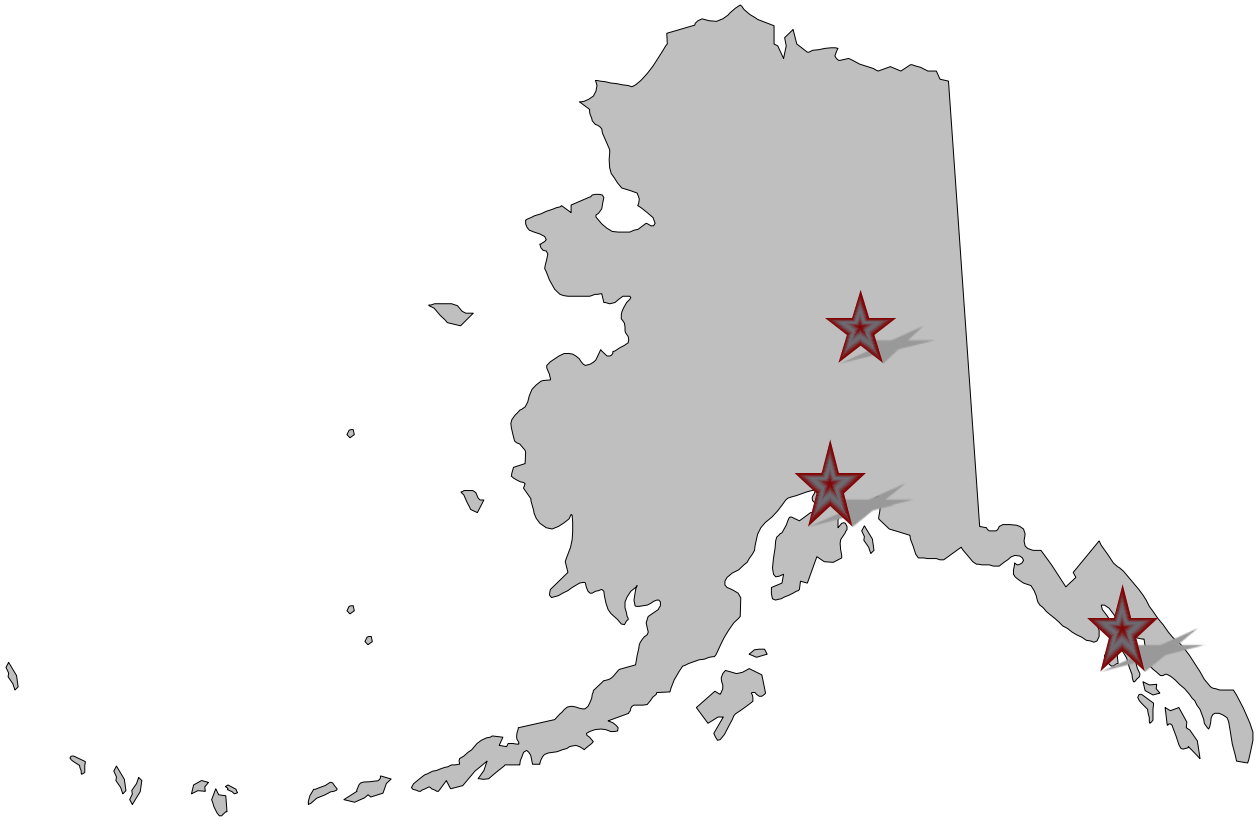
DESIGNATED LEGISLATIVE GRANT PROGRAM



Grantee Handbook

Division of Community and Regional Affairs

State of Alaska
Department of Commerce, Community, and Economic Development
Revised 2015

DISCLAIMER

Information provided in this handbook is intended to provide guidance to recipients of grants awarded under the Designated Legislative Grant Program (AS 37.05.315 -317). It is in no way intended to be the sole source of determining what is allowed or disallowed when administering a grant.

Information included is provided in good faith to be consistent with appropriate statutes, rules and court decisions.

Every effort has been made to offer the most current, correct, and clearly expressed information as possible. Nevertheless, inadvertent errors or omissions in information may occur. Grantees are encouraged to contact DCRA grant staff with questions or to receive clarification on information herein.

INTRODUCTION

Dear Grantee,

Welcome to the Designated Legislative Program Grantee Handbook, a source of general guidance for grantees awarded funds under this program. The Designated Legislative Grant Program is administered by the Department of Commerce, Community, and Economic Development (DCCED), Division of Community and Regional Affairs (DCRA). DCRA's mission is to promote strong communities and healthy economies. To uphold this mission, DCRA grant administrators work closely with grant recipients to administer and disburse Designated Legislative funds. Your DCRA grant administrator is a valuable resource throughout the life of your Designated Legislative grant.

Please familiarize yourself with the information in this handbook and refer to it often when you have questions. If you are unable to find the answer to your question, included are the contact names and phone numbers for the regional DCRA offices. Though every effort has been made to make this handbook accurate and complete, the information provided is subject to change or correction. Please contact us if you have any questions, or if you have suggestions for how this handbook can be improved.

We look forward to assisting you with your grant and creating a successful partnership.

Sincerely,

Janet Davis
DCRA Grant Manager

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Division of Community and Regional Affairs

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PART I - WHAT IS THE DESIGNATED LEGISLATIVE GRANT PROGRAM?

PROGRAM INFORMATION

Communities and organizations seek funding from their state senators and representatives for identified capital projects. Appropriations are included in the Capital Bill by the legislature at their discretion, with final approval required by the governor. Under the governor's discretion, project funding may be reduced or vetoed entirely. These grants are for a variety of public purposes and designated by the legislature, hence the name "Designated Legislative Grants" to Municipalities, Named Recipients and Unincorporated Communities.

Projects funded under the Designated Legislative Grant Program have included:

- feasibility studies
- construction projects
- building improvements and upgrades
- design and engineering
- land acquisition
- equipment purchase, upgrades, or repairs
- and various other projects

Grant Notification

Upon approval of the Capital Budget Bill, grantees will be notified of their awards by their grant administrator. This notification generally occurs in June, but is contingent upon when the Capital Bill is enacted.

Grant Term

Grant agreements are generally written for a term of five years, usually beginning on July 1 and terminating five years later on June 30th. Occasionally, appropriations stipulate a different term date which will be reflected in the grant agreement. Please be aware that reimbursements cannot be made for expenditures prior to the effective start date of the grant agreement.

Designated Legislative Grant Program Statutes

The department manages the Designated Legislative grant program under the provisions of the Alaska Statutes (AS). The statutes that pertain to this program are listed below:

- AS 37.05.315 Grants to Municipalities
- AS 37.05.316 Grants to Named Recipients
- AS 37.05.317 Grants to Unincorporated Communities
- AS 37.05.318 Further Regulations prohibited
- AS 37.05.325 Definitions for AS 37.05.315-37.05.317
- AS 37.25.020 Unexpended balances of appropriation for Capital Projects

Alaska Statutes are codified laws enacted by the legislature. The most current statutes can be found on the Alaska State Legislature website: http://www.legis.state.ak.us/basis/folio.asp

PART II – GETTING UNDER AGREEMENT

Preparing the Grant Agreement
In order to prepare a grant agreement, grantees will be asked to provide a scope of work for each project which includes a brief project description, a proposed timeline and a budget narrative. The scope of work should include a description of the tasks or activities that will be accomplished with the grant funding. Grantees are encouraged to refer back to the Total Project Snapshot (TPS), provided by the legislature and generated from CAPSIS to prepare their project description.

Grantees will be required to provide a current Signatory Authority form. Signatory authority for execution of the grant agreement and subsequent amendments is granted to the chief administrator. For grants appropriated to a municipality, the mayor is the chief administrator unless the municipality operates a managerial form of government; then the city manager/administrator acts as the chief administrator. For named recipients and unincorporated communities, the executive director or highest ranking official will act as chief administrator.

The chief administrator may authorize other staff within the organization to sign grant related documents. A copy of this form is included in Part IX of this handbook.

Executed Grant Agreement
Once the grant administrator receives all necessary information, a grant agreement will be prepared for signature. The grant agreement must be signed by both the grantee and DCRA before it is considered fully executed. By signing the grant agreement, the grantee is agreeing to spend the funds for the purposes specified. If the grantee is a tribal entity, a resolution waiving sovereign immunity is required and included in the grant agreement. Throughout the life of the grant, Financial/Progress reports will be required.

Restriction on Use
Under the provisions of AS 37.05.321, grant funds may not be used to influence legislative action which is defined as "promoting, advocating, supporting, modifying, opposing, or delaying or seeking to do the same with respect to any legislative action, but does not include the provision or use of information, statistics, studies, or analyses in written or oral form or format." Grant funds may not be used for the purposes of travel in connection with influencing legislative action.

Implementing the Grant Project
Once under agreement, you may begin your project. It is important that all persons involved in the grant are fully aware of the grant requirements, terms, conditions and familiar with what is allowable and what is not allowable under the grant project. Designated Legislative grants are funded by state funds and as a recipient of state funds; an entity is responsible to ensure responsible spending and project management.

Closeout
Once the intended purpose of the grant project is complete and all grant requirements have been met, it is time to close out the grant agreement. After a project is complete, any unexpended funds will be returned to the state.

PART III - COMPONENTS OF THE GRANT AGREEMENT

Grant Agreement Cover Page
This page contains pertinent grant information as follows:

- Grantee - The grantee listed on the grant cover page is the official grant recipient and fully responsible for this grant.
- Grant Number - This number is assigned by the department. Please reference this number on all grant forms, correspondence, and when seeking grant assistance. This number will remain the same throughout the life of the grant.
- Grant Title - This is the exact title that was approved by the legislature. It is the official title of the grant project and cannot be changed.
- Grant Amount - This is the amount that was appropriated by the legislature for this project.
- Grant Start Date and Lapse Date – Only expenses occurring after the grant start date and before the lapse date are eligible for reimbursement.
- Attachments and Appendices – The grant agreement includes attachments and appendices necessary to comply with grant requirements. It is important to become familiar with these documents.
- Signatures - Grant agreements require two signatures: The chief administrator of the grantee and the signature of the approving officer from DCRA.

Attachment A – Scope of Work
Attachment A includes the following elements:

- Project Description – This is a narrative of the project objectives and purpose. The grant administrator utilizes information gathered from the grantee and the Total Project Snapshot (TPS), provided by the legislature and generated from CAPSIS to prepare the project description. Grantees are responsible for reviewing the prepared narrative before signing the grant agreement. Your signature on the grant agreement indicates that you agree with this narrative.
- Project Budget - This section includes the line item budget, showing use of grant funds and the total project cost. Questions about the budget should be discussed with your grant administrator.
- Project Management – This section outlines grantee management responsibilities including signatory authority and separate accounting requirements.
- Grant Reporting – This section outlines grant reporting requirements.

Attachment B – Payment Method
Attachment B includes the following elements:

- Reimbursement Payment – This section states grants are cost reimbursable. Grantees pay for allowable grant expenditures and seek reimbursement through the reporting process. If a grantee does not have the funds on hand to move forward with the grant project, an advance payment request may be submitted under certain conditions.
- Advance Payment – Advance payments may be requested by the grantee under certain conditions if the cost reimbursement method significantly inhibits the grant project.

Attachment C – Standard Provisions
Your grant agreement with the department will include Standard Provisions. Some of the provisions are of particular importance and are identified below. Please refer to your grant agreement for all standard provisions.

Article 5. Access to Records.
"The Department and duly authorized officials of the State of Alaska shall have full access and the right to examine, excerpt, or transcribe any pertinent documents, papers, records, and books of the Grantee, and of persons or organizations with which the Grantee may contract, involving transactions related to the project and this Grant Agreement."

It is important the grantee maintain complete records on the project to provide to the department upon request. All grant files must be retained for at least six years from completion of the project. In addition, your grant administrator may schedule a visit to review project files, see the site, and take photographs for the grant file.

Article 6. Reports.
"The Grantee, at such times and in such forms as the Department may require, shall furnish the Department with such periodic reports as it may request pertaining to the activities undertaken pursuant to this Grant Agreement, including the final closeout report, the costs and obligations incurred in connection therewith, and any other matters covered by this Grant Agreement."

Upon signature of this grant agreement, the grantee is agreeing to furnish the required reports as requested under this grant.

Article 10. Program Income.
"Program income earned during the award period shall be retained by the Grantee and added to the funds committed to the award and used for the purpose and under the conditions applicable to the use of award funds."

Article 11. Amendments and Modifications.
"The Grantee or the Department may request an amendment or modification of this Grant Agreement. However, such amendment or modification shall not take effect until approved, in writing, by the Department and the Grantee."

If the grantee wishes to make changes to the project in any way, it is necessary to request approval in writing from your grant administrator.

Article 13. Obligations Regarding Third Party Relationships.
"None of the Work specified in this Grant Agreement shall be contracted by the Grantee without prior approval of the Department. No permission for subcontracting shall create, between the Department or the State of Alaska and the subcontractor, any contract or any relationship.

The Grantee shall remain fully obligated under the provisions of this Grant Agreement notwithstanding its designation of any third party or parties of the undertaking of all or any part of the project described herein. Any subcontractor that is not the Grantee shall be required by the Grantee to comply with all the provisions of this Grant Agreement."

Article 19. Termination for Cause.
"If the Grantee fails to comply with the terms of this Grant Agreement, or fails to use the grant for only those purposes set forth…" in the grant agreement, the department may suspend or terminate the grant. If a grantee is having trouble administering a grant, their grant administrator is available to discuss solutions.

Article 28. Governing Law.
"This Grant Agreement is governed by the laws of the State of Alaska. The Grantee shall perform all aspects of this project in compliance with the appropriate laws and regulations. It is the responsibility of the Grantee to ensure that all permits required for the construction and operations of this project by the Federal, State, or Local governments have been obtained."

Article 30. Equal Employment Opportunity (EEO).
"The Grantee may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood…"

The grantee must display EEO posters where all employees and applicants for employment can easily view them. All solicitations and advertisements for employees to work on state-funded projects must state that the grantee is an equal opportunity employer. The EEO provisions must also be included in every contract relating to this grant agreement, including those entered into by any of its contractors, so that those provisions will be binding upon each contractor and subcontractor.

Article 31. Public Purposes.

"The Grantee agrees that the project to which this Grant Agreement relates shall be dedicated to public purposes for its useful life."

Article 32. Operation and Maintenance.
"Throughout the life of the project, the Grantee shall be responsible for the operation and maintenance of any facility, equipment, or other items acquired under this grant."

Appendix A – State Laws and Regulations and Permits
Grantees are responsible for all applicable state laws, regulations and permits; including but not limited to the following list which most commonly affects Grantees.

- Municipality Public Facility Operations and Maintenance—AS 37.05.315(c)
- Restriction on Use—AS 37.05.321
- Hiring Preferences—AS 36.10
- Historic Preservation—AS 41.35
- Fire Protection—AS 18.70
- Procurement Preference for State Agricultural and Fisheries Products—AS 29.71.040
- Alaska Product Preferences—AS 36.15
- Permits and Environmental Procedures

PART IV - GRANT ADMINISTRATION

RECORD KEEPING & REPORTING REQUIREMENTS

It's important to develop an organized recordkeeping system. Keeping organized project management files is a vital component of grant administration. Each grant agreement should have its own file with the title and grant number clearly labeled. More information about grant file management is included in Part VI of this handbook.

The grantee must establish and maintain separate accounting for the use of grant funds. The use of grant funds in any manner contrary to the terms and conditions of this grant agreement may result in the subsequent revocation of the grant and any balance of funds under the grant.

The grantee shall submit a Financial/Progress Report each month or quarterly as approved during the life of the grant agreement. Report forms are due 30 days after the end of the month or quarter being reported. The original report must be certified by an authorized signer and mailed to the department.

Reporting requirements are stipulated within each grant agreement. A grantee will identify their preferred method of reporting on the Signatory Authority form. The grant administrator assigned to you may require monthly reporting from a grantee if determined necessary. A sample of the financial reporting form, including instructions, is included in Part IX of this handbook and may also be downloaded from our website at http:// commerce.alaska.gov/dnn/dcra/GrantsSection/DLGrants.aspx.

It is necessary to submit a report each reporting period, regardless of whether or not any funds have been expended during the period.

The progress report section must be completed on each report submitted. This section should describe activity that supports the expenditures during the period. If no activity has taken place, please provide an explanation.

The grantee must keep records of all expenditures related to the grant project and make these available to your grant administrator upon request. Records should include all invoices and bills along with proof of payment (copies of checks); copies of payroll records including signed timesheets, payroll checks, and fringe benefit costs.

Do not submit copies of supporting documentation with your Financial/Progress Reports unless requested by your grant administrator.

ALLOWABLE PROGRAM COSTS

Any costs identified in the grant agreement scope of work are generally allowable and can be submitted for reimbursement. Any questions regarding allowable expenditures under the grant should be discussed with your grant administrator prior to purchase. Disallowed expenditures will not be reimbursed with grant funds.

ALLOWABLE ADMINISTRATION COSTS

Allowable administrative costs are those costs necessary to administer the grant project. Administration costs may not exceed 10% of the total award and no more than 5% for equipment purchase. In order to be reimbursed for administrative costs the grantee must request an administrative line item in the proposed

budget. The grantee is also required to report administration in the provided budget line item on the Financial/Progress report form.

If a grantee chooses to utilize administrative costs, below are some examples of allowable expenditures. In some circumstances, these may be considered direct project costs. If you have questions, please contact your grant administrator.

Advertising
Advertising for recruitment of personnel, procurement of goods and services, and any other grant specific purposes are allowed.

Audits
Preparation of a state single audit is allowable if the audit is performed in accordance with 2 AAC 45.010 Audit Requirements. Only the prorated cost for auditing this grant program is allowed. See Attachment C, Article 38 of your grant agreement.

Insurance
Insurance costs related to the project are allowable. See Attachment C, Article 26 of your grant agreement.

Materials & Supplies
Materials and supplies are allowable if necessary for administration of the grant such as office supplies, freight, and rental or purchase of equipment.

Office Costs
Prorated costs for services such as telephone, fax, postage, internet, and utility costs are allowable.

Professional Services
Administrative services performed under contracts or agreements, including general legal services, accounting services, and audit services are allowable.

Rental Costs
Rental costs for office space and equipment are allowable to the extent that the rates are reasonable.

Staff Salaries & Fringe Benefits
Salaries and benefits for employees or other compensation reported on 1099's by individuals involved with the administration of the grant are allowed. These costs must be based on Generally Accepted Accounting Principles (GAAP).

Training
The cost of training may be allowable. Please contact your grant administrator for more information.

Travel
Travel and per diem expenses will be allowed in accordance with the grantees written travel policy. Grantees that do not have a written policy for per diem should follow the established policy of the State of Alaska. Grant funds may be used to pay for:

- Transportation costs by the most direct route and efficient means;

- Ground transportation that is necessary to fulfill the grant project related objectives, such as car rental, taxis, or buses;
- Actual lodging costs; and
- Per Diem (meal and incidental expenses). Alcohol expenses will not be reimbursed.

PAYMENT METHOD

Cost Reimbursable

Designated Legislative Grants are cost reimbursable. You pay for expenditures out of your own funds and then request reimbursement when submitting monthly or quarterly financial/progress reports. Once your grant administrator receives a complete report and approves it for payment, it is forwarded on for payment processing. Upon receipt of the approved financial/progress report, payments are required to be issued to the grantee within 30 days.

Electronic Funds Transfer and Payment Inquiry

Some grantees may qualify for direct deposit of their reimbursement payments if their banking institution participates in the State Electronic Data Interchange (EDI) system. If you are not currently enrolled in the EDI system then it is necessary to complete the Electronic Payment Agreement Form.

Any payments issued by the State the Alaska will be deposited into the established account. This form is available in Part IX of this handbook or online at: http://fin.admin.state.ak.us/aapvis/index.jsp.

Once enrolled this website also provides the option to inquire about payments made from the State of Alaska to your established account.

Advances

The department may advance to the grantee an amount not to exceed a projected 30-day cash need or 20% of the grant amount, whichever is less. Before the department will issue an advance the grantee must be current in submission of financial/progress reports and submit a "Request for Advance Payment" form. The request must include (1) written justification for the advance, (2) documentation of costs associated with the advance, and (3) a brief narrative on how the advance will be used.

The Request for Advance Payment form can be found in Part IX of this handbook. Advances must be recovered with the next financial reimbursement request. If the grantee is unable to recover the full advance amount on the next financial report the grantee may be required to return the advance balance. Please contact your grant administrator regarding any requests over 20% of the award.

CORRECTIVE ACTIONS AND SANCTIONS

By signing the grant agreement and financial/progress reports, grantees certify grant monies will be used only for the purposes specified in the agreement and identified in the appropriation. This certification is the grantees' pledge of compliance with all provisions of the agreement and appropriate governing laws and regulations of the State of Alaska. Grant administrators are available to provide technical assistance or provide clarification of any of the provisions of the grant agreement.

While most often grantees are able to administer their projects in complete compliance as they utilize the technical assistance available to them through their grant administrator, occasionally problems arise and a grantee may experience challenges that result in the identification of issues that call for a corrective action or sanction. In that instance your grant administrator will contact you in writing to inform you of the deficiency and assist you in resolving the problem as quickly as possible.

The Department may take one or more of the following actions, as appropriate in the circumstances:

1) **Withholding payment to enforce grant requirements.**
   This is a temporary measure pending corrective action by the grantee. Payments will be released upon compliance.

   This action may occur if the grant administrator identifies grant funds have been used to pay for disallowed expenditures. Or, perhaps another state agency has contacted the Department with information that other grant requirements are not being met; for example, the provision requiring payment of Current Prevailing Wage Rates (Article 34).

2) **Grant Suspension for Cause.**
   This is a temporary measure pending either correction action by the grantee or a decision by the Department to initiate grant termination or other legal sanctions.

   During the suspension of a grant the grantee is prohibited from encumbering grant funds or incurring additional obligations of grant funds. Grantees have 15 days from the receipt of written notice of suspension to provide a response.

3) **Grant Termination for Cause.**
   The Department may terminate a grant for cause if a grantee fails to comply with the terms and conditions of the grant or to remedy a situation under suspension.

   "Cause" means a material violation of the grant terms and conditions, or the requirements and standards set forth in federal or state regulations.

   Termination cancels the remaining portion of the project.

AUDIT REQUIREMENTS

Grantees must comply with the audit requirements established by 02 AAC 45.010, set forth in Attachment C, Article 38 of the Grant Agreement.

SINGLE AUDIT

A single audit is the most common type of audit completed for communities that receive state or federal funds. Another name for a single audit is a financial and compliance audit. The auditors examine the financial statements and accounting records of the city, community, or other group, as well as assess their compliance with laws, regulations, policies, and grant agreements. Audits completed to meet state requirements are usually conducted by Certified Public Accountants (CPA).

An entity that expends $500,000 or more in state financial assistance during their established fiscal year is required to have a state single audit completed for that year. "Entity" does not include the University of Alaska or any other state agencies.

State financial assistance includes state grants, contracts, provider agreements, and cooperative agreements. This also includes all forms of state financial assistance provided through an entity to a third party. According to 2 AAC 45.080, "financial assistance" does not include the following: (1) public assistance provided under AS 47; (2) goods or services purchased for the direct administration or operation of state government; (3) moneys advanced to an entity under one or more state loan programs; (4) power cost equalization payments made to an electric cooperative on behalf of its customers; (5) scholarships, loans, or

other tuition aid provided to students, but paid to an education institution on their behalf. For a third party, "financial assistance" does not include goods purchased from the third party for direct administration or operation of the entity that received financial assistance.

Performance Audit
In some instances, DCRA's internal auditor will conduct a "performance audit" of the grantee. Performance auditing is an assessment of the activities of an organization to see if the grant resources are being managed with due regard for efficiency, effectiveness, and accountability requirements of the grant agreement.

Audit Findings
If the finding(s) are significant or if there are questioned costs, the DCRA's internal auditor will contact the grantee to discuss the findings and the planned corrective action. Based upon the consultation with the grantee and the grant administrators, a memo or determination letter will be sent to the grantee indicating the department has determined the grantee's response to the finding was: acceptable or unacceptable. If there are questioned costs, the determination letter will indicate whether the costs are allowable or if a refund is due to the State of Alaska.

Audit Reports
The Division of Finance is the state coordinating agency for Federal and State Single Audits. The Single Audit Coordinator is responsible for ensuring grantees submit required single audits, reviewing the audit reports and distributing them to the appropriate agencies. In most cases, the final audit report must be submitted to the Division of Finance within nine months after the end of the audit period (the entity's fiscal year). Audit questions should be directed to the Single Audit Coordinator at (907) 465-4666.

Submit Audit Reports to:

State of Alaska
Department of Administration
Division of Finance
Attn: Single Audit Coordinator
P.O. Box 110204
Juneau, AK 99811-0204

PART V – PROJECT MANAGEMENT

PROCUREMENT

Procurement is the effective acquisition of goods and services. It is important that the goods and/or services procured are appropriate and they are purchased at the lowest possible price to meet the needs of the grantee in terms of quality and quantity, time and location. Grantees must follow fair and equitable procurement standards in the acquisition of all services, supplies, and materials and keep clear records of any bid process undertaken.

All grantees should have a written procurement policy. Grantees which do not have their own written procedures must follow the State Procurement Code (AS 36.30) (http://doa.alaska.gov/das/Procurement/doc/pandp.pdf) or adopt a procurement policy from another legal entity.

Included in the Appendix of this handbook is a resource titled **Recommended Purchasing Guidelines.**

If the grantee is a city, borough, school district, the University of Alaska, or a political subdivision they may be eligible to utilize the State of Alaska's cooperative contracts (AS 36.30.700). This is a way to get a 'good deal' on a number of items necessary for purchase.

Listed below is a sample of items available for purchase:

- Computers and peripherals
- Copiers
- Office Supplies
- Fuel
- Software
- Paper

All of the contracts are "non-mandatory" for use by state political subdivisions. If interested, go to this website for more information: http://polisubs.alaska.gov

When procuring a contractor, you should verify they have been issued a certificate of registration as a contractor by the department. Search professional licenses for construction contractors, architects, engineers and land surveyors at: http://commerce.alaska.gov/cbp/Main/CBPLSearch.aspx?mode=Prof

It's also important to verify that the contractor is eligible (i.e. not debarred) to participate in state programs. The State of Alaska maintains a list of entities debarred from bidding or working on public construction projects within Alaska. That list can be accessed online at:
http://www.labor.state.ak.us/lss/debarments.htm

Print the screen that verifies your contractor is not listed on the debarment and suspension list and place it in your grant file. Send a copy to your grant administrator.

CONTRACTS AND SUBCONTRACTS

If a project requires any type of contract the grantee remains fully obligated under the provisions of the grant agreement. Both the grantee and contractor are required to follow their own procurement standards. The grantee shall ensure that the contractor meets all legal requirements to work in the State of Alaska.

- Article 2 – Indemnification
- Article 24 – Ownership of Project/Capital Facilities
- Article 25 – Site Control
- Article 26 - Insurance
- Article 32 – Operation and Maintenance

EMPLOYMENT PREFERENCE DETERMINATION

On June 11th Governor Walker announced the Alaska Hire determination, with an effective date of July 1, 2015, which requires that 90% of state-funded public construction jobs be filled by Alaska residents. These Alaska Hire requirements are based on statutory authority in AS 36.10.150. The hiring preference applies on a project-by-project, craft-by-craft or occupational basis and must be met each work week by contractors and subcontractors. Please be advised that most public projects are covered.

The Alaska Department of Labor and Workforce Development (DOLWD) staff oversee Alaska Hire standards. Grantees must contact their local Wage and Hour office for a determination about whether the law is applicable to their particular grant project.

View the Employment Preference Determination at the following link:
http://gov.alaska.gov/Walker_media/documents/20150610_alaska-hire-employment-preference-determination.pdf

LABOR STANDARDS

There are only two ways labor can be performed and paid for under a Designated Legislative Grant. These are **Force Account Labor** or **Contracted Labor**.

Force Account

In a force account project, workers are hired directly by the grantee as public employees. In some instances local governments, political subdivisions, and non-profit groups may use force accounting on projects built with state funds. The grantee bears the final responsibility for hiring and firing employees, setting wages (the wages must reflect the prevailing wage for that type of work for the area), paying wages, and making appropriate payroll deductions, purchasing materials, and all aspects of construction. Using the force account method is usually less expensive. However, force accounting is not necessarily the best approach for every grantee or for every project. Force account projects require the grantee to have significant administrative abilities.

Two questions to consider before using force accounting on a construction project.

1. Is your organization capable of handling the technical aspects and labor requirements of the project?
2. Does your organization have the commitment to provide the labor force, training programs, and support necessary to successfully complete a force account project?

One of the major benefits of force accounting is the opportunity to employ and train local residents. A grantee should evaluate the size and talents of the resident labor force to determine if qualified employees are available for hire.

The grantee must keep very detailed financial records if utilizing force account labor on your project. Information must be maintained about the employee, position (job description, hours and wage rate), as

well as standard payroll records (approved timesheets for each employee, hours worked, tax and fringe benefit computation, evidence of payment, etc.).

CONTRACTED LABOR AND CURRENT PREVAILING RATE OF PAY

Construction, alteration and repair work that exceeds $25,000 on public facilities is subject to Alaska's Little Davis-Bacon Act (LDBA) requirements in AS Title 36.05. These laws establish minimum wage and associated requirements for labor on public construction contracts awarded by the State of Alaska or a political subdivision of the State. Nonprofit corporations who are recipients of state grant money and use the funds for public construction must contact the Alaska Department of Labor and Workforce Development (DOLWD) for a formal written determination if there is any question about coverage. Please provide a copy of the determination to your grant administrator.

Contractors hired by the grant recipient must be made aware that they must comply with Little Davis-Bacon Act and Alaska resident hire requirements through formal notice in bid documents or other documents and notification processes. The wages rates are published in pamphlet #600, *Laborers'& Mechanics' Minimum Rates of Pay* provided by the Department of Labor and Workforce Development, Wage and Hour Administration Offices. It *is* also available online at http://labor.alaska.gov/lss/pamp600.htm.

Grantees must contact the nearest regional Wage and Hour Administration office to ensure they are in compliance with Title 36 and submit the required *Notice of Award* through My Alaska (LSSOnline Filing Services) and to ensure they are using the correct issue of pamphlet #600 for their contract. (See end of section for contact information).

If your contractor uses contracted labor, the contractor will be doing most of the paperwork. It is the responsibility of the contractor to pay and submit copies of certified payroll to the Department of Labor, Wage and Hour Administration and the responsibility of the grantee to ensure compliance.

DOLWD Wage and Hour Administration has published an informational resource with answers to Frequently Asked Questions regarding Public Construction and the applicability and requirements of AS Title 36. You can view that document at the following link:
http://labor.alaska.gov/lss/forms/T36_FAQ.pdf

Volunteers

On occasion, nonprofit Grantees may utilize volunteer labor when the project is related only to the organization's nonprofit activities. "Nonprofit activities" in this context means activities for which the nonprofit organization does not incur a liability for unrelated business income tax under 26 U.S.C. 513 as amended.

Grantees are encouraged to contact the Alaska Department of Labor and Workforce Development's Wage & Hour Administration for information on the use of volunteer labor on state-funded projects.

State of Alaska
Department of Labor and Workforce Development
www.labor.state.ak.us/offices/wh-of.htm

Anchorage Office	**Fairbanks Office**	**Juneau Office**
(907) 269-4900	(907) 451-2886	(907) 465-4842
Anchorage.lss-wh@alaska.gov	Fairbanks.lss@alaska.gov	Juneau.lss-wh@alaska.gov

INSURANCE

The grantee may not start work on a project until insurance required to protect project workers, the general public, and your own interests has been obtained. A **Certificate of Insurance** may be required prior to release of grant funds.

Insurance can be purchased from a number of different agencies. Listed below are the types of insurance that is required, depending upon the grantee's needs:

- *Workers' Compensation Insurance*
  The Alaska Workers' Compensation Act as governed by State law (AS 23.30) requires each employer having one or more employees in Alaska to obtain workers' compensation insurance, unless the employer has been approved as a self-insurer. The cost of a workers' compensation policy (the premium) is based upon the employer's payroll, type of business risk (classification assignment), and the employer's loss history.

- *General Liability*
  The grantee is responsible for obtaining any necessary liability coverage to protect itself and its workers from claims due to accidents.

- *Vehicle Liability*
  State law (AS 21.89) requires that all vehicle owners must maintain at least a minimum of insurance coverage against loss from damages arising out of the ownership or use of a vehicle.

- *Professional Liability Insurance (optional)*
  The grantee should consider requiring contractors (including architects, engineers, etc.) to obtain this insurance to cover any negligent acts of the contractor, subcontractor, or anyone directly or indirectly employed by them. This coverage provides extra protection for the grantee.

- *Builder's Risk Insurance (optional)*
  The grantee should consider fire, theft, vandalism, and other kinds of insurance coverage, for either the whole project or some part of the project.

- *Hazard Insurance (optional)*
  The grantee should consider acquiring insurance coverage for unusual events such as windstorms, flooding, or earthquakes.

POTENTIAL PROJECT PERMIT REQUIREMENTS

Almost all public building projects require some permits. A few permits may come from your local government but most come from state or federal agencies.

Generally, two types of permits are required; building and operating. Building permits must be acquired first since construction cannot begin without one. It is suggested you begin obtaining operating permits in time to occupy your building when construction is completed.

Other permits you may need to obtain include:

- Building permit
- Conditional use permit
- Variance

- Excavation permit
- Flood hazard development permit

Grantees are required to obtain all necessary permits required by law for applicable projects. The Alaska Department of Environmental Conservation (ADEC) regulates all activities in Alaska that might pollute the air, water, or soil. There are dozens of ADEC permits related to constructing and operating public buildings. If you are not sure what ADEC permits you need, you can fill out a questionnaire on their website (http://dec.alaska.gov/)or contact the ADEC office closest to you for assistance:

State of Alaska
Department of Environmental Conservation

Northern Regional Office
610 University Avenue
Fairbanks, AK 99709
(907) 451-2120

Southcentral Regional Office
555 Cordova Street
Anchorage, AK 99501
(907) 269-7501

Southeast Regional Office
P.O. Box 111800
Juneau, AK 99811
(907) 465-5270

The following list provides the names, addresses, and telephone numbers for various permitting agencies with the State. This list is not intended to be all-inclusive.

Type of Permit, Approvals, Etc.	Description	Regulatory Agency
School Construction	Authority of the Department of Education for review of construction documents for educational facilities.	**Department of Education & Early Development** P.O. Box 110500 Juneau, AK 99811-0050 (907) 465-2800 http://education.alaska.gov/
Solid Waste Disposal Permit	Permit needed for disposal of solid waste or hazardous material	**Department of Environmental Conservation** P.O. Box 111800 Juneau, AK 99811-1800 (907) 465-5285 **or** 555 Cordova Anchorage, AK 99501 (907) 269-7501 **or** 610 University Avenue Fairbanks, AK 99709 (907) 451-2120 http://dec.alaska.gov
Water Discharge Permit Plan Review and Approval of Sewerage or Sewage Treatment Works	Permit needed for the disposal of wastewater on land or in waters.	
Plan Review and Approval of Public Water Systems Storage Tank Program	Plans for the construction, installation, modification or operation of a public water supply system must be approved prior to construction	
Food Safety & Sanitation Program Plan Review and Health Inspections of Public Establishments	Pre-operation inspection is required to ensure compliance with health and sanitation standards for food service establishments, schools, day-care and pre-elementary schools, hotels and motels, swimming pools and bathing areas, and public toilets.	
Anadromous (Salmon Spawning) Fish Protection Permit Critical Habitat Area Permit State Game Refuge Permit	Approval for any work in or near anadromous rivers, lakes, or streams. Approval for any work or development in a critical habitat area. Permit needed if proposing work or development within a designated state refuge or game sanctuary.	**Department of Fish and Game** Division of Habitat P.O. Box 115526 Juneau, AK 99811-5526 (907) 465-4105 (or contact local office in Palmer, Anchorage, Fairbanks, Craig, Petersburg or Soldotna) http://www.adfg.alaska.gov

Type of Permit, Approvals, Etc.	Description	Regulatory Agency
Hospital and Health Facility Construction	Authority of the Department of Health & Social Services for licensing and establishing standards for the construction of hospital and health facilities.	**Department of Health & Social Services** Health Facilities Licensing and Certification 619 E. Ship Creek Avenue, Ste. 232 Anchorage, AK 99501 (907) 334-2483 http://dhss.alaska.gov
Unemployment Insurance	Individuals, companies, and organizations that have one or more workers in covered employment for any part of a day must register with the Department.	**Department of Labor & Workforce Development** Employment Security Division P.O. Box 115509 Juneau, AK 99811-5509 (907) 465-2712 http://labor.alaska.gov
Workers' Compensation Insurance	Any employer with one or more employees working within the state must buy a workers' compensation insurance policy and submit proof of insurance to the Department.	**Department of Labor & Workforce Development** Division of Workers' Compensation P.O. Box 115512 Juneau, AK 99811-5512 (907) 465-2790 http://labor.alaska.gov
Certification of Fitness – Electrical and Plumbing Certification of Pressure Vessels	Certifies the competency of electricians and plumbers. To ensure that boiler and pressure vessels and elevator constructions, installation and operation conform to regulations.	**Department of Labor & Workforce Development** Mechanical Inspection 3301 Eagle Street, Suite 302 Anchorage, AK 99503 (907) 269-4925 http://labor.alaska.gov
Clearance regarding Preservation of Prehistoric and Archaeological Resources	Determination of presence/absence of cultural resources on the building site.	**Department of Natural Resources** Office of History & Archaeology 550 W 7th Ave., Suite 1310 Anchorage, AK 99501-3565 (907) 269-8721 http://dnr.alaska.gov/parks/oha
Rights-of-Way Easement	Authorization required for rights-of-way easement and construction or improvements on easements established on State lands.	**Department Natural Resources** Division of Mining, Land & Water 550 W 7th Ave., Suite 1260 Anchorage, AK 99501-3577 (907) 269-8400 http://dnr.alaska.gov/mlw
Water Rights Permit Sand and Gravel Extraction	Must obtain permit to use surface or ground water in Alaska To obtain sand and gravel on State lands for use on the project.	
Life/Fire Safety Plan Check for Construction/Occupancy of Building	Approval of building plans is required for fire protection and safety. This applies to commercial, industrial business, institutional or other public buildings containing four or more dwelling units. Construction, repair, remodel, addition or change of occupancy of any building/structure as listed above, or installation or change of fuel tanks must be approved by the State Fire Marshal's office prior to any work being started.	**Department of Public Safety** Division of Fire & Life Safety 5700 East Tudor Road Anchorage, AK 99507 (907) 269-5491 **or** P.O. Box 111202 Juneau, AK 99811-1202 (907) 465-4331 **or** 1979 Peger Road Fairbanks, AK 99709 (907) 451-5200 http://www.dps.alaska.gov/fire/
Handicapped Accessibility	Review and approval of plans for buildings and facilities with respect to handicapped access.	**Department of Transportation & Public Facilities** Statewide D & E Services

Type of Permit, Approvals, Etc.	Description	Regulatory Agency
Driveway Permit	Permit required to construct and maintain a driveway or approach road on highway right-of-way.	P.O. Box 112500 3132 Channel Dr. Juneau, AK 99811-2500 (907) 465-2960 http://dot.state.ak.us
Discharge of Dredged or Fill Material into U.S. Waters	Permit required for the discharge of any dredged or fill material in US waters, including wetland. Permit cost is $100 for commercial use or $10 for non-commercial use.	**Federal Agencies** **US Army Corps of Engineers** US Army Engineer District, AK P.O. Box 6898 Elmendorf AFB, AK 99506-6898 (800) 478-2712 http://www.usace.army.mil/
Structures or work in/or Affecting Navigable Waters	Permit required for any work or placement of structures in US waters.	
National Wildlife Refuge Land –Special Use Permit	Permit required for easements, roads, or utilities in Wildlife Refuge Lands.	**US Fish & Wildlife Service** Division of Realty 1011 East Tudor Road, MS 211 Anchorage, AK 99503 (907) 786-3414 http://alaska.fws.gov/nwr/realty/
Oil Storage Facilities – Spill Prevention Control Counter Measures Plans	Approval required for onshore and offshore oil storage facilities. Also contact the Alaska Dept. of Environmental Conservation, Compliance Assistance Office at (800) 510-2332	**US Environmental Protection Agency** Alaska Operations Office 222 West 7th Ave. #19 Anchorage, AK 99513-7588 (800) 781-0983 (907) 271-5083 http://epa.gov/region10
Structures Which May Interfere with Airplane Flight Paths	Any construction or alteration of any structure, roadway, overhead wires, and so on, which may interfere with airplane flight paths, must be reported to the Federal Aviation Administration.	**US Dept of Transportation** **Federal Aviation Administration** Alaskan Region Airports Division 222 West 7th Avenue #14 Anchorage, AK 99513 (907) 271-5438 http://www.faa.gov

SITE CONTROL

Before a grantee can begin a construction project, it is necessary to make sure legal right to build on or use the site is obtained. This legal right is called site control. This right must be formally given in writing; verbal permission is not enough.

Site control requirements depend upon the nature of the project. If the grantee is going to construct a building, it is necessary to obtain a lease or deed showing control of the land. If the grantee is leasing land to construct a building, the period of the lease should be at least for the useful life of the building (generally 20 years). If the grantee needs to build something across someone else's land, it is necessary to obtain an easement or right-of -way for the particular planned use. If the grantee is going to use the land temporarily, such as during construction, it is necessary to get a use permit or license.

It is important that the boundaries of the property are identified with a legal description to ensure structures are built on the accurate land. It is recommended that the property be surveyed prior to obtaining title to the land by deed or before entering a long-term lease.

In addition to obtaining control of the land, a grantee should ensure there is adequate access to the site. It may be necessary to obtain an easement in order to assure legal access to the property being used. Owning the property is useless if it is not accessible.

It is necessary to accurately describe the land in the lease, deed, or easement documents. This "legal description" is extremely important because it must accurately identify the land being utilized. A recorded survey plat is the preferred method of describing land. The legal description is used to identify the boundaries of the real property, including any restrictions, reservations, rights-of-way, and easements and is written by one of these basic methods (1) the "metes and bounds" system; (2) the US Public Land Survey system; and (3) the "lot and block" survey system.

All site control determinations for DCRA Grants are made through our Division's Land Management and Mapping Section.

To find your local contact regarding public records on land deeds, plats, surveys etc. visit the District Recorder's website at: http://dnr.alaska.gov/ssd/recoff/distlist.cfm

The public can access documents through the statewide recording system database at any DNR Recording Office or on the Internet at: http://dnr.alaska.gov/ssd/recoff/searchRO.cfm

The address of the main District Recorder's office is:

State Department of Natural Resources, State Recorder's Office
550 West 7th Avenue, Suite 1210
Anchorage, AK 99501-3564
(907) 269-8882

If the project is located within a federal town site, the BLM Alaska State Office must be contacted. They are responsible for issuing land deeds to Alaskan villages. The trustee manages town site lands until a deed is issued.

Contact the office below to determine if a site is available:

US Department of the Interior
Bureau of Land Management, Alaska State Office
222 W. 7th Avenue, #13
Anchorage, AK 99513-7599
(907) 271-5960

The State Municipal Lands Trustee may need to be contacted if the land to be used is in an unincorporated ANCSA village. The Municipal Lands Trustee holds title in trust for community use and expansion. Additional information about site control may be obtained online from the division's publication "***What is Site Control?***" This publication can be found at:
https://www.commerce.alaska.gov/web/portals/4/pub/WhatisSiteControl_2011.pdf

Site Control Options
Below are some examples of documents that may be used to satisfy site control requirements for various community facilities/projects. The terms and conditions contained in each document must be examined to determine adequacy for a specific project.

	Deed	Lease	Easement	Use Permit	License
Community Hall	✔	✔			
Clinic	✔	✔			
Fire Station	✔	✔			

	Deed	Lease	Easement	Use Permit	License
Bulk Fuel Storage	✔	✔			
Dump	✔	✔			
Shop/Storage Building	✔	✔			
Cemetery	✔	✔			
Dock	✔	✔			
Campground	✔	✔			
Generator Building	✔	✔			
Multi-purpose building	✔	✔			
Laundromat	✔	✔			
Water well/Septic	✔	✔		✔	
Village Relocation	✔	✔	✔	✔	
Agriculture Project	✔	✔			
Sewage Lagoon	✔	✔			
Communication Site	✔	✔			
Road (25')			✔	✔	
Trail (25')			✔	✔	
Boardwalk			✔	✔	✔
Powerline			✔	✔	✔
Water/Sewer Line			✔	✔	✔
Pipeline			✔	✔	✔

FIRE MARSHAL

All construction, repair, remodel, addition or change of occupancy of any building/structure or installation or change of fuel tanks must be approved by the State Fire Marshal's Office before ANY work is started. The State Fire Marshal reviews and approves all construction on public buildings and fuel tanks to make sure that they are not fire hazards.

Plans and specifications regarding the location of the building or structure on the property, area, height, number of stories, occupancy, type of construction, interior finish, exit facilities, electrical systems, mechanical systems, fuel storage tanks and their appurtenances, automatic fire-extinguishing systems, and/or fire alarm systems must be submitted by the owner or owner's representative to the State Fire Marshal for examination and approval.

This review does not address structural considerations or accessibility requirements. Mechanical and electrical review is limited to that which is necessary to confirm compliance with fire and life safety requirements.

A copy of the plan review approval certificate must be posted as required in 13 AAC 55.100(b).
It is prohibited to occupy a building for which plans have not been examined and approved.

The following information and guidance is offered regarding the plan review and permitting process:

1. Submit a completed plan review application form accompanied by construction documents to the appropriate State Fire Marshal's Office.

2. The construction plans are reviewed after receipt of the plan review fee. All fees are calculated by the Fire Marshal's Office.

3. During spring/summer preconstruction, plans should be submitted at least one month prior to the anticipated construction start date.

Fire Marshall Regional Offices are listed here:

Fairbanks Office	**Anchorage Office**	**Juneau Office**
1979 Peger Road	5700 East Tudor Road	P.O. Box 111202
Fairbanks, AK 99709	Anchorage, AK 99507	Juneau, AK 99811
(907) 451-5200	(907) 269-5491	(907) 465-4331

PART VI - GRANT FILE MANAGEMENT

Keeping organized project management files is a vital component of grant administration. It is important for each grant agreement to have its own file with the title and grant number clearly labeled. Grantees may also want to include on the label the date the grant lapses. It is important to keep files neat, organized, and up-to-date.

At a minimum, all files must contain the grant agreement and financial/progress reports with back-up documentation. Other important documents must be easily obtainable, if not kept in the grant file. A recommendation for quality grant management is to have files which include all the following sections, as applicable:

A. Grant Agreement section
B. Documents section
C. Correspondence section
D. Contract section
E. Financial/Progress Reporting section

Listed below are samples of items which might be kept in each grant section or file. The items listed are by no means meant to be exclusive and are provided as a guide only:

A. Grant Agreement Section
   - Grant Agreement
   - Amendments
   - Closeout letter/Amendment

B. Documents Section
   - Copy of Authorized Signers Form submitted to DCRA
   - Total Project Snapshot (TPS)
   - Copy of Insurance
   - Copy of Electronic Payment Form

C. Correspondence Section
   - All correspondence between you and your grant administrator
   - Correspondence between any contractors and you
   - Telephone contact sheet which documents all phone calls received/placed related to the grant project

D. Contract Section, if applicable
   - Solicitation documents
     a) Notice to Bid
     b) Bids and Quotes
     c) Notice to Proceed
     d) Debarment and Suspension verification
     e) Notification of Contract Awards (AS 36.05.035)
     f) AS 36 and Alaska Hire Preference and/or Determination from Dept. of Labor
     g) Executed Contracts

E. Financial/Progress Reporting Section
   - Copies of Financial/Progress reports sent to DCRA

a) Back-up documentation to support the requests for reimbursements.
b) Invoices, Payment Request forms, copies of checks
c) Travel related forms and receipts
d) Copies of deposit slips or proof of electronic payment

PART VII - ON-SITE VISITS, PROJECT MONITORING AND TECHNICAL ASSISTANCE

On-Site Visits, Monitoring and Technical Assistance
Grantees may receive an on-site visit from their grant administrator sometime during the course of the grant. This visit will be conducted to ensure the grantee is complying with grant stipulations. This review will consist of reviewing the grantee's grant files for back-up documentation, contracts, correspondence, etc., related to the specific grant. The grant administrator will also want to see any projects completed or in progress that have used the grant funds.

Oftentimes a grantee would like a site visit so they can receive technical assistance and help with the administration of their grant(s). DCRA's grant administrators are happy to comply, if they have the time and resources to do so. Your grant administrator is available to provide assistance via telephone or email as requested.

The overall purpose of a site visit is to work in conjunction with the grantee to ensure success of the project(s). It is a chance for the grantee to 'show off' what has been accomplished with the grant funds and it helps build a solid working relationship between the grantee and the grant administrator.

PART VIII - GRANT CLOSEOUT

CLOSEOUT
Once the intended purpose of the grant project is complete and all grant requirements have been met, it is time to close out the grant agreement. After a project is complete, any unexpended funds will be returned to the state.

Grants are usually closed out by mutual agreement after the project has been completed in compliance with the grant agreement and all of the funds are expended, accounted for, and reimbursed or returned. After the grantee has submitted the final Financial/Progress report, the grant administrator will provide notification of official closeout. Please retain your grant files for a minimum of six years from the closeout effective date.

LAPSING GRANTS AND EXTENSIONS
Grant administrators will contact grantees with existing grants that are scheduled to lapse on June 30 of the current year regarding the status of their grant(s). Grantees may request a one-year extension of the grant term. This request must be in writing and explain why an extension is necessary for each project.

To warrant a grant extension, a grantee must:

- be current on financial/progress reports;
- demonstrate substantial and ongoing progress on their project;
- submit a documented plan for continued progress and/or project completion; and

- have a balance that exceeds $1,000.00.

REAPPROPRIATION

Reappropriation is a legislative action that re – purposes existing appropriations. Requests for reappropriation must be submitted in writing to the legislators that represent your community. The request may then be forwarded to the full legislature for consideration during the regular session. If passed, the governor must give final approval. If approved, the existing appropriation will be closed and a new grant agreement will be executed with a full five-year term.

LANGUAGE AMENDMENT

A legislative language amendment is an amendment to an existing project title. This may correct an existing title already written into law or may expand on an existing title for a related purpose. Language amendments also require official approval by the legislature and the governor. The request must be submitted in writing to the legislators that represent your community.

PART IX – DOCUMENTS SECTION

Documents on the following pages are for your reference and are subject to change. The most updated versions can be found on our website at: http://apps.commerce.alaska.gov/dnn/dcra/GrantsSection/DLGrants.aspx. You may also contact your grant administrator for copies.

FINANCIAL/PROGRESS REPORT INSTRUCTIONS AND SAMPLE

The two-part form includes a financial section and a progress report section. The financial section is to document grant expenditures and any outstanding advances for the reporting period. The progress report section is for activity that supports expenditures during the period, as well as reasons for no activity and any problems or accomplishments to the project. In the sample provided below, areas in Blue are required fields.

DESIGNATED LEGISLATIVE GRANT FINANCIAL/PROGRESS REPORT

Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs

Grantee: City of XYZ		Grant Number: 16-DC-000
Project Title: Construct Multi-Purpose Facility		
Report No: 1	Reporting Period: ☑ Monthly ☐ Quarterly	From: 7/1/2015 To: 7/31/2015

Cost Category	Authorized Budget	Expenditures this Report Period	Total Grant Expenditures to Date	Balance of Grant Funds
Project Funds	$145,000.00	$1,000.00	$1,000.00	$144,000.00
Administration	$5,000.00	$100.00	$100.00	$4,900.00
Total This Report	$150,000.00	$1,100.00	$1,100.00	$148,900.00

Current Advance Balance (if any)	$0.00		
Total Grant Expenditures This Period	$1,100.00	Total Grant Award	$150,000.00
LESS Advance Recovered This Report (if any)	$0.00	LESS Total Grant Expenditures to Date	$1,100.00
NET REIMBURSEMENT TO GRANTEE	$1,100.00	LESS Unrecovered Advance Balance	$0.00
Advance Balance Remaining (if any)	$0.00	TOTAL Grant Funds Remaining	$148,900.00

Progress Report: Describe activity that supports expenditures during the period. If no activity has taken place please provide an explanation. Identify any problems you have encountered and or accomplishments this period. Attach additional pages if necessary.

Purchased windows for facility. Held meeting with contractor to discuss placing project on hold during winter months. No problems to report.

Grantee Certification: *I certify that the above information is true and correct, and that expenditures have been made for the purpose of, and in accordance with, applicable grant agreement terms and conditions.*

John Smith — 8/12/2015

Authorized Signature — **Date**

John Smith, City Administrator

Name and Title

DCCED Staff Use:

Encumbrance No: 830674

Payment Amount:

GA Approval:

Date

DCCED Signature — Date

Revised 07/2013

SAMPLE

ELECTRONIC PAYMENT AGREEMENT FORM SAMPLE

STATE OF ALASKA

ELECTRONIC PAYMENT AGREEMENT

Mail completed form to:
DEPT OF ADMINISTRATION / DIV OF FINANCE
PO BOX 110204 / JUNEAU AK 99811-0204
or FAX to: (907) 465-2169
Questions? Call (907) 465-5622

FOR VENDORS DOING BUSINESS WITH THE STATE OF ALASKA

PAYEE INFORMATION

STATE OF ALASKA VENDOR NUMBER	TAXPAYER ID - SSN / EIN *Required*	*ID number assigned to the legal name below and used for tax reporting*	
LEGAL NAME *Required* *(Name that Tax ID above is assigned to and is used for tax reporting)*			
BUSINESS NAME *(DBA - Doing Business As Name. If different from legal name shown above)*		ACCEPT CREDIT CARD PAYMENTS *Required* ◯ YES ◯ NO	
MAILING ADDRESS *Required*	CITY	STATE	ZIP CODE + 4
CONTACT NAME	DAYTIME PHONE *Required*	FAX NUMBER	EMAIL ADDRESS

BANKING INFORMATION

Per National Automated Clearing House Association (NACHA) Operating Rules, the State of Alaska will send a pre-note zero dollar test transaction to verify the accuracy of the banking information below. Payments will not be sent electronically until the pre-note process is complete, generally five business days. The State of Alaska will contact you if the pre-note fails.

ARE YOU ◯ ADDING, ◯ * CHANGING, ◯ CANCELLING THIS AGREEMENT? *Required*

Please attach a voided check or other bank verification of account number as applicable

CURRENT ACCOUNT INFORMATION *Required*		PRIOR ACCOUNT INFORMATION *(for Changes only)*	
FINANCIAL INSTITUTION NAME	ACCOUNT TYPE	*For verification purposes you must provide your prior account information if you are requesting a change.*	
ACCOUNT NAME (Business / Legal Name on Account)	◯ Checking ◯ Savings	ABA/ROUTING TRANSIT NUM	FULL ACCOUNT NUMBER
ABA/ROUTING TRANSIT NUMBER	FULL ACCOUNT NUMBER		

IS THIS ACCOUNT PRIMARILY A PERSONAL OR BUSINESS ACCOUNT? *Required* ◯ PERSONAL - OR - ◯ BUSINESS

FOR BUSINESS ACCOUNTS, CHOOSE ONE of the business account addenda information format options below.

◯ Payments deposited separately with a addendum (remittance) record for each payment.

◯ Payments combined into one deposit with multiple addenda (remittance) records for each payment in the deposit.

NACHA Operating Rules require your banking institution to provide you with addenda (remittance) information that the State includes in payment. Any banking charge to receive this information is the responsibility of the account holder.

AGREEMENT AND AUTHORIZATION

I hereby authorize the State of Alaska to satisfy payment obligations due me by making deposits to the account indicated above. I understand that receipt of the electronic fund transfer(s) will fulfill the State's payment obligation and the State will be credited for the full amount on the date the fund transfer is completed. I understand the State will make a reasonable effort to notify me within 24 hours if a reversing entry is made against this account. This authority is to remain in full force through the duration of this agreement. I understand that thirty (30) days written notice is required if I change financial institutions, account numbers or type of account.

In addition, as required by the Federal Office of Foreign Asset Control in support of U.S.C. Title 50, War and National Defense, I attest that the full amount of my direct deposit is not being forwarded to a bank in another country and that if at any point I establish a standing order with my receiving bank to forward the full direct deposit to a bank in another country, I will inform the State of Alaska immediately.

I certify all information regarding this authorization is true and correct. Any intent to falsify information is punishable under AS 11.56.210 as a class A misdemeanor.

If the State discovers that the full amount of a direct deposit has been forwarded to another country or if information on the form has been falsified, this agreement shall be terminated. All correspondence with the State concerning this agreement or any changes to account information should be sent to the address at the top of this form. All terms remain in effect until this agreement is terminated by either party.

PRINTED NAME *Required*	TITLE
SIGNATURE *Required*	DATE *Required*

Print

Reset

For EFT Payment Inquiry and other electronic payment information, visit our website at: http://doa.alaska.gov/dof/epay/ Revised 09/19/2014

SAMPLE

SIGNATORY AUTHORITY FORM SAMPLE

DESIGNATED LEGISLATIVE GRANT SIGNATORY AUTHORITY FORM

Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs

Please clearly print, submit ORIGINAL form, and submit an updated form annually or whenever changes are made to the information below.

Grantee Name:	**Date:**
Regular Election Held (if applicable):	**Telephone Number:**
Grantee Contact Name:	**Fax Number:**
Address:	**E-mail Address:**
City, State, Zip Code:	**Federal Tax ID #:**

The following Grantee Employees/Officers are authorized to sign Grant Agreements and any amendments:	
Printed Name:	**Printed Name:**
Title:	**Title:**
Signature:	**Signature:**
The following Grantee Employees/Officers are authorized to sign Grant Financial/Progress Reports and Advance Requests:	
Printed Name:	**Printed Name:**
Title:	**Title:**
Signature:	**Signature:**

This signatory authority is conveyed by _____ (Name), the Chief Administrator of _____ (Grantee Name), this _____ day of _____, 20 _____

Please indicate your preferred method of submitting financial/progress reports:

☐ Monthly Reporting

☐ Quarterly Reporting

Signature

Printed Name/Title

Revised 04/2013

SAMPLE

REQUEST FOR ADVANCE PAYMENT FORM SAMPLE

REQUEST FOR ADVANCE PAYMENT

Department of Commerce, Community, and Economic Development, Division of Community and Regional Affairs

Original Forms must be submitted – Faxed and Email Copies are not accepted

Grantee:	**Grant Number:**
Project Title:	**Grant Program:**
Total Amount of Grant:	**Current Balance:**
Amount Requested (*see below):	**Date:**

*According to Attachment B of the Grant Agreement, the Department may advance to the Grantee an amount not to exceed a projected 30-day cash need, or 20% of the grant award, whichever is less. Before the Department will issue an advance, the Grantee must submit this completed form.

Check boxes to confirm the advance is justified and the conditions under which the advance will be approved and recovered by the Department (below) have been read and understood.

- ☐ The Grantee confirms that the advance is necessary due to a lack of cash on hand to administer the grant on a cost-reimbursable basis.
- ☐ The Grantee will submit a Financial/Progress Report to recover the advanced funds within 30 days of receiving the advance. If the grantee is unable to recover the advance within 30 days, the grantee may be asked to return the unrecovered amount to the Department and future advance requests may be denied.
- ☐ The Grantee understands the conditions under which the Department will recover the advance.
  - All advances will be at the discretion of the Department, and negotiated and approved in by the Department.
  - Advances will be authorized only when, in the judgment of the Department, the grantee is unable to secure the purchases through cost reimbursement means.
  - All reporting is current and the grantee is in good standing.
  - The grantee has recovered any outstanding advances.

Attach the following documentation:

- ☐ WRITTEN REQUEST explaining the need for advanced funds, ***AND***
- ☐ PRIOR TO RECEIPT of payment for goods and services, attach estimate, quote, or purchase agreement for goods or services, including complete materials list, a purchase shipment date, and a final price, ***OR***
- ☐ RECEIVED GOODS AND SERVICES invoice from the vendor that includes an itemized list of the goods already shipped and received and/or services that have been rendered.

Grantee Certification: *I certify that the above information is true and correct, and that expenditures will be made for the purpose of, and in accordance with, applicable grant agreement terms and conditions.*

Signature of Authorized Signer **Date**

Name and Title

DCCED STAFF USE

Encumbrance #: _____

Payment Amount: _____

GA Approval: _____ **Date**

DCCED Signature **Date**

08/2013

SAMPLE

W-9 Form (applicable for new grantees and change of address) Sample

State of Alaska
Department of Administration

Substitute Form W-9

Questions? Email *DOA.DOF.Vendor.Auth@alaska.gov*

RETURN COMPLETED FORM TO:

Department of Administration
Division of Finance
P.O. Box 110204
Juneau, AK 99811-0204
Or FAX to: (907) 465-2169

DO NOT send to IRS

Taxpayer Identification Number (TIN) Verification

The Internal Revenue Service requires the State of Alaska to issue 1099 forms when payments to individuals, partnerships or limited liability companies for rents, services, prizes, and awards meet or exceed $600.00 for the year. An IRS Form 1099 is not required when payments are specifically for merchandise or made to some types of corporations.

Print or Type — Please see attachment or reverse for complete instructions

Legal Name (as shown on your income tax return)

State of Alaska Vendor Number (if known)

Business Name, if different from above
(use if doing business as (DBA) or enter business name of Sole Proprietorship)

Entity Designation (check only one type)
- ◯ Individual / Sole Proprietor
- ◯ Partnership
- ◯ General Corporation
- ◯ Medical Corporation
- ◯ Professional Corporation
- ◯ Limited Liability Company – Individual
- ◯ Limited Liability Company – Partnership
- ◯ Limited Liability Company – Corporation
- ◯ Government Entity
- ◯ Estate / Trust
- ◯ Organization Exempt from Tax - Nonprofit (under Section 501 (a)(b)(c)(d))

Primary Address (for 1099 form)
PO Box or Number and Street, City, State, Zip + 4

Remit Address (where payment should be mailed, if different from Primary Address)
PO Box or Number and Street, City, State, Zip + 4

Exemption (See Instructions)
- [ ] Exempt payee code (if any)
- [ ] Exemption from FATCA Reporting Code (if any)

Taxpayer Identification Number (TIN) — *Enter Only One* (If sole proprietorship provide EIN, if applicable)

Social Security Number (SSN)

Employer Identification Number (EIN)

If Change of Ownership or Entity Designation

Date of Change:

Previous Owner / Business Name

Previous Taxpayer Identification Number (TIN)

Certification

The Internal Revenue Service does not require your consent to any provision of this document other than the certifications required to avoid backup withholding.

Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number, **AND**
2. I am not subject to backup withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, **AND**
3. I am a U.S. person (including a U.S. resident alien), **AND**
4. The FATCA code(s) entered on this form (if any) indicating I am exempt from FATCA reporting is correct.

Printed Name	**Printed Title**	**Telephone Number**
Signature	**Date**	**Email Address**

Print Form Reset Form Revised July 6, 2015

SAMPLE

APPENDIX – REFERENCE MATERIALS

- **IMPORTANT WEBSITE LINKS**
- **RECOMMENDED PURCHASING GUIDELINES**

IMPORTANT WEBSITE LINKS

http://www.commerce.alaska.gov/
This site offers information on programs and services available through our department.

https://www.commerce.alaska.gov/web/dcra/Home.aspx
This site offers information on programs and services available through our division.

http://commerce.alaska.gov/dcra/eGrantsOnline/Home
The above link is eGrants Online. This database provides grant information on several different grant programs administered by DCRA. A tutorial is provided to assist you with generating the most effective report to meet your needs. The database includes information such as community name, grant number, grant recipient, project name, grant status, grant type, grant administrator, award amount, disbursed amount, remaining amount, and house district.

http://fin.admin.state.ak.us/aapvis/index.jsp
This is the State of Alaska Electronic Payment Inquiry website. This site allows vendors (grantees) who are enrolled to receive electronic payments from the State of Alaska to view information about payments. If grantees are not currently set up to receive electronic payments this is the site for enrollment. To access the system you will need to know the vendor number that has been assigned to you in the Alaska Statewide Accounting System. Please contact your grant administrator for this number.

http://doa.alaska.gov/dof/forms/resource/sub_form_w9.pdf
This is the link to the State of Alaska, Substitute W-9 form. The Internal Revenue Service requires the State of Alaska to issue 1099 forms when payments to individuals, partnerships or limited liability companies for rents, services, prizes, and awards meet or exceed $600.00 for the year. If your organization is new to receiving payments from the State of Alaska or if there have been changes to your address or ownership, you will need to submit a Substitute W-9 to the State of Alaska, Department of Administration, Division of Finance.

https://www.commerce.alaska.gov/web/cbpl/Corporations.aspx
This website allows entities to check their compliance status with the Division of Corporations, Business and Professional Licensing.

http://www.legis.state.ak.us/basis/start.asp
Legislative BASIS website. This site allows for the public to search, track and receive updates on bills, committee and floor schedules, legislative minutes or journals.

Recommended Purchasing Guidelines

The following are recommendations on the procurement methods that may be applicable depending on the dollar amount of the purchase, the nature of the purchase, and the circumstances surrounding your purchase. If your organization or municipality currently has a procurement policy, you must follow that policy. If not, we strongly recommend you adopt one, but in the meantime, you must follow the State's procurement policy.

Regardless of which method you follow, you **must keep documentation** showing you followed your policy. In many cases, purchases may need to be approved be several individuals. Larger purchases and contracts may need to be approved by the municipal council or board of directors.

Purchase Price	Procurement Type	Recommended Procedures	Documentation	Sample Purchase Types
$10,000 or less	Micro	Make a direct purchase. Select the lowest price or best deal considering your needs.	Record of purchase	Expendable supplies like office supplies
$10,001 to $50,000	Small	Obtain at least three price quotes or proposals, either written or verbal. Select the lowest price or best deal considering your needs.	Written quotes, printouts from the internet, records of phone calls	Small equipment, large supply orders, construction materials, services
$50,001 to $100,000	Small	Obtain at least three price quotes or proposals in writing. Select the lowest price or best deal considering your needs. Send notice of award to all responsive vendors.	Written quotes, record of contact with vendors, written notice of award	Small construction projects, services, equipment, large supply orders, construction materials
$100,000 and above	Competitive Sealed Bid	Create an invitation to bid which includes specifications, construction documents, and other criteria. State a time, place and date for the bid opening. Publicly advertise the invitation to bid in local and statewide newspapers for at least 21 days. Contract should be awarded to the lowest responsive and responsible bidder.	Bid documents, proof of public notice, bids received, notice of award, reasons for bid disqualification	Construction projects, large equipment purchases
$100,000 and above	Qualifications-Based Selection	This method should only be used when it is not practical to select based solely on price. Create a Request for Proposals (RFP), which includes all criteria to be used in evaluating proposals. Publicly advertise the RFP in local and statewide newspapers for at least 21 days. Proposals will be evaluated by a team of individuals based on stated criteria and price.	RFP, proof of public notice, proposals received, scores based on criteria, notice of award	Architectural designs, feasibility study, project management services
Any price	Sole Source or Non-Competitive	This method should only be used when it is not possible to use any other method, for example, when only one vendor is able to provide the desired good or service. Enter into a contract or make a direct purchase with no public advertisement.	Justification for sole source, cost analysis	Project management services, specialty goods

Procurement: Frequently Asked Questions

Why does my organization need its own procurement policy when we can just use the State's?

The State's procurement policy does not take into consideration the specific needs and circumstances of your community or organization. You may want to lower the small procurement threshold, ensuring that purchases under $100,000 go through a more rigorous process. You may want to have the council or board of directors approve all purchases above the small procurement threshold. Or you may want to give preference to local businesses. You create your own policy based on what's right for your organization and you have the authority to change it.

When should I use a qualifications-based selection method?

This method is only used when selecting on price alone would not produce the best outcome. For example, if you are selecting a contractor to perform a feasibility study or create a design for a new community building, you will want to select the contractor that will give you the best product considering your budget. You will be considering the contractor's past experience, its reputation, its understanding of rural Alaska, or other essential components to your project in additional to price. If you selected the contractor only based on price, you may not end up with a quality product.

When should I use a sole source or non-competitive selection method?

This method is only used when it is not possible to get the desired outcome by any other means. It should be your last resort. You might use this method if you are purchasing a product that is only offered by one company, for example, a specific battery a particular piece of equipment that is only available from one manufacturer. Likewise, you may use this method when hiring a construction manager who was intimately involved in the development of the project. If you use this method, you must keep a detailed justification for why you could not use any other method, and you must conduct a cost-analysis to ensure that the vendor or contractor is charging a reasonable price for the goods or services.

What does "responsive and responsible bidder" mean?

Your bid advertisement outlines in detail all the elements and specifications of your project. A "responsive bidder" addresses each element, how it will be executed, and the associated price. If the bidder does not include a required element in its bid, the bidder is "unresponsive" and the bid should be disqualified. A "responsible bidder" has a good reputation and is qualified to do business in the State of Alaska. You must check the state's debarment and suspension list online at http://labor.alaska.gov/lss/debarments.htm to make sure your contractor is not debarred from bidding on state-funded projects.

Can I have a preference for Alaskan businesses when evaluating sealed bids?

Yes. In fact, the State's procurement policy requires an Alaskan bidder preference of 5% of the bid price. You can include a local preference in your own procurement policy, or you may include a local preference in your evaluation criteria in an RFP.

How can I avoid a conflict of interest?

A conflict of interest can result if someone involved in the procurement process has a personal or monetary gain from the selection of a particular vendor or contractor. For example, a conflict of interest would result if you are on the selection committee and your sister-in-law's construction company submits a bid. The person with the personal or monetary gain (in this case, you) would have step down from the selection committee. Likewise, no one involved with procurement can accept favors, money, or gifts of any kind from potential or hired vendors or contractors. This applies to any real or *apparent* conflict of interest. In other words, even if you know you would not give your sister-in-law's company any special consideration, you still cannot be part of the process because you could be *perceived* as having a personal interest.