



Travelers Casualty and Surety Company of America

The term **Applicant** means all corporations, organizations or other entities, including subsidiaries, proposed for this insurance.

I. GENERAL INFORMATION

1. **Applicant** Information:

Name of **Applicant**: Lubbock County
 Street Address: 916 Main, Ste. 700
 City, State, ZIP Code: Lubbock, TX 79401
 Website Address: www.co.lubbock.tx.us
 Description of **Applicant's** operations: Municipality

2. Is your organization a:

State	<input type="checkbox"/>	Village	<input type="checkbox"/>	
County	<input checked="" type="checkbox"/>	Borough	<input type="checkbox"/>	
Town	<input type="checkbox"/>	School System	<input type="checkbox"/>	
Township	<input type="checkbox"/>	Other Political Subdivision	<input type="checkbox"/>	Specify: _____

3. Annual budget of **Applicant** (most recent fiscal year): \$ \$244,972,768

II. EMPLOYEE/LOCATION/EXPOSURE INFORMATION**

1. Number of employees** at all locations: 1259
 2. Total number of volunteers: 157
 3. Total number of locations: 33
 4. a. Number of locations outside the United States: _____
If there are locations outside the United States, indicate domicile of each on a separate page.
 b. Number of employees** outside the United States: _____

** *Employee count should include full time, part time, leased, temporary and seasonal workers.*

5. Indicate the total amount of specified property *INSIDE* the premises for all locations combined:
 Cash \$ 75,000 Retail Checks*** \$ _____ Credit Card Receipts \$ 60,000

6. Indicate the total amount of specified property being transported by a messenger *OUTSIDE* the premises for all locations combined:
 Cash \$ _____ Retail Checks*** \$ _____ Credit Card Receipts \$ _____

*** *Retail Checks are only those checks that are accepted as immediate payment for retail products or services.*

III. AUDITOR INFORMATION

1. Scope of financial statement preparation:
 Internal CPA Compilation CPA Review CPA Audit None
 2. Date last audit was completed: March 28, 2022

3. Is the audit rendered to a regulatory authority? N/A Yes No
4. Were any discrepancies or internal control deficiencies commented upon in the audit? N/A Yes No
5. Is there an internal audit department under the control of an employee who is a public accountant or equivalent? Yes No
6. Are all locations audited? Yes No

IV. INTERNAL CONTROLS

Entities that practice good segregation of duties and perform background checks on new employees have a better opportunity to either prevent or detect employee dishonesty. Segregation of duties means that no single individual can control a process or transaction from beginning to end.

1. Are bank account statements reconciled at least monthly? Yes No
2. Does someone other than the person responsible for reconciling bank accounts:
 Make deposits? Yes No Make withdrawals? Yes No Sign Checks? Yes No
3. Is countersignature of checks required? Yes No
If Yes, what is the dual signing limit? \$ _____
4. Is segregation of duties practiced in the following areas:
 Inventory management? Yes No Cash receipts? Yes No
 Vendor approval? Yes No Oversight of blank check stock? Yes No
 Purchase order approval and payment? Yes No Retail checks and credit card receipts? Yes No
5. Are all incoming checks stamped "for deposit only" immediately upon receipt? Yes No
6. Is a physical count of inventory conducted at least annually? Yes No
7. Do you conduct periodic reviews of all unused or obsolete inventory (including raw materials and scrap metals)? N/A Yes No
8. Are inventory records computerized? Yes No
9. Are the duties of computer programmers and computer operators separated? Yes No
10. Is dual authorization required for all wire transfers? N/A Yes No
11. Are the same internal controls listed above imposed on all locations and entities? Yes No
12. Is any employee responsible for the investment of public monies?
If Yes, is an investment policy in place that sets forth specified types of approved investments? Yes No
 Yes No

V. COMPUTER AND FUNDS TRANSFER CONTROLS

1. Is there a software security system in place to detect fraudulent computer usage by employees, agents and outsiders? Yes No
2. Are passwords and access codes changed at regular intervals and when users are terminated? Yes No
3. Are computer programmers permitted to use machines with programs they have written? Yes No
4. Are computer check writing functions separate from check authorization? Yes No
5. Are EDP systems, programs, and procedures, including changes thereto, authorized, documented and tested? Yes No
6. Is there physical and functional segregation of personnel and periodic job shifts or job rotations? Yes No
7. What is the average daily dollar volume of electronic funds transfers? \$ _____ 250,000
Check if not applicable .

8. Are transfer verifications sent to an employee or department other than the one that initiated the transfer? Yes No

VI. CURRENT INSURANCE INFORMATION/REQUESTED INSURANCE TERMS

1.

Desired Crime Coverage	Requested Limit	Requested Retention
Fidelity: Employee Theft	\$ 1,000,000	\$ 25,000
Forgery or Alteration	\$ 1,000,000	\$ 25,000
On Premises (Money, Securities and Other Property)	\$ 1,000,000	\$ 25,000
In Transit (Money, Securities and Other Property)	\$ 1,000,000	\$ 25,000
Computer Crime	\$ 1,000,000	\$ 25,000
Other (Specify: <u>Social Engineering</u>)	\$ 250,000	\$ 12,500

2. Expiring insurer (if other than Travelers): _____

3. Expiring premium (if other than Travelers): _____

4. Desired effective date: 10/01/2022

5. Is Faithful Performance of Duty coverage desired*? Yes No

If Yes, cite statutory provision with requirement for Faithful Performance of Duty coverage, or indicate None:

None

6. List any department, board, commission or sub-entity that carries its own separate bond or policy and, if applicable, list any other entity that should be excluded from this policy or indicate None:

District Judge, Medical Examiner and Volunteer Fire Department

7. Do your statutes/ordinances allow Government Entity Crime Coverage to include coverage for the following positions?* Check all that apply:

Treasurers Tax Collectors Other positions previously bonded separately

If Other is checked, please cite statutory provision and identify the other positions by name.

County Auditor, County Commissioners

***NOTE: Persons required by law to be individually bonded, and treasurers or tax collectors by whatever titles known, are automatically excluded under Government Entity Crime Coverage.**

8. If an Oblige other than the Named Insured needs to be indemnified under this insurance, please provide the name and address of the Oblige:

9. If excess limits of insurance are desired on any of your employees on either a name schedule basis or position schedule basis, complete the following:

Name of Covered Employee	Title of Covered Employee	Location of Covered Positions	# of Employees Each Position	Excess Limit of Insurance Each Employee
				\$
				\$
				\$

10. Is Faithful Performance of Duty coverage required on the employees or positions listed above? Yes No

VII. LOSS INFORMATION

1. Has the **Applicant** sustained any crime-related losses during the past 3 years?
If Yes, please complete the table below and attach a separate sheet if necessary:

Yes No

Date of Loss	Amount of Loss	Description of Loss	Corrective Procedures Implemented
	\$		
	\$		

VIII. COMPENSATION NOTICE**Important Notice Regarding Compensation Disclosure**

For information about how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: http://www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html

If you prefer, you can call the following toll-free number: 1-866-904-8348. Or you can write to us at Travelers, Enterprise Development, One Tower Square, Hartford, CT 06183.

IX. FRAUD WARNINGS**Attention: Insureds in Alabama, Arkansas, D.C., Maryland, New Mexico, and Rhode Island**

Any person who knowingly (or willfully in MD) presents a false or fraudulent claim for payment of a loss or benefit or who knowingly (or willfully in MD) presents false information in an application for insurance is guilty of a crime and may be subject to fines and confinement in prison.

Attention: Insureds in Colorado

It is unlawful to knowingly provide false, incomplete, or misleading facts or information to an insurance company for the purpose of defrauding or attempting to defraud the company. Penalties may include imprisonment, fines, denial of insurance, and civil damages. Any insurance company or agent of an insurance company who knowingly provides false, incomplete, or misleading facts or information to a policyholder or claimant for the purpose of defrauding or attempting to defraud the policyholder or claimant with regard to a settlement or award payable from insurance proceeds shall be reported to the Colorado Division of Insurance within the Department of Regulatory Agencies.

Attention: Insureds in Florida

Any person who knowingly and with intent to injure, defraud, or deceive any insurer files a statement of claim or an application containing any false, incomplete, or misleading information is guilty of a felony of the third degree.

Attention: Insureds in Kentucky, New Jersey, New York, Ohio, and Pennsylvania

Any person who knowingly and with intent to defraud any insurance company or other person files an application for insurance or statement of claim containing any materially false information or conceals for the purpose of misleading, information concerning any fact material thereto commits a fraudulent insurance act, which is a crime and subjects such person to criminal and civil penalties. (In New York, the civil penalty is not to exceed five thousand dollars (\$5,000) and the stated value of the claim for each such violation.)

Attention: Insureds in Louisiana, Maine, Tennessee, Virginia, and Washington

It is a crime to knowingly provide false, incomplete, or misleading information to an insurance company for the purpose of defrauding the company. Penalties include imprisonment, fines, and denial of insurance benefits.

Attention: Insureds in Oregon

Any person who knowingly presents a false or fraudulent claim for payment of a loss or benefit or who knowingly presents false information in an application for insurance may be guilty of a crime and may be subject to fines and confinement in prison.

Attention: Insureds in Puerto Rico

Any person who knowingly and with the intention of defrauding presents false information in an insurance application, or presents, helps, or causes the presentation of a fraudulent claim for the payment of a loss or any other benefit, or presents more than one claim for the same damage or loss, shall incur a felony and, upon conviction, shall be sanctioned for each violation with the penalty of a fine of not less than five thousand dollars (\$5,000) and not more than ten thousand dollars (\$10,000), or a fixed term of imprisonment for three (3) years, or both penalties. Should aggravating circumstances be present, the penalty thus established may be increased to a maximum of five (5) years; if extenuating circumstances are present, it may be reduced to a minimum of two (2) years.

X. SIGNATURE SECTION

THE UNDERSIGNED AUTHORIZED REPRESENTATIVE OF THE APPLICANT DECLARES THAT TO THE BEST OF HIS/HER KNOWLEDGE AND BELIEF, AFTER REASONABLE INQUIRY, THE STATEMENTS SET FORTH IN THE ATTACHED TRAVELERS NEW BUSINESS OR RENEWAL APPLICATION FOR INSURANCE ARE TRUE AND COMPLETE AND MAY BE RELIED UPON BY TRAVELERS. IF THE INFORMATION IN ANY APPLICATION CHANGES PRIOR TO THE INCEPTION DATE OF THE POLICY, THE APPLICANT WILL NOTIFY THE COMPANY OF SUCH CHANGES, AND THE COMPANY MAY MODIFY OR WITHDRAW ANY OUTSTANDING QUOTATION. THE COMPANY IS AUTHORIZED TO MAKE INQUIRY IN CONNECTION WITH THIS APPLICATION.

THE SIGNING OF THIS APPLICATION DOES NOT BIND THE COMPANY TO OFFER, NOR THE APPLICANT TO PURCHASE, THE INSURANCE. IT IS AGREED THAT THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, SHALL BE THE BASIS OF THE INSURANCE AND SHALL BE, IN ALL STATES OTHER THAN NC AND UT, CONSIDERED PHYSICALLY ATTACHED TO AND PART OF THE POLICY, IF ISSUED. THE COMPANY WILL HAVE RELIED UPON THIS APPLICATION, INCLUDING ANY MATERIAL SUBMITTED THEREWITH, IN ISSUING THE POLICY.

ELECTRONICALLY REPRODUCED SIGNATURES WILL BE TREATED AS ORIGINAL.

Signature of **Applicant's** Authorized Representative

County Judge
Title

Curtis Parrish
Name (Printed)

August 22, 2022
Date

XI. PRODUCER INFORMATION (ONLY REQUIRED IN FLORIDA, IOWA, AND NEW HAMPSHIRE):

Producer Signature

Producer Name (Printed)

Agency Name

Agency Code

License Number