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Hurricane Preparation for Businesses

Every business in Florida should have a hurricane preparation plan. The plan does not necessarily have to be extensive, but should consider the most likely storm scenarios. To create the plan, an assessment of potential risks should be conducted. The plan is then developed based upon the assessment. The plan should be prepared before a storm threatens since time and resources will be limited as a storm approaches.

The hurricane preparation plan serves as a blueprint detailing what steps should be taken when a hurricane risk is eminent. Staff members should be familiar with the plan before a crisis arises. As every business is different, hurricane plans will vary by business. The following ideas should be incorporated into the hurricane plan:

- Determine which staff members can reasonably be expected to be available to carry out hurricane preparations. Some employees may need to assist their own families and may not be available to prepare the business for the storm. This should not come as a surprise and should be anticipated.
- Pertinent records should be stored in secure cabinets. The business must ascertain which records contain vital information and represent a valuable operating asset of the business.
- Back up computer records and store the backup off site. Backing up the computer is critical as the business's accounting data is likely stored there. A loss of the financial data could be costly as it may be difficult, if not impossible to recreate the data.
- Move the computer server to high ground. If the server is stored on the floor, move it to a higher spot as a precaution against flooding. Also consider moving the server to a safe location such as a well-protected interior room.
- Determine how to contact employees if phone lines are inaccessible. Compile a list of home phone numbers, e-mail addresses and cell phone numbers for all staff members. Consider setting up a telephone number with a message that will be regularly updated to inform employees of the status of company operations following a storm.

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- Develop a telephone message informing customers or clients why the business has temporarily shut down and who they should call for dire matters.

After a storm, the business may be closed for a week or more until disruption issues have been resolved. Management should consider the length of time the business can survive before its finances are significantly depleted. Covering overhead costs and paying employees for an extended period of time may not be possible if cash flow interruptions occur.

The importance of having sufficient insurance coverage cannot be overemphasized. Evaluate what the current insurance covers and make sure catastrophic events are covered. Basic insurance may not cover events like floods and other so-called "acts of nature," so coverage may have to be expanded. Consider adding business interruption coverage, which reimburses the business for revenue lost during the time the business is unable to function.

Preparing for hurricanes is complicated, expensive and time consuming. Unfortunately, the number and intensity of storms seems to be increasing and it should be assumed that hurricanes or other natural disasters will affect most Florida businesses. The best advice is to begin crafting an appropriate hurricane response plan so you are ready to react quickly when a storm threatens.

Monthly QuickBooks Tip



By Suzanne Stabila Duffy, Certified QuickBooks ProAdvisor®

Did you know that QuickBooks tracks every move you make? When you set up multiple users, you can see who has entered, altered, or removed transactions – down to the exact date and second. Every person who accesses QuickBooks should have his own user name and password. The only time the Admin log-in should be used is when performing utilities specifically designated for the Administrator. Setting QuickBooks up in this manner will allow you to track who has done what and when, which can be very helpful if many users have access to the information.