



THE STATE
of **ALASKA**
GOVERNOR MIKE DUNLEAVY

Department of Environmental Conservation

Division of Water
Facilities Programs

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September 16, 2020

Dear Community Leader,

We recently mailed you your Fall 2020 Operations and Maintenance Best Practices (Best Practices) score, which included zero points in the Payroll Tax Liability category. Due to the COVID-19 pandemic, the Internal Revenue Service (IRS) has a backlog of payments and reports that have not been entered into their system for the first quarter of 2020. As a result, the IRS may have reported some communities as non-compliant with payroll tax obligations when this may not necessarily be the case.

All Best Practices scores are developed based on documented evidence to ensure consistent and fair scoring for all communities. Where IRS compliance could not be confirmed, a score of zero was recorded.

Please keep in mind that the Fall Best Practices scores are meant to provide an update and to help highlight areas where improvement efforts can be focused before December 31 to improve score for the Spring score, which will be used for funding purposes.

We will be working closely with the Rural Utility Business Advisor (RUBA) Program in the coming months to monitor the IRS's progress in addressing their backlog. If necessary, we will reevaluate our scoring process to make certain that scores are not impacted by information that the IRS has not yet been able to process.

Electronically filing your IRS reports is the fastest way to ensure they will be processed by the IRS. If you need assistance setting-up e-filing, your RUBA Local Government Specialist can help you get started.

Should you have any questions, please contact me at (907) 269-7613 or tammy.helms@alaska.gov.

Sincerely,

A handwritten signature in blue ink, appearing to read "TH".

Tammy Helms
Technical Assistance and Financing Program Manager