



**State of Illinois
DEPARTMENT OF AGRICULTURE
ILLINOIS STATE FAIR
STATE COMPLIANCE EXAMINATION
For the Two Years Ended September 30, 2025**

**Performed as Special Assistant Auditors
for the Auditor General, State of Illinois**

**STATE OF ILLINOIS
DEPARTMENT OF AGRICULTURE
ILLINOIS STATE FAIR
STATE COMPLIANCE EXAMINATION
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AGENCY OFFICIALS

Director	Mr. Jerry Costello II
Chief Fiscal Officer (01/01/2024 – Present)	Ms. Judy Vollmar
Chief Fiscal Officer (12/01/2023 – 12/31/2023)	Vacant
Chief Fiscal Officer (01/16/2023 – 11/30/2023)	Mr. Todd Haberer
Deputy Chief Fiscal Officer, Reporting Liaison (10/16/24-Present) (new position effective 10/16/24)	Mr. Heath Woodcock
General Counsel	Ms. Tess Feagans
Chief Internal Auditor	Vacant
Fair Manager	Ms. Rebecca Clark

STATE FAIR OFFICE

Primary administrative office is located at:

State Fairgrounds
801 Brian Raney Avenue
Springfield, IL 62702

MANAGEMENT ASSERTION LETTER

April 22, 2026

Adelfia LLC
Certified Public Accountants
400 East Randolph Street, Suite 700
Chicago, Illinois 60601

Adelfia LLC:

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Illinois State Fair (Fair), a function of the State of Illinois, Department of Agriculture (Department). We are responsible for and we have established and maintained an effective system of internal controls over compliance requirements. We have performed an evaluation of the Department's compliance with the following specified requirements during the two-year period ended September 30, 2025. Based on this evaluation, we assert that during the years ended September 30, 2024, and September 30, 2025, the Department has materially complied with the specified requirements listed below.

- A. The Department has obligated, expended, received, and used public funds of the State associated with the Fair in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Department has obligated, expended, received, and used public funds of the State associated with the Fair in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Department has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations associated with the Fair.
- D. State revenues and receipts collected by the Department associated with the Fair are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Department on behalf of the State or held in trust by the Department associated with the Fair have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Yours truly,

State of Illinois, Department of Agriculture

SIGNED ORIGINAL ON FILE

Mr. Jerry Costello II, Director

SIGNED ORIGINAL ON FILE

Ms. Judy Vollmar, Chief Fiscal Officer

SIGNED ORIGINAL ON FILE

Ms. Tess Reagans, General Counsel

SIGNED ORIGINAL ON FILE

Ms. Rebecca Clark, Fair Manager

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STATE COMPLIANCE REPORT

SUMMARY

The State compliance testing performed during this examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the *Audit Guide*.

ACCOUNTANT’S REPORT

The Independent Accountant’s Report on State Compliance and on Internal Control Over Compliance does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

Number of	<u>Current Report</u>	<u>Prior Report</u>
Findings	3	2
Repeated Findings	2	2
Prior Recommendations Implemented or Not Repeated	-	4

SCHEDULE OF FINDINGS

<u>Item No.</u>	<u>Page</u>	<u>Last/First Reported</u>	<u>Description</u>	<u>Finding Type</u>
Current Findings				
2025-001	9	2023/2017	Weaknesses in Contract Administration Associated with the Illinois State Fair	Significant Deficiency and Noncompliance
2025-002	11	2023/2021	Inadequate Controls over Space Rentals	Significant Deficiency and Noncompliance
2025-003	13	New	Inadequate Controls over Camping Revenue	Significant Deficiency and Noncompliance

Prior Findings Not Repeated

None

EXIT CONFERENCE

The Fair waived an exit conference in a correspondence from Heath Woodcock, Deputy Chief Fiscal Officer, Reporting Liaison, on April 9, 2026. The responses to the recommendations were provided by Heath Woodcock, Deputy Chief Fiscal Officer, Reporting Liaison, in a correspondence dated April 20, 2026.



INDEPENDENT ACCOUNTANT’S REPORT
ON STATE COMPLIANCE AND ON INTERNAL CONTROL OVER COMPLIANCE

Honorable Frank J. Mautino
Auditor General
State of Illinois

Report on State Compliance

As Special Assistant Auditors for the Auditor General, we have examined compliance by the Illinois State Fair (Fair), a function of the State of Illinois, Department of Agriculture (Department), with the specified requirements listed below, as more fully described in the *Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide)* as adopted by the Auditor General, during the two years ended September 30, 2025. Management of the Fair is responsible for compliance with the specified requirements for operations and transactions associated with the Fair. Our responsibility is to express an opinion on the Fair’s compliance with the specified requirements for operations and transactions associated with the Fair based on our examination.

The specified requirements are:

- A. The Department has obligated, expended, received, and used public funds of the State associated with the Fair in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Department has obligated, expended, received, and used public funds of the State associated with the Fair in accordance with any limitations, restrictions, conditions, or mandatory directions imposed by law upon such obligation, expenditure, receipt, or use.
- C. The Department has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations associated with the Fair.
- D. State revenues and receipts collected by the Department associated with the Fair are in accordance with applicable laws and regulations and the accounting and recordkeeping of such revenues and receipts is fair, accurate, and in accordance with law.
- E. Money or negotiable securities or similar assets handled by the Department on behalf of the State or held in trust by the Department associated with the Fair have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the Illinois State Auditing Act (Act), and the *Audit Guide*. Those standards, the Act, and the *Audit Guide* require that we plan and perform the examination to obtain reasonable assurance about whether the Fair complied with the specified requirements in all material respects. An examination involves performing procedures to obtain evidence about whether the Fair complied with the specified requirements for operations and transactions associated with the Fair. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance with the specified requirements for operations and transactions associated with the Fair, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Fair's compliance with the specified requirements.

In our opinion, the Fair complied with the specified requirements for operations and transactions associated with the Fair during the two years ended September 30, 2025, in all material respects. However, the results of our procedures disclosed instances of noncompliance with the specified requirements for operations and transactions associated with the Fair, which are required to be reported in accordance with criteria established by the *Audit Guide* and are described in the accompanying Schedule of Findings as items 2025-001 through 2025-003.

The Department's responses to the compliance findings identified in our examination are described in the accompanying Schedule of Findings. The Department's responses were not subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

The purpose of this report is solely to describe the scope of our testing and the results of that testing in accordance with the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Report on Internal Control Over Compliance

Management of the Department is responsible for establishing and maintaining effective internal control over compliance with the specified requirements (internal control) for operations and transactions associated with the Fair. In planning and performing our examination, we considered the Fair's internal control for operations and transactions associated with the Fair to determine the examination procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the Department's compliance with the specified requirements for operations and transactions associated with the Fair and to test and report on the Department's internal control for operations and transactions associated with the Fair in accordance with the *Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of the Department's internal control for operations and transactions associated with the Fair.

Accordingly, we do not express an opinion on the effectiveness of the Fair's internal control for operations and transactions associated with the Fair.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with the specified requirements on a timely basis. A material weakness in internal control is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that material noncompliance with the specified requirements will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses. However, we did identify certain deficiencies in internal control, described in the accompanying Schedule of Findings as items 2025-001 through 2025-003 that we consider to be significant deficiencies.

As required by the *Audit Guide*, an immaterial finding excluded from this report has been reported in a separate letter.

The Department's responses to the internal control findings identified in our examination are described in the accompanying Schedule of Findings. The Department's responses were not subjected to the procedures applied in the examination and, accordingly, we express no opinion on the responses.

The purpose of this report is solely to describe the scope of our testing of internal control and the results of that testing based on the requirements of the *Audit Guide*. Accordingly, this report is not suitable for any other purpose.

SIGNED ORIGINAL ON FILE

Chicago, Illinois
April 22, 2026

**STATE OF ILLINOIS
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SCHEDULE OF FINDINGS – CURRENT FINDINGS
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2025-001 **FINDING** (Weaknesses in Contract Administration Associated with the Illinois State Fair)

The Illinois State Fair (ISF) did not maintain adequate controls over contractual agreements.

During our contractual agreement testing, we noted the following:

2025 Fair:

- Four of 60 (7%) contractual agreements, totaling \$14,926, were not properly signed and/or dated on or before the start of the contract. The signatures and/or dating of contracts ranged from four to eleven days after the start of the contract. For one contract, we were unable to determine timeliness due to missing signatures and/or dates.
- One of 60 (2%) contractual agreements could not be provided by the ISF.

2024 Fair:

- One of 60 (2%) contractual agreements, totaling \$2,800, was not properly dated on or before the start of the contract. We were unable to determine timeliness due to the missing date.
- One of 60 (2%) contractual agreements, totaling \$3,725, did not have a certificate of insurance filed with the ISF.

This finding was first reported in 2017. In subsequent years, the ISF has been unsuccessful in implementing an adequate corrective action plan.

The Illinois Procurement Code (30 ILCS 500/20-80(d)) states no voucher shall be submitted to the Comptroller for a warrant to be drawn for the payment of money from the State treasury or from other funds held by the State Treasurer on account of any contract unless the contract is reduced to writing before the services are performed and filed with the Comptroller. Contractors shall not be paid for any supplies that were received or services that were rendered before the contract was reduced to writing and signed by all necessary parties.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the ISF to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use and misappropriation.

Prudent business practice and effective internal control requires contracts to be reviewed and approved prior to their inception to be binding and enforceable on

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both parties. Contractual agreements should be signed/executed by all required parties prior to the beginning of the contractual agreement term. Further, proof of insurance should be obtained, when required by the contract.

The State Records Act (5 ILCS 160/8) requires the ISF to make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the ISF designed to protect the legal and financial rights of the State and of persons directly affected by the ISF's activities.

ISF management stated during peak operational periods with limited temporary administrative support, the ISF was unable to ensure contracts were properly signed and/or dated and certificates of insurance were submitted by the vendors.

Failure to ensure contract agreements are signed before the beginning of the contract period represents noncompliance with the Illinois Procurement Code and results in contractors providing goods or services before being bound to compliance with applicable laws, rules, and regulations. Missing contractual agreements may result to unauthorized expenditures. Lack of required certificates of insurance may increase legal and financial risk to the ISF. (Finding Code No. 2025-001, 2023-001, 2021-003, 2019-003, 2017-003)

RECOMMENDATION

We recommend the ISF ensure all contracts and related forms are properly completed, approved, and executed prior to the start of the services or lease terms and maintained. Further, contractual agreements should be updated for procurements that require certifications of insurance.

ISF RESPONSE

The ISF agrees all contracts and related forms should be properly executed and maintained. ISF will collaborate with the Department's legal team to implement controls ensuring contracts are complete and properly executed before the services are used.

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2025-002 **FINDING** (Inadequate Controls over Space Rentals)

The Illinois State Fair (ISF) did not have adequate controls in place to ensure that all leases for space were properly enforced.

During our space rental testing, we noted the following:

2025 Fair:

- For two of 46 (4%) space rental contracts, prices were not clearly displayed.
- Three of 46 (7%) space rental contracts, totaling \$10,913, had rates stated in the contracts that did not agree with the ISF rate schedule, resulting in net overpayment by vendors of \$138.
- For two of 46 (4%) space rental contracts, the vendors did not clearly display the contract cards.
- For one of 46 (2%) space rental contracts, the contract was not properly completed; specifically, the location was missing.

2024 Fair:

- One of 46 (2%) space rental contracts was not signed and/or dated on or before the start of the contract.
- Four of 46 (9%) space rental contracts, totaling \$13,831, had rates stated in the contracts that did not agree with the ISF rate schedule, resulting in a net underpayment of \$659.
- Three of 46 (7%) space rental contracts utilized more space than stated in the contract, ranging from the vendors' usage of 4 to 44 feet over allowable space at the time of observation.

The "Measuring Space" rules in the Illinois Administrative Code (Code) (8 Ill. Admin. Code 270.105) specifically dictate how space is to be measured for space rental contracts on the fairgrounds. Good internal control procedures require that vendors be charged consistent rates found in the space rental rate schedules and dictate the ISF monitor contractual compliance of its vendors to verify amounts due to or from the ISF.

The Code (8 Ill. Adm. Code 270.120) requires each lessee to display the concession or exhibit number in a conspicuous place near the front of the stand or place of business.

The Fiscal Control and Internal Auditing Act (FCIAA) (30 ILCS 10/3001) requires the ISF to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that funds, property, and other assets

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and resources are safeguarded against waste, loss, unauthorized use, and misappropriation.

ISF management stated a limited number of contracts were executed with incorrect rates and missing vendor signature dates as a result of an oversight during the review of temporary staff. Contract number display is initially checked but as tear down and reset occurs daily, they occasionally are misplaced.

Inadequate controls over space rental contracts results in noncompliance with the Code and the FCIAA and could result in the loss of revenue to the ISF. (Finding Code No. 2025-002, 2023-002, 2021-005)

RECOMMENDATION

We recommend ISF enhance its internal control over monitoring space rental contracts to ensure compliance with the terms of the contracts and established rate schedules, refund overpayments, and seek repayment from vendors for underpayment.

ISF RESPONSE

The ISF agrees and will continue to implement review and follow-up processes to ensure prices and contract cards are clearly displayed. For any rates stated in a contract varying from the ISF rate schedule, support will be included in the contract documenting the reason for the differences. ISF will continue to randomly monitor vendors after set-up to verify prices and contract cards continue to be visible during the fair. ISF will also continue to educate vendors about the importance of contract cards and space usage.

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2025-003 **FINDING** (Inadequate Controls over Camping Revenue)

The Illinois State Fair (ISF) did not have adequate controls over camping revenue to ensure all revenues for camping were deposited timely.

During our space rental testing, we noted for the 2025 Fair, three of nine (33%) camping receipts tested, totaling \$1,900, were deposited one to seven days late.

The State Officers and Employees Money Disposition Act (Act) (30 ILCS 230/2(a)) requires the ISF to pay into the State treasury receipt items, in total exceeding \$500 but less than \$10,000, within 48 hours.

The Fiscal Control and Internal Auditing Act (30 ILCS 10/3001) requires the ISF to establish and maintain a system, or systems, of internal fiscal and administrative controls to provide assurance that funds, property, and other assets and resources are safeguarded against waste, loss, unauthorized use, and misappropriation.

ISF management indicated the exceptions were due to staff turnover and employee oversight.

Failure to timely deposit receipts delays the recognition of available cash within the State Treasury and represents noncompliance with the Act. (Finding Code No. 2025-003)

RECOMMENDATION

We recommend the ISF deposit receipts within the timeline set by the Act.

ISF RESPONSE

The ISF agrees and will continue to educate and cross-train staff assisting with deposits. In addition, the Bureau of Budget and Fiscal is now monitoring deposit timeliness monthly. They are also increasing the frequency directive is distributed regarding timelines of deposit in compliance with the State Officers and Employees Money Disposition Act in order to increase awareness of the issue.