

Insurance Schedules

As we prepare insurance RFPs, the biggest problem that we encounter is out-of-date or inadequate schedules. We see too many schools relying on their insurance company's records. Two problems: 1) Such schedules often contain vehicles and buildings that have been sold, demolished or taken out of service and the premiums continue. Refunds may be available for items that have been removed. 2) New vehicles and buildings have been acquired but may not be insured. Don't rely on automatic coverage. With Auto insurance, a new vehicle must be added at the inception of the policy term.

ID Numbers

Keeping track of vehicles and locations is easier for schools that assign ID or inventory numbers. This is particularly true for portable buildings and for community colleges where buildings change names and usage. Don't rely on the numbers assigned by insurance companies. Those numbers change as the schedule changes.

For buildings consider using a two stage number; the first number for the location and the second number for the building; e.g., the high school main building may be 1-1.

Because portable buildings change locations, use a unique set of numbers for them and place the number on the building.

When vehicles or buildings are replaced do not reuse the number.

For homemade trailers show the date built on the tongue as an ID number.

Be certain that the insurance companies use your ID numbers on their schedules. This procedure will make checking schedules much simpler. And you definitely need to verify the insurance company's schedules; we seldom see schedules that are 100% correct.

Building Square Footage

Property schedules should include a column for square footages. With square footage, you can check the adequacy of the insurance limits. Replacement cost per square foot is currently in the neighborhood of \$150 for high schools, \$140 for junior high schools and \$130 for elementary schools. A good yard stick for contents is 20% of the building limit. For portables the contents amount is closer to 10%. Don't forget to include contents for leased buildings.

List All Property

We suggest that uninsured buildings and leased property be included in the Property schedule with zero building value, so that there is no confusion about coverage or liability exposures.