

REVISED BONDING INFORMATION PLEASE READ

To: **POST QUARTERMASTERS**

From: **DEPARTMENT HEADQUARTERS**

Subject: **QUARTERMASTER/ACCOUNTABLE OFFICER BOND – TRAVELERS INSURANCE**

Enclosed is new Bond form for the renewal term 9/1/26 to 9/1/27. The premium rate is \$4.00 per thousand coverage for Bond Amounts between \$3,000 and \$25,000. The bonding company requires each post to carry a minimum of \$3,000 at \$12.00 unless the Post Trustees audit report reflects liquid assets of \$2,000 or less, in which case, the bonding company will accept a minimum of \$2,000 at \$8.00. **THE RATE UP TO AND INCLUDING \$25,000 IS \$4.00 PER THOUSAND. THE RATE OF \$26,000 AND UP IS \$3.00 PER THOUSAND. THE RATE FOR \$251,000 AND UP IS \$2.50 PER THOUSAND. THE RATE FOR \$501,000 AND UP IS \$2.00 PER THOUSAND.**

Example: Bond Limit \$25,000---\$100.00 \$250,000---\$750.00 \$500,000---\$1,250.00
 \$26,000---\$78.00 \$251,000---\$627.50 \$501,000---\$1,002.00

PLEASE READ THE HIGHLIGHTED INSTRUCTIONS TO COMPLETE THE CHANGES FOR THE UPCOMING BOND YEAR 9-1-2025.

- 1. The application and certificate have been changed so you can fill in the position you need bonded, so we do not have to have different forms for each position.**
- 2. There are two questions required to be completed by the post: Post Annual Income and Any bond losses in the last 3 years. MUST COMPLETE THE PRIOR LOSS QUESTIONNAIRE, IF YOU HAVE HAD LOSSES IN THE PAST 3 YEARS.**
- 3. The application that the post completes will have to be returned to Department Headquarters.**

DEPARTMENT HEADQUARTERS MUST HAVE THE BONDS IN BY NOVEMBER 30, 2026 FOR THE BOND TO BE EFFECTIVE 9-1-2026. PLEASE HAVE BONDS IN TO HEADQUARTERS BY NOVEMBER 25, 2026.

If the Consolidated Application from the Department is postmarked by November 28, 2026, the effective date will be September 1, 2026.

State Headquarters will accept bonds after November 30, 2026 as per procedures below.

Any bond received in **December** and can be processed by the end of the month will be effective **December 1, 2026** and we will send you a Certificate with dates of **December 1, 2026 to August 31, 2027.**

Any Bond received in **January** and can be processed by the end of the month will be effective **January 1, 2027** and we will send you a Certificate with dates of **January 1, 2027 to August 31, 2027.**

The same procedure will be done as above for **February, March, April, and May. We will not be able to accept any bonds after May 30, 2027.**

Travelers is emphasizing the importance of getting the bonds to our office before November 30, 2026, this will minimize the post not having proper bond coverage at time of loss.

Coverages of the policy require that at least annually, audit of the books and accounts including complete verification of all securities and bank balances be made. If the above is not complied with, the Surety Company will refuse to honor claims of missing funds which cannot be proven by records. Completion of quarterly audits and reconciliation of monthly bank statements may avoid denial of a claim. **Proof of loss resulting from dishonest acts on the part of the bonded officer is required to be completed and mailed to the bonding company within 120 days of the discovery of the loss. Please relay this requirement to the Department Inspectors and responsible person on the post level.**

Travelers Insurance Company is rated by A.M. Best Co. as A++ (Superior) for financial strength and service to policyholders. **Our good bond rate is partially due to the emphasis that has been placed on the audit requirements and quarterly trustees reports.**

CLUB MANAGERS AND GAMBLING OPERATIONS MUST BE BONDED SEPARATELY ON DIFFERENT FORMS OBTAINED FROM HEADQUARTERS. A QUARTERMASTER THAT IS HANDLING ANY GAMBLING, GAMES OF CHANCE, SLOT MACHINES, ETC. ARE NOT COVERED UNDER THE QUARTERMASTER BOND. THEY MUST BE COVERED UNDER THE CLUB MANAGER BOND. THESE FORMS CAN BE FOUND ON THE VFW WEBSITE, vfwks.org, UNDER THE RESOURCES TAB.

Herbert Schwartzkopf
Department of Kansas VFW
State Adjutant/Quartermaster



Questionnaire for VFW Accountable Officers Crime Coverage

DEPARTMENT HEADQUARTERS Veterans of Foreign Wars of the United States TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA



Dear Comrade Commander:

August 1, 2026

One of the most important communications you will receive during the year concerns appropriate bonding of your Post Positions. Section 703 of the National By-Laws requires that each Accountable Officer shall be bonded with an Indemnity Company as surety. The By-Laws place the responsibility for adequate bonding upon the Commander of the post. Section 218 of the National Manual requires **THE BOOKS AND RECORDS OF THE ACCOUNTABLE OFFICER BE AUDITED AT LEAST QUARTERLY BY THE TRUSTEES.**

The Department Headquarters carries a Crime Policy for the bonding of Department and Post Accountable Officers. Any unit may decide whether it prefers to take out a policy with another surety company or have its funds protected by the Department Headquarters Crime Policy. However, prompt attention is required because if your Accountable Officers had previously been covered through the Department Program, **a new premium payment is required by September 1, 2026 or it will be considered delinquent.**

COVERAGES OF THE POLICY REQUIRE:

1. You agree to make/or cause to be made, at least annually, an audit of your books and accounts, including complete verification of all securities and bank balances pertaining to each "employee and/ or volunteer".
If the above is not complied with, the Insurance Company may refuse to honor claim of missing funds which cannot be proven by records. Monthly audits and reconciliation of bank statements may avoid this denial of claim.
2. The Insurance Company may not pay for loss resulting from any unauthorized advances made by an "employee" to any member for delinquent dues and assessments.
3. "Employee" means any duly elected position, or any appointed officer as listed in the policy schedule.
4. **IF THE POLICY IS NOT RENEWED, TERMINATED, OR CANCELLED AT EXPIRATION DATE OF 9-1-2026, THE POST HAS ONLY 90 DAYS TO SUBMIT A PROOF OF LOSS FOR PRIOR TERM. AFTER 90 DAYS PRIOR COVERAGE CEASES.**
5. **POST MUST SUBMIT A PROOF OF LOSS FORM WITHIN 120 DAYS FROM THE FIRST DATE OF DISCOVERY OF THE LOSS.**

THIS POLICY IS ONLY FOR THE YEAR SEPTEMBER 1, 2026 TO AUGUST 31, 2027

The funds of your Post are protected only for that year. Premium for the following year will be due September 1, 2027

RETURN THIS QUESTIONNAIRE COMPLETED IN FULL WITH YOUR PREMIUM CHECK PAYABLE TO YOUR DEPARTMENT HEADQUARTERS

STATE _____ POST# _____

I hereby apply for A1. Employee/ Volunteer Theft coverage for the year from September 1, 2026 through August 31, 2027 in the

COVERAGE AMOUNT of \$ _____ for the POSITION of _____

Post Annual Income: \$ _____

Has the post had any Crime Coverage losses (theft of money) over the past 3 years by an Accountable Officer? YES ☐ NO ☐

If yes, please contact your Department for a Loss Questionnaire. No Coverage can be extended until approved by insurance carrier

Number of Persons Bonded: 1

Number of Locations: 1

NOTE : Questionnaire is not valid unless all questions are answered. Coverage may be postponed if not completed in **FULL**.
Deadline for coverage is September 1, 2026 -
After this date you will be delinquent and not in compliance with the VFW By- Laws.

Form 2 - Revised 2026

QM or Commander or Adjutant or Sr Vice Signature

Date

Phone Number

Street Address, City and Zip

VFW QUARTERMASTER
CLUB MANAGER, BARTENDERS, GAMING RATE SCHEDULE

\$4.00 Per Thousand

\$ 3,000.----\$ 12.00
\$ 4,000.----\$ 16.00
\$ 5,000.----\$ 20.00
\$ 6,000.----\$ 24.00
\$ 7,000.----\$ 28.00
\$ 8,000.----\$ 32.00
\$ 9,000.----\$ 36.00
\$ 10,000.----\$ 40.00
\$ 11,000.----\$ 44.00
\$ 12,000.----\$ 48.00
\$ 13,000.----\$ 52.00
\$ 14,000.----\$ 56.00
\$ 15,000.----\$ 60.00
\$ 16,000.----\$ 64.00
\$ 17,000.----\$ 68.00
\$ 18,000.----\$ 72.00
\$ 19,000.----\$ 76.00
\$ 20,000.----\$ 80.00
\$ 21,000.----\$ 84.00
\$ 22,000.----\$ 88.00
\$ 23,000.----\$ 92.00
\$ 24,000.----\$ 96.00
\$ 25,000.----\$ 100.00

\$3.00 Per Thousand

\$ 26,000.----\$ 78.00
\$ 27,000.----\$ 81.00
\$ 28,000.----\$ 84.00
\$ 29,000.----\$ 87.00
\$ 30,000.----\$ 90.00
\$ 40,000.----\$ 120.00
\$ 50,000.----\$ 150.00
\$ 60,000.----\$ 180.00
\$ 70,000.----\$ 210.00
\$ 80,000.----\$ 240.00
\$ 90,000.----\$ 270.00
\$ 100,000.----\$ 300.00
\$ 110,000.----\$ 330.00
\$ 120,000.----\$ 360.00
\$ 130,000.----\$ 390.00
\$ 140,000.----\$ 420.00
\$ 150,000.----\$ 450.00
\$ 160,000.----\$ 480.00
\$ 170,000.----\$ 510.00
\$ 180,000.----\$ 540.00
\$ 190,000.----\$ 570.00
\$ 200,000.----\$ 600.00
\$ 210,000.----\$ 630.00
\$ 220,000.----\$ 660.00
\$ 230,000.----\$ 690.00
\$ 240,000.----\$ 720.00
\$ 250,000.----\$ 750.00

\$2.50 Per Thousand

\$251,000.----\$ 627.50
\$252,000.----\$ 630.00
\$253,000.----\$ 632.50
\$254,000.----\$ 635.00
\$255,000.----\$ 637.50
\$256,000.----\$ 640.00
\$257,000.----\$ 642.50
\$258,000.----\$ 645.00
\$259,000.----\$ 647.50
\$260,000.----\$ 650.00
\$270,000.----\$ 675.00
\$280,000.----\$ 700.00
\$290,000.----\$ 725.00
\$300,000.----\$ 750.00
\$310,000.----\$ 775.00
\$320,000.----\$ 800.00
\$330,000.----\$ 825.00
\$340,000.----\$ 850.00
\$350,000.----\$ 875.00
\$360,000.----\$ 900.00
\$370,000.----\$ 925.00
\$380,000.----\$ 950.00
\$390,000.----\$ 975.00
\$400,000.----\$ 1000.00
\$410,000.----\$ 1025.00
\$420,000.----\$ 1050.00
\$430,000.----\$ 1075.00
\$440,000.----\$ 1100.00
\$450,000.----\$ 1125.00
\$460,000.----\$ 1150.00
\$470,000.----\$ 1175.00
\$480,000.----\$ 1200.00
\$490,000.----\$ 1225.00
\$500,000.----\$ 1250.00

(NOTE: FILL-OUT THIS FORM ONLY IF YOU HAVE OBTAINED YOUR BOND FROM AN AGENCY OTHER THAN THE KANSAS VFW)

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CERTIFICATION OF BOND

IT IS HEREBY CERTIFIED THAT THE VFW QM, AND/OR OTHER ACCOUNTABLE OFFICERS, AS APPROPRIATE, OF VFW POST NO. _____ LOCATED AT _____, KANSAS ARE BONDED WITH INDEMNITY COMPANY AS SURETY IN A SUM AT LEAST EQUAL TO THE AMOUNT OF LIQUID ASSETS FOR WHICH, SO FAR AS CAN BE ANTICIPATED, THEY MAY BE ACCOUNTABLE.

OFFICES OR OFFICERS BONDED: _____

AMOUNT OF BOND: \$ _____

DATES OF COVERAGE: FROM _____ 20_____, TO: _____ 20_____.

NAME OF AGENCY: _____

NAME OF INDEMNITY COMPANY: _____

CERTIFIED THIS _____ DAY OF _____ 20_____.

SIGNATURE OF POST COMMANDER: _____

.....
MAIL THIS FORM TO:

VFW STATE HEADQUARTERS
P.O. BOX 1008
TOPEKA, KS 66601-1008



A.1.Increase Form
DEPARTMENT HEADQUARTERS
Veterans of Foreign Wars of the United States
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA



Any request to increase limits mid-term for VFW Accountable Officers Crime Coverage and/ or Club Manager Crime Coverage each Post must provide an Increase Crime Limit Statement below:

I hereby apply for an increase for A1. Employee/Volunteer Theft Coverage -

New total amount \$ _____

For the position of _____

Regarding the request for an increased crime limit, we affirm that we have had no losses and no claims (or knowledge of such matter) which would influence the coverage provided hereunder.

Please note that submission of this questionnaire does not guarantee the coverage limit increase requested until approved by insurance carrier.

Signature

Date

Post #

Location (City & State)

For VFW Department use only

PRIOR BOND AMOUNT \$ _____ DATE BONDED _____

NEW BOND AMOUNT \$ _____ DATE BONDED _____

TOTAL INCREASE AMOUNT \$ _____



Questionnaire for Club Employees & Bingo Persons

A.1 Employee/Volunteer Theft (Crime Coverage)
TRAVELERS CASUALTY AND SURETY COMPANY OF AMERICA
Coverage Term: October 1, 2026 to September 30, 2027



1. Name of Post _____ Post # _____

Post Address _____
Street City State Zip

2. Name of Person Covered: _____

3. Position to be Covered: _____

4. Coverage Amount Requested: \$ _____

5. Post Annual Income: \$ _____

6. Has the post had any crime losses (Theft of Money by Employee/ Volunteer) over the past 3 years? YES ☐ NO ☐

If yes, please contact your Department for a Loss Questionnaire. No coverage can be extended until approved by insurance carrier.

7. Has the employee/volunteer ever been convicted of a dishonest or fraud employment related act? YES ☐ NO ☐

If yes, explain: _____

8. If this is a replacement for a current position, please advise who you are replacing : _____

Number of Persons Covered: 1 Number of Locations: 1

Printed Name of Covered Person

Signature of Covered Person

Date

Contact Phone # _____

NOTE : Questionnaire is not valid unless all questions are answered. Coverage may be postponed if not completed in **FULL**.
IF COVERAGE IS NOT RENEWED, TERMINATED, OR CANCELLED AT EXPIRATION DATE OF 10-1-2026, THE POST
HAS ONLY 90 DAYS TO SUBMIT A PROOF OF LOSS FOR PRIOR TERM, AFTER 90 DAYS, PRIOR COVERAGE CEASES.
Form 4B - Revised 2026



Preventing internal theft requires a combination of policies, procedures, and tools designed to mitigate risk and foster an environment of integrity. Here's an example of a comprehensive plan for developing internal processes to prevent internal theft:

1. Establish Clear Policies and Expectations

- **Code of Conduct:** Develop a clear, written code of conduct that outlines acceptable behavior, including anti-theft policies. This should be part of employee onboarding and regularly reviewed.
- **Anti-Theft Policy:** Include specific policies on theft, defining what constitutes theft (e.g., misappropriation of company property, financial fraud, misuse of resources).
- **Zero-Tolerance Policy:** Make it clear that theft will not be tolerated, and outline the consequences of such actions (e.g., termination, legal action).

2. Conduct Thorough Background Checks

- Before hiring, conduct comprehensive background checks on all employees, especially those in positions of financial responsibility or access to company assets.
- Verify employment history, criminal records, and references to screen out potential risks.
- Make sure to adhere to state laws regulating this area.

3. Implement Segregation of Duties

- **Role Segregation:** Ensure that no single employee has control over all aspects of a financial transaction or asset management. For example, the person who orders supplies should not be the same person who approves payment or receives the goods.
- **Access Control:** Limit access to sensitive areas (e.g., financial records, stockrooms) to authorized personnel only. Use employee roles and permissions to restrict access to systems and data based on necessity.

4. Regular Audits and Monitoring

- **Surprise Audits:** Conduct regular unannounced audits to detect discrepancies or irregularities in operations, inventory, and financial records.
- **Inventory Management:** Use inventory tracking systems (e.g., barcode scanners or RFID tags) to regularly monitor stock levels and identify theft or mismanagement.

- **Security Personnel:** Employ security officers to monitor entrances and exits, and to patrol areas with valuable assets.

9. Establish a Strong Internal Reporting System

- Make it easy for employees to report theft or suspicious activity. Have clear protocols in place for investigating reports.
- Encourage open communication and transparency to avoid a culture of fear or secrecy that might protect wrongdoers.

10. Leadership Example

- **Leadership Integrity:** Leaders should set the tone for the company by demonstrating ethical behavior. Leaders who engage in questionable behavior can set a dangerous precedent.
- **Accountability:** Hold all employees, including management, accountable for maintaining ethical standards. Employees must see that no one is above the rules.

11. Address Issues Promptly

- **Immediate Action:** If theft is suspected or detected, take swift and appropriate action. Conduct a thorough investigation to confirm whether theft occurred, and take disciplinary or legal action as necessary.
- **Corrective Actions:** After an incident of theft, review existing processes and take corrective actions, such as tightening security or revising procedures to prevent similar incidents.

12. Incentivize Positive Behavior

- **Rewards for Reporting Theft:** Consider offering incentives for employees who help identify and report theft or suspicious activities.
- **Recognition Programs:** Regularly recognize employees who display exemplary behavior and contribute to the company's success in ethical ways. This can help strengthen a culture of honesty and integrity.

Conclusion

By combining proactive policies, employee training, security measures, and the appropriate use of technology, an organization can minimize the risk of internal theft. It's essential to create a strong culture of integrity, supported by systematic checks and balances, to deter theft and ensure the protection of the organization's resources.

VFW Prior Loss Questionnaire

Post Name and Number: _____

Post City and State: _____

Contact Person: _____

Phone Number: _____

Email Address: _____

Date of Loss: _____

1. Incident Summary

Please describe in specific detail how the employee theft occurred and how it was discovered:

2. Risk Mitigation & Internal Controls

a. What specific internal processes or controls have you implemented since the loss to prevent the loss from happening again?

b. Who, other than individuals responsible for writing or authorizing payments or deposits, reviews the actual bank statements? How frequently is this review conducted?
