



# WILLIAM J. ANGELL SURETY SCHOOL

## Level II

### Level 2: 2,175 minutes

#### Sunday

6:30 – 7:30 p.m.                      **Welcome Reception**

#### Monday

**8:00 – 9:00 a.m.                      Welcome/Introductions/CE Directions                      (60 minutes)**

Overview of the course content with state insurance statements.

**9:00 – 9:15 a.m.                      Break**

**9:15 a.m. – 12:00 p.m.                      Profiling & Work in Process                      (165 minutes)**

This section provides an overview to the components used by the surety underwriter to analyze the contractor’s financial statements to determine the credit worthiness of the contractor and the amount of surety capital that may be available based upon the financial presentation. Students learn the types of accountants’ audits and the terms used. Forms of income recognition are reviewed before students use a sample case to Determine revenues, costs and gross profit for each method of income recognition: cash; accrual; completed contract; and percentage of completion.

**12:00 – 1:00 p.m.                      Lunch**

**1:00 – 3:00 p.m.                      Profiling & Work in Process (continued)                      (120 minutes)**

See explanation above.

**3:00 – 3:15 p.m.                      Break**

**3:15 – 5:00 p.m.                      Profiling & Work in Process (continued)                      (105 minutes)**

See explanation above.

#### Tuesday

**8:00 – 9:45 a.m.                      Profiling & Work in Process (continued)                      (105 minutes)**

This section focuses on cash flow management and how investing, operations and financial issues can impede a cash flow, leading to contractor default. Students delve deeper into the financial statements looking at equity, accounts payable, cash value of life insurance, equipment and real estate holdings, and other items that can change a contractor’s ability to pay the bills. Students work through a case study to determine a contractor’s work program size based on all the elements discussed.

**9:45 a.m. – 10:00a.m.                      Break**

**10:00 a.m. – 12:00 p.m.**                      **Profiling & Work in Process (continued)**                      **(120 minutes)**  
See explanation above.

**12:00 – 1:00 p.m.**                              **Lunch**

**1:00 – 3:00 p.m.**                              **Profiling & Work in Process (continued)**                      **(120 minutes)**  
See explanation above.

**3:00 – 3:15 p.m.**                              **Break**

**3:15 – 5:00 p.m.**                              **Profiling & Work in Process (continued)**                      **(105 minutes)**  
See explanation above.

### **Wednesday**

**8:00 – 10:15a.m.**                              **Submission & Account Activation**                              **(135 minutes)**

This section provides a framework for submitting a new contractor account to the surety, including tailoring the submission for an individual surety, and subsequently presenting a surety credit proposal to the contractor. Students will learn to assess the contractor's credit history, organization and construction business experience. They will be able to identify the key elements necessary in servicing the account.

**10:15 – 10:30a.m.**                              **Break**

**10:30 a.m. – 12:00 p.m.**                      **"Who Wants to be a Surety Professional?"**                      **(90 minutes)**  
During this lively, interactive session, students test their knowledge of concepts, terms and applications introduced so far during the course.

**12:00 – 1:30 p.m.**                              **Group Luncheon with Panel of Speakers**

**1:30 – 2:45 p.m.**                              **Surety Claims**    **(75 minutes)**

Students will see the value-added – though often unseen – services offered by the surety that can lead to early resolution of claims or, better yet, prevent claims from being filed in the first place. They will learn to identify early signs of trouble, including financial distress and "notice only" copies of dispute correspondence sent to the surety. They will understand the demands under the AIA 312 for pre-default meetings and claims-handling decisions and gain insight into how the surety conducts its investigation into a claim. Common misconceptions about a surety's rights and its investigatory obligations will be explored. What is and what should be the role of the surety producer when there is a claim, benefits and limits of cooperation among the three parties. Legal rulings affecting a surety's claims handling and bad-faith claim laws.

**2:45 – 3:00 p.m.**                              **Break**

**3:15 – 4:30 p.m.**                              **Surety Claims**    **(75 minutes)**  
See explanation above.

### **Thursday**

**8:00 – 10:00 a.m.**                              **Changes & Challenges**    **(120 minutes)**

Contractors will face many challenges and changes, both from the external environment and from internal pressures. The successful contractor will develop a variety of responses to cope with the changes. Students will understand many of the changes that impact a contractor. This section will examine a variety of factors that can have significant impact on the contractor with corresponding impact on the surety including contractual terms

and conditions; alternative procurement and delivery methods; marketplace issues; contractor issues; and economic challenges.

**10:00 – 10:15 a.m. Break**

**10:15 a.m. – 12:00 p.m. Changes & Challenges (continued) (105 minutes)**  
See explanation above.

**12:00 – 1:00 p.m. Lunch**

**1:00 – 2:45 p.m. Commercial Surety (105 minutes)**  
Provide the student with an awareness of specific types of commercial surety bonds and familiarize the student with the characteristics of these bonds. Identify and understand the major types of commercial surety bonds. Become familiar with recognizing hazardous bond forms and underlying statutes for certain surety obligations. Will also be aware of what types of bonds would be needed for certain industries that they may encounter in their daily work lives.

**2:45 – 3:00 p.m. Break**

**3:00 – 5:00 p.m. Ethics (120 minutes)**  
Purpose is to increase the students' awareness of the role ethics plays in their day-to-day functioning, to increase their understanding of ethical considerations/dilemmas they face in business, and to provide a method for identification and resolution of ethical dilemmas. Define ethics and related terminology. Understand the concepts of business ethics and ethical decision making. Demonstrate through in-class discussion an understanding of the National Association of Bond Producers Code of Professional Standards. Student will learn and demonstrate their skills of ethical decision making via a case study.

#### **Friday**

**8:00 – 10:00 a.m. Surety Case Study (120 minutes)**

The purpose of this case study is to give the student the opportunity to bring together and put into practice the knowledge and skills they have gained from the previous days' course material/presentations as well as their field experience. The case study is implemented in a condensed time frame, role-playing format that is intended to simulate real life situations. Active participation will help to better prepare to set priorities in their day-to-day work activities, understand the process/submission process, see the effect their actions have on them, their agency and their customers, assist in dialogue and probing techniques, effectively utilize the "team" and "tools" available to them, obtain, organize and present data for submission.

**10:00 – 10:15a.m. Break**

**10:15 a.m. – 12:00 p.m. Surety Case Study (continued) (105 minutes)**  
See explanation above.

**12:00 – 1:00 p.m. Lunch**

**1:00 – 3:00 p.m. Surety Case Study (continued) (120 minutes)**  
See explanation above.

**3:00 – 3:15 p.m. Break**

**3:15 – 5:00 p.m. Wrap-Up with Questions (105 minutes)**

The entire course's material is reviewed and students are given an opportunity to ask any questions that they still have regarding the modules taught.

**5:30 – 7:30 p.m.**                      **Graduation Reception & Dinner**