

281—36.5(280) Fiscal provisions.

36.5(1) *Salary.* No remuneration, salary, or remittance may be made to any member of an executive board, representative council or advisory committee of an organization for the member's service.

36.5(2) *Expenses.* Travel and actual expenses of executive board members, representative council members, advisory committee members, and officers may be paid from organizational funds only when on official business for the organization. Actual expenses are to be paid for travel for transportation outside the state, along with necessary and reasonable expenses that are to be itemized. Itemized accounting of the travel and business expenses of employees are to be furnished to the department in an annual report on a form prescribed by the department.

36.5(3) *Financial report.* Full and detailed reports of all receipts and expenditures are to be filed annually with the department.

36.5(4) *Bond.* The executive board of each activity organization will purchase a blanket fidelity bond from a corporate surety approved by the executive board, conditioned upon the faithful performance of the duties of the executive officer, the members of the executive board, and all other employees of the activity organization. Such blanket bond is to be in a penal amount set by the executive board and is to be the sum of 50 percent of the largest amount of moneys on hand in any 30-day period during the preceding fiscal year, and 20 percent of the net valuation of all assets of the activity organization as of the close of the last fiscal year, but such bond will in no case be in an amount less than \$10,000.

36.5(5) *Audit.*

a. General. The financial condition and transaction of all organizations will be examined once each year, or more often if directed by the director of education, by either a certified public accountant chosen by the organization or by a committee chosen by the organization and approved by the director of education.

b. Examinations by auditors. Auditors have the right while making the examination to examine all organization papers, books, records, tickets, and documents of any of the officers and employees of the organizations, and have the right in the presence of the custodian or deputy to have access to the cash drawers and cash in the official custody of the officer and to the records of any depository that has funds of the organization in its custody.

c. Access to records. Upon request, organizations will make available to the department or its delegated representative all records, data, written policies, books, accounts, and other materials relating to any or all aspects of their operations.

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