



ADDENDUM TWO

Request for Proposal 20067

AIDEA AK CARES Funding Program (AK CARES)

June 3, 2020

EMAIL TO: All RFP recipients on record.

The Request for Proposal (RFP) is hereby clarified or changed as follows:

1. This Addendum reopens the original solicitation to allow for award of additional Operators.
2. Proposals are due June 10, 2020, 2:00 PM Alaska Standard Time.
3. Remove the Request for Proposal (RFP) package in its entirety and replace with the attached RFP package.

The original solicitation received one proposal from an Offeror. In order to implement AK CARES as soon as possible, AIDEA decided it would be necessary to negotiate and award a contract to this Offeror. AIDEA now seeks other Operators in order to expedite small business relief under AK CARES.

All other terms and conditions remain the same.

END OF ADDENDUM

We appreciate your participation in this solicitation.

Sincerely,

Lex Sargento
Chief Procurement Officer
asargento@aidea.org
907-771-3951

Alaska Industrial Development and Export Authority
REQUEST FOR PROPOSALS PACKAGE

PART

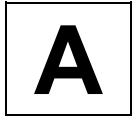


TABLE OF CONTENTS

Form, Part A - Request for Proposals (RFP)
" " Part B - Submittal Checklist
" " Part C - Evaluation Criteria
" " Part D - Proposal
" " AIDEA/AEA Debarment Certification

Scope of Work

Other:
Attachment 1 RPL #08-2020-0251
Attachment 2 Sample Agreement

ISSUING OFFICE

Agency Contact & Phone No.....: Alan Weitzner, 907-771-3050
Contracting Division: Alaska Industrial Development and Export Authority

PROJECT

RFP NUMBER: 20067
Project Site (City, Village, etc.).....: Anchorage, Alaska
Project Title & Contract Description: REVISED - AIDEA AK CARES Funding Program

NOTE This is a REVISED RFP

The Alaska Industrial Development and Export Authority ("AIDEA") seeks subcontractor to facilitate operation of grant program for those Alaskan based businesses and non-profit organizations adversely economically injured due to the Covid-19 health emergency and requires small business relief under the AK CARES program.

AIDEA is looking for a Program Operator to provide services for the receipt, review, processing, approval, funding and administration of the AK CARES Funding Program. AIDEA anticipates awarding one to five contracts, or however many is needed to meet the geographic and funding needs of the program.

SCHEDULE & PAYMENT

Anticipated period for performance-Begin/End: "Program Termination Date" means the earlier of the following: (i) November 15, 2020; (ii) the end of the Governor's declared COVID-19 State of Emergency for the State of Alaska; (iii) the Program Cap is reached; or (iv) the date this Agreement is terminated as provided herein.

Estimated amount of proposed contract:
Remaining for grants and program operator: \$130,000,000.00

SUBMITTAL DEADLINE AND LOCATION

*OFFERORS ARE RESPONSIBLE TO ASSURE DELIVERY PRIOR TO DEADLINE (3 AAC 100.360).
ONLY PROPOSALS RECEIVED PRIOR TO THE FOLLOWING DATE AND TIME WILL BE OPENED.*

DATE: June 10, 2020 PREVAILING TIME: 2:00 P.M.
HAND DELIVER ONLY DIRECTLY TO FOLLOWING LOCATION (and person, if named):
AIDEA
Lex Sargento
Chief Procurement Officer
813 West Northern Lights Blvd.
Anchorage, Alaska 99503

IMPORTANT NOTICE: If you downloaded this solicitation from the AIDEA's Website, you must register on the online planholders list to receive subsequent addenda. Failure to register may adversely affect your proposal. It is the Offeror's responsibility to insure that they have received all addenda affecting this RFP. To register, go to <http://www.aideaaeaprocurement.org/> and provide the project name & number, company name & contact person, address, phone number & fax number.

SELECTION PROCEDURE

1. Competitive Sealed Proposals will be evaluated by a committee (3 AAC 100.370). Evaluation of responses to criteria set forth in Part C results in a numerical score for each proposal. Each criterion in Part C has an assigned weight for this RFP which demonstrates its relative importance. The total of all weights is 100 (100%). Each one-percent weight equates to a potential range of 0-5 points per Evaluator. The maximum points (score) obtainable for any proposal is equal to the product of 500 multiplied by the number of Evaluators.
2. Scoring of proposals will be accomplished as follows:
 - 2.1 Each Evaluator will individually read and rate each Offeror's response to each criterion described in Part C - Section I - Technical Proposal. Ratings will be based solely on contents of proposal and in compliance with the Authority's standard Instructions for Evaluation Committee. Except as may be stated within any criterion description in Part C, a rating of "5" = Best Response from all Offerors; "4" to "1" = Progressively Less Responsive; "0" = Non-Responsive. Ratings are multiplied by the assigned weights for each criterion to obtain criteria scores.
 - 2.2 If only 1-3 proposals are received the rating scale may be adjusted. A rating of "5" = Best Response from all Offerors "4" to "3" = progressively less responsive; "0" = Non-Responsive. (1-2 will not be used)
 - 2.3 After completion of individual ratings in Part C, Section 1, Technical Proposal, the Evaluation Committee will meet to discuss proposals. Evaluators may then alter their ratings; however, any changes shall be based solely on the criteria set forth in Part C.
 - 2.4 After scoring Part C - Section I - Technical Proposal, criteria scores for Part C -and All-in cost will be calculated based on criteria descriptions.
 - 2.5 The total score for each Offeror will be obtained by summing the scores determined for each criterion in Part C. The order of ranking for negotiations shall be as follows: highest scored Offeror will be ranked first, next highest scored second, and etcetera.
3. Evaluators may discuss factual knowledge of, and may investigate Offerors' and proposed Subcontractors' prior work experience and performance, including but not limited to, projects referenced in proposal, available written evaluations, and may contact listed references or other persons knowledgeable of a Contractor's and/or a Subcontractor's past performance. Factors such as, but not limited to, overall experience relative to the proposed contract, quality of work, control of cost, and ability to meet schedules may be addressed. If any issues of significant concern to the proposed contract are discovered, the Committee may:
 - 3.1 Provide written recommendations for consideration during contract negotiations;
 - 3.2 Conduct discussions after the Evaluation Committee, in accordance with paragraph 4, below.
4. The Committee may decide to conduct discussions (or "interviews") with responsible Offerors whose proposals are determined to be reasonably susceptible of being selected for award for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements (3 AAC 100.400). Offerors selected by the Committee for discussions may be permitted to submit Best and Final Offers (BAFO) for final Committee Evaluation. After discussions and any BAFO's, Evaluators will determine the final scoring and ranking for contract negotiations by evaluating written and oral responses using only the criteria set forth in Part C of this RFP (3 AAC 100.400).
5. If contract negotiations are unsuccessful with Offeror(s) selected for negotiation, the Contracting Agency may either cancel the solicitation or negotiate with other Offerors in the order of ranking.

NOTICES

PART

A

1. The Contracting Agency is an equal opportunity employer.
2. Copies of the RPL and AK CARES PROGRAM GRANT ADMINISTRATION AGREEMENT are attached.
3. Offerors are specifically advised that a contract shall not be in effect until a written agreement is executed by an authorized agent of the Authority. The Authority shall not be liable for any cost incurred by an Offeror in response to this solicitation, including any work done, even in good faith, prior to execution of a contract and issuance of a Notice to Proceed.
4. The Authority expressly reserves the right to waive minor informalities, negotiate changes or reject any and all proposals and to not award the proposed contract, if in its best interest. "Minor Informalities" means matters of form rather than substance which are evident from the submittal, or are insignificant matters that have a negligible effect on price, quantity, quality, delivery, or contractual conditions and can be waived or corrected without prejudice to other Offerors.
5. All proposals shall be open for public inspection per (3 AAC 100.680) after a Notice of Intent to Award is issued. Offerors should not include proprietary information in proposals if such information should not be disclosed to the public. Any language within a submittal purporting to render all or portions of a proposal confidential will be disregarded. Proprietary information which may be provided after selection for contract negotiations will be confidential if expressly agreed to by the Authority and Executive Director.
6. Substitution for any personnel named in a proposal may result in termination of negotiations and the contract.
7. If it is discovered that a selected Offeror is in arrears on taxes due the State of Alaska, a contract may not be awarded until the Alaska Department of Revenue approves the payment provisions for the contract.
8. Offerors and proposed subcontractors shall be in compliance with the statutory requirements for Alaska business licensing and professional registrations included in the certification statement on Page 2 of Part D in this RFP package.
9. **PRICE COMPETITION:** Price cannot be an Evaluation Criterion in accordance with PL-92.582 Brooks Act for services that must be performed only by Architects, Engineers or Land Surveyors (A/E or LS) licensed in the State of Alaska, UNLESS the provisions of AS 36.30.270(d) apply; i.e., unless the services required are repetitious in nature, and the nature and amount of services required are thoroughly defined by measurable and objective standards to reasonably enable firms or persons making proposals to compete with a clear understanding and interpretation of the services required.
10. Standard insurance provisions for Worker's Compensation, General and Automobile Liability, and Professional Liability are contained in Appendix D, Indemnification and Insurance. Coverages may be modified under very limited circumstances. Offeror should not assume any modification of coverages.

11. Professional Liability Insurance for the proposed contract: is not required
 is required as shown on Appendix D, Indemnification and Insurance.

12. Pre-proposal Conference: None As follows:

A non-mandatory pre-bid meeting is scheduled for Friday **June 5, 2020, 10:00 a.m.** **Do to the COVID-19 the pre-bid meeting will be conducted telephonically.** Potential offerors may attend telephonically by calling **1-888-585-9008**, when prompted enter **508-917-314#**. Please note the call-in is limited to participants so if more than one person from companies are attending telephonically, we respectfully request you call in from a conference room speaker phone and have all people together. If calling in, please be respectful of other callers and call from a phone that can be muted so as to cancel out background noise and the possibility of feedback. Contact the Chief Procurement Officer, Lex Sargento, at (907) 771-3951 for more information.

13. Special Notices:

13.1 This solicitation does not guarantee a contract will be awarded. All proposals may be summarily rejected. Participating Financial Institutions will be selected that best meets the needs of the Agency and the Program.

13.2 Due to the COVID-19 Pandemic, and in coordination with the Governor's Mandate(s), the AIDEA/AEA offices are not open to the public. Therefore, bids may be hand delivered to the designated lock box at the front entrance of the building located at 813 W. Northern Lights Blvd prior to schedule bid opening. It will be the responsibility of the Bidder to contact Lex Sargento, phone number 907-771-3951 or email: asargento@aidea.org that they have submitted a bid.

13.3 Minimum Requirements to Respond

- * The Offeror must be able to implement a full-scale grant servicing operation.
- * The Offeror or its banking partner must provide banking services with collateralized accounts to include deposit taking and payment processing.
- * The Offeror or its banking partner must carry satisfactory large deposit CAP insurance or enter into a satisfactory Security Agreement for deposit of AIDEA funds.
- * The Offeror or its banking partner must be in compliance with applicable state and federal banking and trust, and credit union requirements.
- * An eligible banking partner under the program is defined to be all state chartered or federally chartered financial institutions doing business in the State of Alaska.

13.4 Per Alaska Statute (AS) 36.30.210(e): An Alaska Business License is required of Contractors who do business in Alaska and is a prerequisite to Proposal. Offerors should be aware of this requirement and are advised that proof of application for an Alaska Business License will satisfy this requirement. Information regarding applying for an Alaska Business License can be found on-line at http://www.dced.state.ak.us/occ/home_bus_licensing.html or by calling 1-907-465-2550. The business license must be in the name of the company under which the proposal is submitted. This is a requirement regardless of funding source. If an Offeror fails to comply with this requirement, their proposal will be rejected as non-responsive.

SUBMITTAL CHECKLIST

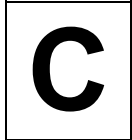
Offeror may use left margin to check off items when completed.

- [] 1. Offerors must carefully review this RFP Package for defects and questionable material and become familiar with submittal requirements. Submit written comments to the address shown under "Submittal Deadline and Location" on page 1 of Part A - RFP. Substantive issues will be addressed in a written addendum to all RFP recipients on record. Failure to comply with directions may result in lower score and may eliminate an Offer from consideration. Protests based on alleged improprieties or ambiguities in a solicitation may be disallowed at the discretion of the Authority if the protest is not received in writing at least ten Authority work days prior to the Offer deadline (3 AAC 100.200).
- [] 2. Review Part A - RFP and the proposed Statement of Work and any other attached or referenced materials. If no Statement of Work is attached, telephone the Authority contact person identified on page 1 of Part A.
- [] 3. Review Part C - Evaluation Criteria. Read each criterion in light of the proposed Statement of Work. Note any project specific criteria which may have been added or any changes to standard criteria descriptions which may have been made. Be aware of the assigned weight for each criterion. If a weight is not entered for any criterion on Part C, notify the Agency contact person. Plan your proposal to address the applicable criteria. Criteria Responses shall not exceed the number of pages stated below.
- [] 4. Prepare a distinct Response for each criterion that has a weight more than zero. Failure to respond directly to any criteria weighted more than zero will result in an evaluation score of zero for that criteria. Any Responses to criteria weighted zero will be disregarded. Acceptable Responses must be specific and directly related to the Contracting Agency's proposed Statement of Work. Marketing brochures, marketing resumes, and other non-project specific materials will be discarded without evaluation and should not be submitted.
- [] 5. *Each criterion Response must be titled, numbered and assembled in the order in which the criteria are listed in Part C, so the criterion to which information applies shall be plainly evident. Material not so identified or assembled may be discarded without evaluation.*
- [] 6. Price is is not an evaluation criterion for the proposed contract.
Provide all-in program administration cost as described in the Criteria.
- [] 7. Complete all entries on Part D - Proposal Form. Note the statutory requirements for Alaska business licenses and professional registrations and be sure to sign and date the Certification. Copies of licenses and registrations may be provided with Offer, and will not count in the requirements of #8 below.
- [] 8. Attach Criteria Responses (*except any Billing Rates or Price Proposals*) to Part D - Proposal Form. The maximum number of attached pages (*each printed side equals one page*) for Criteria Responses shall not exceed: **Ten**. Attached page limit does not include the four-page Part D - Proposal Form, or any Billing Rates or Price Proposals.
 Criteria Responses shall be presented in *8-1/2" X 11" format*, except for a minimal number of larger sheets (e.g. 11" x 17") that may be used (e.g. for schedules) if they are folded to 8-1/2" X 11" size.
 CAUTION: Criteria Responses which do not comply with the required page limit or presentation size, may result in disqualification. Further, small print or typeface that is difficult to read may negatively influence evaluation of your submittal and affect scoring for "Quality of Proposal."

CHECKLIST IS CONTINUED NEXT PAGE

Submittal Items

- [] 9. None.
- [] 10. Parts A, B and C of the RFP and the proposed Statement of Services shall not be returned to the Contracting Agency. *Offers shall consist of the following applicable items assembled as follows and in the order listed:*
- [] 10.1 Completed Part D - Proposal Form (generally at least one copy with original signature) and Responses to all evaluation criteria attached. Each copy shall be fastened with one staple in the upper left corner. No other form of binding shall be used and no cover and no transmittal letter will be included. CAUTION: Failure to comply with this instruction will negatively influence evaluation of Submittal.
- [] 10.2 Number of copies of Part D (*all pages*) and Criteria Responses required is: **Five (5) plus One (1) copy provided via electronic file on a flash drive.**
- [] 10.3 If Item 9, above, is completed for this RFP Package, any submittal items described therein. Unless otherwise stated, one copy only, bound appropriately.
- [] 10.4 CAUTION: If you replicate (other than by photocopy) Part D or any form in lieu of completing the forms provided by the Contracting Agency, provide a signed certification that lists such forms and attests that they are exact replicas of that issued by the Contracting Agency. Changed forms may be rejected at the Authority's discretion. Any alteration - other than completion of the required entries - may be cause for rejection without recourse.
- [] 11. Deliver *Offers in one sealed package* to the location and before the submittal deadline cited in Part A - RFP. *Mark the outside of the package* to identify the Project and the Offeror. Offers must be received prior to the specified date and time. Late Offers will not be opened (3 AAC 100.370).



EVALUATION CRITERIA

If a weight is not indicated for any criterion, telephone the Agency Contact person identified at the top of page 1 of Part A - RFP.

SECTION I - TECHNICAL PROPOSAL

1. Understanding of AIDEA Service Requirements and Commitment

1. Weight: 10

Include a brief discussion of your understanding of AIDEA service requirements, your relevant experience working with organizations similar to the Authority and how the Authority as a client would be a good client for your company. Provide a brief summary of how you meet the minimum contractor requirements listed in Part A – RFP Item 13 Special Notices. Discuss similarities and differences between working for the Authority and other clients you may have.

Include a summary of any potential issues you believe may be encountered in providing services for the Authority and creative suggestions for addressing these issues. Also include your expectations of the Authority’s finance staff, or other entities that may be involved in this process.

Describe your commitment to customer service. Discuss any issues you are aware of that could impact your ability to meet those commitments and what actions you would take to minimize conflicts should they arise.

Discuss if you think there may be possible conflicts of interest, actual or perceived that could arise during the contract period that may limit the scope of what you would be able to do for the Authority.

2. All-in program administration cost

2. Weight: 40

Provide a cost proposal that includes the following:

- Include the fee structure for the receipt, review, processing, approval, funding and administration of any Grant approved by Program Operator under the AK CARES Program (the “Program”) during the Program Term, all of which shall be undertaken in accordance with the requirements established Agreement, the RPL, the Program Guidelines, and the operating procedures established for AK Cares. Program Operator shall act in compliance with state and federal law and guidance on use of the CRF; provided, however, that Program Operator shall have no liability to Authority for violations of state or federal law if Program Operator is not aware of any facts or information which would lead it to know or have reason to believe that the action taken would be unlawful.
- Program Operator agree that they are facilitating AK CARES at no cost to the Applicant, and that no fees or costs are recoverable from any Applicant relating to the approval, funding, or administration of any Grant or any other services provided under this Agreement, except that Program Operator shall be entitled to an administrative processing fee no greater than 2.62% of the final amount of each Grant funding by Program Operator under this Agreement. There shall be no additional fees or costs recoverable for services provided under this Agreement. Payment of Program Operator’s fee is contingent upon receipt of payment by DCCED.

3. Equitable Access

1. Weight: 25

Describe, as the Program Operator, your ability to:

- Provide the Program which supports the equitable access/distribution of the grant program to Alaska’s small businesses and non-profit organizations or in combination with other selected Program Operators.
- Describe the institution’s geographic access to small businesses and non-profit organizations within Alaska or regional concentrations being proposed under the Program.
- Describe or explain your ability to or limitations to working with and administrating State and/or Federal funding.
- Describe any and all institutional restrictions in addressing the intended eligible small businesses and non-profit organizations under the Program.

4. Schedule

4. Weight: 20

Implement: Contracts will be awarded to those financial institutions that can implement and have a fully operational program in the shortest time frame as time is of the essence due to the Covid-19 pandemic.

Please provide, at a minimum, the following information:

- Provide an accurate estimate of time required to establish the Program, be operationally capable and time for implementation of the Program.
- Once the Program is implemented and available for application, the ability to process and approve grants within [x] days;

5. Auditing

5. Weight: 5

Program Operator shall provide the following:

- Inspection: Participating financial institutions will permit employees, agents or auditors of the Authority to inspect the business records of the Program Operator relating to the Program being administered, wherever located, during normal business hours or at any other reasonable time agreed to between the Parties.
- Books and Records: Program Operator(s) will keep and maintain proper books, accounts and records with respect to the Programs being administered in accordance with Generally Accepted Accounting Principles. Program Operator(s) agree to provide reports and other financial information necessary to facilitate the tracking, reporting and auditing of the grants being administered.
- Federal Funding: Program Operator(s) agree to comply with all applicable federal and state statutes and regulations and requirements to federal funding utilized in the grants administered.

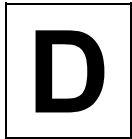
6. Alaska Bidder (Offeror) Preference

6. Weight: 0

Due to possible Federal Funding Restrictions, An Alaska Bidder (Offeror) Preference is not being utilized for this solicitation.

**Alaska Industrial Development and Export Authority
PROPOSAL FORM**

PART



THIS FORM MUST BE THE FIRST PAGE OF PROPOSAL. Attach criteria responses as explained in Part B - Submittal Checklist. No transmittal letter or cover sheet will be used.

PROJECT

Project Title	Alaska Industrial Development & Export Authority AK CARES Funding Program
RFP No.....	20067 REVISED

OFFEROR (CONTRACTOR)

Contractor.....	:	
Street.....	:	
P.O. Box.....	:	
City, State, Zip.....	:	
Alaska Business License Number	:	
Federal Tax Identification No.....	:	
Individual(s) to sign contract	:	
Title(s)	:	
Type of business enterprise (check one).....	:	[] Corporation in the state of . :
[] Individual	:	[] Partnership
[] Other(specify)	:	

ALASKA BIDDER PREFERENCES (IF NO FEDERAL FUNDING)

Check if the preference that you claim for the proposed contract (reference applicable Criteria in Part C):
[] Alaska Bidder (Offeror)

This space is left intentionally blank.

CERTIFICATIONS

I certify: that I am a duly authorized representative of the Contractor; that this Submittal accurately represents capabilities of the Contractor and Subcontractors identified herein for providing the services indicated; and, that the requirements of the Certifications on page 2 and 3 of this Part D for 1) Alaska Licenses/Registrations, 2) Insurance, 3) Cost and Pricing Data, 4) Trade Restrictions/Suspension/Debarment, 5) Foreign Contracting and 6) Former Public Officer - will be complied with in full. These Certifications are material representations of fact upon which reliance will be placed if the proposed contract is awarded. Failure to comply with these Certifications is a fraudulent act. The Authority is hereby authorized to request any entity identified in this proposal to furnish information deemed necessary to verify the reputation and capabilities of the Contractor and Subcontractors.

Signature..... : _____

Name : _____

Title : _____

Date: _____

Telephone (voice): _____

(fax): _____

Email Address: _____

CERTIFICATION FOR ALASKA BUSINESS LICENSES AND REGISTRATIONS

PART

D

Contractor and all Subcontractors shall comply with the following applicable requirements of Alaska Statutes:

1. **Alaska Business License** (Form 08-070 issued under AS 43.70) at the time contract is awarded as required by AS 36.30.210(e) for Contractor and all Subcontractors. In accordance with Administrative Manual, Section 81.120, proof of application for an Alaska Business license will satisfy this requirement. Per AAM 81.120, acceptable evidence that the offeror possesses a valid Alaska business license consists of any one of the following:
 - a. Copy of the Alaska business license.
 - b. A canceled check that demonstrates payment for the Alaska business license fee.
 - c. A copy of the Alaska business license application with a receipt stamp from the State's business license office.
 - d. A sworn notarized affidavit that the bidder/offeror applied and paid for the Alaska business license.
 - e. Other forms of evidence acceptable to the Department of Law.
2. **Certificate of Registration** for each individual to be in "responsible charge" (AS 08.48.341(14)) for Architecture, Engineering or Land Surveying (Form 08-2407 issued under AS 08.48.211) issued prior to submittal of proposal. Associates, consultants, or specialists under the supervision of a registered individual in "responsible charge" are exempt from registration requirements (AS 08.48.331).
3. **Certificate of Authorization for Corporate Practice** for incorporated Contractors and incorporated Subcontractors for Architecture, Engineering or Land Surveying (Form 08-2407 issued under AS 08.48.241). Corporations offering to provide Architectural, Engineering or Land Surveying services do not need to be registered for such disciplines at the time proposal is submitted provided they obtain corporate registration before contract award (AS 08.48.241).
4. **Certificate of Incorporation** (Alaska firms) or **Certificate of Authorization for Foreign Firm** ("Out-of-State" firms). All corporations, regardless of type of services provided, must have one of the certificates (AS 10.06.218 and other sections of Title 10.06 - Alaska Corporations Code).
5. **Current Board of Director's Resolution** for incorporated Contractors and incorporated Subcontractors for Architecture, Engineering or Land Surveying (reference AS 08.48.241) which names the person(s) designated in "responsible charge" for each discipline. Such persons shall be licensed in Alaska and shall participate as project staff in the Contract/Subcontracts.
6. **All partners** in a Partnership to provide Architectural, Engineering, or Land Surveying **must be legally registered in Alaska** prior to submittal of proposal for at least one of those disciplines (AS 08.48.251) which the Partnership offers.
7. **Joint Ventures**, regardless of type of services provided, must be licensed/registered in the legal name of the Joint Venture as used in this proposal (AS 43.70.020 and 43.70.110(4)).
8. **Contracts for Architecture, Engineering or Land Surveying** may not be awarded to individuals, corporations or partnerships not in compliance, respectively, with the provisions of paragraph 2, 3, and 6, above (AS 36.90.100).

[For information about licensing, Offerors may contact the Alaska Department of Commerce and Economic Development, Division of Occupational Licensing at P.O. Box 110806, Juneau, AK 99811-0806, or at Telephone (907) 465-2550, or at Internet address: <http://commerce.alaska.gov/dnn/cbpl/Home.aspx>]

CERTIFICATION FOR INSURANCE

Contractor will ensure that it and all Subcontractors have insurance coverage to effectuate the requirements APPENDIX D, Indemnification and Insurance.

CERTIFICATION - COST AND PRICING DATA

In accordance with 3 AAC 100.560, any cost and pricing data submitted herewith, or in any future price proposals for the proposed contract, will be accurate, complete and current as of the date submitted and will continue to be accurate and complete during the performance of the contract, if awarded.

CERTIFICATION – TRADE RESTRICTIONS AND SUSPENSION AND DEBARMENT

The individual signing this proposal certifies to the best of his or her knowledge that the Contractor and any subcontractors are in compliance with Appendix A, General Conditions, Article A25 and Article A26.

CERTIFICATION - FOREIGN CONTRACTING

By signature on this solicitation, the offeror certifies that all services provided under this contract by the contractor and all subcontractors shall be performed in the United States. If the offeror cannot certify that all work is being performed in the United States, the offeror must contact the Contracts Officer to request a waiver at least 10 days prior to proposal deadline. The offeror must provide with their submission a detailed description of the portion of work being performed outside the United States, where, by whom, and the reason the waiver is necessary. Failure to comply with this requirement may cause the state to reject the bid or proposal as non-responsive, or cancel the contract.

CERTIFICATION – FORMER PUBLIC OFFICER

Any proposer listing as a member of the proposer's team a current public officer or a former public officer who has left state service within the past two years must submit a sworn statement from that individual that the Alaska Executive Branch Ethics Act does not prohibit his or her participation in this project. If a proposer fails to submit a required statement, the proposal may be deemed nonresponsive or nonresponsible, and rejected, depending upon the materiality of the individual's proposed position.

The Ethics Act bars a public officer who leaves state service from representing, advising or assisting a person for compensation regarding a matter – that was under consideration by the administrative unit in which the officer served, and in which the officer participated personally and substantially through the exercise of official action, for two years after leaving state service. See AS 39.52.180(a). "Public officer" includes a state employee, a member of a state board and commission, and a trustee of the Exxon Valdez Oil Spill Trust. "Official action" means a recommendation, decision, approval, disapproval, vote, or other similar action or inaction. Possible remedies for violating the bar include penalties against the former public officer and voiding the state grant, contract or lease in which the former public officer is involved.

Additionally, former public officers may not disclose or use information acquired in the course of their official duties that could in any way result in a benefit to the former public officers or their families, if the information has not been disseminated to the public or is confidential by law, without appropriate authorization. See AS 39.52.140.

Each current or former public officer is responsible for determining whether he or she may serve in the listed capacity on this project without violating the Ethics Act. A form that a former public officer may use to certify their eligibility is attached. Current public officers may seek advice from their designated ethics supervisors concerning the scope and application of the Ethics Act. Former public officers may, in writing, request advice from the Office of the Attorney General, Ethics Attorney concerning the application of the Ethics Act to their participation in this project. It is the responsibility of the individual and the proposer to seek resolution in a timely manner of any question concerning the individual's eligibility.

**ALASKA INDUSTRIAL DEVELOPMENT AND EXPORT AUTHORITY
AND ALASKA ENERGY AUTHORITY**

**CERTIFICATION OF CONTRACTOR AND LOWER-TIER PARTICIPANTS
REGARDING DEBARMENT, SUSPENSION, AND OTHER INELIGIBILITY AND
VOLUNTARY EXCLUSION**

Contractor

PLEASE INSERT YOUR COMPANY'S NAME AND ADDRESS IN THIS BOX

I, _____ hereby certify on behalf
(Name and title of official)

of _____ that:
(Name of contractor)

- (1) The prospective contractor and lower tier participant certifies, by submission of this bid or proposal, that neither it nor its "principals" [as defined at 49 C.F.R. § 29.105(p)] is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. In the event, your company or any principals become ineligible from participating in federally funded transactions, you are required to notify us immediately.
- (2) When the prospective contractor and lower tier participant is unable to certify to the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Executed this _____ day of _____, 20____

By:

(Signature of authorized official)

(Title of authorized official)

AIDEA AK CARES FUNDING PROGRAM

SCOPE OF WORK

On March 13, 2020, President Trump declared the ongoing Coronavirus Disease 2019 (COVID-19) pandemic of sufficient severity and magnitude to warrant an emergency declaration for all states, territories, and the District of Columbia. On March 20, 2020, Governor Dunleavy unveiled the Alaska COVID-19 Economic Stabilization Plan, a statewide approach to provide Alaskans with urgent relief and protect the state's economy from the impact of the Coronavirus Disease 2019 (COVID-19). Alaska is confronting an economic crisis as a result of the COVID-19 pandemic that threatens Alaska businesses and those working in Alaska businesses.

The following document is intended to provide operating procedures for the AK CARES Funding Program. The goal of the arrangement is to provide small business grants from the State of Alaska Department of Commerce, Community and Economic Development (DCCED) to eligible small businesses. The federal government approved the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) to assist the State in responding to the COVID-19 crisis, and in particular funding the Coronavirus Relief Fund (CRF) to provide for small business relief, among other goals. The small business grants provided by DCCED through this program are funded with the CARES Act funding. AIDEA is seeking Program Operators to facilitate the disbursement of DCCED grant funds for DCCED.

1. Solicitation Schedule

The intent of HB 313, which includes Revised Program Legislative (RPL) 08-2020-0251, is to provide relief to Alaska's small businesses. Proposed Schedule for this solicitation:

- RFP Advertise – Wednesday June 3, 2020
- Pre-Proposal Conference – Friday June 5 @ 10am AKDT
- Proposals Due – Wednesday June 10 @ 2pm AKDT
- Intent to Award – Thursday June 11, 2020
- Award – no later than Wednesday June 17

2. Scope of Work Terms and Conditions

AIDEA is coordinating with DCCED to arrange and facilitate the AK CARES Funding Program as a grant program (the "Program") in partnership with additional contractors able to implement the receipt, review, processing, approval, funding and administration of the Program (the "Program Operator"). The objective of the Program is to provide small business grants from DCCED to Alaska based small businesses and non-profit organizations. Prior to the Program implementation with Program Operator, DCCED will issue final program guidelines.

The Program operating procedures will include, but not be limited to:

- Program Operator will enter into a contract with AIDEA to provide services needed to facilitate the DCCED-directed small business grant program.
- Program Operator will establish a segregated interest-bearing bank account in AIDEA's name for the CARES Act funds provided for AK CARES (the "Program Account"). All CARES Act funds for AK CARES will be deposited into this account and all DCCED-directed small business grants will be deducted from this account. DCCED-directed small business grants will be disbursed from the grant recipient account.
- Program Operator is responsible for a complete accounting in accordance with Generally Accepted Accounting Principles under AK CARES. Accounting records will allow for the reporting and auditing of each individual grant. Each grant will have a unique identifying number that will be noted on all grant documents.
- Program Operator will provide and collect grant applications from potential grantees and ensure applications are complete and properly supported. Support for eligible expenses will include invoices and proof of payment for expenses being reimbursed and invoices from vendors for payments to be made directly to vendors in accordance with the program guidelines.
- Grant applications will be approved by Program Operator, on behalf of DCCED, after confirmation of an applicant's compliance with the eligibility requirements, expenditures requirements, and any other requirements under AK CARES. Eligibility determinations will be made in accordance with the program guidelines approved by DCCED and included in the contract with AIDEA. Program guidelines will require compliance with federal and state law for use of funds. Approving Program Operator official will be subject to approval by AIDEA and DCCED.
- Program Operator will ensure a complete Grant Agreement in the form provided by DCCED through AIDEA is executed and included in the grant package to be kept on file by Program Operator for each approved grant application. Program Operator will execute the Grant Agreement on behalf of DCCED.
- Program Operator will distribute grant proceeds with a cashier's check either to the grantee or directly to vendors or creditors as agreed to in the Grant Agreement.
- Funding requests will be provided to AIDEA's contract manager by the Program Operator at least weekly. Each funding request will be submitted to AIDEA's Contract Manager no later than Wednesday of each week. More frequent requests may be made by Program Operator if needed.
- Program Operator will be responsible for ensuring cash flows are sufficient to fund grants in process up to the maximum funding amount for the current program funding level (the "Program Cap"). Program Operator will have procedures in place to ensure grant applications are not approved in excess of CARES Act funds available in the Program Account, or in excess of the Program Cap.

- Program Operator will implement procedures to ensure all rural/urban funding requirements are followed as defined in the contract with AIDEA.
- All grant applications and Grant Agreements with support will be maintained by Program Operator for a period of 6 years from the Grant approval date. Program Operator agrees to provide access to documents to AIDEA, DCCED, the State of Alaska, its auditors or agents within 15 business days of request. In the event that record retention is required after 6 years records will be transferred to AIDEA to maintain.
- Program Operator is responsible for all tax reporting requirements for payments including the preparation, distribution and filing of IRS Form 1099G.
- Program Operator agrees to pay any unused or returned CARES Act funds for the DCCED directed small business grant program to AIDEA for remittance to DCCED as the granting agency.
- Grantees will be instructed to return any funds to Program Operator by no later than March 1, 2021. Program Operator will deposit returned funds into AIDEA's account and provide AIDEA with supporting documentation, including the grantee name, grantee number, dollar amount, transaction date and reason for return if known. Program Operator will account for returned funds within detailed program records. Funds will be disbursed from AIDEA's account with Program Operator at AIDEA's request.
- Program Operator will electronically provide daily, weekly and monthly activity data in form and format satisfactory to AIDEA covering:
 - Amount disbursed (include grant #, business name)
 - Amount requested
 - Amount approved
 - Funds available (remaining balance in program after disbursements today)
 - Number of grants issued for day being reported
 - Rural / Urban Distribution
 - Average grant amount
 - Pipeline (grants waiting for review)
 - Industry Representation
- Accounting reports will be provided in accordance with Generally Accepted Accounting Principles on a full accrual basis. The format and content must be sufficient to record the financial activity of the program in AIDEA's accounting system and meet audit requirements and deadlines. All accounting reports provided will need to be in accordance with the State fiscal year of July 1 to June 30.
- Program Operator will provide the following information for non-profit grantees to AIDEA for each fiscal year (July to June 30) that CARES Act funds are disbursed for the purposes of monitoring for compliance with 2 Part CFR 200:
 - Grantee's fiscal year end
 - Type of tax-exempt status the IRS has granted them
 - Name of the organization (legal and any dba name)
 - Tax ID
 - DUNS# (non-profit only)
 - Contact name (usually the CFO, Executive Director or similar position)
 - Contact e-mail address

- Contact phone number
- Mailing address (city, state, zip)
- Fax
- Amount of federal funds disbursed to this grantee during the State’s FY2020 and 2021
- CFDA number or numbers connected with the federal funds disbursed
- Grant number
- Grant applications submitted by a Program Operator employee, officer, director, member of the supervisory committee or anyone from the household or family members of such people will be forwarded to DCCED for approval and returned to Program Operator for processing.
- In addition to obtaining a certification from each applicant, Program Operator shall secure a copy of each grant applicant’s business license and/or professional license to confirm that the applicant’s business was established prior to March 11, 2020. Program Operator may also request copies of each business applicant’s: (i) articles of organization, articles of incorporation, certificate of limited partnership, or similar filings with State of Alaska, Division of Corporations, Business and Professional Licensing; (ii) copies of any state annual or biannual reports covering the period of 2019 and 2020; and, (iii) operating agreements, and corporate by laws.
- In the event that Program Operator suspects or has reason to believe that any grant applicant is or may be engaging in any potential fraud or deceit in connection with a grant application submitted to or reviewed by Program Operator under AK CARES, Program Operator shall immediately notify AIDEA and shall not proceed with the application without further instructions from AIDEA. In the event that the grant application was approved before Program Operator knew or had reason to know of the fraud or deceit, Program Operator shall immediately notify AIDEA of the fraud or deceit and await further instructions from AIDEA.
- For every non-profit applicant, Program Operator shall require and obtain a copy of an IRS letter of determination of nonprofit status.
- If required, Program Operator shall perform a federal single audit as provided in 2 CFR 200.501.

3. Program and Rural Access

The Program Operator(s) will provide funding anywhere in Alaska so that the AK CARES program shall be equitably available to benefit all regions of the State. Applications are to be received on an equitable/non-preferential basis and processed in the order that they are received (“first-come, first-served” basis). Up to 20% of the Program Cap will be dedicated for Rural Communities defined to be those communities in Alaska with a population of 5,000 or less. The Alaska Demographics site will be the defining rule on rural population.

**Department of Commerce, Community, and Economic Development
Executive Administration
Commissioner's Office**

Subject of RPL: State of Alaska COVID-19 Small Business Relief	ADN/RPL #: 08-2020-0251
Amount requested: \$ 290,000,000	Appropriation Authority: Sec. 1 Ch 1 FSSLA 2019 Pg 5 Ln 10 (Commissioner's Office) Sec 1 Ch 8 SLA 2020 Pg 4 Ln 25 (Commissioner's Office)
Funding source: Federal Receipts (1002) FY2020 Operating and FY2021 Operating	Statutory Authority: AS 44.88, AS 44.33.020(35)

PURPOSE

Federal authorization is required to expend increased federal revenues.

On March 27, 2020, Congress passed the federal act known as the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). Section 601 of this Act established the Coronavirus Relief Fund (CRF) with the stated purpose of distributing \$150,000,000,000 to states for, “necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19)”.

Alaska has received \$1,250,000,000 from this fund and will direct \$290,000,000 toward small business relief programs.

An estimated \$750,000 for the Alaska Regional Development Organizations (ARDORs) to provide technical assistance to regional businesses in applying for and obtaining access to funding. One development organization per region currently unrepresented by an ARDOR may qualify for funding under this program upon entering an agreement to meet both the standard and COVID-19 specific reporting requirements of the ARDOR program.

The ARDORs provide regional expertise in economic development and are well positioned to provide local businesses information about funding opportunities and technical support needed to broaden access to those funding opportunities. The \$750,000 proposed would be equally distributed across the ARDORs and, in areas of the state not covered by an existing ARDOR, additional qualified entities to bolster their outreach and support resources to regional businesses. As of FY17, the State of Alaska does not provide operating funding to ARDORs. This RPL would provide a grant to ARDORS for a temporary increase in activities in direct response to the Coronavirus public health pandemic.

The remainder of the small business relief funding, estimated to be \$289,250,000, is designated for the AK CARES Funding Program (“AK CARES”). AK CARES is an essential part of the State’s expedited economic response to COVID-19, providing grants at the direction of the Department of Commerce, Community and Economic Development (DCCED) to qualifying Alaska small businesses utilizing a third-party processor in order to rapidly review applications, distribute funding, and provide the necessary reporting. It is estimated that a processor will be able to verify applications and distribute funding at a rate of \$150,000,000 per month. The DCCED will transfer funds, through AIDEA, to the contractor. The first transfer will be in the amount of \$37.5 million with additional weekly disbursements based on actual applications approved.

The DCCED estimates that there are over 10,000 small businesses in Alaska that were unable to obtain Small Business Administration (SBA) Payroll Protection Program (PPP) loans before funding ran out on April 16, 2020. With the second tranche of funding to the PPP program, that number is anticipated to be closer to 5,000 – 7,000, primarily small to micro businesses with fewer than 50 employees. Through DCCED and AIDEA's outreach to Alaska small businesses, DCCED estimates an average funding need by these businesses between \$30,000 and \$50,000.

AK CARES is being established in AIDEA, as a conduit for DCCED to provide a granting program utilizing the CRF distribution to small businesses. DCCED and AIDEA do not have the capacity to quickly retain and train staff or establish the necessary systems to operate a program with the anticipated volume of applicants expediently without contracting with an Alaska financial institution. An RFP will be put out for financial institution partner(s) to support the program per the terms detailed in the attachment to this RPL.

The third-party contractor(s) will ensure that funding distributed through these DCCED directed grants comply with all State and Federal guidelines on use of the CRF. Any CRF funding received by AIDEA through DCCED for AK CARES will comply with the federal CRF guidelines and will not be used by AIDEA for any other purposes.

Subject to the availability of funding and the order of applications received, AK CARES will make DCCED directed grants of between \$5,000 and \$100,000 to all licensed and eligible Alaska small businesses established prior to March 11, 2020 who have had business impacted by COVID-19. For purposes of this program, small businesses are defined as those with 50 full time equivalent employees or less. Businesses that have secured an Economic Injury Disaster Loan, PPP loan, or other federal program funding made available directly to small businesses under the Cares Act do not qualify. Up to 20 percent (but not limited to) of the funding is designated for rural communities (defined as a population of 5,000 or less). The amount of the DCCED directed grant is based upon an application for funding for (i) defined eligible expenses incurred by the applicant business during the period from March 11, 2020 to the application date plus (ii) defined eligible expenses certified to be incurred over the next eight weeks by the applicant business to re-staff/re-open.

PREVIOUS LEGISLATIVE CONSIDERATION

The Legislature has not considered a federal appropriation for contingency items. There are no previous RPLs for this activity.

TIMING ISSUES

The CARES Act was passed by Congress and signed into law on March 27, 2020. The Alaska State Legislature recessed on March 29, 2020. Given the timing of the CARES Act and passage of the FY21 Budget, the Governor's Office did not have enough information to request an appropriation during the current legislative process.

This RPL has been revised based on federal guidance released subsequent to the original RPL and to incorporate program detail that was not previously developed. The amount, statutory reference, appropriation authority, and distribution method have been updated.

Agency Contact: Micaela Fowler, Administrative Services Director, 907-465-2506

AK CARES PROGRAM GRANT ADMINISTRATION AGREEMENT

THIS AK CARES PROGRAM GRANT ADMINISTRATION AGREEMENT (“Agreement”) is made and entered into as of this ___ day of June, 2020 by and between _____ (“Program Operator”) and the Alaska Industrial Development and Export Authority (“Authority”). Program Operator and Authority are sometimes hereinafter each individually referred to as a “Party” and collectively as “Parties”.

WITNESSETH:

WHEREAS, Authority is a public corporation and a public body corporate and politic constituting an instrumentality of the State of Alaska within the Department of Commerce, Community & Economic Development), but with a separate and independent legal existence, created under Chapter 88, Title 44 of the Alaska Statutes, as amended (the “Act”); and

WHEREAS, Authority is authorized under the Act and, in particular, AS 44.88.080, to enter into this Agreement; and

WHEREAS, on March 11, 2020, Governor Mike Dunleavy issued a declaration that a public health disaster emergency exists statewide in Alaska with respect to the Coronavirus Disease 2019 (“COVID-19”) pandemic; and

WHEREAS, SB 241 passed the Alaska State Legislature on March 28, 2020, extended the declared public health disaster emergency to November 15, 2020; and

WHEREAS, on April 9, 2020, the Authority made a Finding of Emergency relative to the COVID-19 pandemic, and

WHEREAS, the State of Alaska Department of Commerce, Community & Economic Development (“DCCED”) is a recipient of the Coronavirus Relief Fund (“CRF”) from the federal government to provide for items that “are necessary expenditures incurring due to the public health crisis with respect to” COVID-19 as constrained by guidance released by the US Treasury on April 22, 2020 (the “Guidance”) and the May 4, 2020 Frequently Asked Questions document; and

WHEREAS, the amounts received from the CRF are subject to restrictions outlined in the Guidance and set forth in Section 601(d) of the Social Security Act, as added by Section 5001 of the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”); and

WHEREAS, on or about May 11, 2020, a revised RPL #08-2020-0251 (the “RPL”) was prepared, and which sets forth and incorporates certain program guidelines (the “Program Guidelines”) for the AK CARES Funding Program (the “AK CARES Program”); and

WHEREAS, the RPL was adopted into law by House Bill 313, approved May 20, 2020, which formally established the AK CARES Program using the funds to be received from the CRF in order to expeditiously distribute grant funding to small businesses in the State of Alaska which have been impacted by the COVID-19 pandemic, and which have been unable to access or qualify for funding directly from the federal programs enacted under the CARES Act; and

WHEREAS, Program Operator has offered to provide a structure for the receipt, review, processing, funding and administration of applications for emergency funding for local businesses under the AK CARES Program, and the Authority has accepted the proposal; and

WHEREAS, the Parties desire to enter into this Agreement for purposes of creating, implementing and administering the AK CARES Program once funded, and establishing their rights and obligations with respect to the same.

NOW, THEREFORE, in consideration of the premises, and in further consideration of the promises below, and other good and valuable consideration, receipt and adequacy of which is hereby acknowledged, the parties hereto agree as follows:

ARTICLE I

General

Section 101. Program Funding; Grant Approval, Funding, Administration. This Agreement shall govern the receipt, review, processing, approval, funding and administration of any Grant approved by Program Operator under the AK CARES Program during the Program Term, all of which shall be undertaken in accordance with the requirements of this Agreement, the RPL, the Program Guidelines, and the operating procedures established for AK Cares (the “Operating Procedures”). Program Operator shall act in compliance with state and federal law and guidance on use of the CRF; provided, however, that Program Operator shall have no liability to Authority for violations of state or federal law if Program Operator is not aware of any facts or information which would lead it to know or have reason to believe that the action taken would be unlawful.

Section 102. Legal Capacity of Authority. Program Operator acknowledges and agrees that Authority is a public entity and subject to applicable laws, rules and regulations. If and to the extent that any term of this Agreement or any other agreement by and between the parties is determined to be inconsistent with such laws, rules and regulations, such agreement(s) shall be deemed reformed to the extent necessary to make them consistent with applicable laws and regulations.

Section 103. Conditions Precedent. It is understood by the parties that each party’s respective obligation(s) to perform under this Agreement are contingent upon receipt of the CRF Distribution (hereinafter defined).

ARTICLE II

Definitions

Section 201. Definitions. The following terms as used herein shall be construed in accordance with and controlled by the following definitions:

A. “Applicant” means an Alaska small business applying for a Grant under the AK CARES Program.

B. "Alaska small business" means an incorporated or unincorporated business which (i) had fifty (50) full time equivalent employees or less, (ii) was licensed to do business in the State of Alaska, and (iii) had its principal place of business located in the State of Alaska on or before March 11, 2020.

C. "Business Day" means any day other than a Saturday, Sunday, a Legal Holiday designated under AS 44.12.010, or a bank holiday.

D. "CRF Distribution" means the funds received from the CRF.

E. "Grant" means a grant issued under the AK CARES Program pursuant to this Agreement.

G. "Program Cap" means the total amount of funding available to Program Operator for making Grants under this Agreement. The Program Cap is \$150,000,000.00, which amount may be adjusted from time to time by agreement signed by all parties.

H. "Program Termination Date" means the earlier of the following: (i) November 15, 2020; (ii) the end of the Governor's declared COVID-19 State of Emergency for the State of Alaska; (iii) the Program Cap is reached; or (iv) the date this Agreement is terminated as provided herein.

I. "Program Launch Date" shall mean June 1, 2020.

J. "Program Term" means the period of time commencing on the Program Launch Date until the Program Termination Date

K. "Rural Communities" means communities within the State of Alaska having a population of 5,000 or less, as determined by the Alaska Demographics site.

ARTICLE III

Program Funding; Approval, Funding and Administration of Grants

Section 301. Program Funding. Subject to the conditions precedent above, on or before the Program Launch Date Authority will make an initial deposit of funds available to Program Operator for funding Grants under the AK CARES Program (the "Initial Deposit"). Upon receipt, AIDEA will deposit the Initial Deposit into a segregated interest-bearing account (the "Program Account") maintained by Program Operator. The Initial Deposit will be for _____ percent (___%) of the Program Cap. Additional funds shall be deposited into the Program Account by the Authority, up to the Program Cap, in the Authority's discretion, as provided in Section 301(a). All funds deposited into the Program Account shall be treated as trust funds held by Program Operator for the benefit of the Authority, and shall be used solely for the purpose of funding Grants under this Agreement, and for no other purpose. Under no circumstances will Authority advance any funds directly to an approved Applicant. The total funding provided to Program Operator under this Agreement shall not exceed the Program Cap.

Section 301(a). Replenishment of Program Account. From time to time, Authority in its sole discretion may cause additional deposits to be made into the Program Account for use by Program Operator in funding Grants under the AK CARES Program based upon

a notice provided under this Section. Commencing one week after the Program Launch Date, and continuing until Program Termination Date, Program Operator will provide notices to Authority advising Authority of the amount of Grants funded by Program Operator to date, and the amount of program funds in the Program Account. Such notices shall be provided to AIDEA on Wednesdays, or more frequently as may be mutually agreed by the parties. In the event that Program Operator desires additional funds for use in connection with the funding of Grants under the AK Cares Program, the notice shall include a request for AIDEA to deposit additional funds into the Program Account for use in providing Grants under this Agreement (each notice a "Replenishment Notice"). In the event that Authority determines that additional funds should be made available to Program Operator for use consistent with this Agreement, and that it is desirable to deposit additional sums with Program Operator for that purpose, Authority will make a replenishing deposit into the Program Account no later than four (4) business days after Authority's receipt of the Replenishment Notice (the "Replenishing Deposit"), shall notify Program Operator of the deposit, and shall, make the deposit by wire transfer using a transfer request form approved by the Authority. The amount of the Replenishing Deposit is left to the discretion of Authority, and may be for an amount that is more, less, or equal to the amount set forth in any Replenishment Notice, or for nothing at all. Authority shall incur no liability for failing or refusing to deliver the amount demanded in any Replenishment Notice.

Section 301(b). Rural Access Reserves. Twenty percent (20%) of (i) the Initial Deposit and (ii) any Replenishing Deposit shall be held by Program Operator for providing Grants to approved Applicants in Rural Communities (the "Rural Access Reserves"). The Rural Access Reserves shall not be used by Program Operator for use in providing Grants to Applicants outside of Rural Communities without the prior written consent of Authority, which consent may be withheld in Authority's sole discretion.

Section 301(c). Program Operator Liability For Excess Grants and Non-Conforming Grants. Program Operator shall not approve or fund Grants which, in the aggregate, exceed (i) the Program Cap, or (ii) the amount of program funds received by Program Operator and in the Program Account as a result of the Initial Deposit or any Replenishing Deposit. Prior to the Program Start Date, Program Operator shall establish procedures to ensure that Grant approvals do not exceed the funding available in the Program Account. In the event that the aggregate amount of Grants funded by Program Operator exceeds the Program Cap or the amount of program funds received by Program Operator as a result of the Initial Deposit or any Replenishing Deposit (an "excess grant"), then Authority shall have no liability to fund or provide funds for such excess grant, and Program Operator shall be obligated to fund such excess grant in its own name, with Program Operator's own funds, and with no funds received from Authority under this Agreement. In addition, Program Operator shall not approve any Application or fund any Grant which does not conform with the requirements of this Agreement, the RPL, the Program Guidelines, Operating Procedures, and/or any applicable state and federal law or guidance on the use of CRF funding ("non-conforming grant") Program Operator further

agrees to indemnify and hold Authority harmless from any and all claims, causes of action, losses, or liabilities whatsoever relating to or concerning any excess grant or non-conforming grant.

Section 301(d). Return of Unused Funding. Program Operator shall return to Authority any unused program funds in its possession, and which have not been dedicated for use under a grant agreement, no later than five (5) business days after the Program Termination Date, as well as any funding returned to Program Operator whether prior to or after the Program Termination Date within five (5) business days of receipt by Program Operator.

Section 301(e) Recoupment. Program Operator shall have no obligation to seek the return of any federal funds from grantees due to grantee's noncompliance with the CRF, or for any other reason related to grantee's non-compliance. This provision shall not modify, amend, or reduce Program Operator's obligations as provided in this Agreement.

Section 302. Review and Approval of Grant Applications. Commencing on the Program Launch Date and concluding on the Program Termination Date or when the Program Cap is reached, whichever first occurs, Program Operator shall receive, accept, review, process, and approve applications for Grants, and fund and administer all approved Grants, under AK CARES. With respect to any Grant, Program Operator shall, at its own cost and expense: (a) receive, accept (or reject) and review applications for Grants, on forms approved by the Authority; (b) determine the eligibility of each Applicant; (c) determine from the application and any supporting documents that Grant funds are to be used for eligible expenses; (d) approve (or deny) Grants of not less than \$5,000.00 and not more than \$100,000.00 per Applicant; (e) fund approved Grants, subject to the limitations set forth herein; and (f) charge only the program rates and fees permitted by this Agreement, all in accordance with and subject to the terms and conditions set forth in the Operating Procedures and the Program Guidelines as well as this Agreement. A copy of the Operating Procedures is annexed hereto and incorporated herein as **Exhibit "A"**. A copy of the Program Guidelines is annexed hereto and incorporated herein as **Exhibit "B"**. A copy of the RPL is annexed hereto and incorporated herein as **Exhibit "C"**.

Section 302(a). Application Form. The approved application form, and schedule of eligible expenses form, for applications received under this Agreement is annexed hereto and incorporated herein as **Exhibit "D"**.

Section 303. Program Administration Fees. The Parties agree that they are facilitating AK CARES at no cost to the Applicant, and that no fees or costs are recoverable from any Applicant relating to the approval, funding, or administration of any Grant or any other services provided under this Agreement, except that Program Operator shall be entitled to an administrative processing fee of _____% of the final amount of each Grant funding by Program Operator under this Agreement. There shall be no additional fees or costs recoverable for services provided under this Agreement. Payment of Program Operator's fee is contingent upon receipt of payment by DCCED. Commencing one month after the Program Launch Date, Program Operator shall submit

an invoice to Authority, in a form mutually agreeable to the parties, setting forth the total amount of grants approved and actually funded by Program Operator for the preceding month, together with such other proof as may be required by Authority or DCCED, which shall be provided on or before the 5th day of the month (the "Program Operator Fee Request"). Authority will promptly submit the Program Operator Fee Request to DCCED for payment. Authority shall pay Program Operator's Fee Request within fifteen (15) days of Authority's receipt of funding from DCCED.

Section 304. Relationship of the Parties. In receiving, reviewing, approving, and administering Grants, Program Operator shall be and act as an independent contractor exercising independent judgment and expertise as to these tasks, provided, however, that Program Operator shall not issue any grants or take any action in derogation of the requirements of this Agreement. In receiving, holding, and disbursing program funds, Program Operator shall be and act as a trustee and fiduciary in administering a trust for the benefit of the Authority. Nothing in this Agreement is intended to create a contract of employment, partnership, or joint venture between the parties.

Section 305. Defense and Indemnity. The Parties agree that the responsibility for the receipt, review, processing, funding, and administration of Grants under this Agreement belongs to Program Operator. To the fullest extent allowed by law, Program Operator shall defend, indemnify, and hold harmless Authority, its/their directors, employees, agents, servants, and contractors from and against any and all claims, demands, and causes of action arising out of or in any way connected with the Program Operator's breach of Program Operator's warranties and/or responsibilities under this Agreement.

ARTICLE IV

Representations and Warranties

Section 401. Degree of Care. Program Operator represents that, in connection with all Grants under this Agreement, it will: (i) act in good faith and exercise a reasonable degree of care; and, (ii) administer the Grants in accordance generally accepted business practices.

Section 402. Representations and Warranties.

(a) The Program Operator represents and warrants:

1. The Program Operator will not approve any grant request if Program Operator has knowledge of any facts or information from any Applicant which would lead Program Operator to know or have reason to believe that the materials received from an Applicant are untrue, in whole or in part, provided, however that Program Operator is not responsible for the accuracy or completeness of an Applicant's information or certifications.

2. To the best of Program Operator's knowledge and reasonable belief, the approval of any application and funding of any Grant is provided in accordance with the terms of this Agreement and the terms and conditions set forth in the RPL, Program Guidelines, and Operating Procedures and all applicable state and federal statutes, regulations and requirements to federal funding. Notwithstanding the foregoing, Program Operator shall have no liability to Authority under this section 402 unless Program Operator approved a

grant when it was aware of facts or information which would lead it to know or have reason to believe that the grant approval was unlawful.

3. That Program Operator has not charged and will not charge any fees or costs to any Applicant in connection with an application received or reviewed under this Agreement.

4. There are no substantial or material violations by Program Operator of any applicable state or federal law, regulation, or rule.

5. The persons executing this Agreement are authorized to do so.

(b) The Authority represents and warrants that:

1. It is duly authorized to enter into this Agreement with Program Operator.

2. It is duly authorized to delegate power to the Program Operator to perform the obligations set forth in this Agreement, the Program Guidelines and the Operating Procedures.

3. It has taken all actions necessary to enter into this agreement, and is not aware of any facts or information which would lead it to know or have reason to believe that the actions contemplated under the terms of this Agreement are unlawful.

ARTICLE V

Maintenance, Examination, and Audit of Records; Reporting

Section 501. Maintenance of Books and Records. Program Operator will maintain proper books, accounts and records with respect to the AK CARES Program in accordance with generally accepted accounting principles. Program Operator agrees to provide any and all reports, documents, or other financial information requested by AIDEA which is necessary to facilitate the tracking, reporting and/or auditing of the AK CARES Program and/or Program Operator's activities under this Agreement. Program Operator's records relating to each Grant shall be maintained for a period of six (6) years from the date of the Grant. In the event that record retention is required after six (6) years, Program Operator will transfer all Grant records to Authority for maintenance.

Section 502. Inspection of Records. Program Operator shall maintain complete copies of all books and record pertaining the AK CARES Program and/or relating to any Grant approved (or denied) under this Agreement, and such records, wherever they are maintained, and, upon fifteen (15) days' notice, shall be made available for inspection by Authority, its employees, agents and/or auditors between the hours of 8:00 a.m., and 5:00 p.m., on Business Days.

Section 503. Federal funding. Program Operator shall comply with this Agreement, the RPL, the Program Guidelines, Operating Procedures, and/or any applicable state and federal guidance on the use of CRF funding.

Section 504. Accounting and Reporting. Upon request, Program Operator shall provide to Authority an accounting of all monies received and/or disbursed by Program Operator in connection with the AK CARES Program. In addition, Program Operator agrees to provide Authority with reports in accordance with the reporting schedule annexed to the Operating Procedures as Attachment D to Exhibit A, and which are incorporated herein, as well as any reports as may be mutually agreed-upon by the parties.

Section 505. Confidential Member Information. [depending on type of program operator]

ARTICLE VI

Breach by Operator

Section 601. Suspension of New Transactions. In addition to pursuing any remedies available to the Authority, at law or in equity, injunctive, statutory, or otherwise, in event of any Material Breach by Program Operator of any agreement, condition, warranty, representation, or other term contained herein, which breach is not cured to Authority's satisfaction within 30 days of written notice to Program Operator, Authority may, in its discretion, direct Program Operator to suspend the receipt, review, processing, approval (or denial), and/or funding of any Grant applications under this Agreement, until such breach is cured. A suspension under this Section shall not otherwise affect the operation of this Agreement with respect to any application for a Grant which has been funded prior to suspension.

ARTICLE VII

Indemnification, Insurance and Additional Security

Section 701. Indemnification. Program Operator shall indemnify, defend, and hold harmless Authority from and against any claim of, or liability for, negligent acts, errors and omissions of the Program Operator under this Agreement. Program Operator shall not be required to indemnify, defend, or hold harmless Authority for a claim of, or liability for, the independent negligent acts, errors, and omissions of Authority. If there is a claim of, or liability for, a joint negligent act, error or omission of Program Operator or Authority, the indemnification, defense and hold harmless obligation of this provision shall be apportioned on a comparative fault basis. In this provision, "Program Operator" and "Authority" include the employees, agents and other contractors who are directly responsible, respectively, to each.

Section 702. Insurance. Without limiting Program Operator's indemnification obligation, Program Operator shall purchase at its own expense and maintain in force at all times during the performance of services under this contract the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If Program Operator's policy contains higher limits, the Authority shall be entitled to coverage to the extent of such higher limits. Certificates of Insurance must be furnished to the Authority prior to Program

Commencement Date, and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this Agreement and shall be grounds for termination of Program Operator's services. All insurance policies shall comply with, and be issued by insurers licensed to transact the business of insurance under AS 21.

Section 702(a). Workers' Compensation Insurance. The Program Operator shall provide and maintain, for all employees engaged in work under this contract, coverage as required by AS 23.30.045., and; where applicable, any other statutory obligations including but not limited to Federal U.S.L. & H. and Jones Act requirements. The policy must waive subrogation against the Authority and the State of Alaska.

Section 702(b). Commercial General Liability Insurance. Program Operator shall provide and maintain general liability insurance covering all business premises and operations used by Operator in the performance of services under this contract with minimum coverage limits of \$1,000,000 combined single limit per occurrence.

Section 702(c). Commercial Automobile Liability Insurance. Program Operator shall obtain automobile liability insurance covering all vehicles used by the Contractor in the performance of services under this contract with minimum coverage limits of \$1,000,000 combined single limit per occurrence.

Section 703. Additional Security for Deposits. Program Operator agrees to deliver to Authority a security agreement containing terms which are mutually agreeable to the parties on or before the Program Launch Date, and such other agreements as are mutually agreed to by the parties, to provide Authority with a security interest in Program Operator's investment portfolio.

ARTICLE VII

Miscellaneous

Section 801. Attorneys' Fees. The prevailing party in any action arising out of or otherwise connected with this Agreement shall be entitled to reasonable attorneys' fees as determined by the court.

Section 802. Applicable Law and Dispute Resolution. This Agreement and any right or liability asserted under this Agreement shall be governed by and interpreted under the laws of the State of Alaska, except as to such matters as may be under the exclusive jurisdiction of federal law. Any disputes arising under this Agreement not disposed by mutual agreement shall be decided by litigation. Venue for any such litigation shall be the Superior Court of the State of Alaska, at Anchorage.

Section 803. Defense of Claims Litigation and Disputes. In the event a dispute arises with a Grantee or other third party over the AK CARES program, or any action taken by Program Operator related to grant payment in the performance of Program Operator's duties under this Agreement (referred to in this Agreement as a Claim Dispute), the Parties agree to the following:

- a. Notification of Dispute: When a Party reasonably determines that a Claim Dispute may arise, the Party will promptly notify the other Party in writing as to the issues involved in the Claim Dispute and provide the other Party with all relevant information and documents related to such Claim Dispute (including, without limitation, verbal or written communications from the claimant, documents related to administrative or legal proceedings brought by the claimant, and all documents or information relied upon by Operator in making any claim determinations).
- b. Defense: Subject to Section 701 of this Agreement, in the event of a legal, administrative, or other action arising out of the administration, processing, or determination of a Claim, the Authority will undertake the defense of such action. If Program Operator is named as a party to such legal action, the Authority, agrees to defend Program Operator, provided there is no conflict of interest between the Parties, or any claim of gross negligence, fraud, or criminal act of Program Operator under this Agreement. The Authority agrees to pay the amount of Claims included in any judgment or settlement the Authority enters into in such action. Program Operator shall not be liable for any part of such judgment or settlement, including but not limited to legal expenses and punitive damages. Program Operator will cooperate fully with the Authority in the defense of any legal, administrative, or other action arising out of the administration of the AK CARES program, including making available witnesses necessary to the proceedings as identified by the Authority.

Section 803. No Assignment or Delegation. Program Operator may not assign, novate, or delegate this Agreement, or any part of it, or any right to any money to be paid under it, except with the express written consent of the Authority.

Section 804. Notices. Any notice under this Agreement shall be in writing and will be deemed given three days after the date and time when deposited in a United States Post Office, postage prepaid, and mailed by registered or certified United States Mail, return receipt requested, to:

Authority	Program Operator
AIDEA	[]
ATTN: Executive Director	ATTN:President/CEO
813 West Northern Lights Blvd.	[]
Anchorage, Alaska 99503-2495	[]

Or if sent by electronic facsimile, such notice will be deemed given as of the date and time when transmitted, with a confirmation of receipt, to a facsimile machine listed below, provided that a confirmation copy of the notice is promptly deposited in the United States Mail, addressed as above, first class postage prepaid.

Authority
(907) 771-3044

Program Operator
([])

Section 806. Successors. This Agreement and each term hereof shall inure to the benefit of, and shall be binding upon, the successors and assigns of the parties hereto.

Section 807. Failure to Object Not a Waiver. The failure of either party to this Agreement to object to any breach of this Agreement shall not be deemed to constitute a waiver of that breach or of any subsequent breach.

Section 808. Termination. Authority, by written notice to Program Operator as provided above, may terminate this Agreement, in whole or in part, when it is in the best interests of Authority or the State of Alaska, or for cause. Authority is only liable for payment in accordance with the payment provisions of this Agreement for fees incurred before the effective date of termination.

Section 809. Incorporation of Recitals. All of the recitals to this Agreement are incorporated by this reference and are made a part hereof as though set forth at length herein.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this instrument to be executed as of the day and year first written above.

OPERATOR:
[]

ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

By: _____

By: _____

Its: _____

Its: _____

CHIEF PROCUREMENT OFFICER
ALASKA INDUSTRIAL DEVELOPMENT
AND EXPORT AUTHORITY

By: _____

Its: _____

Specimen Enclosures:

Exhibit A – Program Procedures

Exhibit B – Program Guidelines

Exhibit C – RPL

Exhibit D – Application Form