

Trust

Alaska Mental Health Trust Authority

REQUEST FOR PROPOSALS EXTERNAL AUDIT SERVICES RFP 23-001M

ISSUED MARCH 24, 2022

ISSUED BY:

DEPARTMENT OF REVENUE
ALASKA MENTAL HEALTH TRUST AUTHORITY

PRIMARY CONTACT:

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OFFERORS ARE NOT REQUIRED TO RETURN THIS FORM.

IMPORTANT NOTICE: IF YOU RECEIVED THIS SOLICITATION FROM THE STATE OF ALASKA'S "ONLINE PUBLIC NOTICE" WEB SITE, YOU MUST REGISTER WITH THE PROCUREMENT OFFICER LISTED IN THIS DOCUMENT TO RECEIVE NOTIFICATION OF SUBSEQUENT AMENDMENTS. FAILURE TO CONTACT THE PROCUREMENT OFFICER MAY RESULT IN THE REJECTION OF YOUR OFFER.

TABLE OF CONTENTS

SECTION 1. INTRODUCTION & INSTRUCTIONS	3
SEC. 1.01 PURPOSE OF THE RFP	3
SEC. 1.02 BUDGET	4
SEC. 1.03 DEADLINE FOR RECEIPT OF PROPOSALS	4
SEC. 1.04 PRIOR EXPERIENCE	4
SEC. 1.05 REQUIRED REVIEW	4
SEC. 1.06 QUESTIONS PRIOR TO DEADLINE FOR RECEIPT OF PROPOSALS.....	4
SEC. 1.07 RETURN INSTRUCTIONS.....	5
SEC. 1.08 ASSISTANCE TO OFFERORS WITH A DISABILITY	6
SEC. 1.09 AMENDMENTS TO PROPOSALS	6
SEC. 1.10 AMENDMENTS TO THE RFP	6
SEC. 1.11 RFP SCHEDULE.....	6
SEC. 1.12 PRE-PROPOSAL CONFERENCE	6
SEC. 1.13 ALTERNATE PROPOSALS	7
SEC. 1.14 NEWS RELEASES.....	7
SECTION 2. BACKGROUND INFORMATION	7
SEC. 2.01 BACKGROUND INFORMATION	7
SECTION 3. SCOPE OF WORK & CONTRACT INFORMATION	8
SEC. 3.01 SCOPE OF WORK.....	8
SEC. 3.02 CONTRACT TERM AND WORK SCHEDULE	10
SEC. 3.03 DELIVERABLES	10
SEC. 3.04 CONTRACT TYPE	10
SEC. 3.05 PROPOSED PAYMENT PROCEDURES	11
SEC. 3.06 PROMPT PAYMENT FOR TRUST PURCHASES	11
SEC. 3.07 CONTRACT PAYMENT.....	11
SEC. 3.08 LOCATION OF WORK.....	11
SEC. 3.09 SUBCONTRACTORS.....	11
SEC. 3.10 JOINT VENTURES.....	11
SEC. 3.11 RIGHT TO INSPECT PLACE OF BUSINESS.....	12
SEC. 3.12 CONTRACT PERSONNEL	12
SEC. 3.13 CONTRACT CHANGES - UNANTICIPATED AMENDMENTS.....	12
SEC. 3.14 NONDISCLOSURE AND CONFIDENTIALITY	12
SEC. 3.15 INDEMNIFICATION	13
SEC. 3.16 INSURANCE REQUIREMENTS	13
SEC. 3.17 TERMINATION FOR DEFAULT	14
SECTION 4. PROPOSAL FORMAT AND CONTENT	14
SEC. 4.01 RFP SUBMITTAL FORMS.....	14
SEC. 4.02 SPECIAL FORMATTING REQUIREMENTS	14
SEC. 4.03 OFFEROR INFORMATION AND CERTIFICATIONS (SUBMITTAL FORM A)	15
SEC. 4.04 EXPERIENCE AND QUALIFICATIONS (SUBMITTAL FORM B)	16
SEC. 4.05 UNDERSTANDING OF THE PROJECT (SUBMITTAL FORM C)	16
SEC. 4.06 METHODOLOGY USED FOR THE PROJECT (SUBMITTAL FORM D)	16
SEC. 4.07 MANAGEMENT PLAN FOR THE PROJECT (SUBMITTAL FORM E).....	16
SEC. 4.08 COST PROPOSAL (SUBMITTAL FORM G)	17
SECTION 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION	17
SEC. 5.01 SUMMARY OF EVALUATION PROCESS.....	17

SEC. 5.02	EVALUATION CRITERIA	17
SEC. 5.03	SCORING METHOD AND CALCULATION	18
SEC. 5.04	EXPERIENCE AND QUALIFICATIONS	19
SEC. 5.05	UNDERSTANDING OF THE PROJECT	19
SEC. 5.06	METHODOLOGY USED FOR THE PROJECT	19
SEC. 5.07	MANAGEMENT PLAN FOR THE PROJECT.....	20
SEC. 5.08	CONTRACT COST (COST PROPOSAL)	20
SEC. 5.09	APPLICATION OF PREFERENCES	21
SEC. 5.10	ALASKA BIDDER PREFERENCE.....	21
SEC. 5.11	ALASKA VETERAN PREFERENCE	22
SEC. 5.12	ALASKA OFFEROR PREFERENCE	22
SEC. 5.13	OFFEROR NOTIFICATION OF SELECTION	23
SECTION 6.	GENERAL PROCESS AND LEGAL INFORMATION	23
SEC. 6.01	INFORMAL DEBRIEFING	23
SEC. 6.02	ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES	23
SEC. 6.03	STANDARD CONTRACT PROVISIONS	24
SEC. 6.04	QUALIFIED OFFERORS	24
SEC. 6.05	PROPOSAL AS PART OF THE CONTRACT.....	24
SEC. 6.06	ADDITIONAL TERMS AND CONDITIONS	24
SEC. 6.07	HUMAN TRAFFICKING	24
SEC. 6.08	RIGHT OF REJECTION	25
SEC. 6.09	TRUST NOT RESPONSIBLE FOR PREPARATION COSTS	25
SEC. 6.10	DISCLOSURE OF PROPOSAL CONTENTS	25
SEC. 6.11	ASSIGNMENT	26
SEC. 6.12	DISPUTES	26
SEC. 6.13	SEVERABILITY	26
SEC. 6.14	SUPPLEMENTAL TERMS AND CONDITIONS.....	26
SEC. 6.15	SOLICITATION ADVERTISING	26
SEC. 6.16	CLARIFICATION OF OFFERS	26
SEC. 6.17	DISCUSSIONS WITH OFFERORS.....	26
SEC. 6.18	CONTRACT NEGOTIATION	27
SEC. 6.19	FAILURE TO NEGOTIATE.....	27
SEC. 6.20	FEDERALLY IMPOSED TARIFFS	27
SEC. 6.21	PROTEST	28
SECTION 7.	ATTACHMENTS.....	29
SEC. 7.01	ATTACHMENTS	29

SECTION 1. INTRODUCTION & INSTRUCTIONS

SEC. 1.01 PURPOSE OF THE RFP

The Alaska Mental Health Trust Authority (the Trust) is soliciting proposals to provide technical assistance in the drafting of the Trust's financial statements and to conduct an independent financial statement audit of the combined Trust Authority (a division of the Department of Revenue) and the Trust Land Office (a division within the Department of Natural Resources). The auditor will express an opinion on financial statements in accordance with generally accepted government auditing standards (GAGAS).

SEC. 1.02 BUDGET

The Trust estimates a budget of between \$60,000 and \$70,000 for each year of this project. Proposals priced at more than \$70,000 per year will be considered non-responsive.

Approval or continuation of a contract resulting from this RFP is contingent upon trustee approval.

SEC. 1.03 DEADLINE FOR RECEIPT OF PROPOSALS

Proposals must be received no later than 1:30 P.M. prevailing Alaska Time on Thursday, April 14, 2022. Late proposals or amendments will be disqualified and not opened or accepted for evaluation.

SEC. 1.04 PRIOR EXPERIENCE

For offers to be considered responsive, offerors must:

- be independent of the State of Alaska, the Alaska Mental Health Trust Authority, the Trust Land Office, and the Alaska Permanent Fund Corporation as defined by the U.S Government Accountability Office's Government Auditing Standards.
- hold current licensing with the State of Alaska Board of Public Accountancy, with, at minimum, team members at Audit Manager level or higher holding CPAs; or can provide evidence that it can comply with Alaska Statute 08.04.195 Reciprocity with other states.
- offer professional financial auditing and related consulting services in its normal course of business
- demonstrate that assigned audit partners and managers individually have a minimum of five (5) years of experience conducting and reporting on governmental financial audits in accordance with Government Accounting Standards.
- demonstrate the assigned team has financial auditing expertise with the following types of activities and investments:
 - awarding of grants;
 - land management and resource development;
 - governmental investment funds; and
 - investment portfolios of at least \$400 million in total assets that includes cash and cash equivalents, equity, fixed income securities, private equity, and real estate.

An offeror's failure to meet these minimum prior experience requirements will cause their proposal to be considered non-responsive and rejected.

SEC. 1.05 REQUIRED REVIEW

Offerors should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and questionable or objectionable material should be made in writing and received by the procurement officer at least ten days before the deadline for receipt of proposals. This will allow time for the issuance of any necessary amendments. It will also help prevent the opening of a defective proposal and exposure of offeror's proposals upon which award could not be made.

SEC. 1.06 QUESTIONS PRIOR TO DEADLINE FOR RECEIPT OF PROPOSALS

All questions must be in writing and directed to the procurement officer. The interested party must confirm telephone conversations in writing.

Two types of questions generally arise. One may be answered by directing the questioner to a specific section of the RFP. These questions may be answered over the telephone. Other questions may be more complex and may require a written amendment to the RFP. The procurement officer will make that decision.

SEC. 1.07 RETURN INSTRUCTIONS

Offerors must submit one copy of their proposal through one of the following methods. The Trust recommends sending a proposal enough ahead of time to ensure the proposal is delivered by the deadline for receipt of proposals. Faxed or oral proposals will not be accepted.

It is the offeror's responsibility to contact the issuing agency at 907-269-7960 to confirm that the proposal has been received. The Trust is not responsible for unreadable, corrupt, or missing attachments.

Method 1: Submission by mail or courier

The proposal must be submitted as a hard copy in a sealed package. The cost proposal included with the package must be sealed separately from the rest of the proposal and must be clearly identified. The package must include a USB thumb drive with a digital copy of their proposal in PDF format. The digital cost proposal included with the package must be a separate document from the rest of the proposal and must be clearly identified.

The sealed proposal package(s) must be addressed as follows:

Alaska Mental Health Trust Authority
Attention: Valette Keller
Request for Proposal (RFP) Number: 23-001M

RFP Title: EXTERNAL AUDIT SERVICES

3745 Community Park Loop Suite 200
Anchorage, AK 99508

Method 2: Submission by email

The proposal must be submitted as a digital copy in PDF format to deborah.delong@alaska.gov. The email must contain the RFP number in the subject line. The technical proposal and cost proposal must be saved as separate PDF documents and emailed as separate, clearly labeled attachments, such as "Vendor A – Technical Proposal.pdf" and "Vendor A – Cost Proposal.pdf". You must not email (including CC and BCC) the proposal to any State employee or email address other than instructed above.

Please note that email transmission is not instantaneous, and the maximum size of a single email (including all text and attachments) that can be received by the Trust is 20mb (megabytes).

Method 3: Submission by Alaska ZendTo

Offerors must submit one digital copy of their proposal in PDF format to deborah.delong@alaska.gov via Alaska ZendTo, <https://drop.state.ak.us>. The cost proposal included with the package must be a separate document from the rest of the proposal and must be clearly identified. The technical proposal and cost proposal must be submitted as separate, clearly labeled PDF documents. Offerors must include the RFP number and title in the ZendTo note. You must not include any State employee or email address in the ZendTo form other than instructed above.

SEC. 1.08 ASSISTANCE TO OFFERORS WITH A DISABILITY

Offerors with a disability may receive accommodation regarding the means of communicating this RFP or participating in the procurement process. For more information, contact the procurement officer no later than ten days prior to the deadline for receipt of proposals.

SEC. 1.09 AMENDMENTS TO PROPOSALS

Amendments to or withdrawals of proposals will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline unless they are in response to the Trust's request in accordance with 2 AAC 12.290.

SEC. 1.10 AMENDMENTS TO THE RFP

If an amendment is issued before the deadline for receipt of proposals, it will be provided to all who were notified of the RFP and to those who have registered with the procurement officer after receiving the RFP from the State of Alaska Online Public Notice website.

After receipt of proposals, if there is a need for any substantial clarification or material change in the RFP, an amendment will be issued. The amendment will incorporate the clarification or change, and a new date and time established for new or amended proposals. Evaluations may be adjusted because of receiving new or amended proposals.

SEC. 1.11 RFP SCHEDULE

The RFP schedule set out herein represents the Trust's best estimate of the schedule that will be followed. If a component of this schedule, such as the deadline for receipt of proposals, is delayed, the rest of the schedule may be shifted accordingly. All times are Alaska Time.

ACTIVITY	TIME	DATE
Issue Date / RFP Released		3/24/2022
Pre-Proposal Conference	10:00 A.M.	3/31/2022
Deadline for Receipt of Proposals / Proposal Due Date	1:30 P.M.	4/14/2022
Proposal Evaluations Complete		4/18/2022
Notice of Intent to Award		4/19/2022
Contract Issued		4/29/2022

This RFP does not, by itself, obligate the Trust. The Trust's obligation will commence when the contract is approved by the Trust. Upon written notice to the contractor, the Trust may set a different starting date for the contract. The Trust will not be responsible for any work done by the contractor, even work done in good faith, if it occurs prior to the contract start date set by the Trust.

SEC. 1.12 PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held at 10:00 A.M. Alaska Time on Thursday, March 31, 2022 via Zoom. The purpose of the conference is to discuss the work to be performed with the prospective offerors and allow them to ask questions concerning the RFP. Questions and answers will be transcribed and sent to prospective offerors as soon as possible after the meeting.

Offerors needing accommodation should contact the procurement officer prior to the date set for the pre-proposal conference so that reasonable accommodation can be made. Participants may dial into the meeting using the following information:

<https://us02web.zoom.us/j/85751403737?pwd=K2Ywem10OHFDSGdsL2pEUmZoSTZrdz09>

Meeting ID: 857 5140 3737

Passcode: Trust

Join by phone: 346-248-7799

Meeting ID: 857 5140 3737

Passcode: 055253

SEC. 1.13 ALTERNATE PROPOSALS

Offerors may only submit one proposal for evaluation. In accordance with 2 AAC 12.830 alternate proposals (proposals that offer something different than what is asked for) will be rejected.

SEC. 1.14 NEWS RELEASES

News releases related to this RFP will not be made without prior approval of the project director.

SECTION 2. BACKGROUND INFORMATION

SEC. 2.01 BACKGROUND INFORMATION

The Trust was created by Congress before statehood. The state breached its trust duty by mismanaging the land. The settlement of the resulting Mental Health Lands Trust lawsuit in 1994 created a Trust Authority consisting of seven Trustees. The Trust was reconstituted with \$200 million and nearly 1,000,000 acres of land. The Trust Authority contracts with the Alaska Permanent Fund Corporation to manage the \$200 million and the Trust Land Office in the Department of Natural Resources to manage the land. The beneficiaries include Alaskans who experience:

- mental illness;
- development disabilities;
- chronic alcoholism;
- Alzheimer's disease or related dementia;
- Brain injury.

The Trustees are charged with overseeing the management of Trust assets as well as spending trust income to improve the lives of beneficiaries.

The Trust contracts with the Alaska Permanent Fund Corporation (APFC) to manage Trust principal and undistributed earnings (\$735MM as of December 2021). The Trust also contracts with the Department of Revenue Treasury division (Treasury) to manage a portion of Trust earnings and various cash accounts (\$98MM as of December 2021). Trust investments managed by APFC are commingled alongside the Alaska Permanent Fund. Annually the Trust receives a report of Schedules of Investments Managed by the Alaska Permanent Fund Corporation which is audited by APFC's independent auditors. Trust management receives monthly reports from both APFC and Treasury consisting of schedules of investments under management and schedules of investment

income and changes. Ad-hoc and standard reports of activity and balances are available for all cash accounts invested by Treasury alongside the State of Alaska General Fund and Other Non-Segregated Investments (GeFONSI).

Finally, the Trust contracts with the Department of Natural Resources' division of the Trust Land Office (TLO) to manage non-cash assets comprising of approximately 1,000,000 acres of land as well as certain directly held real estate assets. TLO land management includes the sale, exchange, improvement, lease and/or rent of select lands that results in resource revenues, and capital and operating expenditures. The TLO utilizes contractors to provide routine property management, construction management and leasing services for the Trust's directly owned real estate.

The Trust, TLO and Treasury all use the State of Alaska's accounting system, IRIS Advanced by CGI Group Inc. (IRIS) and associated reporting tools (ALDER). Receipts and disbursements are ultimately processed through IRIS as they are for most state agencies. Similarly, the Trust uses centralized administrative services for payroll processing through the State's payroll software system in IRIS and uses centralized services for many procurement and information technology requirements. The final processing of most Trust Authority disbursements is handled through the Department of Revenue Division of Administrative Services.

The Trust receives periodic payments of income and principal from the TLO which is deposited directly into the corresponding account within the State Treasury prior to being reinvested by the TLO or transferred to the APFC for investment alongside the Alaska Permanent Fund. The TLO uses a subsidiary system ("Revenue and Billing") to account for revenue transactions associated with land sales and leases as well as royalty income.

Trustees authorize an annual distribution of accumulated investment earnings based on a rolling four-year average of 4.25% of the Trust's net asset value of total principal and accumulated earnings balances. The Trust recommends funding for various state agencies, which expend their allotted and authorized amounts directly from IRIS. Other stakeholder groups helping to provide services to deliver a comprehensive integrated mental health plan apply for grants or provide contractual services paid by the Trust or partner agencies.

SECTION 3. SCOPE OF WORK & CONTRACT INFORMATION

SEC. 3.01 SCOPE OF WORK

The successful offeror will:

1. provide technical assistance in the compilation of the financial statements and annual financial report, to include:
 - a. consolidating and building a working trial balance for the fiscal year ended June 30 from financial records in the State of Alaska's accounting system IRIS and reporting system ALDER, investment reports from the Alaska Permanent Fund Corporation (APFC), the Treasury Division of State Department of Revenue and the Trust Land Office (TLO), and relevant Retirement Plans, and financial reports of directly held investments, and
 - b. drafting fund financial statements, government wide financial statements, and notes to financial statements from the working trial balance, including subsequent events.
2. evaluate the Trust's financial records and no later than October 15 following the end of the most recent fiscal year express an opinion on the fair presentation of its financial statements,

3. provide a review of proposed Governmental Accounting Standards Board (GASB), Financial Accounting Standards Board (FASB) and any other relevant accounting standards applicable to the Trust and recommendations for application as they pertain to the Trust,
4. present the financial statements and auditor's opinion to the Board of Trustee's Audit & Risk Committee,
5. report on accountability in the use and management of Trust assets, and on compliance with internal controls and applicable laws and regulations, identify any areas of concern or weaknesses encountered in the examination of the Trust's financial practices, recommendations for improvement, and management's response to any such concerns raised.
6. ensure that the Board of Trustees Audit & Risk Committee is informed of the auditor's responsibilities under GAAP, significant accounting policies, management judgments and accounting estimates, significant audit adjustments, disagreements with management, major issues discussed with management prior to retention, difficulties encountered in performing the audit.
7. provide assistance as required in completing the Trust's portion of the State of Alaska's Annual Comprehensive Financial Report. This may include assistance to the State of Alaska Department of Administration (DOA) and/or timely response to audit and related reporting inquiries from DOA's auditors at the Division of Legislative Audit.

The successful offeror shall report on accountability in the use and management of Trust assets, and on compliance with internal controls and applicable laws and regulations. The successful offeror shall provide a management letter that identifies any areas of concern or weaknesses encountered in the examination of the Trust's financial practices, recommendations for improvement, and management's response to any such concerns raised. The successful offeror shall ensure that the Board of Trustees Audit & Risk Committee is informed of the auditor's responsibilities under GAAP, significant accounting policies, management judgments and accounting estimates, significant audit adjustments, disagreements with management, major issues discussed with management prior to retention, difficulties encountered in performing the audit.

Other professional services directly related to accounting and reporting

The contractor shall provide continuing advice and consultation to the Trust directly related to accounting and reporting, when requested by certain Trust staff, by subsequent and specific oral or written request in any of the following areas:

- asset valuation;
- internal controls;
- financial statement presentation;
- electronic data processing systems and control reviews;
- forms of presentation, including new methods of presentation of annual reports for both financial and performance measurement purposes;
- research and reporting on matters that may affect Trust investments and/or Trust operations, such as Internal Revenue Code changes, or legal, statutory, regulatory, or administrative rulings and interpretations;
- implementation of accounting for types of investments that the Trust is not already invested in;
- special auditing services requested (as defined by the Chief Executive Officer, the Chief Financial Officer, the full board of trustees or one of its committees); and
- consultation, information, or special procedures related to corporate governance issues.

There is no guarantee that services under this section will be requested of the contractor. Any costs to be paid for such additional services are subject to a preliminary estimate that shall be submitted to the Trust, in writing, and approved in advance of the work. The Trust is not obligated to have any work other than audits done through the contractor and reserves the right to engage others to provide such services.

SEC. 3.02 CONTRACT TERM AND WORK SCHEDULE

The length of the contract will be from the date of award, approximately May 1, 2022, for 1 year until completion, approximately April 30, 2023. This contract will have four (4) 1-year renewal options to be exercised at the sole discretion of the Trust.

The approximate contract schedule is as follows:

- Early/Mid May: Audit Planning Meeting. The contractor shall provide a detailed list of confirmations, schedules, trail balances, reports, and other documentation to be provided by the Trust and Trust Land Office staff, and respective submittal deadlines.
- Mid July: Begin Interim Audit
- October 1: Draft financial statements for submittal to State of Alaska
- October 15: Completion of year-end audit work for submittal to State of Alaska
- Mid/Late October: Presentation at Audit & Risk Committee meeting to review financial statements and management letter. Discuss the auditor's report and management letters with Management and the Audit & Risk Committee prior to their distribution.

Unless otherwise provided in this RFP, the Trust and the successful offeror/contractor agree: (1) that any extension of the contract excluding any exercised renewal options, will be considered as a month-to-month extension, and all other terms and conditions shall remain in full force and effect and (2) the procurement officer will provide notice to the contractor of the intent to cancel such month-to-month extension at least 30 days before the desired date of cancellation. A month-to-month extension may only be executed by the procurement officer via a written contract amendment.

SEC. 3.03 DELIVERABLES

The contractor will be required to provide the following deliverables:

- An audit report containing independent assessment of whether the Trust's reported financial information is presented fairly, and in all material respects in accordance with recognized criteria.
- To report on internal control over financial reporting.
- To report on compliance with provisions of laws, regulations and contracts and agreements that have a material effect on the financial statements.
- Electronic PDF file of the annual financial report and letters, and hard bound copies when requested from the Trust (not to exceed 15).
- Trial balances with Mapping, Adjusting Journal Entries, and other financial reports and/or schedules in PDF and Microsoft Excel compatible format.
- For all presentations to the board of trustees, presentation slides in Microsoft PowerPoint or PDF format.

SEC. 3.04 CONTRACT TYPE

This contract is a firm fixed price contract.

SEC. 3.05 PROPOSED PAYMENT PROCEDURES

The Trust will make payments based on a negotiated payment schedule. Each billing must consist of an invoice and progress report. No payment will be made until the progress report and invoice has been approved by the project director.

SEC. 3.06 PROMPT PAYMENT FOR TRUST PURCHASES

The Trust is eligible to receive a 5% discount for all invoices paid within 15 business days from the date of receipt of the commodities or services and/or a correct invoice, whichever is later. The discount shall be taken on the full invoice amount. The Trust shall consider payment being made as either the date a printed warrant is issued or the date an electronic funds transfer (EFT) is initiated.

SEC. 3.07 CONTRACT PAYMENT

No payment will be made until the contract is approved by the Trust. Under no conditions will the Trust be liable for the payment of any interest charges associated with the cost of the contract. The Trust is not responsible for and will not pay local, state, or federal taxes. All costs associated with the contract must be stated in U.S. currency.

Any single contract payment of \$1 million or higher must be accepted by the contractor via Electronic Funds Transfer (EFT).

SEC. 3.08 LOCATION OF WORK

The location(s) the work is to be performed, completed and managed are at the contractor's workspace, the Trust Authority office at 3745 Community Park Loop in Anchorage, and at the Trust Land Office, 2600 Cordova Street in Anchorage. Travel to other locations will not be required.

The Trust will provide workspace for the contractor during their review of Trust documents. Once all documents have been reviewed and all the information has been gathered, the contractor will vacate Trust workspace and finish the audit report from the contractor's workspace.

By signature on their proposal, 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 will be performed in the United States, the offeror must contact the procurement officer in writing to request a waiver at least 10 days prior to the deadline for receipt of proposals.

The request must include a detailed description of the portion of work that will be performed outside the United States, where, by whom, and the reason the waiver is necessary.

Failure to comply with these requirements may cause the Trust to reject the proposal as non-responsive or cancel the contract.

SEC. 3.09 SUBCONTRACTORS

Subcontractors will not be allowed.

SEC. 3.10 JOINT VENTURES

Joint ventures will not be allowed.

SEC. 3.11 RIGHT TO INSPECT PLACE OF BUSINESS

At reasonable times, the Trust may inspect those areas of the contractor's place of business that are related to the performance of a contract. If the Trust makes such an inspection, the contractor must provide reasonable assistance.

SEC. 3.12 CONTRACT PERSONNEL

Any change of the project team members or subcontractors named in the proposal must be approved, in advance and in writing, by the project director or procurement officer. Changes that are not approved by the Trust may be grounds for the Trust to terminate the contract.

SEC. 3.13 CONTRACT CHANGES - UNANTICIPATED AMENDMENTS

During the course of this contract, the contractor may be required to perform additional work. That work will be within the general scope of the initial contract. When additional work is required, the project director will provide the contractor a written description of the additional work and request the contractor to submit a firm time schedule for accomplishing the additional work and a firm price for the additional work. Cost and pricing data must be provided to justify the cost of such amendments per AS 36.30.400.

The contractor will not commence additional work until the procurement officer has secured any required Trust approvals necessary for the amendment and issued a written contract amendment, approved by the Trust.

SEC. 3.14 NONDISCLOSURE AND CONFIDENTIALITY

Contractor agrees that all confidential information shall be used only for purposes of providing the deliverables and performing the services specified herein and shall not disseminate or allow dissemination of confidential information except as provided for in this section. The contractor shall hold as confidential and will use reasonable care (including both facility physical security and electronic security) to prevent unauthorized access by, storage, disclosure, publication, dissemination to and/or use by third parties of, the confidential information. "Reasonable care" means compliance by the contractor with all applicable federal and state law, including the Social Security Act and HIPAA. The contractor must promptly notify the Trust in writing if it becomes aware of any storage, disclosure, loss, unauthorized access to or use of the confidential information.

Confidential information, as used herein, means any data, files, software, information or materials (whether prepared by the Trust or its agents or advisors) in oral, electronic, tangible or intangible form and however stored, compiled or memorialized that is classified confidential as defined by State of Alaska classification and categorization guidelines provided by the Trust to the contractor or a contractor agent or otherwise made available to the contractor or a contractor agent in connection with this contract, or acquired, obtained or learned by the contractor or a contractor agent in the performance of this contract. Examples of confidential information include, but are not limited to: technology infrastructure, architecture, financial data, trade secrets, equipment specifications, user lists, passwords, research data, and technology data (infrastructure, architecture, operating systems, security tools, IP addresses, etc).

Additional information that the contractor shall hold as confidential during the performance of services under this contract include personnel wages and person-specific data.

If confidential information is requested to be disclosed by the contractor pursuant to a request received by a third party and such disclosure of the confidential information is required under applicable state or federal law, regulation, governmental or regulatory authority, the contractor may disclose the confidential information after

providing the Trust with written notice of the requested disclosure (to the extent such notice to the Trust is permitted by applicable law) and giving the Trust opportunity to review the request. If the contractor receives no objection from the Trust, it may release the confidential information within 30 days. Notice of the requested disclosure of confidential information by the contractor must be provided to the Trust within a reasonable time after the contractor's receipt of notice of the requested disclosure and, upon request of the Trust, shall seek to obtain legal protection from the release of the confidential information.

The following information shall not be considered confidential information: information previously known to be public information when received from the other party; information freely available to the general public; information which now is or hereafter becomes publicly known by other than a breach of confidentiality hereof; or information which is disclosed by a party pursuant to subpoena or other legal process and which as a result becomes lawfully obtainable by the general public.

SEC. 3.15 INDEMNIFICATION

The contractor shall indemnify, hold harmless, and defend the contracting agency from and against any claim of, or liability for error, omission or negligent act of the contractor under this agreement. The contractor shall not be required to indemnify the contracting agency for a claim of, or liability for, the independent negligence of the contracting agency. If there is a claim of, or liability for, the joint negligent error or omission of the contractor and the independent negligence of the contracting agency, the indemnification and hold harmless obligation shall be apportioned on a comparative fault basis. "Contractor" and "contracting agency", as used within this and the following article, include the employees, agents and other contractors who are directly responsible, respectively, to each. The term "independent negligence" is negligence other than in the contracting agency's selection, administration, monitoring, or controlling of the contractor and in approving or accepting the contractor's work.

SEC. 3.16 INSURANCE REQUIREMENTS

Without limiting contractor's indemnification, it is agreed that contractor shall purchase at its own expense and maintain in force at all times during the performance of services under this agreement the following policies of insurance. Where specific limits are shown, it is understood that they shall be the minimum acceptable limits. If the contractor's policy contains higher limits, the Trust shall be entitled to coverage to the extent of such higher limits.

Certificates of Insurance must be furnished to the procurement officer prior to beginning work and must provide for a notice of cancellation, non-renewal, or material change of conditions in accordance with policy provisions. Failure to furnish satisfactory evidence of insurance or lapse of the policy is a material breach of this contract and shall be grounds for termination of the contractor's services. All insurance policies shall comply with and be issued by insurers licensed to transact the business of insurance under AS 21.

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

Commercial General Liability Insurance: covering all business premises and operations used by the Contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

Commercial Automobile Liability Insurance: covering all vehicles used by the contractor in the performance of services under this agreement with minimum coverage limits of \$300,000 combined single limit per claim.

SEC. 3.17 TERMINATION FOR DEFAULT

If the project director or procurement officer determines that the contractor has refused to perform the work or has failed to perform the work with such diligence as to ensure its timely and accurate completion, the Trust may, by providing written notice to the contractor, terminate the contractor's right to proceed with part or all of the remaining work.

This clause does not restrict the Trust's termination rights under the contract provisions of Appendix A, attached in **SECTION 7. ATTACHMENTS**.

SECTION 4. PROPOSAL FORMAT AND CONTENT

SEC. 4.01 RFP SUBMITTAL FORMS

This RFP contains Submittal Forms, which must be completed by the offeror and submitted as their proposal. Electronic copies of the forms are posted along with this RFP. Offerors shall not re-create these forms, create their own forms, or edit the format structure of the forms unless permitted to do so.

Unless otherwise specified in this RFP, the Submittal Forms shall be the offeror's entire proposal. Do not include any marketing information in the proposal.

Any proposal that does not follow these requirements may be deemed non-responsive and rejected.

SEC. 4.02 SPECIAL FORMATTING REQUIREMENTS

The offeror must ensure that their proposal meets all special formatting requirements identified in this section.

Documents and Text: All attachment documents must be written in the English language, be single sided, and be single spaced with a minimum font size of 10. Pictures or graphics may be used if the offeror feels it is necessary to communicate their information, however, be aware of the page limit requirements.

Anonymity: Some Submittal Forms listed below must not contain any names that can be used to identify who the offeror is (such as company names, offeror name, company letterhead, personnel names, project names, subconsultant names, manufacturer or supplier names, or product names).

Page Limits: Some Submittal Forms listed below have maximum page limit requirements. Offerors must not exceed the maximum page limits. Note, the page limit applies to the front side of a page only (for example, '1 Page' implies that the offeror can only provide a response on one side of a piece of paper).

Submittal Form	Anonymous Document	Maximum Page Limits
Submittal Form A – Offeror Information and Certifications	No	
Submittal Form B – Experience and Qualifications	YES	5
Submittal Form C – Understanding of the Project	YES	5
Submittal Form D – Methodology Used for the Project	YES	5

Submittal Form E – Management Plan for the Project	YES	5
Submittal Form G – Cost Proposal	No	

Any Submittal Form that is being evaluated and does not follow these instructions may receive a ‘1’ score for the evaluated Submittal Form, or the entire response may be deemed non-responsive and rejected. Failure to submit any of the Submittal Forms will result in the proposal being deemed non-responsive and rejected.

SEC. 4.03 OFFEROR INFORMATION AND CERTIFICATIONS (SUBMITTAL FORM A)

The offeror must complete and submit this Submittal Form. The form must be signed by an individual authorized to bind the offeror to the provisions of the RFP.

By signature on the form, the offeror certifies they comply with the following:

- a) the laws of the State of Alaska;
- b) the applicable portion of the Federal Civil Rights Act of 1964;
- c) the Equal Employment Opportunity Act and the regulations issued thereunder by the federal government;
- d) the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the federal government;
- e) all terms and conditions set out in this RFP;
- f) a condition that the proposal submitted was independently arrived at, without collusion, under penalty of perjury; and
- g) that the offers will remain open and valid for at least 90 days.

If any offeror fails to comply with [a] through [g] of this paragraph, the Trust reserves the right to disregard the proposal, terminate the contract, or consider the contractor in default.

The Submittal Form also requests the following information:

- a) The complete name and address of offeror’s firm along with the offeror’s Tax ID.
- b) Information on the person the Trust should contact regarding the proposal.
- c) Names of critical team members/personnel.
- d) Addenda acknowledgement.
- e) Conflict of interest statement.
- f) Federal requirements.
- g) Alaska preference qualifications.

An offeror's failure to address/respond/include these items may cause the proposal to be determined to be non-responsive and the proposal may be rejected.

SEC. 4.04 EXPERIENCE AND QUALIFICATIONS (SUBMITTAL FORM B)

Offerors must provide detail on the personnel assigned to accomplish the work called for in this RFP; illustrate the lines of authority; designate the individual responsible and accountable for the completion of each component and deliverable of the RFP.

Offerors must provide a narrative description of the organization of the project team and a personnel roster that identifies each person who will actually work on the contract along with their titles and location(s) where work will be performed.

Offerors must also provide reference names and phone numbers for similar projects the offeror's firm has completed.

SPECIAL NOTE: The offeror shall not disclose their costs in this Submittal Form. This Submittal Form shall be kept anonymous and must not contain any names that can be used to identify who the offeror is and cannot exceed the page limit (as described in Section 4.02).

SEC. 4.05 UNDERSTANDING OF THE PROJECT (SUBMITTAL FORM C)

Offerors must provide comprehensive narrative statements that illustrate their understanding of the requirements of the project and the project schedule.

SPECIAL NOTE: The offeror shall not disclose their costs in this Submittal Form. This Submittal Form shall be kept anonymous and must not contain any names that can be used to identify who the offeror is and cannot exceed the page limit (as described in Section 4.02).

SEC. 4.06 METHODOLOGY USED FOR THE PROJECT (SUBMITTAL FORM D)

Offerors must provide comprehensive narrative statements that set out the methodology they intend to employ and illustrate how the methodology will serve to accomplish the work and meet the Trust's project schedule.

Offerors must provide comprehensive narrative statements that demonstrate its ability to complete the audit work in accordance with generally accepted auditing standards as set forth by the American Institute of Certified Public Accountants, and the standards for financial audits set forth in the U.S. Government Accountability Office's Government Auditing Standards.

SPECIAL NOTE: The offeror shall not disclose their costs in this Submittal Form. This Submittal Form shall be kept anonymous and must not contain any names that can be used to identify who the offeror is and cannot exceed the page limit (as described in Section 4.02).

SEC. 4.07 MANAGEMENT PLAN FOR THE PROJECT (SUBMITTAL FORM E)

Offerors must provide comprehensive narrative statements that set out the management plan they intend to follow and illustrate how the plan will serve to accomplish the work and meet the Trust's project schedule.

SPECIAL NOTE: The offeror shall not disclose their costs in this Submittal Form. This Submittal Form shall be kept anonymous and must not contain any names that can be used to identify who the offeror is and cannot exceed the page limit (as described in Section 4.02).

SEC. 4.08 COST PROPOSAL (SUBMITTAL FORM G)

Offerors must complete and submit this Submittal Form. Proposed costs must include all direct and indirect costs associated with the performance of the contract, including, but not limited to: total number of hours at various hourly rates, direct expenses, payroll, supplies, overhead assigned to each person working on the project, percentage of each person's time devoted to the project, and profit. The costs identified on the cost proposal are the total amount of costs to be paid by the Trust. No additional charges shall be allowed.

SECTION 5. EVALUATION CRITERIA AND CONTRACTOR SELECTION

SEC. 5.01 SUMMARY OF EVALUATION PROCESS

The Trust will use the following steps to evaluate and prioritize proposals:

- 1) Proposals will be assessed for overall responsiveness. Proposals deemed non-responsive will be eliminated from further consideration.
- 2) A proposal evaluation committee (PEC), made up of at least three state employees or public officials, will evaluate specific parts of the responsive proposals.
- 3) The Submittal Forms, from each responsive proposal, will be sent to the PEC. No cost information will be shared or provided to the PEC.
- 4) The PEC will independently evaluate and score the documents based on the degree to which they meet the stated evaluation criteria.
- 5) After independent scoring, the PEC will have a meeting, chaired by the procurement officer, where the PEC may have a group discussion prior to finalizing their scores.
- 6) The evaluators will submit their final individual scores to the procurement officer, who will then compile the scores and calculate awarded points as set out in Section 5.03.
- 7) The procurement officer will calculate scores for cost proposals as set out in Section 5.08 and add those scores to the awarded points along with factoring in any Alaska preferences.
- 8) The procurement officer may ask for best and final offers from offerors susceptible for award and revise the cost scores accordingly.
- 9) The Trust will then conduct any necessary negotiations with the highest scoring offeror and award a contract if the negotiations are successful.

SEC. 5.02 EVALUATION CRITERIA

Proposals will be evaluated based on their overall value to Trust, considering both cost and non-cost factors as described below. Note: An evaluation may not be based on discrimination due to the race, religion, color, national origin, sex, age, marital status, pregnancy, parenthood, disability, or political affiliation of the offeror.

Overall Criteria		Weight
Responsiveness		Pass/Fail

Qualifications Criteria		Weight
Experience and Qualifications	(Submittal Form B)	30
Understanding of the Project	(Submittal Form C)	5

Methodology Used for the Project	(Submittal Form D)	5
Management Plan for the Project	(Submittal Form E)	10
Total		50

Cost Criteria	Weight	
Cost Proposal	(Submittal Form F) 40	
Total		40

Preference Criteria	Weight
Alaska Offeror Preference (if applicable)	10
Total	10

TOTAL EVALUATION POINTS AVAILABLE: 100

SEC. 5.03 SCORING METHOD AND CALCULATION

The PEC will evaluate responses against the questions set out in Sections 5.04 through 5.07 and assign a single score for each section. Offerors' responses for each section will be rated comparatively against one another with each PEC member assigning a score of 1, 5, or 10 (with 10 representing the highest score, 5 representing the average score, and 1 representing the lowest score). Responses that are similar or lack dominant information to differentiate the offerors from each other will receive the same score. Therefore, it is the offeror's responsibility to provide dominant information and differentiate themselves from their competitors.

After the PEC has scored each section, the scores for each section will be totaled and the following formula will be used to calculate the amount of points awarded for that section:

$$\frac{\text{Offeror Total Score}}{\text{Highest Total Score Possible}} \times \text{Max Points} = \text{Points Awarded}$$

Example (Max Points for the Section = 100):

	PEC Member 1 Score	PEC Member 2 Score	PEC Member 3 Score	PEC Member 4 Score	Combined Total Score	Points Awarded
Offeror 1	10	5	5	10	30	75
Offeror 2	5	5	5	5	20	50
Offeror 3	10	10	10	10	40	100

Offeror 1 was awarded 75 points:

$$\frac{\text{Offeror Total Score (30)}}{\text{Highest Total Score Possible (40)}} \times \text{Max Points (100)} = \text{Points Awarded (75)}$$

Offeror 2 was awarded 50 points:

Offeror Total Score (20)
_____ x Max Points (100) = Points Awarded (50)
Highest Total Score Possible (40)

Offeror 3 was awarded 100 points:

Offeror Total Score (40)
_____ x Max Points (100) = Points Awarded (100)
Highest Total Score Possible (40)

SEC. 5.04 EXPERIENCE AND QUALIFICATIONS

This portion of the offeror's proposal will be evaluated against the following questions:

1) Questions regarding the personnel:

- a) Do the individuals assigned to the project have experience on similar projects?
- b) How extensive and applicable is the education and/or experience of the personnel designated to work on the project?

2) Questions regarding the firm:

- a) How well has the firm demonstrated experience in completing similar projects on time?
- b) How successful is the general history of the firm regarding timely and successful completion of projects?
- c) Has the firm provided references from previous clients?

SEC. 5.05 UNDERSTANDING OF THE PROJECT

This portion of the offeror's proposal will be evaluated against the following questions:

- 1) How well has the offeror demonstrated a thorough understanding of the purpose and scope of the project?
- 2) How well has the offeror identified pertinent issues and potential problems related to the project?
- 3) To what degree has the offeror demonstrated an understanding of the deliverables the Trust expects it to provide?
- 4) Has the offeror demonstrated an understanding of the Trust's time schedule and can meet it?

SEC. 5.06 METHODOLOGY USED FOR THE PROJECT

This portion of the offeror's proposal will be evaluated against the following questions:

- 1) Is the methodology comprehensive and does it depict a logical approach to fulfilling the requirements of the RFP?
- 2) How well does the methodology match and achieve the objectives set out in the RFP?

- 3) Does the methodology interface with the time schedule in the RFP?

SEC. 5.07 MANAGEMENT PLAN FOR THE PROJECT

This portion of the offeror's proposal will be evaluated against the following questions:

- 1) How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP?
- 2) Is project team organization and accountability complete and clearly defined?
- 3) Does the offeror have the hardware, software, equipment, and licenses necessary to perform the contract?
- 4) Does it appear that the offeror can meet the schedule set out in the RFP?
- 5) Has the offeror gone beyond the minimum tasks necessary to meet the objectives of the RFP?
- 6) To what degree is the proposal practical and feasible?
- 7) To what extent has the offeror identified potential problems?

SEC. 5.08 CONTRACT COST (COST PROPOSAL)

Overall, a minimum of 40% of the total evaluation points will be assigned to cost. After the procurement officer applies any applicable preferences, the offeror with the lowest total cost will receive the maximum number of points allocated to cost per 2 AAC 12.260(c). The point allocations for cost on the other proposals will be determined using the following formula:

$$[(\text{Price of Lowest Cost Proposal}) \times (\text{Maximum Points for Cost})] \div (\text{Cost of Each Higher Priced Proposal})$$

Example (Max Points for Contract Cost = 400):

Step 1

List all proposal prices, adjusted where appropriate by the application of applicable preferences claimed by the offeror.

Offeror #1	\$40,000
Offeror #2	\$42,750
Offeror #3	\$47,500

Step 2

In this example, the RFP allotted 40% of the available 1,000 points to cost. This means that the lowest cost will receive the maximum number of points.

Offeror #1 receives 400 points.

The reason they receive that amount is because the lowest cost proposal, in this case \$40,000, receives the maximum number of points allocated to cost, 400 points.

Offeror #2 receives 374.3 points.

$$\$40,000 \text{ lowest cost} \times 400 \text{ maximum points for cost} = 16,000,000 \div \$42,750 \text{ cost of Offeror \#2's proposal} = 374.3$$

Offeror #3 receives 336.8 points.

\$40,000 lowest cost x 400 maximum points for cost = 16,000,000 ÷ \$47,500 cost of Offeror #3's proposal = 336.8

SEC. 5.09 APPLICATION OF PREFERENCES

Certain preferences apply to all Trust contracts, regardless of their dollar value. The Alaska Bidder, Alaska Veteran, and Alaska Offeror preferences are the most common preferences involved in the RFP process. Additional preferences that may apply to this procurement are listed below. Guides that contain excerpts from the relevant statutes and codes, explain when the preferences apply and provide examples of how to calculate the preferences are available at the following website:

<http://doa.alaska.gov/dgs/pdf/pref1.pdf>

- Alaska Products Preference - AS 36.30.332
- Recycled Products Preference - AS 36.30.337
- Local Agriculture and Fisheries Products Preference - AS 36.15.050
- Employment Program Preference - AS 36.30.321(b)
- Alaskans with Disabilities Preference - AS 36.30.321(d)
- Alaska Veteran's Preference - AS 36.30.321(f)

The Division of Vocational Rehabilitation in the Department of Labor and Workforce Development keeps a list of qualified employment programs and individuals who qualify as persons with a disability. As evidence of a business' or an individual's right to the Employment Program or Alaskans with Disabilities preferences, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of these preferences, a business or individual must be on the appropriate Division of Vocational Rehabilitation list prior to the time designated for receipt of proposals. Offerors must attach a copy of their certification letter to the proposal. **An offeror's failure to provide this certification letter with their proposal will cause the Trust to disallow the preference.**

SEC. 5.10 ALASKA BIDDER PREFERENCE

An Alaska Bidder Preference of 5% will be applied to the price in the proposal. The preference will be given to an offeror who:

- 1) holds a current Alaska business license prior to the deadline for receipt of proposals;
- 2) submits a proposal for goods or services under the name appearing on the offeror's current Alaska business license;
- 3) has maintained a place of business within the state staffed by the offeror, or an employee of the offeror, for a period of six months immediately preceding the date of the proposal;
- 4) is incorporated or qualified to do business under the laws of the state, is a sole proprietorship and the proprietor is a resident of the state, is a limited liability company (LLC) organized under AS 10.50 and all members are residents of the state, or is a partnership under AS 32.06 or AS 32.11 and all partners are residents of the state; and
- 5) if a joint venture, is composed entirely of ventures that qualify under (1)-(4) of this subsection.

Alaska Bidder Preference Certification Form

In order to receive the Alaska Bidder Preference, the proposal must include the Alaska Bidder Preference Certification Form attached to this RFP. An offeror does not need to complete the Alaska Veteran Preference questions on the form if not claiming the Alaska Veteran Preference. An offeror's failure to provide this completed form with their proposal will cause the Trust to disallow the preference.

SEC. 5.11 ALASKA VETERAN PREFERENCE

An Alaska Veteran Preference of 5%, not to exceed \$5,000, will be applied to the price in the proposal. The preference will be given to an offeror who qualifies under AS 36.30.990(2) as an Alaska bidder and is a:

- A. sole proprietorship owned by an Alaska veteran;
- B. partnership under AS 32.06 or AS 32.11 if a majority of the partners are Alaska veterans;
- C. limited liability company organized under AS 10.50 if a majority of the members are Alaska veterans; or
- D. corporation that is wholly owned by individuals, and a majority of the individuals are Alaska veterans.

In accordance with AS 36.30.321(i), the bidder must also add value by actually performing, controlling, managing, and supervising the services provided, or for supplies, the bidder must have sold supplies of the general nature solicited to other state agencies, other government, or the general public.

Alaska Veteran Preference Certification

In order to receive the Alaska Veteran Preference, the proposal must include the Alaska Bidder Preference Certification Form attached to this RFP. An offeror's failure to provide this completed form with their proposal will cause the Trust to disallow the preference.

SEC. 5.12 ALASKA OFFEROR PREFERENCE

Per 2 AAC 12.260, if an offeror qualifies for the Alaska Bidder Preference, the offeror will receive an Alaska Offeror Preference. The preference will be 10% of the total available points, which will be added to the offeror's overall evaluation score.

Example:

Step 1

Determine the number of points available to qualifying offerors under this preference:

1000 Total Points Available in RFP x 10% Alaska Offeror preference = 100 Points for the preference

Step 2

Determine which offerors qualify as Alaska bidders and thus, are eligible for the Alaska Offeror preference. For the purpose of this example, presume that all proposals have been completely evaluated based on the evaluation criteria in the RFP. The scores at this point are:

Offeror #1	830 points	No Preference	0 points
Offeror #2	740 points	Alaska Offeror Preference	100 points
Offeror #3	800 points	Alaska Offeror Preference	100 points

Step 3

Add the applicable Alaska Offeror preference amounts to the offerors' scores:

Offeror #1	830 points
Offeror #2	840 points (740 points + 100 points)
Offeror #3	900 points (800 points + 100 points)

Offeror #3 is the

SEC. 5.13 OFFEROR NOTIFICATION OF SELECTION

After the completion of contract negotiation, the procurement officer will issue a written Notice of Intent to Award and send copies of that notice to all offerors who submitted proposals. The notice will list the names of all offerors and identify the offeror selected for award.

SECTION 6. GENERAL PROCESS AND LEGAL INFORMATION

SEC. 6.01 INFORMAL DEBRIEFING

When the contract is completed, an informal debriefing may be performed at the discretion of the project director or procurement officer. If performed, the scope of the debriefing will be limited to the work performed by the contractor.

SEC. 6.02 ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES

Prior to the award of a contract, an offeror must hold a valid Alaska business license. However, in order to receive the Alaska Bidder Preference and other related preferences, such as the Alaska Veteran Preference and Alaska Offeror Preference, an offeror must hold a valid Alaska business license prior to the deadline for receipt of proposals. Offerors should contact the **Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing** for information on these licenses. Acceptable evidence that the offeror possesses a valid Alaska business license may consist of any one of the following:

- copy of an Alaska business license;
- certification on the proposal that the offeror has a valid Alaska business license and has included the license number in the proposal;
- a canceled check for the Alaska business license fee;
- a copy of the Alaska business license application with a receipt stamp from the state's occupational licensing office; or
- a sworn and notarized statement that the offeror has applied and paid for the Alaska business license.

You are not required to hold a valid Alaska business license at the time proposals are opened if you possess one of the following licenses and are offering services or supplies under that specific line of business:

- fisheries business licenses issued by Alaska Department of Revenue or Alaska Department of Fish and Game,
- liquor licenses issued by Alaska Department of Revenue for alcohol sales only,

- insurance licenses issued by Alaska Department of Commerce, Community and Economic Development, Division of Insurance, or
- Mining licenses issued by Alaska Department of Revenue.

Prior the deadline for receipt of proposals, all offerors must hold any other necessary applicable professional licenses required by Alaska Statute.

SEC. 6.03 STANDARD CONTRACT PROVISIONS

The contractor will be required to sign the Trust's Standard Agreement Form - Appendix A. This form is attached with the RFP for your review. The contractor must comply with the contract provisions set out in this attachment. No alteration of these provisions will be permitted without prior written approval from the Department of Law, and the Trust reserves the right to reject a proposal that is non-compliant or takes exception with the contract terms and conditions stated in the Agreement. Any requests to change language in this document (adjust, modify, add, delete, etc.), must be set out in the offeror's proposal in a separate document. Please include the following information with any change that you are proposing:

- 1) Identify the provision that the offeror takes exception with.
- 2) Identify why the provision is unjust, unreasonable, etc.
- 3) Identify exactly what suggested changes should be made.

SEC. 6.04 QUALIFIED OFFERORS

Per 2 AAC 12.875, unless provided for otherwise in the RFP, to qualify as an offeror for award of a contract issued under AS 36.30, the offeror must:

- 1) Add value in the contract by actually performing, controlling, managing, or supervising the services to be provided; or
- 2) Be in the business of selling and have actually sold on a regular basis the supplies that are the subject of the RFP.

If the offeror leases services or supplies or acts as a broker or agency in providing the services or supplies in order to meet these requirements, the procurement officer may not accept the offeror as a qualified offeror under AS 36.30.

SEC. 6.05 PROPOSAL AS PART OF THE CONTRACT

Part of all of this RF and the successful proposal may be incorporated into the contract.

SEC. 6.06 ADDITIONAL TERMS AND CONDITIONS

The Trust reserves the right to add terms and conditions during contract negotiations. These terms and conditions will be within the scope of the RFP and will not affect the proposal evaluations.

SEC. 6.07 HUMAN TRAFFICKING

By signature on their proposal, the offeror certifies that the offeror is not established and headquartered or incorporated and headquartered in a country recognized as Tier 3 in the most recent United States Department of State's Trafficking in Persons Report.

The most recent United States Department of State's Trafficking in Persons Report can be found at the following website: <https://www.state.gov/trafficking-in-persons-report/>

Failure to comply with this requirement will cause the state to reject the proposal as non-responsive or cancel the contract.

SEC. 6.08 RIGHT OF REJECTION

Offerors must comply with all of the terms of the RFP, the State Procurement Code (AS 36.30), and all applicable local, state, and federal laws, codes, and regulations. The procurement

officer may reject any proposal that does not comply with all of the material and substantial terms, conditions, and performance requirements of the RFP.

Offerors may not qualify the proposal nor restrict the rights of the Trust. If an offeror does so, the procurement officer may determine the proposal to be a non-responsive counter-offer and the proposal may be rejected.

Minor informalities that:

- do not affect responsiveness;
- are merely a matter of form or format;
- do not change the relative standing or otherwise prejudice other offers;
- do not change the meaning or scope of the RFP;
- are trivial, negligible, or immaterial in nature;
- do not reflect a material change in the work; or
- do not constitute a substantial reservation against a requirement or provision;

may be waived by the procurement officer.

The Trust reserves the right to refrain from making an award if it determines that to be in its best interest. **A proposal from a debarred or suspended offeror shall be rejected.**

SEC. 6.09 TRUST NOT RESPONSIBLE FOR PREPARATION COSTS

The Trust will not pay any cost associated with the preparation, submittal, presentation, or evaluation of any proposal.

SEC. 6.10 DISCLOSURE OF PROPOSAL CONTENTS

All proposals and other material submitted become the property of the Trust and may be returned only at the Trust's option. AS 40.25.110 requires public records to be open to reasonable inspection. All proposal information, including detailed price and cost information, will be held in confidence during the evaluation process and prior to the time a Notice of Intent to Award is issued. Thereafter, proposals will become public information.

Trade secrets and other proprietary data contained in proposals may be held confidential if the offeror requests, in writing, that the contracting officer does so, and if the contracting officer agrees, in writing, to do so. The offeror's request must be included with the proposal, must clearly identify the information they wish to be held confidential, and include a statement that sets out the reasons for confidentiality. Unless the contracting officer agrees in writing to hold the requested information confidential, that information will also become public after the Notice of Intent to Award is issued.

SEC. 6.11 ASSIGNMENT

Per 2 AAC 12.480, the contractor may not transfer or assign any portion of the contract without prior written approval from the procurement officer.

SEC. 6.12 DISPUTES

A contract resulting from this RFP is governed by the laws of the State of Alaska. If the contractor has a claim arising in connection with the agreement that it cannot resolve with the Trust by mutual agreement, it shall pursue the claim, if at all, in accordance with the provisions of AS 36.30.620 – AS 36.30.632. To the extent not otherwise governed by the preceding, the claim shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

SEC. 6.13 SEVERABILITY

If any provision of the contract or agreement is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions will not be affected; and, the rights and obligations of the parties will be construed and enforced as if the contract did not contain the particular provision held to be invalid.

SEC. 6.14 SUPPLEMENTAL TERMS AND CONDITIONS

Proposals must comply with Section 6.08 Right of Rejection. However, if the Trust fails to identify or detect supplemental terms or conditions that conflict with those contained in this RFP or that diminish the Trust's rights under any contract resulting from the RFP, the term(s) or condition(s) will be considered null and void. After award of contract:

If conflict arises between a supplemental term or condition included in the proposal and a term or condition of the RFP, the term or condition of the RFP will prevail; and

If the Trust's rights would be diminished as a result of application of a supplemental term or condition included in the proposal, the supplemental term or condition will be considered null and void.

SEC. 6.15 SOLICITATION ADVERTISING

Public notice has been provided in accordance with 2 AAC 12.220.

SEC. 6.16 CLARIFICATION OF OFFERS

In order to determine if a proposal is reasonably susceptible for award, communications by the procurement officer or the proposal evaluation committee (PEC) are permitted with an offeror to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications may not result in a material or substantive change to the proposal. The evaluation by the procurement officer or the PEC may be adjusted as a result of a clarification under this section.

SEC. 6.17 DISCUSSIONS WITH OFFERORS

The Trust may conduct discussions with offerors in accordance with AS 36.30.240 and 2 AAC 12.290. The purpose of these discussions will be to ensure full understanding of the requirements of the RFP and proposal. Discussions will be limited to specific sections of the RFP or proposal identified by the procurement officer. Discussions will only be held with offerors who have submitted a proposal deemed reasonably susceptible for award by the procurement officer. Discussions, if held, will be after initial evaluation of proposals by the procurement officer or the PEC. If modifications are made as a result of these discussions they will be put in writing. Following

discussions, the procurement officer may set a time for best and final proposal submissions from those offerors with whom discussions were held. Proposals may be reevaluated after receipt of best and final proposal submissions.

If an offeror does not submit a best and final proposal or a notice of withdrawal, the offeror's immediate previous proposal is considered the offeror's best and final proposal.

Offerors with a disability needing accommodation should contact the procurement officer prior to the date set for discussions so that reasonable accommodation can be made. Any oral modification of a proposal must be reduced to writing by the offeror.

SEC. 6.18 CONTRACT NEGOTIATION

After final evaluation, the procurement officer may negotiate with the offeror of the highest-ranked proposal. Negotiations, if held, shall be within the scope of the request for proposals and limited to those items which would not have an effect on the ranking of proposals. If the highest-ranked offeror fails to provide necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the Trust may terminate negotiations and negotiate with the offeror of the next highest-ranked proposal. If contract negotiations are commenced, they may be held via Zoom.

SEC. 6.19 FAILURE TO NEGOTIATE

If the selected offeror

- fails to provide the information required to begin negotiations in a timely manner; or
- fails to negotiate in good faith; or
- indicates they cannot perform the contract within the budgeted funds available for the project; or
- if the offeror and the Trust, after a good faith effort, simply cannot come to terms,

the Trust may terminate negotiations with the offeror initially selected and commence negotiations with the next highest ranked offeror.

SEC. 6.20 FEDERALLY IMPOSED TARIFFS

Changes in price (increase or decrease) resulting directly from a new or updated federal tariff, excise tax, or duty, imposed after contract award may be adjusted during the contract period or before delivery into the United States via contract amendment.

- **Notification of Changes:** The contractor must promptly notify the procurement officer in writing of any new, increased, or decreased federal excise tax or duty that may result in either an increase or decrease in the contact price and shall take appropriate action as directed by the procurement officer.
- **After-imposed or Increased Taxes and Duties:** Any federal excise tax or duty for goods or services covered by this contract that was exempted or excluded on the contract award date but later imposed on the contractor during the contract period, as the result of legislative, judicial, or administrative action may result in a price increase provided:
 - a) The tax or duty takes effect after the contract award date and isn't otherwise addressed by the contract;

- b) The contractor warrants, in writing, that no amount of the newly imposed federal excise tax or duty or rate increase was included in the contract price, as a contingency or otherwise.
- **After-relieved or Decreased Taxes and Duties:** The contract price shall be decreased by the amount of any decrease in federal excise tax or duty for goods or services under the contract, except social security or other employment taxes, that the contractor is required to pay or bear, or does not obtain a refund of, through the contractor's fault, negligence, or failure to follow instructions of the procurement officer.
 - **Trust's Ability to Make Changes:** The Trust reserves the right to request verification of federal excise tax or duty amounts on goods or services covered by this contract and increase or decrease the contract price accordingly.
 - **Price Change Threshold:** No adjustment shall be made in the contract price under this clause unless the amount of the adjustment exceeds \$250.

SEC. 6.21 PROTEST

AS 36.30.560 provides that an interested party may protest the content of the RFP.

An interested party is defined in 2 AAC 12.990(a) (7) as "an actual or prospective bidder or offeror whose economic interest might be affected substantially and directly by the issuance of a contract solicitation, the award of a contract, or the failure to award a contract."

If an interested party wishes to protest the content of a solicitation, the protest must be received, in writing, by the procurement officer at least ten days prior to the deadline for receipt of proposals.

AS 36.30.560 also provides that an interested party may protest the award of a contract or the proposed award of a contract.

If an offeror wishes to protest the award of a contract or the proposed award of a contract, the protest must be received, in writing, by the procurement officer within ten days after the date the Notice of Intent to Award the contract is issued.

A protester must have submitted a proposal in order to have sufficient standing to protest the proposed award of a contract. Protests must include the following information:

- the name, address, and telephone number of the protester;
- the signature of the protester or the protester's representative;
- identification of the contracting agency and the solicitation or contract at issue;
- a detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and the form of relief requested.

Protests filed by telex or telegram are not acceptable because they do not contain a signature. Fax copies containing a signature are acceptable.

The procurement officer will issue a written response to the protest. The response will set out the procurement officer's decision and contain the basis of the decision within the statutory time limit in AS 36.30.580. A copy of the decision will be furnished to the protester by certified mail, fax or another method that provides evidence of receipt.

All offerors will be notified of any protest. The review of protests, decisions of the procurement officer, appeals, and hearings, will be conducted in accordance with the State Procurement Code (AS 36.30), Article 8 "Legal and Contractual Remedies."

SECTION 7. ATTACHMENTS

SEC. 7.01 ATTACHMENTS

Attachments:

- 1) Submittal Forms A-G
- 2) Standard Agreement Form - Appendix A

APPENDIX A
GENERAL PROVISIONS

Article 1. Definitions.

- 1.1 In this contract and appendices, "Project Director" or "Agency Head" or "Procurement Officer" means the person who signs this contract on behalf of the Requesting Agency and includes a successor or authorized representative.
- 1.2 "State Contracting Agency" means the department for which this contract is to be performed and for which the Commissioner or Authorized Designee acted in signing this contract.

Article 2. Inspection and Reports.

- 2.1 The department may inspect, in the manner and at reasonable times it considers appropriate, all the contractor's facilities and activities under this contract.
- 2.2 The contractor shall make progress and other reports in the manner and at the times the department reasonably requires.

Article 3. Disputes.

- 3.1 Any dispute concerning a question of fact arising under this contract which is not disposed of by mutual agreement shall be decided in accordance with AS 36.30.620-632.

Article 4. Equal Employment Opportunity.

- 4.1 The contractor may not discriminate against any employee or applicant for employment because of race, religion, color, national origin, or because of age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood when the reasonable demands of the position(s) do not require distinction on the basis of age, physical handicap, sex, marital status, changes in marital status, pregnancy, or parenthood. The contractor shall take affirmative action to insure that the applicants are considered for employment and that employees are treated during employment without unlawful regard to their race, color, religion, national origin, ancestry, physical handicap, age, sex, marital status, changes in marital status, pregnancy or parenthood. This action must include, but need not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training including apprenticeship. The contractor shall post in conspicuous places, available to employees and applicants for employment, notices setting out the provisions of this paragraph.
- 4.2 The contractor shall state, in all solicitations or advertisements for employees to work on State of Alaska contract jobs, that it is an equal opportunity employer and that all qualified applicants will receive consideration for employment without regard to race, religion, color, national origin, age, physical handicap, sex, marital status, changes in marital status, pregnancy or parenthood.
- 4.3 The contractor shall send to each labor union or representative of workers with which the contractor has a collective bargaining agreement or other contract or understanding a notice advising the labor union or workers' compensation representative of the contract's commitments under this article and post copies of the notice in conspicuous places available to all employees and applicants for employment.
- 4.4 The contractor shall include the provisions of this article in every contract, and shall require the inclusion of these provisions in every contract entered into by any of its subcontractors, so that those provisions will be binding upon each subcontractor. For the purpose of including those provisions in any contract or subcontract, as required by this contract, "contractor" and "subcontractor" may be changed to reflect appropriately the name or designation of the parties of the contract or subcontract.
- 4.5 The contractor shall cooperate fully with State efforts which seek to deal with the problem of unlawful discrimination, and with all other State efforts to guarantee fair employment practices under this contract, and promptly comply with all requests and directions from the State Commission for Human Rights or any of its officers or agents relating to prevention of discriminatory employment practices.
- 4.6 Full cooperation in paragraph 4.5 includes, but is not limited to, being a witness in any proceeding involving questions of unlawful discrimination if that is requested by any official or agency of the State of Alaska; permitting employees of the contractor to be witnesses or complainants in any proceeding involving questions of unlawful discrimination, if that is requested by any official or agency of the State of Alaska; participating in meetings; submitting periodic reports on the equal employment aspects of present and future employment; assisting inspection of the contractor's facilities; and promptly complying with all State directives considered essential by any office or agency of the State of Alaska to insure compliance with all federal and State laws, regulations, and policies pertaining to the prevention of discriminatory employment practices.
- 4.7 Failure to perform under this article constitutes a material breach of the contract.

Article 5. Termination

The Project Director, by written notice, may terminate this contract, in whole or in part, when it is in the best interest of the State. The State is liable only for payment in accordance with the payment provision of this contract for services rendered before the effective date of termination.

Article 6. No Assignment or Delegation.

The contractor may not assign or delegate this contract, or any part of it, or any right to any of the money to be paid under it, except with the written consent of the Project Director and the Agency Head.

Article 7. No Additional Work or Material.

No claim for additional services, not specifically provided in this contract, performed or furnished by the contractor, will be allowed, nor may the contractor do any work or furnish any material not covered by the contract unless the work or material is ordered in writing by the Project Director and approved by the Agency Head.

Article 8. Independent Contractor.

The contractor and any agents and employees of the contractor act in an independent capacity and are not officers or employees or agents of the State in the performance of this contract.

Article 9. Payment of Taxes.

As a condition of performance of this contract, the contractor shall pay all federal, State, and local taxes incurred by the contractor and shall require their payment by any Subcontractor or any other persons in the performance of this contract. Satisfactory performance of this paragraph is a condition precedent to payment by the State under this contract.

Article 10. Ownership of Documents.

All designs, drawing, specifications, notes, artwork, and other work developed in the performance of this agreement are produced for hire and remain the sole property of the State of Alaska and may be used by the State for any other purpose without additional compensation to the contractor. The contractor agrees not to assert any rights and not to establish any claim under the design patent or copyright laws. The contractor, for a period of three years after final payment under this contract, agrees to furnish and provide access to all retained materials at the request of the Project Director. Unless otherwise directed by the Project Director, the contractor may retain copies of all the materials.

Article 11. Governing Law.

This contract is governed by the laws of the State of Alaska. All actions concerning this contract shall be brought in the Superior Court of the State of Alaska.

Article 12. Conflicting Provisions.

Unless specifically amended and approved by the department of Law the General Provisions of this contract supersede any provisions in other appendices.

Article 13. Officials Not to Benefit.

Contractor must comply with all applicable federal or State laws regulating ethical conduct of public officers and employees.

Article 14. Covenant Against Contingent Fees.

The contractor warrants that no person or agency has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, contingent fee, or brokerage except employees or agencies maintained by the contractor for the purpose of securing business.

For the breach or violation of this warranty, the State may terminate this contract without liability or in its discretion deduct from the contract price or consideration the full amount of the commission, percentage, brokerage, or contingent fee.