

IOWA STATE UNIVERSITY

OF SCIENCE AND TECHNOLOGY

Interoffice Communication

DATE: November 2008

TO: County Directors

FROM: Rebecca Adair
Director of Risk Management and Insurance
Office of Risk Management
3618 ASB

Deb Keys
Insurance/Claims Coordinator
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3618 ASB

RE: Options for Crime Bond Insurance

State of Iowa code requires each county to carry crime bond insurance for the county's Extension District Treasurer. However, there are many other potential crime exposures related to the actions of other employees or volunteers. The Office of Risk Management in conjunction with our insurance broker, LaMair-Mulock-Condon, offers the options below for each county to review and recommends that counties strongly consider voluntarily participating in the blanket crime bond program. We do recognize and understand that circumstances in some counties would not make participation in this program beneficial, such as those counties where the bond coverage is paid by the county.

Under the blanket policy (Option 1), each county would start with the same limit of \$25,000; however, counties who want to purchase additional limits would have the option to do so at a minimum additional cost (Options 2 and 3). Each option is insured at a \$250 deductible level and shows the annual premium cost per county for counties that elect to participate. The blanket policy renews annually on January 1. Counties interested in purchasing this coverage would have the option to insure under this program based on their effective date of coverage and would be charged a pro-rated premium.

Option #1

Level of Coverage	Limit	Annual Premium (per county)
Blanket bond - including all employees, Treasurer, Board, and volunteers	\$25,000	\$191

Option #2

Level of Coverage	Limit	Annual Premium (per county)
Blanket bond - including all employees, Treasurer, Board, and volunteers	\$50,000	\$297

Option #3

Level of Coverage	Limit	Annual Premium (per county)
Blanket bond - including all employees, Treasurer, Board, and volunteers	\$100,000	\$394

PLEASE NOTE: Higher limits in excess of \$100,000 available on a per county basis.

Prior to the January 1, 2009 policy renewal, we encourage all counties to evaluate your current crime bond coverage and compare it to the program we've developed. If you have any questions or an interest in purchasing this optional crime bond coverage, please contact us in the Office of Risk Management at 515-294-7711.