



Inquiry & Insight: SERPs, Employee Onboarding, MSLP

📌 [lending](#) [employees](#) [pandemic](#)

Summary: For this month's Inquiry & Insight issue, we cover the questions from our readers on supplemental executive retirement plans, employee onboarding during the pandemic, and MSLP updates.

We thought it was interesting and odd that the most Googled question globally was: "What is my IP address?" As they said back in school, no question is a bad question because several others usually want to know the answer too. On that note, in this month's Inquiry & Insight (I&I), we hope these questions are of interest to you today.

Q: Can you please give us insight into supplemental executive retirement plans (SERPs) so that we can provide another incentive to keep our executives motivated and engaged?

A: SERPs are generally designed for senior-level executives. It is a customizable plan that is easy to implement, doesn't require IRS approval, and offers more flexibility than a 401(k), but is not protected in a bankruptcy proceeding. It doesn't have contribution limits, so the payout could be significant. The fact that it can be customized for each executive is a key benefit too.

Q: Onboarding has been a challenge during the pandemic. What do you suggest?

A: One of the big lessons from the pandemic has been how to instill company culture and a love for the organization at a time when human interaction is forcibly limited or nonexistent. Companies that have been most successful at this have worked hard to connect people with other newbies, helping them to bond with others that have walked in "similar shoes". Make sure new employees have frequent contact with bank leadership and pair them with at least one mentor who can guide them and a buddy who can be their go-to for questions. Also be sure to provide social opportunities such as online team game nights or online lunch chats where team members can interact in an informal setting, albeit virtually. Remember to set the tone upfront for work ethic, job expectations, and how things generally run at your institution.

Q: Can you please share some of the recent updates to the MSLP?

A: On Oct 30th, the minimum size for the Main Street New Loan Facility (MSNLF), Main Street Priority Loan Facility (MSPLF), and Nonprofit Organization Loan Facility (NONLF) was lowered to \$100K from \$250K. The fee structure was also changed for these three loan programs; borrowers may be charged up to 200 bp on the loan amount, and this fee will be retained fully by the lender. Also worth noting: Main Street Special Purpose Vehicle (SPV) will not accept more than one loan made to a single borrower with an initial principal amount of less than \$250MM within 60 days. There is still no clarity about whether the MSL program will be extended beyond year's end, but it's under consideration by the Board of Governors and Treasury Secretary.

HAVE A QUESTION FOR INQUIRY AND INSIGHT?

Send any questions to me at steve.brown@pcbb.com and I will try to address them in a future Inquiry & Insight issue. I look forward to hearing from you!

Copyright 2021 PCBB. Information contained herein is based on sources we believe to be reliable, but its accuracy is not guaranteed. Customers should rely on their own outside counsel or accounting firm to address specific circumstances. This document cannot be reproduced or redistributed outside of your institution without the written consent of PCBB.