



Crime Policy Application For Governmental Entities

Application is hereby made by _____

Principal Address _____ City _____ Province _____

Postal Code _____ Any excluded entities _____

Policy Effective Period _____ To _____

1. Insuring Agreement

	Limit of Insurance	Deductible	
1. Employee Dishonesty	\$	\$	
2. Forgery or Alteration	\$	\$	
3. Inside Premises	\$	\$	
4. Outside Premises	\$	\$	
5. Computer Fraud	\$	\$	
6. Money Orders and Counterfeit Paper Currency	\$	\$	
8. Funds Transfer Fraud	\$	\$	
Faithful Performance Coverage		Yes <input type="checkbox"/>	No <input type="checkbox"/>
If Faithful Performance of Duty is requested, please cite statutory provision or indicate None _____			

2. Coverage Amendments (Endorsements)

	Yes	No
a. Is Kidnap, Ransom, and Extortion coverage desired? <i>(Separate Kidnap and Ransom application is required)</i>	<input type="checkbox"/>	<input type="checkbox"/>
b. Description of your organization: <input type="checkbox"/> Province <input type="checkbox"/> County <input type="checkbox"/> City <input type="checkbox"/> Town <input type="checkbox"/> Township <input type="checkbox"/> Village <input type="checkbox"/> Borough <input type="checkbox"/> Other		
c. Is insurance being provided for a school system, college or university?	<input type="checkbox"/>	<input type="checkbox"/>
d. Description of operations for covered entities: _____ _____		
e. Do you receive payments via the internet? If yes , please complete the Internet Security Section of this application located on page 6.	<input type="checkbox"/>	<input type="checkbox"/>

3. Audit Procedures

	Yes	No
a. Is there an annual audit completed by a Chartered Accountant? If yes , how frequently? <input type="checkbox"/> Quarterly <input type="checkbox"/> Semiannually <input type="checkbox"/> Annually	<input type="checkbox"/>	<input type="checkbox"/>
b. Are all departments and agencies audited?	<input type="checkbox"/>	<input type="checkbox"/>
c. Does the auditor have the authority to check any record at any time?	<input type="checkbox"/>	<input type="checkbox"/>
d. If weaknesses are discovered, to whom does the auditor report to for corrections? _____ _____		
e. Date of completion of last audit: Province _____ CA _____		

3. Audit Procedures Continued

		Yes	No	
f.	Do you audit your wire funds transfer procedures?	<input type="checkbox"/>	<input type="checkbox"/>	
g.	Do you audit the usage of grant funds?	<input type="checkbox"/>	<input type="checkbox"/>	
h. Please list your agencies that accept cash payments (Ex: DMV, licensing and permit agencies, etc.)				
Agency Name	Computerized		Audited Anually	
	Yes	No	Yes	No
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4. Internal Controls

		Yes	No
Bank Accounts			
a.	Are bank accounts reconciled monthly?	<input type="checkbox"/>	<input type="checkbox"/>
b.	Are bank accounts reconciled by someone not authorized to deposit, withdraw, or write cheques?	<input type="checkbox"/>	<input type="checkbox"/>
Cheques and Securities			
c.	Is countersignature of all cheques required? Above what amount? \$ _____	<input type="checkbox"/>	<input type="checkbox"/>
d.	Do all vouchers or other supporting records accompany all cheques to be signed?	<input type="checkbox"/>	<input type="checkbox"/>
e.	Are vouchers/supporting records stamped "PAID" when cheques are signed?	<input type="checkbox"/>	<input type="checkbox"/>
f.	Are controls set up to prevent unauthorized use of cheques signing machines and/or signature stamps?	<input type="checkbox"/>	<input type="checkbox"/>
g.	Are your systems designed so that no single employee can control a transaction from beginning to end (e.g. approve a voucher, request and sign a cheque)?	<input type="checkbox"/>	<input type="checkbox"/>
h.	Are securities subject to the joint control of two or more employees?	<input type="checkbox"/>	<input type="checkbox"/>
i.	Is a positive pay system used?	<input type="checkbox"/>	<input type="checkbox"/>
Payroll			
j.	Do you screen your employees for prior acts of dishonesty? If not, which departments employ those without background checks? _____	<input type="checkbox"/>	<input type="checkbox"/>
k.	Have you hired or retained persons with prior convictions? If yes , do you have Employees working in the State of New York? If yes to (b) , do you weigh the factors the factors set out in New York State Corrections Law Article 23-A in making the determination to hire or retain such persons?	<input type="checkbox"/>	<input type="checkbox"/>
l.	Do you maintain documentation of your New York State Corrections Law Article 23-A assessment?	<input type="checkbox"/>	<input type="checkbox"/>
m.	Do you use drug free workplace programs?	<input type="checkbox"/>	<input type="checkbox"/>
n.	Is the payroll made up by persons other than those who distribute it to employees?	<input type="checkbox"/>	<input type="checkbox"/>
o.	Are all persons who are authorized to hire and/or fire employees prohibited from distributing the payroll?	<input type="checkbox"/>	<input type="checkbox"/>
p.	Is positive identification required of each person receiving pay?	<input type="checkbox"/>	<input type="checkbox"/>
q.	Do you have any employees acting in the capacity of an in house claims adjuster?	<input type="checkbox"/>	<input type="checkbox"/>

4. Internal Controls *Continued*

Yes No

Purchasing and Inventory

r. Are all persons engaged in purchasing prohibited from taking part in receiving the inventory?	<input type="checkbox"/>	<input type="checkbox"/>
s. Are all shipping and receiving activities reconciled to all applicable sale or purchase orders?	<input type="checkbox"/>	<input type="checkbox"/>
t. Does any employee have access to the purchasing system and also the accounts payable system?	<input type="checkbox"/>	<input type="checkbox"/>
u. Do you have a system to detect payment to fictitious suppliers?	<input type="checkbox"/>	<input type="checkbox"/>
v. Do you verify tax ID numbers for all vendors?	<input type="checkbox"/>	<input type="checkbox"/>
w. Is a complete inventory made with physical check of stock and equipment?	<input type="checkbox"/>	<input type="checkbox"/>

5. Funds Transfer Procedures

Yes No

a. What departments conduct wire funds transfers? _____		
b. Do you maintain a fully documented procedure manual covering all wire transfer procedures?	<input type="checkbox"/>	<input type="checkbox"/>
c. Are all payment instructions executed under a sequential numbering system?	<input type="checkbox"/>	<input type="checkbox"/>
d. Is there an internal audit department which includes E.D.P. auditing?	<input type="checkbox"/>	<input type="checkbox"/>
e. If there is no internal audit department, please advise how this function is fulfilled: _____ _____		
f. If you utilize consultants, do you change passwords when they finish their work?	<input type="checkbox"/>	<input type="checkbox"/>
g. What is the total annual volume of funds transferred? _____		
h. What is the largest amount one person can transfer? _____		
i. What is the average size of transfers? _____		
j. Are all funds transfer functions handled by banks and/or financial institutions?	<input type="checkbox"/>	<input type="checkbox"/>
k. Do you have facilities to transfer funds yourself without involving third parties?	<input type="checkbox"/>	<input type="checkbox"/>
l. Are all telephone transfer instructions given to banks confirmed in writing within 24 hours?	<input type="checkbox"/>	<input type="checkbox"/>
m. Is there segregation of duties so that no one employee can initiate and complete transactions without approval by others?	<input type="checkbox"/>	<input type="checkbox"/>
n. Do you change passwords when employees leave?	<input type="checkbox"/>	<input type="checkbox"/>
o. Describe controls in place to prevent unauthorized use of computers by employees or others (i.e. are computer rooms locked, maintenance ports protected, etc)? _____		
p. What is the total number of employees who have the authority to make transfers? _____		
q. Do you utilize port security that detects unusual activity?	<input type="checkbox"/>	<input type="checkbox"/>
r. How do you detect whether an employee has exceeded their authority? _____		

6. Vendor Information

Yes No

- a. Are background checks performed on vendors in order to determine ownership and financial capability prior to doing business with them? Yes No
- b. Is an authorized vendor list utilized and updated for all annual purchases, with competitive bidding required over stated amounts? Yes No
- c. Are requisitions and purchase orders issued only after the approval of specified personnel within specified limits? Yes No
- d. Is each cash disbursement based on a recognized liability, accurately prepared, and appropriately authorized, including comparisons to authorized vendor lists and receiving reports? Yes No
- e. Are perpetual inventories maintained of materials and supplies and periodically verified by physical count? Yes No
- f. Are vendors provided with a statement of your conflict of interest and gift policy (*prohibiting gifts of any significant value*)? Yes No
- g. Are vendors asked to disclose any gifts or favors offered or requested or other questionable behavior by employees? Yes No
- h. Do the same controls apply to locations outside of Canada? Yes No

7. Prior Insurance

Yes No

- a. Has any similar insurance been declined or canceled during the past three years?
If yes, please explain _____ Yes No

b. Prior insurance to be superseded Check here if none

Form of Insurance	Effective Date	Expiration Date	Limit of Insurance	Name of Insurance Company

8. Loss History

Enter all claims or occurrences whether or not paid that may give rise to claims for the prior 5 years. Check here if none

Date of Occurrence	Type/Description of Occurrence or Claim	Date of Claim	Amount Paid	Claim Status	
				Open	Closed
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>

Comments/Corrective Action Taken:

9. Classification of Employees and Locations

Grand total of **ALL** employees _____

PLEASE ATTACH TOTAL EMPLOYEE CENSUS BY DEPARTMENT (Definition of employee includes all full time, part time and temporary employees)

Note: Persons required by law to be individually bonded and treasurers or tax collectors by whatever titles known are automatically excluded.

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
	\$
	\$
	\$
	\$
	\$

10. Money – Securities

Which locations require Money and Securities Coverage?

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

Type	Money	Securities (Other Than Payroll Cheques)	Cheques (Excluding Retail Cheques)	Payroll Cheques	Money Overnight	Securities (In Bank/Safe Deposit)
Inside						
Messenger #1						
Messenger #2						

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

11. Premises/Safe Protection

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

- Hold-up Alarm
- Local Gong
- Premises Alarm
- Central Station Alarm
- Safe Alarm
- Police Connected Alarm

If alarms vary from location to location, please explain:

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

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

12. Internet Security

Yes No

- a. Do you buy or sell goods via the internet? Yes No
- b. Do you have a firewall? Yes No
- c. Do you have an intrusion detection system that identifies unauthorized access? Yes No
- d. Do you have documented internet guidelines for employees? Yes No
- e. Do you have documented emergency procedures? Yes No
- f. Has your computer system ever been invaded by a hacker or virus?
If yes, when and what controls have been implemented to prevent further incidences? _____

13. Coupon/Voucher Procedures

Yes No

Please complete this section if your organization handles Coupons, Vouchers or Debit Cards (promotional or otherwise)

- a. Where is the bulk supply of coupons, vouchers or debit cards stored? _____
 Who has access to this storage area? _____
- b. How often are they inventoried? Who has the ability to secure the coupons?

- c. Are those employees specifically responsible for issuance restricted from access to storage and issuance areas? Yes No
- d. How do you distribute coupons, vouchers or debit cards to recipients?

- e. How are coupons secured for transit? _____
 Are they stored in a locked container? Yes No
 Who is responsible for transit? _____
- f. When are they activated and by whom? _____
- g. If a card is reported lost or stolen, how are they replaced? What controls are in place to prevent duplicates from being issued?

h. Safe/Vault

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

NOTICE TO APPLICANTS:

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.

This document was issued or made by the Company in the course of its insurance business in Canada.

Applicant Signature _____ **Title** _____ **Date** _____

Producer Signature _____ **Title** _____ **Date** _____