



10 Steps

TO DISASTER PLANNING

Every year, communities across the United States and Canada face public emergencies and disasters. GFOA asked its members for their advice on disaster planning and recovery, and the ten steps below summarize the responses we received. (We thank all of those who contributed to the conversation.) For more disaster planning and recovery resources, visit GFOA's Disaster Finance Resource Center at gfoa.org/disaster-finance.

1 Include both finance and procurement leaders in the emergency operations center.

Finance and procurement staff need a seat at the table to navigate emergency procurement procedures, work to ensure continuity of supply chains and service providers, and properly budget, provide payment, and account for disaster response activities.

2 Maintain a roster of all staff and their roles during a disaster event.

You'll need to be able to contact all finance staff, understand their primary roles in coordinating the finance response, and determine if any of them can help staff in non-finance related response roles.

3 Prepare for remote work.

Consider replacing desktop computers with laptops so employees can work away from the office. Also, consider cloud-based resources for larger enterprise systems—including enterprise resource planning (ERP), email, file storage, communications, or other departmental specific systems—that can be accessed from any location with internet access.

4 Become familiar with Federal Emergency Management Administration (FEMA) rules and guidelines,

along with rules governing state emergency assistance funds. Most assistance comes in the form of reimbursement for eligible costs that your government incurs, so proper record keeping is critical to maximizing your reimbursement.

5 Establish and maintain a detailed asset inventory.

The inventory should include facilities, equipment, vehicles, and infrastructure assets such as roads, bridges, and underground pipes. Include pictures and assessments of the assets' condition. Update these regularly, as this information will be critical when filing for FEMA reimbursement.

6 Determine how you will track costs associated with a disaster response in your financial system.

Most modern ERP systems include project-tracking abilities that are well-suited for tracking disaster response costs. Set up a project or event code for the specific disaster, and all invoices and employee hours associated with disaster response should be tracked with this code.

7 Update emergency procurement guidelines in your procurement policies.

During a disaster, the government must either provide necessary equipment and supplies or use external service providers. Emergency procurement policies help ensure that contracts can be executed, and resources sourced quickly and in compliance with policy, while also helping reduce the increased risk of fraud.

8 Develop and maintain human resources and payroll policies and procedures that address emergency situations.

When communities face natural disasters, local government employees are often responsible for providing aid and in need of aid at the same time. Local government human resource and payroll policies should ensure that employee benefits can be maintained and that employees will continue to receive payroll checks.

9 Review your risks and build up a disaster response reserve.

There will be a significant amount of time between when you submit expenses to FEMA or a state agency for reimbursement and when you receive funds, and there is no guarantee that your total request will be approved. Finance officers need to know what reserve funds exist and what can be used for short term cash needs during the disaster.

10 Determine how you will communicate with residents, employees, elected officials, and vendors.

While first responders often take the lead in communicating with the public regarding the public safety response, finance officers play a critical role communicating information related to continuity of government services and any associated charges (utility bills, tax payments, permits, and more).