



Crime Policy Application For Governmental Entities

Application is hereby made by _____

Principal Address _____ City _____ State _____

Zip _____ 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"/> State <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: <input type="checkbox"/> State Agency <input type="checkbox"/> Public Accountant If yes , how frequently? <input type="checkbox"/> Quarterly <input type="checkbox"/> Semiannually <input type="checkbox"/> Annually		
b. Does the state auditor conduct an audit annually or on a surprise basis?	<input type="checkbox"/>	<input type="checkbox"/>
c. Are all departments and agencies audited?	<input type="checkbox"/>	<input type="checkbox"/>
d. Does the auditor have the authority to check any record at any time?	<input type="checkbox"/>	<input type="checkbox"/>

3. Audit Procedures Continued

Yes No

e. If weaknesses are discovered, to whom does the auditor report to for corrections? _____

f. Date of completion of last audit: State _____ CPA _____

g. Do you audit your wire funds transfer procedures? Yes No

h. Do you audit the usage of grant funds? Yes No

i. Please list your agencies that accept cash payments
 (Ex: DMV, licensing and permit agencies, etc.)

Agency Name	Computerized		Audited Annually	
	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? Yes No

b. Are bank accounts reconciled by someone not authorized to deposit, withdraw, or write checks? Yes No

Checks and Securities

c. Is countersignature of all checks required?
 Above what amount? \$ _____ Yes No

d. Do all vouchers or other supporting records accompany all checks to be signed? Yes No

e. Are vouchers/supporting records stamped "PAID" when checks are signed? Yes No

f. Are controls set up to prevent unauthorized use of check signing machines and/or signature stamps? Yes No

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 check)? Yes No

h. Are securities subject to the joint control of two or more employees? Yes No

i. Is a positive pay system used? Yes No

Payroll

j. Do you screen your employees for prior acts of dishonesty? Yes No
 If not, which departments employ those without background checks? _____

1. Have you hired or retained persons with prior convictions? Yes No

2. If yes, do you have Employees working in the State of New York? Yes No

3. If yes to (2), do you weigh the factors set out in New York State Corrections Law Article 23-A in making the determination to hire or retain such persons? Yes No

4. Do you maintain documentation of your New York State Corrections Law Article 23-A assessment? Yes No

k. Do you use drug free workplace programs? Yes No

l. Is the payroll made up by persons other than those who distribute it to employees? Yes No

4. Internal Controls *Continued*

Yes No

m. Are all persons who are authorized to hire and/or fire employees prohibited from distributing the payroll?

n. Is positive identification required of each person receiving pay?

o. Do you have any employees acting in the capacity of an in house claims adjuster?

Purchasing and Inventory

p. Are all persons engaged in purchasing prohibited from taking part in receiving the inventory?

q. Are all shipping and receiving activities reconciled to all applicable sale or purchase orders?

r. Does any employee have access to the purchasing system and also the accounts payable system?

s. Do you have a system to detect payment to fictitious suppliers?

t. Do you verify tax ID numbers for all vendors?

u. Is a complete inventory made with physical check of stock and equipment?

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?

c. Are all payment instructions executed under a sequential numbering system?

d. Is there an internal audit department which includes E.D.P. auditing?

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?

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?

k. Do you have facilities to transfer funds yourself without involving third parties?

l. Are all telephone transfer instructions given to banks confirmed in writing within 24 hours?

m. Is there segregation of duties so that no one employee can initiate and complete transactions without approval by others?

n. Do you change passwords when employees leave?

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?

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 the United States? Yes No

7. Prior Insurance

Yes No

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

Check here if none

- b. Prior insurance to be superseded

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

8. Loss History

Check here if none

Enter all claims or occurrences whether or not paid that may give rise to claims for the prior 5 years.

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 Checks)	Checks (Excluding Retail Checks)	Payroll Checks	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 Premises Alarm Safe Alarm
 Local Gong Central Station 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. Food Stamp Procedures

Yes No

Please complete this section if your organization handles Food Stamps, Vouchers or Debit Cards

- a. Where is the bulk supply of food stamp coupons 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 food stamps 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		Door Type		Combination Locks			Thickness	
	UL/SMNA	Class	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.

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

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