



IOWA
WORKFORCE
DEVELOPMENT



FEDERAL BONDING PROGRAM: A UNIQUE JOB PLACEMENT TOOL
Richelle Seitz, Workforce Program Coordinator-Reentry



FEDERAL BONDING **DESCRIPTION**

A business insurance policy (fidelity bond) which protects employers and guarantees honesty for “at-risk,” hard-to-place job seekers.

- Loss of money or property due to employee dishonesty:
 - Stealing
 - Theft
 - Larceny
 - Forgery
 - Embezzlement

- Job applicants can *market* themselves and *increase* their employment prospects
- Employers can hire from a diverse and expanded labor pool
- Gives peace of mind in the event of loss of money or property due to employee dishonesty
- Less recidivism is good for the community
- Contributes to self-sufficiency which can benefit the local economy

BENEFITS OF
FEDERAL BONDING





HELPS JOB SEEKERS WITH BARRIERS

- Justice-involved individuals
- Individuals in recovery from substance abuse
- TANF recipients (Temporary Assistance to Needy Families)
- Individuals with poor credit history
- Economically disadvantaged youth and adults with little or no work history
- Individuals dishonorably discharged from the military

- Insures businesses willing to hire a job seeker with a questionable past
 - No-cost
 - No deductible
 - No paperwork or signatures
 - No government red-tape

**INCENTIVES TO
EMPLOYERS**





FEDERAL BONDING **REQUIREMENTS**

- Minimum amount of \$5,000, up to \$25,000 per person depending on type of job
 - No limit on number of bonds for company
- In effect for 6 months
- Must be a citizen
- Federal taxes withheld
- Not self-employed
- Must be legally authorized to do the job
- Cannot be a relative of the employer

- The individual must have a **job offer** and a **job start date**
 - Helps a job seeker obtain a job; or
 - Retain a job in certain circumstances:
 - Promotions
 - Prevent layoffs

FEDERAL BONDING REQUIREMENTS





FEDERAL BONDING

DOES NOT COVER

- Liability due to poor workmanship
- Job injuries
- Work accidents
- Bail bond
- Contract bond
- Performance or license bond
- Damage/theft of motor vehicles

- Nationwide over 52,000 applicants have been helped
- 99% have proven to be honest employees
- Contributes to industries who support the nation's economy



FEDERAL BONDING SUCCESS

“I have simple words for employers. Use the Federal Bonding Program and try it – do it! There’s nothing but upside to it and truly you’re getting the most wonderful employees that are out there.”

Charles Maymon
Regional CEO
American Ambulance Service

Requesting a Federal Bond

- Request a Federal Bond by contacting your state Federal Bonding Program Coordinator
- FBP Coordinator verifies information, completes bond form online and submits to Union Insurance Group
- Bond policy sent to the employer within 10 business days by Union Insurance Group, broker for Chubb Insurance

REQUEST A FEDERAL BOND

FIDELITY BOND CERTIFICATION FORM

MAIL TO: The Federal Bonding Program PHONE INQUIRIES: 1-800-233-2258
Union Insurance Group, Inc.
303 W Erie Street, Suite 310
Chicago, IL 60654

JOB PLACEMENT AGENCY
NAME _____
ADDRESS _____
CITY/STATE/ZIP _____

EMPLOYER RECEIVING BOND: **DATE AFFIRMED** / /
COMPANY/AGENCY NAME _____
CONTACT PERSON NAME _____
ADDRESS _____
CITY/STATE/ZIP _____

WORKER COVERED BY BOND
LAST NAME _____ FIRST NAME _____
BOND EFFECTIVE DATE / / SOC. SECURITY# _____
 MO DAY YEAR

BOND INSURANCE AMOUNT: **TOTAL AMOUNT**
NEW _____ \$.000
RENEWAL _____ \$5k, \$10k, \$20k or \$25k

OFFICIAL INSURANCE BOND STAMP(S)*

* Affix one stamp for each \$5,000 bond issued (e.g., minimum total bond issued is \$5,000 & requires only 1 stamp; maximum is \$25,000 & requires 5 stamps)

SIGNATURE (JOB PLACEMENT STAFF) _____ TELEPHONE # _____

INFORMATION

- The [United States Department of Labor](http://www.bonds4jobs.com/)
 - <http://www.bonds4jobs.com/>
- Offers a variety of information
 - Resources
 - Marketing tools
 - Brochures
 - Archives of Past Federal Bonding Listen and Learns





RICHELLE SEITZ

FEDERAL BONDING PROGRAM COORDINATOR

Iowa Workforce Development
1000 East Grand Avenue
Des Moines, IA 50319

Phone: 515-725-3891

Email: richelle.seitz@iwd.iowa.gov

FEDERAL BONDING
COORDINATOR



UNLEASHING OPPORTUNITIES TO GET
IOWA FUTURE READY.