

Approved 3-2-88  
Date

MINUTES OF THE House COMMITTEE ON Appropriations

The meeting was called to order by Bill Buntten at  
Chairperson

1:30 ~~am~~ p.m. on February 22, 1988 in room 514-S of the Capitol.

All members were present except: Representatives Miller and Teagarden (both excused)

Committee staff present: Diane Duffy, Legislative Research  
Ellen Piekalkiewicz, Legislative Research  
Jim Wilson, Revisor of Statutes  
Sharon Schwartz, Administrative Aide  
Sue Krische, Committee Secretary

Conferees appearing before the committee:

Robert Gottschalk, Executive Secretary, Kansas State Fair  
Representative Fred Gatlin

Others attending: See attached list.

HB 2673 - An Act concerning certain claims against the state; amending  
K.S.A. 46-920 and 46-922 and repealing the existing sections.

Before consideration of HB 2673 for final action, staff explained a proposed cleanup amendment on the bill which inserts the wording-- "other facility"--to cover the various types of correctional facilities under the jurisdiction of the Secretary (Attachment 1). Representative Chronister moved the adoption of the amendment. Seconded by Representative Williams. Motion carried.

Representative Williams moved HB 2673, as amended, be recommended favorable for passage. Seconded by Representative Chronister. Motion carried.

SB 482 - An Act relating to the state fair; concerning the special cash fund; amending K.S.A. 1987 Supp. 2-220 and repealing the existing section.

Robert Gottschalk, Executive Secretary, Kansas State Fair, explained that this bill amends K.S.A. 2-220(b) to raise the limit on the State Fair special cash fund from \$100,000 to \$200,000. Written testimony is included (Attachment 2). This is basically a petty cash fund. The money is borrowed from the State General Fund prior to the annual Kansas State Fair and returned to the SGF within six days following the close of the Fair.

Representative Heinemann moved SB 482 be recommended favorable for passage. Seconded by Representative Dyck. Motion carried.

HB 2843 - An Act concerning medical assistance for resident receiving care outside state; amending K.S.A. 39-709 and repealing the existing section.

Representative Fred Gatlin explained that this bill insures that persons receiving medical assistance are able to go out of state for followup on their medical problems if it is a shorter distance. This bill represents a codification of existing SRS practice that has been in place for several years. As a result, the agency anticipates no additional expenditures above the amount contained in the Governor's budget.

Representative Brady moved that HB 2843 be recommended favorable for passage. Seconded by Representative Chronister. Motion carried.

CONTINUATION SHEET

MINUTES OF THE House COMMITTEE ON Appropriations,  
room 514-S, Statehouse, at 1:30 ~~a.m.~~/p.m. on February 22, 1988

Chairman announced the hearing at tomorrow's meeting on HB 2795.  
The bill moves Washburn University from under the Department of Education  
to the Kansas Board of Regents, does away with credit-hour aid and  
out-district tuition for Washburn, and makes state support a grant.

The meeting was adjourned at 1:50 p.m.



2-19-88

HOUSE BILL No. 2673

By Joint Committee on Special Claims Against the State

1-20

HA  
2-22-88  
Attachment 1

0017 AN ACT concerning certain claims against the state; amending  
0018 K.S.A. 46-920 and 46-922 and repealing the existing sections.

0019 *Be it enacted by the Legislature of the State of Kansas:*

0020 Section 1. K.S.A. 46-920 is hereby amended to read as fol-  
0021 lows: 46-920. The secretary of corrections may reimburse any  
0022 inmate of any correctional institution, ~~honor camp or work re-~~  
0023 ~~lease center~~ under the secretary's jurisdiction for any *personal*  
0024 *injury or personal property damage or loss* occurring under  
0025 circumstances which establish, in the secretary's opinion, that  
0026 such loss or damage was caused by the negligence of the state or  
0027 any agency, officer or employee thereof. No reimbursement  
0028 payment shall be made on any claim for an amount of more than  
0029 ~~\$250~~ \$500. Nothing in this section shall prohibit the crediting of  
0030 any payment made to an inmate of a correctional institution,  
0031 ~~honor camp or work release center~~ to such inmate's account  
0032 within the institution, ~~honor camp or work release center, re-~~  
0033 ~~spectively.~~

or other facility

or other facility under the secretary's jurisdiction

or facility, as the case may be

0034 Sec. 2. K.S.A. 46-922 is hereby amended to read as follows:  
0035 46-922. (a) As used in this section and in K.S.A. 46-923 and  
0036 amendments thereto, the term "state agency" shall have the  
0037 meaning ascribed thereto in K.S.A. 75-3701 and amendments  
0038 thereto.

0039 (b) The head of any state agency is authorized to make  
0040 payment to the officers or employees of such state agency for  
0041 property damage or loss occurring while that officer or employee  
0042 is acting within the scope of such office or employment if such  
0043 property loss or damage, in the opinion of the state agency head,  
0044 did not occur as a result of negligence of the claimant.

0045 (c) The head of any state agency is authorized to make pay-

**Starting the first Friday  
after Labor Day.**

2000 North Poplar  
Hutchinson, Kansas 67502  
(316) 662-6611

ROBERT A. GOTTSCHALK  
Executive Secretary

ELMER K. DENNING  
Assistant Secretary



*The Great Kansas  
Get Together!*

**RE: S.B. 482  
Special Cash Fund Increase for Kansas State Fair**

Enclosed is some background material on Senate Bill 482 that might be helpful to you.

The Kansas State Fair has been working with the maximum change fund allowed under the existing law \$100,000.00. This amount is no longer adequate. The Fair uses this cash fund for the following activities:

1. Supplies change funds to the outside gate ticket sellers, parking ticket sellers, and the grandstand tickets sellers. This amounts to approximately \$40,000.00 per day.
2. Supplies change for fairgoers to cash checks. We use a guarantee check system (Telecheck) with a limit of \$200.00.
3. Supplies change for concessionaires. It is difficult for them to leave the grounds and drive to a local bank, and banks refuse to make large change orders as such demand is not normally in their inventory.
4. Supplies change to cash entertainers' checks. Many entertainer contracts specify that the entertainer must be able to receive a cash settlement upon completion of performance. (See attached Willie Nelson contract).

The Fair has a problem in that we operate over two weekends when the local banks are not open for use to get change. We must have sufficient cash in our vaults by noon Saturday to last until Monday. The current \$100,000 does not suffice.

HA  
2-22-88  
Attachment 2

S.B. 482 - Special Cash Fund Increase  
Page 2  
February 18, 1988

The Fair takes in receipts of \$50,000.00 to \$210,000.00 daily during the Fair, but this money is deposited daily in our local bank account and transferred to the State Treasurer, per guidelines in KSA 2-205. These receipts cannot be used for change.

We appreciate your consideration of this bill.

Sincerely,

  
Robert A. Gottschalk  
Executive Secretary

jb

Enclosures: FY89 Issue Paper  
Letter from Accounting Control and Services  
Copy of Grandstand Entertainer Contract  
Original bill authorizing change fund

KANSAS STATE FAIR  
ISSUE PAPER #3  
SPECIAL CASH FUND INCREASE  
FY 1989

I. ISSUE DEFINITION

Amend KSA 2-220(b) as reads "No such transfer from the state general fund shall exceed one hundred thousand dollars (\$100,000)" to read "No such transfer from the state general fund shall exceed two hundred thousand dollars (\$200,000)."

II. BACKGROUND

February 1978 the Legislative Post Audit Committee recommended that an authorized change fund be created for the Kansas State Fair. The 1979 Legislature created the State Fair Special Cash Fund and authorized certain transfers from the state general fund to such fund. The director of accounts and reports was authorized to establish such a change fund and establish a maximum amount of such change fund of not to exceed one hundred thousand dollars (\$100,000) in accordance with the need therefor.

III. OPTIONS

To continue the change fund at one hundred thousand dollars (100,000).

IV. RECOMMENDATIONS

That the change fund be increased from one hundred thousand dollars (\$100,000) to two hundred thousand dollars (\$200,000). The reasons for this increase are: Over the years the need for more change has increased. (A) Entertainer contracts often call for full payment in cash on the day of their performance. In order to have a good audit trail the State Fair first prepares the checks for the entertainer, then allows the entertainer to cash the check. When payment ranges from \$15,000 to \$100,000 the change fund is immediately depleted. (B) The daily amount of transactions in the State Fair Banking department are such that on some of the busiest days the banking department turns over nearly \$100,000. In the past two years there have been times when making change for State Fair departments and State Fair vendors has been almost impossible.

The Kansas State Fair has over 100 concessionaires selling on the Fairgrounds. We must have change available to them at all times in order for them to conduct business. An increase to two hundred thousand \$200,000, would relieve this situation. If we are holding fifty thousand (\$50,000) for an entertainer that leaves only fifty thousand dollars (\$50,000) for change. (C) Added to this burden is the fact that each morning change is checked out to begin the day's business. This can amount to another thirty-five thousand dollars (35,000.00). Departments that use this change are the outside gate ticket sellers, the Old Mill ticket sellers, the State Fair ticket office and parking lot ticket sellers. (D) Many days, particularly on weekdays, the manager of the State Fair banking department has had to make numerous trips to local banks to obtain sufficient change. This is neither practical from a security standpoint



nor good management of resources.

V. FISCAL IMPACT

NONE. This money is borrowed from the State General Fund prior to the annual Kansas State Fair and returned to the State General Fund within three days following the close of the Fair.

VI. LEGISLATIVE IMPLICATIONS

This will require an amendment of KSA 2-220.

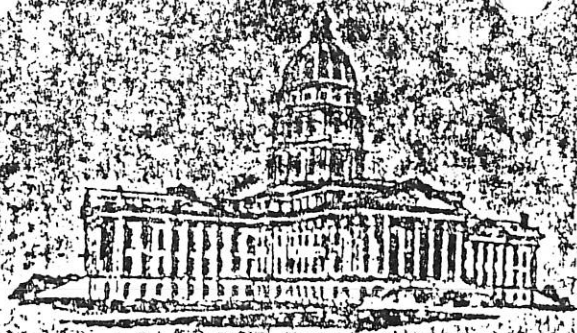
VII. IMPACT ON OTHER AGENCIES (STATE, FEDERAL, LOCAL OR OTHER)

NONE

VIII. SUPPORTING DOCUMENTS

KSA 2-220 and House Bill no 2325 1979 Legislative Session.





## AUDIT REPORT

### KANSAS STATE FAIR

A Report to the Legislative Post Audit Committee,  
the Governor, the Director of Accounts and Reports,  
the Director of the Budget, and  
the Audited Agency

LEGISLATIVE DIVISION OF POST AUDIT

State of Kansas

Topeka

Audit Report No. 78-AA-4

February 1978

# Summary of Matters for Legislative Attention

## Audit Findings and Conclusions

The audit found several problems relating both to activities during Fair Week and to administrative operations. These problems centered on the use of change funds and the control over receipts, expenditures, and inventory.

The Kansas State Fair has not established an authorized change fund for its operations during Fair Week. Currently, an employee obtains a personal loan to establish an unauthorized change fund of over \$50,000 during the week of the Fair. The loan is repaid and a new change fund is established by withholding receipts from Fair activities. The State Fair should discontinue this practice, determine the amount of change needed during Fair Week, and then request an Attorney General's Opinion to determine whether it should establish an authorized change fund from its fee fund or from an imprest fund. This will allow the agency to deposit all receipts on a more timely basis.

*In Review  
of Statute  
Books -*

The State Fair has historically experienced low fee fund balances just before Fair Week. To increase the amount of funds available before the Fair begins, the State Fair should exercise an option in its ticket sales agreement to receive a deposit on its advance ticket sales from the grocery store chain that sells them. The audit also found that all fees received by the Horse Show Department should be deposited immediately upon receipt, and that refunds by the Department should be made through the agency's bank account. In addition, the audit found that the agency should deposit receipts to its bank account on a timely basis even after Fair Week, that property numbers should be affixed to inventory items, that controls over bulk gasoline needed to be improved, and that the statute requiring a biennial report should be repealed.

*Bellevue  
now done -*

Except for problems with the Fair's control over horse show fees and with the need for more timely deposits of receipts, procedures are adequate to ensure that the State's receipts have been properly accounted for and deposited. In all material respects, expenditures have been made for the purposes the Legislature authorized, and, with the exception of the Fair's unauthorized change fund, the requirements of law have been met in such areas as accounting systems, records, and agency rules and regulations.

## Audit Recommendations

### Establishing an Authorized Change Fund

To properly establish the State Fair's change fund, to help ensure that all receipts are deposited on a more timely basis, to reduce the risk of loss, and to minimize the size of the Fair's change fund, the Board of State Fair Managers should:

1. Discontinue the practice of having an employee obtain a personal loan to establish a change fund.
2. Systematically review the State Fair's change fund activity to determine the amount needed during Fair Week.
3. Request an Attorney General's Opinion to determine whether the State Fair's change fund should be established from its fee fund according to K.S.A. 1976 Supp. 2-205 or from an imprest fund under K.S.A. 1976 Supp. 75-3078, as amended.
4. Establish a change fund in accordance with the requirements of law as stated in the Attorney General's Opinion.

### Receiving a Deposit on Advance Ticket Sales

To alleviate the potential cash flow problems of the State Fair before Fair Week, the Board of State Fair Managers should exercise the option in its ticket sales agreement to receive a deposit on its advance ticket sales.

### Providing Greater Control Over Horse Show Fees

To help reduce the risk of the loss of undeposited receipts and to provide for easier accounting and control of fees collected for horse shows, the State Fair should:

1. Deposit moneys it receives for entry fees, stall rents, and other fees, including amounts collected for horse associations, immediately upon receipt.
2. Make refunds to entrants and remittances to horse associations through the prize and show money bank account using normal disbursement procedures.



~~CHG FUND~~  
~~CHG FUND~~  
CH FUND

F 778  
D.K.

HOUSE BILL No. 2325

AN ACT concerning the board of state fair managers; authorizing a change fund and prescribing procedures therefor; creating the state fair special cash fund and authorizing certain transfers from the state general fund to such fund; requiring certain sureties; creating the state fair fee fund; repealing the requirement of biennial reports to the governor; amending K.S.A. 74-525a and K.S.A. 1978 Supp. 2-205 and repealing the existing sections and also repealing K.S.A. 74-527.

Be it enacted by the Legislature of the State of Kansas:

New Section 1. (a) The state fair special cash fund is hereby created in the state treasury. The board of state fair managers may apply annually to the director of accounts and reports to establish a change fund for use during the period of the state fair which shall be maintained in the form of cash from the moneys of the state fair special cash fund which shall be transferred from the state treasury to a separate account of the board of state fair managers in a bank in Reno county, Kansas, in accordance with subsection (c). The director of accounts and reports shall authorize the establishment of such change fund and shall establish a maximum amount for such change fund of not to exceed one hundred thousand dollars (\$100,000) in accordance with the need therefor.

(b) After establishing the maximum amount for a change fund under subsection (a) and not less than ten (10) days prior to the date fixed for the commencement of the state fair, the director of accounts and reports shall transfer an amount of money equal to such maximum amount from the state general fund to the state fair special cash fund. No such transfer from the state general fund shall exceed one hundred thousand dollars (\$100,000).

(c) For the purposes of a change fund authorized under this section, the moneys in the state fair special cash fund may be transferred by warrant, upon vouchers of the board of state fair managers, from the state treasury to a separate account of such board in a bank in Reno county, Kansas. This bank account shall be awarded to a bank in Reno county, Kansas, by the pooled money investment board under a written agreement in accordance with procedures for state bank accounts under K.S.A. 75-4217 and shall be secured by pledge of securities in the manner prescribed for state bank accounts under K.S.A. 75-4218 and in the amount prescribed for fee agency accounts under that statute. The state treasurer and the director of accounts and reports shall honor all such vouchers and make such transfers as directed in accordance with this subsection, except that no such transfer shall be made more than ten (10) days prior to the date fixed for the commencement of the state fair.

(d) The change fund authorized under this section may be established by the board of state fair managers not more than five days preceding the date fixed for the commencement of the state fair. Such change fund shall be maintained in the daily amounts necessary for the operation of the state fair as directed by the board of state fair managers except that no such amount shall exceed the maximum amount established by the director of accounts and reports under subsection (a). Prior to the sixth day after the conclusion of the state fair each year, such change fund shall be finally reconciled and all the moneys in such change fund shall be deposited in the bank account of the board of state fair managers from which the change fund was established. Upon such deposit, all such moneys shall be remitted to the state treasurer. Upon receipt of such remittance, the state treasurer shall deposit the entire amount thereof in the state treasury and the same shall be credited to the state fair special cash fund. Each year upon the crediting of such moneys to the state fair special cash fund and after the conclusion of the state fair, the director of accounts and reports shall transfer all moneys in the state fair special cash fund to the state general fund.

(e) The moneys in the change fund authorized under this section shall be used exclusively for the making of change in operating and conducting the state fair during the period of the state fair. No advance or expenditure shall be made from such change fund.

(f) Except as otherwise provided in this section, the change fund authorized by this section shall be administered in the same manner as change funds authorized in accordance with K.S.A. 75-3078 and shall be subject to such procedures and reporting requirements as may be prescribed by the director of accounts and reports under that statute. The director of accounts and reports may authorize a reconciling entry in any reconciliation statement for the change fund authorized by this section in an amount of not to exceed the maximum authorized by K.S.A. 75-3078 for change funds authorized in accordance with that statute.

(g) All officers and employees of the board of state fair managers having custody of moneys of the change fund authorized by this section shall be covered by a blanket surety contract purchased by the committee on surety bonds and insurance in such amount or amounts and upon such terms and conditions as the committee on surety bonds and insurance deems necessary and proper in accordance with the provisions of K.S.A. 75-4103, 75-4104 and 75-4105.

Sec. 2. K.S.A. 1978 Supp. 2-205 is hereby amended to read as follows: 2-205. (a) (1) All moneys received by the board of state fair managers through the operation of the state fair and from any and all other sources directly related to the operation of the state fair shall be remitted to the state treasurer by the board of state fair managers *at least monthly*. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury and the same shall be credited by the state treasurer to a fund known as the state fair revolving fee fund, *which is hereby created. As soon after the effective date of this act as possible, the director of accounts and reports shall transfer all moneys in the state fair revolving fee fund to the state fair fee fund created under this section. On the effective date of such transfer, all liabilities of the state fair revolving fee fund are hereby transferred to and imposed upon the state fair fee fund. On the effective date of such transfer, the state fair revolving fee fund is hereby abolished.*

(2) During the period beginning July 1, and extending to ~~November 1~~ *December 31*, of each year, moneys in the state fair revolving fee fund, and appropriations for the operation of the state fair from the state general fund made to ~~for~~ *the* state fair, or ~~its~~ *the* board of state fair managers, may be transferred from the state treasurer treasury to a bank in Reno county, Kansas, to the account of ~~said~~ *the* board of state fair managers, upon vouchers of the ~~said~~ board of state fair managers, for its use in operating and conducting a state fair, including but not by way of ~~limitations~~ *limitation*, the payment of labor, salaries of part-time employees, prizes and awards. The state treasurer and the director of accounts and reports are authorized and directed to honor all such vouchers and orders of the board of state fair managers, and to make such transfers as directed. During the period beginning July 1, and extending to ~~November 1~~ *December 31*, of each year, the board of state fair managers, is authorized to expend moneys on deposit to its credit in any Reno county, Kansas, bank, by approved vouchers directed to the treasurer of the board of state fair managers, and by the issuance of checks by the treasurer of ~~said~~ *the* board to the persons entitled thereto as shown upon ~~said~~ *such* vouchers, and all such expenditures may be made without compliance with any of the provisions of any act contained in article 37 of chapter 75 of the Kansas Statutes Annotated, or acts amendatory or supplemental thereto.

(2) (3) During the period beginning July 1, and extending to ~~November 1~~ *December 31*, of each year, the board of state fair managers, may employ labor and personnel in conjunction with the current operation of the state fair, without compliance with the provisions of any act contained in article 29 of chapter 75 of the Kansas Statutes Annotated, or acts amendatory or supplemental thereto. This authority to employ shall not be construed as authorizing ~~said~~ *the* board to employ its normal classified service

employees on a different basis for all or any part of said four-month ~~that~~ six-month period.

(4) All unencumbered moneys on deposit to the credit of the board of state fair managers in a Reno county, Kansas, bank, on November ~~1~~ *December 31*, of each year, shall be transferred (back) to the state treasurer *treasury* to the credit of the state fair revolving fee fund or appropriation from the state general fund according as each may be entitled. All moneys in the state fair revolving fee fund may be used for the payment of checks drawn against the same upon vouchers drawn by the board of state fair managers. It shall be the duty of the board of state fair managers to submit on or before November ~~30~~ *December 31*, of each year a full and complete object classification report on all moneys collected by and expended by ~~said~~ *the* board of state fair managers to the director of accounts and reports.

(b) (1) All moneys received by the board of state fair managers through the operation and promotion of events held on the state fairgrounds on those days which have not been designated as official state fair days, herein referred to as non-fair days events, shall be deposited in a separate account established in a bank in Reno county, Kansas, for each non-fair days event by the board of state fair managers. All expenses incurred in the operation and promotion of each non-fair days event shall be paid from the separate bank account established for such non-fair days event by issuance of checks by the treasurer of the board of state fair managers or a person designated by such treasurer and the balance of the money in such account after payment of all such expenses shall be remitted to the state treasurer by the board of state fair managers. Upon receipt of each such remittance the state treasurer shall deposit the entire amount thereof in the state treasury and the same shall be credited by the state treasurer to a fund known as the non-fair days activities fee fund. Moneys in the non-fair days activities fee fund may be transferred from the state treasurer *treasury* to a bank in Reno county, Kansas, to a separate account established for each non-fair days event, by the board of state fair managers, upon vouchers of the said board of state fair managers, for its use in the operation and promotion of events held on the state fairgrounds on those days which have not been designated as official state fair days. The state treasurer and the director of accounts and reports are authorized and directed to honor all such vouchers and orders of the board of state fair managers, and to make such transfers as directed. The board of state fair managers is authorized to expend moneys on deposit to its credit in any of the non-fair days event accounts in any Reno county, Kansas, bank, by approved vouchers directed to the treasurer of the board of state fair managers, and by the issuance of checks by the treasurer of ~~said~~ *the* board to the persons entitled thereto as shown upon ~~said~~ *such* vouchers, and all such expenditures may be made without compliance with any of the provisions of any act contained in article 37 of chapter 75 of the Kansas Statutes Annotated, or acts amendatory or supplemental thereto.

(2) On or before April 1 of each year, the board of state fair managers shall make a full and complete report of all moneys expended from all such non-fair days event accounts in the previous year to the director of accounts and reports.

(c) *Each bank account required for use in operating and conducting a state fair under subsection (a) or a non-fair days event under subsection (b) shall be awarded to a bank in Reno county, Kansas, by the pooled money investment board under a written agreement in accordance with procedures for state bank accounts under K.S.A. 75-4217 and shall be secured by pledge of securities in the manner prescribed for state bank accounts under K.S.A. 75-4218 and in the amount prescribed for fee agency accounts under that statute.*

Sec. 3. K.S.A. 74-525a is hereby amended to read as follows: 74-525a. There is hereby created in the state treasury a special fund which shall be known as the state fair emergency fund for







DEPARTMENT OF ADMINISTRATION  
DIVISION OF ACCOUNTS AND REPORTS

MIKE HAYDEN  
Governor

JAMES R. COBLER  
Director of Accounts and Reports

November 6, 1987

Landon State Office Building  
Topeka, Kansas 66612-1220  
(913) 296-2311

Mr. Robert A. Gottschalk  
Executive Secretary  
Kansas State Fair  
20th & Poplar  
Hutchinson, Kansas 67502

Attention: Joanne Brown

Dear Mr. Gottschalk:

After reviewing transactions affecting the State of Kansas Financial Report, the Financial Reporting Unit of this office has made several recommendations. This letter is intended to provide written guidelines that will be used to implement their recommendations.

Guidelines to be used for creation of the \$100,000.00 change fund authorized by K.S.A. 2-220 are as follows:

1. The State Fair Board mails a letter to the Accounting Control and Services Section of the Division of Accounts and Reports requesting the \$100,000.00 cash transfer from the State General Fund to the State Fair Special Cash Fund. A copy of the completed DA-74 (Application to Establish Change Fund) should be attached to this request.
2. The Accounting Control and Services Section will transfer the amount requested from the State General Fund (000-00-1000-FY-0000) to the State Fair Special Cash Fund (373-00-9088-FY-9999) using source code 6600 (Transfers).
3. The State Fair Board will then process a voucher using object code 725 (Advances for Imprest Funds) to obtain a warrant to establish the change fund.
4. Prior to the sixth day after conclusion of the State Fair, the State Fair Board will reimburse the State Fair Special Cash Fund by depositing on a DA-3 (Receipts Voucher) the amount originally advanced. The source code to be used is 6222 (Refunds of Advances for Imprest Funds).

NOV - 9 1987

2-7

Mr. Robert A. Gottschalk  
November 6, 1987  
Page 2

5. The Accounting Control and Services Section will then process a revenue transfer document to transfer the balance in the State Fair Special Cash Fund (373-00-9088-FY-9999) to the State General Fund (373-00-1000-FY-9999) using source code 6600 (Transfers).

Advances of moneys from the State Treasury to the State Fair Board for operations during the State Fair.

1. The State Fair Board will process vouchers on a periodic basis against the State Fair Fee Fund using object code 721 (Advances).
2. Returns of advances will be deposited into the State Treasury on a DA-3 (Receipts Voucher) using source code 6224 (Other Refunds of Advances Not Elsewhere Classified).
3. Periodically the State Fair Board will request the Accounting Control and Services Section to process a journal voucher to reverse object code 721 charges and charge actual object codes via detailed information provided by the State Fair Board.

Advances of moneys from the State Treasury to the State Fair Board for Non-Fair Days Events should be handled in a manner similar to the State Fair Fee Fund.

If you should have any questions or problems associated with these guidelines, please contact this office.

Very truly yours,

James R. Cobler, Director  
Division of Accounts and Reports

By: W. F. Wachs  
W. F. Wachs, Chief  
Accounting Control & Services

WFW:JS:db

cc: Administrative Audit Section  
Financial Reporting Unit

Authorized for Use by

**BUDDY LEE ATTRACTIONS, INC.**

APR 15 1986



(As Agent for the Leader and other Employees below identified)

PHONE AREA CODE 615-244-4336 38 MUSIC SQ. EAST, SUITE 300

NASHVILLE, TENNESSEE 37203

AMERICAN FEDERATION OF MUSICIANS OF THE UNITED STATES AND CANADA

LICENSE #1706

LOCAL #257

THIS CONTRACT For the personal services of musicians, made this 11th day of March, 1986, between the undersigned purchaser (hereinafter called the "purchaser") and Seven (7) musicians (hereinafter called "employees") (including the Leader)

WITNESSETH, That the purchaser hires the employees as musicians severally on the terms and conditions below. The leader represents that the employees already designated have agreed to be bound by said terms and conditions. Each employee yet to be chosen shall be bound by said terms and conditions upon agreeing to accept his employment. Each employee may enforce this agreement. The employees severally agree to render collectively to the purchaser services as musicians in the orchestra under the

leadership of WILLIE NELSON & FAMILY as follows:  
Name and Address of Venue: Kansas State Fair  
Hutchinson, Kansas  
Date(s) of Employment Monday  
September 8, 1986  
Hours of Employment One (1) show  
Showtime: 7:30 PM. (Central Time Zone)  
Report time: 12:00 Noon

\*\*19A.

STIPULATIONS:

No. 1 PLEASE FILL IN EXACT LOCATION, TIME(S) OF SHOW. Artist Is Not Liable If Time & Location are Not Inserted On Contract When Fully Signed. Include time zone and, if daylight savings time, please note on day of show.

SEE AND SIGN ATTACHED RIDER WHICH IS A PART OF THIS CONTRACT. RIDER AND CATERING REQUIREMENTS ARE PAID BY BUYER AT NO COST TO ARTIST. BUYER IS NOT TO ADVERTISE OR PRINT TICKETS UNTIL CONTRACT IS SIGNED BY BOTH PARTIES, OR WRITTEN CONSENT FROM ARTIST MANAGER.

\*\*14.

CAPACITY: 10,070 TIX: \$8.00, \$10.00 and \$12.00 GP: \$95,000.00 After state sales tax

\*\*19B.

Radius Clause: See Addendum Item 19B. is deducted. See Addendum Item 14.

Type of Engagement (specify whether dance, dance and show combinations, T.V., radio, stage show, banquet, private engagement, festival, fair, etc...) Concert

WAGE AGREED UPON IN U.S. DOLLARS \$51,000.00 (FIFTY ONE THOUSAND DOLLARS) PLUS 75% (SEVENTY FIVE PERCENT) OVER \$65,000.00 (SIXTY FIVE THOUSAND DOLLARS)  
(Terms and Amount) IN CASH ONLY

To be paid in U.S. DOLLARS BY CASH, MONEY ORDER OR CASHIERS CHECK \$51,000.00 (FIFTY ONE THOUSAND DOLLARS) PLUS APPLISABLE PERCENTAGE demand day of show to: Willie Nelson

~~XXXXXX~~ DUE FEE GUARANTEED  
to be received on or before RAIN OR SHINE  
DEPOSIT OF NONE  
to be received on or before

DEPOSIT  
\$ NONE  
Rec. \_\_\_\_\_  
By \_\_\_\_\_

BINDERS AND DEPOSIT PAYABLE TO THE EMPLOYEES' AGENT, BUDDY LEE ATTRACTIONS, INC. BY MONEY ORDER OR CERTIFIED CHECK  
NO PAYMENT WILL BE MADE BY ANY PERSONAL CHECK, UNLESS APPROVED BY THE ARTIST OR AGENCY IN WRITING PRIOR TO THIS DATE.  
THIS ENGAGEMENT IS NOT TO BE ADVERTISED OR PUBLICIZED IN ANY MANNER OR FORM UNTIL THIS CONTRACT IS FULLY PROCESSED AND SIGNED BY BOTH PARTIES.  
THIS CONTRACT CANNOT BE ASSIGNED TO ANY OTHER PERSON

LOCAL 110 COLLECTING AGENT OF LOCAL Roland S. Gunn  
ADDRESS 322 N. Main CITY Hutchinson, STATE Kansas 67501

NAMES OF EMPLOYEES	LOCAL NUMBER	S.S. NUMBER	WAGES
<u>Willie Nelson, Leader</u> (LEADER)	<u>#433</u>		\$
<u>Plus Six (6) Musicians</u>			

THIS CONTRACT BECOMES VOID IF PURCHASER FAILS TO SIGN AND RETURN SAME WITHIN 10 DAYS OF DATE ISSUED.

Purchaser Name: Bob Gottschalk/Kansas State Fair, Exec. Secy. Signature of Leader: Willie Nelson #433  
Signature of Purchaser: Alta Ferrer, President, Bd. of St. Fair Managers Signature of Local: Joan Saltel  
Street Address: 20th and Poplar Street Address: 38 Music Square East, Suite #300  
City: Hutchinson, Kansas 67502 City: Nashville, Tennessee 37203  
State: Kansas State: Tennessee  
Phone: 816/454-0839 Phone: 316/662-6611 (Fair)  
Booking Agent Contact: Joan Saltel st

If this contract is made by a licensed booking agent, there must be on this contract the name, address and telephone number of the collecting agent of the local in whose jurisdiction the engagement is to be performed.  
THE ADDITIONAL PROVISIONS ON THE REVERSE SIDE HEREOF (AND ANY RIDERS ATTACHED HERETO) ARE PART OF THIS CONTRACT AND ARE DEEMED INCORPORATED HEREIN.

DO NOT SIGN UNTIL YOU HAVE READ BOTH SIDES AND ALL RIDERS.