

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

# Who is eligible?

Customers eligible for courtesy bonds include:

* individuals with records of arrest, probation, or 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 substance abuse history (self-certification)
* low-income youth who lack a work history
* anyone who cannot secure bonding through the regular commercial system

# How To Apply?

The employer must call Workforce Solutions Employer Service Central Office to apply for the bond. The employer must plan to hire the individual in permanent, full-time employment of 30 or more hours per week in a traditional “employer-employee” relationship (not contract or self-employment). Employer Service staff will take information from the employer over the phone to complete the bond application and submit it for approval.

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# Career Office Staff Procedures

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

* Tell the potentially eligible customer about the 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 Federal Fidelity bond flyer to show to 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. Call Workforce Solutions Employer Service at 713-688-6890 for more information.”
* Tell the customer the employer can request a bond application by contacting the Employer Service Central Office at 713-688-6890
* Document the customer’s eligibility for the bond in TWIST Counselor Notes and file supporting eligibility documents in DocuWare

# Employer Service Staff Procedures

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

* Complete the Fidelity Bond Request Form
* Verify or enter TWIST notes to indicate the individual qualifies for fidelity bonding and file supporting eligibility documents in DocuWare; notes must include:
	+ the specific criteria on which eligibility is based;
	+ employer contact to verify bond request, employment start date, and job title
* 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 ***16-Pre-Employment*** followed by sub fund code ***138-Fidelity Bonding*** into TWIST
* Once the bond is issued, enter service code **FB-Fidelity Bonding** into WIT

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