

POLICY 2.63: TREASURER BOND

To ensure the financial integrity and security of district funds by requiring the treasurer to be bonded in accordance with the Illinois Public Community College Act (110 ILCS 805/3-19), the treasurer of Sandburg District 518 will be bonded in an amount sufficient to protect the district against loss due to mismanagement or misappropriation of funds.

Bond amount determination

The penal sum of the treasurer's bond is determined annually by the board of trustees based on the following:

1. Maximum funds on hand at any one time during the fiscal year.
2. Total value of bond issues or other financial instruments managed.
3. Size and complexity of the district's financial operations.
4. Recommendations from auditors or financial advisors.
5. Risk tolerance as determined by the board.

The bond amount will be no less than 25% of the amount of all bonds, notes, mortgages, moneys and effects of which the treasurer is to have custody, whether individuals act as surety or whether the surety is given by a surety authorized to do business in this state.

The bond is approved by the board of trustees and filed with the appropriate county and state authorities as required by law.

Original: 10/25