

TALLMAN INSURANCE AGENCY
406 WEST 34TH STREET – SUITE 806
KANSAS CITY, MO 64111
866-753-2345

POST BONDING INFORMATION

*** WHO SHOULD BE BONDED IN THE POST AND HOW MUCH COVERAGE**

Each officer accountable for funds or property should be bonded with an indemnity company as surety in a sum at least or equal to the amount of the “liquid assets” for which, so far as can be anticipated, that they may be accountable. Anyone who has access to funds should be bonded, particularly club employees and others who regularly handle cash.

*** WHAT DOES THE TERM “LIQUID ASSETS” MEAN**

Liquid Assets are defined as cash, checking accounts, savings accounts, CD’s, investments, etc..; inventories such as post liquor, food items, etc..; revenue such as expense generating efforts, bingo fund raisers, canteen activities, etc.. These are assets that can be easily converted to cash regardless of the number of counter signatures.

*** WHAT IS A POST AUDIT AND HOW OFTEN IS AN AUDIT REQUIRED**

An audit is an examination and verification of the post records conducted by the post trustees. The by-laws require the books and records of all post activities be audited on a quarterly period.

*** HOW TO AVOID A POST LOSS**

Keep accurate records. Conduct regular audits. A good audit is the best favor you can do for your Quartermaster. Remember, it is for the good of the order.

*** HOW TO SUBMIT AN INDEMNITY CLAIM**

The insured post has the responsibility of reporting a loss within 120 days from the first date of discovery of the loss. If the bond is held through a local agent, that agent should be informed immediately when a loss is discovered. If the bond was obtained through the Department, the Department Headquarters must be notified so the information can be passed on to the surety bonding company within the 120 day requirement.

The Post will be required to show evidence of loss and submit a “Proof of Loss” form, to the surety bonding company, within 120 days from the first date of discovery of the loss. This form will be provided by the bonding company or its agent. The final claim should not be submitted until it is substantiated, preferably through an audit by a qualified accountant. The bond requires the Post to give all reasonable cooperation in determining details of the facts to substantiate the claim.

The bonding company will follow-up the claim or they may have an outside attorney or adjuster gather details on the claim and on the defaulting officer or employee. The bonding company will make the appropriate claim decision. The post, in accepting the bonding or Surety Company’s check, passes on its right of recovery of Post funds to the bonding company.



DEPARTMENT HEADQUARTERS
 Veterans of Foreign Wars of the United States



Dear Comrade Commander:

August 1, 2015

One of the most important communications you will receive during the year concerns the bond of your Unit Quartermaster. Section 703 of our National By-Laws requires that each accountable officer shall be bonded with an Indemnity Company as surety and the By-Laws places the responsibility for adequate bonding upon the Commander of the post. In any business it is customary to bond any officer handling funds. **THE BOOKS AND RECORDS OF THE QUARTERMASTER MUST BE AUDITED AT LEAST QUARTERLY BY THE TRUSTEES. THIS IS TO COMPLY WITH SECTION 218 OF THE NATIONAL MANUAL OF PROCEDURES.**

The Department Headquarters carries a schedule bond for the bonding of Department and Post accountable officers. This bond runs for a year – from September 1 to August 31 – and premium payments are made on that basis. All bonds expire on August 31 and the premium for the new year is due on September 1.

Any unit may decide whether it prefers to take out a bond with some other surety company or have its funds protected by the Department Headquarters schedule bond. But the matter should be given prompt attention because if your Unit Quartermaster had previously been bonded through the National Headquarters, a new premium payment is required on September 1, 2015

To take advantage of Department coverage, all you have to do is to determine what amount of bond is necessary, fill out and detach the application below and mail it with a check for the annual premium to your Department Quartermaster at Department Headquarters.

COVERAGES OF THE POLICY REQUIRE THAT:

1. You agree to make/or cause to be made, at least annually, an audit of your books and accounts, including complete verification of all securities and bank balances pertaining to each “employee”.

If the above is not complied with, the Surety Company will refuse to honor claim of missing funds which cannot be proven by records. Monthly audits and reconciliation of bank statements may avoid this denial of claim.

2. The Surety Company will not pay for loss resulting from any unauthorized advances made by an “employee” to any member for delinquent dues and assessments.

3. “Employee” means any duly elected position, as listed in the policy schedule.

4. POST MUST SUBMIT A PROOF OF LOSS FORM WITHIN 120 DAYS FROM THE FIRST DATE OF DISCOVERY OF THE LOSS. Proof of loss resulting from dishonest acts on the part of the bonded officer is required in settlement of claims.

THIS BOND IS ONLY FOR THE YEAR SEPTEMBER 1, 2015 TO AUGUST 31, 2016

The funds of your Post are protected only for that year. Premium for the following year will be due September 1, 2016.

DETACH AND RETURN THIS SECTION WITH YOUR PREMIUM CHECK TO YOUR
 DEPARTMENT QUARTERMASTER AT DEPARTMENT HEADQUARTERS

APPLICATION FOR V.F.W. OFFICERS BOND – SEPTEMBER 1, 2015 TO AUGUST 31, 2016

 Give Name, Number, and Location of Post

(Dated) _____.

I hereby apply for bond in the principal sum of \$ _____ for the Quartermaster of the above Unit for the fiscal year from September 1, 2015 to August 31, 2016. Premium in the amount of \$ _____ is herewith enclosed.

 Commander

 Street and City



Tallman Insurance

APPLICATION FOR CLUB EMPLOYEES & BINGO TO BE COMPLETED BY BONDED INDIVIDUAL

- 1. a) Name of Post _____ Post # _____
b) Post Address _____
- 2. a) Name of Person to be Bonded _____
b) Residence Address _____
c) Social Security # _____
- 3. Position to be Bonded _____ Bond Amount \$ _____
- 4. Largest amount of cash or check at one time? \$ _____. Amount Monthly? \$ _____
- 5. How frequently will such cash or checks be audited or reconciled? _____
- 6. Are you authorized to sign checks? _____. If yes, will check be countersigned? _____
- 7. Is the audit done by an independent CPA or Public Accountant? _____
- 8. a) Have you ever been discharged from any position _____
b) If yes, please explain _____
- 9. a) Have you ever been bankrupt or insolvent? _____
b) If yes, please give details in a separate confidential letter to the Insurance Company.
- 10. a) Have you ever been refused a bond? _____
b) When _____ c) What Company _____
- 11. a) Have you ever been convicted of a felony or misdemeanor? (Other than Traffic Violations) _____
b) If yes, explain _____

The foregoing answers, statements and representations are made with the intent to induce The Travelers Insurance Company to execute the policy described herein and are true to the best of our/my knowledge and belief.

Signed this _____ day of _____, _____.
(day) (month) (year)

Signature: Person to be Bonded

Application for VFW Men's Auxiliary Treasurer's Bond

September 1, 2015 – August 31, 2016

Travelers Property Casualty Company

Men's Auxiliary Name and Number _____

Auxiliary Location (City and State) _____

Date _____

I hereby apply for a bond in the principal sum of \$ _____

for the Treasurer of the Men's Auxiliary to VFW Post NO. _____ for

the period September 1, 2015 to August 31, 2016. Premium in the amount of

\$ _____ is enclosed.

Please return this application along with remittance payment for annual premium to your Department Headquarters. **Make your check payable to Department Headquarters.**

President's Signature

President's Name (Please type or print)

Street

City

State

Zip Code