



Financial Assistance Award

DENALI COMMISSION
510 "L" Street, Suite 410
Anchorage, Alaska 99501
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www.denali.gov

Project Number 0084-DC-2003-I1

Project Title Development of Bulk Fuel Management Organization

Performance Period 24 January 2003 to 31 January 2004

Recipient Name & Address

Alaska Village Electric Cooperative, Inc.
4831 Eagle Street
Anchorage, AK 99503

Authority
112 Stat 1854

CFDA Number
90.100

Denali Commission Finance Officer Certification

[Handwritten initials]

Phone: (907) 561-1818
Fax: (907) 562-4086

Cost Share Distribution Table

Accounting Code	Denali Commission	Other Contributors	Total
95670000	\$100,000		\$100,000
			\$0
			\$0
			\$0
Total	\$100,000	\$0	\$100,000

This Financial Assistance Award approved by the Federal Co-Chair of the Denali Commission is issued in triplicate and constitutes an obligation of federal funding. By signing the three documents, the Recipient agrees to comply with the Award provisions indicated below and attached. Upon acceptance by the Recipient, two signed Award documents shall be returned to the Federal Co-Chair of the Denali Commission and the Recipient shall retain the third document. If not signed and returned without modification by the Recipient within 30 days of receipt, the Federal Co-Chair may unilaterally terminate this Award.

- Special Award Conditions and Attachments
- Line Item Budget
- OMB Circular A-133, Audits of States, Local Governments and Indian Tribal Governments
(www.whitehouse.gov OMB circulars a133 a133.html)

Administrative Requirements (check one)

- 15 CFR 24, Uniform Admin Requirements for Grants/Cooperative Agreements to State and Local Governments
(www.access.gpo.gov nara cfr waisidx 99 15cfr24 99.html)
- 15 CFR, Part 14, Uniform Administrative Requirements for Grants and Agreements with Institutions of Higher Education, Hospitals, Other Nonprofit, and Commercial Organizations
(www.access.gpo.gov nara cfr waisidx 99 15cfr14 99.html)

Cost Principles (check one)

- OMB Circular A-87, Cost Principles for State and Local Governments and Indian Tribal Governments
(www.whitehouse.gov OMB circulars a087 a087-all.html)
- OMB Circular A-122, Cost Principles for Nonprofit Organizations
(www.whitehouse.gov OMB circulars a122 a122.html)
- OMB Circular A-21, Cost Principles for Educational Institutions
(www.whitehouse.gov OMB circulars a021 a021.html)
- 48 CFR 31.2, Contracts with Commercial Organizations

Signature of Authorized Official - Denali Commission
[Handwritten signature]

Typed Name and Title
Jeffrey B. Staser, Federal Co-Chair

Date
1/30/03

Signature of Authorized Official
[Handwritten signature]

Typed Name and Title
Meera Kohler, President & CEO

Date
1/31/03

**Award Conditions to the Financial Assistance Award
Between The Denali Commission and Alaska Village Electric Cooperative (AVEC)
For Development of Bulk Fuel Management Organization
January 2003
Project No. 0084-DC-2003-I1**

1. Scope of Work

The purpose of this financial assistance award is to provide seed money for the proposed Rural Alaska Fuel Services Corporation as outlined in the briefing paper prepared by Bill Schoephoester for the Denali Commission.

This award of \$100,000 is for development of a business plan and completion of a preliminary market survey for a regional bulk fuel storage facility management and fuel purchase organization as approved by Resolution 03-10 of the Commissioners at the January 24, 2003 quarterly meeting. The expectation is to have articles of incorporation filed for the new organization as a result of this effort. Upon completion of an acceptable business plan and demonstration of an adequate market to justify creation of the proposed organization, and subject to availability of funds, up to \$200,000 may be advanced to the new corporation for start up funds.

All Commission funding is intended for use for the scope of work identified in the Award document only.

2. Award Performance Period

The Award performance period is January 24, 2003 through January 31, 2004. This is the period during which Award recipients can incur obligations or costs against this Award.

3. Direct and Indirect Costs

The cost principles of OMB Circular A-122 are applicable to this award. Indirect costs are not allowable for financial assistance under this agreement. However, indirect costs may be recognized for purposes of quantifying AVEC's financial contribution.

4. Budget and Program Revisions

The OMB Administrative Circular A-133 applies to this Award. Please refer to the Administrative Circular for specific details on revisions to this Award. The Administrative Circular requires that AVEC will inform the Commission in writing (e-mail, letter, or report) at the earliest possible date of any unanticipated project cost overrun, project schedule delays, or changes in the project scope or changed site conditions.

5. Reporting

Three forms of project reporting are required under this Award, listed below. The first quarterly reporting period is January 24, 2003 through March 31, 2003. Unless otherwise indicated, reports are due within 30 days of the end of the reporting period.

The Commission reserves the right, at a future date, to direct AVEC to provide the progress reports in electronic format for posting on the Commission web page.

- a. Quarterly project reporting shall include both a narrative and financial summary. The narrative summary shall include a summary of the project status and accomplishments to date, and address the following questions: is the project on schedule, is the project on budget, and what actions are planned to address any project problems. The project financial status report shall show the following:
 - i. The total project budget
 - ii. The project schedule with milestone dates for design and construction
 - iii. The total amount of Denali Commission funds committed to the project
 - iv. The total project expenditures as of the end of the most recent quarter
 - v. The total expenditure of Denali Commission funds for the project as of the end of the most recent quarter
 - vi. The percentage of expenditures to the total budget; and
 - vii. A project performance analysis on project line items, as defined by AVEC, showing budget costs compared to actual expenditures and obligation to date versus work performed to date (for each line item).
- b. A final Financial Status Report (Standard Form 269 – www.whitehouse.gov/OMB/grants/index.html#forms) shall be submitted to the Commission Project Officer within 90 days after the end of the Award Performance Period. If the Award Performance Period is longer than one year, or if the Agreement is revised to extend the Award Performance Period beyond one year, the recipient must submit a completed Standard Form 269 annually within 90 days after the end of each anniversary of the award date.
- c. AVEC shall report annually the percentage of total funds (from the Commission and other sources) received used for planning, design and construction of infrastructure facilities, and/or economic development projects. In addition, this annual report will include a breakdown on how these funds were used: force account construction (including local labor wages paid, rural Alaska wages paid, and total project wages paid), and construction contracting. The 4th quarter report for the year can be used as both a quarter and annual summary report (providing both quarterly and annual financial data).

6. Payments

Payments under this Award will be made through the U.S. Department of Treasury's Automated Standard Application for Payment (ASAP) system. The ASAP system is the Commission's mechanism for requesting and delivering Federal funds to Award recipients. Your organization must be registered with the ASAP program in order to make draw downs.

Please contact the Commission's Project Manager or Finance Manager for further information about registering with the ASAP program. Payments will be made in accordance with OMB Circular A-133. **No interest will be accrued on these funds.**

7. Award Close Out

- a. The Award closeout must be completed within 90 days of the end of the Award performance period or within 90 days of the completion of the project, whichever is earlier. The project closeout process includes the submission of both a final narrative report and financial status report. Recipient organizations must also request any remaining funds for expenditures under this award during this 90-day period. Please refer to the Commission guidance for project closeout for additional details on the requirements. This is available by contacting the Commission office or the Project Manager.
- b. Acknowledgement of support: For all non-construction projects, the Award recipient shall include an acknowledgement of the Government's support for the project(s) developed under this Award. Acknowledgement shall include:
 - i. The Denali Commission logo and the logo of each partner;
 - ii. The following statement: "Development of this non-profit organization was made possible in part by a grant from the Denali Commission {and its partners (*list the name of the funding partners*)}".

The format for acknowledgement of the Government's support for non-construction awards will vary with each award and must be agreed upon between the Award recipient and the Denali Commission Project Manager. Costs associated with this requirement may be paid out of the project funding received by the Award recipient from the Denali Commission.

8. Public Policy Laws and Assurances

Award Recipients are required to comply with the public policy laws and assurances on Standard Forms SF 424b (non-construction projects) or SF 424d (construction projects). This form must also be signed by a certifying official of the organization. Some of the laws are highlighted below for your reference.

To the maximum extent practicable, considering applicable laws, Funding Recipients shall accomplish the project contemplated by the Award using local Alaska firms and labor.

No portion of this award may be used for lobbying or propaganda purposes as prohibited by 18 U.S.C. Section 1913 or Section 607(a) of Public Law 96-74.

Project level environmental reviews in accordance with the National Environmental Policy Act (NEPA) and the National Historic Preservation Act (NHPA) are required for each project undertaken with Denali Commission funds.

9. Project Officers & Contact Information

The project officer for Alaska Village Electric Cooperative, Inc. is Ms. Meera Kohler. The Commission project officers are Ms. Kathleen Prentki. for the purposes of project management and Ms. Michelle O’Leary for the purposes of financial management.

Denali Commission	Alaska Village Electric Cooperative
Ms. Kathleen Prentki 510 “L” Street, Suite 410 Anchorage, AK 99501 Voice – (907) 271-1414 Fax – (907) 271-1415 e-mail: kprentki@denali.gov	Ms. Meera Kohler 4831 Eagle Street Anchorage, AK 99503 Voice – (907) 561-1818 Fax – (907) 562-4086 e-mail: mkohler@avec.org
Ms. Michelle O’Leary 510 “L” Street, Suite 410 Anchorage, AK 99501 Voice – (907) 271-1767 Fax – (907) 271-1415 e-mail: moleary@denali.gov	