

# Alaska Department of Environmental Conservation ADEC - Municipal Matching Grants & Loans

## Financial Capacity Assessment Review Process

The Department of Environmental Conservation / Division of Water administers the Alaska Clean Water Fund (ACWF) loan fund and the Alaska Drinking Water Fund (ADWF) loan fund. The division is fiscally responsible to the Environmental Protection Agency (EPA) to administer the loan funds as the EPA provides capitalization grants to the division for each of the loan funds. In addition, it is prudent upon the division to administer the funds in a manner that ensures their continued viability. Because of these reasons, the division uses several professional contractors to assess a borrower's ability to repay a loan from either fund.

As part of the assessment process, the Alaska SRF Model is used. The flow chart will provide guidance as to whether a borrower needs to have a financial assessment completed. Once the proper course of action has been determined – whether to complete an assessment or not; or, just to complete an update to an earlier assessment, a borrower is directed to the user's guide for the financial assessment model ('Alaska SRF Model User Guide'). This guide will direct you thru a series of questions that will assist you in using the model and completing the financial information necessary to complete the assessment.

Questions concerning how the model will be used to assess SRF Loan applicants can be directed to Mike Lewis, Program Manager, ADEC Municipal Matching Grants & Loans program at: [mike.lewis@alaska.gov](mailto:mike.lewis@alaska.gov) or 907-269-7616 or Judith Cummins, Municipal Administration Team at: [judith.cummins@alaska.gov](mailto:judith.cummins@alaska.gov) or 907-465-5144.

# ADEC - Municipal Loan Program Financial Capacity Assessment Review Flow Chart

