

**CORONAVIRUS RELIEF FUNDS**  
**DCRA Grant Guidance for Local Governments**  
**Updated as of September 1<sup>st</sup>, 2020**

***Does the Article 14 Conflict of Interest Provision (Attachment C – Standard Provisions) apply to funds generally available to the public and subject to fixed eligibility standards?***

No. Article 14 of the grant agreement precludes officers, employees, etc... of the grantee from having a direct/indirect personal or pecuniary gain or interest in any contract, subcontract, or the proceeds thereof for work to be performed in connection with the “project” funded by the grant. This provision is designed to prevent an officer or employee of the grantee from awarding a contract or subcontract and then receiving a direct/indirect benefit from the award of the contract/subcontract. For example, if a local government was going to use grant funds to construct temporary medical facilities, and the Mayor owned a construction company, grant funds could not be used to compensate the Mayor’s construction company for construction of the temporary medical facilities. This provision does not preclude officers, employees, etc... of the grantee from participating in programs implemented by the local government, generally available to the public, and subject to fixed eligibility standards.

***If a municipality subcontracts with the Alaska Housing Finance Corporation (AHFC) to provide housing assistance program services on behalf of the municipality, does the municipality, pursuant to Article 13 (Attachment C – Standard Provisions) of the grant agreement, have to obtain an Article 2 indemnification (Attachment C – Standard Provisions) from AHFC in favor of DCCED and the State of Alaska?***

No. The Alaska Housing Finance Corporation is a State public corporation. Accordingly, DCCED will not require indemnification from AHFC on behalf of itself or the State of Alaska. (Note that as a general rule, a state official may not enter into indemnification agreements. See 2005 Inf. Op. Att’y Gen. (Aug. 23; 661-05-0132)).