

Fidelity Bonding Desk Aid

What is a Fidelity Bond?

A fidelity bond is a form of insurance protection that covers the policyholder/employer for a loss caused by a one-time act of dishonesty (theft, forgery, larceny, and embezzlement) of a specific employee. **An employer's risk for potential loss is most often covered with a \$5,000 bond, but can be increased to \$25,000 if:**

- **A higher amount is required by an employer to ensure job placement;**
- **Justification for the increase is documented under Additional Information on the [Fidelity Bond Request Form](#); and**
- **Justification is documented in *WorkInTexas.com (WIT) Case Notes*.**

The bond is issued for six months. After the six-month period, if no claim was paid, employers may request another bond at regular commercial rates.

Who is eligible?

Individuals eligible for fidelity bonds include:

- Second chance individuals, including individuals who have records of arrest, are on probation, or have any police record
- Applicants with poor credit histories, including bankruptcy (self-certification)
- Veterans dishonorably discharged from the military
- Individuals who receive public assistance
- Applicants with a history of substance abuse (self-certification)
- Economically disadvantaged youth who lack a work history

Career Office Staff Procedures

When a customer has a barrier that would make them a high-risk hire, staff must:

- Tell the potentially eligible customer about fidelity bonding services
- Obtain documentation to prove eligibility (Customer may self-certify to poor credit history, bankruptcy, or substance abuse history.)

- Give the customer the Fidelity Bond Flyer as an option to show employers when applying for or interviewing for jobs
- Tell the customer to explain to employers, “If you hire me – you can get a fidelity bond on me at no cost to you. You can contact Workforce Solutions Employer Engagement at 713-688-6890 for more information.”
- **Enter a case note in WIT that includes:**
 - **A statement that the customer qualifies for fidelity bonding based on eligibility criteria**
 - **The specific criterion on which eligibility is based and**
 - **A statement indicating the following was verified by contacting the employer: the bond request, employment start date, and job title**
- File supporting eligibility documents in the document management system using the label: **Fidelity Bonding**

Employer Engagement Staff Procedures

Upon request from an employer, job seeker or career office staff, employer engagement staff must:

- Complete the [Fidelity Bond Request Form](#) on behalf of the job seeker or employer, and file a copy in the document management system using the label: **Fidelity Bond Request Form**
- **Verify or enter a case note in WIT that includes:**
 - **A statement that the customer qualifies for fidelity bonding based on eligibility criteria;**
 - **The specific criterion on which eligibility is based; and**
 - **A statement indicating the following was verified by contacting the employer: the bond request, employment start date, and job title**
- File supporting eligibility documents in the document management system using the label: **Fidelity Bonding**
- E-mail the completed Fidelity Bond Request Form to fidelity.bonding@twc.texas.gov
- Once bond has been approved, notify the employer, and enter service code **124-Bonding Assistance** on the **Activities Enrollment ribbon in WIT for the job seeker**
- Once the bond is issued, enter service code **FB-Fidelity Bonding in WIT for the employer**