

Federal Bonding Program

The Federal Bonding Program is a unique tool to help job seekers get and keep a job. It insures the employer for any type of stealing by theft, forgery, larceny or embezzlement. It does not cover liability due to poor workmanship, job injuries or work accidents. It is not a bail bond or court bond for the legal system. It is not a contract bond, performance bond or license bond sometimes needed to be self-employed.

Our Mission:

We provide employment and support services for our customers to improve their economic opportunities.

Our Vision:

We are preparing our customers to prosper now and as the workforce of the future.

jobs.utah.gov

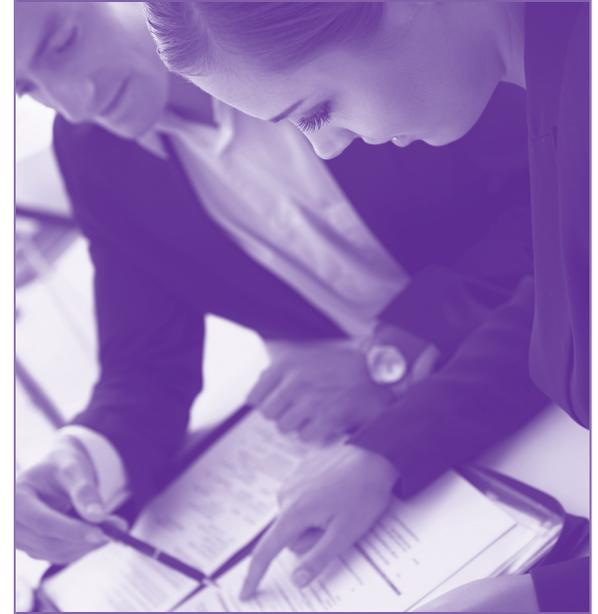
Department of Workforce Services

Equal Opportunity Employer/Program

Auxiliary aids and services are available upon request to individuals with disabilities by calling (801) 526-9240. Individuals with speech and/or hearing impairments may call Relay Utah by dialing 711. Spanish Relay Utah: 1-888-346-3162.

DWS 07-26-1009

Federal Bonding Program



Assisting hard-to-place job applicants while protecting employers against employee theft



Department of
Workforce Services

WHO IS ELIGIBLE FOR THE FEDERAL BONDING PROGRAM?

- Anyone who is not commercially bondable
- Ex-offenders with arrest records, convictions, imprisonment
- Persons with a police record or who are on parole or probation
- Persons who have a history of substance abuse
- Persons lacking work history
- Persons considered a credit risk (poor credit rating or bankruptcy)
- Persons receiving public assistance
- Youth

WHO IS NOT COVERED BY THE FEDERAL BONDING PROGRAM?

- Persons who are self-employed

BENEFITS OF THE FEDERAL BONDING PROGRAM

Job Seeker Benefits:

- Eliminates bonding as an employment barrier.
- Provides job opportunities for job seekers who have been or may be denied commercial bonding coverage.
- Encourages employers to offer full-time steady employment to job seekers that may be considered a risk.
- Provides job seekers a tool they can use as an incentive to encourage employers to hire them.

Employer Benefits:

- Employers can receive fidelity bond insurance free of charge for a six-month period.
- Employers have no documents to sign.

- Employers enjoy the workers' skills and abilities without taking the risk of potential employee dishonesty.
- Bond insurance is an incentive to help employers to overcome the fear of hiring a job seeker with an employment barrier(s).
- Insurance reimburses the employer for losses due to employee theft of money or property.

Processing:

- Either the job seeker or employer can initiate the request for a bond by contacting a DWS Employment Center.
- There are no age limits. However, youth must meet the State's legal age for working in specific occupations.
- The application procedure is simple and quick.
- The employer must make the applicant a job offer and set a date for the individual to start work. The job start date will be the effective date of the bond insurance. The Bond will terminate six months later.

Coverage:

Coverage begins on the first day of work for the new employee.

A DWS Employment Counselor or State Bonding Coordinator determines the amount of coverage necessary for the potential employee and completes the bonding form. The amount of insurance issued is usually \$5,000. The bond insurance has no deductible amount. The State Bonding Coordinator will send the employer a letter with the bond affixed.

When the six-month period of coverage is completed, Travelers Property Casualty will make a standard commercial policy available to the employer for purchase if the bonded employee has demonstrated honesty during the initial six months of employment (i.e. no claim was made for employee dishonesty).

HOW SUCCESSFUL IS THE PROGRAM?

Bonding is a proven successful job placement tool. Employers have expressed a high degree of satisfaction with the bonding program. Based upon 43,000 persons that were bonded nationally, the dishonesty default rate for the bonding program is slightly over one percent.

FOR MORE INFORMATION:

Contact your local DWS Employment Center. You may also obtain information regarding the Federal Bonding Program by contacting the State of Utah Bonding Coordinator at 801-526-9730.

If you are interested and this program is applicable to you, call or visit the Department of Workforce Services (DWS) Employment Center in your area to apply.