

STATE OF ALASKA

INVITATION TO BID (ITB)



DMV KNOWLEDGE TESTING

ITB 2027-0200-0100 02-100-27

ISSUED SEPTEMBER 17, 2026

THE STATE OF ALASKA, DIVISION OF MOTOR VEHICLES, IS SEEKING BIDS TO PROCURE A COMPREHENSIVE SOLUTION THAT INCLUDES BOTH A SECURE ONLINE DRIVER KNOWLEDGE TESTING PLATFORM AND PROFESSIONAL SERVICES FOR THE DEVELOPMENT, VALIDATION, MAINTENANCE, REVISION, AND ONGOING SUPPORT OF DMV KNOWLEDGE EXAMINATIONS.

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 below if you desire to receive notification of subsequent amendments to the solicitation.

BIDDER'S NOTICE: By signature on this form, the bidder certifies that they comply with the following:

- (1) the bidder has a valid Alaska business license or will obtain one prior to award of any contract resulting from this ITB. If the bidder possesses a valid Alaska business license, the license number must be written below or one the following forms of evidence must be submitted with the bid:
 - a canceled check for the business license fee;
 - a copy of the business license application with a receipt date stamp from the State's business license office;
 - a receipt from the State's business license office for the license fee;
 - a copy of the bidder's valid business license;
 - a sworn notarized affidavit that the bidder has applied and paid for a business license;
- (2) the price(s) submitted was arrived at independently and without collusion, under penalty of perjury, and that the bidder is complying with:
 - the laws of the State of Alaska;
 - the applicable portion of the Federal Civil Rights Act of 1964;
 - the Equal Employment Opportunity Act and the regulations issued thereunder by the state and federal government;
 - the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the state and federal government;
 - the bid will remain open and valid for at least 90 days;
 - all terms and conditions set out in this Invitation to Bid (ITB).

If a bidder does not hold an Alaska Business License (1) at the time designated in the ITB for opening the state will disallow the Alaska Bidder Preference. Bids must also be submitted under the name as appearing on the bidder's current Alaska business license in order to receive the Alaska Bidder Preference. If a bidder fails to comply with (2) of this paragraph, the state may reject the bid, terminate the contract, or consider the contractor in default.

DEPARTMENT OF ADMINISTRATION	
OFFICE OF PROCUREMENT AND PROPERTY MANAGEMENT	COMPANY SUBMITTING BID
	AUTHORIZED SIGNATURE
PROCUREMENT OFFICER: TAYLOR LADNER	PRINTED NAME
EMAIL: DOA.OPPM.PROCUREMENT@ALASKA.GOV	DATE

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SECTION 1. INTRODUCTION & INSTRUCTIONS

SEC. 1.01 PURPOSE OF THE ITB

The Department of Administration, Division of Motor Vehicles, is soliciting bids for a qualified contractor to provide professional services for the development, maintenance, validation, revision, and ongoing support of statewide driver licensing knowledge examinations.

Services include creating and maintaining examination questions for non-commercial driver licensing, motorcycle endorsements, and alcohol awareness examinations. The contractor shall ensure all examination materials remain legally compliant, sound, secure, and reflective of current Alaska laws, regulations, and DMV policies.

SEC. 1.02 BUDGET

The Department of Administration, Division of Motor Vehicles, is not establishing a budget for this contract. The contractor shall provide all software solutions and services described in this ITB at no cost to the State.

As compensation under the contract, the contractor shall receive a fixed Price-per-Test (PPT) fee and the applicable credit card processing fee for each Knowledge Test conducted through their Knowledge Test Solution (KTS) to Home Applicants. Home Applicants are responsible for paying both the PPT fee and the applicable credit card processing fee for each Knowledge Test they take.

SEC. 1.03 DEADLINE FOR RECEIPT OF BIDS

Bids must be received no later than 2:00:00 PM Alaska Time on October 1, 2026. Late bids or amendments will be considered non-responsive and will not be opened or accepted for evaluation.

SEC. 1.04 PRIOR EXPERIENCE

In order for a bid to be considered responsive the bidder must meet these minimum prior experience requirements:

- Experience with **ADA/WCAG 2.1 AA accessibility compliance**.
- Experience with **identity verification and authentication**.
- Availability of a **99.9% or greater uptime Service Level Agreement (SLA)**.
- **Help desk** with defined response and resolution times.
- Experience performing **remote online proctoring** (if Alaska chooses to implement it later).
- Ability to configure different exam types (non-commercial, motorcycle, alcohol awareness, REAL ID knowledge modules, etc.) without requiring vendor programming.
- Support for detailed analytics, reporting dashboards, and audit logs for testing activity.

At a minimum, the contractor shall:

- Have a minimum of **three** years of experience developing, implementing, and supporting secure computer-based testing (CBT) or online examination systems for government agencies, educational institutions, or other regulated organizations.
- Have successfully completed **at least two comparable implementations** within the last three years, involving online testing systems with secure administration, user authentication, scoring, reporting, and administrative management capabilities.

Bidders must provide at least **three Client Reference Forms**, provided as an attachment to the ITB, for organizations currently using or that have recently used the proposed testing solution. References must include organization name, project description, implementation date, and contact information.

A bidder's failure to meet these minimum prior experience requirements may cause their bid to be considered non-responsive and rejected.

SEC. 1.05 REQUIRED REVIEW

Bidders shall carefully review this ITB for defects and questionable or objectionable material. Comments concerning defects and questionable or objectionable material in the ITB should be made in writing and received by the procurement officer prior to the deadline for receipt of bids. This will allow time for an amendment to be issued if one is required. It will also help prevent the opening of a defective bid, upon which award cannot be made, and the resultant exposure of bidders' prices.

SEC. 1.06 QUESTIONS PRIOR TO DEADLINE FOR RECEIPT OF BIDS

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 ITB. These questions may be answered over the telephone. Other questions may be more complex and may require a written amendment to the ITB. The procurement officer will make that decision.

SEC. 1.07 RETURN INSTRUCTIONS

Bidders must submit their bid via email to doa.oppm.procurement@alaska.gov and must contain the ITB number in the subject line of the email. The State will **not accept bids, documents, or correspondence submitted through third-party portals, encrypted email services, or any platform requiring special access credentials or additional authentication**. All submissions must be made in accordance with the instructions provided in this ITB. A bidder's failure to comply with these requirements will cause their bid to be considered non-responsive and rejected.

The **maximum** size of a single email (including all text and attachments) that can be received by the state is **20mb (megabytes)**. If the email containing the bid exceeds this size, the bid must be sent in multiple emails that are each less than 20 megabytes and each email must comply with the requirements described above.

Please note that email transmission is not instantaneous. Like sending a hard copy bid, if you are emailing your bid, the state recommends sending it enough ahead of time to ensure the email is delivered by the deadline for receipt of bids.

It is the bidder's responsibility to contact the issuing agency at doa.oppm.procurement@alaska.gov to confirm that the entire bid has been received. The state is not responsible for unreadable, corrupt, or missing attachments.

SEC. 1.08 ASSISTANCE TO BIDDERS WITH A DISABILITY

The State of Alaska complies with Title II of the Americans with Disabilities Act of 1990. Individuals with disabilities who may need auxiliary aids, services, and/or special modifications to submit a bid should contact the Procurement Officer via email at doa.oppm.procurement@alaska.gov no later than ten days prior to the closing of the bid to make any necessary arrangements.

SEC. 1.09 AMENDMENTS TO BIDS

Amendments to or withdrawals of bids will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of bids, in accordance with 2 AAC 12.140. No amendments or withdrawals will be accepted after the deadline unless the delay is due to an error of the contracting agency, in accordance with 2 AAC 12.160.

SEC. 1.10 AMENDMENTS TO THE ITB

If an amendment is issued before the deadline for receipt of bids, the amendment will be posted on the State of Alaska Online Public Notice (OPN) website. The link to the posting of the amendment will be provided to all who were notified of the ITB and to those who have registered with the procurement officer after receiving the ITB from the OPN.

SEC. 1.11 ITB SCHEDULE

The ITB schedule below represents the State of Alaska's best estimate of the schedule that will be followed. If a component of this schedule, such as the deadline for receipt of bids, is delayed, the rest of the schedule may be shifted accordingly. All times are Alaska Standard Time (AST).

ACTIVITY	TIME	DATE
Issue Date / ITB Released		September 17, 2026
Pre-Bid Conference	11:00 AM AKST	September 23, 2026
Last Day for Questions		September 25, 2026
Deadline for Receipt of Bids / Bid Due Date	2:00:00 PM AKST	October 1, 2026
Bid Evaluations Complete (Approximately week of)		October 5, 2026
Notice of Intent to Award (Approximately week of)		October 5, 2026
Contract Issued		October 16, 2026

This ITB does not, by itself, obligate the state. The state's obligation will commence when the contract is approved by the Commissioner of the Department of Administration, or the Commissioner's designee. Upon written notice to the contractor, the state may set a different starting date for the contract. The state 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 state.

SEC. 1.12 PRE-BID TELECONFERENCE

A pre-bid teleconference will be held at **11:00 AM**, Alaska Time, on **September 23, 2026**, via Microsoft Teams meeting. The purpose of the teleconference is to discuss the work to be performed with prospective bidders and allow them to ask questions concerning the ITB. Bidders should read the ITB in full and come to the meeting prepared to discuss any questions or concerns.

All interested bidders must register with the procurement officer via email at doa.oppm.procurement@alaska.gov. It is highly recommended that any pre-bid teleconference questions be submitted to this email prior to the pre-bid teleconference.

Bidders with a disability needing accommodation should contact the procurement officer prior to the date set for the pre-bid conference so that reasonable accommodation can be provided.

SEC. 1.13 ALTERNATE BIDS

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

SEC. 1.14 SUPPORTING INFORMATION

Provided a bid meets the requirements for a definite, firm, unqualified, and unconditional offer, the state reserves the right to request supplemental information from the bidder, after the bids have been opened, to ensure that the products or services offered completely meet the ITB requirements. The requirement for such supplemental information will be at the reasonable discretion of the state and may include the requirement that a bidder will provide a sample product(s) so that the state can make a first-hand examination and determination.

A bidder's failure to provide this supplemental information or the product sample(s), within the time set by the state, may cause the state to consider the offer non-responsive and reject the bid.

SEC. 1.15 FIRM, UNQUALIFIED, AND UNCONDITIONAL OFFER

To be responsive a bid must constitute a definite, firm, unqualified and unconditional offer to meet all the material terms of the ITB. Material terms are those that could affect the price, quantity, quality, or delivery. Also included as material terms are those which are clearly identified in the ITB, and which must be complied with at risk of bid rejection for non-responsiveness.

SECTION 2. SCOPE OF WORK AND CONTRACT INFORMATION

SEC. 2.01 SCOPE OF WORK

The Department of Administration (DOA), Division of Motor Vehicles (DMV) seeks to procure a comprehensive DMV Knowledge Testing solution that includes both a secure online driver knowledge testing platform and professional services for the development, validation, maintenance, revision, and ongoing support of the Division's knowledge examinations. Those exams include but are not limited to non-commercial driver licensing, motorcycle licensing, and alcohol awareness. The contractor shall provide the technology, security, hosting, integration, and technical support necessary to administer online examinations while ensuring all examination content remains legally defensible, current, reliable, and compliant with applicable federal and state requirements.

The primary objectives of this project are to:

- Develop legally defensible, valid, and reliable knowledge examinations that accurately assess applicants' understanding of Alaska motor vehicle laws, regulations, and safe driving practices.
- Ensure all examinations comply with the following applicable federal regulations, Alaska statutes, administrative regulations, and nationally recognized testing standards:

Knowledge Test	Alaska Statute	Alaska Administration Code
Non-Commercial Driver's License General Knowledge Test	AS 28.15.051 – Examination of Applicants	2 AAC 90.420 – Application for Driver's License
Alcohol Awareness Knowledge Test	AS 28.15.085 – Alcohol and Drug Awareness and Safety Examination of Applicants	2 AAC 90.425 – Alcohol Awareness Testing
Motorcycle Knowledge Test	AS 28.15.051 – Examination of Applicants (general examination authority)	2 AAC 90.210 (2)(d) Motorcycle Instruction Permit

- Improve examination security and integrity through professional test development practices.
- Provide ongoing maintenance to ensure examinations remain current as laws, regulations, and policies change.
- Comply with the Americans with Disabilities Act (ADA), Section 508 where applicable, and WCAG 2.1 AA accessibility standards.
- Deliver examinations that support efficient administration while maintaining a positive customer experience.

The contractor shall provide all labor, personnel, expertise, project management, software, and professional services necessary to develop, maintain, validate, and support the DMV Knowledge Test examinations.

The contractor's services shall include:

- Review, develop, and maintain examination content, including reviewing existing examination materials, developing new examination questions, and revising existing questions as needed.
- Validation reports of examination content using accepted standards.

- Statistical analysis reports of examination performance, including an annual examination review report.
- Development and maintenance of secure examination item banks.
- Development of multiple equivalent examination forms, with final approval provided by DMV.
- Review and revision following statutory or regulatory changes.
- Coordination with DMV subject matter experts.
- Recommendations for improving examination reliability and validity.
- Ongoing technical consultation throughout the contract term, including communication and coordination with DMV's IT Department.
- Compatibility with current DMV bandwidth and infrastructure:

City	Type of Location	Bandwidth Speed
Eagle River	HUB	20 Mbps
Fairbanks	Customer Only	10 Mbps
Homer	Customer Only	3 Mbps
Anchorage	HUB	100 Mbps
Delta Junction	Customer Only	7 Mbps / 1 Mbps
Palmer	CORE	1 Gbps
Tok	HUB	5 Mbps
Juneau	HUB	15 Mbps
Haines	Customer Only	50 Mbps / 10 Mbps
Sitka	Customer Only	400 Mbps / 20 Mbps
Valdez	DIST	5 Mbps
Ketchikan	Customer Only	50 Mbps / 5 Mbps
Kodiak	HUB	10 Mbps
Bethel	Customer Only	6 Mbps / 2 Mbps
Soldotna	HUB	20 Mbps

Description of the Type of Location:

CORE: A major/core network location. Typically, a high-capacity central point that connects or supports other network locations.

HUB: A network hub or regional/central office that connects multiple locations or network services. A HUB may have a larger connection than an individual office because it can carry traffic for other sites.

DIST (Distribution): This is a network location that distributes connectivity from a core or hub to smaller/remote locations.

Customer Only: A location that receives connectivity for its own use and does not normally provide network connectivity to other locations. It is essentially an end-user/site connection.

- Software maintenance, equipment failure management, outage handling.
- Administrative dashboards for pass/fail percentages, total tests, trends, audit logs, downloadable reports.
- Protection of customers' Personally Identifiable Information (PII).
- Photo ID verification throughout testing.
- Testing environment instructions, including but not limited to, no photos/background images in webcam, automatic failures/disqualifications, retest guidelines, and refund structure.
- Secure online payment processing system integrated with the testing platform.
- Customer payment receipts and transaction confirmation.
- Formal customer escalation procedures for handling disputed transactions, refunds, and payment exceptions.
- Monthly financial reconciliation reports identifying tests administered, fees collected, processing fees retained, refunds issued, and chargebacks.
- Annual Payment Card Industry Data Security Standard (PCI-DSS) compliance certification or equivalent documentation demonstrating continued payment security compliance.
- Adequate pre-launch testing and UAT.
- Compliance with American Association of Motor Vehicle Administrators (AAMVA) guidelines for general knowledge testing.

Project Requirements

- A) The contractor must provide a web-based driver license applicant Knowledge Test through a contractor provided secure, web-based Knowledge Test Solution (KTS) for DMV customers required to take the Knowledge Test from home, Knowledge Test Proctor Locations, or non-DMV locations ("Home Applicants"). The contractor shall ensure the KTS must be available through a secure online portal that protects applicant information and maintains the integrity of the online home testing process.
- B) The contractor's solution shall provide Home Applicants access to the DMV Knowledge Test online. For Knowledge Tests, the system must record results in a contractor provided central testing database and provide Home Applicants with a Certificate of Completion that the Home Applicant can bring to a DMV location for entry into the DMV's system of record. **Bidders must include a sample of their Certificate of Completion with their bid submission.**
- C) The contractor must:
- i. Submit a SOC2 Type2 certification annually from a currently licensed independent Certified Public Accountant, which shall be performed in accordance with American Institute of Certified Public Accountants "Statements on Standards for Attestation Engagement." The attestation must indicate that the internal controls over data have been evaluated and are adequate to protect the data from unauthorized access, distribution, use, modification, or disclosure.

- ii. Submit a Payment Card Industry (PCI) Service Level One certification annually from a PCI Counsel certified independent assessor.
- D) The contractor's secure online registration portal that shall allow Home Applicants to enter DMV required information for the purpose of creating a DMV customer in the KTS system. All Home Applicants are required to enter their minimum identification elements as determined by the DMV. Minimum identification elements may include elements such as First Name, Last Name, Street Address, City, State, Zip Code, Date of Birth, and/or last five digits of their Social Security Number, but shall not include a complete Social Security Number. DMV reserves the right to expand or reduce questions required during the registration process.
- E) The contractor's registration system shall require Home Applicants under the age of 18 to have a parent or legal guardian participate in the online registration process by providing the parent or legal guardian's minimum identification elements as determined by the DMV and may include their First Name, Last Name, DOB, last five digits of SSN, and/or a valid State driver license number.
- F) The contractor's registration system shall require Home Applicants 18 years of age and older to participate in the online registration process by providing the information listed in E).
- G) The contractor's registration system shall provide instructions and rules of online Knowledge Tests to the applicant and require confirmation of understanding before allowing applicant to continue.
- H) The contractor's registration system must perform a contractor-provided Knowledge Base Authentication (KBA) evaluation on the parent or legal guardian of applicants under the age of 18, and on applicants 18 years of age or older (Identified Candidate). The KBA process must evaluate Identified Candidate information to the KBA database to resolve and match Identified Candidate information against numerous data points, including identity verification, fraudulent activity, and compliance data. The KBA process must return an evaluation of pass or fail depending on data submitted and whether identity can be positively matched. If the identity of the Identified Candidate can be matched, the applicant shall be offered the next step in the identity verification process. If the identity of the Identified Candidate cannot be matched, the applicant must be notified that the identity requirements for online testing could not be verified and the Home Applicant shall be directed to take their knowledge exam at a DMV location. KBA evaluates the Identified Candidate information and must return a pass or fail status.
- I) Following the KBA evaluation process, the contractor's registration system must present the Identified Candidate with the KBA Q&A (RQA) process, provided the Identified Candidate passes the KBA process as provided during the registration process. The RQA process shall be administered by the contractor as follows:
- i. The Identified Candidate must be presented with a screen that explains the applicant must answer a series of questions in order for their identity to be fully validated. The Identified Candidate must select "I understand" before the Identified Candidate may move on to the next screen.
 - ii. The Identified Candidate must be presented with a screen that displays the first question, along with three potential answers.
 - iii. After the Identified Candidate enters their answer to the first question, the second question must be presented to the Identified Candidate, along with three potential answers.
 - iv. After the Identified Candidate records their answer to the second question, the process shall continue in one of the following ways:
 - a. If both questions were answered incorrectly, the registration process shall end and the screen must indicate that the Identified Candidate must visit a DMV location to conduct their test; or

- b. The Identified Candidate shall be presented with the third question, along with three potential answers.
 - v. After the Identified Candidate records their answer to the third question, the process shall continue in one of the following ways:
 - a. If two of the three questions have been answered incorrectly, the registration process must end and the screen must indicate that the applicant must visit a DMV location to conduct their test; or
 - b. If one of the three questions has been answered incorrectly, the Identified Candidate shall be informed that they may continue to take the Knowledge Test online, but may be subject to a retest when receiving their credentials at a DMV location. The Identified Candidate must then be presented with an attestation affirming their knowledge that there may be a retest, and the Identified Candidate shall have the ability to either cancel or continue registration; or
 - c. If the third question is answered correctly, the Identified Candidate must be presented with a screen indicating that their identification has been verified and the Knowledge Test process will begin.
 - vi. If at any point the contractor intends to change their KBAs and/or RQA solutions to a different solution, the contractor must notify DMV, and shall not implement the new solution until DMV has given its express approval in writing.
- J) The contractor shall provide image capture services for the Home Applicant utilizing the KTS.
- i. If all requirements are successfully met in the KBA and RQA, the Home Applicant shall be required to have an image of the Home Applicant's face captured for the purpose of future auditing by DMV.
 - ii. The contractor must provide an image capture process that will capture the Home Applicant's face by analyzing the applicant image to ensure a full face and head are detected before capturing the image. This image capture will be considered the Control Image Capture (CIC).
 - iii. The contractor's system shall not allow image capture of more than the Home Applicant's facial features (e.g. no full body image captures) to prevent inappropriate image submissions.
 - iv. The contractor's system must store photographs for a minimum of five years. The contractor must ensure photos are automatically deleted from the KTS as instructed by DMV.
 - v. The contractor's solution must provide random image capture of the Home Applicant during the Knowledge Test to ensure the Home Applicant is the only person taking the test throughout the entire testing process.
 - vi. The contractor's solution must automatically compare random image captures to the CIC and be able to detect a change in the individual taking the test.
 - vii. The contractor's solution shall provide a warning to the Home Applicant if a change is detected, and must inform the Home Applicant that a second infraction will result in automatic failure of the test.
 - viii. The contractor's solution shall store all random image captures in accordance to DMV's image storage time frame, for a minimum of five years.
- K) The Contractor shall provide a secure, PCI certified payment processing system to allow Home Applicants to pay by credit card for the online test fees charged by the contractor. The contractor must provide Home Applicants with a receipt of successful payment by email.
- L) The fee structure for the KTS shall be on a price-per-test taken basis plus a credit card processing fee to be paid by the Home Applicant, as provided in the Price-Per-Test Fee section below.

- M) The contractor's registration system must provide the Home Applicant an email copy of success or failure of registration. Successful registration must include a secure code and time sensitive URL to allow Home Applicants to take the Knowledge Test at a later time if so elected or in the event of unintentional interruption of test.
- N) The contractor shall provide Home Applicants the ability to immediately proceed to the online test or elect to take the test up to 5 days after successful registration.
- O) The contractor's registration system shall verify Home Applicant's identity should they elect to take the test at a later date and/or time by requiring the Home Applicant to enter the same identification elements as required during the initial registration process and providing the secure code received during the initial registration process.
- P) The contractor's online test system must inform Home Applicants that once in the test system, they have an allotted time in accordance with DMV business rules to complete the test and that the Home Applicant cannot navigate from the test at any time. Home Applicants must be clearly notified that navigating away from the test system will be detected and the following rules shall be enforced:
- i. First infraction the Home Applicant must be notified that they are violating the rules of the testing system and that a second infraction may result in test failure.
 - ii. Second infraction the Home Applicant must be notified that to continue, they will need to agree to a possible retest at a DMV branch office during credentialing. Home Applicant must be presented an attestation to confirm acceptance.
 - iii. Third infraction shall result in test failure with no refund of paid testing fees.
- Q) The contractor's online testing system must be able to provide a Quick Pass and Quick Fail feature which will allow the applicant to successfully complete the test if a certain number of questions are answered correctly. If a certain number of questions are answered incorrectly, the applicant must be failed immediately. The number of questions required to pass or fail will be in accordance with DMV business rules.
- R) The contractor's online testing system shall provide applicants with a certificate of completion or failure at the end of the test in a downloadable and email version. If the certificate is for failure, the contractor shall provide the applicant with all missed questions and study guide references for the missed questions.
- S) In accordance with DMV business rules, Home Applicants may retake tests online an unlimited times within a year, with a 24 hour waiting period between when Home Applicants may retake a failed test. The contractor shall collect a test fee and credit card processing fee from the Home Applicant for each retest taken.
- i. There is no waiting period between retake tests for the Alcohol Awareness test. Home Applicants may retake the Alcohol Awareness test as many times as needed until they receive a passing score. The contractor shall collect a test fee and credit card processing fee from the Home Applicant for each retest taken.
- T) The contractor must be able to detect interruptions to tests due to applicant exit or error conditions. If an applicant purposely exits a test, the applicant must be warned that if they continue, the test will be failed and all paid test fees forfeited. If the Home Applicant testing process is interrupted due to Internet failure, contractor system issues, or similar events outside the applicant's control, the contractor system must allow Home Applicant to retest and begin where they left off at no additional charge to the applicant. The retest due to events outside of the applicant's controls must be requested through the contractor's customer support system.
- U) The contractor's knowledge test system must be available to Home Applicants both audibly and visually in English.
- V) The contractor's system must provide a real-time web-based data repository that will allow DMV administrators to collect and review information for online testing with Home Applicants. The data repository must have printing capabilities for the DMV administrators. Reporting must include:

- i. Reports demonstrating test volumes taken by: date, time periods, hours of day, and by type of test.
 - ii. Reports demonstrating time durations of tests taken by: date, time periods, hours of day, and by type of test.
 - iii. Reports demonstrating Pass/Fail rates of tests taken by: date, time periods, hours of day, and by type of test.
 - iv. Searchable reports to allow auditors to inspect individual exams administered. Details must include applicant information, detailed test information, date of test, time of test, duration of test, language used, and scoring of test.
 - v. Reports demonstrating languages used for tests taken by: date, time periods, hours of day, and by type of test.
 - vi. Reports demonstrating first and subsequent tests taken by iHome Applicants, by date, time periods, hours of day, and by type of test.
 - vii. Reports demonstrating call center tickets and resolutions for system issues and tests by: date, time periods, hours of day, and by type of test.
- W) The contractor shall be responsible for all planning, coordination, implementation, installation, and maintenance associated with the Scope of Work. Any changes to the Scope of Work must be requested in writing to the DMV project manager. DMV will approve or reject the change within 10 business days of receipt of the written request. Failure to respond will be deemed a rejection of the request. All changes must be through a fully executed written amendment through Procurement before any requested changes may be implemented.

Implementation Requirements After Contract Award

- A) The contractor shall submit a preliminary implementation plan to the DMV, by October 16, 2026, followed by a final implementation plan within 15 business days after approval by the DMV. The plan must include, but is not limited to, a detailed description of the project schedule, tasks, deliverables, critical events, and task dependencies. The contractor shall update the plan every two weeks at a minimum, and shall provide each update in writing to the designated DMV representative.
- B) DMV and the contractor shall determine a mutually agreeable date for an initial kick-off meeting to initiate the project.
- C) As a result of the change management process, a determination may be made that a change order is necessary as detailed in Project Requirements, bullet W) on page 13.
- D) Pilot Testing: Before statewide rollout, the contractor shall conduct pilot testing of the Knowledge Test expansion with the DMV. If the system's operation is not successful during testing, the contractor shall be responsible for performing, at its own expense, all fixes needed to correct any errors until operation is successful.

Implementation Timeline	
Implementation Milestone	Target Completion Date
Contract Issued	October 16, 2026
Preliminary Implementation Plan Due	October 16, 2026
Project Kickoff Meeting	October 23, 2026 (within 5 business days)
Final Implementation Plan Due	November 2, 2026
Requirements Validation & Existing Test Review	November 6, 2026
Technical Design / System Configuration Complete	November 13, 2026
Draft Examination Development & Review	November 17, 2026

Integration with DMV Systems Complete	November 20, 2026
User Acceptance Testing (UAT) Begins	November 23, 2026
UAT Complete / DMV Approval	December 10, 2026
Staff Training & Documentation Delivered	December 18, 2026
Production Deployment / Go-Live	December 31, 2026
Ongoing Maintenance & Support	January 1, 2027, through contract term

System and System Integration

The contractor shall ensure the Knowledge Test Solution (KTS) system meets the following requirements:

- A) The contractor shall be responsible for hosting the web applications, maintenance of test items, and security and storage of the data.
- B) The contractor's solution must maintain the ability for continued testing if there is a system disconnect or system failure. The contractor shall ensure tests are available 24 hours a day, 7 days a week, and 365 days a year.
- C) The KTS must comply with applicable State and industry security standards, the DMV system connectivity and data requirements, and State network credentialing requirements for user access privileges.

Backup and Recovery

- A) In the event of a power outage or system failure, the contractor must ensure that all regularly required statistical data for previous tests and tests in progress is restored and continues to function as if no interruption to the system had occurred.
- B) In the event of a power failure of the system or individual tablets or computers, the contractor shall ensure the system or unit is capable of restarting all tests within five minutes of restoration of power.
- C) The contractor must ensure the system provides a solution for redundancies, continuous generation of tests, and the backup and recovery of data.

Service Maintenance

- A) The contractor shall be responsible for application support, maintenance, and enhancements throughout the term of the Contract at no cost to the State.
- B) System maintenance and software updates must be performed at times that will not impede the regular course of business. Maintenance schedules and specifications shall be mutually agreed upon by the contractor and DMV.
- C) The contractor shall make commercially reasonable efforts for the system to be available 24 hours a day, 7 days a week, 365 days a year with no outages scheduled for periods where there is the potential for high traffic.
- D) The contractor shall ensure 24-hour phone and online support is available to DMV and Home Applicants.
- E) The contractor must correct application defects that are application malfunctions or functional deviations from approved application design. No requirements or design changes are involved in the correction of application defects.
- F) The contractor shall notify the DMV of all scheduled maintenance at least five business days prior to the maintenance being performed.

Service Level Agreement

The contractor shall meet or exceed the service levels indicated in the table below from the time production rollout is complete through the entire life of the Contract, including any extensions.

Service Response Times		
Priority Level	Definition	Action
1	Home Applicant unable to conduct knowledge testing. KTS cannot function and there is no DMV acceptable workaround.	The Parties will follow these procedures: - DMV will contact the contractor helpdesk to open a ticket. - Level 1 requests must be assigned priority over all other service requests. - The contractor shall respond to calls within 15 minutes. - The contractor shall repair the defect, remotely, within two hours. - The contractor shall provide a recommended solution to the State within four hours of notification, and the State will respond to the recommendation within two hours, to accept, reject, or modify the solution.
2	A temporary workaround is available; however, the issue significantly affects the availability or use of the solution.	The Parties will follow these procedures: - DMV will contact the contractor helpdesk to open a ticket. - Level 2 requests must be assigned priority over Level 3 service requests. Work shall be performed by the contractor as necessary to ensure the issue is corrected as soon as possible and, in a manner, acceptable to both parties. - The contractor must repair the defect, at least temporarily, within 24 hours of receiving notification, and must provide a permanent fix within 72 hours of receiving the notification.
3	A temporary workaround is available, and the solution remains operational with an acceptable delay in service.	The Parties will follow these procedures: - DMV will call the contractor helpdesk to open a ticket. - Level 3 requests must be addressed after higher-priority service issues. - The contractor must identify a solution and provide a DMV approved solution. The contractor shall provide the fix within seven business days of receiving notification.

B) During the life of the Contract, including any extensions, the contractor must work with DMV to ensure timely resolution of any reported technical issues.

C) The contractor shall correct all defects in software and/or components at no cost to the State.

Minimum Requirements

Bidders must certify on their Bid Submission Cover Sheet that they meet the minimum requirements necessary to successfully fulfil the services outlined in Section 1.04 Prior Experience and this Scope of Work for the following:

1. **High-Volume Testing Experience:** Bidders must certify their ability to operate and support high-volume testing environments.
2. **Testing Security and Examination Integrity:** Bidders must certify their security features and controls used to protect examination content, prevent or detect unauthorized access, authenticate users, maintain audit trails, and protect the integrity of examination results meet applicable information security standards and industry best practices.

3. **System Integration Experience:** Bidders must certify their experience in integrating testing platforms with third-party, state, federal, or government systems through secure Application Programming Interface, web services, or other industry-standard integration methods.
4. **Personnel and Organizational Capacity:** Bidders must certify and identify the personnel responsible for software development, cybersecurity, cloud infrastructure, technical support, quality assurance, and project management by providing resumes, qualifications, or other documentation demonstrating that the proposed personnel possess sufficient experience to fulfil the Scope of Work requirements.
5. **Maintenance, Technical Support, and Incident Response:** Bidders must certify they possess the ability for ongoing system maintenance, software updates, technical support, system monitoring, and incident response throughout the contract term.
6. **Quality Assurance and Change Management:** Bidders must certify their quality assurance and change-management processes, including testing procedures, release controls, documentation, approvals, rollback procedures, and notification of material system changes meets the requirements in the Scope of Work.

A bidder's failure to certify the mandatory minimum requirements may cause their bid to be considered non-responsive and rejected.

Price-Per-Test Fees

The contractor shall provide all software solutions and services described in this ITB at no cost to the State. The contractor shall receive a fixed price-per-test (PPT) fee and applicable credit card processing fee for each Knowledge Test conducted through the KTS.

Current Knowledge Test Fee: \$10.00

Current Credit Card Processing Fee: \$1.50

Maximum Allowable Knowledge Test Fee under this ITB: \$15.00

Maximum Allowable Credit Card Processing Fee under this ITB: \$3.00

Home Applicants are responsible for paying the PPT fee and transaction fee for each Knowledge Test type they take.

Average Annual Knowledge Tests Conducted

Non-Commercial: 13,958

Alcohol Awareness: 3,249

Motorcycle: 1,945

Total: 19,152

The State does not guarantee a minimum or maximum number of Knowledge Tests taken.

SEC. 2.02 CONTRACT TERM

The length of the contract will be from the date of award, approximately October 16, 2026, through October 31, 2027, with the option to renew for two additional one-year terms under the same terms and conditions as the original contract. Renewals will be exercised at the sole discretion of the state.

Unless otherwise provided in this ITB, the State and the successful bidder/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. 2.03 CONTRACT TYPE

This contract is a Firm Fixed Price contract.

SEC. 2.04 PAYMENT FOR STATE PURCHASES

No payment will be made until the contract is approved by the Commissioner of the Department of Administration or the Commissioner's designee. Under no conditions will the state be liable for the payment of any interest charges associated with the cost of the contract. The state 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.

Payment for agreements under \$500,000 for the undisputed purchase of goods or services provided to a state agency, will be made within 30 days of the receipt of a proper billing or the delivery of the goods or services to the location(s) specified in the agreement, whichever is later. A late payment is subject to 1.5% interest per month on the unpaid balance. Interest will not be paid if there is a dispute or if there is an agreement that establishes a lower interest rate or precludes the charging of interest.

SEC. 2.05 ELECTRONIC PAYMENTS

The State of Alaska prefers vendors receive payment via Electronic Funds Transfer (EFT). Bidders may review information concerning the EFT process and access the [Electronic Payment Agreement Form for Vendors](https://doa.alaska.gov/dof/vendor.html) at the following link: <https://doa.alaska.gov/dof/vendor.html>. Method of payment is not a factor in the State's determination for award.

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

SEC. 2.06 CONTRACT ADMINISTRATION

The administration of this contract is the responsibility of the procurement officer or person appointed by the Department of Administration, Division of Motor Vehicles.

SEC. 2.07 CONTRACT PERFORMANCE LOCATION

The state will not provide workspace for the contractor. The contractor must provide its own workspace.

By signature on their bid, the bidder certifies that all services provided under this contract by the contractor and all subcontractors shall be performed in the United States.

If the bidder cannot certify that all work will be performed in the United States, the bidder must contact the procurement officer in writing to request a waiver at least 10 days prior to the deadline for receipt of bids.

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 state to reject the bid as non-responsive or cancel the contract.

SEC. 2.08 SUBCONTRACTORS

United States subcontractors may be used to perform up to 15% percent of the work under this contract. If a bidder intends to use subcontractors, the bidder must identify in the bids the names of the subcontractors and the portions of the work the subcontractors will perform.

Subcontractor experience shall be considered in determining whether the bidder meets the requirements set forth in **SEC. 1.04 PRIOR EXPERIENCE**.

If a bid with subcontractors is selected, the bidder must provide the following information concerning each prospective subcontractor within five working days from the date of the state's request:

- complete name of the subcontractor;
- complete address of the subcontractor;
- type of work the subcontractor will be performing;
- percentage of work the subcontractor will be providing;
- evidence that the subcontractor holds a valid Alaska business license; and
- a written statement signed by each proposed subcontractor that clearly verifies that the subcontractor is committed to render the services required by the contract.

A bidder's failure to provide this information, within the time set, may cause the state to consider their bid non-responsive and reject it.

Note that if the subcontractor will not be performing work within Alaska, they will not be required to hold an Alaska business license.

SEC. 2.09 JOINT VENTURES

Joint ventures will not be allowed.

SEC. 2.10 RIGHT TO INSPECT PLACE OF BUSINESS

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

SEC. 2.11 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 state 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 required state approvals necessary and issued a written contract amendment.

SEC. 2.12 CONTINUING OBLIGATION OF CONTRACTOR

Notwithstanding the expiration date of a contract resulting from this ITB, the contractor is obligated to fulfill its responsibilities until warranty, guarantee, maintenance, and parts availability requirements have completely expired.

SEC. 2.13 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 state 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 state 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 state 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:

The contractor may have access to confidential and sensitive testing materials including examination questions, answer keys, scoring methodologies, statistical analyses, testing procedures, and other controlled information.

The contractor shall:

- Comply with all applicable State information security requirements.
- Return or securely destroy confidential materials upon completion of the contract.
- Maintain strict confidentiality of all examination materials.
- Prevent unauthorized disclosure of examination content.
- Maintain secure electronic and physical storage of testing materials.
- Ensure all personnel sign confidentiality agreements.

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 state with written notice of the requested disclosure (to the extent such notice to the state is permitted by applicable law) and giving the state opportunity to review the request. If the contractor receives no objection from the state, 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 state within a reasonable time after the contractor’s receipt of notice of the requested disclosure and, upon request of the state, 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. 2.14 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. 2.15 INSURANCE

Without limiting the contractor's indemnification, it is agreed that the 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 state shall be entitled to coverage to the extent of such higher limits.

Certificates of Insurance must be furnished to the contracting 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. If the insurer does not notify the State of Alaska on policy cancellation it shall be the contractor’s responsibility to notify the State of Alaska of such cancellation.

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. All policies for general liability shall be primary and non-contributing with any insurance that may be carried by the State of Alaska.

The contractor shall require and verify that all subcontractors maintain insurance meeting all requirements stated herein, and contractor shall ensure that the State is an additional insured on insurance required from subcontractors.

Policies written on a “claims-made” basis must have a two year tail of coverage, or an unbroken continuation of coverage for two years from the completion of the contract requirements.

Proof of insurance is required for the following:

- 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 Employers Liability with limits of at least \$1,000,000. Also, where applicable, the contractor shall provide and maintain 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 of Alaska.

- Commercial General Liability Insurance: including:
 - \$2,000,000 General Aggregate
 - \$2,000,000 Products/Completed Operations
 - \$1,000,000 Personal & Advertising Injury
 - \$1,000,000 Each Occurrence
 - \$ 5,000 Medical Payments

The policy must name the State of Alaska as an “additional insured” and the actual policy endorsement shall accompany each Certificate of Insurance. The policy shall be endorsed to waive all rights of subrogation against the State of Alaska by reason of any payment made for claims under this coverage. This policy endorsement shall accompany each Certificate of Insurance

- Commercial Automobile Liability Insurance: covering all vehicles used by the contractor in the performance of services under this agreement with minimum coverage limits of \$1,000,000 combined single limit per claim, to include: owned, hired, and non-owned. The policy must name the State of Alaska as an “additional insured” and the actual policy endorsement shall accompany each Certificate of Insurance. The policy shall be endorsed to waive all rights of subrogation against the State of Alaska by reason of any payment made for claims under this coverage. This policy endorsement shall accompany each Certificate of Insurance.

SECTION 3. BID FORMAT AND CONTENT

SEC. 3.01 BID FORMS

Bidders shall use the front page of this ITB, the Bid Submission Cover Sheet, and any other forms identified in this ITB for submitting bids. All bids must be signed by an individual authorized to bind the bidder to the provisions of the ITB.

BIDDER'S CERTIFICATION

By signature on the bid, the bidder certifies that they comply with the following:

- B. the laws of the State of Alaska;
- C. the applicable portion of the Federal Civil Rights Act of 1964;
- D. the Equal Employment Opportunity Act and the regulations issued thereunder by the state and federal government;
- E. the Americans with Disabilities Act of 1990 and the regulations issued thereunder by the state and federal government and certifies that programs, services, and activities provided to the general public on behalf of the State under a contract resulting from this solicitation comply with the Americans with Disabilities Act of 1990, 28 CFR, Part 35, Subpart B 35.130;
- F. all terms and conditions set out in this ITB;
- G. the price(s) submitted was arrived at independently arrived and without collusion, under penalty of perjury; and
- H. that the bid will remain open and valid for at least 90 days.

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

CONFLICT OF INTEREST

Each bid shall include a statement indicating whether the company or any individuals working on the contract has a possible conflict of interest (e.g., currently employed by the State of Alaska or formerly employed by the State of Alaska within the past two years) and, if so, the nature of that conflict. The procurement officer reserves the right to **consider a bid non-responsive and reject it** or cancel the award if any interest disclosed from any source could either give the appearance of a conflict or cause speculation as to the objectivity of the contract to be performed by the bidder.

SEC. 3.02 PRICES

The bidder shall state prices in the units of issue on this ITB. Prices quoted in bids must be exclusive of federal, state, and local taxes. If the bidder believes that certain taxes are payable by the state, the bidder may list such taxes separately, directly below the bid price for the affected item.

Bids must include pricing for the entire life of contract, including the initial term and all renewal option periods, as stated in SEC. 2.02 CONTRACT TERM. The State will evaluate the total cost for all contract years.

SECTION 4. EVALUATION AND CONTRACTOR SELECTION

SEC. 4.01 EVALUATION OF BIDS

After bid opening, the procurement officer will evaluate the bids for responsiveness and responsibility. Bids deemed non-responsive or non-responsible will be eliminated from further consideration. An evaluation may not be based on discrimination due the race, religion, color, national origin, sex, age, marital status, pregnancy, parenthood, disability, or political affiliation of the bidder.

SEC. 4.02 APPLICATION OF PREFERENCES

Certain preferences apply to all state contracts, regardless of their dollar value. The Alaska Bidder and Alaska Veteran preferences are the most common preferences involved in the ITB 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:

<https://oppm.doa.alaska.gov/policy-oversight/policy-resources/user-guide-matrixes/>

- Alaska Military Skills Program Preference – AS 36.30.321(I)
- 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)

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. Bidders must attach a copy of their certification letter to the proposal. **A bidder's failure to provide this certification letter with their proposal will cause the state to disallow the preference.**

SEC. 4.03 ALASKA BIDDER PREFERENCE

An Alaska Bidder Preference of 5% will be applied to the total bid price. The preference will be given to a bidder who:

- 1) holds a current Alaska business license prior to the deadline for receipt of bids;
- 2) submits a bid for goods or services under the name appearing on the bidder's current Alaska business license;
- 3) has maintained a place of business within the state staffed by the bidder, or an employee of the bidder, for a period of six months immediately preceding the date of the bid;

- 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

To receive the Alaska Bidder Preference, the bid must include the Alaska Bidder Preference Certification Form attached to this ITB. A bidder does not need to complete the Alaska Veteran Preference questions on the form if not claiming the Alaska Veteran Preference. A bidder's failure to provide this completed form with their bid will cause the state to disallow the preference.

SEC. 4.04 ALASKA VETERAN PREFERENCE

An Alaska Veteran Preference of 5%, not to exceed \$5,000, will be applied to the total bid price. The preference will be given to a bidder 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

To receive the Alaska Veteran Preference, the bid must include the Alaska Bidder Preference Certification Form attached to this ITB. A bidder's failure to provide this completed form with their bid will cause the state to disallow the preference.

SEC. 4.05 ALASKA MILITARY SKILLS PROGRAM PREFERENCE

An Alaska Military Skills Program Preference of 2%, 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:

- a) Employs at least one person who is currently enrolled in, or within the previous two years graduated from, a United States Department of Defense SkillBridge or United States Army career skills program for service members or spouses of service members that offers civilian work experience through specific industry training, pre-apprenticeships, registered apprenticeships, or internships during the last 180 days before a service member separates or retires from the service; or
- b) has an active partnership with an entity that employs an apprentice through a program described above.

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 Military Skills Program Preference Certification

In order to receive the Alaska Military Skills Program Preference, the bid must include the Alaska Bidder Preference Certification Form attached to this ITB. A bidder's failure to provide this completed form with their bid will cause the state to disallow the preference.

In addition, proof of graduation of the qualifying employee from an eligible program as described in AS 36.30.321(l) must be provided to the Procurement Officer at time of bid submission. Bidders must provide clarification or additional information requested by the Procurement Officer related to the preference not later than 5:00 PM Alaska Time one (1) business day following the date of the request. Failure to provide sufficient documentation will result in the bidder not receiving the Military Skills Program Preference.

SEC. 4.06 EMPLOYMENT PROGRAM PREFERENCE

If a bidder qualifies for the Alaska Bidder Preference and is offering goods or services through an employment program as defined under AS 36.30.990(12), an Employment Program Preference of 15% will be applied to the total bid price.

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.

SEC. 4.07 ALASKANS WITH DISABILITIES PREFERENCE

If a bidder qualifies for the Alaska Bidder Preference and is a qualifying entity as defined in AS 36.30.321(d), an Alaskans with Disabilities Preference of 10% will be applied to the total bid price.

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.

SEC. 4.08 PREFERENCE QUALIFICATION LETTER

Regarding the Employment Program Preference and the Alaskans with Disabilities Preference, the Division of Vocational Rehabilitation in the Department of Labor and Workforce Development maintains lists companies who qualify for those preferences. As evidence of a company's right to the preferences, the Division of Vocational Rehabilitation will issue a certification letter. To take advantage of the preferences, a bidder must be on the appropriate Division of Vocational Rehabilitation list at the time the bid is opened and must attach a copy of their certification letter to their bid. The bidder's failure to provide this certification letter with their bid will cause the state to disallow the preference.

SEC. 4.09 EXTENSION OF PRICES

In case of error in the extension of prices in the bid, the unit prices will govern; in a lot bid, the lot prices will govern.

SEC. 4.10 METHOD OF AWARD

Award will be made to the lowest responsive and responsible bidder. To be considered responsive, bidders must bid on all items. The Knowledge Test Price for initial and all renewals years will be used for the evaluation of the lowest bid. The credit card processing fee will not be evaluated.

SEC. 4.11 NOTICE OF INTENT TO AWARD

After the responses to this ITB have been opened and evaluated, a tabulation of the bids will be prepared. This tabulation, called a Notice of Intent to Award, serves two purposes. It lists the name of each company or person that offered a bid and the price they bid. It also provides notice of the state's intent to award a contract(s) to the bidder(s) indicated. A copy of the Notice of Intent will be sent to each company or person who responded to the ITB. Bidders identified as the apparent low responsive bidders are instructed not to proceed until a Purchase Order, Contract Award, Lease, or some other form of written notice is given by the procurement officer. A company or person who proceeds prior to receiving a Purchase Order, Contract Award, Lease, or some other form of written notice from the procurement officer does so without a contract and at their own risk.

SECTION 5. GENERAL PROCESS AND LEGAL INFORMATION

SEC. 5.01 INFORMAL DEBRIEFING

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

SEC. 5.02 ALASKA BUSINESS LICENSE AND OTHER REQUIRED LICENSES

Prior to the award of a contract, a bidder must hold a valid Alaska business license. However, to receive the Alaska Bidder Preference and other related preferences, such as the Alaska Veteran Preference and Alaskans with Disabilities Preference, a bidder must hold a valid Alaska business license prior to the deadline for receipt of bids. Bidders should contact the **Department of Commerce, Community and Economic Development, Division of Corporations, Business, and Professional Licensing, PO Box 110806, Juneau, Alaska 99811-0806**, for information on these licenses. Acceptable evidence that the bidder possesses a valid Alaska business license may consist of any one of the following:

- copy of an Alaska business license,
- certification on the bid that the bidder has a valid Alaska business license and has included the license number in the bid,
- 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 bidder has applied and paid for the Alaska business license.

You are not required to hold a valid Alaska business license at the time bids 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 bids, all bidders must hold any other necessary applicable professional licenses required by Alaska Statute.

SEC. 5.03 AUTHORITY

This ITB is written in accordance with AS 36.30 and 2 AAC 12.

SEC. 5.04 COMPLIANCE

In the performance of a contract that results from this ITB, the contractor must comply with all applicable federal, state, and borough regulations, codes, and laws; be liable for all required insurance, licenses, permits and bonds; and pay all applicable federal, state, and borough taxes.

SEC. 5.05 SUITABLE MATERIALS, ETC.

Unless otherwise specified in this ITB, all materials, supplies or equipment offered by a bidder shall be new, unused, and of the latest edition, version, model, or crop and of recent manufacture.

SEC. 5.06 SPECIFICATIONS

Unless otherwise specified in this ITB, product brand names or model numbers specified in this ITB are examples of the type and quality of product required and are not statements of preference. If the specifications describing an item conflict with a brand name or model number describing the item, the specifications govern. Reference to brand name or number does not preclude an offer of a comparable or better product, if full specifications and descriptive literature are provided for the product. Failure to provide such specifications and descriptive literature may be cause for rejection of the offer.

SEC. 5.07 ORDER DOCUMENTS

Except as specifically allowed under this ITB, an ordering agency will not sign any vendor contract. The state is not bound by a vendor contract signed by a person who is not specifically authorized to sign for the state under this ITB. Unless otherwise specified in this ITB, the State of Alaska Purchase Order, Contract Award and Delivery Order are the only order documents that may be used to place orders against the contract(s) resulting from this ITB.

SEC. 5.08 HUMAN TRAFFICKING

By signature on their bid, the bidder certifies that the bidder 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:
<http://www.state.gov/j/tip/>

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

SEC. 5.09 RIGHT OF REJECTION

Bidders must comply with all the terms of the ITB, the State Procurement Code (AS 36.30), and all applicable local, state, and federal laws, codes, and regulations. The procurement officer may reject any bid that does not comply with all the material and substantial terms, conditions, and performance requirements of the ITB.

Bidders may not qualify the bid nor restrict the rights of the state. If a bidder does so, the procurement officer may determine the bid to be a non-responsive counteroffer and the bid 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 bidders,
- do not change the meaning or scope of the ITB,
- 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 state reserves the right to refrain from making an award if it is determined to be in the state's best interest.

A bid from a debarred or suspended bidder shall be rejected.

SEC. 5.10 STATE NOT RESPONSIBLE FOR PREPARATION COSTS

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

SEC. 5.11 DISCLOSURE OF BID CONTENTS

This section governs the ownership, return, and disclosure of any offer or other record a bidder submits in response to this invitation to bid. (Herein, any reference to "Record" includes all such records and the offer; any reference to "Law" includes any federal or State of Alaska (State) law, including any court or administrative order or rule.)

1. All Records belong to the State.
2. The State has sole discretion regarding whether to return any Record. In exercising this discretion, the State will comply with all Laws.
3. Unless a notice of intent to award is issued, the State will, to the extent permitted by Law, consider all Records confidential and not subject to the Alaska Public Records Act (APRA).
4. If, and when a notice of intent to award is issued, the State will consider nonconfidential any Record unless, at the time of submission, the bidder undertook the following protective measures:
 - a. marked information confidential;
 - b. for any information marked confidential, identified the authority that makes that specific information confidential; and
 - c. committed, in writing, to explain in detail, including with affidavits and briefs, why each authority applies in any court or administrative proceeding in which any nondisclosure is challenged.
5. If the bidder did not undertake each protective measure, the State will not consider any information in a Record confidential: the State will disclose the entire Record without any redaction in response to an APRA or other request or, if it chooses, in the absence of a request and the State will disclose the entire Record without notifying the bidder.
6. If the bidder undertook each protective measure, the State will withhold the information marked confidential to the following extent:
 - a. the State agrees that the Law protects the information; and

- b. if the nondisclosure is challenged, the bidder fulfills its commitment to explain, including with affidavits and briefs, how each authority applies to the information marked confidential.
7. The State will only notify a bidder of a request for the Record and of a planned release if the bidder undertook each protective measure, but the State disagrees that the marked information is protected. If there is such a disagreement, then before releasing the Record, the State will, to the extent permitted by Law and practicable, notify the bidder that it will disclose the information unless the bidder convinces the State not to or obtains an order prohibiting disclosure.

SEC. 5.12 ASSIGNMENTS

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. Bids that are conditioned upon the state's approval of an assignment will be rejected as non-responsive.

SEC. 5.13 FORCE MAJEURE (IMPOSSIBILITY TO PERFORM)

The parties to a contract resulting from this ITB are not liable for the consequences of any failure to perform, or default in performing, any of its obligations under the contract, if that failure or default is caused by any unforeseeable Force Majeure, beyond the control of, and without the fault or negligence of, the respective party.

For the purposes of this ITB, Force Majeure will mean war (whether declared or not); revolution; invasion; insurrection; riot; civil commotion; sabotage; military or usurped power; lightning; explosion; fire; storm; drought; flood; earthquake; epidemic; quarantine; strikes; acts or restraints of governmental authorities affecting the project or directly or indirectly prohibiting or restricting the furnishing or use of materials or labor required; inability to secure materials, machinery, equipment or labor because of priority, allocation or other regulations of any governmental authorities.

SEC. 5.14 DEFAULT

In case of default by the contractor, for any reason whatsoever, the state may procure the goods or services from another source and hold the contractor responsible for any resulting excess cost and may seek other remedies under law or equity.

SEC. 5.15 DISPUTES

If the contractor has a claim arising in connection with the contract that it cannot resolve with the state 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.

SEC. 5.16 SEVERABILITY

If any provision of the contract or agreement is found to be invalid or 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. 5.17 CONTRACT CANCELLATION

- 1) The state reserves the right to cancel the contract at its convenience upon 30 calendar days written notice to the contractor. The state is only liable for payment in accordance with the payment provisions of this contract for supplies or services provided before the effective date termination.

- 2) By signature on their bid, the bidder certifies that they will not support or participate in a boycott of the State of Israel. Failure to comply with this requirement may cause the state to reject the bid as non-responsive or cancel the contract.

SEC. 5.18 GOVERNING LAW; FORUM SELECTION

A contract resulting from this ITB is governed by the laws of the State of Alaska. To the extent not otherwise governed by Section 5.15 of this ITB, any claim concerning the contract shall be brought only in the Superior Court of the State of Alaska and not elsewhere.

SEC. 5.19 QUALIFIED BIDDERS

Per 2 AAC 12.875, unless provided for otherwise in the ITB, to qualify as a bidder for award of a contract issued under AS 36.30, the bidder 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 ITB.

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

SEC. 5.20 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 contract 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.
- **State's Ability to Make Changes:** The state 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. 5.21 PROTEST

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

An interested party is defined in 2 AAC 12.990(a) (7) as "an actual or prospective bidder or bidder 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 bids.

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 a bidder 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 bid 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 bidders 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 6. ATTACHMENTS

SEC. 6.01 ATTACHMENTS

Attachments:

- 1) Bid Submission Cover Sheet and Alaska Bidder Preference Certification Form (seven pages);
- 2) Bid Schedule (one page);
- 3) Customer Reference Forms (three pages);
- 4) Bidder's Checklist (one page); and
- 5) Standard Agreement Form – Appendix A – D (12 pages).