shows, antique shows, skills contests, purchased machinery such as cars and farm equipment or other noncreative categories which, in our opinion, would be nonproductive, including horse or dog shows in which a human is judged in preference to a product or animal. This does not preclude fair associations from using their local funds for these purposes.

State premium funds **CANNOT** be used in paying expenses for judges such as fees, travel, meals, etc.

State premium funds **CANNOT** be used for construction purposes of any form nor can they be used for purchasing land for the association.

State premium funds **MAY** be used in purchasing awards such as trophies and ribbons.

Any unspent state balances remaining each fiscal year must be refunded to the Arkansas Livestock and Poultry Commission.

CONSTRUCTION FUNDS:

May be used on lands owned by the fair association or under a long-term lease for construction and repair of buildings and facilities, site clearing, grubbing, excavation, drainage, construction and repair of streets, electrical distribution, street and flood lighting facilities, fencing and paying existing indebtedness. Paint used in painting buildings or facilities at the fairgrounds is an allowable expense. See attached listing of allowable expenditures.

Fair associations must file a bond with the Commission covering the amount of state funds due.

Construction funds **CANNOT** be used for paying premiums at or for acquiring sites for county or district fairs.

Construction funds are appropriated once each biennium (every 2 years) and are disbursed when released by the Governor.

Any unspent balances remaining at the end of each biennium must be refunded to the Arkansas Livestock and Poultry Commission.

ATTACHMENT NO. 3

ALLOWABLE CONSTRUCTION EXPENDITURES

- ? Constructing new buildings
- ? Renovating existing buildings
- ? Repairing existing buildings
- ? Site clearing, grubbing, excavation, drainage and sewer
- ? Repair of streets, electrical distribution, streets and flood lighting facilities, fencing and paying existing indebtedness for such purposes
- ? All improvements to grounds that remain on the fairgrounds under the control of the fair association
- ? Labor used for the purposes listed
- ? Painting facilities
- ? Building materials
- ? Parking lots
- ? Arenas
- ? Bleachers
- ? Stalls
- ? Water systems
- ? Concession Stands
- ? Ticket Booths
- ? Pens
- ? Bathrooms
- ? Stages
- ? Ground Maintenance

Contact Livestock and Poultry Commission auditors or Commission office if unsure about expenditures.