Forensic Accounting & Complex Claims Practice – Fact Sheet

COVID-19

Forensic Accounting & Complex Claims (FACC) Practice at Willis Towers Watson assists clients in the preparation, quantification and resolution of large and complex claims. We work with our client and claim advocates to quantify loss amounts, gather necessary supporting documents, prepare and submit the claim on the client’s behalf, manage the entire claim and maximize recovery within the parameters defined by the policy.

The COVID-19 outbreak is likely to result in damages sustained by entities across all industries. Regardless of insurance coverage or other financial relief, the resulting financial damages sustained should be addressed, captured and quantified. Our team has decades of experience in dealing with catastrophes and complex losses, and has been at the forefront of worldwide disasters. FACC is available to assist clients through this unique situation with potential recoveries from insurance policies, FEMA and any other governmental funding.

FACC is available to assist in the quantification of economic damages related to the examples below:

- Property & Casualty Claims
- Event Cancellation
- Supply Chain Disruption
- Civil Authority and Restrictions
- 3rd Party Damages
- Environmental Claim
- FEMA Claims
- CARES Act
- Other Potential Federal Relief

Potential Business Impacts Sustained by Companies

Companies are faced with voluntary and involuntary closures, partial operations, travel restrictions and significant uncertainty. They may sustain financial losses resulting from the inability to use or operate the property. Most common are:

- Loss of sales/revenue
- Loss of production
- Cancellation of events
- Loss of service income
- Supply chain disruption
- Operating inefficiencies impacting margin
- Refunds to patrons
Potential Damages Sustained by Companies

Direct Damages
- Cleaning of property
- Decontaminate and disinfect property
- Removal of debris, contents and contaminated goods
- Internal Labor Charges

Indirect Damages / Extra Expense
- Operating inefficiencies resulting in lower margins
- Payroll expense to employees while the location(s) affected are not operating
- “Out of pocket” and temporary expenses incurred to mitigate the impact while partially operating (e.g. meals purchased for employees, electronic equipment)
- Any other expenses incurred above and beyond normal and due to the pandemic (i.e. medical supplies)

Compilation of Documentation
The financial damages sustained should be addressed, captured and quantified. In order to best represent the full economic damages your company sustains, we suggest compiling the following information:

- A daily time line - List of location(s) impacted, date of closure and reason for closure
- Obtain any official reports/communication from the civil authority ordering the shutdown
- Create a GL Account to capture all loss related data
- Identify or assign a person to be the main contact during this process to have “one voice”
- Invoices and/or receipts to support all expenses incurred as a direct result of COVID-19
- Historical monthly budgeted and actual income statements
- Maintain forward looking budgets that do not consider the impact of COVID-19.
- Historical monthly budgeted and actual production volumes. Maintain forward looking production budgets that do not consider the impact of COVID-19.
- List of any cancelled sales, contracts, orders, appointments, and/or refunds given to customers, along with the relevant supporting documentation for each
- Payroll records during the impacted period of time

About Willis Towers Watson
Willis Towers Watson (NASDAQ: WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 45,000 employees serving more than 140 countries and markets. We design and deliver solutions that manage risk, optimize benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas — the dynamic formula that drives business performance. Together, we unlock potential. Learn more at willistowerswatson.com.

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