



State of Utah

GARY R. HERBERT
Governor

SPENCER J. COX
Lieutenant Governor

Department of Administrative Services

TANI PACK DOWNING
Executive Director

Division of Risk Management
BRIAN NELSON, *Director*

DATE: SEPTEMBER 18, 2020
TO: SCHOOL DISTRICT TREASURERS/BUSINESS ADMINISTRATORS
FROM: BRIAN NELSON, STATE RISK MANAGER
RE: TREASURERS' BONDS

Greetings:

Subsection 51-7-15(l)(a) UCA, expressly provides that "the clerk or treasurer of each school district . . . shall be bonded **or may procure crime or theft insurance** as allowed in Section 17-16-11 in an amount of not less than that established by the council." (Emphasis added.) According to Rule 4-4 of the Money Management Council, crime insurance must be issued by an insurer that is licensed to do business in the State of Utah and that holds a current A.M. Best Rating of "A" or better.

For many years, the Division of Risk Management has procured a crime/fidelity policy that covers all participating members of the State Risk Management Fund, which includes all the school districts. The current policy, which is effective from July 1, 2020, through June 30, 2021, is provided by Starr Indemnity and Liability Company ("Starr"), with limits of \$10 Million per occurrence, the maximum amount required by the above-mentioned Rule 4-4. Moreover, Starr holds an A.M Best rating of "A" and is licensed to do business in the State of Utah.

If you have any questions about this matter, please do not hesitate to contact me.

Sincerely,

BRIAN NELSON