



ADDENDUM NINE

Request for Proposal 20067

AIDEA AK CARES FUNDING PROGRAM

July 17, 2020

EMAIL TO: All RFP recipients on record.

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

1. Proposal Due date is now scheduled for 2:00 pm, July 22, 2020. Please advise AIDEA if you require more time, inclusive of a proposed date, and we will take it into consideration.
2. Process of the RFP had been paused due to the RPL related lawsuit and amendment to include DCCED's previously announced Program Guideline changes. On Friday July 10, 2020 the Alaska Superior Court declined to issue a preliminary injunction filed on the program.

With confirmation from the Department of Law (DOL), Department of Commerce, Community, and Economic Development (DCCED) recently confirmed implementation of Program Guideline Changes to Eligible Applicants under the Program. Additionally, with confirmation from DOL and DCCED, the Alaska Industrial Development and Export Authority (AIDEA) is re-initiating the Program Operator RFP for the AK CARES programs.

3. Remove the Request for Proposal (RFP) package in its entirety and replace with the attached RFP package.

Clarifications/Changes

4. New Eligible Applicants
 - A. Businesses that received \$5,000 or less in Paycheck Protection Program (PPP) or Economic Injury Disaster Loan (EIDL) funds will become eligible.
 1. Only businesses that received PPP or EIDL funds in excess of \$5,000 are ineligible. Businesses will not be ineligible for AK CARES due to other programs, including municipal grant programs.
 - a) Per federal guidance dated June 30, 2020 expenses that have been or will be reimbursed by other federal programs are ineligible. This will be addressed through an applicant certification effectively stating that the expenses listed by applicant on the Schedule of Expenses for funding under AK CARES have not been or will not be reimbursed by other federal programs.
 2. Businesses can return PPP or EIDL funds in excess of \$5,000 to become eligible for AK CARES.
 - B. 501(c)(6) organizations will become eligible, subject to limitations on lobbying expenses.

- C. Commercial Fishermen that hold a State of Alaska Limited Entry Permit (LEP) will be eligible for AK CARES. Eligibility will require that the permit holder is actively fishing the permit, and that commercial fishing is the primary business pursuit. The LEP will serve as a professional/business license for eligibility purposes. Requirement for eligible expenses under AK CARES remains the same and fishing business expenses will be defined to fit within the existing AK CARES framework.

The new applicants will require establishing a new application with respective new certifications by the applicants. The go live date for the new eligible applicants has not been announced yet by DCCED. Optimally, this would occur once the portal and new Program Operators are ready.

Program Guidelines will continually be monitored; the use of the program; the remaining funds; for the need to expand program eligibility.

5. Operational Clarifications

During the delay due to the court proceedings, DCCED, AIDEA and Credit Union 1 (CU1) have been reviewing the program performance to identify specific areas where improvements in processing and procedures can be defined.

These reviews have included public comment, input on best practices from the regional and community development councils, as well as financial institutions involved in the federal programs. There has been broad discussion on reducing the complexity of the program and streamlining the process for Program Operators and Grant Applicants.

6. Centralized Application Portal for New Applications

The completeness and quality of applications has been identified as the most significant factor affecting the processing of grants under the program. We are looking to principally address this issue through a centralized application portal:

- Either established by AIDEA or an already established portal adapted to the program and offered as a service by a new Program Operator under the RFP;
- Establish a protocol with all Program Operators on how new applications will be distributed;
- This will be based on the responses we receive and how respondents choose to define their interest in the program, which can include:
 - Processing capacity: i.e. number of staff and funding capacity
 - regional focus
 - focus on certain eligible applicants
- CU1 will concentrate initially on its existing pool of applications; and
- Existing CU1 applications which are required to resubmit due to errors or inadequate information will go through the new central portal

7. Processing Applications

If the determination by Program Operator is that the application omits critical information, will take an excessive amount of time to process, and/or delay the Program Operators ability to process other applications, the Program Operator is expected to decline the application and require the applicant to resubmit a new application package.

8. Applicant Certifications

The Program Guidelines state that the Program Operator will not be held liable for the accuracy or completeness of the Applicants information or certifications. The Operating Procedures do not contain any requirement of the Program Operator to verify the certifications made by applicants on the agreed forms.

We are asking Program Operators to screen for suspected fraud based upon their experience. Article 19 of the Program Operator procedures states:

- A. 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.

Section 401 of the Administration Agreement states:

- A. 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.
- B. 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.

DCCED will be clarifying that the Program Operator can rely on the certifications being made by the applicants in case there is any uncertainty on this issue.

9. Reasonable Standard of Care

We have provided everyone with a full copy of the current Operating Procedures supporting the AK CARES Program. The Operating Procedures make reference to the RPL, Program Guidelines, as well as federal guidelines. Federal guidelines on use of the Coronavirus Relief Funds generally refer to the Code of Federal Regulations or 2 CFR 200.

These regulations provide for a reasonable standard of care to be applied in funding the grants. DCCED and AIDEA are not requiring full verification of every expense submitted by grant applicants.

Under Section 304 of the Administration Contract, it states that the Program Operator shall be and act as an independent contractor exercising independent judgement and expertise...

Under 401 Degree of Care it states that the 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 with generally accepted business practices.

In bringing on Program Operators, DCCED and AIDEA are expecting those Program Operators to use their judgement and expertise in applying a reasonable standard of care.

To assist the confirmation of a reasonable standard of care for the program consistently across the Program Operators, DCCED and AIDEA will work with the Program Operators to establish an addendum to the Operating Procedures.

10. Controlled Disbursement

The Term Sheet proposed by CU1 proposed controlled disbursement as a prudent control measure initially under the loan program – it remained in the Program Operator term sheet attached to the Program Guidelines.

However, the Program Guidelines sought to define some flexibility on this based on program performance by stating the Program Operator will use a controlled disbursement process, when possible. In light of the reasonableness standards being confirmed, the high volume of applications, program time frames, types of eligible expenses, and program performance, the controlled disbursement process is being reviewed by DCCED to include allowance for a reasonable determination by Program Operators for funding directly to the applicant, unless otherwise specifically required in the Operating Procedures.

11. Clarification of Program Operator Internal Controls

The operational changes clarify the reliance on the certifications by applicants and reliance on internal controls.

Section 502 Inspection of Records of the Administrative Agreement to include AIDEA's ability to review Program Operator's internal controls and procedures.

Program Operator will establish internal controls, and allow AIDEA to review such controls, in order to provide reasonable assurance:

- A. AK CARES transactions are properly recorded and accounted for in order to:
 - 1. Permit the preparation of reliable financial and program reports relating to the AK CARES program
 - 2. Maintain accountability over AK CARES assets

3. Demonstrate compliance with Federal and Program guidelines as well as the terms and conditions of the contract with AIDEA.

B. Transactions are executed in compliance with:

a) Federal guidelines, the Program Guidelines and the terms and conditions of the contract with AIDEA that could have a direct effect on the AK CARES program and;

C. AK CARES funds and documents are safeguarded against loss from unauthorized use or disposition.

12. All-in Program Administration Cost

Proposals should include the following:

All-in program administration cost of the proposed Program Structure to include the fee structure for the origination, underwriting, servicing costs and any other fees (access to an already established portal) that will be assessed by the responding Program Operator.

The Authority will also consider alternative proposals regarding cost structure.

13. Applicants are able to return PPP funds to become eligible. What is meant by “return?”

“Return” is defined by repaying the loan back. Applicants could repay a portion of the loan to be eligible for program. The return of funds would need to be prior to applying for AK CARES Program funding and would need to sign a certification to show how funds were returned.

The process and mechanisms for the new eligible applicants will be defined by DCCED with the Program Operators.

14. Eligibility in regards to applicants that have received other CARES Act funding states that there will be no duplication of expenses. Would an applicant be eligible to claim an expense if they have received a percentage of the funds for the identified expense from another program, or because they claimed the expense would that expense be precluded?

We believe the applicant would be eligible to claim the portion of the expense which has not been reimbursed by another program and handled through a certification process. The process and mechanisms for the new eligible applicants will be defined by DCCED with the Program Operators.

All other terms and conditions remain the same.

END OF ADDENDUM

We appreciate your participation in this solicitation.

Sincerely,

A handwritten signature in black ink, appearing to read "Sargento". The signature is stylized with a large, looped initial "S" and a trailing "to".

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

Alaska Industrial Development and Export Authority
REQUEST FOR PROPOSALS PACKAGE

PART

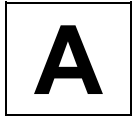


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- Form, Part A - Request for Proposals (RFP)
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- " " Part D - Proposal

- Form, AIDEA Debarment Certification

Other:
Attachment 1 Operating Procedures for AK CARES Funding Program

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 : AIDEA AK CARES Funding Program
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.
AIDEA is looking for additional Program Operators to provide the structure for the origination, underwriting, and servicing of the AK CARES Funding Program. AIDEA anticipates awarding one to five contracts, or however many is needed to meet the geographic and lending 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: 134,750,000.00 or a higher amount to be determined.

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: July 22 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.aideaaeprocmement.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 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 **July 17, 2020, 10:00 am. Do to the COVID-19 the pre-bid meeting will be conducted telephonically.** Potential bidders 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 AIDEA's offices are open to the public. Therefore, bids may be hand delivered or placed in 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 through its banking services partner must provide banking services with collateralized accounts to include deposit taking and payment processing.
- * The Offeror or through its banking services partner must carry large deposit CAP insurance or enter into satisfactory Security Agreement for AIDEA funds.
- * The Offeror or through its banking services 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

1. Weight: 20

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: 25

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 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 the final amount of each Grant funding by Program Operator under this Agreement.
- Costs of any proposed centralized portal services.

3. Equitable Access

3. Weight: 20

Describe, as the Program Operator, your ability to:

- Provide equitable access/distribution of the grant program to Alaska's small businesses and non-profit organizations or in combination with other regional/community selected Program Operators.
- Offerors to define the interest in the program, which can include
 - Program wide participation
 - Regional Focus
 - A focus on specific eligible access
 - or alternative as defined by offeror
- Describe the institution's geographic access to small businesses and non-profit organizations within Alaska or describe any regional/community concentrations the institution is positioned to service 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/Commitment

4. Weight: 30

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

At a minimum, address the following information:

- Provide an accurate estimate of time required to **establish** the Program, be operationally capable and time for implementation of the Program.
- If offered in services, the ability and timing to adapt a centralized portal to the program.
- Once the Program is implemented and available for application, address your commitment to performing this work with an emphasis on processing the maximum amount of applications within a short period of time.
 - Provide number of personnel and associated hours committed to this program.
 - Provide to the best of your knowledge, the amount of grant applications your institution will be able to process each day from the application queue.
 - Provide your ability and expectation to process, approve and fund grants within [x] days of application;

5. Auditing and Internal Controls

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 and established internal controls 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 guidelines to federal funding utilized in the grants administered.

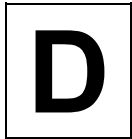
6. Alaska Bidder (Offeror) Preference

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.

**Former Employee's Certification of Eligibility
Under the Alaska Executive Branch Ethics Act
(AS 39.52.140, AS 39.52.180)**

I am a former employee of the State of Alaska and left state service within the last two years. My last position with the state was [job title] with the [name of state agency and administrative unit]. I propose to work on [describe state contract or other matter] on behalf of [name of current employer]. This work will not involve any matter (a) that was under consideration by the state administrative unit that I served, and (b) in which I participated personally and substantially during my state service through the exercise of official action ("official action" means a recommendation, decision, approval, disapproval, vote, or other similar action or inaction). I am therefore eligible to participate in this [contract or matter] under the Alaska Executive Branch Ethics Act. I also understand that as a former public officer I may not disclose or use information acquired in the course of my official duties that could in any way result in a benefit to me or my family, if the information has not been disseminated to the public, or that is confidential by law, without appropriate authorization.

I certify under penalty of perjury that the foregoing is true.

Dated: _____, 20__, at _____, Alaska.

[name of former state employee]

STATE OF ALASKA)
) ss.
_____ JUDICIAL DISTRICT)

On this _____ day of _____, 20__, [name of former state employee], whom I know to be the individual described in and who executed this certification, personally appeared before me and acknowledged that [s]he signed the certification as [her or his] free and voluntary act.

IN WITNESS WHEREOF, I have placed my signature and affixed my official seal.

Notary Public in and for Alaska
My commission expires: _____

If no notary or other official (judge, magistrate, U.S. postmaster or municipal clerk) is available, omit the notary certificate and include the following statement in the text: A notary or other official empowered to administer oaths is unavailable.

**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)

Operating Procedures for AK CARES Funding Program

The following document is intended to provide operating procedures for the AK CARES Funding Program (the “AK CARES”). 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 (the “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. The Alaska Industrial Development and Export Authority (“AIDEA”), thru a third-party financial institution (“Program Operator”) is arranging and facilitating the grant program for DCCED. The roles of each party are:

- **DCCED** - Recipient of CARES Act funds and granting agency
- **AIDEA** - Retained by DCCED to arrange and facilitate AK CARES program
- **Third-party Program Operator** - Contractor to AIDEA to facilitate operation of AK CARES

DCCED will follow the following procedures relating to AK CARES.

1. As the requesting agency, enter into two State of Alaska Reimbursable Services Agreements (each an “RSA”) purchasing services from AIDEA with funding anticipated to be CARES Act funds, as follows:
 - a. An RSA to transfer CARES Act funding for grants to AIDEA for the purpose of funding DCCED-directed small business grants through the Program Operator in compliance with the program guidelines. The RSA will include DCCED’s authorization for AIDEA to contract with the Program Operator for purposes of grant administration, including approval of grant agreements. The RSA terms will be payment upon approval.
 - b. An RSA requesting AIDEA facilitate the operation of the DCCED-directed small business grant program and providing payment for the program’s administrative cost (both AIDEA’s fee for facilitating the grant program as well as payment for the third-party Program Operator). The RSA terms will be payment upon receipt of inter-agency billing.
2. Transfer CARES Act funding to AIDEA to fund the DCCED-directed small business grants (via the RSA discussed in 1a, above). The first transfer to AIDEA is anticipated to be \$150 million. Additional CARES Act funding will be transferred to AIDEA for use in the program as necessary and determined by DCCED during the term of AK CARES.
3. Review and approve the final Grant Agreement form to be used in the operation of the grant program (). The Grant Agreement will be an agreement between DCCED and the grant recipients under AK CARES.

4. DCCED will prepare the program guidelines, including the criteria to be used for the small business grants, and will be responsible for ensuring AK CARES is in full compliance with state and federal laws and regulations. Such criteria should include, but not be limited to: applicant eligibility, expense eligibility, required documentation supporting expenditures and disbursement criteria. The eligibility criteria for businesses and expenditures will be included in each grant agreement. Applicant eligibility requirements are set forth in Attachment A. Eligible expense requirements are set forth in Attachment B.

The Grant Agreement will include a requirement for the Grantee to return any federal funds not expended in accordance with the grant guidelines, state or federal law. DCCED will be responsible for any obligation to return federal funds due to noncompliance or any other reason and be responsible for collection from Grantees as necessary. Should there be a requirement for the return of CARES Act funds, outside of returning unspent funds, DCCED will handle that directly. AIDEA and Program Operator are not responsible for any obligation to return federal funds besides unspent funds. Information needed for any return of CARES Act funds will be facilitated by AIDEA through its relationship with the Program Operator.

5. As the designated recipient of the CRF, DCCED will be responsible for the recording and reporting of the DCCED-directed small business grant program activities and CARES Act funds in the State of Alaska accounting system, State of Alaska financial statements and State of Alaska federal single audit. Further, DCCED will complete any reporting required to the federal government relating to CARES Act funds and comply with all federal rules and regulations relating to the federal funds and expenditure of those funds. Information needed for this reporting will be facilitated by AIDEA through its relationship with the Program Operator.
6. A DCCED contact person will be available to AIDEA and Program Operator to provide guidance on questions regarding the DCCED-directed small business grant program. The DCCED contact is Jim Anderson.
7. DCCED will maintain FAQ's for the program and provide guidance on program questions.
8. DCCED has reviewed and approved the grant agreement, the grant application and these operating procedures, and has reviewed the data being collected for completeness.
9. DCCED has made the following determinations regarding grantees.
 - Businesses and nonprofits do not meet the definition of subrecipient under §200.93 and are considered to be beneficiaries of the program.
 - Non-profit grantees must comply with the audit guidelines under U.S. Office of Management and Budget 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
 - Grantees are generally considered to be high risk for the purposes of this program. The information is not relevant to the current Federal award under consideration in accordance with §200.205 subsection (2).

AIDEA will follow the following procedures relating to AK CARES:

1. As the servicing agency, initiate and execute two RSA's with DCCED, as follows:
 - a. An RSA for AIDEA to receive CARES Act funding from DCCED for use in AK Cares. After receipt of funds, a portion of funding will be further transferred by AIDEA to the Program Operator in accordance with the terms and conditions of the program and the contract between the Program Operator and AIDEA. This will be an unbudgeted RSA requiring OMB approval.
 - b. An RSA to arrange and facilitate DCCED's small business grants through AK CARES and provide for the administrative costs of the program. This will be an unbudgeted RSA requiring OMB approval.
2. AIDEA will utilize a third-party Program Operator to facilitate the disbursement of DCCED grant funds to eligible small businesses. AIDEA will establish a contract with the Program Operator and will be responsible for monitoring contract compliance. The Contract Manager for AIDEA is Alan Weitzner.
3. AIDEA has responsibility to manage the contract with Program Operator for the program and to ensure compliance with the terms and conditions of that contract and Program Operator's performance of the program in compliance with the program guidelines.
4. CARES Act funding transferred to AIDEA will be tracked, and while in AIDEA's account ("AIDEA AK CARES Account"), shall be managed in a segregated, interest-bearing account for the sole purpose of AK CARES. Interest earnings on the account will be used to the extent possible to fund administrative costs relating to AK CARES or will be returned to DCCED. Any interest used to fund administrative program costs, if any, will reduce the amount billed to DCCED by AIDEA.
5. For the time it is in the AIDEA AK CARES Account, AIDEA will invest the CARES Act funds in accordance with its Investment Policy and Statutes, program cash flow needs, federal requirements and any further stipulations directed by DCCED in the RSA agreements.
6. As part of contract administration, AIDEA will provide contract compliance audits relating to the contract with the Program Operator using third-party auditing services. The frequency and scope of these audits will be subject to the agreement of AIDEA and DCCED. Audit reports will be distributed to DCCED. AIDEA will pay for such audits from the administrative fee received from DCCED.
7. AIDEA will follow-up with the Program Operator on any contract compliance findings resulting from the audits.

8. AIDEA will review the internal controls of the Program Operator for audit purposes.
9. AIDEA will fully account for and include in its financial audit all transactions relating to this arrangement and will pay for any additional audit fees associated with this activity.
10. AIDEA will provide DCCED with reports as noted in Attachment D.
11. AIDEA will transfer certain CARES Act funds received from DCCED to the Program Operator in accordance with the terms of the contract between AIDEA and the Program Operator. There will be an initial transfer of 25% (approximately \$37.5 million) with disbursements based on actual applications approved for funding thereafter on at least a weekly basis. Funding by AIDEA will be limited to CARES Act funds provided to AIDEA by DCCED, anticipated to be \$150 million.
12. AIDEA will review the deposit level requirements with Program Operator and approve the disbursement requests by the Program Operator on at least a weekly basis. Such requests will be submitted by the Program Operator to the AIDEA Contract Manager on a form to be provided by AIDEA (see Attachment C). AIDEA will fund the Program Operator within four business days of the funding request with a wire transfer. Any changes to draw schedule will be discussed and agreed to by AIDEA and Program Operator as needed.
13. AIDEA will bill DCCED through the RSA for administration of the program on a monthly basis. Such billings will be calculated as follows:

3% x Total grants disbursed by Program Operator in billing period

Interest earned on CARES Act funds held by AIDEA will be netted against amount billed to DCCED for program administration. AIDEA will retain 0.38% of the 3% charge and remit the remaining 2.62% to the Program Operator per the terms of AIDEA's contract with the Program Operator.
14. AIDEA will return any remaining CARES Act funds to DCCED, if any, at the conclusion of AK CARES.
15. Coordinate with DCCED and the State of Alaska Department of Administration on reports needed to properly document and account for program activity on the State accounting system and comply with State audit requirements.
16. AIDEA will provide the following information for non-profit grantees to the State of Alaska 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:
 - a. Grantee's fiscal year end
 - b. Type of tax-exempt status the IRS has granted them: 501(c)(3) or 501(c)(19)
 - c. Name of the organization (legal and any dba name)
 - d. Tax ID
 - e. DUNS#

- f. Contact name (usually the CFO, Executive Director or similar position)
- g. Contact e-mail address
- h. Contact phone number
- i. Mailing address (city, state, zip)
- j. Fax
- k. Amount of federal funds disbursed to this grantee during the State's FY2020 and FY2021
- l. CFDA number or numbers connected with the federal funds disbursed
- m. Grant number (assigned by the State or Credit Union One)

17. If required, Authority shall perform a federal single audit as provide in 2 CFR 200.501.

Program Operator will follow the following procedures relating to the DCCED-directed small business grant program:

1. Program Operator will enter into a contract with AIDEA to provide services needed to facilitate the DCCED-directed small business grant program. The contract contact for the Program Operator is James Wileman, or his designee.
2. 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.
3. 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. Eligible expenses which cannot be verified, and do not exceed twenty-five percent (25%) of the total Grant amount are eligible for funding. Each grantee will be limited to one grant.

4. 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. The Program Operator official authorized to approve grant applications is James Wileman, or his designee. Any designation will be in writing.

5. 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.
6. 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.
7. 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. Funding requests will be provided to AIDEA's contract manager by the Program Operator on the form provided by AIDEA (*see*, Attachment C).
8. Program Operator will be responsible for ensuring cash flows are sufficient to fund grants in process up to the maximum funding amount of \$150 million 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.
9. Program Operator will implement procedures to ensure all rural/urban funding requirements are followed as defined in the contract with AIDEA.
10. 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.
11. Program Operator is responsible for all tax reporting requirements for payments including the preparation, distribution and filing of IRS Form 1099G.
12. 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.
13. 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.

14. Program Operator will provide AIDEA's contract manager with reports as detailed in Attachment D.
15. 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.
16. 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:
 - a. Grantee's fiscal year end
 - b. Type of tax-exempt status the IRS has granted them: 501(c)(3) or 501(c)(19)
 - c. Name of the organization (legal and any dba name)
 - d. Tax ID
 - e. DUNS#
 - f. Contact name (usually the CFO, Executive Director or similar position)
 - g. Contact e-mail address
 - h. Contact phone number
 - i. Mailing address (city, state, zip)
 - j. Fax
 - k. Amount of federal funds disbursed to this grantee during the State's FY2020 and 2021
 - l. CFDA number or numbers connected with the federal funds disbursed
 - m. Grant number (assigned by the State or Credit Union One)
17. 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.
18. 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, .
19. 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.

20. For every non-profit applicant, Program Operator shall require and obtain a copy of an IRS letter of determination of nonprofit status.
21. If required, Program Operator shall perform a federal single audit as provided in 2 CFR 200.501.

ATTACHMENT A

ELIGIBLE APPLICANTS

Any Alaskan small business licensed to do business in the State meeting the following criteria:

1. Applicant was an eligible business, when the public health disaster emergency declaration was issued by the Governor on March 11, 2020 (i.e., the applicant business has a valid license to do business in the State of Alaska prior to March 11, 2020);
2. 50 full time equivalent employees or less as of March 11, 2020;
3. was excluded or did not qualify, or otherwise unable to obtain funding from SBA PPP, SBA EIDL, or other federal funding programs under the Cares Act; and
- (4) has its principal place of business located in the State of Alaska.

Applicants are the eligible, licensed Alaska businesses affected by the COVID-19 health emergency. Each Applicant may only make one application for funding. Alaska businesses having common ownership or member interests are not limited to apply or capped in aggregate funding due to that common ownership or member interests. Funding is based upon the actual expenses incurred by the business due to the crisis, subject to the maximum funding amount per business applicant.

Businesses that are not Eligible Applicants include:

- Marijuana related businesses (due to Program Operator institutional restriction);
- Secondary income sources;
- Out of state businesses;
- Businesses with more than 50 full time equivalent employees;
- Businesses that have received funding or have an approved application for SBA's PPP or EIDL loan program; and
- Businesses which have filed for bankruptcy.

Secondary income source shall mean a source of income, whether regular or irregular, that is derived from a source other than one's primary source of income. The determination of whether income source is secondary or primary will be dependent upon the facts and circumstances of each application, and shall be determined by the program operator based upon its review of all application materials. For purposes of example only, if an individual is employed full-time, but also owns a widget making business which he or she operates outside of their full-time employment, the sole-proprietor's widget making business is a secondary income source, and the business shall not be eligible for a grant under the program. By way of another example, if an individual is employed full time, and the individual's spouse owns and operates a cleaning services business, which may provide a financial benefit to the individual, the cleaning services business will be eligible for a grant under the program, assuming that other eligibility requirements are met.

ATTACHMENT B

Eligible Expenses

Eligible Expenses Subject to Section 601(d) of the Social Security Act outlined in the Guidance, funding may be used by the applicant to meet the following COVID-19 emergency related expenses (“Eligible Expenses”) paid by the applicant business or held in arrears:

- Payroll costs and expenses;
- Payment of any short term (less than 24 months) or credit card debt incurred by the applicant to support the applicant’s business during the emergency;
- Rent or mortgage payments (unless otherwise waived by lessor/lender);
- Utilities payments;
- Purchase of personal protective equipment required by the business;
- Business related equipment; and
- Expenses incurred to replenish inventory or other necessary re-opening expenses.

Eligible expenses must have been incurred by the applicant business during the period from March 11, 2020 to the application date, and (ii) or incurred (and certified to be incurred) over the eight-week period after the application date, or December 30, 2020, whichever first occurs.

Attachment C

REQUEST FOR FUND TRANSFER

AK CARES PROGRAM

To: Alan Weitzner, AIDEA

From: [CU1 PLEASE ADD WHO WILL BE MAKING REQUEST]

Date: XXXXXX

Please transfer the following amount into the Program Account to provide funding for grants funded or to be funded for the period XXXX to XXXXX. Attached is the Weekly Grant Disbursement report supporting the request.

Amount of transfer request: _____

Wire instructions:

Report #	Description	Purpose/Content	From	CU1 Department	To	Frequency	Due date
1	Cash Status Report	Monthly Cash Status to include funds disbursed for month, cash held at AIDEA and cash held by Program Operator.	AIDEA	Not Applicable	DCCED	Monthly	15 days after month end
2	Grant Disbursement Report-Weekly (This report would be used to support reimbursement request for AIDEA account)	Report to include the following by grantee for the week (Monday to Friday): Amount Requested Amount Approved Amount Disbursed Amount Remaining to be disbursed	Program Operator	Finance	AIDEA, DCCED	Weekly	Wednesday for previous week
3	Denied Grant Report	Report of denied applications Grantee Name Amount Requested Reason code for denial	Program Operator	CLO	AIDEA	Weekly	Wednesday for previous week
4	Daily Cash Activity Report	Deliver Online Access to accounts	Program Operator	IT			
5	Accounting Data files-Weekly Note: We will be using this as an import for our accounting system. Please provide in a format that we can manipulate.	Flat file in Excel for disbursements for Monday-Friday of previous week including: grantee name grant number dollar amount of transfer out (formatted as negative) transaction date	Program Operator	IT	AIDEA	Weekly	Each Tuesday for previous week
6	Accounting Data files-Weekly Note: We will be using this as an import for our accounting system. Please provide in a format that we can manipulate.	Flat file in Excel for deposits into account for Monday-Friday of previous week including: grantee name grant number dollar amount of transfer in (formatted as positive) transaction date	Program Operator	IT	AIDEA	Weekly	Each Tuesday for previous week
7	Daily Activity Report	Report providing following for the days activity: 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	Program Operator	CLO	AIDEA	Daily	Each morning for previous day
9	Grant Inception to Date-Monthly	Report to include the following by grantee from program inception: Grantee name and grant number Amount requested amount approved amount disbursed amount remaining to be disbursed by grantee and in total Application date, approval date and date of last disbursement Rural/urban and industry distribution Report total for disbursements should support Program Operator request for reimbursement	Program Operator	CLO	AIDEA	Monthly	10 days after month end
10	Close out report	Report providing following at end of program from program inception: Amount disbursed Number of grants issued Rural Distribution Average grant amount Industry Representation	Program Operator	CLO	AIDEA	End or Program	Within 15 days of end of program
11	Bank Statement-AIDEA account	Bank statement showing beginning balance and all additions and deletions from account for month	Program Operator	IT	AIDEA	Monthly	10 days from end of previous month
12	Outstanding check report We will need this to reconcile the AIDEA CU1 Account	List of outstanding checks at end of month check number amount payee	Program Operator	IT	AIDEA	Monthly	10 days from end of previous month

13 Federal Single Audit Data Report

NOTE: See Exhibit A for report and data format needed

For each State fiscal year (July 1 to June 30) a report providing the following information for all non-profit grantees with active (not closed) grants summarized by grantee and grant number:

- Grantee's fiscal year end
- Type of tax exempt status the IRS has granted them: 501(c)(3) or 501(c)(19)
- Name of the organization (legal and any dba name)
- Tax ID
- DUNS#
- 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 (July1 to June 30)
- CFDA number or numbers connected with the federal funds disbursed
- Grant number (assigned by the State or Credit Union One)

Program Operator IT

AIDEA

Annual

Due by July 31 for previous fiscal year