



## Guidance for Applicants

### Understanding the application.

The following information is meant to help you understand the application process. The PROPEL Help Desk is also available to take your questions.

When applying understand that there is no guarantee of approval. The application requires you to present information that helps decision-makers to determine if your company can successfully manage and repay the loan. As a result, you will be asked to supply financial information including your credit score and credit report, which may lower your score. It is recommended to pay close attention to the PROPEL District 1 Loan Fund criteria and eligibility to measure if it will be of benefit to your company to pursue this funding opportunity.

If you are certain you wish to pursue this funding opportunity for your company, the following information is meant to clarify questions as you work through the application. The PROPEL Help Desk is also available to provide support with the NetWork Kansas Referral Center 877-521-8600, [info@networkkansas.com](mailto:info@networkkansas.com), and chat at [livechat.boldchat.com](https://livechat.boldchat.com). The PROPEL Help Desk is available to respond to inquiries weekdays from 9:00 a.m. to 5:00 p.m.

- **Note: Applicants whose applications are deemed Incomplete or that are Denied are eligible to reapply following one calendar year from date of decision**
- **If your application is deemed Ineligible, you will not be able to reapply to the PROPEL District 1 Loan Fund**

### Application format:

- Hard copy applications can be acquired: \_\_\_\_\_.
- Online application - \_\_\_\_\_.

### Where to submit completed applications:

**The following methods are acceptable to submit completed applications:**

- Completed application packages can be submitted in electronic or hard copy format.
- The electronic version can be uploaded according to instructions provided.
- A hard copy be mailed using the United States Postal Service (USPS) or hand delivered to \_\_\_\_\_.

## Guidance for Applicants

**Today's Date** The application date is the date that the borrower began to input data onto the application for the purpose of acquiring a loan.

### PERSONAL INFORMATION

**Applicant's Name** Input the applicant's last name, first name, and middle initial.  
The name should match the name on your tax return.

**Applicant's Email** Input the borrower's email address. This should be a current address, free of typos and one that is regularly-monitored.

**Applicant's Phone Number** Input the applicant's phone number. This should be a current phone number, free of typos and one this regularly-used.

**Applicant's Mailing Address** Input the applicant's street, apt#, city, state, zip

**Applicant's Date of Birth** Input the applicant's date of birth

**Veteran** Veteran data is collected for reporting purposes only. Disclosure is voluntary and has no bearing on the credit decision.

**Gender** Gender data disclosure is voluntary, but is factored into funding decisions as described in the applicant criteria.

**Race** Race data disclosure is voluntary, but is factored into funding decisions as described in the applicant criteria.

**Ethnicity** Ethnicity data disclosure is voluntary, but is factored into funding decisions as described in the applicant criteria.

**Applicant's Social Security Number** Social Security data is collected to help validate identity.

**Co-Applicant's Name:** Last, First, Middle Initial

**Co-Applicant's email**

**Co-Applicant's phone number**

**Co-Applicant's Mailing Address:** Street, Apt #, City, State, Zip

**Co-Applicant's Date of Birth**

**Veteran**

**Gender**

**Race**

**Ethnicity**

# Guidance for Applicants cont.

## COMPANY INFORMATION

Name of business (as shown on your income tax form)

EIN or SSN                                      If applicant operates using their social security number, please insert. EIN stands for Employer Identification Number.

Name the stage of your business: Start-up, Expansion, Stabilization

Primary Business Owner's Name: Last, First, Middle Initial

Primary Business Owner's Email

Primary Business Owner's Address: Street, Suite, City, State, Zip

Primary Business Owner's Phone Number

Secondary or Co-Business Owner's Last Name, First Name, Middle Initial

Secondary or Co-Business Owner's Email Address

Secondary or Co-Business Owner's Phone Number

Secondary or Co-Business Owner's Mailing Address: Street, Suite, City, State Zip code

Company Structure: Sole Proprietorship, S Corp, C Corp, General Partnership, Limited Partnership, Limited Liability

Company (note: nonprofit agencies do not qualify for this type of loan)

Company Phone

Company Email

Company Mailing Address: Street, Suite, City, State, Zip Code

Company NAICS code(s)                      The NAICS stands for the North American Industry Classification System, which is the standard used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. Unsure about your NAICS code? Visit: <https://www.naics.com/search/> and insert keywords that describe your company. Input on the application the 5-digit number that best describes your company's product/services

Date Established

Describe nature of business: Manufacturing, Wholesale, Retail

Company Certifications: DBE, MBE, WBE      Business certifications represent the company has undergone an application and screening process to be designated as a Diverse Business Enterprise (DBE), a Minority-Business Enterprise (MBE) and a Women-Owned Business Enterprise (WBE) based on the demographics of the company's majority owner (as indicated by 51%+ ownership in the company). While some applications allow self-identification as such, PROPEL requests applicants report certifications designated by an entity.

Certifying Agency/ies                              Name the agency/ies providing your certifications.

## Guidance for Applicants cont.

Is the business a party in any lawsuit? Yes No  
Does your company use a system of cash or accrual accounting?

What accounting method does your company use?  
Cash systems are where payment receipts are recorded during the period in which they are received, and expenses are recorded in the period in which they are actually paid.  
An accrual system where revenue or expenses are recorded when a transaction occurs rather than when payment is received or made.

**LOAN REQUEST:** Consider your business needs and your ability to repay. Do not request an amount that your Request Amount company is unable to pay back.

Requested Terms: 12 Month, 24 Months, 48 Months How many months would you like to have to pay-back the loan, if approved?

For what purpose? Acceptable uses: Inventory, Equipment, Capital, Equipment, Supplies, PPE Indicate how you would use the loan funds, if approved.

What is your plan for repayment? How will you plan to repay the loan?  
How much are you investing to help cover your company's financial need? How much funding are you planning to also contribute to the company need driving your loan request? Loan requests typically require applicants to show their investment in their company by pledging their funding to help meet the company need.

What is the source of your investment funds? Describe the source of the funding that will be used for the investment you are going to make to help meet the business need.

### REFERENCES

First Personal Reference Last name, first name, middle initial  
Reference's relationship to applicant  
Reference's phone number  
Reference's Email Address:  
Reference's Mailing Address: Street, Apt, City, State, Zip  
Second Professional Reference's Last name, first name, middle initial  
Reference's relationship to applicant  
Reference's phone number  
Reference's Email Address:  
Reference's Mailing Address: Street, Apt, City, State, Zip  
Third Professional Reference's Last name, first name, middle initial  
Reference's relationship to applicant  
Reference's phone number  
Reference's Email Address:  
Reference's Mailing Address: Street, Apt, City, State, Zip

## Guidance for Applicants cont.

### **IMPACT**

How many employees do you currently have?

Full-time

Part-time

How much in sales does your company gross, on average annually?

How do you anticipate the loan impacting your company?

You acknowledge that the funds you're requesting will be used for a business purpose.

### **EXECUTIVE SUMMARY AND BUSINESS PLAN KEY CONCEPTS SECTION**

A Business Plan provides a blueprint of your company to be followed throughout your company's lifetime and therefore must be kept updated.

For the purpose of this loan application, key concepts of your business plan are requested for you to clearly and concisely demonstrate how the funds you are requesting will further your company's goal and increase its profits allowing your company to maintain its cash flow and repay the loan with interest, on time and in full.

### **BUDGET JUSTIFICATION FOR FUNDING STATEMENT:**

Loan amount requested:

Describe Proposed Funding Usage:

How were costs in this statement determined? (Explain, show evidence):

Provide details explaining how the funding will help strengthen or improve your company:

# Guidance for Applicants cont.

## MODIFIED INCOME STATEMENT SPREADSHEET

This document is available electronically through Excel.

Please prepare a separate Modified Income Statement containing information for each of the three following years: the previous year (containing actual amounts), the current year (containing actual and projected amounts), and the projected year (containing projected amounts).

Each table contains fields for you to enter your amounts for revenue (sales) and expenses. Each table also contains some lines that are self-calculating and self-populating.

### DEFINITIONS

**Revenue. Sales/ Services.** The money your company earns from doing business with its customers and clients.

**Returns.** The customer returns a product and receives a refund.

**Discounts.** Percent reduction in sales amount as an incentive to motivate sales.

**Allowances.** An amount returned to customers or clients for unsatisfactory products or services or overcharges.

**Other.** Other reasons for returning funds to customers or clients that do not fit the previously listed definitions.

**Net Sales/ Services.** The amount remaining after deducting returns, discounts, allowances and other from revenue. This line will automatically calculate and populate.

**Cost of Goods/ Services Sold.** All cost associated with producing or acquiring your company's products and/ or services that were sold or projected to be sold during the period.

**Goods Available for Sale.** This line represents the cost (value) of everything your company has available for sell during the period. This line will automatically calculate and populate.

**Ending Inventory.** The cost associated with whatever your company had available to sell during the year but by year-end, did not sell is (the value of) your ending inventory.

**Net Sales/ Services.** This line automatically populates.

**Expenses.** All other costs that are not directly related to producing your products and services. For example, supplies, labor, etc (that are not used in producing your company's products and services) along with insurances , advertising, marketing, etc belong in this category.

**Cost of Goods/ Services Sold.** This line automatically populates.

**Total Expenses.** Represents all costs including Costs of Good/ Services for the period. This line automatically populates.

**Net Income.** This line represents the difference between Net Sales/ Services and Total Expenses. This line automatically populates.

## Guidance for Applicants cont.

### **Prior Yr Mod I/S.**

This tab is used to record the actual amounts for revenue (sales) and expenses your company incurred for the full operating year prior to the loan application date.

State the year of occurrence in the space provided in the upper left corner of the report.

### **Current Yr Mod I/S.**

This report will include actual and projected amounts for revenue (sales) and expenses for your company.

In the cells above each month, indicate whether the amounts for that month are actual or projected by stating Actual or Projected. For the month in which the application is being made, indicate Projected but use actual amounts for amounts that are known and projected amounts for amounts that are not yet known.

State the year of activity in the space provided in the upper left corner of the report.

### **Projected Yr Mod I/S.**

This report will contain projected amounts for revenue (sales) and expenses for your company.

State the year of activity in the space provided in the upper left corner of the report.

## Guidance for Applicants cont.

### **Resumes of Majority Owners**

Attach a copy of resumes for all owners who own more than 20 percent of the company.

### **Statement of Personal History**

Help to capture any criminal history or lack thereof.

### **Personal Bank Statements**

Used to demonstrate positive cash flow.

**Personal Tax Return** - for more recent year prior to application

Used to verify personal income.

**Business Tax Return** - for more recent year prior to application

Used to verify company revenue.

**Business Bank Statements** - 12 months of statements

Used to verify company cash flow.

**Credit Report** - pull within 30 days of application

The credit report lists credit accounts, history of payments and public records to demonstrate how a person handles credit.

For information about accessing your credit report, visit: <https://www.consumer.ftc.gov/articles/0155-free-credit-reports>

or contact your financial institution that holds your business bank account.

**Credit Score** - pull within 30 days of application

Used to determine the likeliness that a loan will be repaid. Credit scores are included in credit reports.

For information about accessing your credit report, visit: <https://www.consumer.ftc.gov/articles/0155-free-credit-reports>

**Checklist** - Before submitting your application, please verify your submission is complete using the checklist.



## Guidance for Applicants cont.

### When your submission is complete-

Your application will be reviewed to ensure you are eligible to apply.

- If your application is eligible, a review will be conducted to ensure your application is complete.
- If your application is complete, you will be notified that your application has successfully passed the Preliminary Review and Screening and will advance for funding consideration in the Underwriting Phase.
  - During the Underwriting Phase, additional information and/or an interview may be requested of you. In these instances, you will be notified and will have three business days to supply the requested information and/or respond to the interview request.
  - Failure to supply the provided information and/or respond to the interview request within three business days will trigger a final three-business day deadline to respond.
  - Failure to submit information or respond to the interview request within either three business days or within the final three business day deadline will cause your application to be deemed incomplete.
  - You will be notified that your application is deemed Incomplete, that your application will not advance for funding consideration and that the process has concluded for your application.
  - PROPEL decisions are final.
- If your application is deemed ineligible, you will be notified of the ineligibility, your application will not advance for funding and the process will conclude.
- If your application is deemed eligible but is incomplete, you will be contacted for additional information and will have three business days to submit missing information.
  - If you fail to submit the appropriate information within three business days, you will be notified and will be given three additional business days to submit.
  - Failure to submit missing information within either the initial business day deadline or the additional three business day deadline will result in your application being considered incomplete. You will be notified of your application being deemed incomplete. Your application will not advance for funding and the process will conclude.
  - If you supply the information either within the three business days or the additional three business days, you will be notified and your application will be reviewed and a funding decision will be made within 30 business days.

# Guidance for Applicants cont.

## Funding Decisions

- You will receive notification of an approval or a decline.
- If approved, you will have an opportunity to formally accept the loan offer or decline by responding to the PROPEL PROMISSORY NOTE sent to you by the PROPEL ADMINISTRATIVE SUPPORT.
  - You will be given a three business day deadline to respond to the funding offer.
  - If you fail to respond within three business days, your Application will be deemed as **Unaccepted** and the process concludes.
  - No funding will be released to you.
- If you accept the funding by completing the PROPEL PROMISSORY NOTE and return within the allocated three business day deadline, you will be contacted by the PROPEL LOAN SERVICER to participate in the closing process.

## Closing and receiving funds

You will be contacted by the PROPEL LOAN SERVICER to complete the following paperwork to close your loan.

This process may occur electronically through a secure platform such as DocuSign:

- PROMISSORY NOTE - This document serves as a contract and includes: the purpose of loan; payment terms; loan amount; interest; number of payments; date of first payment; date of last payment; late payment terms; statement of guaranty; early pay-off note, etc.
- PERSONAL GUARANTY - This document details how the loan will be secured if the loan were to enter default
- AMORTIZATION SCHEDULE - Contains information about the loan payments, shows the amount of principal and the amount of interest that will be paid until the loan is paid off at the end of its term.
- MARKETING RELEASE - This form allows promotion of the company as part of the PROPEL Portfolio; specific details of the loan terms by applicant will not be publicly publicized.
- ACH FORM - Allows the PROPEL LOAN SERVICER to establish an electronic method to disburse loan funds to the applicant and to receive loan repayments from the applicant.
- Applicants will need to provide identification documents as part of the closing process which may include: a government-issued form of identification (i.e., Driver's License, a valid Social Security Card, etc.); a voided check that is connected to a business bank account in the same name as the Applicant; a W9 form.
- The ADMINISTRATIVE SUPPORT will send you a survey annually through payoff to measure impact of the loan funding on your company.

## Repayment process

- The PROPEL Loan Servicer will oversee Applicants' repayments and will troubleshoot any debt collection issues as they arise.
- Upon successful payoff, Applicants will receive a Payoff Letter which can be shared with other lenders to demonstrate responsible financing management.