

Resolution 2021-189
Approving Employee Dishonesty and Faithful Performance of Duty
Coverage under OTARMA

The Board of Trustees of Franklin Township, Franklin County, Ohio met in person in a regular session at 6:30 p.m. on Thursday, November 17, 2021, and the following trustees were present:

Horn: YES/ NO **Fleshman:** YES/ NO **Alex:** Excused

Fleshman made a motion for the adoption of the following resolution:

BE IT RESOLVED by the Board of Trustees of Franklin Township, Franklin County, Ohio, that the Board approves to accept the Employee Dishonesty and Faithful Performance of Duty Coverage provided by OTARMA per O.R.C 3.061. See Exhibit A.

Horn seconded the motion; with no discussion, the roll was called and the vote was as follows:

Horn: YES/ NO **Fleshman:** YES/ NO **Alex:** Excused

Trustee Ralph Horn, 2021 Chair

Trustee John Fleshman, 2021 Vice-Chair

Excused

Trustee Aryeh Alex

Attested to on this 17th day of November, 2021:

Fiscal Officer Nick Dunn



Employee Dishonesty and Faithful Performance of Duty Coverage

Under O.R.C. 3.061, an "employee dishonesty and faithful performance of duty policy," such as a coverage document issued by a joint self-insurance pool, like OTARMA, can protect a township from financial or property loss in lieu of giving a surety bond for public officials that are required to be bonded under O.R.C. 3.061.

OTARMA'S Governmental Property Agreement is an advantage over surety bonds, as it will provide coverage if there is a loss of funds while the public officials are performing their duties in office. With a surety bond, public officials' private assets are pursued by the bonding company to satisfy any payment of loss.

If an OTARMA Member elects employee dishonesty and faithful performance of duty coverage provided under the OTARMA Governmental Property Agreement, the OTARMA Member must, pursuant to O.R.C. 3.061, pass a resolution to authorize OTARMA's coverage document as a, "employee dishonesty and faithful performance of duty policy," in lieu of surety bonds, for various positions within the township, including, but not limited to, the following: Trustee, Fiscal Officer, Assistant Fiscal Officers, Deputy Fiscal Officer, Zoning Inspector, Assistant Zoning Inspector, Road Superintendent, Constable, Fire Chief, Police Chief and Administrator.

Please contact the OTARMA Service Team at (888) 748-7966, ext. 3136 to elect OTARMA coverage in lieu of surety bonds. The Faithful Performance Application included below must be completed, signed and returned to the OTARMA Service Team. In addition, a sample resolution which must be passed by each township opting for the coverage is included below.

FAITHFUL PERFORMANCE APPLICATION



Township: Franklin Township County: Franklin

Mailing address: 2193 Frank Road

Phone: 614-279-9411 Email: SMazer@franklin-township.com

Has a formal resolution been passed authorizing employee dishonesty and faithful performance of duty coverage as required by ORC 3.061?

YES

Date it was passed: 11/17/2021

NO

Date scheduled to be passed: 11/17/2021

Date of last Audit: 2016

Did the Auditor make any Internal Control Recommendations? No Yes

Were there any: Finding for Recovery? No Yes
 Material Weakness? No Yes
 Material Non-Compliance? No Yes
 Reportable Conditions? No Yes

Any prior bond or faithful performance of duty losses in the past 5 years? No Yes

If yes, please explain: Under previous Fiscal Officer Lisa Morris

Annual budget range (please check one):

		Required Limit
Less than \$50,000	<input type="checkbox"/>	\$10,000
\$50,000 - \$100,000	<input type="checkbox"/>	\$35,000
\$100,000 - \$250,000	<input type="checkbox"/>	\$60,000
\$250,000 - \$500,000	<input type="checkbox"/>	\$85,000
\$500,000 - \$750,000	<input type="checkbox"/>	\$110,000
\$750,000 - \$1,500,000	<input type="checkbox"/>	\$135,000
\$1,500,000 - \$3,500,000	<input type="checkbox"/>	\$160,000
\$3,500,000 - \$6,000,000	<input type="checkbox"/>	\$195,000
\$6,000,000 - \$10,000,000	<input type="checkbox"/>	\$220,000
More than \$10,000,000	<input checked="" type="checkbox"/>	\$250,000

FAITHFUL PERFORMANCE APPLICATION



OF ELECTED OFFICIALS REQUIRED TO BE BONDED:

Fiscal Officer

Name: Nicholas Dunn

(Term 03/01/22-03/31/23)

Trustees

Name: James Leezer

(Term 01/01/2022-12/31/23)

Name: John Fleshman

(Term 01/01/2022-12/31/23)

Name: Ralph Horn

(Term 01/01/2020-12/31/23)

Assistant Fiscal Officer(s)

Name: Robyn Watkins

Zoning Inspector(s)
(including assistants)

Name: _____

Road Superintendent(s)
(including assistants)

Name: _____

Other(s)

Name: Steven Mazer/Nicole Randazzio

Twp. Administrator / Administrative Assistant

The undersigned applicant hereby certifies that the answers given are the truth without reservation.

Steven Mazer

Name of Applicant (Print)

11/17/2021

Title

 ADMINISTRATOR

Signature

11/17/2021

Date

Resolution



WHEREAS, Franklin Township Township, Franklin County is a member of the Ohio Township Association Risk Management Authority (OTARMA), a political subdivision risk pool established pursuant to Ohio Revised Code hereinafter "ORC," 2744.081;

WHEREAS, in accordance with ORC 3.061, the township must adopt a policy by resolution to allow the use of an "employee dishonesty and faithful performance of duty" coverage document, rather than a surety bond, to cover loss by fraudulent or dishonest actions of employees and failure of employees to faithfully perform duties; the following shall apply to the policy:

1. An officer, employee, or appointee shall be considered qualified to hold the office or employment, without acquiring a bond, on the date the oath of office is taken, certified, and filed as required by law.
2. An officer, employee, or appointee shall have the employee dishonesty and faithful performance of duty policy in effect before the individual's term of office or employment and the officer, employee or appointee shall not commence the discharge of duties until coverage is documented.
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 policy instead of a surety bond requirement.
4. The coverage amount for an officer, employee, or appointee under an employee dishonesty and faithful performance of duty policy shall be equal to or greater than the maximum amount of the bond otherwise required by law.
5. Elected officials, prior to taking the oath of office and holding office, shall obtain approval of the intent to use the township's OTARMA coverage agreement and affirm that the township's coverage complies with ORC 3.061. Said approval shall be obtained by the Franklin Township, Franklin County.

WHEREAS, Franklin Township, Franklin County's, "employee dishonesty and faithful performance of duty policy" through the OTARMA coverage document complies with ORC 3.061: and

NOW, THEREFORE, BE IT RESOLVED, that on this date November 17, 2021, the Franklin Township,

Franklin Township County hereby authorizes the township to purchase and use "employee dishonesty and faithful performance of duty policy" through OTARMA instead of individual surety bonds for officers, employees, and appointees who are otherwise required by law to acquire a bond before entering upon the discharge of duties.



Employee Dishonesty and Faithful Performance of Duty Coverage

Under O.R.C. 3.061, an “employee dishonesty and faithful performance of duty policy,” such as a coverage document issued by a joint self-insurance pool, like OTARMA, can protect a township from financial or property loss in lieu of giving a surety bond for public officials that are required to be bonded under O.R.C. 3.061.

OTARMA’S Governmental Property Agreement is an advantage over surety bonds, as it will provide coverage if there is a loss of funds while the public officials are performing their duties in office. With a surety bond, public officials’ private assets are pursued by the bonding company to satisfy any payment of loss.

If an OTARMA Member elects employee dishonesty and faithful performance of duty coverage provided under the OTARMA Governmental Property Agreement, the OTARMA Member must, pursuant to O.R.C. 3.061, pass a resolution to authorize OTARMA’s coverage document as a, “employee dishonesty and faithful performance of duty policy,” in lieu of surety bonds, for various positions within the township, including, but not limited to, the following: Trustee, Fiscal Officer, Assistant Fiscal Officers, Deputy Fiscal Officer, Zoning Inspector, Assistant Zoning Inspector, Road Superintendent, Constable, Fire Chief, Police Chief and Administrator.

Please contact the OTARMA Service Team at (888) 748-7966, ext. 3136 to elect OTARMA coverage in lieu of surety bonds. The Faithful Performance Application included below must be completed, signed and returned to the OTARMA Service Team. In addition, a sample resolution which must be passed by each township opting for the coverage is included below.

FAITHFUL PERFORMANCE APPLICATION



Township: _____ County: _____

Mailing address: _____

Phone: _____ Email: _____

Has a formal resolution been passed authorizing employee dishonesty and faithful performance of duty coverage as required by ORC 3.061?

____ YES

Date it was passed: _____

____ NO

Date scheduled to be passed: _____

Date of last Audit: _____

Did the Auditor make any Internal Control Recommendations? ____ No ____ Yes

Were there any: Finding for Recovery? ____ No ____ Yes Material Weakness? ____ No ____ Yes
 Material Non-Compliance? ____ No ____ Yes Reportable Conditions? ____ No ____ Yes

Any prior bond or faithful performance of duty losses in the past 5 years? ____ No ____ Yes

If yes, please explain: _____

Annual budget range (please check one):

Required Limit

Less than \$50,000	\$10,000
\$50,000 - \$100,000	\$35,000
\$100,000 - \$250,000	\$60,000
\$250,000 - \$500,000	\$85,000
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\$6,000,000 - \$10,000,000	\$220,000
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Resolution



WHEREAS, _____ Township, _____ County is a member of the Ohio Township Association Risk Management Authority (OTARMA), a political subdivision risk pool established pursuant to Ohio Revised Code hereinafter "ORC," 2744.081;

WHEREAS, in accordance with ORC 3.061, the township must adopt a policy by resolution to allow the use of an "employee dishonesty and faithful performance of duty" coverage document, rather than a surety bond, to cover loss by fraudulent or dishonest actions of employees and failure of employees to faithfully perform duties; the following shall apply to the policy:

1. An officer, employee, or appointee shall be considered qualified to hold the office or employment, without acquiring a bond, on the date the oath of office is taken, certified, and filed as required by law.
2. An officer, employee, or appointee shall have the employee dishonesty and faithful performance of duty policy in effect before the individual's term of office or employment and the officer, employee or appointee shall not commence the discharge of duties until coverage is documented.
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5. Elected officials, prior to taking the oath of office and holding office, shall obtain approval of the intent to use the township's OTARMA coverage agreement and affirm that the township's coverage complies with ORC 3.061. Said approval shall be obtained by the _____ Township, _____ County.

WHEREAS, _____ Township, _____ County's, "employee dishonesty and faithful performance of duty policy" through the OTARMA coverage document complies with ORC 3.061: and

NOW, THEREFORE, BE IT RESOLVED, that on this date _____, the _____ Township, _____ County hereby authorizes the township to purchase and use "employee dishonesty and faithful performance of duty policy" through OTARMA instead of individual surety bonds for officers, employees, and appointees who are otherwise required by law to acquire a bond before entering upon the discharge of duties.