



DEPARTMENT OF MASS, V. F. W.



2019-2020 QUARTERMASTER BOND

VFW National By-Laws, Section 703 require that the Post/District Quartermaster shall be bonded with an indemnify company as surety in a sum at least equal to the amount of liquid assets for which, so far as can be anticipated, he/she may be accountable.

This type of bond is available through this office for Post/District Quartermasters. This is a "**POSITION TYPE BOND**", should your Post/District Quartermaster change during thee year, the new Quartermaster would automatically be covered.

The minimum amount of bond coverage is \$3,000.00 for a cost of \$9.00. Additional amount are available at \$3.00 per \$1,000.00 of coverage desired. The bonding period runs from September 1 of the current year through August 31 of the next year. ALL BOND AMOUNTS IN WHOLE THOUSAND INCREMENTS.

Bonds are only good if Trustee Reports are done on time and accurate. If trustee reports are not received at Department Headquarters with in thirty (30) days of the end of the quarter, the bond will be suspended until the trustee report is received. Negligently done trustee reports will void any future claims. Claims must be filed within two (2) years of the theft.

All Post/Districts desiring a Quartermaster Bond should complete this form and return the form along with the proper amount of the premium to:

Department of Mass, VFW
24 Beacon Street Suite 546-1
State House
Boston MA 02133

PLEASE RETURN FULL SHEET:

BOND INFORMATION

I hereby apply for a Quartermaster bond in the principle sum of \$_____ .00 for the fiscal year September 1, 2019 through August 31, 2020.

City : _____ VFW District # : _____ VFW Post # : _____

Commander' Name : _____ Address : _____

City : _____ State _____ Zip : _____

IF BONDED BY A PRIVATE COMPANY PLEASE PROVIDE THE FOLLOWING INFORMATION

Please be advised that Post # _____ Quartermaster is BONDED with an outside bonding company.

Name of Company : _____ in the Amount of \$ _____ .00

EXPIRATION DATE OF CURRENT BOND IS ; _____ RENEWAL DATE : _____

FOR OFFICE USE ONLY

Date Received ; _____ Date Issued : _____

Amount Received \$ _____ .00 Deposit Number : _____

V.F.W. DEPARTMENT ACCOUNTABLE OFFICERS BOND

This bond is written in consideration of the safeguards which Section 218, Manual of Procedure requires for the handling of funds. Section 218 provides that any negligence on the part of the Commander and Trustees shall make them individually and collectively liable with any others for any discrepancies. Every Unit should require that the Quartermaster deposit all moneys coming into his possession in the exact form in which they are received. **THE QUARtermaster SHOULD WELCOME A THOROUGH AUDIT FOR HIS OWN PROTECTION.**

In connection with the quarterly audit performed by the Trustees, the following minimal procedures are recommended:

1. The Trustees should obtain the bank statement directly from the bank and reconcile the account themselves.
2. Amounts shown on the audit report should be obtained from or agreed to the financial records of the Quartermaster by the Trustees.
3. Both the audit report and the financial records should be verified mathematically by the Trustees. The beginning balance shown on the current audit report should be agreed to the ending balances as shown on the previous report. Deposits shown on the financial records should be compared and agreed to deposits shown *on* the bank statement. Checks returned by the banks should be compared, as to amount and payee, with financial records during the process of bank reconciliation.

In the event of a defalcation, the exact amount of the shortage must be proven. Your Department Quartermaster should be notified immediately and finished with a certified copy of the audit showing in detail receipts, disbursements, and the amount of the shortage. The Bonding Company requires that we handle our affairs in a businesslike way, and there is a time limit for both reporting a defalcation and for determining the extent thereof, after which time the liability of the Company ceases.

SECTION 10 OF THE BONDING AGREEMENT READS AS FOLLOWS:

The underwriter shall not be liable for loss under this Bond, unless, within twelve months prior to discovery of such loss, the Insured shall have made or cause to have been made, a careful inspection and audit of the books, records and accounts, including a complete verification of all securities and bank balances of the defaulting principal.

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 will avoid this denial of claim.

THIS BOND IS ONLY FOR THE YEAR SEPTEMBER 1, 2019 TO AUGUST 31, 2020.

THE FUNDS OF YOUR UNIT ARE PROTECTED ONLY FOR THAT YEAR. PREMIUM FOR THE FOLLOWING YEAR WILL BE DUE ON SEPTEMBER 1, 2019.