



Disaster is Costly

Meet the Need



Credit Union Member Crisis Guide

Each year, natural disasters and emergencies cause thousands of people to lose their homes, be displaced and suffer catastrophic losses. Disaster can strike at any time and it is never convenient or easy to navigate. People experience stress, fear and even panic as they face the unknown. Physical and financial limitations add an extra burden during this time. Credit Unions can play a particularly important role in the process of economic recovery from disaster and emergency.



Emergencies are expensive. Sudden loss of income, personal flood or fire, death of a spouse, extended power outage, government shutdowns, trouble while traveling, war, serious physical injuries or accidents, sudden illness and outbreaks are a few of the emergencies we hope not to face. Most people do not have an emergency fund or plan of action to respond to these situations.

Natural disaster like hurricanes, wildfires, tornados, earthquakes, floods, volcanic eruptions, extreme temperatures, mudslides and tsunamis can cost more than we imagine or have the resources to recover from. It is staggering to look at the costs the United States has dealt with in the last 30 years.

Summary of Costliest Natural Disasters in US History

Event	Year	Deaths	Total Cost
Hurricane Katrina	2005	1,833	\$160 billion
Hurricane Harvey	2017	107	\$125 billion
Hurricane Sandy	2012	147	\$70.2 billion
Hurricane Andrew	1992	65	\$47.8 billion
Los Angeles Earthquake	1994	57	\$45.2 billion
Midwest Drought	1988 Summer	5,000	\$42.2 billion



Natural disasters caused more than \$300 billion of damage in the United States last year, and climate scientists do not anticipate that extreme climate events will abate anytime soon.

We cannot stop natural disasters or prevent many emergencies, but with major advances in technology and accessible research this is an opportunity for us to be well prepared. We can serve members well by equipping them with information on how to prepare for crisis. As leaders, let's get practical and ask how can we provide options and best practices to help credit unions create positive member experiences during disasters and emergencies.

So how financial institutions can respond to crisis and help members in their time of need? Below is a list of practical, necessary steps to ensure the best possible outcome in a crisis.

ACTION STEPS

Prior to disaster season

While major disasters, like hurricanes, can be disruptive, being well prepared can minimize the effects disruptions can have on your credit union and employees." Read more from the NCUA in their article titled [Lessons Learned from the Recent Hurricanes](#)

Check out NCUA Lessons Learned

- ▷ Ensure contingency funding plans are current and tested annually
- ▷ Be familiar with and prepared to use the credit unions back-up power generator
- ▷ Ensure you can begin processing ACH transactions within a reasonable time period
- ▷ Trim trees near power lines or near your credit union
- ▷ Publish reminders and guides for members prior to disaster season



When disaster strikes

- ▷ Enact your Credit Union Incident Plan
(Click [here](#) for sample)
- ▷ Communicate
 - a. Update your website
 - b. Update Facebook and other social media
 - c. Notify employees

- ▷ Provide options to access cash during a natural disaster
 - a. Small Dollar loans – QCash or QCash Plus
 - b. Review your Debit/ATM/Credit Card Limits
 - c. Expedite replacement VISA/Debit cards
 - d. ATM fee reversal
 - e. Increase your Credit Card Limits
 - f. Change ODP limits
 - g. Offer work stoppage loans
 - h. Offer fundraising accounts – help members avoid scams

- ▷ Protect members' accounts during a disaster
 - a. Stay in touch with members via email/sms messaging
 - b. Monitor activity for fraudulent activity
 - c. Implement account and card freezability
 - d. Extended hours
 - e. Small businesses may need extra help – consider QCash Plus.

- ▷ Adapt credit union business rules to support members during a natural disaster
 - a. Lower check holds
 - b. Modify collections practices
 - c. Proactively implement a loan modifications program

Provide members a life line during a natural disaster

- a. Leverage social media to provide guidance and communication
- b. Connect community support agencies to members in need
- c. Establish an attended hotline/chat line during peak disaster periods
- d. Send Outbound member email and text
- e. Waive fees for hard copies of records if needed for proof gov't grant applications, etc
- f. Send Personal Preparedness Checklist (See examples below) – Pets, Moms, Families, Securing House, etc
- g. Provide talking points on talking to kids

- ▷ Work to meet community needs
 - a. Offer parking lots/branches and community supply distribution hubs
 - b. After checking on and taking care of staff first, pull together response team to help local officials/response agencies as volunteers
 - c. Cell phone/mobile device charging (presuming the institution has generators and power where others may not)
 - d. Continue communication via website and social media with helpful local and regional information
 - e. Provide secure avenues for disaster relief donations

Conclusion

Credit Unions have an opportunity to bring direction and relief in a member's time of crisis. How can your institution best help members with the natural disasters and emergency needs they will face in the future? QCash Financial would love to come along side of you and provide the technology for you to offer small dollar loans. In the chaos of the moment, don't lose members to payday lenders.

We would love to hear additional lessons you have learned, your own tips and how you have been successful supporting your members in need. Let us know!

Outside Industry Examples and Links

PETS:

Pet Preparedness

INSURANCE:

Insurance Preparedness

MOMS-TO-BE:

Mom Preparedness

CALL CENTER:

4 Ways a Call Center Can Help

EMERGENCY PREPAREDNESS:

Red Cross Disaster Guide

CHOOSE YOUR OWN ADVENTURE:

Other Disaster preparation

[https://www.cujournal.com/news/how-credit-unions-can-beat-the-competition-after-disaster-strikes\)](https://www.cujournal.com/news/how-credit-unions-can-beat-the-competition-after-disaster-strikes)