

Statement by the insurance committee of the National Association of Public School Business Officials:

*The principal of fidelity bonding is almost a universally accepted and approved procedure in the business world. The requiring of an employee to sign a fidelity bond is no longer considered as a reflection upon his integrity. We, as school business officials, therefore, have a moral if not a legal obligation to protect the public monies entrusted to our care from losses due to the dishonest acts of school employees.*

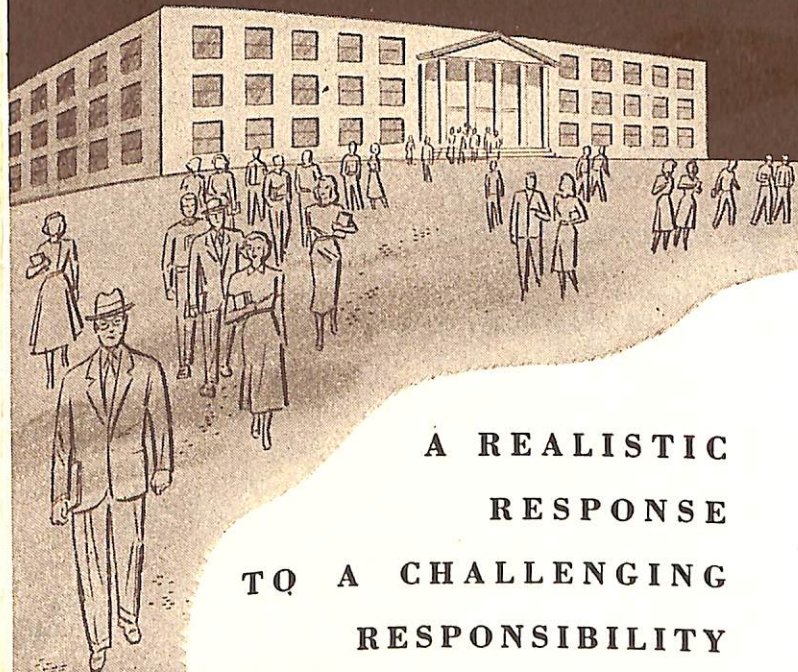
ARMFIELD, HARRISON & THOMAS  
Insurance  
PHONE 309 LEESBURG, VA.



ÆTNA CASUALTY AND SURETY COMPANY  
Affiliated with Ætina Life Insurance Company  
Hartford 15, Connecticut

(F-845)

# Safeguarding school funds and property



A REALISTIC  
RESPONSE  
TO A CHALLENGING  
RESPONSIBILITY

# . . . is there a real need for such a program?

The modern school system is a far cry from the days of the little red school house. Today, readin', 'ritin', and 'rithmetic have been supplemented by a wide and varied program of specialized activities — vocational, social, and cultural. Educational costs on the local level currently average 50 cents of each tax dollar. Heavier expenditures, larger, and more departmentalized organizations, the human stresses and strains created by inflation, have magnified many times the dishonesty hazard in the present day school system. A blanket bonding program, adapted to the organizational requirements of your school system, is the only sure way to make certain that protection will reach *every* area of potential dishonesty loss. Furthermore, such a program will give *you* — on whose shoulders rests the heaviest burden of responsibility — the kind of protection which any intelligent businessman has a right to expect.

RECENT NEWSPAPER HEADLINES SHOW THE NEED FOR BONDING *ALL* SCHOOL SYSTEM PERSONNEL

*Recent headlines from newspapers throughout the country:*

**"Cite School Clerk in \$3,034 Shortage"**

*Zanesville, (Ohio) Journal*

**"School's Ex-Principal Admits Taking \$1,100"**

*Louisville, (Ky.) Times*

**"Teacher Gets 7 Years for Theft of \$19,931"**

*New York Times*

**"School Board Clerk Seized in Check Forgery"**

*Marion, (Ill.) Republican*

how **ÆTNA PUBLIC EMPLOYEES BLANKET BONDS**  
protect public school funds and property . . .





# What is *blanket* bonding?



Good business practice has always dictated the bonding of certain officials and employees who hold positions of trust. At one time, it was fairly simple to single out these people and bond them *individually*. With our economic growth, however, came increasingly complex organizational structures. More and more fund-handling responsibilities were delegated. It became almost impossible to determine accurately the individuals to be bonded. This need for broader, less selective fidelity protection led to the creation of blanket bonds — *blanket dishonesty insurance* — designed to cover, under a single bond, *all* dishonesty losses caused by *any* employee or group of employees.

Governmental units followed the pattern of private business, expanding in scope and complexity. Limited in the past to a few statutory bonds, they too, felt the need for greater protection. As a result, *Public Employees Blanket Bonds* were introduced . . . special bonds designed to place the protection of public funds and property on a *businesslike* basis.

**NOW — THE ÆTNA CASUALTY AND SURETY COMPANY PRESENTS A PROGRAM OF BLANKET BONDING SPECIFICALLY DESIGNED FOR PUBLIC SCHOOL SYSTEMS . . . BUT FIRST . . .**





business is  
as  
business  
does



Progressive business firms long ago recognized the need for protecting their financial interests against the actions of dishonest employees. Knowing that honest employees would not object to having their integrity guaranteed, these firms readily adopted the broad protection of a modern *blanket* bonding program. School boards, with all the responsibilities of a modern business operation and the added obligations of a public trust can . . . and *should* . . . take similar steps to properly protect school funds and property.



what is covered?

*Any loss or losses sustained by the insured through any dishonest act or acts committed by any one or more of the bonded employees.*

# These losses, occurring at all levels in the school district would be covered...



Receiving "kickbacks" from cafeteria or other concessions.



Collusion with equipment suppliers.



Stealing from school petty cash fund.



Making charges against inactive accounts.



Misappropriating student thrift fund.



Pilfering school supplies from storeroom.



Failing to ring up all checks in cafeteria, pocketing cash.



Padding mileage or embezzling fares on school busses.



who  
  
is  
  
bonded?

### BOARD OF EDUCATION

All officers and employees of a Board of Education, (including board members, if desired) whether compensated or not, except those officials or employees who are required to file statutory bonds. The latter, however, may have their bonds arranged by the company on an individual basis.



### TEACHERS

All teachers, in the performance of their regular professional duties and such additional duties as are imposed on them by the Board of Education, Superintendent of Schools, or Supervising Principal, including the handling of funds in connection with student activities and U. S. Savings Bonds or Stamps. This broad coverage may also be extended to include students performing such fund-handling duties.



### Classification of Employees

<u>CLASS A</u>	<u>CLASS B</u>
Superintendents and Assistants .....	Assistant Principals (non-administrative) .....
Principals .....	Stenographers .....
Business Managers .....	Office Clerks .....
Bookkeepers .....	Librarians .....
Athletic Directors (handling money) .....	Student Clerical Workers .....
Cafeteria Managers .....	.....
Cafeteria Workers (handling money) .....	.....
Student Fund Custodians .....	<u>CLASS C</u>
Teachers (handling money) .....	Teachers .....
Students (handling money) .....	Maintenance Workers .....
.....	Cafeteria Workers (non-financial) .....
.....	Bus Drivers .....
.....	.....
.....	.....



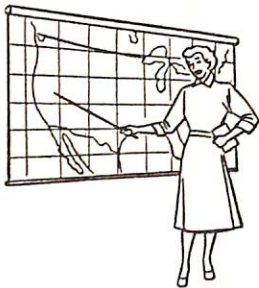
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.....	.....

**Recommended  
Amount of  
Coverage:**

\$ .....

**Premium:**

FOR ONE YEAR \$ .....

FOR THREE YEARS  
(Saving: 16 $\frac{2}{3}$ %) \$ .....