

SUMMARY FINDINGS SBA LOAN AND GRANTS:

The following are excerpts from a summary of research findings from Erick Schoen, Executive Director of the Community Chest, Inc. The work highlights his findings, and it may prove helpful to our Storey County small businesses attempting to secure funds from the Small Business Administration (SBA) programs.

Dear Colleagues -

I am writing this email to relay the lessons I have learned in trying to ensure our organization has the necessary cash on hand and resources to continue providing our services to the community during the COVID-19 crisis and into the future. In case they are helpful, I wanted to share the assumptions I have made and the lessons I have learned in just the past two weeks. I apologize up front -- these are not in any particular order. They may also be a bit wordier than is ideal. Still, my hope is that you'll find some solace in recognizing we are all on similar journeys and fast-track your learning curve by learning from the bumps to the head I've taken along the way.

My Full-Time Job Is To Become and Expert on All Things Related to COVID-19 Finances

This includes reaching out to all grant funders to ensure their continued support and flexibility and foundation partners to discuss our ongoing needs. As well, it includes keeping up on approved and developing Federal dollars -- more on what I've learned about each of these below. To that end, I've developed a "COVID-19 Tactical Spreadsheet" specific to my agency to help me keep track of all the information coming at me.

Now onto my experiences with each of the four Federal funding streams currently available

The caveat here is that this is only MY experience. There may be others out there that I have not yet come across, and there may be others yet to come in future packages. And, keep in mind that the processes are oftentimes being written as the money is released so that there is STILL a lot we don't know. In the hopes that my experiences help, here you go.

1. **Payroll Protection Loan (PPL)** -- This is the loan that folks could start applying for Friday morning. Approved agencies/businesses/churches will be eligible to receive up to 2.5 months worth of payroll costs that can also be used to cover other overhead, and is rumored to be 100% forgivable as long as all staff are retained for 60 days. Here is what a lot of folks didn't know about applying for this loan: you have to apply directly through a participating financial institution, not the SBA website. And, not all financial institutions have been similarly prepared or ready. These monies are first come, first prepared, first served -- it is important to apply as early as possible in order to increase the likelihood of there still being funding when your number is called. Even if you aren't sure you want to take and/or need the money, apply anyway to preserve the opportunity. In my mind, it is a no-brainer to apply for loan dollars that will likely be 100% forgiven.
2. **Economic Injury Disaster Loan (EIDL)** -- This is the SBA emergency loan that, if approved, would lend agencies up to \$2 million (depending on what they qualify for) at 2.75% interest if nonprofits, 3.75% if not. For this loan, you DO apply directly through the SBA website. There is

quite a bit of documentation involved. The good news is that if you are used to submitting for comprehensive Federal or State grant opportunities, than you likely have much of this easily on hand. The catch here (as I understand it) is that you can't accept both PPL and EIDL funds; it is either one or the other. I have applied for both in the hopes of getting the opportunity to utilize at least one. One thing that eluded me for a week was how to sign into the account as I couldn't find that information anywhere. I finally found it this AM and share with you this link so that you can check on your application status:

<https://disasterloan.sba.gov/ela/Account/Login>.

3. **\$10K SBA Grant** -- It took me a while to figure this out, but the \$10,000 SBA Grant is the same as the SBA Advance. This is part of the EIDL application process discussed above. The only way to be considered for this funding is to fill out the EIDL application.
4. **COVID-19 50% Leave Credit** -- As of April 3, we have offered our employees the two weeks of mandated COVID-19 leave. Though a headache to implement, we are tracking this separately from other leave to preserve our ability to get reimbursed for up to 50% of COVID-19 leave taken by our staff through tax credits. And, we are still figuring this out as we go.

So, please, know that you are not alone. If you know something I don't, please let me know -- I'm not perfect. If you want to reach out for further clarification and/or to commiserate, my information is below. Also, if you have other lessons of your own you'd like to share, please let me know; I'll try to capture these and share. :-)

Stay well, healthy, and strong...each and every one of you.
Best,

Erik

PS -- You have my permission to share this email with anyone you think it may help. :-)

Erik Schoen, Executive Director

Community Chest, Inc.

PO Box 980

Virginia City, NV 89440

(775) 847-9311, x102

Citation note: The foregoing was used with the permission of Erik Schoen, Executive Director of the Community Chest, Inc.