



Grant Program Manual Federal Fiscal Year 2026

This manual establishes consistent program and project management procedures for the California Office of Traffic Safety (OTS) staff and subrecipients (agencies/organizations receiving federal grant funds from the OTS) to guide the administration of the state's highway safety program in compliance with National Highway Traffic Safety Administration guidelines. Best practice requires the OTS to have a current manual which documents standard operating procedures and the management of the highway safety program. This manual contains a written record of current approved administrative and financial procedures; however, it does not specifically address all regulations. Periodic changes and additions to the manual may be necessary to meet changing federal and state laws and/or to improve program management and fiscal procedures. When an agency or organization accepts federal safety funds, it also agrees to fully comply with all requirements in this manual and any periodic changes that may be made during the grant period.

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Chapter 1 – Introduction

Section 1.01: Purpose

The California Office of Traffic Safety (OTS) is under the direction of the California State Transportation Agency (CalSTA) and is tasked with developing and implementing a highway safety program that addresses the behavioral factors that impact traffic safety. The purpose of this Grant Program Manual (GPM) is to provide consistent guidance in the administration of the OTS highway safety program, so that it follows state and federal regulations. The GPM contains a written record of approved administrative and financial procedures, which all OTS grantees must follow. This GPM does not address all regulations and occasional reference to other California state government manuals and policies may be necessary.

Section 1.02: Mission and Vision Statement

Mission:

Deliver traffic safety programs to prevent people from being killed and seriously injured in California.

Vision:

All people will be safe on California roads.

Section 1.03: Grant Program Funding Overview

The OTS funding, which is awarded to the state by the National Highway Traffic Safety Administration ([NHTSA](#)), includes the Highway Safety Program (23 USC § 402), the National Priority Safety Program (23 USC § 405), and the Minimum Penalties for Repeat Offenders for Driving While Intoxicated or Driving Under the Influence Program Transfer (23 USC § 164). These programs are included in the five-year, national transportation funding bill known as the Infrastructure Investment and Jobs Act ([IIJA](#)). **The OTS highway safety program is a reimbursement program whereby a grantee will expend their funds to perform the work and then submit a claim and necessary documentation for reimbursement by the OTS.**

The OTS cannot directly fund a 501(c)(3) non-profit organization; however, these entities are eligible for funding through a host government or public entity as a contractor.

Chapter 2 – Triennial Highway Safety Plan Development

Section 2.01: Overview

The goal of the behavioral highway safety program is to ensure all roadway users arrive at their destination safely. To accomplish this, the OTS develops a Triennial Highway Safety Plan (3HSP) along with an Annual Grant Application

(AGA) and submits both documents to NHTSA. These documents outline and implement a data-driven highway safety program that uses proven countermeasures to help address unsafe behaviors such as seat belt usage, speeding, impaired and distracted driving that are contributing factors in serious injury and fatal motor vehicle crashes.

Section 2.02: Traffic Safety Problem Identification and Program Areas

The 3HSP addresses the priority program areas including:

- Alcohol impaired driving
- Distracted driving
- Drug-impaired driving
- Emergency medical services
- Motorcycle safety
- Occupant protection
- Pedestrian and bicycle safety
- Police traffic services
- Public relations, advertising, and marketing program
- Roadway safety and traffic records

Identification of roadway traffic safety problems is conducted on a statewide basis for each program area. Problem identification is the process of gathering and analyzing data and information from a variety of sources and using what is learned to prioritize limited resources for the implementation of proven and innovative countermeasures that will help prevent crashes on California's roads. Gathering and analyzing data and other pertinent information, along with conducting meaningful public participation and engagement, are the strategic approach the OTS uses to guide the problem identification process. This approach ensures that the OTS understands the extent of the traffic crash problem with a focus on identifying the geographic areas where crashes are occurring and the appropriate strategies to help address them.

Numerous data resources are used to determine and prioritize the state's traffic safety problems. These include federal priorities, past evaluations, recommendations from the most recent NHTSA program assessments, and the latest edition of NHTSA's [Countermeasures That Work](#).

The 3HSP not only describes what will be done to address these program areas, but also the goals and performance measures used to gauge progress. Program goals and performance measures are selected based on severity, economic costs and number of agencies available to implement projects using proven countermeasures.

Public Participation and Engagement

Highway safety problem identification not only involves data collection and analysis, but also *meaningful* public participation and engagement (PP&E) from communities affected by traffic crashes that result in death and serious injury. The PP&E is a meaningful process that proactively seeks full representation from communities, considers public comments and feedback, and incorporates that feedback into a project, program or plan.

Chapter 3 – Grantee Project Development and Grant Applications

Section 3.01: Overview

Each project considered by a government agency must address an emphasis area identified in the 3HSP, be data-driven and utilize proven and/or promising countermeasures that will help the OTS achieve its performance targets. Grant applications are reviewed for completeness, potential impact on improving safety, reasonableness of the budget request, and the applicant's past performance.

Section 3.02: Project Solicitation and Development

The annual project solicitation process begins by notifying Grant Electronic Management System (GEMS) registrants through email of the open application period for the next federal fiscal year (October 1-September 30) and of funding workshop dates. The message also announces when grant application forms and instructions will be available on the [Grants/Apply Now](#) page found on the OTS website.

If a grantee is not registered with GEMS, new users can apply on the Grants/Apply Now page. In addition to the announcement for grant opportunities, potential applicants can view other resources such as the *OTS Grant Application Workshop Presentation Deck* or the *OTS Grant Application Workshop*. The *Regional Grant Application Workshops* are given in order to generate interest in a particular program area identified in the 3HSP and to address questions about the grant application process.

The annual grant cycle is summarized in this table:

| MONTH | ACTIVITY |
|--------------------|---|
| December | OTS announces upcoming grant application period. OTS conducts grant workshops. |
| January | Deadline to submit grant applications is January 31st. |
| February – May | OTS reviews the grant applications. |
| June | OTS submits grants to CalSTA for approval. OTS notifies applicants of grant application status. OTS holds pre-3HSP and AGA meeting with NHTSA. |
| July – September | OTS sends grant agreements to applicants for review and signature. OTS submits the 3HSP and AGA to NHTSA. |
| September | NHTSA approves the 3HSP and AGA. Signed grant agreements are due to OTS from applicants. Once signed, applicants are referred to as grantees. September 30th is the end of the federal fiscal year. |
| October – December | October 1st the federal fiscal year begins. OTS holds pre-operational meetings with grantees. OTS prepares and submits the Annual Report to NHTSA and the state legislature. |

All grant applications are due January 31st.

Section 3.03: Grant Application and Submission

The OTS must determine if the agency or organization applying for a federal highway safety grant is eligible and has the appropriate expertise, leadership and authority to properly implement and manage the proposed project.

Projects must align with the problem identification, performance targets and strategies found in the 3HSP. The planned activities to be funded must be identified and clearly explain in detail how they support an evidence-based countermeasure. This explanation should show a logical sequence of events that will be undertaken to help the OTS achieve its performance target(s). Strategies, projects and proposed countermeasures should be selected based on analysis of current and relevant data. Innovative and/or promising countermeasures may be implemented if there is data justifying their selection or an example illustrating how the selected countermeasure has been successfully implemented by others.

Before applying applicants need to review these questions:

- Will the grant funds be used to support one of the program priority areas listed above?
- Can the applicant's organization pay for project expenses with their own funds and then wait 90 days for reimbursement?
- Is the applicant's organization a government or public entity? If the organization is a 501 c (3) then the applicant will need a government or public entity to act as the host agency.
- Has the applicant cleared a [Single Audit](#)?
- Does the applicant have a [SAM](#) number?
- Is the applicant's agency able to provide traffic safety data that demonstrates how the applicant's program will save lives on California roadways and be able to demonstrate using performance measures with one-year of funding?

If the applicant is unsure about whether their proposed project meets the necessary criteria, please contact OTS at (916) 509-3030 or go to [OTS Grants](#) to start an application.

Eligible agencies or organizations must be able to:

- Deliver services promptly.
- Manage public funds efficiently.
- Have internal management and financial controls in place.
- Collaborate with other communities and government and/or private organizations.
- Develop data-driven plans that solve highway safety problems.
- Adequately evaluate the success of a project.
- Demonstrate they are not on any debarment or suspension list.
- Provide payroll verification, accounting records, receipts/invoices, and other back up documentation to support the grant expenses and activities.

Grant Types

Two types of grant applications are available in GEMS, General Grants and Grants Made Easy (GME). A qualifying government or public entity determines which type to use based on the problem to be addressed. Problem identification should be determined through analysis of local crash data, as well as data from the California Highway Patrol (CHP). Reports must be requested from the CHP so planning the request early in the process is essential. The [OTS Crash Rankings](#) for California cities and counties is also available.

General Grants – A general grant application should be made by a government or public entity if they are seeking funds to address traffic safety problems other than what is listed on a GME. The general grant application can be customized to fit the specific needs of a government or public entity.

GME – A GME application includes pre-determined goals, objectives and activities by focus area such as DUI Courts, Emergency Medical Services (EMS), Occupant Protection, Pedestrian and Bicycle Safety, Probation, Selective Traffic Enforcement Program, Motorcycle Safety, Traffic Records Improvement Project, and Vertical Prosecution. As part of the application process, templates are designed and used to facilitate ease of preparing and submitting a grant application.

Application Submission

GEMS provides a paperless system for application entry, allocation of funds, budgeting, tracking expenditures, monitoring grant performance, and supporting the development of reports required by state and federal agencies.

Grant applications must be submitted before 11:59 pm on January 31.

Access to the GEMS application forms is only available during the open application period; however, application training resources are available year-round. First time GEMS users are required to register and must be granted access by the OTS. Returning users can login using their existing credentials. Review the [GEMS webpage](#) for more guidance.

Application templates include the following sections:

- Agency Identification: Specific information regarding the agency including the agency SAM number
- Problem Statement: A statement that details problem to be solved
- Supporting Statistical Data: Data needed that thoroughly documents the problem
- Proposed Solution: Includes a discussion of what strategies will be taken to solve the problem and what resources will be used to leverage implement the intervention
- Goals and Objectives: The goals and objectives need to be specific, measurable, action-oriented, realistic, time-framed (SMART)
- Method of Procedure: This includes a plan for daily management of the grant and a plan for reducing reliance on federal grant funding in the future
- Evaluation: General and GME grant applications outline media, data collection and reporting, evaluation, and administrative support requirements
- Budget items and Budget Narrative: This includes a detailed budget estimate with supporting narrative, that includes all cost categories – personnel costs, travel expenses, contractual services, equipment (\$10,000 or more per unit, including tax and shipping), and direct and indirect costs. Each category must be detailed by individual line items

- Supporting documents - While not required, it is strongly recommended that grant applications include a letter(s) of support from the governing body such as the Board of Supervisors, City Council, etc., and, if applicable, the community.

All sections of the application must be complete for GEMS to accept the submission. GEMS will provide an individual application number. The system allows the application to be saved and for the applicant to make multiple entries so that an application can be built over a period of time. Guidance is provided within GEMS to explain field entry requirements. Once submitted, the application is locked and cannot be altered by the applicant. To protect the integrity of the submission, the OTS can only view the application during the review process.

GEMS will inform the applicant of a successful submission by email. At this stage the application status is automatically updated to "Submitted".

Section 3.04: Grant Application Review

Once the grant application submission process is closed, each application goes through a review and evaluation process. The application is assigned to a Program Area Review Team. The OTS Grant Coordinators (member of team) will review the application to determine if it:

- Will contribute to the California Traffic Safety Program
- Is compatible with NHTSA and OTS grant funding policies
- Falls under the OTS' funding priorities, includes best practices and is a Strategic Highway Safety Plan ([SHSP](#)) priority
- Addresses a serious problem that's supported through comprehensive crash data analysis
- Targets high-risk populations, high-risk behaviors, and high crash locations
- Is reasonable and proportional (strategy, time frame, budget) to the identified problem
- Is a continuation of an existing grant, was funded within the past five years or previously submitted and denied for funding and why.

Following this in-depth evaluation, the Program Area Review Team collectively prioritizes the applications and presents their assessment to the OTS management, including the Director. The OTS then forwards its application funding recommendations to CalSTA for approval. All approved applications are included in the AGA, which is submitted on or before August 1 to NHTSA for their review and approval.

Risk Assessment

Prior to awarding a grant agreement, the OTS must evaluate and document the risk for each applicant selected for federal grant funding. The OTS will assess the applicant's risk of noncompliance with federal statutes, regulations and the terms and conditions of the grant as well as the applicant's financial stability, quality of management systems, history of past performance, and prior audit findings, if applicable. If the applicant does pose a risk, but the proposal has merit, the OTS may, as a condition of awarding grant funds, conduct a pre-funding assessment meeting with the applicant, and/or impose specific terms or conditions. This information will be used to determine the appropriate level of project monitoring if a grant is awarded.

Chapter 4 – Grant Agreement

Section 4.01: Overview

The process from grant application to a fully executed grant agreement can take several months. Following CalSTA review and approval of the 3HSP and AGA funding recommendations, the OTS will notify the government or public entity via an email, generated by GEMS, of the status of their application. Successful applications are converted by the GEMS into a draft grant agreement and assigned a grant number.

Section 4.02: Draft Grant Agreement

The OTS works with the grantee to prepare the draft grant agreement using information included in the original grant application as well as any changes to the budget and/or strategies discussed. The draft grant agreement consists of the following that is taken directly from the original grant application:

Traffic Safety Grant Agreement

The Traffic Safety Grant Agreement summarizes the terms and conditions of the contract between the grantee and OTS. This includes:

- Grant number
- Grant title
- Name of the applicant agency
- Agency
- Agency department to administer the grant
- Grant period
- Grant description including the data supported purpose, activities such as strategies, tasks, reporting, and evaluation methods
- Amount of federal funds allocated
- Contact information and approval signatures of the Authorizing Official, Grant Director, and the Fiscal Official

- Authorizing official from the OTS contact information and approval signature
- Agency's SAM number
- Budget funding data
- NHTSA transparency reporting requirements
- Accounting Officer from the OTS and approval signature

Schedule A

- Problem statement describing the jurisdiction that will be impacted, the problem to be addressed supported by data, and the target population that the grant will serve
- Performance measures, including goals and objectives
- Method of procedures identifying the tasks to be conducted to accomplish the grant performance measures
- Method of evaluation using the data compiled during the grant, the Grant Director will complete a final evaluation that should provide a brief summary of the grant's accomplishments, challenges and significant activities.
- Administrative support statement from the appropriate governing body or official such as city council, board of supervisors, county executive, city manager

Schedule B

Detailed Budget Estimate and Narrative

The detailed budget estimate covers the entire grant year and federal funding source information is provided to assist with single audit compliance. The budget and associated costs are divided into these six categories:

- *Personnel Costs*: This includes all classifications applicable to the grant, the hourly rate, based on the method of compensation for that classification, and percentage applicable to the grant. Overtime salaries must be broken out separately from regular pay. Reasonable cost of living increases, or merit increases are estimated and included. Benefits are also included under personnel costs and need to be broken out in a separate budget line item. Estimated costs for this category should be provided by the agencies fiscal official.
- *Travel Expense*: This includes the estimated cost of grant-related travel expenses, both transportation and per diem, and is segregated by in-state and out-of-state travel using the subrecipient's established reimbursement rates. If the subrecipient does not have a travel policy with established reimbursement rates, standard reimbursement rates apply per the California Department of Human Resources ([CalHR](#)).
- *Contractual Services*: This describes the estimated cost of services to be provided for each contract awarded on the grant using descriptive titles such as CPS Training, Evaluation Services, Public Awareness Campaign,

etc., rather than a specific firm, agency, or individual name. Each contract must have its own sub-budget detailing the contractors' expenses. For each contract, the agency is required to follow its established contracting policies. Approval of the grant agreement does not imply agreement for a *sole source* contact.

- *Equipment*: This includes the estimated cost of each equipment item that costs \$10,000 per unit or more and has a useful life of more than one year. The total cost of equipment includes modifications, attachments, accessories, or auxiliary apparatus necessary to make it usable for grant purposes as well as tax, shipping and installation. All applicable discounts are excluded in the cost estimate.
- *Direct Costs*: This details the estimated cost of any other allowable direct grant expense not covered under the previous categories including services not requiring contractual agreements and minor equipment such as educational materials, radar devices, child safety seats, bike helmets, and checkpoint supplies that support the grant goals and objectives. The agency must follow its established procurement policies. (Note: If a line item cost in this category is based on an allocation, it must be identified in the line item title as *Allocated Office Supplies* or *Communication Allocation*. Cost allocation plans may be requested to determine if costs are equitably distributed to the grant.
- *Indirect Costs*: This details costs incurred for common or joint purposes, such as telephone, supplies, administrative salaries etc., that are not a direct cost to the grant. An indirect cost benefits more than one cost objective and should be prorated equitably among all applicable functional areas. Estimated costs for this category should be provided by the agencies fiscal official and supported by a current federal fiscal year Indirect Cost Rate approval letter from a federal agency.
- Statements and disclaimers

Federal guidelines prohibit using federal grant funds to pay for routine and/or existing state or local activities that carry out the overall responsibilities of state, local, or federally recognized Indian tribal governments. This practice is known as general costs of government. If a grant includes funding for straight time personnel, the OTS requires the subrecipient include the following statement: *Any non-grant funded vacancies created by reassignment to a grant-funded position must be filled at the expense of the grantee agency.*

Certification and Assurances apply to the grantees and OTS and can be reviewed in Appendix A.

Section 4.03: Final Grant Agreement

Once the draft grant agreement is approved in GEMS, it is converted into a final grant agreement. The assigned OTS Grant Coordinator e-mails a copy to the Primary Contact and grant officials listed on the agreement with completion instructions. The official will also receive a GEMS User Authority form to designate individuals who can access the departments grant documents in GEMS. The Authorizing Official, Grant Director, and the Fiscal Official will electronically sign the grant and the designation form. If the agreement requires governing body approval, the agency should notify the OTS of the timetable for that process.

Once the agreement is returned to the OTS, the agreement is signed by the appropriate OTS authority. The agency will then receive notification that the grant is active and can be viewed and downloaded from GEMS. The signatures of the grant officials indicate that the grantee agrees to comply with the requirements outlined in the grant agreement. Once a grant agreement is signed by the authorized official and the OTS, it is a legally binding document. The grantee may not proceed with any expenditure associated with the grant until the authorizing official receives notification from the OTS stating the effective grant agreement start date.

Section 4.04: Pre-Operational Review

The OTS conducts a pre-operational review with all grantees within the first 90 days after the grant period begins. The review is conducted either by phone, virtually, or in-person with the OTS Grant Coordinator at a mutually agreed upon time and location. Since the purpose of the meeting is to review in detail the grant operational and fiscal requirements outlined in the OTS grant agreement, the individual(s) responsible for administering the grant should attend the meeting. The Authorizing Official, Fiscal Official, and Grant Director are strongly encouraged to participate in the pre-operational review, if available. The OTS Grant Coordinator will review the grant goals and objectives along with base year data; equipment report, if applicable; the grant claim invoice and detail; and quarterly performance report. After the pre-operational review, a report is generated by the OTS Grant Coordinator in GEMS which lists all who were in attendance, what was discussed and any other pertinent information.

Chapter 5 – Grant Requirements

Section 5.01: Budget Contingency and Funding

Once the grant has been executed, the OTS will reimburse the grantee for expenditures related to approved grant activities. The objectives outlined in the grant agreement must be accomplished during the grant period, and expenditures must align with the approved budget. **Costs incurred before the effective start date or after the end date of the grant agreement period will not**

be eligible for reimbursement. Reimbursement of costs claimed may not exceed the obligated federal funds. Reimbursement is contingent upon grantee compliance with grant requirements, and sufficient funds being appropriated and obligated by the federal government. The OTS makes neither representation nor guarantee regarding the availability of federal highway safety funds for first or subsequent year funding.

Reimbursement of approved grant expenditures is contingent upon the grantee complying with all grant requirements and the appropriation of sufficient funds by the federal government and the California OTS. The OTS does not represent or guarantee the availability of federal highway safety funds for initial or subsequent year funding. If during the term of the grant federal funds are reduced or eliminated, the OTS may immediately terminate or reduce the grant award upon written or email notification to the grant officials. The grantee will have 30 days from the notification to submit a final claim for costs incurred up to the notification date.

The grantee understands that the grant agreement is written before ascertaining the availability of appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays that would occur if the grant agreement was executed after the determination was made.

The grant agreement is valid and enforceable only if sufficient funds are made available to OTS by NHTSA for the purpose of the highway safety program. In addition, the grant agreement is subject to any additional restrictions, limitations, conditions, or statutes enacted by NHTSA or the State Legislature that may affect the provisions, terms, or funding of the grant agreement in any manner.

If NHTSA does not appropriate sufficient funds for the program, the grant agreement shall be amended to reflect any reduction in funds.

Pursuant to Government Code Section 927.13, no late payment penalty shall accrue during any time period for which there is no Budget Act in effect, nor on any payment or refund that is the result of a federally mandated program or that is directly dependent on the receipt of federal funds by a state agency.

The OTS has the option to terminate the grant agreement at any time or to amend the grant agreement to reflect any reduction of funds.

Termination for Cause

The State may terminate this grant agreement and be relieved of any payments should the subrecipient fail to perform the requirements of this grant agreement at the time and in the manner herein provided. (Reference: DGS Standard Agreement "[General Terms and Conditions](#)", Appendix D of this manual)

Termination without Cause

Either party may terminate without cause upon thirty days written notice to the other party. All work performed pursuant to the contract and prior to the date of termination may be claimed for reimbursement (Reference: [State Contracting Manual, Chapter 9.12](#)).

Section 5.02: Regulations

Two sections of the Code of Federal Regulations (CFR) govern the operation of state highway safety programs.

23 CFR Part 1300 – Uniform Procedures for State Highway Safety Grant Programs.

By regulation, NHTSA prescribes the requirements for the operation of the state highway safety grant programs. The Infrastructure and Investment Jobs Act ([IIJA](#)) was signed into law on November 15, 2021. 23 CFR Part 1300 details the operational requirements under IIJA.

2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards or the “Grants Guidance” was developed to establish consistency and uniformity among federal agencies in the implementation and management of grants and cooperative agreements with state, local and federally recognized tribal governments. The Grants Guidance applies to the recipients (states) and grantees (local government, nonprofits and other entities) of federal grant funds.

Agencies receiving highway safety funds must adhere to these requirements and the OTS is as restrictive as the requirements of 23 CFR Part 1300 and 2 CFR Part 200; however, the OTS may be more restrictive to allow time for the submission of reports to NHTSA which include grantee information. **Refer to Appendix B** of the manual.

The expenses and costs eligible for reimbursement under the highway safety program are those stipulated in the approved grant budget. To be allowable, costs must be necessary, reasonable, allocable, and expended according to the appropriate federal and state statutes or grant regulations.

When evaluating reasonable cost, grantees should consider the following:

- Is the cost generally recognized as ordinary and necessary for the performance of a government or public entity?
- Does the cost exceed the market price for comparable goods or services?
- Was restraint used and requirements followed?
- Did the person act prudently and responsibly in expending public funds?

- Did the grantee adhere to established procurement practices thereby ensuring the cost to the OTS is justifiable?

All procurement and contractual transactions must be conducted in a full, open and competitive manner. Sole source procurement or contracting is discouraged, because it is inconsistent with a policy of full and open competition. Grant management rules require the OTS to monitor grantees to ensure compliance with applicable federal requirements and cost principles.

Section 5.03: Audit

Audits are conducted to determine the fiscal integrity of financial transactions and reports, as well as compliance with laws, regulations and administrative requirements. All grants awarded by the OTS are federally funded and recorded in the catalog of Federal Domestic Assistance (CFDA). If a grantee expends over \$1,000,000 in federal funds from any source, a single audit procedure is required by the Single Audit Act for State and Local Agencies. All agencies meeting this threshold must submit a copy of their completed audit to the [California State Controller's Office](#).

Grantees that have not met the federal single audit requirement will receive a letter from the OTS requesting resolution. If a grantee is unable or unwilling to have an audit conducted the OTS may administer the following sanctions:

- Withhold a percentage of the grant award
- Withhold or disallow overhead cost
- Suspend the grant until the audit is conducted or an exemption certification is submitted or
- Terminate the grant

In addition to the federal single audit requirement, the California Department of Finance Office of State Audits and Evaluations ([OSAE](#)) conducts financial and compliance audits and monitoring activities on behalf of the OTS in accordance with government audit standards. These audits are performed to aid the OTS in complying with federal audit requirements and grant fund oversight.

Section 5.04: Federal Funding Accountability and Transparency Act

The Federal Funding Accountability and Transparency Act ([FFATA](#)) was signed into law in 2006 and requires the OTS to report each subaward that obligates \$30,000 or more in federal funds during the grant year. Subaward reporting was previously entered on the Federal Subaward Reporting System (FSRS), but on March 6, 2025 the FSRS.gov tool used to report on subaward data was retired and will now be done in [SAM.gov](#).

Section 5.05: Procurement Standards

A grantee of federal grant funds awarded by the OTS must follow the same policies and procedures it uses for procuring goods and services with nonfederal funds provided they conform to applicable state laws as well as federal laws and standards outlined in the [§ 200.318 General procurement standards](#). A copy of the grantee's established procurement procedures must be readily available for audit purposes upon request from the OTS. State government agencies must comply with contract and procurement policies and procedures set forth in the [California State Administrative Manual](#) and the [California State Contracting Manual](#). Three competitive bids should be secured for each purchase or service.

Purchases or contracts awarded by a non-competitive process or sole source are allowed only when small purchase procedures, sealed bids or competitive proposals are unfeasible, and the following applies:

- Goods or services are only available from a single source.
- Public need or emergency will not permit a delay resulting from a competitive solicitation.
- Competition is determined to be inadequate after soliciting a number of sources.

Sole source approvals must be granted in accordance with the grantee's procurement and contracting directives addressing non-competitive procurement and contracting. All exceptions must follow state guidelines. The [Buy America Act](#) prohibits grantees from using highway grant funds to purchase products over \$5,000.00, unless they are manufactured or assembled in the U.S. This prohibition applies to steel, iron and all manufactured products, unless a waiver is granted by the U.S. Secretary of Transportation. There is no minimum purchase threshold that exempts the need for a waiver under the Buy America Act.

Section 5.06: Contractual Services

Grantees may use consultants and contractors, secured through a competitive bid or proposal, to achieve the goals and objectives outlined in the grant. The grantee should not enter into a contract until the grant agreement is signed and authorized by the OTS. The grantee is responsible for verifying contractor eligibility by checking the System for Awards Management ([SAM](#)) website or adding a self-certification clause or condition to the contract.

When using OTS grant funds, the grantee is responsible for managing all contracts including:

- Ensuring the contractor complies with all contract provisions.
- Ensuring services are performed according to the quality, quantity, objectives, timeframes, and manner specified in the contract.

- Ensuring that all work is completed and accepted before the contract expires.
- 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.
- Ensuring that contracts are amended after any grant agreement revision that affects the contract terms.
- 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.
- Monitoring contract expenditures to ensure there are sufficient funds to pay for all services rendered as required by the contract.
- Verifying all requirements of the contract are fulfilled before submitting the final invoice
- Ensuring that all Personnel Activity Reporting (PAR) requirements are met.

Nothing contained in the grant agreement creates a contractual relationship between the OTS or the State of California and the grantee's contractor. The grantee is responsible for monitoring the activities of their contractor to ensure it is achieving the desired results as outlined in the contract and grant agreement, and that federal grant funds are used for purposes authorized in the grant agreement and in compliance with federal and state statutes and regulations. The grantee, not the OTS or the state, is responsible for paying its contractors. The grantee is the responsible party and remains liable for the performance of the terms, conditions, assurances, and certifications of the grant agreement that specifically relate to the contractor. The grantee is as fully responsible to the OTS and the state for the acts and omissions of its contractors and the contractor's employees as it is for its own employees. In the event of a contractual and/or administrative issue arising out of a contract entered into in support of the grant agreement, the grantee, not the OTS or the State of California, is responsible for resolving all disputes, claims or other matters of a contractual nature as well as civil liability arising out of negligence or intentional misconduct on the part of the contractor.

Section 5.07: Non-Profits

Contractual agreements with 501(c)(3) non-profit organizations registered with the [California Secretary of State](#) are allowable and must be on a cost reimbursement basis and include detailed budgets with budget narratives descriptive enough to limit misinterpretation of allowable cost items. If the value of the contract is more than \$150,000, the host agency is responsible for conducting pre-award reviews, as necessary, to determine if the non-profit can perform in accordance with the terms, conditions and specifications in the

contract and all applicable state and federal requirements. The review should determine:

- The propriety of the amounts in the cost proposal
- The ability of the contractor's accounting system to accumulate and segregate reasonable, allocable and allowable costs for charges related to the contract
- That the agreement complies with all applicable state and federal procurement criteria.

The pre-award audit may be waived if the non-profit has a successful history with the host agency.

Section 5.08: Traffic Enforcement Agencies

A grantee's traffic enforcement personnel and any equipment funded under a grant agreement must be solely dedicated to supported enforcement tasks associated with the grant agreement unless a crime is committed in the officer's presence or the officer is responding to a distress call. *Nothing in the grant agreement should be interpreted as a formal or informal requirement that a police officer issue a specified or predetermined number of citations.* Law enforcement agencies see Appendix C for additional terms.

Section 5.09: Institutions of Higher Educations

Colleges and universities may enter into contracts to perform applicable provisions of a grant agreement. The terms and conditions of a grant agreement is detailed in **Appendix B** of this manual.

Section 5.10: Limitation of Liability

The grantee is responsible for the settlement of any and all claims and lawsuits arising from or incident to the OTS' non-payment of a grantee's claim. The grantee expressly acknowledges that their responsibility, including the payment of all damages, expenses, penalties, fines, costs, charges, and attorney fees, if the claims and lawsuits are based upon the OTS' nonpayment of claims. The grantee will defend any suits brought upon all such claims and lawsuits and pay all costs and expenses. The agreement entered into with the OTS is subject to any applicable restrictions, limitations or conditions entered by the U.S. government subsequent to the execution of the grant agreement.

Chapter 6 – Grantee Responsibilities and Procedures

Section 6.01: Overview

When the grantee accepts federal highway safety funds, it agrees to fully comply with all requirements in this manual and any periodic changes that may be made during the grant period. The grantees' designated grant officials will be notified in writing of any changes.

It is critical that agency officials carefully review the cited federal regulations and the certifications and assurances included in the grant agreement. The Governor's Representative for Highway Safety is the responsible official for the administration of the state's highway safety program through the OTS and must assure compliance with applicable statutes and regulations. By accepting federal highway safety funds, the grantee is bound by the certifications and assurances.

Section 6.02: Authorizing Official

The authorizing official has contract binding authority. Once the grant agreement is finalized the authorizing official will receive an alternate signature/GEMS user authority email. The attached GEMS user authority form allows the authorizing official to delegate up to five authorized users. The form is submitted to OTS via email. The OTS retains the original form in the agency's official grant file. All individuals listed on this form will be able to log in to GEMS to conduct grant management activities.

Section 6.03: Grant Director

The Grant Director is responsible for establishing operating procedures and controls that ensure adequate administration of the grant in accordance with the terms of the grant agreement as well as all applicable statutes and regulations. The Grant Director is responsible for meeting work schedules, maintaining costs within the approved budget(s), compiling sufficient documentation to validate grant progress and fund expenditures, submitting timely and complete grant reports, and the grant evaluation. The Grant Director must be available for periodic operational reviews with the OTS.

Section 6.04: Fiscal Official

In addition to the Grant Director, the grantee must also identify the Fiscal Official who is responsible for ensuring that budgeted costs comply with the agency's standard policies and procedures and that the agency's accounting system conforms to generally accepted accounting principles. The Fiscal Official should carefully review the federal regulations and the certifications and assurances included in the grant agreement.

Contact the OTS for changes to the agency officials listed in the grant agreement and submit an email detailing the change. The OTS will provide further instruction by email.

Section 6.05: Financial Management

The grantee must have adequate and appropriate internal controls in place for every OTS grant that assures awards are managed in compliance with state and

federal statutes and regulations. These controls should ensure that all cash, real and personal property, and other assets are safe guarded and used solely for purposes authorized in the grant agreement.

A separate account or fund must be established for each highway safety grant and all grant costs should be separately and accurately recorded. Additionally, the Fiscal Official should ensure that all claims for reimbursement are limited to those specifically authorized in the grant agreement and that they are prepared using grant accounting records or a process that reconciles claims at least quarterly with the grant records.

While the OTS establishes an electronic copy file for each grant, it is strongly recommended that copies of all financial records pertaining to a grant be stored in a shared grant file (hard copy, electronic, or both) maintained by the grantee's Grant Director, Fiscal Official, or Authorizing Official. This will make it easier to submit claims, complete status reports, respond to questions, and reference documents. The file should include information pertaining to grant awards, authorization, financial obligations, unobligated balances, assets, expenditures, and income.

It should also include a copy of the grantee's internal purchasing policies and procedures. At a minimum, the policies must meet state requirements; they may not be less stringent. If no written policies exist, the grantee is subject to the state's purchasing guidelines.

Grantees must maintain records that sufficiently detail the procurement history for all purchases. At minimum, these records should detail the rationale for the method of procurement and selection of contract type, written selection procedures, documented reasons for rejections, and the basis for the contract price. For sole source procurements, the records must at minimum include justification of why the purchase/service cannot logically and reasonably be made through a competitive bidding process including the consequences if not approved, a list of the vendor's or contractor's unique qualifications, experience and a detailed cost analysis.

The grantee must retain all source documents and records in the file and make them available for federal and state audits for at least three years following the date of the final reimbursement of grant expenditures or final disposition of equipment purchased with grant funds, whichever is later. Records must be retained beyond this time period if there are unresolved audit findings.

Section 6.06: Fraud Prevention

The grantee must have strong training programs in place that address policies, procedures and controls, with a particular emphasis on fraud prevention. Effectively supervising and monitoring employees working on the grant is critical.

Examples of fraud include, but are not limited to falsifying:

- Grant applications
- Quarterly performance and final reports
- Contracts
- Competitive bids
- Expenditure reports
- Time sheets
- Reporting activities
- Citations or arrests that did not occur

Other fraudulent activities include:

- Embezzlement
- Bribery
- Extortion
- Obstruction of justice
- Destruction of records.

If a grantee determines there is fraud, and/or a conflict of interest associated with a federal highway safety grant, this information must immediately be detailed in writing and provided to the OTS. The OTS is then required to report any fraud to NHTSA.

A grantee must take reasonable measures to safeguard protected personally identifiable information and other information NHTSA or the OTS designates as sensitive or that the grantee considers sensitive consistent with applicable federal, state, and local laws regarding privacy and obligations of confidentiality.

Section 6.07: Direct Allowable Costs and Source Documents

The OTS uses the cost principles outlined in the [Grants Guidance](#) to determine necessary, reasonable, allocable, and allowable costs consistent with policies, rules and regulations conforming to limitations or exclusion of cost. The grantee is required to adhere to these same requirements when administering grant funds.

The grantee is responsible for determining whether a cost for a specific service, function or item is a direct cost, direct allocation, such as depreciation, rental, facility operation and maintenance that are prorated and the benefit to the

grant can be directly measured or allowable indirect cost such as costs incurred for common or joint purposes that are prorated to a grant based on the benefit received but are not readily associated with a specific grant. For federal highway safety funded grants provided by the OTS, direct costs are categorized in the grant agreement as personnel, travel, contractual services, equipment and other direct costs. For more information on allowable costs for federal grant funded programs, consult the [NHTSA Highway Safety Grants Program Resources Guide](#).

Adequate documentation is required for a cost to be eligible for reimbursement. The criteria for ensuring a grantee has adequate source documentation are provided under each direct cost category below:

Personnel

Personnel costs include direct compensation of wages and fringe benefits of grantee employees hired expressly for the grant and for the time and effort spent on grant-related activities. Grant funds may be used for wages, special compensation, or other authorized absences such as annual and sick leave provided the cost for the employee is reasonable for the services rendered, follows an appointment made in accordance with state or local laws and rules, and meets federal requirements. Grant funds may also be used for employee fringe benefits such as employer's contributions to social security, health insurance, workmen's compensation, and the like provided they are granted under approved plans and distributed equitably to the grant and all other activities. **Costs for authorized absences are only reimbursable up to the amount earned during the term of the grant.**

Personnel Source Documentation

If an employee of a grantee or contractor (excluding an employee only receiving OTS funding for overtime) is receiving less than 100% of funding from the OTS for personnel services or is receiving 100% of funding from the OTS but the funding comes from more than one federally-funded grant, the employee time distribution to the federally funded grant must be supported by an after-the-fact Personnel Activity Report (PAR). This requirement also applies to employees of non-profits and institutions of higher education. A PAR is an employee-maintained timesheet or log which accounts for 100% of the employee's time. It is used to identify effort spent on multiple programs/federal funds.

A PAR must:

- Reflect the employee's after-the-fact distribution of time by program/federal fund
- Account for the total activity by program/federal fund for which each employee is compensated whether grant-related or not

- Be prepared at least monthly and coincide with one or more pay periods
- Be signed by the employee and their supervisor

A digital signature and/or online PAR is acceptable provided the grantee or contractor can demonstrate and document the actions detailed in the PAR were performed by the employee.

An employee of a grantee or contractor receiving 100% of funding from the OTS for personnel services is not required to complete an after-the-fact PAR. Instead, the grantee may choose to have the employee complete the Employee Time Certification form stating that the employee worked solely on the federally funded program for the period covered by the certification. This certification must be prepared at least semi-annually and signed by the employee and supervisory official who has firsthand knowledge of the work performed by the employee. Both of these forms will be provided by the OTS during the pre-operational meeting.

Travel

Allowable travel expenses incurred by personnel identified in the grant budget include transportation, food and lodging that meet the grantee's documented travel policies. The travel should occur prior to the claim submission for reimbursement. If the grantee's travel policy does not include maximum allowable lodging rates, these costs may not exceed the state's lodging rate unless written justification is submitted and approved by the OTS. If the grantee does not have documented travel policies, the state travel policies apply. Out-of-state travel expenses require written approval from the OTS prior to incurring costs unless identified in the budget and the budget narrative of the grant agreement. Expenses associated with attending meetings and conferences, where the primary purpose is the dissemination of technical information, are allowable. These include transportation, registration fees, and other incidental costs.

Travel Source Documentation

Travel expenses must be supported by properly prepared employee expense reimbursement claims, including required receipts per the documented travel policy. For audit purposes, all receipts must be retained for a minimum of three years after final payment, unless a longer period of records retention is stipulated in the grant agreement. Conference or seminar expenses must be supported by an event agenda. For meetings or conferences, documentation must indicate that the primary purpose was for dissemination of technical information. For costs associated with the use of agency-owned vehicles, documentation must indicate who used the vehicle, when, for what purpose, and number of miles driven. Documentation must also explain how the mileage or other billing rate(s) was developed if the state rate is not used.

Contractual Services

This applies to any professional services and associated costs necessary to complete the grant objectives, not available through the grantee, requiring contractual agreements that are entered into in accordance with the grantee's normal procedures.

Contractual Services Documentation

Services provided by an individual, organization, firm, or agency must be supported by a properly executed contract or interagency agreement. Payments must be supported by itemized invoices and made in accordance with the terms of the grant agreement. The grantee must maintain records that sufficiently document the procurement process associated with the contract.

Section 6.08: Direct Costs - Equipment

Equipment is any non-expendable, tangible personal property costing \$10,000 or more with a useful life of at least one year that is required to carry out grant activities. As an example, this equipment may include motorcycles, radar trailers, some extrication equipment, etc. The total cost of the piece of equipment must include modifications, attachments, accessories, or auxiliary apparatus needed to make it usable for grant purposes as well as tax, shipping and installation (excluding any discounts). All equipment purchased using federal highway safety funds require written approval from NHTSA, which is handled by the OTS during the grant application process. Equipment purchased with grant funds must be used for traffic safety purposes only. Non-authorized use of equipment is grounds for the grantee refunding a portion of the equipment value to the OTS. All equipment purchased with grant funds must comply with the [Buy America Act](#).

Equipment Management

The grantee must have procedures in place for managing equipment (including replacement equipment) purchased in whole or in part using the OTS funds that at minimum include:

- Adequate controls for safeguarding against loss, damage or theft
- Provisions for replacement due to circumstances other than normal wear and tear
- Maintenance procedures to ensure good working condition
- Complete records.

Equipment Source Documentation

Equipment must be reported to the OTS using the Equipment Reporting Form. The form is generated in GEMS at the time the grantee requests reimbursement for the purchase on a claim. The OTS uses this form for monitoring purposes, but it

should not be used by the grantee as a substitute for appropriate equipment control records which should include the following information:

- Description of the item with serial or identification numbers
- Federal funding source (FAIN number)
- Acquisition date and total cost including federal share
- Source and title holder
- Location, condition
- Disposition data including date of disposal and sale price

A grantee must submit an Equipment Recertification Report to the OTS every two years from the date of acquisition. This report includes the same information as the Equipment Report, but also includes a description of the method used for determining current fair market value, and that the equipment is being used for federally-sponsored activities. Starting in federal fiscal year 2025 the reporting threshold will be \$10,000. Equipment purchased prior to the federal fiscal year 2025 has a reporting threshold of \$5,000. The report also certifies that the information provided is complete and accurate to the best of the grantee's knowledge and that OTS will be contacted immediately after discovery of any grant equipment loss. The Equipment Recertification Report is completed in GEMS and a reminder email will be sent through GEMS to the grantee to ensure compliance.

Equipment Disposal

A grantee must notify the OTS of any disposition of grant equipment, unless the value has been certified to be under \$10,000 and at the end of its useful life. The grantee must submit an email to the OTS Grant Coordinator requesting the OTS approval to sell, transfer or dispose of grant equipment. The OTS will forward the request to NHTSA for final approval and notify the grantee of the outcome. All proceeds from the sales of the asset, regardless of the amount, must be used for the objective of the original grant agreement and funding source.

Section 6.09: Direct Costs - Other

This includes any other supplies or services. Example include, but are not limited to educational materials, DUI checkpoint supplies, child safety seats, etc. These supplies and services are of a non-contractual nature with an acquisition cost of less than \$10,000 purchased using highway safety funds. These purchases do not require NHTSA pre-approval; however, these items or services must be used in support of the grant. Non-authorized use of supplies or services is grounds for refunding a portion of the value of the supplies and services to the OTS. The cost of the item or service, which would not otherwise be allowable using the grantee's general funds, may not be purchased with federal grant funds.

Additionally, if joint costs are prorated as direct costs to the grant, the allocation method must be reviewed by the OTS to determine reimbursement eligibility. Grant funds may be used for the development of new training curricula and/or materials that do not duplicate materials already developed for similar purposes by the USDOT, NHTSA, FHWA or the State of California. The grantee should contact their OTS Grant Coordinator for guidance on allowable supplies and services. All items purchased with grant funds, over \$5,000, must comply with the Buy America Act.

Direct Cost Source Documents

All other direct costs must be supported by purchase orders or other original procurement documents signed by the appropriate authority. The grantee should also have itemized invoices or properly signed and dated delivery and/or packing slips. Rental or lease costs must be supported by detailed agreements.

Section 6.10: Allowable Indirect Costs

Indirect costs are those costs incurred for common or joint purposes such as telephone, administrative services, depreciation, facility and equipment maintenance and not assigned to a specific highway safety grant as a direct cost. Indirect costs benefit more than one cost objective and should be prorated equitably among all applicable functional areas.

Non-profit grantees that do not have an approved indirect cost rate may elect to charge a de minimis rate of 15% of modified total direct costs. Guidance on establishing an indirect cost rate as well as regulations for negotiating and approving this rate is outlined in the [Grants Guidance](#).

A grantee that does not already have an approved federally-recognized indirect cost rate negotiated with the federal government must negotiate a rate with the OTS. Once the indirect rate is negotiated, it must be accepted by all federal agencies. Source documentation, such as a grantee's federally approved indirect cost rate letter, must be available to support an indirect cost rate authorized by the federal government. If the grantee's indirect cost rate is amended or changed during the term of the grant, the new indirect cost rate plan and approval letter must be submitted to the OTS.

Section 6.11: Unallowable Costs for Select Items

The following is a list of selected costs that are ineligible for reimbursement. A grantee should contact the OTS Grant Coordinator for guidance regarding the other costs not discussed previously or below in this manual.

Construction and Facilities

The following are ineligible for reimbursement:

- Highway construction, maintenance and/or design
- Construction or reconstruction of permanent facilities such as paving, driving ranges, towers, and non-portable skid pads
- Highway safety appurtenances including longitudinal barriers such as guardrails, regulatory and warning signs and supports, field reference markers, luminaire supports, and utility poles
- Construction, rehabilitation or remodeling of any building or structure
- Cost of land
- Purchase of office furnishings and fixtures including, but not limited to:
 - Desk
 - Chair
 - Table
 - Shelving,
 - Coat rack
 - Credenza
 - Book
 - Filing cabinet
 - Floor covering
 - Office planter
 - Storage cabinet
 - Portable partition
 - Picture
 - Wall clock
 - Draperies/hardware
 - Fixed lighting
 - Lamps

Equipment

The following equipment purchases will not be reimbursed:

- Traffic signal preemption systems
- Automated Traffic Enforcement Systems

Training

Cost of the individual's replacement hourly rate while attending training, unless the personnel position is already grant supported is ineligible.

Program Administration

- General costs of government, which includes the use of funds for routine and/or existing governmental activities that constitute general expenses required to carry out overall responsibilities of a government entity are ineligible
- Promotional items such as key chains, pencils and mugs

- Entertainment costs including amusement and social activities and any costs directly associated with the purchase of tickets to shows or sporting events, meals, lodging, rentals, transportation and gratuities
- Alcoholic beverages for any consumption purposes including controlled training settings for law enforcement training
- Contributions and donations, including cash, property and services to others regardless of the recipient
- Cost of fundraising, including financial campaigns, solicitation of gifts and similar expenses incurred to raise capital or obtain contributions
- Contingency provisions for contributions to a contingency reserve or similar provision for unforeseen events excluding self-insurance reserves
- Fines, penalties, damages, and other settlements resulting from violations or non-compliance
- Costs of commercial insurance that protects contractor for correction of defects in materials or workmanship
- Costs not recovered under one grant agreement are unallowable under other grant agreements
- General liability insurance

Section 6.12: Grant Agreement Revisions

A grantee may request a revision to the grant agreement that is necessary to enhance the operational efficiency of the highway safety grant. This includes any changes that may affect the overall budget or a specific budget line, including moving funds between line items and/or cost categories, a sub-budget or contractual services, as well as the addition of travel (in and out-of-state), and/or a significant change in goals, objectives and/or procedures that affect the grant scope or end date.

The Authorizing Official, Fiscal Official, or Grant Director must submit to the OTS Grant Coordinator a detailed explanation and justification for a grant revision. In advance of sending written notification, the grantee is encouraged to contact the OTS Grant Coordinator to discuss any proposed grant revisions.

Once a revision request is received, the OTS carefully reviews it taking into consideration the grantee's current and past grant performance, timeliness and quality of claims and quarterly performance reports, the circumstances and justification for the change, and availability of grant funds. The grantee should allow sufficient time for the review process, which may also require NHTSA approval. No grant funds may be expended on the items being amended until written notification of the status of the request (approval or denial) is provided by the OTS. Failure to comply could jeopardize claim reimbursement for the grantee.

Chapter 7 – Public Education and Information

Section 7.01: Overview

Public Education and Information (PE&I) falls into two categories:

Educational – materials that educates and informs an audience such as activity books, coloring books, brochures, and posters.

Promotional – material that promotes, supports or enhances efforts and directly relates to the project objective such as key chains, onboard signs, mugs, pencils, magnets, and litter bags. *The OTS and NHTSA do not allow grant funds to be used for this purpose.*

Grantees that use federal highway safety funds to produce educational material must receive approval from the OTS Public Information Officer (PIO) prior to production. Additionally, grantees that use non-federal highway safety funds to produce PI&E materials must receive written approval from the PIO in order to use any OTS logo. Grantees should allow sufficient time for approval and should contact their OTS Grant Coordinator for assistance. Grantees should also advise vendors that all materials used in production of public outreach materials (i.e., data, plates, digital files, camera-ready artwork, designs, concepts, photographs, video and audio) paid for with grant funds are the property of the grantee and the OTS. The OTS reserves the right to use materials developed by the grantee and/or contractor. All educational materials produced using grant funds must include the OTS logo or the logo from another program unless otherwise determined by the OTS. The following message: *Funding for this program was provided by a grant from the California Office of Traffic Safety, through the National Highway Traffic Safety Administration.* Inclusion of the logo and/or funding line should not interfere with the primary traffic safety messaging. Questions regarding the inclusion, size or placement of either logo or funding statement should be directed to the OTS PIO.

All published research and reports developed with highway safety grant funds must include the following disclosure statement: *This report was prepared in cooperation with the California Office of Traffic Safety (OTS). The opinions, findings and conclusion expressed in this publication are those of the author(s) and not necessarily those of the OTS.*

Section 7.02: Advertising and Public Relations

All press releases discussing the kick-off of a grant and/or grant-funded activity must be approved by the PIO prior to dissemination even if the grantee uses a pre-approved [press release template\(s\)](#) available on the OTS website. Approval is also required for all original press releases and press releases developed using the OTS templates the grantee has significantly modified. The grantee should

email the draft press release to pio@ots.ca.gov at least seven days in advance of the announcement or event and copy the appropriate OTS Grant Coordinator. A grantee must coordinate media and kick-off events with their OTS Grant Coordinator and notify OTS 21 days in advance of any traffic safety event considered highly publicized or anticipated media coverage. Grant funds may be used to purchase paid advertising, such as television, radio, cinema, Internet, print, outdoor; however, special reporting documents are required, and costs must be displayed as a separate "paid media" line item in the grant budget. Additionally, federally funded Public Service Announcements (PSAs) or video materials intended for television broadcast must be closed captions. A grantee should contact their OTS Grant Coordinator for more information on paid advertising.

Section 7.03: Copyrights and Trademarks

The OTS reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for federal or state government purposes the following:

- The copyright/trademark in any work developed under a grant, sub grant or contract under a grant or sub grant.
- Any rights of copyright/trademark to which a grantee or contractor purchases ownership with grant funds.

Chapter 8 – Claims Preparation and Reimbursement

Section 8.01: Overview

Adequate documentation is essential for reimbursement of costs incurred by grantees and a good knowledge of reporting and cost accounting procedures is required by the grantee. It is vital to abide by NHTSA regulations, so the state will be reimbursed by NHTSA for allowable expenses. The OTS and the grantee must use and maintain adequate cost controls and procedures as outlined in the [Grants Guidance](#).

Section 8.02: Claim Preparation

To request reimbursement of an approved grant expenditure, the grantee must complete a Grant Claim Invoice in GEMS and Contractual Services Summary Sheet, if applicable. These forms must be input into GEMS no later than 30 days following the end of the calendar quarter.

| Quarter | Time Period | Due Date |
|---------|--------------------------|------------|
| First | October through December | January 30 |
| Second | January through March | April 30 |
| Third | April through June | July 30 |
| Fourth | July through September | October 30 |

An invoice showing “zero net” must be submitted even if no expenses were incurred during that quarter. Failure to submit quarterly grant claim invoices by these due dates may result in suspension of the grant, loss of grant funding and/or a denial of future grant funding. Additionally, invoices will not be processed for grantees that fail to provide Quarterly Performance Reports for two or more quarters. The grant claim invoice should be prepared using the grantee's accounting records and include costs incurred during that time period. Enter the exact cost, do not round off numbers. To ensure proper accounting of reimbursements, grant claim invoices submitted to the OTS should be recorded as a receivable in the grantee's accounting system. Grantees access [Claims](#) from the grant agreement list view on their GEMS home page. The form is pre-populated with the grant budget items against which claims for reimbursement can be made. The form also indicates budget remaining for each item based on prior claims that have been reviewed and approved.

Section 8.03: Claim Details

The grantee must verify that costs claimed are allowable and authorized, do not exceed budgeted line items, and are posted to the correct cost categories and line items. Grantees should also check that all source documents are provided. If a claim is submitted with undecipherable or missing source documents, the grantee will be notified and instructed to submit the missing information or resubmit the documents within three business days. If documents are not received by this deadline, the questionable costs will be removed from the claim.

These are the claim details that need to be included in the claim submission.

Personnel Costs

Enter the straight time and/or overtime costs, if applicable. Source documentation is maintained by the grantee in the event of an audit and/or the grant performance review.

Fringe Benefits

Enter the pertinent information for authorized absences such as annual leave and sick leave, as well as employer's contributions to social security, health insurance, workmen's compensation, and the like provided they are granted under approved plans and are distributed equitably to the grant and all other activities.

Travel Costs

Enter the pertinent travel information and claimed costs. Upload source documentation organized by in-state and out-of-state travel for each

individual(s) trip or training. For each individual trip or training, group all source documents together and clearly label each with the traveler's name and approved trip or training identified in the budget of the agreement.

Contractual Services

Enter the claimed contractual services amount by line item in the GEMS grant claim invoice screen including entry into sub- budgets if applicable. Upload all source documents for each contractor, group all source documents together and clearly label each with the line item identification and/or contractor's name.

Equipment

Enter the claimed amount, if applicable. GEMS will require completion of the equipment report as part of the claim. GEMS automatically creates the first recertification record with a recertification due date that is two years from the date of original claim.

Assemble and upload applicable invoice(s). If sales tax is not included on the invoice, provide a statement that includes the following: *Charge is for California Sales Tax that will be paid to the California Department of Tax and Fee Administration*, amount of sales tax for each item, and date tax is paid. For each line item, assemble all source documents together and clearly label each with the line item name.

Other Direct Costs

Enter the claimed line item amount, if applicable and upload invoices or receipts. For each line item, assemble all source documents together and clearly label each with the name of the line item.

Indirect Costs

The approved rate is already entered in the agency information tab and will automatically calculate, if applicable. No source documents are required; however, the grantee should have their indirect cost allocation approval letter on file.

Chapter 9 – Grant Reports

Section 9.01: Overview

Grantees must submit the Quarterly Performance Report (QPR) in GEMS that includes grant activities conducted during each quarter. A QPR (including the fourth quarter QPR/final evaluation) is considered late if it has not been received by the OTS one day after the due date. The Grant Coordinator should review the QPR within 30 days of receipt. Updates are also made to the data points

achieved and grantee comments allow for inclusion of successes and challenges. The QPR and Executive Summary is the main source of information used by the OTS to determine grant success. The fourth quarter QPR must also include a final evaluation that summarizes the work and activities performed during the entire grant period.

Section 9.02: Quarterly Performance Reports

Grantees must submit their QPR through GEMS. The QPR details grant activities conducted during each quarter to accomplish grant objectives. It is the main source of information used by the OTS to determine grant success and commitment as well as any difficulties the grantee may be experiencing. The information and data provided in the QPR is incorporated into the Annual Report that the OTS submits to NHTSA and the State Legislature.

The QPR must be completed in GEMS no later than 30 days following the end of the quarter on the following dates. These dates align with the submission of grant claims.

| Quarter | Time Period | Due Date |
|---------|--------------------------|------------|
| First | October through December | January 30 |
| Second | January through March | April 30 |
| Third | April through June | July 30 |
| Fourth | July through September | October 30 |

QPR due dates are the same regardless of when a grant starts within a quarter. As an example, if the grant start date is December 1, then the first quarter QPR is due January 30. Failure to submit QPRs on time may result in suspension of the grant, loss of grant funding and/or a denial of future grant funding. Additionally, invoices will not be processed for grantees that fail to provide QPRs for two or more quarters.

The OTS Grant Coordinator will provide the QPR reporting guidelines at the pre-operational review meeting. All supporting information may be uploaded into GEMS. The QPR is prepopulated based on the grant agreement, it's completed in GEMS, and contains the following:

- A general overview, that includes a brief list of all activities (including significant media) and procurement conducted in support of the grant during the quarter as well as the status of grant funded personnel and contracts, any challenges, and accomplishments.
- An equipment overview for any equipment costing \$10,000 or more that is being purchased during the grant period noting steps taken to accomplish the purchase. If the equipment purchase is delayed, justification for the delay must be given.

- Community collaboration and engagement for STEP grants.
- A summary of completed grant objectives including an explanation of what was not accomplished and/or plans for upcoming activities.
- If applicable updated objective data points for the quarter.
- Documents illustrating what was done during the quarter such as the OTS-approved press releases, news clips, photos, and/or other materials. Include a list of these documents.

The fourth quarter QPR should include a final evaluation that briefly summarizes significant grant accomplishments and challenges, the number and type of activities completed, type of training conducted or received, and grant-funded purchases. Complete all final goals, objectives, data points and indicate whether they were achieved and provide an explanation if the final goals were not achieved.

Grant Closeout

Approximately 30 days prior to the grant end date, the OTS sends a reminder e-mail to the grantee that serves as a reminder of the grant end date and includes information to assist in the preparation of the final QPR, evaluation, and claim. The final QPR, including the completed evaluation section, and reimbursement claim for costs incurred up through the grant end date, must be sent to the OTS no later than 30 days following the grant end date.

Chapter 10 – Monitoring

Section 10.01: Overview

Federal and state grant management rules require the OTS staff maintain regular contact via telephone, virtual calls, email, written correspondence and on-site visits with grantees throughout the course of the grant period to ensure compliance with federal and state statutes, regulations and procedures.

Grants are subject to monitoring based on a number of criteria including dollar amount of the award, the capabilities and experience of the grantee's personnel, complexity of the grant, contractual services with or without a non-profit agency, risk assessment, new grantee, indications of problems, previous Grant Performance Review or audit findings, or change in grant direction. This monitoring includes not only the review and approval of claims, QPRs and other documents submitted by the grantee, but also ongoing outreach through desk monitoring and/or onsite visits. The intent of this outreach is to develop a relationship with the grantee, address grant management-related questions, provide technical assistance, and identify and help address problems or concerns. Any documentation generated as a result of this contact is placed in the grantee's grant file.

Section 10.02: Grant Performance Review

The Grant Performance Review (GPR) is designed to be instructive, not disruptive, and to foster information exchange and partnership. The OTS Grant Coordinators conduct a GPR after receipt of at least the first QPR and a claim with expenditures. The OTS may schedule a telephone, virtual, or onsite review at an agreed upon time with the grantee in advance, and the OTS Grant Coordinator will provide information to the grantee to help prepare for the review. During the review, goals, objectives and tasks are reviewed to determine if the grant is being implemented as outlined in the grant agreement. This determines if the grantee is satisfying and adhering to grant agreement terms and conditions. The financial review includes an examination of the agency and grant-specific financial documents and issues related to the performance of the grant.

While conducting the GPR, the OTS Grant Coordinator completes the GPR in GEMS noting any issues and the grantee's response. If, following the OTS review, there are fiscal follow-up action items, the grantee will be notified in writing and a corrective action plan will be requested. The OTS will track grantee's progress in implementing the plan and taking corrective action. In the event the issue(s) cannot be resolved, the OTS may request an audit be conducted by the California Department of Finance. If any disallowed costs are identified during the GPR, the OTS will reduce the grantee's next grant claim invoice by the amount of the disallowed cost prior to payment. If the grant is closed, the OTS will invoice the grantee for the amount of the disallowed cost.

Chapter 11 – Certification and Assurances

Section 11.01: Certification and Assurances List

Certifications and assurances apply to grantees and are part of the grant agreement. These sections provide the terms and conditions governing the grant and certify that a grantee will comply with the applicable regulations, policies, guidelines, and requirements as they relate to acceptance and use of federal or state funds for the project.

By signing the grant agreement, the grantee agrees to comply with the following certifications and assurance:

- Non-Discrimination
- Drug-Free Workplace Act
- Political Activity (Hatch Act)
- Certification Regarding Federal Lobbying
- Restriction on State Lobbying
- Certification Regarding Debarment and Suspension

- Buy America Act
- Certification on Conflict of Interest
- Prohibition on Using Grant Funds to Check for Helmet Usage
- Policy on Seat Belt Use
- Policy on Banning Text Messaging While Driving

Chapter 12 – Definitions and Acronyms

Section 12.01: Definitions

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| Accrued Expenditures | Grantee costs incurred for goods and other tangible property received, services performed by employees, contractors, consultants and others. |
| Acquisition Cost | The net invoice unit price of purchased equipment including the cost of modifications, attachments, accessories, or auxiliary apparatus necessary to make the property usable for the purpose for which it was acquired. |
| Activity Report | A report submitted by the grantee, as part of the reimbursement process, outlining the activities that took place to support the grant agreement. |
| Administrative Requirements | Administrative functions common to all grants such as financial management, kinds and frequency of reports and retention of records. |
| Annual Grant Application (AGA) | An annual application the OTS makes to NHTSA providing project level information on the OTS highway safety programs. The AGA must align with the 3HSP. |
| Annual Report (AR) | Describes the accomplishments and challenges the OTS encountered in the prior federal fiscal year. It addresses progress made in achieving the performance measures, targets and strategies identified in the Triennial Highway Safety Plan (3HSP) as well as how grant funding was expended. |
| Audit | A review of programmatic and financial records conducted by a certified public accountant, which is the basis of an organization's legally required audit report. |
| Authorizing Official | The grantee agency individual that has legislative authority to enter into an agreement with the OTS. |
| Buy America Act | Federal act that prohibits the use of highway safety grant funds to purchase products, unless they are manufactured in the U.S. This prohibition applies to steel, iron and all manufactured products, unless the Secretary of the USDOT determines it is appropriate to waive the |

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| | Buy America Act requirement. For compliance purposes, American-made is defined as any product that is manufactured or assembled in the U.S. |
| CalSTA | The California State Transportation Agency (CalSTA) is a cabinet-level agency focused solely on addressing the state's transportation issues. |
| Catalogue of Federal Domestic Assistance (CFDA) | A listing of all federal programs available to state and local governments; federally recognized Tribal governments; U.S. territories and possessions; domestic public, quasi-public and private profit and nonprofit organizations and institutions; specialized groups; and individuals. The CFDA number is required on all grant award letters. |
| Child Passenger Safety (CPS) | Child passenger safety is the consistent use of correctly installed safety seats, booster seats, or seat belts that are appropriate for a child's height, weight, and age. |
| Code of Federal Regulations (CFR) | A listing of general and permanent rules published in the Federal Register by the Executive Branch of the U.S. government. |
| Countermeasures that Work | Produced by NHTSA, this publication is used by the OTS to select effective, evidence-based countermeasures to address traffic safety problems. |
| Distracted Driving Program | A program to educate and enforce statutes prohibiting distracted driving. |
| Emergency Medical Services (EMS) | Emergency Medical Services is critical to reduce deaths and the severity of injuries by providing the right care at the right time, from extrication equipment to post-crash care. |
| Equipment | Non-expendable, tangible property having a useful life of more than one year and an acquisition cost of \$10,000 or more used only for traffic safety purposes. |
| Equipment Report | Details the purchase date, description, location, total cost, federal funds used, and current fair market value of all equipment purchases over \$10,000. |

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| Equipment Recertification Report | Same as the equipment report but includes depreciation information that must be updated and filed every two years from the original date of acquisition. |
| Expenditures | Charges made to the project or program. They may be reported on a cash or accrual basis. |
| Fatal Analysis Reporting System (FARS) | The nationwide database maintained by NHTSA that provides yearly Traffic Safety data regarding fatal injuries suffered in motor vehicle traffic crashes. |
| Fair Market Value | The price that property/equipment would sell for on the open market. It is the price that would be agreed on between a willing buyer and a willing seller, with neither being required to act, and both having reasonable knowledge of the relevant facts. |
| Federal Funding Accountability and Transparency Act (FFATA) | A federal database system to allow prime grant award and prime contract recipients to report sub-award activity and executive compensation. |
| Federal Highway Administration (FHWA) | The USDOT agency responsible for administering infrastructure highway programs and projects funded by federal legislation. |
| Final Evaluation Report - Grantee | Submitted to the OTS by the grantee following completion of the grant period, the report details the effectiveness of the highway safety project based on the grantee's goals and objectives. |
| Fiscal Official | Fiscal or accounting official who has responsibility for the agency's fiscal/accounting records. Is responsible for ensuring costs are in accordance with the agency's standard policies and procedures and records are maintained. |
| <u>General Costs of Government</u> | Costs of general types of government services normally provided to the general public, such as fire and police, unless provided for as a direct cost under a program statute or regulation. |

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| Governors Highway Safety Association (GHSA) | The nonprofit association representing the state and territorial highway safety offices. GHSA works with and for its members to improve traffic safety, influence national policy, enhance program management, and promote best practices for highway safety offices. |
| Grant Agreement | A binding document between two or more parties detailing the conditions and terms for the project scope of work and financing. May include interagency agreements. |
| Grant Claim Invoice | Expenditures incurred in support of approved grant activities that a subrecipient may submit for reimbursement. |
| Grant Director | The individual responsible for establishing and maintaining procedures that ensure effective administration of the approved grant and comply with grant requirements. Is responsible for day-to-day operations of the grant. |
| Grant Electronic Management System (GEMS) | The OTS on-line application and grant award system. |
| Grants Made Easy (GME) | Templates designed to facilitate ease of preparing and submitting a grant application. |
| Grant Performance Review (GPR) | A review of the subrecipient grant activities, progress in meeting goals and objectives, and financial records for compliance with federal rules. |
| Grantee | The local or state government agency or entity receiving a federal highway safety grant from the OTS. |
| Grant Coordinator | The OTS staff member assigned to manage all aspects of the grant agreement including contract, monitoring, programmatic and financial activity. |
| Grant Director | The person assigned by the grantee to assume direct responsibility for administering all phases of the project grant agreement. |

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| Grant Officials | Three people identified on the grant who can request approvals or make changes to the grant. They are the Grant Director, The Fiscal Official, and the Authorizing Official. |
| Grant Revision | A change to the grant agreement that occurs when the budget, scope and/or activity is/are modified. |
| Grant Tracking System (GTS) | The federal web-based system used to track grant funds and request reimbursement from NHTSA for grant expenditures made by the OTS. |
| Highway Safety Plan (3HSP) | The triennial plan the OTS submits to NHTSA for federal transportation grant funds that documents a three-year period of the OTS safety program. The 3HSP must be data-driven in establishing performance targets and selecting countermeasure strategies for programming funds that meet the performance targets. |
| Highway Safety Improvement Program (HSIP) | Core FHWA program to reduce traffic fatalities and serious injuries on all public roads, including roads on Tribal land. The HSIP requires a data-driven, strategic approach with a focus on performance. |
| Host Agency | A government or public entity that acts as the primary subrecipient and manager of the grant but all or most of the activity is performed by a contractor. |
| Infrastructure and Investment Jobs Act (IIJA) | The funding and authorization bill governing the highway safety grant program. |
| Impaired Driving Program | A program to address alcohol and/or drug-impaired driving. |
| Law Enforcement Liaison (LEL) | The individual responsible for promoting California law enforcement agencies' involvement in the 3HSP through education and equitable enforcement of traffic safety laws. |
| Local Government | A county, municipality, city, town, township, local public authority, school district, special district, intrastate district, council of governments, or any other regional or |

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| | interstate government entity, agency or instrument of a local government. |
| Motorcycle Safety Program | A program to reduce traffic crashes involving motorcyclists. |
| National Highway Traffic Safety Administration (NHTSA) | The USDOT agency responsible for administering the national behavioral highway traffic safety grant program funded by federal legislation. |
| Nonmotorized Safety Program | A program to target a decrease in pedestrian and bicyclist fatalities and injuries resulting from crashes involving motor vehicles. |
| Office of Management & Budget (OMB) | A Division of the Executive Branch of the U.S. Government that assists the President in meeting policy, budget, management, and regulatory objectives that fulfill statutory responsibilities. |
| Office of Traffic Safety (OTS) | Acts as the SHSO / administers NHTSA behavioral safety grant funds awarded to CA. |
| Office of Traffic Safety Rankings | Developed using the Empirical Bayesian Ranking Method to enable a city or county to compare its traffic safety statistics to similar sized cities and counties. |
| Paid Media | Advertising (print, TV, radio, display, promoted or sponsored social media) that is disseminated by the media for a fee. |
| Performance Measures | The goals and objectives that describe what the grantee will accomplish by implementing the traffic safety grant program (goals) and the tasks or activities that will be performed in support of the goals. |
| Personnel Activity Report (PAR) | Employee-maintained timesheet or log used to account for all time spent on federal and non-federal grants and other programs. |
| Pre-Operational Review | A meeting held during the first 90 days after the start of the OTS grant to review the grant program manual and grant requirements. |

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| Primary Contact | Main point of contact for the grantee during the duration of the grant agreement. |
| Program Area Review Team | The OTS Program Coordinators assigned to a program area to evaluate applications. Each team includes a program area expert. |
| Project | Activities proposed or implemented by the OTS to address highway safety problems falling within one or more program areas. |
| Public Information & Education | Includes educational and promotional materials, advertising, and public relations activities. |
| Public Service Announcement (PSA) | A message, in the public interest, disseminated at no cost by the media to raise awareness and change public attitudes and behavior about a social issue. |
| Quarterly Performance Report | Prepared by the grantee describing tasks, activities and equipment purchases that were made in support of the goals, objectives, and objective data points in the grant. |
| Reimbursement Claim Report | A report that details the reimbursable expenditures the grantee incurred in support of approved grant activities undertaken to accomplish grant objectives. |
| Single Audit | Rigorous, organization-wide examination of an agency that expends federal funds in the amount of \$1,000,000 or more of all federal funds received annually. |
| Strategic Highway Safety Plan (SHSP) | A statewide-coordinated safety plan that provides a comprehensive framework for reducing highway fatalities and serious injuries on all public roads through implementation of the Safe Systems Approach. |
| Supporting Documentation | Reports, invoices, timesheets, and other documents a grantee submits to the OTS to support a claim for reimbursement. |
| System for Award Management (SAM) | A 12-digit alpha-numeric unique entity identifier to detect different divisions of companies and provide easy reference for those seeking information. |

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| Traffic Records System | Six core data systems, comprised of crash, driver, vehicle, roadway, citation and adjudication, and injury surveillance data. |
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Section 12.02: Acronym Table

Listed below is the table of acronyms.

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| 3HSP | Triennial Highway Safety Plan |
| AGA | Annual Grant Application |
| AR | Annual Report |
| CFR | Code of Federal Regulations |
| CFDA | Catalogue of Federal Domestic Assistance |
| FAIN | Federal Award Identification Number |
| FARS | Federal Fatality Analysis Reporting System |
| FFATA | Federal Funding Accountability and Transparency Act |
| FHWA | Federal Highway Administration |
| GHSA | Governors Highway Safety Association |
| GPM | Grant Program Manual |
| GR | Governor's Highway Safety Representative |
| GTS | Federal Grants Tracking System |
| HSIP | Highway Safety Improvement Program |
| IIJA | Infrastructure and Investment Jobs Act |
| OTS | Office of Traffic Safety |
| LEL | Law Enforcement Liaison |
| NHTSA | National Highway Traffic Safety Administration |
| OMB | Federal Office of Management and Budget |
| PP&E | Public Participation and Engagement |
| PPM | Policy and Procedure Manual |
| SHSP | Strategic Highway Safety Plan |
| UEI | Unique Entity Identification |
| USDOT | United States Department of Transportation |

APPENDIX "A" – CERTIFICATIONS AND ASSURANCES

The Governor's Representative for Highway Safety is the responsible official for the administration of the State highway safety program through a State highway safety agency that has adequate powers and is suitably equipped and organized (as evidenced by appropriate oversight procedures governing such areas as procurement, financial administration, and the use, management, and disposition of equipment) to carry out the program.

Each fiscal year the State of California must sign a [Certifications and Assurances](#) document that it complies with all Federal requirements including applicable statutes and regulations that are in effect during the grant period. These Certifications and Assurances are submitted in the Annual Grant Application in support of the State's application for Sections 1906, 402, and 405 grants and *these requirements also apply to grantees.*

The officials named on the grant agreement certify by way of signature on the grant agreement signature page, that the Grantee's Agency complies with all applicable Federal statutes, regulations, and directives and State rules, guidelines, policies and laws in effect with respect to the periods for which it receives grant funding.

APPENDIX "B" – [MANDATORY DISCLOSURES](#)

The grantee must disclose, in a timely manner, all violations of Federal criminal law involving fraud, bribery, or gratuity violations potentially affecting the grant award to System for Award Management or [SAM](#). Failure to make required disclosures can result in [remedial action](#), including:

- Temporarily withholding of payments until the recipient or subrecipient takes corrective action.
- Disallowing costs for all or part of the activity associated with the noncompliance of the recipient or subrecipient.
- Suspending or terminating the grant in part or in its entirety.
- Initiation of suspension or debarment proceedings.
- Withhold further Federal funds (new awards or continuation funding) for the project or program.
- Pursue other legally available remedies.

General Reporting Requirement

If the total value of your currently active grants, cooperative agreements, and procurement contracts from all Federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this Federal award, then you as the recipient during that period of time must maintain the currency of information reported to the SAM.

Proceedings About Which You Must Report

The Grantee must submit the information required about each proceeding that:

- Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the Federal Government
- Reached its final disposition during the most recent five-year period; and is one of the following:
 - A criminal proceeding that resulted in a conviction, as defined in paragraph 5 of this award term and condition

- A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more
- An administrative proceeding that resulted in a finding of fault and liability and payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000

Reporting Procedures

Enter in the SAM Entity Management area the information that SAM requires about each proceeding described above. You do not need to submit the information a second time under assistance awards that you received if you already provided the information through SAM because you were required to do so under Federal procurement contracts that you were awarded.

Reporting Frequency

During any period of time when you are subject to the reporting requirement of this grant, you must report proceedings information through SAM for the most recent five year period, either to report new information about any proceeding(s) that you have not reported previously or affirm that there is no new information to report. Grantees that have Federal contract, grant, and cooperative agreement awards with a cumulative total value greater than \$10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.

APPENDIX “C” – LAW ENFORCEMENT AGENCIES

Prohibition on Using Grant Funds to Check For Helmet Usage

Grantees will not use grant funds for programs to check helmet usage or to create check points that specifically target motorcyclists.

Vehicle Pursuits

The State actively encourages all relevant law enforcement agencies in the State to follow the guidelines established for vehicular pursuits issued by the International Association of Chiefs of Police that are currently in effect.

Use of Funds

Traffic enforcement personnel and any equipment funded under this grant agreement shall be dedicated solely to grant supported enforcement tasks unless a criminal offense is committed in the officer's presence or a response to an officer in distress is initiated. Nothing in the grant agreement shall be interpreted as a requirement, formal or informal, that a particular police officer issue a specified or predetermined number of citations in pursuance of the goals and objectives hereunder.

APPENDIX “D” – GENERAL TERMS AND CONDITIONS INCLUDING STATE CERTIFICATIONS

The [general terms and conditions including state certifications](#), when applicable, are incorporated by reference and made a part of, but not necessarily limited to, the following documents: grant agreements, subgrants, contracts, subcontracts, interagency agreements, invitations for bid, and requests for proposal for goods or services for which the Office of Traffic Safety (OTS) grant funding reimbursement is requested. It is understood and agreed by the grantee that grant funds received as a result of this grant agreement are subject to all applicable federal and state regulations, rules, guidelines, policies and laws and to the following applicable controls, terms and consideration expressed in the OTS Grant Program Manual (GPM).