

BONDS FOR LOCAL SUPERINTENDENTS OF EDUCATION AND CHIEF SCHOOL FINANCIAL OFFICERS

Pursuant to the Code of Alabama, bonds for local superintendents of education and chief school financial officers must be processed:

- With a reputable surety company authorized to do business in Alabama, **and**
- Approved by the State Superintendent of Education.

The PUBLIC OFFICIAL BOND form must contain **5** signatures before approval by the State Superintendent. The person being bonded and witness and the surety company representative and witness must all sign the bond form. The president or chairperson of the local board of education must sign and date the PUBLIC OFFICIAL BOND form.

The PUBLIC OFFICIAL BOND form, containing the **5** original signatures, must be submitted for the State Superintendent's approval. After approval, the original signed form will be returned to the local board of education.

A PUBLIC OFFICIAL BOND form should be processed for the entire term of office, either the elected term for certain county superintendents as stated in the law, or the term stated in the board minutes for appointed officials. If the minutes do not specify a term, the number of years on the bond should be "indefinite" or "continuous".

Local Superintendents of Education and Chief School Financial Officers must be bonded for a minimum of \$100,000 each.

Any other employee handling local board of education funds or school funds shall be covered by a fidelity bond, also called an *Employee Dishonesty Bond*. A bond that provides for a minimum amount of \$100,000 coverage, either per occurrence or annual coverage, is required. A blanket bond, or similar type of coverage, may be purchased to provide coverage for these other employees. Other types of similar bonds that may provide adequate coverage may be called **Blanket Position Bonds, Blanket Public Official Bond, Blanket Position Public Official Bond, Name Schedule Bonds, Name Schedule Public Official Bonds, and Position Schedule Bonds**. [*Blanket bonds and bonds for principals, school bookkeepers, cashiers, etc., do not need to be submitted to the State Department of Education.*]

Errors and Omissions Insurance may be purchased to provide coverage for employee negligence, mistakes, or failure to take appropriate action in the performance of business or professional duties. However, this type of insurance does not provide the same coverage, and cannot be used as a substitute for fidelity bond coverage.

If you need additional information, contact the Alabama State Department of Education at telephone number (334) 694-4556.

Revised August 2019

INSTRUCTIONS FOR COMPLETING BOND FORMS

* See attached reference form for corresponding numbers listed below.

- 1) Mark the applicable block for the official being bonded. Complete the blank to state the title for other officials.
- 2) Complete the blank for the county in which the local board's office is located.
- 3) Enter in the bonded individual's name, **including the appropriate prefix (Dr., Mr., Mrs., or Ms.)**.
- 4) Enter the name of the insurance or surety company.
- 5) Enter the local board's name.
- 6) Enter the amount of the bond using words, not numbers.
- 7) Enter the amount of the bond using numerals. **(\$100,000 minimum for Local Superintendent of Education and Chief School Financial Officer)**.
- 8) Sealed date is date surety or insurance company initiates the bond forms.
- 9) Enter the individual's name who is being bonded.
- 10) Enter the word "appointed" or "elected" as applicable.
- 11) **Enter the date** the board met and appointed the person being bonded or the date the person was elected to office.
- 12) **Enter the length of the appointed or elected term of the individual.** If the term is not specified in the board minutes, enter "indefinite". (State law mandates elected terms.)
- 13) **Enter the beginning date of the individual's term.**
- 14) **Enter the ending date of the individual's term.** Enter "not applicable" if the term is indefinite.
- 15) **The individual being bonded signs on "Principal" line.**
- 16) **A witness to the principal's signing, signs on "To Principal" line in the "Witness signatures:" column.**
- 17) **A surety/insurance company representative signs on the "Surety" line.**
- 18) **A witness to the surety/insurance company representative's signing, signs on "To Surety" line in the "Witness signatures:" column.**
- 19) The president or chairperson of the governing local board of education approves and dates the form in the space provided.

PUBLIC OFFICIAL BOND (for reference only) *

*Form to be used is in Microsoft Excel format

Superintendent Acting Superintendent Interim Superintendent

Chief School Financial Officer _____ 1) _____ (other)

THE STATE OF ALABAMA, _____ 2) _____ **COUNTY,** known by all men presents:

That we, _____ 3) _____, as principal, and _____ 4) _____

_____, as surety, are held and firmly bound to the _____ 5) _____

Board of Education, in the sum of _____ 6) _____ dollars (\$ _____ 7))

for the payment of which well to be made and truly done, we bind ourselves, our heirs, executors, administrators, and assigns firmly by these presents.

Signed, sealed, and dated this _____ 8) _____ day of _____ 8) _____, _____ 8) _____.

The condition of the above obligation is such that whereas the above bound _____ 9) _____

_____ 9) _____, as principal, was duly _____ 10) _____ to this office in and for said board of education on

_____ 11) _____ (date of board meeting, if appointed; or election date, if elected) for the term of _____ 12) _____

years from the _____ 13) _____ day of _____ 13) _____, _____ 13) _____, through the _____ 14) _____ day of

_____ 14) _____, _____ 14) _____ (N/A if continuous or indefinite appointment).

Now, therefore, if the above named principal shall faithfully perform and discharge all duties of said office during his/her continuance therein, then the above obligation shall be void.

Witness signatures:

_____ 16) _____

TO PRINCIPAL

_____ 18) _____

TO SURETY

APPROVED:

_____ 19) _____

PRESIDENT/CHAIRPERSON OF CITY OR COUNTY BOARD OF EDUCATION

_____ 19) _____

Date

Principal/Surety signatures:

_____ 15) _____

PRINCIPAL

_____ 17) _____

SURETY

APPROVED:

_____ STATE SUPERINTENDENT OF EDUCATION

_____ Date