



EMPLOYEE DISHONESTY SUPPLEMENT

PRIOR POLICY

YES **NO**

1. Did the applicant carry Employee Dishonesty coverage prior to this policy?

EMPLOYEES

2. Does the applicant employ anyone who previously committed a dishonest act?
Note: These employees are excluded from coverage and should not be included for rating purposes.

3. Are all potential employees screened prior to employment?

4. Are references required and verified?

5. Does the applicant contract with another firm to lease employees?

6. Does the applicant lease employees directly?

7. Does the applicant use volunteers?
Note: Temporary leased employees substituted for regular employees are covered. Others, including volunteers, are excluded from coverage and should not be included for rating purposes.

MANAGEMENT CONTROLS

8. Does a different employee or someone outside the applicant's accounts payable unit confirm the correctness of all invoices that are paid monthly?

9. Are all invoices stamped "paid" at the time checks are issued to prevent duplicate checks from being issued to fictitious persons?

10. Are suggested improvements in internal controls implemented?

11. Is there adequate separation of duties between employees who:

 Receive money and keep books?

 Disperse money and keep books?

 Reconcile bank accounts and deposit to or withdraw from them?

Signature of Applicant / Insured

Date