

# The Marion I. & Henry J. Knott Foundation

## Loan Application

The Knott Foundation Cash Flow Loan Program makes short-term (30 – 180 days + a maximum 2% fee) cash flow loans from \$10,000 to \$25,000 (up to \$30,000 for past Knott Foundation grantees) against delayed receivables such as government, foundation or corporate grants and contracts. Loans are made on a first-come, first-served basis from a revolving pool of \$100,000.

Loans are interest-free but carry a two percent (2%) service charge when the loan is made. If the loan is repaid in full within 90 days, one half of the service charge is refunded. For loans repaid within 45 days, an additional one quarter of the service charge is refunded. Loan recipients who have honored the terms of the loan agreement may return to the loan fund for additional loans no sooner than one year.

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Date:

Organization Name:

Federal Tax Identification Number:

Address:

City/State/Zip Code:

Contact Person:

Title:

Phone Number:

Email Address:

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### **I. Background Information**

A. Purpose of Organization and Clients/Audience Served:

B. Describe why the cash flow loan is required and how the funds will be used:

C. Describe if this is a one-time request or is it an ongoing issue. If ongoing, are there plans for an operating reserve or endowment to cover future shortfalls?

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**II. Loan Request**

A. *What contract or grant is the basis for the loan?*

a. Contracting Agency:

b. Amount of Contract:

i. New: Amount of Contract:

ii. Renewal: Amount of Contract:

c. Final Approval Date:

i. Start Date:

ii. End Date:

d. Frequency of Invoicing:

e. Average Amount of Invoice:

f. When you expect to receive payment?

g. On what do you base this projection?

**B. Contracting agency official who can verify contract information:**

- a. Name:
- b. Title:
- c. Address:
- d. Phone Number:
- e. Email Address:

**C. Loan Amount requested: \$**

- a. Exact date you need the loan:
- b. Propose repayment date:
- c. On what is the proposed repayment date based?

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**III. Fiscal Information**

**A. Provide an approximate estimate of your ongoing sources of revenues by percent:**

\_\_\_\_\_ % Government grants/contracts      \_\_\_\_\_ % Earned Income  
\_\_\_\_\_ % Foundation/corporate grants      \_\_\_\_\_ % United Way

- B. Fiscal or accounting year end:
- C. Name of bank(s) and the services utilized:
- D. Do you have a Fidelity Bond?
  - a. Carrier:

- E. Is your organization current on all payments and filings to federal, state and city tax authorities? If no, please attach an explanation.
- F. Cash Flow Projections: *Complete the attached cash flow projections for the period beginning one month prior to your cash flow application and extending three months beyond your proposed repayment date, indicating your ability to repay the loan.*
- G. Confirmed and expected grants and contracts (use attached form). Please include all grants and contracts listed in the cash flow projection.

H. Budget	Last FY	This FY	Next FY
Income			
Expense			
I. Current Receivables			
J. Current Payables			
K. List all short and long term loan obligations:			
<b>Lender</b>	<b>Balance</b>	<b>Payoff Date</b>	<b>Payment</b>

**IV. Authorization**

*I certify that the information contained and submitted in support of this loan request is complete and accurate. I also certify that the board has authorized the loan amount and repayment date, the extension of a loan agreement and the intent to abide by the terms of the agreement.*

\_\_\_\_\_  
Board Chair Signature

\_\_\_\_\_  
Executive Director Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

**Timely repayment is critical to the success of the Cash Flow Loan Program so that the loan pool can be constantly revolving, serving as many nonprofits as possible. It is not appropriate to apply for a cash flow loan:**

- **Against a contract that has been or is at serious risk of being defunded; or**
- **If your organization is in financial crisis and your actual need is for emergency operating funds that cannot be repaid.**

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**V. Attachments**

*Please attach the following:*

1. A copy of the approved contract or grant award letter including specific award terms and conditions, the signature pages, the approved contact budget, and if applicable, the notice to proceed letter.
2. A current list of the board of directors with addresses and board titles.
3. The most recent annual audited financial statement.
4. The current year's operating budget.
5. A year-to-date financial statement, including a balance sheet.
6. A signed copy of the most recent state or unemployment tax return.
7. A signed copy of the most recent 941 Employers' Quarterly Tax return.