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*Private Client Group*

## VIEWPOINTS

SPECIAL SUMMER ISSUE 2017

Greetings,

Many of our children will be heading off to college in the next few weeks and now is a good time to consider how that affects your insurance program. Your main concerns are personal property that your children take with them and your automobile coverage.

This article explains the new exposures created when you have a student away at school and your options for addressing them. We've also included an Inventory Checklist that you can use to record all the personal items that the student is taking along. With electronics, dorm room furnishings, clothing, etc., this can quickly add up. The Inventory will help you confirm that you have adequate coverage limits and it will also be very helpful in the event of a loss.

Your family members and friends who have children leaving for college may find this information helpful. If so, please feel free to share with them.

If you have questions, would like additional information, or would like to make changes to your insurance program, please don't hesitate to contact your Account Advisor.

I hope that you and your family enjoy the remainder of this beautiful summer.

Best Regards,

*Currie C. Baker*

Currie Baker  
Vice President/Manager  
Private Client Group



**COLLEGE BOUND**



## VIEWPOINTS

### WHAT YOU NEED TO KNOW WHEN YOUR CHILD GOES OFF TO COLLEGE

Leaving home for college is a milestone in a young person's life, one of the first steps toward independence and adulthood. As with every major life change, it's important to know how it affects your insurance and what changes, if any, you need to make so that your insurance program keeps pace and adequately covers your student away from home. Your main concerns are personal property that the student takes with her and automobile coverage.

**Personal Property in the Dorm:** If your child lives on-campus, your Homeowners policy includes coverage for personal property at other locations for up to 10% of your contents limit. For example, if you have \$500,000 contents coverage on your primary home, you have \$50,000 contents coverage in the dorm. This coverage is included; no notice or endorsement is required. However, coverage is subject to your Homeowners deductible. If you have a high deductible, most dorm claims (such as a stolen computer) will probably be under your deductible. If your student is taking valuable items to school—musical instruments, sports equipment, or expensive bicycles—you can insure those items on a Collections policy, along with your own jewelry, fine arts, and other valuables. Collections coverage is worldwide, includes theft and mysterious disappearance, and is not subject to a deductible.

**What about "Dorm Insurance"?** There are specialty insurers who offer contents coverage specifically designed for students who live in on-campus dorms. Deductibles are low (\$25 to \$100), coverage is broad (including accidental damage to electronics) and premiums are affordable, typically \$150 to \$300. Dorm insurance can be an attractive alternative to insuring your child's belongings under your Homeowner's policy. The low deductible means that you won't pay out of pocket

for smaller claims and dorm claims will not show on your Homeowners loss history. Since this is a specialized coverage, it is only available through designated brokers. For more information (including insurer links), we recommend this Consumer Reports article <http://consumerreports.org/cro/homeownersinsurance/should-you-buy-college-dorm-insurance.htm>.

**Personal Property in Off-Campus Housing:** If your child rents an apartment off-campus, your Homeowner's policy will not provide coverage because she is no longer considered a permanent resident of your home. She will need to purchase her own Renters policy, which will cover her contents and personal liability. If you co-sign the lease, be sure that both you and your child are named as insureds on the policy. If there are roommates, each one will need to purchase their own Renters policy. Although you will have to purchase a Renters policy, there are some advantages to doing so. A lower deductible may be appropriate, so that smaller losses are covered. The policy includes liability coverage, which responds if your child is sued for negligence by an injured guest. She also establishes her own insurance history, which can be helpful in the future when she needs auto insurance and/or homeowners coverage. A Renters policy is inexpensive, usually \$150 to \$300. Today, most landlords require that tenants provide evidence of Renter's insurance.

**Student Away from Home without an Auto:** Keep your child on your auto insurance as a driver, even though he is away from home for most of the year. Why? He is covered when he drives your autos during holiday breaks and summer vacations. He has coverage when he drives other cars while away at school, whether it's borrowing a friend's car or serving as a designated driver. Your coverage could also respond if he is injured as a passenger or pedestrian in an auto accident. The



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good news is that insurance companies recognize the lower risk when your child is away from home (more than 100 miles) without an auto. Be sure to let us know and we will request an endorsement, which will reduce your auto premium.

**Student Away from Home with an Auto:** Your insurance company must be informed that your child has taken an auto to school and they may rate the auto based on the new garaging location. If the school is out of state, a separate auto policy may be required. The change in garaging location can increase or decrease the premium. We recommend that you retain ownership of the auto rather than transfer the title to your child. The advantages are that you retain your multi-car discount, and both the auto and your child are included on your Excess Liability policy. If you do transfer title to your child, he will have to purchase his own auto policy, which can be much more expensive for a youthful operator without an established insurance history. He will also need to purchase his own Excess Liability policy.

**Good Student Credit:** Insurers reward students who maintain good grades (B or better) and the discount applies to college students as well as high schoolers. Be sure to submit a copy of an official grade report (showing the student's name, school name, and grades for a recent term) and we will forward to your insurer.

### **DORM INVENTORY CHECKLIST**

It's important to make an inventory of the student's belongings for two reasons. First, it's a way to verify that the coverage limit is adequate for everything your child takes to school. Also, an inventory is invaluable in the event of a loss. A checklist can expedite the claims process and help result to a fair and equitable claim payment. [Click here](#) for a handy WORD document that you can use, save, and update periodically.



### **ON-CAMPUS TIPS FOR AVOIDING THEFT**

- ✓ Don't leave valuable in the open. Conceal them from sight whether in your dorm room, library, or other campus buildings. "Grab and go" thefts are opportunistic and can happen within seconds.
- ✓ Always lock your dorm room, even for a quick trip down the hall. Make sure your roommates are in agreement.
- ✓ Be cautious about your dorm room becoming the "go to" hangout. Avoid the slippery slope of friends, then friends of friends, and eventually hangers-on and strangers in your room.
- ✓ Use an anchor lock system for laptops, so that you can step away from the dorm room or library carrel without taking your computer along.
- ✓ Use a U-lock for your bicycle.
- ✓ Use the school's safety office registration services for electronics, bikes, and valuables. Security stickers will help prevent theft and resale of stolen items.
- ✓ Engrave electronics with your name or identifying info. This will help prevent theft and may help you retrieve stolen items.
- ✓ Expensive jewelry, art work, and irreplaceable sentimental items are safer at home than in your dorm. Leave them at home whenever you can.