

# Fidelity Bonding

## Facts about the program



### What is the Federal Bonding Program?

The Federal Bonding Program provides Fidelity Bonds for anyone not eligible for commercial bonding. There is no cost to the employers or employees. It is a unique tool to help a job applicant with risk factors get and keep a job.

### What Is A Fidelity Bond?

It is a business insurance policy that protects the employer in case of any loss of money or property due to employee dishonesty. It is like a "guarantee" to the employer that the person hired will be an honest worker. Bonds are issued under the Federal Bonding Program which are insurance policies of the Travelers Property Casualty insurance company. The McLaughlin Company in Rockville, MD, is the agent for Travelers that manages the program nationally.

### How Does the Bond Help Someone Get A Job?

Upon application, the bond is issued to the employer free-of-charge, and serves as an incentive to the company to hire an applicant with a "risk" factor in their personal background. The employer is then able to get the worker's skills without taking any risk of worker dishonesty on the job.

### What Exactly Does the Bond Insurance Cover?

It insures the employer for any type of stealing by theft, forgery, larceny or embezzlement by the employee. It is not a bail bond or court bond for the legal system.

### What Restrictions Exist In the Program's Bond Coverage?

The worker must meet the State's legal age for working; there are no age limits. The job usually is to be for at least 30 hours work per week. Workers must be paid wages with federal taxes automatically deducted from pay; self-employed persons and independent contractors cannot be covered.

### Who Does The Program Help?

Bond coverage is provided for any person whose background usually leads employers to question their honesty and deny them a job. The program will cover any person who is a "risk" due to their being in one or more of the following groups:

- Ex-offender with a record of arrest, conviction or imprisonment; anyone who has ever been on parole or probation, or has any police record
- Ex-addict who has been rehabilitated through treatment for alcohol or drug abuse
- Poor credit record or have declared bankruptcy
- Dishonorably discharged from the military
- Persons lacking a work history who are from low income families.

### What Do You Have To Do To Get Bonding Services in Wisconsin?

The employer or job applicant must contact the nearest Wisconsin Job Center. For the nearest location call 1-888-258-9966, or visit the Wisconsin Job Center Directory at <http://www.wisconsinjobcenter.org/directory>.

An applicant must contact a local bonding coordinator; must receive a job offer; and the employer must schedule a date to start work before the bond can be issued.

There are no papers to be completed by the employer or the job applicant in order for the bond to be issued. Registration on the Job Center of Wisconsin website may be requested, connecting to additional services.

### For more details on Fidelity Bonds, including a list of bonding coordinators, visit:

<http://dwd.wisconsin.gov/bonding>

#### Bonding coordinator list:

<http://dwd.wisconsin.gov/bonding/coordinatorlist.htm>

National information: <http://www.bonds4jobs.com>

