

## GRANT MANAGEMENT REQUIREMENTS

1. All correspondence to the Office of Highway Safety Planning (OHSP) regarding this project shall include the project number, example: OP-13-01.
2. A change in Project Director, Agency Contact Person, Financial Officer, Authorizing Official, addresses, or telephone numbers requires written notification to OHSP. These changes must also be made to the web based grant application.
3. OHSP may conduct a monitoring review of this highway safety grant. The purpose of this review is to determine adherence to stated project objectives, to review financial procedures, and to ensure compliance with grant requirements. All grantees are expected to cooperate with all reasonable requests for information as part of the Monitoring Review process.
4. All published reports generated from this project must include the following disclosure statement:

**(For all National Highway Traffic Safety Administration (NHTSA) grants)**

a. The opinions, findings, and conclusions expressed in this publication are those of the author(s) and not necessarily those of the Michigan Office of Highway Safety Planning or the U.S. Department of Transportation, National Highway Traffic Safety Administration. This report was prepared in cooperation with the Michigan Office of Highway Safety Planning and U.S. Department of Transportation, National Highway Traffic Safety Administration.

**(For all Michigan Truck Safety Fund grants)**

b. The opinions, findings, and conclusions expressed in this publication are those of the author(s) and not necessarily those of the Michigan Truck Safety Commission or the Michigan Office of Highway Safety Planning. This report was prepared in cooperation with the Michigan Office of Highway Safety Planning and Michigan Truck Safety Commission.

5. The grantee agrees to ensure that no person in the United States shall, on the grounds of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental handicap or disability, political affiliation or beliefs, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under this program. The grantee shall adhere to all applicable federal, state and local laws, ordinances, rules and regulations including, but not limited to, the following:

a. The Grantee will comply with all state and federal statutes and implementing regulations relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352), which prohibits discrimination on the basis of race, color or national origin (and 49 CFR Part 21); (b) Title IX of the Education Amendments of

1972, as amended (20 U.S.C. 1681-1683 and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), and the Americans with Disabilities Act of 1990 (Pub. L. 101-336), as amended (42 U.S.C. 12101, et seq.), which prohibits discrimination on the basis of disabilities (and 49 CFR Part 27); (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. 6101-6107), which prohibits discrimination on the basis of age; (e) the Civil Rights Restoration Act of 1987 (Pub. L. 100-259), which requires Federal-aid recipients and all subrecipients to prevent discrimination and ensure nondiscrimination in all of their programs and activities; (f) the Drug Abuse Office and Treatment Act of 1972 (Pub. L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (g) the comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (Pub. L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (h) Sections 523 and 527 of the Public Health Service Act of 1912, as amended (42 U.S.C. 290dd-3 and 290ee-3), relating to confidentiality of alcohol and drug abuse patient records; (i) Title VIII of the Civil Rights Act of 1968, as amended (42 U.S.C. 3601, et seq.), relating to nondiscrimination in the sale, rental or financing of housing; (j) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (k) the requirements of any other nondiscrimination statute(s) which may apply to the application.

b. The Elliott Larsen Civil Rights Act, 1976 PA 453, as amended.

c. The grantee's highway safety program provides adequate and reasonable access for the safe and convenient movement of physically handicapped persons, including those in wheelchairs, across curbs constructed or replaced on or after July 1, 1976, at all pedestrian crosswalks (23 USC 402(b) (1) (D)).

6. Debarment and Suspension: By signing and submitting this proposal, the prospective lower tier participant (grantee) is providing the certification set out below.

a. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

b. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

c. The terms *covered transaction*, *debarred*, *suspended*, *ineligible*, *lower tier covered transaction*, *participant*, *person*, *primary covered transaction*, *principal*, *proposal*, and *voluntarily excluded*, as used in this clause, have the meanings set out in the Definition and Coverage sections of 49 CFR Part 29. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.

d. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

e. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions. (See below)

f. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR Part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

g. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

h. Except for transactions authorized under paragraph d. of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR Part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

*Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transactions:*

a. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

b. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

7. Restriction on Federal Lobbying:

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

- a. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- b. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Restriction on State Lobbying:

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

8. Business Integrity Clause: The Agency may immediately cancel the grant without further liability to the Agency or its employees if the grantee, an officer of the grantee, or an owner of a 25 percent or greater share of the grantee is convicted of a criminal offense incident to the application for or performance of a State, public, or private grant or subcontract; or convicted of a criminal offense including but not limited to any of the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or Federal antitrust statutes; or convicted of any other criminal offense which, in the sole discretion of the Agency, reflects on the grantee's business integrity.

9. Indemnification:

- a. To the extent allowable by law, all liability to third parties, loss, or damage as a result of

claims, demands, costs, or judgments arising out of activities, such as direct service delivery, to be carried out by the grantee in the performance of this agreement shall be the responsibility of the grantee, and not the responsibility of OHSP, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the part of the grantee, any subcontractor, anyone directly or indirectly employed by the grantee, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to the grantee or its employees by statute or court decisions.

b. To the extent allowable by law, all liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities such as the provision of policy and procedural direction, to be carried out by OHSP in the performance of this agreement shall be the responsibility of OHSP and not the responsibility of the grantee if the liability, loss, or damage is caused by, or arises out of, the action or failure to act on the part of any OHSP employee or agent, provided that nothing herein shall be construed as a waiver of any governmental immunity by the State, its agencies (OHSP) or employees as provided by statute or court decisions.

c. To the extent allowable by law, in the event that liability to third parties, loss, or damage arises as a result of activities conducted jointly by the grantee and OHSP in fulfillment of their responsibilities under this agreement, such liability, loss, or damage shall be borne by the grantee and OHSP in relation to each party's responsibilities under these joint activities, provided that nothing herein shall be construed as a waiver of any governmental immunity by the grantee, the State, its agencies (OHSP) or their employees, respectively, as provided by statute or court decisions.

10. The grantee agrees to abide by the Federal Drug-Free Workplace Act of 1988 (49 CFR Part 29 Sub-part F).

11. For Federally Funded Grants:

a. Buy America Act: Only items produced in the United States may be purchased with Federal funds unless the State can show that such domestic purchases would be inconsistent with the public interest; that such materials are not reasonably available and are of an unsatisfactory quality; or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. Clear justification for the purchase of non-domestic items must be in the form of a waiver request submitted to OHSP for approval by the appropriate governing authority.

b. The recipient or its contractor agrees to Federal Drug-Free Workplace Act of 1988 (49 CFR Part 29 Sub-part F) provided under this agreement. Recipients and their contractors shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of DOT-assisted contracts.

12. The Hatch Act – OHSP grantees and sub-grantees will comply with the provisions of 5 USC §§ 1501-1508 and implementing regulations of 5 CFR Part 151, concerning “Political Activity of State or Local Offices, or Employees.”

## GENERAL PUBLIC INFORMATION AND EDUCATION REQUIREMENTS

1. All data, materials, plates, negatives, camera-ready copy, designs, concepts, photographs, video, and audio financed with grant funds shall be delivered to OHSP. The items will remain the property of OHSP and shall not be subject to copyright protection by the vendor or their agents. Items will be submitted to OHSP immediately after production of the item. **OHSP will hold the final grant reimbursement until all of the above items have been submitted.** The grantee shall not enter into an agreement that includes any time limits on rights for music, talent, artwork, or photographs. The grantee shall inform all vendors, subcontractors, or their agents of this requirement before authorizing work to be performed.
2. All printed public information and education materials and videos are required to contain logos as designated by OHSP, which are available in electronic formats upon request. See printing requirements on page 5 for more details. Audio materials must include an OHSP tag line. All materials, including audio and video materials, must be approved by your OHSP program coordinator prior to production. Audio and video scripts must first be submitted for review and approval. Approval will be given within one week of receipt by OHSP.
3. All videos, print photography, or graphics shall depict drivers and passengers to be properly restrained by seat belts or child passenger safety devices unless the lack of restraints is for demonstration or educational purposes.
4. Messaging costs which are of a public relations nature, and designed in-whole or in-part to promote either an individual or a governmental unit, is prohibited and not eligible for reimbursement."
5. Closed Captioning: All DVD's must be closed captioned. This includes any online videos.
6. All public communications or news releases concerning this project shall have prior approval from OHSP before being released and shall state that the project is financed with funds administered through OHSP.
7. Social Media Use and Approval. Social media accounts such as Facebook and Twitter for state or federally funded grants and projects require prior approval from OHSP before release to the public. Approval will be granted on a case by case basis.
8. The purchase of program advertising space by grantees on TV, radio, magazines, newspapers, billboards, etc., is not an allowable expense and will not be reimbursed.

## STATE OF MICHIGAN PRINTING REQUIREMENTS

1. In all cases, recycled paper must be used, if available, and if the cost does not exceed the cost of virgin paper by more than 10 percent. If the item is printed on recycled paper, a recycled logo must be used to indicate the use of recycled stock.

2. The following items require the prior approval of your OHSP program coordinator:
  - flyers
  - posters
  - printing requiring two or more colors of ink
  - annual reports
  - newsletters
  - printing requiring photographs
  - printing projects that include silk screened folders or binders, die-cut folder or covers, holograms, foil printing, embossing, or engraving
3. Alternatives to using more than one color of ink may include the use of colored paper or special screening to give an additional color effect.
4. Paper stock shall be standard sizes, as unusual sizes or special-order paper stock is more expensive than standard size and result in additional waste.
5. For State/Federally Funded Grants:

The following byline shall be placed on all printed public information and education materials:  
"This material was developed through a project funded by the Michigan Office of Highway Safety Planning and the U.S. Department of Transportation" **Or** "This material was developed through a project funded by the Michigan Office of Highway Safety Planning through the Michigan Truck Safety Fund."

## COPIES

1. OHSP will require **1 copy** of any publication produced with traffic safety grant funds **if the items are not distributed statewide**. The copy can be submitted via email, CD or flash drive.
2. OHSP will require **15 copies** of any of the following produced with traffic safety grant funds **if they are distributed statewide**. These copies are distributed throughout the state of Michigan's library system:
  - annual reports
  - manuals, handbooks, and training materials
  - news releases
  - statistics
3. OHSP will require **8 copies** of any of the following produced with traffic safety grant funds **if they are distributed statewide**. These copies are housed as part of the state of Michigan's library system:
  - posters
  - brochures
  - flyers

4. If the publication is available on a publicly accessible website, a link to the document must also be provided to OHSP. The state of Michigan's library system will then include it in its digital archive.

### PROGRAM REQUIREMENTS

1. Progress reports are required to be submitted throughout the grant period. The due dates for these reports are specified in the approval letter and must be submitted online. Reports shall describe activities undertaken to accomplish each project objective, reason for non-activity if necessary, activities planned for the next quarter and obstacles encountered or anticipated. Progress reports must be submitted in order for OHSP to process financial reimbursement.

2. The final progress report is due on the date stated in the approval letter and shall include a summary of all activities and accomplishments for the entire grant period. Include the following information in the project summary:

- a. A brief description of the project's purpose and the problem it addressed.
- b. A list of significant accomplishments or activities of this project that addressed the project objectives.
- c. A summary of how this project impacted the initial stated problem.

3. Out-of-state travel requires prior written approval by the OHSP Division Director. A written request shall be submitted on the form provided. **Requests shall be submitted at least 30 days in advance of anticipated travel.** Financial commitment (i.e. travel arrangements, conference fees, hotel reservations, etc.) shall not be made prior to OHSP approval.

4. If a project modification is required, the grantee shall contact the OHSP program coordinator for prior approval.

5. For Enforcement Grants Only:

- a. The grantee shall verify that all officers working an impaired driving enforcement detail have completed the NHTSA-International Association of Chiefs of Police (IACP) approved Standardized Field Sobriety Testing (SFST) curriculum.
- b. Law enforcement agencies shall adopt the IACP model policy on seat belt use or have a written policy in place requiring the use of seat belts by all employees and passengers in department vehicles.
- c. Law enforcement agencies shall adopt the IACP guidelines on vehicle pursuits or have a written policy in place
- d. Enforcement activity data shall be submitted to OHSP within five days of the conclusion of the enforcement period. Agencies shall use the Enforcement Report connected to the Web-based grant system.

- e. Only Michigan Commission On Law Enforcement Standards certified police officers or Michigan State Police Motor Carrier officers shall be used on enforcement projects.
- f. Use of part-time officers on enforcement projects is restricted and must comply with OHSP policy. **PRIOR APPROVAL IS REQUIRED.** Contact OHSP for a copy of this policy.
- g. Grantees acting as a project director of a multi-agency grant must provide the participating agencies with a copy of these Grant Management Requirements.
- h. Grant funds **CANNOT** be used for activities such as traffic control, motorcades and dignitary protection during election seasons. OHSP grant funds can only be used for activities approved in the grant.
- i. If a police emergency arises during a grant-funded patrol, it shall be determined within 1 hour if the enforcement will continue or be rescheduled.
- j. All law enforcement officers participating in an OHSP grant-funded traffic enforcement detail shall wear a properly fastened seat belt in accordance with State law. Officers found in violation of this requirement while working a grant-funded detail are ineligible for funding reimbursement from OHSP

### **GENERAL FINANCIAL REQUIREMENTS**

1. Only program activities and expenses detailed in the approved grant budget and incurred during the grant period are eligible for reimbursement. Expenses incurred that are not detailed in the approved grant budget or outside of the grant period will not be reimbursed. **Costs cannot EXCEED the approved grant award.**
2. Goods purchased through the grant shall be received in acceptable condition. If goods are not received in acceptable condition within thirty (30) days prior to the grant ending date, the grantee shall contact the OHSP program coordinator.
3. The grantee shall use generally accepted accounting principles.
4. Costs charged to this grant cannot be charged to any other program. Law enforcement agencies cannot offer comp time in lieu of overtime pay.
5. All costs shall be actual and supported by source documentation. Financial reimbursement will be delayed until all backup documentation is received by OHSP. A document entitled "Acceptable Backup Documentation for Federal Cost Claims" is available from OHSP to assist with identifying adequate backup documentation. OHSP utilizes this guidance for all grant recipients regardless if the source is federal or state grant funds.
6. A separate account or fund must be established for this project. A separate account is required to be maintained by all agencies receiving grant funds from the OHSP regardless of the dollar amount. In addition, grantees receiving funds from OHSP for multiple grant projects must have a separate

account for each grant project. It is the responsibility of the oversight agency to insure that all sub-agencies meet this requirement. The general ledgers of the sub-agencies are not required to be submitted with requests for payment unless specifically requested by OHSP.

7. Costs must be net of all applicable credits such as purchase discounts, rebates or adjustments of overpayments or erroneous charges.

8. The following deviations from the approved budget require **PRIOR approval from OHSP**:

- a. A specific item of cost not included in the approved budget.
- b. An increase in the number of a specific item over and above the total authorized.
- c. A transfer between major budget categories in excess of 10 percent of the category being increased.

9. Procurement Methods:

- a. Competition: Grantees shall conduct all procurement and contractual transactions, without regard to dollar value, to provide maximum, open and free competition. Maximum, open and free competition shall be assured through the distribution of an adequate number of proposal solicitations.
- b. Small Purchase Procedures: Small purchase procedures are those relatively simple and informal procurement methods for securing services, supplies, or other property that do not cost more than \$25,000 in total. If small purchase procedures are used, price or rate quotations must be obtained from at least three (3) Buy America Act qualified sources.
- c. Competitive Bids: For purchases over \$25,000, the grantee shall follow their competitive bid process providing it is at least as restrictive as the process required by the State of Michigan and complies with the Buy America Act. The grantee or their contractor agrees to ensure that minority business enterprises, as defined in 49 CFR Part 23, have the maximum opportunity to participate in the performance of contracts and subcontracts financed, in whole or in part, with funds provided under this agreement.

In those instances where three (3) bids have not been received, a full explanation, along with the names and addresses of those firms and individuals requested to bid, and including reasons why agencies failed to bid, must be forwarded to OHSP for approval **prior** to awarding a contract.

10. Documentation for costs shall be maintained for three years following final reimbursement.

11. Any program income received shall be used exclusively to further traffic safety project activities. Program income is defined as gross income earned by the grantee from grant supported activities. Some examples are proceeds from the sale of items purchased or developed with grant funds, or revenue received from attendees at trainings or conferences paid for with grant funds. Program

income must be netted against costs incurred within the grant or returned to OHSP, unless prior permission is obtained from OHSP to use the funds for other traffic safety projects. Contact OHSP for further information.

12. Supplanting:

The replacement of routine and/or existing expenditures with the use of state or federal grant funds for costs of activities that constitute general expenses required to carry out the overall responsibilities of a state or local agency or other grantee is considered to be supplanting and is not allowable.

The subgrantee shall not use grant funds to supplant state or local funds, or, other resources that would otherwise have been made available for this program. Further, if a position created by a grant is filled from within, the vacancy created by this action must be filled within 30 days. If the vacancy is not filled within 30 days, the subgrantee must stop charging the grant for the new position. Upon filling the vacancy, the subgrantee may resume charging the grant position.

The Financial Officer or Authorizing Official may not be funded under this grant.

### **COST REIMBURSEMENT**

1. All OHSP projects are based on the cost reimbursement concept; i.e., state, local, or private funds shall be expended before reimbursement is provided.

2. Reimbursement is based on submission of progress and financial reports. All requested information should be submitted electronically whenever possible. Otherwise backup information may be submitted via US mail or by fax. A Financial Report submitted to OHSP by a grantee shall contain the following to be considered complete:

- a. Electronic signatures as indicated by agency passwords for the agency's Financial Officer or Project Director.
- b. A copy of a report for the current period generated by the grantee's official accounting system which shows a description of the item and the actual amount spent. Some examples of acceptable reports include a detailed general ledger, a transaction ledger, a payroll journal, or a detailed budget/expenditure report. The report must match the amount being requested for reimbursement.
- c. For enforcement grants: Officer names, dates, and amounts paid for each agency participating in grant funded patrols.
- d. For non-enforcement grants with personnel costs: Activity logs as described in "Personnel Costs" under "Budget Cost Category Requirements."
- e. Additional documentation as requested by OHSP.

3. Financial Reports are due, at a minimum, on a quarterly basis. Financial Report due dates are specified in the grant approval letter. Monthly reporting is acceptable; however, grantees must notify OHSP if monthly reporting will be done. Financial Reports must be submitted even when the project experiences no costs. In this case, a "zero" Financial Report shall be submitted. The

submission of Financial Reports is mandatory and non-compliance can result in termination of the grant.

4. The Project Director shall ensure that financial reports are submitted in compliance with reporting deadlines. If the financial report is submitted electronically without backup documentation, the financial report is not considered submitted and the grantee will receive a delinquent letter stating same.
5. A delay in submitting support documentation may result in the suspension of all grant activity.
6. Failure to submit cost statements with adequate supporting documentation prior to the fiscal year close out deadline will result in non-reimbursement of those costs. Costs from one fiscal year cannot be paid in a subsequent fiscal year.

### **BUDGET COST CATEGORY REQUIREMENTS**

***PLEASE REFER TO THE FOLLOWING FOR SPECIFIC REQUIREMENTS OF BUDGET COST CATEGORIES. ONLY REQUIREMENTS FOR COST CATEGORIES CONTAINED WITHIN YOUR APPROVED GRANT BUDGET APPLY.***

#### **PERSONNEL COSTS**

1. Payments for salaries and wages shall be supported by a time and attendance report, based on an after-the-fact distribution of time, which shows details of the activities performed.

**For enforcement grantees (including sub-grantees)-** A daily activity log with descriptions of the activities performed must be completed for all time requested for reimbursement, the time on the daily must agree with the hours requested, and approval must be documented electronically or in writing. Daily logs shall be kept on file at the agency, and must be submitted with other supporting financial backup if requested by OHSP, or be made available during monitoring. A list of officer's names, dates worked, and amounts paid for each agency participating in grant-funded enforcement patrols must be submitted on the enforcement grantee reimbursement form provided by OHSP, or on an alternate form approved by OHSP.

**For non-enforcement grantees-** Grantees must maintain activity logs which document the actual amount of time spent on this grant project, and describe the nature of the activities performed. If the grant is funded from multiple sources, the logs must show the activity by fund source. This documentation must be submitted with the financial reimbursement request.

2. Reimbursement for wages and fringe benefits shall be based on actual costs NOT budgeted rates.

Only those fringe benefit costs that actually increase as a result of hours worked on this project can be claimed for reimbursement. For overtime wages, those costs typically include FICA, workers comp, and retirement, but if any of these costs are structured so that they don't increase with overtime, they cannot be reimbursed. For straight-time grant-funded positions, all fringe

benefits associated with the position may be claimed to the extent that the position has been approved for reimbursement (e.g., if 50% of the position is grant funded, 50% of the fringes benefits can be claimed.) Fringe benefit rates must be reasonable, in accordance with federal cost principles.

3. The rate of pay for grant-funded enforcement shall be determined according to the grantee's policy, contract, or employment agreement. Overtime rates must be applied consistently to all activities of an agency – higher rates may not be established just for federal grants.

4. Agencies shall comply with all state labor laws.

### **CONTRACTUAL SERVICES**

Contractual services are services of individual consultants or consulting firms engaged in performing special services pertinent to highway safety.

All grantees or sub-grantees awarding contracts or sub-contracts shall comply with the terms and conditions of Title 49 Code of Federal Regulations, Part 18-Uniform Administrative Requirements For Grant And Cooperative Agreements To State And Local Governments, §18.36 Procurement. A copy is available from OHSP upon request.

**NOTICE: All contracts for the purpose of developing public information materials (print, audio, or video) must be submitted to the appropriate OHSP program coordinator for review PRIOR to entering into the contractual agreement with the vendor.**

### **OPERATING COSTS**

1. Automotive expenses submitted shall be based on actual costs incurred. In most cases, this will be calculated by multiplying actual miles driven times a mileage rate. The rate will be determined when the grant is approved, but will generally be the IRS business mileage rate. With prior approval, reimbursement may be allowed based on the actual costs incurred for gasoline, maintenance, insurance, and other vehicle expenses.

2. Reimbursements for travel (meals, lodging, mileage, etc.) cannot exceed the lesser of the grantee's published travel rates or the allowable State of Michigan travel rates. Exceptions to this for unusual situations require approval by OHSP prior to incurring the expense.

3. Postage, telephone, and grant-related travel costs shall be documented by log or meter and submitted with the reimbursement request.

4. Only eligible operating costs specifically listed in the approved grant budget will be reimbursed.

### **EQUIPMENT**

1. Only eligible equipment specifically listed in the equipment section of the approved grant budget will be reimbursed. Equipment costs shall be reimbursed according to the match requirements as specified in the approved grant budget.
2. Equipment purchases shall be initiated within the time period specified in the approved grant. "Initiated" means bids were solicited, accepted, and items have been ordered. If there is a reason a grantee is unable to meet this requirement, the OHSP program coordinator shall be contacted immediately.
3. Equipment purchased through this grant shall be used only for highway safety activities throughout its useful life.
4. If the equipment is disposed of, or ceases to be used for highway safety activities, and the equipment is determined to have a Current Fair Market Value of \$5,000 or more, OHSP reserves the right to retain or transfer title to all items. OHSP may allow the holder of the equipment to retain title of the equipment and reimburse the federal share of the fair market value of such equipment. The Current Fair Market Value shall be determined as follows:
  - a. Appraisal by an independent source with expertise in valuation of similar items is the preferred method of valuation for equipment.
  - b. For vehicles, blue book values, taking into consideration the physical condition of the vehicle, may be used.
  - c. If a fair market value based on appraisal or blue book values cannot be determined, the value may be based on IRS depreciation schedules. Only straight line depreciation may be used.
5. Equipment with a cost of \$5,000 or more shall be tagged by the grantee for inventory control purposes. In addition, the OHSP Equipment Record System Form with all applicable information completed shall be submitted with the grantee's reimbursement request. The grantee shall complete an equipment inventory form sent to them by OHSP each year that the value remains \$5,000 or more, and shall make the item available for physical review by OHSP staff when requested.
6. All equipment purchases shall comply with the Buy America Act requirements before costs will be reimbursed. Please refer to section eleven under the broad heading Grant Management Requirements for specific terms of the Buy America Act.

## **INDIRECT COSTS**

Indirect costs cannot be specified in all situations because of the diverse characteristics and accounting practices of governmental units. Typical examples of indirect costs may include certain state/local-wide central service costs, general administration of the grantee department or agency, accounting and personnel services performed within the grantee department or agency, depreciation or use allowances on buildings and equipment, the costs of operating and maintaining facilities, etc.

Indirect costs shall be provided at a negotiated rate mutually acceptable to the grantee and OHSP. The indirect cost rate shall be developed in accordance with *Federal Circular A-87* and shall be supported by the grantee's central service cost allocation plan or its equivalent. The indirect cost rate must be approved by the grantee's federal cognizant agency, with written documentation maintained by the grantee. If the grantee does not have a federal cognizant agency, OHSP will serve in this capacity.

### **TERMINATION**

OHSP retains the right to terminate a grant for failure to meet the grant management requirements. When a grant is terminated by OHSP, the grantee shall not be eligible to seek grant funding for a period of two years. In order to obtain a grant after the two-year period, the grantee will be required to submit written assurance that the identified deficiencies have been corrected. Additionally, the agency may be required to submit monthly financial reports to allow for increased financial monitoring.