

# Oklahoma State University Policy and Procedures

**EMPLOYEE INDEMNIFICATION BONDING**

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## POLICY

1.01 The State of Oklahoma provides indemnification bonding for all state employees. The purpose of this bonding is to compensate the University for loss caused by a University employee's dishonest acts. The maximum loss covered is \$100,000 during an employee's tenure. This bond is known as the "Public Employees Blanket Position Bond," commonly called a dishonesty bond.

## PROCEDURE

2.01 In the event of the discovery of a monetary loss caused by an employee's dishonest act, the following actions are to be taken by the department head:

- a. Immediately notify the University Security Department and request an investigation.
- b. Notify the Internal Audits Department so that an audit can be made to verify the loss.
- c. Notify the University Business Manager's Office so the loss can be reported to the bonding company.