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
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
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
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
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
INFORMATION

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