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Procedure for UNASSIGNED COMMISSIONS FOR LOANS		
Approved: Gayle M. Sherman, Chief of Program Services Date:	Reviewed: Richard Saperstein, Chair, NCBV Date:	
Reviewed: Michael T. Coleman, Administrator Date:	Original Date: Revision Dates:	

ELIGIBILITY

All licensed BEN operators and trainees who are assigned to a vending facility and in good standing are eligible to apply for a loan. BSBVI may advance money to an operator or trainee to

- 1.) purchase initial stock, supplies and equipment and to pay for fees, permits, inspections, deposits, payroll, and other expenses to begin operation of a vending facility,
- 2.) to ensure the continued operation of an existing vending facility

LOAN APPLICATION

All loan applications must be submitted on the prescribed Loan/Subsidy application form (see Attachment A) and will be faxed or mailed to the BEO II. In order to be eligible for review, the Loan/Subsidy Application form must be filled out in an accurate, complete and timely manner, and must include all pertinent documentation. The BEO II will review the submission for suitability and compliance and will forward all qualified applications to the Loan/Subsidy Review Panel for consideration.

A Loan/Subsidy Review Panel will be established to review all qualified loan applications and to provide recommendations to the Bureau Chief. The panel will consist of the Bureau Chief or appointed designee, an NCBV Committee member who is not a direct or indirect recipient or beneficiary of a loan being considered, and a Business Enterprise Officer (BEO).

Within 30 days of the date of the application, the Loan/Subsidy Review Panel will review applications, the BEO analysis and all other pertinent information relating to the loan request. The panel will hold all application information in the strictest confidence. If a loan request exceeds \$10,000.00, the Loan/Subsidy Review Panel's recommendations will be forwarded to the Administrator for consultation. After reviewing all of the information, the panel will submit a written recommendation to the Chief to approve or deny the loan application. The Chief will make a determination within 15 days after the recommendations have been received from the panel.

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If a submission is found to be unintentionally erroneous or incomplete, the Loan/Subsidy Review Panel will return the form for correction and resubmission. If deemed appropriate, the panel reserves the right to reclassify an application from loan to subsidy.

An operator/trainee who is in urgent need of assistance may request emergency review of his/her application. To be considered, an operator/trainee must submit an Emergency Loan/Subsidy Application form (see Attachment B) to the Bureau Chief. If the Chief agrees that an emergency review is justified, the Loan/Subsidy Review Panel will be convened.

LOAN REPAYMENT

Once a loan has been approved, the licensed operator or trainee will execute a promissory note for the amount of the loan. Loans are to be repaid in accordance with the loan repayment schedule outlined in NAC 426.235 and submitted with the monthly Profit and Loss Statement (P&L). BEN staff will record loan payments upon receipt and will deposit all checks in accordance with the Rehabilitation Division Accounting Manual. BSBVI will assess penalties for late payments as prescribed in NAC 426.224. The Bureau Chief may waive penalties if the operator or trainee submits a request for a waiver which includes the reasons for the late payment.

In the event that an operator passes away before his/her loan has been repaid, the unpaid balance of the loan shall be deducted from the fair market value of the inventory and any remainder shall be paid to the operator's estate. If the unpaid loan balance is greater than the value of the inventory, Bureau Chief and the Loan/Subsidy Review Panel will review of all the relevant circumstances on a case by case basis to determine if repayment will be sought from the estate of the deceased operator.

If an operator or trainee fails to make loan payments as required, the Chief and the Loan/Subsidy Review Panel may schedule an interview with the operator to review the circumstances regarding the default and determine if mentoring, additional training, or other action is necessary to resolve the issue(s) that have resulted in non-payment of the obligation.

The total amount of loans and subsidies granted to BEN program operators in any given month will not exceed the total unassigned revenue collected by the Bureau in that same month. The BEO II will submit to the Bureau Chief a monthly summary report of all loans being made to operators or operator trainees.

Attachment A

LOAN / SUBSIDY APPLICATION FORM

This form must be faxed to the BEO II for review and submission to the Loan/Subsidy Review Panel

Date ____/____/____

Vendor Name _____ **BEN #** _____

Amount Requested \$ _____

Describe the circumstances surrounding this application:

Attach additional sheets and supporting documentation if necessary

Vendor Signature _____

(Do not write below this line)

Date Received by BEO II ____/____/____

BEO II Signature _____

Bureau Chief Signature _____

Date ____/____/____ Approved _____ Denied _____

Administrator Signature (if > \$10,000) _____

Date ____/____/____ Approved _____ Denied _____

Attachment B

**EMERGENCY REVIEW
LOAN / SUBSIDY APPLICATION FORM**

*This form must be faxed to the BEO II for review and
submission to the Bureau Chief*

Date ____ / ____ / ____

Vendor Name _____ **BEN #** _____

Amount Requested \$ _____

**Describe the circumstances surrounding this
application** _____

Attach additional sheets and supporting documents if necessary

Vendor Signature _____

_____ (Do not write below this line) _____

Date Received by BEO II ____ / ____ / ____

BEO II Signature _____

Bureau Chief Signature _____

Date ____ / ____ / ____ Approved _____ Denied _____

Administrator Signature (if > \$10,000) _____

Date ____ / ____ / ____ Approved _____ Denied _____