



LOAN REVIEWS SPOTLIGHT SBA PROCESSES & PROCEDURES - IT'S IMPORTANT TO 'MIND YOUR P's & P's!'

As we've discussed in recent JRB eBulletins, loan reviews often reveal breakdowns in a lender's policies and procedures. In the ever-evolving world of SBA lending, it can happen. And it's a cascading effect. For instance, an updated SOP can trigger the need for a raft of changes in your policies and procedures.

So you've uncovered some gaps. Now what? What should you do to ensure that your policies and procedures continually comply with the latest SBA requirements?

Employ the Third 'P' - Proactivity. Minding your "P's & P's" - even in advance of a loan review - will help your institution be prepared for all contingencies. Here's what we recommend:

- Importantly, your SBA processes and procedures should include all steps your organization uses for non-SBA commercial loans
- Conduct annual internal reviews of your processes and procedures, updating as necessary
- Schedule quarterly reviews of key sections to make sure the latest SBA changes are addressed as they occur
- Make sure the forms and check lists your organization uses include the changes to policies and procedures you've made during your updates, and that old forms are properly archived
- Communicate! Notify every member of your staff affected by the changes to make sure they employ the proper processes and use the latest forms and checklists
- Keep your staff training program up to date. It's critical that your lending staff has the necessary training to excel at their assigned responsibilities

Keeping 'P's & P's Up to Speed Can be an Inside Job. Often your lending team - the people working in the trenches every day - are a great source of what works and what doesn't. It's a good idea to tap into them when you're considering your next update. Ask if they know of areas where processes/ procedures are breaking down or could be enhanced. Often, it's their hands-on experience that helps fine tune those procedures!

As always, our JRB Team is here to perform your loan reviews, provide custom staff training and assist in reviewing your policies and procedures. Whatever you need for as long as you need us! For our full array of services or to touch base about your SBA program, [Contact JRB.](#)

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