DATE:  SEPTEMBER 21, 2020
TO:       SCHOOL DISTRICT BUSINESS ADMINISTRATORS AND CHARTER
          SCHOOL DIRECTORS
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, and other public treasurers that the council designates by rule 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 and many charter schools. 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