

FY2023 TRUCK SAFETY FUND GRANTS GRANT MANAGEMENT REQUIREMENTS

1. All correspondence to the Office of Highway Safety Planning (OHSP) regarding this project shall include the project number, example: TS-23-01.
2. Each grant is required to have, at a minimum, three separate individuals: one serving as an authorizing official, one as a project director, and one as a financial officer. A change in project director, agency contact, financial officer, authorizing official, addresses, email, or telephone numbers requires written notification to the OHSP. The project director is responsible for also making these changes to the online grant management system.
3. The OHSP may conduct a monitoring review of truck safety grants in accordance these GMRs and if applicable, state contracts, to determine adherence to project objectives, to review financial procedures, and to ensure compliance with grant requirements. All grantees (and all sub-recipients and contractors) are expected to cooperate with all reasonable requests for information as part of the monitoring review process.
4. All information generated from this project must include the following disclosure statement:

The opinions, findings, and conclusions expressed in 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 sub-recipients 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 Truck Safety Fund 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. 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 Sub-contract; 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 (SOM) 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.
 7. 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 the 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 sub-contractor, 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 the OHSP in the performance of this agreement shall be the responsibility of the 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 the OHSP in fulfillment of their responsibilities under this agreement, such liability, loss, or damage shall be borne by the grantee and the 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.
 8. The grantee agrees to abide by the Federal Drug-Free Workplace Act of 1988 (49 CFR Part 29 Sub-part F).
 9. If the grantee is subject to a state contract, the grantee must abide by all of the provisions of the state contract.

PUBLIC INFORMATION AND EDUCATION REQUIREMENTS

1. All original electronic files including designs, concepts, photographs, video, and audio financed with grant funds shall be delivered to the OHSP by an agreed upon due date between the OHSP and the grantee (and all sub-recipients and contractors). The items will remain the property of the OHSP and shall not be subject to copyright protection by the vendor or their agents. Items will be submitted to the OHSP immediately before production of the item for approval prior to implementation. Allow at

least two weeks for review by the OHSP. **The OHSP will hold the final grant reimbursement until all the above items have been submitted.** The grantee (and all sub-recipients and contractors) shall not enter into an agreement that includes any time limits on rights for music, talent, artwork, or photographs. The grantee (and all sub-recipients and contractors) shall inform all vendors, subcontractors, or their agents of this requirement before authorizing work to be performed.

2. 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.
3. Messaging costs which are of a public relations nature and designed in-whole or in-part to promote either an individual or an agency is prohibited and not eligible for reimbursement.
4. Materials compliance with [American Disabilities Act](#):
 - a. Closed Captioning: All DVDs must be closed captioned. This includes online videos.
 - b. Printed publications must be available in audio files via the Michigan Braille and Talking Book Library.
5. Social Media Use and Approval: The creation of social media accounts such as Facebook, Twitter, etc. for state or federally funded grants and projects require prior approval from the OHSP before release to the public.
6. The following items require the prior approval of the OHSP Program Coordinator:
 - a. flyers and brochures
 - b. posters and banners
 - c. annual reports
 - d. newsletters
 - e. scripts
 - f. news releases
 - g. training curriculum, excluding those developed by nationally approved agencies (i.e., National Highway Traffic Safety Administration (NHTSA), International Association of Chiefs of Police (IACP), etc.)
7. Funding requirement statement: 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 Truck Safety Fund.
8. Public communications or news releases concerning a project shall state that the project is financed with funds from the Michigan Truck Safety Fund.
9. The SOM prohibits use of the OHSP and/or MSP logos on non-SOM websites.

SOM 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 ten 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 the OHSP:
 - a. flyers, posters, brochures
 - b. annual reports
 - c. newsletters

- d. training curriculum, excluding those developed by nationally approved agencies (i.e., NHTSA, IACP, etc.)
- 3. All businesses performing printing services must meet one of the following conditions: (a) bear the label of the branch of the allied printing trades council of the locality in which it is printed; (b) have on file with the secretary of state, a sworn statement indicating that employees producing the printing are receiving the prevailing wage rate in the locality in which the work is performed; or (c) have a collective bargaining agreement in effect formed by an organization that is not in any way influenced or controlled by management. *(Per SOM Procurement Policy Manual-Revised 6/12/18-Section: 1.3.13-State Printing Act)
- 4. The following byline shall be placed on all printed public information and education materials:

This was developed through a project funded by the Michigan Truck Safety Fund.

COPIES

- 1. The OHSP will require one electronic copy of any publication produced with truck safety grant funds if print copies are not available or if the items are not distributed statewide, and it is not available online. The copy can be submitted via email, CD, or flash drive.
- 2. The OHSP will require one copy of any of the following produced with truck safety grant funds if they are distributed statewide and are not available online. This copy is distributed throughout the SOM of Michigan's library system:
 - a. annual reports
 - b. manuals, handbooks, and training materials
 - c. news releases
 - d. statistics
- 3. The OHSP will require two of any of the following produced with state truck safety funds if they are distributed statewide and are not available online. These copies are housed as part of the SOM's library system:
 - a. posters
 - b. brochures
 - c. flyers

PROGRAM REQUIREMENTS

- 1. Progress reports are required to be submitted throughout the grant period. The due dates for progress reports are specified in the approval letter and must be submitted in the online grant management system. Reports shall describe activities undertaken to accomplish each project objective, reason for non-activity, if necessary, activities planned for the next month or quarter, and obstacles encountered or anticipated. Progress reports must be submitted and approved prior to the OHSP processing and approving financial reimbursement. For truck safety enforcement projects, enforcement reports, if required, must be submitted to the OHSP to process, and approve 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 list of significant accomplishments or activities of this project that addressed the project objectives.
 - b. If no activity took place, a report must be submitted stating as such and reasons why.
 - c. If goals were not met, a statement must be provided on why the goal was not reached.
 - d. Explanation of Impact that the project has had in the grantee's community or jurisdiction.

3. Out-of-state travel requires prior written approval by the OHSP Division Director. **The OHSP Grantee Out-of-State Travel Request form, and appropriate support documentation, 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 the OHSP approval.
4. If a project amendment is required, the grantee shall contact the OHSP Program Coordinator.
5. For Enforcement Grants Only:
 - a. The grantee (and all sub-recipients and contractors) shall verify all officers working the OHSP-funded overtime have completed Standardized Field Sobriety Testing (SFST) refresher course every three years. This does not apply to administrative staff hours billed to the grant.
 - 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.
 - b. Truck safety enforcement activity data shall be submitted to the OHSP within five days of the conclusion of the enforcement period if requested by the OHSP. Agencies shall use the enforcement report in the online grant management system or a form provided by the OHSP that must be saved in the online grant management system.
 - c. Only Michigan Commission on Law Enforcement Standards certified police officers or MSP Motor Carrier officers shall be used on enforcement projects.
 - d. Grantees acting as a project director of a multi-agency grant must provide the participating agencies with a copy of these Truck Safety Grant Management Requirements.
 - e. Truck Safety funds **CANNOT** be used for activities such as traffic control, motorcades, and dignitary protection during election seasons. Truck Safety funds can only be used for activities approved in the grant.
 - f. Emergency response: A law enforcement emergency is defined as an imminent threat to life or property. If a law enforcement emergency occurs during a grant-funded detail and response is required by an officer(s) working that detail:
 - The officer is allowed up to one hour of grant-time to respond and return to the truck safety enforcement patrol.
 - The agency must incur the costs (i.e., the grant cannot be charged) beyond an hour or for additional emergencies that arise during the detail.
 - Response to non-emergency calls while on grant time must be charged to the agency.
 - All emergency responses must be documented with a brief description on the officer daily.
 - g. All law enforcement officers participating in truck safety 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 the OHSP.
 - h. Truck safety enforcement shifts shall be scheduled for a minimum of two consecutive hours.
 - i. Truck safety enforcement efforts shall be publicized by supporting media events as requested by the OHSP:

- The grantee (and all sub-recipients and contractors) shall assist the OHSP with media events that conducted locally.
 - Banners or other signage provided by the OHSP shall be displayed when patrols are conducted.
- j. The grantee recipient (and all sub-recipients and contractors) and the chief or sheriff or post commander from each participating agency is required to sign the OHSP GMRs Acknowledgement and Agreement form signifying receipt of the GMRs and their agreement to comply with them as part of the online grant application process.
- k. The grantee (and all sub-recipients and contractors) must keep track of funds spent. In some cases, multiple funding sources are assigned to law enforcement grants. In these situations, the grantee must assign, document, and monitor expenditures to each designated funding source separately. Separate accounts should be established for each funding source. Each grant and federal funding sources may not be used interchangeably. In the event the grantee overspends, the difference will need to be covered by the grantee. Additional funding will not be provided to support overspending of any program.
- l. Total personnel hours billed to the grant, and reported on the enforcement reports, must match the hours requested for reimbursement on the financial report. The time on the daily must match the hours requested for reimbursement and supervisor approval must be documented electronically or in writing. If supervisors' approval is given by means other than a signature on the daily, explanation of the approval process must be provided at the OHSP's request and kept as grant documentation records.

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 days prior to the grant ending date, the grantee shall contact the OHSP Program Coordinator.
3. The grantee (and all sub-recipients and contractors) shall use Generally Accepted Accounting Principles (GAAP).
4. Costs charged to this grant cannot be charged to any other program, agency, or organization. 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 the OHSP. Information is available from the OHSP to assist with identifying adequate backup documentation for Truck Safety Fund grant cost claims.
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, the grantee (and all sub-recipients and contractors) receiving funds from the OHSP for multiple grant projects must have a separate account for each grant project and funding type. It is the responsibility of the lead agency to ensure 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 the OHSP. Comingling of funds on either a program-by-program or project-by-project basis is prohibited.

The sub-grantee's accounting system must maintain a clear audit trail for each source of funding for each fiscal budget period and include the following:

- a. Separate accountability of receipts, expenditures, disbursements, and balances.
 - b. Itemized records supporting all grant receipts, expenditures, and match contributions in sufficient detail to show exact nature of activity.
 - c. Data and information for each expenditure and match contribution with proper reference to be a supporting voucher or bill properly approved.
 - d. Maintenance of payroll authorization and vouchers.
 - e. Maintenance of records supporting charges of fringe benefits.
 - f. Maintenance of inventory records for equipment purchased, rented, and donated.
 - g. Maintenance of billing records for consumable supplies (i.e., paper, printing) purchased.
 - h. Provisions for payment by check.
 - i. Maintenance of travel records (i.e., parking, hotels, meal receipts, etc.).
 - j. Lease agreements, contracted services, and equipment purchases that adhere to established procurement processes.
7. Costs must be net of all applicable credits such as purchase discounts, rebates, or adjustments of overpayments or erroneous charges. This may require approval from the Michigan Truck Safety Commission and the OHSP.
8. Deviations from the approved budget require **prior approval from OHSP**. This would include but not be limited to:
- 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 budget category title being increased (i.e., Personnel Costs, Contractual Services, Operating Costs, Equipment, and Indirect), not the individual budget line-item titles.
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 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 SOM. 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 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 the OHSP for approval **prior** to awarding a contract.
10. Documentation for costs shall be maintained for three years plus the current year following final reimbursement.
11. Any program income received shall be used exclusively to further Truck Safety project activities. Program income is defined as gross income earned by the grantee from grant supported activities. The OHSP shall be notified if program income is generated. 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 the OHSP, unless prior permission is obtained from the OHSP to use the funds for other traffic safety projects. Contact the OHSP for further information.

12. **General Cost of Business (formerly referred to as 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 general cost of business and is not allowable. The grantee (and all sub-recipients and contractors) 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 grantee (and all sub-recipients and contractors) must stop charging the grant for the new position. Upon filling the vacancy, the grantee (and all sub-recipients and contractors) may resume charging the grant position.

The Financial Officer or Authorizing Official's straight time costs may not be funded under this grant.

COST REIMBURSEMENT

1. The OHSP projects are based on the cost reimbursement concept, i.e., state, local, or private organization 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 in the online grant management system whenever possible. Otherwise, backup information may be submitted via U.S. mail, email, or fax. A financial report submitted to the 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 dailies must contain officer names, dates, and amounts paid for each agency participating in grant-funded patrols signed electronically or physically by both the employee and supervisor.
 - d. For non-enforcement grants with personnel costs: Activity logs as described in Personnel Costs under Budget Cost Category Requirements must be signed electronically or physically by both the employee and supervisor.
 - e. Copies of invoices must be included.
 - f. Additional documentation as requested by the OHSP.
3. Financial reports are due on a **monthly** basis. Financial report due dates are specified in the grant approval letter. Financial reports must be submitted even when the project experiences no costs. In this case, a value of zero shall be submitted on the financial report. The submission of financial reports is mandatory, and non-compliance can result in termination of the grant. Financial reports will be considered delinquent if not submitted by the due dates specified in the grant approval letter.
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. All time and attendance reports must be signed by the employee and supervisor. Electronic signatures are accepted.

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 the OHSP or be made available during monitoring. A list of officer 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 the OHSP or on an alternate form approved by the OHSP.

For non-enforcement grantees-Grantees must maintain detailed activity logs which document the actual amount of time spent on the 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. Reimbursement for wages and fringe benefits shall be based on actual costs not budgeted rates.

Only those fringe benefit costs that increase as a result of hours worked on this project can be claimed for reimbursement. For overtime wages, those costs typically include FICA, workers compensation, and retirement. If any of these costs are structured so that they do not increase with overtime, they cannot be reimbursed. For defined benefit pension plans, the grant will not pay any portion of the rate that is a prior year unfunded liability. 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.

2. 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 for Truck Safety grants.
3. Agencies shall comply with all state labor laws.
5. If the grant contains personnel services as part of the award, a detailed job description for each position listed in the budget must be available to the OHSP upon request.

CONTRACTUAL SERVICES

Contractual services are services of individual consultants or consulting firms engaged in performing special services pertinent to highway safety. Contracts are allowable when necessary, to achieve the

goals of the grant agreement. Costs are allowable for products, highway safety consultants, personal services, and/or individuals for support services, provided applicable state and local procurement procedures are followed and documentation is available that describes the official contract and procurement practices. The grantee is responsible for managing all contracts issued using the OHSP grant funds including:

- a. Ensuring the contractor complies with all contract provisions.
- b. Ensuring services are performed according to the quality, quantity, objectives, timeframes, and manner specified in the contract.
- c. Ensuring that all work is completed and accepted before the contract expires.
- d. Assessing and requesting amendments, renewals, or new contracts as required allowing sufficient time to process and execute these changes before the contract expires to prevent lapse in service.
- e. Ensuring that contracts are amended after any grant agreement revision that affects the contract terms.
- f. Reviewing and approving invoices for payment, ensuring payments are made in accordance with contract terms, all costs are budgeted and allowable, and work has been performed.
- g. Monitoring contract expenditures to ensure there are sufficient funds to pay for all services rendered as required by the contract.
- h. Verifying all requirements of the contract are fulfilled before submitting the final invoice.
- i. Ensuring that all personnel activity log requirements are met.

NOTICE: Contracts paid for in whole or in part with Truck Safety Funds must be made available to the OHSP upon request as part of the monitoring and audit process or as stated in the grant approval letter.

SPECIAL PROVISIONS

The grantee must insert in all contracts and funding agreements the following clause:

During the performance of this contract/funding agreement, the contractor/funding recipient agrees—

- a. *To comply with all Federal and State nondiscrimination laws and regulations, as may be amended from time to time.*
- b. *Not to participate directly or indirectly in the discrimination prohibited by any Federal non-discrimination law or regulation, as set forth in Appendix B of 49 CFR part 21 and herein.*
- c. *To permit access to its books, records, accounts, other sources of information, and its facilities as required by the State highway safety office, the US DOT, or the NHTSA.*
- d. *That, in event a contractor/funding recipient fails to comply with any nondiscrimination provisions in this contract/funding agreement, the State highway safety agency will have the right to impose such contract/agreement sanctions as it, the State, or NHTSA determine are appropriate, including but not limited to withholding payments to the contractor/funding recipient under the contract/agreement until the contractor/funding recipient complies; and/or cancelling, terminating, or suspending a contract or funding agreement, in whole or in part.*
- e. *To insert this clause, including paragraphs a through e, in every subcontract and sub-agreement and in every solicitation for a subcontract or sub-agreement, that receives funds under this program.*

OPERATING COSTS

1. Only eligible operating costs specifically listed in the approved grant budget will be reimbursed. These are costs not covered under other budget categories, including services not requiring contractual agreements and minor equipment such as office supplies, printing, and educational materials.
2. Automotive expenses submitted shall be based on actual costs incurred for grant related activities. Reimbursement may be allowed based on the actual costs incurred for gasoline, maintenance,

vehicle rental, and insurance. Truck Safety Funds cannot be used to reimburse the costs associated:

- a. Grantee (and all sub-recipients and contractors) use of the agency vehicles for personal purposes.
 - b. Costs related to the grantee's (and all sub-recipients and contractors) use of personal vehicles to conduct grant business.
3. Reimbursements for travel (meals, lodging, mileage, etc.) cannot exceed the lesser of the grantee's published travel rates or the allowable SOM travel rates. Exceptions to this for unusual situations require approval by the OHSP prior to incurring the expense.

The SOM travel rates may be found at the following website:

<https://www.michigan.gov/dtmb/services/travel>

Out-of-state travel funded by federal; grant funds requires prior written approval by the OHSP Division Director. **The OHSP Grantee Out-of-State Travel Request form, and appropriate support documentation, 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 the OHSP approval.

4. Postage, telephone, and grant-related travel costs shall be documented by log or meter and submitted with the reimbursement request.
5. Only eligible operating costs specifically listed in the approved grant budget will be reimbursed.

EQUIPMENT (INCLUDES SOFTWARE)

1. Only eligible equipment specifically listed in the equipment section of the approved grant budget will be reimbursed.
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 shall be contacted immediately.
3. Equipment purchased through this grant shall be used only for Truck Safety activities throughout its useful life.
4. If the equipment is disposed of or ceases to be used for Truck Safety activities, and the equipment is determined to have a current fair market value of \$5,000 or more, the OHSP reserves the right to retain or transfer title to all items. The OHSP may allow the holder of the equipment to retain title of the equipment and reimburse the State 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, [Kelly Blue Book](#), [National Automobile Dealer Association \(NADA\) Guides](#), or a similar third-party vehicle valuation service, may be used when valuing the condition of the vehicle.
 - c. If a fair market value based on appraisal, [National Automobile Dealer Association \(NADA\) Guides](#), or Kelly 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. Equipment must be maintained on a physical inventory list if it has a value of \$5,000 or more. 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 the OHSP each year that the value remains \$5,000 or more and shall make the item available for physical review by the OHSP staff upon request.

6. Equipment must be inventoried on an annual basis. An equipment list must be provided to the OHSP that includes, but not limited to, a description of the item, identifiers such as VIN/model/serial numbers, photographs, date of purchase, copies of insurance coverage, title, and registration (vehicles). Equipment may include computers, cellular phones, vehicles, software licenses, and any other item as requested by the OHSP. This must be provided to the OHSP 30 days after the grant award date or as stated in a state contract.

INDIRECT COSTS

Indirect costs cannot be specified in all situations because of diverse characteristics and accounting practices. 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 the 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 cognizant agency with written documentation maintained by the grantee. If the grantee does not have a cognizant agency, the OHSP will serve in this capacity.

CONFLICT OF INTEREST AND CODE OF CONDUCT STANDARDS

1. The Grantee is subject to the provisions of [1968 PA 317, as amended, 1973 PA 196](#), as amended.
2. The Grantee must have established conflict of interest policies.
3. The Grantee will uphold high ethical standards and is prohibited from:
 - a. Holding or acquiring an interest that would conflict with this Agreement.
 - b. Doing anything that creates an appearance of impropriety with respect to the award or performance of this Agreement.
 - c. Attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or
 - d. Paying or agreeing to pay any person, other than employees and consultants upon the award of this Agreement.

TERMINATION

The OHSP retains the right to terminate a grant for failure to meet the grant management requirements. When a grant is terminated by the 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 more frequent financial reports to allow for increased financial monitoring.

