

**GRANT AGREEMENT  
SIGNATURE PAGE**

AGREEMENT NUMBER
<b>20-0916-000-SO</b>

1. This Agreement is entered into between the State Agency and the Recipient named below:

STATE AGENCY'S NAME  
**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)**

RECIPIENT'S NAME  
**14TH DISTRICT AGRICULTURAL ASSOCIATION SANTA CRUZ COUNTY FAIR**

2. The Agreement Term is: October 15, 2020 through June 30, 2021

3. The maximum amount of this Agreement is: \$66,410.00

4. The parties agree to comply with the terms and conditions of the following exhibits and attachments which are by this reference made a part of the Agreement:

- |  |           |
|--|-----------|
| Exhibit A: Recipient and Project Information | 1 Page    |
| Exhibit B: General Terms and Conditions      | 3 Page(s) |
| Exhibit C: Payment and Budget Provisions     | 1 Page    |
| Attachments: Scope of Work and Budget        |           |

**IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.**

**RECIPIENT**

RECIPIENT'S NAME (*Organization's Name*)  
**14TH DISTRICT AGRICULTURAL ASSOCIATION SANTA CRUZ COUNTY FAIR**

BY (*Authorized Signature*)



DATE SIGNED (*Do not type*)

PRINTED NAME AND TITLE OF PERSON SIGNING

ADDRESS  
2601 East Lake Avenue, Watsonville, CA 95076

**STATE OF CALIFORNIA**

AGENCY NAME  
**CALIFORNIA DEPARTMENT OF FOOD AND AGRICULTURE (CDFA)**

BY (*Authorized Signature*)



DATE SIGNED (*Do not type*)

PRINTED NAME AND TITLE OF PERSON SIGNING  
**CRYSTAL MYERS, BRANCH CHIEF, OFFICE OF GRANTS ADMINISTRATION**

ADDRESS  
1220 N STREET, ROOM 120  
SACRAMENTO, CA 95814

**EXHIBIT A**

**RECIPIENT AND PROJECT INFORMATION**

1. CDFA hereby awards an Agreement to the Recipient for the project described herein:  
Distribution of funds are allocated to Fairs within the Network of California Fairs on an annual basis for local fair assistance and operational purposes.

Project Title: AB 1499 (New Fair Funds) 20/21

2. The Managers for this Agreement are:

<b>FOR CDFA:</b>	<b>FOR RECIPIENT:</b>
Name: Mike Francesconi	Name: Dave Kegebein
Division/Branch: Marketing / Fairs and Expositions	Organization: 14TH DISTRICT AGRICULTURAL ASSOCIATION SANTA CRUZ COUNTY FAIR
Address: 1220 N Street	Address: 2601 East Lake Avenue
City/State/Zip: Sacramento, CA 95814	City/State/Zip: Watsonville, CA 95076
Phone: 916-900-5365	Phone: 831-724-5671
Email Address: mike.francesconi@cdfa.ca.gov	Email Address: dave@santacruzcountyfair.com

3. The Grant Administrative Contacts for this Agreement are:

<b>FOR CDFA:</b>	<b>FOR RECIPIENT:</b>
Name: Joji Kume	Name:
Division/Branch: Marketing / Fairs and Expositions	Organization:
Address: 1220 N Street	Address:
City/State/Zip: Sacramento, CA 95814	City/State/Zip:
Phone: 916-900-5367	Phone:
Email Address: joji.kume@cdfa.ca.gov	Email Address:

<b>FISCAL CONTACT FOR RECIPIENT (if different from above):</b>
Name:
Organization:
Address:
City/State/Zip:
Phone:
Email Address:

4. **RECIPIENT: Please check appropriate box below:**

Research and Development (R&D) means all research activities, both basic and applied, and all development activities that are performed by non-Federal entities. The term research also includes activities involving the training of individuals in research techniques where such activities utilize the same facilities as other R&D activities and where such activities are not included in the instruction function.

This award  does  does not support R&D.

5. For a detailed description of activities to be performed and duties, see Scope of Work and Budget.

## EXHIBIT B

### GENERAL TERMS AND CONDITIONS

**1. Approval**

This Agreement is of no force or effect until signed by both parties. The Recipient may not invoice for activities performed prior to the commencement date or completed after the termination date of this Agreement.

**2. Assignment**

This Agreement is not assignable by the Recipient, either in whole or in part, without the consent of CDFA Agreement Manager or designee in the form of a formal written amendment.

**3. Governing Law**

This Agreement is governed by and will be interpreted in accordance with all applicable State and Federal laws.

**4. State and Federal Law**

It is the responsibility of the Recipient to know and understand which state, federal, and local laws regulations, and ordinances are applicable to this Agreement and Project. Recipient shall be responsible for observing and complying with all applicable state and federal laws and regulations, and failure to comply may constitute a material breach.

**5. Recipient Commitments**

The Recipient accepts and agrees to comply with all terms, provisions, conditions and commitments of the Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and statements made by the Recipient in the application, documents, amendments, and communications in support of its request for funding.

**6. Performance and Assurances**

The Recipient agrees to faithfully and expeditiously perform or cause to be performed all Project work as described in the Scope of Work, and to apply grant funds received only to allowable Project costs in accordance with applicable provisions of the law and Grant Procedures Manual, if applicable.

**7. Mutual Liability**

Each party hereto agrees to be responsible and assume mutual and proportional liability for its own wrongful or negligent acts of omissions, or those of its officers, agents or employees to the full extent required by law.

**8. Property Damage**

Should a property owner claim damages arising under, related to or involving this Agreement, the Recipient agrees to indemnify, defend, and hold harmless the CDFA, its officers, agents and employees from any and all claims and losses.

**9. Unenforceable Provision**

In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement have force and effect and will not be affected thereby.

**10. Contractors/Consultants**

The Recipient, and the agents and employees of Recipient, in the performance of this Agreement, are not officers, employees, or agents of the CDFA. The Recipient's obligation to pay its Contractors/Consultants is an independent obligation from the CDFA's obligation to make payments to the Recipient. Recipient agrees to comply with all applicable State and local laws and regulations during the term of this Agreement. All Contractors/Consultants shall have the proper licenses/certificates required in their respective disciplines. The Contractors/Consultants shall not affect the Recipient's overall responsibility for the management of the project, and the Recipient shall reserve sufficient rights and control to enable it to fulfill its responsibilities under this Agreement.

**11. Non-Discrimination Clause**

During the performance of this Agreement, Recipient and its Contractors will not unlawfully discriminate, harass, or allow harassment against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, physical or mental disability, medical condition, age, marital status, and denial family care leave.

The Recipient and Contractors will ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Recipient and Contractors will comply with the provisions of the Fair Employment and Housing Act (Government Code Section 12990 *et seq.*) and the applicable regulations promulgated there under (California Code of Regulations, Title 2, Section 7285 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code Section 12990 (a-f), set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations, are incorporated into this Agreement by reference

and made a part hereof as if set forth in full. Recipient and its Contractors will give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining unit or other Agreement. The Recipient must include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

## **12. Excise Tax**

The State of California is exempt from Federal excise taxes and no payment will be made for any taxes levied on employees' wages. The CDFA will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement. California may pay any applicable sales and use tax imposed by another State.

## **13. Disputes**

The Recipient must continue with the responsibilities under this Agreement during any dispute. In the event of a dispute, the Recipient must file a "Notice of Dispute" with the CDFA Agreement Manager or designee within ten (10) calendar days of discovery of the problem. The Notice of Dispute must contain the Agreement number. Within ten (10) calendar days of receipt of the Notice of Dispute, the CDFA Agreement Manager or designee must meet with the Recipient for the purpose of resolving the dispute. In the event of a dispute, the language contained within this Agreement prevails.

## **14. Right to Terminate**

This Agreement may be terminated by either party hereto upon written notice delivered to the other party at least thirty (30) calendar days prior to the intended date of termination. By such termination, neither party may nullify obligations already incurred prior to the date of termination. In the event of Termination for Convenience of this Agreement by CDFA, CDFA must pay all responsible costs and non-cancellable obligations incurred by the Recipient as of the date of termination.

## **15. Termination for Cause**

Either party reserve the right to immediately terminate this Agreement for cause subject to written notice. However, each party will have ten (10) calendar days after receipt of the termination notice to cure the breach. If the breach is not cured within ten (10) calendar days of receipt of notice, the CDFA shall reimburse the Recipient for all documented costs incurred up to the date of termination, including all non-cancellable obligations.

## **16. Force Majeure**

The Recipient shall not be liable for any failure to perform as required by this Agreement, to the extent such failure to perform is caused by any of the following: labor disturbances or disputes of any kind, accidents, failures of any required governmental approval, civil disorders, acts of aggression, acts of God, energy or other conservation measures, failure of utilities, mechanical breakdowns, materials shortages, disease, pandemics, or similar occurrences.

## **17. Suspension of Payments**

Reimbursement under this Agreement may be suspended or terminated, or both, and Recipient may be subject to debarment if CDFA determines that Recipient has breached the terms of this Agreement. A determination of breach may be appealed in writing and post marked within ten (10) calendar days of the date of notification, and addressed to CDFA, Legal Hearing and Appeals Office or emailed to [CDFA.LegalOffice@cdfa.ca.gov](mailto:CDFA.LegalOffice@cdfa.ca.gov).

California Department of Food and Agriculture  
Legal Hearing and Appeals Office  
1220 N Street  
Sacramento, CA 95814

## **18. Breach Provisions**

The Recipient may be in material breach under this Agreement if it fails to comply with any term of this Agreement. In the event of a material breach, CDFA shall provide in writing a Notice of Breach to the Recipient within ten (10) calendar days upon discovery of breach. Recipient shall have ten (10) calendar days from receipt of the notice to cure the breach. If the Recipient fails to cure the breach within the time prescribed by this Agreement, CDFA may do any of the following:

- A. Suspend payments;
- B. Demand repayment of all funding;
- C. Terminate the Agreement; or
- D. Take any other action deemed necessary to recover costs.

If CDFA determines that Recipient is not in material breach but that a Project is not being implemented in accordance with the provisions of this Agreement, or that Recipient has failed in any other respect to comply with the provisions of this Agreement, and if Recipient does not remedy any such failure in a reasonable manner, CDFA may withhold all or any portion of the grant funding and take any other action that CDFA deems necessary to protect its interests.

Where a portion of the grant funding has been disbursed to the Recipient and CDFA notifies Recipient of its decision not to release funds that have been withheld pursuant to Exhibit B, Suspension of Payments Provision, the portion that has been disbursed shall thereafter be repaid immediately. CDFA may consider Recipient's refusal to repay the requested disbursed amount a contract breach subject to the default provisions in Suspension of Payments Provision.

If CDFA notifies Recipient of its decision to withhold the entire funding amount from Recipient pursuant to this paragraph, this Agreement shall terminate upon receipt of such notice by Recipient and CDFA shall no longer be required to provide funds under this Agreement and the Agreement shall no longer be binding on either party.

In the event CDFA finds it necessary to enforce this provision of this Agreement in the manner provided by law, Recipient agrees to pay all costs incurred by CDFA including, but not limited to, reasonable attorneys' fees, legal expenses, and costs.

**19. Publicity and Acknowledgement**

The Recipient agrees that it will acknowledge CDFA's support whenever projects funded, in whole or in part, by this Agreement are publicized in any news media, brochures, publications, audiovisuals, presentations or other types of promotional material in accordance with the Grant Procedures Manual, if applicable. Recipients may not use the CDFA logo.

**20. News Releases/Public Conferences**

The Recipient agrees to notify the CDFA in writing at least two (2) business days before any news releases or public conferences are initiated by the Recipient or its Contractors/Consultants regarding the project described in the Attachments, Scope of Work and Budget and any project results.

**21. Scope of Work and Budget Changes**

Changes to the Scope of Work, Budget or the Project term, must be requested in writing to CDFA Grant Administrative Contact no later than thirty (30) days prior to the requested implementation date. Any changes to the Scope of Work and Budget are subject to CDFA approval and, at its discretion, CDFA may choose to accept or deny any changes. If accepted and after negotiations are concluded, the agreed upon changes will be made and become part of this Agreement. CDFA will respond in writing as to whether the proposed changes are accepted.

**22. Reporting Requirements**

The Recipient agrees to comply with all reporting requirements specified in Scope of Work and/or Grant Procedures Manual, if applicable.

**23. Equipment**

Purchase of equipment not included in the approved Budget requires prior approval. The Recipient must comply with applicable state requirements regarding the use, maintenance, disposition, and reporting of equipment as contained in CCR, Title 3, Division 1, Chapter 5, Sections 303, 311, 324.1 and 324.2.

**24. Closeout**

The Agreement will be closed out after the completion of the project or project term, receipt and approval of the final invoice and final report, and resolution of any performance or compliance issues.

**25. Confidential and Public Records**

The Recipient and CDFA understand that each party may come into possession of information and/or data which may be deemed confidential or proprietary by the person or organization furnishing the information or data. Such information or data may be subject to disclosure under the California Public Records Act or the Public Contract Code. CDFA has the sole authority to determine whether the information is exempt from public release. If CDFA deems the data exempt, it shall maintain such information as confidential and notify the Recipient of any requests for release of the information.

**26. Amendments**

Changes to funding amount or Agreement term require an amendment and must be requested in writing to the CDFA Agreement Manager or designee no later than sixty (60) calendar days prior to the requested implementation date. Amendments are subject to CDFA approval, and, at its discretion, may choose to accept or deny these changes. No amendments are possible if the Agreement is expired.

## EXHIBIT C

### PAYMENT AND BUDGET PROVISIONS

#### 1. **Invoicing and Payment**

- A. For activities satisfactorily rendered and performed according to the attached Scope of Work and Budget, and upon receipt and approval of the invoices, CDFA agrees to reimburse the Recipient for actual allowable expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.
- B. Invoices must include the Agreement Number, performance period, type of activities performed in accordance with this Agreement, and when applicable, a breakdown of the costs of parts and materials, labor charges, and any other relevant information required to ensure proper invoices are submitted for payment.
- C. Unless stated in the Scope of Work and/or Grant Procedures Manual, if applicable, quarterly invoices must be submitted to the CDFA Administrative Contact, within thirty (30) calendar days after the end of each quarter in which activities under this Agreement were performed.
- D. Unless stated in the Scope of Work and/or Grant Procedures Manual, if applicable, a final invoice will be submitted for payment no more than thirty (30) calendar days following the expiration date of this Agreement, or after project is complete, whichever comes first. The final invoice must be clearly marked "Final Invoice" thus indicating that all payment obligations of the CDFA under this Agreement have ceased and that no further payments are due or outstanding.

#### 2. **Allowable Expenses and Fiscal Documentation**

- A. The Recipient must maintain adequate documentation for expenditures of this Agreement to permit the determination of the allowability of expenditures reimbursed by CDFA under this Agreement. If CDFA cannot determine if expenditures are allowable under the terms of this Agreement because records are nonexistent or inadequate according to Generally Accepted Accounting Principles, CDFA may disallow the expenditures.
- B. Mileage reimbursement for using a privately-owned vehicle will be at the standard mileage rate established by the United States (U.S.) Internal Revenue Service (IRS) and in effect at the time of travel. The standard mileage rate in effect at the time of travel can be found on [IRS's website](#) regardless of funding source/type.
- C. If domestic travel is a reimbursable expense, receipts must be maintained to support the claimed expenditures. The maximum rates allowable for travel within California are those established by the California Department of Human Resources ([CalHR](#)). The maximum rates allowable for domestic travel outside of California are those established by the United States General Services Administration ([GSA](#)).
- D. If foreign travel is a reimbursable expense, receipts must be maintained to support the claimed expenditures. The maximum rates allowable are those established in a per diem supplement to Section 925, Department of State Standardized Regulations.
- E. The Recipient will maintain and have available, upon request by CDFA, all financial records and documentation pertaining to this Agreement. These records and documentation will be kept for three (3) years after completion of the Agreement period or until final resolution of any performance/compliance review concerns or litigation claims.

#### 3. **Prompt Payment Clause**

Payment will be made in accordance with, and within the time specified in, California Government Code Title 1, Division 3.6, Part 3, Chapter 4.5, commencing with Section 927 - The California Prompt Payment Act.

#### 4. **Budget Contingency Clause**

If funding for any fiscal year is reduced or deleted for purposes of this program, the CDFA has the option to either cancel this Agreement with no liability occurring to the CDFA, or offer to amend the Agreement to reflect the reduced amount.

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# California Department of Food and Agriculture Fairs & Expositions California Network of Fairs 2020-2021 Fair Funding

## Scope of Work

### A. Availability of Funds

The California Department of Food and Agriculture (CDFA) has \$9.29 million AB 1499 (New Fair Funds) dollars for local assistance to state-designated Fairs within the Network of California Fairs of all class sizes for general operational support. A state-designated fair must first apply to the Fairs & Expositions Branch (F&E) to become a qualified fair. F&E will disburse these funds to all qualified fairs regardless of class size

This funding is made available for general operational support to qualified fairs that continue to operate during the 2020 COVID-19 pandemic and continue to serve their local communities. Allocations may be used for:

- Administration and Emergency Expenses (i.e., office supplies, emergency supplies and implements related to emergencies such as evacuations or the COVID 19 pandemic)
- Maintenance & General Operations Expenses (i.e., payroll, training, utilities, supplies and equipment)
- Long-Term Debt (payoff/paydown loans)
- Payment to state agencies for premiums owed (i.e., auto insurance; pension/health premiums; Attorney General's Office services)

### Background

California's Fairgrounds are an important part of California's economy and play a major role in the economies of the communities and counties where they are located. Beyond the annual fair event, fairgrounds operate 365 days per year hosting thousands of events from large trade shows to small family celebrations.

Fairgrounds are perceived primarily as sites for annual fairs and some other well-known seasonal venues such as entertainment and competitions including horse racing, car racing, concerts, rodeos. However, Fairgrounds also tend to the needs

of their communities during the pandemic by serving as standup hospitals, housing at risk people, test sites, storage and distribution site for PPE. All by remaining on standby to also assist with other emergencies that may affect California, such as flooding, wildfires, earthquakes, and heatwaves. California fairground locations are critical sites for staging operation command posts for first responders (i.e. Cal-Fire, Local Operations of Emergency Service, Red Cross).

## **Purpose & Authority**

Any New Fair Funding general operational support granted by CDFA is subject to the following requirements per the Business and Professions Code (BPC) section 19620.15 and CDFA's audit authority under BPC section 19620. BPC section 19620.15 (h)(3)(C) is suspended while the Governor's Proclamation of the COVID-19 Emergency is in effect, pursuant to Executive Order N-40-20 (March 30, 2020).

## **B. Responsibilities of Parties**

### **Prerequisites: Apply for and Attain Qualified Fair Status prior to Applying to receive New Fair Funds**

Please, see Circular Letter F2020-07 released on April 6, 2020 for information on how to become a qualified fair. Documents contained in application that needs to be approved by Board of Directors and submitted to F&E by **November 30, 2020** to become a qualified fair:

- Board Resolution
- Memorandum of Understanding
- Required Employee Work Conditions Policy
- Contracting Policies and Procedures

### **Under this Agreement the Qualified Fair shall:**

1. Expend the funds for general operations only. Permissible uses include essential expenses such as payroll, utility bills, loan obligations, supplies and implements related to emergencies such as evacuations or the COVID 19 pandemic.
2. Provide and enforce required Employee Work Conditions
  - a. Pursuant to BPC section 19602.15 it requires lessees on fairgrounds to provide, without interruption through at least June 30, 2021, the following



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conditions to all non-management employees (unless exempt as provided below in Section 3:

- b. A meal period of not less than 30 minutes for a work period of more than five hours per day, unless the work period per day of the employee is less than six hours and the meal period is waived by mutual consent of both the employer and the employee.
  - c. A second meal period of not less than 30 minutes for a work period of more than 10 hours per day, unless the work period per day of the employee is less than 12 hours, the second meal period is waived by mutual consent of both the employer and the employee, and the first meal period was not waived.
  - d. Compensation at the rate of no less than one and one-half times the regular rate of pay for any work in excess of eight hours in one workday, any work in excess of 40 hours in any one workweek, and the first eight hours worked on the seventh day of work in any one workweek.
  - e. Compensation at the rate of no less than twice the regular rate of pay for any work in excess of 12 hours in one day.
  - f. Compensation at the rate of no less than twice the regular rate of pay for any work in excess of eight hours on any seventh day of a work week.
3. Exempt the following from the work conditions:
- a. Full-time carnival ride operators
  - b. Employees covered by a valid collective bargaining agreement if that agreement expressly provides for all of the following: (1) Wages, hours of work, and working conditions of the employees; (2) Meal periods for the employees, including final and binding arbitration of disputes concerning application of its meal period provisions; (3) Premium wage rates for all overtime hours worked, and a regular hourly rate of pay not less than 30 percent more than the state minimum wage.

4. Follow Contracting Policies and Procedures

Pursuant to BPC section 19602.15 the fair shall maintain, through at least June 30, 2021, contracting policies and procedures that require the Fair and all lessees provide the required work conditions to its non-management employees. Notice of the work conditions shall be provided to all non-management employees that qualify for the benefits and attached to all applicable leases.

5. Leases that grant exclusive and continuous occupancy for a period of one-

year or longer shall include the following provisions:

- a. [Lessee] shall provide to all non-management employees the working conditions, or greater. Failure to provide the working conditions shall be considered a material breach.
  - b. “[Lessee] acknowledges that the [Fair] is a state designated fair under the oversight of the California Department of Food and Agriculture (CDFA) which conducts periodic audits for the purpose of ensuring compliance with state law and policy. Upon written request and with reasonable notice, Lessee shall make records available to the CDFA Audit Office for examination in order to confirm compliance with the required working conditions policy adopted by fair. Records may include but are not limited to, payroll and time keeping records of non-management employees.”
  - c. “Lessee shall notify [Fair] within 15 business days of receiving notice of any complaint made by a non-management employee or finding of a violation by a labor or personnel authority, based on the required working conditions policy adopted by fair.
  - d. “Upon a finding that Lessee failed to comply with the required work conditions, Lessee shall provide [Fair] with written assurance within thirty (30) days of the finding that the breach will be cured before the [Fair] may terminate this lease as provided herein.”
6. All existing leases shall be amended in writing and signed by the parties to include the required contract provisions and policy.
  7. Upon the CDFA audit office’s request, the fair shall make available all records necessary to conduct an audit. During an audit, the fair shall assist CDFA in requesting that the lessee make available its records for examination pursuant to the lease.
  8. Inform CDFA in writing within 15 business days of receiving notice of either of the following:
    - a. Any complaint or finding of a violation for the fair’s failure to provide the required work conditions to a non-management employee; or
    - b. A final ruling issued by a relevant labor or personnel authority that determines the fair or a lessee did not provide its non-management employees the required work conditions.

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9. Keep in place and effect employee and contracting policies and procedures applicable to qualified fairs until at least June 30, 2021.
  10. Be in compliance with all labor laws and current with the Department's audit reporting requirement.

## **C. Responsibilities of CDFA**

### **1. Administration of Agreement**

- a. Review New Fair Funds application submitted by fair to confirm the applicant has met all requirements to be a qualified fair. Determine whether to approve requests.
- b. Be responsible for maintaining this Agreement and process payment once the fair responsibilities are completed.
- c. Communicate with relevant state and public agencies to ensure District Agricultural Associations are remaining current on obligations owed.
- d. At its sole discretion, perform a fiscal or compliance audit, including an audit to ensure compliance with work conditions and contract requirements as outlined in BPC section 19620.15.

### **2. Enforcement of Compliance with Work Conditions**

Upon finding a violation of the required work conditions or associated contract policies, the following procedure shall apply:

- a. CDFA shall provide written notice of the violation to the fair within 15 days of discovering or receiving notice of the violation.
- b. The fair shall respond to CDFA in writing by describing any actions the fair has taken or intends to take to remedy the violation. The fair's response shall be submitted to CDFA no later than 60 days after the date of the CDFA's notice and monthly thereafter until final resolution has been achieved.
- c. CDFA may not terminate the fair's qualified status if written confirmation of resolution or identifiable course of action is provided by the 60-day deadline and the resolution or course of remedial action is accepted by the CDFA in writing.
- d. For the first and second violation within the preceding three State fiscal years:

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- e. If the fair fails to respond or refuses to correct the violation or the course of remedial action is unacceptable to the Department, the Department shall terminate the qualified fair status until the fair reapplies to become a qualified fair and has proven compliance for the duration of a State fiscal year.
  - f. If the violation is corrected and the remedial action is accepted by CDFA in writing, CDFA may dismiss the violation.
  - g. For the third violation within the preceding three State fiscal years: The CDFA shall terminate the fair's qualified fair status for the next State fiscal year until the fair reapplies to become a qualified fair and has proven compliance for the duration of a State fiscal year.
  - h. If the fair fails to respond or refuses to correct the violation or the course of remedial action is unacceptable to CDFA, the CDFA shall terminate the fair's qualified status for the next two State fiscal years and until the fair reapplies to be a qualified fair and has proven compliance for the duration of a State fiscal year.

### **3. Termination of Qualified Fair Status**

To terminate its status as a "qualified fair" eligible to participate in the New Fair Funds Allocation Program, the fair must submit to the CDFA approved Board meeting minutes that memorialize the decision. Unless authorized in writing by CDFA, the fair shall continue adhering to the terms and conditions as required to receive New Fair Funds. If CDFA approves (in writing) the request to end the fair's Qualified Fair Status, allocated funds or portions of the allocated funds may be withheld by CDFA. The Fair shall continue to provide to its non-management employees the required work conditions through June 30, 2021.

- a. If a fair is terminated as a "qualified fair" then the Department will terminate the agreement per the terms of the agreement.

### **D. Request and Documentation Submittals**

All New Fair Funds allocation requests shall be submitted by via email to: Joji Kume, [Joji.Kume@cdfa.ca.gov](mailto:Joji.Kume@cdfa.ca.gov)

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## BUDGET DISPLAY

1. The allocations for the Fair are as follows:

Fiscal Year	Description	Total
2020-2021	New Fair Funds Operational Allocation	\$66,410