

## Business Interruption Insurance Claim Checklist

### ■ Preparing The Claim

1. Assemble a Team
  - Define roles and responsibilities
  - Designate point of contact for counsel
  - Designate point of contact for outside data requests when utilizing independent experts
2. Collect, Analyze and Organize Financial Data
  - Correspond with insurer
  - Create distinct general ledger accounts to track transactions specifically related to loss
  - Gather supporting documents for normal operating and additional expenses
  - Perform an analytical review and document actual results as compared to budgeted amounts and historical results for the same time period
3. Consider utilizing independent experts
  - Perform damages calculations with professional skepticism
  - Ease the burden on operations team
  - Provide an expert report and proof of loss package that can be utilized in settlement discussions, arbitration, or litigation

### ■ Supporting The Claim

Typical insurance policies define business interruption loss to include net profit before income taxes and continuing normal operating expenses including payroll expense. Examples of documents, reports and analyses prepared for the claim include:

1. Narrative describing the business and loss event triggering the claim, including a timeline – this serves as an overview for the claim
  - Identify what is and is not covered
  - Understand definitions
  - Map the underpinnings of the insurance policy to the financial statements
2. Insurance policy
3. Mapping of insurance policy to quarterly or monthly profit and loss statements
  - Budget, projected, and actual results
  - Revenue and expense detail
4. Production reports or pipeline reports (quarterly, monthly and daily)
5. Inventory, work in process (quarterly or monthly)
6. Cost accounting reports (quarterly or monthly)
7. Invoices and purchase orders
8. Payroll registers
9. Company credit card statements
10. Major contracts such as lease agreements

*If you would like to discuss how DGC can advise you on these matters, contact a member of your client service team or [Jackie Reinhard, CPA](mailto:jreinhard@dgccpa.com) at 781-937-5721 / [jreinhard@dgccpa.com](mailto:jreinhard@dgccpa.com) or [Elisabeth da Silva, CPA, CFE](mailto:edasilva@dgccpa.com) at 781-937-5792 / [edasilva@dgccpa.com](mailto:edasilva@dgccpa.com).*