West Virginia Credit Union League

# COVID-19 Response & Reopening the Branch

CUNA MUTUAL GROUP

# A much different threat profile now

COVID-19 has led to a quicker adoption & plans to embrace:

- Digital technology
- Loan Loss Mitigation
- Remote work arrangements & flexibility
- Branch re-configuration

However, it's more good old-fashioned response to behavior. This crisis highlights how important digital capabilities and product access are, and how important speed and seamless integration are.

Branch locations definitely still play important roles from an advice and complex transaction perspective.

**Jim Bullard**
Senior Risk Consultant
CUNA Mutual Group

# What risks do we need to think about in an extended scenario (up to six months)?

## Life after COVID-19

# Return-to-Work exposures

Negligent supervision / management centering on safety

Exposure to virus

Refuse to return to work for health or safety reasons

Wrongful termination related to whistleblowing, safety & FFCRA conditions

Discrimination claims relating to hiring or re-hiring; and disability accommodations

Avoid future disruptions

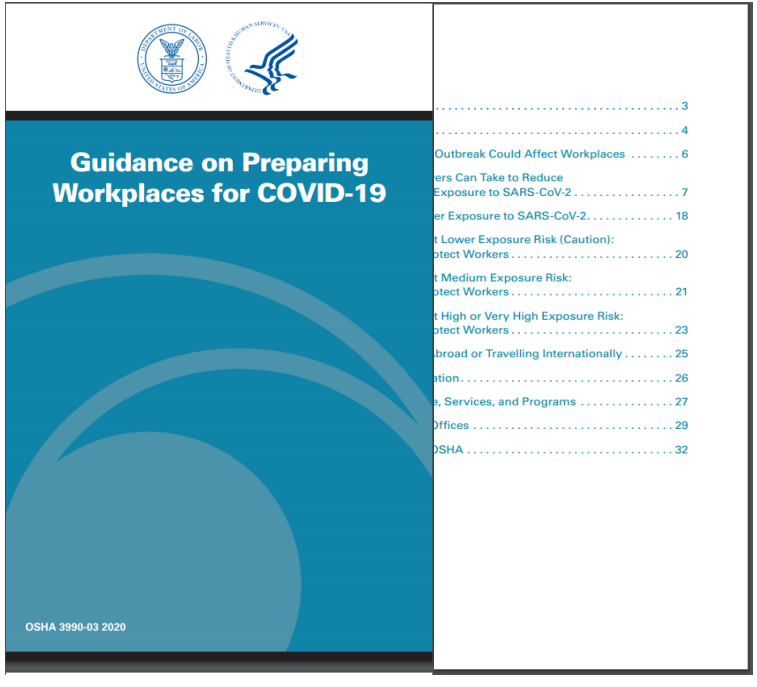
**Written administrative policy controls as well as other mandated practices are critical**

# Comply with federal, state & local government orders

- Monitor the lifting of government Shelter-in-Place Orders to determine appropriate time frames, and phases for returning to work
- Efforts should be made to review and comply with CDC and OSHA guidelines on safe practices in the workplace
- Each state and regional reopening pact will be unique and specific conditions and limitations may pertain to credit unions within their borders
- Carefully review state- and locality-specific orders.
- Consult with legal counsel when questions arise

# CDC Interim guidance – changes as of May 6,2020

- Conducting daily health checks
- Conducting a hazard assessment of the workplace
- Encouraging employees to wear cloth face coverings in the workplace, if appropriate
- Implementing policies and practices for social distancing in the workplace
- Improving the building ventilation system
- A table outlining the engineering controls, administrative controls, and personal protective equipment (PPE) that employers may use to help prevent the spread of COVID-19 in the workplace




https://www.osha.gov/Publications/OSHA3990.pdf

# Hazard assessment of the workplace

| Risk Assessment by Population of Employees/Customers/Visitors | | |
|---|---|---|
| Risk Consideration | Risk Mitigation Strategy | Risk Level |
| Are employees at a higher risk for serious illness, such as older adults (65 and older) or people with chronic medical conditions? | • Actively encourage sick employees to stay home. Employees with COVID-19 symptoms (i.e., fever, cough, or shortness of breath) should be advised to stay home;<br>• Communication about risk to staff/clients should be emphasized;<br>• Encourage the use of individual measures such as frequent hand hygiene, social distancing, respiratory etiquette and staying home when ill;<br>• Consider minimizing face-to-face contact between these employees or assign work tasks that allow them to maintain a distance of six feet from other workers, customers and visitors, or to telework if possible. | High |
| Have employees recently traveled or attended an identified risk setting (e.g., conference where cases were known to be present)? | • The United States Department of State has initiated a Level 4 Global Travel Advisory. This advisory discourages United States citizens from all international travel. International business travel should be suspended until further notice.<br>• Domestic travel should be limited and destinations where COVID-19 is spreading rapidly should be avoided. Non-essential business travel should be avoided. Please see the Department of Health's Travel Information website for more information about travel restrictions and guidance.<br>• If an employee has had close contact with another person who has been diagnosed with COVID-19 while traveling, the exposed employee should quarantine at home for 14 days. | High |
| Has an employee tested positive for COVID-19? | • If an employee tests positive for COVID-19, close contacts of the employee should be notified, but the identity of the person who may have exposed them should not be shared.<br>• Return to work guidance for an employee diagnosed with COVID-19 that does not work in a healthcare setting:<br>  ○ Stay home for at least seven days after you are tested AND wait until the employee is fever free for 72 hours; | High |

https://www.health.pa.gov/topics/Documents/Diseases%20and%20Conditions/COVID-19%20Business%20Risk%20Assessment%20Tool.pdf

**COVID-19 Statements**

Separate from the approval of this position document, ASHRAE's Executive Committee and Epidemic Task Force approved the following statements specific to the ongoing response to the COVID-19 pandemic. The two statements are appended here due to the unique relationship between the statements and the protective design strategies discussed in this position document:

***Statement on airborne transmission of SARS-CoV-2:*** Transmission of SARS-CoV-2 through the air is sufficiently likely that airborne exposure to the virus should be controlled. Changes to building operations, including the operation of heating, ventilating, and air-conditioning systems, can reduce airborne exposures.

# Considerations for ventilation systems

https://www.ashrae.org/file%20library/about/position%20documents/pd_infectiousaerosols_2020.pdf

# Hierarchy of Controls

Engineering

Administrative

Personal Protective Equipment

# Prepping the branch, staff and members

## Space Configuration

- Space configuration to allow for 6’ separation
- Transition employees back with continued remote work
- Acrylic partitions that allow for visibility & conversation while providing separation
- Consider lobby, drive-through, and back office operations
- Meetings & meeting rooms

## Office Hygiene

- Door handles – cleaning / adhesive push pads
- Surface mats for high-touch areas
- Touchscreen overlays – tablets, printers, ATMs, monitors
- Cannister wrap for drive-up pneumatic carriers
- Sanitation stations with wipes and/or hand sanitizer

## Health-conscious messaging

- Use of masks, face covers, sanitizing
- Serving members with masks, face covers, etc.
- Social distancing floor markers
- Behavior reminders
- Reporting procedures
- Privacy issues

# Multi-Uses at Credit Union offices

*Pay special attention to providing service to members, community groups, and employees*

- Children's areas
- Community rooms / meeting space
- Onsite daycare
- Fitness facilities / workout classes

If you must open access, it is important to emphasize:

- Safe spacing
- Limiting number of individuals
- Use of masks and sanitation stations
- Enhanced cleaning schedules

## What suggestions do you have for deep cleaning for CUs contemplating office re-entry and re-opening?

- CUNA Mutual Group has negotiated a discounted rate with SERVPRO for COVID-19 cleaning for policyholders
- Professionals are trained to perform a proactive cleanup that involves facility or structure cleaning and disinfection
- Cleanup procedures generally include cleaning of porous and non-porous surfaces, disinfecting of non-porous surfaces, cleaning and disinfecting of equipment, tools, and/or supplies used for cleanup process, and disposal of waste


Commercial Cleaning Services

SERVPRO®
Fire & Water - Cleanup & Restoration™

SERVPRO® professionals are trained in adhering to the highest cleaning and sanitation standards.

1-800-SERVPRO

Can we request that members / non-members
remove masks for identification purposes?

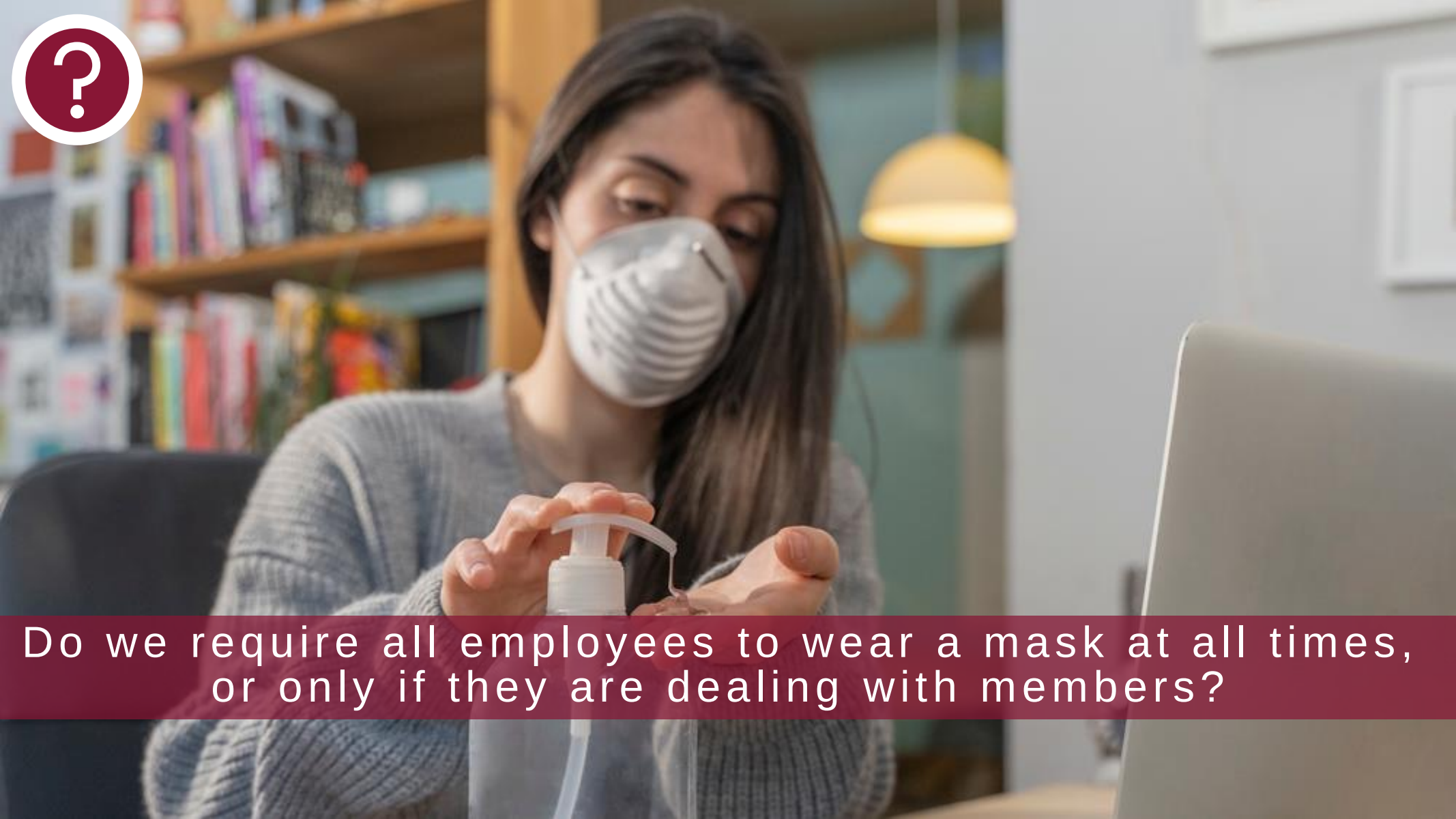
# Face coverings increase robbery risk

**Credit unions should not prohibit the wearing of face masks. Encourage members to use online banking, ATMs, ITMs and drive-throughs if entry into the office is not a necessity.**

## Some Considerations:

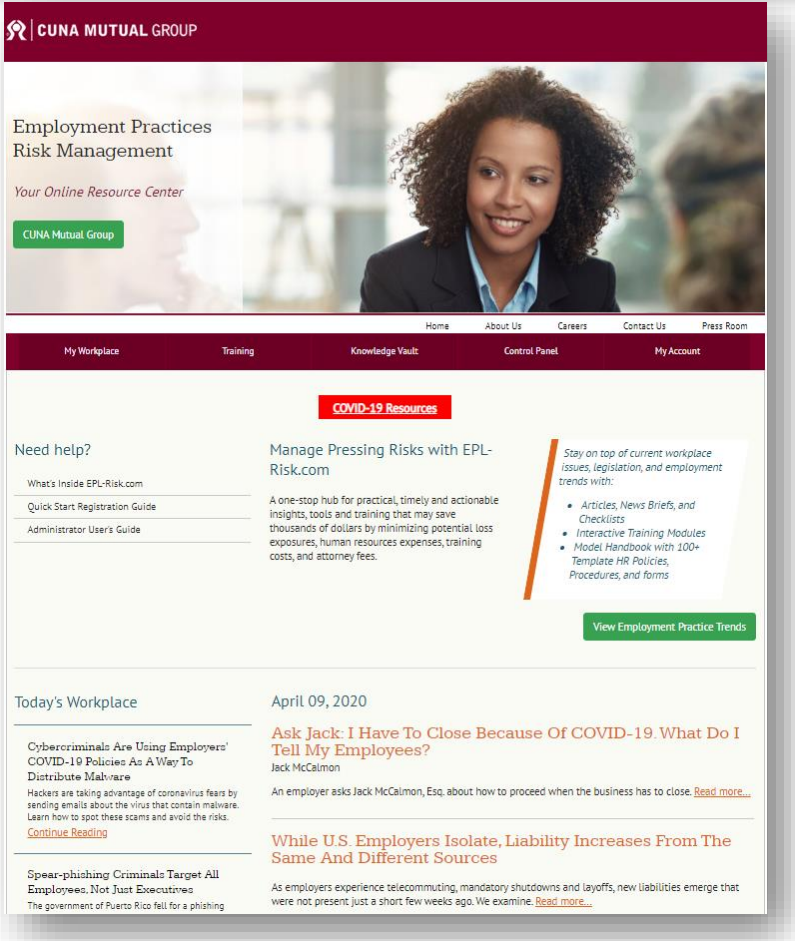
- Have sign saying we regret any inconvenience caused, but it is credit union policy to request brief removal of anything blocking the face for safety purposes
- Have members wait outside in the vestibule to be identified by staff before being let in or have a greeter at the door identifying members before proceeding
- Allow members into the lobby by appointment only. Request a driver's license or photo ID to confirm individual.

Adhere to Local, State, and Federal laws regulating the wearing of masks.


Do we require all employees to wear a mask at all times, or only if they are dealing with members?

Can we survey members about health/symptoms or perform a temperature check before setting appointments?

# Employment Practices Resources




www.epl-risk.com

**Focus on workplace issues, legislation, and employment trends**

- Articles, news briefs, and checklists
- Training modules
  - Preventing sexual harassment
  - Preventing discrimination
  - Preventing wrongful termination / retaliation
  - Promoting ethical behavior
- 100+ template policies & procedures - including disease / epidemic control
- Model handbook: 300+ pages

Helps minimize human resource expenses, training costs, and attorney fees

# What are the top-of-mind risks?

- Lending-Loss Mitigation Strategies
  - Consumer: Skip-a-pay
  - Mortgage: Deferment/Forbearance
  - Collection Strategies
- Emergency Loans
  - Consumer
  - Business-PPP
- Remote / flexible work arrangements

# The Member Collections Experience

## Keys to Success

- Focus on the member's individual situation
- Early Intervention
- Multi-channel approach

# Recommendations

## Collection Guidelines

- Be respectful and listen with empathy
- Personalize the communication for the member
- Be proactive to prevent delinquencies from occurring
- Consider the current delinquency as a part of the overall financial health of the member
- Offer Choices for method and timing of payments

## Members First

***Credit unions that focus on the member experience will be paid first and will create greater loyalty than other financial institutions.***

# Member engagement is Evolving

## Email, Text, Social Media

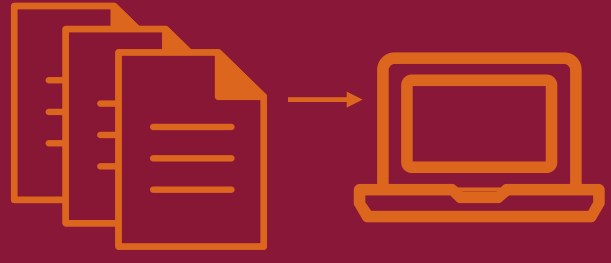
# Preventative Measures

- Overspending alerts
- Money management assistance
- Spending habits/trends
- Budgeting Tools
- Self-service options for debt management

Source: Claims data, CUMIS Insurance Society, Inc.

# The Power of Data and Technology

- Leverage data to your advantage
- Explore the Digital Age
- Consider the over-all relationship and the account history
- Improve efficiency and reduce collection costs
- Improve “right-party” contact rates
- Avoid compliance pitfalls



# The reality.

Many credit unions analyze the member journey within a single channel.

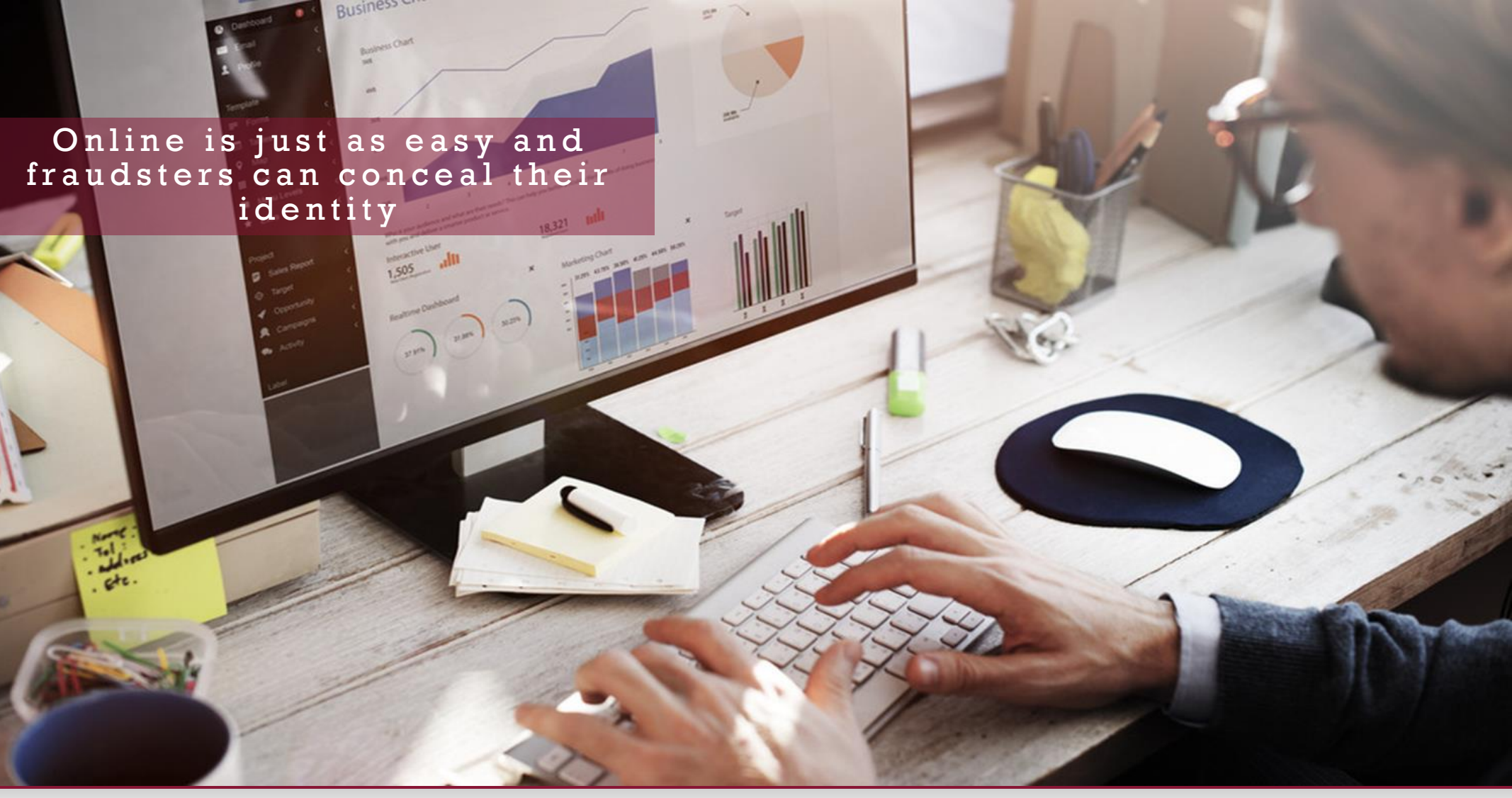
However, we increasingly live in a lending world, where the journey is more convoluted.

**Channels:**

- In-Person Branches
- Call Center
- Indirect
- Digital Lending

# The New Normal- CARES Act Guidance

- NCUA encourages pro-active assistance to members affected by COVID-19
- Monitoring & Reporting
- Mortgage Forbearance


Online is just as easy and fraudsters can conceal their identity

## Remote Workforce:

Tips for managing rapid deployment.

How do you monitor productivity?

How do you maintain data security?

# Remote Work Best Practices

- **Ensure Data Protection**
  Privacy and security of your member and credit union information should be a top priority

  If using personal mobile and desktop devices, identify minimum standards of security to access credit union networks

- **Avoid FLSA Violations**
  Monitoring and tracking the number of hours they are working outside of the office – especially those who aren't salaried and are non-exempt

- **Encourage a Healthy Work Environment**
  Employee health and safety should remain a top priority – ensure the environment would be suitable for getting the job done without posing undue risks

- **Define Availability, Responsiveness & Productivity**
  Provide clear and consistent communication to ensure employees can and do stay on task remotely

# Q&A

CUNA Mutual Group

# Risk & Protection Response Center

**800.637.2676** **Select you're a credit union, then choose option 4**

riskconsultant@cunamutual.com

Ask a Risk Manager interactive form

CUNA MUTUAL GROUP

This presentation was created by the CUNA Mutual Group based on our experience in the credit union and insurance market. It is intended to be used only as a guide, not as legal advice. Any examples provided have been simplified to give you an overview of the importance of selecting appropriate coverage limits, insuring-to-value and implementing loss prevention techniques. No coverage is provided by this presentation/ publication, nor does it replace any provisions of any insurance policy or bond.

CUNA Mutual Group is the marketing name for CUNA Mutual Holding Company, a mutual insurance holding company, its subsidiaries and affiliates. Insurance products offered to financial institutions and their affiliates are underwritten by CUMIS Insurance Society, Inc. or CUMIS Specialty Insurance Company, members of the CUNA Mutual Group. Some coverages may not be available in all states. If a coverage is not available from one of our member companies, CUNA Mutual Insurance Agency, Inc., our insurance producer affiliate, may assist us in placing coverage with other insurance carriers in order to serve our customers' needs. For example, the Workers' Compensation Policy is underwritten by non-affiliated admitted carriers. CUMIS Specialty Insurance Company, our excess and surplus lines carrier, underwrites coverages that are not available in the admitted market. Cyber liability may be underwritten by Beazley Insurance Group.

This summary is not a contract and no coverage is provided by this publication, nor does it replace any provisions of any insurance policy or bond. Please read the actual policy for specific coverage, terms, conditions, and exclusions.

05-2020 Webinar Series © CUNA Mutual Group 2020 All Rights Reserved.

www.cunamutual.com