

# Credit Union Member Crisis Guide

Helping members deal with disaster and emergency

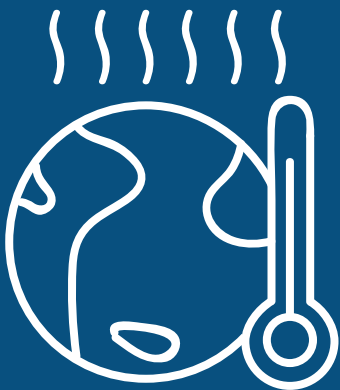
Disaster  
is Costly

Meet the Need



**QCASH**  
Financial  
[Qcashfinancial.com](http://Qcashfinancial.com)

Each year, financial emergencies affect thousands of people. The cause may vary, yet they are almost always unexpected life events that create some sort of financial hardship for those impacted. Examples include natural disasters, personal home floods or fires, the sudden loss of a job, the death of a spouse, an extended power outage, government shutdowns, trouble while traveling, war, serious physical injury or a sudden illness.



In the last 30 years, natural disasters in the United States have caused up to \$300 billion in damages within any given year. Hurricanes, wildfires, tornados, earthquakes, floods, volcanic eruptions, extreme temperatures, mudslides, and tsunamis take their toll on people, causing emotional and financial stress for many. Unfortunately, climate scientists do not anticipate extreme climate events will abate anytime soon.

Natural disasters cannot be stopped and financial hardships often occur without warning. We do, however, have an opportunity at hand. Credit union leaders can play a particularly important role in the process of economic recovery from financial emergencies for their members by helping them become well-prepared.



A large blue number "1" centered within a blue circular outline.

First, it's paramount your credit union as an organization is prepared. In a National Credit Union Association 2017 article entitled 'Lessons Learned from the Recent Hurricanes', they offer practical advice on how to mitigate the effect a natural disaster could have on your ability to continue member services. They recommend the following:

- Ensure contingency funding plans are current and tested annually
- Be familiar with and prepared to use the credit union's 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

A large blue number "2" centered within a blue circular outline.

Second, equip your members with practical tips on how to prepare for a crisis.



## Create and Issue a Member Disaster Preparation Guide

Include in a disaster guide the most recent Department of Homeland Security guidelines available on their website Ready.gov. This website includes detailed recommendations on the type of food to have on hand and currently recommends storing enough food to last at least three full days. Drinking water may also not be available after a disaster. Therefore, it's recommended one gallon of water is stored per person, per day. Other supplies such as flashlights, batteries, etc, are also recommended.



## Provide Short-Term Credit Options

Unfortunately, most people do not have an emergency fund or plan of action to respond to these situations. In fact, in a January 2019 survey from the personal finance website Bankrate, only 40% of Americans are prepared for an unexpected \$1,000 expense. As such, some of your members may need access to a cash loan if and when they face a financial crisis. Consider these following options and make plans to implement well in advance:

- Offer work stoppage loans
- Offer short-term credit loans, such as QCash and QCash Plus



# Steps to Take After a Disaster

## PROVIDE MEMBERS A LIFELINE DURING A NATURAL DISASTER WITH THESE FOLLOWING STEPS:

- Enact your credit union incident plan
- Update your website and social media channels
- Leverage social media to provide guidance and communication
- Connect community support agencies to members in need
- Establish an attended hotline/chat line during peak disaster periods
- Send outbound member email and text
- Waive fees for hard copies of records if needed for proof of government grant applications, etc
- Send a preparedness checklist (See examples below) – Pets, Moms, Families, Securing House, etc.
- Provide conversation pointers on talking to kids

## PROTECT MEMBERS' ACCOUNTS DURING A DISASTER & PROVIDE CASH RELIEF OPTIONS

- Monitor accounts for fraudulent activity
- Implement a process to quickly freeze accounts and credit cards
- Extended business hours
- Increase debit and/or credit card limits
- Expedite replacement of debit and/or credit cards
- Lower check holds
- Modify collections practices
- Proactively implement a loan modification program



SUPPORT THE NEEDS OF YOUR COMMUNITY BY PROVIDING THE FOLLOWING SERVICES:

- Offer parking lots/branches and community supply distribution hubs
- After checking on and taking care of staff first, pull together a response team to help local officials/response agencies as volunteers
- Provide a cell phone/mobile device charging station
- Continue communication via your website and social media channels with helpful local and regional information
- Provide secure avenues for disaster relief donations

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 natural disasters and emergency needs they might face in the future? QCash Financial would love to come alongside you. We offer a myriad of solutions, include a platform to automate your short-term credit products for your members. We would love to hear additional lessons you have learned, your own tips, and how you have been successful supporting your members in need.



At QCash Financial, our mission is to empower financial institutions in their quest to improve the financial wellness of their communities. We believe the best way to accomplish this is to help those who are struggling financially. Our products are designed with the financial wellness goal in mind. We believe everyone has the capacity and resilience to be financial healthy if given the tools to help change their behaviors. Often the first step is to offer them a reasonable short-term credit option when their financial crisis hits. Let's have a conversation about how your credit union can be there for your members when they need it most. 1.800.893.7893 or [info@qcashfinancial.com](mailto:info@qcashfinancial.com)