

## REVISED BONDING INFORMATION PLEASE READ

To: POST QUARTERMASTERS

From: DEPARTMENT HEADQUARTERS

Subject: QUARTERMASTER/ACCOUNTABLE OFFICER BOND – TRAVELERS INSURANCE

Enclosed is new Bond form for the renewal term 9/1/22 to 9/1/23. The premium rate is \$4.00 per thousand coverage for Bond Amounts between \$3,000 and \$25,000. The bonding company requires each post to carry a minimum of \$3,000 at \$12.00 unless the Post Trustees audit report reflects liquid assets of \$2,000 or less, in which case, the bonding company will accept a minimum of \$2,000 at \$8.00. **THE RATE UP TO AND INCLUDING \$25,000 IS \$4.00 PER THOUSAND. THE RATE OF \$26,000 AND UP IS \$3.00 PER THOUSAND. THE RATE FOR \$251,000 AND UP IS \$2.50 PER THOUSAND. THE RATE FOR \$501,000 AND UP IS \$2.00 PER THOUSAND.**

Example: Bond Limit \$25,000---\$100.00 \$250,000---\$750.00 \$500,000---\$1,250.00  
\$26,000---\$78.00 \$251,000---\$627.50 \$501,000---\$1,002.00

**PLEASE READ THE HIGHLIGHTED INSTRUCTIONS TO COMPLETE THE CHANGES FOR THE UPCOMING BOND YEAR 9-1-2022.**

- 1. The application and certificate have been changed so you can fill in the position you need bonded, so we do not have to have different forms for each position.**
- 2. There are two questions required to be completed by the post: Post Annual Income and Any bond losses in the last 3 years.**
- 3. The application that the post completes will have to be returned to Department Headquarters.**

**THE CHANGE THIS YEAR IS THAT DEPARTMENT HEADQUARTERS MUST HAVE THE BONDS IN BY NOVEMBER 30, 2022 FOR THE BOND TO BE EFFECTIVE 9-1-2022. PLEASE HAVE BONDS IN TO HEADQUARTERS BY NOVEMBER 25, 2022.**

**If the Consolidated Application from the Department is postmarked by November 30, 2022, the effective date will be September 1, 2022.**

**State Headquarters will accept bonds after November 30, 2022 as per procedures below.**

Any bond received in **December** and can be processed by the end of the month will be effective **December 1, 2022** and we will send you a Certificate with dates of **December 1, 2022 to August 31, 2023.**

Any Bond received in **January** and can be processed by the end of the month will be effective **January 1, 2023** and we will send you a Certificate with dates of **January 1, 2023 to August 31, 2023.**

The same procedure will be done as above for **February, March, April, and May. We will not be able to accept any bonds after May 30, 2023.**

**Travelers is emphasizing the importance of getting the bonds to our office before November 30, 2022, this will minimize the post not having proper bond coverage at time of loss.**

Coverages of the policy require that at least annually, audit of the books and accounts including complete verification of all securities and bank balances be made. If the above is not complied with, the Surety Company will refuse to honor claims of missing funds which cannot be proven by records. Completion of quarterly audits and reconciliation of monthly bank statements may avoid denial of a claim. **Proof of loss resulting from dishonest acts on the part of the bonded officer is required to be completed and mailed to the bonding company within 120 days of the discovery of the loss. Please relay this requirement to the Department Inspectors and responsible person on the post level.**

Travelers Insurance Company is rated by A.M. Best Co. as A++ (Superior) for financial strength and service to policyholders. **Our good bond rate is partially due to the emphasis that has been placed on the audit requirements and quarterly trustees reports.**

**CLUB MANAGERS AND GAMBLING OPERATIONS MUST BE BONDED SEPARATELY ON DIFFERENT FORMS OBTAINED FROM HEADQUARTERS. A QUARTERMASTER THAT IS HANDLING ANY GAMBLING, GAMES OF CHANCE, SLOT MACHINES, ETC. ARE NOT COVERED UNDER THE QUARTERMASTER BOND. THEY MUST BE COVERED UNDER THE CLUB MANAGER BOND.**

Herbert Schwartzkopf  
Department of Kansas VFW  
State Adjutant/Quartermaster