



FOCUS e-newsletter: Headliner
September 2015

Prepare Now, In Case of Emergency

September is recognized as National Preparedness Month. So, we asked emergency management specialists in NCUA's Office of Continuity and Security Management to provide some tips to assist small credit unions with emergency planning. Following is the advice they offered.

Planning for the full range of potential emergency events, from natural disasters to cyber-attacks, can be daunting and especially challenging for smaller credit unions. Fortunately, small credit unions can significantly enhance their preparedness without investing a great deal of resources.

Planning is the single most important act an organization can take to be prepared to handle an emergency. The first step in planning is to know your field of membership and your credit union. Remember, a disaster would likely impact both your members and your offices at the same time. So, it is important to consider both your members' needs and your organization's needs during this planning.

Member needs during an emergency:

Member needs are likely to be different than normal during an emergency. For example, following Hurricane Katrina, many people were relocated and lost their personal possessions in the process. They urgently needed access to cash. Due to the costs of relocation and replacement of lost items, most needed to withdraw much larger amounts of cash than normal. Disasters may also lead to temporary or long-term unemployment, which can affect an individual's ability to make loan payments. In planning to address member needs, assess the potential affect on, and needs of, the member population for the various types of disasters (hurricane, flood, wildfire) likely for your location. Key questions to consider include:

- What likely needs for cash will the members have?
- How accessible are ATMs or other sources of cash? What other options will members have to access their funds during an emergency?
- How can your credit union facilitate members' access to their funds in an emergency? For example, does your credit union have a relationship with another credit union that would enable customers to cash checks or withdraw funds during an emergency?

Credit union needs during an emergency:

A disaster may reduce the ability of credit union staff and volunteers to report to work or may significantly damage your facility. Your emergency plan should include ways to contact staff, establish facility closure plans and develop creative staffing solutions. For example, if your

credit union has more than one branch, closing a branch(es) in order to maximize staffing and hours at operating locations may be worth considering.

Facilities and records: A natural disaster could destroy or damage your credit union's offices or vital records, severely impacting your ability to operate. There are cost-effective alternatives available to back-up your records, such as storing copies in a fire-proof safe. In examining your credit union's need for facilities during an emergency, consider the following:

- Is your facility prone to power or communications outages?
- How would an emergency impact your credit union facilities (power or communications outages, other factors)?
- If your credit union has other facilities, can they be operated during an emergency? What is required to get them operational? Who has access to these facilities? What equipment needs are there?
- What vital records, electronic and hardcopy, are needed to continue operations in the immediate aftermath of a disaster?
- Do you have backup copies of your vital records? Will backup copies be readily accessible in an emergency?

Staffing: Recovering from a disaster may require different expertise than you currently have on staff such as technical support to restore online services or procurement expertise to lease new space. In examining your credit union's staffing resources during an emergency, consider the following:

- How will employees and volunteers report to work after a disaster?
- Are plans in place to ensure sufficient staff are available to work during a disaster?
- Are contracts or service agreements in place to augment your existing staff or provide other needed expertise during an emergency?

Communicating with stakeholders: In the aftermath of a disaster, it is critical to communicate with your members, staff, vendors and other stakeholders. Emergency plans should always include a communications plan. Having a premade template for some of these communications may speed your notifications. Consider the following in preparing an emergency communications plan:

- How will members contact the credit union if normal phone service is disabled?
- Do you have emergency contact information for staff and volunteers, to contact them during an emergency?
- Do you have pre-scripted messages and procedures for disseminating information to your customers such as web site postings or recorded phone messages?
- Do you know how to contact your business stakeholders such as service providers and other vendors during an emergency?

- Is your credit union's [NCUA Credit Union Online Profile](#) updated with accurate phone numbers and addresses?
- Do you have a paper check book available to facilitate withdrawals?

Vendor and service provider arrangements: Be sure to include your credit union's third-party vendors and service providers in the planning process. These providers typically have plans in place to support your credit union during a disaster. Consider the following:

- Do your credit union's service providers have disaster recovery procedures in place?
- Are any of your credit union's service providers within close proximity to your facilities? If so, they too could be impacted by the same disaster.
- Do your third-party vendors and service providers offer service-level agreements that provide guaranteed levels of service or access under adverse conditions? For example, a data-center vendor might include in its agreement a guarantee that the credit union's systems would not experience power or connectivity related outages for more than one minute per month.

Supporting staff and volunteers in an emergency: You may need to support and aid your employees who are affected by a disaster. In your planning, consider the following:

- Does the credit union have a rapid way to account for staff during an emergency, particularly if the disaster happens during the day while staff are at work?
- Does the credit union have plans in place to provide assistance to staff and volunteers affected by the disaster event?

Disasters seldom come with much advance warning. Your ability to support your members, staff and the institution, if needed, may depend on the amount of quality planning you've done in advance.

For more information on developing emergency plans for businesses, visit the U.S. Department of Homeland Security's [Ready.gov](#) website.