

FIDELITY BONDING PROGRAM

The **Fidelity Bonding Program (FBP)** of Michigan assists high-risk job seekers in obtaining employment. A Fidelity Bond is a business insurance policy of the Travelers Casualty and Surety Company of America that insures an employer against employee dishonesty, such as: theft, forgery, larceny, and embezzlement.

FBP provides an incentive for employers to hire job seekers who are qualified, but who are considered high-risk because of a factor in their personal background. FBP allows employers to obtain workers without taking a risk and allows high-risk job seekers to find work. It diminishes the risk for employers and reduces the barriers to employment faced by job seekers.

FEATURES OF THE FIDELITY BONDING PROGRAM

- Free bonding for the first six months of employment
- Bonds available in the amounts of \$5,000 - \$25,000
- No deductible
- Easy application process
- Extended coverage available directly from the Travelers Casualty and Surety Company of America

WHO IS ELIGIBLE?

- People with poor credit records including bankruptcies
- Economically disadvantaged youth and adults who lack a work history
- Welfare assistance recipients
- Recovering Substance abusers
- Ex-offenders
- Dishonorably discharged from military service
- Youth in apprenticeships
- Those who cannot be commercially bonded

BEING BONDED

- The employer must offer 30 hours or more per week full-time employment for six consecutive months with the stipulation that the high-risk job seeker needs to be bonded.
- The employer must contact the Bonding Coordinator at its Michigan Works! Agency to request an "Employer Fidelity Bond Application" be emailed or faxed to him/her.

The employer must complete the application once received from the Michigan Works! Agency by providing the following information:

- The name of the Job Placement Agency;
- The name, email, and phone number of the Bonding Coordinator;
- The business name, contact person, address, city, state, and zip code of the employer;
- The first and last name, phone number, address, city, state, and zip code of the job seeker;
- Place a checkmark in the box that indicates if the employee is new or not;
- Job title, rate of pay, and conditions of work, i.e., job duties/responsibilities;
- The amount of bonding needed must be circled: \$5,000; \$10,000; \$15,000; \$20,000; or \$25,000;
- Justification of why more bonding is needed if over \$5,000;
- The date that the job was offered or affirmed;
- The starting date or bond effective date the job will begin;
- The printed name and title (position) of the hiring authority; and
- The original signature of the person who has the authority to hire the job seeker.

TIA is an equal opportunity employer/program. Auxiliary aids, services, and other reasonable accommodations are available upon request to individuals with disabilities. Printed with federal dollars.

The employer must automatically deduct federal taxes from the job seeker's wages.

- The employer will email or fax the completed "Employer Fidelity Bond Application" to the Bonding Coordinator at its Michigan Works! Agency.

WHAT IS NOT COVERED?

The Fidelity Bonding Program:

- Is not a bail bond or court bond for the legal system.
- Is not a contract bond, performance bond, or license bond for the self-employed.
- Is not a business bond to start a business or enterprise.
- Does not cover liability due to poor workmanship, job injuries, or accidents.
- Does not cover self-employed people, independent contractors, or entrepreneurs.

ADDITIONAL RESOURCES

Pure Michigan Talent Connect (www.mitalent.org) is a State of Michigan website developed to connect job seekers with employers. You can search for jobs, post your résumé, and learn about upcoming career events and job fairs at www.mitalent.org.

Michigan Helping Hand assists Michigan citizens facing economic hardship find the services they need. Information about jobs and training, unemployment benefits, health care, family support, and housing are included in the website. The website is available online at www.michigan.gov/helpinghand.

The **Work Opportunity Tax Credit Program (WOTC)** is a federal credit available to private for-profit employers who hire from specific targeted groups of people who have in the past, experienced difficulty in securing employment, including a maximum credit of \$2,400 for employing individuals who have been convicted of a felony or released from prison within one year of hire. Incarcerated individuals on work release also qualify for WOTC. Eligible new hires cannot have a prior work history, cannot be a relative, and must be a U.S. citizen or permanent resident. *Note: Applications must be postmarked within 28 days after the new hire start date. Program forms and more information is available online at www.michigan.gov/uia or by phone at 800-482-2959 or 313-456-2105.*

More information is available at

www.mitalent.org/bonding

or call 517-335-4316.