



Fidelity & Crime Division

Crime Policy Application for Governmental Entities

Effective Date:	Policy Term:	Producer:
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Named Insured: _____
 Principle _____
 Address: _____

Any excluded entities: _____

<u>Coverage Forms:</u>	<u>Limit/ Deductible</u>
Form O- Public Employee Dishonesty (per loss)	_____
Faithful Performance Coverage	Yes ___ No ___
Form B- Forgery or Alteration	_____
Form C- Theft Disappearance & Destruction	_____
Form F- Computer Fraud	_____
Coverage Amendments, endorsements:	

Is your organization a : State ___ County ___ City ___ Town ___ Township ___ Village ___
 Borough ___ Other political subdivision _____

Is insurance being provided for a school system? Yes ___ No ___

Description of operations for covered entities: _____

Do you handle food stamps? Yes ___ No ___ If yes, please complete attached supplement.

Do you buy or sell goods or services, or receive payments via the Internet? Yes ___ No ___ (If "Yes", Please complete the Internet Security Section of this application located on page 4)

Prior Insurance:

a) Has any similar insurance been declined or cancelled during the past three years? Yes ___ No ___

If yes, please explain: _____

b) Prior insurance to be superseded.....Check here if none _____

Form of Insurance	Effective Date	Expiration Date	Limit of Insurance	Name of Insurance Co.

Rating Information for Coverages:

Classification of Employees:

1. Number of officials/ officers, not required by law to be individually bonded, who are authorized to manage, govern or control the Insured's employees: _____
2. Number of employees who handle, have custody or maintain records of money, securities or other property; department and division heads, assistant department and division heads; and peace officers (including patrolmen for when Faithful Performance of Duty Coverage is being written): _____
3. Number of those employees **other than** those indicated in 1 and 2: _____

Grand total of ALL employees: _____ Note: Persons required by law to be individually bonded and treasurers or tax collectors by whatever title known are automatically excluded from Coverage Forms O and P.

Is Faithful Performance of Duty required? Yes _____ No _____

If insurance is desired on any of your appointed or elected agents please complete the following:

Capacity in Which
Each Agent Serves

Limit of Insurance

\$ _____

Money- Securities:

Which locations require Money and Securities Coverage?

Please enter the Exposure for each category. Amounts entered should be the maximum exposure:

	Money	Securities (not payroll checks)	Checks	Payroll Checks	Money held overnight	Securities held in banks
Inside						
Messenger #1						
Messenger #2						

Please advise if you need to temporarily increase the above limits for what departments and for what timeframe _____

Premises/Safe Protection:

a) What type of alarm(s) do you have at each of your premises?

- 1. Hold-up Alarm 2. Premises Alarm 3. Safe Alarm 4. Local Gong
- 5. Central Station Alarm 6. Police Connected Alarm

If alarms vary from location to location, please explain:

Please specify the number of guards and/or watchpersons on duty each shift:

Please describe any additional protection (e.g. fences, floodlights, etc.):

Internal Controls Information:

Audit Procedures:

- Is there an audit completed by a state agency Yes _____ No _____ or public accountant Yes _____ No _____
- If yes, how frequently? Quarterly _____ Semiannually _____ Annually _____
- Does the state auditor conduct an audit annually or on a surprise basis? Yes _____ No _____
- Are all departments and agencies audited? Yes _____ No _____
- Does the auditor have the authority to check any record at any time? Yes _____ No _____
- If weaknesses are discovered to whom does the auditor report to for corrections? _____
- Date of completion of last audit: State _____ CPA _____

8. Do you audit your wire funds transfer procedures? Y ___ N ___
9. Please list your agencies that accept cash payments? (Ex: DMV, licensing and permit agencies, etc.).
10. Are these agencies computerized? Are they audited annually?
- | Agency Name: | Computerized | Last Audited |
|--------------|--------------|--------------|
| _____ | _____ | _____ |

Internal Controls (other than audit procedures):

1. Are bank accounts reconciled monthly by someone not authorized to deposit or withdraw? Yes ___ No ___
2. Is countersignature of checks required? Yes ___ No ___
3. Are securities subject to joint control of two or more responsible employees? Yes ___ No ___
4. Are vouchers or supporting records stamped "paid" when checks are signed? Yes ___ No ___
5. Are controls set up to prevent unauthorized use of check signing machines? Yes ___ No ___

Funds Transfer Procedures:

1. What departments conduct wire funds transfers? _____
2. Do you maintain a fully documented procedures manual covering all wire transfer procedures? Yes ___ No ___
3. Are all payment instructions executed under a sequential numbering system? Yes ___ No ___
4. Is there an Internal Audit Department which includes E.D.P. auditing? Yes ___ No ___
5. If there is no Internal Audit Department, please advise how this function is fulfilled: _____
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6. If you utilize consultants, do you change passwords when they finish their work? Yes ___ No ___
7. What is the total annual volume of Funds Transfer? _____
8. What is the largest amount one person can transfer? _____
9. What is the average size of transfers? _____
10. Are all Funds Transfer functions handled by Banks and/or Financial Institutions or do you have facilities to transfer funds yourself without involving Third Parties? _____
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11. Are all telephone transfer instructions given to banks confirmed in writing within 24 hours? Yes ___ No ___
12. Is there segregation of duties so that no one employee can handle transactions from beginning to completion without reference to others? Yes ___
No ___
13. Do you change passwords when employees leave? Yes ___
No ___
14. Describe controls in place to prevent unauthorized use of computer by employees or others (ie. are computer rooms locked?, maintenance ports protected?, etc.)

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15. What is the total number of employees who have the authority to make transfers? _____
16. Do you utilize port security that detects unusual activity? Yes ___ No ___
17. How do you detect whether an employee has exceeded their authority?

Payroll:

- 1. Do you screen your employee for prior acts of dishonesty? Yes _____ No _____ If not, which departments employ those without background checks: _____
- 2. Do you use drug free workplace programs? Yes _____ No _____
- 3. Are the payrolls made up by persons other than those who distribute it to employees? Yes _____ No _____
- 4. Are all persons who are authorized to hire and/or fire employees prohibited from distributing the payroll? Yes _____ No _____
- 5. Is positive identification required of each person receiving pay? Yes _____ No _____

Purchasing and Inventory

- 1. Are all shipping and receiving activities reconciled to all purchase orders? Yes _____ No _____
- 2. Do you have a system to detect payment to fictitious suppliers? Yes _____ No _____
- 3. Are all persons engaged in purchasing prohibited from taking part in receiving the inventory? Yes _____ No _____
- 4. Is a complete inventory made with physical check of stock and equipment? Yes _____ No _____

Loss History

Enter all claims or occurrences that may give rise to claims in the past 5 years . Check here if none: _____

Date of Occurrence	Description of Occurrence	Total Amount of Occurrence	Total Paid Loss (indicate deductible)

Internet Security (Please consult CIO or MIS Director)

- 1. Do you have a Firewall? Yes _____ No _____
- 2. Do you require Digital Certificates when making an online transaction? Yes _____ No _____
- 3. Do you have an Intrusion Detection System that identifies unauthorized access? Yes _____ No _____
- 4. How many bits of data encryption to you use? _____
- 5. Do you have documented Internet guidelines for employees? Yes _____ No _____
- 6. Do you have documented emergency procedures? Yes _____ No _____
- 7. Has your computer system ever been invaded by a Hacker or Virus? Yes _____ No _____
- 8. If "Yes" to question (g), When and what controls have been implemented to prevent further

incidences? _____

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance containing any false information, or conceals for the purpose of misleading, information concerning any fact material thereto, commits a fraudulent insurance act, which is a crime.

<u>Applicants Signature:</u>	<u>Date:</u>
<u>Producer's Signature:</u>	<u>Date:</u>

Please complete this page if your organization handles Food Stamps:

Food Stamp Procedures:

1. Where is the bulk supply of food stamp coupons stored? Who has access to this storage area?
2. How are the coupons secured overnight? Who has the ability to secure the coupons?

3. Are those employees specifically responsible for issuance restricted from access to coupon storage and issuance areas? Yes _____ No _____
4. How do you distribute food stamps to recipients?
5. How are coupons secured for transit? Are they stored in a locked container? Who is responsible for transport? _____

6. Do you receive blank food stamp ID cards? Are these cards inventoried?

Separation of Duties: Food Stamps

1. Are issuance responsibilities separated, so that the same person does not have control over the inventory, maintenance of inventory records, assembly and issuance of allotments, and the completion of issuance reports? Yes _____ No _____
2. How often is a physical inventory taken? By whom is this inventory performed? How is this physical count conducted?
3. What is the largest supply of coupons kept on hand at any given time? Does it exceed a 6 month supply? (Please take into account those coupons on hand, on order and anticipated delivery time)
4. Is an end-of-the-month physical count of the inventory conducted and documented by someone other than the issuer? Yes _____ No _____
5. Are two or more employees involved to ensure that a household is not issued more than two countable replacements within a 6 month period? Please explain procedure:

Safe/ Vault:

Manufacturer	Label	Class	Door Type	Combination Locks	Thickness
	UL/ SMNA		Round Square	Outer Inner Chest	