

# Memorandum

**TO:** Puget Sound Chapter - Linda S. Hill, (206) 405-4450  
**FROM:** Nicole Larson, Chapter Relations Coordinator  
**DATE:** July 2, 2007  
**SUBJECT:** Continued Fidelity Bond Insurance Coverage

## IMMEDIATE ACTION REQUIRED!

Your chapter currently carries fidelity bond insurance through ALA with coverage that is in effect until August 2007. Please read this memo carefully and check the appropriate box below to indicate your decision about extending the coverage until August 2008.

Fidelity bond insurance offers financial protection against theft, embezzlement or other criminal misappropriation of funds. The policy provides \$50,000 minimum coverage, with a \$1,000 deductible that ALA will pay in the event of a covered loss. If you wish to continue coverage, please ensure the following internal controls remain in place: 1) chapter bank accounts are to be reconciled by someone not authorized to deposit or withdraw, and 2) countersignature of checks is required for any amounts over \$1,000. The carrier has informed us that this year's premium will be \$125.00.

**To continue coverage for the August 2007 – August 2008 period, this form must be received by Friday, August 10, 2007. An invoice for the premium will be issued in August and payment must be made immediately thereafter.** The next open enrollment period will be in August 2008. Renewing or securing coverage during the interim at a pro-rated fee is not an option as the deadlines and procedures are established by the carrier and are non-negotiable.

**Please check the box below and return to me via fax at 847-267-1329.**

- Yes, our chapter wants to continue fidelity bond insurance. I verify that bank accounts are reconciled by someone not authorized to deposit or withdraw monies, and that countersignature of checks is required for any amount over \$1,000. I understand that I must immediately process the invoice and return payment to ALA once received.
- No, our chapter does not wish to continue fidelity bond coverage at this time and understand the next open enrollment is August 2008.

Linda S. Hill  
**Signature**

President  
**Chapter Position**

Puget Sound  
**Chapter Name**

July 9, 2007  
**Date**

If you require coverage over \$50,000 or have additional questions, please contact me at (847) 267-1361 or nlarson@alanet.org.

