

Part: **Financial Management and Administration**
 Section: **Treasury Board's Risk Management Policies**
 Subsection: **Other Risk Management Policies**
 Policy: **Fidelity Bond**

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Fidelity Bond

- Objective** *The objective is to safeguard public money and protect the Government against losses caused by the fraud or dishonesty of any employee.*
- Authority** *The Financial Administration Act, 1993, clause 5(a), subsection 10(2)*
- Applicability** This policy applies to ministries and organizations listed in Schedule A of this section.
- Treasury Board Policy** .01 The Government should have appropriate insurance to protect it against losses caused by the fraud or dishonesty of any employee.
- Provincial Comptroller Directives** .02 The Ministry of Finance annually purchases and maintains a Fidelity Bond (Bond) to protect the Government against losses caused by the fraud or dishonesty of any employee.
- .03 The Bond covers all employees of ministries and the organizations listed in Schedule A of this section for losses resulting from fraudulent or dishonest acts by employees. This list is maintained by the Financial Services Branch, Ministry of Finance.
- .04 Annual coverage is a maximum of \$1,000,000 with a \$10,000 deductible. This may be subject to change.
- .05 Losses as a result of employee fraud or dishonesty are covered if an employee commits an act while the Bond is in effect.
- .06 The Financial Services Branch, Ministry of Finance is responsible for:
- maintaining the Bond; and
 - identifying to the insurer:
 - the number of employees;
 - the amount of coverage desired; and
 - any additions or deletions to ministries and other government organizations.
- .07 Risk and Support Services, Ministry of SaskBuilds and Procurement, is responsible for:

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- handling inquiries concerning coverage;
 - investigating all losses that may result in a claim;
 - liaising with the insurer, Ministry of Finance and the affected ministry or government organization on all losses; and
 - managing the disposition of all claims.
- .08 The Bond covers the loss of money, securities and other property that:
- belongs to the Government;
 - the Government is legally liable for; or
 - is held by the Government in any capacity.
- .09 The Corporate Services Head or other designated official is to notify the Director of Risk and Support Services, immediately upon the discovery of any loss or suspected loss that appears to likely be the result of a fraudulent or dishonest act of an employee.
- .10 The Director of Risk and Support Services or other designated official is to notify the insurer as soon as practical after the discovery of any loss that may result in a claim against the Bond. Recovery can be claimed through the Bond even if no specific employee is identified but evidence is submitted which reasonably establishes that the loss was the result of employee fraud or dishonesty.
- .11 Any restitution or recovery received by the insurer or the Government is first applied to cover the Government's uninsured losses in accordance with the Bond. Any excess funds will be applied to losses and expenses incurred by the insurer.

References

- [3112 Petty Cash and Cash Register Float Losses](#)
- [4100 Other Risk Management Policies](#)
- [4101 Incidents of Suspected Fraud or Similar Illegal Acts](#)
- [4102 Onus to Report Suspected Fraud or Similar Illegal Acts](#)
- [4105 Reporting Incidents of Fraud or Similar Illegal Acts](#)
- [4110 Compensation for Loss Payments](#)
- [4120 Employee Liability Protection](#)
- [4125 Insurance](#)

[*The Public Officials Security Act*](#)

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Schedule A

Ministries¹

OTHER GOVERNMENT ORGANIZATIONS

Advocate for Children and Youth
 Apprenticeship and Trade Certification Commission
 Conflict of Interest Commissioner & Registrar of Lobbyists
 Creative Saskatchewan
 Elections Saskatchewan
 Financial and Consumer Affairs Authority
 Global Transportation Hub Authority
 Information and Privacy Commissioner
 Innovation Saskatchewan
 Legislative Assembly
 Ombudsman Saskatchewan
 Prairie Agriculture Machinery Institute
 Provincial Archives of Saskatchewan
 Provincial Auditor Saskatchewan
 Provincial Capital Commission
 Public Service Commission
 Saskatchewan Pension Plan
 Saskatchewan Public Safety Agency
 SaskBuilds

* This list is subject to change. Contact the Financial Services Branch, Corporate Services Division, Ministry of Finance with respect to questions of applicability.

¹ Includes the Public Employees Benefits Agency under the Ministry of Finance; the Public Guardian and Trustee for Saskatchewan under the Ministry of Justice and Attorney General; and the Teachers' Superannuation Commission under the Ministry of Education.