

## **Board Resolution Authorizing Loan**

Note: The following resolution was offered by the Small Business Administration as a template for non-profits seeking loans through the COVID-19 Paycheck Protection Program Loan (PPP). Recognizing that speed of application was of the essence due to limited funding, documents were submitted and responses received as follows:

### **Timeline:**

Friday, April 3, 2020	PPP loan application submitted based on 2X total payroll.
Monday, April 13, 2020	Intrust notified us that application was accepted and loan documents would be made available in approximately 10 days
Monday, April 20, 2020	Promissory Note and Disbursement request for \$246,000 to support payroll, rent and utilities as outlined below were received. Upon

### **Need for Loan funds:**

- \*Expectation and/or knowledge of significantly reduced corporate gifts in 2020
- \*Expectation of significantly reduced community volunteer engagement (reduced team size, current work delays during “stay-at-home”
- \*Closure of ReStore during “stay-at-home” orders until staff and store can be adequately prepared to reopen safely.
- \*Desire to retain staff due to costs of recruitment and training of replacements

### **Resolution:**

Whereas, the current economic uncertainty related to the Covid-19 pandemic makes a loan necessary to support our ongoing operations;

Whereas, the Small Business Administration is administering the Paycheck Protection Program (PPP) SBA 7 (a) loan program to provide a direct incentive for small businesses, including nonprofits, to keep their workers on the payroll.

Whereas, the loan amount is based on 2.5 times the monthly payroll and may be used on payroll related expenses together with rent and certain other expenses;

Whereas, SBA will forgive loans if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities;

Whereas, if 1) the number of full-time equivalent employees is reduced or 2) wages for individual employees making less than \$100,000 per year are reduced by more than 25%, then a portion of the loan will be repayable in two years;

NOW therefore, it is resolved that:

Wichita Habitat for Humanity (the Corporation) is authorized to borrow the maximum amount available under the PPP SBA 7(a) loan program , specifically \$246, 700.00 and

The officers of the Corporation authorized the Executive Director to execute a promissory note and such other documents as are necessary in the name of the Corporation and take any and all action necessary to obtain the loan.

This resolution adopted at a meeting of the Corporation's Board of Directors this 28<sup>th</sup> day of April, 2020.

As witnessed by:

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Brian Miller, Secretary

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Bradley, White, Chair

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<sup>i</sup> Statement taken from SBA website: <https://www.sba.gov/funding-programs/loans/paycheck-protection-program-ppp>