

REHABILITATION DIVISION

GENERAL ADMINISTRATIVE MANUAL

4.19 BEN Unassigned Commissions for Loans



Policy

It is the policy of the Bureau of Services to the Blind and Visually Impaired (BSBVI) with the active participation of the Nevada Committee of Blind Vendors (NCBV) to enter into contractual agreements with private vending companies for the operation of unassigned vending machines (vending machines that are not assigned to a specific operator) to provide a mechanism for the collection of additional revenue for the Business Enterprises of Nevada (BEN) Program. These revenues may be used to provide loans to licensed blind operators and operator trainees for the following purposes:

- Start-Up Loans
- Business Expansion/Continued Operation Loans

Further, it is the policy of the Bureau and the NCBV to collect payment in full of all outstanding loan balances.

Loans are made against the cumulative amount of unassigned commissions collected. Business Enterprises of Nevada (BEN) Administrative Assistant III shall monitor receipt of these commissions and the use of revenue for loans.

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 Program Chief 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 Program Chief will review the submission for suitability and compliance and will forward all qualified applications to the Loan/Subsidy Review Panel for consideration.

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A Loan/Subsidy Review Panel will be established to review all qualified loan applications and to provide recommendations to the Administrator or designee. The panel will consist of the Program 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 thirty 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. After reviewing all of the information, the panel will submit a written recommendation to the Administrator or designee to approve or deny the loan application. The Administrator or designee will make a determination within fifteen days after the recommendations have been received from the panel.

If a submission is found to be erroneous or incomplete, the Loan/Subsidy Review Panel will return the form for correction and resubmission.

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 Program Chief. If the Program 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 Administrative Assistant III 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 Program 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 if sold, and any remainder shall be paid to the operator's estate. If the unpaid loan balance is greater than the value of the inventory, the Administrator or designee and the Loan/Subsidy Review Panel will review all of the relevant circumstances on a case-by-case basis to determine if repayment will be sought from the estate of the deceased operator.

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If an operator or trainee fails to make loan payments as required, the Administrator or designee 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 Program Chief will submit to the Administrator or designee a monthly summary report of all loans being made to operators or operator trainees.