

The Advisor's Preparedness Audit

National Preparedness Month is observed every September to encourage individuals, families, and communities to plan for disasters and emergencies.

Sponsored by the Federal Emergency Management Agency (FEMA), this annual campaign emphasizes actionable steps such as understanding local risks, making a family emergency plan, building an emergency supply kit, and getting involved in community preparedness efforts.¹

Food, water, medicine, and a well-stocked go-bag can help clients remain safe in an emergency. But they may still be financially and legally unprepared if their important documents are inaccessible, their insurance coverage does not match the risks they face, or their estate plan is not disaster-ready.

According to national data from 2024,² weather and climate disasters have become more frequent, more severe, and more costly. Advisors should give emergency preparedness the same attention they give other events that could disrupt a client's life and financial plan. A simple preparedness audit can reveal gaps before clients and their families are forced to address them under pressure.

Background on National Preparedness Month

While the word *disaster* may bring to mind hurricanes, tornadoes, floods, or wildfires, it can encompass a much wider range of events.

Under the federal disaster-declaration system and FEMA's emergency-preparedness guidance, disasters and emergencies may include earthquakes, severe winter storms, droughts, explosions, landslides, public health crises, terrorist attacks, cyberattacks, active shooter incidents, power outages, and other hazards affecting Americans' homes, businesses, and communities.³

National Preparedness Month grew out of the heightened focus on emergency readiness following the September 11, 2001, terrorist attacks. FEMA launched the annual campaign with partner organizations in 2004, and it has since expanded into a nationwide effort.

Five Predisaster Questions to Ask Clients

FEMA provides a checklist of four key actions that everyone should take to prepare for potential disasters and emergencies where they live.⁴ Advisors can build on that foundation with a five-question client audit conducted at an annual meeting or when a natural disaster comes up in the

¹ *National Preparedness Month 2026 Theme Announced*, Ready (Aug. 18, 2026), <https://www.ready.gov/september>.

² *Billion-Dollar Weather and Climate Disasters*, Nat'l Ctrs. for Env't Info. (Sept. 9, 2026), <https://www.ncei.noaa.gov/access/billions>.

³ *Disasters and Emergencies*, Ready (July 21, 2026), <https://www.ready.gov/be-informed>.

⁴ *National Preparedness Month 2026 Theme Announced*, Ready (Aug. 18, 2026), <https://www.ready.gov/september>.

local news. FEMA's location-based resources can also help advisors and clients identify disaster risks and preparedness information specific to their area.⁵

- **Are your client's important documents somewhere safe?** Financial records, deeds, insurance policies, and legal documents should be protected from fire, water damage, theft, and other physical risks. Original paper copies may need to be stored in a fire-resistant, waterproof safe or at a secure location away from the client's home, such as a bank safe deposit box, an attorney's office, or the home of a trusted person in a different area.
- **Are your client's estate planning documents up to date?** Wills, trusts, powers of attorney, and healthcare directives should be current in case an emergency forces the plan into action. Outdated documents can create confusion or delay when someone needs to act during a disaster.
- **Does someone else know where to find the client's key documents?** To be usable, estate and financial planning documents must be locatable. Clients should provide family members, fiduciaries, and trusted contacts with instructions on how to find and access documents where they are stored.
- **Is your client's insurance adequate for the risks they face?** Clients should review whether their current coverage and policy limits are sufficient for the risks in their area, including current rebuilding costs and exclusions for hazards such as flooding or earthquakes.
- **Have your clients explored policy riders that could further protect them?** Endorsements or riders may help address gaps and other risks not fully covered by a standard policy, such as sewer or water backup, high-value personal property, business interruption, or work equipment.

If not addressed beforehand, each of these items can compound an emergency and complicate a client's response. Because disasters often strike suddenly and leave little time to act, the federal government and FEMA stress preparation. Advisors should encourage the same from clients.

Connect Clients Before Disaster Hits

There is a saying, "Poor planning on your part does not necessitate an emergency on mine."

For advisors, however, that is not strictly true.

When disaster strikes, an advisor may receive a panicked call from a client who needs to update a plan, locate an important document, or explore additional insurance options. While advisors do what they can to help in these situations, there may be only so much they can do in the middle of an emergency. They may also be dealing with its effects, especially if they work and live in the same area as their clients.

⁵ *Search Your Location*, FEMA (Dec. 20, 2023), <https://www.fema.gov/locations>.

The time to address disaster preparedness with clients is in the relative calm of your office before an emergency occurs, not amid the heightened pressure of an earthquake, storm, or fire evacuation.

While it can be easy for clients to assume that a serious disaster will not happen to them, the data suggests that it is increasingly a matter of *when*, not *if*.

With incidents such as floods and wildfires on the rise, and one national survey estimating that more than 3 million US adults—about one in 70—were displaced from their homes by a natural disaster in the preceding year,⁶ that type of risk should not be dismissed out of hand. Doing so can be catastrophic in its own right.

Advisors should not simply catastrophize. They should give clients practical resources for preparation. That includes connecting them with estate planning attorneys and insurance specialists who can help ensure that their plans are ready when a disaster hits.

⁶ Andrew Rumbach & Sara McTarnaghan, *More Than 3 Million Americans Were Displaced by a 'Natural' Disaster in the Past Year. How Can We Prepare for Our Climate Future?*, Urban (Nov. 15, 2023), <https://www.urban.org/urban-wire/more-3-million-americans-were-displaced-natural-disaster-past-year-how-can-we-prepare>.

