

EMPLOYEE DISHONESTY AND FAITHFUL  
PERFORMANCE OF DUTY INSURANCE POLICY  
IN LIEU OF BOND  
(R.C. 3.061)

The Board of Education of the Celina City School District, Celina, Ohio, met in regular session on the 23<sup>RD</sup> day of March, 2020, at the offices of said Board in Celina, Ohio, with the following members present:

Mr. Sell            Mrs. Guingrich            Mr. Huber            Mrs. Vorhees            Mr. Gilmore

The Treasurer advised the Board that the notice requirements of R.C. 121.22 and the implementing rules adopted by the Board pursuant thereto were complied with for the meeting.

\_\_\_\_\_ moved for the adoption of the following resolution:

WHEREAS, the Board of Education of the Celina City School District, Mercer County, Ohio (“Board of Education”) is a member of the Ohio School Plan, a joint self-insurance pool established pursuant to Ohio Revised Code § 2744.081;

WHEREAS, the Ohio General Assembly, by the enactment of H.B. 291 (eff. Mar. 20, 2019), codified at Ohio Revised Code § 3.061, has authorized political subdivisions to acquire employee dishonesty and faithful performance of duty insurance policy coverage for officers, employees, and appointees of political subdivisions who are otherwise required by law to obtain individual surety bonds for the faithful performance of the discharge of their duties before assuming office;

WHEREAS, such employee dishonesty and faithful performance of duty insurance policy may be in lieu of such officers, employees, and appointees being required to obtain individual surety bonds;

WHEREAS, under Ohio Revised Code § 3.061(A)(2), “employee dishonesty and faithful performance of duty policy” is defined as a policy of insurance, or a coverage document issued by a joint self-insurance pool authorized under Ohio Revised Code § 2744.081, to protect a political subdivision from financial or property loss caused by the fraudulent or dishonest actions of, and the failure to perform a duty prescribed by law for, an officer, employee, or appointee that is otherwise required by law to give an individual surety bond before the discharge of official duties;

WHEREAS, the Celina City School District is a “political subdivision” for purposes of Ohio Revised Code § 3.061;

WHEREAS, in accordance with Ohio Revised Code § 3.061, the Board of Education must adopt a policy by resolution authorizing the purchase of “employee dishonesty and faithful performance of duty policy” in lieu of requiring officers, employees, and appointees to acquire individual surety bonds before the beginning of the individual’s term of office or employment;

WHEREAS, a school officer, employee, or appointee who is otherwise required by law to obtain a surety bond for the faithful performance of discharge of public duties shall not commence the discharge of duties until coverage by an “employee dishonesty and faithful performance of duty policy” is documented; and

WHEREAS, it is the desire of the Board of Education, in accordance with the authority granted to it under Ohio Revised Code § 3.061, to adopt an employee dishonesty and faithful performance of duty insurance

policy in lieu of requiring those officers, employees, and appointees to obtain individual surety bonds for the faithful performance of the discharge of their public duties, and all of the following shall apply:

1. Notwithstanding any section of the Revised Code requiring an officer, employee, or appointee of the Board of Education to give bond before being entitled to enter upon the duties of the office or employment, an officer, employee, or appointee shall be considered qualified to hold the office or employment, without giving bond, on the date the oath of office is taken, certified, and filed as required by law;
2. Notwithstanding Ohio Revised Code § 3.30 or any other section of the Revised Code that provides an office or employment is vacated upon the failure to file bond, the officer, employee, or appointee shall be entitled to enter upon the duties of the office or employment without acquiring an individual surety bond after (a) the date of the adoption of this resolution, (b) the date of adoption of the attached revised Board Policy 8740, which shall replace current Board Policy 8740 in its entirety; (c) the acquisition of an employee dishonesty and faithful performance of duty insurance policy from the Ohio School Plan, and (d) the oath of office is filed as provided in the preceding paragraph;
3. All officers, employees, or appointees who would otherwise be required to file a bond before commencing the discharge of duties shall be covered by and are subject to the employee dishonesty and faithful performance of duty insurance policy instead of a surety bond requirement;
4. The coverage amount for an officer, employee, or appointee under the employee dishonesty and faithful performance of duty insurance policy acquired from the Ohio School Plan shall be equal to or greater than the maximum amount of the bond otherwise required by law. The amount of coverage shall be an amount agreed upon by the Board of Education, as specified in the attached Board Policy 8740; and
5. Prior to taking the oath of office and commencing the discharge of his or her duties, an officer, employee, or appointee otherwise required by law to acquire an individual surety bond for the faithful discharge of public duties shall first confirm that coverage under the Board of Education's policy with Ohio School Plans is documented and effective as of the date of commencement of the discharge of said public duties.

**NOW, THEREFORE, BE IT RESOLVED**, that on this 23<sup>RD</sup> day of March, 2020, the Board of Education of the Celina City School District, Mercer County, Ohio, hereby authorizes the Treasurer to purchase an employee dishonesty and faithful performance of duty insurance policy through the Ohio School Plan to provide coverage for those school officers, employees, or appointees who are otherwise required by law to acquire a surety bond before entering upon the discharge of public duties. The Treasurer is further authorized to effect all policies and procedures necessary to carry out this Resolution and administer the terms of the employee dishonesty and faithful performance of duty policy in accordance with this Resolution.

It is found and determined that all formal actions of this Board concerning and relating to the adoption of this Resolution were adopted in an open meeting of this Board, and that all deliberations of this Board, and of any of its committees, that resulted in such formal actions were in meetings open to the public, in compliance with the legal requirements, including R.C. 121.22.

\_\_\_\_\_ seconded the Motion and upon roll call, the vote resulted as follows:

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Motion passed and adopted this \_\_\_ day of \_\_\_\_\_, 2020.

\_\_\_\_\_  
President, Board of Education

ATTEST:

\_\_\_\_\_  
Treasurer

\_\_\_\_\_  
Date