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PAYROLL

Gusto Helps Clients Navigate Silicon Valley Bank Mess

The HR and payroll company has created a resource hub for customers that used the failed bank to fund payroll.

Jason Bramwell • Mar. 14, 2023



HR and payroll company Gusto has created a [resource hub on its website](#) that contains updated news, information, and advice for its small business customers that used Silicon Valley Bank accounts to fund payroll and other business operations.

On the webpage, Gusto says:

[The resource hub] includes answers for some of the most pressing and basic questions that need answers, from the fastest ways to set up a new bank account to the ins-and-outs of wire transfers, to what you need to do if you're a Gusto customer who used Silicon Valley Bank to fund your payroll.

We've also included a list of options and vendors for short-term liquidity needs and other resources and highlight important things to pay attention to, including the risks of phishing attacks in urgent circumstances.

Please remember this is a changing, fluid situation. We'll continue to add more insights and updates as they become available.

And in a message to clients posted on its website Monday evening, Gusto said “we’re using our own balance sheet to run payroll for you for the 3/13 payroll date if you were not able to send your wire transfer in on time this morning. Please be advised that some payments may not arrive in the accounts of your employees until tomorrow [March 14].”

The full message states:

To our Gusto Customers who use Silicon Valley Bank (SVB) to fund payroll,

We know it's been incredibly stressful for many of you to try and log in into the SVB portal to send wire funds for payroll. Gusto is doing everything we can to help get your employees paid today.

Given the issues associated with wiring funds out of Silicon Valley Bank, we're using our own balance sheet to run payroll for you for the 3/13 payroll date if you were not able to send your wire transfer in on

time this morning. Please be advised that some payments may not arrive in the accounts of your employees until tomorrow.

For payroll dates (after today) throughout the week of 3/13, you'll still be required to send wire transfers—its best to send as soon as possible and no later than end of day, on the day prior to your check date.

Wire transfers are the surest and more reliable method for payroll given the current situation. We'll continue to keep you updated on the best protocols to make sure your team is paid on time and taken care of.

After the [Silicon Valley Bank failure](#) sent shockwaves through the financial industry on March 10, Gusto quickly let its clients know that it does not use SVB to fund customer payroll services and operations.

“Gusto utilizes a redundant system of leading banking partners (such as JP Morgan Chase and PNC) to facilitate our payroll processing and services to provide peace of mind for the unexpected,” the company said in the questions and answers section of its resource hub.

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